WITZENBERG

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Notice is hereby given in terms of Section 29(2) of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998) as amended, that an **Ordinary Council meeting** of the Witzenberg Municipality will be held in the **Council Chambers, John Steyn Library, Owen Street, Ceres** on **Tuesday, 31 March 2026** at **10:00**.	Kennis word hiermee gegee ingevolge Artikel 29(2) van die Plaaslike Regering: Munisipale Strukture Wet, 1998 (Wet 117 van 1998) soos gewysig, dat 'n **Gewone Raadsvergadering** van die Munisipaliteit Witzenberg gehou sal word op **Dinsdag, 31 Maart 2026** om **10:00** in die **Raadsaal, John Steyn Biblioteek, Owenstraat, Ceres**.

Councillors and officials / Raadslede en amptenare		
Councillor TE Abrahams (Executive Mayor)	Alderman K Adams	Councillor WJ Alexander
Councillor P Daniels	Councillor S de Bruin	Councillor GJ Franse
Councillor JP Fredericks	Councillor AL Gili	Councillor GG Laban
Councillor JS Mouton	Councillor MJ Ndaba	Councillor JF Nel (Executive Deputy Mayor)
Councillor N Nogcinisa	Councillor N Phatsoane	Councillor KA Robyn
Councillor J Rooi	Alderman HJ Smit	Alderman D Swart
Councillor IL Swartz	Alderman JJ Visagie	Councillor K Yisa
Councillor J Zalie		
Municipal Manager	Director: Finance	Director: Community Services
Director: Technical Services	Director: Corporate Services	Deputy Director: Finance
Chief Internal Audit Executive	Manager: Projects and Performance	Acting Manager: Administration
Manager: IDP	Senior Manager: Legal Services	Manager: Communication and Marketing
Intern: Administration		

Agenda: Council meeting 31 March 2026
Agenda: Raadsvergadering 31 Maart 2026

FOR INFORMATION / TER INLIGTING

Agenda pack		
Chairperson: IMATU (Mr Loyiso Ntsanga)	Chairperson: SAMWU (Mr Christo Apollis)	
Bella Vista Library	John Steyn Library	Rietvallei Library
Montana Library, Wolseley	Wolseley Library	Tulbagh Library
Witzenville Library Tulbagh	Op-die-Berg Library	Prince Alfred's Hamlet Library

By e-mail		
Alderlady MC du Toit E-mail: marina@destraadt.co.za	Alderlady JT Phungula E-mail: thembisaphungula@gmail.com	Alderman JW Schuurman E-mail: jws1350@gmailcom
Ceres Business Initiative Mr M de Villiers E-mail: manager@cerescbi.co.za		

ALDERLADY EM SIDEGO
SPEAKER

24 · 03 · 26

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2. LEAVE OF ABSENCE AND CONFIDENTIALITY AND CONFLICT OF INTEREST DECLARATION

2.1 Consideration of application for leave of absence, if any
Aansoeke om verlof tot afwesigheid, indien enige
(3/1/2/1)

An *Application for leave of absence* form is attached as **annexure 2.1**.

NOTED

2.2 Confidentiality and Conflict of Interest Declaration
Vertroulikheid en Botsing van Belange Verklaring
(3/2/1)

The Confidentiality and Conflict of Interest Declaration is attached as **annexure 2.2**.

NOTED

2.3 Consideration of application for leave of absence: Council meeting 30 July 2025
Aansoeke om verlof tot afwesigheid: Raadsvergadering 30 Julie 2025
(3/1/2/1)

Council resolved on 30 July 2025 that the applications for leave of absence from the meeting, received from Councillors GG Laban; N Phatsoane and K Yisa, be held in abeyance until the next Council meeting for the submission and consideration of the written applications for leave of absence.

Council unanimously resolved on 29 October 2025 that the applications for leave of absence from the meeting, received from Councillors GG Laban; N Phatsoane and K Yisa, be held in abeyance for investigation.

RECOMMENDED

For consideration.

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**2.4 Consideration of application for leave of absence: Special Council meeting 27 August 2025: Councillor J Zalie
Aansoek om verlof tot afwesigheid: Spesiale Raadsvergadering 27 Augustus 2025: Raadslid J Zalie
(3/1/2/1)**

A verbal application for leave of absence from the meeting was received from Councillor J Zalie.

Council resolved on 27 August 2025 that the application for leave of absence from the meeting, received from Councillor J Zalie, be held in abeyance until the next Council meeting for the submission and consideration of the written application for leave of absence.

Council unanimously resolved on 29 October 2025 that the application for leave of absence, received from Councillor J Zalie for the Special Council meeting held on 27 August 2025, be held in abeyance for further investigation.

RECOMMENDED

For consideration.

**2.5 Consideration of application for leave of absence: Ad hoc Committee for Unauthorised Expenditure 11 September 2025: Alderman D Swart
(3/1/2/1)**

A verbal application for leave of absence from the meeting was received from Alderman D Swart.

The Ad hoc Committee for Unauthorised Expenditure resolved on 11 September 2025 that the application for leave of absence from the meeting, received from Alderman D Swart, be held in abeyance until the next meeting for the submission and consideration of the written application for leave of absence.

A written application for leave of absence from Alderman D Swart, dated 11 September 2025, is attached as **annexure 2.5**.

RECOMMENDED

For consideration.

2.6 Consideration of application for leave of absence: Council meeting 11 December 2025: Councillor IL Swartz (3/1/2/1)

A verbal application for leave of absence from the meeting was received from Councillor IL Swartz.

Council resolved on 11 December 2025 that the verbal application for leave of absence from the meeting, received from Councillor IL Swartz, be held in abeyance pending the submission of the written application for leave of absence.

A written application for leave of absence from Councillor Swartz, dated 12 December 2025, is attached as **annexure 2.6**.

RECOMMENDED

For consideration.

3. STATEMENTS, ANNOUNCEMENT OR MATTERS RAISED MEDEDELINGS, AANKONDIGINGS OF SAKE GEOPPER

3.1 Gratitude, Congratulations and Commiseration Waardering, Gelukwensinge en Meelewing (11/4/3)

Council's congratulations are conveyed to the following Councillors on their birthdays:

- Councillor MJ Ndaba 3 March
- Councillor G Laban 19 March
- Councillor S de Bruin 30 March

NOTED

3.2 Matters raised by the Speaker / Sake deur die Speaker geopper (9/1/1)

3.3 Matters raised by the Executive Mayor Sake deur die Uitvoerende Burgemeester geopper (9/1/1)

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3.4 Matters raised by the Municipal Manager
Sake deur die Munisipale Bestuurder geopper

4. MINUTES / NOTULES

4.1 Corrections to the minutes / Regstelling van notule

For consideration of any corrections to the minutes.
Ter oorweging van enige regstelling van die notule.

NOTED / AANGETEKEN

4.2 Matters arising from the minutes / Sake voortspruitend uit notule

4.3 Approval of minutes / Goedkeuring van notule

The minutes of the Council meeting, held on 25 February 2026 are attached as **annexure 4.3**.

RECOMMENDED

that the minutes of the Council meeting, held on 25 February 2026, be approved and signed by the Speaker.

AANBEVEEL

dat die notule van die Raadsvergadering, gehou op 25 Februarie 2026, goedgekeur en deur die Speaker onderteken word.

4.4 Outstanding matters / Uitstaande sake
(3/3/2)

Number	**File ref.**	**Item no. and date**	**Subject**	**Resolution**	**Respon-sibility**	**Target date**
4.4.1	15/4/P	8.2.1 of 28-01-2026	Draft Witzenberg SDF 2025 - 2030	That a Public Participation Process be embarked upon to obtain the community's inputs for further consideration by Council and final adoption.	Technical Services	

Number	File ref.	Item no. and date	Subject	Resolution	Respon-sibility	Target date
4.4.2	17/7/2/2	11.1 of 25-02-2026	Fire at Skoonvlei, Ceres	The matter will be reported on as soon as there is no further prejudice for Council.		
4.4.3	7/1/4/1	8.3.2 of 25-02-2026	Availing and lease of land for Dunlop Business in a Box Initiative	That the matter be held in abeyance to clarify further processes.		
4.4.4	1/3/1/25	8.4.1 of 26-02-2026	By-law: Rules of Order	That the matter be held in abeyance for further amendments after promulgation of the amended Structures Act.		

RECOMMENDED

that notice be taken of the outstanding matters.

AANBEVEEL

dat kennis geneem word van die uitstaande sake.

5. MOTIONS AND NOTICE OF SUGGESTIONS
MOSIES EN KENNISGEWING VAN VOORSTELLE

6. INTERVIEWS WITH DELEGATIONS
ONDERHOUDE MET AFVAARDIGINGS

7. DELEGATED POWERS / GEDELEGEERDE BEVOEGDHEDE

7.1 Minutes: Committee meetings / Notules: Komiteevergaderings (3/3/2)

The minutes of the following meetings are attached:

(a) Committee for Local Economic Development and Tourism, held on 16 October 2025: **Annexure 7.1(a)**.

(b) Committee for Corporate and Financial Services, held on 11 November 2025: **Annexure 7.1(b)**.

(c) Committee for Community Development, held on 13 November 2025: **Annexure 7.1(c)**.

(d) Committee for Housing Matters, held on 18 November 2025: **Annexure 7.1(d)**.

(e) Special Committee for Housing Matters, held on 1 December 2025: **Annexure 7.1(e)**.

(f) Mayoral Committee, held on 5 December 2025: **Annexure 7.1(f)**.

(g) Mayoral Committee, held on 26 January 2026: **Annexure 7.1(g)**.

RECOMMENDED

that notice be taken of the minutes of the Committee meetings and same be accepted.

AANBEVEEL

dat kennis geneem word van die notules van die Komiteevergaderings en genoemde aanvaar word.

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8. RESERVED POWERS / GERESERVEERDE BEVOEGDHEDE

8.1 Directorate Finance / Direktoraat Finansies

8.1.1 Section 71 Monthly Budget Statement Report of Directorate Finance: February 2026
Artikel 71 Maandelikse Begrotingsverslag van Direktoraat Finansies: Februarie 2026
(9/1/2/2)

The Section 71 Monthly Budget Statement Report of the Directorate Finance for February 2026 is attached as **annexure 8.1.1**.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

(a) that notice be taken of the Section 71 Monthly Budget Statement Report of the Directorate Finance for February 2026.

(b) that the Section 71 Monthly Budget Statement Report of the Directorate Finance for February 2026 be referred to the Portfolio Committee for Corporate and Financial Services, the Performance, Risk and Audit Committee and the Municipal Public Accounts Committee to take notice or to advise Council if deemed necessary.

8.1.2 Finance: Draft Budget 2026/2027, Draft Review of IDP 2026/2027 and Draft Top Layer SDBIP 2026/2027
(5/1/1/25; 2/2/1 & 5/1/5/19)

Memorandum from the Director: Finance, dated 18 March 2026:

"1. Purpose

The purpose of this report is to table the Draft Budget 2026/2027, Draft Review of the IDP 2026/2027 and Draft Top Layer SDBIP 2026/2027 to the Executive Mayor and Council.

2. Legal framework

Section 16 to 18 of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) stipulates as follows:

'Annual budgets

16. (1) The Council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year.

(2) In order for a municipality to comply with subsection (1), the Mayor of the municipality must table the annual budget at a Council meeting at least 90 days before the start of the budget year.

(3) Subsection (1) does not preclude the appropriation of money for capital expenditure for a period not exceeding three financial years, provided a separate appropriation is made for each of those financial years.

Contents of annual budgets and supporting documents

17. (1) An annual budget of a municipality must be a schedule in the prescribed format –

(a) setting out realistically anticipated revenue for the budget year from each revenue source.

(b) appropriating expenditure for the budget year under the different votes of the municipality.

(c) setting out indicative revenue per revenue source and projected expenditure by vote for the two financial years following the budget year.

(d) setting out –

(i) estimated revenue and expenditure by vote for the current year and

(ii) actual revenue and expenditure by vote for the financial year preceding the current year and

(e) a statement containing any other information required by Section 215(3) of the Constitution or as may be prescribed.

(2) An annual budget must generally be divided into a capital and an operating budget in accordance with international best practice, as may be prescribed.

(3) When an annual budget is tabled in terms of Section 16(2) it must be accompanied by the following documents:

(a) Draft resolutions –

(i) approving the budget of the municipality.

(ii) imposing any municipal tax and setting any municipal tariffs as may be required for the budget year.

(iii) approving the budgets for the relevant financial year of each municipal entity under the sole or shared control of the municipality and

(iv) approving any other matter that may be prescribed.

(b) Measurable performance objectives for each vote in the budget, taking into account the municipality's integrated development plan.

(c) A projection of cash flow for the budget year by revenue source, broken down per month.

(d) Any proposed amendments to the municipality's Integrated Development Plan following the annual review of the Integrated Development Plan in terms of Section 34 of the Municipal Systems Act.

(e) Any proposed amendments to the budget-related policies of the municipality.

(f) Particulars of the municipality's investments.

(g) Any prescribed budget information on municipal entities under the sole or shared control of the municipality.

(h) Particulars of all proposed new municipal entities which the municipality intends to establish or in which the municipality intends to participate.

(i) Particulars of any proposed service delivery agreements, including material amendments to existing service delivery agreements.

(j) Particulars of any proposed allocations or grants by the municipality to –

(i) other municipalities.

(ii) any municipal entities and other external mechanisms assisting the municipality in the exercise of its functions or powers.

(iii) any other organs of state.

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(iv) any organisations or bodies referred to in Section 67(1).

(k) The proposed cost to the municipality for the budget year of the salary, allowances and benefits of –

(i) each political office-bearer of the municipality.

(ii) Councillors of the municipality and

(iii) the Municipal Manager, the Chief Financial Officer, each Senior Manager of the municipality and any other official of the municipality at a remuneration package at least equal to that of a Senior Manager.

(l) The proposed cost for the budget year to a municipal entity under the sole or shared control of the municipality of the salary, allowances and benefits of –

(i) each member of the entity's board of directors and

(ii) the Chief Executive Officer and each Senior Manager of the entity.

(m) any other supporting documentation as may be prescribed.

Funding of expenditures

18. (1) An annual budget may only be funded from –

(a) realistically anticipated revenues to be collected.

(b) cash-backed accumulated funds from previous years' surpluses not committed for other purposes and

(c) borrowed funds, but only for the capital budget referred to in Section 17 (2).

(2) Revenue projections in the budget must be realistic, taking into account –

(a) projected revenue for the current year based on collection levels to date and

(b) actual revenue collected in previous financial years.'

3. NERSA requirements

The National Energy Regulator of South Africa (NERSA) requires that Council 'approves' the electricity tariffs before submitting same to them on 31 March 2026.

4. Tabling

The National Minister of Finance tabled the national budget on 22 February 2026 in parliament.

The following documents will be distributed at the Council workshop:

(a) Draft Top Layer SDBIP for 2026/2027: **Annexure 8.1.2(a)**.

(b) Draft Review of IDP 2026/2027: **Annexure 8.1.2(b)**.

(c) Draft Budget: 2026/2027 – 2028/2029: **Annexure 8.1.2(c)**.

(d) Draft Budget Related Policies: 2026/2027: **Annexure 8.1.2(d)**.

(e) Draft Budget Schedules: 2026/2027 – 2028/2029: **Annexure 8.1.2(e)**."

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

(a) that Council takes notice of the Draft Budget, the Draft Review of the IDP and the Draft Top Layer SDBIP of the Witzenberg Municipality for the financial year 2026/2027 and the indicative budget for the two years 2027/2028 and 2028/2029 that have been tabled by the Executive Mayor in Council.

(b) that the documents be advertised and made available at all libraries and municipal offices of Council.

(c) that public meetings be conducted as per the IDP Public Participation Programme.

(d) that Council approves the electricity tariffs in principle, subject to public participation and NERSA consideration.

8.1.3 AGSA Audit Report: 2024/2025
(5/14/1/20)

The AGSA Audit Report for 2024/2025 is attached as **annexure 8.1.3**.

The Performance, Risk and Audit Committee resolved on 23 January 2026 to recommend to Council that notice be taken of the AGSA Audit Report for 2024/2025.

RECOMMENDED

That the Performance, Risk and Audit Committee recommends to Council:

that notice be taken of the AGSA Audit Report for 2024/2025.

8.1.4 Audited Annual Financial Statements 2024/2025
(5/3/1)

The Audited Annual Financial Statements for 2024/2025 is attached as **annexure 8.1.4**.

The Performance, Risk and Audit Committee resolved on 23 January 2026 to recommend to Council that notice be taken of the Audited Annual Financial Statements for 2024/2025 and, after consideration, same be accepted.

RECOMMENDED

That the Performance, Risk and Audit Committee recommends to Council:

that notice be taken of the Audited Annual Financial Statements for 2024/2025 and, after consideration, same be accepted.

8.1.5 Finance: Unauthorised expenditure: Financial year 2021/2022
(9/1/2/2)

The following documents are attached:

(a) Memorandum from Director: Finance, dated 19 March 2026: **Annexure 8.1.5(a)**.

(b) Email messages from Director: Finance to Provincial Treasury: **Annexure 8.1.5(b)**.

RECOMMENDED

(a) that notice be taken of the updated report relating to unauthorised expenditure.

(b) that notice be taken that the budget for the 2021/2022 financial year was not exceeded and hence there should not have been unauthorised expenditure.

(c) that notice be taken that there is no need for an adjustment budget.

8.2 Directorate Technical Services / Direktoraat Tegniese Dienste

8.2.1 Resubmission: Lease and operation of Material Recovery Facility (MRF): Erf 364/82, Ceres (17/3/2)

A report from the Chief Financial Officer, dated 23 March 2026, is attached as **annexure 8.2.1**.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

(a) that the Council resolution of 31 March 2025 be rescinded.
(b) that the municipality continues to operate the MRF.

8.3 Directorate Community Services / Direktoraat Gemeenskapsdienste

8.3.1 Proposed amendments to Indigent Policy (5/1/1/13)

Report from Director: Finance, dated 19 January 2026:

"1. Purpose

The purpose of this report is to submit proposed amendments to the Indigent Policy for consideration to Council. The Indigent Policy is attached as **annexure 8.3.1**.

2. Legal framework

The qualification criteria for urban households to receive assistance are as follows:

(a) The head of the household must be a South African citizen.

(b) An application on the prescribed form, fully completed with the required information and signed, must be provided.

(c) The household, except in the case of rural households, must receive an account from the Municipality of Witzenberg.

(d) If the municipal account is not in the name of the people residing in the house the following procedures may be followed:

(i) An indigent application process to determine whether the household qualifies for benefits. If they qualify then:

- A letter from the owner, or the executer of the estate, if applicable, authorising the municipality to open a service account in the name of the person residing in the house.
- If the owner has died and an executer has not been appointed, all the children of the deceased must give permission with an affidavit that the account can be opened in the specific person's name.
- In the case of municipal property, the Housing Committee will determine the lessee.

(ii) In exceptional circumstances the Municipal Manager can authorise the opening of an account in the name of the person residing on the premises. (When it is not possible to obtain approval from the owner/s or heir/s to open an account in the name of the people residing in the house).

(e) The Municipal Manager is delegated to write off the old debt on the property if the property is transferred into the name of the beneficiary within 24 months after the approval of the indigent application.

(f) No member of the household, except in the case of rural households which resides on the farm where he/she works and is not the owner, may own a fixed property other that the site on which the household resides; and

(g) The household joint gross income may not exceed the level of R6,000.00 per month. The average monthly income for seasonal workers may be calculated by multiplying the monthly income with the number of months the person normally works and dividing the answer by 12. The monthly income for weekly wages may be calculated by multiplying the weekly wage by 4.3.

(h) The household income as per paragraph 6.1.5 may be reduced with the monthly bond expenditure.

(i) Two individual government pension (old age or disability) that exceeds the threshold as per 7.1 may qualify for the 100 % benefit if it is the only household income.

(j) The Municipal Manager may approve a household as indigent in exceptional circumstances.

(k) As a pre-requisite the municipality will install water demand management meters free of charge at indigent properties as a prerequisite to be registered as an indigent and all water leaks on the property will be repaired by the municipality at the cost of the municipality.

(l) No applicants who have a mobile shop in their erven (whether they are the owner or operator of the shop or not) is eligible for any Indigent benefit.

(m) No Indigent application will be approved if any illegal trading is conducted on the property.

(n) Where there is a business operated by the main account holder or their spouse/ life partner, an affidavit must be accompanied stating that the income (profit) from the business is not more than the thresholds of the Indigent (100 % or 50 %) subsidy. Where discretion regarding this matter is needed, the application is to be referred to the Municipal Manager or Director: Community Services for approval.

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3. Discussion

Some of the households in the Eskom area do qualify for indigent support, but they do not apply as they receive the free electricity units from Eskom based on the size of the electricity connection.

The households in informal areas do not receive accounts for municipal services and therefore do not apply for indigent support although they receive municipal services.

The abovementioned households are therefore not included in the official municipal statistics of indigent households."

Council resolved on 28 January 2026:

(a) That the following paragraphs be added to the Indigent Policy:

(i) Paragraph 6.1.5.1: The households on the Eskom list for free electricity units automatically qualify for full indigent benefits.

(ii) Paragraph 6.1.5.2: The households in informal areas qualify for limited indigent benefits which excludes free basic electricity.

(b) That the Indigent Policy will be dealt with at the next Council workshop for amendments to the policy.

The Executive Mayoral Committee resolved on 23 February 2026 to recommend to Council that, after being workshopped, the amended Indigent Policy be approved.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

that, after being workshopped, the amended Indigent Policy be approved.

8.3.2 Notice of motion of exigency: Amendment of By-law pertaining to Swimming Pools and appointment of additional lifeguards at municipal swimming pools (8/1/R & 4/3/3/3)

A notice of motion of exigency from Councillor K Robyn, dated 11 December 2025, is attached as **annexure 8.3.2(a)**.

Council resolved on 25 February 2026 that a report related to the proposals noted in the motion be workshopped and tabled to Council.

A report from the Director: Community Services, dated 17 March 2026, is attached as **annexure 8.3.2(b)**.

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RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

(a) that notice be taken of the notice of motion of exigency and the feedback from the Department Community Development.

(b) that the Department Community Development be given time to do an assessment and the policy be reviewed and amended if necessary.

8.3.3 Review of Witzenberg Policy on Expanded Public Works Programme (EPWP) (4/1/1/P)

Memorandum from Manager: Local Economic Development, dated 17 March 2026:

"**Background**

The current Policy on the Expanded Public Works Programme (2013) is outdated and is in need to be reviewed in order to be aligned with the latest EPWP Phase 5 requirements as well as to address EPWP municipal administration.

Review

The Policy on the Expanded Public Works Programme was extensively reviewed, taking into consideration changing EPWP legislation, internal EPWP arrangements and the current EPWP Phase 5 that must be implemented. Inputs were also received from Senior Management and Managers.

The reviewed Policy on the Expanded Public Works Programme is attached as **annexure 8.3.3**.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

that the reviewed Policy on the Expanded Public Works Programme, after consideration, be approved.

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8.4 Directorate Corporate Services / Direktoraat Korporatiewe Dienste

8.4.1 Proposed lease of Toll House, Michells Pass, Ceres (7/1/4/2)

A report from the Senior Manager: Legal Services, dated 19 March 2026, is attached as **annexure 8.4.1**.

RECOMMENDED

That the Executive Mayoral Committee recommends to Council:

(a) that Council approves the leasing of the Toll House situated in Michells Pass, Ceres to the prospective applicant in principle, subject to the lease being advertised for comment, and objections before the conclusion of a formal lease agreement.

(b) that Council considers the negotiation of a long-term lease agreement of up to 25 years, taking into consideration the significant capital investment required for restoration and development. That the long-term lease agreement be notarised and registered against the Title Deed, and the costs associated therewith shall be for the account of the lessee.

(c) that Council considers a deviation from market-related rental, given the estimated private capital investment of approximately R6 million.

(d) that a sliding scale rental structure be applicable, which may include a nominal rental during the initial restoration phases (year 1 to 5) and then rental equal to at least the insurance premium of the premises, which is covered by the municipality.

(e) that all restoration and development activities must comply with applicable heritage legislation and the requirements of the relevant heritage authority.

(f) that the Municipal Manager be authorised to facilitate the necessary processes and sign the lease agreement.

9. URGENT MATTERS SUBMITTED AFTER DISPATCHING OF THE AGENDA
DRINGENDE SAKE INGEDIEN NA AFSENDING VAN DIE AGENDA

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10. FORMAL AND STATUTORY MATTERS
FORMELE EN STATUTêRE SAKE

10.1 Feedback on matters of outside bodes
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(3/R)

11. QUESTIONS and/or MATTERS RAISED BY COUNCILLORS
VRAE en/of SAKE DEUR RAADSLEDE GEOPPER

12. COUNCIL-in-COMMITTEE / RAAD-in-KOMITEE

These items are dealt with in the confidential agenda.

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2.5

Verwysing / Reference: 3/1/2/1/

MUNISIPALITEIT WITZENBERG MUNICIPALITY

AANSOEK OM VERLOF TOT AFWESIGHEID / APPLICATION FOR LEAVE OF ABSENCE

(Moet by kantoor van Munisipale Bestuurder ingedien word voor aanvang van vergadering / Must be handed in at office of Municipal Manager before commencement of meeting)

Naam van raadslid / Name of councillor: Alderman D. Swart

Ek doen hiermee aansoek om verlof tot afwesigheid van / I hereby apply for leave of absence from:

VERGADERING / WERKSWINKEL / FORUM MEETING / WORKSHOP / FORUM	DATUM / DATE
~~Sec~~ AO HOC VERGAD.	11 - 09 - 2025

Rede vir afwesigheid / Reason for absence:
Sec 80 Com Meeting in
CWDM

MUNICIPALITY WITZENBERG 11 SEP 2025 MUNISIPALITEIT

11/09/2025

DATUM / DATE

HANDTEKENING / SIGNATURE

Verwysing / Reference: 3/1/2/1/

MUNISIPALITEIT WITZENBERG MUNICIPALITY

AANSOEK OM VERLOF TOT AFWESIGHEID / APPLICATION FOR LEAVE OF ABSENCE

(Moet by kantoor van Munisipale Bestuurder ingedien word voor aanvang van vergadering / Must be handed in at office of Municipal Manager before commencement of meeting)

Naam van raadslid / Name of councillor: Isak Swartz

Ek doen hiermee aansoek om verlof tot afwesigheid van / I hereby apply for leave of absence from:

VERGADERING / WERKSWINKEL / FORUM MEETING / WORKSHOP / FORUM	DATUM / DATE
Raadsvergadering	11/12/2025

Rede vir afwesigheid / Reason for absence:

Opleiding in Mosselbaai

MUNICIPALITY
WITZENBERG
12 DEC 2025
MUNISIPALITEIT

12/12/2025

DATUM / DATE

HANDTEKENING / SIGNATURE

MINUTES OF THE COUNCIL MEETING OF WITZENBERG MUNICIPALITY, HELD IN THE TOWN HALL, VOORTREKKER STREET, CERES ON WEDNESDAY, 25 FEBRUARY 2026 AT 09:00

NOTULE VAN DIE RAADSVERGADERING VAN MUNISIPALITEIT WITZENBERG, GEHOU OP WOENSDAG, 25 FEBRUARIE 2026 OM 09:00 IN DIE STADSAAL, VOORTREKKERSTRAAT, CERES

PRESENT

Councillors

Alderlady EM Sidego (Speaker) (DA)
Councillor TE Abrahams (Executive Mayor) (DA)
Councillor JF Nel (Executive Deputy Mayor) (ICOSA)
Alderman K Adams (DA)
Councillor WJ Alexander (Patriotic Alliance)
Councillor P Daniels (DA)
Councillor S de Bruin (DA)
Councillor GJ Franse (DA)
Councillor JP Fredericks (Freedom Front Plus)
Councillor AL Gili (ANC)
Councillor GG Laban (Witzenberg Aksie)
Councillor JS Mouton (ANC)
Councillor MJ Ndaba (ANC)
Councillor N Nogcinisa (ANC)
Councillor N Phatsoane (ANC)
Councillor KA Robyn (GOOD)
Councillor J Rooi (Witzenberg Party)
Alderman HJ Smit (DA)
Alderman D Swart (DA)
Councillor IL Swartz (EFF)
Alderman JJ Visagie (DA)
Councillor K Yisa (ANC)
Councillor J Zalie (ANC)

Officials

Mr D Nasson (Municipal Manager)
Mr HJ Kritzinger (Director: Finance)
Mr S Swartz (Director: Community Services)
Mr J Steyn (Director: Technical Services)
Mr M Mpeluza (Director: Corporate Services)
Mr J Kolkota (Deputy Director: Finance)
Ms N Oerson (Chief Internal Audit Executive)
Mr A Hofmeester (Manager: IDP)
Ms L Nieuwenhuis (Senior Manager: Legal Services)
Ms R Hendricks (Manager: Communication and Marketing)
Mr R Fick (Manager: Local Economic Development)
Ms M Arendse-Smith (Acting Manager: Administration)

Mr J Pieterse (Senior ICT Officer)
Ms J du Toit (Intern: Administration)

Other attendees

Mr N Coetzer (Work 4 a Living)
Mr A Nel (Work 4 a Living)
Mr M de Villiers (Ceres Business Initiative)

1. OPENING AND WELCOME / OPENING EN VERWELKOMING

The Speaker welcomed everyone present and requested Councillor J Fredericks to open the meeting with prayer.

NOTED

2. LEAVE OF ABSENCE AND CONFIDENTIALITY AND CONFLICT OF INTEREST DECLARATION

2.1 Consideration of application for leave of absence
Aansoeke om verlof tot afwesigheid
(3/1/2/1)

None / Geen

NOTED / AANGETEKEN

2.2 Confidentiality and Conflict of Interest Declaration
Vertroulikheid en Botsing van Belange Verklaring
(3/2/1)

The Confidentiality and Conflict of Interest Declaration is attached as **annexure 2.2**.

No conflict of interest was declared.

NOTED

2.3 Consideration of application for leave of absence: Councillor I Swartz: Council meeting 11 December 2025
(3/1/2/1)

A verbal application for leave of absence from the meeting was received from Councillor I Swartz.

Council unanimously resolved on 11 December 2025 that the verbal application for leave of absence from the meeting, received from Councillor I Swartz, be held in abeyance pending the submission of the written application for leave of absence.

An application for leave of absence from Councillor I Swartz, dated 12 December 2025, is attached as **annexure 2.3**.

UNANIMOUSLY RESOLVED

that the written application for leave of absence, received from Councillor I Swartz for the Council meeting held on 11 December 2025, be approved and accepted.

EENPARIG BESLUIT

dat die skriftelike aansoek om verlof tot afwesigheid, ontvang vanaf raadslid I Swartz vir die Raadsvergadering gehou op 11 Desember 2025, goedgekeur en aanvaar word.

3. STATEMENTS, ANNOUNCEMENT OR MATTERS RAISED MEDEDELINGS, AANKONDIGINGS OF SAKE GEOPPER

3.1 Gratitude, Congratulations and Commiseration Waardering, Gelukwensinge en Meelewing (11/4/3)

Counciller W Alexander, on behalf of Council, conveyed congratulations to the following Councillors and spouses on their birthdays:

- Mr Karel de Bruin — 15 January
- Ms Fowzia Adams — 24 January
- Ms Noluthando Ndaba — 3 February
- Alderlady E Sidego — 16 February
- Ms Aurenthia Daniels — 20 February
- Alderman H Smit — 25 February

NOTED

3.2 Matters raised by the Speaker / Sake deur die Speaker geopper (9/1/1)

The Speaker conveyed the following:

- As of today, the distribution of agendas will be conducted electronically and hard copies will only be provided to Councillors who do not have devices. Councillors without devices are to engage with the Speaker in this regard.

- The Council meeting has been scheduled for earlier today to allow the Executive Mayor to present the Adjustment Budget to Council, as the Executive Mayor will be attending the State of the Province (SOPA) engagement in George.
- Condolences were conveyed to the families within the Witzenberg district who had lost their loved ones and a moment of silence was observed.

NOTED / AANGETEKEN

3.3 Matters raised by the Executive Mayor
Sake deur die Uitvoerende Burgemeester geopper
(9/1/1)

The Executive Mayor conveyed the following:

- Condolences were extended to all the families within Witzenberg who had lost their loved ones.
- Congratulations were conveyed to the individuals and organisations in sports, arts and culture from Witzenberg who were rewarded with certificates for excellence at Cape Winelands Sport Gala.

NOTED / AANGETEKEN

3.4 Matters raised by the Municipal Manager
Sake deur die Munisipale Bestuurder geopper

The Municipal Manager noted the following:

- That after the meeting the Upper limits of salaries resolution will be submitted to the MEC's office for approval.
- The service provider for the Councillors' jackets has been appointed and samples will be distributed for Council's review, after which an order will be made.
- The CANSA Relay will be taking place the weekend of 28 February 2026.

NOTED / AANGETEKEN

Councillor N Phatosoane joined the meeting at 09:24

4. MINUTES / NOTULES

4.1 Corrections to the minutes / Regstelling van notule

None / Geen

NOTED / AANGETEKEN

Councillor M Ndaba joined the meeting at 09:38.

4.2 Matters arising from the minutes / Sake voortspruitend uit notule (3/1/2/3)

The Council requested that a detailed report regarding the cyber attack, which occured at the municipality in January 2026, be included in the agenda of the next Council meeting.

UNANIMOUSLY RESOLVED

that a detailed report from the Chief Administrator: ICT regarding the cyber attack be tabled at the next Council meeting.

EENPARIG BESLUIT

dat 'n gedetailleerde verslag vanaf die Senior Administrateur: Inligting- en Kommunikasietegnologie rakende die kuberaanval by die volgende Raadsvergadering voorgelê word.

4.3 Approval of minutes / Goedkeuring van notule

The following minutes are attached:

(a) Council meeting, held on 11 December 2025: **Annexure 4.3(a)**.
(b) Council meeting, held on 28 January 2026: **Annexure 4.3(b)**.

UNANIMOUSLY RESOLVED

That the following minutes be approved and signed by the Speaker:

(a) Council meeting, held on 11 December 2025.
(b) Council meeting, held on 28 January 2026.

EENPARIG BESLUIT

Dat die volgende notules goedgekeur en deur die Speaker onderteken word:

(a) Raadsvergadering, gehou op 11 Desember 2025.
(b) Raadsvergadering, gehou op 28 Januarie 2026.

5. MOTIONS AND NOTICE OF SUGGESTIONS MOSIES EN KENNISGEWING VAN VOORSTELLE

5.1 Notice of motion of exigency: Amendment of By-law pertaining to Swimming Pools and appointment of additional lifeguards at municipal swimming pools (8/1/R & 4/3/3/3)

A notice of motion of exigency from Councillor K Robyn, dated 11 December 2025, is attached as **annexure 5.1**.

UNANIMOUSLY RESOLVED

(a) that notice be taken of the motion.

(b) that a report related to the proposals noted in the motion be workshoppped and tabled to Council.

EENPARIG BESLUIT

(a) dat kennis geneem word van die mosie.

(b) dat 'n verslag ten opsigte van die voorstelle genoem in die mosie, by 'n werkswinkel bespreek word en daarna aan die Raad voorgelê word.

5.2 Motion: Erf 6179, Sultana Crescent (Ward 3), Ceres (7/1/4/2)

A motion from Alderman D Swart, dated 30 January 2026, is attached as **annexure 5.2**.

UNANIMOUSLY RESOLVED

(a) that notice be taken of the motion.

(b) that a detailed report regarding the future usage of vacant properties in Witzenberg be tabled to Council by the Senior Manager: Legal Services.

EENPARIG BESLUIT

(a) dat kennis geneem word van die mosie.

(b) dat 'n volledige verslag rakende die toekomstige gebruik van oop erwe in Witzenberg deur die Senior Bestuurder: Regsdienste aan die Raad voorgelê word.

6. INTERVIEWS WITH DELEGATIONS
ONDERHOUDE MET AFVAARDIGINGS

6.1 Presentation: Work 4 Living
(17/19/1)

A presentation was made on 16 October 2025 at the meeting of the Committee for LED and Tourism by Work 4 a Living, a non-profit organisation that offers training for the unemployed to become fully equipped to join the workforce or start a business.

The Committee for Local Economic Development and Tourism resolved on 16 October 2025 that a Work 4 a Living presentation be made at the next Council meeting for further deliberations regarding assistance from the municipality.

Council enquired on the following:

- Whether the program is SETA accredited and whether it includes internships placements.
- How does the program accommodate those who do not have sponsorships or unable to afford to participate.

Work 4 a Living representatives responded with the following:

- The organisation is not SETA accredited and does not do internship placements, although there is an intern currently working at Work 4 a Living.
- Work 4 Living will support individuals who are highly interested and where possible, CBI will provide sponsorships. Facilitators will seek additional sponsorships for interested individuals, where possible.

NOTED / AANGETEKEN

7. DELEGATED POWERS / GEDELEGEERDE BEVOEGDHEDE

7.1 Minutes: Committee meetings / Notules: Komiteevergaderings (3/3/2)

The minutes of the following meetings are attached:

(a) Executive Mayoral Committee meeting, held on 28 July 2025: **Annexure 7.1(a)**.

(b) Municipal Public Accounts Committee meeting, held on 4 September 2025: **Annexure 7.1(b)**.

(c) Performance, Risk and Audit Committee meeting, held on 2 October 2025: **Annexure 7.1(c)**.

(d) Executive Mayoral Committee meeting, held on 24 October 2025: **Annexure 7.1(d)**.

UNANIMOUSLY RESOLVED

that notice be taken of the minutes of the Committee meetings and same be accepted.

EENPARIG BESLUIT

dat kennis geneem word van die notules van die Komiteevergaderings en genoemde aanvaar word.

8. RESERVED POWERS / GERESERVEERDE BEVOEGDHEDE

8.1 Directorate Finance / Direktoraat Finansies

8.1.1 Section 71 Monthly Budget Statement Report of Directorate Finance: January 2026
Artikel 71 Maandelikse Begrotingsverslag van Direktoraat Finansies: Januarie 2026
(9/1/2/2)

The Section 71 Monthly Budget Statement Report of the Directorate Finance for January 2026 is attached as **annexure 8.1.1**.

The Executive Mayoral Committee resolved on 23 February 2026 to recommend to Council:

(a) that notice be taken of the Section 71 Monthly Budget Statement Report of the Directorate Finance for January 2026.

(b) that the Section 71 Monthly Budget Statement Report of the Directorate Finance for January 2026 be referred to the Portfolio Committee for Corporate and Financial Services, the Performance, Risk and Audit Committee and the Municipal Public Accounts Committee to take notice or to advise Council if deemed necessary.

UNANIMOUSLY RESOLVED

(a) that notice be taken of the Section 71 Monthly Budget Statement Report of the Directorate Finance for January 2026.

(b) that the Section 71 Monthly Budget Statement Report of the Directorate Finance for January 2026 be referred to the Portfolio Committee for Corporate and Financial Services, the Performance, Risk and Audit Committee and the Municipal Public Accounts Committee to take notice or to advise Council if deemed necessary.

8.1.2 Finance: Adjustment budget and SDBIP Top Layer 2025/2026
(5/1/1/24 & 5/1/5/18)

The following documents are attached:

(a) Memorandum from Director: Finance, dated 13 February 2026: **Annexure 8.1.2(a)**.

(b) Adjustment budget 2025/2026: **Annexure 8.1.2(b)**.

(c) Budget schedules 2025/2026. **Annexure 8.1.2(c)**.

(d) Proposed adjustments: SDBIP Top Layer 2025/2026: **Annexure 8.1.2(d)**.

The Executive Mayoral Committee resolved on 23 February 2026 to recommend to Council:

That the adjustment budget of Witzenberg Municipality for the financial year 2025/2026 as set out in the budget documents be approved:

(i) Table B1 - Budget summary.

(ii) Table B2 Adjustments Budget Financial Performance (by standard classification).

(iii) Table B3 – Budgeted Financial performance (Revenue and Expenditure) by Vote.

(iv) Table B4 Adjustments Budget Financial Performance (revenue by source).

(v) Table B5 – Budgeted Capital Expenditure by Vote, standard classification and funding.

Council enquired on the following:

- Feedback regarding the Nduli library and the 110-Vredebes Housing project.
- Concerns were raised regarding the expenditure on security services and whether there are alternative ways of securing the assets of the municipality to save on the expenses related to security services.
- A comprehensive list of all capital projects from 2021 to present is requested to assess any potential funding shortages and to determine the liquidity of the municipality.
- Feedback requested regarding the funded project by the Department of Land Reform and Rural Department for the upgrading of sewerage pipes in Nduli.

The Executive Mayor and Municipal Manager responded with the following:

- All grant funding must be spent within the financial year and that the Adjustment budget will not affect the Nduli Library and 110-Vredebes housing project. Furthermore, the service provider for the building of the Nduli library will be appointed soon.
- The delay concerning the 110-Vredebes housing project was due to the Provincial Department of Infrastructure not providing the funding. Furthermore, it was stipulated that beneficiaries must be allocated prior to the commencement of construction.
- If additional funds are required for security services, provision will be made in the adjustment budget.

- The capital funding in the adjustment budget makes provision for the purchase of property for a cemetery and sport field in Op-die-Berg, as per Council resolution as well as the purchase of an office building. The capital projects will be discussed when the full budget is tabled.
- The tender for the upgrading of sewerage pipes was re-advertised and is a Department of Land Reform and Rural Development Supply Chain process. Information on the project will be provided to Council at the next meeting.

UNANIMOUSLY RESOLVED

That the adjustment budget of Witzenberg Municipality for the financial year 2025/2026 as set out in the budget documents be approved:

(i) Table B1 - Budget summary.

(ii) Table B2 Adjustments Budget Financial Performance (by standard classification).

(iii) Table B3 – Budgeted Financial performance (Revenue and Expenditure) by Vote.

(iv) Table B4 Adjustments Budget Financial Performance (revenue by source).

(v) Table B5 – Budgeted Capital Expenditure by Vote, standard classification and funding.

The Deputy Executive Mayor was excused from the meeting at 10:00.

Councillor I Swartz joined the meeting at 10:05.

8.1.3 Appointment of Chairperson: Performance, Risk and Audit Committee
(5/14/4)

A memorandum from the Chief Internal Audit Executive, dated 12 February 2026, is attached as **annexure 8.1.3**.

The Executive Mayoral Committee resolved on 23 February 2026 to recommend to Council that the appointment of Mr JJ Swarts as the Chairperson of the Performance, Risk and Audit Committee for the period 1 February 2026 until 31 January 2029 be approved.

UNANIMOUSLY RESOLVED

(a) that the appointment of Mr JJ Swarts as the Chairperson of the Performance, Risk and Audit Committee for the period 1 February 2026 until 31 January 2029 be approved.

(b) *that Council be invited to the next meeting of the Performance, Risk and Audit Committee to meet the committee members.*

EENPARIG BESLUIT

(a) *dat die aanstelling van mnr. JJ Swarts as die Voorsitter van die Prestasie-, Risiko- en Ouditkomitee vir die tydperk 1 Februarie 2026 tot 31 Januarie 2029 goedgekeur word.*

(b) *dat die Raad na die volgende vergadering van die Prestasie-, Risiko- en Ouditkomitee uitgenooi word om die komiteelede te ontmoet.*

8.1.4 Report of Performance, Risk and Audit Committee: July until December 2025 (5/14/4)

The report of the Performance, Risk and Audit Committee for the period July until December 2025 is attached as **annexure 8.1.4**.

The Performance, Risk and Audit Committee resolved on 23 January 2026 to recommend to Council that the report of the Performance, Risk and Audit Committee for the period 1 July 2025 to 31 December 2025, after consideration, be accepted.

UNANIMOUSLY RESOLVED

that the report of the Performance, Risk and Audit Committee for the period 1 July 2025 to 31 December 2025 be accepted.

EENPARIG BESLUIT

dat die verslag van die Prestasie-, Risiko- en Ouditkomitee vir die tydperk 1 Julie 2025 tot 31 Desember 2025 aanvaar word.

8.1.5 Annual report of Performance, Risk and Audit Committee to Council: 2024/2025 (5/14/4)

The annual report of the Performance, Risk and Audit Committee for the financial year 2024/2025 is attached as **annexure 8.1.5**.

The Performance, Risk and Audit Committee resolved on 23 January 2026 that the Performance, Risk and Audit Committee submits the signed report to the Municipal Manager for attachment to the final Annual Report of 2024/2025.

UNANIMOUSLY RESOLVED

that notice be taken of the annual report of the Performance, Risk and Audit Committee for the financial year 2024/2025.

EENPARIG BESLUIT

dat kennis geneem word van die jaarverslag van die Prestasie-, Risiko- en Ouditkomitee vir die finansiële jaar 2024/2025.

8.2 Directorate Technical Services / Direktoraat Tegniese Dienste

8.2.1 Draft Witzenberg Municipality Electrical Supply By-law (1/3/1/10)

The following documents are attached:

(a) Memorandum from Director: Technical Services, dated 15 January 2026: **Annexure 8.2.1(a)**.

(b) Draft Electrical Supply By-law: **Annexure 8.2.1(b)**.

The Committee for Technical Services resolved on 10 February 2026 that the Draft Witzenberg Municipality Electrical Supply By-law be workshopped by Council and thereafter be tabled to Council for consideration.

The Executive Mayoral Committee resolved on 23 February 2026 to recommend to Council:

(a) that, after being workshopped, Council approves the Municipal Electrical Supply By-law as tabled.

(b) that Council authorises the Municipal Manager to:

(i) Publish the by-law as required by the Municipal Systems Act (Section 13).

(ii) Engage with relevant municipal departments (Legal, Technical, Finance, Communications) to implement.

(c) that Council directs the Department Electrical Services to:

(i) Roll out a public information campaign.

(ii) Train staff on new standards and compliance protocols.

(iii) Monitor and report annually on bylaw enforcement outcomes and performance metrics.

UNANIMOUSLY RESOLVED

(a) that Council approves the Draft Municipal Electrical Supply By-law as tabled.

(b) that a Public Participation Process be embarked upon and after public inputs have been obtained, the matter be referred back to Council for further consideration.

8.3 Directorate Community Services / Direktoraat Gemeenskapsdienste

8.3.1 Proposed amendments to Indigent Policy (5/1/1/13)

Report from Director: Finance, dated 19 January 2026:

"1. Purpose

The purpose of this report is to submit proposed amendments to the Indigent Policy for consideration to Council. The Indigent Policy is attached as **annexure 8.3.1**.

2. Legal framework

The qualification criteria for urban households to receive assistance are as follows:

(a) The head of the household must be a South African citizen.

(b) An application on the prescribed form, fully completed with the required information and signed, must be provided.

(c) The household, except in the case of rural households, must receive an account from the Municipality of Witzenberg.

(d) If the municipal account is not in the name of the people residing in the house the following procedures may be followed:

(i) An indigent application process to determine whether the household qualifies for benefits. If they qualify then:

- A letter from the owner, or the executer of the estate, if applicable, authorising the municipality to open a service account in the name of the person residing in the house.
- If the owner has died and an executer has not been appointed, all the children of the deceased must give permission with an affidavit that the account can be opened in the specific person's name.
- In the case of municipal property, the Housing Committee will determine the lessee.

(ii) In exceptional circumstances the Municipal Manager can authorise the opening of an account in the name of the person residing on the premises. (When it is not possible to obtain approval from the owner/s or heir/s to open an account in the name of the people residing in the house).

(e) The Municipal Manager is delegated to write off the old debt on the property if the property is transferred into the name of the beneficiary within 24 months after the approval of the indigent application.

(f) No member of the household, except in the case of rural households which resides on the farm where he/she works and is not the owner, may own a fixed property other that the site on which the household resides; and

(g) The household joint gross income may not exceed the level of R6,000.00 per month. The average monthly income for seasonal workers may be calculated by multiplying the monthly income with the number of months the person normally works and dividing the answer by 12. The monthly income for weekly wages may be calculated by multiplying the weekly wage by 4.3.

(h) The household income as per paragraph 6.1.5 may be reduced with the monthly bond expenditure.

(i) Two individual government pension (old age or disability) that exceeds the threshold as per 7.1 may qualify for the 100 % benefit if it is the only household income.

(j) The Municipal Manager may approve a household as indigent in exceptional circumstances.

(k) As a pre-requisite the municipality will install water demand management meters free of charge at indigent properties as a prerequisite to be registered as an indigent and all water leaks on the property will be repaired by the municipality at the cost of the municipality.

(l) No applicants who have a mobile shop in their erven (whether they are the owner or operator of the shop or not) is eligible for any Indigent benefit.

(m) No Indigent application will be approved if any illegal trading is conducted on the property.

(n) Where there is a business operated by the main account holder or their spouse/ life partner, an affidavit must be accompanied stating that the income (profit) from the business is not more than the thresholds of the Indigent (100 % or 50 %) subsidy. Where discretion regarding this matter is needed, the application is to be referred to the Municipal Manager or Director: Community Services for approval.

3. Discussion

Some of the households in the Eskom area do qualify for indigent support, but they do not apply as they receive the free electricity units from Eskom based on the size of the electricity connection.

The households in informal areas do not receive accounts for municipal services and therefore do not apply for indigent support although they receive municipal services.

The abovementioned households are therefore not included in the official municipal statistics of indigent households."

Council resolved on 28 January 2026:

(a) That the following paragraphs be added to the Indigent Policy:

(i) Paragraph 6.1.5.1: The households on the Eskom list for free electricity units automatically qualify for full indigent benefits.

(ii) Paragraph 6.1.5.2: The households in informal areas qualify for limited indigent benefits which excludes free basic electricity.

(b) That the Indigent Policy will be dealt with at the next Council workshop for amendments to the policy.

The Executive Mayoral Committee resolved on 23 February 2026 to recommend to Council that, after being workshopped, the amended Indigent Policy be approved.

UNANIMOUSLY RESOLVED

that the approval of the amended Indigent Policy be held in abeyance until the next Council meeting.

EENPARIG BESLUIT

dat die goedkeuring van die gewysigde Deernisbeleid oorstaan tot die volgende Raadsvergadering.

8.3.2 Availing and lease of land for Dunlop Business in a Box Initiative: Erf 389 Tulbagh, erf 1640 Wolseley and portion of erf 5958, Nduli, Ceres
(7/1/4/1)

A memorandum from the Manager: Local Economic Development, dated 12 January 2026, is attached as **annexure 8.3.2**.

The Executive Mayoral Committee resolved on 23 February 2026 that the matter be held in abeyance to clarify further processes.

UNANIMOUSLY RESOLVED

that the matter be held in abeyance to clarify further processes.

EENPARIG BESLUIT

dat die aangeleentheid oorstaan om verdere prosesse uit te klaar.

8.4 Directorate Corporate Services / Direktoraat Korporatiewe Dienste

8.4.1 By-law: Rules of Order for meetings of Witzenberg Council (1/3/1/25)

The By-law on the Rules of Order for meetings of the Witzenberg Council and its Committees is attached as **annexure 8.4.1**.

The Executive Mayoral Committee resolved on 23 February 2026 that, after being workshopped, the By-law on the Rules of Order for meetings of the Witzenberg Council be approved.

UNANIMOUSLY RESOLVED

that the By-law on the Rules of Order for meetings of the Witzenberg Council be held in abeyance for further amendments after the promulgation of the amended Structures Act.

9. URGENT MATTERS SUBMITTED AFTER DISPATCHING OF THE AGENDA DRINGENDE SAKE INGEDIEN NA AFSENDING VAN DIE AGENDA

9.1 Determination of upper limits of salaries, allowance and benefits of Councillors according to Government Gazette no. 54179 (5/11/1)

The following documents are attached:

(a) Report from Director: Finance, dated 23 February 2026: **Annexure 9.1(a)**.

(b) Government Gazette no. 54179 of 20 February 2026: **Annexure 9.1(b)**.

UNANIMOUSLY RESOLVED

That in respect of the determination of upper limits of salaries, allowances and benefits of different members of municipal Councils:

(i) that Council notes the content of Government Gazette no. 54179.

(ii) that sufficient funds are available to set the upward salary adjustment of Councillors with effect from 1 July 2025.

(iii) that Council approves that Councillors be remunerated at the maximum allowances as per Government Gazette no. 54179.

(iv) *that Council approves the cell phone allowances for Councillors as determined in Government Gazette no. 54179 in the amount of R3 600.00 per month.*

(v) *that Council approves the data allowances for Councillors as determined in Government Gazette no. 54179 in the amount of R317.00 per month.*

(vi) *that those Councillors who assumed office before 30 June 2023 be remunerated according to a Grade 4 municipality, as per Government Gazette No 54179 dated 20 February 2026, as soon as the concurrence of the Provincial Minister for Local Government is obtained.*

(vii) *that those Councillors who assumed office after 30 June 2023 be remunerated according to a Grade 3 municipality, as per Government Gazette No 54179 dated 20 February 2026, as soon as the concurrence of the Provincial Minister for Local Government is obtained.*

(viii) *that the increase of total remuneration be approved retrospectively from 1 July 2025 subject to the concurrence of the Provincial Minister for Local Government.*

(ix) *that the Provincial Minister for Local Government notes that Council have not implemented the latest upward allowance yet.*

10. FORMAL AND STATUTORY MATTERS
FORMELE EN STATUTêRE SAKE

10.1 Feedback on matters of outside bodes
Terugvoering oor sake van buite-organisasies
(3/R)

The Speaker urged Councillors to provide feedback at the next Council meeting after attending the scheduled SALGA meetings in March 2026.

NOTED / AANGETEKEN

11. QUESTIONS and/or MATTERS RAISED BY COUNCILLORS
VRAE en/of SAKE DEUR RAADSLEDE GEOPPER

11.1 Fire at Skoonvlei, Ceres on 20 January 2026
Brand te Skoonvlei, Ceres op 20 Januarie 2026
(17/7/2/2)

A letter from Councillor J Mouton, dated 9 February 2026, is attached as **annexure 11.1**.

Response from Municipal Manager, dated 18 February 2026:

"The questions raised by Councillor Mouton are noted and will be responded to in due course. The matter is currently *sub judice* for the following reasons:

(i) An internal investigation was launched of which the report is still outstanding. The information is still privileged and falls within the ambit of the Local Government Bargaining Council rules and agreement.

(ii) The municipality has received a letter from Attorneys Joubert Van Vuuren Inc., notifying the municipality of their client's intention to institute a civil claim.

(iii) The matter has been referred to Council's insurer who will be dealing with the claim on Council's behalf. In terms of the insurance contract no information that may have an impact on the claim can be divulged without the insurer's consent.

Councillor Mouton's enquiry will be listed under Outstanding matters and will be reported on as soon as there is no further prejudice for Council."

UNANIMOUSLY RESOLVED

that Council takes notice of the feedback provided.

EENPARIG BESLUIT

dat die Raad kennis neem van die terugvoer verskaf.

11.2 Vacancy: Interpreter and speed limit on R300 at Bella Vista intersections (4/3/2/2 & 17/7/4/R)

An email from Councillor J Rooi, dated 12 February 2026, is attached as **annexure 11.2**.

Response from Municipal Manager, dated 18 February 2026:

"The filling of the vacancy for the position of Interpreter is for both Council and the Administration. The John Steyn venue has been planned to make provision for a fully translation system. The inadequate budget is still a stumbling block for implementation.

The District Roads Engineer, who is responsible for the speed limit on the Bella Vista/Prince Alfred's Hamlet Road, has still not responded to the enquiry from Mr Elton Smit (the Cape Winelands District representative for Provincial Roads). As soon as we receive an update, we will communicate to Council."

UNANIMOUSLY RESOLVED

that Council takes notice of the feedback provided.

EENPARIG BESLUIT

dat die Raad kennis neem van die terugvoer verskaf.

11.3 Additional matters and questions raised

The following matters and questions were raised by Councillors:

- Congratulations were extended to the two pupils of Ceres Primary, namely Joel Galant and Sania Lee, for their selection to the Boland Athletics team.
- Concerns were raised regarding the water running in the streets within the informal settlements of Tulbagh as well as the large pothole in the road from Nduli to Ceres town.
- The operation of illegal taxis continues to be a great concern for the residents of Koue Bokkeveld and it has been requested that Law Enforcement and SAPS take action to address the behaviour of the foreign taxi operators.
- Request for erection of speed bumps in Ward 1, Ceres was submitted in 2022, but was recently informed that there is no budget.
- Trucks are frequently utilising Zulch and Maritz Streets in Ceres, which causes damage to the road and also poses safety risks to children. Furthermore, that the park opposite Maritz Street is inundated with homeless people and starting to produce a stench.
- Requests that the condition of the road in Protea Avenue, Prince Alfred's Hamlet be examined as the road is busy collapsing.
- It was requested that Ward Councillors be involved in the housing allocation process as they are frequently being excluded from the process.
- Concerns raised regarding Spaza shops in Op-die-Berg that are not adhering to their designated closing hours, as criminal activities occur while the shop remains open.
- Feedback requested regarding the status of the Op-die-Berg cemetery.

The Speaker requested that all questions and matters raised by Councillors be submitted in writing to the Speaker's office.

NOTED / AANGETEKEN

12. ADJOURNMENT / VERDAGING

The meeting adjourned at 11:54.
Die vergadering verdaag om 11:54.

Approved on __________________ with / without amendments.

____
ALDERLADY EM SIDEGO
SPEAKER

MINUTES OF THE MEETING OF THE COMMITTEE FOR LOCAL ECONOMIC DEVELOPMENT AND TOURISM OF WITZENBERG MUNICIPALITY, HELD IN THE TOWN HALL, VOORTREKKER STREET, CERES ON THURSDAY, 16 OCTOBER 2025 AT 14:00

NOTULE VAN DIE VERGADERING VAN DIE KOMITEE VIR PLAASLIKE EKONOMIESE ONTWIKKELING EN TOERISME VAN MUNISIPALITEIT WITZENBERG, GEHOU OP DONDERDAG, 16 OKTOBER 2025 OM 14:00 IN DIE STADSAAL, VOORTREKKERSTRAAT , CERES

PRESENT / TEENWOORDIG

Councillors / Raadslede

Alderman / Raadsheer JJ Visagie (Chairperson / Voorsitter) (DA)
Councillor / Raadslid P Daniels (DA)
Councillor / Raadslid K Robyn (GOOD)
Councillor / Raadslid GG Laban (Witzenberg Aksie)

Officials / Amptenare

Mr / Mnr R Fick (Manager: Local Economic Development / Bestuurder: Plaaslike Ekonomiese Ontwikkeling)
Ms / Me R Hendricks (Manager: Communication and Marketing Bestuurder: Kommunikasie en Bemarking)
Ms / Me M Arendse-Smith (Acting Manager: Administration / Waarnemende Bestuurder: Administrasie)
Mr / Mnr T Mc Clune (Intern: Administration / Praktikant: Administrasie)
Ms / Me J du Toit (Intern: Administration / Praktikant: Administrasie)

Other representatives / Ander Verteenwoordigers

Mr / Mnr A Nel (Work 4 Living)
Ms / Me R Fortuin (Work 4 Living)
Mr / Mnr N Coetzer (Work 4 Living)

1. OPENING AND WELCOME / OPENING EN VERWELKOMING

The Chairperson welcomed everyone present and requested Councillor K Robyn to open meeting with prayer.

Die Voorsitter heet almal teenwoordig welkom en versoek raadslid K Robyn om die vergadering met gebed te open.

NOTED / AANGETEKEN

2. LEAVE OF ABSENCE AND CONFIDENTIALITY AND CONFLICT OF INTEREST DECLARATION / AANSOEK OM VERLOF TOT AFWESIGHEID EN VERTROULIKHEID EN BOTSING BELANGE

2.1 Consideration of application for leave of absence
Aansoeke om verlof tot afwesigheid
(3/1/2/1)

None / Geen

NOTED / AANGETEKEN

2.2 Consideration of application for leave of absence: Councillor G Laban: 7 August 2025
Aansoek om verlof tot afwesigheid: Raadslid G Laban: 7 Augustus 2025
(3/1/2/1)

A verbal application for leave of absence from the meeting was received from Councillor G Laban.

The committee resolved on 7 August 2025 that the verbal application for leave of absence from the meeting, received from Councillor G Laban, be held in abeyance until the next committee meeting for the submission and consideration of the written application for leave of absence.

A written application for leave of absence from Councillor G Laban, dated 17 September 2025, is attached as **annexure 2.2**.

RESOLVED

that upon receipt and after consideration of the written application for leave of absence from Councillor G Laban for the meeting held on 7 August 2025, the application is approved and accepted..

BESLUIT

dat, na ontvangs en oorweging van die skriftelike aansoek om verlof tot afwesigheid vanaf raadslid G Laban vir die vergadering gehou op 7 Augustus 2025, die aansoek goedgekeur en aanvaar word.

2.3 Confidentiality and Conflict of Interest Declaration
Vertroulikheid en Botsing van Belange Verklaring
(3/2/1)

None / Geen

NOTED / AANGETEKEN

3. MINUTES / NOTULES

3.1 Corrections to the minutes / Wysigings aan die notule
(3/1/2/3)

None / Geen

NOTED / AANGETEKEN

3.2 Matters arising from the minutes / Sake voortspruitend uit die notule
(3/1/2/3)

None / Geen

NOTED / AANGETEKEN

3.3 Approval of minutes / Goedkeuring van notule
(3/1/2/3)

The minutes of the meeting of the Committee for Local Economic Development and Tourism, held on 7 August 2025, are attached as **annexure 3.3.**

Die notule van die vergadering van die Komitee vir Plaaslike Ekonomiese Ontwikkeling en Toerisme, gehou op 7 Augustus 2025, word ingebind as **bylae 3.3.**

RESOLVED

that the minutes of the meeting of the Committee for Local Economic Development and Tourism, held on 7 August 2025, be approved and signed by the Chairperson.

BESLUIT

dat die notule van die vergadering van die Komitee vir Plaaslike Ekonomiese Ontwikkeling en Toerisme, gehou op 7 Augustus 2025, goedgekeur en deur die Voorsitter onderteken word.

4. STATEMENTS, ANNOUNCEMENTS OR MATTERS RAISED BY THE CHAIRPERSON / VERKLARINGS, MEDEDELINGS OF SAKE INGEDIEN DEUR DIE VOORSITTER

None / Geen

NOTED / AANGETEKEN

5. INTERVIEWS WITH DELEGATIONS / ONDERHOUDE MET AFGEVAARDIGDES

5.1 Presentation: Work 4 Living (17/19/1)

A verbal presentation was made by Work 4 Living, a non-profit organization that offers training for the unemployed to become fully equipped to join the workforce or start a business.

Councilor G Laban joined the meeting 14:33.

The following questions were raised by the committee:

- Is the training center currently operational?
- How can the community contact the center to join the classes?
- Is there a fee students are required to pay to join the training?
- Are the certificates accredited?
- How can residents outside Ceres join the training?
- If the municipality were to provide the organization with a premises, for what purpose would it be utilized?

Work 4 Living responded as follows:

- The training center is currently conducting its third cycle of classes for students.
- Individuals interested in participating in the classes are invited to visit the center located in Ceres.
- The cost of the Job excellence course amounts to R650. Registered students are afforded the opportunity, during the course, to attend additional e-café classes for one week at no extra costs.
- The certificates are not accredited, however, major companies are accepting these certificates when students apply for jobs.
- Further information can be found at https://youtu.be/mwTV-1qc-iw?si=sTj7e5Udg7w3TLja

RESOLVED

(a) *that the Committee for Local Economic Development and Tourism takes notice of the content of the presentation made by the organization Work 4 Living.*

(b) *that a Work 4 Living presentation be made at the next Council meeting for further deliberations regarding assistance from the municipality.*

BESLUIT

(a) *dat die Komitee vir Plaaslike Ekonomiese Ontwikkeling en Toerisme kennis neem van die inhoud van die aanbieding wat deur die organisasie Work 4 Living gedoen is.*

(b) *dat 'n Work 4 Living voorlegging by die volgende raadsvergadering gedoen word vir verdere oorweging in terme van ondersteuning deur die munisipaliteit.*

5.2 Presentation: LED Mentorship Programme (NTL Investment) (17/19/1)

The item is held in abeyance until the next meeting.

NOTED / AANGETEKEN

6. DELEGATED POWERS / GEDELEGEERDE BEVOEGDHEDE

6.1 Monthly reports: Section Local Economic Development: July and August 2025
Maandverslae: Afdeling Plaaslike Ekonomiese Ontwikkeling: Julie en Augustus 2025
(9/1/2/4)

The following monthly reports of the Section Local Economic Development are attached as:

Die volgende maandverslae van die Afdeling Plaaslike Ekonomiese Ontwikkeling word ingebind:

(a) July / Julie 2025 **Annexure 6.1(a)**
(b) August / Augustus 2025 **Annexure 6.1(b)**

The Committee members requested that a meeting be held with the LED officials in determining how to be more involved within the communities.

RESOLVED

that the Committee for Local Economic Development and Tourism takes notice of the content of the monthly reports of the Section Local Economic Development for July and August 2025 and, after consideration, same is accepted.

BESLUIT

dat die Komitee vir Plaaslike Ekonomiese Ontwikkeling en Toerisme kennis neem van die maandverslae van die Afdeling Plaaslike Ekonomiese Ontwikkeling vir Julie en Augustus 2025 en, na oorweging, genoemde verslae aanvaar word.

6.2 Monthly reports: Section Tourism for July and August 2025
Maandverslae: Afdeling Toerisme vir Julie en Augustus 2025
(9/1/2/1)

The following monthly reports of the Section Tourism are attached:

Die volgende maandverslae van die Afdeling Toerisme word ingebind:

(a)	July / Julie 2025	**Annexure / Bylae 6.2(a)**
(b)	August / Augustus 2025	**Annexure / Bylae 6.2(b)**

The Manager: Marketing and Communications informed the meeting of the upcoming events scheduled to take place within the district, after which Councillor G Laban requested that the various tourism offices be invited to the next meeting to present their reports.

RESOLVED

(a) that the Committee for Local Economic Development and Tourism takes notice of the content of the monthly reports of the Section Tourism for July and August 2025 and, after consideration, same is accepted.

(b) that representatives from the tourism offices within the district be invited to future meetings to report directly to the committee.

BESLUIT

(a) dat die Komitee vir Plaaslike Ekonomiese Ontwikkeling en Toerisme kennis neem van die inhoud van die maandverslae van die Afdeling Toerisme vir Julie en Augustus 2025 en, na oorweging, genoemde verslae aanvaar word.

(b) dat verteenwoordigers van die verskillende toerismekantore in Witzenberg na toekomstige vergaderings genooi word om direk aan die komitee te rapporteer.

7. RESERVED POWERS / GERESERVEERDE BEVOEGDHEDE

None / Geen

NOTED / AANGETEKEN

**8. URGENT MATTERS SUBMITTED AFTER DISPATCHING OF THE AGENDA
DRINGENDE SAKE INGEDIEN NA AFSENDING VAN DIE AGENDA**

None / Geen

NOTED / AANGETEKEN

**9. QUESTIONS / REMARKS RAISED BY COMMITTEE MEMBERS
VRAE / OPMERKINGS GEOPPER DEUR KOMITEELEDE**

None / Geen

NOTED / AANGETEKEN

10. ADJOURNMENT / VERDAGING

The meeting adjourned at 15:35.
Die vergadering verdaag om 15.35.

Approved on 18 February 2026 with amendments.

**ALDERMAN JJ VISAGIE
CHAIRPERSON**

7.1(b)

MINUTES OF THE HYBRID MEETING OF THE COMMITTEE FOR CORPORATE AND FINANCIAL SERVICES OF WITZENBERG MUNICIPALITY, HELD IN THE TOWN HALL, VOORTREKKER STREET, CERES ON TUESDAY, 11 NOVEMBER 2025 AT 10:00

PRESENT

Councillors / Raadslede

Councillor / Raadslid JP Fredericks (Chairperson) (FF Plus)
Councillor / Raadslid J Zalie (ANC)
Councillor / Raadslid WJ Alexander (PA)
Alderman / Raadsheer D Swart (DA)
Councillor / Raadslid MJ Ndaba (ANC) (Virtual attendance)

Officials / Amptenare

Mr / Mnr D Nasson (Municipal Manager / Munisipale Bestuurder)
Mr / Mnr M Mpeluza (Director: Corporate Services / Direkteur: Korporatiewe Dienste)
Mr / Mnr HJ Kritzinger (Director: Finance / Direkteur: Finansies)
Mr / Mnr J Kolkota (Deputy Director: Finance / Adjunk-direkteur: Finansies)
Ms / Me R Hendricks (Manager: Marketing and Communication / Bestuurder: Bemarking en Kommunikasie)
Mr / Mnr W Mars (Manager: Financial Administration / Bestuurder: Administrasie)
Ms / Me L Nieuwenhuis (Senior Manager: Legal Services / Senior Bestuurder: Regsdienste)
Mr / Mnr A Hofmeester (Manager: IDP / Bestuurder: GOP)
Mr / Mnr W Davids (Acting Senior Manager Human Resources / Waarnemende Senior Bestuurder: Menslike Hulpbronne)
Ms / Me Carmen Stevens (Manager: Income / Bestuurder / Inkomste)
Mr / Mnr M Frieslaar (Manager: Supply Chain / Bestuurder: Voorsieningskanaal)
Mr / Mnr M Green (Senior Manager: Protection Services / Senior Bestuurder: Beskermingsdienste)
Ms / M Arendse-Smith (Acting Manager: Administration / Waarnemende Bestuurder: Administrasie)
Ms / Me J du Toit (Intern: Administration / Praktikant: Administrasie)

1. OPENING AND WELCOME / OPENING EN VERWELKOMING

The Chairperson welcomed everyone present and requested the Senior Manager: Protection Services to open the meeting with prayer.

Die Voorsitter heet almal teenwoordig welkom en versoek die Senior Bestuurder: Beskermingsdienste om die vergadering met gebed to open.

NOTED / AANGETEKEN

2. LEAVE OF ABSENCE AND CONFIDENTIALITY AND CONFLICT OF INTEREST DECLARATION / VERLOF TOT AFWESIGHEID EN VERTROULIKHEID EN BOTSING VAN BELANGE

2.1 Consideration of application for leave of absence
Aansoeke om verlof tot afwesigheid
(3/1/2/1)

None / Geen

NOTED / AANGETEKEN

2.2 Confidentiality and Conflict of Interest Declaration
Vertroulikheid en Botsing van Belange Verklaring
(3/2/1)

No conflict of interest was declared.
Geen botsing van belange verklaar.

