



MUNISIPALITEIT THEEWATERSKLOOF MUNICIPALITY

[28 MEI / MAY 2026]

RAADSVERGADERING / COUNCIL MEETING

NOTULE / MINUTES

28 MEI / MAY 2026

MUNISIPALITEIT THEEWATERSKLOOF MUNICIPALITY

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[28 MEI / MAY 2026]

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U. VERDAGING / ADJOURNMENT

THEEWATERSKLOOF MUNISIPALITEIT/ MUNICIPALITY

1

NOTULE VAN 'N RAADSVERGADERING GEHOU OP 28 MEI 2026 DIREK NA AFLOOP VAN DIE SPESIALE RAADSVERGADERING, IN DIE RAADSAAL MUNISIPALE KANTORE, CALEDON.

MINUTES OF A SPECIAL COUNCIL MEETING HELD ON 28 MAY 2026 DIRECTLY AFTER THE SPECIAL COUNCIL MEETING, IN THE COUNCIL CHAMBERS MUNICIPAL OFFICES, CALEDON.

A. OPENING EN VERWELKOMING

Die Voorsitter, Speaker W.H. Wells, verwelkom almal teenwoordig en wens die volgende raadslede geluk met hulle verjaarsdae: Raadslid MS Shale; Raadslid FO Ntantiso en Raadsheer M Plato-Mentoor.

OPENING AND WELCOME

The Chairperson, Speaker W.H. Wells, welcomes everyone present and wish the following councillors on their birthdays: Councillor MS Shale; Councillor FO Ntantiso and Alderman M Plato-Mentoor.

B. VERKIESING VAN WNDE SPEAKER (INDIEN NODIG)/ ELECTION OF ACTING SPEAKER (IF NECESSARY)

Nie van toepassing nie / Not applicable.

C. BYWONINGSREGISTER/ATTENDANCE REGISTER

C.1 Teenwoordig/Present Raadslede/Councillors

Raadsheer/Alderman CC Clayton
Raadsheer/Alderman WH Wells
Raadsheer/Alderman DA Appel
Raadslid/Councillor CA Benjamin
Raadslid/Councillor M Botes
Raadslid/Councillor CT Cloete
Raadsheer/Alderman S Fredericks
Raadslid/Councillor M Gana
Raadslid/Councillor DA Jacobs
Raadslid/Councillor D Jooste
Raadslid/Councillor H Linnerts
Raadslid/Councillor JD Lekhori
Raadslid/Councillor TP Lemina
Raadsheer/Alderman BB Mkhwibiso
Raadslid/Councillor M Mpambani
Raadslid/Councillor MA Nomkoko

Raadsheer/Alderman MR Nongxaza
 Raadslid/Councillor FO Ntantiso
 Raadslid/Councillor V Papier
 Raadsheer/Alderman M Plato-Mentoor
 Raadslid/Councillor MS Shale
 Raadslid/Councillor J Smit
 Raadslid/Councillor C Smith
 Raadslid/Councillor P Stander
 Raadslid/Councillor YM van Tonder
 Raadslid/Councillor TB Zimmermann

Amptenare / Officials

Mnr./Mr GW Hermanus	(Wnde Munisipale Bestuurder) (Acting Municipal Manager)
Me./Ms N Baliso	(Direkteur: Ekonomiese Ontwikkeling en Beplanning) (Director: Economic Development and Planning)
Mnr./Mr WSE Solomons-Johannes	(Direkteur: Gemeenskapsdienste) (Director: Community Services)
Mnr./Mr A Riddles	(Wnde Direkteur: Finansies) (Acting Director: Finance)
Mnr./Mr H Matthee	(Direkteur: Tegnyiese- en Infrastruktuur Implementeringsdienste) (Director: Technical- and Infrastructure Implementation Services)
Mnr./Mr E Albertus	(Arbeidsverhoudinge Beampte en Regsdienste) (Labour Relations Officer and Legal Services)
Me./Ms M Faul	(Bestuurder: Korporatiewe Dienste) (Manager: Corporate Services)
Me./Ms. F Ngxowa	(Assistent Vertaler) (Assistant Translator)
Mnr./Mr. R de Lange	(Tydelike aanstelling in die Kantoor van die Munisipale Bestuurder) (Temporary appointment in the Office of the Municipal Manager)
Me/Ms L Kilowan	(Senior Admin Beampte: Raadslidondersteuning) (Senior Admin Officer: Councillor Support)
Me./Ms T Michel	(Kommunikasiebeampte) (Communications Officer)
Me./Ms D Pheiffer	(Tydelike aanstelling – Intern) (Temporary appointment – Intern)

C.2 Aansoek(e) om verlof tot afwesigheid: **Application(s) for leave of absence:**

Rdsh/Aldm LM de Bruyn	Siekverlof / Sick leave
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Afwesig sonder verskoning
Absent without an apology

Geen / None

D. NOTULES EN/OF VERSLAE VAN DIE UBK VIR KENNISNAME AAN DIE RAAD
MINUTES AND/OR REPORTS OF THE EMC FOR COUNCIL'S COGNIZANCE

D.1 Geen / None

E. BEKRAGTING VAN NOTULES EN/OF VERSLAE VAN DIE RAAD
CONFIRMATION OF MINUTES AND/OR REPORTS OF COUNCIL

E.1 Spesiale Raadsvergadering – 16 April 2026

BESLUIT :

Om op voorstel van Raadsheer MR Nongxaza gesecondeer deur Raadsheer DA Appel die Notule van die Spesiale Raadsvergadering van 16 April 2026 hiermee goed te keur, te bekragtig en te laat onderteken as prima facie bewys van die juistheid daarvan.

Special Council Meeting – 16 April 2026

RESOLVED:

To, on proposal by Alderman MR Nongxaza seconded by Alderman DA Appel hereby approve, confirm and have signed the Minutes of the Special Council Meeting of 16 April 2026 as prima facie evidence of its correctness.

E.2 Spesiale Raadsvergadering – 28 April 2026

BESLUIT :

Om op voorstel van Raadsheer C Clayton gesecondeer deur Raadsheer DA Appel die Notule van die Spesiale Raadsvergadering van 28 April 2026 hiermee goed te keur, te bekragtig en te laat onderteken as prima facie bewys van die juistheid daarvan.

Special Council Meeting – 28 April 2026

RESOLVED:

To, on proposal by Alderman C Clayton seconded by Alderman DA Appel hereby approve, confirm and have signed the Minutes of the Special Council Meeting of 28 April 2026 as prima facie evidence of its correctness.

E.3 Raadsvergadering – 30 April 2026

BESLUIT :

Om op voorstel van Raadsheer MR Nongxaza gesekondeer deur Raadslid H Linnerts die Notule van die Spesiale Raadsvergadering van 30 April 2026 hiermee goed te keur, te bekragtig en te laat onderteken as prima facie bewys van die juistheid daarvan.

Council Meeting – 30 April 2026

RESOLVED:

To, on proposal by Alderman MR Nongxaza seconded by Councillor H Linnerts hereby approve, confirm and have signed the Minutes of the Council Meeting of 30 April 2026 as prima facie evidence of its correctness.

**F. VERKLARINGS EN MEDEDELINGS DEUR DIE SPEAKER /
STATEMENTS AND COMMUNICATIONS BY THE SPEAKER**

Geen / None

**G. VERKLARINGS EN MEDEDELINGS DEUR DIE UITVOERENDE
BURGEMEESTER /
STATEMENTS AND COMMUNICATIONS BY THE EXECUTIVE MAYOR**

Geen / None

**H. VOORLEGGINGS /
PRESENTATIONS**

H.1 Geen / None

**I. VERSLAE VOORGELê DEUR DIE KANTOOR VAN DIE MUNISIPALE
BESTUURDER
REPORTS SUBMITTED BY THE OFFICE OF THE MUNICIPAL MANAGER**

ITEM TITLE

5

C115/2026 OFFICE OF THE MUNICIPAL MANAGER: MUNICIPAL COMMUNICATION OF EXCELLENCE: A REVISED COMMUNICATION STRATEGY FOR THEEWATERSKLOOF MUNICIPALITY (2026 – 2027)

[English version of the report is the original]

FILE NUMBER

6/2/2/5

PURPOSE OF REPORT

The purpose of the Communication Strategy (2026 –2027) is to:

- Provide a clear framework for structured, transparent, and responsive municipal communication;
- Ensure legislative compliance with the relevant local government communication frameworks;
- Promote public participation and trust through proactive and inclusive information-sharing;
- Align communication initiatives with financial sustainability and digital transformation goals;
- Support implementation of the Financial Recovery Plan and strengthen institutional cohesion.

BACKGROUND

Theewaterskloof Municipality first adopted a formal Communication Strategy in 2011, later revised in 2015 to strengthen structured, transparent and consistent communication with residents. Since then, the communication environment has changed significantly due to digital transformation, the impact of the COVID-19 pandemic, increased climate-related disasters, and financial constraints affecting service delivery.

The revised 2026–2027 Communication Strategy and Action Plan reflect these shifts and reaffirms the Municipality's commitment to maintaining a functional, responsive and cost-effective communication function aligned with its Financial Recovery Plan. The updated strategy integrates digital tools, strengthens internal communication, rebuilds public trust, and promotes transparent, two-way engagement between the Municipality and its stakeholders.

DISCUSSION

The updated strategy acknowledges that communication is central to effective governance, service delivery and public accountability.

Key developments since the 2015 strategy include:

- a. The Municipality's active participation in provincial and district communication forums (PPCOM and Overberg District Communication Forum);
- b. Expansion of digital communication platforms such as social media, the municipal website, and WhatsApp channels, improving real-time engagement;
- c. Increased emphasis on crisis communication and digital accessibility during disasters and emergencies;
- d. Ongoing challenges such as limited communication staff, budget constraints, and the need to rebuild community confidence following recent instability.

The strategy provides clear objectives, measurable outcomes, and a focus on financially viable tools such as digital newsletters, website upgrades, and social media campaigns to enhance communication reach and effectiveness.

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

The strategy will be implemented in a cost-effective manner, prioritising digital communication tools to minimise expenses related to printing, distribution, and outsourcing.

Where possible, existing resources and internal capacity will be utilised. Limited funding may be required for:

- Staff training and capacity-building within the Communication Unit;
- Basic digital communication equipment (microphones, cameras, editing tools);
- Incremental website enhancement and social media management software.
- These costs are to be managed within existing budget provisions, aligned with the Financial Recovery Plan.

LEGAL IMPLICATIONS (ITEM AUTHOR)

The revised strategy is aligned with and supports compliance with:

- The Constitution of the Republic of South Africa (1996)
- Local Government: Municipal Structures Act (Act 117 of 1998)
- Local Government: Municipal Systems Act (Act 32 of 2000)
- Intergovernmental Relations Framework Act (Act 13 of 2005)
- Pan South African Language Board Act (Act 59 of 1995)
- Promotion of Access to Information Act (Act 2 of 2000)

These frameworks collectively mandate municipalities to communicate openly, promote transparency, enable public access to information, and facilitate participation in governance. The approval of this strategy will therefore strengthen compliance with constitutional and statutory communication duties.

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

Adoption of this strategy mitigates several identified risks:

- Reputational risk: by ensuring transparent, factual, and timely communication that reduces misinformation and public mistrust.
- Operational risk: by promoting internal coordination and consistent messaging across departments.
- Financial risk: by embedding cost control and digital efficiency into all communication activities.
- Governance risk: by strengthening compliance with legal obligations and public participation frameworks.

Failure to adopt the revised strategy could result in fragmented communication, public misinformation, diminished stakeholder confidence, and reputational damage.

RECOMMENDATION BY ITEM AUTHOR:

It is recommended:

1. For Management to endorse the strategy and escalate the approval to Council.
2. For Council to adopt the newly drafted Theewaterskloof Communication Strategy and Action Plan Calendar for 2026 - 2027 and the implementation thereof.

RESOLVED BY MANAGEMENT: 20 NOVEMBER 2025

It is resolved that the agenda-item be referred back to address the undermentioned in the strategy before it is resubmitted to Management for discussion and possible referral to a Council Workshop:

1. That while the strategy speaks to crisis communication it needs to be clear in defining the target audience of the municipality in the document to ensure that the strategy aligns with the target audience when it comes to key messaging to make it more impactful.
2. That in order for it to be successful it needs to include timelines and a calendar around key events like 16 days of activism, tourism month, festive and easter safety launches and other big calendar highlights.
3. It should also include a structured calendar for sharing service delivery highlights and other positive things happening in and around the municipality. The calendar should also align with the municipality's short-, medium- and long-term goals, especially when it comes to things like the FRP.

4. That should be addressed and included before the document can be adopted by council is the branding and visibility of the municipality.
5. The strategy in its current form doesn't speak to branding as part of the strategy and this plays a crucial part in communication as branding is peoples first look at the municipality and making sure it is visible to people.
6. To align with the digital focused strategy the Communication Officer should look at digital tools such as email tack ticks and flyers to strengthen the content strategy and build public trust.
7. Key platforms that will be used for communication purposes should also be included and clearly explained in the strategy as different target audiences will rely on different platforms.

1. *Agenda-item referred back.*
2. *For finalization by the Communications Officer, Ms T Michel.*

ADDITIONAL COMMENTS BY ITEM AUTHOR:

The Communication Strategy has been updated with the recommendations made by management and an Action Plan Calendar has also been included. Please find attached for approval and consideration by Management, before being escalated for a workshop and approval by Council.

RESOLVED BY MANAGEMENT: 26 FEBRUARY 2026

It is resolved that the agenda-item be deferred pending consideration by the HR Policy Working Group, as the matter relates to the existing Social Media Policy.

1. *Agenda-item referred back.*
2. *For finalization by the Communications Officer, Ms. T Michel.*

COMMENTS BY ITEM AUTHOR:

The referred item has been updated, and the document now reflects the changes suggested by Management.

RECOMMENDATION BY ITEM AUTHOR:

It is recommended that Management endorse the Theewaterskloof Communication Strategy and Action Plan Calendar and refer it to a Policy Workshop of Council for discussion.

RECOMMENDATION FROM MANAGEMENT TO COUNCIL WORKSHOP: 23 MARCH 2026

1. Management endorsed the Theewaterskloof Communication Strategy and Action Plan.
2. It is recommended that the Theewaterskloof Communication Strategy and Action Plan Calendar be referred to a Policy Workshop of Council for discussion.

RECOMMENDATION BY WORKSHOP TO COUNCIL: 23 APRIL 2026

It is recommended that Council adopt the newly drafted Theewaterskloof Communication Strategy and Action Plan Calendar for 2026 - 2027 and the implementation thereof.

RESOLVED BY COUNCIL: 28 MAY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman MR Nongxaza and seconded by Councillor H Linnerts it was resolved as follows:

Council adopts the newly drafted Theewaterskloof Communication Strategy and Action Plan Calendar for 2026 - 2027 and the implementation thereof.

For finalization by the Communications Officer, Ms T Michel.

ITEM TITLE**C116/2026 OFFICE OF THE MUNICIPAL MANAGER: DEPARTMENT
INTERNAL AUDIT: REPORT OF THE MUNICIPAL PUBLIC
ACCOUNTS COMMITTEE**

[English version of the report is the original]

FILE NUMBER

3/2/17/R

PURPOSE OF REPORT

The purpose of the report is to inform the Council of the reports of Internal Audit that was presented to the Municipal Public Accounts Committee (MPAC) Meeting of 5 February 2026.

BACKGROUND

According to the MPAC Terms of Reference, as approved by Council on 25 February 2025, Section 7.1: "In accordance with the provisions of section 79A(4) of the Municipal Structures Amendment Act 2021, reports of the MPAC must be submitted to the Speaker who must table such reports in the next meeting of Municipal Council."

According to the Municipal Structures Amendment Act No.3 of 2021:

79A. (1) A municipal council must establish a committee called the municipal public accounts committee.

- (3) The municipal council must determine the functions of the municipal public accounts committee, which must include the following:
 - (a) review the Auditor-General's reports and comments of the management committee and the audit committee and make recommendations to the municipal council;
 - (b) review internal audit reports together with comments from the management committee and the audit committee and make recommendations to the municipal council;
- (4) Reports of the municipal public accounts committee must be submitted to the speaker who must table such reports in the next meeting of the municipal council.

DISCUSSION

This item was submitted to the Speaker for approval before submission to Council and the Speaker approved the item for submission to Council on 23 April 2026.

The following Internal Audit reports were presented to the MPAC meeting of 5 February 2026:

- Auditor General Report 2024/2025 Audit
- Solid Waste Third Quarter 2024/2025 Audit
- Waste Water Audit
- Solid Waste First Quarter 2025/2026 Audit
- Supply Chain Management Audit 1 May 2025 – 31 July 2025
- Performance Management Fourth Quarter 2024/2025 Audit
- Ad Hoc Investigation LL04/2021/22
- Supply Chain Management Audit 1 August 2024 – 31 October 2024
- Internal Audit Follow-up Report First Quarter 2025/2026

In the Internal Audit reports tabled to MPAC:

- 56 findings were made;
- 17 of these findings were regarded as significant (serious).
- 39 findings were regarded as housekeeping (minor transgressions which could easily be rectified) and remains the responsibility of administration to address.

The status of these findings is included in the Internal Audit Follow-up reports and are reported to MPAC on a quarterly basis.

The MPAC considered the comments of the Management Committee and the Performance- and Audit Committee on all these reports presented.

The MPAC Concurs with the Performance and Audit Committee's concerns regarding reoccurring findings with regards to Solid Waste and Wastewater Audits.

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

None.

LEGAL IMPLICATIONS (ITEM AUTHOR)

Municipal Structures Amendment Act No.3 of 2021.

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

None.

RECOMMENDATION BY ITEM AUTHOR TO COUNCIL:

It is recommended that Council take note that the Internal Audit reports, together with the comments of the Management Committee and the Performance- and Audit Committee were presented to the Municipal Public Accounts Committee Meeting, and the following resolutions were made by the Municipal Public Accounts Committee Meeting on 5 February 2026:

MPAC concurs with the Performance and Audit Committee's concerns regarding reoccurring findings with regards to Solid Waste and Wastewater Audits.

