

NOTICE

Ref no. 2/1/4/4/2

Date distributed: 2025/05/20

**NOTICE OF THE 9th COUNCIL MEETING OF 2024/2025
FINANCIAL YEAR OF THE COUNCIL OF BREEDE VALLEY MUNICIPALITY
TUESDAY, 2025-05-27 AT 09:00**

TO The Speaker, Alderman J.F. Van Zyl [Chairperson]
The Executive Mayor, Alderman A. Steyn (Ms)
The Deputy Executive Mayor, Cllr J.J. von Willingh

COUNCILLORS

V.A. Bedworth
W.M. Blom
E. Botha
M.N. Bushwana
G.L. Daames
Alderman R. Farao
M.A. Goedeman
E.N. Isaacs
Alderman C. Ismail
J.R. Jack
M. Jacobs
R.T. Johnson
I.J. Joseph
D. Judge
J.P. Kritzinger
S.K. Madlolo
Z.M. Mangali
T. S. Manuel
P.H. Marais

S.J. Mei
Alderman W.R. Meiring
C.N. Snyders
P.C. Moso
N. Nel
C.T. Nyithana
J. Pieters
A. Pietersen
O. Ralehoko
Alderman M. Sampson
T. P. Sibozo
S. S. T. Steenberg
M. Swartz
H.C. Titus
F. Vaughan
M.T. Williams
Alderman C.F. Wilskut
N.J. Wullschleger
L.R. Yayi

Notice is hereby given in terms of Section 29, read with Section 18(2) of the *Local Government: Municipal Structures Act, 117 of 1998*, as amended, that the **9th COUNCIL MEETING** of the **2024/2025 FINANCIAL YEAR of the COUNCIL** of **BREEDE VALLEY MUNICIPALITY** will be held at **CAPE WINELANDS DISTRICT MUNICIPALITY, TRAPPE STREET WORCESTER**, on **TUESDAY, 2025-05-27 at 09:00 to consider the items on the agenda.**

**SPEAKER: ALDERMAN J.F. VAN ZYL**

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1. OPENING AND WELCOME

In terms of the Rules of Order for Internal Arrangement By-Law 2012 (as amended) the chairperson must take the chair at the time stated in the notice of the meeting or as soon thereafter as is reasonably possible: provided that the meeting does not commence later than 30 (thirty) minutes after the time stated in the notice of the meeting and must proceed immediately with the business of the meeting.

2. OFFICIAL NOTICES**2.1 Disclosure of Interests**

Item 6 of Schedule 7 of the Municipal Structures Amendment Act 3 of 2021 states:

A councillor must –

- (a) disclose to the council, or any committee of which that councillor is a member, any direct or indirect personal or private business interest that that councillor or any spouse, partner or business associate of that councillor may have in any matter before the council or the committee; and
- (b) withdraw from the proceedings of the council or committee when that matter is considered by the council or committee unless the council or committee decides that the councillors' direct or indirect interest in the matter is trivial or irrelevant.

2.2 APPLICATIONS FOR LEAVE OF ABSENCE

In terms of the Rules of Order for Internal Arrangement By-Law 2012 (as amended).

2.2.1 Every Councillor attending a meeting of the Council must sign his or her name in the attendance register kept for such purpose.

2.2.2 A Councillor must attend each meeting except when –

- (a) Leave of absence is granted in terms of Clause 10; or
- (b) The Councillor is required to withdraw in terms of law.

2.2.3 The Attendance Registers will be available at the meeting.

2.2.4 A blank Application for Leave of Absence form is enclosed.

3. COMMUNICATION**3.1 INTERVIEWS OR PRESENTATIONS BY DEPUTATIONS**

In terms of the Rules of Order for Internal Arrangement By-Law 2012 (as amended).

*"A deputation seeking an interview with Council must give the Municipal Manager **6 (six) days** written notice of its intention and furnish details of the representations to be made and the source of the deputation. The Municipal Manager must submit a request by a deputation for an interview with Council to the Speaker, who may decide to grant or refuse an interview and under what conditions*

3.2 BIRTHDAYS OF COUNCILLORS

Cllr S.J. Mei	4 May 2025
Cllr J.P. Kritzinger	8 May 2025
Cllr T.P. Sibozo	8 May 2025
Cllr C. N. Snyders	12 May 2025

3.3 STATEMENTS BY THE SPEAKER**3.4 STATEMENTS BY THE EXECUTIVE MAYOR**

4. CONFIRMATION OF MINUTES**4.1** In terms of the Rules of Order for Internal Arrangement By-Law 2012 (as amended).

- (a) Minutes of the proceedings of meetings must be compiled in printed form and be confirmed by the Council at the next meeting and signed by the Speaker.
- (b) The minutes shall be taken as read, for the purpose of confirmation, if a copy thereof was sent to each Councillor within forty-eight hours before the next meeting, subject to the provisions of sub-Clause (4).
- (c) No motion or discussion shall be allowed on the minutes, except in connection with the correctness thereof.
- (d) The minutes formulated and screened during meetings, shall constitute a resolution for purposes of implementation of decisions.

4.2 Minutes of Council Meeting held on 17 April 2025. (Copy enclosed)**RECOMMENDATION**

That in respect of

CONFIRMATION OF MINUTES OF PREVIOUS COUNCIL MEETING

discussed by Council at the Council Meeting held on 27 May 2025:

- 1. As the Minutes of the Council Meeting held on 17 April 2025 were sent to each councillor at least forty-eight hours prior to the meeting, the minutes of the Council meeting held 17 April 2025 be taken as read and confirmed.

5. REPORT BY THE EXECUTIVE MAYOR ON DECISIONS TAKEN BY THE EXECUTIVE MAYOR, THE EXECUTIVE MAYOR TOGETHER WITH THE DEPUTY EXECUTIVE MAYOR AND THE MAYORAL COMMITTEE**5.1 THE DEPUTY EXECUTIVE MAYOR: CLLR J.J. Von Willingh**

5.2 MMC1: Alderman W. R. Meiring

5.3 MMC 2: Cllr. P.C. Moso

5.4 MMC 3: Cllr. N. Nel

5.5 MMC 4: Cllr. E. Botha

5.6 MMC 5: Cllr J.R. Jack

5.7 MMC 6: Cllr. V.A. Bedworth

5.8 MMC 7: Cllr. J.P. Kritzinger

5.9 MMC 8: Cllr F. Vaughan

6. COLLABORATOR OUTSTANDING RESOLUTIONS REPORT

COMMUNITY SERVICES

Council	Resolution	Meeting Date	Allocate To	% Compl.	Feedback Comment
172625	SUBMISSION OF BY-LAW RELATING TO THE MANAGEMENT AND CONTROL OF FLATS (rental housing units) OWNED OR ADMINISTERED BY THE BREDE VALLEY MUNICIPALITY RESOLVED C41/2015 That in respect of the SUBMISSION OF BY-LAW RELATING TO THE MANAGEMENT AND CONTROL OF FLATS (rental housing units) OWNED OR ADMINISTERED BY THE BREDE VALLEY MUNICIPALITY discussed by Council at the Council meeting held on 25 of June 2015: 1. That Council approved the draft By-Law relating to the Management and Control of flats (rental housing units) owned or administer by the Brede Valley Municipality; 2. That the administration advertises said draft By-Law for public comments; 3. That all comments be collated submitted to Council for final approval and promulgation in the Provincial Gazette. 4. That the draft By-Law be workshopped with all the Councillors.	2015-06-25	GMAYEKI	96	The draft by-law has been circulated to the Directorates for comments/review. The final document will be submitted to the Council for approval. It is anticipated that the entire process will be completed by 30 March 2025.
1591078	LAND FOR HUMAN SETTLEMENTS RAWSONVILLE: CONSIDERATION TO PURCHASE PRIVATELY OWNED LAND RESOLVED That in respect of – LAND FOR HUMAN SETTLEMENTS RAWSONVILLE: CONSIDERATION TO PURCHASE PRIVATELY OWNED LAND as discussed by Council at the Council meeting held on 20	2024-08-23	GMAYEKI	30	The expression of interest was advertised and closed in November 2024. Two parties submitted interest/ proposals and comments are being sought from internal departments. The final report will be submitted at the next ordinary Council meeting.

		<p>August 2024, resolution number C68/2024 council decide:</p> <ol style="list-style-type: none"> 1. The Council should note the content of the report as an update of progress 2. That the administration be mandated to follow a public participation process to invite expressions of interest from additional private landowners in Rawsonville to potentially sell land for human settlement purposes to the Breede Valley Municipality; 3. that following the public participation process, an internal stakeholder's engagement be undertaken to consider the submissions received; 4. that after the implementation of item 2, an item be resubmitted to Council to resolve on the most suitable offer received during the expression of interest process; and 5. that upon council resolving on the most suitable offer, the administration be authorised to submit a project application to the Western Cape Department of Infrastructure as part of the Land Acquisition Process. 				
1694428	LAND FOR HUMAN SETTLEMENTS RAWSONVILLE: CONSIDERATION TO PURCHASE PRIVATELY OWNED LAND	<p>RESOLVED</p> <p>That in respect of – LAND FOR HUMAN SETTLEMENTS RAWSONVILLE: CONSIDERATION TO PURCHASE PRIVATELY OWNED LAND RAWSONVILLE HOUSING: CONSIDERATION TO PURCHASE PRIVATELY OWNED LAND</p> <p>Discussed by council at the Council meeting held on 27 February 2025, resolution number C121/2025:</p> <ol style="list-style-type: none"> 1. That Council note the progress made in respect of the negotiations with private landowners in Rawsonville; and 2. that Directorate: Community Services resubmit a comprehensive item at the Council Meeting within a period of three (3) months as outlined in point (4 & 5) of the Council resolution 	2025-02-27	GMAYEKI		

STRATEGIC SUPPORT SERVICES

Council	Resolution	Meeting Date	Allocate To	% Compl.	Feedback Comment
1352782	2023 CUSTOMER SERVICE CHARTER RESOLVED: That in respect of - The 2023 Customer Service Charter tabled before Council at the Council meeting held on 30 May 2023 with resolution number C37/2023: 1. That Council, having noted the content of the 2023 Customer Service Charter, provides in principle approval thereof subject to the following conditions: a. The Customer Service Charter be referred to a Council Workshop to be held on 8 June 2023; b. The Customer Service Charter be made public in terms of section 21 of the MSA; c. That such public comments (if any) be tabled at Council for consideration; and d. The Customer Service Charter be resubmitted to Council for final consideration and approval.	2023-05-30	CMALGAS	95	The final user input on the proposed CSC, has been received on 17 May 2025. Unfortunately, there is not sufficient time to incorporate and finalise the CSC for submission to Council at the meeting scheduled on 27 May 2025. Resultantly, the final CSC will be served at the next Council meeting (i.e. July 2025).
1648536	7.14 PROPOSED APPROVAL OF STAFF ESTABLISHMENT IMPLEMENTATION ON 1 JANUARY 2025 RESOLVED That in respect of – PROPOSED APPROVAL OF STAFF ESTABLISHMENT IMPLEMENTATION ON 1 JANUARY 2025 as discussed by the Council at the Council Meeting held on 4 December 2024 with resolution number C100/2024 : 1. That the Council notes the response from the National Minister on the draft staff establishment. 2. That the Council notes that the draft staff establishment does not comply with organisational metrics as prescribed by the MSR. 3. That the administration compiles an Implementation Plan of how the municipality will achieve compliance with the MSR, Structural layers and Span of control and submit the Implementation Plan at the Council meeting in February 2025. 4. That the Council approves the Staff Establishment for Breede Valley Municipality in terms of the MSR for implementation on 1 January 2025. 5. That the Municipal Manager initiates the review of the approved staff establishment in	2024-12-04	NM MONYELA	85	HR has commenced with the development of the implementation plan.

		preparation for the next financial year, 2025/2026.				
1694411	RESUBMISSION ITEM: ERVEN 8645 AND 194, WORCESTER, COMMONLY KNOWN AS "KLEINPLASIE"	<p>RESOLVED</p> <p>That in respect of – RESUBMISSION ITEM: ERVEN 8645 AND 194, WORCESTER, COMMONLY KNOWN AS "KLEINPLASIE" as discussed by Council at the Council meeting held on 27 February 2025, resolution number C116/2025, Council decided:</p> <ol style="list-style-type: none"> 1. That council duly considered the representations / comments received during the public participation process followed (Annexures A – D) in respect of Erven 8645 and 194, Worcester, commonly known as "Kleinplasie"; 2. that based on the consideration by council of item 1, council resolves and mandate the administration to call for development proposals before the end of March 2025 with the closing date of the submission before the end of April 2025 for purposes of disposal, or the right to use (a long-term lease) the subject property; 3. that the purpose of the invitation is for the gathering of ideas for the optimal future use of the municipal property; 4. that the preferred proposal may be used as a basis to formulate the specifications for a tender or the conditions of a future public auction; 5. that no rights and/or obligations and/or legitimate expectations will be created or implied by the submission of any proposals; 6. that no compensation will be payable by the Municipality to any party due to a specific idea or proposal being accepted or declined by Council; 7. that an item be resubmitted for council to consider the development proposals in order to identify the most suitable future utilisation of the subject property; and 8. that Council has taken cognisance of the fact that the municipal property is not required for the provision of basic municipal services in terms of the provisions Section 14 of the Local Government: Municipal 	2025-02-27	HPOTGIETER	75	<p>10/04/2025: Notice duly placed inviting development proposals. Due date for submissions is 30 April 2025.</p> <p>15/05/2025: Resubmission item to be tabled at the 27 May 2025 Council meeting to consider the proposals.</p>