NOTED / AANGETEKEN

3. MINUTES / NOTULES

3.1 Corrections to the minutes / Wysigings aan die notule
(3/1/2/3)

None / Geen

NOTED / AANGETEKEN

3.2 Matters arising from the minutes / Sake voortspruitend uit die notule
(3/1/2/3)

None / Geen

NOTED / AANGETEKEN

3.3 Approval of minutes / Goedkeuring van notule
(3/1/2/3)

The minutes of the meeting of the Committee for Corporate and Financial Services, held on 14 October 2025, are attached as **annexure 3.3**.

Die notule van die vergadering van die Komitee vir Komitee vir Korporatiewe en Finansiële Dienste, gehou op 14 October 2025, word ingebind as **bylae 3.3**.

RESOLVED

that the minutes of the meeting of the Committee for Corporate and Financial Services, held on 14 October 2025, be approved and signed by the Chairperson.

BESLUIT

dat die notule van die vergadering van die Komitee vir Korporatiewe en Finansiële Dienste, gehou op 14 Oktober 2025, goedgekeur en deur die Voorsitter onderteken word.

4. STATEMENTS, ANNOUNCEMENTS OR MATTERS RAISED BY THE CHAIRPERSON / VERKLARINGS, MEDEDELINGS OF SAKE INGEDIEN DEUR DIE VOORSITTER

The Chairperson thanked the Councillors for the support provided throughout the year and extended the gratitude to the Municipal Manager, Directors and Managers, as their work does not go unseen.

Gratitude was also expressed to the Acting Senior Human Resource Manager as no task was impossible to perform, and the work was always of a professional nature.

Festive Wishes conveyed to all for a safe and joyous season spent with loved ones.

5. INTERVIEWS WITH DELEGATIONS / ONDERHOUDE MET AFGEVAARDIGDES

None / Geen

NOTED / AANGETEKEN

6. DELEGATED POWERS / GEDELEGEERDE BEVOEGDHEDE

6.1 Monthly report: Directorate Corporate Services for September 2025 Maandverslag: Direktoraat Korporatiewe Dienste vir September 2025 (9/1/2/1)

The monthly report of the Directorate Corporate Services for September 2025 is attached as **annexure 6.1**.

Die maandverslag van die Direktoraat Korporatiewe Dienste vir September 2025 word ingebind as **bylae 6.1**.

RESOLVED

that the Committee for Corporate and Financial Services, takes notice of the content of the monthly report of the Directorate Corporate Services for September 2025 and, after consideration, same be approved and accepted.

BESLUIT

dat die Komitee vir Korporatiewe en Finansiële Dienste, kennis neem van die inhoud van die maandverslag van die Direktoraat Korporatiewe Dienste vir September 2025 en, na oorweging, dat die verslag goedgekeur en aanvaar word.

7. GERESERVEERDE BEVOEGDHEDE / RESERVED POWERS

7.1 Section 71 Monthly Budget Statement Report of Directorate Finance: September 2025 / Artikel 71 Maandelikse Begrotingsverslag van die Direktoraat Finansies: September 2025 (9/1/2/2)

The Section 71 Monthly Budget Statement Report of the Directorate Finance for September 2025, is attached as **annexure 7.1**.

Die Artikel 71 Maandelikse Begrotingsverslag van die Direktoraat Finansies vir September 2025, word ingebind as **bylae 7.1**.

Council unanimously resolved on 29 October 2025:

(a) that notice be taken of the Section 71 Monthly Budget Statement Report of the Directorate Finance for September 2025.

(b) that the Section 71 Monthly Budget Statement Report of the Directorate Finance for September 2025 be referred to the Portfolio Committee for Corporate and Financial Services, the Performance, Risk and Audit Committee and the Municipal Public Accounts Committee to take notice or to advise Council if deemed necessary.

RESOLVED

that notice be taken of the Section 71 Monthly Budget Statement Report of the Directorate Finance for September 2025.

BESLUIT

dat kennis geneem word van die Artikel 71 Maandelikse Begrotingsverslag van die Direktoraat Finansies vir September 2025.

**7.2 Quarterly Budget Statement [Section 52(d)] Report: 1st Quarter 2025/2026 / Kwartaallikse Begrotingsverslag [Artikel 52(d)]: 1ste Kwartaal 2025 /2026
(9/1/1 & 9/1/2/2)**

The Quarterly Budget Statement [Section 52(d)] Report for the 1st Quarter of 2025/2026 is attached as **annexure 6.4**.

Council unanimously resolved on 29 October 2025:

(a) that notice be taken of the Quarterly Budget Statement [Section 52(d)] Report for the 1st Quarter of 2025/2026.

(b) that the report supra (a) be referred to the Portfolio Committee for Corporate and Financial Services, the Performance, Risk and Audit Committee as well as the Municipal Public Accounts Committee to take notice or to advise Council if deemed necessary.

RESOLVED

that notice be taken of the Quarterly Budget Statement [Section 52(d)] Report for the 1st Quarter of 2025/2026.

BESLUIT

dat kennis geneem word van die Kwartaallikse Begrotingsverslag [Artikel 52(d)] vir die 1ste Kwartaal van 2025/2026.

**8. URGENT MATTERS SUBMITTED AFTER DISPATCHING OF THE AGENDA
DRINGENDE SAKE NA AFSENDING VAN DIE AGENDA**

None / Geen

NOTED / AANGETEKEN

9. COMMITTEE FOR CORPORATE AND FINANCIAL SERVICES-IN-COMMITTEE
KOMITEE VIR KORPORATIEWE EN FINANSIëLE DIENSTE IN-KOMITEE

These items are dealt with in the confidential minutes.

7.1(c)

MINUTES OF THE HYBRID MEETING OF THE COMMITTEE FOR COMMUNITY DEVELOPMENT OF WITZENBERG MUNICIPALITY, HELD IN THE TOWN HALL, VOORTREKKER STREET, CERES ON THURSDAY, 13 NOVEMBER 2025 AT 10:00

PRESENT / TEENWOORDIG

Councillors / Raadslede

Councillor / Raadslid JF Nel (Executive Deputy Mayor) (Chairperson / Voorsitter) (ICOSA)
Councillor / Raadslid G Franse (DA)
Councillor / Raadslid S De Bruin (DA) (Virtual attendance)
Councillor / Raadslid K Yisa (ANC) (Virtual attendance)

Councillors not on Committee / Raadslede nie op Komitee

Councillor / Raadslid TE Abrahams (Executive Mayor) (DA)
Councillor / Raadslid J Rooi (Witzenberg Party)

Officials / Amptenare

Mr / Mnr S Swartz (Director: Community Services / Direkteur: Gemeenskapsdienste)
Ms / Me H Truter (Manager: Amenities and Environment / Bestuurder: Geriewe en Omgewing)
Ms / Me A Lambrecht Vertue (Manager: Fire, Rescue and Disaster Management / Bestuurder: Brand-, Reddings- en Rampbestuur)
Mr / Mnr M Green (Senior Manager: Protection Services / Senior Bestuurder: Beskermingsdienste)
Mr / Mnr R Africa (Acting Manager: Resorts and Swimming Pools / Waarnemende Bestuurder: Oorde en Swembaddens)
Ms / Me J Stuurman (Manager: Libraries / Bestuurder: Biblioteke)
Ms / Me W Hanekom (Manager: Social Development / Bestuurder: Maatskaplike Ontwikkeling)
Mr / Mnr GJ Lukas (Head: Law Enforcement / Hoof: Wetstoepassing)
Ms / Me M Arendse-Smith (Acting Manager: Administration / Waarnemende Bestuurder: Administrasie)
Ms / Me J du Toit (Intern: Administration / Praktikant: Administrasie)

Other representatives / Ander verteenwoordigers

Colonel / Kolonel Kriel (South African Police Services Ceres / Suid-Afrikaanse Polisiediens Ceres)
Colonel / Kolonel V Groenewald (South African Police Services Tulbagh / Suid-Afrikaanse Polisiediens Tulbagh)
Colonel / Kolonel Dawede (South African Police Services Prince Alfred's Hamlet and Op-Die-Berg satelliet kantoor / Suid-Afrikaanse Polisiediens PA Hamlet and Op-Die-Berg satellite office)
Ms / Me C Botha (Manager: The Haven Night Shelter / Bestuurder: Die Haven Nagskuiling)

1. OPENING AND WELCOME / OPENING EN VERWELKOMING

The Chairperson welcomed everyone present and opened the meeting with prayer.

A special welcome was conveyed to Colonel Kriel, as well as the newly appointed Manager: Social Development and Head: Law Enforcement, By-laws & Firearms.

Die Voorsitter heet almal teenwoordig welkom en open die vergadering met gebed.

'n Spesiale verwelkoming is oorgedra aan Kolonel Kriel, sowel as die nuut-aangestelde Bestuurder: Maatskaplike Ontwikkeling en Hoof: Wetstoepassing, Verordeninge en Vuurwapens.

NOTED / AANGETEKEN

2. LEAVE OF ABSENCE AND CONFIDENTIALITY AND CONFLICT OF INTEREST DECLARATION / VERLOF TOT AFWESIGHEID EN VERTROULIKHEID EN BOTSING VAN BELANGE VERKLARING

2.1 Consideration of application for leave of absence
Aansoeke om verlof tot afwesigheid
(3/1/2/1)

None / Geen

NOTED / AANGETEKEN

2.2 Confidentiality and Conflict of Interest Declaration
Vertroulikheid en Botsing van Belange Verklaring
(3/2/1)

No conflict of interest was declared.
Geen botsing van belange is verklaar nie.

NOTED / AANGETEKEN

3. MINUTES / NOTULE

3.1 Corrections to the minutes / Wysigings aan die notule
(3/1/2/3)

None / Geen

NOTED / AANGETEKEN

3.2 Matters arising from the minutes / Sake voortspruitend uit die notule
(3/1/2/3)

None / Geen

NOTED / AANGETEKEN

3.3 Approval of minutes / Goedkeuring van notule
(3/1/2/3)

The minutes of the meeting of the Committee for Community Development, held on 16 October 2025, are attached as **annexure 3.3.**

Die notule van die vergadering van die Komitee vir Gemeenskapsontwikkeling, gehou op 16 Oktober 2025, word ingebind as **bylae 3.3.**

RESOLVED

that the minutes of the meeting of the Committee for Community Development, held on 16 October 2025, be approved and signed by the Chairperson.

BESLUIT

dat die notule van die vergadering van die Komitee vir Gemeenskapsontwikkeling, gehou op 16 Oktober 2025, goedgekeur en deur die Voorsitter onderteken word.

4. STATEMENTS, ANNOUNCEMENTS OR MATTERS RAISED BY THE CHAIRPERSON / VERKLARINGS, MEDEDELINGS OF SAKE INGEDIEN DEUR DIE VOORSITTER

None / Geen

NOTED / AANGETEKEN

**5. INTERVIEWS WITH DELEGATIONS
ONDERHOUDE MET AFGEVAARDIGDES**

**5.1 South African Police Services (SAPS) / Suid-Afrikaanse Polisiediens (SAPD)
(17/7/1/R)**

The reports of the South African Police Services were presented verbally.

Die verslae van die Suid-Afrikaanse Polisiediens is mondeling gelewer.

(a) Ceres
(b) Prince Alfred's Hamlet
(c) Tulbagh

(a) Ceres

Lt-Colonel Kriel reported the following:

- The current challenges experienced relate to contact crimes, Gender Base Violence (GBV) and domestic violence mostly in Bella Vista and Nduli areas. Armed robberies, particularly at businesses owned by foreigners are also on the rise.
- Illegal firearms are successfully being ceased.
- The cooperation and assistance received from Law Enforcement and Fire Services is greatly appreciated.

(b) Prince Alfred's Hamlet

Lt-Colonel Dawede reported the following:

- Crime within the area has been under control during the past month, except for armed robberies that occurred in Church Street and at a Spaza shop, Op-die-Berg, after which four males were arrested.
- The police station continues to encounter difficulties with unregistered Spaza shops in the "phase" areas, which do not close at appropriate times. Therefore, it is requested that Spaza shops be registered and the determination of closing times be incorporated in a By-law.
- Concerns raised about the increasing number of shacks erected on a daily basis, making it difficult for police officers to effectively perform their duties.

(c) Tulbagh

Lt-Colonel V Groenewald reported on the following:

- After the meeting in October 2025, the water leak at the police station was attended to, but the problem still persists and water continues to flow into the streets.
- Seventy-six (76) crimes were reported since the last meeting, of which fifty-five (55) operations were initiated by the police and included crimes related to drugs and possession of dangerous weapons that were seized.
- A petition was drawn-up by the residents of Tulbagh for a solution regarding the illegal electricity connections, which was submitted to the Municipal Manager.

The Director: Community Services informed the meeting that the Electrical Department attended to the broken lights in Phases 1 to 3, Prince Alfred's Hamlet. The broken lights in Phase 5, Prince Alfred's Hamlet however, still require repairs. Additionally the by-law concerning the operating hours of Spaza shops is in process.

RESOLVED

that the Committee for Community Development takes notice of the content of the reports submitted verbally by the South African Police Services and, after consideration, same be accepted.

BESLUIT

dat die Komitee vir Gemeenskapsontwikkeling kennis neem van die inhoud van die verslae gelewer deur die Suid-Afrikaanse Polisiediens en, na oorweging, dat genoemde verslae aanvaar word.

5.2 Community Services: The Haven Night Shelter: Monthly Report: October 2025 / Gemeenskapsdienste: Die Haven Nagskuiling: Maandverslag: Oktober 2025 (17/16/1)

The monthly report of the Haven Night Shelter for October 2025 is attached as **annexure 5.2.**

Die maandverslag van die Haven Nagskuiling vir Oktober 2025 word ingebind as **bylae 5.2.**

The Manager of the Haven Night Shelter informed the committee of the following:

- New beds are expected to be delivered soon.
- New fire equipment will be delivered.

- It is expected and requested that Social Workers communicate with the shelter to assess the clients before accommodating them. Furthermore, that when SAPS drop off clients at The Haven, there should be communication rather than simply leaving the clients at the door.

RESOLVED

that the Committee for Community Development takes notice of the content of the monthly report of the Haven Night Shelter for October 2025 and, after consideration, same be accepted.

BESLUIT

dat die Komitee vir Gemeenskapsontwikkeling kennis neem van die inhoud van die maandverslag van die Haven Nagskuiling vir Oktober 2025 en, na oorweging, genoemde verslag aanvaar word.

6. DELEGATED POWERS / GEDELEGEERDE BEVOEGDHEDE

6.1 Monthly report of the Section Social Development: October 2025 Maandverslag van die Afdeling Maatskaplike Ontwikkeling: Oktober 2025 (9/1/2/4)

The monthly report of the Section Social Development for October 2025 is attached as **annexure 6.1.**

Die maandverslag van die Afdeling Maatskaplike Ontwikkeling vir Oktober 2025 word ingebind as **bylae 6.1**.

The committee requested that more awareness programs be held at Op-die-Berg, especially for the elderly as well as indigent information sessions to the communities.

The Director: Community Services informed the meeting that every Friday the indigent officials are scheduled to visit various towns within Witzenberg to raise awareness about indigent. The awareness day will begin in Prince Alfred's Hamlet and thereafter Bella Vista.

RESOLVED

that the Committee for Community Development takes notice of the content of the monthly report of the Section Social Development for October 2025 and, after consideration, same be accepted.

BESLUIT

dat die Komitee vir Gemeenskapsontwikkeling kennis neem van die inhoud van die maandverslag van die Afdeling Maatskaplike Ontwikkeling vir Oktober 2025 en, na oorweging, genoemde verslag aanvaar word.

6.2 Monthly report of the Section Libraries: September 2025 Maandverslag van die Afdeling Biblioteke: September 2025 (9/1/2/4)

The monthly report of the Section Libraries for September 2025 is attached as **annexure 6.2**.

Die maandverslag van die Afdeling Biblioteke vir September 2025 word ingebind as **bylae 6.2**.

RESOLVED

that the Committee for Community Development takes notice of the content of the monthly report of the Section Libraries for September 2025 and, after consideration, same be accepted.

BESLUIT

dat die Komitee vir Gemeenskapsontwikkeling kennis neem van die inhoud van die maandverslag van die Afdeling Biblioteke vir September 2025 en, na oorweging, genoemde verslag aanvaar word.

6.3 Monthly report of the Section Amenities and Environment: September 2025 / Maandverslag van die Afdeling Geriewe en Omgewing: September 2025 (9/1/2/4)

The monthly report of the Section Amenities and Environment for September 2025 is attached as **annexure 6.3**.

Die maandverslag van die Afdeling Geriewe en Omgewing vir September 2025 word ingebind as **bylae 6.3**.

Councillor G Franse enquired about the maintenance of sport grounds and cloak rooms at the sport fields at Op-die-Berg.

The Director: Community Services informed the committee that a meeting will be arranged with the primary school at Op-die-Berg. The Manager: Environment and Amenities will participate and Councillor G Franse will be informed of the scheduled meeting.

RESOLVED

that the Committee for Community Development takes notice of the content of the monthly report of the Section Amenities and Environment for September 2025 and, after consideration, same be accepted.

BESLUIT

dat die Komitee vir Gemeenskapsontwikkeling kennis neem van die inhoud van die maandverslag van die Afdeling Geriewe en Omgewing vir September 2025 en, na oorweging, genoemde verslag aanvaar word.

6.4 Monthly report of the Section Resorts and Swimming Pools: September 2025 / Maandverslag van die Afdeling Oorde en Swembaddens: September 2025 (9/1/2/4)

The monthly report of the Section Resorts and Swimming Pools for September 2025 is attached as **annexure 6.4**.

Die maandverslag van die Afdeling Oorde en Swembaddens vir September 2025 word ingebind as **byale 6.4**.

RESOLVED

that the Committee for Community Development takes notice of the content of the monthly report of the Section Resorts and Swimming Pools for September 2025 and, after consideration, same be accepted.

BESLUIT

dat die Komitee vir Gemeenskapsontwikkeling kennis neem van die inhoud van die maandverslag van die Afdeling Oorde en Swembaddens vir September 2025 en, na oorweging, genoemde verslag aanvaar word.

6.5 Monthly report of the Section Disaster and Emergency Management and Fire Services: September 2025 / Maandverslag van die Afdeling Ramp- en Noodbestuur en Brandweerdienste: September 2025 (9/1/2/4)

The monthly report of the Section Disaster and Emergency Management and Fire Services for September 2025 is attached as **annexure 6.5**.

Die maandverslag van die Afdeling Ramp- en Noodbestuur en Brandweerdienste vir September 2025 word ingebind as **bylae 6.5**.

The Manager: Fire, Rescue and Disaster Management informed the meeting that the section is currently part of the Foot and Mouth operations in the area, but is scheduled to assist The Haven with fire extinguisher training. Assistance from Law Enforcement is requested during fire call outs for safe passage and protection of property.

RESOLVED

that the Committee for Community Development takes notice of the content of the monthly report of the Section Disaster and Emergency Management and Fire Services for September 2025 and, after consideration, same be accepted.

AANBEVEEL

dat die Komitee vir Gemeenskapsontwikkeling kennis neem van die inhoud van die maandverslag van die Afdeling Ramp- en Noodbestuur en Branweerdienste vir September 2025 en, na oorweging, genoemde verslag aanvaar word .

6.6 Monthly report of the Section Traffic Services: September 2025
Maandverslag van die Afdeling Verkeersdienste: September 2025
(9/1/2/1)

The monthly report of the Section Traffic Services for September 2025 is attached as **annexure 6.6**.

Die maandverslag van die Afdeling Verkeersdienste vir September 2025 word ingebind as **bylae 6.6**.

The Senior Manager: Protection Services informed the meeting of the following.

- The frequency of speed related accidents involving public transportation is a concern, especially as the roads are frequently utilized by them. Cooperation from SAPS is required to manage the situation effectively.
- Concerns raised about the number of liquor licenses being approved, after it has been declined by the Traffic Department. Consideration given to arranging a meeting with Liquor Board to convey these concerns.
- Intoxicatd patrons at the Pub in Lyell Street, especially over weekends, as well as taxis occupying the enitire steet, are becoming problematic.
- Fifteen (15) individuals were arrested in terms of paragraph 7 of the Public Parks By-law at Nduli taxi rank.
- Planning is in process for the deployment of traffic and law enforcement resources.
- The taxi situation within Witzenberg is escalating and a meeting is scheduled within the Department of Mobility and Department of Intergovernmental in this regard.

RESOLVED

that the Committee for Community Development takes notice of the content of the monthly report of the Section Traffic Services for September 2025 and, after consideration, same be accepted.

AANBEVEEL

dat die Komitee vir Gemeenskapsontwikkeling kennis neem van die inhoud van die maandverslag van die Afdeling Verkeersdienste vir September 2025 en, na oorweging, genoemde verslag aanvaar word.

7. RESERVED POWERS / GERESERVEERDE BEVOEGDHEDE

None / Geen

NOTED / AANGETEKEN

8. URGENT MATTERS SUBMITTED AFTER DISPATCHING OF THE AGENDA DRINGENDE SAKE INGEDIEN NA AFSENDING VAN DIE AGENDA

9. ADJOURNMENT / VERDAGING

The meeting adjourned at 11:44 / Die vergadering vergaag om 11:44.

Approved on 3 March 2026 without amendments.

COUNCILLOR JF NEL
CHAIRPERSON

7.1(d)

MINUTES OF THE MEETING OF THE COMMITTEE FOR HOUSING MATTERS OF WITZENBERG MUNICIPALITY, HELD IN THE TOWN HALL, VOORTREKKER STREET, CERES ON TUESDAY, 18 NOVEMBER 2025 AT 10:00

NOTULE VAN DIE VERGADERING VAN DIE KOMITEE VIR BEHUISINGSAANGELEENTHEDE VAN MUNISIPALITEIT WITZENBERG, GEHOU OP DINSDAG, 18 NOVEMBER 2025 OM 10:00 IN DIE STADSAAL, VOORTREKKERSTRAAT, CERES

PRESENT / TEENWOORDIG

Councillors / Raadslede

Alderman / Raadsheer K Adams (Chairperson / Voorsitter) (DA)
Councillor / Raadslid P Daniels (DA)
Councillor / Raadslid S De Bruin (DA)
Councillor / Raadslid IL Swartz (EFF)

Councillors not on Committee / Raadslede nie op Komitee

Councillor / Raadslid JS Mouton (ANC)
Councillor / Raadslid A Gili (ANC)

Officials/ Amptenare

Mr / Mnr S Swartz (Director: Community Services / Direkteur: Gemeenskapsdienste)
Ms / Me C Mackenzie (Manager: Housing / Bestuurder: Behuising)
Mr / Mnr T Plaatjies (Senior Housing Officer / Senior Behuisingsbeampte)
Ms / Me M Arendse-Smith (Acting Manager: Administration / Waarnemende Bestuurder: Administrasie)
Ms / Me J du Toit (Intern: Administration / Praktikant: Administrasie)

1. OPENING AND WELCOME / OPENING EN VERWELKOMING

The Chairperson welcomed everyone present and requested the Manager: Housing to open the meeting with prayer.

Die Voorsitter heet almal teenwoordig welkom en versoek die Bestuurder: Behuising om die vergadering te open met gebed.

NOTED / AANGETEKEN

2. LEAVE OF ABSENCE AND CONFIDENTIALITY AND CONFLICT OF INTEREST DECLARATION / VERLOF TOT AFWESIGHEID, INDIEN ENIGE EN VERTROULIKHEID EN BOTSING VAN BELANGE VERKLARING

2.1 Consideration of application for leave of absence
Aansoeke om verlof tot afwesigheid
(3/1/2/1)

A written application for leave of absence from the meeting was received from Councillor N Phatsoane, attached as **annexure 2.1**.

`n Skriftelike aansoek om verlof tot afwesigheid van die vergadering is ontvang vanaf raadslid N Phatsoane, aangeheg as **bylae 2.1**.

RESOLVED

that the written application for leave of absence from the meeting, received from Councillors N Phatsoane, be approved and accepted.

BESLUIT

dat die skriftelike aansoek om verlof tot afwesigheid van die vergadering, ontvang vanaf raadslid N Phatsoane, goedgekeur en aanvaar word.

2.2 Consideration of application for leave of absence: 23 October 2025: Councillor IL Swartz
Aansoek om verlof tot afwesigheid: 23 Oktober 2025: Raadslid IL Swartz
(3/1/2/1)

The Chairperson noted that no applications for leave of absence from the meeting were received from Councillors for the meeting dated 23 October 2025. Councillor IL Swarts however had an emergency and was only able to correspond with the office after the meeting had taken place.

A written application for leave of absence from the meeting held on 23 October 2025, was received from Councillor IL Swartz on 24 October 2025. The document is attached as **annexure 2.2**.

RESOLVED

(a) that the non-compliance with the Rules of Order for meetings be condoned due to the special circumstances at the time of the meeting.

(b) that the application for leave of absence, received from Councillor IL Swartz for the Committee for Housing matters meeting held on 23 October 2025, be approved and accepted.

BESLUIT

(a) *dat die nie-nakoming van die Orde reëls vir vergaderings oorgesien word weens die spesiale omstandighede tydens die vergadering.*

(b) *dat die aansoek om verlof tot afwesigheid, ontvang vanaf raadslid IL Swartz vir die Komitee vir Behuisingsaangeleenthede gehou op 23 Oktober 2025, goedgekeur en aanvaar word.*

2.3 Confidentiality and Conflict of Interest Declaration
Vertroulikheid en Botsing van Belange Verklaring
(3/2/1)

No conflict of interest was declared.
Geen botsing van belange verklaar nie.

NOTED / AANGETEKEN

3. MINUTES / NOTULES

3.1 Corrections to the minutes / Wysigings aan die notule
(3/1/2/3)

None / Geen

NOTED / AANGETEKEN

3.2 Matters arising from the minutes / Sake voortspruitend uit die notule
(3/1/2/3)

None / Geen

NOTED/ AANGETEKEN

3.3 Approval of minutes / Goedkeuring van notule
(3/1/2/3)

The minutes of the meeting of the Committee for Housing Matters, held on 23 October 2025, are attached as **annexure 3.3**.

Die notule van die vergadering van die Komitee vir Behuisingsaangeleenthede, gehou op 23 Oktober 2025, word ingebind as **bylae 3.3**.

RESOLVED

that the minutes of the meeting of the Committee for Housing Matters, held on 23 October 2025, be approved and signed by the Chairperson.

BESLUIT

dat die notule van die vergadering van die Komitee vir Behuisingsaangeleenthede, gehou op 23 Oktober 2025, goedgekeur en deur die Voorsitter onderteken word.

4. STATEMENTS, ANNOUNCEMENTS OR MATTERS RAISED BY THE CHAIRPERSON
VERKLARINGS, MEDEDELINGS OF SAKE INGEDIEN DEUR DIE VOORSITTER

None / Geen

NOTED / AANGETEKEN

5. INTERVIEWS WITH DELEGATIONS / ONDERHOUDE MET AFGEVAARDIGDES

None / Geen

NOTED / AANGETEKEN

6. DELEGATED POWERS / GEDELEGEERDE BEVOEGDHEDE

6.1 Monthly report of the Section Housing: October 2025
Maandverslag van die Afdeling Behuising: Oktober 2025
(9/1/2/4)

The monthly report of the Section Housing for October 2025 is attached as **annexure 6.1**.

Die maandverslag van die Afdeling Behuising vir Oktober 2025 word ingebind as **bylae 6.1**.

RESOLVED

that the Committee for Housing Matters takes notice of the content of the monthly report of the Section Housing for October 2025 and, after consideration, same be approved and accepted.

BESLUIT

dat die Komitee vir Behuisingsaangeleenthede kennis neem van die inhoud van die maandverslag van die Afdeling Behuising vir Oktober 2025 en, na oorweging, genoemde verslag goedgekeur en aanvaar word.

7. RESERVED POWERS / GERESERVEERDE BEVOEGDHEDE

None / Geen

NOTED / AANGETEKEN

8. URGENT MATTERS SUBMITTED AFTER DISPATCHING OF THE AGENDA DRINGENDE SAKE NA AFSENDING VAN DIE AGENDA

None / Geen

NOTED / AANGETEKEN

9. COMMITTEE FOR HOUSING MATTERS-in-COMMITTEE

These items are dealt with in the confidential minutes.

7.1(e)

MINUTES OF THE SPECIAL MEETING OF THE COMMITTEE FOR HOUSING MATTERS, HELD IN THE TOWN HALL, VOORTREKKER STREET, CERES ON MONDAY, 1 DECEMBER 2025 AT 10:00

NOTULE VAN DIE SPESIALE VERGADERING VAN DIE KOMITEE VIR BEHUISINGSAANGELEENTHEDE, GEHOU OP MAANDAG, 1 DESEMBER 2025 OM 10:00 IN DIE STADSAAL, VOORTREKKERSTRAAT, CERES

PRESENT / TEENWOORDIG

Councillors / Raadslede

Alderman / Raadsheer K Adams (Chairperson / Voorsitter) (DA)
Councillor / Raadslid S De Bruin (DA)
Councillor / Raadslid P Daniels (DA)
Councillor / Raadslid N Phatsoane (ANC)
Councillor / Raadslid IL Swartz (EFF)

Councillors not on Committee / Raadslede nie op Komitee

Councillor / Raadslid JS Mouton (ANC)
Councillor / Raadslid J Rooi (Witzenberg Party)

Officials/ Amptenare

Mr / Mnr D Nasson (Municipal Manager / Munisipale Bestuurder)
Mr / Mnr S Swartz (Director: Community Services / Direkteur: Gemeenskapsdienste)
Ms / Me C Mackenzie (Manager: Housing / Bestuurder: Behuising)
Ms / Me L Niewenhuis (Senior Manager: Legal Services / Senior Bestuurder: Regsdienste)
Ms / Me M Arendse-Smith (Acting Manager: Administration / Waarnemende Bestuurder: Administrasie)
Ms / Ms J Du Toit (Intern: Administration / Praktikant: Administrasie)

1. OPENING AND WELCOME / OPENING EN VERWELKOMING

The Chairperson welcomed everyone present and requested Councillor S de Bruin to open the meeting with prayer.

A warm welcome was extended to Councillor J Rooi, Municipal Manager and Senior Manager: Legal Services.

Die Voorsitter heet almal teenwoordig welkom en versoek raadslid S de Bruin om die vergadering te open met gebed.

'n Hartlike verwelkoming is oorgedra aan raadslid J Rooi, Munisipale Bestuurder en Senior Bestuurder: Regsdienste.

NOTED / AANGTEKEN

2. LEAVE OF ABSENCE AND CONFIDENTIALITY AND CONFLICT OF INTEREST DECLARATION / VERLOF TOT AFWESIGHEID, INDIEN ENIGE EN VERTROULIKHEID EN BOTSING VAN BELANGE VERKLARING

2.1 Consideration of application for leave of absence
Aansoeke om verlof tot afwesigheid
(3/1/2/1)

None / Geen

NOTED / AANGTEKEN

2.2 Confidentiality and Conflict of Interest Declaration
Vertroulikheid en Botsing van Belange Verklaring
(3/2/1)

No conflict of interest declared.
Geen botsing van belange was verklaar nie.

NOTED / AANGETEKEN

3. STATEMENTS, ANNOUNCEMENTS OR MATTERS RAISED BY THE CHAIRPERSON
VERKLARINGS, MEDEDELINGS OF SAKE INGEDIEN DEUR DIE VOORSITTER

None / Geen

NOTED / AANGETEKEN

4. COMMITTEE FOR HOUSING MATTERS-in-COMMITTEE

These items are dealt with in the confidential minutes.

MINUTES OF THE EXECUTIVE MAYORAL COMMITTEE MEETING OF WITZENBERG MUNICIPALITY, HELD IN THE COUNCIL CHAMBERS, MUNICIPAL OFFICES, 50 VOORTREKKER STREET, CERES ON FRIDAY, 5 DECEMBER 2025 AT 08:30

NOTULE VAN DIE UITVOERENDE BURGEMEESTERSKOMITEE VERGADERING VAN MUNISIPALITEIT WITZENBERG, GEHOU OP VRYDAG, 5 DESEMBER 2025 OM 08:30 IN DIE RAADSAAL, MUNISIPALE KANTORE, VOORTREKKERSTRAAT 50, CERES

PRESENT

Executive Mayoral Committee

Councillor TE Abrahams (Executive Mayor)
Councillor JF Nel (Executive Deputy Mayor)
Alderman K Adams
Alderman HJ Smit
Alderman JJ Visagie

Councillors not on Mayoral Committee

Alderlady EM Sidego (Speaker) (ex officio)
Councillor J Rooi (Chairperson: MPAC)

Officials

Mr D Nasson (Municipal Manager)
Mr HJ Kritzinger (Director: Finance)
Mr J Steyn (Director: Technical Services)
Ms S Oerson (Chief Internal Audit Executive)
Ms M Arendse-Smith (Acting Manager: Administration) (Virtual attendance)
Mr J Pieterse (Senior ICT Officer)
Ms J du Toit (Intern: Administration)

1. OPENING AND WELCOME / OPENING EN VERWELKOMING

The Executive Mayor welcomed everyone present and requested Councillor J Rooi to open the meeting with prayer.

Die Uitvoerende Burgemeester verwelkom almal teenwoordig en versoek raadslid J Rooi om die vergadering met gebed te open.

NOTED / AANGETEKEN

2. LEAVE OF ABSENCE AND CONFIDENTIALITY AND CONFLICT OF INTEREST DECLARATION

2.1 Consideration of application for leave of absence
Aansoeke om verlof tot afwesigheid
(3/1/2/1)

A written application for leave of absence from the meeting was received from Councillor J Fredericks.

Apologies for absence from the meeting were received from the Director: Community Services and Director: Corporate Services.

RESOLVED

(a) that the written application for leave of absence from the meeting, received from Councillor J Fredericks, be approved and accepted.

(b) that the apologies for absence from the meeting, received from the Director: Community Services and Director: Corporate Services, be accepted.

BESLUIT

(a) dat die skriftelike aansoek om verlof tot afwesigheid, ontvang vanaf raadslid J Fredericks, goedgekeur en aanvaar word.

(b) dat die verskonings vir afwesigheid van die vergadering, ontvang vanaf die Direkteur: Gemeenskapsdienste en Direkteur: Korporatiewe Dienste, aanvaar word.

2.2 Confidentiality and Conflict of Interest Declaration
Vertroulikheid en Botsing van Belange Verklaring
(3/2/1)

The Confidentiality and Conflict of Interest Declaration was duly signed by all Councillors.

A conflict of interest was declared by the Executive Mayor in relation to item 6.1.

Die Vertroulikheid en Botsing van Belange Verklaring is deur alle Raadslede onderteken.

`n Botsing van belange is deur die Uitvoerende Burgemeester verklaar ten opsigte van item 6.1.

NOTED / AANGETEKEN

3. MINUTES / NOTULES

3.1 Corrections to the minutes / Regstelling van notule

None / Geen

NOTED / AANGETEKEN

3.2 Matters arising from the minutes (3/1/2/3)

The matters arising from the minutes of 24 October 2025 will be dealt with at the next meeting.

NOTED / AANGETEKEN

3.3 Approval of minutes / Goedkeuring van notules (3/1/2/3)

The minutes of the Executive Mayoral Committee meeting, held on 24 October 2025, are attached as **annexure 3.3**.

RESOLVED

that the minutes of the Executive Mayoral Committee meeting, held on 24 October 2025, be approved and signed by the Executive Mayor.

BESLUIT

dat die notule van die Uitvoerende Burgemeesterskomitee vergadering, gehou op 24 Oktober 2025, goedgekeur en deur die Uitvoerende Burgemeester onderteken word.

4. STATEMENTS, ANNOUNCEMENTS OR MATTERS RAISED BY EXECUTIVE MAYOR
MEDEDELINGS, AANKONDIGINGS OF SAKE DEUR UITVOERENDE BURGEMEESTER GEOPPER
(9/1/1)

The Executive Mayor conveyed the following:

- The Deputy Mayor will assume the role and responsibilities of Executive Mayor, whilst the Executive Mayor. will be attending an International Water Conference from 8 until 14 December 2025.
- The Executive Mayor, Councillor T Abrahams, will be joining the scheduled Council meeting of 11 December 2025 virtually.
- Gratitude and appreciation conveyed to the Mayoral Committee members, Speaker, Councillor J Rooi, Municipal Manager, Directors and the Administration for their involvement in this year's Mayoral Committee meetings.
- It was requested that the Director: Technical Services conduct an investigation regarding drains that are overflowing and ensure the necessary repairs are made. Additionally, arrangements should be made for water tankers to be accessible in case of emergencies where water is required.

NOTED

5. INTERVIEWS WITH DELEGATIONS
ONDERHOUDE MET AFVAARDIGINGS

None / Geen

NOTED / AANGETEKEN

6. DELEGATED POWERS / GEDELEGEERDE BEVOEGDHEDE

6.1 Appeal: Application for consolidation of erven 1567, 2336 and 2591, Ceres (15/4/1/1/241)

A memorandum from the Senior Town Planner, dated 18 September 2025, is attached as **annexure 6.1**.

The following recommendation was tabled to the Executive Mayoral Committee:

that the appeal of the Verenigende Gereformeerde Kerk (VGK) against the decision of the Witzenberg Planning Tribunal to approve the application for the consolidation of erven 1567, 2336 and 2591, Ceres be dismissed and that the Mayoral Committee upholds the decision of the Witzenberg Planning Tribunal.

RESOLVED

that the appeal against the decision of the Witzenberg Planning Tribunal to approve the application for the consolidation of erven 1567, 2336 and 2591, Ceres be held in abeyance until the next meeting.

7. RESERVED POWERS / GERESERVEERDE BEVOEGDHEDE

7.1 Directorate Finance / Direktoraat Finansies

7.1.1 Section 71 Monthly Budget Statement Report of Directorate Finance: October 2025
Artikel 71 Maandelikse Begrotingsverslag van Direktoraat Finansies: Oktober 2025
(9/1/2/2)

The Section 71 Monthly Budget Statement Report of the Directorate Finance for October 2025 is attached as **annexure 7.1.1**.

The Municipal Manager informed the meeting that approximately twenty (20) matters were handed over to the attorneys for debt collection. Furthermore, that National Treasury issued a directive stating that electricity cannot be unregulated during the festive period.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

(i) that notice be taken of the Section 71 Monthly Budget Statement Report of the Directorate Finance for October 2025.

(ii) that the Section 71 Monthly Budget Statement Report of the Directorate Finance for October 2025 be referred to the Portfolio Committee for Corporate and Financial Services, the Performance, Risk and Audit Committee and the Municipal Public Accounts Committee to take notice or to advise Council if deemed necessary.

BESLUIT

Dat die Uitvoerende Burgemeesterskomitee by die Raad aanbeveel:

(i) dat kennis geneem word van die Artikel 71 Maandelikse Begrotingsverslag van die Direktoraat Finansies vir Oktober 2025.

(ii) dat die Artikel 71 Maandelikse Begrotingsverslag van die Direktoraat Finansies vir Oktober 2025 na die Portefeuljekomitee vir Korporatiewe en Finansiële Dienste, die Prestasie-, Risiko- en Ouditkomitee en die Munisipale Komitee vir Openbare Rekeninge verwys word vir kennisname of 'n aanbeveling aan die Raad indien nodig geag.

7.2 Directorate Technical Services / Direktoraat Tegniese Dienste

7.2.1 Compilation of Witzenberg Spatial Development Framework: Status quo Report
Samestelling van Witzenberg Ruimtelike Ontwikkelingsraamwerk: Status quo Verslag
(15/4/P)

The following documents are attached:

(a) Memorandum from Senior Manager: Town Planning and Building Control, dated 25 September 2025: **Annexure 7.2.1(a)**.

(b) Status quo Report: Witzenberg Spatial Development Framework: **Annexure 7.2.1(b)**.

The Committee for Technical Services resolved on 14 October 2025 to recommend to the Executive Mayoral Committee and Council:

(a) that the project work programme for the compilation of the Witzenberg Spatial Development Framework be approved.

(b) that the Witzenberg Spatial Development Framework Status quo Report, prepared by CK Rumboll and Partners, be approved.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

(a) that the project work programme for the compilation of the Witzenberg Spatial Development Framework be approved in principle.

(b) that the Witzenberg Spatial Development Framework Status quo Report, prepared by CK Rumboll and Partners, be approved in principle.

(c) that supra (a) and (b) be workshopped by Council.

BESLUIT

Dat die Uitvoerende Burgemeesterskomitee by die Raad aanbeveel:

(a) dat die werksprogram vir die projek om die Witzenberg Ruimtelike Ontwikkelingsraamwerk saam te stel, goedgekeur word.

(b) dat die Witzenberg Ruimtelike Ontwikkelingsraamwerk Status quo-verslag, voorberei deur CK Rumboll en Vennote, in beginsel goedgekeur word.

(c) dat supra (a) en (b) deur die Raad tydens 'n werkswinkel bespreek word.

7.3 Directorate Community Services / Direktoraat Gemeenskapsdienste

7.3.1 Lease agreement: Pine Valley Neighbourhood Watch: Old Malikhanye Crèche building: Portion of erf 1, Pine Valley, Wolseley Huurooreenkoms: Pine Valley Buurtwag: Ou Malikhanye Kleuterskool-gebou: Gedeelte van erf 1, Pine Valley Wolseley (7/1/4/1)

A memorandum from the Social Worker, dated 16 May 2025, is attached as **annexure 7.3.1**.

The Committee for Community Development resolved on 9 September 2025 to recommend to the Executive Mayoral Committee and Council:

(a) that the renewal of the lease agreement for a further 3 years on the discretion of the municipality be considered.

(b) that the property that is to be leased, is not required for the provision of the minimum level of basic services [MFMA Section 14.2(a)].

(c) that the property be leased "voetstoots".

(d) that the fair market value is not applicable due to the economic and community value that is received in exchange for the lease of the asset [MFMA Section 14.2(b)]. Council to consider exemption of rental charges and municipal services be paid for the building, on condition that the municipality leases the building as it is and that the lessee does all repair and applicable maintenance work to the building.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

(a) that the renewal of the lease agreement for a further 3 years on the discretion of the municipality be considered.

(b) that the property that is to be leased, is not required for the provision of the minimum level of basic services [MFMA Section 14.2(a)].

(c) that the property be leased "voetstoots".

(d) that the fair market value is not applicable due to the economic and community value that is received in exchange for the lease of the asset [MFMA Section 14.2(b)]. Council to consider exemption of rental charges and municipal services be paid for the building, on condition that the municipality leases the building as it is and that the lessee does all repair and applicable maintenance work to the building.

7.4 Directorate Corporate Services / Direktoraat Korporatiewe Dienste

7.4.1 Appointment of PRAC members: Extension of term of office: Mr JJ Swarts and Ms J Lapoorta (5/14/4)

Memorandum from Chief Internal Audit Executive, dated 26 November 2025:

"**Purpose**

Section 166(5) of the Municipal Finance Management Act states the members of an audit committee must be appointed by the Council of the municipality.

The purpose of this communication is for the Mayoral Committee and Council to consider the appointment of two members for a second 3-year term.

Deliberation

The term of office of the PRAC members is currently as follows:

Position	Name	Term
Chairperson	Mr J George	Term ending 31 January 2026
Member	Mr JJ Swarts	First term ending 31 January 2026
Member	Ms J Lapoorta	First term ending 31 January 2026
Member	Adv N Hendricks	First term ending 31 March 2028

To ensure continuity it is important to consider the following as stated in the PRAC Charter:

'Term of office

(1) The Chairperson and members of the Performance, Risk and Audit Committee are appointed for a period of three years subject to annual reappointment during the three-year term.

(2) Council may consider extending the term of a member who is a permanent resident of the Witzenberg area should local residents not be represented on the committee.

(3) A member of the Performance, Risk and Audit Committee shall not serve for longer than two consecutive terms of three years each.'

The first term of Mr JJ Swarts and Ms J Lapoorta is ending on 31 January 2026. Both members are eligible for a second term of three years. The reappointment for a second term is subject to performance. Both members have performed consistently in terms of the requirements as expected from Audit Committee members and therefore qualify for the reappointment for a second term."

RESOLVED

That the Executive Mayoral Committee recommends to Council:

that the term of office of Mr JJ Swarts and Ms J Lapoorta be extended for a further 3-year period from 1 February 2026 until 31 January 2029.

8. URGENT MATTERS SUBMITTED AFTER DISPATCHING OF THE AGENDA DRINGENDE SAKE NA AFSENDING VAN DIE AGENDA

None / Geen

NOTED / AANGETEKEN

9. FORMAL AND STATUTORY MATTERS FORMELE EN STATUTêRE SAKE

None / Geen

NOTED / AANGETEKEN

10. ADJOURNMENT / VERDAGING

The meeting adjourned at 09:20. / Die vergadering verdaag om 09:20.

Approved on 23 February 2026 without amendments.

____

COUNCILLOR TE ABRAHAMS
EXECUTIVE MAYOR

MINUTES OF THE EXECUTIVE MAYORAL COMMITTEE MEETING OF WITZENBERG MUNICIPALITY, HELD IN THE COUNCIL CHAMBERS, MUNICIPAL OFFICES, 50 VOORTREKKER STREET, CERES ON MONDAY, 26 JANUARY 2026 AT 11:00

NOTULE VAN DIE UITVOERENDE BURGEMEESTERSKOMITEE VERGADERING VAN MUNISIPALITEIT WITZENBERG, GEHOU OP MAANDAG, 26 JANUARIE 2026 OM 11:00 IN DIE RAADSAAL, MUNISIPALE KANTORE, VOORTREKKERSTRAAT 50, CERES

PRESENT

Executive Mayoral Committee

Councillor TE Abrahams (Executive Mayor)
Councillor JF Nel (Executive Deputy Mayor)
Alderman K Adams
Councillor JP Fredericks
Alderman HJ Smit
Alderman JJ Visagie

Councillors not on Mayoral Committee

Alderlady EM Sidego (ex officio) (Speaker)
Councillor J Rooi (ex officio) (Chairperson: MPAC)

Officials

Mr D Nasson (Municipal Manager)
Mr HJ Kritzinger (Director: Finance)
Mr S Swartz (Director: Community Services)
Mr J Steyn (Director: Technical Services)
Mr M Mpeluza (Director: Corporate Services)
Ms N Oerson (Chief Internal Audit Executive)
Mr A Hofmeester (Manager: IDP)
Ms M Arendse-Smith (Acting Manager: Administration)
Ms J du Toit (Intern: Administration)

Other attendees

Mr M de Villiers (Manager: Ceres Business Initiative)

1. OPENING AND WELCOME / OPENING EN VERWELKOMING

The Executive Mayor welcomed everyone present and requested Councillor J Rooi to open the meeting with prayer.

NOTED

2. LEAVE OF ABSENCE AND CONFIDENTIALITY AND CONFLICT OF INTEREST DECLARATION

2.1 Consideration of application for leave of absence
Aansoeke om verlof tot afwesigheid
(3/1/2/1)

None / Geen

NOTED / AANGETEKEN

2.2 Confidentiality and Conflict of Interest Declaration
Vertroulikheid en Botsing van Belange Verklaring
(3/2/1)

The Confidentiality and Conflict of Interest Declaration was duly signed by all Mayoral Committee members. No conflict of interest was declared.

NOTED

3. MINUTES / NOTULES

Minutes for approval will be tabled at the next Mayoral Committee meeting.

NOTED

4. STATEMENTS, ANNOUNCEMENTS OR MATTERS RAISED BY EXECUTIVE MAYOR
MEDEDELINGS, AANKONDIGINGS OF SAKE DEUR UITVOERENDE BURGEMEESTER GEOPPER
(9/1/1)

The Executive Mayor conveyed the following:

- Well wishes for 2026 were conveyed to the Speaker, Alderlady Sidego, as well as the MPAC Chairperson, Councillor J Rooi. The coalition was requested to provide both the Speaker and MPAC Chairperson with the necessary support during the period prior to the elections.
- MayCo members were urged to scrutinise service delivery and be proactive in their various committees.
- The Executive Mayor requested that, as leaders, the working relationship with the Executive Deputy Mayor continue to be strengthened to prevent gaps and to protect one another.

- The Executive Mayor expressed gratitude and appreciation towards Councillor J Fredericks who, despite his wife's health condition, fulfils and executes his responsibilities as MayCo member and Chairperson of the Committee for Corporate and Financial Services. It was also noted that the Executive Deputy Mayor's wife is experiencing health challenges and that support will be provided where necessary.
- The Executive Mayor noted that the provision of bottled water at meetings and to Councillors' offices be phased out as the municipality attained Blue and Green Drop status. Furthermore, that savings on stationery, travel costs and accommodation will also be considered.
- Furthermore, that in terms of cost containment, it is not viable to have both hard copy agenda packs as well as electronic devices as it should be either option, but not both. This would also alleviate the pressures and costs associated with the hard copy packs.
- Words of encouragement were conveyed to the Municipal Manager and the Administration noting that 2026 will indeed have challenges, but that employees must work double as hard to provide quality and reputable services to all citizens of Witzenberg.
- Best wishes were conveyed to the Ceres Business Initiative, representing the business sector and noted that CBI can rely on the municipality's support and assistance, if necessary.

NOTED

5. INTERVIEWS WITH DELEGATIONS
ONDERHOUDE MET AFVAARDIGINGS

None / Geen

NOTED / AANGETEKEN

6. DELEGATED POWERS / GEDELEGEERDE BEVOEGDHEDE

None / Geen

NOTED / AANGETEKEN

7. RESERVED POWERS / GERESERVEERDE BEVOEGDHEDE

7.1 Directorate Finance / Direktoraat Finansies

7.1.1 Section 71 Monthly Budget Statement Reports of Directorate Finance: November and December 2025
Artikel 71 Maandelikse Begrotingsverslae van Direktoraat Finansies: November en Desember 2025
(9/1/2/2)

The following Section 71 Monthly Budget Statement Reports of the Directorate Finance are attached:

(a) November 2025: **Annexure 7.1.1(a)**
(b) December 2025: **Annexure 7.1.1(b)**

RESOLVED

That the Executive Mayoral Committee recommends to Council:

(a) that notice be taken of the Section 71 Monthly Budget Statement Reports of the Directorate Finance for November and December 2025.

(b) that the Section 71 Monthly Budget Statement Reports of the Directorate Finance for November and December 2025 be referred to the Portfolio Committee for Corporate and Financial Services, the Performance, Risk and Audit Committee and the Municipal Public Accounts Committee to take notice or to advise Council if deemed necessary.

7.1.2 Disposal of movable assets, goods, material and equipment in terms of Section 14(4) of Municipal Finance Management Act
(6/1/P)

A report from the Chief Financial Officer, dated 18 January 2026, is attached as **annexure 7.1.2**.

Councillor J Fredericks raised concerns about illegal dumping at open spaces and the costs related to the rented digger loader, which is not utilised effectively whilst it remains stationary at the Department Cleansing Services. It is suggested that digger loaders be allocated to the Fleet and Mechanical Workshop and be booked out when required.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

(a) that legal process be followed to alienate the abandoned vehicles on our premises from the registered owners and sell it at an auction.

(b) that Council approves the disposal of assets, goods, material and equipment in this report.

(c) that the Supply Chain Management Unit proceeds with the disposal of assets in accordance with Paragraph 48 (4) of Council's Supply Chain Management Policy.

7.1.3 Quarterly Budget Statement [Section 52(d)] Report: 2nd Quarter 2025/2026 (9/1/1 & 9/1/2/2)

The Quarterly Budget Statement [Section 52(d)] Report for the 2nd Quarter of 2025/2026 is attached as **annexure 7.1.3**.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

(a) that notice be taken of the Quarterly Budget Statement [Section 52(d)] Report for the 2nd Quarter of 2025/2026.

(b) that the Quarterly Budget Statement [Section 52(d)] Report for the 2nd Quarter of 2025/2026 be referred to the Portfolio Committee for Corporate and Financial Services, the Performance, Risk and Audit Committee and the Municipal Public Accounts Committee to take notice or to advise Council if deemed necessary.

7.1.4 Mid-Year Budget Statement and Performance Assessment Report (Section 72) for period 1 July 2025 until 31 December 2025 (9/1/2/2)

The Mid-Year Budget Statement and Performance Assessment Report (Section 72) for the period 1 July 2025 until 31 December 2025 is attached as **annexure 7.1.4**.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

(a) that notice be taken of the Mid-Year Budget Statement and Performance Assessment Report (Section 72) for the period 1 July 2025 until 31 December 2025.

(b) that the Mid-Year Budget Statement and Performance Assessment Report (Section 72) for the period 1 July 2025 until 31 December 2025 be referred to the Portfolio Committee for Corporate and Financial Services, the Performance, Risk and Audit Committee and the Municipal Public Accounts Committee to take notice or to advise Council if deemed necessary.

7.2 Directorate Technical Services / Direktoraat Tegniese Dienste

7.2.1 Draft Witzenberg Municipal Spatial Development Framework: 2025 - 2030
(15/4/P)

The following documents are attached:

(a) Memorandum from Senior Manager: Town Planning and Building Control, dated 13 January 2026: **Annexure 7.2.1(a)**.

(b) Draft Spatial Development Framework for 2025 until 2030: **Annexure 7.2.1(b)**.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

(a) that the draft Witzenberg Spatial Development Framework for 2025 until 2030 be workshopped by Council.

(b) that in terms of (a) supra, any amendments to the draft Witzenberg Spatial Development Framework for 2025 until 2030 be dealt with by Council and thereafter be approved for public comment and a mandate be granted to proceed with public participation in accordance with the prescripts of the Municipal Systems Act 2000 (Act 32 of 2000) and Spatial Planning and Land Use Management Act (Act 16 of 2013).

7.3 Directorate Community Services / Direktoraat Gemeenskapsdienste

7.3.1 Proposed amendments to Indigent Policy (5/1/1/13)

Report from Director: Finance, dated 19 January 2026:

"1. Purpose

The purpose of this report is to submit proposed amendments to the Indigent Policy for consideration to Council. The Indigent Policy is attached as **annexure 7.3.1**.

2. Legal framework

The qualification criteria for urban households to receive assistance are as follows:

(a) The head of the household must be a South African citizen.

(b) An application on the prescribed form, fully completed with the required information and signed, must be provided.

(c) The household, except in the case of rural households, must receive an account from the Municipality of Witzenberg.

(d) If the municipal account is not in the name of the people residing in the house the following procedures may be followed:

(i) An indigent application process to determine whether the household qualifies for benefits. If they qualify then:

- A letter from the owner, or the executer of the estate, if applicable, authorising the municipality to open a service account in the name of the person residing in the house.
- If the owner has died and an executer has not been appointed, all the children of the deceased must give permission with an affidavit that the account can be opened in the specific person's name.
- In the case of municipal property, the Housing Committee will determine the lessee.

(ii) In exceptional circumstances the Municipal Manager can authorise the opening of an account in the name of the person residing on the premises. (When it is not possible to obtain approval from the owner/s or heir/s to open an account in the name of the people residing in the house).

(e) The Municipal Manager is delegated to write off the old debt on the property if the property is transferred into the name of the beneficiary within 24 months after the approval of the indigent application.

(f) No member of the household, except in the case of rural households which resides on the farm where he/she works and is not the owner, may own a fixed property other that the site on which the household resides; and

(g) The household joint gross income may not exceed the level of R6,000.00 per month. The average monthly income for seasonal workers may be calculated by multiplying the monthly income with the number of months the person normally works and dividing the answer by 12. The monthly income for weekly wages may be calculated by multiplying the weekly wage by 4.3.

(h) The household income as per paragraph 6.1.5 may be reduced with the monthly bond expenditure.

(i) Two individual government pension (old age or disability) that exceeds the threshold as per 7.1 may qualify for the 100 % benefit if it is the only household income.

(j) The Municipal Manager may approve a household as indigent in exceptional circumstances.

(k) As a pre-requisite the municipality will install water demand management meters free of charge at indigent properties as a prerequisite to be registered as an indigent and all water leaks on the property will be repaired by the municipality at the cost of the municipality.

(l) No applicants who have a mobile shop in their erven (whether they are the owner or operator of the shop or not) is eligible for any Indigent benefit.

(m) No Indigent application will be approved if any illegal trading is conducted on the property.

(n) Where there is a business operated by the main account holder or their spouse/ life partner, an affidavit must be accompanied stating that the income (profit) from the business is not more than the thresholds of the Indigent (100 % or 50 %) subsidy. Where discretion regarding this matter is needed, the application is to be referred to the Municipal Manager or Director: Community Services for approval.

3. Discussion

Some of the households in the Eskom area do qualify for indigent support, but they do not apply as they receive the free electricity units from Eskom based on the size of the electricity connection.

The households in informal areas do not receive accounts for municipal services and therefore do not apply for indigent support although they receive municipal services.

The abovementioned households are therefore not included in the official municipal statistics of indigent households."

The following concerns were raised by the meeting:

- That residents of Bella Vista are struggling to apply for indigent grants or to have their homes transferred in their name.
- How are transfers dealt with if the house is transferred on to an individual's name and thereafter is deceased, resulting in another transfer having to be effected.

The Municipal Manager informed the meeting that the Finance Section will be consulted to determine how simultaneous registration is dealt with and that the Committee for Housing Matters has the delegated authority to deal with rental stock.

RESOLVED

That the Executive Mayoral Committee recommends to Council:

That the following paragraphs be added to the Indigent Policy:

(i) Paragraph 6.1.5.1: The households on the Eskom list for free electricity units qualify for full indigent benefits.

(ii) Paragraph 6.1.5.2: The households in informal areas qualify for full indigent benefits.

7.4 Directorate Corporate Services / Direktoraat Korporatiewe Dienste

These matters will be tabled at the next Mayoral Committee meeting.

NOTED

8. URGENT MATTERS SUBMITTED AFTER DISPATCHING OF THE AGENDA
DRINGENDE SAKE INGEDIEN NA AFSENDING VAN DIE AGENDA

None / Geen

NOTED / AANGETEKEN

9. ADJOURNMENT / VERDAGING

The meeting adjourned at 11:35.
Die vergadering verdaag om 11:35.

Approved on 23 February 2026 without amendments.

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COUNCILLOR TE ABRAHAMS
EXECUTIVE MAYOR

/MJ Prins

8.1.1

WITZENBERG

Municipality • Munisipaliteit • UMasipala Wase

Monthly Budget Statement Report Section 71 for February 2026

Financial data is in respect of the period 1 July 2025 to 30 June 2026

Glossary

Adjustments Budgets – Prescribed in section 28 of the Municipal Finance Management Act. It is the formal means by which a municipality may revise its budget during a financial year.

Allocations – Money received from Provincial or National Government or other municipalities.

AFS – Annual Financial Statements

Budget – The financial plan of a municipality.

Budget related policy – Policy of a municipality affecting or affected by the budget.

Capital Expenditure – Spending on municipal assets such as land, buildings, distribution networks, treatment plants and vehicles. Any capital expenditure must be reflected as an asset on a municipality's balance sheet.

Cash Flow Statement – A statement showing when actual cash will be received and spent by the Municipality, and the month end balances of cash and short term investments. Cash receipts and payments do not always coincide with budgeted income and expenditure timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month that the services or goods are received, even though it may not be paid in the same period.

CFO – Chief Financial Officer / Director: Finance

DORA – Division of Revenue Act. An annual piece of legislation indicating the allocations from National Government to Local Government.

Equitable Share – A general grant paid to municipalities. It is predominantly targeted to assist with free basic services.

Fruitless and wasteful expenditure – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.

GDFI - Gross Domestic Fixed Investment

GFS – Government Finance Statistics. An internationally recognised classification system that facilitates comparisons between municipalities.

GRAP – Generally Recognized Accounting Practice. The new standard for municipal accounting and basis upon which AFS are prepared.

IDP – Integrated Development Plan. The main strategic planning document of a municipality.

KPI's – Key Performance Indicators. Measures of service output and/or outcome.

MFMA – Municipal Finance Management Act (No 53 of 2003). The principle piece of legislation relating to municipal financial management.

Glossary (Continued)

MIG – Municipal Infrastructure Grant

MPRA – Municipal Property Rates Act (No 6 of 2004).

MTREF – Medium Term Revenue and Expenditure Framework as prescribed by the MFMA sets out indicative revenue and projected expenditure for the budget year plus two outer financial years to determine the affordability level. Also includes details of the previous three years and current years' financial position.

NT – National Treasury

Net Assets – Net assets are the residual interest in the assets of the entity after deducting all its liabilities. This means the net assets of the municipality equates to the "net wealth" of the municipality, after all assets were sold/recovered and all liabilities paid. Transactions which do not meet the definition of Revenue or Expenses, such as increases in values of Property, Plant and Equipment where there is no inflow or outflow of resources are accounted for in Net Assets.

Operating Expenditure – Spending on the day to day expenses of a municipality such as general expenses, salaries & wages and repairs & maintenance.

Rates – Local Government tax based on assessed valuation of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.

RBIG – Regional Bulk Infrastructure Grant

R&M – Repairs and maintenance on property, plant and equipment.

SCM – Supply Chain Management.

SDBIP – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.

Strategic Objectives – The main priorities of a municipality as set out in the IDP Budgeted spending must contribute towards achievement of these strategic objectives.

TMA – Total Municipal Account

Unauthorised expenditure – Generally, spending without, or in excess of, an approved budget.

Virement – A transfer of budget.

Virement Policy - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.

Vote – One of the main segments into which a budget is divided, usually at department level.

WM – Witzenberg Municipality

Legal requirements

2.3 Monthly budget statements

In terms of Section 71 of the MFMA the accounting officer must prepare monthly budget statements that comply with this section. This section read as follows:

*"**71.** (1) The accounting officer of a municipality must by no later than 10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month:*

(a) Actual revenue, per revenue source;
(b) actual borrowings;
(c) actual expenditure, per vote;
(d) actual capital expenditure, per vote;
(e) the amount of any allocations received;
(f) actual expenditure on those allocations, excluding expenditure on—
(i) its share of the local government equitable share; and
(ii) allocations exempted by the annual Division of Revenue Act from compliance with this paragraph; and
(g) when necessary, an explanation of—
(i) any material variances from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote;
(ii) any material variances from the service delivery and budget implementation plan; and
(iii) any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipality's approved budget.

(2) The statement must include—
(a) a projection of the relevant municipality's revenue and expenditure for the rest of the financial year, and any revisions from initial projections; and
(b) the prescribed information relating to the state of the budget of each municipal entity as provided to the municipality in terms of section 87(10).

(3) The amounts reflected in the statement must in each case be compared with the corresponding amounts.

budgeted for in the municipality's approved budget.
(4) The statement to the provincial treasury must be in the format of a signed document and in electronic format.

(5) The accounting officer of a municipality which has received an allocation referred to in subsection (1)(e) during any particular month must, by no later than 10 working days after the end of that month, submit that part of the statement reflecting the particulars referred to in subsection (1)(e) and

2.3 Maandelikse begroting state

In terme van Artikel 71 van die MFMA die rekenpligtige beampte moet 'n maandelikse begroting state wat voldoen aan hierdie artikel. Hierdie artikel lees soos volg:

*"**71. (1)** Die rekenpligtige beampte van 'n munisipaliteit moet nie later as 10 werk dae na die einde van elke maand aan die burgemeester van die munisipaliteit en die betrokke Provinsiale Tesourie 1 verklaring in die voorgeskrewe formaat oor die toestand van die munisipaliteit se begroting wat die volgende besonderhede vir die maand en vir die finansiële jaar tot die einde van die maand:*

(a) werklike inkomste per bron van inkomste;
(b) werklike lenings;
(c) die werklike uitgawes per stem;
(d) die werklike kapitaalbesteding, per stem;
(e) die bedrag van enige toekennings ontvang;
(f) die werklike uitgawes op daardie toekennings, uitgesluit besteding op
(i) sy deel van die plaaslike regering billike deel;
(ii) toekennings vrygestel is by die jaarlikse Verdeling van Inkomste van die nakoming van hierdie paragraaf, en
(g) wanneer dit nodig is, 'n verduideliking van-
(i) enige wesenlike afwykings van die munisipaliteit se geprojekteerde inkomste deur die bron, en van die munisipaliteit se uitgawe projeksies per stem;
(ii) enige wesenlike afwykings van die dienslewering en begrotings implementeringsplan;
(iii) enige remediërende of korrektiewe stappe geneem is of geneem word om te verseker dat die geprojekteerde inkomste en uitgawes in die munisipaliteit se goedgekeurde begroting bly.

(2) Die staat moet die volgende insluit-
(a) 'n projeksie van die betrokke munisipaliteit se inkomste en uitgawes vir die res van die finansiële jaar, en enige wysigings van die aanvanklike projeksies, en (b) die voorgeskrewe inligting met betrekking tot die toestand van die begroting van elke munisipale entiteit wat aan die munisipaliteit in terme van artikel 87 (10).

(3) die bedrae wat in die verklaring moet in elke geval in vergelyking met die ooreenstemmende bedrae begroot vir die munisipaliteit se goedgekeurde begroting.

(4) Die verklaring aan die provinsiale tesourie moet in die formaat van 'n getekende dokument en in elektroniese formaat.

(5) Die rekenpligtige beampte van 'n munisipaliteit wat 'n toekenning bedoel in subartikel (1)(e) gedurende 'n bepaalde maand ontvang het, moet nie later nie as 10 werksdae na die einde van die maand, moet daardie deel van die verklaring wat die besonderhede bedoel in subartikel (1)(e) en (f) om die nasionale of provinsiale orgaan van die staat of munisipaliteit wat die toekenning oorgedra

(f) to the national or provincial organ of state or municipality which transferred the allocation.

(6) The provincial treasury must by no later than 22 working days after the end of each month submit to the National Treasury a consolidated statement in the prescribed format on the state of the municipalities' budgets, per municipality and per municipal entity.

(7) The provincial treasury must, within 30 days after the end of each quarter, make public as may be prescribed, a consolidated statement in the prescribed format on the state of municipalities' budgets per municipality and per municipal entity. The MEC for finance must submit such consolidated statement to the provincial legislature no later than 45 days after the end of each quarter."

(6) Die Provinsiale Tesourie moet nie later nie as 22 werksdae na die einde van elke maand aan die Nasionale Tesourie 'n gekonsolideerde staat in die voorgeskrewe formaat oor die stand van die munisipaliteite se begrotings, per munisipaliteit en per munisipale entiteit.

(7) Die Provinsiale Tesourie moet, binne 30 dae na die einde van elke kwartaal, openbaar te maak as wat voorgeskryf mag word, 'n gekonsolideerde staat in die voorgeskrewe formaat oor die stand van munisipaliteite se begrotings per munisipaliteit en per munisipale entiteit. Die LUR vir finansies moet so 'n gekonsolideerde staat nie later nie as 45 dae na die einde van elke kwartaal aan die provinsiale wetgewer dien."

A MAYOR'S REPORT

Credit control for various reasons remains a challenge for the municipality.

The monthly billing was also done as scheduled and during this process 20 694 accounts amounting to R57.7 million were printed and distributed to consumers. The prepaid electricity sales amounted to R8.06 million in comparison to sales of R7.5 million for the same month during the prior financial year.

The indigent cost to the municipality for the month amounts to R 2.245million in comparison to the prior month figure of R 2.225millon.

The accumulated debtor's collection target for the year is 94%, and the actual accumulated year-to-date debtor's collection is 86% in comparison to a rate of 76% for the same month in the previous year.

As an additional credit control mechanism the auxiliary of 30% was implemented from 20 December 2023. For February 2026 an amount of R 124 067 was recovered on this basis.

The municipality issued orders to the value of R 27.8 million of which R 174 148 was in terms of deviations.

The municipality currently has R65.5 million in its primary bank account with R100 million in investments. The bank balance at the end of the previous month was R40.4 million with R150 million in investments.

The calculated cost coverage ratio of the municipality at the end of February 2026 is 2,5 months.

B RECOMMENDATION

It is recommended that council take cognisance of the monthly financial report and supporting documents of January 2026.

A BURGEMEESTERS VERSLAG

Kredietbeheer bly 'n uitdaging vir die munisipaliteit as gevolg van verskillende redes.

Die maandelikse rekeninge is ook gehef soos geskeduleer en tydens hierdie proses is 20 694 rekeninge ten bedrae van R57.7 miljoen gedruk en aan verbruikers versprei. Die voorafbetaalde elektrisiteit verkope beloop R8.06 miljoen en was R7.5 miljoen vir dieselfde maand gedurende die vorige finansiele jaar.

Die deemis subsidies vir die maand beloop R 2.245 miljoen in vergelyking met die vorige maand syfer van R 2.225 miljoen.

Die opgehoopte debiteure verihaling se teiken vir die jaar is 94%, en die werklike jaar tot op datum invordering is 86% in vergelyking met 76% vir dieselfde maand in die vorige finansiele jaar.

As 'n addisionele kredietbeheer meganisme is 'n aftrekking van 30% op aile voorafbetaalde kragaankope ten opsigte van agterstallige skuld vanaf 20 Desember 2023 geimplementeer. Vir die maand van Februarie 2026 is 'n bedrag van R 124 067 op hierdie wyse ingevorder.

Bestellings ter waarde van R 27.8 miljoen uitgereik, waarvan R 174 148 ten opsigte van afwykings is.

Die munisipaliteit het R65.5 miljoen in die primere bankrekening met R100 miljoen beleggings. Die bankbalans aan die einde van die vorige maand was R40.4 miljoen met R 1 50 miljoen in beleggings.

Die berekende koste dekking verhouding van die munisipaliteit soos aan die einde van Februarie 2026 is 2,5 maande.

B AANBEVELING

Dit word aanbeveel dat die raad kennis neem van die finansiele maandverslag en ondersteunende dokumente vir Januarie 2026.