RESOLVED BY COUNCIL: 28 MAY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, it was unanimously resolved as follows:

Council noted the Internal Audit reports, together with the comments of the Management Committee and the Performance- and Audit Committee were presented to the Municipal Public Accounts Committee Meeting, and the following resolutions were made by the Municipal Public Accounts Committee Meeting on 5 February 2026:

MPAC concurs with the Performance and Audit Committee's concerns regarding reoccurring findings with regards to Solid Waste and Wastewater Audits.

For finalization by the Chief Audit Executive, Mr A Opperman.

ITEM TITLE

**C117/2026 OFFICE OF THE MUNICIPAL MANAGER: DEPARTMENT
INTERNAL AUDIT: REVISION OF MUNICIPAL PUBLIC ACCOUNTS
COMMITTEE TERMS OF REFERENCE**

[English version of the report is the original]

FILE NUMBER

3/2/17/2

PURPOSE OF REPORT

The Council has been requested to approve the revised Municipal Public Accounts Committee Terms of Reference.

BACKGROUND

The Municipal Public Accounts Committee (MPAC) Terms of Reference were approved by Council on 12 December 2025.

Paragraph 8 of the MPAC Terms of reference states: The MPAC charter must be annually reviewed by the CAE.

The MPAC Terms of Reference were sent to the MPAC Chairperson, MPAC Members, MPAC Secundi's and the Speaker for comments on 28 April 2026.

DISCUSSION

The Revised MPAC Terms of Reference is attached to this item.

Amendments made to the MPAC Terms of Reference are marked in RED on the document.

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

Not applicable.

LEGAL IMPLICATIONS (ITEM AUTHOR)

Section 79 of the Municipal Structures Act 1998

(2) The municipal council –

- a. must determine the functions of a committee:
- b. may delegate duties and powers to it in terms of Section 32:
- c. May determine a committee's procedure.

Section 79A of the Municipal Structures Amendment Act 2021

3. The municipal council must determine the functions of the municipal public accounts committee, which must include the following:
- (a) review the Auditor-General's reports and comments of the management committee and the audit committee and make recommendations to the municipal council;
 - (b) review internal audit reports together with comments from the management committee and the audit committee and make recommendations to the municipal council;
 - (c) initiate and develop the oversight report on annual reports contemplated in section 129 of the Local Government: Municipal Finance Management Act;
 - (d) attend to and make recommendations to the municipal council on any matter referred to it by the municipal council, executive committee, a committee of the council, a member of this committee, a councillor and the municipal manager; and
 - (e) on its own initiative, subject to the direction of the municipal council, investigate and report to the municipal council on any matter affecting the municipality.

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

Not applicable.

RECOMMENDATION BY ITEM AUTHOR TO COUNCIL:

It is recommended that Council approves the revised Municipal Public Accounts Committee Terms of Reference.

RESOLVED BY COUNCIL: 28 MAY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman MR Nongxaza and seconded by Councillor H Linnerts it was resolved as follows:

Council approves the revised Municipal Public Accounts Committee Terms of Reference.

For finalization by the Chief Audit Executive, Mr A Opperman.

ITEM TITLE**C118/2026 OFFICE OF THE MUNICIPAL MANAGER: DEPARTMENT
INTERNAL AUDIT: REPORT OF THE MUNICIPAL PUBLIC
ACCOUNTS COMMITTEE**

[English version of the report is the original]

FILE NUMBER

3/2/17/R

PURPOSE OF REPORT

The purpose of the report is to inform the Council of the reports of Internal Audit that was presented to the Municipal Public Accounts Committee (MPAC) Meeting of 29 April 2026.

BACKGROUND

According to the MPAC Terms of Reference, as approved by Council on 25 February 2025, Section 7.1: "In accordance with the provisions of section 79A(4) of the Municipal Structures Amendment Act 2021, reports of the MPAC must be submitted to the Speaker who must table such reports in the next meeting of Municipal Council."

According to the Municipal Structures Amendment Act No.3 of 2021:

79A. (1) A municipal council must establish a committee called the municipal public accounts committee.

- (3) The municipal council must determine the functions of the municipal public accounts committee, which must include the following:
 - (a) review the Auditor-General's reports and comments of the management committee and the audit committee and make recommendations to the municipal council;
 - (b) review internal audit reports together with comments from the management committee and the audit committee and make recommendations to the municipal council;
- (4) Reports of the municipal public accounts committee must be submitted to the speaker who must table such reports in the next meeting of the municipal council.

DISCUSSION

This item was submitted to the Speaker for approval before submission to Council and the Speaker approved the item for submission to Council on 15 May 2026.

The following Internal Audit reports were presented to the MPAC meeting of 29 April 2026:

- Auditor General Report 2024/2025 Audit
- Water Use License Audit
- Cash Management and Investment Audit
- Supply Chain Management Audit 1 August 2025 – 31 October 2025
- Performance Management First Quarter 2025/2026 Audit
- Performance Management Second Quarter 2025/2026 Audit
- Financial Recovery Plan Audit
- Internal Audit Follow-up Report Second Quarter 2025/2026

In the Internal Audit reports tabled to MPAC:

- 40 findings were made;
- 8 of these findings were regarded as significant (serious).
- 32 findings were regarded as housekeeping (minor transgressions which could easily be rectified) and remains the responsibility of administration to address.

The status of these findings is included in the Internal Audit Follow-up reports and are reported to MPAC on a quarterly basis.

The MPAC considered the comments of the Management Committee and the Performance- and Audit Committee on all these reports presented.

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

None.

LEGAL IMPLICATIONS (ITEM AUTHOR)

Municipal Structures Amendment Act No.3 of 2021.

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

None.

RECOMMENDATION BY ITEM AUTHOR TO COUNCIL:

It is recommended that Council take note that the Internal Audit reports, together with the comments of the Management Committee and the Performance- and Audit Committee, were presented to the Municipal Public Accounts Committee Meeting on 29 April 2026.

RESOLVED BY COUNCIL: 28 MAY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, it was unanimously resolved as follows:

Council noted the Internal Audit reports, together with the comments of the Management Committee and the Performance- and Audit Committee, were presented to the Municipal Public Accounts Committee Meeting on 29 April 2026.

For finalization by the Chief Audit Executive, Mr A Opperman.

ITEM HEADING

18

C119/2026 DIRECTORATE CORPORATE SERVICES: OFFICE OF DIRECTOR CORPORATE SERVICES: REPORTING ON PERFORMANCE OF CONTRACTORS: JANUARY TILL MARCH 2026

[English version of the report is the original]

FILE NUMBER

8/2/3/5/2

PURPOSE / AIM OF REPORT

To present a report to Council in terms of the contract and performance management of the Directorate Corporate Services contractors for the period from January 2026 to March 2026 to ensure the municipality receives value for money and that contracts are completed on time and within the approved budget.

BACKGROUND

S116 (2) of the Municipal Finance management Act (No.56 of 2003) states that:

The accounting officer of a municipality or municipal entity must –

1. take all reasonable steps to ensure that a contract or agreement procured through the supply chain management policy of the municipality of municipal entity is properly enforced;
2. monitor on a monthly basis the performance of the contract under the contract or agreement;
3. establish capacity in the administration of the municipality or municipal entity –
 - (i) to assist the accounting officer in carrying out the duties set out in paragraphs (a) and (b); and
 - (ii) to oversee the day-to-day management of the contract or agreement; and
4. regularly report to Council of the municipality or the board of directors of the entity, as may be appropriate, on the management of the contract or agreement and the performance of the contract.

DISCUSSION

Report pattern of the Directorate Corporate Services:

Department:	January 2026	February 2026	March 2026
Corporate Services	Submitted	Submitted	Submitted

Find attached checklists consisting of the summaries done for the Directorate Corporate Services.

No blockages occurred.

FINANCIAL RESPONSIBILITIES

Can be found in checklists attached as Annexures. It can be costly to the municipality if reporting is not done correctly.

LEGAL RESPONSIBILITIES

Chapter 8 Municipal Finance Management Act. 56 of 2003.

RISK MANAGEMENT IMPLICATION

Not applicable.

RECOMMENDATION BY ITEM AUTHOR:

It is recommended that Council takes cognisance of the report.

RECOMMENDATION BY THE CORPORATE SERVICES COMMITTEE TO THE EMC: 05 MAY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor M Botes, and seconded by Councillor J Smit it was recommended as follows:

That Council takes cognisance of the report.

RECOMMENDATION BY THE EMC TO COUNCIL: 19 MAY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, it was unanimously recommended as follows:

That Council takes cognisance of the report.

RECOMMENDATION TO COUNCIL:

It is recommended that Council takes cognisance of the report.

RESOLVED BY COUNCIL: 28 MAY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, it was unanimously resolved as follows:

Council takes cognisance of the report.

For finalization by the Manager: Corporate Services, Ms M Faul.

ITEM HEADING

C120/2026 OFFICE OF THE SPEAKER / DIRECTORATE CORPORATE SERVICES: DEPARTMENT ADMINISTRATION: COUNCILLORS IN RECESS FROM 29 JUNE 2026 UNTIL 17 JULY 2026

[English version of the report is the original]

FILE NUMBER

3/2/1/R

PURPOSE/AIM OF REPORT

To grant approval for the full Council and EMC to take a recess from 29 June 2026 until 17 July 2026 during the school holidays.

BACKGROUND

Council and the EMC annually take a recess during the June / July school holiday period as it was found in the past that several councillors are not available during this period due to the school holidays.

DISCUSSION

In view of the above, the opinion is held that Council should consider approving that Council and the EMC take a recess for the period from Monday, 29 June 2026 until and including Friday, 17 July 2026.

LEGAL IMPLICATIONS

The functioning of the Municipality as well as service delivery will not be adversely affected during the recess period.

FINANCIAL IMPLICATIONS

None

RISK MANAGEMENT IMPLICATION

Not applicable.

RECOMMENDATION BY ITEM AUTHOR TO COUNCIL:

It is recommended:

- 1. That Council notes the above information.**
- 2. That Council takes a recess during the June / July 2025 school holidays from Monday, 29 June 2026 until and including Friday, 17 July 2026 and that all activities of the full Council be resumed on Monday, 20 July 2026.**
- 3. That urgent matters be dealt with by the Municipal Manager, as the delegated body, in consultation with the Executive Mayor and his Committee, within the applicable policies of Council to ensure that service delivery is not adversely affected during the recess period.**
- 4. That in urgent cases, in which the Executive Mayor and his Committee do not have full powers, the Executive Mayor be mandated to consult with the caucus leaders of the parties concerning those matters.**

RESOLVED BY COUNCIL: 28 MAY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor H Linnerts and seconded by Alderman DA Appel it was resolved as follows:

- 1. Council noted the above information.**
- 2. That Council takes a recess during the June / July 2025 school holidays from Monday, 29 June 2026 until and including Friday, 17 July 2026 and that all activities of the full Council be resumed on Monday, 20 July 2026.**
- 3. That urgent matters be dealt with by the Municipal Manager, as the delegated body, in consultation with the Executive Mayor and his Committee, within the applicable policies of Council to ensure that service delivery is not adversely affected during the recess period.**
- 4. That in urgent cases, in which the Executive Mayor and his Committee do not have full powers, the Executive Mayor be mandated to consult with the caucus leaders of the parties concerning those matters.**

For finalization by the Manager: Corporate Services, Ms M Faul.

ITEM TITLE

**C121/2026 DIRECTORATE TECHNICAL AND INFRASTRUCTURE
IMPLEMENTATION SERVICES: UPDATED DRAFT WATER
SERVICE DEVELOPMENT PLAN (WSDP) 2027**

[English version of the report is the original]

FILE NUMBER

16/1/12/B

PURPOSE OF REPORT

The aim of this report is to present and obtain approval and adoption for the updated Water Services Development Plan (WSDP) for 2027 cycle for Theewaterskloof Municipality: draft documents.

BACKGROUND

Every WSA has a duty to all customers or potential customers in its area of jurisdiction to progressively ensure efficient, affordable, economical and sustainable access to water services that promote sustainable livelihoods and economic development. The plan encompasses all social, environmental and institutional aspects within our municipal boundaries.

The Consultants, GLS and IX Engineers, have been appointed through the Framework contract for the appointment of Professional Services (TECH01).

The 2017-2022 WSDP of Theewaterskloof Municipality consists of the following documents.

- WSDP-IDP Sector Input Report (Executive Summary)
- Administration, Information and Comprehensive Overview Report
- Water Master Plan: Future Demand and Functionality Requirements Report

DISCUSSION

The primary instrument of planning in the water services sector is the WSDP. The following principles apply to the WSDP, as taken from the Strategic Framework for Water Services (2003):

- All WSAs must develop a WSDP.
- A new plan must be developed every five years, and the plan should be updated as necessary and appropriate in the interim years.
- The WSDP must be integrated with the IDP of the municipality, as required in terms of the Municipal Systems Act.
- The WSDP must integrate water supply planning with sanitation planning.

- The WSDP must integrate technical planning with social, institutional, financial and environmental planning. The planning of capital expenditure must also be integrated with the associated operation and maintenance requirements and expenditures.
- The WSDP must be informed by the business plans developed by water services providers and with the plans of any regional water services providers, as relevant.
- The WSDP must integrate with the catchment management strategy.
- The planning process must take into account the views of all important stakeholders, including communities, through a consultative and participatory process. Every effort must be made to ensure the adequate and meaningful participation of women in consultation forums.
- The draft plan must be made available for public and stakeholder comments and all comments made must be considered when preparing the final plan.
- The contents of the WSDP must be communicated to all important stakeholders, including the DWS.
- A WSA must report annually and in a public way on progress in implementing the plan.

The purpose of this report is to provide relevant and summarised WSDP inputs for incorporation into Theewaterskloof Municipality's IDP process and is structured as follows:

Section A: Status Quo Overview: Provides a summarised overview of the water services status quo in terms of the water services functional business elements as aligned to the WSDP framework.

Section B: State of Water Services Planning: Presents the status of- and references the water services planning within Theewaterskloof Municipality.

Section C: Water Services Existing Needs Perspective: Gives an overview of Theewaterskloof Municipality's assessment and interpretation of its water services, with specific focus on problem definition statements.

Section D: Water Services Objectives and Strategies: Outlines the 5-year water services objectives and strategies as developed through the WSDP process for incorporation in terms of the IDP and aligned to the water services functional business elements.

Section E: Water Services MTEF Projects: The agreed water services projects for the medium-term expenditure framework and inclusive of funding sources.

Section F: WSDP Projects: Presents the projects identified during the WSDP process in order to meet the water services strategies of Theewaterskloof Municipality, as aligned to the outflow from the situation analysis per water services business element.

COMMENTS: OFFICE OF THE MUNICIPAL MANAGER

Noted. For further discussion during Management Meeting.

COMMENTS FROM THE DIRECTORATE CORPORATE SERVICES

Noted. For further discussion during Management Meeting.

COMMENTS FROM THE DIRECTORATE TECHNICAL AND INFRASTRUCTURE IMPLEMENTATION SERVICES

Recommendation is supported.

COMMENTS FROM THE DIRECTORATE ECONOMIC DEVELOPMENT AND PLANNING

Noted.

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

Project was funded out of the OPEX budget.

The Updated WSDP is compulsory in applying for grant funding pertaining to Water and Sanitation Services with respect to the Water Services Infrastructure Grant, MIG, DLG and DWS.

LEGAL IMPLICATIONS (ITEM AUTHOR)

Sections 12 and 13 of the Water Services Act (Act No 108 of 1997) place a duty on WSAs to prepare and maintain WSDP. DWS has developed a new WSDP website (Rolled-out to all WSAs during 2017) to assist WSAs with their WSDP process and to provide a framework for the capturing of the data. The topics included in the guidelines and addressed in detail in Theewaterskloof Municipality's WSDP are as follows:

- Settlements and Demographics
- Service Levels
- Water Services Infrastructure Management (Infrastructure)
- Water Services Infrastructure Management (O&M)
- Conservation and Demand Management
- Water Resources
- Financial
- Institutional Arrangements and Customer Care

COMMENTS FROM INTERNAL AUDIT

No comments.

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

None.

COMMENTS FROM RISK MANAGEMENT

Item content noted.

RECOMMENDATION BY ITEM AUTHOR:

It is recommended:

1. That note be taken of the Updated Draft WSDP for the Theewaterskloof Municipal Jurisdiction.
2. That Management provides comments/input on the Draft WSDP.
3. That the Updated Draft WSDP Sector Report be referred to Council for comments/inputs.
4. That the Draft WSDP, after comments from Council, be made available for Public Participation and that the Draft, with comments, be referred back to Council for final approval.

RECOMMENDATION BY MANAGEMENT TO THE TECHNICAL- AND INFRASTRUCTURE IMPLEMENTATION SERVICES COMMITTEE: 09 APRIL 2026

It is recommended:

1. That note be taken of the Updated Draft WSDP for the Theewaterskloof Municipal Jurisdiction.
2. That the Portfolio Committee provides comments/input on the Draft WSDP.
3. That the Updated Draft WSDP Sector Report be referred to Council for comments/inputs.
4. That the Draft WSDP, after comments from Council, be made available for Public Participation and that the Draft, with comments, be referred back to Council for final approval.

RECOMMENDATION BY THE TECHNICAL- AND INFRASTRUCTURE IMPLEMENTATION SERVICES COMMITTEE TO THE EMC: 05 MAY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman M Plato-Mentoor, and seconded by Alderman C Clayton it was recommended as follows:

1. That note be taken of the Updated Draft WSDP for the Theewaterskloof Municipal Jurisdiction.
2. That the EMC provides comments/input on the Draft WSDP.

3. That the Updated Draft WSDP Sector Report be referred to Council for comments/inputs.
4. That the Draft WSDP, after comments from Council, be made available for Public Participation and that the Draft, with comments, be referred back to Council for final approval.

RECOMMENDATION BY THE EMC TO COUNCIL: 19 MAY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman M Plato-Mentoor and seconded by Alderman C Clayton it was recommended as follows:

1. That note be taken of the Updated Draft WSDP for the Theewaterskloof Municipal Jurisdiction.
2. That the Updated Draft WSDP Sector Report be referred to Council for comments/inputs.
3. That the Draft WSDP, after comments from Council, be made available for Public Participation and that the Draft, with comments, be referred to a Council Workshop and to Council thereafter for final approval.