		Finance Management Act (Act 56 of 2003).				
1720074	SUBMISSION OF THE 2025/26 COMMUNICATION STRATEGY	<p>RESOLVED:</p> <p>That in respect of –</p> <p>THE 2025/26 COMMUNICATION STRATEGY</p> <p>tabled before Council at the Council meeting held on 17 April 2025, resolution number C133/2025:</p> <p>1. That Council, having noted the content of the 2025/26 Communications Strategy, provides in principle approval thereof subject to the following conditions:</p> <p>a. The strategy be referred to a Council Workshop on 20 May 2025;</p> <p>b. The strategy be made public in terms of section 21 of the MSA and submitted to the relevant stakeholders (i.e. relevant National & Provincial Government Departments as well as the Cape Winelands District Municipality) for input;</p> <p>c. That such public comments (if any) be tabled at Council for consideration; and</p> <p>d. The strategy be resubmitted to Council for final consideration and approval.</p> <p>2. That Council notes that this iteration of the Communications Strategy will rescind and replace prior versions thereof.</p>	2025-04-17	CMALGAS	95	The Communications Strategy is scheduled for a Council Workshop on 20 May 2025. Hereafter, it will be publicised for public input and resubmitted to Council for final consideration and approval at the next Council meeting (i.e. July 2025).
1720084	AMENDED BUSINESS PLAN OF THE WORCESTER CENTRAL IMPROVEMENT DISTRICT (SPECIAL RATINGS AREA) BUSINESS PLAN (2023 – 2028)	<p>On the proposal of Cllr. J. Kritzinger the item was removed from the agenda.</p> <p>Seconded by Cllr. N.J. Wullschleger</p>	2025-04-17	CJANUARY2		To be workshopped on 20 May 2025
1720085	REVIEW OF THE EXPANDED PUBLIC WORKS PROGRAMME (EPWP) POLICY	<p>RESOLVED</p> <p>That in respect of –</p> <p>DRAFT EXPANDED PUBLIC WORKS PROGRAMME (EPWP) POLICY</p> <p>as discussed by Council at the Council meeting held on 17 April 2025, resolution C137/2025, the following recommendation is made:</p> <p>a) That the Council takes note of the Draft Expanded Public Works Programme (EPWP) Policy for the Breede Valley Municipality.</p> <p>b) That the Draft Expanded</p>	2025-04-17	CHILL		To be workshopped on 20 May 2025

		Public Works Programme (EPWP) Policy be workshopped with Councillors to invite further input. c) That the Draft Expanded Public Works Programme (EPWP) Policy be resubmitted to the Municipal Council for final approval.				
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7. CONSIDERATION OF AGENDA ITEMS**7.1 FINAL THIRD REVIEW OF THE 5th GENERATION INTEGRATED DEVELOPMENT PLAN (2022 - 2027) FOR THE PERIOD 2025 – 2026****File No./s:**10/3/8**Responsible Official:** C. Malgas**Directorate:** Strategic Support Services**Portfolio:** IDP/PMS/SDBIP

1. PURPOSE:

To table the Final Third Review of the 5th Generation Integrated Development Plan (2022 - 2027) for the period 2025 - 2026 (hereafter referred to as the Final 2025-2026 IDP) and its associated supporting documents to Council, as prepared in line with the applicable legislative prescripts, prioritised needs of the Breede Valley community, and in accordance with municipal resource framework (financial and non-financial).

2. BACKGROUND:

Municipalities are required to, in terms of the Municipal Systems Act, Act 32 of 2000 (hereafter referred to as the MSA), review and/or amend its 5-year IDP on an annual basis. Section 34 of the MSA specifically states that a municipal council:

- a. must review its integrated development plan:
 - i annually in accordance with an assessment of its performance measurements in terms of section 41; and
 - ii to the extent that changing circumstances so demand; and
- b. may amend its integrated development plan in accordance with a prescribed process.

Section 16(1) of the MSA prescribes that a municipality must develop a culture of municipal governance that complements representative government with a system of participatory governance, and must for this purpose-

- a. encourage, and create conditions for, the local community to participate in the affairs of the municipality, including in (amongst others):
 - i The preparation, implementation and review of its integrated development plan; and
- b. contribute to building the capacity of-
 - i the local community to enable it to participate in the affairs of the municipality.

To give effect to these legislative requirements, the Draft 2025-2026 IDP and its associated supporting documents have been published on the municipal website and applicable social media platforms, to grant all stakeholders and members of society an opportunity to submit representations thereon. In addition, the municipality rolled-out public participation engagements (throughout all 21 wards) to engage stakeholders on the Draft 2025-2026 IDP and corresponding MTREF (Budget) and allow for representations thereon.

All inputs and representations received on these statutory documents, including those submitted by the Provincial Government during their oversight of the Draft 2025–2026 IDP and corresponding MTREF (Budget), have been duly considered and incorporated (where practically feasible) in the statutory documents as well as the planned implementation of approved actions/programmes/initiatives encapsulated therein.

Council should take cognisance of the following key annexures linked to this item:

Annexure Reference	Description
A	A copy of the Final 2025-2026 IDP.
B	A list of revised sectoral plans of which the submission due date to Council coincides with the tabling due date of the Final 2025-2026 IDP. Council should note that these sectoral plans inform the corresponding sub-components contained in the Final 2025-2026 IDP.
C	A summary of public representations on the Final 2025-2026 IDP.
D	A concise summary of the revisions/changes applied in the Final 2025-2026 IDP.

3. FINANCIAL IMPLICATIONS:

The Medium-Term Revenue and Expenditure Framework (MTREF) will be aligned to the final reviewed and approved IDP.

4. APPLICABLE LEGISLATION:

Municipal Systems Act, Act 32 of 2000

Municipal Finance Management Act, Act 56 of 2003

Local Government: Municipal Planning and Performance Management Regulations, 2001

5. COMMENT OF DIRECTORATES / DEPARTMENTS CONCERNED:

Municipal Manager: Recommendation Supported.

Director: Strategic Support Services: Recommendation Supported.

Director: Financial Services: Recommendation Supported.

Director: Engineering Services: Recommendation Supported.

Director: Community Services: Recommendation Supported.

Director: Planning, Development & Integrated Services: Recommendation Supported.

Senior Manager: Legal Services: Recommendation Supported.

RECOMMENDATION:

That in respect of –

**FINAL THIRD REVIEW OF THE 5th GENERATION INTEGRATED DEVELOPMENT PLAN
(2022 - 2027) FOR THE PERIOD 2025 - 2026**

tabled before Council at the Council meeting held on 27 May 2025:

1. That Council approves the Final 2025-2026 IDP and endorse that it be published in terms of section 21 of the MSA;
2. That Council takes note of and, where applicable, approves the revised sectoral plans per Annexure B;
3. That Council takes note of Annexures C & D.

7.2 2025/26 FINAL BUDGET MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK**File No. /s:** 3/15/1**Responsible Official:** R Ontong**Directorate:** Financial Services**Portfolio:** Financial Services

PURPOSE

The purpose of this submission is to present the 2025/26 MTREF Budget.

Legal Framework

Section 16 of the Municipal Finance Management Act states:

“Annual budgets

16. (1) The council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year.
- (2) In order for a municipality to comply with subsection (1), the mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year.
- (3) Subsection (1) does not preclude the appropriation of money for capital expenditure for a period not exceeding three financial years, provided a separate appropriation is made for each of those financial years.

Contents of annual budgets and supporting documents

17. (1) An annual budget of a municipality must be a schedule in the prescribed format —
 - (a) setting out realistically anticipated revenue for the budget year from each revenue source;
 - (b) Appropriating expenditure for the budget year under the different votes of the municipality;
 - (c) Setting out indicative revenue per revenue source and projected expenditure by vote for the two financial years following the budget year;
 - (d) Setting out —
 - (i) Estimated revenue and expenditure by vote for the current year; and

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

(e) A statement containing any other information required by section 215(3) of the Constitution or as may be prescribed”

FINANCIAL IMPLICATIONS

The financial implications of the 2025/26 MTREF Budget are captured in the Budget Report.

ANNEXURES

Municipal Budget and Reporting Regulations Schedule-A Budget tables (**Annexure A**)

Quality Certificate (**Annexure B**)

Revised Budget Related Policies (**Annexure C**)

- Credit Control and Debt Collection Policy
- Funding and Reserves Policy
- Insurance Management Policy
- Long Term Financial Plan Policy
- Property Rates Policy
- Tariff Policy
- Write-off Policy
- Asset Management Policy
- Borrowing Policy
- Budget Implementation and Management Policy
- Budget Virement Policy
- Costing Policy
- Supply Chain Management Policy
- Infrastructure Investment and Capital Projects Policy

Municipal Tariffs (**Annexure D**)

Municipal Finance Management Act Budget Circulars (**Annexure E**)

Demand Management Plan (**Annexure F**)

MEDIUM-TERM REVENUE AND EXPENDITURE FRAMEWORK 2025/2026 – 2027/2028



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27 MAY 2025

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9. Overview of budget assumptions
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17. Legislation compliance status
18. Other supporting documents
19. Annual budgets of municipal entities attached to the annual budget

Abbreviations and Acronyms

AMR	Automated Meter Reading
ASGISA	Accelerated and Shared Growth Initiative
BPC	Budget Planning Committee
CBD	Central Business District
CFO	Chief Financial Officer
CPI	Consumer Price Index
CRRF	Capital Replacement Reserve Fund
DBSA	Development Bank of South Africa
DoRA	Division of Revenue Act
DWA	Department of Water Affairs
EE	Employment Equity
EEDSM	Energy Efficiency Demand Side Management
EM	Executive Mayor

FBS	Free basic services
GAMAP	Generally Accepted Municipal Accounting Practice
GDP	Gross domestic product
GDS	Gauteng Growth and Development Strategy
GFS	Government Financial Statistics
GRAP	General Recognised Accounting Practice
HR	Human Resources
HSRC	Human Science Research Council
IDP	Integrated Development Strategy
IT	Information Technology
kl	kilolitre
km	kilometre
KPA	Key Performance Area
KPI	Key Performance Indicator
kWh	kilowatt-hour
l	litre
LED	Local Economic Development
MEC	Member of the Executive Committee
MFMA	Municipal Financial Management Act
MIG	Municipal Infrastructure Grant
MM	Municipal Manager
MMC	Member of Mayoral Committee
MPRA	Municipal Properties Rates Act
MSA	Municipal Systems Act
MTEF	Medium-term Expenditure Framework
MTREF	Medium-term Revenue and Expenditure Framework
NERSA	National Electricity Regulator South Africa
NGO	Non-Governmental organisations
NKPIs	National Key Performance Indicators
OHS	Occupational Health and Safety
OP	Operational Plan
PBO	Public Benefit Organisations
PHC	Provincial Health Care
PMS	Performance Management System
PPE	Property Plant and Equipment
PPP	Public Private Partnership
PTIS	Public Transport Infrastructure System
RG	Restructuring Grant
RSC	Regional Services Council
SALGA	South African Local Government Association
SAPS	South African Police Service
SDBIP	Service Delivery Budget Implementation Plan
SMME	Small Micro and Medium Enterprises

Glossary

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

Allocations – Money received from Provincial and National Treasury.

Budget – The financial plan of a municipality.

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

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

Cash Flow Statement – A statement showing when actual cash will be received and spent by the Municipality, and the month end balances of cash and short-term investments.

DORA – Division of Revenue Act. The annual piece of legislation that indicate the allocations from National Government to Local Government.

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

GDFI - Gross Domestic Fixed Investment

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

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

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

LM – Breede Valley Municipality.

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

mSCOA – Municipal Standard Chart of Accounts

MTREF – Medium Term Revenue and Expenditure Framework as prescribed by the MFMA sets out indicative revenue and projected expenditure for the budget year plus two outer financial years to determine the affordability level.

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

Rates – Local Government tax based on assessed valuation of a property.

TMA – Total Municipal Account

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

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

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

PART 1 – Annual Budget

1. Mayor's Report

The Breede Valley Municipality remains committed to the cause of bringing respectable services to all households. We as a municipality acknowledge the fact that households are faced with numerous difficulties, ranging from social to economic challenges. We view our role as integral in addressing these challenges to improve quality of life and will therefore continue to play our part by creating a conducive environment for job creation and social development in our community. Not all plans will be completed within the timeframes due to various unforeseen challenges, but Breede Valley Municipality is committed in ensuring that all projects commenced are completed.

This budget serves the purpose of outlining future service delivery objectives by reflecting on the past financial years in planning for anticipated future developments / realizations. The devastating effects post COVID 19 on our communities and those in surrounding municipalities resulted in loss of income, work, and lives and has been worsened through continuous loadshedding. We were all forced to change the way in which we conduct business, our daily lives, and how we interact with each other, posing new and unprecedented challenges to us demanding solutions in order for us to survive and progress to our vision of a *'A unique and caring Valley of service excellence, opportunity and growth'*.

Breede Valley Municipality will continue to address service delivery backlogs and will prioritise where needed to ensure the most urgent matters are catered for. We will continue striving for improvement on all levels to ensure that this municipality better the quality of life for the people within Breede Valley municipal area.

2. Resolutions

It is recommended to council that in respect of the 2025/26 MTREF, and outer financial years that council approves the 2025/26 MTREF budget in terms of section 24 of the Municipal Finance Management Act.