Councillor TE Abrahams
EXECUTIVE MAYOR

WC022 Witzenberg - Table C1 Monthly Budget Statement Summary -

Description	2024/25	Budget Year 2025/26							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
Financial Performance								%	
Property rates	107 320	120 291	120 291	–	85 874	93 536	(7 662)	-8%	120 291
Service charges	508 072	586 957	601 157	(396)	302 179	396 118	(93 939)	-24%	601 157
Investment revenue	18 758	23 567	23 567	–	9 945	15 711	(5 766)	-37%	23 567
Transfers and subsidies - Operational	150 058	182 230	188 070	–	118 999	119 551	(552)	-0%	188 070
Other own revenue	118 278	69 891	70 961	1	43 681	46 102	(2 421)	-5%	70 961
Total Revenue (excluding capital transfers and contributions)	**902 486**	**982 936**	**1 004 045**	**(396)**	**560 679**	**671 019**	**(110 340)**	**-16%**	**1 004 045**
Employee costs	269 855	309 360	308 376	–	170 002	205 110	(35 109)	-17%	308 376
Remuneration of Councillors	12 315	13 228	13 228	–	7 041	8 819	(1 778)	-20%	13 228
Depreciation and amortisation	39 446	34 090	34 090	–	18 603	22 727	(4 124)	-18%	34 090
Interest	7 847	10 742	10 585	–	928	7 057	(6 129)	-87%	10 585
Inventory consumed and bulk purchases	415 900	424 390	455 819	598	211 375	303 745	(92 370)	-30%	455 819
Transfers and subsidies	4 633	4 931	12 825	–	1 004	6 914	(5 911)	-85%	12 825
Other expenditure	195 685	222 593	221 355	1 217	70 109	147 050	(76 941)	-52%	221 355
Total Expenditure	**945 681**	**1 019 335**	**1 056 279**	**1 816**	**479 061**	**701 422**	**(222 361)**	**-32%**	**1 056 279**
Surplus/(Deficit)	**(43 195)**	**(36 399)**	**(52 234)**	**(2 211)**	**81 618**	**(30 404)**	**112 021**	**-368%**	**(52 234)**
Transfers and subsidies - capital (monetary allocations)	40 834	27 535	27 535	–	1 324	13 617	(12 293)	-90%	27 535
Transfers and subsidies - capital (in-kind)	1 458	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**(902)**	**(8 865)**	**(24 700)**	**(2 211)**	**82 942**	**(16 786)**	**99 728**	**-594%**	**(24 700)**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**(902)**	**(8 865)**	**(24 700)**	**(2 211)**	**82 942**	**(16 786)**	**99 728**	**-594%**	**(24 700)**
Capital expenditure & funds sources									
Capital expenditure	**82 874**	**75 047**	**93 949**	**2 859**	**31 506**	**50 157**	**(18 651)**	**-37%**	**93 949**
Capital transfers recognised	40 721	30 013	30 013	189	10 881	15 371	(4 490)	-29%	30 013
Borrowing	7 807	15 000	16 303	2 410	10 424	8 151	2 273	28%	16 303
Internally generated funds	28 591	35 034	45 453	260	18 014	26 848	(8 835)	-33%	45 453
Total sources of capital funds	**77 119**	**80 047**	**91 769**	**2 859**	**39 318**	**50 370**	**(11 052)**	**-22%**	**91 769**
Financial position									
Total current assets	343 429	293 805	265 027		415 042				265 027
Total non current assets	1 047 671	1 220 387	1 268 953		1 160 421				1 268 953
Total current liabilities	143 684	46 268	127 562		120 931				127 562
Total non current liabilities	93 514	192 053	161 349		121 247				161 349
Community wealth/Equity	1 250 343	1 275 870	1 263 331		1 057 913				1 263 331
Cash flows									
Net cash from (used) operating	315 789	97 347	105 722	(12 153)	205 500	35 105	(170 395)	-485%	969 157
Net cash from (used) investing	(70 885)	(80 047)	(91 769)	(15 850)	(36 641)	50 370	87 011	173%	91 769
Net cash from (used) financing	(65)	–	–	(2 296)	61	–	(61)		–
Cash/cash equivalents at the month/year end	**561 084**	**227 137**	**212 590**	**–**	**570 523**	**284 112**	**(286 411)**	**-101%**	**1 462 528**

Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	59 173	14 181	7 073	7 197	7 028	13 651	30 913	305 105	444 321
Creditors Age Analysis									
Total Creditors	16 856	1 887	3 281	978	4 501	1 497	11 494	–	40 495

WC022 Witzenberg - Table C2 Monthly Budget Statement - Financial Performance (functional classification) -

Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
Revenue - Functional										
Governance and administration		**156 038**	**164 944**	**165 685**	**(17)**	**102 949**	**120 083**	(17 134)	-14%	**165 685**
Executive and council		10 834	308	308	–	21	205	(184)	-90%	308
Finance and administration		145 204	164 636	165 377	(17)	102 928	119 878	(16 950)	-14%	165 377
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**206 083**	**171 856**	**179 522**	**18**	**136 329**	**115 571**	20 758	18%	**179 522**
Community and social services		158 535	141 914	141 914	13	118 575	92 422	26 153	28%	141 914
Sport and recreation		8 496	9 044	9 044	5	4 669	5 890	(1 221)	-21%	9 044
Public safety		25 724	18 356	18 356	–	12 952	12 092	860	7%	18 356
Housing		13 327	2 542	10 208	–	133	5 166	(5 033)	-97%	10 208
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**5 427**	**5 541**	**4 250**	**0**	**1 280**	**2 784**	(1 504)	-54%	**4 250**
Planning and development		4 802	2 407	2 563	0	1 257	1 660	(403)	-24%	2 563
Road transport		598	122	122	–	24	81	(57)	-71%	122
Environmental protection		27	3 013	1 565	–	–	1 044	(1 044)	-100%	1 565
Trading services		**577 122**	**667 983**	**681 976**	**(397)**	**321 323**	**446 100**	(124 777)	-28%	**681 976**
Energy sources		399 466	448 729	483 722	(361)	228 196	317 832	(89 636)	-28%	483 722
Water management		83 537	93 390	93 390	(26)	40 693	58 358	(17 665)	-30%	93 390
Waste water management		51 284	72 294	51 294	(5)	26 335	34 196	(7 861)	-23%	51 294
Waste management		42 836	53 571	53 571	(4)	26 100	35 714	(9 614)	-27%	53 571
Other	4	**109**	**146**	**146**	**0**	**121**	**98**	**23**	**24%**	**146**
Total Revenue - Functional	2	**944 779**	**1 010 471**	**1 031 579**	**(396)**	**562 003**	**684 636**	**(122 633)**	**-18%**	**1 031 579**
Expenditure - Functional										
Governance and administration		**158 266**	**161 273**	**161 205**	**582**	**86 202**	**107 337**	(21 135)	-20%	**161 205**
Executive and council		39 268	36 516	36 609	1	18 807	24 306	(5 499)	-23%	36 609
Finance and administration		115 436	118 496	118 335	581	65 152	78 856	(13 705)	-17%	118 335
Internal audit		3 562	6 261	6 261	–	2 243	4 174	(1 931)	-46%	6 261
Community and public safety		**144 275**	**162 979**	**167 379**	**225**	**75 186**	**109 750**	(34 564)	-31%	**167 379**
Community and social services		31 075	35 691	34 693	16	18 864	23 129	(4 264)	-18%	34 693
Sport and recreation		41 112	51 222	50 338	130	24 872	33 359	(8 487)	-25%	50 338
Public safety		54 414	66 745	64 998	36	27 774	43 332	(15 558)	-36%	64 998
Housing		17 674	9 321	17 350	42	3 676	9 931	(6 255)	-63%	17 350
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**42 023**	**48 020**	**47 462**	**209**	**25 434**	**30 848**	(5 414)	-18%	**47 462**
Planning and development		15 915	19 750	20 205	19	9 623	13 450	(3 828)	-28%	20 205
Road transport		23 113	21 118	21 686	187	14 545	14 458	88	1%	21 686
Environmental protection		2 994	7 152	5 571	3	1 266	2 940	(1 674)	-57%	5 571
Trading services		**600 095**	**645 988**	**679 157**	**800**	**291 889**	**452 770**	(160 881)	-36%	**679 157**
Energy sources		427 144	442 295	476 971	436	218 615	317 979	(99 364)	-31%	476 971
Water management		64 135	61 526	59 454	153	23 258	39 636	(16 378)	-41%	59 454
Waste water management		49 178	55 498	57 105	124	27 579	38 070	(10 491)	-28%	57 105
Waste management		59 638	86 669	85 627	87	22 437	57 085	(34 648)	-61%	85 627
Other		**1 022**	**1 076**	**1 076**	**–**	**350**	**717**	**(367)**	**-51%**	**1 076**
Total Expenditure - Functional	3	**945 681**	**1 019 335**	**1 056 279**	**1 816**	**479 061**	**701 422**	**(222 361)**	**-32%**	**1 056 279**
Surplus/ (Deficit) for the year		**(902)**	**(8 865)**	**(24 700)**	**(2 211)**	**82 942**	**(16 786)**	**99 728**	**-594%**	**(24 700)**

WC022 Witzenberg - Table C2 Monthly Budget Statement - Financial Performance (functional classification) -

Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
Revenue - Functional	1								%	
Municipal governance and administration		**156 038**	**164 944**	**165 685**	**(17)**	**102 949**	**120 083**	(17 134)	-14%	**165 685**
Executive and council		10 834	308	308	–	21	205	(184)	(0)	308
Mayor and Council		10 778	227	227	–	21	152	(130)	(0)	227
Municipal Manager, Town Secretary and Chief		56	80	80	–	–	54	(54)	(0)	80
Finance and administration		145 204	164 636	165 377	(17)	102 928	119 878	(16 950)	(0)	165 377
Administrative and Corporate Support		1	11	11	–	0	8	(8)	(0)	11
Asset Management		105	–	–	–	–	–	–		–
Finance		144 426	163 524	164 265	(17)	102 693	119 337	(16 644)	(0)	164 265
Fleet Management		1	300	300	–	–	–	–		300
Human Resources		382	705	705	–	183	470	(287)	(0)	705
Information Technology		4	–	–	–	–	–	–		–
Marketing, Customer Relations, Publicity and Media		–	6	6	–	–	4	(4)	(0)	6
Property Services		158	–	–	–	–	–	–		–
Supply Chain Management		127	90	90	–	52	60	(8)	(0)	90
Community and public safety		**206 083**	**171 856**	**179 522**	**18**	**136 329**	**115 571**	**20 758**	**0**	**179 522**
Community and social services		**158 535**	**141 914**	**141 914**	**13**	**118 575**	**92 422**	**26 153**	**0**	**141 914**
Aged Care		147 131	128 055	128 055	–	117 991	85 344	32 647	0	128 055
Cemeteries, Funeral Parlours and Crematoriums		274	280	280	3	309	186	123	0	280
Community Halls and Facilities		1 782	564	564	7	230	376	(146)	(0)	564
Libraries and Archives		9 348	13 016	13 016	3	45	6 516	(6 470)	(0)	13 016
Sport and recreation		**8 496**	**9 044**	**9 044**	**5**	**4 669**	**5 890**	**(1 221)**	**(0)**	**9 044**
Recreational Facilities		8 314	8 066	8 066	–	4 552	5 377	(825)	(0)	8 066
Sports Grounds and Stadiums		182	978	978	5	117	513	(396)	(0)	978
Public safety		**25 724**	**18 356**	**18 356**	**–**	**12 952**	**12 092**	**860**	**0**	**18 356**
Fire Fighting and Protection		31	877	877	–	33	440	(407)	(0)	877
Police Forces, Traffic and Street Parking Control		25 694	17 479	17 479	–	12 919	11 652	1 266	0	17 479
Housing		**13 327**	**2 542**	**10 208**	**–**	**133**	**5 166**	**(5 033)**	**(0)**	**10 208**
Housing		13 327	2 542	10 208	–	133	5 166	(5 033)	(0)	10 208
Economic and environmental services		**5 427**	**5 541**	**4 250**	**0**	**1 280**	**2 784**	**(1 504)**	**(0)**	**4 250**
Planning and development		**4 802**	**2 407**	**2 563**	**0**	**1 257**	**1 660**	**(403)**	**(0)**	**2 563**
Economic Development/Planning		–	400	556	–	–	323	(323)	(0)	556
Town Planning, Building Regulations and		3 805	2 007	2 007	0	1 257	1 336	(79)	(0)	2 007
Project Management Unit		996	–	–	–	–	–	–		–
Road transport		**598**	**122**	**122**	**–**	**24**	**81**	**(57)**	**(0)**	**122**
Roads		598	122	122	–	24	81	(57)	(0)	122
Environmental protection		**27**	**3 013**	**1 565**	**–**	**–**	**1 044**	**(1 044)**	**(0)**	**1 565**
Biodiversity and Landscape		27	3 013	1 565	–	–	1 044	(1 044)	(0)	1 565
Trading services		**577 122**	**667 983**	**681 976**	**(397)**	**321 323**	**446 100**	**(124 777)**	**(0)**	**681 976**
Energy sources		**399 466**	**448 729**	**483 722**	**(361)**	**228 196**	**317 832**	**(89 636)**	**(0)**	**483 722**
Electricity		396 603	448 729	483 722	(361)	228 011	317 832	(89 821)	(0)	483 722
Street Lighting and Signal Systems		2 863	–	–	–	185	–	185		–

Prepared by : SAMRAS

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A DIVISION OF SOLVEM CONSULTING (PTY) LTD

Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
Water management		**83 537**	**93 390**	**93 390**	**(26)**	**40 693**	**58 358**	**(17 665)**	**(0)**	**93 390**
Water Distribution		83 537	93 390	93 390	(26)	40 693	58 358	(17 665)	(0)	93 390
Waste water management		**51 284**	**72 294**	**51 294**	**(5)**	**26 335**	**34 196**	**(7 861)**	**(0)**	**51 294**
Sewerage		35 469	72 294	51 294	(5)	26 335	34 196	(7 861)	(0)	51 294
Storm Water Management		2 772	–	–	–	–	–	–		–
Waste Water Treatment		13 042	–	–	–	–	–	–		–
Waste management		**42 836**	**53 571**	**53 571**	**(4)**	**26 100**	**35 714**	**(9 614)**	**(0)**	**53 571**
Solid Waste Disposal (Landfill Sites)		257	–	–	–	–	–	–		–
Solid Waste Removal		42 579	53 571	53 571	(4)	26 100	35 714	(9 614)	(0)	53 571
Other		**109**	**146**	**146**	**0**	**121**	**98**	**23**	**0**	**146**
Licensing and Regulation		109	146	146	0	121	98	23	0	146
Total Revenue - Functional	2	**944 779**	**1 010 471**	**1 031 579**	**(396)**	**562 003**	**684 636**	**(122 633)**	**(0)**	**1 031 579**
Expenditure - Functional										
Municipal governance and administration		**158 266**	**161 273**	**161 205**	**582**	**86 202**	**107 337**	**(21 135)**	**(0)**	**161 205**
Executive and council		39 268	36 516	36 609	1	18 807	24 306	(5 499)	(0)	36 609
Mayor and Council		18 999	19 787	19 869	–	9 253	13 146	(3 893)	(0)	19 869
Municipal Manager, Town Secretary and Chief		20 269	16 729	16 740	1	9 554	11 160	(1 606)	(0)	16 740
Finance and administration		115 436	118 496	118 335	581	65 152	78 856	(13 705)	(0)	118 335
Administrative and Corporate Support		11 377	16 982	16 892	486	6 821	11 262	(4 440)	(0)	16 892
Asset Management		317	336	345	–	60	230	(170)	(0)	345
Finance		43 451	36 646	36 205	4	23 118	24 137	(1 019)	(0)	36 205
Fleet Management		4 972	5 144	5 143	3	3 004	3 429	(425)	(0)	5 143
Human Resources		28 890	29 547	29 538	19	17 426	19 692	(2 266)	(0)	29 538
Information Technology		4 719	5 902	6 212	0	3 427	4 141	(714)	(0)	6 212
Legal Services		2 047	3 722	3 864	7	1 315	2 576	(1 261)	(0)	3 864
Marketing, Customer Relations, Publicity and Media		4 625	6 198	6 198	13	3 086	4 099	(1 013)	(0)	6 198
Property Services		4 976	1 105	1 171	–	988	780	207	0	1 171
Supply Chain Management		9 576	11 239	11 239	48	5 613	7 492	(1 879)	(0)	11 239
Valuation Service		486	1 676	1 528	–	294	1 019	(725)	(0)	1 528
Internal audit		3 562	6 261	6 261	–	2 243	4 174	(1 931)	(0)	6 261
Governance Function		3 562	6 261	6 261	–	2 243	4 174	(1 931)	(0)	6 261
Community and public safety		**144 275**	**162 979**	**167 379**	**225**	**75 186**	**109 750**	**(34 564)**	**(0)**	**167 379**
Community and social services		**31 075**	**35 691**	**34 693**	**16**	**18 864**	**23 129**	**(4 264)**	**(0)**	**34 693**
Aged Care		5 739	4 336	4 286	2	4 370	2 857	1 512	0	4 286
Cemeteries, Funeral Parlours and Crematoriums		4 389	6 474	5 622	7	2 737	3 748	(1 011)	(0)	5 622
Child Care Facilities		57	103	103	–	29	69	(40)	(0)	103
Community Halls and Facilities		8 877	11 753	11 600	1	4 678	7 734	(3 055)	(0)	11 600
Disaster Management		17	79	79	2	31	53	(22)	(0)	79
Education		6	1	1	–	–	1	(1)	(0)	1
Libraries and Archives		11 989	12 945	12 945	4	7 020	8 630	(1 609)	(0)	12 945
Literacy Programmes		–	–	56	–	–	37	(37)	(0)	56
Sport and recreation		**41 112**	**51 222**	**50 338**	**130**	**24 872**	**33 359**	**(8 487)**	**(0)**	**50 338**
Community Parks (including Nurseries)		12 434	17 370	16 767	32	6 910	10 978	(4 067)	(0)	16 767
Recreational Facilities		18 874	22 317	22 067	69	12 109	14 712	(2 603)	(0)	22 067

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A DIVISION OF SOLVEM CONSULTING (PTY) LTD

Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
Sports Grounds and Stadiums		9 804	11 534	11 504	30	5 853	7 670	(1 817)	(0)	11 504
Public safety		**54 414**	**66 745**	**64 998**	**36**	**27 774**	**43 332**	**(15 558)**	**(0)**	**64 998**
Fire Fighting and Protection		10 795	16 575	16 700	11	6 877	11 133	(4 256)	(0)	16 700
Police Forces, Traffic and Street Parking Control		43 619	50 170	48 298	25	20 897	32 199	(11 302)	(0)	48 298
Housing		**17 674**	**9 321**	**17 350**	**42**	**3 676**	**9 931**	**(6 255)**	**(0)**	**17 350**
Housing		17 654	9 294	17 323	42	3 666	9 913	(6 247)	(0)	17 323
Informal Settlements		20	26	26	–	10	18	(8)	(0)	26
Economic and environmental services		**42 023**	**48 020**	**47 462**	**209**	**25 434**	**30 848**	**(5 414)**	**(0)**	**47 462**
Planning and development		**15 915**	**19 750**	**20 205**	**19**	**9 623**	**13 450**	**(3 828)**	**(0)**	**20 205**
Corporate Wide Strategic Planning (IDPs, LEDs)		2 686	3 883	3 883	6	1 664	2 586	(922)	(0)	3 883
Economic Development/Planning		3 115	2 809	3 274	1	1 753	2 166	(413)	(0)	3 274
Town Planning, Building Regulations and		7 067	9 112	9 102	12	4 305	6 068	(1 763)	(0)	9 102
Project Management Unit		3 047	3 946	3 946	–	1 901	2 631	(729)	(0)	3 946
Road transport		**23 113**	**21 118**	**21 686**	**187**	**14 545**	**14 458**	**88**	**0**	**21 686**
Roads		23 113	21 118	21 686	187	14 545	14 458	88	0	21 686
Environmental protection		**2 994**	**7 152**	**5 571**	**3**	**1 266**	**2 940**	**(1 674)**	**(0)**	**5 571**
Biodiversity and Landscape		2 994	7 152	5 571	3	1 266	2 940	(1 674)	(0)	5 571
Trading services		**600 095**	**645 988**	**679 157**	**800**	**291 889**	**452 770**	**(160 881)**	**(0)**	**679 157**
Energy sources		**427 144**	**442 295**	**476 971**	**436**	**218 615**	**317 979**	**(99 364)**	**(0)**	**476 971**
Electricity		424 614	436 620	471 456	436	216 428	314 303	(97 875)	(0)	471 456
Street Lighting and Signal Systems		2 530	5 674	5 514	–	2 187	3 676	(1 489)	(0)	5 514
Water management		**64 135**	**61 526**	**59 454**	**153**	**23 258**	**39 636**	**(16 378)**	**(0)**	**59 454**
Water Treatment		220	315	315	–	111	210	(98)	(0)	315
Water Distribution		60 482	58 196	56 004	153	20 553	37 336	(16 783)	(0)	56 004
Water Storage		3 432	3 015	3 136	–	2 593	2 090	503	0	3 136
Waste water management		**49 178**	**55 498**	**57 105**	**124**	**27 579**	**38 070**	**(10 491)**	**(0)**	**57 105**
Public Toilets		1 854	2 299	2 299	–	1 237	1 533	(296)	(0)	2 299
Sewerage		41 035	45 570	47 466	121	22 718	31 644	(8 927)	(0)	47 466
Storm Water Management		6 273	7 627	7 333	3	3 574	4 889	(1 315)	(0)	7 333
Waste Water Treatment		17	1	6	–	50	4	46	0	6
Waste management		**59 638**	**86 669**	**85 627**	**87**	**22 437**	**57 085**	**(34 648)**	**(0)**	**85 627**
Solid Waste Disposal (Landfill Sites)		12 154	33 026	31 201	–	1 608	20 801	(19 193)	(0)	31 201
Solid Waste Removal		47 443	53 540	54 323	87	20 809	36 216	(15 407)	(0)	54 323
Street Cleaning		41	103	103	–	20	68	(48)	(0)	103
Other		**1 022**	**1 076**	**1 076**	**–**	**350**	**717**	**(367)**	**(0)**	**1 076**
Licensing and Regulation		22	26	26	–	–	17	(17)	(0)	26
Tourism		1 000	1 050	1 050	–	350	700	(350)	(0)	1 050
Total Expenditure - Functional	3	**945 681**	**1 019 335**	**1 056 279**	**1 816**	**479 061**	**701 422**	**(222 361)**	**(0)**	**1 056 279**
Surplus/ (Deficit) for the year		**(902)**	**(8 865)**	**(24 700)**	**(2 211)**	**82 942**	**(16 786)**	**99 728**	**(0)**	**(24 700)**

WC022 Witzenberg - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) -

Vote Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
Revenue by Vote	1									
Vote 1 - Financial Services		141 463	161 635	162 376	(18)	100 978	118 077	(17 100)	-14,5%	162 376
Vote 2 - Community Services		180 762	157 944	164 319	18	123 637	105 391	18 245	17,3%	164 319
Vote 3 - Corporate Services		36 858	18 428	18 428	–	13 123	12 285	838	6,8%	18 428
Vote 4 - Technical Services		583 517	662 265	676 258	(396)	323 884	442 083	(118 198)	-26,7%	676 258
Vote 5 - Municipal Manager		2 020	737	737	–	381	492	(111)	-22,5%	737
Total Revenue by Vote	2	**944 620**	**1 001 009**	**1 022 118**	**(396)**	**562 003**	**678 328**	**(116 326)**	**-17,1%**	**1 022 118**
Expenditure by Vote	1									
Vote 1 - Financial Services		55 465	49 466	49 168	52	29 448	32 778	(3 330)	-10,2%	49 168
Vote 2 - Community Services		109 661	125 271	129 875	204	59 052	83 956	(24 904)	-29,7%	129 875
Vote 3 - Corporate Services		122 999	133 940	132 249	544	64 232	88 032	(23 800)	-27,0%	132 249
Vote 4 - Technical Services		639 010	686 298	720 429	1 003	316 121	480 286	(164 165)	-34,2%	720 429
Vote 5 - Municipal Manager		18 545	24 361	24 503	13	10 207	16 333	(6 126)	-37,5%	24 503
Total Expenditure by Vote	2	**945 681**	**1 019 335**	**1 056 224**	**1 816**	**479 061**	**701 385**	**(222 325)**	**-31,7%**	**1 056 224**
Surplus/ (Deficit) for the year	2	**(1 060)**	**(18 326)**	**(34 106)**	**(2 211)**	**82 942**	**(23 057)**	**105 999**	**-459,7%**	**(34 106)**

WC022 Witzenberg - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - A -

Vote Description	Ref	2024/25	Budget Year 2025/26							
R thousand		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
Revenue by Vote	1									
Vote 1 - Financial Services		**141 463**	**161 635**	**162 376**	**(18)**	**100 978**	**118 077**	(17 100)	-14%	**162 376**
1.2 - Income		107 039	120 942	120 942	(18)	85 799	93 969	(8 171)	-9%	120 942
1.3 - Financial Administrastion		34 300	40 305	41 046	–	15 127	23 849	(8 722)	-37%	41 046
1.4 - Credit Control		(2)	298	298	–	–	199	(199)	-100%	298
1.5 - Supply Chain & Expenditure		127	90	90	–	52	60	(8)	-14%	90
Vote 2 - Community Services		**180 762**	**157 944**	**164 319**	**18**	**123 637**	**105 391**	18 245	17%	**164 319**
2.2 - Cemetries		274	280	280	3	309	186	123	66%	280
2.3 - Housing		13 510	2 630	10 296	–	239	5 228	(4 989)	-95%	10 296
2.4 - Libraries		9 420	13 265	13 265	3	98	6 682	(6 583)	-99%	13 265
2.5 - Resorts & Swimmng Pools		8 314	8 066	8 066	–	4 552	5 377	(825)	-15%	8 066
2.6 - Social Services		147 131	128 055	128 111	–	117 991	85 381	32 610	38%	128 111
2.7 - Fire Services & Disaster Management		31	877	877	–	33	440	(407)	-92%	877
2.8 - Environment & Licencing		136	3 159	1 712	0	121	1 141	(1 020)	-89%	1 712
2.9 - Community Halls and Amenities		1 947	1 212	1 212	12	292	669	(377)	-56%	1 212
2.10 - Local Economic Development		–	400	500	–	–	286	(286)	-100%	500
Vote 3 - Corporate Services		**36 858**	**18 428**	**18 428**	**–**	**13 123**	**12 285**	838	7%	**18 428**
3.2 - Human Resources		382	705	705	–	183	470	(287)	-61%	705
3.3 - Administration		1	11	11	–	0	8	(8)	-99%	11
3.4 - Information Technology		4	–	–	–	–	–	–		–
3.5 - Marketing & Communication		–	6	6	–	–	4	(4)	-100%	6
3.7 - Traffic and Protection Services		25 694	17 479	17 479	–	12 919	11 652	1 266	11%	17 479
3.9 - Council Cost		10 778	227	227	–	21	152	(130)	-86%	227
Vote 4 - Technical Services		**583 517**	**662 265**	**676 258**	**(396)**	**323 884**	**442 083**	(118 198)	-27%	**676 258**
4.1 - Director: Technical Services		–	80	80	–	–	54	(54)	-100%	80
4.2 - Electro Technical Services		402 022	449 772	484 765	(360)	229 534	318 522	(88 988)	-28%	484 765
4.3 - Water Storage & Distribution		83 537	93 390	93 390	(26)	40 693	58 358	(17 665)	-30%	93 390
4.4 - Waste Water Management		48 512	72 696	51 696	(5)	26 335	34 464	(8 129)	-24%	51 696
4.5 - Waste Management		42 781	44 163	44 163	(4)	26 101	29 442	(3 342)	-11%	44 163
4.6 - Roads		598	122	122	–	24	81	(57)	-71%	122
4.7 - Storm Water Management		2 772	–	–	–	–	–	–		–
4.8 - Town Planning & Building Control		3 294	1 742	1 742	0	1 198	1 162	36	3%	1 742
4.10 - Mechanical Workshop		1	300	300	–	–	–	–		300
Vote 5 - Municipal Manager		**2 020**	**737**	**737**	**–**	**381**	**492**	(111)	-22%	**737**
5.2 - Performance & Project Management		1 053	–	–	–	–	–	–		–
5.3 - Property & Legal Services		967	737	737	–	381	492	(111)	-22%	737
Total Revenue by Vote	2	**944 620**	**1 001 009**	**1 022 118**	**(396)**	**562 003**	**678 328**	(116 326)	-17%	**1 022 118**
								–		
Expenditure by Vote	1							–		
Vote 1 - Financial Services		**55 465**	**49 466**	**49 168**	**52**	**29 448**	**32 778**	(3 330)	-10%	**49 168**
1.1 - Direcrtor: Finance		4 212	1 980	1 988	–	1 644	1 325	319	24%	1 988
1.2 - Income		13 791	10 521	10 481	2	4 703	6 987	(2 285)	-33%	10 481
1.3 - Financial Administrastion		16 908	18 190	18 232	–	11 855	12 155	(300)	-2%	18 232
1.4 - Credit Control		10 732	7 368	7 060	2	5 594	4 707	888	19%	7 060
1.5 - Supply Chain & Expenditure		9 822	11 406	11 406	48	5 652	7 604	(1 952)	-26%	11 406
Vote 2 - Community Services		**109 661**	**125 271**	**129 875**	**204**	**59 052**	**83 956**	(24 904)	-30%	**129 875**
2.1 - Director: Community Services		2 883	1 728	1 728	1	1 903	1 152	751	65%	1 728
2.2 - Cemetries		4 409	6 466	5 563	7	2 737	3 709	(972)	-26%	5 563
2.3 - Housing		17 719	10 190	17 611	42	3 702	10 105	(6 402)	-63%	17 611
2.4 - Libraries		15 205	16 703	16 803	7	9 396	11 202	(1 806)	-16%	16 803
2.5 - Resorts & Swimmng Pools		15 657	18 559	18 209	66	9 733	12 140	(2 406)	-20%	18 209
2.6 - Social Services		5 600	4 417	2 602	2	4 380	1 735	2 645	152%	2 602
2.7 - Fire Services & Disaster Management		10 812	16 654	16 779	13	6 908	11 186	(4 278)	-38%	16 779
2.8 - Environment & Licencing		2 990	7 090	5 559	3	1 266	2 932	(1 666)	-57%	5 559
2.9 - Community Halls and Amenities		31 068	40 631	40 015	62	17 280	26 475	(9 195)	-35%	40 015
2.10 - Local Economic Development		3 317	2 832	5 006	1	1 747	3 320	(1 573)	-47%	5 006
Vote 3 - Corporate Services		**122 999**	**133 940**	**132 249**	**544**	**64 232**	**88 032**	(23 800)	-27%	**132 249**
3.1 - Director: Corporate Services		4 515	3 196	3 196	0	1 662	2 130	(468)	-22%	3 196
3.2 - Human Resources		28 976	29 547	29 538	19	17 488	19 692	(2 204)	-11%	29 538
3.3 - Administration		15 846	16 982	16 892	486	7 627	11 262	(3 635)	-32%	16 892
3.4 - Information Technology		4 719	5 902	6 102	0	3 427	4 068	(641)	-16%	6 102
3.5 - Marketing & Communication		4 625	6 198	6 198	13	3 086	4 099	(1 013)	-25%	6 198
3.6 - Thusong Centre		699	1 108	1 106	–	442	737	(295)	-40%	1 106
3.7 - Traffic and Protection Services		43 619	50 170	48 298	25	20 897	32 199	(11 302)	-35%	48 298
3.8 - Tourism		1 000	1 050	1 050	–	350	700	(350)	-50%	1 050
3.9 - Council Cost		18 999	19 787	19 869	–	9 253	13 146	(3 893)	-30%	19 869
Vote 4 - Technical Services		**639 010**	**686 298**	**720 429**	**1 003**	**316 121**	**480 286**	(164 165)	-34%	**720 429**
4.1 - Director: Technical Services		1 491	3 447	3 451	–	1 284	2 301	(1 017)	-44%	3 451
4.2 - Electro Technical Services		420 628	441 804	476 890	436	218 615	317 927	(99 311)	-31%	476 890
4.3 - Water Storage & Distribution		64 135	62 006	59 524	153	23 258	39 683	(16 425)	-41%	59 524
4.4 - Waste Water Management		47 553	45 572	47 473	121	22 768	31 648	(8 881)	-28%	47 473
4.5 - Waste Management		59 638	86 669	85 627	87	22 437	57 085	(34 648)	-61%	85 627
4.6 - Roads		23 113	21 118	21 686	187	14 545	14 458	88	1%	21 686
4.7 - Storm Water Management		8 559	9 127	9 233	3	4 668	6 155	(1 487)	-24%	9 233
4.8 - Town Planning & Building Control		7 067	9 112	9 102	12	4 305	6 068	(1 763)	-29%	9 102
4.9 - Public Toilets		1 854	2 299	2 299	–	1 237	1 533	(296)	-19%	2 299
4.10 - Mechanical Workshop		4 972	5 144	5 143	3	3 004	3 429	(425)	-12%	5 143
Vote 5 - Municipal Manager		**18 545**	**24 361**	**24 503**	**13**	**10 207**	**16 333**	(6 126)	-38%	**24 503**
5.1 - Municipal Manager		7 199	6 419	6 419	–	3 084	4 279	(1 195)	-28%	6 419
5.2 - Performance & Project Management		3 047	3 946	3 946	–	1 901	2 631	(729)	-28%	3 946

Vote Description	Ref	2024/25	Budget Year 2025/26							
R thousand		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
5.3 - Property & Legal Services		2 050	3 852	3 994	7	1 315	2 663	(1 348)	-51%	3 994
5.4 - Internal Audit		3 562	6 261	6 261	–	2 243	4 174	(1 931)	-46%	6 261
5.5 - IDP		2 686	3 883	3 883	6	1 664	2 586	(922)	-36%	3 883
Total Expenditure by Vote	2	**945 681**	**1 019 335**	**1 056 224**	**1 816**	**479 061**	**701 385**	**(222 325)** –	**(0)**	**1 056 224**
Surplus/ (Deficit) for the year	2	**(1 060)**	**(18 326)**	**(34 106)**	**(2 211)**	**82 942**	**(23 057)**	**105 999**	**(0)**	**(34 106)**

WC022 Witzenberg - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) -

Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
Revenue									%	
Exchange Revenue										
Service charges - Electricity		395 037	442 689	477 889	(360)	227 295	313 940	(86 645)	-28%	477 889
Service charges - Water		50 462	53 401	53 401	(26)	30 604	35 601	(4 997)	-14%	53 401
Service charges - Waste Water Management		26 461	54 590	33 590	(5)	21 448	22 394	(946)	-4%	33 590
Service charges - Waste management		36 112	36 276	36 276	(4)	22 832	24 184	(1 352)	-6%	36 276
Sale of Goods and Rendering of Services		26 804	5 813	5 813	6	4 138	3 875	263	7%	5 813
Agency services		4 948	4 918	4 918	–	2 981	3 279	(298)	-9%	4 918
Interest		–	11	11	–	–	8	(8)	-100%	11
Interest earned from Receivables		27 153	24 727	24 727	–	14 148	16 484	(2 336)	-14%	24 727
Interest earned from Current and Non Current Assets		18 758	23 567	23 567	–	9 945	15 711	(5 766)	-37%	23 567
Rent on Land		–	29	29	–	–	19	(19)	-100%	29
Rental from Fixed Assets		6 765	6 316	6 316	12	2 949	4 211	(1 262)	-30%	6 316
Operational Revenue		2 335	1 852	1 852	(18)	3 606	1 233	2 373	192%	1 852
Non-Exchange Revenue										
Property rates		107 320	120 291	120 291	–	85 874	93 536	(7 662)	-8%	120 291
Surcharges and Taxes		7 976	4 849	5 918	–	771	2 743	(1 971)	-72%	5 918
Fines, penalties and forfeits		22 354	11 816	11 816	0	9 393	7 878	1 516	19%	11 816
Licence and permits		1 069	2 566	2 566	0	602	1 710	(1 109)	-65%	2 566
Transfer and subsidies - Operational		150 058	182 230	188 070	–	118 999	119 551	(552)	0%	188 070
Interest		4 881	3 744	3 744	–	2 818	2 496	322	13%	3 744
Operational Revenue		2 824	3 250	3 250	–	2 274	2 167	107	5%	3 250
Gains on disposal of Assets		11 169	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		**902 486**	**982 936**	**1 004 045**	**(396)**	**560 679**	**671 019**	**–**		**1 004 045**
Expenditure By Type										
Employee related costs		269 855	309 360	308 376	–	170 002	205 110	(35 109)	-17%	308 376
Remuneration of councillors		12 315	13 228	13 228	–	7 041	8 819	(1 778)	-20%	13 228
Bulk purchases - electricity		391 687	396 245	430 619	–	198 390	287 078	(88 688)	-31%	430 619
Inventory consumed		24 213	28 145	25 201	598	12 985	16 667	(3 682)	-22%	25 201
Debt impairment		66 389	76 891	46 891	–	–	31 261	(31 261)	-100%	46 891
Depreciation and amortisation		39 446	34 090	34 090	–	18 603	22 727	(4 124)	-18%	34 090
Interest		7 847	10 742	10 585	–	928	7 057	(6 129)	-87%	10 585
Contracted services		60 135	76 979	76 274	922	25 085	50 530	(25 445)	-50%	76 274
Transfers and subsidies		4 633	4 931	12 825	–	1 004	6 914	(5 911)	-85%	12 825
Irrecoverable debts written off		15 347	0	30 000	–	9 236	20 000	(10 764)	-54%	30 000
Operational costs		50 727	68 723	68 190	295	35 788	45 260	(9 471)	-21%	68 190
Losses on Disposal of Assets		653	–	–	–	–	–	–		–
Other Losses		2 434	–	–	–	–	–	–		–
Total Expenditure		**945 681**	**1 019 335**	**1 056 279**	**1 816**	**479 061**	**701 422**	**(222 361)**	**-32%**	**1 056 279**
Surplus/(Deficit)		**(43 195)**	**(36 399)**	**(52 234)**	**(2 211)**	**81 618**	**(30 404)**	**222 361**	**(0)**	**(52 234)**
Transfers and subsidies - capital (monetary allocations)		40 834	27 535	27 535	–	1 324	13 617	(12 293)	(0)	27 535
Transfers and subsidies - capital (in-kind)		1 458	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**(902)**	**(8 865)**	**(24 700)**	**(2 211)**	**82 942**	**(16 786)**			**(24 700)**
Surplus/(Deficit) after income tax		**(902)**	**(8 865)**	**(24 700)**	**(2 211)**	**82 942**	**(16 786)**			**(24 700)**
Surplus/(Deficit) attributable to municipality		**(902)**	**(8 865)**	**(24 700)**	**(2 211)**	**82 942**	**(16 786)**			**(24 700)**
Surplus/ (Deficit) for the year		**(902)**	**(8 865)**	**(24 700)**	**(2 211)**	**82 942**	**(16 786)**			**(24 700)**

WC022 Witzenberg - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) -

Vote Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
Multi-Year expenditure appropriation	2									
Vote 1 - Financial Services		5 818	–	–	–	–	–	–		–
Vote 2 - Community Services		370	6 221	7 601	322	1 676	1 630	46	3%	7 601
Vote 4 - Technical Services		21 369	19 907	22 065	112	7 788	12 473	(4 685)	-38%	22 065
Vote 5 - Municipal Manager		56	–	–	–	–	–	–		–
Total Capital Multi-year expenditure	4,7	**27 613**	**26 128**	**29 666**	**434**	**9 464**	**14 103**	**(4 639)**	**-33%**	**29 666**
Single Year expenditure appropriation	2									
Vote 1 - Financial Services		42	50	130	–	2	87	(84)	-97%	130
Vote 2 - Community Services		1 165	14 296	6 129	–	758	3 520	(2 762)	-78%	6 129
Vote 3 - Corporate Services		1 161	1 580	1 958	16	711	1 022	(311)	-30%	1 958
Vote 4 - Technical Services		52 862	32 942	46 003	2 410	20 553	26 383	(5 830)	-22%	46 003
Vote 5 - Municipal Manager		31	50	10 064	–	19	5 043	(5 024)	-100%	10 064
Total Capital single-year expenditure	4	55 261	48 918	64 283	2 425	22 043	36 054	(14 012)	-39%	64 283
Total Capital Expenditure	3	**82 874**	**75 047**	**93 949**	**2 859**	**31 506**	**50 157**	**(18 651)**	**-37%**	**93 949**
Capital Expenditure - Functional Classification										
Governance and administration		**13 818**	**3 094**	**18 860**	**16**	**1 321**	**10 623**	(9 303)	-88%	**18 860**
Executive and council		332	764	1 061	–	182	624	(442)	-71%	1 061
Finance and administration		13 485	2 330	17 799	16	1 138	9 999	(8 861)	-89%	17 799
Community and public safety		**1 484**	**20 258**	**13 395**	**322**	**2 258**	**5 014**	(2 756)	-55%	**13 395**
Community and social services		680	11 965	3 188	–	84	1 819	(1 735)	-95%	3 188
Sport and recreation		650	6 974	8 691	–	1 440	2 707	(1 267)	-47%	8 691
Public safety		154	1 320	1 516	322	734	488	246	50%	1 516
Economic and environmental services		**11 586**	**16 245**	**24 196**	**–**	**18 072**	**14 260**	3 812	27%	**24 196**
Planning and development		133	275	265	–	141	126	15	12%	265
Road transport		11 428	15 750	23 711	–	17 932	14 024	3 907	28%	23 711
Environmental protection		26	220	220	–	–	110	(110)	-100%	220
Trading services		**55 987**	**40 449**	**45 317**	**2 522**	**17 668**	**25 473**	(7 806)	-31%	**45 317**
Energy sources		10 672	24 568	25 881	2 522	13 984	12 984	1 000	8%	25 881
Water management		26 804	12 881	14 773	–	2 791	9 547	(6 756)	-71%	14 773
Waste water management		17 878	2 000	3 663	–	725	2 442	(1 718)	-70%	3 663
Waste management		633	1 000	1 000	–	168	500	(332)	-66%	1 000
Total Capital Expenditure - Functional Classification	3	**82 874**	**80 047**	**101 769**	**2 859**	**39 318**	**55 370**	**(16 052)**	**-29%**	**101 769**
Funded by:										
National Government		40 065	25 887	25 887	–	10 307	13 659	(3 352)	-25%	25 887
Provincial Government		223	1 702	1 702	189	433	416	17	4%	1 702
District Municipality		433	185	185	–	141	93	48	52%	185
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		–	2 239	2 239	–	–	1 203	(1 203)	-100%	2 239
Transfers recognised - capital		**40 721**	**30 013**	**30 013**	**189**	**10 881**	**15 371**	**(4 490)**	**-29%**	**30 013**
Borrowing	6	7 807	15 000	16 303	2 410	10 424	8 151	2 273	28%	16 303
Internally generated funds		28 591	35 034	45 453	260	18 014	26 848	(8 835)	-33%	45 453
Total Capital Funding	7	**77 119**	**80 047**	**91 769**	**2 859**	**39 318**	**50 370**	**(11 052)**	**-22%**	**91 769**

WC022 Witzenberg - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - A -

Vote Description	Ref	2024/25	Budget Year 2025/26							
R thousand		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
									%	
Capital expenditure - Municipal Vote										
Expenditure of multi-year capital appropriation	1									
Vote 1 - Financial Services		**5 818**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
1.1 - Direcrtor: Finance		88	–	–	–	–	–	–		–
1.3 - Financial Administrastion		5 729	–	–	–	–	–	–		–
Vote 2 - Community Services		**370**	**6 221**	**7 601**	**322**	**1 676**	**1 630**	**46**	**3%**	**7 601**
2.7 - Fire Services & Disaster Management		154	1 020	1 216	322	708	288	420	146%	1 216
2.9 - Community Halls and Amenities		216	5 202	6 385	–	968	1 342	(374)	-28%	6 385
Vote 4 - Technical Services		**21 369**	**19 907**	**22 065**	**112**	**7 788**	**12 473**	**(4 685)**	**-38%**	**22 065**
4.2 - Electro Technical Services		5 115	9 318	9 318	112	3 429	4 659	(1 231)	-26%	9 318
4.3 - Water Storage & Distribution		–	5 189	6 446	–	283	4 398	(4 115)	-94%	6 446
4.4 - Waste Water Management		13 204	700	1 600	–	–	1 067	(1 067)	-100%	1 600
4.5 - Waste Management		277	–	–	–	–	–	–		–
4.6 - Roads		–	4 700	4 700	–	4 077	2 350	1 727	73%	4 700
4.7 - Storm Water Management		2 772	–	–	–	–	–	–		–
Vote 5 - Municipal Manager		**56**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
5.2 - Performance & Project Management		56	–	–	–	–	–	–		–
Total multi-year capital expenditure		**27 613**	**26 128**	**29 666**	**434**	**9 464**	**14 103**	**(4 639)**	**-33%**	**29 666**
Capital expenditure - Municipal Vote										
Expenditue of single-year capital appropriation	1									
Vote 1 - Financial Services		**42**	**50**	**130**	**–**	**2**	**87**	**(84)**	**-97%**	**130**
1.1 - Direcrtor: Finance		42	50	130	–	2	87	(84)	-97%	130
Vote 2 - Community Services		**1 165**	**14 296**	**6 129**	**–**	**758**	**3 520**	**(2 762)**	**-78%**	**6 129**
2.1 - Director: Community Services		26	64	150	–	61	100	(39)	-39%	150
2.2 - Cemetries		–	100	100	–	–	50	(50)	-100%	100
2.4 - Libraries		680	11 865	3 088	–	84	1 769	(1 685)	-95%	3 088
2.5 - Resorts & Swimmng Pools		149	–	–	–	–	–	–		–
2.8 - Environment & Licencing		26	220	220	–	–	110	(110)	-100%	220
2.9 - Community Halls and Amenities		285	1 772	2 306	–	472	1 365	(893)	-65%	2 306
2.10 - Local Economic Development		–	275	265	–	141	126	15	12%	265
Vote 3 - Corporate Services		**1 161**	**1 580**	**1 958**	**16**	**711**	**1 022**	**(311)**	**-30%**	**1 958**
3.1 - Director: Corporate Services		153	50	165	–	99	110	(11)	-10%	165
3.2 - Human Resources		248	–	–	–	–	–	–		–
3.3 - Administration		–	300	300	–	–	–	–		300
3.4 - Information Technology		650	300	560	16	510	373	137	37%	560
3.5 - Marketing & Communication		110	130	132	–	76	88	(12)	-14%	132
3.7 - Traffic and Protection Services		–	300	300	–	26	200	(174)	-87%	300
3.9 - Council Cost		–	500	500	–	–	250	(250)	-100%	500
Vote 4 - Technical Services		**52 862**	**32 942**	**46 003**	**2 410**	**20 553**	**26 383**	**(5 830)**	**-22%**	**46 003**
4.1 - Director: Technical Services		24	50	52	–	2	34	(33)	-95%	52
4.2 - Electro Technical Services		5 557	15 250	16 563	2 410	10 556	8 325	2 231	27%	16 563
4.3 - Water Storage & Distribution		26 804	7 692	8 326	–	2 508	5 149	(2 641)	-51%	8 326
4.4 - Waste Water Management		1 902	1 300	1 443	–	725	962	(238)	-25%	1 443
4.5 - Waste Management		355	1 000	1 000	–	168	500	(332)	-66%	1 000
4.6 - Roads		11 428	6 050	11 192	–	6 043	6 461	(419)	-6%	11 192
4.7 - Storm Water Management		–	–	620	–	–	413	(413)	-100%	620
4.8 - Town Planning & Building Control		133	–	–	–	–	–	–		–
4.10 - Mechanical Workshop		6 660	1 600	6 807	–	552	4 538	(3 985)	-88%	6 807
Vote 5 - Municipal Manager		**31**	**50**	**10 064**	**–**	**19**	**5 043**	**(5 024)**	**-100%**	**10 064**
5.1 - Municipal Manager		31	50	64	–	19	43	(24)	-56%	64
5.3 - Property & Legal Services		–	–	10 000	–	–	5 000	(5 000)	-100%	10 000
Total single-year capital expenditure		**55 261**	**48 918**	**64 283**	**2 425**	**22 043**	**36 054**	**(14 012)**	**(0)**	**64 283**
Total Capital Expenditure		**82 874**	**75 047**	**93 949**	**2 859**	**31 506**	**50 157**	**(18 651)**	**(0)**	**93 949**

WC022 Witzenberg - Table C6 Monthly Budget Statement - Financial Position -

Description R thousands	Ref	2024/25 Audited Outcome	Budget Year 2025/26 Original Budget	Adjusted Budget	YearTD Actual	Full Year Forecast
ASSETS	1					
Current assets						
Cash and cash equivalents		200 384	220 325	205 778	199 815	205 778
Trade and other receivables from exchange transactions		89 095	82 509	74 179	119 068	74 179
Receivables from non-exchange transactions		37 882	51 313	51 586	57 110	51 586
Current portion of non-current receivables		–	–	–	–	–
Inventory		12 996	26 712	15 314	23 435	15 314
VAT		(2 760)	(91 563)	(86 777)	9 780	(86 777)
Other current assets		5 833	4 509	4 947	5 833	4 947
Total current assets		**343 429**	**293 805**	**265 027**	**415 042**	**265 027**
Non current assets						
Investments		–	–	–	–	–
Investment property		41 251	38 604	41 056	41 044	41 056
Property, plant and equipment		1 004 664	1 179 702	1 226 158	1 117 621	1 226 158
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		550	550	550	550	550
Intangible assets		1 206	1 531	1 188	1 206	1 188
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
Total non current assets		**1 047 671**	**1 220 387**	**1 268 953**	**1 160 421**	**1 268 953**
TOTAL ASSETS		**1 391 100**	**1 514 192**	**1 533 980**	**1 575 463**	**1 533 980**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		(546)	(3 433)	177	(546)	177
Consumer deposits		10 650	9 739	10 655	10 324	10 655
Trade and other payables from exchange transactions		92 362	89 877	150 257	21 750	150 257
Trade and other payables from non-exchange transactions		2 256	6 104	1 803	31 738	1 803
Provision		37 830	38 184	40 878	35 845	40 878
VAT		1 132	(94 204)	(76 209)	21 821	(76 209)
Other current liabilities		–	–	–	–	–
Total current liabilities		**143 684**	**46 268**	**127 562**	**120 931**	**127 562**
Non current liabilities						
Financial liabilities		1 700	23 080	(3 577)	24 520	(3 577)
Provision		23 132	87 943	86 105	23 132	86 105
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		68 681	81 031	78 820	73 595	78 820
Total non current liabilities		**93 514**	**192 053**	**161 349**	**121 247**	**161 349**
TOTAL LIABILITIES		**237 198**	**238 321**	**288 911**	**242 178**	**288 911**
NET ASSETS	2	**1 153 902**	**1 275 870**	**1 245 069**	**1 333 285**	**1 245 069**
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		1 239 177	1 264 704	1 252 165	1 061 490	1 252 165
Reserves and funds		11 166	11 166	11 166	(3 577)	11 166
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**1 250 343**	**1 275 870**	**1 263 331**	**1 057 913**	**1 263 331**

WC022 Witzenberg - Table C7 Monthly Budget Statement - Cash Flow -

Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES	1								%	
Receipts										
Property rates		3 431	114 277	114 277	6 347	2 185	76 184	(74 000)	-97%	114 277
Service charges		675 973	623 670	623 670	53 845	408 096	410 589	(2 492)	-1%	623 670
Other revenue		15 554	38 334	38 334	1 572	10 002	20 223	(10 221)	-51%	38 334
Transfers and Subsidies - Operational		174 173	175 756	184 131	1 814	127 792	119 245	8 547	7%	184 131
Transfers and Subsidies - Capital		50 511	35 189	35 189	–	23 463	2 117	21 346	1008%	35 189
Interest		9 482	52 049	52 049	950	4 731	34 699	(29 968)	-86%	52 049
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		(613 335)	(941 929)	(941 929)	(76 261)	(370 769)	(627 952)	(257 183)	41%	(78 494)
Interest		–	–	–	–	–	–	–		–
Transfers and Subsidies		–	–	–	(420)	–	–	–		–
NET CASH FROM/(USED) OPERATING ACTIVITIES		**315 789**	**97 347**	**105 722**	**(12 153)**	**205 500**	**35 105**	**(170 395)**	**-485%**	**969 157**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		3 080	–	–	–	10 208	–	10 208	0%	–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
Payments										
Capital assets		(73 966)	(80 047)	(91 769)	(15 850)	(46 848)	50 370	97 219	193%	91 769
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(70 885)**	**(80 047)**	**(91 769)**	**(15 850)**	**(36 641)**	**50 370**	**87 011**	**173%**	**91 769**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits		(65)	–	–	(2 296)	61	–	61	0%	–
Payments										
Repayment of borrowing		–	–	–	–	–	–	–		–
NET CASH FROM/(USED) FINANCING ACTIVITIES		**(65)**	**–**	**–**	**(2 296)**	**61**	**–**	**(61)**	**0%**	**–**
NET INCREASE/ (DECREASE) IN CASH HELD		**244 839**	**17 300**	**13 954**	**(30 300)**	**168 920**	**85 475**			**1 060 926**
Cash/cash equivalents at beginning:		316 245	209 837	198 636		401 602	198 636			401 602
Cash/cash equivalents at month/year end:		561 084	227 137	212 590		570 523	284 112			1 462 528

WC022 Witzenberg - Supporting Table SC1 Material variance explanations -

Ref	Description R thousands	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	**Revenue**			
	Service charges - Electricity	(86 645)	Reasons will be Provided	
	Service charges - Water	(4 997)	Reasons will be Provided	
	Service charges - Waste Water Management	(946)	Reasons will be Provided	
	Service charges - Waste management	(1 352)	Reasons will be Provided	
	Sale of Goods and Rendering of Services	263	Reasons will be Provided	
	Agency services	(298)	Reasons will be Provided	
	Interest	(8)	Reasons will be Provided	
	Interest earned from Receivables	(2 336)	Reasons will be Provided	
	Interest earned from Current and Non Current A	(5 766)	Reasons will be Provided	
	Dividends	–		
	Rent on Land	(19)	Reasons will be Provided	
2	**Non-Exchange Revenue**			
	Property rates	(7 662)	Reasons will be Provided	
	Surcharges and Taxes	(1 971)	Reasons will be Provided	
	Fines, penalties and forfeits	1 516	Reasons will be Provided	
	Licence and permits	(1 109)	Reasons will be Provided	
	Transfer and subsidies - Operational	(552)	Reasons will be Provided	
	Interest	322	Reasons will be Provided	
	Fuel Levy	–		
	Operational Revenue	107	Reasons will be Provided	
	Gains on disposal of Assets	–		
	Other Gains	–		
	Discontinued Operations	–		
3	**Expenditure By Type**			
	Employee related costs	(35 109)	Reasons will be Provided	
	Remuneration of councillors	(1 778)	Reasons will be Provided	
	Bulk purchases - electricity	(88 688)	Reasons will be Provided	
	Inventory consumed	(3 682)	Reasons will be Provided	
	Debt impairment	(31 261)	Reasons will be Provided	
	Depreciation and amortisation	(4 124)	Reasons will be Provided	
	Interest	(6 129)	Reasons will be Provided	
	Contracted services	(25 445)	Reasons will be Provided	
	Transfers and subsidies	(5 911)	Reasons will be Provided	
	Irrecoverable debts written off	(10 764)	Reasons will be Provided	
	Operational costs	(9 471)	Reasons will be Provided	
	Losses on Disposal of Assets	–		
	Other Losses	–		
	Capital Expenditure	(222 361)	Reasons will be Provided	
4	**Capital Expenditure**			
	Total Capital Expenditure	(11 052)	Reasons will be Provided	
5	**Cash Flow**			
6	**Measureable performance**			
7	**Municipal Entities**			

WC022 Witzenberg - Supporting Table SC2 Monthly Budget Statement - performance indicators -

Description of financial indicator	Basis of calculation	Ref	2024/25 Audited Outcome	Budget Year 2025/26 Original Budget	Adjusted Budget	YearTD Actual	Full Year Forecast
Borrowing Management							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		0,8%	4,4%	4,2%	4,1%	4,2%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		9,4%	18,7%	16,0%	26,5%	16,0%
Safety of Capital							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		13,2%	15,4%	18,0%	14,3%	18,0%
Gearing	Long Term Borrowing/ Funds & Reserves		15,2%	206,7%	-32,0%	-685,4%	-32,0%
Liquidity							
Current Ratio	Current assets/current liabilities	1	239,0%	635,0%	207,8%	343,2%	207,8%
Liquidity Ratio	Monetary Assets/Current Liabilities		139,5%	476,2%	161,3%	165,2%	161,3%
Revenue Management							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		14,7%	14,1%	13,0%	32,5%	13,0%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0,0%	0,0%	0,0%	0,0%	0,0%
Creditors Management							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
Funding of Provisions							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
Other Indicators							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2					
Employee costs	Employee costs/Total Revenue - capital revenue		29,9%	31,5%	30,7%	30,3%	30,7%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		1,9%	2,6%	2,5%	1,6%	2,5%
Interest & Depreciation	I&D/Total Revenue - capital revenue		5,2%	4,6%	4,4%	3,5%	4,4%
IDP regulation financial viability indicators							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)						
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure						

WC022 Witzenberg - Supporting Table SC3 Monthly Budget Statement - aged debtors -

Description	NT Code	Budget Year 2025/26										
R thousands		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	12 732	8 065	2 011	1 915	1 954	1 580	9 373	74 601	112 231	89 422	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300	30 339	1 501	960	1 433	1 106	730	2 373	12 380	50 822	18 022	–	–
Receivables from Non-exchange Transactions - Property Rates	1400	6 862	802	644	579	547	7 989	2 698	35 232	55 353	47 045	–	–
Receivables from Exchange Transactions - Waste Water Management	1500	7 487	1 720	1 591	1 538	1 455	1 382	6 908	49 229	71 309	60 511	–	–
Receivables from Exchange Transactions - Waste Management	1600	8 326	1 690	1 606	1 419	1 606	1 282	6 875	45 707	68 511	56 889	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	171	17	15	16	15	14	78	986	1 310	1 108	–	–
Interest on Arrear Debtor Accounts	1810	1 351	345	198	248	296	634	2 356	85 072	90 501	88 606	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	(8 095)	42	47	48	50	39	253	1 900	(5 717)	2 290	–	–
Total By Income Source	**2000**	**59 173**	**14 181**	**7 073**	**7 197**	**7 028**	**13 651**	**30 913**	**305 105**	**444 321**	**363 894**	**–**	**–**
2024/25 - totals only												**–**	**–**
Debtors Age Analysis By Customer Group										–	–		
Organs of State	2200	3 276	1 397	805	835	805	697	1 079	9 325	18 218	12 740	–	–
Commercial	2300	23 465	6 380	611	722	921	5 114	3 057	35 583	75 852	45 397	–	–
Households	2400	31 792	6 161	5 458	5 411	5 090	7 102	25 504	246 157	332 676	289 265	–	–
Other	2500	639	244	199	228	212	738	1 274	14 040	17 575	16 492	–	–
Total By Customer Group	**2600**	**59 173**	**14 181**	**7 073**	**7 197**	**7 028**	**13 651**	**30 913**	**305 105**	**444 321**	**363 894**	**–**	**–**

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WC022 Witzenberg - Supporting Table SC4 Monthly Budget Statement - aged creditors -

Description R thousands	NT Code	Budget Year 2025/26									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	–	–	–	–	–	–	–	–	–	–
Bulk Water	0200	–	–	–	–	–	–	–	–	–	–
PAYE deductions	0300	–	–	–	–	–	–	–	–	–	–
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	–	–
Loan repayments	0600	–	–	–	–	–	–	–	–	–	–
Trade Creditors	0700	16 856	1 887	3 281	978	3 098	1 497	11 494	–	39 091	–
Auditor General	0800	–	–	–	–	1 404	–	–	–	1 404	–
Other	0900	–	–	–	–	–	–	–	–	–	–
Medical Aid deductions	0950	–	–	–	–	–	–	–	–	–	–
Total By Customer Type	**1000**	**16 856**	**1 887**	**3 281**	**978**	**4 501**	**1 497**	**11 494**	**–**	**40 495**	**–**

WC022 Witzenberg - Supporting Table SC5 Monthly Budget Statement - investment portfolio -

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate *	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands		Yrs/Months												
Municipality														
-		–								–	–		–	–
-		–								–	–		–	–
-		–								–	–		–	–
-		–								–	–		–	–
-		–								–	–		–	–
-		–								–	–		–	–
-		–								–	–		–	–
-		–								–	–		–	–
-		–								–	–		–	–
-		–								–	–		–	–
Municipality sub-total										–	–		–	–
Entities														
-		–	–						–	–	–		–	–
-		–	–						–	–	–		–	–
-		–	–						–	–	–		–	–
-		–	–						–	–	–		–	–
-		–	–						–	–	–		–	–
-		–	–						–	–	–		–	–
-		–	–						–	–	–		–	–
-		–	–						–	–	–		–	–
-		–	–						–	–	–		–	–
-		–	–						–	–	–		–	–
Entities sub-total										–	–		–	–
TOTAL INVESTMENTS AND INTEREST	2									–	–		–	–

WC022 Witzenberg - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts -

Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		**150 282**	**160 619**	**160 619**	**–**	**119 743**	**105 565**	**14 178**	**13,4%**	**160 619**
Operational Revenue:General Revenue:Equitable Share		145 706	156 647	156 647	–	116 453	104 431	12 022	11,5%	156 647
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		1 559	2 272	2 272	–	1 590	–	1 590		2 272
Local Government Financial Management Grant [Schedule 5B]		1 600	1 700	1 700	–	1 700	1 133	567	50,0%	1 700
Municipal Disaster Grant [Schedule 5B]		417	–	–	–	–	–	–		–
Municipal Infrastructure Grant [Schedule 5B]		1 000	–	–	–	–	–	–		–
Provincial Government:		**13 338**	**15 137**	**23 337**	**–**	**7 369**	**13 630**	**(6 261)**	**-45,9%**	**23 337**
OPEX PROV LIBRARY		–	11 048	11 048	–	7 369	7 365	3	0,0%	11 048
OPEX PROV CDW		132	132	132	–	–	66	(66)	-100,0%	132
OPEX PROV THUSONG		–	150	150	–	–	75	(75)	-100,0%	150
OPEX PROV THUSONG		700	–	–	–	–	–	–		–
OPEX PROV MUN ACC AND CAP BUILDING		249	530	292	–	–	195	(195)	-100,0%	292
OPEX PROV RSEP		150	1 000	300	–	–	200	(200)	-100,0%	300
Specify (Add grant description)		250	–	–	–	–	–	–		–
OPEX PROV HOUSING IHHSDG		4 692	–	11 285	–	–	5 643	(5 643)	-100,0%	11 285
Specify (Add grant description)		–	2 147	–	–	–	–	–		–
Specify (Add grant description)		130	130	130	–	–	87	(87)	-100,0%	130
Specify (Add grant description)		7 035	–	–	–	–	–	–		–
District Municipality:		**36**	**–**	**175**	**–**	**–**	**50**	**(50)**	**-100,0%**	**175**
OPEX DISTRICT SAFETY PLAN		36	–	75	–	–	50	(50)	-100,0%	75
Specify (Add grant description)		–	–	100	–	–	–	–		100
Other grant providers:		**3 809**	**–**	**–**	**–**	**677**	**–**	**677**		**–**
Foreign Government and International Organisations		316	–	–	–	–	–	–		–
Private Enterprises		3 494	–	–	–	677	–	677		–
Total Operating Transfers and Grants	5	**167 466**	**175 756**	**184 131**	**–**	**127 789**	**119 245**	**8 544**	**7,2%**	**184 131**
Capital Transfers and Grants										
National Government:		**46 290**	**30 770**	**30 770**	**–**	**22 406**	**–**	**22 406**		**30 770**
Municipal Infrastructure Grant [Schedule 5B]		24 595	26 770	26 770	–	19 806	–	19 806		26 770
Water Services Infrastructure Grant [Schedule 5B]		15 000	–	–	–	–	–	–		–
Municipal Disaster Relief Grant		3 195	–	–	–	–	–	–		–
Integrated Urban Development Grant		3 500	4 000	4 000	–	2 600	–	2 600		4 000
Provincial Government:		**5 616**	**4 104**	**4 104**	**–**	**957**	**2 052**	**(1 095)**	**-53,4%**	**4 104**
CAPEX PROV FIRE		–	1 957	1 957	–	957	979	(21)	-2,2%	1 957
Specify (Add grant description)		–	2 147	2 147	–	–	1 074	(1 074)	-100,0%	2 147
CAPEX PROV RSEP		257	–	–	–	–	–	–		–
CAPEX PROV MAIN ROADS		5 359	–	–	–	–	–	–		–
District Municipality:		**100**	**185**	**185**	**–**	**(41)**	**–**	**(41)**		**185**
CAPEX DISTRICT		100	185	185	–	(41)	–	(41)		185
Other grant providers:		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Total Capital Transfers and Grants	5	**52 006**	**35 059**	**35 059**	**–**	**23 322**	**2 052**	**21 270**	**1036,6%**	**35 059**

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A DIVISION OF SOLVEM CONSULTING (PTY) LTD

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Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	219 472	210 815	219 190	–	151 111	121 297	29 814	24,6%	219 190

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WC022 Witzenberg - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure -

Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		**(141 672)**	**(160 486)**	**(160 486)**	**–**	**(113 821)**	**(106 986)**	**(6 834)**	**6,4%**	**(160 486)**
Operational Revenue:General Revenue:Equitable Share		(145 706)	(156 647)	(156 647)	–	(116 453)	(104 431)	(12 022)	11,5%	(156 647)
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		1 361	(2 272)	(2 272)	–	1 504	(1 510)	3 015	-199,6%	(2 272)
Local Government Financial Management Grant [Schedule 5B]		1 600	(1 567)	(1 567)	–	1 128	(1 045)	2 172	-208,0%	(1 567)
Municipal Disaster Grant [Schedule 5B]		76	–	–	–	–	–	–		–
Municipal Infrastructure Grant [Schedule 5B]		996	–	–	–	–	–	–		–
Provincial Government:		**14 106**	**(19 270)**	**(27 470)**	**–**	**33**	**(11 906)**	**11 939**	**-100,3%**	**(27 470)**
OPEX PROV LIBRARY		–	(11 048)	(11 048)	–	–	(5 527)	5 527	-100,0%	(11 048)
OPEX PROV CDW		64	(4 395)	(5 867)	–	33	(977)	1 011	-103,4%	(5 867)
OPEX PROV THUSONG		–	(130)	(130)	–	–	(87)	87	-100,0%	(130)
OPEX PROV THUSONG		290	(20)	(20)	–	–	(13)	13	-100,0%	(20)
OPEX PROV MUN ACC AND CAP BUILDING		443	(530)	(292)	–	–	(195)	195	-100,0%	(292)
OPEX PROV RSEP		–	(870)	(261)	–	–	(174)	174	-100,0%	(261)
Specify (Add grant description)		100	(130)	(39)	–	–	(26)	26	-100,0%	(39)
OPEX PROV HOUSING IHHSDG		4 988	–	(9 813)	–	–	(4 907)	4 907	-100,0%	(9 813)
Specify (Add grant description)		–	(2 147)	–	–	–	–	–		–
Specify (Add grant description)		130	–	–	–	–	–	–		–
Specify (Add grant description)		8 091	–	–	–	–	–	–		–
District Municipality:		**35**	**–**	**(100)**	**–**	**–**	**(50)**	50	-100,0%	**(100)**
OPEX DISTRICT SAFETY PLAN		35	–	–	–	–	–	–		–
Specify (Add grant description)		–	–	(100)	–	–	(50)	50	-100,0%	(100)
Other grant providers:		**26**	**(4 007)**	**(2 616)**	**–**	**–**	**(1 544)**	1 544	-100,0%	**(2 616)**
Foreign Government and International Organisations		–	(1 006)	(1 062)	–	–	(508)	508	-100,0%	(1 062)
Private Enterprises		26	(3 001)	(1 554)	–	–	(1 036)	1 036	-100,0%	(1 554)
Total operating expenditure of Transfers and Grants:		**(127 506)**	**(183 763)**	**(190 672)**	**–**	**(113 787)**	**(120 486)**	**6 698**	**-5,6%**	**(190 672)**
National Government:		**45 645**	**(26 770)**	**(26 770)**	**–**	**1 835**	**(13 385)**	**15 220**	**-113,7%**	**(26 770)**
Municipal Infrastructure Grant [Schedule 5B]		24 595	(26 770)	(26 770)	–	1 623	(13 385)	15 008	-112,1%	(26 770)
Water Services Infrastructure Grant [Schedule 5B]		14 999	–	–	–	–	–	–		–
Municipal Disaster Relief Grant		3 188	–	–	–	–	–	–		–
Provincial Government:		**257**	**(1 827)**	**(1 827)**	**–**	**–**	**(913)**	913	-100,0%	**(1 827)**
CAPEX PROV FIRE		–	(1 827)	(1 827)	–	–	(913)	913	-100,0%	(1 827)
CAPEX PROV RSEP		257	–	–	–	–	–	–		–
District Municipality:		**433**	**(185)**	**(185)**	**–**	**–**	**(93)**	93	-100,0%	**(185)**
CAPEX DISTRICT		433	(185)	(185)	–	–	(93)	93	-100,0%	(185)
Other grant providers:		**–**	**(1 939)**	**(1 939)**	**–**	**–**	**(970)**	970	-100,0%	**(1 939)**
Private Enterprises		–	(1 939)	(1 939)	–	–	(970)	970	-100,0%	(1 939)
Total capital expenditure of Transfers and Grants		**46 335**	**(30 721)**	**(30 721)**	**–**	**1 835**	**(15 360)**	**17 196**	**-111,9%**	**(30 721)**
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		**(81 171)**	**(214 483)**	**(221 392)**	**–**	**(111 952)**	**(135 846)**	**23 894**	**-17,6%**	**(221 392)**

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A DIVISION OF SOLVEM CONSULTING (PTY) LTD