RECOMMENDATION TO COUNCIL:

It is recommended:

1. That note be taken of the Updated Draft WSDP for the Theewaterskloof Municipal Jurisdiction.
2. That the Updated Draft WSDP Sector Report be referred to Council for comments/inputs.
3. That the Draft WSDP, after comments from Council, be made available for Public Participation and that the Draft, with comments, be referred to a Council Workshop and to Council thereafter for final approval.

RESOLVED BY COUNCIL: 28 MAY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman S Fredericksa and seconded by Councillor H Linnerts it was resolved as follows:

1. Council noted the Updated Draft WSDP for the Theewaterskloof Municipal Jurisdiction.
2. Council did not add any comments or input to the Updated Draft WSDP Sector Report.

3. That the Draft WSDP, after comments from Council, be made available for Public Participation and that the Draft, with comments, be referred to a Council Workshop and to Council thereafter for final approval.

For finalization by the Director: Technical- and Infrastructure Implementation Services, Mr H Matthee.

ITEM TITLE

**C122/2026 DIRECTORATE TECHNICAL AND INFRASTRUCTURE
IMPLEMENTATION SERVICES: WATER MANAGEMENT REPORT
THIRD QUARTER PERFORMANCE REPORT (JANUARY 2026)
FINANCIAL YEAR 2025/26**

[English version of the report is the original]

FILE NUMBER

16/1/7

PURPOSE OF REPORT

To present the Third Quarter (Q3) performance results relating to water loss management for the 2025/26 financial year, provide a technical assessment of Non-Revenue Water (NRW) trends and contributing risk factors, and outline corrective and preventative interventions implemented to ensure sustainable water demand management and infrastructure efficiency

BACKGROUND

Water losses within Water Distribution Networks (WDNs) are defined as the variance between the total volume of potable water introduced into the system (as measured at treatment works and bulk supply points) and the volume of verified, metered consumption billed to end-users.

These losses are collectively referred to as Non-Revenue Water (NRW), which consists of the following components:

1. Authorised Unbilled Consumption – Legitimate but unbilled water use, including firefighting, street cleaning, system flushing, and standpipe consumption in unmetered areas.
2. Apparent Losses – Commercial or administrative losses resulting from inaccurate or malfunctioning customer meters, data capture and billing errors, and unauthorised connections.
3. Real Losses – Physical losses through leaks, bursts, overflows, and other infrastructure failures, typically the most significant contributor to NRW.

DISCUSSION**HISTORICAL PERFORMANCE TREND**

Financial Year	Water Loss (%)
2019/20	34.9%

2020/21	37.3%
2021/22	37.5%
2022/23	43.0%
2023/24	21.7%
2024/25	16.2%
2025/26 (Q3)	22.0%

4. THIRD QUARTER TECHNICAL PERFORMANCE ANALYSIS

- Increased burst frequency on ageing asbestos cement and steel pipelines.
- Pressure transients in high-elevation zones and limited PRV coverage.
- Bulk meter under-registration and delayed calibration cycles.
- Illegal connections and unmetered consumption in high-density areas.
- Operational flushing and maintenance-related water usage.

5. IMPLEMENTED INTERVENTIONS – Q3

- Deployment of dedicated leak detection and repair teams.
- Calibration and optimisation of pressure reducing valves (PRVs).
- Replacement and verification of defective bulk meters.
- Strengthened enforcement against illegal connections.
- Community water conservation awareness campaigns.

COMMENTS FROM THE DIRECTORATE TECHNICAL AND INFRASTRUCTURE IMPLEMENTATION SERVICES

Report content is noted.

COMMENTS FROM THE DIRECTORATE COMMUNITY SERVICES (OPERATIONAL)

Take note of the report. Since October 2025 a bulk water meter- and water meter audit was conducted and will end by middle March 2026. The information that is collected from business to business and household to household will be compared with the current data on the billing system. This will indicate how accurate our water meter data is on the billing system and will be corrected to ensure correct billing. The audit will have a positive impact on the integrity of our water meter data, the integrity of the billing system for water, and the integrity of the calculations for water losses.

There have been no water meters replacements for the past three years, which need to be done annually as an integrated effort to reduce water losses. The replacement of the old pre-paid water meters needs to be treated as a high priority, whenever new water meters become available, as well as households in low-cost housing areas that is still without water meters.

For the past three years we have put in place many interventions and efforts to reduce water losses from 43% to 22%. There are some interventions that can be done on a low budget, but most of the interventions still need a sufficient budget to support our efforts to reduce water losses to 15%. Currently we do not have a sufficient budget that can support our efforts to reduce water losses.

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

Current NRW levels equate to an estimated annual financial loss of approximately R16 million, inclusive of treatment, energy, and distribution costs. Achieving the strategic target of below 15% NRW could yield annual savings exceeding R2 million

LEGAL IMPLICATIONS (ITEM AUTHOR)

All activities are aligned with the Water Loss Reduction and Control Plan, Water Demand and Conservation Management Plan, Municipal Water Loss Policy, Water Services By-Law, and the National Water Act (Act 36 of 1998).

Compulsory National Water Sanitation Service Standards Revised June 2025.

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

Elevated NRW levels present financial, operational, infrastructure, and reputational risks. Ongoing mitigation measures focus on predictive maintenance, improved data integrity, and enhanced enforcement.

RECOMMENDATION BY ITEM AUTHOR:

It is recommended:

- 1. That the Third Quarter Water Management Performance Report be noted.**
- 2. That Directorate-level coordination be strengthened to accelerate NRW reduction initiatives.**
- 3. That capital prioritisation focusses on metering upgrades, PRV expansion, pipeline replacement and SCADA/Telemetry enhancement.**
- 4. That enforcement and public awareness interventions be intensified during Q4.**

RECOMMENDATION BY MANAGEMENT TO TECHNICAL- INFRASTRUCTURE IMPLEMENTATION SERVICES COMMITTEE: 09 APRIL 2026

- 1. That the Third Quarter Water Management Performance Report be noted.**
- 2. That Directorate-level coordination be strengthened to accelerate NRW reduction initiatives.**

3. That capital prioritisation focusses on metering upgrades, PRV expansion, pipeline replacement and SCADA/Telemetry enhancement.
4. That enforcement and public awareness interventions be intensified during Q4.

RECOMMENDATION BY THE TECHNICAL- AND INFRASTRUCTURE IMPLEMENTATION SERVICES COMMITTEE TO THE EMC: 05 MAY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman C Clayton, and seconded by Councillor V Papier it was recommended as follows:

1. That the Third Quarter Water Management Performance Report be noted.
2. That Directorate-level coordination be strengthened to accelerate NRW reduction initiatives.
3. That capital prioritisation focusses on metering upgrades, PRV expansion, pipeline replacement and SCADA/Telemetry enhancement.
4. That enforcement and public awareness interventions be intensified during Q4.

RECOMMENDATION BY THE EMC TO COUNCIL: 19 MAY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor Y van Tonder and seconded by Councillor H Linnerts it was recommended as follows:

1. That the Third Quarter Water Management Performance Report be noted.
2. That Directorate-level coordination be strengthened to accelerate NRW reduction initiatives.
3. That capital prioritisation focusses on metering upgrades, PRV expansion, pipeline replacement and SCADA/Telemetry enhancement.
4. That enforcement and public awareness interventions be intensified during Q4.

RECOMMENDATION TO COUNCIL:

It is recommended:

1. That the Third Quarter Water Management Performance Report be noted.
2. That Directorate-level coordination be strengthened to accelerate NRW reduction initiatives.

3. That capital prioritisation focusses on metering upgrades, PRV expansion, pipeline replacement and SCADA/Telemetry enhancement.
4. That enforcement and public awareness interventions be intensified during Q4.

DISCUSSION DURING MEETING:

Alderman DA Appel: The quality of the water provision to the community is a concern. No blue and green drop compliance. Water is not clean.

Mr H Matthee: E. coli in drinking water of Greyton/Genadendal which is a huge concern. Water must be boiled.

Alderman S Fredericks: The provision of undrinkable water to the communities is a serious risk for the Municipality and needs to be resolved as soon as possible.

Alderman C Clayton: A notice must be issued to the communities of Greyton and Genadendal as soon as possible.

Councillor CA Benjamin requested that the Ward Councillors must be informed before any media statement is released as they need to respond to the questions of the community.

RESOLVED BY COUNCIL: 28 MAY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman DA Appel and seconded by Alderman MR Nongxaza it was resolved as follows:

1. Council noted the Third Quarter Water Management Performance Report.
2. That Directorate-level coordination be strengthened to accelerate NRW reduction initiatives.
3. That capital prioritisation focusses on metering upgrades, PRV expansion, pipeline replacement and SCADA/Telemetry enhancement.
4. That enforcement and public awareness interventions be intensified during Q4.

For finalization by the Director: Technical- and Infrastructure Implementation Services, Mr H Matthee.

ITEM TITLE

**C123/2026 DIRECTORATE TECHNICAL- AND INFRASTRUCTURE
IMPLEMENTATION SERVICES: REPORTING ON PERFORMANCE
OF CONTRACTORS: JANUARY - MARCH 2026**

[English version of the report is the original]

FILE NUMBER

8/2/3/5/5

PURPOSE OF REPORT

To present a report to Council in terms of the contract and performance management of the Technical- and Infrastructure Implementation Services Departments contractors for the period from January - March 2026 to ensure the municipality receives value for money and that contracts are completed on time and within the approved budget.

BACKGROUND

S116(2) of the Municipal Finance management Act (No.56 of 2003) states that:

The accounting officer of a municipality or municipal entity must-

- a) take all reasonable steps to ensure that a contract or agreement procured through the supply chain management policy of the municipality of municipal entity is properly enforced;
- b) monitor on an monthly basis the performance of the contract under the contract of agreement;
- c) establish capacity in the administration of the municipality or municipal entity-
 - i) to assist the accounting officer in carrying out the duties set out in paragraphs (a) and (b); and
 - ii) to oversee the day-to-day management of the contract or agreement; and
- d) regularly report to Council of the municipality or the board of directors of the entity; as may be appropriate, on the management of the contract or agreement and the performance of the contract.

DISCUSSION

Reporting pattern of Technical- and Infrastructure Implementation Services:

Department:	January 2026	February 2026	March 2026
Technical- and Infrastructure Implementation Services	Submitted	Submitted	Submitted

Find attached checklists consisting of the summaries done for the Directorate Technical- and Infrastructure Implementation Services.

No blockages occurred.

COMMENTS FROM THE DIRECTORATE TECHNICAL AND INFRASTRUCTURE IMPLEMENTATION SERVICES

Recommendation supported.

COMMENTS FROM THE DEPARTMENT ELECTRICAL SERVICES

None.

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

Can be found in checklists attached as Annexures. It can be costly to the municipality if reporting is not done correctly.

LEGAL IMPLICATIONS (ITEM AUTHOR)

Chapter 8 Municipal Finance Management Act. 56 of 2003.

COMMENTS FROM INTERNAL AUDIT

No comments.

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

Not applicable.

RECOMMENDATION BY ITEM AUTHOR:

It is recommended that the Technical- and Infrastructure Implementation Services Committee takes cognisance of the report.

DISCUSSION DURING THE MEETING:

Alderman M Plato-Mentoor requested that the rocks at the Taxi Rank in Grabouw be removed and that the Deputy Mayor must address the matter with her department to obtain a solution for the placement of the pegs.

RECOMMENDATION BY THE TECHNICAL- AND INFRASTRUCTURE IMPLEMENTATION SERVICES COMMITTEE TO THE EMC: 05 MAY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman C Clayton, and seconded by Councillor V Papier it was recommended as follows:

That Council takes cognisance of the report.

RECOMMENDATION BY THE EMC TO COUNCIL: 19 MAY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, it was unanimously recommended as follows:

That Council takes cognisance of the report.

RECOMMENDATION TO COUNCIL:

It is recommended that Council takes cognisance of the report.

RESOLVED BY COUNCIL: 28 MAY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, it was unanimously resolved as follows:

Council takes cognisance of the report.

For finalization by the Director: Technical- and Infrastructure Implementation Services, Mr H Matthee.

ITEM HEADING

36

**C124/2026 DIRECTORATE COMMUNITY SERVICES: DEPARTMENT
ENVIRONMENTAL AND DISASTER MANAGEMENT: REVIEWED
AND AMENDED DISASTER MANAGEMENT POLICY 2026**

[English version of the report is the original]

FILE NUMBER

17/4/B

PURPOSE / AIM OF REPORT

To provide a coordinated and legally aligned framework that guides how Theewaterskloof Municipality and its stakeholders prevent, prepare for, respond to, and recover from disasters, while promoting resilience, effective risk management, and the protection of people, property, and the environment

BACKGROUND

The Disaster Management Policy highlights that disasters whether natural, technological, or human-induced pose significant risks to communities, infrastructure, and livelihoods. It emphasizes Theewaterskloof Municipality's responsibility to manage these risks through a proactive, integrated, and multi-sectoral approach. The policy is grounded in national legislation, particularly the Disaster Management Act, 2002, and aligned with provincial, district, and international frameworks such as the Sendai Framework. It establishes the need for coordinated planning, clear institutional structures, stakeholder collaboration, and continuous risk reduction efforts to ensure effective disaster management and build resilient communities.

DISCUSSION

This policy discusses the implementation of disaster management within Theewaterskloof Municipality through a structured and coordinated approach involving all municipal departments and relevant stakeholders. It discusses the importance of strong governance and institutional coordination, ensuring that disaster management is integrated into planning, budgeting, and decision-making processes.

The policy further discusses the need for regular risk assessments and proactive risk reduction measures across all sectors, as well as the establishment of effective preparedness and response systems, including early warning mechanisms and emergency planning. It also discusses the critical role of community awareness, participation, and inclusion of local knowledge in strengthening resilience.

In addition, the policy discusses the importance of ongoing training and capacity building for municipal officials and communities, as well as the development of partnerships to support resource mobilization and improved disaster response. It further discusses the role of monitoring, evaluation, and reporting in ensuring accountability and continuous improvement.

Overall, the policy discusses clearly defined roles and responsibilities to ensure effective implementation, coordination, and compliance, thereby enabling the municipality to manage disasters efficiently and build resilient communities.

COMMENTS FROM THE DIRECTORATE FINANCE

Recommendation supported.

COMMENTS FROM THE DIRECTORATE ECONOMIC DEVELOPMENT AND PLANNING (HUMAN SETTLEMENT)

Noted with thanks.

COMMENTS FROM THE DIRECTORATE COMMUNITY SERVICES (OPERATIONAL)

Take note of reviewed and amended policy.

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

The municipality must budget for disaster management every year. Money must be used properly for preparedness, response, and recovery, and all spending must be monitored and audited.

LEGAL IMPLICATIONS (ITEM AUTHOR)

The municipality is legally required to implement disaster management in line with the Disaster Management Act, 2002 (Act 57 of 2002) and the Municipal Finance Management Act, 2003 (Act 56 of 2003). In terms of Sections 53–55 of the Disaster Management Act, the municipality must develop and implement a disaster management plan and policy. Sections 56–57 require the municipality to seek additional support when a disaster exceeds its capacity, while Section 59 obligates the allocation of resources for disaster management. Furthermore, Section 60 of the Act and Section 78 of the MFMA require that all disaster-related funds are managed transparently and are properly accounted for and audited.

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

The municipality is required to proactively identify, assess, and manage disaster risks on a continuous basis. This includes conducting regular hazards, vulnerability, and risk assessments, and implementing measures to reduce identified risks across all sectors. All municipal departments must integrate risk reduction into their planning and operations, including screening development projects to avoid exposure to hazards. The policy also requires the maintenance of a Disaster Risk Register, the use of early warning systems, and ongoing monitoring and review to ensure that risks are effectively managed and reduced over time.

RECOMMENDATION BY ITEM AUTHOR:

It is recommended that Council notes the policy and to be workshopped and that all line departments must provide their cooperation as part of their legal responsibilities as provided and prescribed for under the Disaster Management Act, No. 57 of 2002.

RECOMMENDATION BY MANAGEMENT TO COUNCIL WORKSHOP: 09 APRIL 2026

It is recommended that Council notes the policy and to be workshopped and that all line departments must provide their cooperation as part of their legal responsibilities as provided and prescribed for under the Disaster Management Act, No. 57 of 2002.

RECOMMENDATION BY THE WORKSHOP TO COUNCIL: 23 APRIL 2026

It is recommended that Council notes the policy and that all line departments must provide their cooperation as part of their legal responsibilities as provided and prescribed for under the Disaster Management Act, No. 57 of 2002.

RESOLVED BY COUNCIL: 28 MAY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman S Fredericks, and seconded by Councillor H Linnerts it was resolved as follows:

Council noted the policy and that all line departments must provide their cooperation as part of their legal responsibilities as provided and prescribed for under the Disaster Management Act, No. 57 of 2002.

For finalization by the Director: Community Services, Mr WSE Solomons-Johannes.

ITEM HEADING

C125/2026 DIRECTORATE COMMUNITY SERVICES: DEPARTMENT ENVIRONMENTAL AND DISASTER MANAGEMENT: REVIEWED AND AMENDED DISASTER RISK MANAGEMENT FRAMEWORK 2026

[English version of the report is the original]

FILE NUMBER

17/4/B

PURPOSE / AIM OF REPORT

To provide clear guidance to the Disaster Risk Management Centre (DRMC) and all responsible stakeholders on how to manage disaster risks within the municipality, in line with the Disaster Management Act, 2002, the National Disaster Management Framework, 2005, and relevant provincial policies. It ensures that disaster risk management is done in a structured, consistent, and coordinated way by setting out how policies, plans, and strategies must be developed, implemented, monitored, and reviewed.

BACKGROUND

Theewaterskloof Municipality (TWKMUN) aims to build a disaster-resilient and safe environment through inclusive and integrated disaster risk management (DRM) programs. Local government is responsible for DRM to protect communities, especially those vulnerable due to poverty and historical inequalities. The TWKMUN Disaster Risk Management Policy Framework aligns with national, provincial, and local legislation, guiding coordinated efforts in risk assessment, risk reduction, response, and recovery. It is supported by information management, public awareness, and funding to ensure effective and uniform disaster management across the municipality.