3. Executive Summary

3.1 Legislative Background

Section 16 of the Municipal Finance Management Act states:

“Annual budgets

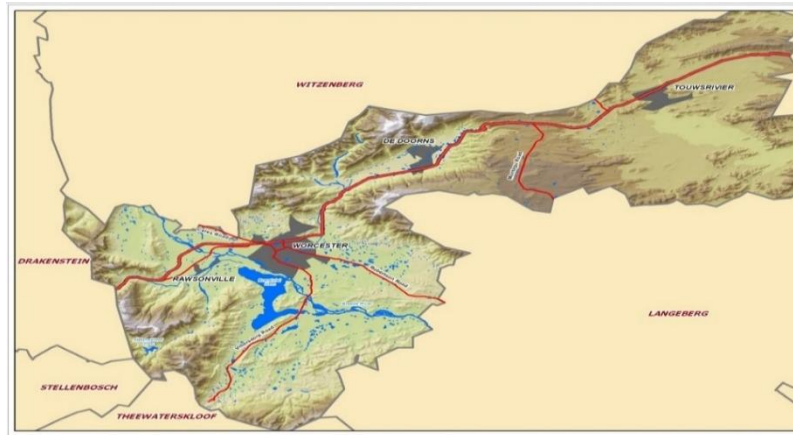
-
16. (1) The council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year.
- (2) In order for a municipality to comply with subsection (1), the mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year.
- (3) Subsection (1) does not preclude the appropriation of money for capital expenditure for a period not exceeding three financial years, provided a separate appropriation is made for each of those financial years.

Contents of annual budgets and supporting documents

17. (1) An annual budget of a municipality must be a schedule in the prescribed format —
- (a) setting out realistically anticipated revenue for the budget year from each revenue source;
 - (b) Appropriating expenditure for the budget year under the different votes of the municipality;
 - (c) Setting out indicative revenue per revenue source and projected expenditure by vote for the two financial years following the budget year;
 - (d) Setting out —
 - (i) Estimated revenue and expenditure by vote for the current year; and
 - (ii) Actual revenue and expenditure by vote for the financial year preceding the current year; and
 - (e) A statement containing any other information required by section 215(3) of the Constitution or as may be prescribed”

3.2 Municipal General Overview

The map below outlines the geographical area of Breede Valley Municipality. As per the map Breede Valley Municipality serves the towns of De Doorns, Rawsonville, Touwsrivier and Worcester. Surrounding municipalities include Drakenstein Municipality, Langeberg Municipality, Laingsburg Municipality, Stellenbosch Municipality, Theewaterskloof and Witzenberg Municipality.



Strategic Framework, Pillars and Objectives of the Municipality



Breede Valley Municipality developed five strategic pillars that are underpinned by, which underpin six strategic objectives. The strategic objectives have been developed to address the challenges identified during the IDP development process and are linked to service areas and predetermined objectives.

STRATEGIC PILLARS	
OPPORTUNITY	Breede Valley Municipality strives to provide an opportunity for every resident to have access to all basic services and to live in a safe, caring and well-managed municipal environment.
SAFETY	Breede Valley Municipality aims to partner with the community, other government departments and community organisations to provide a safe environment in which

	communities, especially women and children, can thrive in pursuit of good community values.
CARING	Breede Valley Municipality will provide care to all vulnerable groups and encourage social investment with a focus on youth development and opportunities for the youth to play a meaningful role in developing a better and caring Breede Valley community.
INCLUSIVE	Breede Valley plans, in consultation with all residents and partners, to create and stimulate social cohesion, to restore hope and to break down social divisions.
WELL-RUN MUNICIPALITY	Breede Valley Municipality continues to build on being a well-run municipality, with strong and committed administration upholding the principles of good governance, maintaining a good credit rating, providing basic services to all and improving our solid productivity rating.

STRATEGIC OBJECTIVES

Section 24 of the Municipal Systems Act states:

- (1) The planning undertaken by a municipality must be aligned with, and complement, the development plans and strategies of other affected municipalities and other organs of state so as to give effect to the principles of cooperative government contained in Section 41 of the Constitution.
- (2) Municipalities must participate in national and provincial development programmes as required in Section 153(b) of the Constitution.”

STRATEGIC OBJECTIVES	
SO 1	To provide and maintain basic services and ensure social upliftment of the Breede Valley community
SO 2	To create an enabling environment for employment and poverty and poverty eradication through proactive economic development and tourism
SO 3	To ensure a safe, healthy, clean and sustainable external environment for all Breede Valley's people
SO 4	To provide democratic, accountable government for local communities and encourage involvement of communities and community organisations in the matters of local
SO 5	To ensure a healthy and productive workforce and an effective and efficient work environment
SO 6	To assure a sustainable future through sound financial management, continuous revenue growth, corporate governance and risk management practices

3.3 Budget Principles and Criteria

The 2025/26 MTREF was compiled based on the following principles and criteria considering, the impact of the loadshedding, aftermath of COVID 19 pandemic and on the economy:

Credibility

- Planned Activities must be consistent with the IDP and vice versa.
- Financial viability of municipality should not be jeopardised.
- Ensure Capacity to spend the budget.

Sustainability

- Financial sustainability/ overall financial health of Municipality.
- Revenue/ Expenditure budgeted must be realistic.

Responsiveness

- To the needs of the community / public.
- Alignment of IDP, LED Strategies with Budget to give effect to provincial and national priorities.
- Budget must be responsive to economic growth objectives and the socio-economic needs of the community.

Affordability

- Tariffs must not be increased unreasonably, and consumers must be able to afford tariffs.

The 2025/2026 budget is compiled in line with chapter 4 of the Municipal Finance Management Act, MFMA Budget Circulars and other relevant circulars and / or guidelines from National Treasury and Provincial Treasury. The budget strives to be consistent with the financial norms and ratios as per the MFMA Circular 71 to ensure sound and sustainable management of financial affairs of the municipality. The budget is also consistent with the Long-Term Financial Plan to ensure synergy between long term planning and implementation of planning. Other important principles include addressing the need of access to basic services and the efficient capacitation of the municipality, which is in many instances a challenge given limited financial resources.

The main challenges experienced with the compilation of the 2025/26 MTREF are as follow:

- Loadshedding implemented by Eskom and associated disruptions (revenue generation and economic activity)
- Consequences of COVID 19 Pandemic
- Amendments to mSCOA;
- Consumers exploring alternative energy sources and using less municipal electricity

- Direct effect of the current state of the economy on larger municipalities relying on progressive economic activity
- Vandalism to strategic infrastructure assets
- Ageing infrastructure and increasing service delivery backlogs
- Increasing cost of bulk purchases versus the electricity tariff increases, resulting in pressure to maintain a balance between sustainability, growth and affordability of services

Service charges and other revenue sources are prepared in accordance with planned activities / initiatives / developments and past performance trends to ensure that the budgeted amounts are realistic and do not negatively affect the credibility of the budget and the financial position of the municipality.

The operating expenditure budget compilation process was done in line with the MFMA budget circulars. In instances of inconsistencies, appropriate reasons for the corresponding deviations are provided.

MFMA circular 70 highlighted examples of non-priority spending that need to be addressed by municipalities. Breede Valley Municipality remains committed to the elimination of these non-priority items and applying zero percent increases on related items where elimination or a decrease in the MTREF budget is not possible.

Further, MFMA circular 82 on cost containment measures was also taken into consideration with the aim of promoting section 62(1)(a) of the MFMA through the effective, efficient and economical use of municipal resources.

The capital budget for 2025/26 aims to address the service delivery needs within the municipal area, given the available resources internally and externally. The main sources of funding are external loans, conditional grant allocations from National and Provincial government departments and internal funding.

3.4 Rebates

Rebates relating to Unemployed, Indigent and Pensioners (under and over 65 years of age) are displayed below:

3.4.1 Rebates: Unemployed and Indigent

Household Income	Rates	Sewer	Refuse	Rental
R0 - R5 250	50%	50%	50%	50%
Max Valuation	R 270 000			
<u>Free Basic Services</u>				
Electricity	50 Units			
Water	10 Kilolitre			

3.4.2 Rebates: Pensioner / Disability Rebate Category 1

Household Income	Rates	Sewer	Refuse	Rental
Government Pension & Disability / Pensioners 60 years and older R0 - R5 250	100%	100%	100%	100%
Max Valuation	R 450 000			
<u>Free Basic Services</u>				
Electricity	50 Units			
Water	10 Kilolitre			

3.4.3 Rebates: Pensioner / Disability Rebate Category 2

Household Income	Rates	Sewer	Refuse	Rental
Government Pension & Disability / Pensioners 60 years and older R5 251 - R6 250	20%	20%	20%	20%
Max Valuation	R 450 000			
<u>Free Basic Services</u>				
Electricity	50 Units			
Water	10 Kilolitre			

3.4.4 Rebates: Pensioner 65 years and older

Pensioners falling in this category are eligible for an additional R360 000.00 rebate on the calculation of their property rates bill. This overall rebate is capped at R450 000.00

3.4.5 Special Rating Area (SRA)

In terms of Section 22 of the Municipal Property Rates Act a municipality may by resolution of its Council determine an area within that Municipality as a Special Rating Area (SRA) and levy an additional rate on property in that area for the purpose of raising funds for improving or upgrading that area. The SRA must submit a budget to the Council annually in terms of the Special Rating Areas By-law. There are currently three approved SRAs, Worcester Improvement District, Langerug Special Rating Area and Fairway Heights Special Rating Area.

3.5 Budget Overview

The budget overview provides insight pertaining to the operating and capital budgets over the MTREF

The current reality of loadshedding and the aftermath of COVID 19 brought high levels of uncertainty relating to projection of the anticipated financial performance and position of the municipality in ensuring that the budget to be approved by Council adheres the requirements of credibility and sustainability.

The current economic situation forces us to remain prudent and continue with applying resources in a well-balanced manner. We have experienced a reduction in the collection rate over recent years which had a severe impact on the cash position of the municipality. This position is further placed under risk with loadshedding given that

most households are prepaid electricity users, whom have been using significantly less electricity. Post the 2024 national election, loadshedding was observed to not be actively applied until recently where stage 6 was also applied on a very short notice. This unpredictability in the provision of electricity makes planning and budgeting for this important revenue source very challenging.

Municipal spending of discretionary nature remains at the bare minimum to continue honouring non-discretionary commitments. The utilization of both financial and non-financial resources is being monitored to promote the effective and efficient utilization of these resources. This requires the municipality to continuously adapt and re-design where needed in order to continue implementing its constitutional mandate.

3.5.1 Operating Revenue

The table below reflects the operating revenue in relation to the current year and 2025/26 MTREF.

WC025 Breede Valley - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2021/22	2022/23	2023/24	Current Year 2024/25				2025/26 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2025/26	Budget Year +1 2026/27	Budget Year +2 2027/28
Revenue											
Exchange Revenue											
Service charges - Electricity	2	492 826	474 632	543 810	612 204	623 822	623 822	623 822	721 887	815 733	921 778
Service charges - Water	2	104 101	105 610	110 405	115 599	117 264	117 264	117 264	127 877	135 549	143 683
Service charges - Waste Water Management	2	84 271	90 274	99 186	92 642	101 541	101 541	101 541	120 306	127 525	135 173
Service charges - Waste Management	2	43 844	46 941	54 422	50 190	56 500	56 500	56 500	76 326	80 906	85 760
Sale of Goods and Rendering of Services		5 639	5 521	5 736	6 164	5 741	5 741	5 741	6 315	6 466	6 630
Agency services		9 061	9 463	8 949	9 391	9 391	9 391	9 391	9 823	10 275	10 532
Interest		(259)	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		8 032	13 266	13 962	16 030	16 030	16 030	16 030	16 768	17 540	17 979
Interest earned from Current and Non Current Assets		11 227	14 384	18 373	19 522	19 522	19 522	19 522	20 420	21 360	21 894
Dividends		-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		8 178	7 478	8 979	9 109	9 109	9 109	9 109	9 529	9 970	10 221
Licence and permits		-	-	-	-	-	-	-	-	-	-
Special rating levies		-	-	-	-	-	-	-	-	-	-
Operational Revenue		4 818	10 197	7 753	7 700	6 914	6 914	6 914	8 056	8 118	8 322
Non-Exchange Revenue											
Property rates	2	173 037	180 018	197 548	200 977	207 468	207 468	207 468	226 949	240 566	255 000
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		28 741	94 924	72 714	253 897	242 897	242 897	242 897	242 897	253 828	260 175
Licences or permits		2 619	3 123	2 926	4 468	3 485	3 485	3 485	4 674	4 889	5 012
Transfer and subsidies - Operational		153 754	171 643	185 954	198 836	196 144	196 144	196 144	217 912	205 312	218 387
Interest		1 782	2 785	3 436	3 643	3 643	3 643	3 643	3 811	3 986	4 086
Fuel Levy		-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	7 633	7 763	7 932	7 932	7 932	8 120	8 494	8 706
Gains on disposal of Assets		56	280	2 155	1 555	1 555	1 555	1 555	1 627	1 702	1 745
Other Gains		519	41 703	9 834	(0)	(0)	(0)	(0)	10 000	10 000	10 250
Discontinued Operations		-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		1 132 247	1 272 244	1 353 773	1 609 689	1 628 958	1 628 958	1 628 958	1 833 296	1 962 218	2 125 333
Expenditure											
Employee related costs	2	335 127	366 251	396 107	456 828	425 824	425 824	425 824	469 245	493 727	512 499
Remuneration of councillors		18 315	19 066	20 467	21 757	21 757	21 757	21 757	21 653	22 792	23 648
Bulk purchases - electricity	2	383 068	372 993	454 652	487 184	522 184	522 184	522 184	598 611	690 034	747 285
Inventory consumed	8	41 188	50 978	50 154	46 872	52 333	52 333	52 333	69 008	72 276	96 095
Debt impairment	3	80 796	116 518	115 605	220 011	121 511	121 511	121 511	86 508	90 401	92 662
Depreciation and amortisation		88 566	94 561	101 941	105 208	105 208	105 208	105 208	110 079	115 174	118 085
Interest		20 974	19 437	31 254	39 842	39 842	39 842	39 842	41 676	43 594	44 685
Contracted services		96 851	112 123	126 490	127 393	128 450	128 450	128 450	148 230	151 772	175 656
Transfers and subsidies		3 767	3 419	3 069	7 711	7 556	7 556	7 556	13 606	5 868	4 990
Irrecoverable debts written off		-	-	-	19	87 519	87 519	87 519	122 522	128 036	131 238
Operational costs		50 713	78 862	94 100	100 614	108 754	108 754	108 754	111 609	116 599	119 616
Losses on disposal of Assets		2 141	741	1 370	4 125	4 125	4 125	4 125	4 320	4 523	4 642
Other Losses		519	1 434	1 150	67	67	67	67	70	74	76
Total Expenditure		1 122 025	1 236 383	1 396 358	1 617 631	1 625 131	1 625 131	1 625 131	1 797 137	1 934 869	2 071 176
Surplus/(Deficit)		10 222	35 861	(42 585)	(7 942)	3 827	3 827	3 827	36 159	27 349	54 157
Transfers and subsidies - capital (monetary allocations)	6	55 756	67 525	97 746	54 410	78 806	78 806	78 806	77 246	92 558	72 316
Transfers and subsidies - capital (in-kind)	6	-	17 917	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		65 978	121 303	55 162	46 468	82 634	82 634	82 634	113 405	119 907	126 473
Income Tax		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		65 978	121 303	55 162	46 468	82 634	82 634	82 634	113 405	119 907	126 473
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		65 978	121 303	55 162	46 468	82 634	82 634	82 634	113 405	119 907	126 473
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	1	65 978	121 303	55 162	46 468	82 634	82 634	82 634	113 405	119 907	126 473

Please refer to Annexure A

Based on the current economic climate within the Breede Valley municipal area, tariffs increases are based anticipated costs and expenses to be honoured over the MTREF. Tariffs increases is anticipated to not compromise the sustainability of the revenue sources and will therefore not be counterproductive and having a negative impact on the collection rate.

