



**MINUTES OF AN ORDINARY MEETING OF THE SWARTLAND MUNICIPAL COUNCIL HELD IN THE COUNCIL CHAMBER, MALMESBURY ON THURSDAY, 29 JANUARY 2026 AT 10:00**

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**PRESENT:**

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

**COUNCILLORS:**

Bess, D G (DA)	Penxa, B J (ANC)
Booyesen, A M (VF+)	Pieters, C (ANC)
Fortuin, C (ANC)	Pypers, D C (DA)
Gaika, M F (EFF)	Smit, N (DA)
Jooste, R J (DA)	Van Essen, T (DA)
Le Minnie, I S (DA)	Vermeulen, G (VF+)
Nel, M (DA)	Warnick, A K (DA)
Ngozi, M (ANC)	Williams, A M (DA)
Papier, J R (GOOD)	White, G E (PA)

Officers:

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

**1. OPENING**

The Speaker welcomed the Executive Mayor, Executive Deputy Mayor, aldermen and alderladies, councillors, officials and members of the public. A special word of welcome is addressed to the Senior Manager from the Office of the Auditor General, Ms G Schultz.

Pastor J Philander opened the meeting with scripture reading and prayer at the invitation of the Speaker.

The Speaker conveyed his congratulations to councillors and officials who have recently celebrated birthdays.

**2. LEAVE OF ABSENCE**

Leave of absence is granted to Cllrs, E C O'Kennedy and P E Soldaka.

**EXCERPT FROM MINUTES:**

**8. MATTERS FOR DISCUSSION**

8.4/...

#### 8.4 APPROVAL OF THE 2025/2026 MID-YEAR AND MTREF ADJUSTMENTS CAPITAL AND OPERATING BUDGETS (5/1/1/1, 5/1/1/2, 5/1/4)

The 2025/2026 Mid-Year and MTREF Adjustment Capital and Operating Budgets were discussed at a Budget Steering Committee Meeting held on 16 January 2026 and tabled to the Executive Mayoral Committee on 21 January 2026 for recommendations to Council.

The tabling of the adjustment budgets is made in terms of Section 28 of the MFMA, Act 56 of 2003 after the performance of the Municipality during the first half of the financial year was evaluated – refer item 8.3.

The Speaker brought the matter to a vote and it was decided (in the absence of two councillors) with 19 councillors in favour and two abstentions.

#### RESOLUTION

(proposed by Ald J Cleophas, seconded by Ald T van Essen)

- (a) That it be noted that the Budget Steering Committee convened to consider the explanations and motivations provided by the financial staff and other directors in a bid to advise the Executive Mayor on way forward;
- (b) Council to note that based on the latest guidance from NT, the capital expenditure to upgrade the electricity supply pertaining to Eskom's portion of the feed to the substation, is now regarded as operational expenditure and the grant funding as Construction Contract Revenue, resolving a necessitated reallocation in the adjustments budget;
- (c) Council to approve the R6 786 000 bridging finance of certain electrical infrastructure capital projects funded by CRR, due to the timing of the Integrated National Electrification Programme (INEP) grant that may differ from the municipality's financial year in the context of funding approval requirements by the Department and when the projects had to be implemented in the municipal context;
- (d) That approval be granted to amend the 2025/2026 MTREF capital projects as part of the consolidated capital program as per (**Annexure A-1: Adjusted 2025/26 MTREF Capital Budget**), including the amendments to the outer years for the Malmesbury De Hoop 132/11kV Substation project, to facilitate the required procurement process;
- (e) That council considers and approve the amended funding sources linked to council's capital program and take note that these funding sources are available and have not been committed for other purposes;

Table/...

FINANCING SOURCES	Original Budget 2025/26	Mid-Year Adj Budget 2025/26	Increase / (Decrease)	Adjusted Budget 2026/27	Adjusted Budget 2027/28
Capital Replacement Reserve (CRR)	143 511 923	138 530 034	(4 981 889)	144 869 611	163 511 318
External Loan	30 000 000	-	(30 000 000)	-	-
Municipal Infrastructure Grant (MIG)	25 405 000	25 405 000	-	27 293 000	28 388 000
Dept. of Infrastructure	58 112 132	89 405 296	31 293 164	38 657 000	103 110 672
Integrated National Electrification Programme (INEP)	17 821 124	-	(17 821 124)	-	21 811 000
Water Services Infrastructure Grant	17 044 000	17 044 000	-	-	-
Municipal Disaster Response Grant	-	7 443 610	7 443 610	-	-
Regional Socio-economic Projects	78 261	78 261	-	-	-
Fire Service Capacity Support Grant	478 261	478 261	-	-	-
Water Resilience Grant	1 304 348	1 304 348	-	-	-
Dept. Cultural Affairs and Sport	43 478	43 478	-	43 478	43 478
Western Cape Education Department (Private funding)	-	308 354	308 354	-	-
Donation	-	9 500	9 500	-	-
<b>GRAND TOTAL</b>	<b>293 798 527</b>	<b>280 050 142</b>	<b>(13 748 385)</b>	<b>210 863 089</b>	<b>316 864 468</b>
<b>MTREF Approved Budgets</b>				<b>224 945 089</b>	<b>310 171 191</b>

