



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

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)

Officials:

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

1. OPENING

The Speaker welcomed the Executive Mayor, councillors, aldermen, officials and members of the public, and a special welcome to Ms G Schultz, the Senior Manager: Office of the Auditor General.

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

The Speaker conveyed his congratulations to councillors who have lately celebrated their birthdays.

2. LEAVE OF ABSENCE

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

3. DEPUTATIONS / STATEMENTS AND COMMUNICATIONS / PRESENTATIONS

3.1 PRESENTATION OF THE 2024/2025 AUDIT OUTCOMES BY THE OFFICE OF THE AUDITOR-GENERAL

A presentation was made by the Senior Manager: Office of the Auditor-General, Ms G Schultz, regarding the external audit outcomes of the 2024/2025 financial year.

Ms Schultz presents the following recommendations by the Office of the Auditor-General, namely:

- (1) With the support of management, the Municipal Manager, continues to exercise effective oversight, conduct regular reviews and to monitor compliance with applicable laws and regulations, with a particular focus on preventing irregular expenses. The desired outcome is that the municipality succeeds in achieving and maintaining a position where such expenditure is eliminated, in order to achieve progress along the continuum;
- (2) The municipality continues to develop detailed action plans to address the root causes of audit findings and resolve long-standing technical issues, specifically with regard to VAT on Library grants. The Council and the Audit Committee maintain ongoing reviews of action plans to ensure that the proposed actions are focused, actionable and able to achieve the desired outcomes. It is further essential to monitor the progress on implementation regularly in order to support the timely and efficient resolution of identified issues.

FOR INFORMATION

4. MINUTES FOR RATIFICATION

4.1 MINUTES OF AN ORDINARY COUNCIL MEETING HELD ON 30 OCTOBER 2025

RESOLUTION

(proposed by cllr D G Bess, seconded by ald J M de Beer)

That the minutes of an Ordinary Council meeting held on 30 October 2025 be approved and signed by the Speaker.

4.2 MINUTES OF A SPECIAL COUNCIL MEETING HELD ON 3 DECEMBER 2025

RESOLUTION

(proposed by cllr D G Bess, seconded by ald J M de Beer)

That the minutes of a Special Council meeting held on 3 December 2025 be approved and signed by the Speaker.

5. FEEDBACK ON RESOLUTIONS TAKEN BY THE EXECUTIVE MAYOR IN TERMS OF DELEGATED AUTHORITY

RESOLUTION

That notice be taken of the Executive Mayor's decisions in terms of delegated powers, as contained in the minutes below:

5.1 MINUTES OF AN ORDINARY MEETING OF THE EXECUTIVE MAYORAL COMMITTEE HELD ON 16 OCTOBER 2025

read with

MINUTES OF PORTFOLIO COMMITTEE MEETINGS HELD ON 8 OCTOBER 2025

5.2 MINUTES OF AN ORDINARY MEETING OF THE EXECUTIVE MAYORAL COMMITTEE HELD ON 19 NOVEMBER 2025

read with

MINUTES OF PORTFOLIO COMMITTEE MEETINGS HELD ON 12 NOVEMBER 2025

6. FEEDBACK ON RESOLUTIONS TAKEN BY THE MUNICIPAL MANAGER IN TERMS OF DELEGATED AUTHORITY

RESOLUTION

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

- 6.1 MINUTES OF A BID ADJUDICATION COMMITTEE MEETING HELD ON 1 OCTOBER 2025
- 6.2 MINUTES OF A BID ADJUDICATION COMMITTEE MEETING HELD ON 10 OCTOBER 2025
- 6.3 MINUTES OF A BID ADJUDICATION COMMITTEE MEETING HELD ON 15 OCTOBER 2025
- 6.4 MINUTES OF A BID ADJUDICATION COMMITTEE MEETING HELD ON 29 OCTOBER 2025

7. MATTERS ARISING FROM THE MINUTES

None.

8. MATTERS FOR DISCUSSION

8.1 PRESENTATION OF DRAFT ANNUAL REPORT: 2024/2025 FINANCIAL YEAR (7/1/1/1)

The 2024/2025 Draft Annual Report has been prepared in accordance with the format prescribed by MFMA Circular 63 dated 26 September 2012, and is presented to Council in terms of Section 127(2) of the Local Government: Municipal Finance Management Act, 2003 (MFMA, Act 56 of 2003).

The annual report includes, *inter alia* –

- (1) the financial statements;
- (2) audit report of the Auditor-General; and
- (3) the annual performance report.