DISCUSSION

The Theewaterskloof Municipal Council, under the Disaster Management Act, 2002, ensures the establishment and coordination of the Municipal Disaster Management Centre (DRMC) to manage disaster risks across all departments, stakeholders, and communities. The DRMC conducts systematic risk assessments to identify hazards, inform planning, and prioritize risk reduction strategies. Integrated DRM plans are developed and implemented in line with national, provincial, and district frameworks, with responsibilities clearly assigned to departments, NGOs, and the private sector.

To support effective disaster management, three performance enablers are applied across all Key Performance Areas: information management and communication, education, training, public awareness, and research, and funding arrangements. These enablers ensure that planning, response, and recovery activities are coordinated, well-resourced, transparent, and inclusive, enabling the municipality to proactively reduce vulnerability, build resilience, and protect communities, infrastructure, and the environment.

COMMENTS FROM THE DIRECTORATE FINANCE

Recommendation supported.

COMMENTS FROM THE DIRECTORATE ECONOMIC DEVELOPMENT AND PLANNING (HUMAN SETTLEMENT)

Noted

COMMENTS FROM THE DIRECTORATE COMMUNITY SERVICES (OPERATIONAL)

Take note of the reviewed and amended Disaster Risk Framework.

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

Financial implications involve ensuring sufficient budgeting for DRM structures, personnel, risk reduction initiatives, compliance reporting, intergovernmental cooperation, and emergency response. Without adequate funding, TWKMUN cannot effectively prevent, respond to, or recover from disasters, which could increase both human and economic losses.

LEGAL IMPLICATIONS (ITEM AUTHOR)

Disaster Management Act, 2002 (Act No. 57 of 2002):

- Section 42: Mandates municipalities to establish an integrated Disaster Risk Management Framework (DRMF).
- Section 43: Requires the establishment of a Municipal Disaster Management Centre (DRMC).
- Section 44: Obligates coordination between municipal departments and stakeholders.
- Sections 45–48: Require community awareness, risk identification, prevention measures, and development of disaster management plans.

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

TWK MUN's Disaster Risk Management Framework ensures that risks are systematically identified, assessed, and reduced through prevention, mitigation, and preparedness measures. Integrated planning and coordination across municipal departments, stakeholders, and communities improve the municipality's ability to respond effectively to disasters. Regular risk assessments, monitoring, and reporting enable proactive decision-making, reducing vulnerability and building resilience. The framework also ensures alignment with national and provincial standards, supporting consistent and uniform risk management practices.

RECOMMENDATION BY ITEM AUTHOR:

It is recommended that Council notes the Disaster Risk Management Framework and to be workshopped and that all line departments must provide their cooperation as part of their legal responsibilities as provided and prescribed for under the Disaster Management Act, No. 57 of 2002.

RECOMMENDATION BY MANAGEMENT TO A COUNCIL WORKSHOP: 09 APRIL 2026

It is recommended that Council notes the Disaster Risk Management Framework and to be workshopped and that all line departments must provide their cooperation as part of their legal responsibilities as provided and prescribed for under the Disaster Management Act, No. 57 of 2002.

RECOMMENDATION BY WORKSHOP TO COUNCIL: 23 APRIL 2026

It is recommended that Council notes the Disaster Risk Management Framework and that all line departments must provide their cooperation as part of their legal responsibilities as provided and prescribed for under the Disaster Management Act, No. 57 of 2002.

RESOLVED BY COUNCIL: 28 MAY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman S Fredericks, and seconded by Councillor H Linnerts it was resolved as follows:

Council noted the Disaster Risk Management Framework and that all line departments must provide their cooperation as part of their legal responsibilities as provided and prescribed for under the Disaster Management Act, No. 57 of 2002.

For finalization by the Director: Community Services, Mr WSE Solomons-Johannes.

ITEM HEADING

**C126/2026 DIRECTORATE COMMUNITY SERVICES: DEPARTMENT
ENVIRONMENTAL AND DISASTER MANAGEMENT: REVIEWED
DISASTER MANAGEMENT PLAN 2026**

[English version of the report is the original]

FILE NUMBER

17/4/B

PURPOSE / AIM OF REPORT

The disaster management plan for Theewaterskloof Municipality defines the roles of the Municipality and Council in managing disasters. It guides proactive measures, risk reduction, preparedness, response, and recovery, integrating these into municipal planning and development. The plan ensures vulnerable communities are protected, addressing both hazards and the societal vulnerabilities that turn them into disasters, in line with the Disaster Management Act, 2002.

BACKGROUND

Theewaterskloof Municipality (TWKMUN) is the largest municipality in the Overberg District, encompassing towns like Grabouw, Villiersdorp, Caledon, Botrivier, Greyton, Genadendal, Riviersonderend, and the rural settlement of Tesselaarsdal. The area is predominantly rural, with farming, small holdings, and open spaces, and is home to 42% of the district's population. TWKMUN faces a wide range of hazards, including floods, storms, veld fires, industrial accidents, and the effects of climate change, while vulnerable communities often settle in high-risk areas. The municipality aims to build disaster resilience through proactive planning, risk reduction, and coordinated disaster management aligned with national and provincial legislation.

DISCUSSION

The disaster management plan is an ongoing, integrated process involving all municipal departments and town structures to prevent, prepare for, respond to, and recover from disasters. Departments must identify responsibilities, address training gaps, and ensure new developments consider disaster risks. The municipality coordinates closely with the Overberg District Municipality, NGOs, and other agencies for effective response. Key hazards include fires, floods, droughts, wind, road accidents, protests, and industrial risks, which are addressed through risk reduction, maintenance, and early warning systems. Preparedness and response rely on internal capacity for minor incidents, with major events escalating to district or provincial coordination through the Incident Command Post. Recovery focuses on restoring communities and infrastructure while reducing future risks, supported by regular monitoring, reviews, and reporting.

COMMENTS FROM THE DIRECTORATE FINANCE

Recommendation supported.

COMMENTS FROM THE DIRECTORATE ECONOMIC DEVELOPMENT AND PLANNING (HUMAN SETTLEMENT)

Noted

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

The municipality must ensure funds are allocated to cover all disaster management activities: risk reduction, preparedness, response, recovery, and rehabilitation.

LEGAL IMPLICATIONS (ITEM AUTHOR)**Disaster Management Act 57 of 2002**

- Section 55(1): The municipal council may declare a local state of disaster when the municipality cannot manage a disaster on its own.
- Section 55(2)(b): The municipality must coordinate disaster management with the district municipality (here, Overberg District) and use available infrastructure and resources.
- Sections 56–57: After a disaster, the municipality must review, report, and evaluate disaster management actions to ensure lessons are learned and plans are updated.
- Section 23(4)–(5): Defines what constitutes a local disaster and clarifies that responsibility lies primarily with the local municipality.

Local Government: Municipal Structures Act 117 of 1998

- Section 90(3)(a): Provides the legal framework for cross-boundary municipal coordination, if a disaster affects more than one local municipality.

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

The Disaster Management Plan ensures the municipality identifies hazards, assesses risks, and reduces vulnerabilities in communities and infrastructure. It strengthens preparedness through training, early warning systems, and resource coordination. By involving communities and continuously reviewing responses, the plan enhances resilience and ensures an effective, coordinated approach to disasters.

RECOMMENDATION BY ITEM AUTHOR:

It is recommended that Council notes the Disaster Management Plan and to be workshopped and that all line departments must provide their cooperation as part of their legal responsibilities as provided and prescribed for under the Disaster Management Act, No. 57 of 2002.

RECOMMENDATION BY MANAGEMENT TO A COUNCIL WORKSHOP: 09 APRIL 2026

It is recommended that Council notes the Disaster Management Plan and to be workshopped and that all line departments must provide their cooperation as part of their legal responsibilities as provided and prescribed for under the Disaster Management Act, No. 57 of 2002.

RECOMMENDATION BY WORKSHOP TO COUNCIL: 23 APRIL 2026

It is recommended that Council notes the Disaster Management Plan and that all line departments must provide their cooperation as part of their legal responsibilities as provided and prescribed for under the Disaster Management Act, No. 57 of 2002.

RESOLVED BY COUNCIL: 28 MAY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman S Fredericks, and seconded by Councillor H Linnerts it was resolved as follows:

Council noted the Disaster Management Plan and that all line departments must provide their cooperation as part of their legal responsibilities as provided and prescribed for under the Disaster Management Act, No. 57 of 2002.

For finalization by the Director: Community Services, Mr WSE Solomons-Johannes.

ITEM HEADING

**C127/2026 DIRECTORATE COMMUNITY SERVICES: DEPARTMENT
ENVIRONMENTAL AND DISASTER MANAGEMENT: REVIEWED
DISASTER RISK MANAGEMENT ASSESSMENT 2026**

[English version of the report is the original]

FILE NUMBER

17/4/B

PURPOSE / AIM OF REPORT

To identify and evaluate the hazards and vulnerabilities within its area. It allows the municipality to prioritize risks, implement preventative and mitigation measures, and prepare for effective response and recovery. This ensures that communities, infrastructure, and municipal services are protected, and that the municipality can make informed decisions to reduce the impact of disasters.

BACKGROUND

Theewaterskloof Municipality conducted a Disaster Risk Management Assessment to identify and quantify hazards affecting the municipal area. This assessment categorizes hazards into technological, natural, and environmental groups, and evaluates them based on probability, frequency, and severity. The purpose is to prioritize risks, understand vulnerabilities, and ensure effective disaster preparedness, response, mitigation, and recovery. It aligns with national disaster management legislation and municipal obligations under the Disaster Management Act, 57 of 2002.

DISCUSSION

The assessment shows that Theewaterskloof faces a wide range of risks:

- High-priority hazards (scores 10–11) include structural fires, sewage and drainage failures, social unrest/conflict, wildfires, severe weather, human diseases, and pest infestations. These hazards are both likely and have significant impact on the municipality's communities and infrastructure.
- Medium-priority hazards (scores 7–8) include floods, drought, road incidents, loss of endemic species, animal diseases, and water supply disruptions. While these may occur less frequently, they still require mitigation planning.
- Lower-priority hazards (scores 3–5) include seismic hazards, aircraft incidents, rail Hazmat incidents, nuclear events, and other industrial risks, which are less likely but could have severe consequences if they occur.

The assessment identifies the need for cross-departmental collaboration and the involvement of town management structures. It emphasizes prevention, mitigation, preparedness, and community participation, reflecting that disaster management is an ongoing municipal function, not just a response to incidents.

The hazard rating matrix also shows political and economic implications, helping prioritize resource allocation and municipal planning.

COMMENTS FROM THE DIRECTORATE FINANCE

Recommendation supported.

COMMENTS FROM THE DIRECTORATE ECONOMIC DEVELOPMENT AND PLANNING (HUMAN SETTLEMENT)

Noted

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

Resources must be allocated for risk mitigation measures such as firebreaks, stormwater maintenance, and emergency infrastructure. High-risk hazards require budget prioritization for preparedness, emergency response, and recovery programs.

LEGAL IMPLICATIONS (ITEM AUTHOR)

The municipality is required to prepare and maintain a disaster management plan under the Disaster Management Act 57 of 2002, Sections 53–55, integrating risk assessments into the municipal Integrated Development Plan (IDP). Cross-boundary coordination with Overberg District Municipality and adherence to legal reporting and declaration procedures are mandated. Ensures compliance with local government structures (Municipal Structures Act 117 of 1998) when activating disaster response and declaring local disaster areas.

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

Identification of high-probability and high-severity hazards allows the municipality to prioritize disaster risk reduction strategies. Supports community-based disaster preparedness, ensuring vulnerable areas and informal settlements are protected. Encourages ongoing monitoring, early warning systems, and training for municipal staff and local communities.

RECOMMENDATION BY ITEM AUTHOR:

It is recommended that Council notes the Disaster Risk Management Assessment and to be workshopped and that all line departments must provide their cooperation as part of their legal responsibilities as provided and prescribed for under the Disaster Management Act, No. 57 of 2002.

RECOMMENDATION BY MANAGEMENT TO A COUNCIL WORKSHOP: 09 APRIL 2026

It is recommended that Council notes the Disaster Risk Management Assessment and to be workshopped and that all line departments must provide their cooperation as part of their legal responsibilities as provided and prescribed for under the Disaster Management Act, No. 57 of 2002.

RECOMMENDATION BY WORKSHOP TO COUNCIL: 23 APRIL 2026

It is recommended that Council notes the Disaster Risk Management Assessment and that all line departments must provide their cooperation as part of their legal responsibilities as provided and prescribed for under the Disaster Management Act, No. 57 of 2002.

RESOLVED BY COUNCIL: 28 MAY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman S Fredericks, and seconded by Councillor H Linnerts it was resolved as follows:

Council noted the Disaster Risk Management Assessment and that all line departments must provide their cooperation as part of their legal responsibilities as provided and prescribed for under the Disaster Management Act, No. 57 of 2002.

For finalization by the Director: Community Services, Mr WSE Solomons-Johannes.

ITEM TITLE

**C128/2026 DIRECTORATE ECONOMIC DEVELOPMENT AND PLANNING:
DEPARTMENTS PROPERTY MANAGEMENT AND LOCAL
ECONOMIC DEVELOPMENT: ADOPTION OF THE
THEEWATERSKLOOF MUNICIPAL INVESTMENT PROFILE,
INVESTMENT DISPOSAL & MARKETING STRATEGY INCLUDING
THE ESTABLISHMENT OF INVESTMENT STEERING UNIT**

[English version of the report is the original]

FILE NUMBER

17/16/1/1

PURPOSE OF REPORT

To obtain Council approval for the adoption and implementation of the Municipal Property Investment Profile 2025 and the Investment Disposal & Marketing Strategy authored in July 2025, including the establishment of an Investment Steering Unit (ISU), as key instruments to advance the Municipal Economic Development and Land Disposal objectives.

BACKGROUND

Theewaterskloof Municipality holds an identified portfolio of immovable properties with significant potential for economic development, social impact, and revenue generation. Historically, the Municipal approach to property disposal for investment and development has been disjointed, generating delays and posing some degrees of uncertainty.

Following the Municipal participation in the Western Cape Government Growth for Jobs (G4J) Summit, a structured property investment methodology was adopted, requiring municipalities to identify, package, and prioritise land parcels for development.

To implement the envisioned investment methodology, two inter-related documents were subsequently prepared:

Theewaterskloof Municipal Investment Profile as a portfolio investment document categorised priority properties into the following categories:

- Category A : Investment-Ready Properties.
- Category B: Pipeline Properties, with a focus on catalytic sites in Caledon and Riviersonderend.

Investment Disposal & Marketing Strategy as a governance and operational framework ensures all disposals are compliant with the MFMA, MATR, and Theewaterskloof Municipal Policies. It further introduces the Investment Steering Unit (ISU) to strengthen internal inter-departmental coordination systems and investor engagement strategies and other external primary stakeholders' relations management showing interests in the municipal properties disposal and investment methodology.

DISCUSSION

The proposed initiatives demonstrate strong strategic alignment with the Municipal principal planning and development frameworks. Both the Investment Profile and the Investment Disposal & Marketing Strategy are directly linked to the objectives of the Spatial Development Framework (SDF) and the Integrated Development Plan (IDP) of the municipality, while also advancing the Western Cape Government's Growth for Jobs (G4J) Strategy. Together, these documents ensure that TWK's property management efforts are not playing out in isolation but forming an integral component of broader economic and spatial transformation agendas.

A further strength of the initiative lies in the categorisation of the property portfolio, which provides a structured and transparent method of distinguishing between land parcels that are ready for immediate disposal and those that require extended preparatory work.

This phased-in approach enables the Municipality to present to investors with a clear pipeline of opportunities while simultaneously guiding internal planning and seamless interdepartmental coordination. By separating investment-ready sites from those that are at concept design or pipeline stage, TWK is better positioned to manage expectations and prioritise resources accordingly.

Equally important is the emphasis on governance and compliance. The Strategy ensures that all property transactions are undertaken in a manner that is transparent, market-related, and fully compliant with the Municipal Finance Management Act (MFMA), the Municipal Asset Transfer Regulations (MATR), and TWK's own Administration of Immovable Property Policy. This would reinforce the Municipal reputation as a credible and accountable steward of public land, while also protecting community interests and inspires investor confidence.

Central to the implementation of the Strategy is the creation of an Investment Steering Unit (ISU). This cross cutting functional body will bring together key disciplines within the Municipality to oversee the entire lifecycle of property transactions. Its responsibilities will range from annual property audits and valuations to feasibility assessments, tender oversight, and monitoring of compliance once disposals have been finalised.

The ISU will serve as a single point of coordination, reducing duplication across departments and ensuring that Council decisions are implemented efficiently and consistently.

Finally, the initiatives introduce a suite of innovative marketing tools designed to enhance visibility and investor engagement. These include GIS-linked property dashboards that allow for live tracking of land parcels, well prepared digital tender packs, and branded investment brochures that present opportunities in a clear and attractive format.

An online investment portal will further expand access to information, ensuring that investors can easily access and obtain the data they need to make informed decisions. Collectively, these tools reinforce TWK's positioning as an investment-ready municipality committed to transparent processes, professional packaging, and long-term partnerships. This initiative would require a collective development and planning exercise in order to interlink all current platforms and systems.

By adopting this approach, represents a significant step forward in positioning Theewaterskloof Municipality as an investment-ready local authority. These documents collectively provide a structured framework that ensures municipal land is not only managed responsibly but also packaged in such a manner that attracts meaningful and sustainable investments.

By introducing clear systems of categorisation and phase-in properties release, the Municipality strengthens its ability to guide development in a way that is both orderly and responsive to market opportunities.

At the same time, the Strategy ensures that all disposals are undertaken in strict compliance with legislative requirements, thereby reinforcing transparency and public trust. This focus on lawful and market-related transactions reduces risk, maximises value, and creates a more predictable environment for investors.

COMMENTS: OFFICE OF THE MUNICIPAL MANAGER

Recommendations are supported.

COMMENTS FROM THE DIRECTORATE FINANCE

Before properties are disposed, it needs to be verified that the property is on the asset register. The land audit should also be made available to the Asset Department to update the asset register.

COMMENTS FROM THE DIRECTORATE CORPORATE SERVICES

For further discussion during Management meeting.

COMMENTS FROM THE DIRECTORATE TECHNICAL AND INFRASTRUCTURE IMPLEMENTATION SERVICES

Technical Services supports the initiative; however, we must be very cautious when it comes to the Mandate given to the UNIT. The manager must take responsibility for the implementation after the committee has recommended it to management.