The figures represented in this section are the accrued amounts and not actual cash receipts; in other words, the amounts billed for property rates; service charges and interest as it become due.

Property Rates: Budgeted revenue is based on the current performance realised during the 2024/25 financial year and anticipated revenue based on the current valuation roll. The current performance in the 2024/25 financial year suggests revenue generation above the initially anticipated budget, leading to the adjustments made during the February Adjustments Budget process.

Service Charges: The 2025/26 projected revenue for service charges is based on the current performance and anticipated trends over the MTREF. Revenue in the 2024/25 financial year is anticipated to be greater than the Original Budget allocation. Therefore, amendments have been affected during the Adjustments Budget process to align the budget with the revenue trends. Notable additional revenue growth was also noticed during the current financial year, positively impacting the revenue projections for the MTREF.

Interest on External Investments: This budget is informed by the municipality's current investment portfolio, and the anticipated return on investments to be made over the MTREF.

Fines: Fines revenue is adjusted to gradually align revenue and write-off in line with realistic expectations given current and prior performance on this revenue source. This will be reviewed during the Final Budget and also the Mid-year Adjustments Budget to align budget with realistically anticipated revenues.

Transfers Recognised – Operational: This revenue item is based on the operational transfers (conditional and unconditional) available while compiling the final budget. The final allocations for the 2025/26 MTREF were not available given the current delays with the National Budget process, and the submission of the budget to councillors in preparation of the council meeting.

3.5.2 Operating Expenditure

The table below reflects the operating expenditure in relation to the current year and 2025/26 MTREF.

WC025 Breede Valley - Table A4 Budgeted Financial Performance (revenue and expenditure)											
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Exchange Revenue											
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Service charges - Waste Management	2	43 844	46 941	54 422	50 190	56 500	56 500	56 500	76 326	80 906	85 760
Sale of Goods and Rendering of Services		5 639	5 521	5 736	6 164	5 741	5 741	5 741	6 315	6 466	6 630
Agency services		9 061	9 463	8 949	9 391	9 391	9 391	9 391	9 823	10 275	10 532
Interest		(259)	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		8 032	13 266	13 962	16 030	16 030	16 030	16 030	16 768	17 540	17 979
Interest earned from Current and Non Current Assets		11 227	14 384	18 373	19 522	19 522	19 522	19 522	20 420	21 360	21 894
Dividends		-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		8 178	7 478	8 979	9 109	9 109	9 109	9 109	9 529	9 970	10 221
Licence and permits		-	-	-	-	-	-	-	-	-	-
Special rating levies		-	-	-	-	-	-	-	-	-	-
Operational Revenue		4 818	10 197	7 753	7 700	6 914	6 914	6 914	8 056	8 118	8 322
Non-Exchange Revenue											
Property rates	2	173 037	180 018	197 548	200 977	207 468	207 468	207 468	226 949	240 566	255 000
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		28 741	94 924	72 714	253 897	242 897	242 897	242 897	242 897	253 828	260 175
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Fuel Levy		-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	7 633	7 763	7 932	7 932	7 932	8 120	8 494	8 706
Gains on disposal of Assets		56	280	2 155	1 555	1 555	1 555	1 555	1 627	1 702	1 745
Other Gains		519	41 703	9 834	(0)	(0)	(0)	(0)	10 000	10 000	10 250
Discontinued Operations		-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		1 132 247	1 272 244	1 353 773	1 609 689	1 628 958	1 628 958	1 628 958	1 833 296	1 962 218	2 125 333
Expenditure											
Employee related costs	2	335 127	366 251	396 107	456 828	425 824	425 824	425 824	469 245	493 727	512 499
Remuneration of councillors		18 315	19 066	20 467	21 757	21 757	21 757	21 757	21 653	22 792	23 648
Bulk purchases - electricity	2	383 068	372 993	454 652	487 184	522 184	522 184	522 184	598 611	690 034	747 285
Inventory consumed	8	41 188	50 978	50 154	46 872	52 333	52 333	52 333	69 008	72 276	96 095
Debt impairment	3	80 796	116 518	115 605	220 011	121 511	121 511	121 511	86 508	90 401	92 662
Depreciation and amortisation		88 566	94 561	101 941	105 208	105 208	105 208	105 208	110 079	115 174	118 085
Interest		20 974	19 437	31 254	39 842	39 842	39 842	39 842	41 676	43 594	44 685
Contracted services		96 851	112 123	126 490	127 393	128 450	128 450	128 450	148 230	151 772	175 656
Transfers and subsidies		3 767	3 419	3 069	7 711	7 556	7 556	7 556	13 606	5 868	4 990
Irrecoverable debts written off		-	-	-	19	87 519	87 519	87 519	122 522	128 036	131 238
Operational costs		50 713	78 862	94 100	100 614	108 754	108 754	108 754	111 609	116 599	119 616
Losses on disposal of Assets		2 141	741	1 370	4 125	4 125	4 125	4 125	4 320	4 523	4 642
Other Losses		519	1 434	1 150	67	67	67	67	70	74	76
Total Expenditure		1 122 025	1 236 383	1 396 358	1 617 631	1 625 131	1 625 131	1 625 131	1 797 137	1 934 869	2 071 176
Surplus/(Deficit)		10 222	35 861	(42 585)	(7 942)	3 827	3 827	3 827	36 159	27 349	54 157
Transfers and subsidies - capital (monetary allocations)	6	55 756	67 525	97 746	54 410	78 806	78 806	78 806	77 246	92 558	72 316
Transfers and subsidies - capital (in-kind)	6	-	17 917	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		65 978	121 303	55 162	46 468	82 634	82 634	82 634	113 405	119 907	126 473
Income Tax		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		65 978	121 303	55 162	46 468	82 634	82 634	82 634	113 405	119 907	126 473
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		65 978	121 303	55 162	46 468	82 634	82 634	82 634	113 405	119 907	126 473
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	1	65 978	121 303	55 162	46 468	82 634	82 634	82 634	113 405	119 907	126 473

Please refer to Annexure A.

The operational expenditure budget was adjusted to accommodate the projected operational expenditure to be incurred over the MTREF. These amendments/adjustments are based on the 2024/25 Adjustment Budget.

These amendments are informed by the following principles:

- New staff structure implemented.
- New positions budgeted for in line with the amended staff structure
- No new temporary contracts
- EPWP workers to be used as alternative to counter staff shortages where needed
- Review of standby and overtime

- No and/or limited travel and subsistence
- Efficient and effective utilization of internal staff opposed to using external contractors
- Hiring of plant and equipment limited to extreme cases

The principles underpin the renewed approach to service delivery. The municipality established various committees to explore creative and innovative ways to add value to the respective functional areas across the municipality. The committees will address issues pertaining to:

- Costing and expenditure control, including cost containment
- Revenue recovery enhancement
- Financial aspects with focus on Ratio's
- Supporting SCM and compliance
- Prioritization of expenditures to assure essential services and impact on revenue enhancement
- Local economic development,
- Spatial planning integration

Employee related cost: Employee related cost is based on the current approved staff structure and collective agreement.

Debt Impairment: The fines and corresponding write-off will be managed within the available budgets. These amounts will be reviewed with the 2025/26 adjustments budget if needed.

Depreciation and asset impairment: Depreciation is calculated based on the useful lives of assets, which are currently being reviewed. The commission date of the majority of capital projects are more to the end of the financial year (based on past trends), resulting in new additions not having a full year's depreciation, but only a part thereof.

Finance charges: The finance charges are calculated based on the municipality's borrowing portfolio. It should also be noted that the interest portion of the repayment decreases over the term of the loan. This amount includes the finance charges in respect of the new external loan to be acquired.

Bulk Purchases: This item comprises of electricity bulk purchases and is based on the current consumption patterns in terms of usage. The increase in this expenditure item is based on the anticipated increase and also the increase in Bulk Purchases expenditure experienced in the 2024/25 financial year.

Inventory consumed and Contracted Services: The budget for other materials and contracted services is also based on the 2024/25 Mid-year Adjustments Budget and related contractual commitments. The municipality placed significant emphasis on the funding of temporary workers that will be targeting high priority areas such as area cleaning and basic service delivery aspects where a temporary need exists. Further,

maintenance of rental units / flats, relocation of outside toilets for the vulnerable, ward-based projects and maintenance of chemical toilets are projects to received high priority in terms of funding. The implementation of these projects will be closely monitored given the importance and impact it will have on the beneficiaries.

Operational Costs: Limited increases were applied in terms of Operational Costs except where contractual commitments are in place. The 2025/26 Budget amount is also based on the 2024/25 performance and is aimed at utilizing resources in a more cost-effective manner to positively influence the financial sustainability of the municipality.

Please refer to SA1 for the detail.

3.5.3 Capital budget

MBRR Table A5 - Budgeted Capital Expenditure by standard classification and funding source

Please refer to Annexure A

The municipality implemented quarterly budget engagements where performance of the capital budget & Grant funding is tracked.

Capital Projects

The list below represents the major / significant capital projects.

Description	Project code	Finance Source	Fund Desc	2025/26 MTREF (Budget Year)	2026/27 MTREF (Budget Year +1)	2027/28 MTREF (Budget Year +2)
<u>Engineering Services and Planning, Development and Integrated Services</u>						
<u>Not Allocated to Wards</u>						
<u>Stettynskloof Water Supply (Worcester/Rawsonville)</u>						
Increase dam Level (Stetteynskloof Dam)	CP_0461	1,1	Loans	10 000 000	0	0
<u>Klipvlakte/ Transhex Residential Development (13 000 erven)</u>						
Electrical Reticulation	CP_0009	8,2	INEP	15 596 000	17 518 000	18 310 000

<u>Upgrading of Sewer Network</u>						
External Loan	CP_0453	1,1	Loans	3 000 000	0	0
CRR	CP_0453	3,0	CRR / Own Funding	0	3 000 000	3 000 000
Touws River: Waste Water Treatment Works (WwTW) Augmentation						
Augmentation Touwsriver WWTW (MIG)	CP_0420	8,0	MIG	9 085 675	18 982 076	0
<u>Upgrading of Gravel Roads</u>						
Breede Valley: Roads	CP_0062	3,0	CRR / Own Funding	0	1 000 000	0
<u>Resealing of Roads</u>						
Resealing of Municipal Roads - Rawsonville	CP_0065	3,2	CRR / Own Funding	0	500 000	0
Resealing of Municipal Roads - Worcester						
CRR	CP_0066	3,2	CRR / Own Funding	0	3 000 000	0
Resealing of Municipal Roads - De Doorns						
CRR	CP_0067	3,2	CRR / Own Funding	0	1 000 000	0
Resealing of Municipal Roads - Touws River						
Resealing of Municipal Roads - Touws River	CP_0068	3,2	CRR / Own Funding	0	500 000	0
<u>Upgrading of Roads</u>						

Municipal Roads (Ward 1, 2, 3, 4, 16, 17 and 18)	CP_0512	3,0	CRR / Own Funding	3 500 000	0	0
<u>Networks</u>						
Pipe cracking (all wards)	CP_0513	3,0	CRR / Own Funding	7 000 000	5 000 000	5 000 000
<u>Electricity (8112)</u>						
RMU/ Main Sub Switchgear Replacements De Doorns	CP_0466	1,1	Loans	3 000 000	0	0
RMU/Main Sub Switchgear replacements Touwsrivier	CP_0467	1,1	Loans	3 000 000	0	0
Zwelethemba removal of mid-blocks	CP_0469	3,0	CRR / Own Funding	0	4 500 000	4 500 000
66KV Ripple Control	CP_0471	1,1	Loans	6 400 000	0	0
Supply and Installation of Load Shedding Solution and Solar PV	CP_0509	3,0	CRR / Own Funding	5 000 000	0	0
Upgrade of Rental Units (Roux Park)		3,0		3 400 000	0	0
Refurbishment of electrical system (NERSA)						
Altona new Electrical Substation	CP_0426	3,0	CRR / Own Funding	0	1 000 000	0
Electricity - Machinery and Equipment	CP_0428	3,0	CRR / Own Funding	100 000	0	0
SOLID WASTE MANAGEMENT						
WORCESTER						
Wheeliebins	CP_0178	3,0	CRR / Own Funding	1 000 000	1 000 000	700 000
<u>Ward Priorities</u>						
Speed Humps	CP_0432	3,0	CRR / Own Funding	1 000 000	0	0