- (f) That council approves the adjustments (as it relates to Section 19) in respect of the projects listed in **(Annexure A-2: Capital Projects ito Sec 19)**;
- (g) That the following total amended expenditure by vote (per directorate) be approved, which includes both operating and capital expenditure per directorate (VOTE), in order that departments pro-actively prevent unauthorised expenditure;

2025/26 MTREF	Capital Expenditure by Vote				Operating Expenditure by Vote				Total Expenditure by Vote			
	ORGB	ADJUSTED MTREF			ORGB	ADJUSTED MTREF			ORGB	ADJUSTED MTREF		
	2025/26	2025/26	2026/27	2027/28	2025/26	2025/26	2026/27	2027/28	2025/26	2025/26	2026/27	2027/28
R thousands												
Vote 1 - Corporate Services	573	448	575	577	49 233	55 687	52 164	55 536	49 807	56 135	52 739	56 113
Vote 2 - Civil Services	143 991	152 493	116 213	145 139	431 330	429 799	451 042	472 550	575 321	582 293	567 255	617 690
Vote 3 - Council	12	12	12	12	25 469	25 414	26 504	27 629	25 481	25 426	26 516	27 641
Vote 4 - Electricity Services	88 166	35 110	48 092	66 635	559 645	584 030	656 652	643 261	647 810	619 140	704 743	709 896
Vote 5 - Financial Services	168	82	76	672	84 577	84 884	90 928	97 432	84 745	84 966	91 003	98 104
Vote 6 - Development Services	59 076	90 020	44 747	103 205	172 555	190 897	212 688	170 291	231 632	280 916	257 435	273 496
Vote 7 - Municipal Manager	12	42	12	12	11 298	11 682	11 910	12 679	11 310	11 724	11 922	12 691
Vote 8 - Protection Services	1 800	1 844	1 136	612	124 701	132 992	131 430	138 699	126 501	134 836	132 566	139 311
<b>Grand Total</b>	<b>293 799</b>	<b>280 050</b>	<b>210 863</b>	<b>316 864</b>	<b>1 458 809</b>	<b>1 515 385</b>	<b>1 633 317</b>	<b>1 618 077</b>	<b>1 752 608</b>	<b>1 795 435</b>	<b>1 844 180</b>	<b>1 934 941</b>

- (h) That approval be granted to amend the high-level Capital and Operating budgets for the 2025/2026 MTREF as per **(Annexure A and B: Adjusted 2025/26 MTREF Capital and Operating Budget)**, including the amendments to the outer years for the Malmesbury De Hoop 132/11kV Substation project, amongst other, to facilitate the procurement process;

Table/...

	Original Budget 2025/26	Mid-Year Adj Budget 2025/26	Adjustments	Original Budget 2026/27	Adjusted Budget 2026/27	Original Budget 2027/28	Adjusted Budget 2027/28
Capital budget	293 798 527	280 050 142	(13 748 385)	224 945 089	210 863 089	310 171 191	316 864 468
Operating Expenditure	1 458 809 231	1 515 384 860	56 575 629	1 576 228 890	1 633 317 290	1 618 076 969	1 618 076 969
Operating Revenue	1 606 490 727	1 725 538 886	119 048 159	1 676 968 153	1 676 968 153	1 777 306 422	1 777 306 422
<b>Budgeted (Surplus)/ Deficit</b>	<b>(147 681 496)</b>	<b>(210 154 026)</b>	<b>(62 472 530)</b>	<b>(100 739 263)</b>	<b>(43 650 863)</b>	<b>(159 229 453)</b>	<b>(159 229 453)</b>
Less: Capital Grants and Donations	120 565 734	141 838 438	21 272 704	86 861 478	65 993 478	153 353 150	153 353 150
<b>(Surplus)/ Deficit</b>	<b>(27 115 762)</b>	<b>(68 315 588)</b>	<b>(41 199 826)</b>	<b>(13 877 785)</b>	<b>22 342 615</b>	<b>(5 876 303)</b>	<b>(5 876 303)</b>

- (i) That approval be granted to extend the definition of free basic services relating to indigents in the Tariff file, to also include free bulk basic services to inhabitants of Council recognised informal settlements, not having a service connection in their name **(Annexure C: 2025/26 Tariff File Extract)** and therefore would not necessarily form part of the register of approved indigent households;
- (j) That it be noted that the changes to the operating budget will have no impact on tariffs in respect of the 2025/2026 financial year or outer years, but will result in an increased budgeted net surplus from R27 115 762 to a budgeted net surplus of R68 315 588 for 2025/2026;
- (k) That the adjusted budget schedules (B1 to B10) as required by the Budget and Reporting Regulations be approved as set out in **(Annexure D: Budget Report and B-Schedules 2025/26 – 2027/28)**;
- (l) That the Chief Financial Officer adhere to the requirements of the Budget Reforms in the context of the reporting requirements to Provincial and National Treasury;
- (m) That the Service Delivery Budget Implementation Plan (SDBIP) where appropriate, be amended accordingly.

**SIGNED:  
SPEAKER**