WC022 Witzenberg - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits -

Summary of Employee and Councillor remuneration R thousands	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		9 415	10 442	10 442	–	5 279	6 962	(1 682)	-24%	10 442
Pension and UIF Contributions		1 367	1 493	1 493	–	804	995	(191)	-19%	1 493
Medical Aid Contributions		–	90	90	–	–	60	(60)	-100%	90
Motor Vehicle Allowance		541	–	–	–	378	–	378		–
Cellphone Allowance		993	1 203	1 203	–	580	802	(223)	-28%	1 203
Sub Total - Councillors		**12 315**	**13 228**	**13 228**	**–**	**7 041**	**8 819**	**(1 778)**	**-20%**	**13 228**
% increase	4		**7,4%**	**7,4%**						**7,4%**
Senior Managers of the Municipality	3									
Basic Salaries and Wages		8 392	5 525	5 525	–	4 353	3 683	670	18%	5 525
Pension and UIF Contributions		463	508	508	–	465	339	126	37%	508
Medical Aid Contributions		–	12	12	–	–	8	(8)	-100%	12
Performance Bonus		1 066	1 119	1 119	–	628	746	(118)	-16%	1 119
Motor Vehicle Allowance		1 075	1 401	1 401	–	602	934	(332)	-36%	1 401
Cellphone Allowance		327	399	399	–	238	266	(28)	-10%	399
Housing Allowances		–	72	72	–	–	48	(48)	-100%	72
Other benefits and allowances		1	77	77	–	–	51	(51)	-100%	77
Sub Total - Senior Managers of Municipality		**11 324**	**9 112**	**9 112**	**–**	**6 286**	**6 075**	**211**	**3%**	**9 112**
% increase	4		**-19,5%**	**-19,5%**						**-19,5%**
Other Municipal Staff										
Basic Salaries and Wages		154 471	171 223	170 235	–	96 371	113 021	(16 650)	-15%	170 235
Pension and UIF Contributions		24 741	30 291	30 294	–	15 707	20 192	(4 485)	-22%	30 294
Medical Aid Contributions		10 511	11 073	11 073	–	6 545	7 382	(838)	-11%	11 073
Overtime		25 436	35 044	35 044	–	16 622	23 362	(6 741)	-29%	35 044
Performance Bonus		11 505	15 674	15 674	–	7 013	10 449	(3 437)	-33%	15 674
Motor Vehicle Allowance		7 716	8 903	8 903	–	4 668	5 935	(1 267)	-21%	8 903
Cellphone Allowance		795	1 121	1 121	–	527	748	(221)	-30%	1 121
Housing Allowances		1 718	1 329	1 329	–	699	886	(187)	-21%	1 329
Other benefits and allowances		7 322	8 647	8 647	–	4 692	5 764	(1 073)	-19%	8 647
Payments in lieu of leave		3 773	4 719	4 719	–	4 764	3 146	1 618	51%	4 719
Long service awards		1 078	–	0	–	978	–	978		0
Post-retirement benefit obligations	2	9 464	12 224	12 224	–	5 132	8 149	(3 018)	-37%	12 224
Sub Total - Other Municipal Staff		**258 531**	**300 248**	**299 264**	**–**	**163 715**	**199 035**	**(35 320)**	**-18%**	**299 264**
% increase	4		**16,1%**	**15,8%**						**15,8%**
Total Parent Municipality		**282 170**	**322 589**	**321 604**	**–**	**177 042**	**213 929**	**(36 887)**	**-17%**	**321 604**
Unpaid salary, allowances & benefits in arrears:										
Board Members of Entities										
Sub Total - Executive members Board	2	–	–	–	–	–	–	–		–
% increase	4									
Senior Managers of Entities										
Sub Total - Senior Managers of Entities		–	–	–	–	–	–	–		–
% increase	4									
Other Staff of Entities										
Sub Total - Other Staff of Entities		–	–	–	–	–	–	–		–
% increase	4									
Total Municipal Entities		–	–	–	–	–	–	–		–
TOTAL SALARY, ALLOWANCES & BENEFITS		**282 170**	**322 589**	**321 604**	**–**	**177 042**	**213 929**	**(36 887)**	**-17%**	**321 604**
% increase	4		**14,3%**	**14,0%**						**14,0%**
TOTAL MANAGERS AND STAFF		**269 855**	**309 360**	**308 376**	**–**	**170 002**	**205 110**	**(35 109)**	**-17%**	**308 376**

WC022 Witzenberg - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts -

Description	Ref	Budget Year 2025/26												2025/26 Medium Term Revenue & Expenditure Framework		
R thousands	1	July Outcome	August Budget	September Budget	October Budget	November Budget	December Budget	January Budget	February Budget	March Budget	April Budget	May Budget	June Budget	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Cash Receipts By Source																
Property rates		186	9 523	9 523	9 523	9 523	9 523	9 523	9 523	9 523	9 523	9 523	18 860	114 277	123 586	133 651
Service charges - Electricity revenue		60 999	41 578	41 578	41 578	41 578	41 578	41 578	41 578	41 578	41 578	41 578	22 157	498 938	555 293	618 014
Service charges - Water revenue		96	1 878	1 878	1 878	1 878	1 878	1 878	1 878	1 878	1 878	1 878	3 661	22 539	28 880	32 307
Service charges - Waste Water Management		93	3 834	11 622	3 834	3 834	11 622	3 834	3 834	11 622	3 834	3 834	15 363	77 164	48 230	50 552
Service charges - Waste Mangement		107	2 086	2 086	2 086	2 086	2 086	2 086	2 086	2 086	2 086	2 086	4 065	25 030	26 217	27 460
Rental of facilities and equipment		466	0	0	0	0	0	0	0	0	0	0	(465)	6	6	6
Interest earned - external investments		1 068	1 964	1 964	1 964	1 964	1 964	1 964	1 964	1 964	1 964	1 964	2 860	23 567	24 745	652
Interest earned - outstanding debtors		–	2 374	2 374	2 374	2 374	2 374	2 374	2 374	2 374	2 374	2 374	4 747	28 482	29 906	31 402
Fines, penalties and forfeits		0	332	332	332	332	332	332	332	332	332	332	664	3 984	4 183	4 392
Licences and permits		173	224	224	224	224	224	224	224	224	224	224	275	2 685	2 820	2 961
Agency services		286	400	400	400	400	400	400	400	400	400	400	514	4 799	5 039	5 291
Transfers and Subsidies - Operational		65 270	14 183	14 253	14 183	14 183	19 896	14 183	14 183	14 253	14 183	14 183	(28 820)	184 131	179 869	188 582
Other revenue		670	478	478	478	478	478	478	478	478	478	478	8 285	13 730	6 017	6 317
Cash Receipts by Source		**129 413**	**78 853**	**86 711**	**78 853**	**78 853**	**92 354**	**78 853**	**78 853**	**86 711**	**78 853**	**78 853**	**52 167**	**999 331**	**1 034 792**	**1 101 585**
Other Cash Flows by Source													–			
Transfers and subsidies - capital (monetary allocations) (National /		3 645	–	819	–	–	1 298	–	–	819	–	–	28 608	35 189	40 470	38 599
Short term loans		–	–	–	–	–	(3 184)	–	–	–	–	–	(3 184)	(6 369)	(6 369)	(6 369)
Total Cash Receipts by Source		**133 058**	**78 853**	**87 531**	**78 853**	**78 853**	**90 467**	**78 853**	**78 853**	**87 531**	**78 853**	**78 853**	**77 591**	**1 028 152**	**1 068 893**	**1 133 816**
Cash Payments by Type													–			
Employee related costs		10 502	30 797	30 797	30 797	30 797	30 797	30 797	30 797	30 797	30 797	30 797	51 092	369 560	389 018	416 403
Bulk purchases - Electricity		54 838	38 414	38 414	38 414	38 414	38 414	38 414	38 414	38 414	38 414	38 414	21 990	460 969	513 171	571 286
Acquisitions - water & other inventory		994	2 000	2 000	2 000	2 000	2 000	2 000	2 000	2 000	2 000	2 000	3 006	24 000	25 200	26 460
Contracted services		6 425	7 283	7 283	7 283	7 283	7 283	7 283	7 283	7 283	7 283	7 283	8 141	87 400	86 006	89 318
Cash Payments by Type		**72 759**	**78 494**	**78 494**	**78 494**	**78 494**	**78 494**	**78 494**	**78 494**	**78 494**	**78 494**	**78 494**	**84 229**	**941 929**	**1 013 395**	**1 103 466**
Other Cash Flows/Payments by Type																
Total Cash Payments by Type		**72 759**	**78 494**	**78 494**	**78 494**	**78 494**	**78 494**	**78 494**	**78 494**	**78 494**	**78 494**	**78 494**	**84 229**	**941 929**	**1 013 395**	**1 103 466**
NET INCREASE/(DECREASE) IN CASH HELD		**60 298**	**359**	**9 037**	**359**	**359**	**11 973**	**359**	**359**	**9 037**	**359**	**359**	**(6 638)**	**86 223**	**55 498**	**30 349**
Cash/cash equivalents at the month/year beginning:		–	60 298	60 658	69 694	70 054	70 413	82 387	82 746	83 106	92 142	92 502	92 861	–	86 223	141 721
Cash/cash equivalents at the month/year end:		60 298	60 658	69 694	70 054	70 413	82 387	82 746	83 106	92 142	92 502	92 861	86 223	86 223	141 721	172 070

WC022 Witzenberg - NOT REQUIRED - municipality does not have entities or this is the parent municipality's budget -

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands	1									
Revenue										
Exchange Revenue										

WC022 Witzenberg - NOT REQUIRED - municipality does not have entities or this is the parent municipality's budget -

Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
<u>Revenue By Municipal Entity</u>										
Insert name of municipal entity		–	–	–	–	–	–	–		–
		–	–	–	–	–	–	–		–
		–	–	–	–	–	–	–		–
		–	–	–	–	–	–	–		–
		–	–	–	–	–	–	–		–
		–	–	–	–	–	–	–		–
		–	–	–	–	–	–	–		–
		–	–	–	–	–	–	–		–
		–	–	–	–	–	–	–		–
		–	–	–	–	–	–	–		–
Total Operating Revenue	1	–	–	–	–	–	–	–		–
<u>Expenditure By Municipal Entity</u>										
Insert name of municipal entity		–	–	–	–	–	–	–		–
		–	–	–	–	–	–	–		–
		–	–	–	–	–	–	–		–
		–	–	–	–	–	–	–		–
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		–	–	–	–	–	–	–		–
		–	–	–	–	–	–	–		–
		–	–	–	–	–	–	–		–
Total Operating Expenditure	2	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the yr/period		–	–	–	–	–	–	–		–
<u>Capital Expenditure By Municipal Entity</u>										
Insert name of municipal entity		–	–	–	–	–	–	–		–
		–	–	–	–	–	–	–		–
		–	–	–	–	–	–	–		–
		–	–	–	–	–	–	–		–
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		–	–	–	–	–	–	–		–
		–	–	–	–	–	–	–		–
		–	–	–	–	–	–	–		–
		–	–	–	–	–	–	–		–
Total Capital Expenditure	3	–	–	–	–	–	–	–		–

WC022 Witzenberg - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend -

Month	2024/25	Budget Year 2025/26							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	% spend of Original Budget
Monthly expenditure performance trend									
July	742	477	3 501	552	552	3 501	2 948	84,2%	1%
August	346	477	3 801	1 599	2 151	7 301	5 150	70,5%	3%
September	5 004	13 040	12 197	1 590	3 741	19 499	15 758	80,8%	5%
October	5 140	477	3 501	13 636	17 377	22 999	5 622	24,4%	22%
November	7 521	477	3 501	7 925	25 302	26 500	1 198	4,5%	32%
December	2 984	13 270	21 870	9 729	35 031	48 369	13 338	27,6%	44%
January	1 853	477	3 501	1 428	36 459	51 870	15 411	29,7%	46%
February	6 926	477	3 501	2 859	39 318	55 370	16 052	29,0%	49%
March	5 388	13 040	12 026	–	39 318	67 397	28 078	41,7%	49%
April	5 393	477	3 501	–	39 318	70 897	31 579	44,5%	49%
May	14 248	477	3 501	–	39 318	74 398	35 079	47,2%	49%
June	27 329	36 878	27 371	–	39 318	101 769	62 450	61,4%	49%
Total Capital expenditure	**82 874**	**80 047**	**101 769**	**39 318**					

WC022 Witzenberg - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class -

Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		**30 002**	**11 863**	**13 464**	**–**	**5 646**	**8 141**	(2 495)	**-30,6%**	**13 464**
Roads Infrastructure		–	4 750	4 775	–	4 121	2 400	1 721	**71,7%**	4 775
Road Structures		–	4 750	4 775	–	4 121	2 400	1 721	**71,7%**	4 775
Storm water Infrastructure		–	–	–	–	–	–	–		–
Electrical Infrastructure		–	–	–	–	–	–	–		–
Water Supply Infrastructure		23 834	6 613	7 689	–	1 525	5 075	(3 550)	**-70,0%**	7 689
Boreholes		223	–	–	–	–	–	–		–
Reservoirs		–	5 189	6 146	–	283	4 098	(3 815)	**-93,1%**	6 146
Bulk Mains		23 610	1 424	1 542	–	1 242	977	265	**27,1%**	1 542
Sanitation Infrastructure		162	500	1 000	–	–	667	(667)	**-100,0%**	1 000
Reticulation		–	–	600	–	–	400	(400)	**-100,0%**	600
Toilet Facilities		162	500	400	–	–	267	(267)	**-100,0%**	400
Solid Waste Infrastructure		6 007	–	–	–	–	–	–		–
Waste Drop-off Points		277	–	–	–	–	–	–		–
Waste Separation Facilities		5 729	–	–	–	–	–	–		–
Rail Infrastructure		–	–	–	–	–	–	–		–
Coastal Infrastructure		–	–	–	–	–	–	–		–
Information and Communication Infrastructure		–	–	–	–	–	–	–		–
Community Assets		**680**	**12 250**	**4 007**	**–**	**485**	**2 351**	**(1 865)**	**-79,4%**	**4 007**
Community Facilities		680	12 050	3 807	–	463	2 217	(1 755)	**-79,1%**	3 807
Libraries		680	11 665	2 888	–	84	1 636	(1 552)	-94,9%	2 888
Parks		–	200	734	–	238	489	(251)	-51,4%	734
Markets		–	185	185	–	141	93	48	52,3%	185
Sport and Recreation Facilities		–	200	200	–	23	133	(111)	**-83,0%**	200
Outdoor Facilities		–	200	200	–	23	133	(111)	-83,0%	200
Heritage assets		–	–	–	–	–	–	–		–
Investment properties		–	–	–	–	–	–	–		–
Revenue Generating		–	–	–	–	–	–	–		–
Non-revenue Generating		–	–	–	–	–	–	–		–
Other assets		–	–	**3 000**	–	–	**1 500**	**(1 500)**	**-100,0%**	**3 000**
Operational Buildings		–	–	3 000	–	–	1 500	(1 500)	**-100,0%**	3 000
Municipal Offices		–	–	3 000	–	–	1 500	(1 500)	-100,0%	3 000
Housing		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Intangible Assets		**248**	–	–	–	–	–	–		–
Licences and Rights		248	–	–	–	–	–	–		–
Computer Software and Applications		248	–	–	–	–	–	–		–
Computer Equipment		**675**	**330**	**590**	**16**	**534**	**393**	**141**	35,9%	**590**
Computer Equipment		675	330	590	16	534	393	141	35,9%	590
Furniture and Office Equipment		**575**	**1 064**	**1 363**	**–**	**234**	**826**	**(592)**	-71,7%	**1 363**
Furniture and Office Equipment		575	1 064	1 363	–	234	826	(592)	-71,7%	1 363
Machinery and Equipment		**1 270**	**3 230**	**4 002**	**189**	**1 110**	**1 851**	**(741)**	-40,0%	**4 002**
Machinery and Equipment		1 270	3 230	4 002	189	1 110	1 851	(741)	-40,0%	4 002
Transport Assets		**6 337**	**1 600**	**6 807**	**–**	**552**	**4 338**	**(3 785)**	-87,3%	**6 807**
Transport Assets		6 337	1 600	6 807	–	552	4 338	(3 785)	-87,3%	6 807
Land		–	–	**7 000**	–	–	**3 500**	**(3 500)**	-100,0%	**7 000**
Land		–	–	7 000	–	–	3 500	(3 500)	-100,0%	7 000
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Living resources		–	–	–	–	–	–	–		–
Mature		–	–	–	–	–	–	–		–
Immature		–	–	–	–	–	–	–		–
Total Capital Expenditure on new assets	1	**39 787**	**30 336**	**40 233**	**205**	**8 562**	**22 900**	**14 338**	**62,6%**	**40 233**

WC022 Witzenberg - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class -

Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		18 324	9 300	10 443	–	8 017	5 796	2 222	38,3%	10 443
Roads Infrastructure		10 928	6 000	6 000	–	5 998	3 000	2 998	99,9%	6 000
Roads		10 928	6 000	6 000	–	5 998	3 000	2 998	99,9%	6 000
Storm water Infrastructure		2 772	–	–	–	–	–	–		–
Storm water Conveyance		2 772	–	–	–	–	–	–		–
Electrical Infrastructure		499	1 000	1 000	–	118	500	(382)	-76,3%	1 000
MV Networks		499	1 000	1 000	–	118	500	(382)	-76,3%	1 000
Water Supply Infrastructure		2 223	1 000	2 000	–	1 176	1 333	(157)	-11,8%	2 000
Distribution		2 223	1 000	2 000	–	1 176	1 333	(157)	-11,8%	2 000
Sanitation Infrastructure		1 902	1 300	1 443	–	725	962	(238)	-24,7%	1 443
Reticulation		328	1 100	1 443	–	725	962	(238)	-24,7%	1 443
Waste Water Treatment Works		1 574	200	–	–	–	–	–		–
Solid Waste Infrastructure		–	–	–	–	–	–	–		–
Rail Infrastructure		–	–	–	–	–	–	–		–
Coastal Infrastructure		–	–	–	–	–	–	–		–
Information and Communication Infrastructure		–	–	–	–	–	–	–		–
Community Assets		149	–	–	–	–	–	–		–
Community Facilities		–	–	–	–	–	–	–		–
Sport and Recreation Facilities		149	–	–	–	–	–	–		–
Outdoor Facilities		149	–	–	–	–	–	–		–
Heritage assets		–	–	–	–	–	–	–		–
Investment properties		–	–	–	–	–	–	–		–
Revenue Generating		–	–	–	–	–	–	–		–
Non-revenue Generating		–	–	–	–	–	–	–		–
Other assets		–	–	–	–	–	–	–		–
Operational Buildings		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Intangible Assets		–	–	–	–	–	–	–		–
Licences and Rights		–	–	–	–	–	–	–		–
Computer Equipment		–	–	–	–	–	–	–		–
Furniture and Office Equipment		–	–	–	–	–	–	–		–
Machinery and Equipment		–	–	–	–	–	–	–		–
Transport Assets		–	–	–	–	–	–	–		–
Land		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Living resources		–	–	–	–	–	–	–		–
Mature		–	–	–	–	–	–	–		–
Immature		–	–	–	–	–	–	–		–
Total Capital Expenditure on renewal of existing assets	1	18 473	9 300	10 443	–	8 017	5 796	(2 222)	-38,3%	10 443

WC022 Witzenberg - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class -

Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		**12 035**	**17 361**	**17 386**	**47**	**6 718**	**11 590**	(4 873)	**-42,0%**	**17 386**
Roads Infrastructure		4 562	7 181	7 579	43	3 533	5 053	(1 519)	**-30,1%**	7 579
Roads		3 302	5 974	6 313	33	2 477	4 209	(1 731)	**-41,1%**	6 313
Road Furniture		1 260	1 207	1 266	10	1 056	844	212	**25,1%**	1 266
Storm water Infrastructure		47	204	76	3	42	51	(9)	**-16,9%**	76
Storm water Conveyance		47	204	76	3	42	51	(9)	**-16,9%**	76
Electrical Infrastructure		792	2 390	2 390	–	138	1 593	(1 455)	**-91,3%**	2 390
MV Substations		117	1 045	1 045	–	138	697	(559)	**-80,2%**	1 045
MV Networks		142	747	747	–	(0)	498	(498)	**-100,0%**	747
LV Networks		533	598	598	–	–	399	(399)	**-100,0%**	598
Water Supply Infrastructure		3 588	2 856	1 865	–	390	1 243	(853)	**-68,6%**	1 865
Dams and Weirs		458	1 832	1 282	–	248	855	(607)	**-71,0%**	1 282
Boreholes		133	313	313	–	102	208	(106)	**-51,1%**	313
Pump Stations		58	62	0	–	–	–	–		0
Water Treatment Works		118	124	124	–	15	83	(67)	**-81,6%**	124
Bulk Mains		299	105	26	–	25	17	8	**47,0%**	26
Distribution		2 522	420	120	–	–	80	(80)	**-100,0%**	120
Sanitation Infrastructure		3 047	4 730	5 476	1	2 614	3 651	(1 037)	**-28,4%**	5 476
Reticulation		1 592	2 592	2 901	1	1 476	1 934	(458)	**-23,7%**	2 901
Waste Water Treatment Works		1 342	2 004	2 441	–	1 083	1 628	(545)	**-33,5%**	2 441
Toilet Facilities		113	134	134	–	55	89	(34)	**-37,9%**	134
Solid Waste Infrastructure		–	–	–	–	–	–	–		–
Rail Infrastructure		–	–	–	–	–	–	–		–
Coastal Infrastructure		–	–	–	–	–	–	–		–
Information and Communication Infrastructure		–	–	–	–	–	–	–		–
Community Assets		**886**	**2 027**	**1 505**	**0**	**277**	**1 003**	**(726)**	**-72,4%**	**1 505**
Community Facilities		725	1 715	1 192	0	198	795	(597)	**-75,0%**	1 192
Halls		341	1 250	680	–	69	453	(384)	-84,7%	680
Crèches		105	158	158	–	53	105	(53)	-50,1%	158
Libraries		32	33	33	–	4	22	(18)	-81,7%	33
Cemeteries/Crematoria		119	132	179	–	63	119	(56)	-46,9%	179
Public Ablution Facilities		(2)	1	1	–	–	1	(1)	-100,0%	1
Markets		131	141	141	0	9	94	(85)	-90,2%	141
Sport and Recreation Facilities		160	312	312	–	79	208	(129)	**-62,1%**	312
Indoor Facilities		77	83	83	–	81	55	26	46,2%	83
Outdoor Facilities		83	229	229	–	(2)	153	(155)	-101,4%	229
Heritage assets		–	–	–	–	–	–	–		–
								–		
Investment properties		–	–	–	–	–	–	–		–
Revenue Generating		–	–	–	–	–	–	–		–
Non-revenue Generating		–	–	–	–	–	–	–		–
Other assets		**657**	**832**	**1 084**	–	**239**	**723**	**(484)**	**-67,0%**	**1 084**
Operational Buildings		344	557	659	–	111	440	(328)	**-74,7%**	659
Municipal Offices		344	557	659	–	111	440	(328)	-74,7%	659
Housing		313	275	425	–	127	283	(156)	**-55,1%**	425
Social Housing		313	275	425	–	127	283	(156)	-55,1%	425
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Intangible Assets		–	–	–	–	–	–	–		–
Licences and Rights		–	–	–	–	–	–	–		–
Computer Equipment		**146**	**176**	**176**	**1**	**75**	**117**	**(42)**	-35,9%	**176**
Computer Equipment		146	176	176	1	75	117	(42)	-35,9%	176
Furniture and Office Equipment		**5**	**24**	**24**	–	–	**16**	**(16)**	-100,0%	**24**
Furniture and Office Equipment		5	24	24	–	–	16	(16)	-100,0%	24
Machinery and Equipment		**81**	**330**	**212**	–	**48**	**142**	**(94)**	-66,4%	**212**
Machinery and Equipment		81	330	212	–	48	142	(94)	-66,4%	212
Transport Assets		**3 290**	**5 028**	**5 101**	**108**	**1 363**	**3 401**	**(2 038)**	-59,9%	**5 101**
Transport Assets		3 290	5 028	5 101	108	1 363	3 401	(2 038)	-59,9%	5 101
Land		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Living resources		–	–	–	–	–	–	–		–
Mature		–	–	–	–	–	–	–		–
Immature		–	–	–	–	–	–	–		–
Total Repairs and Maintenance Expenditure	1	**17 099**	**25 778**	**25 488**	**156**	**8 718**	**16 992**	**8 273**	**48,7%**	**25 488**

WC022 Witzenberg - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class -

Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
Depreciation by Asset Class/Sub-class										
Infrastructure		**25 007**	**22 416**	**22 416**	**–**	**13 198**	**14 944**	(1 745)	**-11,7%**	**22 416**
Roads Infrastructure		7 021	586	586	–	3 986	391	3 596	**920,6%**	586
Roads		7 021	586	586	–	3 986	391	3 596	**920,6%**	586
Storm water Infrastructure		2 546	532	532	–	1 311	355	957	**269,6%**	532
Drainage Collection		2 546	532	532	–	1 311	355	957	**269,6%**	532
Electrical Infrastructure		3 957	996	996	–	1 977	664	1 313	**197,7%**	996
MV Networks		3 553	498	498	–	1 777	332	1 445	**435,3%**	498
LV Networks		404	498	498	–	199	332	(133)	**-40,0%**	498
Water Supply Infrastructure		6 256	1 582	1 582	–	3 077	1 055	2 022	**191,7%**	1 582
Boreholes		68	–	–	–	37	–	37		–
Reservoirs		977	427	427	–	493	285	208	**73,0%**	427
Pump Stations		485	–	–	–	239	–	239		–
Distribution		4 726	1 155	1 155	–	2 309	770	1 539	**199,9%**	1 155
Sanitation Infrastructure		4 506	2 625	2 625	–	2 683	1 750	933	**53,3%**	2 625
Pump Station		29	105	105	–	62	70	(8)	**-12,1%**	105
Reticulation		155	1 260	1 260	–	69	840	(771)	**-91,8%**	1 260
Waste Water Treatment Works		4 323	1 260	1 260	–	2 553	840	1 713	**203,9%**	1 260
Solid Waste Infrastructure		528	16 094	16 094	–	90	10 730	(10 639)	**-99,2%**	16 094
Landfill Sites		352	15 750	15 750	–	–	10 500	(10 500)	**-100,0%**	15 750
Waste Drop-off Points		177	344	344	–	90	230	(139)	**-60,8%**	344
Rail Infrastructure		–	–	–	–	–	–	–		–
Coastal Infrastructure		–	–	–	–	–	–	–		–
Information and Communication Infrastructure		193	–	–	–	74	–	74		–
Data Centres		143	–	–	–	74	–	74		–
Capital Spares		50	–	–	–	–	–	–		–
Community Assets		**4 502**	**1 937**	**1 937**	**–**	**1 610**	**1 292**	**318**	**24,6%**	**1 937**
Community Facilities		2 490	417	417	–	578	278	300	**107,8%**	417
Centres		287	–	–	–	145	–	145		–
Fire/Ambulance Stations		12	–	–	–	10	–	10		–
Libraries		199	404	404	–	100	269	(170)	-63,0%	404
Cemeteries/Crematoria		5	13	13	–	3	9	(6)	-69,4%	13
Public Open Space		7	–	–	–	3	–	3		–
Public Ablution Facilities		1 895	–	–	–	276	–	276		–
Markets		83	–	–	–	42	–	42		–
Airports		1	–	–	–	1	–	1		–
Sport and Recreation Facilities		2 012	1 520	1 520	–	1 032	1 013	18	**1,8%**	1 520
Outdoor Facilities		2 012	1 520	1 520	–	1 032	1 013	18	1,8%	1 520
Heritage assets		–	–	–	–	–	–	–		–
								–		
Investment properties		**410**	**195**	**195**	**–**	**207**	**130**	77	59,2%	**195**
Revenue Generating		–	–	–	–	–	–	–		–
Non-revenue Generating		410	195	195	–	207	130	77	**59,2%**	195
Improved Property		410	195	195	–	207	130	77	59,2%	195
Other assets		**3 008**	**–**	–	**–**	**912**	–	**912**		**–**
Operational Buildings		3 008	–	–	–	912	–	912		–
Municipal Offices		2 963	–	–	–	888	–	888		–
Workshops		45	–	–	–	24	–	24		–
Housing		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Intangible Assets		–	**90**	**90**	–	–	**60**	**(60)**	-100,0%	**90**
Licences and Rights		–	90	90	–	–	60	(60)	**-100,0%**	90
Computer Software and Applications		–	90	90	–	–	60	(60)	-100,0%	90
Computer Equipment		**783**	**2 428**	**2 428**	**–**	**284**	**1 618**	**(1 334)**	-82,4%	**2 428**
Computer Equipment		783	2 428	2 428	–	284	1 618	(1 334)	-82,4%	2 428
Furniture and Office Equipment		**937**	**602**	**602**	**–**	**202**	**401**	**(200)**	-49,7%	**602**
Furniture and Office Equipment		937	602	602	–	202	401	(200)	-49,7%	602
Machinery and Equipment		**2 432**	**1 397**	**1 397**	**–**	**974**	**932**	**42**	4,5%	**1 397**
Machinery and Equipment		2 432	1 397	1 397	–	974	932	42	4,5%	1 397
Transport Assets		**2 366**	**5 025**	**5 025**	**–**	**1 217**	**3 350**	**(2 134)**	-63,7%	**5 025**
Transport Assets		2 366	5 025	5 025	–	1 217	3 350	(2 134)	-63,7%	5 025
Land		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Living resources		–	–	–	–	–	–	–		–
Mature		–	–	–	–	–	–	–		–
Immature		–	–	–	–	–	–	–		–
Total Depreciation	1	**39 446**	**34 090**	**34 090**	**–**	**18 603**	**22 727**	**4 124**	**18,1%**	**34 090**

Prepared by : SAMRAS   Date : 2026/03/13 14:38   SOLVEM CONSULTING (PTY) LTD

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands	1									

WC022 Witzenberg - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class -

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands	1									
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		**23 878**	**33 787**	**43 124**	**2 522**	**21 636**	**24 396**	(2 760)	**-11,3%**	**43 124**
Roads Infrastructure		433	5 000	12 819	–	7 812	8 546	(734)	-8,6%	12 819
Roads		–	5 000	12 819	–	7 812	8 546	(734)	-8,6%	12 819
Road Structures		433	–	–	–	–	–	–		–
Storm water Infrastructure		–	–	–	–	–	–	–		–
Electrical Infrastructure		10 037	23 318	24 621	2 522	13 734	12 310	1 424	11,6%	24 621
HV Substations		5 421	15 000	16 303	2 410	10 424	8 151	2 273	27,9%	16 303
MV Substations		805	1 630	1 630	–	1 294	815	479	58,8%	1 630
MV Networks		639	2 500	2 500	112	1 831	1 250	581	46,5%	2 500
LV Networks		3 172	4 188	4 188	–	185	2 094	(1 909)	-91,2%	4 188
Water Supply Infrastructure		365	5 269	5 084	–	90	3 139	(3 049)	-97,1%	5 084
Water Treatment Works		–	500	500	–	–	333	(333)	-100,0%	500
Distribution		365	4 769	4 584	–	90	2 806	(2 716)	-96,8%	4 584
Sanitation Infrastructure		13 042	200	600	–	–	400	(400)	-100,0%	600
Waste Water Treatment Works		13 042	200	600	–	–	400	(400)	-100,0%	600
Solid Waste Infrastructure		–	–	–	–	–	–	–		–
Rail Infrastructure		–	–	–	–	–	–	–		–
Coastal Infrastructure		–	–	–	–	–	–	–		–
Information and Communication Infrastructure		–	–	–	–	–	–	–		–
Community Assets		**216**	**5 934**	**7 117**	–	**945**	**1 675**	(730)	**-43,6%**	**7 117**
Community Facilities		–	100	100	–	–	50	(50)	-100,0%	100
Cemeteries/Crematoria		–	100	100	–	–	50	(50)	-100,0%	100
Sport and Recreation Facilities		216	5 834	7 017	–	945	1 625	(680)	-41,8%	7 017
Outdoor Facilities		216	5 834	7 017	–	945	1 625	(680)	-41,8%	7 017
Heritage assets		–	–	–	–	–	–	–		–
								–		
Investment properties		–	–	–	–	–	–	–		–
Revenue Generating		–	–	–	–	–	–	–		–
Non-revenue Generating		–	–	–	–	–	–	–		–
Other assets		**519**	**600**	**771**	**133**	**158**	**571**	(413)	**-72,3%**	**771**
Operational Buildings		519	600	771	133	158	571	(413)	-72,3%	771
Municipal Offices		237	300	471	133	158	371	(213)	-57,4%	471
Workshops		282	300	300	–	–	200	(200)	-100,0%	300
Housing		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Intangible Assets		–	–	–	–	–	–	–		–
Licences and Rights		–	–	–	–	–	–	–		–
Computer Equipment		–	–	–	–	–	–	–		–
Furniture and Office Equipment		–	–	–	–	–	–	–		–
Machinery and Equipment		–	**90**	**80**	–	–	**33**	(33)	-100,0%	**80**
Machinery and Equipment		–	90	80	–	–	33	(33)	-100,0%	80
Transport Assets		–	–	–	–	–	–	–		–
Land		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Living resources		–	–	–	–	–	–	–		–
Mature		–	–	–	–	–	–	–		–
Immature		–	–	–	–	–	–	–		–
Total Capital Expenditure on upgrading of existing assets	1	**24 614**	**40 411**	**51 093**	**2 654**	**22 739**	**26 675**	**3 936**	**14,8%**	**51 093**

3.2 SUPPLY CHAIN MANAGEMENT

3.2 VOORSIENINGSKANAAL BESTUUR

3.2.1 Demand and Acquisition

3.2.1 Aanvraag en Verkryging

3.2.1.1 Advertisement stage

3.2.1.1 Adverteringsfase

The following formal written price quotations are currently in the advertisement stage:

Die volgende formele geskrewe pryskwotasies is tans in die adverteringsfase nie.

BID NO	DESCRIPTION / BESKRYWING	CLOSING DATE / SLUITINGS DATUM
	None	

The following competitive bids are currently in the advertisement stage:

Die volgende mededingende tenders is tans in die adverteringsfase:

BID NO	DESCRIPTION / BESKRYWING	CLOSING DATE / SLUITINGS DATUM
08/2/22/25	Additions & Alterations To The Existing Traffic Offices In Ceres	27-Mar-2026
082/23/45	Appointment Of An Auctioneer	02-Apr-2026
08/2/23/54	Clearing Of Alien Vegetation In Witzenberg Municipal	02-Apr-2026
08/2/23/49	Pruning Of Trees	02-Apr-2026

3.2.1.2 Evaluation stage:
The following competitive bids are currently in the evaluation stage:

3.2.1.2 Evaluering stadium:
Die volgende mededingende tenders is tans in die evalueringsfase:

BID NO	DESCRIPTION / BESKRYWING	CLOSING DATE SLUITINGS DATUM	DATE TECHNICAL REPORT RECEIVED	RESPONSIBLE MANAGER
08/2/21/09	Provision of services as an Implementing agent for specified human settlement projects in the Witzenberg Municipal area	03-Dec-2024	09-Apr-2025 BEC: 07-May-2025 29-May-2025 Referred back 19-Nov-2025 24-Nov-2025 01-Dec-2025 05-Dec-2025 11-Dec-2025 18-Dec-2025 15-Jan-2026 06-Feb-2026	C Mackenzie
08/2/22/02	Maintenance of Water Meters in The Witzenberg Area. Construction of Meter Boxes (New and Repair Vandalised)	27-Mar-2025	05-May-2025 BEC: 05-Sep-2025 BEC: 16-Oct-2025	N Jacobs
08/2/22/44	Professional Services for Witzenberg Municipality	16-May-2025	13-Aug-2025 BEC: 29-Oct-2025 17-Dec-2025	E Lintnaar
08/2/23/22	Supply and delivery of open Roll on – roll off (roro) bin / hook lift bins and 9m³ skips	24-Oct-2025	11-Nov-2025 26-Feb-2026	P Claasen
08/2/23/23	Supply and delivery of one new zero turn ride on mower	31-Oct-2025	06-Nov-2025 26-Feb-2026	H Truter
08/2/23/33	Transport of waste (screenings) from Sewer pump stations and treatment works to the Prince Alfred's Hamlet solid waste dump site	24-Oct-2025	25-Nov-2025 13-Feb-2026 BEC:26-Feb-2026	N Jacobs
08/2/22/55	Construction of Community Library. N'duli. Ceres (Re-advertisement)	14-Nov-2025	09-Jan-2026	J Stuurman
08/2/23/07	Provision of tactical and crowd control management at municipal buildings. events and sites in the Witzenberg municipal area	07-Nov-2025	01-Dec-2025 BEC:17-Dec-2025 18-Dec-2025 26-Feb-2026	M Green
08/2/23/12	Facilitation Of Municipal Annual Medical Assessments For Staff Exposed To Hazardous Chemical Substances And Biological Monitoring Of Infections & Health Testing	15-Dec-2025	08-Jan-2026 BEC: 26-02-2026	D Cloete

The following formal written price quotations are currently in the evaluation stage:

Die volgende formele geskrewe pryskwotasie is tans in die evalueringsfase:

BID NO	DESCRIPTION / BESKRYWING	CLOSING DATE SLUITINGS DATUM	DATE TECHNICAL REPORT RECEIVED	RESPONSIBLE MANAGER
08/2/22/97	Supply and Delivery of New Furniture and Electrical Appliances for Chalets at Pine Forest Resort	12-Jun-2025	19-Jun-2025 Referred back	R Afrika
08/2/23/30	Appointment of a service provider to undertake occupational hygiene monitoring survey within Witzenberg municipality	23-Sep-2025	12-Nov-2025	W Davids
08/2/23/19	Supply and delivery of disaster management uniform for the Witzenberg disaster management centre	18-Nov-2025	Awaiting	A Lamprecht-Vertue
08/2/23/32	Supply. delivery and installation of 7 new electrical motors for steel slat roll-up doors	06-Nov-2025	17-Nov-2025 28-Nov-2025	R Fick
08/2/23/29	Appointment Of A Service Provider For Pressure Vessel Testing And Inspection (Re-Advertisement)	24-Feb-2026	Awaiting	O Gatyene
08/2/23/73	Appointment Of A Professional Land Surveyor Services For Subdivision And Rezoning Of Land	16-Feb-2026	23-Feb-2026	L Nieuwenhuis
08/2/23/93	SUPPLY AND DELIVERY OF MELAMINE TABLES FOR THE WITZENBERG DISASTER MANAGEMENT CENTRE,	30-Jan-2026	Awaiting	A Lampbrect-Vertue

3.2.1.3 Adjudication stage

The following competitives bid are currently in the adjudication stage:

3.2.1.3 Toekenningsfase:

Die volgende mededingende tenders is tans in die toekenningsfase:

BID NO	DESCRIPTION / BESKRYWING	CLOSING DATE / SLUITINGS DATUM	DATE OF BEC	DATE OF BAC
08/2/23/37	Witzenville Sports field Upgrade	14-Nov-2025	17-Dec-2025 15-Jan-2026	30-Jan-2026 03 March 2026
08/2/23/27	Upgrade of Bella Vista multi-purpose courts	13-Nov-2025	25-Nov-2025 BEC: 17-Dec-2025 15-Jan-2026 06-Feb-2026 11-Feb-2026	13-Feb-2026 24-Feb-2026

No formal written price quotations are currently in the adjudication stage.

Geen formele geskrewe prys kwotasie is tans in die Toekenningsfase nie.

3.2.1.4 Bids awarded

The following bids were awarded by the Bid Adjudication Committee during the month of February 2026:

3.2.1.4 Tenders toegeken

Die volgende tenders was toegeken deur die Tender Toekenningskomitee gedurende Februarie 2026:

The following bids were awarded by the Accounting Officer during the month of February 2026:

Die volgende tenders was toegeken deur die Rekenpligtige Beampte gedurende Februarie 2026:

Bid ref number	Date	Name of supplier	Brief description of services	Reason why award made	Estimated Value (incl. VAT)

08/2/23/34	09-Feb-2026	JVZ Construction Pty Ltd	Construction of new 3ML reservoir. Tulbagh	Bidder scored highest total points	R 17 168 250.53

Bid ref number	Date	Name of supplier	Brief description of services	Reason why award made	Estimated Value (incl. VAT)
08/2/22/36	23-Feb-2026	Jonty Engineering and Trading SA	Supply And Installation Of Security Fencing At Various Municipal Sites Within Witzenberg Area For A Period Of 12 Months.	Bidder scored highest total points	not exceeding R 3 000 000.00
08/2/22/96	13-Feb-2026	Tarcron Projects (Pty) Ltd	Construction of new Nduli bulk water pipeline. Ceres	Bidder scored highest total points	R 5 553 006.55
08/2/23/03	24-Feb-2026	Gabriel and Michael Marketing	Supply and delivery of Various Cleaning Materials and Equipment	Bidder scored highest total points	R 100 000.00
		Caprichem Saccs			R 50 000.00
		Gabriel and Michael Marketing			R 700 000.00
		Gabriel and Michael Marketing			R 500 0000.00
08/2/23/05	24-Feb-2026	**Ndlovu Food and Construction Projects**	Clearing of Overgrown Erven in the Witzenberg Municipal Area	Bidder scored highest total points	R 100 000.00
		Bruce General Services			
		Llu Civil Engineering Projects (Pty) Ltd			
		Ndlovu Food and Construction Projects			R 150 000.00
		Llu Civil Engineering Projects (Pty) Ltd			
		Bruce General Services			
		Ndlovu Food and Construction Projects			R 120 000.00
		Bruce General Services			
		Llu Civil Engineering Projects (Pty) Ltd			
		Ndlovu Food and Construction Projects			R 300 000.00
		Bruce General Services			
		Llu Civil Engineering Projects (Pty) Ltd			
		Ndlovu Food and Construction Projects			R 100 000.00
		Bruce General Services			
		Llu Civil Engineering Projects (Pty) Ltd			
08/2/23/28	24-Feb-2026	Spectrum Utility Management (Pty) Ltd	Appointment of a service provider to conduct Electricity meter inspections and audits	Bidder scored highest total points	Not exceeding R6 000 000.00

3.2.1.5 Paragraph 13 (1): Cancellation and re-invitation of tenders

The following bids were cancelled during January 2026: See Table on last page

3.2.1.5 Paragraaf 13 (1): Kansellasie en her-uitnodiging van tenders

Die volgende tenders was gekanselleer gedurende Januarie 2026:

3.2.1.6 Paragraph 19 (1) I and 19 (2): Written price quotations

The following written price quotations were approved during the month of January 2026:

3.2.1.6 Paragraaf 19 (1) (c) en 19 (2): Geskrewe Prys Kwotasies

Die volgende geskrewe prys kwotasies was goedgekeur gedurende Januarie 2026:

Order number	Date	Name of supplier	Brief description of services	Reason why award made	Amount	Official acting i.t.o sub delegation
300611	17-Feb-2026	Ceres Cupboards and Boards	Manufacturing and installation of shelves	Bidder scored highest total points	R 26 078.26	Director: Finance

3.2.1.7 Formal Written Price Quotations

The following formal written price quotations. in excess of R 30 000 were awarded by an official acting in terms of a sub-delegation for the month of January 2026:

3.2.1.7 Formele Geskrewe Prys Kwotasies

Die volgende formele geskrewe kwotasies. wat meer is as R 30 000.00 is toegeken deur 'n amptenaar wat in terme van 'n sub-afvaardiging vir die maand van Januarie 2026:

Bid ref number	Date	Name of supplier	Brief description of services	Reason why award made	Amount (Incl. VAT)	Official acting i.t.o sub delegation
08/2/23/67	05-Feb-2026	Roy Steele and Associates	Appointment Of A Service Provider To Assist With The Assessment Of Half Year Performances Of Section 56 & 57 Managers	Bidder scored highest total points	R 29 900.00	Director: Corporate Services

3.2.1.8 Appeals

The following were lodged or dealt with by the Accounting Officer during the month of February 2026:

3.2.1.8 Appèlle

Die volgende is ontvang of was hanteer deur die Rekenpligtige beampte gedurende Februarie 2026:

Bid ref number	Date	Name of supplier that bid was awarded to	Brief description of services	Reason for Appeal	Amount (Incl. VAT)	Appellant	Status of Appeal
			None				

3.2.1.9 Deviations

The following table contains the actuals against approved deviations by the Accounting Officer for the month of February 2026 which totals **R 374 148,37**

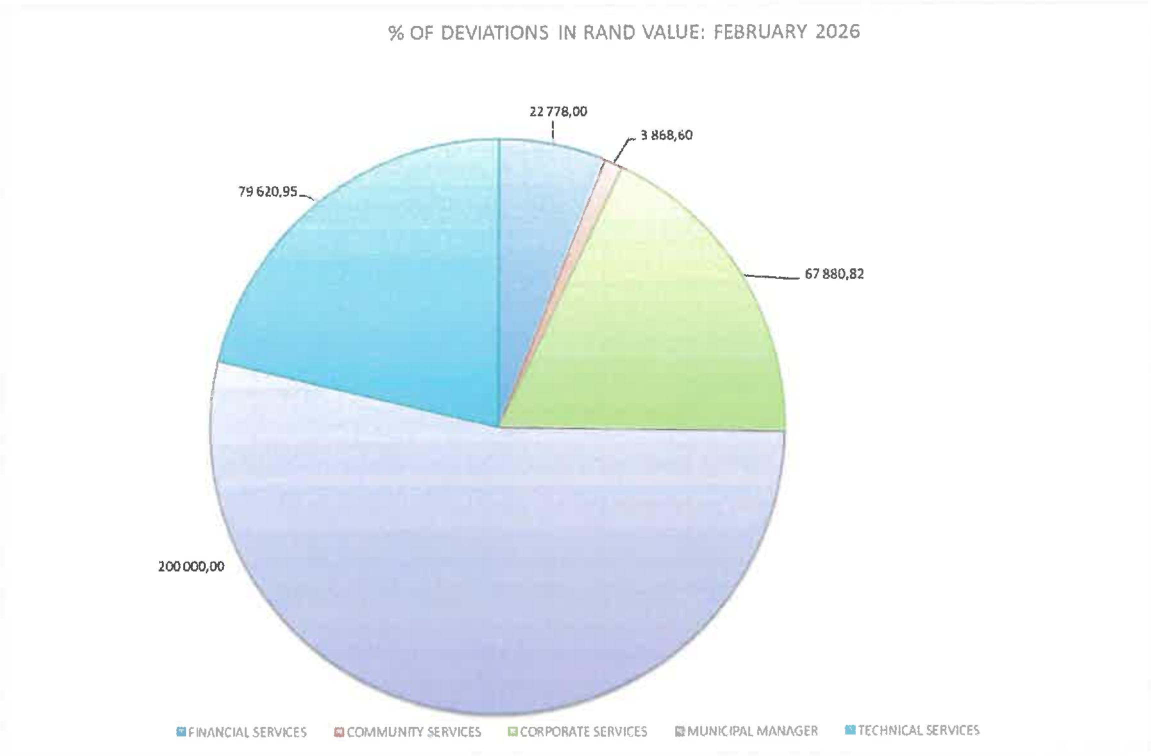
3.2.1.9 Afwykings

Die volgende tabel bevat die werklike uitgawes teen goedgekeurde afwykings deur die Rekenpligtige Beampte vir die maand van Februarie 2026 wat beloop op die totaal van **R 374 148,37**

Date	Name of supplier	Description of goods and services	Reason for deviation	Order number	AMOUNT R
09-Feb-25	Total Computer Services	License fees Traffic Management system	Single supplier	54 165,00	MJ Green
04-Feb-25	Workshop Electronics (PTY) Ltd	Calibration and service of equipment at Ceres Vehicle testing station	Single supplier	13 715,82	MJ Green
04-Feb-25	The South African Institute of Chartered Accountants	Membership Fees: J Kolkota & N Oerson	Single supplier	18 426,00	J Kolkota
04-Feb-25	Witzenberg Herald	Publish Notice: Oversight report 2024/25 on annual report	Single supplier	4 352,00	WP Mars
18-Feb-26	Cimso Business Solutions Africa (PTY) Ltd	Installation of software for Innkeeper booking system	Impractical	3 868,60	R Africa
25-Feb-26	Witzenberg Herald	Publish Notice: Draft SDF	Single supplier	5 712,00	H Taljaard
25-Feb-26	JVZ Construction (PTY) Ltd	Replacement of 2 X Seal valves including Electrofusion welding	Emergency	68 196,95	N Jacobs
18-Feb-26	Witzenberg Herald	Publish Notice: Draft SDF	Single supplier	5 712,00	H Taljaard
09-Feb-26	Kellerman Joubert Heyns Attorneys	Legal Services	Impractical	200 000,00	L Nieuwenhuis

MONTH / MAAND	DEVIATION AMOUNT AFWYKING BEDRAG	TOTAL VALUE OF ORDERS ISSUED TOTALE WAARDE VAN BESTELLINGS UITGEREIK	% DEVIATIONS OF TOTAL ORDERS ISSUED % AFWYKINGS VAN TOTALE BESTELLINGS UITGEREIK
Dec 2025	R 168 995	R 28 312 688.84	1.00%
Jan 2026	121 320.00		
Feb 2026	R 374 148.37	R 27 888 588.60	0.01%

DEVIATIONS PER DIRECTORATE:



Logistics

The table below contains a high-level summary of information regarding the stores section:

MONTH	Dec 2025	Jan 2026	Feb 2026
Value of inventory at hand	R 22 966 307.46	R 23 125 807.29	R 27 618 284.77
Turnover rate of total value of inventory	1.10		
Date of latest stores reconciliation	28 Feb 2025		
Date of last stock count	03 Dec 2025		
Date of next stock count	26 Mar 2026		

Witzenberg Grant Allocation Report

Operational Grant Detail	As per DORA Original Budget	As per DORA Adj Budget	Adjustment to DORA to date	Actual Receipt	Outstanding Grant	Operational Expenditure Budget	Actual Expenditure	Revenue Recognised
National Government								
Equitable Share	156 647 001,00	156 647 001,00	-	116 453 000,00	40 194 001,00			
Local Government Financial Management Grant	1 700 000,00	1 700 000,00	-	1 700 000,00	-	1 566 957,00	1 037 622,98	1 164 242,92
Municipal Infrastructure Grant	-	-	-	-	-	1 000 000,00	-	-
Expanded Public Works Programme Integrated Grant	2 272 000,00	2 272 000,00	-	2 272 000,00	-	2 231 306,00	1 936 862,68	1 616 167,61
Provincial Government								
Opex Prov Library	11 048 000,00	11 048 000,00	-	11 050 786,00	2 786,00	11 185 611,00	7 526 845,32	-
Opex Prov CDW	132 000,00	132 000,00	-	132 000,00	-	114 783,00	42 107,33	37 204,18
Opex Prov Housing ISUPG	2 147 000,00	-	2 147 000,00	-	-	-	-	-
Opex Prov Housing IHHSDG	-	11 285 000,00	11 285 000,00	-	11 285 000,00	9 813 044,00	-	-
Opex Prov Title Deeds Restoration	530 000,00	292 000,00	238 000,00	-	292 000,00	253 913,00	-	-
Opex Prov Main Roads	130 000,00	130 000,00	-	130 000,00	-	113 043,00	96 450,49	-
Opex Prov RSEP	1 000 000,00	300 000,00	700 000,00	1 000 000,00	700 000,00	260 870,00	-	-
Opex Prov Thusong	150 000,00	150 000,00	-	-	150 000,00	130 435,00	-	-
District Government								
Opex District Capacity Building Mentorship	-	100 000,00	100 000,00	-	100 000,00	100 000,00	19 650,24	-
Private Enterprises								
Dutch Government (Orio Project)	-	-	-	-	-	1 604 920,00	2 204 860,56	-
Nedbank	-	-	-	-	-	-	175 327,94	-
A-Z Projects	-	-	-	677 000,00	677 000,00	1 554 000,00	207 322,85	-
	175 756 001,00	**184 056 001,00**	**8 300 000,00**	**133 414 786,00**	**50 641 215,00**	**29 928 882,00**	**13 247 050,39**	**2 807 614,71**

Capital Grant Detail	As per DORA Original Budget	As per DORA Adj Budget	Adjustment to DORA to date	Actual Receipt	Outstanding Grant	Operational Expenditure Budget	Actual Expenditure	Revenue Recognised
National Government								
Municipal Infrastructure Grant	26 770 000,00	26 770 000,00	-	19 806 000,00	6 964 000,00	22 408 695,00	10 121 879,29	1 622 567,97
Energy Efficiency and Demand Side Management Grant	4 000 000,00	4 000 000,00	-	2 600 000,00	1 400 000,00	3 478 261,00	3 006 527,38	323 308,81
							-	
Provincial Government							-	
Capex Prov Fire	1 000 000,00	1 000 000,00	-	-	1 000 000,00	869 565,00	537 766,85	-
Capex Prov Sport and Recreation	957 000,00	957 000,00	-	957 227,63	227,63	832 174,00	-	-
							-	
District Government							-	
Capex District	185 000,00	185 000,00	-	40 894,50	225 894,50	185 000,00	148 310,00	140 894,50
							-	
Private Enterprises							-	
Orio Dutch Funding	-	300 000,00	300 000,00	-	300 000,00	300 000,00	-	-
Sustainable Energy Africa Perdekraal Wind Farm	-	1 939 130,00	1 939 130,00	-	1 939 130,00	1 939 130,00	-	-
	32 912 000,00	**35 151 130,00**	**2 239 130,00**	**23 322 333,13**	**11 828 796,87**	**30 012 825,00**	**13 814 483,52**	**2 086 771,28**

Total Grants	As per DORA Original Budget	As per DORA Adj Budget	Adjustment to DORA to date	Actual Receipt	Outstanding Grant	Operational Expenditure Budget	Actual Expenditure	Revenue Recognised
Total National Grants	191 389 001,00	191 389 001,00	-	142 831 000,00	48 558 001,00	30 685 219,00	16 102 892,33	4 716 287,31
Total Provincial Grants	17 094 000,00	25 294 000,00	8 200 000,00	13 270 013,63	12 023 986,37	23 573 438,00	8 203 169,99	37 204,18
Total District Grants	185 000,00	285 000,00	100 000,00	40 894,50	325 894,50	285 000,00	167 960,24	140 894,50
Total Other Grants	-	2 239 130,00	2 239 130,00	677 000,00	1 562 130,00	5 398 050,00	2 587 511,35	-
	208 668 001,00	**219 207 131,00**	**10 539 130,00**	**156 737 119,13**	**62 470 011,87**	**59 941 707,00**	**27 061 533,91**	**4 894 385,99**

Percentage spent on Capital Expenditure for the period ended: 28 Februaury 2026

	Municipal Manager	Financial Services	Corporate Services	Community Services	Technical Services	Total
Budget	16,768,130	50,000	1,939,500	15,055,003	67,857,687	101,670,320
Actual	4,268,631	3,621	719,201	2,823,117	41,048,277	48,862,847
Percentage	25.46%	7.24%	37.08%	18.75%	60.49%	48.06%
Orders	29,795	23,050	87,892	1,108,659	15,521,718	16,771,114
	25.63%	53.34%	41.61%	26.12%	83.37%	64.56%

Municipal Infrastructure Grant

Budget	-	-	-	7,779,811	14,628,884	22,408,695
Actual	-	-	-	1,028,935	9,092,944	10,121,879
Percentage				13.2%	62.2%	45.2%
Orders	-	-	-	645,539	875,379	1,520,917
				21.5%	68.1%	52.0%

HJ Kritzinger
CFO

Date
10/03/2026

Signature:

Percentage spent on preventative and corrective planned maintenance expenditure for the period ended: 28 February 2026

	Municipal Manager	Financial Services	Corporate Services	Community Services	Technical Services	Total
Total Budget	141,399	-	194,573	394,284	10,893,905	11,624,161
Total Actual	10,684	-	112,026	177,284	6,238,957	6,538,950
Percentage	7.56%		57.58%	44.96%	57.27%	56.25%
Orders	88,198	-	3,018	34,317	3,013,439	3,138,973
	69.9%		59.1%	53.7%	84.9%	83.3%

HJ Kritzinger	Date	Signature:
CFO	10/03/2026	

OVERTIME & STANDBY REPORT FEBRUARY 2026

OVERTIME	YTD 2025/26	YTD vs Budget %	Adjusted Budget	Original Budget	Projected	Projected Saving / (Shortfall)	Actual 2024/25
Administration	79,133	458.8%	17,246	17,246	118,700	-101,454	14,215
Cemetries	191,609	78.8%	243,190	243,190	287,414	-44,224	315,472
Community Halls And Facilities	230,465	48.1%	479,436	479,436	345,697	133,739	288,903
Council Cost	0		0	0	0	0	0
Electricity*	1,669,432	46.4%	3,595,873	3,595,873	2,504,148	1,091,725	1,964,650
Enviromental Protection	0		0	0	0	0	0
Fire Protection Sevices	244,004	593.0%	41,148	41,148	366,006	-324,858	348,984
Housing: Administration	52,257	1394.3%	3,748	3,748	78,385	-74,637	19,009
Human Resources	0		0	0	0	0	1,874
IDP	6,552	75.7%	8,651	8,651	9,827	-1,176	7,767
Information Tecnology	0		0	0	0	0	0
Internal Audit	0		0	0	0	0	0
L E D	0		0	0	0	0	0
Library Services*	0	0.0%	4,353	4,353	0	4,353	0
Marketing & Communications	88,740	56.6%	156,807	156,807	133,110	23,697	504,608
Mechanical Workshop	212,761	47.7%	445,851	445,851	319,142	126,709	332,312
Parks	168,094	53.7%	313,306	313,306	252,141	61,165	291,408
Performance Management	0		0	0	0	0	0
Pine Forest*	620,163	63.5%	976,962	976,962	930,245	46,717	766,155
Project Management	0		0	0	0	0	0
Property & Legal Services	0		0	0	0	0	0
Public Toilets	140,010	84.7%	165,277	165,277	210,015	-44,738	157,084
Recreational Land	237,998	62.3%	382,298	382,298	356,997	25,301	380,433
Roads	148,876	32.5%	458,489	458,489	223,314	235,175	229,067
Sewerage	1,851,675	43.0%	4,308,424	4,308,424	2,777,513	1,530,911	2,664,482
Social & Welfare Services	11,933	163.6%	7,292	7,292	17,899	-10,607	6,506
Solid Waste*	1,736,579	53.7%	3,235,992	3,235,992	2,604,869	631,123	2,375,547
Stormwater Management	148,708	40.3%	369,350	369,350	223,062	146,288	181,148
Supply Chain Management	156,362	100.3%	155,840	155,840	234,542	-78,702	137,749
Swimming Pools	113,262	89.2%	126,971	126,971	169,893	-42,922	138,874
Thusong Centre	0		0	0	0	0	0
Town Secretary	1,052	262.4%	401	401	1,579	-1,178	2,823
Traffic	3,464,686	55.2%	6,277,091	6,277,091	5,197,029	1,080,062	5,331,375
Treasury*	228,846	76.8%	298,016	298,016	343,268	-45,252	177,981
Vehicle Licensing & Testing	335,645	71.1%	472,095	472,095	503,467	-31,372	511,659
Water Distribution	1,345,616	38.6%	3,481,686	3,481,686	2,018,424	1,463,262	2,014,678
TOTAL OVERTIME	**13,484,457**	**51.8%**	**26,025,793**	**26,025,793**	**20,226,686**	**5,799,107**	**19,164,764**

STANDBY	YTD 2025/26	YTD vs Budget %	Adjusted Budget	Original Budget	Projected	Projected Saving / (Shortfall)	Actual 2024/25
Administration	15,953	87.5%	18,235	18,235	23,929	-5,694	22,894
Cemetries	100,430	73.5%	136,593	136,593	150,644	-14,051	138,902
Community Halls And Facilities	93,695	47.8%	196,080	196,080	140,542	55,538	117,100
Council Cost	0		0	0	0	0	0
Electricity*	443,799	59.9%	741,060	741,060	665,698	75,362	505,203
Enviromental Protection	0		0	0	0	0	0
Fire Protection Sevices	712,250	51.9%	1,373,285	1,373,285	1,068,375	304,910	811,816
Housing: Administration	27,386	87.7%	31,236	31,236	41,078	-9,842	23,720
Human Resources	0		0	0	0	0	0
IDP	0		0	0	0	0	0
Information Tecnology	42,229	50.4%	83,747	83,747	63,344	20,403	58,034
Internal Audit	0		0	0	0	0	0
L E D	0		0	0	0	0	0
Library Services	0	0.0%	4,922	4,922	0	4,922	5,034
Marketing & Communications	0		0	0	0	0	0
Mechanical Workshop	111,825	55.3%	202,257	202,257	167,737	34,520	156,738
Parks	164,819	55.3%	297,857	297,857	247,229	50,628	210,313
Performance Management	0		0	0	0	0	0
Pine Forest*	155,628	90.1%	172,657	172,657	233,443	-60,786	183,805
Project Management	0		0	0	0	0	0
Property & Legal Services	0		0	0	0	0	0
Public Toilets	0		0	0	0	0	0
Recreational Land	180,169	64.8%	278,048	278,048	270,253	7,795	222,512
Roads	246,091	51.4%	478,971	478,971	369,137	109,834	258,866
Sewerage	522,255	59.8%	872,955	872,955	783,383	89,572	692,795
Social & Welfare Services	0		0	0	0	0	0
Solid Waste*	67,098	37.0%	181,433	181,433	100,647	80,786	73,987
Stormwater Management	167,234	53.2%	314,129	314,129	250,851	63,278	174,282
Supply Chain Management	47,963	60.2%	79,612	79,612	71,945	7,667	55,087
Swimming Pools	19,014	140.7%	13,512	13,512	28,521	-15,009	13,533
Thusong Centre	0		0	0	0	0	0
Town Secretary	0		0	0	0	0	0
Traffic	1,262,140	62.5%	2,020,729	2,020,729	1,893,210	127,519	1,726,907
Treasury*	54,602	61.6%	88,662	88,662	81,903	6,759	62,293
Vehicle Licensing & Testing	123,367	55.4%	222,668	222,668	185,050	37,618	176,850
Water Distribution	441,213	61.5%	717,552	717,552	661,819	55,733	550,251
TOTAL STANDBY	**4,999,160**	**58.6%**	**8,526,200**	**8,526,200**	**7,498,740**	**1,027,460**	**6,240,925**

Municipal Manager's quality certification

Quality Certificate

I, Mr D Nasson, Municipal Manager of Witzenberg Municipality, hereby certify that the monthly Section 71 report for February 2026 have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Print name Mr D NASSON

Municipal Manager of WITZENBERG MUNICIPALITY

Signature:

Date: 13/03/2026

Report of the auditor-general to Western Cape Provincial Parliament and the council on Witzenberg Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of Witzenberg Municipality set out on pages 7 to 113, which comprise the statement of financial position as at 30 June 2025, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, the financial statements present fairly, in all material respects, the financial position of Witzenberg Municipality at 30 June 2025 and its financial performance and cash flows for the year then ended in accordance with Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 24 of 2024 (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.

4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International Code of ethics for Professional Accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

6. I draw attention to the matters below. My opinion is not modified in respect of these matters:

Restatement of corresponding figures

7. As disclosed in note 50 to the financial statements, the corresponding figures for 30 June 2024 were restated as a result of an error in the financial statements of the municipality at, and for the year ended, 30 June 2025.

Material impairments

8. As disclosed in note 4 to the financial statements, the municipality provided for the impairment of trading service and consumer debtors of R267,7 million (2023-24: R211,6 million).

9. As disclosed in note 5 to the financial statements, the municipality provided for the impairment of receivables from customer services debtors of R58,6 million (2023-24: R50,2 million).

Other matters

10. I draw attention to the matter below. My opinion is not modified in respect of this matter:

Unaudited disclosure notes

11. In terms of section 125(2)(e) of the MFMA, the particulars of non-compliance with the MFMA should be disclosed in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

Responsibilities of the accounting officer for the financial statements

12. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with GRAP and the requirements of the MFMA and Dora and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

13. In preparing the financial statements the accounting officer is responsible for assessing the municipality's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

14. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

15. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at pages 6, forms part of my auditor's report.

Report on the audit of the annual performance report

16. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof. I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected municipal key performance area presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

17. I selected the following municipal key performance area presented in the annual performance report for the year ended 30 June 2025 for auditing. I selected a municipal key performance area that measure's the municipality's performance on its primary mandated functions and that is of significant national, community or public interest.

Key performance area	Page numbers	Purpose
Essential Services	18 - 20	Direct service delivery such as provision of water, sanitation, electricity & sold waste removal. Also include roads and storm water management and subsidised serviced sites.

18. I evaluated the reported performance information for the selected municipal key performance area against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the municipality's planning and delivery on its mandate and objectives.

19. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives
- all the indicators relevant for measuring the municipality's performance against its primary mandated and prioritised functions and planned objectives are included
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable
- there is adequate supporting evidence for the achievements reported measures taken to improve performance.

20. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

21. I did not identify any material findings on the reported performance information for the selected key performance area.

Other matters

22. I draw attention to the matters below.

Achievement of planned targets

23. The annual performance report includes information on reported achievements against planned targets and provides taken to improve performance.

24. The table that follows provides information on the achievement of planned targets and lists the key service delivery indicator that was not achieved as reported in the annual performance report. The measures taken to improve performance are included in the annual performance report on pages 18 to 20.

Essential Services

Targets achieved: 84,6% *Budget spent: Capital – 95,5 % Operational – 95,6%*		
Key indicator not achieved	**Planned target**	**Reported achievement**
EE1.11a Number of formal dwellings provided with connections to mains electricity supply by the municipality	8	7

Report on compliance with legislation

25. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the municipality's compliance with legislation.

26. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

27. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the municipality, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

28. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

29. The accounting officer is responsible for the other information included in the annual report. The other information does not include the financial statements, the auditor's report and the selected municipal key performance area presented in the annual performance report that have been specifically reported on in this auditor's report.

30. My opinion on the financial statements and my reports on the audit of the annual performance report and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

31. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected municipal key performance area presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

32. If, based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report on that fact.

33. I have nothing to report in this regard.

Internal control deficiencies

34. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.

35. I did not identify any significant deficiencies in internal control.

Auditor General

Cape Town

10 December 2025

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected strategic focus area and on the municipality's compliance with selected requirements in key legislation.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the municipality to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause the municipality to cease operating as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003	Sections 1, 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 28(1), 29(1), 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii) Sections 32(2)(b), 32(6)(a), 32(7), 33(1)(c)(ii), 53(1)(c)(ii), 53(1)(c)(iii)(bb), 54(1)(c), 62(1)(d), 63(2)(a), 63(2)(c), 64(2)(b), 64(2)(c), 64(2)(e), 64(2)(f), 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e), 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1), 122(2), 126(1)(a), 126(1)(b), 127(2), 127(5)(a)(i), 127(5)(a)(ii), 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 165(1), 165(2)(a), 165(2)(b)(ii), 165(2)(b)(iv), 165(2)(b)(v), 165(2)(b)(vii), 166(2)(b), 166(2)(a)(iv), 166(5), 170, 171(4)(a), 171(4)(b)
MFMA: Municipal budget and reporting regulations, 2009	Regulations 71(1)(a), 71(1)(a)(b), 71(2)(a), 71(2)(b), 71(2)(d), 72(a), 72(b), 72(c)
MFMA: Municipal Investment Regulations, 2005	Regulations 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations 5(4), 6(8)(a), 6(8)(b), 10(1)
MFMA: Municipal Supply Chain Management Regulations, 2017	Regulations 5, 12(1)(c), 12(3), 13(b), 13(c), 16(a), 17(1)(a), 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b)(i), 22(2), 27(2)(a), 27(2)(e), 28(1)(a)(i), 29(1)(a), 29(1)(b), 29(5)(a)(ii), 29(5)(b)(i), 32, 36(1), 36(1)(a), 38(1)(c), 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), 38(1)(g)(ii), 38(1)(g)(iii), 43, 44, 46(2)(e), 46(2)(f)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulations 17, 25(7A)
Division of Revenue Act 24 of 2024	Sections 11(6)(b), 12(5), 16(1); 16(3)
Municipal Property Rates Act 6 of 2004	Section 3(1)
Municipal Systems Act 32 of 2000	Sections 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 34(a), 34(b), 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2), 45(a), 54A(1)(a), 56(1)(a), 57(2)(a), 57(4B), 57(6)(a), 57A, 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 96(b)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations 5(2), 5(3), 5(6), 8(4)
MSA: Municipal Planning and Performance Management Regulations, 2001	Regulations 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 7(1), 8, 9(1)(a), 10(a), 12(1), 14(1)(b)(iii), 14(1)(c)(ii), 14(4)(a)(i), 14(4)(a)(iii), 15(1)(a)(i), 15(1)(a)(ii)

Legislation	Sections or regulations
MSA: Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006	Regulations 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3), 26(5), 27(4)(a)(i)
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations 17(2), 36(1)(a)
MSA: Municipal Staff Regulations, 2021	Regulations 7(1), 19, 31, 35(1)
MSA: Municipal Systems Regulations, 2001	Regulation 43
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8), 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5), 9(1), 10(1), 10(2),11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulations: 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)

8.1.4

2025

WITZENBERG
Municipality • Munisipaliteit • UMasipala Wase

Annual Financial Statements

30 June 2025

WITZENBERG MUNICIPALITY

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

Witzenberg Municipality

Annual Financial Statements for the year ended 30 June 2025

Table of Contents

The reports and statements set out below comprise the annual financial statements presented to the councillors:

The following supplementary information does not form part of the annual financial statements and is unaudited:

Appendixes:

Abbreviations

AARTO	Administrative Adjudication of Road Traffic Offences
AFS	Annual Financial Statements
AGSA	Auditor-General of South Africa
ASB	Accounting Standards Board
CIGFARO	Chartered Institute of Government, Finance, Audit and Risk Officers
COGTA	Cooperative Governance and Traditional Affairs
COID	Compensation for Occupational Injuries and Diseases
CPI	Consumer Price Index
DBSA	Development Bank of South Africa
DORA	Division of Revenue Act
DSACR	Department of Sport, Arts, Culture and Recreation
ED	Executive Director
EEDSM	Energy Efficiency and Demand Side Management
EPWP	Expanded Public Works Programme
FMG	Finance Management Grant
GRAP	Generally Recognised Accounting Practice
HDF	Housing Development Fund
IAS	International Accounting Standards
INEP	Integrated National Electrification Programme
IPSAS	International Public Sector Accounting Standards
IT	Information Technology
IUDG	Integrated Urban Devopment Grant
JSE	Johannesburg Stock Exchange
LED	Local Economic Development
LGSETA	Local Government Services Sector Education and Training Authority
MBA	Master of Business Administration
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
MMC	Member of Mayoral Committee
MPAC	Municipal Public Accounts Committee
MPRA	Municipal Property Rates Act
MSA	Municipal Structures Act

Witzenberg Municipality
Annual Financial Statements for the year ended 30 June 2025

Abbreviations

MSA	Municipal System Act
mSCOA	Municipal Standard Chart of Accounts
MSIG	Municipal System Improvement Grant
NDPG	Neighbourhood Development Partnership Grant
NDPG	Neighbourhood Development And Partnership Grant
NRA	Normal Retirement Age
PAYE	Pay As You Earn
PPE	Property, Plant and Equipment
PTNG	Public Transport Network Grant
RBIG	Regional Bulk Infrastructure Grant
RSA	Republic of South Africa
SACNASP	South African Council of Natural Scientific Professions
SAIEES	South African Institute of Ecologists and Environmental Scientists
SALGA	South African Local Government Association
SAPS	South African Police Services
SARS	South African Revenue Services
SCM	Supply Chain Management
SDL	Skills Development Levy
SETA	Sector Education and Training Authority
SRAC	Sports, Recreation, Arts and Culture
UIF	Unemployment Insurance Fund
VAT	VAlue added Tax
WSIG	Water and Sanitation Infrastructure Grant

Witzenberg Municipality
Annual Financial Statements for the year ended 30 June 2025

General Information

Nature of business and principal activities	The provision of services (electricity, water, sanitation and refuse) to communities in a sustainable manner, to promote social and economic development; and to promote a safe and healthy environment
Legislation governing the municipality's operations	Constitution of the Republic of south Africa (Act 108 of 1998) Municipal Finance Management Act (Act 56 of 2003) Local Government: Municipal Systems Act (Act 32 of 2000) Local Government: Municipal Structures Act (Act 117 of 1998) Municipal Property Rates Act (act of 6 2004) Division of Revenue Act (Act 1 of 2007)

Executive mayor and chairperson of mayoral commitee

Portfolio	Councillor
Executive mayor	Abrahams TE
Deputy executive mayor	Nel JF
Speaker	Sidego EM
Mayoral Committee Member	Alderman Smit, HJ
Mayoral Committee Member	Alderman Adams, K
Mayoral Committee Member	Fredericks JP
Mayoral Committee Member	Daniels P
MPAC Chairperson	Hardnek LA
MPAC Chairperson	Rooi J

Council members

Nr	Surname	Initials
1	Alexander	WJ
2	Alderman Visagie	JJ
3	Laban	G
4	Phatsoane	N
5	Swart	D
6	Ndaba	MJ
7	Mouton	JS
8	Gili	AL
9	Zalie	J
10	Yisa	K
11	Nogcinisa	N
12	Franse	GJ
13	De Bruin	S
14	Swartz	IL
15	Robyn	KA

Registered head office	50 Voortrekker Street Ceres 6835
Physical address	50 Voortrekker Street Ceres 6835
Postal address	P O Box 44 Ceres 6835

General Information

Bankers	First National Bank ABSA
Auditors	Auditor-General of South Africa (AGSA)
Demarcation code	WC022

Witzenberg Municipality

Annual Financial Statements for the year ended 30 June 2025

Accounting Officer's Statement

I am responsible for the preparation of these annual financial statements, in terms of Section 126 (1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.