Fencing of Substations	CP_0435	3,0	CRR / Own Funding	1 000 000	0	0
Playparks	CP_0606	3,0	CRR / Own Funding	1 360 000	0	0
<u>Ward 1</u>						
Upgrading Gravel Roads	CP_0268	3,2	CRR / Own Funding	6 352 250	0	0
Upgrading Gravel Roads	CP_0268	8,0	MIG	2 506 287	0	0
<u>Ward 2</u>						
De Doorns Water Purification Works : Augmentation of DAF Unit (MIG funding)	CP_0130	8,0	MIG	0	8 275 009	1 188 488
De Doorns Water Purification Works : Augmentation of DAF Unit (MIG Counter funding)	CP_0623	3,2	CRR / Own Funding	0	2 498 600	0
De Doorns Water Purification Works : Augmentation of DAF Unit (WSIG funding)	CP_0511	8,8	WSIG	20 000 000	30 000 000	7 000 000
<u>Ward 5</u>						
High Mast Light GG Camp - Ward 5	New	3,0	CRR / Own Funding	801 430	0	0
<u>Erosion Protection of Hex River (Zweletemba)</u>						
Erosion Protection of Hex River : Phase 3A (750m)	CP_0338	<u>8,0</u>	MIG	0	0	35 189 535
<u>Ward 10</u>						
Transhex Housing Development - High Mast Light - PH 2	New	<u>8,0</u>	MIG	0	1 927 225	0
<u>Ward 15</u>						
Reseal of Municipal Roads - Ward 15	CP_0533	3,0	CRR / Own Funding	1 000 000	0	0

Ward 16						
High Mast Light - New Mandela -Ward 16	New	3,0	CRR / Own Funding	801 430	0	0
Upgrading of Gravel Road (6250m)	CP_0268	8,0		0	10 627 977	10 627 977
Ward 21						
Upgrading of gravel roads	CP_0268	8,0	MIG	20 000 000	5 227 713	0
SERVICE CONNECTIONS (Depending on Public Contr)						
Sewer Connections	CP_0165	3,3	CRR / Own Funding	1 120 000	1 120 000	1 120 000
Electricity Connections	CP_0166	3,3	CRR / Own Funding	1 000 000	1 000 000	1 000 000
Water Connections	CP_0167	3,3	CRR / Own Funding	2 719 200	2 719 200	1 719 200
Parks and Cemeteries						
Parks - Machinery and Equipment	CP_0479	3,0	CRR / Own Funding	100 000	0	0
Fencing of Cemeteries - Aan De Doorns	CP_0480	3,0	CRR / Own Funding	1 225 000	0	0
ROADS AND STORMWATER						
Roads - Machinery and Equipment	CP_0438	3,0	CRR / Own Funding	305 000	0	0
Land Infill Developments						
Avian Park Industrial - Stormwater (Phase 1 Development)	CP_0392	3,0	CRR / Own Funding	0	1 932 900	1 932 900

Uitvlug Industrial Zone - Water (Phase 1)	CP_0555	3,0	CRR / Own Funding	500 000	0	1 281 230
Uitvlug Industrial Zone - Sewer (Phase 1)	CP_0556	3,0	CRR / Own Funding	500 000	0	1 839 715
Uitvlug Industrial Zone - Electricity (Phase 1)	CP_0557	3,0	CRR / Own Funding	8 500 000	0	5 578 144
Uitvlug Industrial Zone - Roads (Phase 1)	CP_0558	3,0	CRR / Own Funding	500 000	0	14 463 618
Uitvlug Industrial Zone - Stormwater (Phase 1)	CP_0559	3,0	CRR / Own Funding	500 000	0	1 932 908
Uitvlug Industrial Zone - Fencing (Phase 1)	CP_0638	3,0	CRR / Own Funding	500 000	0	4 022 700
<u>SPORT: Boland Park - 5130</u>						
Replacement of fence perimeter	CP_0326	3,0	CRR / Own Funding	300 000	8 000 000	0
Boland Park - Tartan Track	CP_0640	3,0	CRR / Own Funding	0	200 000	3 000 000
FANIE OTTO SPORTGROUND						
Upgrading of Fanie Otto Sportground	CP_0604	8,0	MIG	3 283 663	0	0
RAWSONVILLE SPORTGROUND						
Upgrading of Rawsonville Sportground	CP_0603	8,0	MIG	6 774 375	0	0
<u>Fleet Management - 8860</u>						
Municipal Vehicles - LDV's	CP_0541	3,0	CRR / Own Funding	1 250 000	1 000 000	1 000 000
Municipal Vehicles - Sedans	CP_0542	3,0	CRR / Own Funding	0	1 000 000	1 000 000
Municipal Vehicles - Specialized	CP_0543	3,0	CRR / Own Funding	6 300 000	2 000 000	2 000 000

<u>Municipal Manager</u>						
<u>Admin -0603</u>						
Furniture and Equipment	CP_0021	3,0	CRR / Own Funding	10 000	5 000	5 000
<u>Community Services</u>						
<u>ADMIN - 0903</u>						
Furniture & Equipment	CP_0181	4,0	CRR / Own Funding	10 000	10 000	10 000
<u>HUMAN SETTLEMENTS</u>						
Rental Unit Upgrade	CP_0600	3,0	CRR / Own Funding	9 600 000	5 000 000	0
<u>COMMUNITY DEVELOPMENT</u>						
Upgrading of roof - Thusong Centre	CP_0639	3,0	Unfunded	500 000	0	0
<u>WATERLOO LIBRARY - 4506</u>						
Furniture and Office equipment	CP_0631	3,0	CRR / Own Funding	100 000	0	0
<u>TRAFFIC</u>						
<u>Buildings</u>						
Machinery and Equipment	CP_0443	3,0	CRR / Own Funding	100 000	0	0
Traffic - Furniture and Office Equipment	CP_0490	3,0	CRR / Own Funding	50 000	0	0
Traffic Vehicles	CP_0444	3,0	CRR / Own Funding	1 000 000	1 600 000	0
<u>FIRE DEPARTMENT: ADMIN - 4203</u>						

Major Fire Engine (Pumper)	CP_0494	3,0	CRR / Own Funding	7 000 000	0	8 764 000
Equipment for Fire Engine	CP_0495	3,0	CRR / Own Funding	1 500 000	0	150 000
Fire Services - Machinery and Equipment	CP_0500	3,0	CRR / Own Funding	200 000	0	0
4x4 veld and bush Fire Engine with tank and pump	CP_0632	3,0	CRR / Own Funding	0	900 000	0
Worcester Fire Station Carport	CP_0634	3,0	CRR / Own Funding	0	265 000	0
Water Tender 6000l	CP_0641	3,0	CRR / Own Funding	1 100 000	0	0
<u>FINANCIAL SERVICES</u>						
<u>Admin</u>						
Furniture and Equipment	CP_0182	4,0	CRR / Own Funding	10 000	10 000	10 000
<u>Financial Planning</u>						
Safeguarding of Assets	CP_0115	12,0	Insurance Reserve	400 000	400 000	400 000
FS FP - Insurance claims : Other Assets	CP_0193	12,0	Insurance Reserve	400 000	400 000	400 000
FS FP - Insurance claims : Mach & Equipment	CP_0193	12,0	Insurance Reserve	500 000	500 000	500 000
FS FP - Insurance claims : Comp Equipment	CP_0193	12,0	Insurance Reserve	100 000	100 000	100 000
<u>Revenue</u>						
Revenue - Upgrading of Municipal Building	CP_0502	3,0	CRR / Own Funding	1 250 000	0	0
<u>COUNCIL</u>						
<u>MAYORAL OFFICE - 0306</u>						

Furniture and Equipment	CP_0183	3,0	CRR / Own Funding	10 000	10 000	10 000
<u>STRATEGIC SUPPORT SERVICES</u>						
<u>STRATEGIC SUPPORT - ADMIN - 2103</u>						
Furniture and Equipment	CP_0183	4,0	CRR / Own Funding	10 000	10 000	10 000
<u>Local Economic Development</u>						
LED - Furniture and Office Equipment	CP_0507	4,0	CRR / Own Funding	5 000	0	0
<u>INFORMATION TECHNOLOGY</u>						
ICT - Computer Equipment	CP_0120	3,0	CRR / Own Funding	2 000 000	500 000	500 000
Fibre Links	CP_0544	3,0	CRR / Own Funding	10 000	10 000	10 000
Call Center & Telephone (PBX) System	CP_0445	3,0	CRR / Own Funding	50 000	50 000	50 000
Biometric system	CP_0117	3,0	CRR / Own Funding	150 000	150 000	150 000

Capital projects funded by national and provincial grants remain a priority for the municipality although challenges may arise that may result in underperformance. Borrowings are another significant funding source of the capital budget that is primarily used for infrastructure investments that aims to increase service delivery capacity and promote revenue generation and economic growth. In addition to the R10 million allocated to the Increase dam Level (Stetteynskloof Dam) project, the remainder of the external loan to be taken up will be allocated to the project over the medium.

There has been a notable decreased in the allocation from own funds towards the capital budget when compared to recent years. The municipality invested significantly over recent years to address the backlog of infrastructure needs. This investment was made knowing what the impact on the municipality's balance sheet would be in terms of cash and investments. The capital budget over the MTREF aims to improve this position without compromising too much on the level of capital investment.

Significant contributions and investment in basic services has been made over the past financial year, contributing positively towards the minimization of technical and distribution loss on both water and electricity. Capital investment is done in an sustainable and responsive manner that aims not to compromise the financial health of the municipality, and to keep the increase on consumer tariffs as low as possible.

Kindly refer to SA36 for the detail capital budget.

4. Annual Budget Tables

The budget tables prepared in accordance with the Municipal Finance Management Act, and Municipal Budget and Reporting Regulations are listed in below:

- **Table A1** Budget Summary
- **Table A2** Budgeted Financial Performance (Revenue and Expenditure by standard classification)
- **Table A3** Budgeted Financial Performance (revenue and expenditure by municipal vote)
- **Table A4** Budgeted Financial Performance (revenue and expenditure)
- **Table A5** Budgeted Capital Expenditure by vote, standard classification and funding
- **Table A6** Budgeted Financial Position
- **Table A7** Budgeted Cash Flows
- **Table A8** Cash Backed Reserves / Accumulated Surplus Reconciliation
- **Table A9** Asset Management'
- **Table A10** Basic Service Delivery Measurement

Kindly refer to Appendix A for the detailed Schedule A tables.

Brede Valley Municipality do not have any entities, therefore, no consolidation of budget information and tables are presented in the document and other supporting documentation.

PART 2 – Supporting Documentation**5. Overview of Annual Budget Process**

Step No	ISSUE	TIMEFRAME
1	IDP/Budget Process Plan/Timetable approved by council	Aug 2024
2	IDP Meetings – inputs from Ward Councilors & Ward Committees	Oct 2024
3	First IDP/ Budget Steering Committee Meeting	Nov 2024
4	Departmental inputs on Draft allocations	Nov & Dec 2024
5	2 nd Budget Steering Committee – Consider Adjustment budget	Jan 2025
6	Draft Budget input captured and Budget balanced	March 2025
7	Draft IDP & Budget tabled in Council	March 2025
8	IDP & Budget workshop – Council	April 2025
9	Public Consultation	April 2025
10	Finalise Sector / Dept Strategy Plan / Budget - IDP	April 2025
11	Consideration of Comments received	April 2025
12	Tabling of Final MTREF	End May 2025

**Process Plan**

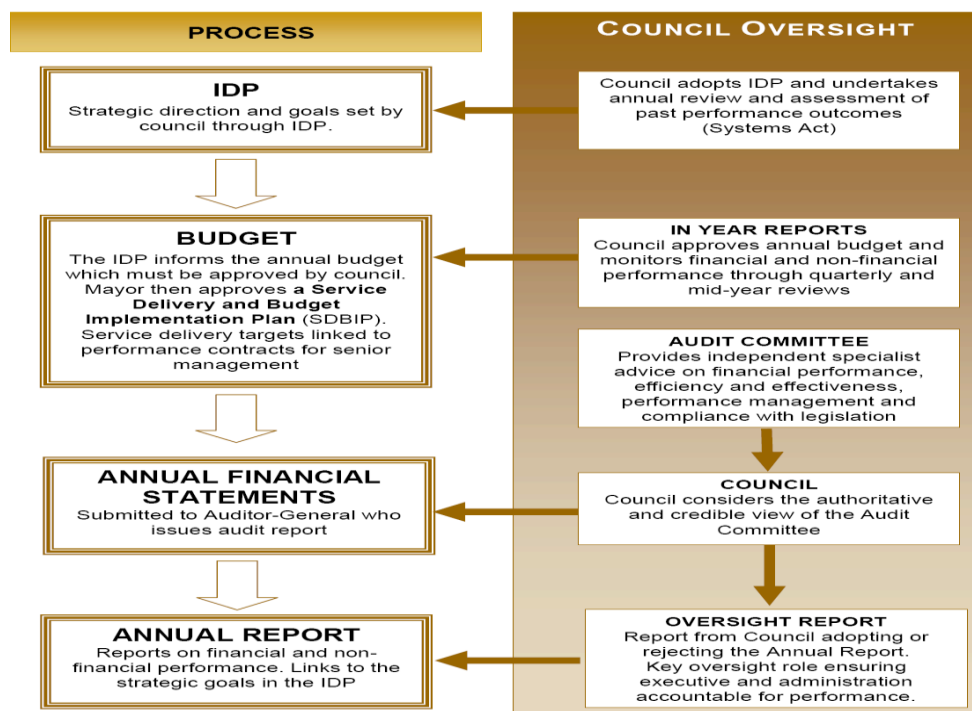
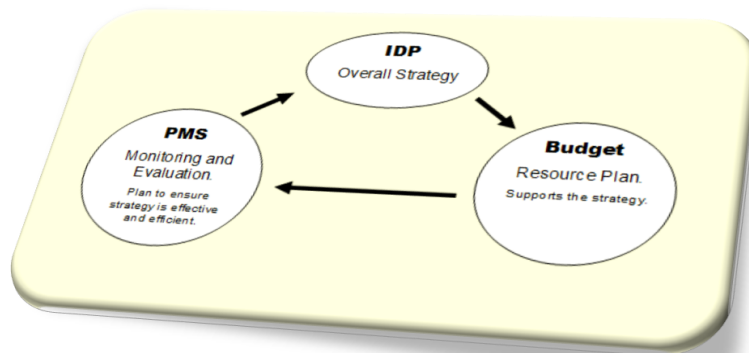
	STEP	PROCESS
1.	Planning	Schedule key dates, establish consultation forums, review previous processes
2.	Strategising	Review IDP, Determine priorities, set service delivery targets and objectives for the next three years, consult on tariffs, indigent, credit control, free basic services, etc and consult local, provincial, and national issues, previous years performance and current economic and demographic trends.
3.	Preparing	Prepare budget, revenue, expenditure projections, draft budget policies, consult and consider local, provincial and national priorities.
4.	Tabling	Table draft budget, IDP and budget related policies before the council, consult and consider formal local, provincial, and national inputs and responses.
5.	Approving	Council approves budget and related policies.
6.	Finalising/ Implementation	Publish and approve SDBIP and annual Performance agreements and indicators. Publish Budget in terms of sect.22 MFMA