COMMENTS FROM THE DEPARTMENT ELECTRICAL SERVICES

Not applicable.

COMMENTS FROM THE DIRECTORATE ECONOMIC DEVELOPMENT AND PLANNING (HUMAN SETTLEMENT)

Item is supported.

COMMENTS FROM THE DIRECTORATE ECONOMIC DEVELOPMENT AND PLANNING

Item supported.

COMMENTS FROM THE DIRECTORATE COMMUNITY SERVICES (OPERATIONAL)

Support the approval of the Municipal Property Investment Profile 2025 by Council.

COMMENTS FROM THE DIRECTORATE COMMUNITY SERVICES (PUBLIC SAFETY)

Recommendations are supported.

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

Advertisement cost of approximately R4000.00 for the account of the Municipality.

LEGAL IMPLICATIONS (ITEM AUTHOR)

The documents presented serve as strategic guidelines and operational frameworks that establish a mechanism to connect investors with municipal properties, while ensuring full compliance with all prescribed legislative requirements

- Section 40 of the TWK SCM Policy
- Section 14 of the MFMA (Act 56/2003)
- Section 90 of the MFMA (Act 56/2003)
- Municipal Asset Transfer Regulations (MFMA) (Act 56/2003)
- Theewaterskloof Municipal Administration of Immovable Property Policy

COMMENTS FROM INTERNAL AUDIT

It is recommended that the proposed Investment Steering Unit (ISU) should be clarified.

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

Not applicable as by adopting these Frameworks will limit and mitigate further risks within the Department.

COMMENTS FROM LEGAL SERVICES

The recommendation is supported.

COMMENTS FROM RISK MANAGEMENT

Noted the content of the item.

RECOMMENDATION BY ITEM AUTHOR:

It is recommended that Council:

1. Adopts and endorses the TWK Investment Profile 2025 and the Investment Disposal & Marketing Strategy July 2025, inclusive of the Investment Steering Unit Framework.
2. Approves the establishment of the Investment Steering Unit (ISU) under the Directorate: Economic Development & Planning, with the mandate and composition as outlined in the Strategy.
3. Notes that the implementation of the Strategy will commence with the packaging and marketing of identified Category A investment-ready properties in Caledon during the 2025/26 financial year.
4. Notes the proposed Category B: Pipeline properties that will be advertised for Call for Proposals in order to seek the guidance of the industry developers and investors.

RECOMMENDATION BY MANAGEMENT TO ECONOMIC DEVELOPMENT AND PLANNING COMMITTEE: 08 DECEMBER 2025

It is recommended that Council:

1. Adopts and endorses the TWK Investment Profile 2025 and the Investment Disposal & Marketing Strategy July 2025, inclusive of the Investment Steering Unit Framework.
2. Recommends the establishment of the Investment Steering Unit (ISU) under the Directorate: Economic Development & Planning, with the mandate and composition as outlined in the Strategy.

3. Notes that the implementation of the Strategy will commence with the packaging and marketing of identified Category A investment-ready properties in Caledon during the 2025/26 financial year.
4. Notes the proposed Category B: Pipeline properties that will be advertised for Call for Proposals in order to seek the guidance of industry developers and investors.

RECOMMENDATION BY ECONOMIC DEVELOPMENT COMMITTEE TO A COUNCIL WORKSHOP: 04 FEBRUARY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor PJ Stander and seconded by Councillor CA Benjamin, it was recommended as follows:

1. That the TWK Investment Profile 2025 and the Investment Disposal & Marketing Strategy July 2025, inclusive of the Investment Steering Unit Framework, be referred to a Workshop of Council.
2. That a designation be added to the Investment Steering Unit (ISU) composition during the Workshop.

RECOMMENDATION BY THE WORKSHOP TO COUNCIL: 28 APRIL 2026

It is recommended:

1. That Council adopts and endorses the TWK Investment Profile 2025 and the Investment Disposal & Marketing Strategy July 2025, inclusive of the Investment Steering Unit Framework.
2. That Council recommends the establishment of the Investment Steering Unit (ISU) under the Directorate: Economic Development & Planning, with the mandate and composition as outlined in the Strategy.
3. That Council notes that the implementation of the Strategy will commence with the packaging and marketing of identified Category A investment-ready properties in Caledon during the 2025/26 financial year.
4. That Council notes the proposed Category B: Pipeline properties that will be advertised for Call for Proposals in order to seek the guidance of industry developers and investors.
5. That the Public Open Space Policy, as adopted by Council, be presented to the Ward Committees for their cognizance.
6. That a Standard Operation Procedure (SOP) be developed in terms of the TWK Investment Profile 2025 and the Investment Disposal & Marketing Strategy July 2025.

RESOLVED BY COUNCIL: 28 MAY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman DA Appel and seconded by Alderman MR Nongxaza, it was resolved as follows:

1. **Council adopts and endorses the TWK Investment Profile 2025 and the Investment Disposal & Marketing Strategy July 2025, inclusive of the Investment Steering Unit Framework.**
2. **Council resolved for the establishment of the Investment Steering Unit (ISU) under the Directorate: Economic Development & Planning, with the mandate and composition as outlined in the Strategy.**
3. **Council noted that the implementation of the Strategy will commence with the packaging and marketing of identified Category A investment-ready properties in Caledon during the 2025/26 financial year.**
4. **Council noted the proposed Category B: Pipeline properties that will be advertised for Call for Proposals in order to seek the guidance of industry developers and investors.**
5. **That the Public Open Space Policy, as adopted by Council, be presented to the Ward Committees for their cognizance.**
6. **That a Standard Operation Procedure (SOP) be developed in terms of the TWK Investment Profile 2025 and the Investment Disposal & Marketing Strategy July 2025.**

For finalization by the Director: Economic Development and Planning, Ms N Baliso.

ITEM TITLE

**C129/2026 DIRECTORATE ECONOMIC DEVELOPMENT AND PLANNING:
DEPARTMENT PROPERTY MANAGEMENT: APPLICATION FOR
THE DISPOSAL OF ERVEN 692 AND 693, CALEDON TO
ADJOINING PROPERTY OWNER**

[English version of the report is the original]

FILE NUMBER

7/2/3/2/1

PURPOSE OF REPORT

To obtain Council approval for the direct disposal of Erven 692 and 693, Caledon, to the adjoining property owner, at market-related value, based on the classification of these erven as non-viable municipal land.

BACKGROUND

An unsolicited bid was received from Caledon Toyota Owners to purchase Erven 692 and 693, Caledon. Following receipt of this request, the Municipality conducted an investigation into the status, functionality, and development potential of the two erven. The investigation confirmed that the erven are physically isolated and landlocked within a consolidated urban block and are not accessible or usable as independent municipal properties.

It was further established that, for a number of years, these erven have functioned in practice as parking and service areas associated with the adjacent Toyota dealership, despite not forming part of the formal cadastral boundaries of that property. Historic zoning and cadastral records do not correctly reflect the current physical reality of the erven, which has contributed to their long-standing functional integration with the adjoining commercial property.

Due to their physical configuration, lack of access, and constrained spatial positioning within the block, the erven cannot realistically be utilised, leased, or developed independently by the Municipality for any meaningful municipal, commercial, or community purpose. Their continued retention therefore does not contribute to municipal service delivery, revenue generation, or longer-term strategic land use planning objectives.

Based on the above, Erven 692 and 693 Caledon meet the definition of non-viable residual municipal land.

DISCUSSION

The combined extent of Erven 692 and 693, Caledon, measures approximately 134 square metres in total. An independent market valuation was obtained, which determined a market-related value of R350 per square metre, resulting in a total recommended purchase price of R47 000.00.

The current zoning of the erven is classified as "Undetermined". Due to their classification as non-viable residual municipal land, the valuation report specifically recommends that these two erven be consolidated with the adjoining property. This recommendation is aligned with the application received from the adjacent owners, who have already initiated town planning processes to consolidate these portions into their existing commercial property, subject to the approval of sale.

A competitive disposal process is not feasible in this instance. The physical characteristics and location of the erven render them usable only by the adjoining property owner, as no independent access can be created and no alternative municipal or third-party use exists. The erven have no stand-alone commercial, residential, or community development value and therefore cannot be viably marketed through an open bidding process. Any attempt to follow a competitive disposal process would be impractical and unlikely to yield any alternative purchasers. The proposed sale was advertised in the local newspaper, inviting any comments or objections from the local community or interested parties. It is further confirmed that no objections or alternative offers were received.

The direct disposal of these erven will provide a clear financial and operational benefit to the Municipality. It will generate immediate market-related revenue, eliminate ongoing maintenance and liability risks, and prevent continued unauthorised or informal use of municipal land. Furthermore, the consolidation of the erven into the adjoining commercial property will contribute positively to local economic activity and support the growth of the municipal rates base.

The proposed direct sale will be subject to specific conditions to ensure full legislative compliance and risk mitigation. These conditions will include the confirmation of an independent market valuation, full payment of the purchase price prior to transfer, and the requirement that the purchaser bears all costs related Town planning as well as transfer of the property. The registration of the consolidation will serve as a suspensive condition of sale, and the transfer of the properties will be finalised within the prescribed timeframes in terms of the Municipal Finance Management Act.

COMMENTS FROM THE DIRECTORATE FINANCE

Recommendations are supported as the properties are not needed for the provision of Municipal services, provided that all appropriate processes were followed.

COMMENTS FROM THE DIRECTORATE ECONOMIC DEVELOPMENT AND PLANNING

Item is supported to serve at Council Committee Meeting for scrutiny and approval.

COMMENTS FROM THE DIRECTORATE COMMUNITY SERVICES (OPERATIONAL)

Support the recommendation. This property is not viable to be used for service delivery.

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

The proposed disposal of Erven 692 and 693, Caledon presents minimal strategic, financial, or operational risk to the Municipality. The erven have been identified as non-viable residual municipal land due to their physical configuration, lack of independent access, and their functional integration with the adjoining commercial property. The continued retention of these erven therefore offers limited strategic or operational benefit to the Municipality and may result in ongoing risks associated with informal use, maintenance responsibilities, and potential liability exposure.

The proposed disposal will mitigate these risks by formalising the ownership and consolidation of the erven with the adjoining property, thereby ensuring proper land administration and utilisation. The transaction is further subject to full legislative compliance with the Municipal Finance Management Act and the Municipal Asset Transfer Regulations, including Council determination that the land is not required for municipal service delivery and that the disposal will generate an economic benefit to the Municipality.

Additional safeguards are provided through the requirement that the purchaser bears all costs associated with the town planning processes, consolidation, surveying, and transfer of the properties, ensuring that the Municipality incurs no financial exposure in the implementation of the transaction. The consolidation requirement will also function as a risk mitigation measure, ensuring that the erven cannot remain as fragmented parcels within the municipal cadastral structure.

Overall, the disposal represents a low-risk transaction that contributes positively to municipal land management, reduces administrative and liability exposure, and converts dormant municipal land into a productive asset contributing to the municipal rates base.

LEGAL IMPLICATIONS (ITEM AUTHOR)

Prescribed Legislative Requirement	Action Taken / Compliance Achieved
MFMA Section 14(2)(a): Council must determine that the asset is not required to provide a minimum level of basic municipal services.	An investigation confirmed that Erven 692 and 693, Caledon are physically landlocked, lack independent access, and cannot reasonably be utilised for municipal service delivery purposes. The erven therefore do not contribute to the provision of basic

	municipal services and may be considered for disposal.
MFMA Section 14(2)(b): The disposal must provide economic and financial benefit to the Municipality.	The disposal will generate market-related revenue, eliminate ongoing municipal maintenance and liability risks, and allow the land to be formally consolidated with the adjoining commercial property, thereby contributing to the municipal rates base.
MATR, 2008 – Regulation 7: Consideration of proposals to transfer or dispose of non-exempted capital assets.	Council has considered the factors listed in Regulation 7 as follows: (a) The erven are not required for future municipal use due to their landlocked configuration and inability to support municipal services. (b) The disposal will result in a financial gain through the receipt of market-related revenue and the removal of a non-performing municipal asset. (c) The compensation to be received represents the full market value of the land and therefore provides a financial benefit to the Municipality. (d) Retention of the asset presents minimal strategic reward and ongoing operational risk, including informal use and maintenance liabilities. Disposal mitigates these risks. (e) Due to the small scale of the asset and transaction value, the disposal will have no material impact on the Municipality's credit rating, borrowing capacity, financial position or cash flow. (f) No restrictive conditions have been identified that would prevent the disposal. The transfer will however be subject to consolidation with the adjoining property as a suspensive condition of sale. (g) The estimated cost of transfer will be borne entirely by the purchaser, resulting in no financial burden on the Municipality. (h) No liabilities or reserve funds are associated with the asset that would transfer as part of the disposal. (i) The proposed disposal was advertised in the local newspaper inviting public comments or objections. No objections or alternative proposals were received. (j) No comments or recommendations from National Treasury or Provincial Treasury were required due to the scale and nature of the transaction. (k) The disposal supports the Municipality's strategic interest in rationalising non-viable municipal land and promoting efficient urban land use while supporting local economic activity. (l) The proposed disposal complies with the Municipal

	Finance Management Act and the Municipal Asset Transfer Regulations governing municipal asset disposals.
MATR – Regulation 12: Direct disposal where a competitive process is not feasible.	Due to the physical characteristics of the erven and their integration with the adjoining property, no independent access or viable alternative use exists. The properties can only reasonably be utilised by the adjoining property owner, making a competitive disposal process impractical.
MATR – Regulation 20: Independent market valuation required.	An independent valuation confirmed a market-related value of R350 per m ² , resulting in a total purchase price of R47 000.00 for the combined extent of the erven.
MATR – Regulation 34: Proceeds must accrue to the Municipality.	All proceeds from the disposal will be accrued to the Municipality and will be accounted for in accordance with municipal financial management and reporting requirements.

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

The proposed disposal of Erven 692 and 693, Caledon will result in a direct financial benefit to the Municipality through the receipt of market-related compensation for municipal land that currently has no viable independent municipal use.

An independent valuation determined a market-related value of R350 per square metre for the erven. Based on the combined extent of approximately 134 m², the recommended purchase price amounts to R47 000.00.

The transaction will therefore generate once-off revenue of R47 000.00, which will accrue directly to the Municipality and be recorded in accordance with the Municipality's financial management and reporting requirements.

Importantly, the disposal will not result in any financial burden to the Municipality, as all costs associated with the transaction will be borne by the purchaser. These costs include, but are not limited to:

- Town planning applications required for consolidation.
- Surveying and cadastral amendments were required.
- Conveyancing and transfer costs; and
- Any other statutory costs associated with the transaction.

In addition to the immediate capital revenue, the consolidation of the erven with the adjoining commercial property will contribute positively to the municipal rates base over the long term, thereby supporting the Municipality's broader financial sustainability and local economic development objectives.

The disposal therefore represents a financially prudent rationalisation of non-performing municipal land, converting dormant assets into immediate revenue while avoiding any associated transaction costs or future maintenance obligations.

COMMENTS FROM LEGAL SERVICES

The recommendation is supported. The municipality needs every cent at its disposal.

RECOMMENDATION BY ITEM AUTHOR:

It is recommended:

1. That Council takes note of all applicable legislative processes and legal compliance as provided for in the report.
2. That Council confirms, in accordance with Section 14(2)(a) of the Municipal Finance Management Act, that the Erf 692 and 693 Caledon is not required to provide the minimum level of basic municipal services.
3. That Council resolves that Erf 692 and 693 Caledon is considered as non-viable property and approves the direct disposal of Erven 692 and 693 being approximately 134m² in size, to the applicant at market-related value of R47 000.00 (Forty Thousand Seven Hundred Rand) (VAT included);
4. That Council authorises the concluding of a Deed of Sale in line with the prescribed provision and subject to the conditions above.
5. That 10% deposit is payable to the Municipality on the day of signature of the Deed of Sale and the remaining amount be paid on day of registration.
6. That the property be consolidated with the purchaser's adjacent property and that the cost thereof be for the account of the applicant.

RECOMMENDATION BY MANAGEMENT TO ECONOMIC DEVELOPMENT AND PLANNING COMMITTEE: 23 MARCH 2026

It is recommended:

1. That Council takes note of all applicable legislative processes and legal compliance as provided for in the report.
2. That Council confirms, in accordance with Section 14(2)(a) of the Municipal Finance Management Act, that the Erf 692 and 693 Caledon is not required to provide the minimum level of basic municipal services.
3. That Council resolves that Erf 692 and 693 Caledon is considered as non-viable property and approves the direct disposal of Erven 692 and 693 being approximately 134m² in size, to the applicant at market-related value of R47 000.00 (Forty Thousand Seven Hundred Rand) (VAT included);
4. That Council authorises the concluding of a Deed of Sale in line with the prescribed provision and subject to the conditions above.

5. That 10% deposit is payable to the Municipality on the day of signature of the Deed of Sale and the remaining amount be paid on day of registration.
6. That the property be consolidated with the purchaser's adjacent property and that the cost thereof be for the account of the applicant.
7. Management resolved that the valuation report indicating the reserved price be attached as an annexure to the agenda-item.

RECOMMENDATION BY THE ECONOMIC DEVELOPMENT COMMITTEE TO THE EMC: 06 MAY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor PJ Stander, and seconded by Councillor V Papier it was recommended as follows:

1. That Council takes note of all applicable legislative processes and legal compliance as provided for in the report.
2. That Council confirms, in accordance with Section 14(2)(a) of the Municipal Finance Management Act, that the Erf 692 and 693 Caledon is not required to provide the minimum level of basic municipal services.
3. That Council resolves that Erf 692 and 693 Caledon is considered as non-viable property and approves the direct disposal of Erven 692 and 693 being approximately 134m² in size, to the applicant at market-related value of R47 000.00 (Forty Thousand Seven Hundred Rand) (VAT included);
4. That Council authorises the concluding of a Deed of Sale in line with the prescribed provision and subject to the conditions above.
5. That 10% deposit is payable to the Municipality on the day of signature of the Deed of Sale and the remaining amount be paid on day of registration.
6. That the property be consolidated with the purchaser's adjacent property and that the cost thereof be for the account of the applicant.