RESOLUTION

(proposed by cllr I S le Minnie, seconded by cllr D C Pypers)

- (a) That cognisance be taken of the annual report in respect of the 2024/2025 financial year, as tabled in terms of section 127(2) of the MFMA, and of which the tabling is done in the format as prescribed by National Treasury's MFMA Circular 63 of 2012;
- (b) That cognisance be taken of the following steps to be taken in terms of section 127 of the MFMA, being
 - (i) disclosure of the annual report;
 - (ii) inviting the public to submit representations in connection with the report;
 - (iii) inviting the public and relevant organs of state to attend the council meeting on 31 March 2026, when the annual report and oversight report will be discussed;
 - (iv) submission of the annual report to the Auditor-General, provincial treasury and the provincial department responsible for local government;
- (c) That the MPAC, after the closing of comments on the annual report, undertake a detailed analysis of the representations received in order to compile the draft oversight report for consideration by the Council on 31 March 2026;
- (d) That councillors who are not members of the MPAC take note that they should also be conducting their own review of the report by *inter alia* having discussions with their constituents, ward committees and ward representatives to encourage inputs and comments for consideration at the full council meeting on 31 March 2026.

8.2 QUARTERLY REPORT (SECTION 52 OF MFMA), OCTOBER TO DECEMBER 2025 (7/1/1/2-2)

The presentation of the/...

8.2/...

The presentation of the quarterly report to Council is prescribed by Section 52(d) of the Local Government: Municipal Finance Management Act, Act 56 of 2003 (MFMA).

RESOLUTION

(proposed by cllr A K Warnick, seconded by ald T van Essen)

That cognisance be taken that the quarterly report was tabled at the MPAC on 27 January 2026 "and that the MPAC, by way of reporting to the Council, recommends that the Council takes note of the quarterly report as required by Section 52 of the Municipal Finance Management Act, Act 56 of 2003 in respect of the implementation of the budget as well as the performance against the Top Layer Service Delivery and Budget Implementation Plan of the municipality for the period 1 October to 31 December 2025".

8.3 MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT FOR THE 2025/2026 FINANCIAL YEAR (7/1/2/2-2)

Section 72(1) of the MFMA, Act 56 of 2003 stipulates that by 25 January of each year, the accounting officer must evaluate and submit to the Executive Mayor the performance of the Municipality during the first half of the financial year.

The Mid-Year Budget and Performance Report, prepared in line with the provisions of the Municipal Budget and Reporting Regulations (General Notice 393 as promulgated in the Government Gazette dated 17 April 2009), is presented.

RESOLUTION

(proposed by cllr I S le Minnie, seconded by cllr D C Pypers)

That cognisance be taken of the mid-year budget and performance assessment i.r.o. the first half of the 2025/2026 financial year and more specifically the need to revise the original budget by way of an adjustments budget.

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;

(b)/...

8.4/...

- (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;

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	-	-
GRAND TOTAL	293 798 527	280 050 142	(13 748 385)	210 863 089	316 864 468
MTREF Approved Budgets				224 945 089	310 171 191

- (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
Grand Total	293 799	280 050	210 863	316 864	1 458 809	1 515 385	1 633 317	1 618 077	1 752 608	1 795 435	1 844 180	1 934 941

- (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;

	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
Budgeted (Surplus)/ Deficit	(147 681 496)	(210 154 026)	(62 472 530)	(100 739 263)	(43 650 863)	(159 229 453)	(159 229 453)
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
(Surplus)/ Deficit	(27 115 762)	(68 315 588)	(41 199 826)	(13 877 785)	22 342 615	(5 876 303)	(5 876 303)

- (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.

8.5 CODE OF CONDUCT FOR COUNCILLORS: DECLARATION OF INTEREST (3/1/1)

The Code of Conduct for Councillors as contained in Annexure 7 of the Municipal Structures Act, stipulates, *inter alia*, that councillors must declare their interests on an annual basis, including gifts received by a councillor.

The 2023 Regulations stipulate that the interests must be declared for a calendar year and therefore councillors are required to declare interests for the period 1 January 2025 to 31 December 2025.

RESOLUTION

- (a) That councillors take cognisance of the requirements in terms of Item 6 to 8 of the Code of Conduct;
- (b) That councillors take cognisance that the nature or detail of the financial interests of a councillor referred to in Item 8 of the Code of Conduct for Councillors, must be **declared in writing to the Municipal Manager**, including gifts received by such councillor in excess of R1 000,00;
- (c) That cognisance be taken that the declaration referred to in paragraph (b) must be submitted to the Director: Corporate Services by no later than Wednesday 11 February 2026.

**SIGNED:
SPEAKER**