The IDP / Budget process plan was consulted with all relevant stakeholders, whom are:

- Council
- Executive Mayor and Mayoral Committee
- Accounting Officer
- Management
- Institutional Committees
- District Municipality (Cape Winelands District Municipality)
- Intergovernmental (National Treasury, Provincial Treasury and Department of Local Government)
- Ward councillors, ward committees and community in wards

6. Overview of alignment of annual budget with Integrated Development Plan

The below diagrams illustrates the link between the municipality's IDP and Budget



MBRR Table SA4 - Reconciliation between the IDP strategic objectives and budgeted revenue

Please refer to Annexure A

MBRR Table SA5 - Reconciliation between the IDP strategic objectives and budgeted operating expenditure

Please refer to Annexure A

MBRR Table SA6 - Reconciliation between the IDP strategic objectives and budgeted capital expenditure

Please refer to Annexure A

7. Measurable performance objectives and indicators

SA7 provides the main measurable performance objectives the municipality undertakes to achieve this financial year.

Please refer to Annexure A

8. MBRR Table SA8 - Performance indicators and benchmarks

The following table sets out the municipality's main performance objectives and benchmarks for the 2025/26 MTREF.

Please refer to Annexure A

9. Overview of Budget Related Policies

The following budget related policies are in use:

- Asset Management Policy
- Borrowing Policy
- Budget Policy
- Budget Virement Policy
- Costing Policy
- Credit Control and Debt Collection Policy
- Funding and Reserves Policy
- Insurance Management Policy
- Long Term Financial Plan Policy
- Property Rates Policy
- Tariff Policy
- Write-off Policy
- Supply Chain Management Policy
- Cost Containment Policy

Please refer to annexure D for the budget related policies.

10. Overview of Budget Assumptions

The following budget assumptions were used as basis for compilation of the 2025/26 MTREF:

- Tariff increases:

Service	Percentage Increase (%)
Electricity	15% (based on the cost of supply)
Water	11%
Sewerage	8%
Refuse	25%
Rates	8%

***Kindly refer to Annexure E for the complete list of tariffs**

- CPIX = 4.3% (MFMA budget circular 130)
- Employee related cost is based on the collective agreement
- Government Grant will be received as gazetted by National and Provincial Government.
- Electricity bulk purchases in line with NERSA guideline.
- Limited growth in revenue base. Mostly related to low cost housing.
- No / limited increases applied on cost containment items.
- Indigent households is anticipated be in the region of 10 000 households (formal)
- Budgeted collection rate equals to 90 percent
- Conditional grant will be fully spent
- Credit rating: Baa1.za
- All comments and inputs from the public and stakeholders were taken into consideration during the compilation of the 2025/26 Final Budget.

11. Overview of Budget Funding**Funding sources of operating expenditure budget.**

This overview provides the funding for operating expenditure to be incurred in future financial years.

Please refer to table A1 of Annexure A

Funding sources of capital expenditure budget

Similar to the operating revenue, the capital funding indicates how the capital programme of the municipality will be financed in future years. Based on the above table, it is clear that the municipality is largely grant dependant when external funding (loans) are not being taken up. However, it should be noted that significant progress was made with regards to the contribution of own resources to the capital programme in recent years.

Internal funding in the form of the Capital Replacement Reserve (CRR) is cash backed and sufficient to cover the related capital expenditure projects for the budget year. The municipality remains committed in growing the CRR by making contributions to this reserve to enable better service delivery in the form of capital expenditure. Projects funded from the CRR will be closely monitored to aid implementation and where adjustments are required due to implementation challenges, funds will be directed or reprioritised as per the prerogative of management, through the guidance of the IDP and / or the municipality's financial status.

12. Expenditure on allocations and grant programmes

MBRR SA19 - Expenditure on transfers and grant programmes

Kindly refer to table SA19 of Annexure A.

13. Allocations or grants made by the municipality

MBRR SA21- Transfers and grants made by the municipality

Kindly refer to table SA21 of Annexure A.

14. Councillors and board members allowances and employee benefits

MBRR SA23 - Salaries, allowances and benefits (political office bearers/councillors/ senior managers)

Kindly refer to table SA23 of Annexure A.

15. Monthly targets for revenue, expenditure and cash flow

MBRR SA25 - Budgeted monthly revenue and expenditure

Please refer to table SA25 of annexure A.

16. Contracts having future budgetary implications

MBRR SA33 – Contracts having future budgetary implications

Please refer to table SA33 of annexure A.

17. MBRR SA35 - Future financial implications of the capital budget

Please refer to table SA35 of annexure A.

18. Capital expenditure details

MBRR SA36 - Detailed capital budget per municipal vote

Please refer to table SA36 of annexure A.

19. Legislation compliance status

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

- **In-year reporting:** Reporting to National Treasury and Provincial Treasuries are done in line with the legislated prescripts.
- **Internship programme:** This programme is fully functional within the municipality with 4 interns being employed under this programme.
- **Budget and Treasury Office:** The Budget and Treasury Office has been established in accordance with the MFMA.
- **Audit Committee:** An Audit Committee has been established and is fully functional.
- Service Delivery and Implementation Plan
- **Annual Report:** Annual report is compiled in terms of the MFMA and National Treasury requirements.
- MFMA Training
- Policies

20. Other supporting documents

Please refer to annexures E for MFMA budget circular

21. Annual budgets of municipal entities attached to the annual budget

No municipal entities.

COMMENTS BY OTHER DIRECTORATES

Municipal Manager – Recommendation supported

Director Strategic Services – Recommendation supported

Director Engineering Services – Recommendation supported

Director Community Services - Recommendation supported

Director: Planning, Development and Integrated Services - Recommendation supported

RECOMMENDATION

That in respect of the-

**2025/26 FINAL BUDGET MEDIUM TERM REVENUE AND EXPENDITURE
FRAMEWORK**

discussed by Council at the Council Meeting of 27 May 2025:

1. Council approves the annual budget and annual budget supporting tables as prescribed by the Municipal Budget and Reporting Regulations, as set out in Annexure A.
2. Council approves the Quality Certificate to the budget signed by the Accounting Officer, as per Annexure B.
3. Council approves the revised budget related policies as per Annexure C.
4. Council approves the tariffs, tariff structures and service delivery charges for water, electricity, refuse, sewerage, and other municipal services as per Annexure D
5. Council approved the Revenue Enhancement and Implementation Plan as per Annexure E

7.3 SUBMISSION OF THE IN-YEAR FINANCIAL MANAGEMENT REPORTS FOR THE PERIOD ENDED 30 APRIL 2025 MFMA SECTION 71 Report

File No. /s: 3/15/1

Responsible Officials: R. Ontong

Directorate: Financial Services

Portfolio: Financial Services

1. PURPOSE

To submit the in-year financial management report for adoption.

2. BACKGROUND

In terms of the Municipal Finance Management Act, 56 of 2003, section 71.

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

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

(2) The statement must include-

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

(3) The amounts reflected in the statement must in each case be compared with the corresponding amounts budgeted for in the municipality's approved budget.

(4) The statement to the provincial treasury must be in the format of a signed document and in electronic format.

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

the national or provincial organ of state or municipality which transferred the allocation.

- (6) The provincial treasury must by no later than 22 working days after the end of each month submit to the National Treasury a consolidated statement in the prescribed format on the state of the municipalities' budgets, per municipality and per municipal entity.
- (7) The provincial treasury must, within 30 days after the end of each quarter, make public as may be prescribed, a consolidated statement in the prescribed format on the state of municipalities' budgets per municipality and per municipal entity. The MEC for finance must submit such consolidated statement to the provincial legislature no later than 45 days after the end of each quarter.

3. FINANCIAL IMPLICATIONS

None

4. APPLICABLE LEGISLATION/ COUNCIL POLICY

Municipal Finance Management Act, 56 of 2003 (Section 71)

Municipal Budget and Reporting Regulations, 2009

5. COMMENT OF DIRECTORATES/ DEPARTMENTS CONCERNED:

Municipal Manager: Recommendation supported

Director: Strategic Support Services: Recommendation supported

Director: Financial Services: Recommendation supported

Acting Director: Community Services: Recommendation supported

Director: Engineering Services: Recommendation supported

Director: Planning Development and Integrated Services: Recommendation supported

RECOMMENDATION

That in respect of

SUBMISSION OF THE IN-YEAR FINANCIAL MANAGEMENT REPORT FOR THE PERIOD ENDED 30 APRIL 2025: MFMA SECTION 71 Report.

discussed by Council at the Council meeting held on 27 May 2025:

1. That Council take note of the in-year financial management report for the periods ended 30 April 2025.

7.4 REPORT TO COUNCIL ON DEVIATIONS FOR THE MONTH OF APRIL 2025**File No./s:** 2/1/1/1**Responsible Official:** R. Ontong**Directorate:** Financial Services**Portfolio:** Supply Chain Management

PURPOSE

To report to Council on all deviations and their reasons, approved by the delegated authority in terms of paragraph 36(2) of the Supply Chain Management Policy, for the month of April 2025.

BACKGROUND

The purpose of this report is to ensure that Council maintains oversight over the implementation of the Supply Chain Management Policy. In terms of paragraph 36(2) of the said policy, the Accounting Officer must record the reasons for any deviations in terms of paragraph 36(1)(a) of the policy and report them to Council. However, it must be noted that these deviations also serve on the **monthly Section 71** (MFMA) report/s to Mayco and **quarterly Section 52** (MFMA) report/s to Council.

Deviations approved in terms of paragraph 36(1)(a) for the month of April 2025, are attached as **Annexure A**.

FINANCIAL IMPLICATIONS

Reference can be made to the total approved amount as reflected in annexure "A"

APPLICABLE LEGISLATION / COUNCIL POLICY

Municipal Finance Management Act. 2003, (Act 56 of 2003)
Breede Valley Supply Chain Management Policy, as amended.
Supply Chain Management Regulations

COMMENT OF DIRECTORATES / DEPARTMENTS

Municipal Manager:	Noted
Director: Strategic Support Services:	Noted
Director: Planning, Development and Integrated Services:	Noted
Director: Financial Services:	Noted
Director: Engineering Services:	Noted

Director: Community Services: Noted

Senior Manager: Legal Services: Noted

RECOMMENDATION

That in respect of

REPORT TO COUNCIL ON DEVIATIONS FOR THE MONTH OF APRIL 2025

Discussed by Council at the Council meeting held on 27 May 2025, Council decides:

1. That the deviations from the procurement processes, approved in terms of the delegated authority for the month of April 2025, **be noted**.

7.5 DETERMINATION OF A DATE OF VALUATION AS WELL AS THE DESIGNATION OF THE MUNICIPAL VALUER IN TERMS OF MUNICIPAL PROPERTY RATES ACT NO 6 OF 2004 AS AMENDED.**File No./s:** 5/2/5/3**Responsible Official:** M. Magadla**Directorate:** Financial Services**Portfolio:** Revenue

1. PURPOSE

The purpose is to request Council to:

- a) Determine the date of valuation as required by the Municipal Property Rates Act (MPRA), No. 6 of 2004, as amended.
- b) Designate a Municipal Valuer as required by the Municipal Property Rates Act (MPRA), No. 6 of 2004, as amended.

2. BACKGROUND

Municipalities are mandated to raise revenue by the Local Government Property: Municipal Property Rates Act, Act No 6 of 2004 and its amendments. Chapter 4 of the MPRA requires local municipalities to compile and implement a new General Valuation Roll at least once every five (5) years.

The current General Valuation Roll will expire on 30 June 2026 and the new General Valuation roll must be ready for implementation on 01 July 2026 to comply with the provisions of the Municipal Property Rates Act No 6 of 2004, as amended.

In terms of Municipal Property Rates Act No 6 of 2004 (MPRA) as amended, the municipality must designate its municipal valuer (section 33(1)) prior to the date of valuation (section 31(1)), both of which should be tabled to and approved by the Municipality's Council.