RECOMMENDATION BY THE EMC TO COUNCIL: 19 MAY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman C Clayton, and seconded by Alderman M Plato-Mentoor it was recommended as follows:

1. That Council takes note of all applicable legislative processes and legal compliance as provided for in the report.
2. That Council confirms, in accordance with Section 14(2)(a) of the Municipal Finance Management Act, that the Erf 692 and 693 Caledon is not required to provide the minimum level of basic municipal services.

3. That Council resolves that Erf 692 and 693 Caledon is considered as non-viable property and approves the direct disposal of Erven 692 and 693 being approximately 134m² in size, to the applicant at market-related value of R47 000.00 (Forty Thousand Seven Hundred Rand) (VAT included);
4. That Council authorises the concluding of a Deed of Sale in line with the prescribed provision and subject to the conditions above.
5. That 10% deposit is payable to the Municipality on the day of signature of the Deed of Sale and the remaining amount be paid on day of registration.
6. That the property be consolidated with the purchaser's adjacent property and that the cost thereof be for the account of the applicant.

RECOMMENDATION TO COUNCIL:

It is recommended:

1. That Council takes note of all applicable legislative processes and legal compliance as provided for in the report.
2. That Council confirms, in accordance with Section 14(2)(a) of the Municipal Finance Management Act, that the Erf 692 and 693 Caledon is not required to provide the minimum level of basic municipal services.
3. That Council resolves that Erf 692 and 693 Caledon is considered as non-viable property and approves the direct disposal of Erven 692 and 693 being approximately 134m² in size, to the applicant at market-related value of R47 000.00 (Forty Thousand Seven Hundred Rand) (VAT included);
4. That Council authorises the concluding of a Deed of Sale in line with the prescribed provision and subject to the conditions above.
5. That 10% deposit is payable to the Municipality on the day of signature of the Deed of Sale and the remaining amount be paid on day of registration.
6. That the property be consolidated with the purchaser's adjacent property and that the cost thereof be for the account of the applicant.

RESOLVED BY COUNCIL: 28 MAY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman S Fredericks and seconded by Alderman M Plato-Mentoor, it was resolved as follows:

1. Council noted all applicable legislative processes and legal compliance as provided for in the report.

2. Council confirms, in accordance with Section 14(2)(a) of the Municipal Finance Management Act, that Erf 692 and 693 Caledon is not required to provide the minimum level of basic municipal services.
3. Council resolves that Erf 692 and 693 Caledon is considered as non-viable property and approves the direct disposal of Erven 692 and 693 being approximately 134m² in size, to the applicant at market-related value of R47 000.00 (Forty Thousand Seven Hundred Rand) (VAT included).
4. Council authorises the concluding of a Deed of Sale in line with the prescribed provision and subject to the conditions above.
5. Council resolved that 10% deposit is payable to the Municipality on the day of signature of the Deed of Sale and the remaining amount be paid on day of registration.
6. Council resolved that the property be consolidated with the purchaser's adjacent property and that the cost thereof be for the account of the applicant.

For finalization by the Director: Economic Development and Planning, Ms N Baliso.

ITEM TITLE

**C130/2026 DIRECTORATE ECONOMIC DEVELOPMENT AND PLANNING:
DEPARTMENT HUMAN SETTLEMENTS: PROJECTS STATUS
REPORT**

[English version of the report is the original]

FILE NUMBER

17/7/4

PURPOSE OF REPORT

To report to the Council on the quarterly progress made on Human Settlement Projects for the second quarter from 01 January 2026 up to 31 March. (Q3)

BACKGROUND

The Human Settlements Department is mandated to plan, implement, and monitor housing development and related infrastructure projects aimed at addressing housing demand, upgrading informal settlements, and promoting sustainable and integrated human settlements within the Theewaterskloof Municipal area. The Human Settlements Project Status Report for Q3 provides a consolidated overview of the status of projects at various stages of implementation, including pre-planning, planning, engineering services installation, and construction of top structures.

Projects reported on during Q3 include Riemvasmaak Housing Project, Beaumont Temporary Residential Area, Greyton Erf 595, Joe Slovo Housing Project, Destiny Farm Housing Project, Hillside Phases 1 and 2, Rooidakke Phases 5 and 6, Greater Grabouw and Greater Villiersdorp pre-planning initiatives, Gypsy Queen (Grabouw), Oude Brug Farm, and Iraq informal settlement services. These projects contribute towards the municipality's strategic objective of providing adequate housing opportunities, improving living conditions, and advancing spatial transformation.

DISCUSSION

During the second quarter of the 2025/26 financial year, measurable progress was recorded across several Human Settlements projects, particularly within planning and implementation phases. A number of projects, including Greyton Erf 595, Gypsy Queen, and Beaumont IRDP Phase 2, have achieved key milestones such as the completion and approval of civil engineering designs, land use applications, and environmental authorisations, positioning them as implementation ready. In addition, implementation projects such as Destiny Farm (Phase 2 and 3) and Beaumont TRA have progressed to construction stages, with site establishment, practical completion of certain phases, and commencement of new works being realised.

However, procurement-related delays continue to significantly impact project timelines. Several projects, including Riemvasmaak, Hillside Phase 2, and Rooidakke Phase 6, remain delayed due to prolonged Bid Evaluation Committee (BEC) and Bid Adjudication Committee (BAC) processes, as well as tender validity challenges. These delays have hindered the timely appointment of contractors and subsequent commencement of engineering services.

Contractor non-performance and terminations remain key risks affecting delivery. Projects such as Joe Slovo, Hillside Phase 1, and Iraq experienced disruptions due to contractor incapacity, resulting in terminations and the need to procure replacement contractors, thereby delaying completion and affecting expenditure performance.

Further constraints include regulatory dependencies and technical coordination challenges, such as delays in obtaining environmental feedback, electrical capacity confirmations from Eskom, and funding approvals for bulk infrastructure and social facilities. In some instances, on-site challenges, including relocation of existing structures and informal settlements, have also affected construction progress.

Despite these constraints, the Department continues to strengthen coordination with Supply Chain Management to expedite procurement processes, enhance contractor performance monitoring, and actively engage with provincial departments and statutory authorities to unlock stalled projects and improve overall delivery performance.

NB: Annexure A: Provides detailed report of each project

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

Not applicable.

LEGAL IMPLICATIONS (ITEM AUTHOR)

Not applicable.

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

Not applicable.

RECOMMENDATION BY ITEM AUTHOR:

It is recommended:

- 1. That the Human Settlements and Planning Portfolio Committee takes note of the Human Settlements Q3 Progress Report (01 January 2026 – 31 March 2026) which outlines the current status of housing and infrastructure projects across the municipality, highlighting progress achieved as well as challenges impacting implementation.**

2. The report serves to inform Council of ongoing efforts to address delays related to procurement, contractor performance, and regulatory processes, while reaffirming the municipality's commitment to accelerating delivery, improving coordination with key stakeholders, and ensuring the efficient utilisation of available funding to achieve sustainable human settlement development.

RECOMMENDATION BY THE HUMAN SETTLEMENTS AND PLANNING COMMITTEE TO THE EMC: 05 MAY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor P Stander, and seconded by Alderman BB MKhwibiso, it was recommended as follows:

1. The Human Settlements and Planning Portfolio Committee takes note of the Human Settlements Q3 Progress Report (01 January 2026 – 31 March 2026) which outlines the current status of housing and infrastructure projects across the municipality, highlighting progress achieved as well as challenges impacting implementation.

It is recommended that:

2. The report serves to inform Council of ongoing efforts to address delays related to procurement, contractor performance, and regulatory processes, while reaffirming the municipality's commitment to accelerating delivery, improving coordination with key stakeholders, and ensuring the efficient utilisation of available funding to achieve sustainable human settlement development.
3. That the Housing Beneficiary Selection Policy be reviewed at a Council Workshop.

RECOMMENDATION BY THE EMC TO COUNCIL: 19 MAY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman S Fredericks and seconded by Councillor H Linnerts it was recommended as follows:

1. The EMC takes note of the Human Settlements Q3 Progress Report (01 January 2026 – 31 March 2026) which outlines the current status of housing and infrastructure projects across the municipality, highlighting progress achieved as well as challenges impacting implementation.

It is recommended that:

2. The report serves to inform Council of ongoing efforts to address delays related to procurement, contractor performance, and regulatory processes, while reaffirming the municipality's commitment to accelerating delivery, improving coordination with key stakeholders, and ensuring the efficient utilisation of available funding to achieve sustainable human settlement development.
3. That the Housing Beneficiary Selection Policy be reviewed at a Council Workshop.

RECOMMENDATION TO COUNCIL:

It is recommended:

1. That Council takes note of the Human Settlements Q3 Progress Report (01 January 2026 – 31 March 2026) which outlines the current status of housing and infrastructure projects across the municipality, highlighting progress achieved as well as challenges impacting implementation.
2. That the report serves to inform Council of ongoing efforts to address delays related to procurement, contractor performance, and regulatory processes, while reaffirming the municipality's commitment to accelerating delivery, improving coordination with key stakeholders, and ensuring the efficient utilisation of available funding to achieve sustainable human settlement development.
3. That the Housing Beneficiary Selection Policy be reviewed at a Council Workshop.

RESOLVED BY COUNCIL: 28 MAY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman MR Nongxaza and seconded by Alderman DA Appel, it was resolved as follows:

1. Council noted the Human Settlements Q3 Progress Report (01 January 2026 – 31 March 2026) which outlines the current status of housing and infrastructure projects across the municipality, highlighting progress achieved as well as challenges impacting implementation.
2. Council noted the ongoing efforts to address delays related to procurement, contractor performance, and regulatory processes, while reaffirming the municipality's commitment to accelerating delivery, improving coordination with key stakeholders, and ensuring the efficient utilisation of available funding to achieve sustainable human settlement development.

3. **Council resolved that the Housing Beneficiary Selection Policy be reviewed at a Council Workshop.**

For finalization by the Director: Economic Development and Planning, Ms N Baliso.

ITEM HEADING

**C131/2026 DIRECTORATE FINANCE: DEPARTMENT SUPPLY CHAIN
MANAGEMENT: DEVIATION REPORT FOR APRIL 2026**

[English version of the report is the original]

FILE NUMBER

6/3/3/6

PURPOSE / AIM OF REPORT

To present a report to Council consisting of the reasons for deviating in terms of subparagraphs 36(1)(a) and (b) of the SCM Policy for the month of April 2026.

BACKGROUND

(1) The Accounting Officer may –

- a) dispense with the official procurement processes established by this Policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only –
 - (i) in an emergency; (An emergency is an unforeseeable sudden event with harmful or potential harmful consequences for the municipality which requires urgent action to address.)

Circumstances that warrant emergency dispensation, includes but are not limited to –

- a) the possibility of human injury or death,
- b) the prevalence of human suffering or deprivation of rights,
- c) the possibility of damage to property, or suffering and death of livestock and animals, the interruption of essential services, including transportation and communication facilities or support services critical to the effective functioning of the municipality as a whole, the possibility of serious damage occurring to the natural environment,
- d) the possibility that failure to take necessary action may result in the municipality not being able to render an essential community service,
- e) the possibility that the security of the state could be compromised.

The prevailing situation, or imminent danger, should be of such a scale and nature that it could not readily be alleviated by interim measures, in order to allow time for the formal tender process.

- (i) if such goods or services are produced or available from a single source or sole provider only (as per definition);

- (ii) for the acquisition of special works of art or historical objects where specifications are difficult to compile;
- (iii) acquisition of animals for zoos and/or nature and game reserves; or
- (iv) in any other exceptional case where it is impractical or impossible to follow the official procurement processes;
- (v) ad-hoc repairs to plant and equipment where it is not possible to ascertain the nature or extent of the work required in order to call for bids; and
- b) ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.

DISCUSSION

The report in terms of subparagraph 36(1)(a) can be found attached. Also note that the Accounting Officer did not ratify minor breaches of the procurement process in terms of subparagraph 36(1)(b).

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

As per attachment.

LEGAL IMPLICATIONS (ITEM AUTHOR)

Regulation 36 of the Supply Chain Management Policy.

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

Not applicable.

RECOMMENDATION BY ITEM AUTHOR:

It is recommended that Council takes cognisance of the report.

RECOMMENDATION BY THE FINANCE COMMITTEE TO EMC: 19 MAY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, it was unanimously recommended as follows:

That Council takes cognisance of the report.

RECOMMENDATION BY THE EMC TO COUNCIL: 19 MAY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, it was unanimously recommended as follows:

That Council takes cognisance of the report.

RECOMMENDATION TO COUNCIL:

It is recommended that Council takes cognisance of the report.

RESOLVED BY COUNCIL: 28 MAY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman S Fredericks and seconded by Councillor CA Cloete, it was resolved as follows:

Council takes cognisance of the report.

For finalization by the Acting Director: Finance, Mr A Riddles.

ITEM TITLE

C132/2026 DIRECTORATE FINANCE: CONSIDERING THE DRAFT REVENUE ENHANCEMENT STRATEGY 2025/26 – 2027/28

[English version of the report is the original]

FILE NUMBER

5/B

PURPOSE OF REPORT

The purpose of this report is to submit the Draft Revenue Enhancement Strategy. The strategy is comprised of inter-related priority interventions aimed at protecting and growing the municipality's own revenue base, strengthening the integrity of the debtors book.

BACKGROUND

Theewaterskloof Municipality's own-revenue performance is under pressure from a combination of ageing infrastructure, data inaccuracies, weaknesses in the indigent register, and the impact of long-outstanding debt on the debtor's book. In response, a consolidated Revenue Enhancement Strategy has been compiled, bringing together priority interventions into a single, coordinated framework aimed at protecting and growing the municipality's own revenue base over the medium term

DISCUSSION

The Draft Revenue Enhancement Strategy is structured around five priorities, summarised below. The full detail of each priority, including the scope of work, town-by-town analysis, phased timelines, governance arrangements, costing and risk registers, is contained in the Draft Strategy attached as Annexure A.

Priority 1: Smart Water Meter Strategy – Phased replacement of obsolete prepaid and end-of-life water meters with smart utility meters to recover unbilled consumption, improve billing accuracy, enable real-time credit control and reduce non-revenue water.

Priority 2: Business Property Data Verification – Internal validation and correction on Phoenix of the business property dataset produced by the Delta physical audit, to eliminate ownership, zoning, tariff and service-connection discrepancies and recover historical business revenue.

Priority 3: Indigent Management and Vetting – Procurement of an external bulk indigent verification service to remove ineligible beneficiaries from the indigent register in response to AGSA COMAF 23 of 2024/25, supported by enhanced internal controls and an amendment to the Indigent Policy.

Priority 4: Steenbras Property Integration – Integration of the 89 residential units transferred from the City of Cape Town into the municipal billing system through account creation, bulk water mains upgrades and the installation of individual smart water meters.

Priority 5: Water Meter Audit and Verification – Deployment of dedicated field verification teams to each town to physically inspect, verify and document every water meter on the municipality's books, in order to establish a verified baseline for billing and for the Smart Water Meter Strategy.

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

The detailed financial implications of each of the five priorities, including the estimated capital and operating costs, the projected annual revenue uplift and subsidy savings, and the proposed funding sources, are set out in the Draft Revenue Enhancement Strategy. All expenditure flowing from the strategy remains subject to the approval of the relevant budget in terms of the Municipal Finance Management Act.

LEGAL IMPLICATIONS (ITEM AUTHOR)

None.

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

Risks are set out in the Strategy per priority.

RECOMMENDATION BY ITEM AUTHOR TO COUNCIL:

It is recommended that Council approves the Draft Revenue Enhancement Strategy.

RESOLVED BY COUNCIL: 28 MAY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman DA Appel and seconded by Councillor CT Cloete, it was resolved as follows:

Council approves the Draft Revenue Enhancement Strategy.

For finalization by the Acting Director: Finance, Mr A Riddles.

ITEM TITLE

C133/2026 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: DIRECTORATE COMMUNITY SERVICES: IRREGULAR EXPENDITURE WITH REGARDS TO THE SUPPLY AND FIT NEW H/P HOSES WITH FITTINGS - KAI-MA SERVICES (PTY) LTD FOR CAM 34735

[English version of the report is the original]

FILE NUMBER

6/3/1/5/1

PURPOSE OF REPORT

The purpose of this report is to inform the MPAC committee on the irregular expenditure with regards to the Supply and fit new H/P Hoses with fittings - KAI-Ma Services (Pty) Ltd for CAM 34735.

BACKGROUND

2023/24 AG Findings: *This results in non-compliance with regulation 17(1) (a) and (c) as goods were procured without obtaining the required price quotations. Deviations were approved by the accounting officer even though it was not impractical to obtain price quotations in contravention with regulation 36(1) (a). This results in irregular expenditure of R60 832, 98. The non-compliance is not individually material but will be evaluated with other instances of non-compliance.*

Management Response

Management disagrees with the finding.

We observed a leak in the HP hoses. Normally this could be repaired hence we deviate from the normal procedure as the extent of the damage needs to be determined by a Service Provider.

Defects like this need to be striped and only after this can a quote be provided by the supplier

The Service Provider informed us that the hose needs to be replaced. That is the reason why it is Impractical to appoint another services provider.

It is not cost effective or practical to take and drive a vehicle to different suppliers to strip, do a diagnostic and give a quotation as no supplier will do this for free as there is time involved.

Service provider has proven track record with the municipality and therefore was approach for this procurement.

AG Response

Finding remains.

We take note of managements comments however the finding still remains for the following reasons:

- 1.) Management has indicated that it is not cost effective or practical to take and drive a vehicle to different suppliers to strip, do a diagnostic and give a quotation, however the municipality could have obtained quotations from different suppliers on the strip and diagnostic services only prior to actual delivery of the vehicle for the stripping.*
- 2.) We further take note that the service provider has proven track record with the municipality, however this is not a justifiable reason for deviating from a competitive bidding process.*

DISCUSSION

As per attachment.

COMMENTS FROM THE DIRECTORATE COMMUNITY SERVICES (OPERATIONAL)

That the matter be reported to MPAC as irregular expenses in accordance with Section 32 of the LG: MFMA. Council received value for money and did not suffer any losses or damage.

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

The irregular expenditure of R60 832.98 has been recorded in 2023/2024 financial statements. Management should ensure that recurrence is prevented.