I certify that the salaries, allowances and benefits of Councillors as disclosed in the notes of these annual financial statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.

David Nasson
Municipal Manager

Witzenberg Municipality

Annual Financial Statements for the year ended 30 June 2025

Statement of Financial Position as at 30 June 2025

Figures in Rand	Note(s)	2025	2024 Restated*
Assets			
Current Assets			
Cash and cash equivalents	3	198,636,427	187,244,733
Trade and other receivables from exchange transactions	4	102,211,701	122,582,281
Receivables from non-exchange transactions	5	43,005,281	31,639,039
Inventory	6	17,738,984	22,625,335
Operating lease receivable	7	2,303,438	1,240,313
Total Current Assets		**363,895,831**	**365,331,701**
Non-Current Assets			
Investment property	9	41,250,996	41,919,719
Property, plant and equipment	10	1,158,195,068	1,118,888,937
Heritage assets	11	550,000	550,000
Intangible assets	12	1,278,268	1,057,687
Total Non-Current Assets		**1,201,274,332**	**1,162,416,343**
Total Assets		**1,565,170,163**	**1,527,748,044**
Liabilities			
Current Liabilities			
Financial liabilities	13	162,737	334,172
Employee benefits	14	38,223,159	33,906,947
Consumer deposits	15	10,655,130	9,739,377
Trade and other payables from exchange transactions	16	90,643,547	83,707,978
Trade and other payables from non-exchange transactions	17	4,005,642	(4,043,952)
Provisions	18	3,791,013	3,630,749
VAT Payables	8	3,075,774	4,665,378
Total Current Liabilities		**150,557,002**	**131,940,649**
Non-Current Liabilities			
Financial liabilities	13	889,278	1,052,015
Employee benefits	14	80,122,398	71,753,312
Provisions	18	63,832,456	52,330,758
Total Non-Current Liabilities		**144,844,132**	**125,136,085**
Total Liabilities		**295,401,134**	**257,076,734**
Net Assets		**1,269,769,029**	**1,270,671,310**
Community Wealth / Equity			
Reserves and funds	19	11,166,356	11,166,358
Accumulated surplus		1,258,602,662	1,259,504,952
Total Community Wealth / Equity		**1,269,769,018**	**1,270,671,310**

* See Note 50

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Witzenberg Municipality
Annual Financial Statements for the year ended 30 June 2025

Statement of Financial Performance

Figures in Rand	Note(s)	2025	2024 Restated*
Revenue			
Exchange Revenue			
Services charges	20	508,072,018	528,791,554
Sales of goods and rendering of services	21	15,430,642	14,483,782
Agency services	22	4,948,368	4,738,934
Interest earned from receivables	23	27,153,392	28,557,418
Interests on current and non-current assets	24	18,758,044	22,018,748
Rent from fixed assets	25	6,764,809	6,007,232
Operational revenue	26	2,334,861	3,046,065
Construction contract revenue	27	11,373,082	33,460,159
Gain on Adjustment of Provision		-	1,986,710
Total Exchange Revenue		**594,835,216**	**643,090,602**
Non-Exchange Revenue			
Availability charges	28	2,824,476	2,990,685
Property rates by usage	29	107,320,205	101,316,646
Surcharges and taxes	30	7,975,570	9,121,658
Fines, penalties and forfeits	31	22,353,641	20,634,347
Licence and permits	32	1,068,580	1,182,780
Transfers and subsidies – Operational	33	150,058,027	145,661,090
Transfers and subsidies – Capital	33	42,292,480	36,536,411
Interest earned from receivables	23	4,881,176	4,091,476
Gains	34	8,082,849	1,821,382
Total Non-Exchange Revenue		**346,857,004**	**323,356,475**
Total Revenue		**941,692,220**	**966,447,077**
Expenditure			
Employee related cost	35	265,016,218	238,876,956
Remuneration of councillors	36	12,315,281	11,630,945
Bulk purchases	37	391,687,224	324,085,574
Inventory consumed	38	24,212,928	23,244,559
Debt impairment	39	66,389,465	(72,354,972)
Depreciation and amortisation	40	38,282,632	34,132,831
Impairment losses / (reversal) of impairment	41	1,163,041	108,454
Interest	42	15,330,174	13,827,042
Rent on land	43	49,779	38,769
Contracted services	44	60,134,886	89,214,236
Transfers and subsidies	45	4,633,156	2,877,601
Irrecoverable debts written off	46	15,347,310	159,168,262
Operating leases	47	1,200,791	1,106,871
Operational cost	48	46,831,621	44,903,295
Total Expenditure		**942,594,506**	**870,860,423**
(Deficit) surplus for the year		**(902,286)**	**95,586,654**

* See Note 50

Witzenberg Municipality

Annual Financial Statements for the year ended 30 June 2025

Statement of Changes in Net Assets

Figures in Rand	Capital replacement reserve	Accumulated surplus	Total net assets
Opening balance as previously reported	12,539,508	1,156,421,813	1,168,961,321
Adjustments			
Change in accounting policy	-	1,808,951	1,808,951
Correction of errors	-	(2,930,411)	(2,930,411)
Balance at 01 July 2023 as restated*	**12,539,508**	**1,155,300,353**	**1,167,839,861**
Surplus for the year	-	95,586,654	95,586,654
Transfers to / from accumulated surplus for the year	-	(43,832,167)	(43,832,167)
Increase in reserve	(1,373,150)	45,205,317	43,832,167
Total changes	(1,373,150)	96,959,804	95,586,654
Restated Subtotal	11,166,357	1,252,260,160	1,263,426,517
Adjustments			
Correction of errors	-	7,244,795	7,244,795
Restated* Balance at 01 July 2024 as restated*	**11,166,357**	**1,259,504,955**	**1,270,671,312**
Surplus for the year	-	(902,286)	(902,286)
Increase in reserve	(1)	-	(1)
Total changes	(1)	(902,286)	(902,287)
Balance at 30 June 2025	**11,166,356**	**1,258,602,662**	**1,269,769,018**

Note(s)

* See Note 50

Witzenberg Municipality
Annual Financial Statements for the year ended 30 June 2025

Cash Flow Statement

Figures in Rand	Note(s)	2025	2024 Restated*
Cash flows from operating activities			
Receipts			
Property rates & Other Taxes		106,158,287	102,509,333
Sales of goods and services		509,844,529	494,814,895
Government Grants		200,400,101	171,336,713
Interest		52,984,642	48,344,009
Increase in consumer deposits		915,751	274,818
Payments			
Employee and Councillor Costs		(275,489,801)	(250,595,740)
Suppliers		(509,791,346)	(534,596,331)
Net cash from(used) operating activities	49	**85,022,163**	**32,087,697**
Cash flows from investing activities			
Receipts			
Proceeds on disposal of fixed and intangible assets		1,745,635	21,174
Payments			
Property, Plant and Equipment		(75,203,429)	(71,696,448)
Intangible Assets		(220,580)	(330,870)
Net cash flows from investing activities		**(73,678,374)**	**(72,006,144)**
Cash flows from financing activities			
Payments			
Decrease in borrowing long-term		47,904	206,029
Net cash flows from financing activities		**47,904**	**206,029**
Net increase/(decrease) in cash		**11,391,693**	**(39,556,989)**
Cash and cash equivalents at year begin		187,244,734	226,801,723
		198,636,427	**187,244,734**

* See Note 50

AUDITOR-GENERAL SOUTH AFRICA
Auditing to build public confidence
U Mnqanqeni - 10 December 2025

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Witzenberg Municipality
Annual Financial Statements for the year ended 30 June 2025

Comparison of Budget and Actual Amounts for the year ended 30 June 2025

Figures in Rand	Original budget	*Budget adjustments	Final adjustments budget	Final budget	Actual outcome	Variance	Actual outcome as % of final budget	Actual outcome as % of origional budget	Reason for the material variance
2025									
Financial performance									
Revenue									
Exchange revenue									
Service charges - Electricity	431,223,350	(2)	431,223,348	431,223,348	395,036,514	(36,186,834)	91.61 %	91.61 %	Alternative energy installed by large consumers and increase in electricity losses.
Service charges - Water	49,358,871	-	49,358,871	49,358,871	50,461,847	1,102,976	102.23 %	102.23 %	
Service charges - Waste Water Management	50,931,952	-	50,931,952	50,931,952	26,461,450	(24,470,502)	51.95 %	51.95 %	Attributed to Industrial Effluent adjustment.
Service charges - Waste Management	33,773,623	-	33,773,623	33,773,623	36,112,207	2,338,584	106.92 %	106.92 %	
Sale of goods and rendering of services	5,535,924	10,683,001	16,218,925	16,218,925	26,803,724	10,584,799	165.26 %	484.18 %	Recognition of Library Services.
Agency services	4,684,213	-	4,684,213	4,684,213	4,948,368	264,155	105.64 %	105.64 %	
Interest	10,860	-	10,860	10,860	-	(10,860)	- %	- %	
Interest earned from receivables	23,549,060	-	23,549,060	23,549,060	27,153,393	3,604,333	115.31 %	115.31 %	
Interest earned from current and non current assets	22,444,468	-	22,444,468	22,444,468	18,758,044	(3,686,424)	83.58 %	83.58 %	
Rent on land	27,150	-	27,150	27,150	-	(27,150)	- %	- %	
Rental from fixed assets	6,015,322	-	6,015,322	6,015,322	6,764,809	749,487	112.46 %	112.46 %	
Operational revenue	1,763,667	(1)	1,763,666	1,763,666	2,334,861	571,195	132.39 %	132.39 %	
	629,318,460	**10,682,998**	**640,001,458**	**640,001,458**	**594,835,217**	**(45,166,241)**	**92.94 %**	**94.52 %**	
Non-exchange revenue									
Property rates	113,495,472	-	113,495,472	113,495,472	107,320,206	(6,175,266)	94.56 %	94.56 %	

Witzenberg Municipality
Annual Financial Statements for the year ended 30 June 2025

Comparison of Budget and Actual Amounts for the year ended 30 June 2025

Figures in Rand	Original budget	*Budget adjustments	Final adjustments budget	Final budget	Actual outcome	Variance	Actual outcome as % of final budget	Actual outcome as % of origional budget	Reason for the material variance
Surcharges and taxes	5,501,303	4,859,004	10,360,307	10,360,307	7,975,570	(2,384,737)	76.98 %	144.98 %	
Fines, penalties and forfeits	11,253,803	-	11,253,803	11,253,803	22,353,641	11,099,838	198.63 %	198.63 %	Increase in fines issued.
Licences or permits	2,443,535	-	2,443,535	2,443,535	1,068,580	(1,374,955)	43.73 %	43.73 %	
Transfer and subsidies - Operational	196,212,696	(14,316,483)	181,896,213	181,896,213	150,058,027	(31,838,186)	82.50 %	76.48 %	Contract revenue for low cost housing and library services.
Interest	3,566,095	-	3,566,095	3,566,095	4,881,176	1,315,081	136.88 %	136.88 %	
Operational revenue	3,095,150	-	3,095,150	3,095,150	2,824,476	(270,674)	91.25 %	91.25 %	
Gains on disposal of assets	-	6,120,737	6,120,737	6,120,737	144,214	(5,976,523)	2.36 %	- %	
	335,568,054	**(3,336,742)**	**332,231,312**	**332,231,312**	**296,625,890**	**(35,605,422)**	**89.28 %**	**88.40 %**	
Total Revenue (excl. capital transfers and contributions)	**964,886,514**	**7,346,256**	**972,232,770**	**972,232,770**	**891,461,107**	**(80,771,663)**	**91.69 %**	**92.39 %**	

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Witzenberg Municipality
Annual Financial Statements for the year ended 30 June 2025

Comparison of Budget and Actual Amounts for the year ended 30 June 2025

Figures in Rand	Original budget	*Budget adjustments	Final adjustments budget	Final budget	Actual outcome	Variance	Actual outcome as % of final budget	Actual outcome as % of origional budget	Reason for the material variance
Expenditure									
Employee costs	(277,558,134)	(1,635,978)	(279,194,112)	(279,194,112)	(269,855,115)	9,338,997	96.66 %	97.22 %	Vacant positions not filled.
Remuneration of councillors	(12,311,169)	-	(12,311,169)	(12,311,169)	(12,315,281)	(4,112)	100.03 %	100.03 %	
Bulk purchases - Electricity	(375,257,918)	(2,200,001)	(377,457,919)	(377,457,919)	(391,687,224)	(14,229,305)	103.77 %	104.38 %	Increase in electricity losses.
Inventory consumed	(25,928,541)	90,973	(25,837,568)	(25,837,568)	(24,212,932)	1,624,636	93.71 %	93.38 %	
Debt impairment	(62,757,730)	3	(62,757,727)	(62,757,727)	(66,389,465)	(3,631,738)	105.79 %	105.79 %	
Depreciation and amortisation	(54,218,569)	-	(54,218,569)	(54,218,569)	(38,282,640)	15,935,929	70.61 %	70.61 %	Insignificant changes in remaining usefull life of landfill sites.
Finance charges	(10,233,393)	-	(10,233,393)	(10,233,393)	(7,846,834)	2,386,559	76.68 %	76.68 %	
Contracted services	(75,234,155)	9,904,128	(65,330,027)	(65,330,027)	(60,134,885)	5,195,142	92.05 %	79.93 %	
Transfers and subsidies	(37,115,788)	2,299,841	(34,815,947)	(34,815,947)	(4,633,155)	30,182,792	13.31 %	12.48 %	Due to housing expenditure regarded as construction cost.
Irrecoverable debts written off	(2,130,824)	(6)	(2,130,830)	(2,130,830)	(15,347,310)	(13,216,480)	720.25 %	720.25 %	Write-off of fines and consumer debt more than anticipated.
Operational costs	(63,983,950)	2,572,478	(61,411,472)	(61,411,472)	(53,160,171)	8,251,301	86.56 %	83.08 %	
Losses on disposal of Assets	-	-	-	-	10,282,235	10,282,235	- %	- %	Sale of land.
Other Losses	-	-	-	-	(1,073,098)	(1,073,098)	- %	- %	
Total Expenditure	**(996,730,171)**	**11,031,438**	**(985,698,733)**	**(985,698,733)**	**(934,655,875)**	**51,042,858**	**94.82 %**	**93.77 %**	
Deficit	**(31,843,657)**	**18,377,694**	**(13,465,963)**	**(13,465,963)**	**(43,194,768)**	**(29,728,805)**	**320.77 %**	**135.65 %**	
Transfers and subsidies - capital (monetary allocations)	35,556,521	1,771,088	37,327,609	37,327,609	40,834,480	3,506,871	109.39 %	114.84 %	
Transfers and subsidies - capital (in-kind)	-	-	-	-	1,458,000	1,458,000	- %	- %	

Witzenberg Municipality
Annual Financial Statements for the year ended 30 June 2025

Comparison of Budget and Actual Amounts for the year ended 30 June 2025

Figures in Rand	Original budget	*Budget adjustments	Final adjustments budget	Final budget	Actual outcome	Variance	Actual outcome as % of final budget	Actual outcome as % of origional budget	Reason for the material variance
Deficit for the year	**3,712,864**	**20,148,782**	**23,861,646**	**23,861,646**	**(902,288)**	**(24,763,934)**	**(3.78)%**	**(24.30)%**	
Capital expenditure and funds sources									
Capital expenditure	82,771,082	2,025,961	84,797,043	84,797,043	82,874,187	(1,922,856)	97.73 %	100.12 %	
Financial position									
Assets									
Current assets									
Cash and cash equivalents	227,306,118	(19,411,412)	207,894,706	207,894,706	198,636,426	(9,258,280)	95.55 %	87.39 %	Collection rate lower than budgeted.
Trade and other receivables from exchange transactions	68,636,312	57,688,160	126,324,472	126,324,472	102,436,314	(23,888,158)	81.09 %	149.25 %	Due to impairment, write-off and usage of alternative energy by consumers.
Receivables from non-exchange transactions	49,233,850	(9,145,752)	40,088,098	40,088,098	40,361,630	273,532	100.68 %	81.98 %	
Inventory	9,181,240	18,775,442	27,956,682	27,956,682	17,738,985	(10,217,697)	63.45 %	193.21 %	Fewer purchases of electrical supplies than budgeted.
VAT	6,836,054	(1,534,446)	5,301,608	5,301,608	10,087,643	4,786,035	190.28 %	147.57 %	
Other current assets	1,709,188	(470,239)	1,238,949	1,238,949	4,722,475	3,483,526	381.17 %	276.30 %	
Total current assets	**362,902,762**	**45,901,753**	**408,804,515**	**408,804,515**	**373,983,473**	**(34,821,042)**	**91.48 %**	**103.05 %**	
Non-current assets									
Investment property	40,609,725	(1,811,125)	38,798,600	38,798,600	41,250,995	2,452,395	106.32 %	101.58 %	

Witzenberg Municipality

Annual Financial Statements for the year ended 30 June 2025

Comparison of Budget and Actual Amounts for the year ended 30 June 2025

Figures in Rand	Original budget	*Budget adjustments	Final adjustments budget	Final budget	Actual outcome	Variance	Actual outcome as % of final budget	Actual outcome as % of origional budget	Reason for the material variance
Property, plant and equipment	1,091,865,577	44,462,547	1,136,328,124	1,136,328,124	1,158,195,068	21,866,944	101.92 %	106.07 %	Lower amount for depreciation on landfill site.
Heritage assets	550,000	-	550,000	550,000	550,000	-	100.00 %	100.00 %	
Intangible assets	2,529,043	(1,055,130)	1,473,913	1,473,913	1,278,267	(195,646)	86.73 %	50.54 %	
Total non-current assets	**1,135,554,345**	**41,596,292**	**1,177,150,637**	**1,177,150,637**	**1,201,274,330**	**24,123,693**	**102.05 %**	**105.79 %**	
Total assets	**1,498,457,107**	**87,498,045**	**1,585,955,152**	**1,585,955,152**	**1,575,257,803**	**(10,697,349)**	**99.33 %**	**105.13 %**	
Liabilities									
Current liabilities									
Financial liabilities	(3,329,711)	(117,676)	(3,447,387)	(3,447,387)	162,737	3,610,124	(4.72)%	(4.89)%	
Consumer deposits	12,158,284	(2,418,905)	9,739,379	9,739,379	10,655,130	915,751	109.40 %	87.64 %	
Trade and other payables from exchange transactions	110,940,615	(32,250,867)	78,689,748	78,689,748	93,126,825	14,437,077	118.35 %	83.94 %	Due to Ceres Power Station not completed and with outstanding invoices at year end.
Trade and other payables from non-exchange transactions	3,308,749	7,851,735	11,160,484	11,160,484	4,392,644	(6,767,840)	39.36 %	132.76 %	
Provision	33,244,633	(2,955,677)	30,288,956	30,288,956	36,230,896	5,941,940	119.62 %	108.98 %	
VAT	18,268,607	(23,099,769)	(4,831,162)	(4,831,162)	13,163,417	17,994,579	(272.47)%	72.05 %	Decrease in debt written off.
Other current liabilities	8,825,372	(5,774,377)	3,050,995	3,050,995	3,300,000	249,005	108.16 %	37.39 %	
Total current liabilities	**183,416,549**	**(58,765,536)**	**124,651,013**	**124,651,013**	**161,031,649**	**36,380,636**	**129.19 %**	**87.80 %**	

Non-current liabilities

Witzenberg Municipality
Annual Financial Statements for the year ended 30 June 2025

Comparison of Budget and Actual Amounts for the year ended 30 June 2025

Figures in Rand	Original budget	*Budget adjustments	Final adjustments budget	Final budget	Actual outcome	Variance	Actual outcome as % of final budget	Actual outcome as % of origional budget	Reason for the material variance
Financial liabilities	25,645,246	1,900,747	27,545,993	27,545,993	889,278	(26,656,715)	3.23 %	3.47 %	Loan for Ceres Power Station not taken up during the financial year.
Other non-current liabilities	155,711,984	(7,865,933)	147,846,051	147,846,051	143,954,854	(3,891,197)	97.37 %	92.45 %	
Total non-current liabilities	**181,357,230**	**(5,965,186)**	**175,392,044**	**175,392,044**	**144,844,132**	**(30,547,912)**	**82.58 %**	**79.87 %**	
Total liabilities	**364,773,779**	**(64,730,722)**	**300,043,057**	**300,043,057**	**305,875,781**	**5,832,724**	**101.94 %**	**83.85 %**	
Net assets	**1,133,683,328**	**152,228,767**	**1,285,912,095**	**1,285,912,095**	**1,269,382,022**	**(16,530,073)**	**98.71 %**	**111.97 %**	
Community wealth/ Equity									
Accumulated Surplus/(Deficit)	1,120,420,236	154,890,143	1,275,310,379	1,275,310,379	1,258,602,666	(16,707,713)	98.69 %	112.33 %	Cumulative effect of differences between assets and liabilities.
Reserves	12,539,508	(1,373,151)	11,166,357	11,166,357	11,166,357	-	100.00 %	89.05 %	
Total current community wealth/ equity	**1,132,959,744**	**153,516,992**	**1,286,476,736**	**1,286,476,736**	**1,269,769,023**	**(16,707,713)**	**98.70 %**	**112.08 %**	

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Comparison of Budget and Actual Amounts for the year ended 30 June 2025

Figures in Rand	Original budget	*Budget adjustments	Final adjustments budget	Final budget	Actual outcome	Variance	Actual outcome as % of final budget	Actual outcome as % of origional budget	Reason for the material variance
Cash flow									
Net cash from/(used) operating activities	(48,895,520)	(954,609)	(49,850,129)	(49,850,129)	(18,069,922)	31,780,207	36.25 %	36.96 %	Aggregation of reasons stated above.
Net cash from/(used) investing activities	-	-	-	-	(1,531,584)	(1,531,584)	- %	- %	
Net cash from/(used) financing activities	-	-	-	-	(1,865,756)	(1,865,756)	- %	- %	
Cash/cash equivalents at the year end:	168,689,542	(31,304,409)	137,385,133	137,385,133	165,768,000	28,382,867	120.66 %	98.27 %	Aggregation of reasons stated above.

The budget and accounting basis' are the same - both are on the accrual basis. The Financial Statemens are prepared using a classification on the nature of expenses in the Statement of Financial Performance.

The changes between approved and final budget are a consequence of reallocations within the budget and other factors allowable in terms of the Municipal Finance Management Act

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Reportable Segments for the year ended 30 June 2025

Figures in Rand	Community and public safety	Economic and environmental services	Trading services	Governance and administration	Unallocated	Total
2025						
Segment revenue						
External revenue from non-exchange transactions	170,957,507	1,624,995	43,860,405	117,341,541	108,531	333,892,979
External revenue from exchange transactions	34,853,242	3,850,105	508,318,013	1,902,420	-	548,923,780
Interests on investments	-	-	-	18,758,044	-	18,758,044
Interest earned from receivables	247,777	-	24,824,672	6,962,119	-	32,034,568
Gain on disposal of assets	42,746	18,467	-	8,531,347	-	8,592,560
	206,101,272	**5,493,567**	**577,003,090**	**153,495,471**	**108,531**	**942,201,931**
Segment expenses						
Total segment expenses	136,003,162	34,083,857	518,656,487	139,097,149	1,022,100	828,862,755
Depreciation, amortisation and impairment	4,831,527	7,897,258	18,704,934	6,848,913	-	38,282,632
Loss on disposal of assets	-	-	509,711	-	-	509,711
Impairment losses on financial assets	3,461,076	-	56,066,608	8,024,822	-	67,552,506
Interest expense	49,779	-	6,037,493	1,809,341	-	7,896,613
	144,345,544	**41,981,115**	**599,975,233**	**155,780,225**	**1,022,100**	**943,104,217**
Surplus for the year	**61,755,728**	**(36,487,548)**	**(22,972,143)**	**(2,284,754)**	**(913,569)**	**(902,286)**
Other information						
Segment assets	(277,172)	(649,854)	4,201,105	1,561,896,084	-	1,565,170,163
Segment liabilities	107,884	460,554	3,242,385	291,977,311	-	295,788,134
Additions to non-current assets	(277,172)	(649,854)	3,196,484	80,085,664	-	82,355,122

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Figures in Rand	Community and public safety	Economic and environmental services	Trading services	Governance and administration	Unallocated	Total
	6	**6**	**6**	**6**	**4**	**6**
2024						
Segment revenue						
External revenue from non-exchange transactions	165,412,101	20,075,354	20,026,756	111,829,392	100,014	317,443,617
External revenue from exchange transactions	57,005,542	1,803,076	530,926,525	2,779,293	-	592,514,436
Interests on investments	-	-	-	22,018,748	-	22,018,748
Interest earned from receivables	313,343	-	26,563,799	5,771,752	-	32,648,894
Gain on disposal of assets	-	-	-	2,474,838	-	2,474,838
	222,730,986	**21,878,430**	**577,517,080**	**144,874,023**	**100,014**	**967,100,533**
Segment expenses						
Total segment expenses	149,940,700	32,410,831	593,664,952	125,275,239	1,102,067	902,393,789
Depreciation, amortisation and impairment	4,749,291	6,940,009	17,571,944	4,871,587	-	34,132,831
Loss on disposal of assets	-	28,427	625,029	-	-	653,456
Impairment losses on financial assets	(3,712,750)	-	(56,925,099)	(11,608,669)	-	(72,246,518)
Interest expense	38,769	-	5,166,330	1,375,222	-	6,580,321
	151,016,010	**39,379,267**	**560,103,156**	**119,913,379**	**1,102,067**	**871,513,879**
Surplus for the year	**71,714,976**	**(17,500,837)**	**17,413,924**	**24,960,644**	**(1,002,053)**	**95,586,654**
Other information						
Segment assets	-	(224,498)	1,790,683	1,526,181,859	-	1,527,748,044
Segment liabilities	(312,941)	(203,125)	3,265,185	254,355,266	-	257,104,385
Additions to non-current assets	(616,163)	(224,498)	1,790,683	83,593,626	-	84,543,648

Accounting Policies

The annual financial statements of Witzenberg Municipality for the year ended 30 June 2025 were authorised for issue by the Accounting Officer on 30 November 2025.

These Annual Financial Statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act, (Act No 56 of 2003).

The Annual Financial Statements were prepared on the accrual basis of accounting and incorporate the historical cost conventions as the basis of measurement, except where specified otherwise.

A summary of the significant accounting policies, which have been consistently applied in the preparation of these annual financial statements, is disclosed below:

1. Summary of significant accounting policies

1.1 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of the municipality and all values are rounded to the nearest hundred.

1.2 Going concern assumption

These annual financial statements were prepared based on the expectation that the municipality will continue to operate as a going concern for at least the next 12 months.The Municipality considers its objective of using an asset to designate non-cash generating assets. Those assets that are not used in the objective of generating a commercial return but to deliver services are designated as non-cash generating assets

1.3 Current year comparatives

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are also reclassified and restated, unless such comparative reclassification and / or restatement is not required by a Standard of GRAP. The nature and reason for such reclassifications and restatements are also disclosed.

Where material accounting errors, which relate to prior periods, have been identified in the current year, the correction is made retrospectively as far as is practicable and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable and the prior year comparatives are restated accordingly.

The presentation and classification of items in the current year is consistent with prior periods.

1.4 Materiality

Material omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor.

Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The Framework for the Preparation and Presentation of Financial Statements states that users are assumed to have a reasonable knowledge of government, its activities, accounting and a willingness to study the information with reasonable diligence. Therefore, the assessment takes into account how users with such attributes could reasonably be expected to be influenced in making and evaluating decisions.

1.5 Capital replacement reserve (CRR)

In order to finance the acquisition of infrastructure and other items of property, plant and equipment from internal sources, amounts are transferred from the accumulated surplus/(deficit) to the CRR in terms of the Annual Budget. The cash in the designated CRR bank account can only be utilised to finance items of property, plant and equipment. The CRR is reduced and the accumulated surplus/(deficit) is credited by a corresponding amount when the amounts in the CRR are utilised.

1.6 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Entity as lessee - operating leases

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

The aggregate benefit of incentives is recognised as a reduction of rental expense over the lease term on a straight- line basis.

Any contingent rent is expensed in the period in which they are incurred.

Entity as lessor - operating leases

Operating lease revenue is recognised as revenue on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease revenue.

The aggregate cost of incentives is recognised as a reduction of rental revenue over the lease term on a straight-line basis.

Income for leases is disclosed under revenue in statement of financial performance.

Municipality as lessee

Property, plant and equipment subject to finance lease agreements are capitalised at their cash cost equivalent. Corresponding liabilities are included in the Statement of financial position as Finance Lease Obligations. The cost of the item of property, plant and equipment is depreciated at appropriate rates on the straight-line basis over its estimated useful life. Lease payments are allocated between the lease finance cost and the capital repayment using the effective interest rate method. Lease finance costs are expensed when incurred.

Operating leases are those leases that do not fall within the scope of the above definition. Operating lease rentals are recognised on the straight-line basis over the term of the relevant lease.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Municipality as lessor

Amounts due from lessees under finance leases or instalment sale agreements are recorded as receivables at the amount of the municipality's net investment in the leases. Finance lease or instalment sale income is allocated to accounting periods so as to reflect a constant periodic rate of return on the municipality's net investment outstanding in respect of the leases or instalment sale agreements.

Operating lease rental income is recognised on a straight-line basis over the term of the relevant lease.

1.7 Provisions

Provisions are recognised when:
- the municipality has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Accounting Policies

1.7 Provisions (continued)

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised. Provisions are not recognised for future operating deficits.

If the municipality has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

Environmental rehabilitation provisions

At year end a provision is raised for the rehabilitation of landfill sites. The provision is the net present value of the future cash flows to rehabilitate damaged land at year end.

As the related asset is measured using the cost model:

changes in the liability is added to, or deducted from, the cost of the related asset in the current period;

the amount deducted from the cost of the asset does not exceed it carrying amount. If a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in surplus or deficit;

if the adjustments results in an addition to the cost of an asset, the municipality considers whether this is an indication that the new carrying amount of the asset may be fully recoverable. If there is such an indication, the municipality tests the asset for the impairment by estimating its recoverable amount or recoverable service amount, and accounts for any impairment loss, in accordance with the accounting policy on impairment of assets as described in the accounting policy on impairment of cash-generating assets and/ or impairment of non-cash generating assets.

The adjusted depreciable amount of the asset is depreciated over its useful life. Therefore, once the related asset has reached the end of its useful life, all subsequent changes in the liability is recognised in surplus or deficit as they occur.

Accounting Policies

1.8 Landfill site

Site restoration and dismantling cost - The municipality has an obligation to dismantle, remove and restore items of property, plant and equipment. Such obligations are referred to as ‘decommissioning, restoration and similar liabilities’. The cost of an item of property, plant and equipment includes:

- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located;
- changes in the measurement of an existing decommissioning, restoration and similar liability that result from change in the estimated timing or amount of the outflow of resources embodying economic benefits or service potential required to settle the obligation, or a change in discount rate; and
- the obligation the municipality incurs for having used the items during a particular period for purposes other than to produce inventories during that period.

If the related asset is measured using the cost model:

(a) subject to (b), changes in the liability are added to, or deducted from, the cost of the related asset in the current period;

(b) if a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in surplus or deficit; and

(c) if the adjustment results in an addition to the cost of an asset, the municipality considers whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If it is such an indication, the asset is tested for impairment by estimating its recoverable amount or recoverable service amount, and any impairment loss is recognised in accordance with the accounting policy on impairment of cash-generating assets and/or impairment of non-cash-generating assets

1.9 Employee benefits

Short-term employee benefits

Remuneration to employees is recognised in the Statement of Financial Performance as the services are rendered, except for non-accumulating benefits, which are only recognised when the specific event occurs.

The costs of all short-term employee benefits such as leave pay, are recognised during the period in which the employee renders the related service. The liability for leave pay is based on the total accrued leave days at year end and is shown as a provision in the Statement of Financial Position. The municipality recognises the expected cost of performance bonuses only when the municipality has a present legal or constructive obligation to make such payment and a reliable estimate can be made.

Leave pay

Leave pay is recognised in the statement of financial performance for leave days accummulated, and recognised as a provision in the statement of financial position.

Bonus provisions

bonus provision is recognised in the statement of financial performance for months accummulated towards the 12 month cycle, and recognised as a provision in the statement of financial position.

Post-employment benefits: Defined contribution plans

Defined benefit plans are post-employment benefit plans other than defined contribution plans.

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1.9 Employee benefits (continued)

Post-retirement health care benefits

The municipality has an obligation to provide Post-retirement Health Care Benefits for current employees of the municipality. According to the municipality, a member (who is on the current Conditions of Service), on retirement, is entitled to remain a continued member of the Medical Aid Fund in which case the municipality is liable for a certain portion of the medical aid membership fee.

The defined benefit liability is the aggregate of the present value of the defined benefit obligation and unrecognised actuarial gains and losses, reduced by unrecognised past service costs. The plan is unfunded. The present value of the defined benefit obligation is calculated using the Projected Unit Credit Method, incorporating actuarial assumptions and a discount rate based on the government bond rate. Valuations of these obligations are carried out annually by independent qualified actuaries.

Actuarial gains or losses are recognised immediately in the Statement of Financial Performance.

Past-service costs are recognised immediately in the Statement of Financial Performance.

Interest costs are recognised immediately in the Statement of Financial Performance.

Long-service allowance

The municipality has an obligation to provide Long-service Allowance Benefits to all of its employees. According to the rules of the Long-service Allowance Scheme, which the municipality instituted and operates, an employee (who is on the current Conditions of Service), is entitled to a cash allowance, calculated in terms of the rules of the scheme, after 10, 15, 20, 25 and 30 years of continued service. The municipality's liability is based on an actuarial valuation. The projected unit credit method has been used to value the liabilities. Actuarial gains and losses on the long-term incentives are accounted for through the Statement of financial performance.

1.9 Employee benefits (continued)

Pension obligations

The Municipality's personnel are members of either the Government Employees Pension Fund (GEPF) or one of the Natal Joint Municipal Pension (NJMPF) retirement funds, namely the Superannuation, Retirement and Provident Funds. Except for the NJMPF Provident fund, the aforementioned funds are defined benefit funds. As these defined benefit funds are multi-employer funds, the allocation of any surplus/deficit to individual municipalities cannot be determined. Furthermore disclosure of further details such as actuarial assumptions, cannot be attributed to any specific employer and is of no relevance to users of the municipality's financial statements. As the required disclosure information cannot be obtained the funds are all treated as defined contribution funds.

Municipal Councillors

Councillors belong to the Councillors Pension Fund which is a defined contribution fund and employers have no legal or constructive obligation for any shortfalls in valuation of the fund.

1.10 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period. The municipality elected the cost model for Property, plant and equipment.

The cost of an item of property, plant and equipment is recognised as an asset if, and only if
- if it is probable that future economic benefits or service potential associated with the item will flow to the municipality, and
- the cost or fair value of the item can be measured reliably.

Initial recognition and measurement

Property, plant and equipment are initially recognised at cost on its acquisition date. The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the municipality. Trade discounts and rebates are deducted in arriving at the cost. The cost also includes the necessary costs of dismantling and removing the asset and restoring the site on which it is located.

Where an asset is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

The cost of an item of property, plant and equipment acquired in exchange for a non-monetary assets or monetary assets, or a combination of monetary and non-monetary assets is measured at the fair value of the asset given up, unless the fair value of the asset received is more clearly evident. If the acquired item could not be measured at its fair value, its cost is measured at the carrying amount of the asset given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components} of property, plant and equipment.

Major spare parts and servicing equipment qualify as property, plant and equipment when the municipality expects to use them during more than one period. Similarly, if the major spare parts and servicing equipment can be used only in connection with an item of property, plant and equipment, they are accounted for as property, plant and equipment.

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Subsequent measurement - cost model

Subsequent to initial recognition, items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated as it is deemed to have indefinite useful life.

Where the municipality replaces parts of an asset, it derecognises the part of the asset being replaced and capitalises the new component. Subsequent expenditure incurred on an asset is capitalised when it increases the capacity or future economic benefits associated with the asset.

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Accounting Policies

1.10 Property, plant and equipment (continued)

Incomplete construction work

Incomplete construction work is stated at historical cost. Depreciation only commences when the asset is available for use

Impairment

Where the carrying amount of an item of property, plant and equipment is greater than the estimated recoverable service amount, it is written down immediately to its recoverable service amount and an impairment loss is charged to the statement of financial performance.

Depreciation

Depreciation is calculated on the depreciable amount, using the straight-line method over the estimated useful lives of the assets. Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately. Depreciation on new acquisitions is charged to the statement of financial performance in the financial year in which the asset is available for use after taking into account the assets' residual value where applicable

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Infrastructure:	Straight-line	
• Roads and Paving		5-100 Years
• Electricity		4-46 Years
• Water		15-150 Years
• Sanitation		10-75 Years
• Stormwater		5-100 Years
• Solid Waste		10-100 Years
• Information and Communication		3-15 Years
• Other		10-75 Years
Community:	Straight-line	
• Recreational Facilities		5-30 Years
• Sport Fields and Stadia		10-20 Years
• Halls		5-100 Years
• Libraries		10-30 Years
• Parks and Gardens		10-30 Years
• Other Assets		5-30 Years
• Cemetaries		5-30 Years
Finance Lease Assets:	Straight-line	
• Office Equipment		3-5 Years
Other:	Straight-line	
• Airports		20 Years
• Buildings		30-100 Years
• Computer Equipment		3-30 Years
• Furniture and Equipment		3-30 Years
• Landfill Sites		10-15 Years
• Markets		30 Years
• Other		3-30 Years
• Other Vehicles		2-67 Years
• Plant and Equipment		3-32 Years
• Specialist Vehicles		6-38 Years

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately

Accounting Policies

1.10 Property, plant and equipment (continued)

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the municipality. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate

The municipality assesses at each reporting date whether there is any indication that the municipality expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the municipality revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

The municipality separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note 10).

De-recognition

Items of property, plant and equipment are derecognised when the asset is disposed or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

Effective interest rate

The municipality used the prime interest rate to discount future cash flows

1.11 Intangible assets

Initial recognition

An intangible asset is an identifiable non-monetary asset without physical substance. The municipality recognises an intangible asset in its Statement of Financial Position only when it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the municipality and the cost or fair value of the asset can be measured reliably.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Intangible assets are initially recognised at cost.

Where an intangible asset is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

Where an intangible asset is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

Subsequent measurement - Cost model

Intangible assets are subsequently carried at cost less accumulated amortisation and impairments. The cost of an intangible asset is amortised over the useful life where that useful life is finite. Where the useful life is indefinite, the asset is not amortised but is subject to an annual impairment test

1.11 Intangible assets (continued)

Amortisation and impairment

Amortisation is charged so as to write off the cost or valuation of intangible assets over their estimated useful lives using the straight line method.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Depreciation method	Average useful life
Computer software	Straight-line	5 - 7 years

Derecognition

Intangible assets are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an intangible asset is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

1.12 Investment property

Investment property is property (land or a building - or part of a building - or both) held to earn rentals or for capital appreciation or both, rather than for:
- use in the production or supply of goods or services; or for
- Administrative purposes, or
- Sale in ordinary course of operations.

Investment property is recognised as an asset when, it is probable that the future economic benefits or service potential that is associated with the investment property will flow to the municipality, and the cost or fair value of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Where investment property is acquired through a non-exchange transaction, its cost is its fair value as at the date of acquisition.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner occupied property becomes an investment property, the municipality accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

The cost of self-constructed investment property is the cost at date of completion.

Subsequent measurement – cost model

Investment property is, subsequent to initial measurement, carried at cost less accumulated depreciation and any accumulated impairment losses. Land is not depreciatied as it is deemed to have and indefinite useful life.

Depreciation is provided to write down the cost, less estimated residual value by equal installments over the useful life of the property, which is as follows:

Item	Useful life
Buildings	99-100 years

Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

1.12 Investment property (continued)

Gains or losses arising from the retirement or disposal of investment property is the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in surplus or deficit in the period of retirement or disposal.

Compensation from third parties for investment property that was impaired, lost or given up is recognised in surplus or deficit when the compensation becomes receivable.

The nature OR type of properties classified as held for strategic purposes are as follows:

The municipality separately discloses expenditure to repair and maintain investment property in the notes to the annual financial statements (see note 9).

The municipality discloses relevant information relating to assets under construction or development, in the notes to the annual financial statements (see note 9).

When classification is difficult, the criteria used to distinguish investment property from owner -occupied property and from property held for sale in the ordinary course of operations, are as follows:

All properties held to earn market-related rentals or for capital appreciation or both and that are not used for administrative purposes, and that will not be sold within the next 12 months are classified as Investment Properties

A building owned by the municipality (or held by the municipality under a finance lease) and leased out under one or more operating leases

Transfers to, or from, investment property shall be made when, and only when, there is a change in use, evidenced by:

(a) commencement of owner-occupation, for a transfer from investment property to owner-occupied property;

(b) commencement of development with a view to sale, for a transfer from investment property to inventories;

(c)end of owner-occupation, for a transfer from owner-occupied property to investment property; or

(d) commencement of an operating lease (on a commercial basis) to another party, for a transfer from inventories to investment property.

1.13 Heritage assets

A heritage asset is defined as an asset that has a cultural, environmental, historical, natural, scientific, technological or artistic significance, and is held and preserved indefinitely for the benefit of present and future generations.

A heritage asset is recognised as an asset if, and only if it is probable that future economic benefits or service potential associated with the asset will flow to the entity, and the cost or fair value of the asset can be measured reliably.

Initial recognition and measurement

A heritage asset is defined as an asset that has a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held and preserved indefinitely for the benefit of present and future generations. A heritage asset is recognised as an asset if, and only if it is probable that future economic benefits or service potential associated with the asset will flow to the entity, and the cost or fair value of the asset can be measured reliably.

Heritage asset is initially measured at cost at the date of acquisition or in the case where a heritage asset is acquired through a non-exchange transaction (i.e. donation or grant) at deemed cost, being the fair value of the asset at acquisition date.

The cost of a heritage asset is a purchase price and other costs directly attributable to bring the heritage asset to the location and condition necessary for it to be capable of operating in the manner intended by management of the municipality. Trade discounts and rebates are deducted in arriving at the cost. The cost also includes attributable costs of dismantling and removing the asset and restoring the site on which the asset is located.

Where there is no evidence to determine the market value of an item of heritage asset in an active market, a valuation technique is used to determine the fair value.

1.13 Heritage assets (continued)

Subsequent measurement

The municipality uses the cost model to value each class of heritage asset. Subsequent expenditure relating to heritage assets is capitalised if that expenditure meets all the requirement of heritage asset and can be measured reliable. Subsequent expenditure is only capitalised when that expenditure increases the level of benefit from present and future generation.

Heritage assets are not depreciated; however, the municipality assesses impairment to all heritage assets at each reporting date.

Derecognition

The carrying amount of an item of heritage asset is de-recognised on disposal or when no future economic benefit or service potential or for the benefit of present and future generations.

The gains or losses derived from de-recognition is recognised in the surplus or deficit when the heritage asset is de-recognised

Gains and losses are determined as the difference between the carrying amount (cost less accumulated depreciation and impairment) and the disposal proceeds and included in the Statement of Financial Performance.

1.14 Impairment of cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

All cash generating assets are measured at amortised cost, or cost, these assets are subject to an impairment review. The entity assesses at the end of each reporting period whether there is any objective evidence that a cash generating asset or group of cash generating assets is impaired.

Impairment is assessed annually during year-end reporting. Impairment loss is recognised to the Statement of Financial Performance. Reversal of the impairment loss affects surplus or deficit for that reporting period.

Designation

At initial recognition, the municipality designates an asset as non-cash-generating, or an asset or cash-generating unit as cash-generating. The designation is made on the basis of a municipality's objective of using the asset.

The municipality designates an asset or a cash-generating unit as cash-generating when:
- its objective is to use the asset or a cash-generating unit in a manner that generates a commercial return; such that
- the asset or cash-generating unit will generate positive cash flows, from continuing use and its ultimate disposal, that are expected to be significantly higher than the cost of the asset.

1.15 Commitments

Disclosures are required in respect of unrecognised contractual commitments.

Commitments are not recognised in the statement of financial position as a liability, but are included in the disclosure notes in the following cases:
- approved and contracted commitments;
- where the expenditure has been approved and the contract has been awarded at the reporting date; and
- where disclosure is required by a specific standard of GRAP.

Commitments are disclosed inclusive of VAT.

1.16 Inventory

Initial recognition

1.16 Inventory (continued)

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Subsequently inventories are measured at the lower of cost and net realisable value.

Inventories are measured at the lower of cost and current replacement cost where they are held fo

- distribution at no charge or for a nominal charge; or

- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

Current replacement cost is the cost the municipality incurs to acquire the asset on the reporting date.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories is assigned using the first-in, first-out (FIFO) formula. The same cost formula is used for all inventories having a similar nature and use to the municipality.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

Subsequent measurement

Inventories, consisting of consumable stores, materials and water, are valued at the lower of cost and net realisable value unless they are to be distributed at no or nominal charge, in which case they are measured at the lower of cost and current replacement cost. Redundant and slow-moving inventories are identified and written down in this way. Differences arising on the valuation of inventory are recognised in the Statement of Financial Performance in the year in which they arose. The amount of any reversal of any write-down of inventories arising from an increase in net realisable value or current replacement cost is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

The carrying amount of inventories is recognised as an expense in the period that the inventory was sold, distributed, written off or consumed, unless that cost qualifies for capitalisation to the cost of another asset.

1.17 Borrowing costs

Borrowing costs are interest and other expenses incurred by an municipality in connection with the borrowing of funds.

Borrowing costs are recognised as an expense in the Statement of financial performance in the period in which they are incurred.

1.18 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity. Financial instruments are classified into three categories namely, financial instruments at fair value, financial instruments at amortised cost or financial instruments at cost. The municipality determines the classification of its financial instruments at initial recognition.

The municipality has various types of financial instruments and these can be broadly categorised as either financial assets or financial liabilities.

A financial instrument is recognised if the municipality becomes a party to the contractual provisions of the instrument.

Accounting Policies

1.18 Financial instruments (continued)

1.18.1 Classification of financial instruments

Financial assets

A financial asset is any asset that is a cash or contractual right to receive cash. In accordance with GRAP 104 the Financial Assets of the municipality are classified as follows into the three categories allowed by this standard:

Financial asset at amortised cost being a non-derivative financial asset with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months, which are classified as non-current assets.

Financial assets measured at fair value being financial assets that meet either of the following conditions:
- Derivatives;
- Combined instruments that are designated at fair value;
- Instruments held for trading;
- Non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; or
- Financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.

Financial assets measured at cost being investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

The municipality has the following types of financial assets as reflected on the face of the Statement of financial position or in the notes thereto:

Type of financial asset	**Classification in terms of GRAP 104**
	Financial assets at amortised cost

Cash includes cash on hand (including petty cash) and cash with banks (including call deposits). Cash equivalents are short - term highly liquid investments, readily convertible into known amounts of cash that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value. For the purposes of the Cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks, net of bank overdrafts. The municipality categorises cash and cash equivalents as financial assets at amortised cost.

Financial liabilities

A financial liability is a contractual obligation to deliver cash or another financial asset to another entity.

The following main categories of financial liabilities and the classification determining how they are measured exist:
- Financial liabilities measured at amortised cost; or
- Financial liabilities measured at fair value.

The municipality has the following types of financial liabilities as reflected on the face of the Statement of financial position or in the notes thereto:

Type of financial liability	**Classification in terms of GRAP 104**
Long-term liabilities	Financial liability at amortised cost
Current portion of long-term liabilities	Financial liability at amortised cost

1.18.2 Initial and subsequent measurement

Initial recognition and measurement

A financial instruments is recognised when the municipality becomes a party to the contractual provisions of the instrument and are initially measured at fair value. In the case of a financial instruments not subsequently measured at fair value, transaction costs that are directly attributable to the acquisition or issue of the financial instruments are added or deducted from the fair value as appropriate on initial recognition.

Subsequent measurement – Financial assets

Accounting Policies

1.18 Financial instruments (continued)

Financial assets consist of cash and cash equivalents, deposits, receivables and investments.

Receivables are subsequently measured at amortised cost using the effective interest rate method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

A provision for impairment of receivables is established when there is objective evidence that the municipality will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate. Changes in the carrying amount of the provision is recognised in the Statement of financial performance. When a receivable is considered uncollectible it is written off against the provision. Any gains or losses arising from the change in fair value of investments measured at fair value are recognised in the Statement of financial performance.

Trade and other receivables (excluding Value Added Taxation, prepayments and operating lease receivables), loans to municipal entities and loans that have fixed and determinable payments that are not quoted in an active market are classified as financial assets at amortised cost.

Financial assets measured at fair value are initially measured at fair value plus directly attributable transaction costs. They are subsequently measured at fair value with unrealised gains or losses recognised directly in equity until the investment is derecognised, at which time the cumulative gain or loss recorded in equity is recognised in the Statement of financial performance, or determined to be impaired, at which time the cumulative loss recorded in equity is recognised in the Statement of financial performance.

Subsequent measurement – Financial Liabilities

Financial liabilities consist of payables, interest bearing loans and bank overdrafts. These liabilities are subsequently measured at amortised cost, using the effective interest rate method. Finance costs are expensed in the Statement of financial performance in the period in which they are incurred except where stated otherwise (see accounting policy on borrowing costs).

Bank borrowings, consisting of interest-bearing short-term bank loans, repayable on demand and overdrafts are recorded at the proceeds received. Finance costs are accounted for using the accrual basis and are added to the carrying amount of the bank borrowing to the extent that they are not settled in the period that they arise.

Prepayments are carried at cost less any accumulated impairment losses.

1.18.3 Impairment of financial assets

All financial assets measured at amortised cost, are subject to an impairment review. The entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

A gain or loss arising from a change in the fair value of a financial asset or financial liability measured at fair value is recognised in surplus or deficit.

Consumer debtors

Consumer debtors are assessed individually thereafter collectively considering factors such as payment histories and ratios, qualitative factors e.g. correspondence from attorneys, disputes about certain accounts, etc.

All financial assets measured at amortised cost, are subject to an impairment review. The entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Other debtors

Other debtors are reviewed individually considering payment histories and disputes about certain amounts. Provision for impairment is made accordingly.

All financial assets measured at amortised cost, are subject to an impairment review. The entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired..

Accounting Policies

1.18 Financial instruments (continued)

1.18.4 Derecognition

Financial assets

The municipality derecognises financial assets only when the contractual rights to the cash flows from the asset expires or it transfers the financial assets and substantially all the risks and rewards of ownership of the asset to another entity, except when Council approves the write-off of financial assets due to non-recoverability.

If the municipality neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the municipality recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the municipality retains substantially all the risks and rewards of ownership of a transferred financial assets, the municipality continues to recognise the financial assets and also recognises a collateralised borrowing for the proceeds received.

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1.18 Financial instruments (continued)

Financial liabilities

The municipality derecognises financial liabilities when, and only when, the municipality's obligations are discharged, cancelled or they expire.

An exchange between an existing borrower and lender of debt instruments with substantially different terms shall be accounted for as having extinguished the original financial liability, and a new financial liability recognised. Similarly, a substantial modification of the terms of an existing financial liability or a part of it (whether or not attributable to the financial difficulty of the debtor) shall be accounted for as having extinguished the original financial liability and having recognised a new financial liability.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, shall be recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another entity by way of a nonexchange transaction, are accounted for in accordance with GRAP 23.

1.18.5 Fair value measurement considerations

The best evidence of fair value is quoted prices in an active market. If the market for a financial instruments is not active, the municipality establishes fair value using a valuation technique. The chosen valuation technique makes maximum use of market inputs and relies as little as possible on municipality-specific inputs.

1.19 Revenue

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the municipality receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm’s length transaction

Recognition and measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

1.19.1 Revenue from exchange transactions

Revenue from exchange transactions refers to revenue that accrued to the municipality directly in return for services rendered / goods sold, the value of which approximates the consideration received or receivable.

Service charges relating to water are based on consumption. Meters are read on a monthly basis and are recognised as revenue when invoiced. Provisional estimates of consumption are made monthly by the system if the reading was not obtained. The provisional estimates of consumption are recognised as revenue when invoiced. The system automatically reverse the provisional readings, when the reading has been captured on the system.

Interest revenue is recognised on a time proportion basis, Interest earned on investments is recognised in the statement of financial performance on the time proportionate basis that takes into account the effective yield on the investment.

Revenue from the rental of facilities and equipment is recognised on a straight-line basis over the term of the lease agreement.

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant tariff.

Revenue from the sale of goods is recognised when substantially all the risks and rewards in those goods is passed to the consumer.

1.19 Revenue (continued)

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied.

- the amount of revenue can be measured reliably;

- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality;.

- the stage of completion of the transaction at the reporting date can be measured reliably; and

- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When services are performed by an indeterminate number of acts over a specified time frame, revenue is recognised on a straight line basis over the specified time frame unless there is evidence that some other method better represents the stage of completion. When a specific act is much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Service revenue is recognised by reference to the stage of completion of the transaction at the reporting date. Stage of completion is determined by the proportion that costs incurred to date bear to the total estimated costs of the transaction.

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the municipality has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.19.2 Revenue from non-exchange transactions

Revenue from non-exchange transactions refers to transactions where the municipality received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

Fines constitute both spot fines in the form of meter tampering fines. Fines are recognised when payment is received.

Revenue from public contributions and donations is recognised when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment, when such items of property, plant and equipment qualifies for recognition and first becomes available for use by the municipality. Where public contributions have been received but the municipality has not met the related conditions, a deferred income (liability) is recognised.

Contributed property, plant and equipment is recognised when such items of property, plant and equipment qualifies for recognition and become available for use by the municipality.

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act (Act No.56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is virtually certain.

Accounting Policies

1.19 Revenue (continued)

Fines

Fines constitute both spot fines and camera fines. Fines are recognised when the receivable meets the definition of an asset and satisfies the criteria for recognition as an asset. It is measured at the best estimate, based on past experience, of the amount of revenue the municipality is entitled to collect.

Subsequent to initial recognition and measurement, the municipality assess the collectability of the revenue and recognises a separate impairment loss where appropriate.

Donations and contributions

Donations and funding are recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. Where the agreement contains a stipulation to return the asset, other future economic benefits or service potential, in the event of non-compliance to these stipulations and would be enforced by the transferor, a liability is recognised to the extent that the criteria, conditions or obligations have not been met. Where such requirements are not enforceable, or where past experience has indicated that the transferor has never enforced the requirement to return the transferred asset, other future economic benefits or service potential when breaches have occurred, the stipulation will be considered a restriction and is recognised as revenue.

Transfers and subsidies

The municipality recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

Transferred assets are measured at their fair value as at the date of acquisition.

Unconditional grants

Equitable share allocations are recognised in revenue at the start of the financial year.

Conditional grants

Conditional grants recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. Where the agreement contains a stipulation to return the asset, other future economic benefits or service potential, in the event of non-compliance to these stipulations and would be enforced by the transferor, a liability is recognised to the extent that the criteria, conditions or obligations have not been met. Where such requirements are not enforceable, or where past experience has indicated that the transferor has never enforced the requirement to return the transferred asset, other future economic benefits or service potential when breaches have occurred, the stipulation will be considered a restriction and is recognised as revenue.

Interest earned on grants received and invested is treated in accordance with grant conditions. If it is payable to the funder it is recorded as part of the creditor and if it is the municipality's interest it is recognised as interest earned in the Statement of financial performance.

Revenue recognition of unclaimed deposits

Unclaimed deposits older than three (3) years are recognised as revenue.

Revenue recognition of forfeited retention

Retention forfeited is recognised as revenue in the statement of financial performance.

Retention forfeit is recognised when service provider does not meet the retention release conditions.

1.20 Related parties and related party transactions

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

1.20 Related parties and related party transactions (continued)

Joint control is the agreed sharing of control over an activity by a binding arrangement, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).

Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies.

Management are those persons responsible for planning, directing and controlling the activities of the municipality, including those charged with the governance of the municipality in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the municipality.

The municipality is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the municipality to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

Where the municipality is exempt from the disclosures in accordance with the above, the municipality discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the entity's financial statements to understand the effect of related party transactions on its annual financial statements

1.21 Unauthorised expenditure

Unauthorised expenditure means:
- overspending of a vote or a main division within a vote; and
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

All expenditure relating to unauthorised expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.22 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy. Irregular expenditure excludes unauthorised expenditure.

All expenditure relating to irregular expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.23 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the Statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the Statement of financial performance.

1.24 Contingent assets and contingent liabilities

Contingent liabilities represent a possible obligation that arises from past events and whose existence will be confirmed only by an occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality.

1.24 Contingent assets and contingent liabilities (continued)

A contingent liability can also arise as a result of a present obligation that arises from past events but which is not recognised as a liability either because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets represent possible assets that arise from past events and whose existence will be confirmed only by an occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in the notes to the municipality.

1.25 Budget information

The approved budget is prepared on a accrual basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the same period as the Annual Financial Statements.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

Explanatory comments on material differences are provided in a separate budget statement in the annual financial statements giving firstly reasons for overall growth or decline in the budget and secondly motivations for over or under spending in line items. The changes between the approved and final budget are a consequence of reallocations within the approved budget by the Council at the beginning and during the year following a period of consultation with the public as part of the Integrated Development Plan.

The approved budget is classified by economic nature per items on the same basis as adopted in the financial statements.

1.26 Significant judgements and estimates

In the application of the municipality's accounting policies, which are described below, management & councillors is required to make judgement, estimates and assumption that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. The estimates and associated assumptions are based on historical experiences and other factors that are considered too reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

These estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

1.26.1 Judgements

The following are the critical judgements, apart from those involving estimations, that the management & councillors have made in the process of applying the municipality’s Accounting Policies and that have the most significant effect on the amounts recognised in the annual financial statements:

Lease classification – municipality as lessor

The municipality has entered into lease agreements to rent a small portion of its administration building. The municipality has determined that it retains all the significant risks and rewards of ownership of these properties, and so accounts for them as operating leases.

Accounting Policies

1.26 Significant judgements and estimates (continued)

Lease classification – municipality as lessee

The municipality has entered into a number of leases for office equipment. In determining whether a lease agreement is a finance lease or an operating lease requires judgement as to whether the agreement transfers substantially all the risks and rewards of ownership to the municipality.

Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. The municipality has exercised its judgement on the appropriate classification of equipment leases, and has determined a number of lease arrangements are finance leases.

Determination of repairs and maintenance cost

Repairs and maintenance is based on management & councillors's own judgement of costs incurred in cost centres responsible for the maintenance and repair of municipality owned assets. This includes internal charges (inter departmental charges) such as internal transport costs, charged out to the different departments.

Componentisation of infrastructure assets

All infrastructure assets, acquired before the adoption of GRAP where the acquisition cost could not be obtained, with significant components relating to different useful lives are unbundled into their components in order to depreciate all major components over the expected useful lives. The cost of each component is estimated based on the current market replacement cost of each component, depreciated for age and condition and recalculated to deemed cost at the acquisition date if known or to the date of initially adopting the Standards of GRAP. All infrastructure assets acquired after the adoption of GRAP with significant components relating to different useful lives are unbundled into their components based on the actual expenditure incurred.

1.26.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

Post-retirement benefits and Other long term obligations

The present value of the post retirement obligation depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) include the discount rate. Any changes in these assumptions will impact on the carrying amount of post retirement obligations.

The municipality determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the municipality considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Other key assumptions for pension obligations are based on current market conditions.

Classification of financial assets and liabilities

The classification of financial assets and liabilities, into categories, is based on judgement by management & councillors. The Accounting Policy on Financial Instruments describes the factors and criteria considered by the management & councillors of the municipality in the classification of financial assets and liabilities.

In making the above-mentioned judgement, management & councillors considered the definition and recognition criteria for the classification of financial instruments as set out in GRAP 104: Financial Instruments.

1.26 Significant judgements and estimates (continued)

Impairment of financial assets

The Accounting Policy on Financial Instruments describes the process followed to determine the value by which financial assets should be impaired. In making the estimation of the impairment, the management & councillors of the municipality considers the detailed criteria of impairment of financial assets as set out in GRAP 104: Financial Instruments and used its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of the reporting period. The management & councillors of the municipality is satisfied that the impairment of financial assets recorded during the year is appropriate.

The calculation in respect of the impairment of service debtors (receivables from exchange and non-exchange transactions) is based on an assessment of the extent to which debtors have defaulted on payments already due, and an assessment of their ability to make payments based on their creditworthiness. This was performed per service-identifiable categories across all classes of debtors.

On debtors an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

Review of useful lives of property, plant and equipment and intangible assets

The useful lives of assets are based on management & councillors’s estimation. Management & Councillors considers whether there is any indication that expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. These include changes in the composition, condition and nature of the asset, its susceptibility and adaptability to changes in technology and processes, the nature of the processes and environment in which the asset is deployed availability of funding to replace the asset and changes in the market in relation to the asset, as well as planned repairs and maintenance including refurbishments.

Impairment of property, plant and equipment, intangible assets, heritage assets and inventory

The Accounting Policies on impairment of cash and non-cash generating assets as well as inventory describes the conditions under which non-financial assets are tested for potential impairment losses by the management & councillors of the municipality. Significant estimates and judgements are made relating to the impairment of property, plant and equipment, intangible assets and heritage assets and the write down of Inventories to the lowest of Cost and Net Realisable Values (NRV).

In making the above-mentioned estimates and judgement, management & councillors considers the subsequent measurement criteria and indicators of potential impairment losses as set out in GRAP 21: Impairment of Cash generating Assets and GRAP 26: Impairment of non-cash generating assets.

Provisions and contingent liabilities

Management & Councillors judgement is required when recognising and measuring provisions, and when measuring contingent liabilities. Provisions are measured at the management & councillors's best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

Non-Cash Generating Assets

The Municipality considers its objective of using an asset to designate non-cash generating assets. Those assets that are not used in the objective of generating a commercial return but to deliver services are designated as non-cash generating assets

1.27 Value Added Tax

The municipality accounts for VAT on the accrual basis, based on the approval received from the Commissioner for South African Revenue Services, permission has been given to remit or claim for value - added tax on the payments basis for debtors and creditors

VAT is a statutory receivable in terms of the VAT act, levied at 15% on qualifying payments and receipts.

Input VAT accrual and input VAT (General and Capital) are recognised when expenditure is incurred and when cash payments are made, respectively.

Accounting Policies

1.27 Value Added Tax (continued)

Output VAT accrual is recognised when revenue is billed. Output VAT (payable to SARS) is recognised once payment is received from debtors or when cash receipts are recorded. Output VAT impairment is recognised when debtors are impaired. Output VAT accrual and Output VAT impairment are treated as a financial instrument in terms of GRAP 104.

Statutory receivables/payables are recognised when VAT201 submission has been made to SARS.

1.28 Principal-agent arrangements

Identification

An agent is an entity that has been directed by another entity (a principal), through a binding arrangement, to undertake transactions with third parties on behalf of the principal and for the benefit of the principal.

A principal is an entity that directs another entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit.

A principal-agent arrangement results from a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).

Identifying whether an entity is a principal or an agent

When the municipality is party to a principal-agent arrangement, it assesses whether it is the principal or the agent in accounting for revenue, expenses, assets and/or liabilities that result from transactions with third parties undertaken in terms of the arrangement.

The assessment of whether a municipality is a principal or an agent requires the municipality to assess whether the transactions it undertakes with third parties are for the benefit of another entity or for its own benefit.

Binding arrangement

The municipality assesses whether it is an agent or a principal by assessing the rights and obligations of the various parties established in the binding arrangement.

Where the terms of a binding arrangement are modified, the parties to the arrangement re-assess whether they act as a principal or an agent.

Assessing which entity benefits from the transactions with third parties

When the municipality in a principal-agent arrangement concludes that it undertakes transactions with third parties for the benefit of another entity, then it is the agent. If the municipality concludes that it is not the agent, then it is the principal in the transactions.

The municipality is an agent when, in relation to transactions with third parties, all three of the following criteria are present:

- It does not have the power to determine the significant terms and conditions of the transaction.
- It does not have the ability to use all, or substantially all, of the resources that result from the transaction for its own benefit.
- It is not exposed to variability in the results of the transaction.

Where the municipality has been granted specific powers in terms of legislation to direct the terms and conditions of particular transactions, it is not required to consider the criteria of whether it does not have the power to determine the significant terms and conditions of the transaction, to conclude that is an agent. The municipality applies judgement in determining whether such powers exist and whether they are relevant in assessing whether the municipality is an agent.

1.29 Statutory receivables

1.29.1 Identification

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset.

1.29 Statutory receivables (continued)

The cost method is the method used to account for statutory receivables that requires such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and, less any accumulated impairment losses and any amounts derecognised.

Nominal interest rate is the interest rate and/or basis specified in legislation, supporting regulations or similar means.

The transaction amount for a statutory receivable means the amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations, or similar means.

In estimating the future cash flows, an entity considers both the amount and timing of the cash flows that it will receive in future. Consequently, where the effect of the time value of money is material, an entity discounts the estimated future cash flows using a rate that reflects the current risk free rate and, if applicable, any risks specific to the statutory receivable or group of statutory receivables, for which the future cash flow estimates have not been adjusted.

1.29.2 Recognition

The municipality recognises statutory receivables as follows:
- if the transaction is an exchange transaction, using the policy on Revenue from exchange transactions;
- if the transaction is a non-exchange transaction, using the policy on Revenue from non-exchange transactions (Taxes and transfers); or
- if the transaction is not within the scope of the policies listed in the above or another Standard of GRAP, the receivable is recognised when the definition of an asset is met and, when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the transaction amount can be measured reliably.

1.29.3 Measurement

The municipality initially measures statutory receivables at their transaction amount.

The municipality measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:
- interest or other charges that may have accrued on the receivable (where applicable);
- impairment losses; and
- amounts derecognised.

Where the municipality levies interest on the outstanding balance of statutory receivables, it adjusts the transaction amount after initial recognition to reflect any accrued interest. Accrued interest is calculated using the nominal interest rate.

Interest on statutory receivables is recognised as revenue in accordance with the accounting policy on Revenue from exchange transactions or the accounting policy on Revenue from non-exchange transactions (Taxes and transfers), whichever is applicable.

Other charges

Where the municipality is required or entitled to levy additional charges in terms of legislation, supporting regulations, by-laws or similar means on overdue or unpaid amounts, these charges are accounted for in terms of the municipality's accounting policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (taxes and transfers).

1.29.4 Impairment

The municipality assesses at each reporting date whether there is any indication that a statutory receivable, or a group of statutory receivables, may be impaired.

In assessing whether there is any indication that a statutory receivable, or group of statutory receivables, may be impaired, the municipality considers, as a minimum, the following indicators:

significant financial difficulty of the receivable, which may be evidenced by an application for debt counselling, business rescue or an equivalent.

it is probable that the receivable will enter sequestration, liquidation or other financial re-organisation.

1.29 Statutory receivables (continued)

a breach of the terms of the transaction, such as default or delinquency in principal or interest payments (where levied).

adverse changes in international, national or local economic conditions, such as a decline in growth, an increase in debt levels and unemployment, or changes in migration rates and patterns.