3. DETERMINING OF A DATE OF VALUATION

In terms of section 31(1) of the MPRA a municipality must, for the purposes of a general valuation, determine a date that may not be more than 12 months before the start of the financial year in which a valuation roll is to be implemented.

In terms of the above requirement, it is recommended that Council must determine the 1st of July 2025 as the date of Valuation while the 1st of July 2026 will be the date of implementation.

4. DESIGNATION OF A MUNICIPAL VALUER

Section 33(1) of the MPRA requires that a municipality must, before the date of valuation, designate a person as a Municipal Valuer. In terms of Section 33(1), a municipality may designate a person in private practice or one of its own officials as a Municipal Valuer.

Bid BV-1072/2024: *Service Provider for Compilation and Maintenance of General Valuation Roll, Supplementary Valuation Roll and other Related Valuation Services for Breede Valley Municipality*, was awarded to HCB Valuations and Services (Pty) Ltd for a period ending 30 June 2031. Council approved the long-term contract through Council Resolution number C73/2024, adopted on a meeting held on 22 October 2024.

In terms of the contract HCB Valuations and Services (Pty) Ltd nominated Mr. Coenraad Botha to be appointed as the designated Municipal Valuer. He is registered as a Professional Valuer with the South African Council for the Property Valuers since 28 January 2020 (Registration No. 5601). He previously held the designation of Candidate Valuer (2003–2013) and Professional Associated Municipal Valuer (2013–2020).

Mr. Botha is also a member of the following professional bodies:

- South African Institute of Valuers
- The Institute of Estate Agents of South Africa – Non-Principal Estate Agent (FFC Registration Number 1216100)

Mr Botha has completed a National Diploma in Real Estate. He has compiled over 25 Municipal General Valuation Rolls while he has also been an assistant municipal valuer at 16 municipalities across the country. He has also been a member of Municipal Valuations Appeal Boards at 13 municipalities as a municipal valuer. He also participated as a member of Municipal Valuations Appeal Boards in 7 municipalities in his capacity as an Assistant Municipal Valuer. Mr Botha also has experience in other valuation fields such as compilation of GRAP compliant asset registers for various municipalities.

It is therefore recommended that Council should approve the designation of Mr Coenraad Botha as the Municipal Valuer in terms of Section 33(1) of the Municipal Property Rates Act number 6 of 2004, as amended.

5. APPLICABLE LEGISLATION

1. Municipal Property Rates Act No.6 of 2004, as amended.

6. FINANCIAL IMPLICATIONS

There are **no additional financial implications** to Council except for the obligations that are already committed to in terms of Bid BV1072/2024 approved by resolution C73/2024 on 22 October 2024.

7. ECONOMIC BENEFITS FROM THE CONTRACT

The valuation of properties within the jurisdiction of the municipality forms part of the municipality's long term financial sustainability as well as revenue protection. It is a significant revenue source, and it is critical for the municipality to ensure that it complies with the requirements of the Municipal Property Rates Act No 6 of 2004, as amended.

8. COMMENTS OF DIRECTORS AND LEGAL SERVICES

- **Municipal Manager:** Supported.
- **Director Engineering Services:** Supported.
- **Director Planning Development and Integrated Services:** Supported.
- **Chief Financial Officer:** Supported.
- **Director Community Services:** Supported.
- **Director Strategic Support Services:** Noted and supported.
- **Senior Manager Legal Services:** Recommendation supported.

9. ANNEXURES

Annexure A: BV 1072/2024 award letter

Annexure B: Council Resolution C73/2024.

Annexure C: Registration Certificate and Curriculum Vitae of Mr Coenraad Botha

RECOMMENDATION

That in respect of-

DETERMINATION OF A DATE OF VALUATION AS WELL AS THE DESIGNATION OF THE MUNICIPAL VALUER IN TERMS OF MUNICIPAL PROPERTY RATES ACT NO 6 OF 2004 AS AMENDED.

Discussed by Council at the Council meeting held on 27 May 2025:

- a) That council determines the 1st of July 2025 as the valuation date, in terms of section 31(1) of the Municipal Property Rates Act, No.6 of 2004, as amended. That Council designates the implementation date as the 1st of July 2026.
- b) That Council designates Mr. Coenraad Botha as the Municipal Valuer in terms of section 33(1) of the Municipal Property Rates Act, No.6 of 2004, as amended.

7.6 PRESUMED STRATEGIC RISKS AND OPPORTUNITIES ASSESSMENT REPORT 2025

File No. /s: 3/15/1

Responsible Official: E Cloete

Directorate: Municipal Manager

Portfolio: ERM

1. PURPOSE

To report to Council on the outcome of the annual risk identification and assessment process which took place during 2024-2025 financial year for the Presumed Strategic Risks and Opportunities Register; the result of which is the BVM Presumed Strategic Risks and Opportunities Assessment Report 2025. The Risk, Fraud and Corruption Management Committee (RiskCom) members support and recommend to Council for the approval of the Strategic Risks and Opportunities Assessment Report 2025.

2. BACKGROUND

The implementation of the Risk Management system is prescribed by legislation which the municipality must comply with.

Enterprise risk management (ERM) in business includes the methods and processes used by organizations to manage risks and seize opportunities related to the achievement of their objectives. The ERM in Breede Valley Municipality provides the framework for Risk Management, which typically involves identifying particular events or circumstances relevant to the municipality's objectives (risks and contributing factors), assessing them in terms of likelihood and impact, determining a response strategy (action plans), and monitoring progress.

The management response strategy for the specific risks identified and analyzed, fall within the following four categories as well as the appetite of 9 as approved by Council:

Avoid – Action is taken to exit the activities giving rise to risk. Risk avoidance may involve exiting a product line, declining expansion to a new geographical market, or selling a division.

Reduce – Action is taken to reduce the risk likelihood or impact, or both. This may involve any of a myriad of everyday business decisions.

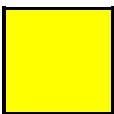
Share – Action is taken to reduce risk likelihood or impact by transferring or otherwise sharing a portion of the risk. Common risk sharing techniques include purchasing insurance products, pooling risks, engaging in hedging transactions, or outsourcing an activity.

Accept – No action is taken to affect likelihood or impact.

The Risk assessment process was conducted in consultation with the various stakeholders.

The following tables provide the risk ratings:

LIKELIHOOD	5	LOW	MEDIUM	HIGH	EXTREME	EXTREME
	4	LOW	MEDIUM	HIGH	HIGH	EXTREME
	3	LOW	MEDIUM	MEDIUM	HIGH	HIGH
	2	LOW	LOW	MEDIUM	MEDIUM	MEDIUM
	1	LOW	LOW	LOW	LOW	LOW
Risk Matrix		1	2	3	4	5
		IMPACT/ CONSEQUENCE				

	Risk Appetite Level 3 X 3 = 9 Level
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Annexure: A copy of the Presumed Strategic Risks and Opportunities Assessment Report.

Deliberation:

Definition of Risk Management:

Risk management is a systematic process to identify, evaluate and address risks on a continuous basis before such risks can impact negatively on the municipality's service delivery capacity.

Risk management is a management discipline with its own techniques and principles. It is a recognised management science and has been formalized by international and national codes of practice, standards, regulations and legislation.

Risk management forms part of management's core responsibilities and is an integral part of the internal processes of the municipality.

When properly executed risk management provides reasonable, but not absolute assurance, that the municipality will be successful in achieving its goals and objectives.

Definition of Risk Identification:

Risk identification is a deliberate and systematic effort to identify and document the municipality's key risks.

The objective of risk identification is to understand what is at risk within the context of the municipality's explicit and implicit objectives and to generate a comprehensive inventory of risks based on the threats and events that might prevent, degrade, delay or enhance the achievement of the objectives.

Definition of Risk Assessment:

Risk assessment is a systematic process to quantify or qualify the level of risk associated with a specific threat or event, to enrich the risk intelligence available to the Institution.

The main purpose of risk assessment is to help the municipality to prioritise the most important risks as the municipality is not expected to have the capacity to deal with all risks in an equal manner.

Risks should be formally reviewed concurrently with changes in strategy, or at least once a year to consider new and emerging risks.

Definition of Risk Register:

Risk register is the outcome of the annual risk assessment process which is a comprehensive inventory of risks based on the threats and events that might prevent, degrade, delay or enhance the achievement of the objectives of the municipality.

i. The Executive Authority/ Council:

- The Council should take an interest in risk management to the extent necessary to obtain comfort that properly established and functioning systems of risk management are in place to protect the Institution against significant risks.
- Responsibilities of the Executive Authority in risk management should include:
 - ensuring that the Institutional strategies are aligned to the government mandate;
 - obtaining assurance from management that the Institution's strategic choices were based on a rigorous assessment of risk;

-
- obtaining assurance that key risks inherent in the Institution's strategies were identified and assessed, and are being properly managed;
 - assisting the Accounting Officer / Authority to deal with fiscal, intergovernmental, political and other risks beyond their direct control and influence; and
 - insisting on the achievement of objectives, effective performance management and value for money.
 - In case of a municipality or municipal entity, in addition to the responsibilities outlined in 21(2), the Executive Authority should also: (a) approve the risk management policy, strategy, and implementation plan; and
(b) approve the fraud prevention policy, strategy and implementation plan.

Council is responsible for providing oversight and direction to the Accounting Officer on the risk management related strategy and policies; which also include an interest in the effectiveness of the process of risk management within the municipality.

Risk Management Oversight (Risk, Fraud and Corruption Management Committee)

The committee's role is to review the risk management progress and maturity of the municipality, the effectiveness of risk management activities, the key risks facing the municipality and the responses to address these key risks.

ii. The Accounting Officer/ Municipal Manager:

Sections 62(1)(c)(i) and 95(c)(i) of the MFMA, requires the Accounting Officer to ensure that their municipalities and municipal entities have and maintain effective, efficient and transparent systems of risk management

The **Municipal Manager** is ultimately responsible for risk management within the municipality. This includes ensuring that the responsibility for risk management vests at all levels of management. The Municipal Manager sets the tone at the top by promoting accountability, integrity and other factors that will create a positive control environment.

iii. Management, Other Personnel, Risk Manager:

Section 78 of the Municipal Finance Management Act (Act 56 of 2003):

The extension of general responsibilities in terms of Section 78 of the MFMA to all senior managers and other officials of municipalities imply that responsibility for risk management

vests at all levels of management and that it is not limited to only the accounting officer and internal audit.

Risk Management Implementers (Management)

All other levels of management, support the municipality's risk management philosophy, promote compliance with the risk appetite and manage risks within their areas of responsibility. Management takes ownership for managing the municipality's risks within their areas of responsibility and is accountable to the Municipal Manager for designing, implementing, monitoring and integrating ERM into their day-to-day activities of the municipality. This should be done in a manner that ensures that risk management becomes a valuable strategic management tool.

Risk Management Implementers (Other Officials)

Other officials are responsible for integrating risk management into their day-to-day activities i.e. by ensuring conformance with controls and compliance to procedures.

Risk Management Support (Chief Risk Officer / Manager: Governance, Risk and compliance)

The Chief Risk Officer / Manager: Governance, Risk and Compliance is the custodian of the Risk Management Strategy and Implementation Plan and the coordinator of Enterprise Risk Management activities throughout Breede Valley Municipality.

Risk Management Support (Risk Champions)

A Risk Champion would generally hold a senior position within the municipality and possess the skills, knowledge and leadership qualities required to champion an aspect of risk management.

The Risk Champion assists the Chief Risk Officer to facilitate the risk assessment process and manage risks within their area of responsibility to be within the risk appetite. Their primary responsibilities are advising on, formulating, overseeing and managing all aspects of a municipality's entire risk profile, ensuring that major risks are identified and reported upwards.

iv. Internal Auditors:

Section 165(2)(a), (b)(iv) of the Municipal Finance Management Act (Act 56 of 2003) requires that: *"(2) The internal audit unit of a municipality or municipal entity must - (a) prepare a risk based audit plan and an internal audit program for each financial year;*

(b) advise the accounting officer and report to the audit committee on the implementation on the internal audit plan and matters relating to:

- *(iv) risk and risk management."*

IIA Standard 2110 - Risk Management of the International Standards for the Professional Practice of Internal Auditing states:

"The internal audit activity should assist the organisation by identifying and evaluating significant exposures to risk and contributing to the improvements of risk management and control systems.

Risk Management Assurance Providers (Internal Audit)

The core role of Internal Audit in risk management is to provide an independent, objective assurance to council and the Audit Committee on the effectiveness of risk management.

Internal Audit also assists in bringing about a systematic, disciplined approach to evaluate and improve the effectiveness of the entire system of risk management and provide recommendations for improvement where necessary.

Risk Management Assurance Providers (External Audit)

External Audit (Auditor-General) provides an independent opinion on the effectiveness of Enterprise Risk Management.

v. Audit Committee:

Section 166 (2)(a)(ii) of the Municipal Finance Management Act (Act 56 of 2003) states:

"(2) An audit committee is an independent advisory body which must - (a) advise the municipal council, the political office-bearers, the accounting officer and the management staff of the municipality, or the board of directors, the accounting officer and management staff of the municipal entity, on matters relating to - (ii) risk management."

The **Audit Committee** is an independent committee, responsible to oversee the municipality's control, governance and risk management. This committee is vital to, among other things, ensure that financial, IT and fraud risk related to financial reporting are identified and managed. The Audit Committee's primary responsibility is providing an independent and objective view of the effectiveness of the municipality's risk management process to council and to provide recommendations to the Municipal Manager for continuous improvement and management of risks. The responsibilities of the Audit Committee with regard to risk management are formally defined in its charter.

FINANCIAL IMPLICATIONS:

None

APPLICABLE LEGISLATION / COUNCIL POLICY:

- The Municipal Finance Management Act (Act 56 of 2003) (MFMA);
- Municipal Structures Act (Act 117 of 1998);
- Municipal Systems Act (Act 32 of 2000); and
- Public Sector Risk Management Framework (NT) published 1 April 2010.
- Local Government Risk Management Framework.