LEGAL IMPLICATIONS (ITEM AUTHOR)

Section 32 of the MFMA states that any official of a municipality who deliberately or negligently committed, made or authorized an irregular expenditure is liable for that expenditure. A municipality must recover such expenditure from the person liable for that expenditure, unless Council certifies the irregular expenditure as irrecoverable, after MPAC has investigated and recommended it. Irregular expenditure for the purpose of this item means expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of the supply chain management policy of the municipality and which has not been condoned in terms of such policy.

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

Failing to manage irregular expenses in accordance with the MFMA could result in Council Losing money and not receiving value for money. However, in this case Council did not suffer any losses or damages and received value for money.

RECOMMENDATION BY ITEM AUTHOR:

It is therefore recommended that, in the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, the irregular expenditure in the amount of R60 832.98 be written off for the financial year 2023/2024.

RECOMMENDATION BY MANAGEMENT TO MPAC: 12 FEBRUARY 2026

It is therefore recommended that, in the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, the irregular expenditure in the amount of R60 832.98 be written off for the financial year 2023/2024.

DISCUSSION DURING MEETING:

Councillor S Stander – Supporting documents attached answered all the questions. Is Kai-Ma Services (Pty) Ltd the only company available to repair the compactor pipe?

Mr WSE Solomons-Johannes – No company in TWK to do the repair work. This is the only company that specializes in this vehicle.

Councillor S Stander – Price paid, is it market-related?

Mr WSE Solomons-Johannes – Prices are checked for market industry price. New tender in place to address deviations in future.

Mr E Lakey – To check for market-related prices become a problem especially with the specialized equipment within the municipality which might result into reoccurring findings.

RECOMMENDATION BY MPAC TO COUNCIL: 29 APRIL 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor P Stander and seconded by Councillor DJ Jacobs, it was recommended as follows:

In the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, the irregular expenditure in the amount of R60 832.98 be written off for the financial year 2023/2024.

RECOMMENDATION TO COUNCIL:

It is therefore recommended that, in the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, the irregular expenditure in the amount of R60 832.98 be written off for the financial year 2023/2024.

RESOLVED BY COUNCIL: 28 MAY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman MR Nongxaza and seconded by Councillor C Smith, it was resolved as follows:

In the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, Council resolved that the irregular expenditure in the amount of R60 832.98 be written off for the financial year 2023/2024.

For finalization by the Director: Community Services, Mr WSE Solomons-Johannes.

ITEM HEADING

C134/2026 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: DIRECTORATE TECHNICAL- AND INFRASTRUCTURE IMPLEMENTATION SERVICES: IRREGULAR EXPENDITURE – NOT JUSTIFIABLE DEVIATION (ENVIROSERV WASTE MANAGEMENT (PTY) LTD)

[English version of the report is the original]

FILE NUMBER

6/3/1/5/1

PURPOSE / AIM OF REPORT

The purpose of this report is to inform the Municipal Public Accounts Committee on the irregular expenditure with regards to the Transport of Containerised Municipal Solid Waste and Chipping of Garden Waste for the Period from 01 July 2024 until 30 June 2027 – Enviroserv Waste Management (Pty) Ltd.

BACKGROUND

2024/25 AG Findings: *“The municipality deviated from SCM processes to procure the services for waste management for three years, citing the impracticality due to lack of a functional BAC. This deviation, therefore, stems from improper planning.*

Impact:

This results in non-compliance with regulation 19(a) as goods were procured without following a competitive bidding process.

Deviations were approved by the accounting officer even though it was not impractical to obtain price quotations in contravention with regulation 36(1). This results in an irregular expenditure of R400 555 (expenditure in the current year). All future expenditure on these services should also be regarded as irregular expenditure. The non-compliance is material (recurring) and will be included in the audit report.”

DISCUSSION

As per attachment.

COMMENTS FROM THE OFFICE OF THE MUNICIPAL MANAGER

I note the value for money confirmation.

COMMENTS FROM THE DIRECTORATE TECHNICAL AND INFRASTRUCTURE IMPLEMENTATION SERVICES

Recommendation is supported.

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

The irregular expenditure of R400 555 has been recorded in 2024/2025 financial statements. Management should ensure that recurrence is prevented.

LEGAL IMPLICATIONS (ITEM AUTHOR)

Section 32 of the MFMA states that any official of a municipality who deliberately or negligently committed, made or authorized an irregular expenditure is liable for that expenditure. A municipality must recover such expenditure from the person liable for that expenditure, unless Council certifies the irregular expenditure as irrecoverable, after the Municipal Public Accounts Committee has investigated and recommended it. Irregular expenditure for the purpose of this item means expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of the supply chain management policy of the municipality and which has not been condoned in terms of such policy.

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

Failing to manage irregular expenses in accordance with the MFMA could result in Council Losing money and not receiving value for money. However, in this case Council did not suffer any losses or damages and received value for money.

RECOMMENDATION BY ITEM AUTHOR:

It is therefore recommended that in the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, the irregular expenditure in the amount of R400 555 for the financial year 2024/2025 be written off.

RECOMMENDATION BY MANAGEMENT TO MPAC: 26 FEBRUARY 2026

It is therefore recommended that in the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, the irregular expenditure in the amount of R400 555 for the financial year 2024/2025 be written off.

RECOMMENDATION BY MPAC TO COUNCIL: 29 APRIL 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor P Stander and seconded by Councillor DJ Jacobs, it was recommended as follows:

In the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, the irregular expenditure in the amount of R400 555 for the financial year 2024/2025 be written off.

RECOMMENDATION TO COUNCIL:

It is therefore recommended that in the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, the irregular expenditure in the amount of R400 555 for the financial year 2024/2025 be written off.

RESOLVED BY COUNCIL: 28 MAY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman DA Appel and seconded by Alderman MR Nongxaza, it was resolved as follows:

In the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, Council resolved that the irregular expenditure in the amount of R400 555 be written off for the financial year 2024/2025.

For finalization by the Director: Technical- and Infrastructure Implementation Services, Mr H Matthee.

ITEM HEADING

C135/2026 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: DIRECTORATE TECHNICAL- AND INFRASTRUCTURE IMPLEMENTATION SERVICES: IRREGULAR EXPENDITURE - NOT JUSTIFIABLE DEVIATION (WB TIPPER TRUCK AND PLANT HIRE)

[English version of the report is the original]

FILE NUMBER

6/3/1/5/1

PURPOSE / AIM OF REPORT

The purpose of this report is to inform the Municipal Public Accounts Committee on the irregular expenditure with regards to the Leasing of plant for Caledon Landfill Site – WB Tipper Truck and Plant Hire.

BACKGROUND

2024/25 AG Findings: *“The municipality deviated from the SCM process to lease plant for the Landfill site. A formal tender process was followed, but due to lack of a BAC, the municipality deviated and appointed the current service provider to adhere to the landfill site license requirements. In the past the municipality sourced BAC members from other municipalities. This deviation is therefore because of the municipality's improper planning not justifiable.*

Impact:

This results in non-compliance with regulation 19(a) as goods were procured without following a competitive bidding process.

Deviations were approved by the accounting officer even though it was not impractical to follow the formal tender processes.

This results in irregular expenditure of R314 697.50. The non-compliance is material (recurring) and will be included in the audit report.”

DISCUSSION

As per attachment.

COMMENTS FROM THE OFFICE OF THE MUNICIPAL MANAGER

The recommendation is noted.

COMMENTS FROM THE DIRECTORATE TECHNICAL AND INFRASTRUCTURE IMPLEMENTATION SERVICES

Recommendation is supported.

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

The irregular expenditure of R314 697.50 has been recorded in 2024/2025 financial statements. Management should ensure that recurrence is prevented.

LEGAL IMPLICATIONS (ITEM AUTHOR)

Section 32 of the MFMA states that any official of a municipality who deliberately or negligently committed, made or authorized an irregular expenditure is liable for that expenditure. A municipality must recover such expenditure from the person liable for that expenditure, unless Council certifies the irregular expenditure as irrecoverable, after the Municipal Public Accounts Committee has investigated and recommended it. Irregular expenditure for the purpose of this item means expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of the supply chain management policy of the municipality and which has not been condoned in terms of such policy.

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

Failing to manage irregular expenses in accordance with the MFMA could result in Council Losing money and not receiving value for money. However, in this case Council did not suffer any losses or damages and received value for money.

RECOMMENDATION BY ITEM AUTHOR:

It is recommended that in the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, the irregular expenditure in the amount of R314 697.50 for the financial year 2024/2025 be written off.

RECOMMENDATION BY MANAGEMENT TO MPAC: 26 FEBRUARY 2026

It is recommended that in the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, the irregular expenditure in the amount of R314 697.50 for the financial year 2024/2025 be written off.

RECOMMENDATION BY MPAC TO COUNCIL: 29 APRIL 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor P Stander and seconded by Councillor DJ Jacobs, it was recommended as follows:

In the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, the irregular expenditure in the amount of R314 697.50 for the financial year 2024/2025 be written off.

RECOMMENDATION TO COUNCIL:

It is recommended that in the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, the irregular expenditure in the amount of R314 697.50 for the financial year 2024/2025 be written off.

RESOLVED BY COUNCIL: 28 MAY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman DA Appel and seconded by Alderman MR Nongxaza, it was resolved as follows:

In the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, Council resolved that the irregular expenditure in the amount of R314 697.50 be written off for the financial year 2024/2025.

For finalization by the Director: Technical- and Infrastructure Implementation Services, Mr H Matthee.

ITEM HEADING

84

C136/2026 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: DIRECTORATE TECHNICAL- AND INFRASTRUCTURE IMPLEMENTATION SERVICES: IRREGULAR EXPENDITURE – EXPENDITURE INCURRED IS ABOVE THE CONTRACT VALUE (ENVIROSERV WASTE MANAGEMENT (PTY) LTD)

[English version of the report is the original]

FILE NUMBER

6/3/1/5/1

PURPOSE / AIM OF REPORT

The purpose of this report is to inform the Municipal Public Accounts Committee on the irregular expenditure with regards to the Transport of Containerised Municipal Solid Waste and Chipping of Garden Waste for the Period from 01 July 2024 until 31 January 2025 – Enviroserv Waste Management (Pty) Ltd.

BACKGROUND

2024/25 AG Findings:

“DETAILED AUDIT FINDING

*Contract management – Expenditure incurred is above the contract value
Section 62 (1)(d) of the MFMA 56 of 2023 states:*

“The accounting officer of a municipality is responsible for managing the financial administration of the municipality and must for this purpose take all reasonable steps to ensure that unauthorized, irregular or fruitless and wasteful expenditure and other losses are prevented.”

Section 32 of the MFMA deals directly with the reporting, investigation, recovery, and liability concerning unauthorised, irregular, or fruitless and wasteful expenditure.

- 1. Reporting: The Accounting Officer (Municipal Manager) must promptly inform the Mayor and the provincial treasury in writing of any irregular expenditure incurred.*
- 2. Investigation and Recovery: It obligates the municipality to investigate such expenditure and take all reasonable steps to recover it from the person liable, unless the expenditure is certified as irrecoverable by the council after an investigation by a council committee.*
- 3. Consequence Management: It establishes the framework for instituting disciplinary or criminal proceedings against officials or political office-bearers who deliberately or negligently incurred or permitted the expenditure.*

Section 116(3) of the MFMA states "A contract may only be amended or varied after the reasons for the proposed amendment have been tabled in council and approved. Expansion or variation beyond the prescribed thresholds (20% for construction-related projects and 15% for other goods/services) without proper approval is a contravention".

Issue 1 - Expenditure incurred is above the contract value

During the audit, it was observed that the municipality incurred expenditure exceeding the approved contract value for the contracts listed below with no approved variation or extension.

Contract number	Contractor	Nature of services	Contract value	Expenditure	Difference
ENG 04/2024/25	Enviroconserv	Waste management	1 267 496,00	3127427,51	1 859 931,51

Impact

- 1. Management did not disclose these payments as irregular expenditure in the financial statements."*
- 2. There is a potential for an unfair award, as the actual expenditure has exceeded the amount used during the procurement evaluation.*
- 3. Expenditure beyond the contract amount without proper approval constitutes irregular expenditure.*

Internal control deficiency

Financial and Performance Management

Review and monitor compliance with applicable laws and regulations

Management did not ensure adequate review and monitoring of compliance with applicable supply chain management regulations and expenditure management laws and regulations to prevent irregular expenditure.

Supply chain management regulations were not followed when procuring goods/services and reasonable steps were not taken to prevent irregular expenditure.

Management awarded tenders based on estimated amounts rather than on a rate-based approach, which resulted in actual costs exceeding the initial estimates

DISCUSSION

As per attachment.

COMMENTS FROM THE OFFICE OF THE MUNICIPAL MANAGER

The recommendation is noted.

COMMENTS FROM THE DIRECTORATE TECHNICAL AND INFRASTRUCTURE IMPLEMENTATION SERVICES

Recommendation is supported.

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

The irregular expenditure of R1 859 931.51 has been recorded in 2024/2025 financial statements. Management should ensure that recurrence is prevented.

LEGAL IMPLICATIONS (ITEM AUTHOR)

Section 32 of the MFMA states that any official of a municipality who deliberately or negligently committed, made or authorized an irregular expenditure is liable for that expenditure. A municipality must recover such expenditure from the person liable for that expenditure, unless Council certifies the irregular expenditure as irrecoverable, after the Municipal Public Accounts Committee has investigated and recommended it. Irregular expenditure for the purpose of this item means expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of the supply chain management policy of the municipality and which has not been condoned in terms of such policy.

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

Failing to manage irregular expenses in accordance with the MFMA could result in Council Losing money and not receiving value for money. However, in this case Council did not suffer any losses or damages and received value for money.

RECOMMENDATION BY ITEM AUTHOR:

It is recommended that in the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, the irregular expenditure in the amount of R 1 859 931.51 for the financial year 2024/2025 be written off.

RECOMMENDATION BY MANAGEMENT TO MPAC: 26 FEBRUARY 2026

It is recommended that in the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, the irregular expenditure in the amount of R 1 859 931.51 for the financial year 2024/2025 be written off.

DISCUSSION DURING MEETING:

Councillor P Stander – Work was done. We did receive value for money.

RECOMMENDATION BY MPAC TO COUNCIL: 29 APRIL 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor P Stander and seconded by Councillor DJ Jacobs, it was recommended as follows:

In the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, the irregular expenditure in the amount of R 1 859 931.51 for the financial year 2024/2025 be written off.

RECOMMENDATION TO COUNCIL:

It is recommended that in the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, the irregular expenditure in the amount of R 1 859 931.51 for the financial year 2024/2025 be written off.

RESOLVED BY COUNCIL: 28 MAY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman DA Appel and seconded by Alderman MR Nongxaza, it was resolved as follows:

In the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, Council resolved that the irregular expenditure in the amount of R 1 859 931.51 be written off for the financial year 2024/2025.

For finalization by the Director: Technical- and Infrastructure Implementation Services, Mr H Matthee.

ITEM TITLE

**C137/2026 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: DIRECTORATE
FINANCE: 2024/2025: NON – COMPLIANCE WITH SCM
REGULATION 22 (1)(b)(i) – ADVERTISING OF LONG – TERM
CONTRACTS FOR LESS THAN 30 DAYS**

[English version of the report is the original]

FILE NUMBER

6/3/1/5/1

PURPOSE OF REPORT

The purpose of this report is to inform the MPAC committee on the Non – Compliance with SCM Regulation 22 (1)(B)(I) – Advertising of Long – Term Contracts for less than 30 Days

BACKGROUND

During the audit of procurement and contract management, it was identified that certain contracts of a long-term nature (exceeding one year) were advertised for periods shorter than the minimum 30 days required by law. This practice contravenes the applicable legislative framework governing municipal supply chain management.

The insufficient advertising period prevented other potential suppliers from participating, leading to a non-compliant and unfair procurement process. The following tenders are affected:

Tender number	Description	No of days Advertised	Contract Amount	Total Expenditure	Supplier
COR 04/2024/25	THE APPOINTMENT OF AN INTERNET SERVICE PROVIDER FOR ALL THEEWATERSKLOOF MUNICIPAL SITES, AS AND WHEN REQUIRED, FROM DATE OF APPOINTMENT UNTIL 30 JUNE 2028	23 Days [09 April – 02 May 2025]	R594 290	R0	Vodacom
FIN 06/2024/25	PROVISION OF SERVICES FOR THE COLLECTION, TRANSPORTATION AND DEPOSITING OF CASH FOR THE PERIOD FROM 1 JULY 2025 UNTIL 30 JUNE 2028	28 Days [28 February – 28 March 2025]	R1 831 269,39	R0	Fidelity Cash Solutions (Pty) Ltd

TPM 04/2024/25	The Supply, Delivery and Installation of a Capped Geographic Information System (GIS) Enterprise License Agreement and Support/Maintenance from 01 July 2025 to 30 June 2028.	21 Days [14 March – 04 April 2025]	R2 632 990,55	R0	ESRI South Africa (Pty) Ltd
ENG 08/2024/25	The Web Based monitoring of all water and sewage infrastructure in the Theewaterskloof Area	23 Days [08 August – 30 August 2024]	R2 841 603,89	R0	Bigetron (Pty) Ltd
COR 01/2024/25	SUPPLY AND DELIVERY OF PHOTOCOPY PAPER TO VARIOUS MUNICIPAL AND TRAFFIC OFFICES OF THEEWATERSKLOOF MUNICIPALITY FOR THE PERIOD FROM 1 JULY 2024 TO 30 JUNE 2027	23 Days [24 April – 17 May 2024]	R835 716,50	R108 103,45	Office for You (Pty) Ltd
FIN 01/2024/25	PROVISION OF PRINTING, SORTING, AND MAILING OF ACCOUNTS FOR THE PERIOD FROM DATE OF APPOINTMENT UNTIL 30 JUNE 2027	21 Days [13 September 2024 – 04 October 2024]	R3 224 691,05	R263 279,00	CAB HOLDINGS (Pty) Ltd
			TOTAL	R371 382,45	

DISCUSSION

Section 217(1) of the Constitution of the Republic of South Africa , Act No. 56 of 1996 states: *“When an organ of state in the national, provincial or local sphere of government, or any other institution identified in national legislation, contracts for goods or services, it must do so in accordance with a system which is fair, equitable, transparent, competitive and cost-effective.”*

Regulations 22(1)(b)(i) of the MFMA Supply Chain Management (SCM) Regulations states:

“(1) A supply chain management policy must determine the procedure for the invitation of competitive bids, and must stipulate

(b) the information a public advertisement must contain, which must include—

(i) the closure date for the submission of bids, which may not be less than 30 days in the case of transactions over R10 million (VAT included), or which are of a long-term nature, or 14 days in any other case, from the date on which the advertisement is placed in a newspaper, subject to sub regulation.”