If there is an indication that a statutory receivable, or a group of statutory receivables, may be impaired, the municipality measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, or group of statutory receivables, is reduced through the use of an allowance account. The amount of the losses is recognised in surplus or deficit.

An impairment loss recognised in prior periods for a statutory receivable is revised if there has been a change in the estimates used since the last impairment loss was recognised, or to reflect the effect of discounting the estimated cash flows.

Any previously recognised impairment loss is adjusted by adjusting the allowance account. The adjustment does not result in the carrying amount of the statutory receivable, or group of statutory receivables exceeding what the carrying amount of the receivable(s) would have been had the impairment loss not been recognised at the date the impairment is revised. The amount of any adjustment is recognised in surplus or deficit.

1.29.5 Derecognition

The municipality derecognises a statutory receivable, or a part thereof, when:

- the rights to the cash flows from the receivable are settled, expire or are waived;
- the municipality transfers control of the statutory receivable and substantially all the risks and rewards of ownership of the asset to another entity; or
- the municipality, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of the receivable to another party and the other party has the practical ability to sell the receivable in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:
  - derecognise the receivable; and
  - recognise separately any rights and obligations created or retained in the transfer.

The carrying amounts of any statutory receivables transferred are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. The entity considers whether any newly created rights and obligations are within the scope of the Standard of GRAP on Financial Instruments or another Standard of GRAP. Any difference between the consideration received and the amounts derecognised and, those amounts recognised, are recognised in surplus or deficit in the period of the transfer.

1.30 Events after reporting date

Events after the reporting date that are classified as adjusting events have been accounted for in the annual financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the annual financial statements.

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The municipality will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The municipality will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

Accounting Policies

1.31 Contruction contracts and receivables

Construction contract is a contract, or a similar binding arrangement, specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and function or their ultimate purpose or use.

Contractor is an entity that performs construction work pursuant to a construction contract.

A contractor is an entity that enters into a contract to build structures, construct facilities, produce goods, or render services to the specifications of another entity either itself or through the use of subcontractors. The term “contractor” thus includes a general or prime contractor, a subcontractor to a general contractor, or a construction manager.

1.32 Segment information

A segment is an activity of an entity:
- that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity);
- whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- for which separate financial information is available.

Reportable segments are the actual segments which are reported on in the segment report. They are the segments identified above or alternatively an aggregation of two or more of those segments where the aggregation criteria are met.

Segmental information was based and identified on the MFMA S71 monthly budget statement/reports that are reviewed by senior management and council to make strategic decisions and in monitoring segment performance. The disclosure of information about segments in these reports is organised around the type of service delivered, in a standardised format, namely the C2 schedule.

The municipality manages its assets and liability as a whole and is not reviewed on a segregated basis for each town. Segment reporting per geographical area is not deemed relevant.

Measurement

The amount of each segment item reported is the measure reported to management for the purposes of making decisions about allocating resources to the segment and assessing its performance. Adjustments and eliminations made in preparing the entity’s financial statements and allocations of revenues and expenses are included in determining reported segment surplus or deficit only if they are included in the measure of the segment’s surplus or deficit that is used by management. Similarly, only those assets and liabilities that are included in the measures of the segment’s assets and segment’s liabilities that are used by management are reported for that segment. If amounts are allocated to reported segment surplus or deficit, assets or liabilities, those amounts are allocated on a reasonable basis.

If management uses only one measure of a segment’s surplus or deficit, the segment’s assets or the segment’s liabilities in assessing segment performance and deciding how to allocate resources, segment surplus or deficit, assets and liabilities are reported in terms of that measure. If management uses more than one measure of a segment’s surplus or deficit, the segment’s assets or the segment’s liabilities, the reported measures are those that management believes are determined in accordance with the measurement principles most consistent with those used in measuring the corresponding amounts in the entity’s financial statements.

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Accounting Policies

1.33 Unspent Conditional Government Grants and Receipts

Conditional government grants are subject to specific conditions. If these specific conditions are not met, the monies received are repayable.

Unspent conditional grants are financial liabilities that are separately reflected on the Statement of Financial Position. They represent unspent government grants, subsidies and contributions from the public

This liability always has to be cash-backed. The following provisions are set for the creation and utilisation of this creditor

- Unspent conditional grants are recognised as a liability when the grant is received
- When grant conditions are met an amount equal to the conditions met are transferred to revenue in the Statement of Financial Performance.
- The cash which backs up the creditor is invested as individual investment or part of the general investments of the Municipality until it is utilised.
- Interest earned on the investment is treated in accordance with grant conditions. If it is payable to the funder it is recorded as part of the creditor. If it is the Municipality's interest it is recognised as interest earned in the Statement of Financial Performance.

1.34 Unpaid Conditional Government Grants and Receipts

Unpaid conditional grants are assets in terms of the Framework that are separately reflected on the Statement of Financial Position. The asset is recognised when the Economic Entity has an enforceable right to receive the grant or if it is virtually certain that it will be received based on that grant conditions have been met. They represent unpaid government grants, subsidies and contributions from the public.

The following provisions are set for the creation and utilisation of the grant is receivables:

- Unpaid conditional grants are recognised as an asset when the grant is receivable.

1.35 Amended Disclosure Policy

Amendments to accounting policies are reported as and when deemed necessary based on the relevance of any such amendment to the format and presentation of the financial statements. The principal amendments to matters disclosed in the current financial statements include fundamental errors, and the treatment of assets financed by external grants.

1.36 Standards, amendments to standards and interpretation issued but not yet effective

In the current year the municipality has adopted all new and revised standards and interpretations issued by the ASB that are relevant to its operations and are effective. The following GRAP standards have been issued but are not yet effective during the current reporting period and the municipality did not early adopt these GRAP standards or interpretation.

GRAP 104 (Revised 2019) - Financial Instruments: The objective of this Standard is to establish principles for recognising, measuring, presenting and disclosing financial instruments.

GRAP 103 on Heritage assets (amended): The objective of this Standard is to establish principles for recognising, measuring, presenting and disclosing financial instruments.

Management has considered all the above mentioned GRAP standards issued but not yet effective and anticipates that the adoption of these standards will not have a significant impact on the financial position, financial performance, budget statement or cash flow of the municipality.

1.37 Expenses

Expenses are decreases in economic benefits or service potential during the reporting period in the form of outflows or consumption of assets or incurrences of liabilities that result in decreases in net assets, other than those relating to distributions to owners.

1.38 Cash and cash equivalents

Cash includes cash on hand (including petty cash) and cash with banks (including call deposits). Cash equivalents are short-term highly liquid investments, readily convertible into known amounts of cash and are subject to an insignificant risk of change in value. Cash and cash equivalents are carried at amortised cost. Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdraft are expensed as incurred. Amounts owing in respect of bank overdrafts are carried at amortised cost.

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Accounting Policies

1.38 Cash and cash equivalents (continued)

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks, net of bank overdrafts.

The municipality utilises the direct method for the purposes of the cash flow statement.

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2. New standards and interpretations

2.1 Standards, amendments to standards and interpretations issued, but not yet effective

The municipality has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2025 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• iGRAP 22: Foreign Currency Transactions and Advance Consideration	01 April 2025	Unlikely there will be a material impact
• GRAP 104 (as revised): Financial Instruments	01 April 2025	Impact is currently being assessed

3. Cash and cash equivalents

3.1 Cash and cash equivalents

Cash flow statement consist of the following:

	2025	2024
Cash at bank		
Bank account	198,626,966	187,235,261
Cash on hand	9,461	9,472
Total cash and cash equivalents	**198,636,427**	**187,244,733**

3.2 Bank accounts

The municipality has the following bank accounts:

		2025	2024
First National Bank & ABSA Bank	Account Numbers: 62748215979 & 350000011	198,626,966	187,235,261

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3. Cash and cash equivalents (continued)

3.3 Difference between cash book and bank statement

2025

	Cash book	Bank statement	Difference
First National Bank	198,626,966	197,378,193	1,248,773

2024

	Cash book	Bank statement	Difference
First National Bank	187,235,261	185,512,811	1,722,450

Bank statement balance at beginning of year	185,512,811	226,484,102
Bank statement balance at end of year	197,378,193	185,512,811
Cash book balance at beginning of year	187,235,262	226,792,468
Bank statement balance at end of year	197,378,193	185,512,811
Net movement / reconciling items	1,248,773	1,722,450
Cash book balance at end of year	**198,626,966**	**187,235,261**

4. Trade and other receivables from exchange transactions

Prepayments and advances	4.1	4,222,555	3,187,719
Trading service and customer service debtors	4.2	97,989,146	119,394,562
Total		**102,211,701**	**122,582,281**
Current assets		102,211,701	122,582,281

4.1 Prepayments and advances

	2025		2024	
	Gross	Total	Gross	Total
Rent	7,754	**7,754**	7,754	**7,754**
Recoveries from Staff	128,065	**128,065**	124,303	**124,303**
SALGA	2,521,067	**2,521,067**	2,449,407	**2,449,407**
Maintenance Contracts	1,565,669	**1,565,669**	606,255	**606,255**
Total	**4,222,555**	**4,222,555**	**3,187,719**	**3,187,719**

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4. Trade and other receivables from exchange transactions (continued)

4.2 Trading service and customer service debtors

	2025			2024		
	Gross	Impairment	Total	Gross	Impairment	Total
Electricity	68,200,881	(13,545,649)	**54,655,232**	68,708,576	(10,010,435)	**58,698,141**
Waste management	75,583,509	(61,246,545)	**14,336,964**	59,184,847	(48,096,628)	**11,088,219**
Waste water management	79,343,254	(64,270,693)	**15,072,561**	99,389,832	(51,004,407)	**48,385,425**
Water	119,920,347	(119,205,030)	**715,317**	94,828,532	(99,300,811)	**(4,472,279)**
Housing selling scheme	-	(4,714)	**(4,714)**	-	-	**-**
Land sale debtors	12,967,138	-	**12,967,138**	-	-	**-**
Merchandising, jobbing and contracts	5,444,769	(5,444,769)	**-**	5,444,769	-	**5,444,769**
Property rental debtors	2,914,209	(2,728,635)	**185,574**	2,309,457	(2,156,274)	**153,183**
Service charges	1,349,652	(1,288,578)	**61,074**	1,150,217	(1,053,113)	**97,104**
Total	**365,723,759**	**(267,734,613)**	**97,989,146**	**331,016,230**	**(211,621,668)**	**119,394,562**

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4. Trade and other receivables from exchange transactions (continued)

4.2.1 Ageing of trading service and customer service debtors

2025

		Not due	Past due		
	Total	**Current**	**30 days**	**60 days**	**90 days**
Ageing by debt type					
Electricity	**68,200,881**	49,529,144	1,638,057	1,166,235	15,867,445
Waste management	**75,583,509**	4,023,916	2,144,035	1,601,562	67,813,996
Waste water management	**79,343,254**	5,473,687	1,572,391	1,486,475	70,810,701
Water	**119,920,347**	8,257,624	2,820,294	1,999,994	106,842,435
Land sale debtors	**12,967,138**	-	-	-	12,967,138
Merchandising, jobbing and contracts	**5,444,769**	-	-	-	5,444,769
Property rental debtors	**2,914,209**	102,573	65,171	51,994	2,694,471
Service charges	**1,349,652**	17,078	33,797	18,371	1,280,406
Total ageing by debt type	**365,723,759**	**67,404,022**	**8,273,745**	**6,324,631**	**283,721,361**

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4. Trade and other receivables from exchange transactions (continued)

2024

		Not due		Past due	
	Total	**Current**	**30 days**	**60 days**	**90 days**
Ageing by debt type					
Electricity	**68,708,576**	54,118,627	2,269,338	1,480,603	10,840,008
Merchandising, jobbing and contracts	**5,444,769**	-	-	-	5,444,769
Property rental debtors	**2,309,457**	90,815	65,262	49,583	2,103,797
Service charges	**1,150,217**	7,879	16,087	23,378	1,102,873
Waste management	**59,184,847**	3,314,057	1,566,418	1,511,436	52,792,936
Waste water management	**99,389,832**	42,329,727	1,614,930	1,351,028	54,094,147
Water	**94,828,532**	8,980,861	1,967,389	1,969,155	81,911,127
Total ageing by debt type	**331,016,230**	**108,841,966**	**7,499,424**	**6,385,183**	**208,289,657**

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4. Trade and other receivables from exchange transactions (continued)

4.2.2 Impairment reconciliation of trading service and customer service debtors

	2025				2024			
	Opening balance	Impairment raised	Impairment reversed / debt written off	Closing balance	Opening balance	Impairment raised	Impairment reversed / debt written off	Closing balance
Electricity	10,010,436	3,535,213	-	**13,545,649**	9,319,840	3,920,940	(3,230,345)	**10,010,435**
Waste management	48,096,628	13,149,917	-	**61,246,545**	85,318,696	13,403,444	(50,625,512)	**48,096,628**
Waste water management	51,004,406	20,809,597	(7,543,310)	**64,270,693**	75,829,986	15,838,434	(40,664,013)	**51,004,407**
Water	99,300,811	19,904,219	-	**119,205,030**	141,701,652	35,579,312	(77,980,153)	**99,300,811**
Housing selling scheme	-	4,714	-	**4,714**	-	-	-	**-**
Merchandising, jobbing and contracts	-	5,444,769	-	**5,444,769**	-	-	-	**-**
Property rental debtors	2,156,274	572,361	-	**2,728,635**	2,931,068	(355,007)	(419,787)	**2,156,274**
Service charges	1,053,113	235,465	-	**1,288,578**	1,412,397	70,345	(429,629)	**1,053,113**
Total	**211,621,668**	**63,656,255**	**(7,543,310)**	**267,734,613**	**316,513,639**	**68,457,468**	**(173,349,439)**	**211,621,668**

5. Receivables from non-exchange transactions

Customer service debtors	5.1	14,262,069	11,898,780
Other receivables	5.2	28,743,212	19,740,259
Total		**43,005,281**	**31,639,039**
Current		43,005,281	31,639,039

Notes to the Annual Financial Statements

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5. Receivables from non-exchange transactions (continued)

5.1 Customer service debtors

	2025			2024		
	Gross	Impairment	Total	Gross	Impairment	Total
Electricity	3,155,798	(2,818,634)	**337,164**	2,506,530	(2,382,081)	**124,449**
Waste	1,330,773	(1,150,311)	**180,462**	1,102,068	(1,055,844)	**46,224**
Waste water management	1,617,948	(1,430,928)	**187,020**	1,351,875	(1,290,678)	**61,197**
Water	2,714,706	(2,427,505)	**287,201**	2,298,110	(2,203,236)	**94,874**
Property rates by usage	64,018,930	(50,748,708)	**13,270,222**	54,881,436	(43,309,400)	**11,572,036**
Total	**72,838,155**	**(58,576,086)**	**14,262,069**	**62,140,019**	**(50,241,239)**	**11,898,780**

Notes to the Annual Financial Statements

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5. Receivables from non-exchange transactions (continued)

5.1.1 Ageing of customer service debtors

2025

		Not due		Past due	
	Total	**Current**	**30 days**	**60 days**	**90 days**
Electricity	**3,155,798**	89,208	56,402	53,089	2,957,099
Waste	**1,330,773**	35,234	22,350	18,938	1,254,251
Waste water management	**1,617,948**	40,761	25,825	21,485	1,529,877
Water	**2,714,706**	62,515	37,384	33,827	2,580,980
Property rates by usage	**64,018,930**	4,330,340	1,129,680	1,115,250	57,443,660
Total	**72,838,155**	**4,558,058**	**1,271,641**	**1,242,589**	**65,765,867**

2024

		Not due		Past due	
	Total	**Current**	**30 days**	**60 days**	**90 days**
Electricity	**2,506,530**	85,579	57,247	51,928	2,311,776
Waste	**1,102,068**	40,376	22,943	20,893	1,017,856
Waste water management	**1,351,875**	43,166	25,685	23,341	1,259,683
Water	**2,298,110**	67,333	39,613	36,674	2,154,490
Property rates by usage	**54,881,436**	4,251,207	991,836	754,212	48,884,181
Total	**62,140,019**	**4,487,661**	**1,137,324**	**887,048**	**55,627,986**

Witzenberg Municipality

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5. Receivables from non-exchange transactions (continued)

5.1.2 Impairment reconciliation of customer service debtors

Controlling entity

	2025			2024			
	Opening balance	Impairment raised	Closing balance	Opening balance	Impairment raised	Impairment reversed / debt written off	Closing balance
Electricity	2,382,081	436,553	**2,818,634**	-	2,382,081	-	**2,382,081**
Waste	1,055,844	94,467	**1,150,311**	-	1,055,844	-	**1,055,844**
Waste water management	1,290,678	140,250	**1,430,928**	-	1,290,678	-	**1,290,678**
Water	2,203,236	224,269	**2,427,505**	-	2,203,236	-	**2,203,236**
Property rates by usage	43,309,399	7,439,309	**50,748,708**	36,766,150	7,978,865	(1,435,615)	**43,309,400**
Total	**50,241,238**	**8,334,848**	**58,576,086**	**36,766,150**	**14,910,704**	**(1,435,615)**	**50,241,239**

5.2 Other receivables

	2025			2024		
	Gross	Impairment	Total	Gross	Impairment	Total
Fines	32,172,260	(6,072,700)	**26,099,560**	21,640,260	(3,138,950)	**18,501,310**
Other Receivables	1,083,662	-	**1,083,662**	1,014,334	-	**1,014,334**
Deposits	1,559,990	-	**1,559,990**	224,615	-	**224,615**
Total	**34,815,912**	**(6,072,700)**	**28,743,212**	**22,879,209**	**(3,138,950)**	**19,740,259**

Notes to the Annual Financial Statements

Figures in Rand

5. Receivables from non-exchange transactions (continued)

5.2.1 Impairment reconciliation of other receivables

Controlling entity

	2025				2024			
	Opening balance	**Impairment raised**	**Impairment reversed / debt written off**	**Closing balance**	**Opening balance**	**Impairment raised**	**Impairment reversed / debt written off**	**Closing balance**
Fines	3,138,950	10,737,750	(7,804,000)	**6,072,700**	6,851,900	3,532,500	(7,245,450)	**3,138,950**

6. Inventory

Consumables		1,689,835	2,590,811
Materials and supplies		16,028,617	20,018,613
Water	6.1	20,532	15,911
Total Inventories		**17,738,984**	**22,625,335**

Inventories of R4 405 990.62 (2024: R8 141 093.12) are held as major spare parts for infrastructure assets and has been transferred to property, plant and equipment.

6.1 Water

Summary

Opening balance	15,911	348,802
System input volume	4,621	(332,891)
Closing balance	**20,532**	**15,911**

Notes to the Annual Financial Statements

Figures in Rand		2025	2024

7. Operating lease receivable

Gross investment in lease due			
Within 1 year		1,063,125	1,063,125
2 to 5 years		4,163,906	4,252,500
More than 5 years		13,732,031	14,706,563
		18,959,062	**20,022,187**
Current Asset (Liability)			
Operating Lease Asset		2,303,438	1,240,313

Operating leases consist of rentals on the letting of premises. The municipality concluded a 20-year non-cancellable operating lease. (2024: 20 years). The escalation rates of the lease agreements vary from 25% to 33% (2024: 25% to 33%). There are no contingent rents receivable.

Please refer to Note 50 narrative for Operating Lease Receivable related prior year corrections.

8. Value Added Tax

Net VAT Control (as per VAT 201)		(595,564)	5,782,484
VAT Accrual Receivable		10,087,643	4,154,923
VAT Accrual (Payable)		(12,567,853)	(14,602,785)
Total		**(3,075,774)**	**(4,665,378)**

The prior year comparatives have been restated, please refer to note 50 for more detail information. Disclosure note was enhanced to seperately disclose the statutory receivable/(payable), VAT Accrual Receivable and VAT Accrual (Payable).

The municipality is registered for VAT on the payment/cash basis.

VAT meets the definition of a statutory receivable/(payable) as per the accounting policy. The statutory receivable/(payable) amounts are as follows (R595 563) and 2024: R5 782 483

Note 7 in the prior year audited Annual Financial Statements did not seperately present the statutory receivable. The statutory receivable information was, however, presented seperately in Note 44.3 of the prior year audited Annual Financial Statements. The disclosure of the comparative information in the current year financial statements is the result of the enhancement.

9. Investment property

9.1 Reconciliation of carrying value

Opening carrying value			
Cost		46,980,339	46,980,339
Accumulated depreciation and impairment losses		(5,060,620)	(4,651,902)
		41,919,719	**42,328,437**
Depreciation	40	(409,934)	(408,718)
Carrying value of disposals / transfers			
Cost		(258,789)	-
Closing carrying value		**41,250,996**	**41,919,719**
Cost		46,721,550	46,980,339
Accumulated depreciation and impairment losses		(5,470,554)	(5,060,620)

Total Operating Expenditure incurred on properties generating revenue amounted to R14 679 605 (2024: R13 821 547).

Total Operating Expenditure incurred on properties not generating revenue amounted to R970 303 (2024: R975 549).

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

9. Investment property (continued)

9.2 Restrictions on investment property

There are no restrictions on the realisability of investment property or the remittance of revenue and proceeds of disposal.

9.3 Maintenance of investment property

The following maintenance costs were incurred:

	2025	2024
Repair and maintenance incurred on		
Properties generating revenue	166,092	186,762

10. Property, plant and equipment

10.1 Reconciliation summary

	2025			2024		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	73,864,280	-	**73,864,280**	74,012,280	-	**74,012,280**
Transport Assets	47,302,933	(24,494,052)	**22,808,881**	44,520,876	(22,780,152)	**21,740,724**
Electrical Infrastructure	160,806,555	(52,666,926)	**108,139,629**	155,742,392	(50,603,959)	**105,138,433**
Water Supply Infrastructure	311,463,213	(71,109,889)	**240,353,324**	287,381,476	(64,846,486)	**222,534,990**
Sanitation Infrastructure	201,010,465	(62,942,629)	**138,067,836**	185,370,402	(58,436,763)	**126,933,639**
Solid Waste Infrastructure	95,240,685	(49,908,522)	**45,332,163**	88,956,989	(49,380,105)	**39,576,884**
Machinery and Equipment	42,893,085	(20,158,233)	**22,734,852**	40,334,093	(18,284,068)	**22,050,025**
Furniture and Office Equipment	10,160,426	(7,487,575)	**2,672,851**	9,895,120	(7,158,050)	**2,737,070**
Computer Equipment	12,697,696	(9,020,731)	**3,676,965**	12,140,622	(9,184,090)	**2,956,532**
Information and Communication Infrastructure	2,999,447	(1,728,539)	**1,270,908**	2,999,446	(1,535,739)	**1,463,707**
Roads Infrastructure	310,372,025	(73,317,218)	**237,054,807**	299,436,248	(66,296,567)	**233,139,681**
Storm water Infrastructure	118,532,476	(23,471,553)	**95,060,923**	115,760,015	(20,925,556)	**94,834,459**
Community Assets	111,373,686	(28,995,931)	**82,377,755**	108,377,095	(24,494,142)	**83,882,953**
Other assets						
Operational Buildings	109,196,693	(24,416,799)	**84,779,894**	109,319,765	(21,432,205)	**87,887,560**
Total	**1,607,913,665**	**(449,718,597)**	**1,158,195,068**	**1,534,246,819**	**(415,357,882)**	**1,118,888,937**

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

10. Property, plant and equipment (continued)

Leased Assets

	2025			2024		
	Cost / Revaluation	**Accumulated depreciation and accumulated impairment**	**Carrying value**	**Cost / Revaluation**	**Accumulated depreciation and accumulated impairment**	**Carrying value**
Furniture and Office Equipment	8,469,960	(6,043,692)	**2,426,268**	8,740,242	(5,834,236)	**2,906,006**

Construction work-in-progress

	2025	2024
Other Assets (Buildings)	724,695	575,838
Solid Waste Infrastructure	-	2,428,537
Community Assets	959,576	1,107,275
Water Supply Infrastructure	30,333,791	4,135,284
Sanitation Infrastructure	3,146,032	7,611,647
Eletrical Infrastructure	11,822,334	9,238,210
Intangible Assets	551,450	330,870
Roads Infrastructure	224,498	224,498
Storm Water Infrastructure	-	-

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10. Property, plant and equipment (continued)

10.2 Reconciliation of carrying value

2025

	Opening balance	Additions	Disposals	Transfers received	Transfers made	Depreciation	Impairment loss/ reversal	Total
Land	74,012,280	-	(148,000)	-	-	-	-	**73,864,280**
Transport Assets	21,740,724	3,749,964	(352,752)	-	-	(2,329,055)	-	**22,808,881**
Electrical Infrastructure	106,735,024	10,086,242	(1,650,835)	(1,999,505)	(1,074,032)	(3,957,265)	-	**108,139,629**
Water Supply Infrastructure	220,187,808	26,421,986	-	-	-	(6,256,470)	-	**240,353,324**
Sanitation Infrastructure	127,140,311	15,105,853	-	327,537	-	(4,505,865)	-	**138,067,836**
Solid Waste Infrastructure	39,576,885	6,283,695	-	-	-	(528,417)	-	**45,332,163**
Machinery and Equipment	21,843,351	4,217,629	(116,430)	-	(777,501)	(1,941,419)	(490,778)	**22,734,852**
Furniture and Office Equipment	3,262,303	360,315	(536)	3,960	(3,960)	(573,367)	(375,864)	**2,672,851**
Computer Equipment	2,957,392	1,502,690	-	9,695	(9,695)	(562,743)	(220,374)	**3,676,965**
Information and Communication Infrastructure	1,407,155	-	56,552	-	-	(142,878)	(49,921)	**1,270,908**
Roads Infrastructure	233,364,179	10,711,279	-	433,321	(433,321)	(7,020,651)	-	**237,054,807**
Storm water Infrastructure	94,834,459	2,772,461	-	-	-	(2,545,997)	-	**95,060,923**
Community Assets	84,499,117	922,428	-	1,458,000	-	(4,500,726)	(1,064)	**82,377,755**
Other assets								
Operational Buildings	87,271,396	519,066	-	-	-	(3,007,852)	(2,716)	**84,779,894**
Total	**1,118,832,384**	**82,653,608**	**(2,212,001)**	**233,008**	**(2,298,509)**	**(37,872,705)**	**(1,140,717)**	**1,158,195,068**

Witzenberg Municipality
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10. Property, plant and equipment (continued)

2024

	Opening balance	Additions	Disposals	Transfers received	Transfers made	Depreciation	Impairment loss/ reversal	Total
Land	74,012,280	-	-	-	-	-	-	**74,012,280**
Transport Assets	12,663,119	11,205,033	-	-	-	(2,093,730)	(33,698)	**21,740,724**
Electrical Infrastructure	103,274,823	6,759,251	(101,403)	8,141,093	(8,980,439)	(3,954,892)	-	**105,138,433**
Water Supply Infrastructure	218,472,818	9,970,453	-	-	-	(5,908,281)	-	**222,534,990**
Sanitation Infrastructure	129,242,005	2,099,385	(3,699)	-	-	(4,404,052)	-	**126,933,639**
Solid Waste Infrastructure	30,558,512	9,352,150	-	-	-	(333,778)	-	**39,576,884**
Machinery and Equipment	18,272,925	5,759,086	(64,607)	-	-	(1,829,359)	(88,020)	**22,050,025**
Furniture and Office Equipment	1,968,431	1,762,418	(136,286)	-	-	(848,217)	(9,276)	**2,737,070**
Computer Equipment	3,282,998	591,171	(123,838)	(1,417)	-	(791,154)	(1,228)	**2,956,532**
Information and Communication Infrastructure	1,624,783	16,680	(13,501)	-	-	(163,678)	(577)	**1,463,707**
Roads Infrastructure	206,897,612	32,463,482	(28,427)	-	-	(6,192,986)	-	**233,139,681**
Storm water Infrastructure	92,530,081	-	-	4,736,275	-	(2,431,897)	-	**94,834,459**
Community Assets	82,559,483	4,233,669	(6,178)	-	-	(2,904,021)	-	**83,882,953**
Other assets								
Operational Buildings	87,325,511	2,377,670	(66,015)	-	-	(1,743,870)	(5,736)	**87,887,560**
Total	**1,062,685,381**	**86,590,448**	**(543,954)**	**12,875,951**	**(8,980,439)**	**(33,599,915)**	**(138,535)**	**1,118,888,937**

10.3 Maintenance of property, plant and equipment

The total cost of repairs and maintenance in respect of property, plant and equipment was R17 098 801 (2024: R23 172 254).

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

11. Heritage assets

11.1 Reconciliation of carrying value

2025

	Land and buildings	Monuments and parks	Archives	Other assets	Heritage assets measured at cost	Total
Opening carrying value as at 01 July 2024						
Cost	550,000	-	-	-	-	550,000
Cost	550,000	-	-	-	-	550,000

2024

	Land and buildings	Total
Opening carrying value as at 01 July 2023		
Cost	550,000	550,000
Cost	550,000	550,000

12. Intangible assets

12.1 Reconciliation of carrying value

2025

	Computer software	Total
Opening carrying value as at 01 July 2024		
Cost	2,108,536	2,108,536
Accumulated depreciation and impairment	(1,050,848)	(1,050,848)
	1,057,688	**1,057,688**
Additions from acquisitions	220,580	220,580
Closing carrying value as at 30 June 2025	**1,278,268**	**1,278,268**
Cost	2,329,116	2,329,116
Accumulated amortisation and impairment	(1,050,848)	(1,050,848)
	1,278,268	**1,278,268**

Witzenberg Municipality
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Figures in Rand		2025	2024

12. Intangible assets (continued)

2024

	Note	Computer software	Other assets	Total
Opening carrying value as at 01 July 2023				
Cost		2,941,080	-	2,941,080
Accumulated depreciation and impairment		(1,585,511)	-	(1,585,511)
		1,355,569	**-**	**1,355,569**
Additions from acquisitions		330,870	-	330,870
Correction of prior period errors		(636,896)	-	(636,896)
Amortisation	40	(12,349)	-	(12,349)
		(318,375)	**-**	**(318,375)**
Carrying value of disposals / transfers				
Cost		-	(526,519)	(526,519)
Accumulated depreciation and impairment		547,012	-	547,012
		547,012	**(526,519)**	**20,493**
Closing carrying value as at 30 June 2024		**1,584,206**	**(526,519)**	**1,057,687**
Cost		2,635,054	(526,519)	2,108,535
Accumulated amortisation and impairment		(1,050,848)	-	(1,050,848)
		1,584,206	**(526,519)**	**1,057,687**

13. Financial liabilities

	Note	2025	2024
Finance lease liabilities	13.3	1,052,015	1,386,187
Less: Transferred to current liabilities		(162,737)	(334,172)
Total non-current liabilities		**889,278**	**1,052,015**

13.1 Carrying value of current financial liabilities

2025

	Note	Opening balance	Deposits	Withdrawals	Total
Carrying value as at 30 June 2025					
Current portion of Finance lease liabilities	13.3	334,172	162,737	(334,172)	**162,737**

2024

	Note	Opening balance	Deposits	Withdrawals	Total
Carrying value as at 30 June 2024					
Current portion of Finance lease liabilities	13.3	527,450	408,093	(601,371)	**334,172**

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Annual Financial Statements for the year ended 30 June 2025

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

13. Financial liabilities (continued)

13.2 Carrying value of non-current financial liabilities

2025

	Opening balance	Deposits	Withdrawals	Total
Carrying value as at 30 June 2025				
Finance lease liability	1,052,015	-	-	**1,052,015**
Transferred to current liabilities	(334,172)	(162,737)	334,172	(162,737)
Total	**717,843**	**(162,737)**	**334,172**	**889,278**

2024

	Opening balance	Deposits	Withdrawals	Difference	Total
Carrying value as at 30 June 2024					
Finance lease liability	-	1,460,108	-	-	**1,460,108**
Transferred to current liabilities	(527,450)	(408,093)	601,371	**(73,921)**	(408,093)
Total	**(527,450)**	**1,052,015**	**601,371**	**(73,921)**	**1,052,015**

13.3 Obligation under finance leases

The municipality as lessee

The obligations under finance leases are as follow:

	2025	2024
Minimum lease payments		
Payable within 1 year	162,737	334,172
Payable within 2 to 5 years	889,278	1,052,015
Total minimum lease payments	**1,052,015**	**1,386,187**
Present value of minimum lease payments		
Payable within 1 year	162,737	334,172
Payable within 2 to 5 years	889,278	1,052,015
Total	**1,052,015**	**1,386,187**
Current liability	162,737	334,172
Non-current liability	889,278	1,052,015

14. Employee benefits

	Note	2025	2024
Current employee benefits			
Post employment health care benefits		3,300,000	3,050,995
Ex-gratia pension benefits	14.1	7,670	7,100
Provision for long-service awards	14.2	2,778,522	1,655,618
Provision for bonuses	14.3	7,364,826	6,794,511
Leave accrual	14.4	22,288,865	20,423,714
Overtime payable	14.5	2,483,276	1,975,009
		38,223,159	**33,906,947**

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14. Employee benefits (continued)

Non-current employee benefits			
Post employment health care benefits		67,920,000	59,764,000
Ex-gratia pension benefits	14.1	22,920	19,930
Provision for long-service awards	14.2	12,179,478	11,969,382
		80,122,398	**71,753,312**
Total		**118,345,557**	**105,660,259**

14.1 Ex-gratia pension benefits

The most recent actuarial valuations of plan assets and the present value of the defined benefit obligation were carried out by Mr Chanan Weiss of ARCH Actuarial Consulting (Pty) Ltd. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method..

	Number	Number
In-service members (Employees)	13	13

The liability in respect of past service has been estimated as follow:

Pension benefit	30,590	27,030
Total liability	**30,590**	**27,030**

14.2 Provision for long-service awards

Current liabilities	2,778,522	8,097,526
Non-current liabilities	12,179,478	11,969,382
Total liability	**14,958,000**	**20,066,908**

14.3 Provision for bonuses

Opening Balance	6,794,511	6,414,537
Current service cost	12,571,038	11,442,751
Benefits paid	(12,000,722)	(11,062,777)
Undefined Difference	(1)	-
Closing balance	**7,364,826**	**6,794,511**

14.4 Leave accrual

Opening Balance	20,423,714	19,652,655
Current service cost	3,772,946	2,522,067
Benefits paid	(1,907,795)	(1,751,008)
Closing balance	**22,288,865**	**20,423,714**

14.5 Overtime payable

Opening Balance	1,975,009	1,988,685
Benefits paid	508,267	(13,676)
Closing balance	**2,483,276**	**1,975,009**

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Notes to the Annual Financial Statements

Figures in Rand		2025	2024

15. Consumer deposits

Building plans		1,059,038	1,149,360
Electricity		204,499	205,374
Posters		30,308	30,906
Rental properties		380,239	406,885
Water		8,611,229	7,813,036
Wayleave		369,817	133,816
Total		**10,655,130**	**9,739,377**

Deposits are released on termination of the contract or when the contractual services are delivered.

16. Trade and other payables from exchange transactions

Bulk purchases	16.1	54,581,361	43,777,206
Contractors	16.2	11,869,631	13,712,563
Control and clearing accounts		1,539,016	446,721
Other payables	16.3	22,653,539	25,771,488
Total		**90,643,547**	**83,707,978**

16.1 Bulk purchases

Bulk electricity	54,581,361	43,777,206

16.2 Contractors

Retentions	11,869,631	13,712,563

16.3 Other payables

Agency fees	(1,119)	(1,126)
Fair value adjustment	501	501
Payables and accruals	16,849,509	14,382,897
Unallocated deposits	1,345,285	1,108,451
Advance payments	4,459,363	10,280,765
Total	**22,653,539**	**25,771,488**

Notes to the Annual Financial Statements

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17. Trade and other payables from non-exchange transactions – Transfers and subsidies Unspent

		2025					2024				
		Opening balance	**Funds received**	**Transfer to revenue**	**Repayment unspent grants**	**Closing balance**	**Opening balance**	**Funds received**	**Transfer to revenue**	**Repayment unspent grants**	**Closing balance**
Capital											
Monetary Allocations	17.1	(4,102,592)	52,136,144	(46,465,237)	(926,013)	**642,302**	14,149	41,443,320	(40,375,588)	(5,184,474)	**(4,102,593)**
Operational											
Monetary Allocations	17.2	58,639	21,629,962	(18,069,922)	(255,339)	**3,363,340**	6,802,685	42,793,914	(48,363,491)	(1,174,467)	**58,641**
Total		**(4,043,953)**	**73,766,106**	**(64,535,159)**	**(1,181,352)**	**4,005,642**	**6,816,834**	**84,237,234**	**(88,739,079)**	**(6,358,941)**	**(4,043,952)**

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17. Trade and other payables from non-exchange transactions – Transfers and subsidies Unspent (continued)

17.1 Unspent capital monetary allocations

	2025					2024				
	Opening balance	Funds received	Transfer to revenue	Repayment unspent grants	Closing balance	Opening balance	Funds received	Transfer to revenue	Repayment unspent grants	Closing balance
District Municipalities										
Western Cape	1,026,517	100,000	(433,321)	-	**693,196**	2,205,185	672,000	(1,850,669)	-	**1,026,516**
National Government										
Energy Efficiency and Demand Side Management Grant	-	3,500,000	(2,862,785)	-	**637,215**	-	-	-	-	**-**
Integrated National Electrification Programme Gran	122,359	-	-	(900,000)	**(777,641)**	(777,641)	900,000	-	-	**122,359**
Municipal Disaster Relief Grant	-	3,195,000	(3,188,330)	-	**6,670**	-	-	-	-	**-**
Municipal Infrastructure Grant	59,596	24,595,000	(24,595,000)	(16,000)	**43,596**	1,111,284	23,312,000	(23,295,562)	(1,068,126)	**59,596**
Regional Bulk Infrastructure Grant	548,655	-	-	-	**548,655**	1,600,376	-	-	(1,051,722)	**548,654**
Urban Settlement Development Grant	471,155	-	-	-	**471,155**	471,155	-	-	-	**471,155**
Water Services Infrastructure Grant	-	15,000,000	(14,998,801)	-	**1,199**	2,558,224	-	-	(2,558,224)	**-**
Total	**1,201,765**	**46,290,000**	**(45,644,916)**	**(916,000)**	**930,849**	**4,963,398**	**24,212,000**	**(23,295,562)**	**(4,678,072)**	**1,201,764**
Provincial Government										
Western Cape	(6,330,874)	5,746,144	(387,000)	(10,013)	**(981,743)**	(7,154,434)	16,559,320	(15,229,357)	(506,402)	**(6,330,873)**

Provincial Government

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17. Trade and other payables from non-exchange transactions – Transfers and subsidies Unspent (continued)

Municipal Infrastructure	(1,046,497)	-	-	-	**(1,046,497)**	(1,046,497)	-	-	-	**(1,046,497)**
Economic Development and Tourism SMME Booster	68	-	-	-	**68**	68	-	-	-	**68**
Municipal Infrastructure	(206,126)	-	-	-	**(206,126)**	(206,126)	-	-	-	**(206,126)**
Regional Social Economic Program	-	-	-	-	**-**	106,402	200,000	(200,000)	(106,402)	**-**
Maintenance and Construction of Transport Infrastructure	(5,061,033)	5,489,144	(130,000)	-	**298,111**	(6,883,633)	14,701,538	(12,878,938)	-	**(5,061,033)**
Fire Services	10,013	-	-	(10,013)	**-**	-	985,000	(974,987)	-	**10,013**
Loadshedding Relief Grant	-	-	-	-	**-**	475,000	-	(474,999)	-	**1**
Electronic Case Management Intervention	-	-	-	-	**-**	400,000	-	-	(400,000)	**-**
Borehole Installation	-	257,000	(257,000)	-	**-**	-	-	-	-	**-**
Sport and Recreation	(27,299)	-	-	-	**(27,299)**	352	672,782	(700,433)	-	**(27,299)**
Total	**(6,330,874)**	**5,746,144**	**(387,000)**	**(10,013)**	**(981,743)**	**(7,154,434)**	**16,559,320**	**(15,229,357)**	**(506,402)**	**(6,330,873)**
Total unspent capital monetary allocations	**(4,102,592)**	**52,136,144**	**(46,465,237)**	**(926,013)**	**642,302**	**14,149**	**41,443,320**	**(40,375,588)**	**(5,184,474)**	**(4,102,593)**

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17. Trade and other payables from non-exchange transactions – Transfers and subsidies Unspent (continued)

17.2 Unspent operational monetary allocations

	2025					2024				
	Opening balance	**Funds received**	**Transfer to revenue**	**Repayment unspent grants**	**Closing balance**	**Opening balance**	**Funds received**	**Transfer to revenue**	**Repayment unspent grants**	**Closing balance**
District Municipalities										
Western Cape	2,283,862	36,000	(35,029)	(150,000)	**2,134,833**	2,133,862	150,000	-	-	**2,283,862**
Foreign Governments and International Organisations										
Unspecified	3,684	315,703	-	-	**319,387**	1,116,990	679,910	(1,793,216)	-	**3,684**
National Government										
Expanded Public Works Programme Integrated Grant	(198,128)	1,559,000	(1,360,872)	-	**-**	(80,676)	3,247,000	(3,364,452)	-	**(198,128)**
Local Government Financial Management Grant	-	1,600,000	(1,600,000)	-	**-**	45	1,550,000	(1,550,045)	-	**-**
Municipal Disaster Relief Grant	-	417,000	(76,233)	-	**340,767**	-	-	-	-	**-**
Municipal Infrastructure Grant	-	1,000,000	(996,464)	-	**3,536**	-	997,000	(997,000)	-	**-**
Neighbourhood Development Partnership Grant	322	-	-	-	**322**	322	-	-	-	**322**
Total	**(197,806)**	**4,576,000**	**(4,033,569)**	**-**	**344,625**	**(80,309)**	**5,794,000**	**(5,911,497)**	**-**	**(197,806)**
Private Enterprises										
Other transfers private enterprises	2,207,199	3,493,788	(25,510)	-	**5,675,477**	1,199,504	2,082,845	(1,075,150)	-	**2,207,199**

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17. Trade and other payables from non-exchange transactions – Transfers and subsidies Unspent (continued)

Provincial Government Western Cape	(4,238,300)	13,208,471	(13,975,814)	(105,339)	**(5,110,982)**	2,432,638	34,087,159	(39,583,628)	(1,174,467)	**(4,238,298)**
Provincial Government										
Water Resilience Grant	-	-	-	-	**-**	568,189	-	(568,189)	-	**-**
Human Settlements Development Grant (Beneficiaries)	(4,493,639)	4,691,991	(4,988,243)	-	**(4,789,891)**	-	33,460,159	(37,953,798)	-	**(4,493,639)**
Specify (Add grant description)	-	-	-	-	**-**	1	-	-	-	**1**
Community Development Worker Operational Support Grant	50,948	132,000	(64,467)	(50,948)	**67,533**	(10,019)	132,000	(71,033)	-	**50,948**
Accelerated Housing Delivery	-	7,035,480	(8,090,802)	-	**(1,055,322)**	-	-	-	-	**-**
Municipal Energy Resilience Grant	-	700,000	(289,800)	-	**410,200**	-	-	-	-	**-**
Municipal Accreditation and Capacity Building Grant	49,391	249,000	(442,502)	(49,391)	**(193,502)**	559,867	245,000	(195,609)	(559,867)	**49,391**
Thusong Services Centre Grant	-	150,000	-	-	**150,000**	-	-	-	-	**-**
Service Delivery and Capacity Building Grant	-	-	-	-	**-**	1,100,000	-	(499,999)	(600,000)	**1**
Financial Management Capability Grant	155,000	250,000	(100,000)	(5,000)	**300,000**	214,600	250,000	(295,000)	(14,600)	**155,000**
Total	**(4,238,300)**	**13,208,471**	**(13,975,814)**	**(105,339)**	**(5,110,982)**	**2,432,638**	**34,087,159**	**(39,583,628)**	**(1,174,467)**	**(4,238,298)**
Total unspent operational monetary allocations	**58,639**	**21,629,962**	**(18,069,922)**	**(255,339)**	**3,363,340**	**6,802,685**	**42,793,914**	**(48,363,491)**	**(1,174,467)**	**58,641**

Witzenberg Municipality
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Figures in Rand		2025	2024

18. Provisions (Current and non-current)

Landfill Sites	18.1	67,623,469	55,961,507

Split between current and non-current

Current	3,791,013	3,630,749
Non-current	63,832,456	52,330,758
Total	**67,623,469**	**55,961,507**

18.1 Landfill Sites

Opening Balance	55,961,508	49,415,526
Additional provisions raised	5,624,468	1,379,651
Increases (Passage of Time/Discounted Rate)	6,037,493	5,166,330
Closing balance	**67,623,469**	**55,961,507**

Split between current and non-current

Current	3,791,013	3,630,749
Non-current	63,832,456	52,330,758
Total	**67,623,469**	**55,961,507**

The Rehabilitation cost of all landfill sites was prepared by an independent qualified engineer in order to determine the present value to rehabilitate the landfill sites at the end of its useful life.

An appropriate discount rate was used to determine the present value of the future landfill rehabilitation liability.

The total obligation at year-end can be attributed to the following sites:

Location	**Estimated Decommision Date:**	**Post closure monitoring date**		
Ceres	June 2003	30 June 2023	4,213,935	4,075,675
Prince Alfred's Hamlet	June 2046	30 June 2076	22,036,955	17,485,637
Op-die-Berg	June 2034	30 June 2064	6,442,276	5,935,678
Tulbagh	June 2035	30 June 2065	19,982,134	17,218,755
Wolseley	June 2043	30 June 2073	14,948,169	11,245,762
			67,623,469	**55,961,507**

Rates used	**2025**	**2024**
Discount Rate	7.15 - 11.045%	5.25 - 12.49%
Inflation Rate	5.02%	5.02%

Current Cost of Rehabilitation	**30 June 2025**	**30 June 2024**
Ceres	4,335,934	4,184,795
Prince Alfred's Hamlet	77,452,977	71,240,342
Op-die-Berg	10,500,425	10,533,459
Tulbagh	34,486,888	33,067,977
Wolseley	43,807,980	41,996,226

Figures in Rand	2025	2024

18. Provisions (Current and non-current) (continued)

Future Cost of Rehabilitation	30 June 2025	30 June 2024
Ceres	4,437,988	4,363,482
Prince Alfred's Hamlet	224,271,546	226,499,965
Op-die-Berg	18,972,563	20,306,976
Tulbagh	63,715,788	65,677,557
Wolseley	115,215,551	119,728,149

19. Reserves and funds

Capital Replacement Reserve	11,166,356	11,166,358

20. Services charges

Total Service Charges		
Service Charges	508,072,018	528,791,554

Detail of service charges per service less revenue foregone:

	2025	2024
Electricity	395,036,514	371,021,863
Waste Management	39,814,946	40,250,637
Waste Water Management	35,146,829	33,326,330
Water Management	38,073,728	84,192,722

21. Sales of goods and rendering of services

Advertisements	67,381	94,113
Application Fees for Land Usage	455,812	100,139
Building Plan Approval	1,071,428	1,142,210
Building Plan Clause Levy	-	4
Camping Fees	3,058,440	2,732,095
Cemetery and Burial	273,988	142,264
Cleaning and Removal	54,795	43,197
Drainage Fees	-	96
Encroachment Fees	125,549	68,057
Entrance Fees	586,169	562,533
Fire Services	29,093	21,070
Management Fees	9,289,565	9,340,870
Photo copies, Faxes and Telephone charges	48,689	42,694
Sale of Goods	126,686	57,800
Scrap, Waste & Other Goods	193,769	92,021
Town Planning and Servitudes	217	-
Valuation Services	49,061	44,619
Total	**15,430,642**	**14,483,782**

22. Agency services

Provincial	4,948,368	4,738,934

23. Interest earned from receivables

Exchange receivables	23.1	27,153,392	28,557,418
Non-exchange receivables	23.2	4,881,176	4,091,476
Total		**32,034,568**	**32,648,894**

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

23. Interest earned from receivables (continued)

23.1 Interest earned from exchange receivables

Consumer receivables		
Electricity	1,975,335	1,558,439
Water	11,024,464	11,998,118
Waste water management	8,146,575	6,926,881
Waste management	5,653,633	7,638,800
Service charges	105,608	121,837
	26,905,615	**28,244,075**
Other receivables		
Property rental debtors	247,777	313,343
Total	**27,153,392**	**28,557,418**

23.2 Interest earned from non-exchange receivables

Consumer receivables		
Property rates	4,881,176	4,091,476

24. Interests on current and non-current assets

Bank accounts	9,546,995	10,227,455
Short-term investments and call accounts	9,211,049	11,791,293
Total	**18,758,044**	**22,018,748**

25. Rent from fixed assets

Market related	6,764,809	6,007,232

26. Operational revenue

Exchange revenue		
Administrative Handling Fees	379,927	452,396
Bad Debts Recovered	1,529	-
Breakages and Losses Recovered	5,176	4,334
Collection Charges	(2,225)	(713)
Discounts and Early Settlements	(785,580)	(684,853)
Incidental Cash Surpluses	4,778	7,465
Inspection fees	977	1,218,590
Insurance Refund	48,435	1,045,097
Merchandising, Jobbing and Contracts	45,219	20,182
Registration fees	68,456	65,434
Request for information	2,321	3,671
Skills Development Levy Refund	381,386	417,619
Staff and Councillors Recoveries	33,700	27,700
Development Charges	2,150,762	469,143
Total	**2,334,861**	**3,046,065**

Witzenberg Municipality
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Figures in Rand		2025	2024

27. Construction Contract Revenue

Construction Contract Revenue	11,373,082	33,460,159

The municipality participates as a non-accredited municipality in the National Housing Programme. In the arrangement, the municipality is appointed to construct low-cost houses for the beneficiaries of the National Housing Programme. Refer to note 44 for construction expenses recognised.

28. Service charges - Availability charges

Electricity		
Availability charges	2,824,476	2,990,685

Detail of availability charges per service:.

	2025	2024
Electricity	936,259	973,948
Waste Management	384,245	425,319
Waste Water Management	848,881	847,343
Water Management	669,091	744,075

29. Property rates by usage

Agricultural property	25,012,504	25,294,570
Business and commercial properties	21,487,520	19,963,699
Industrial properties	12,750,122	11,521,095
Public benefit organisations	17,775	-
Public service infrastructure properties	489,751	453,417
Public service purposes properties	18,390,026	16,820,067
Residential properties	26,789,750	25,023,290
Vacant land	2,382,757	2,240,508
Total	**107,320,205**	**101,316,646**

30. Surcharges and taxes

Surcharges	-	2,189
Taxes	7,975,570	9,119,469
Total	**7,975,570**	**9,121,658**

31. Fines, penalties and forfeits

Fines	31.1	19,699,324	16,301,692
Forfeits	31.2	2,654,317	4,332,655
Total		**22,353,641**	**20,634,347**

31.1 Fines

Traffic fines		
Court fines	2,082	18,946
Service provider fines	19,658,150	16,118,600
	19,660,232	**16,137,546**

Witzenberg Municipality

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Figures in Rand		2025	2024
31. Fines, penalties and forfeits (continued)			
Other fines			
Building fines		212	-
Illegal connections		31,984	159,086
Overdue books		6,896	5,060
		39,092	**164,146**
Total		**19,699,324**	**16,301,692**
31.2 Forfeits			
Unclaimed money		2,654,317	4,332,655
32. Licence and permits			
Non-exchange revenue		1,068,580	1,182,780
33. Transfers and subsidies - Revenue			
Operational			
Monetary allocations	33.1	150,058,027	145,661,090
Capital			
Allocations in-kind	33.2	1,458,000	-
Monetary allocations	33.3	40,834,480	36,536,411
Total transfers and subsidies: Capital		**42,292,480**	**36,536,411**
Total		**192,350,507**	**182,197,501**
33.1 Monetary allocations: Operational			
District municipalities		130,460	295,000
Foreign government and international organisations		-	1,882,664
National governments		3,884,252	5,746,833
Provincial government		311,805	932,443
National revenue fund		145,706,000	135,729,000
Private enterprises		25,510	1,075,150
Total		**150,058,027**	**145,661,090**
National governments			
Expanded Public Works Programme Integrated Grant		1,360,037	3,349,100
Local Government Financial Management Grant		1,461,461	1,400,733
Municipal Disaster Relief Grant		66,290	-
Municipal Infrastructure Grant		996,464	997,000
		3,884,252	**5,746,833**
Provincial government			
Community Development Workers Grant (CDW)		59,805	68,843
Water Resilience Grant		-	494,078
Municipal Energy Resilience Grant		252,000	369,522
		311,805	**932,443**

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Witzenberg Municipality
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Notes to the Annual Financial Statements

Figures in Rand	2025	2024

33. Transfers and subsidies - Revenue (continued)

Departmental agencies and accounts

33.2 Allocations in-kind: Capital

Private enterprises	1,458,000	-

33.3 Monetary allocations: Capital

District municipalities	433,321	1,850,669
Foreign government and international organisations	-	221,793
National government	40,064,638	20,250,400
Provincial governments	336,521	14,213,549
Total	**40,834,480**	**36,536,411**

National government

Municipal Infrastructure Grant	21,386,957	20,250,400
Energy Efficiency and Demand Side Management Grant	2,862,785	-
Water Services Infrastructure Grant	13,042,435	-
Municipal Disaster Relief Grant	2,772,461	-
	40,064,638	**20,250,400**

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Witzenberg Municipality
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Notes to the Annual Financial Statements

Figures in Rand		2025	2024

33. Transfers and subsidies - Revenue (continued)

Provincial governments

	2025	2024
Maintenance and Construction of Transport Infrastructure	113,043	11,905,394
Fire Service Capacity Building Grant	-	847,815
Development of sport and recreation facilities	-	612,515
Borehole Installation and Groundwater Quality Monitoring	223,478	434,782
Emergency Municipal Load-Shedding Relief Grant	-	413,043
	336,521	**14,213,549**

34. Gain/(Loss) on disposal of fixed and intangible assets

	Note	2025	2024
Gains/(losses) on disposals	34.1	10,411,508	(978,802)
Fair value adjustment		(1,946,261)	2,803,986
Gains/(losses) on discontinued operations and disposals of non-current assets		104,883	-
Increase/(decrease) to net-realisable value of inventory		(487,281)	(3,802)
Total		**8,082,849**	**1,821,382**

34.1 Gains/(losses) on disposals

	2025	2024
Investment property	10,710,827	-
Property, plant and equipment	(299,319)	(978,802)
Total	**10,411,508**	**(978,802)**

35. Employee related cost

	Note	2025	2024
Senior management	35.1	11,323,973	7,033,513
Municipal staff	35.2	253,692,245	231,843,443
Total		**265,016,218**	**238,876,956**

35.1 Senior management costs

2025

	Municipal manager	Chief financial officer	Director Corporate Services	Director Community Services	Director Technical Services	Total
Basic salary	2,001,560	2,468,196	3,459,607	194,047	269,073	8,392,483
Bonuses	300,301	318,089	318,089	65,738	63,395	1,065,612
Allowances	199,200	650,339	283,200	55,800	213,439	1,401,978
Bargaining council	286	286	286	36	142	1,036
Pension	259,421	160,545	-	34,929	-	454,895
Unemployment insurance	2,125	2,125	2,125	531	1,063	7,969
	2,762,893	**3,599,580**	**4,063,307**	**351,081**	**547,112**	**11,323,973**

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Figures in Rand	2025	2024

35. Employee related cost (continued)

2024

	Municipal manager	Chief financial officer	Director Corporate Services	Director Technical Services	Total
Basic salary	1,315,913	752,310	1,186,207	827,560	4,081,990
Bonuses	232,653	190,185	190,185	190,185	803,208
Allowances	199,200	590,973	327,543	640,317	1,758,033
Bargaining council	270	270	270	270	1,080
Medical	31,664	-	-	-	31,664
Pension	224,444	124,594	-	-	349,038
Unemployment insurance	2,125	2,125	2,125	2,125	8,500
	2,006,269	**1,660,457**	**1,706,330**	**1,660,457**	**7,033,513**

The Municipal Manager and Directors are remunerated in terms of the Waiver from the Upper Limites of Total Remuneration Packages Payable to Municipal Managers and Managers Directly Accountable to Municipal Managers, issued in terms of the Local Government: Municipal Systems Act 32 of 2000.

The Remuneration of Executives as disclosed above refer to the actual amounts paid to them during the 2025 and 2024 years respectively.

The increase in total remuneration paid from 2024 to 2025 is due to the backpay in terms of the waiver granted.

35.2 Municipal staff costs

	2025	2024
Basic salary	154,470,838	141,863,238
Bonuses	11,505,427	10,639,545
Service-related benefits	31,965,465	28,520,329
Allowances	10,229,336	8,619,243
Bargaining council	78,191	74,384
Group life insurance	5,565,547	4,737,982
Medical	10,510,870	9,802,375
Pension	23,523,621	22,033,688
Post-retirement benefit: Medical	1,981,000	1,981,000
Post-retirement benefit: Pension	2,340	2,490
Unemployment insurance	1,215,168	1,162,477
Skills Development Fund Levy	2,644,442	2,406,692
Total	**253,692,245**	**231,843,443**

36. Remuneration of councillors

		2025	2024
Executive Mayor/Mayor	36.1	1,009,718	976,235
Speaker	36.2	871,238	802,468
Deputy executive mayor	36.3	818,548	743,678
Executive committee	36.4	3,282,464	2,965,197
Section 79 committee chairperson	36.5	756,409	492,751
All other councillors	36.6	5,576,904	5,650,616
Total		**12,315,281**	**11,630,945**

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

36. Remuneration of councillors (continued)

36.1 Executive Mayor/Mayor

Allowances and service related benefits		
Basic salary	904,758	862,993
Cell phone allowance	43,200	45,600
Travelling allowance	-	9,515
	947,958	**918,108**
Social contributions		
Medical aid benefits	-	18,824
Pension fund contributions	61,760	39,303
	61,760	**58,127**
Total	**1,009,718**	**976,235**

36.2 Speaker

Allowances and service related benefits		
Basic salary	707,082	638,121
Cell phone allowance	43,200	47,573
	750,282	**685,694**
Social contributions		
Medial aid benefits	-	6,893
Pension fund contributions	120,956	109,881
	120,956	**116,774**
Total	**871,238**	**802,468**

36.3 Deputy executive mayor

Allowances and service related benefits		
Basic salary	657,422	560,895
Cell phone allowance	43,200	42,968
Travelling allowance	-	28,438
	700,622	**632,301**
Social contributions		
Medial aid benefits	-	10,416
Pension fund contributions	117,926	100,961
	117,926	**111,377**
Total	**818,548**	**743,678**

36.4 Executive committee

Allowances and service related benefits		
Basic salary	2,312,921	2,275,509
Cell phone allowance	172,800	183,705
Travelling allowance	376,429	124,195
	2,862,150	**2,583,409**

Notes to the Annual Financial Statements

Figures in Rand		2025	2024

36. Remuneration of councillors (continued)

Social contributions			
Medial aid benefits		-	2,892
Pension fund contributions		420,314	378,896
		420,314	**381,788**
Total		**3,282,464**	**2,965,197**

36.5 Section 79 committee chairperson

Allowances and service related benefits			
Basic salary		686,716	384,398
Cell phone allowance		42,387	45,600
Travelling allowance		775	-
		729,878	**429,998**
Social contributions			
Pension fund contributions		26,531	62,753
Total		**756,409**	**492,751**

36.6 All other councillors

Allowances and service related benefits			
Basic salary		4,146,044	4,285,515
Cell phone allowance		648,000	682,304
Travelling allowance		163,636	21,380
		4,957,680	**4,989,199**
Social contributions			
Medial aid benefits		-	14,648
Pension fund contributions		619,224	646,769
		619,224	**661,417**
Total		**5,576,904**	**5,650,616**

37. Bulk purchases

Electricity: Eskom		391,687,224	324,085,574

38. Inventory consumed

Consumables		2,782,707	2,135,022
Materials and supplies		21,434,842	20,776,646
Water		(4,621)	332,891
Total		**24,212,928**	**23,244,559**

39. Debt impairment

Trade and other receivables from exchange transactions	4	56,016,406	(57,033,353)
Property Rates	5	7,439,309	(11,608,669)
Non Specific Accounts		2,933,750	(3,712,950)
Total		**66,389,465**	**(72,354,972)**

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Figures in Rand		2025	2024

40. Depreciation and amortisation

Amortisation			
Intangible assets	12.1	-	12,349
Depreciation			
Investment property	9.1	409,934	408,718
Property, plant and equipment		37,872,698	33,711,764
		38,282,632	**34,120,482**
Total		**38,282,632**	**34,132,831**

41. Impairment losses / (reversal) of impairment

Impairment loss / Reversal of impairment			
Property, plant and equipment		1,163,041	108,454

42. Interest

42.1 Interest cost			
Finance leases	13.3	395,341	132,222
Interest costs non-current provisions	18	6,037,493	5,166,330
Long service awards		1,414,000	1,243,000
Post Employment Health Care		7,481,000	7,283,000
Ex-gratia Pension		2,340	2,490
Total		**15,330,174**	**13,827,042**

43. Rent on land

Rent on land		49,779	38,769

44. Contracted services

Consultants and professional services	44.1	7,465,130	6,469,149
Contractors	44.2	22,552,052	46,092,570
Outsourced services	44.3	30,117,704	36,652,517
Total		**60,134,886**	**89,214,236**

44.1 Consultants and professional services

Business advisory services			
Actuaries		20,500	17,300
Audit committee		86,056	77,483
Human resources		1,781,468	791,973
Medical examinations		69,088	595
Organisational		1,950	26,000
Qualification verification		19,443	27,229
Quality control		1,678,754	886,164
Research and advisory		18,400	1,025,746
Total business advisory services		**3,675,659**	**2,852,490**
Legal services			
Legal advice and litigation		630,100	958,028

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Notes to the Annual Financial Statements

Figures in Rand	2025	2024

44. Contracted services (continued)

Engineering services		
Civil engineering	1,719,473	1,323,090
Electrical engineering	372,000	854,301
Total engineering services	**2,091,473**	**2,177,391**
Infrastructure and planning services		
Architectural infrastructure and planning	198,000	-
Geodetic, control and surveys infrastructure and planning	605,009	345,132
Geoinformatic services infrastructure and planning	131,279	136,108
Town planner infrastructure and planning	133,610	-
Total infrastructure and planning services	**1,067,898**	**481,240**
Total consultants and professional services	**7,465,130**	**6,469,149**

44.2 Contractors

General services		
Building	11,373,082	33,460,159
Catering services	-	1,900
Chipping	111,000	128,280
Forestry	229,414	434,121
Gardening services	3,702	2,910
Gas	8,530	9,025
Pest control and fumigation	23,735	14,690
Photographer	10,005	-
Plants, flowers and other decorations	13,562	12,750
Stage and sound crew	22,700	14,950
Stream cleaning and ditching	3,702	-
Tracing agents and debt collectors	23,138	25,608
Transportation	32,295	25,833
Total general services	**11,854,865**	**34,130,226**
Maintenance services		
Maintenance of buildings and facilities	956,515	574,396
Maintenance of equipment	16,952	69,704
Maintenance: Other	9,723,720	11,318,244
Total maintenance service	**10,697,187**	**11,962,344**
Total contractor	**22,552,052**	**46,092,570**

Included in the contractors' building are the construction expenses of R11 373 082 (2024: R33 460 159) for the construction of low-cost houses, for which the municipality has been appointed as a Project Developer by the Provincial Department of Infrastructure. Refer to note 27 for the revenue recognition of construction contracts.

44.3 Outsourced services

Business and advisory services		
Research and Advisory	17	80
Valuer	55,696	279,364
Total business and advisory services	**55,713**	**279,444**

Witzenberg Municipality

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Notes to the Annual Financial Statements

Figures in Rand		2025	2024

44. Contracted services (continued)

	2025	2024
General services		
Alien Vegetation Control	159,500	-
Animal Care	30,045	11,500
Burial Services	33,852	26,474
Catering Services	230,103	585,521
Cleaning Services	11,545	32,569
Clearing and Grass Cutting Services	144,909	255,965
Hygiene Services	1,269,704	1,203,434
Illegal Dumping	-	197,192
Litter Picking and Street Cleaning	5,900	1,960
Meter Management	297,915	322,752
Sewerage Services	32,038	30,600
Traffic Fines Management	97,072	67,249
Translators, Scribes and Editors	10,172	3,469
Transport Services	2,800	10,830
Veterinary Services	465,180	316,093
Total general services	**2,790,735**	**3,065,608**
Trading services		
Connection/Dis-connection: Electricity	857,270	693,329
Electrical	1,367,606	8,939,997
Security Services	25,046,380	23,674,139
Total trading services	**27,271,256**	**33,307,465**
Total outsourced services	**30,117,704**	**36,652,517**

45. Transfers and subsidies

	Note	2025	2024
Operational			
Monetary allocations	45.1	4,633,156	2,877,601

45.1 Monetary allocations: Operational

	2025	2024
Households	1,279,761	653,403
Non-profit institutions	1,946,083	2,224,198
Private Enterprises	1,407,312	-
Total	**4,633,156**	**2,877,601**

46. Irrecoverable debts written off

	2025	2024
Electricity	241,417	2,808,996
Non specific accounts	51,304	-
Waste management	2,385,974	44,022,184
Waste water management	1,431,856	35,360,011
Water	3,242,074	67,446,589
Traffic Fines	7,804,000	7,245,450
Property rates	190,685	2,285,032
Total	**15,347,310**	**159,168,262**

Split between exchange and non-exchange

	2025	2024
Exchange	7,352,625	149,637,780
Non-exchange	7,994,685	9,530,482
Total	**15,347,310**	**159,168,262**

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Notes to the Annual Financial Statements

Figures in Rand	2025	2024

47. Operating leases

Investment Properties	1,200,791	1,106,871

48. Operational cost

Advertising, Publicity and Marketing	1,124,000	772,798
Bank Charges, Facility and Card Fees	451,764	413,813
Bursaries (Employees)	-	50,765
Cleaning Services	31,479	15,054
Commission	2,140,092	2,136,024
Communication	1,483,638	3,231,480
Courier and Delivery Services	3,317	1,234
Deeds	48,145	44,451
Electricity Compliance Certificate	-	3,810
Entertainment	6,821	1,671
External Audit Fees	4,386,789	3,754,262
External Computer Service	3,877,139	3,716,100
Full Time Union Representative	37,547	86,647
Hire Charges	7,442,232	4,969,829
Insurance Underwriting	2,551,179	1,831,180
Learnerships and Internships	626,992	768,373
Levies Paid - Water Resource Management Charges	2,376,854	1,862,537
Licences	543,461	620,491
Management Fee	4,880	-
Municipal Services	39,000	22,000
Printing, Publications and Books	590,763	343,857
Professional Bodies, Membership and Subscription	2,547,427	2,714,140
Registration Fees	28,062	47,212
Remuneration to Ward Committees	1,411,000	1,373,000
Servitudes and Land Surveys	3,500	-
Signage	1,212,884	1,109,022
Toll Gate Fees	5,385	1,532
Transport Provided as Part of Departmental Activit	65,535	55,759
Travel Agency and Visa's	7,960	29,182
Travel and Subsistence	970,272	945,684
Uniform and Protective Clothing	1,343,248	1,373,994
Vehicle Tracking	193,554	259,187
Wet Fuel	8,807,830	10,246,670
Workmen's Compensation Fund	2,468,872	2,101,537
Total	**46,831,621**	**44,903,295**

Notes to the Annual Financial Statements

Figures in Rand	2025	2024
49. Net cash from/(used) operating activities		
(Deficit) surplus for the year	(882,723)	95,586,657
Adjustments for:		
Depreciation and amortisation	38,263,070	33,952,079
Bad debts written off	15,347,310	159,168,262
Acturial Gain/Loss	1,946,261	(2,803,986)
(Gains) / Losses on disposal of assets	(10,494,065)	1,087,056
Increase / (Decrease) in provisions	1,946,261	(1,986,710)
Reversal of impairment loss	1,140,717	-
Finance Charges	15,330,174	13,827,042
Amortisation of Intangible Assets	-	12,349
Debt Impairment	66,389,465	(72,354,971)
Stock Adjustments	487,281	3,802
Operating Lease Income Accrued	(1,063,125)	(1,063,125)
Finance Lease: Deemed Loan Expenditure	(162,737)	(807,401)
Movement in working capital		
(Increase) / Decrease in receivables from non-exchange transactions	(62,036,549)	(117,872,280)
(Increase) / Decrease in inventory	6,549,420	(18,474,255)
(Decrease) / Increase Taxes	(3,181,877)	(23,676,542)
Increase / (Decrease) in trade and other payables	6,246,976	(22,738,555)
Increase / (Decrease) in unspent conditional grants and receipts trade and other payable non-exchange transactions	4,265,614	(10,755,177)
Increase / (Decrease) in Unspent Public Contributions	3,783,981	(105,612)
Increase / (Decrease) in Consumer Deposits	915,781	274,818
Net cash flows from operating activities	**84,791,235**	**31,273,451**

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50. GRAP 3 Adjustments

The following restatements and adjustments occurred which are set out below:

50.1 Adjustments of Statement of financial performance items

2024

	Ref	Note	As previously reported	Correction of error	Re-classification	Restated
Revenue						
Exchange revenue						
Services Charges		20	528,791,554	-	-	**528,791,554**
Sales of goods and Rendering of Services	R1	21	14,952,925	-	(469,143)	**14,483,782**
Agency services		22	4,738,934	-	-	**4,738,934**
Interest earned from receivables		23	28,557,418	-	-	**28,557,418**
Interests on current and non-current assets		24	22,018,748	-	-	**22,018,748**
Rent from fixed assets	E1	25	5,038,019	969,213	-	**6,007,232**
Operational revenue	R1	26	2,576,922	-	469,143	**3,046,065**
Gain on Adjustment of Provision			1,986,710	-	-	**1,986,710**
Gain on Actuarial Valuations			2,803,986	-	(2,803,986)	**-**
			611,465,216	**969,213**	**(2,803,986)**	**609,630,443**
Non-exchange revenue						
Availability Charges		28	2,990,685	-	-	**2,990,685**
Property rates by usage		29	101,316,646	-	-	**101,316,646**
Surcharges and taxes		30	9,121,658	-	-	**9,121,658**
Fines, penalties and forfeits		31	20,634,347	-	-	**20,634,347**
Licence and permits		32	1,182,780	-	-	**1,182,780**
Transfers and subsidies – Operational	E2,R2	33	141,212,199	101,003	4,347,888	**145,661,090**
Transfers and subsidies – Capital	R2	33	38,779,842	-	(2,243,431)	**36,536,411**
Interest earned from receivables		23	4,091,476	-	-	**4,091,476**
Gains	R1	34	-	-	1,821,382	**1,821,382**
Public contributions and donations			2,104,457	-	(2,104,457)	**-**
			321,434,090	**101,003**	**1,821,382**	**323,356,475**
Total revenue			**932,899,306**	**1,070,216**	**(982,604)**	**932,986,918**
Expenditure						
Employee related cost		35	238,876,956	-	-	**238,876,956**
Remuneration of councillors	E3	36	11,679,538	(48,593)	-	**11,630,945**
Bulk purchases		37	324,085,574	-	-	**324,085,574**
Inventory consumed		38	23,244,559	-	-	**23,244,559**
Debt impairment		39	(72,354,972)	-	-	**(72,354,972)**
Depreciation and amortisation		40	34,132,831	-	-	**34,132,831**
Impairment losses / (reversal) of impairment	R1	41	110,098	30,282	(31,926)	**108,454**
Interest		42	13,827,042	-	-	**13,827,042**
Rent on land		43	38,769	-	-	**38,769**
Contracted services	E9	44	89,144,618	69,618	-	**89,214,236**
Transfers and subsidies	R1	45	2,928,366	-	(50,765)	**2,877,601**
Irrecoverable debts written off		46	159,168,262	-	-	**159,168,262**
Operating leases		47	1,106,871	-	-	**1,106,871**
Operational cost	E3,E8,R1	48	44,699,367	153,163	50,765	**44,903,295**
Loss on disposal of assets			946,676	-	(946,676)	**-**
Inventories: Write Down			3,802	-	(3,802)	**-**
Total expenditure			**871,638,357**	**204,470**	**(982,404)**	**870,860,423**
Surplus for the year			**61,260,949**	**865,746**	**(200)**	**62,126,495**

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

50. GRAP 3 Adjustments (continued)

E1 - Recognition of Operating Lease Rentals Klip River Park

E2 - Recognition of Revenue on Nedbank Public Contribution.

E3 - Items relating to operational expenditure incorrectly mapped as remuneration of councillors.

R1 - Caseware Mscoa item mapping reclassification.

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Notes to the Annual Financial Statements

Figures in Rand	2025	2024

50. GRAP 3 Adjustments (continued)

50.2 Adjustments of Statement of financial position items

2024

		Note	Previously reported	Correction of error	Re-classification	Restated
Assets						
Current assets						
Cash and cash equivalents		3	187,244,733	-	-	**187,244,733**
Trade and other receivables from exchange transactions	E4	4	123,373,108	(790,827)	-	**122,582,281**
Receivables from non-exchange transactions		5	31,639,040	-	-	**31,639,040**
Inventory	E5	6	27,361,611	(4,736,276)	-	**22,625,335**
Operating lease receivable	E6	7	-	1,240,313	-	**1,240,313**
			369,618,492	**(4,286,790)**	**-**	**365,331,702**
Non-current assets						
Investment property		9	41,919,719	-	-	**41,919,719**
Property, plant and equipment	E5, E7	10	1,106,308,855	12,580,082	-	**,118,888,937**
Heritage assets		11	550,000	-	-	**550,000**
Intangible assets		12	1,057,687	-	-	**1,057,687**
			1,149,836,261	**12,580,082**	**-**	**,162,416,343**
Liabilities						
Current liabilities						
Financial liabilities	E8	13	-	334,172	-	**334,172**
Employee benefits	R1	14	31,980,319	-	1,926,628	**33,906,947**
Consumer deposits		15	9,739,377	-	-	**9,739,377**
Trade and other payables from exchange transactions	E9,R1	16	85,602,703	80,287	(1,975,012)	**83,707,978**
Trade and other payables from non-exchange transactions	E2	17	(3,942,949)	(101,003)	-	**(4,043,952)**
Provisions		18	3,630,749	-	-	**3,630,749**
VAT Payable	E6,E9, E11		4,566,285	99,093	-	**4,665,378**
Current Portion of Borrowings			1,281,622	(1,281,622)	-	**-**
			132,858,106	**(869,073)**	**(48,384)**	**131,940,649**
Non-current liabilities						
Financial liabilities	E8	13	-	1,052,015	-	**1,052,015**
Employee benefits	R1	14	71,704,930	-	48,382	**71,753,312**
Provisions		18	52,330,759	-	-	**52,330,759**
			124,035,689	**1,052,015**	**48,382**	**125,136,086**
Total liabilities			**256,893,795**	**182,942**	**(2)**	**257,076,735**
Community Wealth / Equity						
Reserves and funds		19	11,166,357	-	-	**11,166,357**
Accumulated surplus	E10		1,251,394,605	8,110,347	-	**1,259,504,952**
Total Community Wealth / Equity			**1,262,560,962**	**8,110,347**	**-**	**1,270,671,309**

E4 - Correction to Land Sale Debtors and Waverenskroon Debtor.

E5 - Correction - Electrical Inventory Recognised.

E6 - Recognition of operating lease asset: Klip River Park. Line item in Statement of Financial Position and related disclosure was not included in prior year Audited Annual Financial Statements. Please refer to Note 7 for disclosure information relating to current and prior year. Please refer to VAT Payable line item (E11) for related VAT corrections.

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

50. GRAP 3 Adjustments (continued)

E7 - Recognition of Servitude and alignment of Trial Balance and Asset Register.

E8 - Correction of Finance Lease Movements as well as current and non-current portions. Please refer to VAT Payable line item for related VAT corrections

E9 - Recognition of retention.

E10 - Cumulutive effect of corrections to assets and liabilities above.

E11 - Note 7 in the prior year audited Annual Financial Statements did not seperately present the statutory receivable. The statutory receivable information was, however, presented seperately in Note 44.3 of the prior year audited Annual Financial Statements. The disclosure of the comparative information in the current year financial statements is the result of the enhancement. Furthermore, the difference in the note listed above is a result of the VAT implications on the corrections made on retentions and operating lease assets.

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Notes to the Annual Financial Statements

Figures in Rand	2025	2024

50. GRAP 3 Adjustments (continued)

50.3 Adjustments of Cash flow statement items

	Note	Previously reported	Correction of error	Re-classification	Restated
Cash flows from operating activities					
Receipts					
Property rates		102,509,333	-	-	**102,509,333**
Service charges		494,504,686	310,209	-	**494,814,895**
Transfers and Subsidies		171,336,713	-	-	**171,336,713**
Interest		48,344,009	-	-	**48,344,009**
Increase in consumer deposits		-	-	274,818	**274,818**
		816,694,741	**310,209**	**274,818**	**817,279,768**
Payments					
Employee and Councillor Cost		(250,644,332)	48,592	-	**(250,595,740)**
Suppliers	E5	(529,507,451)	(5,088,880)	-	**(534,596,331)**
		(780,151,783)	**(5,040,288)**	**-**	**(785,192,071)**
Net cash from(used) operating activities		**36,542,958**	**(4,730,079)**	**274,818**	**32,087,697**
Cash flows from investing activities					
Payments					
Purchase of property, plant and equipment	E5	(75,911,673)	4,215,225	-	**(71,696,448)**
Purchase of Intangible Assets		(330,870)	-	-	**(330,870)**
		(76,242,543)	**4,215,225**	**-**	**(72,027,318)**
Cash flows from financing activities					
Receipts					
Increase in consumer deposits		274,818	-	(274,818)	**-**
Net increase/ (decrease) in cash		**(39,424,767)**	**(514,854)**	**274,818**	**(39,939,621)**
Cash and cash equivalents at the beginning of the year		226,801,723	-	-	**226,801,723**
Cash and cash equivalents at the end of the year		187,244,734	-	-	**187,244,734**
Net increase/ (decrease) in cash		**(39,556,989)**	**-**	**-**	**(39,556,989)**

E5 - Correction - Electrical Inventory Recognised.

Witzenberg Municipality
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Notes to the Annual Financial Statements

Figures in Rand	2025	2024

50. GRAP 3 Adjustments (continued)

Statement of financial position

Accumulated surplus

	2025	2024
Balance previously reported		1,251,394,605
		-
Correction - Land Sale Debtors		(1,106,706)
Recognition of Prior Period Operating Lease Revenue		504,660
Recognition of Servitude		3,000,000
Alignment of differences between Asset Register and Trial Balance		4,874,088
Adjustment to contract debtor - Tulbagh Dam		315,879
Corrections 2023-2024, Listed in Note 50		522,426
		-
		-
		-
		-
		-
		-
		-
Undefined Difference		-
		1,259,504,952

Adjustments to Disclosure:

Operating Lease Receivable			
Description:	**Previously Reported 2024:**	**Restated 2024:**	**Reference:**
Within 1 year	-	1,063,125	
2-5 years	-	4,252,500	
More than 5 years	-	14,706,563	
Total	**-**	**20,022,188**	**E6**

Value Added Tax			
Description:	**Previously Reported 2024:**	**Restated 2024:**	**Reference:**
VAT 201	-	5,782,484	
VAT Payable	-21,797,907	-14,602,785	
VAT Receivable	17,231,622	4,154,923	
	-4,566,285	**-4,665,378**	**E6,E9,E11**

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

51. Unauthorised, irregular, fruitless and wasteful expenditure

51.1 Unauthorised expenditure

None Identified.

51.2 Irregular expenditure

Opening balance as previously reported	11,329,164	5,437,362
Add: Irregular expenditure - current	-	5,891,802
Less: Amounts written-off	(11,329,164)	-
Closing balance	**-**	**11,329,164**

Incident:
Procurement less than R 30 000,00 (quotations) was audited by the AGSA and classified as irregular expenditure during the 2022-23 audit process, as no preference points calculations have been performed.

The municipality is not in agreement with the view of the AGSA and National Treasury with their interpretation and proposed implementation of the Preferential Procurement Regulations of 2022.

Disciplinary steps/criminal proceedings:
Council unanimously resolved on 31 March 2025:

(a) that in terms of Section 32(2)(b) of the Municipal Finance Management Act, the Municipal Public Accounts Committee certifies that the expenditure is irrecoverable and resolves that it be written off.
(b) that Council did not suffer any loss, and that no official should be held accountable.

52. Additional disclosure in terms of Municipal Finance Management Act

SALGA Contributions

Current year subscription / fee	2,482,648	2,655,622
Amount paid - previous period	(2,482,648)	(2,655,622)
Amount approved by the director and noted by council	**-**	**-**

Audit fees

Current year subscription / fee	4,472,845	3,831,745
Amount paid - current year	(4,472,845)	(3,831,745)
Amount approved by the director and noted by council	**-**	**-**

Current year subscription / fee includes an amount of R86 056 which was paid for the Audit Committee (2024: R77 483).

PAYE, UIF and SDL

Current year subscription / fee	43,811,888	37,281,944
Amount paid - current year	(43,811,888)	(37,281,944)
Amount approved by the director and noted by council	**-**	**-**

Pension deductions

Current year subscription / fee	38,039,113	35,625,644
Amount paid - current year	(38,039,113)	(35,625,644)
Amount approved by the director and noted by council	**-**	**-**

Medical aid deductions

52. Additional disclosure in terms of Municipal Finance Management Act (continued)

Current year subscription / fee	19,198,508	17,867,210
Amount paid - current year	(19,198,508)	(17,867,210)
Total	**-**	**-**

Value Added Tax

VAT receivable	(3,075,774)	(4,665,378)

Councillors' arrear consumer accounts

	2025			2024		
	Outstanding less than 90 days	**Outstanding more than 90 days**	**Total**	**Outstanding less than 90 days**	**Outstanding more than 90 days**	**Total**
LA Hardneck	-	-	**-**	-	247	**247**
GJ Franse	-	44,370	**44,370**	-	35,402	**35,402**
K Robyn	18,204	33,723	**51,927**	22,000	53,927	**75,927**
JS Mouton	2,110	-	**2,110**	-	-	**-**
Total	**20,314**	**78,093**	**98,407**	**22,000**	**89,576**	**111,576**

Distribution losses

In terms of section 125(2)(d)(i) of the Municipal Finance Management Act (Act 56 of 2003), the municipality experienced the following distribution losses for the year under review.

Electrical distribution losses (KW)		
Units purchased (Kwh)	190,315,569	163,626,748
Units sold (Kwh)	162,443,196	146,752,984
Units lost during distribution (Kwh)	27,872,373	16,873,764
Percentage lost during distribution	14	10
Value of units lost during distribution (Rand)	57,363,949	33,420,841

Electricity losses are calculated as 14.60% (2024: 10.30%). Electricity losses exceeds 10%.

The electricity losses are in line with the guideline of the National Energy Regulator of South Africa of 10%.

Water distribution losses (KL)		
Kilolitres purified	7,336,783	6,781,956
Kilolitres sold	6,480,798	6,037,407
Kilolitres lost during distribution	855,985	744,549
Percentage lost during distribution	11	11
Value of kilolitres lost during distribution	400,468	318,429

Water losses are calculated as 11.67% (2024: 10.98%). Water losses are within the industry norm.

The estimated consumption for public open spaces and informal houses are calculated on a conservative bases using baseline consumption estimations provided by the Department of Water Affairs.

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Notes to the Annual Financial Statements

53. Deviations from SCM regulations - SCM Regulation 36

In terms of section 36 of the municipality SCM regulations, any deviations from SCM policy needs to be approved by the accounting officer and noted by Council. The awards listed below have been approved by the accounting officer and noted by Council.

All deviations considered by the accounting officer are processed in terms of the SCM regulations and the municipality's SCM policy. This process entails being assessed by the SCM Bid Adjudication Committee in terms of the stipulated criteria for emergency procurements and circumstances where it is impractical or not possible to follow the official procedure.

Deviation from, and ratification of minor breaches of, the procurement processes

In terms of section 36(2) of the Supply Chain Management Policy approved by Council it is stipulated that bids where the formal procurement processes could not be followed, must be noted in the annual financial statements.

		Types of Deviations			
	Amount	Single Supplier	Impossible	Impractical	Emergency
2024/2025					
July	463,809	4	-	3	2
August	284,100	5	-	2	3
September	341,813	4	-	1	1
October	1,466,461	6	-	1	-
November	141,404	2	-	1	3
December	343,474	5	-	6	-
January	1,691,754	5	-	1	-
February	74,205	2	-	5	1
March	302,230	6	-	2	2
April	54,391	7	-	1	-
May	1,094,664	6	-	1	-
June	266,038	8	-	4	2
	6,524,343	**60**	**-**	**28**	**14**

		Types of Deviations			
	Amount	Single Supplier	Impossible	Impractical	Emergency
2023/2024					
July	893,259	4	-	9	6
August	1,578,305	9	-	5	1
September	2,515,800	5	-	4	5
October	1,033,897	5	-	3	2
November	169,132	4	-	1	4
December	106,541	1	-	3	-
January	70,955	4	-	-	-
February	1,479,837	10	-	3	-
March	528,817	8	-	3	-
April	561,892	4	-	2	2
May	770,655	4	-	4	-
June	102,022	4	-	-	-
	9,811,112	**62**	**-**	**37**	**20**

Notes to the Annual Financial Statements

Figures in Rand

54. Awards to close family members - SCM Regulation 45

Awards to close family members of persons in the service of Witzenberg Municipality

Supplier name	Employee name	Relationship	Department	2025	2024
AJ Rankin Basson Sport	MJL Wessels	Spouse	Witzenberg Municipality - Social Department	11,431	10,624
JC Fencing	K Abrahamse	Father	Witzenberg Municipality - Traffic Department	-	14,600
DAV General Dealer (Pty) Ltd	A Lategan	Father	Witzenberg Municipality - Finance Department	179,625	136,737
Zelpy 707 (Pty) Ltd t/a Boland Isuzu	K Adams	Son	Witzenberg Municipality - Member of Council	63,505	163,371
				254,561	**325,332**

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54. Awards to close family members - SCM Regulation 45 (continued)

Awards to close family members of persons in the service of other state departments and entities (not listed above)

Supplier name	Employee name	Relationship	Department	2025	2024
Williams Loodgieters	R Williams	Spouse	Department of Health	-	11,617
Siphakame Skills Development	MR Vacu	Spouse	Drakenstein Municipality	-	28,900
RJC Conservation Services	Prins	Son	Department of Health	6,268	366,000
Conlog (Pty) Ltd	N Moodley	Spouse	Department of Health	-	10,000,000
Neil Lyners and Associates (RF) (Pty) Ltd	H Lyners	Sibling	WCGTPW	3,414,139	200,570
Piston Power Chemicals (Pty) Ltd	N Andhee	Spouse	Department of Education	220,955	184,474
Actom	T Lubbe	Spouse	Western Cape Education Department	7,708,509	146,627
Zutari (Pty) Ltd	RJ Ahlschlager	Spouse	Special Investigating Unit	-	5,758,219
Leibrandt Training Academy	H Benjamin	Spouse	SAPS	11,213	6,279
Adapt IT (Pty) Ltd	DMS Mbambo	Spouse	SANRAL	350,954	1,300,000
JVZ Construction	R Matthee	Spouse	Department of Correctional Services	-	23,073,146
WRP Consulting Engineers (Pty) Ltd*	Z van Rooyen	Spouse	Department of Public Works	55,212	5,520
WRP Consulting Engineers (Pty) Ltd*	K Mamphitha	Spouse	SABC	-	1
Amandla Construction*	J Jacobs	Brother in Law	National Government Employment & Labour	2,819,878	5,483,667
Amandla Construction*	U Frazenburg	Sister	National Government Deeds Office	-	1
Amandla Construction*	E Frazenburg	Brother	Western Cape Government Education	-	1
Amandla Construction*	J Frazenburg	Sister	Western Cape Government Education	-	1
Amandla Construction*	B Frazenburg	Brother	City of Cape Town - Traffic Department	-	1
WAB Print Media (Pty) Ltd	A Brink	Spouse	Drakenstein Municipality	3,750	-
SEW Plumbing*	R Williams	Son	Department of Health	119,252	-
SEW Plumbing*	L Williams	Spouse	Department of Health	1	-
JPCE (Pty) Ltd	J Minnie	Spouse	City of Cape Town - Disaster Management	514,000	-
Ian Dickie & Co	D Samuels	Spouse	SAPS	268,994	-
Sandi Archary Incorporated	G Archari	Spouse	Transnet	6,325	-
Skonto (Pty) Ltd		Parent	Western Cape Government Dep of Transport	751,631	4
				16,251,081	**46,565,028**

*Awards made to bidders with multiple close family members of persons in the service of other state departments and entities.

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

55. Capital commitments

Commitments in respect of capital expenditure:

Approved and contracted for:		
Infrastructure	28,952,387	32,380,667
Community	531,383	815,103
Intangible Assets	132,513	417,500
Machinery and Equipment	1,487,985	-
Transport Assets	635,129	-
	31,739,397	**33,613,270**

All capital commitments includes VAT.

56. Contingent liabilities

The municipality is currently engaged in litigation which could result in damages/costs being awarded against Council if claimants are successful in their actions. Management are respectfully of opinion that this matter will be successfully defended. The Municipality is defending all the claims. The amounts indicated is Management's estimated financial exposure. The following are naritives of the cases:

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Figures in Rand	2025	2024

56. Contingent liabilities (continued)

Ceres Koekedouw Management Committee The purchase agreement of the Vredebes Farm includes 15 hectares water rights. The Ceres Koekedouw Management Committee now claims that Witzenberg Municipality is part of their historical loan agreements and therefore responsible for a portion of the repayment of their loan. The purchase agreement however is silent on the loan.	889,892	889,892
South African Revenue Services The Minister of Finance, Minister Godongwana indicates in a letter addressed to the Member of Executive Council for Finance in the Western Cape Provincial Government dated 24 July 2024, ruled that municipalities are rendering a service to the provincial government and that the amount received by municipalities is subject to VAT. A payable had been recognised for the vat, but there is a possibility that penalties and interest may be charged.	1,955,192	1,955,192
Gunter C Mrs Plaintiff claims damages from the municipality after she fell on the sidewalk. The case was submitted to the municipality's insurance broker. The chance that any amount might be payable by the municipality is remote.	350,000	350,000
Smith WJ Stepped into hole of manhole cover on c/o Friesland & Delta Street, Bella Vista. The case was submitted to the municipality's insurance broker. The chance that any amount might be payable by the municipality is remote.	628,370	628,370
Pedro I Fell into an open manhole. The case was submitted to the municipality's insurance broker. The chance that any amount might be payable by the municipality is remote.	2,551,000	2,551,000
Jack F TP injury after fall on pavement, the case was submitted to the municipality's insurance broker. The chance that any amount might be payable by the municipality is remote.	1,000,000	1,000,000
Weitz B Five year old boy burned and injured at Pump Station. The case was submitted to the municipality's insurance broker. The chance that any amount might be payable by the municipality is remote.	2,000,000	2,000,000
Wiese K Municipal vehicle collided with third party vehicle. The case was submitted to the municipality's insurance broker. The chance that any amount might be payable by the municipality is remote.	-	35,164
Aare C Third party vehicle hit by stray ox. The case was submitted to the municipality's insurance broker. The chance that any amount might be payable by the municipality is remote.	-	61,000
Laubscher AA Municipal trailer collided with third party vehicle. The case was submitted to the municipality's insurance broker. The chance that any amount might be payable by the municipality is remote.	73,378	73,378
Michaels C Third party vehicle hit by herd of goats. The case was submitted to the municipality's insurance broker. The chance that any amount might be payable by the municipality is remote.]	-	120,000
Craig & Sons Bus Services Claim in respect of vehicle accident. The case was submitted to the municipality's insurance broker The chance that any amount might be payable by the municipality is remote.	80,000	80,000
Panting N Claim in respect of vehicle accident. The case was submitted to the municipality's insurance broker The chance that any amount might be payable by the municipality is remote	73,536	-

57. Related party disclosures

Key Management and Councillors receive and pay for services on the same terms and conditions as other ratepayers / residents.

The rates, service charges and other charges are in accordance with approved tariffs that were advertised to the public. No bad debt expenses have been recognised in respect of amounts owed by related parties.

57.1 Related party balances

Management & Councillors

		-

The compensation of key management personnel & councillors is set out in Notes 35.1 and 36 to the Annual Financial Statements.

Other related parties

No purchases were made during the year where Councillors or staff have an interest.

Ceres Koekedouw Management Committee

Ceres Koekedouw Management Committee is an entity established by the Witzenberg Municipality and the Koekedouw Irrigation Board. Ceres Koekedouw Management Committee is responsible for the management of the Koekedouw Dam, jointly owned by Witzenberg Municipality and the Koekedouw Irrigation Board.

Witzenberg municipality was responsible for 41% of the expenditure to build the Koekedouw Dam. The expense was financed by way of loans. These loans have already been redeemed. The municipality is entitled to 10 million kilolitre water per annum from the dam.

The total carrying value of the municipal asset in respect of the dam is included under Property Plant and Equipment – Infrastructure Assets.

	2025	**2024**
The following contributions included with General Expenses were paid to the Ceres Koekedouw Management Committee (VAT Excluded)	1,676,168	1,817,606

58. Living resources

58.1 Non-living resources

The responsibility for the non-living water resource emanates from Chapter 3 of the Water Service Act which recognises the municipality as a water service authority.

The nature of the municipality's custodial responsibility includes the duty to provide access to water services, the duty to prepare and adopt a water service development plan and the reporting on the implementation thereof, any contracts and joint ventures with water services providers and the adoption of appropriate bylaws that sets out the conditions for the provision of water services.

Additional supporting information pertaining to the provision of water can be found in chapter 3 of the Annual Report.

The Municipality has the following non-living water resources per town:

Ceres
The main water source for Ceres is the Koekedouw Dam. Six boreholes serve as a backup source of supply.

Tulbagh
Currently, Klein Berg, Moordenaarskloof and Tierkloof serve as the main sources of water supply to Tulbagh.

58. Living resources (continued)

Wolseley
Wolseley receives its water supply from the Tierhokkloof weir.

PrinceAlfred'sHamlet
Prince Alfred’s Hamlet has four water sources. They consist of the Wabooms River Weir, a fountain, one borehole and a supply line from the Koekedouw Dam.

Op-die-Berg
Op-die-Berg has three water sources, a fountain and two boreholes.

There are no liabilities or contingent liabilities that arose from the non-living resource which is water.

Water purchased by the farmers including VAT amount to R461 968.92 (2024: R0)

59. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

Annually the municipality performs a going concern evaluation. The following key factors were considered in the evaluation and contributed to the conclusion that the municipality can operate as a going concern for the foreseeable future.

- No confirmed or expected changes to the constitutional mandate of the municipality, i.e, removing certain functions/responsibilities which would reduce services to be delivered to the public.
- The municipality will continue to receive its gazette grant allocations.
- The 2025/26 budget as approved by council was assessed as a funded budget by the provincial treasury.
- There is no material amount for unspent grants that must be returned to government.
- The municipality has limited its exposure to credit risks. The municipality currently has no loans and is not reliant on loan funding for short, medium or long term operational requirements.
- No significant negative changes in consumer behavior about payment of their municipal accounts. The municipality automated its auxiliary credit control mechanism and applied the 30% deduction against pre-paid electricity purchases by default customers. The 30% auxiliary will increase to 60% during the 2025/26 financial year for all accounts with debt older than 6 months
- Positive bank balance and cost coverage ratio.
- Generating operating surplus and not losses.
- Favorable ratios (Asset Management/Utilisation, Liquidity Management, Liability Management, Sustainability, Efficiency, and revenue management) confirming the municipality has sufficient cash resources to continue making payments within the legislative 30 days.

60. Change in estimate

The useful lives of all asset classes were adjusted during 2024 to more accurately reflect the period of economic benefits or service potential derived from these assets. Refer to note 10. The effect of changing the remaining useful life of assets for the municipality during 2024 has decreased the depreciation charge for the current by R - and future periods. It is impracticable to estimate the effect of these changes on future periods.

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

61. Principal-agent arrangements

61.1 Municipality acting as the agent

Western Cape Department of Mobility

The municipality acts as agent for the Western Cape Department of Mobility, where it undertakes to handle the issuing of Motor Vehicle- and Driver's License on behalf of Western Cape Department of Mobility.

Reconciliation of amounts payable to Western Cape Department of Mobility		
Opening balance	379,989	411,713
Funds collected	32,893,127	31,461,835
Revenue recognised by municipality as agency fee	(5,689,910)	(5,401,997)
Revenue paid over to the principal	(26,950,494)	(26,091,562)
Closing balance	**632,712**	**379,989**

Department of Justice

The municipality acts as agent for the Department of Justice, where it collects contempt of court fines imposed for the non-appearance in court in terms of traffic fine offenders on behalf of Department of Justice. The municipality does not derive any revenue from these functions.

Reconciliation of amounts payable to Department of Justice		
Opening balance	15,601	77,701
Funds collected	192,300	195,000
Revenue paid over to the principal	(183,600)	(257,100)
Closing balance	**24,301**	**15,601**

Notes to the Annual Financial Statements

Figures in Rand	2025	2024

61. Principal-agent arrangements (continued)

61.2 Municipality acting as the principle

ONTEC

The municipality has a service provider ONTEC, who acts as agent for the municipality through selling and collecting money from the sale of prepaid electricity on behalf of the municipality.

Commission received by the agent	1,830,612	1,441,714

Pay@

The municipality has a service provider Pay@, who acts as agent for the municipality by providing a payment platform used to collect municipal service payments from third parties on behalf of the municipality.

Commission received by the agent	221,075	223,605

Easy Pay

The municipality has a service provider Easy Pay, who acts as agent for the municipality by providing a payment platform used to collect municipal service payments from third parties on behalf of the municipality.

Commission received by the agent	214,609	224,724

South African Post Office Ltd (Pay a Bill)

The municipality has a service provider , who acts as agent for the municipality providing a payment platform for municipal clients to make payment on there debtors account at the SA Post Office on behalf of the municipality.

Commission received by the agent	1,027	1,840

Syntell

The municipality has a service provider , who acts as agent for the municipality through selling and collecting money from the sale of prepaid electricity on behalf of the municipality.

Commission received by the agent	-	386,400

There were no significant judgements applied in making this assessment.

There are no significant terms and conditions of the arrangements and no changes occurred during the reporting period.

There are no significant risks and benefits associated with the relationships.

62. Non-adjusting events after the reporting date

Nature of event Subsequent to the reporting period, the municipality concluded its due processes for the uptaking of a loan to mainly fund the upgrades to the Ceres Power Station. The Municipality signed the loan agreement after the reporting date and is awaiting the signed agreement from the Financial Institution confirming the loan commitment.	25,000,000	-

63 FINANCIAL RISK MANAGEMENT

The activities of the municipality expose it to a variety of financial risks, including market risk (comprising fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The municipality's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the municipality's financial performance.

(a) Foreign Exchange Currency Risk

The municipality does not engage in foreign currency transactions.

(b) Price risk

The municipality is not exposed to price risk.

(c) Interest Rate Risk

As the municipality has significant interest-bearing liabilities, the entity's income and operating cash flows are substantially dependent on changes in market interest rates.

The municipality analyses its potential exposure to interest rate changes on a continuous basis. Different scenarios are simulated which include refinancing, renewal of current positions, alternative financing and hedging. Based on these scenarios, the entity calculates the impact that a change in interest rates will have on the surplus/deficit for the year. These scenarios are only simulated for liabilities which constitute the majority of interest bearing liabilities.

The municipality did not hedge against any interest rate risks during the current year.

The potential impact on the entity's surplus/deficit for the year due to changes in interest rates were as follow:

	2025	2024
0.5% Increase in interest rates	987,875	929,245
0.5% Decrease in interest rates	(987,875)	(929,245)

(d) Credit Risk

Credit risk is the risk that a counter party to a financial or non-financial asset will fail to discharge an obligation and cause the municipality to incur a financial loss. Credit risk consist mainly of cash deposits, cash equivalents, trade and other receivables and unpaid conditional grants and subsidies.

Trade and other debtors are disclosed net after provisions are made for impairment and bad debts. Trade debtors comprise of a large number of ratepayers, dispersed across different sectors and geographical areas. Ongoing credit evaluations are performed on the financial condition of these debtors. Credit risk pertaining to trade and other debtors is considered to be moderate due the diversified nature of debtors and immaterial nature of individual balances. In the case of consumer debtors the municipality effectively has the right to terminate services to customers but in practice this is difficult to apply. In the case of debtors whose accounts become in arrears, Council endeavours to collect such accounts by "levying of penalty charges", "demand for payment", "restriction of services" and, as a last resort, "handed over for collection", whichever procedure is applicable in terms of Council's Credit Control and Debt Collection Policy.

All rates and services are payable within 30 days from invoice date. Refer to note 3 and 4 for all balances outstanding longer than 30 days. These balances represent all debtors at year end which defaulted on their credit terms. Also refer to note 3 for balances included in receivables that were re-negotiated for the period under review.

Balances past due not impaired:

	2025 %	2025 R	2024 %	2024 R
Exchange Receivables				
Electricity	79.52%	54,233,882	84.82%	58,276,779
Water	10.88%	13,043,996	8.28%	7,856,398
Housing Rentals	6.21%	180,859	6.63%	153,183
Refuse	10.23%	7,733,636	7.58%	4,484,890
Sewerage	12.31%	9,768,558	43.35%	43,081,424
Other	4.53%	61,074	8.44%	97,104
Contracts	0.00%	(0)	100.00%	5,444,769
Land Sales	100.00%	12,967,138		-
	26.49%	**97,989,143**	**35.73%**	**119,394,546**

No receivables are pledged as security for financial liabilities.

Due to the short term nature of receivables the carrying value disclosed in note 3 and 4 of the financial statements is an approximation of its fair value. Interest on overdue balances are included at prime lending rate plus 1% where applicable.

63 FINANCIAL RISK MANAGEMENT CONTINUED

The provision for bad debts could be allocated between the different classes of debtors as follows:

	2025 %	2025 R	2024 %	2024 R
Exchange Receivables				
Electricity	5.22%	13,966,997	4.93%	10,431,797
Water	39.92%	106,876,352	41.10%	86,972,133
Housing Rentals	1.02%	2,733,349	1.02%	2,156,274
Refuse	25.34%	67,849,873	25.85%	54,699,957
Sewerage	25.99%	69,574,695	26.61%	56,308,408
Other	0.48%	1,288,578	0.50%	1,053,113
Contract	2.03%	5,444,769		
	100.00%	**267,734,613**	**100.00%**	**211,621,669**

The provision for bad debts could be allocated between the different categories of debtors as follows:

	2025 %	2025 R	2024 %	2024 R
Residential	92.24%	246,958,165	91.30%	193,212,663
Commercial	5.10%	13,658,382	4.31%	9,127,691
Other	2.66%	7,118,066	4.39%	9,281,329
	100.00%	**267,734,613**	**100.00%**	**211,621,669**

Bad debts written off per debtor class:

Exchange Receivables				
Electricity	0.00%	-	1.87%	(2,808,996)
Water management	47.38%	(3,483,491)	44.82%	(67,446,589)
Housing Rentals	0.00%	-	0.28%	(419,787)
Waste management	32.45%	(2,385,974)	29.25%	(44,022,184)
Waste water management	20.09%	(1,477,373)	23.50%	(35,360,011)
Other	0.08%	(5,787)	0.29%	(429,629)
	100.00%	**(7,352,625)**	**100.00%**	**(150,487,196)**

Kindly note that these amounts are exclusive of VAT

The entity only deposits cash with major banks with high quality credit standing. No cash and cash equivalents were pledged as security for financial liabilities and no restrictions were placed on the use of any cash and cash equivalents for the period under review. Although the credit risk pertaining to cash and cash equivalents are considered to be low, the maximum exposure is disclosed below.

The risk pertaining to unpaid conditional grants and subsidies are considered to be very low. Amounts are receivable from national and provincial government and there is no expectation of counter party default.

Long-term Receivables and Other Debtors are individually evaluated annually at Balance Sheet date for impairment.

Financial assets exposed to credit risk at year end are as follows:	2025 R	2024 R
Receivables from exchange transactions	102,211,698	122,582,281
Cash and Cash Equivalents	198,626,966	187,235,262
	300,838,664	**309,817,543**

63 FINANCIAL RISK MANAGEMENT CONTINUED

(e) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying business, the treasury maintains flexibility in funding by maintaining availability under credit lines.

The entity's risk to liquidity is a result of the funds available to cover future commitments. The entity manages liquidity risk through an ongoing review of future commitments and credit facilities.

The table below analyses the entity's financial liabilities into relevant maturity groupings based on the remaining period at the financial year end to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

2025	Less than 1 year	Between 1 and 5 years	Between 5 and 10 years	Over 10 Years
Trade and Other Payables	71,976,013	-	-	-
Unspent conditional government grants and receipts	4,005,642	-	-	-
	75,981,655	**-**	**-**	**-**

2024	Less than 1 year	Between 1 and 5 years	Between 5 and 10 years	Over 10 Years
	-	-	-	-
Trade and Other Payables	58,633,430	-	-	-
Unspent conditional government grants and receipts	(4,043,953)	-	-	-
	54,589,477	**-**	**-**	**-**

			2025	2024
64	**FINANCIAL INSTRUMENTS**			
	In accordance with IAS 39.09 the financial instruments of the municipality are classified as follows:			
	The fair value of financial instruments approximates the amortised costs as reflected bellow.			
64.1	**Financial Assets**	**Classification**		
	Receivables			
	Receivables from exchange transactions	Financial instruments at amortised cost	102,211,698	122,582,281
	Other Receivables			
	Bank Balances			
	Bank Balances	Financial instruments at amortised cost	198,626,966	187,235,262
			300,838,664	**309,817,543**
	SUMMARY OF FINANCIAL ASSETS			
	Financial instruments at amortised cost		300,838,664	309,817,543
	At amortised cost		**300,838,664**	**309,817,543**
64.2	**Financial Liability**	**Classification**		
	Long-term Liabilities			
	Capitalised Lease Liability	Financial instruments at amortised cost	889,278	1,052,015
	Payables from exchange transactions			
	Trade creditors	Financial instruments at amortised cost	16,849,512	14,382,899
	Retentions	Financial instruments at amortised cost	11,869,631	13,712,562
	Deposits	Financial instruments at amortised cost	545,140	473,325
	Other	Financial instruments at amortised cost	54,581,361	43,777,206
	Other Payables			
	Government Subsidies and Grants	Financial instruments at amortised cost	5,997,619	4,861,951
	Current Portion of Long-term Liabilities			
	Capitalised Lease Liability	Financial instruments at amortised cost	162,737	334,172
			90,895,278	**78,594,130**
	SUMMARY OF FINANCIAL LIABILITY			
	Financial instruments at amortised cost		**90,895,278**	**78,594,130**

65 STATUTORY RECEIVABLES

Statutory receivables of the municipality are classified as follows in accordance with the principles of GRAP 108,

As of 30 June 2024, total statutory receivables of R 93115415 (2023: R 71955415) were impaired and provided for.

The amount of the allowance for impairment was R 56821409 as of 30 June 2024 (2023: R46448350).

	2025	2024
Reconciliation of statutory receivables		
Gross balance of statutory receivables	93,115,415	71,955,415
Provision for impairment	(56,821,409)	(46,448,350)
Netto statutory receivables	**36,294,006**	**25,507,065**
Gross balance		
Fines	32,172,260	21,640,260
Property rates	64,018,929	54,881,440
VAT	(3,075,774)	(4,566,285)
Total	**93,115,415**	**71,955,415**
Reconciliation of Provision for impairment		
Opening Balance	(53,380,188)	(49,603,460)
Recognised	(19,072,597)	(12,457,793)
Reversal (Write-off)	7,804,000	8,681,065
Balance at end of year	**(64,648,785)**	**(53,380,188)**
The total amount of the Provision for impairment consists of:		
Fines	(6,072,700)	(3,138,950)
Property rates	(50,748,709)	(43,309,400)
Total	**(56,821,409)**	**(46,448,350)**
Net balance		
Fines	26,099,560	18,501,310
Property rates	13,270,220	11,572,040
VAT	(3,075,774)	(4,566,285)
Total	**36,294,006**	**25,507,065**
Interest charged	4,881,176	4,091,476
Property Rates: Ageing		
Current (0 - 30 days)	4,330,340	4,251,207
31 - 60 Days	1,129,680	991,836
61 - 90 Days	1,115,250	754,212
+ 90 Days	57,443,661	48,884,186
Total	**64,018,930**	**54,881,440**

Statutory receivables arises from the following legislation:
Property Rates- Municipal Property Rates Act (Act no 60 of 2014)
Fines- Criminal Procedures Act (Act no 51 of 1977)
Value Added Tax Act (Act no 89 of 1991)

No receivables from statutory receivables were pledged as security.

Credit quality of statutory receivables

Consumer debtors are payable within 30 days. This credit period granted is considered to be consistent with the terms used in the public sector, through established practices and legislation. Discounting of non-exchange receivables on initial recognition is not deemed necessary.

There are no statutory receivables which were restricted.

Property rates are levied on the value of land and improvements, which valuation is performed every 5 years. The last valuation came into effect on 1 July 2023. Interim valuations are processed on an annual basis to take into account changes in individual property values due to alterations and subdivisions and also new buildings.

STATUTORY RECEIVABLES CONTINUED

	2025	2024
Basic rate		
Residential	0.600c/R	1.054c/R
Commercial	1.650c/R	1.903c/R
Industrial	1.650c/R	1.903c/R
Bona Fide Agricultural	0.150c/R	0.151c/R

Rates are levied annually and monthly. Monthly rates are payable by the 15th of the following month and annual

rates are payable before 30 September. Interest is levied at the prime rate plus 1% on outstanding monthly rates.

Rebates were granted on land with buildings used solely for dwellings purposes as follows:
- Residential - The first R150 000 on the valuation is exempted.

Balances past due not impaired:	**2025 %**	**2025 R**	**2024 %**	**2024 R**
Non-Exchange Receivables				
Fines	81.12%	26,099,560	85.49%	18,501,310
Property rates	20.73%	13,270,220	21.09%	11,572,040
VAT	100.00%	(3,075,774)	100.00%	(4,566,285)
	38.98%	**36,294,006**	**35.45%**	**25,507,065**

The provision for bad debts could be allocated between the different classes of debtors as follows:

	2025 %	**2025 R**	**2024 %**	**2024 R**
Non-Exchange Receivables				
Fines	10.69%	6,072,700	6.76%	3,138,950
Property rates	89.31%	50,748,709	93.24%	43,309,400
	100.00%	**56,821,409**	**100.00%**	**46,448,350**

The provision for bad debts could be allocated between the different categories of debtors as follows:

	2025 %	**2025 R**	**2024 %**	**2024 R**
Residential	48.80%	27,726,992	67.61%	43,835,208
Commercial	39.32%	22,344,940	28.44%	18,440,414
Other	11.88%	6,749,476	3.95%	2,560,129
	100.00%	**56,821,409**	**100.00%**	**64,835,751**

VAT PAYABLE	**2025 R**	**2024 R**
VAT Payable	13,163,417	21,797,907
	13,163,417	**21,797,907**
VAT RECEIVABLE		
VAT input in suspense	10,087,643	17,231,622
	10,087,643	**17,231,622**
NET VAT RECEIVABLE/(PAYABLE)	**(3,075,774)**	**(4,566,285)**

VAT is receivable/payable on the cash basis.

66 POST-EMPLOYMENT HEALTH CARE BENEFITS

The Post Retirement Benefit Plan is a defined benefit plan, of which the members are made up as follows:

	2025	2024
In-service (employee) members	246	247
In-service (employee) non-members	251	254
Continuation members (e.g. Retirees, widows, orphans)	53	48
Total Members	**550**	**549**

The liability in respect of past service has been estimated to be as follows:

	2025	2024
In-service (employee) members	35,598,000	32,852,000
In-service (employee) non-members	3,221,000	3,062,000
Continuation members	32,401,000	26,869,000
Total Liability	**71,220,000**	**62,783,000**

The liability in respect of periods commencing prior to the comparative year has been estimated as follows:	**2023** **R**	**2022** **R**	**2021** **R**
In-service (employee) members	30,550,000	32,044,000	30,183,000
In-service (employee) non-members	2,863,000	2,585,000	2,345,000
Continuation members	26,481,000	27,006,000	30,738,000
Total Liability	**59,894,000**	**61,635,000**	**63,266,000**

The municipality makes monthly contributions for health care arrangements to the following medical aid schemes:

Bonitas;
Keyhealth.
LA Health
Hosmed and
Samwumed.

The employees of the municipality and their dependants are currently entitled to a subsidy of 70% of the medical scheme contributions after they retire or in the case of death. This percentage is reduced if an employee did not complete a required service period before retirement. Widow(er)s and orphans of in-service members are entitled to a subsidy of 60% of the contribution payable. Upon a member's death-in retirement, the surviving dependants will continue to receive the same benefits.

The post-employment subsidies are not limited to a maximum Rand value/subsidy and as a result the following risks should be noted:
•Inflation: The risk that future CPI inflation and medical aid contribution inflation are higher than assumed and present in an uncontrolled manner.
•Longevity: The risk that eligible individuals live longer than assumed i.e. their benefits are payable for longer than expected.
•Volatility of open-ended, long-term DBO: The risk that the DBO may be volatile which is exacerbated by its long-term nature.
•Enforcement of eligibility criteria and rules: The risk that eligibility criteria and rules are not strictly or consistently enforced, to the detriment of the Municipality.
•Future changes in legislation: The risk that changes to legislation with respect to the post-employment medical aid benefit may increase the DBO for the Municipality.

Key actuarial assumptions used:

i) Rate of interest

	2025	2024
Discount rate	11.10%	12.20%
Health Care Cost Inflation Rate	6.80%	7.69%
Net Effective Discount Rate	6.30%	4.19%

The discount rate are derived from government bond yields consistent with the estimated term of the post-employment liabilities. However, where there is no deep market in government bonds with a sufficiently long maturity to match the estimated term of all the benefit payments, current market rates of the appropriate term should be used to discount shorter term payments, and the discount rate for longer maturities should be estimated by extrapolating current market rates along the yield curve.

ii) Mortality rates

The PA 90 ultimate table was used by the actuaries.

66 iii) Normal retirement age

The normal retirement ages are 65. It has been assumed that male in-service members will retire at age 62 and female in-service members will retire at age 59, on average, which then implicitly allows for expected rates of ill-health and early retirement.

	2025	2024
Continuation of membership at retirement	75%	70%
Proportion assumed married at retirement	60%	60%
Proportion of eligible current non-member employees joining the scheme by retirement	15%	15%

The amounts recognised in the Statement of Financial Position are as follows:

	2025	2024
Present value of fund obligations	71,220,000	62,814,995
Net liability/(asset)	**71,220,000**	**62,814,995**

The municipality has elected to recognise the full increase in this defined benefit liability immediately as per GRAP 25, Employee Benefits, paragraph 155 (a).

Reconciliation of present value of fund obligation:

	2025	2024
Present value of fund obligation at the beginning of the year	62,814,995	59,894,000
Total expenses	6,670,060	6,888,263
Current service cost	1,981,000	1,981,000
Interest Cost	7,481,000	7,283,000
Benefits Paid	(2,791,940)	(2,375,737)
Amendments	-	-
Actuarial (gains)/losses	1,734,945	(3,967,268)
Present value of fund obligation at the end of the year	71,220,000	62,814,995
Less: Transfer of Current Portion - Note 15	(3,040,945)	(2,838,732)
Balance 30 June	**68,179,055**	**59,976,263**

Sensitivity Analysis on the Accrued Liability at 30 June 2025

Assumption	**members liability**	**members liability**	**Total liability (R'000)**
Central Assumptions	38,819,000	32,401,000	71,220,000

The effect of movements in the assumptions are as follows:

Assumption	**Change**	**In-service members**	**Continuation members**	**Total liability (R'000)**	**% change**
Central assumptions		38,819,000	32,401,000	71,220,000	
Medical aid contribution inflation rate	1%	41,106,000	34,516,000	75,622,000	6
Medical aid contribution inflation rate	-1%	35,538,000	30,269,000	65,807,000	-8
Mortality rate	20%	37,342,000	30,393,000	67,735,000	-5
Mortality rate	-20%	40,518,000	34,870,000	75,388,000	6

LONG SERVICE AWARDS

The Long Service Bonus plans are defined benefit plans.

	2025	2024
As at year end, the following number of employees were eligible for Long Service Bonuses.	497	501

i) Rate of interest

	2025	2024
Discount rate	9.70%	11.05%
General Salary Inflation (long-term)	4.70%	6.20%
Net Effective Discount Rate applied to salary-related Long Service Bonuses	4.80%	4.56%

The amounts recognised in the Statement of Financial Position are as follows:

	2025	2024
Present value of fund obligations	14,958,001	13,625,000
Net liability	**14,958,001**	**13,625,000**

The liability in respect of periods commencing prior to the comparative year has been estimated as follows:	**2023 R**	**2022 R**	**2021 R**
Present value of fund obligations	12,046,000	12,176,763	12,156,000
Net liability	**12,046,000**	**12,176,763**	**12,156,000**

		2025	2024
66	**Reconciliation of present value of fund obligation:**		
	Present value of fund obligation at the beginning of the year	13,625,000	12,046,000
	Total expenses	1,122,905	416,388
	Current service cost	1,078,000	913,000
	Interest Cost	1,414,000	1,243,000
	Benefits Paid	(1,369,095)	(1,739,612)
	Actuarial (gains)/losses	210,096	1,162,612
	Present value of fund obligation at the end of the year	14,958,001	13,625,000
	Less: Transfer of Current Portion - Note 15	(2,684,000)	(1,704,000)
	Balance 30 June	**12,274,001**	**11,921,000**

Sensitivity Analysis on the Accrued Liability at 30 June 2025

Assumption	**Change**	**Liability**	**% change**
Central assumptions		14,958,001	
General earnings inflation rate	1.00%	15,722,000	5%
General earnings inflation rate	-1.00%	14,257,000	-5%
Withdrawal rates	20%	14,433,000	-4%
Withdrawal rates	-20%	15,525,000	4%

EX-GRATIA PENSION BENEFITS

The Ex-Gratia Pension Benefits plans are defined benefit plans.

	2025	2024
As at year end, the following number of employees were eligible for Ex-Gratia Pension Benefits.	13	13
i) Rate of interest		
Discount rate	8.50%	9.79%

The amounts recognised in the Statement of Financial Position are as follows:

	2025	2024
Present value of fund obligations	30,590	27,030
Net liability	**30,590**	**27,030**

The liability in respect of periods commencing prior to the comparative year has been estimated as follows:	**2023 R**	**2022 R**	**2021 R**
Present value of fund obligations	27,710	33,618	32,082
Net liability	**27,710**	**33,618**	**32,082**

EMPLOYEE BENEFITS CONTINUED	**2025 R**	**2024 R**
Reconciliation of present value of fund obligation:		
Present value of fund obligation at the beginning of the year	27,030	27,710
Total expenses	2,340	(1,350)
Interest Cost	2,340	2,490
Benefits Paid	-	(3,840)
Actuarial (gains)/losses	1,220	670
Present value of fund obligation at the end of the year	30,590	27,030
Less: Transfer of Current Portion - Note	(7,670)	(7,100)
Balance 30 June	**22,920**	**19,930**

Sensitivity Analysis on the Accrued Liability at 30 June 2025

Assumption	**Change**	**(R'000)**	**% change**
Central assumptions		30,590	
Discount rates	+1%	29,470	-4.0%
Discount rates	-1%	31,820	4.0%
Average retirement age	+1 year	28,830	-6.0%
Average retirement age	11 year	32,610	7.0%

66 EMPLOYEE BENEFITS CONTINUED

Retirement funds

CAPE JOINT PENSION FUND

The contribution rate of the defined benefit scheme is 27%; 9% by the members and 18% by their councils. The actuarial valuation report at 30 June 2023 disclosed an actuarial valuation amounting to R1 338 791 000 (30 June 2022: R1 391 841 000), with a surplus of R226 285 000 (2022: R144 158 000), with a funding level of 120.3% (30 June 2022: 111.6%).

	2025	2024
Contributions paid recognised in the Statement of Financial Performance	471,281	445,247

SOUTH AFRICAN LOCAL AUTHORITIES PENSION FUND

The fund is a DB plan, and its last statutory valuation at 1 July 2021 revealed a deficit of R2,08 million and a funding level of 85,5%, having deteriorated since its previous statutory valuation at 1 July 2018, which indicated a deficit of R601,2 million and a funding level of 96%. That was prior to the approval of a scheme of arrangement (SOA) between the fund and all participating employers. The SOA requires all participating employers to contribute an additional 2% per annum over the next five to six years to restore the fund to financial soundness. Due to its further deterioration as a result of poor investment returns over the valuation period, the fund is required under section 18 of the Pension Funds Act to submit an updated SOA to the Financial Sector Conduct Authority (FSCA) to outline how the funding position will be addressed and restored.

	2025	2024
Contributions paid recognised in the Statement of Financial Performance	340,842	312,527

DEFINED CONTRIBUTION FUNDS

Council contributes to: the Government Employees Pension Fund; Municipal Council Pension Fund; National Fund for Municipal Workers (IMATU); and SAMWU National Provident Fund which are defined contribution funds. The retirement benefit fund is subject to the Pension Fund Act, 1956, with pension being calculated on the pensionable remuneration paid. Current contributions by Council are charged against expenditure on the basis of current service costs.

Contributions paid recognised in the Statement of Financial Performance

	2025	2024
Cape Joint Retirement Fund	32,712,197	30,201,649
Municipal Councillors Pension Fund	122,738	140,993
Municipal Workers Retirement Fund:	101,757	115,890
SAMWU National Provident Fund	4,272,534	4,395,265
	37,209,225	**34,853,797**

The valuation results are dependent on the expected average retirement ages (EARAs) instead of the normal retirement age (NRAs).

Witzenberg’s own recent employee-retirement history will be too small a sample to be solely relied on in setting these assumptions. Nevertheless, this recent experience seems to be in line with the EARAs used in the 2020 valuation.

If there is concern that the change in NRA for females will affect their EARA, then we recommend that the retirement-experience be monitored for several years after the change.

Consolidated Retirement Fund (Previously Cape Joint Retirement Fund:

The most recent statutory valuation performed as at 30 June 2024 revealed that the assets of the fund amounted to R47 307 646 099 (30 June 2023: R42 710 035 000), with funding levels of 17.3% and 100.2% (30 June 2023: 120.0% and 100.4%) for the Pensions Account and the Share Account respectively. The contribution rate paid by the members (7,50%/9%) and the municipalities (19,50%/18%) is sufficient to fund the benefits accruing from the fund in the future. The actuary certified that the structure of the assets is appropriate relative to the nature of the liabilities, given normal circumstances and that the Fund is in a sound financial condition as at the valuation date.

WITZENBERG

MUNISIPALITEIT UMASIPALA MUNICIPALITY

- MEMORANDUM -

AAN / TO: Municipal Manager

VAN / FROM: Director: Finance

DATUM / DATE: 19 March 2026

VERW. / REF.: 09/01/2/2/

UNAUTHORISED EXPENDITURE 2021/2022 FINANCIAL YEAR

1. PURPOSE

The purpose of this report is to submit a report on unauthorised expenditure to Council for information.

In terms of regulation 23(6)(b) of the Municipal Budget and Reporting Regulations (MBRR), council may authorise unauthorised expenditure in a special adjustments budget tabled in council when the mayor tables the annual report.

2. LEGAL FRAMEWORK

Unauthorised expenditure is defined in section 1 of the MFMA as follows:

"unauthorised expenditure", in relation to a municipality, means any expenditure incurred by a municipality otherwise than in accordance with section 15 or 11(3), and includes—

(a) overspending of the total amount appropriated in the municipality's approved budget;
(b) overspending of the total amount appropriated for a vote in the approved budget;
(c) expenditure from a vote unrelated to the department or functional area covered by the vote;
(d) expenditure of money appropriated for a specific purpose, otherwise than for that specific purpose;
(e) spending of an allocation referred to in paragraph (b), (c) or (d) of the definition of "allocation" otherwise than in accordance with any conditions of the allocation; or
(f) a grant by the municipality otherwise than in accordance with this Act.

With reference to MFMA section 1(b) – a municipality's operational and capital budgets are divided into 'votes' which represent those components of the budget that have amounts appropriated for the financial year, for different departments or functional areas.

Section 32of the MFMA deals with Unauthorised, irregular or fruitless and wasteful expenditure and are quoted below:

(1) Without limiting liability in terms of the common law or other legislation—

(a) a political office-bearer of a municipality is liable for unauthorised expenditure if that office-bearer knowingly or after having been advised by the accounting officer of the municipality that the expenditure is likely to result in unauthorised expenditure, instructed an official of the municipality to incur the expenditure;
(b) the accounting officer is liable for unauthorised expenditure deliberately or negligently incurred by the accounting officer, subject to subsection (3);
(c) any political office-bearer or official of a municipality who deliberately or negligently committed, made or authorised an irregular expenditure, is liable for that expenditure; or
(d) any political office-bearer or official of a municipality who deliberately or negligently made or authorised a fruitless and wasteful expenditure is liable for that expenditure.

(2) A municipality must recover unauthorised, irregular or fruitless and wasteful expenditure from the person liable for that expenditure unless the expenditure—

(a) in the case of unauthorised expenditure, is—
(i) authorised in an adjustments budget; or
(ii) certified by the municipal council, after investigation by a council committee, as irrecoverable and written off by the council; and
(b) in the case of irregular or fruitless and wasteful expenditure, is, after investigation by a council committee, certified by the council as irrecoverable and written off by the council.

(3) If the accounting officer becomes aware that the council, the mayor or the executive committee of the municipality, as the case may be, has taken a decision which, if implemented, is likely to result in unauthorised, irregular or fruitless and wasteful expenditure, the accounting officer is not liable for any ensuing unauthorised, irregular or fruitless and wasteful expenditure provided that the accounting officer has informed the council, the mayor or the executive committee, in writing, that the expenditure is likely to be unauthorised, irregular or fruitless and wasteful expenditure.

(4) The accounting officer must promptly inform the mayor, the MEC for local government in the province and the Auditor-General, in writing, of—
(a) any unauthorised, irregular or fruitless and wasteful expenditure incurred by the municipality;
(b) whether any person is responsible or under investigation for such unauthorised, irregular or fruitless and wasteful expenditure; and

(c) the steps that have been taken—
(i) to recover or rectify such expenditure; and
(ii) to prevent a recurrence of such expenditure.

(5) The writing off in terms of subsection (2) of any unauthorised, irregular or fruitless and wasteful expenditure as irrecoverable, is no excuse in criminal or disciplinary proceedings against a person charged with the commission of an offence or a breach of this Act relating to such unauthorised, irregular or fruitless and wasteful expenditure.

(6) The accounting officer must report to the South African Police Service all

cases of alleged—
(a) irregular expenditure that constitute a criminal offence; and
(b) theft and fraud that occurred in the municipality.

(7) The council of a municipality must take all reasonable steps to ensure that all cases referred to in subsection (6) are reported to the South African Police Service if—
(a) the charge is against the accounting officer; or
(b) the accounting officer fails to comply with that subsection.

(8) The Minister, acting with the concurrence of the Cabinet member responsible for local government, may regulate the application of this section by regulation in terms of section 168.

MBRR 23(6) An adjustments budget contemplated in section 28(2)(g) of the Act may only authorise unauthorised expenditure as anticipated by section 32(2)(a)(i) of the Act, and must be -
(a) dealt with as part of the adjustments budget contemplated in sub regulation (1); and
(b) a special adjustments budget tabled in the municipal council when the mayor tables the annual report in terms of section 127(2) of the Act, which may only deal with unauthorised expenditure from the previous financial year which the council is being requested to authorise in terms of section 32(2)(a)(i) of the Act.

3. AUTHORISATION OF UNAUTHORISED EXPENDITURE

In considering authorisation of unauthorised expenditure, council must consider the following factors:

(i) Has the matter been referred to Council for a determination and decision?

(ii) Has the nature, extent, grounds and value of the unauthorised expenditure been submitted to Council?

(iii) Has the incident been referred to a council committee for investigation and recommendations?

(iv) Has it been established whether the accounting officer or official or public office bearer that made, permitted or authorised the unauthorised expenditure acted deliberately or in a negligent or grossly negligent manner?

(v) Has the accounting officer informed Council, the mayor or the executive committee that a particular decision would result in an unauthorised expenditure as per section 32(3) of the MFMA?

(vi) Are there good grounds shown as to why an unauthorised expenditure should be authorised? For example:

- the mayor, accounting officer or official was acting in the best interests of the municipality and the local community by making and permitting unauthorised expenditure;
- the mayor, accounting officer or official was acting in good faith when making and permitting unauthorised expenditure; and
- the municipality has not suffered any material loss as a result of the action.

In these instances, the council may authorise the unauthorised expenditure. If unauthorised expenditure is approved by council, there would be no further consequences for the political office-bearers or officials involved in the decision to incur the expenditure.

Section 15 of the MFMA provides that a municipality may incur expenditure only in terms of an approved budget. This is confirmed by section 32(2)(a)(i) of the MFMA that provides that council may only authorise unauthorised expenditure in an adjustments budget. Sections 28(c) and 28(g) of the MFMA, read together with regulations 23(1), 23(2), 23(4) and 23(6) of the MBRR, discusses when council may authorise unauthorised expenditure in an adjustments budget.

Special adjustments budget to authorise unauthorised expenditure: In terms of regulation 23(6)(b) of the MBRR, council may authorise unauthorised expenditure in a special adjustments budget tabled in council when the mayor tables the annual report in terms of section 127(2) of the MFMA. This special adjustments budget "may only deal with unauthorised expenditure from the previous financial year which the council is being requested to authorise in terms of section 32(2)(a)(i) of the Act." This special adjustments budget therefore deals with:

 unauthorised expenditure that occurred in the first half of the previous financial year that was not included in the main adjustments budget or that was included but referred back for further investigation or further information;

 unauthorised expenditure that occurred in the second half of the previous financial year, and

 any unauthorised expenditure identified by the Auditor-General during the annual audit process.

The timing of this special adjustments budget requires:

 the municipality to report all the unauthorised expenditure in its annual financial statements (thus ensuring transparency regarding its performance with implementing the budget);

 the Auditor-General to audit the municipality's disclosure of its unauthorised expenditure and to add any further unauthorised expenditure identified in the audit process; and

 sufficient time (but also places a time limit) for instances of unauthorised expenditure to be properly investigated before being presented to council for a decision on whether or not to authorise it; the investigation is normally done by a council committee.

All instances of unauthorised expenditure must be recovered from the liable official or political office-bearer, unless the unauthorised expenditure has been authorised by council in an adjustments budget.

Once it has been established who is liable for the unauthorised expenditure, the accounting officer must, in writing, request that the liable official or political office-bearer pay the amount within 30 days or in reasonable instalments. If the person fails to comply with the request, the matter must be handed to the municipality's legal division for the recovery of the debt through the normal debt collection process.

4. DELIBERATION

The value of the deemed asset, rehabilitation of landfill site, increased as follows:

	30 June 2020	30 June 2021	30 June 2022
Capitalised Restoration Cost	R 46 435 549	R 96 550 736	R 148 911 822

The depreciation cost increased as follows:

	30 June 2020	30 June 2021	30 June 2022
Depreciation	R 2 688 067	R 2 498 945	R 10 115 542

The following unauthorised expenditure were identified during the complication of the 2021/2022 annual financial statements:

Overspending of operational expenditure on the vote for civil services (R 8 933 855)

The depreciation of property, plant, and equipment, as well as the interest on the provision for the landfill site, materially contributed to the unauthorised expenditure. This was only visible when the respective calculations were done.

5. UNANIMOUSLY RESOLVED

that the matter in respect of the Adjustment Budget for 2021/2022 be held in abeyance for an investigation and be tabled at the next meeting.

6. SUBSEQUENT INFORMATION

Recalculations performed when compiling the annual financial statements for the 2023-24 financial year and the audit performed on the recalculations:

Whilst preparing the annual financial statements, finance officials re-performed calculations for depreciation relating to the landfill sites and noted formula errors. The revised calculations/ new amounts confirmed that the depreciation previously calculated was incorrect with an amount of R8 977 641. The recalculated amount for depreciation relating to the 2021-22 financial year is R1 137 902 and not the R10 074 504, previously reported.

The Accounting Standards Board (ASB) is the custodian of the GRAP accounting standards, which all municipalities must comply with.

The ASB issued a guide on how to account for the landfill site asset and depreciation relating to it. The following sections has been extracted from the guide:

The error is mainly due to reference to the incorrect interest rate when calculating the present value of the landfill site provision and the ***exclusion of the 30-year monitoring and inspection period****, as prescribed by the municipality's licence conditions, and as required by the Minimum Requirements, the entity needs to undertake monitoring and inspection activities while the landfill is operational. These activities include, among others, water and gas monitoring. This is to ensure proper management of any gas emanating from the site, or contamination of underground water, and that timely action is taken if this is the case. The extent of the monitoring and inspection to be undertaken during the operation of the landfill site will depend on the site classification and the entity's licence conditions. These costs are part of the costs to rehabilitate the landfill site asset.*

The useful life of the landfill site will be the period that the landfill site is available for use by an entity. The landfill site is available for use while it is in operation and while it stores waste. During these periods, the landfill site asset generates economic service potential by receiving, as well as safely storing waste for environmental protection. A landfill site is deemed to store waste during the rehabilitation and post-closure monitoring and inspection periods. The useful life of the landfill site asset is not linked to the entity's licence period.

When applying the guidance issued by the ASB, the error in the calculation performed for the 2021-22 financial year amounts to R8 977 641. In the 2021-22 annual financial statements the amount reported as unauthorised expenditure was R8 933 855. The error of R8 977 641 is higher than the R8 933 855 reported as unauthorised expenditure, thereby confirming that due to the accounting error, unauthorised expenditure should not have been reported in the 2021-22 annual financial statements. **The budget for the 2021-22 financial year for depreciation was not exceeded and hence there should not have been unauthorised expenditure. The accounting error was corrected in the 2023-24 audited financial statements, and the office of the AGSA specifically focused on this matter and agreed with management's view and calculations.**

We would once again like to highlight that this is an accounting practise, there was no cash paid from the municipality bank account, hence it is classified as a non-cash transaction.

The municipality corrected the error in the 2023-24 annual financial statements submitted for audit. The AGSA audited the calculations and agreed with the municipality that unauthorised expenditure should never have been disclosed in the annual financial statements.

The accounting entry processed to correct the error was as follows:

Dt Accumulated Depreciation	R 8 977 641	-
Kt Depreciation		R 8 977 641
Correction of error: Depreciation for rehabilitation cost relating to the 2021-2022 financial year was previously incorrectly calculated.		

Council unanimously resolved on 27 January 2025:

(a) that notice be taken of the updated report relating to unauthorised expenditure.
(b) that the matter related to the Unauthorised expenditure for the 2021/2022 financial year be referred to the Ad hoc Committee for investigation and submit a report to Council in this regard.

A meeting of the Ad hoc Committee was held on 10 June 2025, where representatives from both national and provincial treasury were present. The committee could not compile a report to council as there was no Quorum as some members left the meeting.

Further attempts to get representatives from provincial treasury were unsuccessful.

7. RECOMMENDATION

That Council take cognisance:

Of the updated report relating to unauthorised expenditure

That the budget for the 2021-22 financial year was not exceeded and hence there should not have been unauthorised expenditure.

That there is no need for an adjustment budget.

Yours faithfully

H J Kritzinger
DIRECTOR FINANCE

8.1.5(b)

Cobus Kritzinger

From: Cobus Kritzinger
Sent: 19 March 2026 18:22
To: Melissa van Niekerk
Cc: David Nasson
Subject: RE: Agenda pack: Ad hoc Committee: Unauthorised expenditure:

Good day Ms Van Niekerk

Any feedback on this request?

The speaker requested that the item be placed on the agenda of our next council meeting.

Regards

Cobus

From: Cobus Kritzinger
Sent: 03 December 2025 17:09
To: 'Melissa van Niekerk' <Melissa.vanNiekerk@westerncape.gov.za>
Cc: David Nasson <david@witzenberg.gov.za>
Subject: RE: Agenda pack: Ad hoc Committee: Unauthorised expenditure: 10 June 2025

Good day Ms Van Niekerk

Any feedback on this request?

Regards

Cobus

From: Cobus Kritzinger
Sent: 22 September 2025 08:34
To: 'Melissa van Niekerk' <Melissa.vanNiekerk@westerncape.gov.za>
Cc: David Nasson <david@witzenberg.gov.za>
Subject: RE: Agenda pack: Ad hoc Committee: Unauthorised expenditure: 10 June 2025

Good morning Ms Van Niekerk

The council members of the ad hoc committee held a meeting.

After discussion they requested the support of both National Treasury and Provincial Treasury. A teams meeting will be appreciated.

Kindly advise of possible dates when yourself and a representative of national treasury can avail yourselves.

Your kind consideration will be appreciated.

Regards

Cobus Kritzinger
Director Finance

WITZENBE

Tel: 023 316 1854
P O Box 44, CERES, 6835

A Municipality that cares for its community, creating growth and opportunities

From: Melissa van Niekerk <Melissa.vanNiekerk@westerncape.gov.za>
Sent: 03 June 2025 16:29
To: Mariaan Prins <mariaan@witzenberg.gov.za>
Cc: Faez Salie <Faez.Salie@westerncape.gov.za>; Cobus Kritzinger <cobus@witzenberg.gov.za>
Subject: RE: Agenda pack: Ad hoc Committee: Unauthorised expenditure: 10 June 2025

Good afternoon Mariaan

I hereby confirm receipt of the agenda pack for the above meeting.

Kind regards,

Melissa Van Niekerk
Branch: Governance and Asset Management
Director Financial Governance
Provincial Treasury
Western Cape Governance

3rd Floor 4 Dorp Street, Cape Town

Tel: 021 483 6695 or 6647 Fax: 086 402 1336
Cell number: 073 360 7929
Email: Melissa.vanNiekerk@westerncape.gov.za

Website: www.westerncape.gov.za

Western Cape Government

FOR YOU

Be 110% Green. Read from the screen

From: Mariaan Prins <mariaan@witzenberg.gov.za>
Sent: Tuesday, June 3, 2025 2:29 PM
To: Patric Daniels <patric@witzenberg.gov.za>; Andile Gili <agili@witzenberg.gov.za>; Johnnerey Mouton <jmouton@witzenberg.gov.za>; Nonzame Phatsoane <nphatsoane@witzenberg.gov.za>; 'Dirk Swart' <dirk.swart@capewinelands.gov.za>; Dirk Swart <dirk@witzenberg.gov.za>; Elizabeth Sidego <esidego@witzenberg.gov.za>; David Nasson <david@witzenberg.gov.za>; Cobus Kritzinger <cobus@witzenberg.gov.za>; Jeremy Kolkota <jeremy@witzenberg.gov.za>; Natasha Oerson <noerson@witzenberg.gov.za>; Cindy Fortuin <cranna@witzenberg.gov.za>; Melissa-Sue Arendse-Smith <marendse@witzenberg.gov.za>; Tiano McClune <tiano@witzenberg.gov.za>; Melissa van Niekerk <Melissa.vanNiekerk@westerncape.gov.za>; Faez Salie <Faez.Salie@westerncape.gov.za>
Subject: Agenda pack: Ad hoc Committee: Unauthorised expenditure: 10 June 2025

Good afternoon Councillors, Management, Ms Van Niekerk & Mr Salie

The agenda pack for the meeting of the Ad hoc Committee for Unauthorised expenditure, scheduled for Tuesday, 10 June 2025, is attached for your attention.

Regards from Administration

Mariaan Prins
Typist
Department Administration
Directorate Corporate Services
Witzenberg Municipality
50 Voortrekker Street, Ceres
Telephone: (023) 316-1854
Fax: (023) 316-1877
Email: mariaan@witzenberg.gov.za

Kind words can be short and easy to speak, but their echoes are truly endless. Mother Teresa

WITZENBERG

MUNISIPALITEIT UMASIPALA MUNICIPALITY

- MEMORANDUM -

AAN / TO: Municipal Manager

VAN / FROM: Chief Financial Officer

DATUM / DATE: 23 March 2026

VERW. / REF.: 17/3/2

RESUBMISSION: LEASE AND OPERATION OF THE MATERIAL RECOVERY FACILITY (MRF) AT CERES ON ERF 364/82

1. BACKROUND

The Witzenberg Municipality officially opened the MRF during August 2022.
The aim of the MRF is to recycle recyclable material and minimize waste filling up our landfill site.