Regulation 1 of SCM Regulations defines a *long-term contract*: “long-term contract” means a contract with a duration period exceeding one year.

SCM COMMENT:

The finding is based on the terms “long-term contract” and “contract of a long-term nature”

Long term contract is defined in the approved SCM Policy as part of the definitions as follows: “means a contract with a duration period exceeding one year and is less than three years”

Although a contract of a long-term nature is not defined in our policy, it is commonly defined in SCM as follows: “means a contract that exceeds the duration of three years covered in the annual budget for that financial year and Section 33 of the MFMA is applicable”

The above is further substantiated and defined in paragraph 21(1)(b)(i) of the approved SCM Policy that states the following: (1)“the procedure for the invitation of competitive bids, is as follows: — (b) the information contained in a public advertisement, must include –

(i) the closure date for the submission of bids, which may not be less than 30 days in the case of transactions over R10 million (VAT included), or which are of a **long-term nature** with a **contract duration period exceeding three years**, or 14 days in any other case, from the date on which the advertisement is in a newspaper, subject to paragraph 21(2) of this policy”.

It is clear from the above, and all other relevant SCM-related legislation, that *long-term contracts* (duration period exceeds 1 year, and less than 3 years) and *contracts of a long-term nature* (duration period exceeds 3 years) have a different meaning and are not the same and therefore cannot be implemented the same as well.

Further to the above, it is also important to note that:

The transaction value for the tenders in question does not exceed R10 million (VAT included), and the contract duration period does not exceed three years (contracts of a long-term nature), therefore, the advertisement period of 30 days is not applicable. If tender does not comply with the two above-mentioned compliance criteria, the minimum advertising period is 14 days. The tenders were advertised for more than 14 days, therefore, compliant with council’s approved SCM Policy.

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

No irregular expenditure was incurred as the SCM Policy was correctly implemented and applied.

The irregular expenditure of R 371 382.45 has been recorded in 2024/25 financial statements. Management should ensure that recurrence is prevented.

LEGAL IMPLICATIONS (ITEM AUTHOR)

Section 32 of the MFMA.

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

Failing to manage irregular expenses in accordance with the MFMA could result in Council Losing money and not receiving value for money. However, in this case Council did not suffer any losses or damages and received value for money.

RECOMMENDATION BY ITEM AUTHOR:

1. It is therefore recommended that, in the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, the irregular expenditure in the amount of R 371 382.45 be written off for the financial year 2024/2025.
2. The Auditor-General and Internal Audit Department incorrectly interpreted / applied paragraph 21(1)(b) of the approved Council's SCM Policy. A finding should've not been raised for these tenders.

RECOMMENDATION BY MANAGEMENT TO MPAC: 12 FEBRUARY 2026

1. It is therefore recommended that, in the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, the irregular expenditure in the amount of R 371 382.45 be written off for the financial year 2024/2025.
2. The Auditor-General and Internal Audit Department incorrectly interpreted / applied paragraph 21(1)(b) of the approved Council's SCM Policy. A finding should've not been raised for these tenders.

DISCUSSION DURING MEETING:

Councillor P Stander – The supporting documents attached answered a lot of the questions. The administration must ensure that the Bid Committee Meetings are properly established and that all tenders are advertised within the correct time periods.

Mr A Opperman requested that point 2 of the recommendation be removed.

RECOMMENDATION BY MPAC TO COUNCIL: 29 APRIL 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor P Stander and seconded by Councillor DJ Jacobs, it was recommended as follows:

In the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, the irregular expenditure in the amount of R 371 382.45 be written off for the financial year 2024/2025.

RECOMMENDATION TO COUNCIL:

It is therefore recommended that, in the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, the irregular expenditure in the amount of R 371 382.45 be written off for the financial year 2024/2025.

RESOLVED BY COUNCIL: 28 MAY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman DA Appel and seconded by Alderman MR Nongxaza, it was resolved as follows:

In the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, Council resolved that the irregular expenditure in the amount of R371 382.45 be written off for the financial year 2024/2025.

For finalization by the Acting Director: Finance, Mr A Riddles.

ITEM HEADING

93

C138/2026 DIRECTORATE FINANCE: UNAUTHORISED EXPENDITURE FOR 2022/23 AND 2023/24 FINANCIAL YEARS

[English version of the report is the original]

FILE NUMBER

6/3/1/5/1

PURPOSE / AIM OF REPORT

The purpose of this item is to place before Council the formal assessment by the Western Cape Provincial Treasury (PT) regarding the write-off of unauthorised expenditure for the 2022/23 and 2023/24 financial years, as resolved under Resolution C74/2026 on 27 February 2026, and to enable Council to formally deliberate on and record its position in relation thereto, in compliance with the requirements of Section 32 of the Municipal Finance Management Act, 2003 (MFMA).

BACKGROUND

At its ordinary meeting held on 27 February 2026, Council resolved under Council Resolution C74/2026 to write off unauthorised expenditure amounting to:

2022/23 Financial Year: R 104 357 068

2023/24 Financial Year: R 49 370 445

TOTAL: R 153 727 513

This resolution followed a recommendation from the Municipal Public Accounts Committee (MPAC) arising from its meeting held on 5 February 2026, in which MPAC deliberated on information presented by the municipal administration in terms of Section 32(2)(a) of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA).

The matter has since been the subject of a series of formal correspondence exchanges between the Provincial Treasury and the Municipality, which are presented to Council in the trailing documents forming **Annexures A to F** hereto.

DISCUSSION

Council is directed to note and consider the trailing correspondence (Annexures A – F) summarised as follows:

Annexure A – Council Resolution (27 February 2026)

Annexure B – PT Allegation Letter (February 2026, Ref: PTR 12/2/15/11):

The MEC for Finance, Deidré Baartman, raised allegations of financial misconduct and potential non-compliance with MFMA Section 32, and requested the Municipality to submit supporting documentation within seven (7) days, including the MPAC report, signed MPAC minutes of 5 February 2026, the MPAC report signed by the MPAC Chairperson, and the Council minutes of 27 February 2026.

Annexure C – Municipality's Response (19 February 2026):

The Acting Municipal Manager, Mr G.W. Hermanus, and the Speaker, Cllr W.H. Wells, responded confirming that the identification, reporting, and processing of the unauthorised expenditure was conducted diligently and transparently. The response provided context on the misallocations arising from the absence of an acceptable adjustment budget, proper recording in the Annual Financial Statements (AFS), an unqualified audit opinion for 2022/23 (notwithstanding full disclosure of unauthorised expenditure), and the significant improvement in financial controls evidenced by near-zero unauthorised expenditure in 2024/25. The Municipality asserted that no misrepresentation was conducted.

Annexure D – PT Assessment (24 April 2026):

Following receipt of the Municipality's documentation, the PT conducted a formal assessment under its oversight mandate. The assessment identified material deficiencies in the timeliness, completeness, and quality of information underpinning MPAC's recommendations and Council's decision-making. Key findings include:

- (a) The information presented to MPAC and, subsequently, to Council was materially limited and did not adequately address the requirements of Section 32 of the MFMA, specifically the absence of: a factual background and root-cause analysis of the unauthorised expenditure; identification of all officials potentially liable; consideration of negligent or deliberate conduct; a recovery assessment as contemplated in Regulation 74 of the Municipal Budget and Reporting Regulations (MBRR); details of corrective measures; and documentary consideration of disciplinary, civil or criminal processes.
- (b) Council's resolution to write off the unauthorised expenditure appears to have been taken without the benefit of sufficiently detailed and differentiated oversight reporting from MPAC, thereby undermining the robustness, transparency, and legislative compliance of the decision-making process.
- (c) The absence of documented consideration of consequence management, including referral to the Disciplinary Board as required by Section 32(5) of the MFMA, represents a significant gap in both MPAC's recommendations and Council's resolution.
- (d) The MPAC minutes of 5 February 2026 were signed and approved by the Acting MPAC Chairperson only on 5 March 2026 – after Council had already resolved on the matter on 27 February 2026 – raising governance concerns regarding the integrity and audit defensibility of MPAC records.

The PT recommended that Council engage MPAC to confirm the accuracy of the approved minutes and evaluate whether resolution C74/2026 should be reconsidered, rescinded, or amended, particularly in relation to recoverability determinations and consequence management considerations.

Annexure E – Municipality's Response to PT Assessment (30 April 2026):

The Municipality, through the Speaker, acknowledged the PT's findings and recommendations and advised that, after careful consideration of the assessment and an internal review, no amendments or rescissions to the Council resolution of 27 February 2026 are proposed. The Municipality committed to implementing enhanced reporting requirements with effect from 29 April 2026, including detailed root-cause analyses, identification of responsible officials, assessment of recoverability, consequence management considerations, and formal confirmation of the accuracy and completeness of reports. The Municipality affirmed that the decisions taken were reasonable within the context and constraints at the time.

Annexure F– Subsequent PT Correspondence (May 2026):

Notwithstanding the Municipality's response of 30 April 2026, the MEC for Finance noted outstanding procedural and governance matters and formally required the following of Council:

- (i) The PT assessment should be formally communicated to Council for consideration, and Council should formally indicate whether it confirms or revises resolution C74/2026.
- (ii) Council should address the absence of consequence management measures in terms of Section 32(5) of the MFMA, including formally indicating whether the matter has been referred to the Disciplinary Board and, if not, providing reasons.
- (iii) MPAC should communicate its position regarding the accuracy of the minutes of the meeting held on 5 February 2026.

The present item is brought before Council to give formal effect to the PT's requirement and to enable Council, as the decision-making authority, to formally deliberate on the matter and determine whether to **reaffirm, reconsider, or rescind** resolution C74/2026, having due regard to the full body of correspondence and the PT's assessment.

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

The financial implications of this matter relate directly to the write-off of unauthorised expenditure as resolved under resolution C74/2026, comprising:

Financial Year	Amount
2022/23 Financial Year	R 104 357 068
2023/24 Financial Year	R 49 370 445
TOTAL	R 153 727 513

LEGAL IMPLICATIONS (ITEM AUTHOR)

Section 32 of the MFMA governs the treatment of Unauthorised, Irregular, Fruitless and Wasteful Expenditure (UIFWE). It places a clear obligation on municipalities to respond promptly and decisively to the incurrence of UIFWE, including the timely investigation of such expenditure, appropriate reporting to oversight structures, and the implementation of corrective and remedial measures.

Section 32(2) of the MFMA provides that unauthorised expenditure may be written off following investigation by MPAC and a subsequent Council resolution, subject to compliance with applicable procedural and substantive requirements. The write-off process must be underpinned by complete, well-substantiated, and adequately documented information.

Section 32(5) of the MFMA requires that, where a person is alleged to have been responsible for UIFWE, disciplinary, civil, or criminal proceedings must be considered and, where applicable, instituted. The write-off of such expenditure does not, itself, absolve the Municipality of its obligation to consider and implement consequence management processes.

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

None.

RECOMMENDATION BY ITEM AUTHOR TO COUNCIL:

It is recommended that Council resolve as follows:

1. Council notes the trailing correspondence and related documents set out in Annexures A to F.
2. Council reconsiders and rescinds resolution C74/2026 taken at the Council meeting of 27 February 2026, to write off unauthorised expenditure amounting to R104 357 068 for the 2022/23 financial year and R49 370 445 for the 2023/24 financial year.

Or

3. Council reaffirms its decision taken on 27 February 2026 under Resolution C74/2026 to write off unauthorised expenditure amounting to R104 357 068 for the 2022/23 financial year and R49 370 445 for the 2023/24 financial year, totaling R153 727 513.

DISCUSSION DURING MEETING:

Alderman DA Appel proposed the following recommendation:

1. Council notes the trailing correspondence and related documents set out in Annexures A to F.

2. Council reaffirms its decision taken on 27 February 2026 under Resolution C74/2026 to write off unauthorised expenditure amounting to R104 357 068 for the 2022/23 financial year and R49 370 445 for the 2023/24 financial year, totaling R153 727 513.

Proposal was seconded by Alderman MR Nongxaza.

The following counter-proposal was submitted by Councillor P Stander:

1. Council notes the trailing correspondence and related documents set out in Annexures A to F.
2. Council reconsiders and rescinds resolution C74/2026 taken at the Council meeting of 27 February 2026, to write off unauthorised expenditure amounting to R104 357 068 for the 2022/23 financial year and R49 370 445 for the 2023/24 financial year.
3. That the agenda-item be referred back to MPAC to reconsider the letter of the Minister of Finance.

Counter-proposal was seconded by Alderman S Fredericks.

The voting process started, and each councillor indicated whether they vote for 1. Proposal by Alderman DA Appel and seconded by Alderman MR Nongxaza or 2. Counter-proposal by Councillor P Stander seconded by Alderman S Fredericks.

The result of the voting process is as follows:

Proposal by Alderman DA Appel and seconded by Alderman MR Nongxaza = 10 votes.

Counter-proposal by Councillor P Stander and seconded by Alderman S Fredericks = 14 votes.

Councillor TB Zimmermann and Councillor D Lekhori abstain from the voting process.

RESOLVED BY COUNCIL: 28 MAY 2026

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor P Stander and seconded by Alderman S Fredericks, it was resolved as follows:

1. Council notes the trailing correspondence and related documents set out in Annexures A to F.
2. Council reconsiders and rescinds resolution C74/2026 taken at the Council meeting of 27 February 2026, to write off unauthorised expenditure amounting to R104 357 068 for the 2022/23 financial year and R49 370 445 for the 2023/24 financial year.

3. That the agenda-item be referred back to MPAC to reconsider the letter of the Minister of Finance.

Agenda-item refer to the next MPAC Meeting for consideration.

P. DRINGENDE AANGELEENTHEDE
URGENT MATTERS

Geen / None

Q. OORWEGING VAN KENNISGEWINGS VAN MOSIES
CONSIDERATION OF NOTICES OF MOTIONS

R. OORWEGING VAN KENNISGEWINGS EN VRAE
CONSIDERATION OF NOTICES AND QUESTIONS

S. OORWEGING VAN DRINGENDE MOSIES /
CONSIDERATION OF NOTICES AND QUESTIONS

T. IN-KOMITEEVERGADERING AGENDA-ITEMS VIR BESPREKING
IN-COMMITTEE MEETING AGENDA-ITEMS FOR DISCUSSION

Minuted and distributed as a separate Minutes of the Meeting.

U. VERDAGING / ADJOURNMENT

Die vergadering verdaag om 17:10.
The meeting adjourned at 17:10.

NOTULE BEKRAGTIG OP DIE DAG VAN
..... AS PRIMA FACIE BEWYS VAN DIE
JUISTHEID DAARVAN.

MINUTES CONFIRMED ON THE DAY OF
..... AS PRIMA FACIE EVIDENCE OF
IT'S CORRECTNESS.

.....
SPEAKER

.....
DATUM/DATE

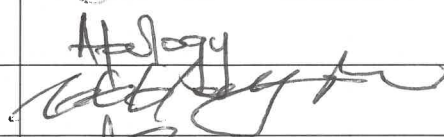
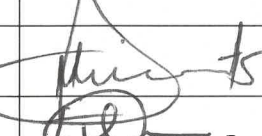
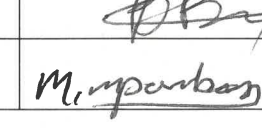
OPGESTEL EN BYGEHOUD DEUR:
COMPILED AND RECORDED BY:

.....
M Faul
.....
M FAUL

BESTUURDER: KORPORATIEWE DIENSTE
MANAGER: CORPORATE SERVICES

RAADSVERGADERING /
COUNCIL MEETING

28 MEI / MAY 2026

NAAM EN VAN / NAME AND SURNAME	HANDTEKENING / SIGNATURE
<u>Raadslede / Councillors :</u>	
Raadsheer/Alderman W Wells	
Raadsheer/Alderman LM de Bruyn	
Raadsheer/Alderman CC Clayton	
Raadsheer/Alderman DA Appel	
Raadslid/Councillor CA Benjamin	
Raadslid/Councillor M Botes	
Raadslid/Councillor CT Cloete	
Raadsheer/Alderman S Fredericks	
Raadslid/Councillor M Gana	
Raadslid/Councillor DA Jacobs	
Raadslid/Councillor D Jooste	
Raadslid/Councillor H Linnerts	
Raadslid/Councillor JD Lekhori	
Raadslid/Councillor TP Lemina	
Raadsheer/Alderman BB Mkhwibiso	
Raadslid/Councillor M Mpambani	

Raadslid/Councillor MA Nomkoko	M Nomkoko
Raadsheer/Alderman MR Nongxaza	MR Nongxaza
Raadslid/Councillor FO Ntantiso	FO Ntantiso
Raadslid/Councillor V Papier	V Papier
Raadsheer/Alderman M Plato-Mentoor	M Plato-Mentoor
Raadslid/Councillor MS Shale	MS Shale
Raadslid/Councillor C Smith	C Smith
Raadslid/Councillor J Smit	J Smit
Raadslid/Councillor PJ Stander	PJ Stander
Raadslid/Councillor YM van Tonder	YM van Tonder
Raadslid/Councillor TB Zimmermann	TB Zimmermann
<u>Amptenare/Officials:</u>	
Mnr/Mr GW Hermanus	GW Hermanus
Mnr/Mr A Riddles	A Riddles
Mnr/Mr WSE Solomons-Johannes	W. A. E. Solomons-Johannes
Me/Ms N Baliso	N Baliso
Mnr/Mr H Matthee	H Matthee
Mnr./Mr A Opperman	A Opperman
Me./Ms M Faul	M Faul
Me./Ms F Ngxowa	F Ngxowa
Me./Ms D Pheiffer	D Pheiffer
Me./Ms L Kilowan	L Kilowan
Mr. R de laan	R de laan

[illegible]