2. DISCUSSION

The Witzenberg Municipality is currently operating the MRF with fifteen (15) EPWP workers and one supervisor, under the supervision of Mr Juandrey Saunders (Superintendent Landfill sites and Recycling). Correspondence was received form Mr Pieter Swarts (Unite the City) re the utilization of the MRF.

Mr Swarts and Mr Mouton received the following equipment from the Department of Rural Development:
♦ Hooklift truck
♦ Forklift
♦ Hyundai H-100 plus trailer
♦ H.20 baling machine

The company Unite the City (Pieter Swarts) is a SMME business operating in the waste sector of the Witzenberg area doing private recycling activities to assist with the minimization of waste.

He indicated that they are interested to run/operate the MRF in Ceres.

As Unite the City are financially supported by Rural Development, the municipality can also assist them with the operation of the MRF, to ensure that their business is successful.

As per the MFMA, section 110 the following:

“110.(1) This Part, subject to subsection (2), applies to-
(a) The procurement by a municipality or municipal entity of goods and services;
(b) The disposal by a municipality or municipal entity of goods no longer needed;
(c) The selection of contractors to provide assistance in the provision of municipal services otherwise than in circumstances where Chapter 8 of the Municipal Systems Act applies; and
(d) The selection of external mechanisms referred to in section 80(1) (b) of the Municipal Systems Act for the provision of municipal services in circumstances contemplated in section 83 of that Act.

(2) This Part, except where specifically provided otherwise, does not apply if a municipality or municipal entity contracts with another organ of state for-
(a) The provision of goods or services to the municipality or municipal entity;
(b) The provision of a municipal service or assistance in the provision of a municipal service; or
(c) The procurement of goods and services under a contract secured by the other organ of state, provided that the relevant supplier has agreed to such procurement.
(3) The disposal of goods by a municipality or municipal entity in terms of this Part must be read with sections 14 and 90.

Section 110 is not applicable, as the contractors will be rendering service (assisting with recycling of the MRF) at no cost to us.
In exchange for the service rendered by the contractors the municipality makes our recycled material available to the contractor at no cost for their own use.

Comments of Senior Manager: Solid Waste & Cleansing

1. This opportunity will only pertain to the management and operation of the MRF, and does not include a recycling collection service, nor the management of garden waste on site
2. The performance of Unite the City will be subjected to monitoring, evaluation and review
3. Targets in terms of volumes processed on site must be met, maintained/ increased
4. Infrastructure on site available for use is restricted to the baler, conveyor system, compactor system and MRF building and weighbridge
5. The Superintendent will be the Municipality's representative on site
6. Indefinite storage of waste materials will strictly not be allowed
7. Access control and hours of operation is subject to the approval of the Municipality
8.Waste types accepted on site will be subject to the approval of the Municipality.
9. Unite the City must be aware that all Municipal waste will at the end of the day be diverted to the MRF and that Municipal waste will get preference.

3. PREVIOUSLY RESOLVED – COUNCIL MEETING HELD on 12 NOVEMBER 2024

a) That Section 110 of the MFMA is not applicable.

b) That the company Unite the City sign an agreement to operate the MRF on a trial basis of three months.

c) That should the company be successful in the probation period of three months, it be further extended with one (1) year.

d) That the Witzenberg Municipality employs the 15 EPWP workers currently operating at the MRF, during the trial period, to assist the mentioned company with the operation of the MRF, after which it will be the responsibility of Unite the City.

e) That an agreement be drawn up between the municipality and Unite the City regarding the operation and maintenance of the MRF.

f) That the Municipal Manager be authorised to sign the mentioned agreement.

g) That Council's intention to lease the Materials Recovery facility (MRF) on erf 364/82, Ceres be advertised in the local newspaper for inputs, comments and any objections.

4. **ONJECTIONS**

Objections were received on councils intention to lease the MRF as per above resolution.

5. PREVIOUSLY RESOLVED – COUNCIL MEETING HELD on 31 MARCH 2025

(a) that Council takes cognisance of the objections received.

(b) that the objection be upheld by Council.

(c) that a proper Supply Chain Process for the material recovery facility (MRF) on erf 364/82, Ceres be followed.

6. FURTHER COMMENTS

Section 78 of the Municipal Systems Act provides criteria and process for deciding on mechanisms to provide municipal services

(1) When a municipality has in terms of section 77 to decide on a mechanism to provide a municipal service in the municipality or a part of the municipality, or to review any existing mechanism—

(a) it must first assess—

(i) the direct and indirect costs and benefits associated with the project if the service is provided by the municipality through an internal mechanism, including the expected effect on the environment and on human health wellbeing and safety;
(ii) the municipality's capacity and potential future capacity to furnish the skills, expertise and resources necessary for the provision of the service through an internal mechanism mentioned in section 76(a);
(iii) the extent to which the re-organisation of its administration and the development of the human resource capacity within that administration as provided for in sections 51 and 68, respectively, could be utilised to provide a service through an internal mechanism mentioned in section 76(a);
(iv) the likely impact on development, job creation and employment patterns in the municipality; and
(v) the views of organised labour; and

(b) it may take into account any developing trends in the sustainable provision of municipal services generally.

(2) After having applied subsection (1), a municipality may—
(a) decide on an appropriate internal mechanism to provide the service; or
(b) before it takes a decision on an appropriate mechanism, explore the possibility of providing the service through an external mechanism mentioned in section 76(b).

(3) If a municipality decides in terms of subsection (2)(b) to explore the possibility of providing the municipal service through an external mechanism it must—

(a) give notice to the local community of its intention to explore the provision of the municipal service through an external mechanism;

(b) assess the different service delivery options in terms of section 76(b), taking into account—
(i) the direct and indirect costs and benefits associated with the project, including the expected effect of any service delivery mechanism on the environment and on human health, wellbeing and safety;
(ii) the capacity and potential future capacity of prospective service providers to furnish the skills, expertise and resources necessary for the provision of the service;
(iii) the views of the local community;
(iv) the likely impact on development, job creation and employment patterns in the municipality; and
(v) the views of organised labour; and

(c) conduct or commission a feasibility study which must be taken into account and which must include—
(i) a clear identification of the municipal service for which the municipality intends to consider an external mechanism;
(ii) an indication of the number of years for which the provision of the municipal service through an external mechanism might be considered;
(iii) the projected outputs which the provision of the municipal service through an external mechanism might be expected to produce;
(iv) an assessment as to the extent to which the provision of the municipal service through an external mechanism will—
(aa) provide value for money;
(bb) address the needs of the poor;
(cc) be affordable for the municipality and residents; and
(dd) transfer appropriate technical, operational and financial risk;
(v) the projected impact on the municipality's staff, assets and liabilities;

(vi) the projected impact on the municipality's integrated development plan;
(vii) the projected impact on the municipality's budgets for the period for which an external mechanism might be used, including impacts on revenue, expenditure, borrowing, debt and tariffs; and
(viii) any other matter that may be prescribed.

(4) After having applied subsection (3), a municipality must decide on an appropriate internal or external mechanism, taking into account the requirements of section 73(2) in achieving the best outcome.

(5) When applying this section a municipality must comply with—
(a) any applicable legislation relating to the appointment of a service provider other than the municipality; and
(b) any additional requirements that may be prescribed by regulation.
(6) The national government or relevant provincial government may, in accordance with an agreement, assist municipalities in carrying out a feasibility study referred to in subsection (3)(c), or in preparing service delivery agreements.

7. COMMENTS SENIOR MANAGEMENT

The municipality is managing the MRF excellently, and it is doing so cost effectively.

If the MRF must be outsourced the process in terms of section 78 of the Municipal Systems Act need to be followed.

8. RECOMMENDATION

(a) That the council resolution of 31 March 2025 be rescinded.

(b) That the municipality continue to operate the MRF

Yours sincerely

HJ KRITZINGER
CHIEF FINANCIAL OFFICER

8.3.1

WITZENBERG
Municipality • Munisipaliteit • UMasipala Wase

INDIGENT POLICY

OUR VISION

A Municipality that cares for its community, creating growth and opportunities.

OUR MISSION

The Witzenberg Municipality is committed to improve the quality of life of its community by:

- Providing and maintaining affordable services.
- Promoting Social and Economic Development
- The effective and efficient use of available resources
- Effective Stakeholder and Community participation

Amended Council 15/06/2010
Amended Council 28/09/2011
Amended Council 18/05/2016
Amended Council 30/05/2017
Amended Council 30/05/2019
Amended Council 27/05/2020
Amended Council 08/10/2021
Amended Council 30/05/2022
Amended Council 28/03/2023
Amended Council 30/05/2023
Amended Council 16/05/2024
Amended Council 30/05/2025
Amended Council 28/01/2026

INDEX

1. INTRODUCTION

Witzenberg acknowledges the fact that priority must be given to the basic needs of the community, and that the social and economic development of the community is assisted to provide access to the basic level of service in terms of the Constitution of South Africa, Sect 152 (1) (b) and 153 (b).

To make basic services accessible to the poor and to contribute to poverty alleviation program of National Government, the Council will allocate funds to assist the Poor. This policy, the Indigent Policy, is the tool to ensure that eventually the poor is in the safety net and are protected from measures to deny them access to the basic services. It is however acknowledged that the assistance will only be possible with the assistance of National Governments Fiscal support.

2. AIM

To ensure a sound and sustainable manner to provide affordable basic services to the Poor by means of assisting them financially within the legal framework of the powers and functions of the Municipality in order to improve the livelihood, in an effort to creating a prosperous Municipality free of poverty.

3. OBJECT OF THE POLICY

The object of this policy is to:

- Ensure a transparent, accountable and sustainable manner to assist the poor to access of basic services as defined later in the policy.

- Ensure a sustainable manner to assist the poor with the graveyard costs, transfer duties and to change the municipal accounts in the cases of death, legal separation, divorce, etc. when necessary; and to

- Ensure that a fair portion of the equitable share, as provided by National Government, is utilized as a contribution to poverty alleviation.

4. LEGAL FRAMEWORK

The legal framework within to provide basic services, are in terms the Constitution of South Africa:

- Sect 152 (1) (b) – provision of services in sustainable manner,
- Sect 153 (b) – participation in national and provincial programs, and
- Sect 156 – powers and functions to be performed by the municipalities.

Section 74(2)(c) of the Systems Act, Act 32 of 2000 deals with the ability of the municipality to make provision for the provision of access to at least basic services for the poor households. Sect 118 of the same Act provides the powers to the Municipality to issue clearance certificates and to hold back those of owners who are in arrears.

It is also seen that Sect 151(1) (b) of the Constitution, read with Section 74(2) (c) of the systems act provides enough powers to the Municipality to subsidize the poor about other tariffs as well as to ensure that the household can maintain access to basic services when the head of the household should pass away.

5. DEFINITIONS

In this policy the under mentioned means, unless the context indicates otherwise-

"Bond expenditure" – Monthly interest and redemption payments on a bond registered in the name of the name of the head of the family, or his or her spouse on condition that the applicant(s) occupies the house.[1]

"Household" a family unit consisting of a head of the family, and his or her spouse.[2]

"Indigent household" a household that complies with the criteria as determined in section 6 of this policy.

"Income" All sources of income of a head of the family, and his or her spouse[3], for example salaries, allowances, pensions, rental and business income not limiting it to the examples mentioned, excluding state child support grants, care dependency grants, foster care grants or maintenance support.[4]

"Spouse" includes husband, wife or living partner, including traditional marriages.[5]

6. CRITERIA

Assistance is provided to households that meet the criteria as set out in 6.1, to old age homes that meet the criteria as set out in 6.2 and to schemes aimed at providing housing for the less privileged elderly as set out in 6.3.

6.1. The qualification criteria for urban households to receive assistance are as follow:

6.1.1. The head of the household must be a South African citizen;

6.1.2. An application on the prescribe form, fully completed with the required information and signed, must be provided;

6.1.3. The household, except in the case of rural households, must receive an account from the Municipality of Witzenberg;

6.1.3.1. If the municipal account is not in the name of the people residing in the house the following procedures may be followed:

6.1.3.1.1. An indigent application process to determine whether the household qualifies for benefits – if they qualify then:

6.1.3.1.1.1. A letter from the owner, or the executer of the estate, if applicable, authorising the municipality to open a service account in the name of the person residing in the house;

6.1.3.1.1.2. If the owner has died and an executer has not been appointed, all the children of the deceased must give permission with an affidavit that the account can be opened in the specific person's name;

6.1.3.1.1.3. In the case of municipal property, the housing committee will determine the lessee.

6.1.3.1.2. In exceptional circumstances the municipal manager can authorise the opening of an account in the name of the person residing on the premises. (When it is not possible to obtain approval from the owner/s or heir/s to open an account in the name of the people residing in the house)

1 Amended Council 28/03/2023.
2 Amended Council 30/05/2019.
3 Amended Council 30/05/2019.
4 Amended Council 28/09/2011.
5 Amended Council 30/05/2019.

6.1.3.1.3. The municipal manager is delegated to write off the old debt on the property if the property is transferred into the name of the beneficiary within 24 months after the approval of the indigent application.[6]

6.1.4. No member of the household, except in the case of rural households which resides on the farm where he/she works and is not the owner, may own a fixed property other that the site on which the household resides; and

6.1.5. The household joint gross income may not exceed the level of R 6,000.00[7] per month. The average monthly income for seasonal workers may be calculated by multiplying the monthly income with the number of months the person normally works and dividing the answer by 12. The monthly income for weekly wages may be calculated by multiplying the weekly wage by 4.3.[8]

6.1.5.1. The household income as per paragraph 6.1.5 may be reduced with the monthly bond expenditure.[9]

6.1.6. Two individual government pension (old age or disability) that exceeds the threshold as per 7.1 may qualify for the 100% benefit if it is the only household income.[10]

6.1.7. The municipal manager may approve a household as indigent in exceptional circumstances.[11]

6.1.8. As a pre-requisite the municipality will install water demand management meters free of charge at indigent properties as a prerequisite to be registered as an indigent and all water leaks on the property will be repaired by the municipality at the cost of the municipality.[12]

6.1.9. No applicants who have a mobile shop in their erven (whether they are the owner or operator of the shop or not) is eligible for any Indigent benefit;[13]

6.1.10. No Indigent application will be approved if any illegal trading is conducted on the property;[14]

6.1.11. Where there is a business operated by the main account holder or their spouse/ life partner, an affidavit must be accompanied stating that the income (profit) from the business is not more than the thresholds of the Indigent (100% or 50%) subsidy. Where discretion regarding this matter is needed, the application is to be referred to the Municipal Manager or Director Community Services for approval.[15]

6.1.12. The households on the Eskom list for free electricity units automatically qualify for full indigent benefits.[16]

6.1.13. The households in informal areas qualify for full indigent benefits which excludes free basic electricity.[17]

6.2. The qualification criteria for old age homes to receive assistance are as follow:

6.2.1. More than 50% of the residence within the old age home must receive less than R 5,000[18] income per month; and

6 Amended Council 08/10/2021
7 Amended Council 16/05/2024
8 Amended Council 08/10/2021
9 Amended Council 28/03/2023.
10 Amended Council 30/05/2019, Amended by Council 08/10/2021
11 Amended Council 30/05/2017.
12 Amended Council 27/05/2020.
13 Amended Council 08/10/2021
14 Amended Council 08/10/2021
15 Amended Council 08/10/2021
16 Amended by Council 28/01/2026
17 Amended by Council 28/01/2026
18 Amended Council 16/05/2024

6.2.2. An application on the prescribe form, fully completed with the required information and signed, must be provided.

6.3. People residing in approved schemes aimed at providing housing for the less privileged elderly will qualify automatically for the full indigent benefit.:

6.3.1. Maple Park
6.3.2. Moredou
6.3.3. Hamlet Selfsorg oord.
6.3.4. Other schemes approved by council.[19]

7. BENEFITS

All benefits are awarded in the form of free use consumption tickets or as a subsidy on the municipal account.

The following benefits are available for:

7.1. Households with a joint monthly gross income less bond cost, not exceeding R 5,000.[20]

7.1.1 Property rates

In terms of the Property Rates Act, Act 6 of 2004, section 17(h) all residential sites are exempt from the first R 15,000 of the market value on property. As additional subsidy the Municipality will increase this level to R135 000 by means of a subsidy in the form a credit on the municipal account. This subsidy will be equal to the smallest of R 135 000 market value or the total valuation of property.[21]

7.1.2 Electricity

A subsidy equal to the amount charged for the first 50 kWh consumed per month.

7.1.3 Water

A subsidy equal to the amount charged for the first 10[22] kilolitres consumption per month as well as 100% subsidy on the basic charge for water, where the Municipality is the service providers.

7.1.4 Sanitation

A subsidy equal to 100% of the amount charged for the service per month where the Municipality is the service provider.

7.1.5 Refuse removal

A subsidy equal to 100% of the amount charged for the service per month where the Municipality is the service provider.

7.1.6 House rental

A subsidy equal to 100% of the amount charged in the case of municipal sub economical rental stock as house rental per month.

7.1.7 Graveyard costs

19 Amended Council 08/10/2021
20 Amended Council 16/05/2024
21 Amended Council 30/05/2023
22 Amended Council 30/05/2025

A subsidy equal to 100% of the amount charged for graveyard cost. The subsidy can be in terms of every deceased member of the household and minor dependents.

7.1.8 Transfer costs

7.1.8.1. A subsidy equal to 100% of the amount charged for transferring the municipal services accounts as a result of death of the head of the household. In the event of separation or divorce, the person who is residing at this plot, qualifies for the subsidy on transfer costs. This household is also exempt from making a consumer deposit or to increase the existing deposit.

7.1.8.2. A subsidy equal to 100%, but limited to R 5000.00[23] of the costs of an attorney to transfer the property into the spouse name, as a result of death of the head of the household whilst approved as an Indigent household and the current, registration is not in both parties' name registered in the deeds office. The appointment of the attorney is entirely the prerogative of the Municipality.

7.2. Households with a joint monthly gross income less bond cost, between R 5,000 and R 6,000.[24]

7.2.1. Property rates

In terms of the Property Rates Act, Act 6 of 2004, section 17(h) all residential sites are exempt from the first R 15,000 of the market value on property. As additional subsidy the Municipality will increase this level to R135 000 by means of a subsidy in the form a credit on the municipal account. This subsidy will be equal to the smallest of R 135 000 market value or the total valuation of property.[25]

7.2.2. Electricity

A subsidy equal to 100% of the amount charged for the first 25 kWh consumed per month, where the Municipality is the service provider.

7.2.3. Water

A subsidy equal to 100% of the amount charged for the first 5[26] kilolitres consumption per month as well as 50% subsidy on the basic charge for water, where the Municipality is the service provider.

7.2.4. Sanitation

A subsidy equal to 50% of the amount charged for the service per month where the Municipality is the service provider.

7.2.5. Refuse removal

A subsidy equal to 50% of the amount charged for the service per month where the Municipality is the service provider.

7.2.6. House rental

A subsidy equal to 50% of the amount charged in the case of municipal sub economical rental stock as house rental per month

7.2.7. Graveyard costs

23 Amended Council 08/10/2021
24 Amended Council 16/05/2024
25 Amended Council 16/05/2024
26 Amended Council 30/05/2025

A subsidy equal to 50% of the amount charged for graveyard cost. The subsidy can be in terms of every deceased member of the household and minor dependents.

7.2.8. Transfer costs

7.2.8.1. A subsidy equal to 50% of the amount charged for transferring the municipal services accounts as a result of death of the head of the household. In the event of separation or divorce, the person who is residing at this plot, qualifies for the subsidy on transfer costs. This household is also exempt from making a consumer deposit or to increase the existing deposit.

7.2.8.2. A subsidy equal to 50%, but limited to R 5000.00[27] of the costs of an attorney to transfer the property into the spouse name, as a result of death of the head of the household whilst approved as an Indigent household and the current registration is not in both parties name registered in the deeds office. The appointment of the attorney is entirely the prerogative of the Municipality.

7.3. The rebates in terms of sections 7.2.2', 7.2.3, 7.2.4, 7.2.5 and 7.2.6 is subject to the payment of the municipal account by the applicant. The accounts will be monitored on regular intervals and if it is found that the applicant failed to pay the monthly account, the rebates may be stopped.

7.4. Old age Homes

7.4.1. Electricity

A subsidy equal to 10% of the amount charged for the service per month

7.4.2. Water

A subsidy equal to 81.2% of the amount charged for the service per month

7.4.3. Sanitation

A subsidy equal to 59% of the amount charged for the service per month.

7.4.4. Refuse removal

A subsidy equal to 33% of the amount charged for the service per month.

7.5. The municipal manger is delegated to write off all outstanding debt on indigent accounts as at 30 September 2021 and all outstanding debt of new approvals as a once off benefit.[28]

7.6. If an applicant failed to pay the monthly account, 30% of prepaid electricity purchases may be utilised as payment on the municipal account.[29]

8. RESTRICTIONS / LIMITATIONS ON INDIGENT RELIEVE:[30]

8.1. The water meters of indigents who consumed in excess of 6 kilolitre water per month and do not pay regularly for the excess can be replaced with water management meters, and the consumption can be limited to a minimum of 200 litres per day (6 kilolitres per month);

27 Amended Council 08/10/2021
28 Amended Council 08/10/2021
29 Amended Council 08/10/2021
30 Amended council 28/09/2011

8.2. The electricity meters of indigents who consumed in excess of 50 kWh units of electricity per month and do not pay regularly for the excess can be replaced with split prepaid meters and the connection can be limited to a minimum of 40 Amps;[31]

8.3. The cost of the replacement meters will be borne by the municipality.

9. ADMINISTRATIVE PROCEDURES

9.1. Organizational Structure

The organizational structure dealing with assistance to the poor is split in decision making and execution.

The decision making component will consist of the elected councillors in the Finance Committee, with the execution unit being the advisors of the committee.

Responsibilities of the Committee:

This committee will ensure that recommendations be made with regard to:
- Policy changes;
- Monitoring of the assistance provided; and
- Serve as the dispute handling committee.

The execution portion will be dealt with by the Social and Economic Development unit of Witzenberg Municipality.

Responsibilities of the unit will include at least:

- Assist households with applications;
- Consider applications according to criteria
- Approve applications;
- Ensure implementation of approved applications;
- Keep administrative record of all applications,
- Assist in reconciling information with the financial system; and
- Prepare monitoring reports.

9.2. Application Procedure – First/new applications

9.2.1. The head of the household, if not the municipal account holder supported by the municipal account holder, must apply for the subsidy in person. The onus to apply is placed on the head of household.

9.2.2. The application must be on the prescribe application form. Attached as Annexure 12.1.2.

9.2.3. The application form must at least include the following documents:

9.2.3.1. Copy of the latest municipal accounts, where applicable;
9.2.3.2. Copy of the head of the household identification document and in the case of not the account holder the account holder documentation;
9.2.3.3. Copy of the deceased identification and death certificate documents, where applicable;
9.2.3.4. Proof of income, certified by employer as a true reflection, if applicable;
9.2.3.5. Copy of the pension card, UIF card, or interest certificate, etc., if applicable;
9.2.3.6. An affidavit that certifies that the information provided is the truth and nothing but the truth. (Attached as Annexure 12.1.3)

31 Amended Council 08/10/2021

9.2.3.7. Copy of the last three months' bank statements when required; and
9.2.3.8. Additional information such as tax information or other information may be requested as mandatory for the indigent application process.[32]

9.2.4. The municipality acknowledged the fact that support must be offered in order to ensure access to the subsidy. For this purpose, a unit is in tack to assist the poor. All applications must be lodged at this unit, called the Social & Economic Development unit of Witzenberg Municipality.

9.2.5. The Municipality reserves the right that an official of the unit may visit the household residing place in order to establish or confirm the information provided.

9.2.6. The Municipality reserves the right to verify information received by means of ITC checks.[33]

9.2.7. The Municipality undertakes to remind the household, ±two months prior to expiry of the approval, of the expiry. The non-receiving of the notice in the form of a house visit, letter or via the municipal account will not place the responsibility on the Municipality to ensure re-application.

9.2.8. Elderly people and or people with medical conditions may apply for house visits for application purposes.[34]

9.2.9. No credit control measures will be implemented for a period of two months from date of application, to allow for the follow up and consideration of the application.[35]

9.3. Renewal procedure[36]

9.3.1. For renewal purposes the application procedure may be replaced by an affidavit stating:

9.3.1.1. There have been no changes in the income of the household;
9.3.1.2. The households' income is still below the monthly thresholds as per the municipal indigent policy;
9.3.1.3. That the person making the affidavit acknowledge that it is a criminal offence to make a false declaration.

9.3.2. Where the applicant(s) are 60 years and older and their application has been approved they only need to provide proof of living for the renewal of their benefits.[37]

9.4. Measurement and duration of applications for approval

9.4.1. Measurement whether the application qualify in terms of the criteria as set in section 6 is based on the information as on the date of the application. The municipality reserves the right to lodge their own investigation in order to ensure compliance with the criteria.

9.4.2. An approved application is valid for a period of twelve months.

9.4.3. If an applicant's financial position changes and it is of a permanent nature the applicant must inform the Municipality of the change. If the change affects the household in such a manner that it no longer meet the criteria as set in section 6 the approval will automatically stop.

9.4.4. The onus rest with the applicant to inform the Municipality of any such changes.

9.4.5. The approval will stop automatically two months after the head of the household passed away. If the household left behind is still financially in the same position the subsidy must be transferred to the new head of the household. The onus to apply is placed on the new head of the household.

32 Amended Council 08/10/2021
33 Amended Council 30/05/2019
34 Amended Council 08/10/2021
35 Amended Council 08/10/2021
36 Amended Council 08/10/2021
37 Paragraph 9.3.2 Added by Council 30/05//2022

9.4.6. Where the applicant is deceased the surviving next of kin (husband/wife/child/grandchild) have to apply as the new head of the household.[38]

9.4.7. The applicant must:[39]

- indicate that the owner is deceased;
- attached an affidavit (declaration) that he or she is the person to whom the house has been allocated to in the estate;
- If there is no estate, all surviving next of kind have to give consent to the applicant to occupy the estate property.

10. DISPUTES

Any dispute based on the administrative process or approval of an application will be dealt with by the Finance Committee. The Committee may call the applicant to put their dispute in words or ask the applicant to put it in writing. The Social and Welfare unit must be afforded to provide the committee with documentary proof of the process followed and or reasons for the decision made. The committee may not include in their decision any deviation of this policy.

11. TERMINATION OF INDIGENT SUPPORT[40]

Indigent Support will be terminated under the following circumstances:

11.1. Death of account-holder.
11.2. Upon sale of the property.
11.3. When circumstances in the indigent household have improved in terms of a gross income exceeding the limit.
11.4. If the applicant is found to have furnished false information regarding indigent status.
11.5. If the household head owns ~~a business or~~[41] a second property or there is a business operated in the property.
11.6. If it is determined during a visit that the household does not meet the requirements any longer.[42]
11.7. If there is any illegal trading on the property.[43]

12. COMMENCEMENT DATE

This amended policy takes effect when approved by Council.

38 Paragraph 9.3.6 Added by council 27/05/2020
39 Paragraph 9.3.7 Added by council 27/05/2020
40 Added by council 27/05/2020
41 Amended Council 08/10/2021
42 Amended Council 08/10/2021
43 Amended Council 08/10/2021

8.3.2(a)

GOOD Witzenberg

jplrobyn@gmail.com

UNITE FOR CHANGE

11 December 2025

Our Ref: GOOD-WC024: Notice of Motion of Exigency: Deployment of Additional Lifeguards at Municipal Swimming Pools in Witzenberg.

Mr David Nasson
The Municipal Manager
Witzenberg Municipality
50 Voortrekker Street
Ceres
6835

Dear Municipal Manager

NOTICE OF MOTION OF EXIGENCY

This notice of motion exigency is hereby submitted in terms of rule 29 in terms of the Standing Rules and Order for the Meetings of Council and its Committees.

Background

On 03 December 2025, a tragic incident occurred in Prince Alfred Hamlet, Ceres, where a young child drowned in a farm dam situated not far from the municipal swimming pool.

The National Department of Rural Development and Land Reform in collaboration with Witzenberg Municipality invested R5.5 million in the construction of the Prince Alfred Hamlet community swimming pool, officially opened on 13 December 2013, as part of the Departmental Comprehensive Rural Development Programme (CRDP). The stated purpose was to uplift rural livelihoods and create vibrant, equitable, and sustainable rural communities.

Current municipal policy requires that children under the age of 12 must be accompanied by a parent or guardian when accessing the municipal swimming pool. While well-intentioned, this requirement is impractical for many working parents who cannot take leave during weekdays to supervise their children.

During the current hot summer season, children naturally seek opportunities to swim. In this case, the absence of accessible supervision at the municipal pool led the child to swim in a farm dam, resulting in the fatal drowning.

Exigency

This Council cannot ignore the urgent need to safeguard the lives of children in our communities. The tragic death highlights a gap in municipal policy implementation and the necessity of immediate intervention. Rule 29 of the Standing Rules and Orders empowers Council to consider matters of urgency that affect the welfare of residents.

Proposal

It is hereby moved that:

1. **Deployment of additional lifeguards:** Witzenberg Municipality urgently deploy additional professionally trained lifeguards, equipped with first aid and emergency response training, at all municipal swimming pools.

2. **Supervision of underage swimmers:** Lifeguards be mandated to supervise and control access for children under age of 12, thereby reducing reliance on parental presence during working hours.

3. **Policy review:** Council initiate a review of the current admission policy to balance parental responsibility with municipal duty of care, ensuring equitable access for rural children.

4. **Community safety campaign:** A public awareness programme be launched to educate residents on safe swimming practices and the availability of supervised municipal swimming pool facilities.

Conclusion

This motion seeks to prevent further tragedies by ensuring that municipal swimming pools fulfill their intended purpose as safe, accessible, and supervised facilities for rural communities. The deployment of additional lifeguards is a practical, immediate, and life-saving intervention that aligns with the objectives of the CRDP and the constitutional duty of municipalities to protect and promote the welfare of their residents.

PROPOSED BY: KATRIONA ROBYN

SECONDED BY: KARRICK ALEXANDER

THIS MOTION OF EXIGENCY BE SERVED AT THE COUNCIL MEETING DATED 11 DECEMBER 2025.

THE END.

8.3.2(b)

WITZENBERG
Municipality • Munisipaliteit • UMasipala Wase

MEMORANDUM

AAN / TO: Municipal Manager

VAN / FROM: Director: Community Services

DATUM / DATE: 17 March 2026

VERW. / REF. : 8/1/R & 4/3/3/3

FEEDBACK ON NOTICE OF EXIGENCY BY COUNCILLOR K ROBYN: AMENDMENT OF BY-LAW PERTAINING TO SWIMMING POOLS AND APPOINTMENT OF ADDITIONAL LIFEGUARDS AT MUNICIPAL SWIMMING POOLS

PURPOSE

The purpose of this item is to report back to Council on the Notice of Motion of Exigency submitted by Cllr. K Robyn on 11 December 2025.

BACKGROUND

The Notice seeks Administration to consider the following as put out in the motion:

1. Deployment of additional lifeguards at all municipal swimming pools
2. Supervision by lifeguards of the children under the age of 12 years.
3. Policy review to allow children under 12 to use municipal swimming pools without parental supervision.
4. Community safety campaign.

After consideration of the notice Administration considers the following:

1. **Deployment of additional lifeguards at municipal swimming pools**

   Additional deployment of lifeguards during the peak season 15 December to 15 January. We currently deploy 28 lifeguards from October to April, with 4 to 5 lifeguards at each swimming pool. The number of lifeguards at all swimming pools are sufficient outside peak season.

The department will undertake an assessment at all pools to determine the need for additional lifeguards during the peak season.

2. **Supervision of children under the age of 12 years**

   Our lifeguards are fully occupied with the general supervision and safety in and around the swimming pools.

   According to the Children's Act , Act 38 of 2005 that make provision for the Parental rights and responsibilities of their children. In this case if children are visiting a swimming pool, it is the responsibility of the parent to make sure that their children are safe.

   Supervision of each child under 12 individually is not the responsibility of our lifeguards and would create liability concerns for the municipality. It is important that lifeguards are focused on their primary task.

3. **Review of policies**

   The department will consider the review of its policy.

4. **Community safety campaign**

   The Fire and Disaster Management Section will conduct safety campaigns in collaboration with other departments from August to October each year.

FINANCIAL IMPLICATIONS

The cost of the additional lifeguards will be determined by the number of additional lifeguards that will be needed for the peak period.

RECOMMENDATION

That in respect of

1. That Council takes note of the Notice of Motion of Exigency and the feedback from the department.
2. That the department be given time to do the assessment and the policy be reviewed and amended if necessary.

Report compiled by R Afrika
ACTING MANAGER: RESORTS AND SWIMMING POOLS

SJ SWARTZ
DIRECTOR:
COMMUNITY SERVICES

D NASSON
MUNICIPAL MANAGER

8.3.3

WITZENBERG MUNICIPALITY

WITZENBERG
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POLICY ON THE

EXPANDED PUBLIC WORKS

PROGRAMME

TABLE OF CONTENTS

A. GLOSSARY OF TERMS

- **Administrative Champion**

An official responsible for advocating and providing leadership and administrative support to EPWP in the municipality and represents his/her directorate/department in the EPWP Steering Committee.

- **Capital Expenditure (CAPEX)**

Expenditure used to create new assets or to increase the capacity of existing assets beyond their original design or service potential. CAPEX increases the value of an asset.

- **Demographic Characteristics of Workers**

The number of workers that fall within the following categories must be recorded:

- Youth (18 –35 years of age); Women; People with Disabilities; Women & Men over the age of 35

- **Eligible Public Bodies**

Those Public Bodies to whom an indicative incentive grant amount has been allocated in terms of the Division of the Revenue Act.

- **EPWP Project**

A project implemented using EPWP principles and guidelines.

- **Full Time Equivalent (FTE's) employment**

This Refers to one person's year of employment. One person year is equivalent to 230 per days of work. Person years of employment equals total number of person days of employment created for targeted labour during the year divided 230.

- **Impact on Unemployment**

A degree to which unemployment as measured are reduced as a result of the implementation of EPWP.

- **Labour Intensive Work Methods**

Labour-intensive Work Methods is the economically efficient employment of as great a proportion of labour as is technically feasible throughout the project process to achieve the standard demanded by the specification; the result being a significant increase in employment being generated per unit of expenditure.

- **Learnerships**

A Learnership is structured learning combining classroom learning and on-the-job training. Learnerships are registered and accredited by a SETA.

- **Participating Public Bodies**

Public bodies across National, Provincial and Local spheres of Government for whom a Full Time Equivalent work opportunities target has been set under the EPWP, in terms of the Implementation Protocol Agreement

- **Person Days of Employment**

An aggregate of the number of people who worked on a project multiplied by the number of days each person worked.

- **Project Budget**

The project budget is the approved as appeared in the SDBIP. It is the total expenditure for all EPWP projects inclusive of all the sectors, infrastructure, environment and social

- **Project Wage Rate**

Minimum Daily Wage Rate (whether task-rated or time rated) per individual project.

- **Wage bracket**

A wage range determined for each skill category.

- **Sector Coordinator**

A Senior Manager or Director appointed by the Municipal Manager to lead and coordinate all the activities of a particular sector e.g. infrastructure.

- **EPWP Steering Committee**

Body responsible for advocating and implementing EPWP in the municipality.

- **Training Person-Days**

The number of Training Person-days is the number of people who attended training multiplied by the number of days of training. A distinction must be made between accredited and non-accredited training person-days.

- **Work Opportunities (WO)**

Paid work created for an individual on an EPWP project for any period of time, within the employment conditions of the code of good practice for special public works programmes i.e. social sector projects, learnerships. Each period of employment will be counted as a job opportunity.

- **EPWP Demographics**

The number of job opportunities created for women, the youth and people with disabilities expressed as a ratio of the total number of job opportunities created for any given period, for each of the Sectors.

- **Incentive Grant**

Incentive grant paid to public bodies to incentivise employment creation under the EPWP. The incentive is paid per quantum of employment created for the EPWP target group and can be measured in FTEs.

B. ACRONYMS

CoGTA	Department of Cooperative Governance & Traditional Affairs
DOL	Department of Labour
DPW	Department of Public Works
DORA	Division of Revenue Act
DSC	District Steering Committee
ED	Executive Director of the Municipality is a senior municipal manager
EPWP	Expanded Public Works Programme
FTE	Full Time Equivalent
IDP	Integrated Development Plan
LIC	Labour Intensive Construction (Methods)
MIG	Municipal Infrastructure Grant
MIS	Management Information System
MM	Municipal Manager
MMC	Member of the Mayoral Committee
PSC	Provincial Steering Committee
PSCC	Provincial Sector Coordinating Committee
SCM	Supply Chain Management (Procurement Policies)
SETA	Sector Education & Training Authority
SMME	Small Micro and Medium Enterprises
WMA	Witzenberg Municipal area

1. Purpose of the EPWP Policy

The purpose of this Policy document is to provide a framework within which the Witzenberg municipality and its Departments to implement the Expanded Public Works Programme (EPWP). This policy document is aimed to provide an enabling environment for the municipality to increase the implementation of EPWP, through the re-orientation of the line budget function and channelling a substantial amount of its overall annual budget allocation and human resources towards the implementation of EPWP.

2. Policy Objectives

Through this policy the municipality is aimed to achieve the following objectives:

- To have EPWP as an approved delivery strategy for projects implementation, employment creation and skills development; by ensuring that EPWP guidelines and principles are adhered to in the implementation of any municipal project.
- To inform all Departments and Units within municipality on how their functions should contribute towards achieving the EPWP objectives; (clarifying the support function roles further within the municipality)
- To develop skills within communities through on-the-job and/or accredited training of workers and thereby developing sustainable capacity within communities, including enterprise development
- To maximize the percentage of the Witzenberg Municipality's annual total budget spent and retained within local communities by promoting the procurement of goods and services from local manufacturers, suppliers and service providers.
- To execute Witzenberg Municipality's EPWP within sound environmental management practices.
- To set the parameters for a streamlined wage bracket for each skill category

3. EPWP Overview

The Expanded Public Works Programme (EPWP) is a South African Government initiated programme and is implemented by all spheres of government, across four (4) defined sectors, namely the Infrastructure, Social, Non-State and Environment and Culture sectors. The Programme is co-ordinated by the National Department of Public Works (DPW), as mandated by Cabinet.

The National EPWP framework provides that local government develop an EPWP policy that is embedded within the Integrated Development Plan. The policy is expected to promote EPWP principles and the re-structuring of local government activities to facilitate and create greater employment opportunities per unit of expenditure. It further provides that EPWP projects and programmes must be identified within each department, which can be implemented using labour-intensive or community-based service delivery methods, with predetermined key deliverables over a given timeframe in the Infrastructure, Environment, Social & Non-State Sectors. The Local Economic Development Division in the Witzenberg Municipality will be responsible for coordinating and supporting the implementation of EPWP.

4. Legislative Framework

The development of this policy is guided by the following legislative and policy prescripts:

- The Constitution of South Africa (Act No.108 of 1996)
- The Public Finance Management Act (PFMA, 1999).
- Public Service Act (PSA, 1994).
- Municipal Finance Management Act (MFMA, 2003).
- Division of Revenue Act (DORA, 2006)

- The Municipal Systems Act (Systems Act, 2000)
- The Basic Conditions of Employment Act (BCEA, 1997).
- Skills Development Act (SDA, 1998)
- Cabinet Memo 2003 approving the implementation of EPWP
- EPWP Phase 5 Implementation Plan, 2024
- Ministerial Determination and the Code of Good Practice for Expanded Public Works Programme.
- Expanded Public Works Programme (EPWP) Institutional Arrangement Framework, (2012).

5. Objectives of the Expanded Public Works Programme

The Expanded Publics Works Programme is about the reorientation of line function budgets so that the expenditure by government results in increased employment opportunities and training, particularly for the unemployed and unskilled labour. The following main objectives of the programme, inter alia, to create an enabling environment to:

5.1 Create employment opportunities for the unemployed within local communities through the implementation of an EPWP implementation plan which collectively cuts across the different sectors inter alia, the Infrastructure, Social, Environmental and Economic Sectors.
5.2 Develop SMME's to execute EPWP work by facilitating the transfer of technical, managerial and financial skills through relevant SETA & DoL courses, in properly structured learnerships programmes.
5.3 Of the total annual budget spent, maximizes the percentage retained within the local communities in the form of wages. Promote the procurement of goods and services from local manufacturers, suppliers and service providers.
5.4 Develop skills within communities through EPWP training, by accredited training providers aimed at the developing sustainable skills and capacity within communities.
5.5 Using clearly defined key performance indicators – monitor, evaluate and report all EPWP initiatives, including those implemented using Provincial and National Government budgets.

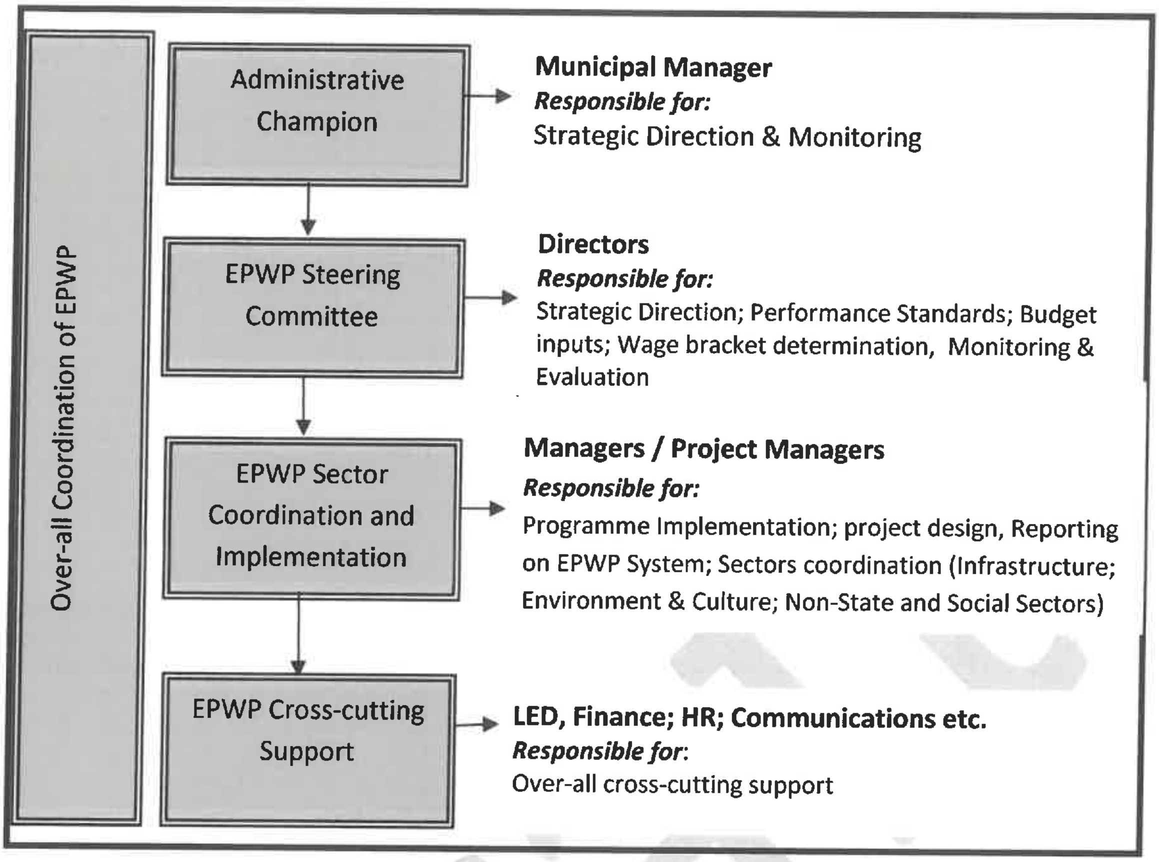
6. EPWP Institutional Arrangement within the Municipality

EPWP cuts across all the Departments and Units of the Municipality. Each Department will make a systematic effort to target the unskilled and unemployed. This include developing a plan to utilise budgets to draw significant numbers of the unemployed into productive work, in such a way that workers are given an opportunity to gain life and job specific skills while they work to increase their chances of getting out of the marginalised pool of unemployed people. The above mentioned must be leveraged with service delivery needs and objectives.

a. Organizational structure

The Municipality will have a functioning EPWP Coordinating structure responsible for the overall coordination of EPWP in the Municipality.

Figure 1: Municipal EPWP Coordinating Structure



b. Municipal Departments by sectors

There are 3 EPWP sectors under which a municipal project reside, namely:

- Infrastructure
- Environment
- Social & culture

All municipal projects reside under the above-mentioned sectors. The various municipal projects are crosscutting across the 3 EPWP sectors, according to the scope of each project. Therefore, a section of a Department can function in more than 1 EPWP sector.

The following Municipal Departments employ EPWP workers:

APPLICABLE EPWP SECTORS	DEPARTMENTS	DEPARTMENTAL UNITS
Infrastructure	Technical services	Water and Sewerage
	Technical services	Solid Waste
	Technical services	Electrotechnical Services
	Technical services	Streets and Stormwater
	Community Services	Resorts
	Community Services	Housing
	Corporate Services	Human Resources Unit
	Office of the Municipal Manager	Local Economic Development Unit

Environment	Community Services Community Services Community Services Technical Services Corporate Services	Facilities and Environment Housing Resorts Solid Waste Marketing & Communication
Social & Culture	Community Services Community Services Community Services Financial Services Corporate Services Corporate Services Office of the Municipal Manager	Social Services Resorts Fire Services Financial Administration Administration Marketing & Communication Local Economic Development Unit

7. EPWP Funding

The EPWP infrastructure projects are funded through:

- ✓ The Municipal Infrastructure Grant (MIG) allocated to municipalities by National Treasury through CoGTA.
- ✓ The Regional-Socio-Economic Projects (RSEP) fund
- ✓ Municipal Budget

As a municipality, line departments in all other sectors must allocate a portion of their annual budgets to service delivery projects that are identified as labour intensive and in line with EPWP principles and service delivery objectives. Municipal capital budgets and operational budgets must reflect the identified EPWP projects, targeting five (5) years of the multi-year municipal budgets in incremental percentages.

Other Sources of funding that will be used in the implementation of EPWP projects include:

- EPWP Integrated Incentive Grant
- EPWP Conditional Grant
- Equitable share
- Other Provincial & National Grants (CRDP etc.)

8. Roles and Responsibilities

8.1 Administrative Champion: The Municipal Manager

The Municipal Manager (MM) will:

8.1.1 Appoint the Director/Manager and or delegate functions of the overall coordination of EPWP to a particular Unit

- The appointed/delegated Director/Manager will ensure the effective coordination and monitor the implementation of EPWP within the Municipality; assist and mobilise Departments within the Municipality to meet their targets.

8.1.2 Ensure that all the Directors coordinate EPWP as a function in their respective Departments

- The Directors will ensure that the EPWP is incorporated in the development plan of the Municipality and also ensure that the Municipal Departments incorporate EPWP FTE targets into their programme plans.

8.1.3 Facilitate the inclusion of EPWP as an agenda item on Council meetings when required

8.2 Role of the Council

In terms of the Witzenberg Municipality EPWP policy the Council is responsible for:

- Monitoring on the implementation of the Expanded Public Works Programme

8.3 EPWP Steering Committee

The overall coordination of all Witzenberg Municipality's EPWP is the responsibility of the EPWP Steering committee as outlined in the table below:

MUNICIPAL STRUCTURE	EPWP STEERING COMMITTEE	SECTOR RESPONSIBILTY
Infrastructure	Director: Technical Services	Infrastructure
Corporate Services	Director: Corporate Services Manager: Human Resources	Learnership & Training, Human Resources
Finance	Director: Finance	Finances
Community Services	Director: Community Services	Sectors: Social & Culture Environment
Office of the Municipal Manager	Manager: Local Economic Development (EPWP Champion)	Sectors: Encompassing all sectors

The EPWP Steering Committee will be responsible for the strategic direction of EPWP in the Witzenberg Municipality.

The EPWP Steering Committee will appoint their own Chairperson that will provide leadership, guidance and administrative support to the EPWP Implementation Group. The EPWP Steering Committee will nominate the EPWP Training Coordinator, who will in conjunction with the Manager: Local Economic Development, identify and implement appropriate training in terms of market related and on-the-job/project training for EPWP workers in order to perform their duties more efficiently and to aid in exit strategies for EPWP's in the marketplace and entrepreneurial ventures.

8.3.1 Roles and Responsibilities

8.3.1.1 The Director: Finance, Director: Corporate Services, Director: Community Services, Director: Technical Services or respective nominees will be administrative EPWP Champions in their respective Departments.

8.3.1.2 Endorse EPWP projects for the whole municipality.

8.3.1.3 Will ensure sufficient budget allocation in order that EPWP targets will be met

8.3.1.4 Set targets and performance standards, as well as deliberating on targets provided by the Department of Public Works.

8.3.1.5 To scrutinize the EPWP departmental implementations plans and revise annually.

8.3.1.6 To ensure the ongoing achievement of the EPWP objectives across all departments and sectors.

8.3.1.7 To ensure that information on the extent and impact of the EPWP is communicated to Council, Senior Management and relevant stakeholders.

8.3.1.8 To enforce an effective monitoring and evaluation system for EPWP in the Witzenberg Municipality

8.3.1.9 To ensure compliance of all legislative and policy framework for EPWP including the Ministerial Determination: Expanded Public Works Programme and Codes of Good Practices: Special Public Works Programme and provisions of the Basic Conditions of Employment Act

8.3.1.10 To revise and give guidance to EPWP wage guidelines

8.3.1.11 Providing input to the EPWP Policy and reviews

8.4 EPWP Implementation Group

The Implementation Group will consist of Managers, Project Managers and relevant staff members of relevant Departments responsible for the implementation of EPWP in the Witzenberg Municipality.

8.4.1 Roles and Responsibilities

Within the EPWP Implementation group, the following roles and responsibilities must be fulfilled:

8.4.1.1 Plan sector training and capacity building, which includes identification of training needs for each sector and linking training to projects.

8.4.1.2 The planning, design, packaging and budget allocation of EPWP compliant projects.

8.4.1.3 Assist the Steering Committee with the setting of targets and performance targets for EPWP.

8.4.1.4 Providing input & implement Witzenberg Municipality EPWP sectors plans and related initiatives.

8.4.1.5 Liaison with the LED Unit for the identification of beneficiaries in EPWP projects from the Municipal unemployment database.

8.4.1.6 Project Managers/Implementers to provide timeous submission of project data for capturing by the Data Capturer via the LED Unit as part of project registration in the online EPWPRS (Expanded Public Works Registration System)

8.4.1.7 Providing input for EPWP Policy reviews

8.4.1.8 Compile EPWP sectors plans for inputs by the Steering Committee where applicable.

8.4.1.9 Provide tender specification information to Supply Chain Management to ensure where possible tender specifications include labour intensive work methods.

8.4.1.10 Liaison with National and Provincial Departments and District Municipality and represent the Witzenberg Municipality on all relevant forums related to EPWP (e.g. EPWP District Forum, Sector Meetings and Provincial Steering Committee, EPWP Summits, Conferences etc.) and prepare and submit reports.

8.4.1.11 In conjunction with the Skills development unit of the Human Resources section, identify projects which are suitable for inclusion of training for formal EPWP learnerships/apprenticeships,

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capacitation and possible entrepreneurial ventures in alignment with the LED Strategy and the Training & Development Policy of Witzenberg Municipality.

9 EPWP Phase 5

9.1 Overview

The EPWP Phase 5 Objective is to provide the unemployed poor with meaningful work opportunities through the delivery of community assets and services and actively build economic inclusion mechanisms that empower sustainable livelihoods and contribute to the country's development agenda. An EPWP implementation plan was developed to achieve the 5 million work opportunities target in Phase V as approved by Cabinet.

As such, EPWP projects:

- Create a safety net for the vulnerable and unemployed poor by providing a minimum level of income support for a minimum duration of time.
- Provide meaningful work opportunities and experience that transfers fundamental work skills to participants that improves their future employability.
- Leverage existing funding to implement government's service delivery mandate through creation of work.
- Build into their design enabling interventions that enhances the capacity skills and agency of the poor and actively supports pathways out of poverty and economic inclusion.

The following is the focus areas of EPWP Phase 5:

- Upscaling the WO and FTE opportunities per sector within the Municipality while keeping in mind the targets set out by NDPW
- Improving exit strategies including training and Enterprise Development: Entrepreneurship, Apprenticeships and training aimed at empowering the youth to enter the work market.
- Sustainability in the form of Green Jobs for example recycling.
- Focus on the National Ministers' priority areas: block paving (paving of roads), road maintenance& Green energy
- Recruitment processes & methods of identifying beneficiaries, with a focus on communication to the public, community understanding of EPWP, fairness and accessibility
- Data management for target verification purposes
- Training to equip all EPWP participants with skills and support to transition to permanent employment Enterprise development as an exit strategy, in order that EPWP will strive to develop more permanent employment opportunities for EPWP participants by providing them with the support they need to start their own businesses.

9.2 Targets

9.2.1 Phase 5 Municipal performance targets

The total WO& FTE target for Witzenberg Municipality for Phase 5 that must be reached by end of 2028/2029 is: 1933 WO's and 586 FTEs. These targets are given to Witzenberg Municipality by the National Department of Public Works. Below is the breakdown per financial year (including 2024):

		2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	TOTAL
WITZENBERG INFRA	WO	92	96	99	103	107	**497**
	FTE	29	30	32	33	34	**158**
WITZENBERG ENVIRO	WO	223	230	237	244	251	**1 186**
	FTE	57	59	61	62	64	**303**
WITZENBERG SOCIAL	WO	50	50	50	50	50	**250**
	FTE	25	25	25	25	25	**125**
WITZENBERG TOTAL	**WO**	365	376	386	397	408	***1933***
	FTE	111	114	117	120	123	**586**

10 EPWP Sectors overview

The Expanded Public Works Programme is divided in different sectors (according to functions) and the following four sectors have been developed which is implemented by all three levels of Government: Infrastructure, Environment & Culture, Social and the Non-State Sectors. Each sector will develop and be responsible for implementing its individual sector plans and ensure EPWP compliance in terms of the respective national sector EPWP guidelines.

NAME OF SECTOR	PROGRAMMES THAT FALL UNDER THE SECTOR
Environment and Culture Sector	• Sustainable land-based livelihoods (greening, working for water & wetlands etc.) • Waste management (working on waste, food for waste) • Tourism and creative industries (working for tourism) • Parks and beautification (people and parks, Cemetery Maintenance) • Sustainable energy (working for energy)
Infrastructure Sector	• Road construction and maintenance • General construction and maintenance • Storm water programmes (storm water drainage systems) • Water and sanitation projects • National youth services (aimed at artisan trades in the built environment). • Vukuphile programmes (Learnership aimed at training and developing contractors and supervisors in labour-intensive methods). • Large Projects (projects with a value of greater than R 30 million labour-intensively). • All infrastructure related programmes.

Social Sector	• Community safety programmes (crime reporting, crowd control, school patrol, disaster emergency response, fire fighting, floods Impact support and community safety officials) • Home community based care (home community based care Services (TB, HIV/Aids) and pharmaceutical assistants, • Early Childhood Development (early childhood development, homework services, literacy programs, peer education, social issues awareness and career guidance) • Sports and recreation (life guards, sports academy, seasonal employment: holiday resorts and nature reserves) • Support Services (To provide entry-level support, especially to unemployed graduate youth key social programmes. • National School nutrition • Mass participation programme (the provision of school and community sports activities to children and adults).
Non-State Sector	• The Community Works Programme (CWP) • Non-profit Organisations Programme (Non-state stakeholders are mobilised to create additional work opportunities through socially constructive activities).

11. Cross-Cutting Support Programmes:

11.1 Training Support

The municipality will optimise on various funding pockets for training for both officials and EPWP beneficiaries. These include the National Skills Fund (NSF) and the training of municipal officials on Labour Intensive methods. The last-mentioned aim to ensure that the municipal projects are designed and implemented labour intensively. Training can either be accredited on non-accredited.

11.2 Employment of Persons with Disabilities

The Municipality shall build an environment that supports and enables people with disabilities to fulfil to their maximum potential. This environment will ensure that people with disabilities are not discriminated against and are provided with equal access to EPWP opportunities. The principal will be dignified work that add value to both the beneficiary and the Municipality.

12. Project Identification& Design

12.1 Project identification

- Suitable projects will be identified by various Municipal Departments
- EPWP projects must be compliant to EPWP guidelines

12.2 Project Design

EPWP Sectors guidelines will be encouraged to be utilised at the initial projects design phase to ensure that the projects optimise the use of labour-intensive methods. Specific clauses related to the use of labour-intensive methods may be incorporated into tender/ contract documents under special condition of contracts, specifications and schedule of quantities. This includes minimum requirements for the use of local labour according to unskilled, semi-skilled and skilled.

13. EPWP Beneficiaries

The Municipality will prioritise the EPWP target groups during the recruitment of beneficiaries.

13.1 Requirements to qualify as an EPWP beneficiary

Below are the requirements to qualify as an EPWP beneficiary to work at Witzenberg Municipality:

- South African citizens with a valid ID.
- Residents of the Witzenberg Municipal area, having proof of a local address
- Residents of the designated area where an EPWP project is being implemented.
- Persons from municipal indigent households also qualify.
- Households with no income and not more than 2 individuals per household (preferably not on the same project).
- Individuals who receive a disability grant may also apply

The following persons do not qualify as an EPWP beneficiary to work at Witzenberg Municipality:

- ✓ Any person that is already permanently employed elsewhere
- ✓ Any person who has a medical condition making them unfit for work
- ✓ Any person aged 65 and above
- ✓ No person under the age of 18 years
- ✓ Employees dismissed for previous misconduct and has not completed their contractual term of office
- ✓ Any person not permanently staying at Witzenberg Municipality for 2 years

13.2 EPWP beneficiary identification

EPWP workers must only be identified from the municipal unemployment database, in accordance with the administrative approved Standard Operating Procedures.

13.3 EPWP Beneficiary contract application compliancy

All EPWP workers must have a signed contract by the Municipal Manager, together with a certified copy of ID, a valid bank statement indicating the local Witzenberg address and an EPWP screening form. Work must be project-based with a start and end date.

13.4 EPWP Beneficiary Wages

13.4.1 Wage category brackets

- Workers will be employed on a temporary basis on either an unskilled, semi-skilled or skilled wage bracket.
- The wages will be determined and evaluated annually by the EPWP Steering Committee, or as and when required.

13.4.2 Wage category definitions

- Unskilled workers are typically general workers with no qualification or previous experience needed
- Semi-skilled workers must have a minimum duration relevant experience. No need for a formal qualification or training. Requirements that are needed for the work must be met. The EPWP Steering Committee will determine the minimum duration relevant experience required.
- Skilled workers require a qualification and a minimum duration of relevant experience. Requirements that are needed for the work must be met. The specific wage depends on motivation which includes the

complexity of job required, role of the individual and worker being versatile & multi-skilled. The EPWP Steering Committee will determine the minimum duration relevant experience required.

13.4.3 EPWP beneficiary maximum working duration

- EPWP beneficiaries' contracts may be extended after they have lapsed within a financial year.
- EPWP employees are generally not allowed to work for more than 24 months consecutively.
- EPWP contracts may under special circumstances be renewed after 24 months, on a case-by-case basis and after a discretionary break period (as approved by the Municipal Manager). This contract renewal is based on considerations such as training received, experience or qualifications of the worker.
- Previous EPWP employees who are unemployed, may only return as EPWP workers 24 months after termination of contract. The above-mentioned is not applicable if the position is advertised.

13.4.4 Municipal work

- All work that are to be performed, must as far as possible compliment municipal mandate.
- EPWP employees are not to be utilised to work in any vacant municipal position
- EPWP employees may be required to perform reasonable tasks as required by the Department that might not be part of their contract

14 Conditions of Employment

EPWP beneficiaries will be employed under the conditions of employment stipulated in the Ministerial Determination and Code of Good Practice for EPWP. The Municipality will ensure that its projects fully comply with Labour Legislations such as Unemployment Insurance Fund (UIF), Compensation of Injuries and Diseases Act (COIDA), and Occupation Health and Safety Act (OHSA).

15 EPWP Incentives

The Municipal Manager will sign the Incentives Agreement with the National Department of Public Works in which the municipality agrees to receive and utilise the EPWP Incentive Grant on the basis of the stipulations, requirements, conditions and obligations assigned to the agreement.

16 Support from Province and National

- The Provincial Department of Transport and Public Works assist local Municipalities in regards to implementation progress, training, reporting and compliancy. Regular liaison occurs during District Forums
- National Department of Public Works will have a supportive role within the Cape Winelands District

17 Programme Performance indicators (PPIs)

The performance of the Municipality in the implementation of EPWP will be measured by these indicators:

- ❖ Work Opportunities (WO's) created
- ❖ Person-days of Employment (FTE)
- ❖ Project Budgets
- ❖ Person-Training Days

18 Reporting Process

The Municipality will adhere to Monitoring &Evaluation reporting processes by ensuring the following:

- Recording & capturing of data at project level using the EPWP reporting system or templates provided

19 EPWP Municipal Sector Plan

An EPWP Municipal Sector Plan must be drafted and submitted by the LED EPWP coordinator to the EPWP Unit of the Provincial Department of Public Works during each financial year.

During the drafting process of the Sector Plan, the EPWP Steering Committee may also be consulted for input. The approved EPWP Municipal sector plan must be monitored & evaluated during each financial year.

20 Endorsement of the Policy

The Witzenberg Municipality EPWP Policy will be endorsed by:

- EPWP Administrative Champion
- The EPWP Steering Committee,
- EPWP Implementation Group
- The Council of Witzenberg Municipality

21 Review of the Policy

The policy will be reviewed as and when required, as well as when a new EPWP Phase is incorporated from National Department Public Works.

22 Short title and commencement

This Policy is called the Witzenberg Municipality Policy of the Expanded Public Works Programme, 2026 and takes effect on date of Council resolution.

8.4.1

WITZENBERG
Municipality • Munisipaliteit • UMasipala Wase

M E M O R A N D U M

AAN / TO: Munisipale Bestuurder

VAN / FROM: Senior Bestuurder Regsdienste

DATUM / DATE: 19 March 2026

VERW. / REF. : 7/1/4/2

REQUEST TO THE COUNCIL TO CONSIDER THE PROPOSED LEASE OF THE TOLHUIS

1. PURPOSE

The purpose of this report is to request Council to consider leasing the Tolhuis to a prospective lessee, Ms Cezanne van Zyl, who has proposed to restore and develop the property at her own cost. Council is further requested to consider a long-term lease agreement and a deviation from market-related rental due to the substantial private capital investment required to restore the heritage structure and dilapidated restaurant building.

2. BACKGROUND

The Tolhuis located in Mitchell's Pass, forms part of the historical and cultural heritage of the Witzenberg area. The structure historically served as an important facility along the historic pass route and remains a recognisable landmark within the region.

Over the past few years, the property has deteriorated significantly and is currently dilapidated and vandalised. Members of the public regularly lodge complaints regarding the condition of the building, which has increasingly become an eyesore within the area. This is what the public sees even before entering our town.

It has further become a gathering point for undesirable activities, posing safety and security concerns for the surrounding community.

3. CURRENT CONDITION AND INFRASTRUCTURE LIMITATIONS

The property presents several infrastructure challenges that have historically made commercial operation difficult.

The property currently:

- does not have access to municipal electricity supply; One of the main obstacles remains the lack of electricity infrastructure. Approximately four years ago the estimated cost to extend electricity infrastructure to the property exceeded R1 million, and it is anticipated that this cost would have increased significantly since then.

- does not have access to municipal water infrastructure and relies on natural mountain water sources; and

- makes use of a septic system requiring periodic servicing.

Despite these limitations, the property was previously successfully operated as a business until the Covid-19 pandemic, when the previous lessees were forced to cease their business operations.

Since then, the building has remained vacant, and its condition has deteriorated.

4. PREVIOUS ATTEMPTS TO LEASE THE PROPERTY

Following the termination of the previous lease, the Municipality advertised the property through a formal procurement process in terms of the Municipality's Supply Chain Management Policy.

No successful award resulted from the tender process.

The Municipality has subsequently received a number of informal enquiries from interested parties over the years. However, these potential lessees indicated that they would only consider leasing the property if the Municipality first undertook extensive renovations and upgrades, and the installation of electricity.

5. HERITAGE STATUS OF THE BUILDING

The Tolhuis is regarded as a heritage structure and therefore any restoration, renovation or reconstruction must comply with the provisions of the National Heritage Resources Act as well as the requirements of the relevant heritage authority.

As a result, restoration work must be undertaken in accordance with recognised heritage conservation standards.

These heritage requirements significantly increase the cost of restoring the building.

6. PROPOSAL FROM A PROSPECTIVE LESSEE

A resident, of the Witzenberg municipal area has approached the Municipality with a proposal to lease the property and undertake the restoration and development of the site at her own expense.

The applicant brings a uniquely strong and well-rounded professional profile, with her extensive experience forming the cornerstone of the proposal. She holds formal qualifications in International Hotel Management and is also a qualified attorney specialising in commercial and labour law, enabling her to approach hospitality ventures with both operational expertise and strong governance oversight. Her eight years of international experience across Europe and the East have exposed her to a wide spectrum of the hospitality industry, including work in hotels, professional kitchens, luxury resorts, and yachts, where she developed a deep understanding of service excellence, operational discipline, and guest experience. In addition, she has successfully managed large-scale events of up to 19,000 attendees, demonstrating her ability to coordinate complex logistics and lead teams under pressure. Notably, she established and operated a highly successful restaurant in the Eastern Cape during the COVID-19 pandemic, growing it into a vibrant regional destination through strategic management and innovative programming. These combined experiences reflect not only her resilience and adaptability, but also her proven capability to develop, manage, and sustain a high-impact hospitality enterprise. Importantly, she is supported by a highly skilled family network that strengthens the viability of the project, including her brother, a mechanical engineer based in the United States, her father, an electrical engineer, and her mother, who has a professional background in finance, collectively providing valuable technical, financial, and strategic support to ensure the long-term success and sustainability of the venture.

The applicant proposes to privately fund the restoration and development of the property with an estimated capital investment of up to R6 million.

7. PROPOSED DEVELOPMENT PHASES

The proposed development will be implemented in phases as follows:

Phase 1 – Initial Phase – Year 1-2

Restoration of the Tolhuis building in accordance with heritage standards.

Establishment of a coffee shop and gift shop in the Tolhuis building.

Phase 2 – Year 2 to Year 4

Reconstruction of the former restaurant structure and the establishment of a restaurant facility. The proposed restaurant concept includes open fire cooking, with the long-term objective of developing the establishment into a destination restaurant that may attract regional and international visitors

Phase 3 – Year 5 onwards

Additional upgrades and further development of the property.

8. PUBLIC INTEREST AND MUNICIPAL BENEFIT

The proposed lease is considered to be in the public interest and provides several potential benefits to both the Municipality and the broader community.

Firstly, the proposed development will result in the restoration and preservation of a historically significant heritage structure, which may otherwise continue to deteriorate due to the lack of available municipal resources for restoration.

Secondly, the development will significantly improve the visual environment along Mitchell's Pass, which is an important scenic route within the municipal area.

Thirdly, the project has the potential to stimulate tourism and local economic activity, as the proposed coffee shop, restaurant and gift shop will attract visitors to the area and promote locally produced goods.

In addition, the development is expected to create employment opportunities for local residents over time, while simultaneously promoting the cultural and historical identity of the area.

Importantly, the proposed development will be funded through private capital investment, thereby reducing the financial burden on the Municipality while ensuring that the property is restored and maintained.

9. LEGAL AND REGULATORY FRAMEWORK

The proposed lease must be considered within the framework of the following legislation:

Local Government: Municipal Finance Management Act

Municipal Asset Transfer Regulations

The Municipal Asset Transfer Regulations allow a municipality to grant rights to use municipal capital assets, including through lease agreements, provided that such transactions are undertaken in a manner that is fair, equitable, transparent and in the best interest of the municipality.

Council may further take into account the economic development benefits and private capital investment associated with a proposed transaction when determining appropriate lease conditions.

10. FINANCIAL IMPLICATIONS

Should the Municipality elect to restore and develop the property itself, the cost is likely to amount to several million rand, particularly due to the heritage restoration requirements.

In addition, the Municipality would need to incur ongoing operational expenses to secure and maintain the property. The estimated cost of providing two security guards on a continuous 24-hour basis could amount to approximately R70 000 per month. This calculation is done on the current rates.

The proposed development would therefore reduce the financial burden on the Municipality while ensuring that the asset is restored and maintained through private investment.

11. RISK IMPLICATIONS

Failure to utilise the property may result in further deterioration of the structure, increased vandalism, and continued community dissatisfaction regarding the condition of the building.

Entering into a lease agreement with a private investor who undertakes to restore and maintain the building may significantly mitigate these risks.

12. RECOMMENDATION

It is recommended that Council consider the following:

1. That Council approves in principle the leasing of the Tolhuis situated in Mitchell's Pass to the prospective applicant, subject to the lease being advertised for comment, and objections before the conclusion of a formal lease agreement.

2. That Council considers the negotiation of a long-term lease agreement of up to 25 years, taking into consideration the significant capital investment required for restoration and development. That the long-term lease agreement be notarised and registered against the title deed, and the costs associated therewith shall be for the account of the lessee.

3. That Council considers a deviation from market-related rental, given the estimated private capital investment of approximately R6 million.

4. That a sliding scale rental structure be applicable, which may include a nominal rental during the initial restoration phases (year 1 to 5) and then rental equal to at least the insurance premium of the premises, which are covered by the Municipality.

5. That all restoration and development activities must comply with applicable heritage legislation and the requirements of the relevant heritage authority.

6. That the Municipal Manager be authorised to facilitate the necessary processes and sign the lease agreement.