COMMENT OF DIRECTORATES / DEPARTMENTS CONCERNED:**Risk, Fraud and Corruption Management Committee-**

Municipal Manager:	Supported
Director: Strategic Support Services:	Supported
Director: Financial Services:	Supported
Director: Community Services / Acting:	Supported
Director: Engineering Services:	Supported
Director: Planning, Development and Integrated Services:	Supported

RECOMMENDATION:

That in respect of the

**PRESUMED STRATEGIC RISKS AND OPPORTUNITIES ASSESSMENT REPORT
2025**

discussed by Council at the Council meeting held on 27 May 2025:

1. That Council takes note of the outcome of the Strategic Risks and Opportunities identification and assessment process, the result of which is captured in the Strategic Risks and Opportunities Assessment Report 2025.
2. That Council approve the Strategic Risks and Opportunities Assessment Report 2025.

7.7 LIBRARY SERVICE: LIBRARY OUTREACH ACTIVITIES PLANNED AND COMPLETED (January 2025 – March 2025)

Responsible Official: C Gerber

Directorate: Community Services

Portfolio: Library Service

PURPOSE

The purpose of the item is to:

- a) Provide an update on progress made re outreach activities planned and completed at Library Services.
- b) Statistics of the outreach activities for the period January 2025 to March 2025

BACKGROUND

The principle/goal of the Library Service in our communities is to provide essential information (written and electronic), reading material (written and electronic) to patrons to assist with the increase in literacy levels and social development enhancement.

The Library Service, on local municipal level, is executed via a signed implementation protocol with the Western Cape Department of Cultural Affairs and Sport (Library Service) in respect of the intergovernmental co-operation regarding the operation of public libraries in the Western Cape.

The municipality is regarded as a B 2 municipality and is therefore only partially funded by a conditional grant from the Provincial Library Service.

The municipality currently operates 13 libraries on a fulltime basis.

The municipality has 50 permanently employed library staff members. The Library Service forms part of a YearBeyond program – organised between the Western Cape Government and several partner organisations. The program aims to provide unemployed youth (18 – 25 years) with a meaningful work experience and a pathway to further studies or work, while at the same time encouraging a culture of service to your community. All libraries were included

to take part in this program again during 2024. Candidates applied online and the interviews were held, during March 2024. Candidates to be Reading Champions or ICT Champions. Candidates were recommended by Librarians and these candidates registered at libraries during the second week of April 2024. Candidates had orientation via the provincial department from 23 – 26 April 2024 and started with duties at libraries on 29 April 2024. Candidates will serve the community and take part in library outreach activities until 29 November 2024. The program was extended until 14 March 2025. Yeboneers were given the opportunity to stay in the program. They may however be released from the program if other opportunities occur. Candidates that opted for the continuation of the program, completed their work opportunity on 14 March 2025. All libraries held interviews during March 2025 for new candidates to commence duties at libraries in April/May 2025. Candidates will be registered and will attend orientation in April 2025.

They receive a daily stipend from the Western Cape Government.

PROGRESS OF OUTREACH LIBRARY ACTIVITIES FROM JANUARY 2025 – MARCH 2025:

The Library Service continuously organise educational outreach programs at the libraries, in co-operation with other government departments, NGO's and NPO's and other individual organisations/members of the community.

The Library Service does not have a special budget for outreach programs and only make use of limited budget to cover costs for outreach programs/reading competitions.

Month	Nr of awareness programmes from January 2024 – March 2024	Nr. of awareness programmes from January 2025 - March 2025
January	15	30
February	43	58
March	40	49

STATISTICS AND HIGHLIGHTS OF THE CURRENT PERIOD:

January 2025	February 2025	March 2025
30 activities	58 activities	49 activities

All libraries were involved in Back-to-School activities and libraries organised Basic Computer Skills training.	All libraries were involved in World Read Aloud Day activities on 5 February 2025. The main event was organised in De Doorns. All local libraries, reading groups, Nal'ibali and the Western Cape Education Department were involved.	All libraries were involved in National Library Week and Human Rights Month activities.
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COMMENTS

Municipal Manager	: Item supported.
Director Community Services	: Noted.
Director: Engineering	: Recommendation noted.
Director Financial Services	: Recommendation noted.
Director Strategic Support Services	: Noted.
Director Planning, Development and Integrated Services	: Recommendation noted.

RECOMMENDATION

That in respect of –

**LIBRARY SERVICES QUARTERLY UPDATE: THE PROGRESS OF THE
LIBRARY SERVICES OUTREACH PROGRAMS PLANNED AND COMPLETED
(January 2025 – March 2025)**

discussed by the Council at the Council meeting held on 27 May 2025, the following recommendations were made:

That Council take cognisance of the progress update and statistics of the outreach programs of the Library Service.

7.8 LAND FOR HUMAN SETTLEMENTS RAWSONVILLE: CONSIDERATION TO PURCHASE PRIVATELY OWNED LAND

File no.: 9/2/5/R

Responsible Officials: S Mayeki

Directorate: Community Services

Portfolio: Human Settlements

1. PURPOSE

The purpose of this item is to present the offers to purchase land for human settlements to Council from private owned land in Rawsonville area.

2. BACKGROUND / DISCUSSION

During the Council meeting held on Council resolved on 30 July 2024 as follows:

“RESOLVED”

That in respect of –

RAWSONVILLE HOUSING: CONSIDERATION TO PURCHASE PRIVATELY OWNED LAND

as discussed by Council at the Council meeting held on 30 July 2024, resolution number C60/2024:

1. That Council note the progress made in respect of the negotiations with private landowners in Rawsonville; and
3. that Directorate: Community Services resubmit a comprehensive item at the Council Meeting scheduled for August 2024.

Council furthermore resolved on the council meeting held on 20 August 2024 as follows:

“RESOLVED”

That in respect of –

Land for human settlements Rawsonville: consideration to purchase privately owned land.

As discussed by Council at the Council meeting held on 20 august 2024, resolution number C68/2024 council decided:

1. *The council should note the content of the report as an update of progress.*
2. *That the administration be mandated to follow a public participation process to invite expressions of interest from additional private landowners in Rawsonville to potentially sell land for human settlement purposes to the Breede valley municipality.*
3. *That following the public participation process, an internal stakeholder's engagement be undertaken to consider the submissions received.*
4. *That after the implementation of item 2, an item be resubmitted to council to resolve on the most suitable offer received during the expression of interest process; and*
5. *That upon council resolving on the most suitable offer, the administration be authorised to submit a project application to the western cape department of infrastructure as part of the land acquisition process.*

4. PUBLIC PARTICIPATION PROCESS

4.1 Request For Expression Of Interest For Landowners In Rawsonville Area

The request for expression of interest for landowners in the Rawsonville area was advertised on 22 October 2024 on our municipal website and local newspapers and closed on 15 November 2024. The Breede Valley Municipality was soliciting Expression of Interests from all property owners who own a land parcel within a 5km radius of Breede Valley Town to avail their land for Human Settlement development. Interested landowners were requested to submit a proposal and incorporate the following.

- 1) Site should be within a 5km radius of the Rawsonville Town.

-
- 2) Site should have an estimated yield of 500 to 1000 sites for Human Settlement Development or an extent of six (6) to ten (10) hectares.
 - 3) Copy of the Title Deed
 - 4) Power of Attorney (if property owned / offered by third party)
 - 5) Zoning and Current use of the property
 - 6) Offer Price (should also reflect price per hectare).

It should be noted that the purchase of land for human settlement is the top priority for both wards in the Rawsonville. Continuous feedback was given to both wards during the public meetings and the recent IDP and Budget consultations. The need for land for human settlements has also been discussed extensively in the recent engagements between Breede Valley Municipality and the South African Human Rights Commission (SAHRC).

The expected outcomes and deliverables of each proposal are outlined in Annexure 'A' the Expression of Interest. Two proposals were received, and the subject properties are summarised below as follows.

Offer 1 (one) – Annexure 'B'

Ou Werf Trust - the owner of remainder of Portion 19 (portion of Portion 3) of the farm Boontjies Rivier No. 427, situated in the Breede Valley Municipality, Division of Worcester, Western Cape Province; in extent 81.3932 hectares; held by Deed of Transfer T30688/2021.

The land is currently zoned and used for agricultural purposes. The owner is interested in disposing of approximately 7.5 hectares of this property to the BVM at a price of R1,250,000.00 (One Million Two Hundred and Fifty Thousand Rand) per hectare, plus value added tax thereon.

Offer 2 (two) – Annexure 'C'

TC Botha Trust Land, located on Main Road, Rawsonville. The land, currently under the custodianship of TCB Wines, is available in two options: a portion of six hectares or a larger portion of eight hectares. The selling price for both options is set at a total cost for 5.159 hectares: R10,000,000.00 (excluding boundary wall). Total cost for eight hectares: R14,000,000.00 (excluding boundary wall). The land is currently zoned and used for

agricultural purpose and incorporates an integrated development with more options for development.

4.2 Internal stakeholder's engagement

An internal memorandum was circulated on Monday 17 February 2025 to all directorates for their input professional advice. The inputs from the internal departments have been included in the comment of directorates/departments in section 5.

4.3 The most suitable offer received during the expression of interest process.

Offer 1 (one), **Ou Werf Trust** - remainder of Portion 19 (portion of Portion 3) of the farm Boontjies Rivier No. 427, is the most suitable offer. The land is situated next to an existing formal housing development and the owner is willing to dispose approximately 7.5 hectares of this property to the BVM. There still must be further engagements with the owner in respect of the conditions he put in the proposal.

COMMENTS

Municipal Manager : Item supported.
Director Community Services : Supported.
Director: Engineering : Item and recommendation, supported.
Director Financial Services : Supported.
Director Strategic Support Services : Item supported.
Director Planning, Development and Integrated Services: Supported.

Town Planning: The area indicated is included in the SDF for "Informal Settlement Upgrading" and therefore the acquisition of land for housing purposes is supported.

Municipal Facilities: As part of the Integrated Development Planning process, the need for a community hall in the De Nova area has been registered, however this need could not be addressed to date due to lack of available land. The proposed development is supported as it may unlock potential sites for development of the community hall.

Water & Sewer Services: The proposed portion of land is adjacent to the existing De Nova housing development, which is currently serviced with existing water and sewer networks.

Engineering Services to comment on the capacity of existing services to service the additional development.

Solid Waste: The proposed portion of land is adjacent to the existing De Nova housing development, which is currently serviced regarding refuse collection and area cleaning. The proposed portion can be serviced by extension of the existing service routes and area cleaning schedules.

RECOMMENDATION

That in respect of –

LAND FOR HUMAN SETTLEMENTS RAWSONVILLE: CONSIDERATION TO PURCHASE PRIVATELY OWNED LAND

Discussed by Council at the Council meeting held on 27 May 2025:

1. That Council approve Offer 1 (one) as outlined in the report.
2. That the administration be authorised to submit a project application to the Western Cape Department of Infrastructure as part of the land acquisition process.
3. That both landowners be notified of the Council resolution.

7.9 BREDE VALLEY MUNICIPALITY: WORCESTER PRIORITY HUMAN SETTLEMENTS HOUSING DEVELOPMENT AREA PLAN (PHSHDA)

File no.: 9/2/5/R

Responsible Officials: S Mayeki

Directorate: Community Services

Portfolio: Human Settlements

1. PURPOSE

The purpose of this present to Council the draft Breede Valley Municipality Priority Human Settlements Development Area plan for approval.

2. BACKGROUND // DISCUSSION

The Minister of Human Settlements declared 19 priority human settlements and housing development areas (PHSHDAs) in the western cape. The declaration of PHSHDAs is done in terms of section 3 of the housing act, 1997, read in conjunction with section 7(3) of the housing development agency act, 2008 (no. 23 of 2008), and the spatial planning and land use management act, 2013 (no. 16 of 2013).

The declaration of the PHSHDA's is one of several interventions identified in the National Department of Human Settlements' (NDHS) *Human Settlements Framework for Spatial Transformation and Consolidation* (2018). The framework is based on the rationale that housing provides an important opportunity for restructuring and revitalising South African towns and cities, for overcoming apartheid spatial patterns, and for strengthen livelihoods. As a spatial targeting approach, the PHSHDAs are intended to direct public investment and housing finance to areas that will promote spatial transformation objectives and create more inclusive residential markets.

Study Area

The National Department of Human Settlements (NDHS) has established the Human Settlements Spatial Planning Forum as a mechanism for monitoring the implementation of the framework and to facilitate stakeholder consultation, collaboration, and decision making. The Western Cape Department of Infrastructure is a member to this forum and is committed to implementation of the Framework for Spatial Transformation and Consolidation and PHSHDAs

within the Western Cape. The preparation of Development plans for any PSHDA is an expectation of this programme.

The Western Cape Government's Regional Socio-Economic Projects (RSEP) Programme has partnered with the WCDHS, on their request to assist in the preparation of a pilot development plan for a declared PSHDA within a municipal space within which RSEP has already established a footprint. Both the scope and scale within which RSEP operates - being focused on achieving spatial transformation through a multi-sectoral approach and upgrading of neighbourhoods – have strong synergies with the objectives underlying the declaration of PSHDAs.

The Breede Valley Municipality contains one of nineteen PSHDAs declared in the Western Cape (Gazette No: 43316, 15 May 2020). The PSHDA is situated in Worcester and covers the built-up area to the south of the N1 freeway, including the proposed Transhex housing development area. The Worcester PSHDA is illustrated in Figure 1. The PSHDA boundary itself is not gazetted and is intended as a guideline only. The full area of the town presents a broader study area to inform the preparation of the PSHDA development plan.

APPROACH AND METHODOLOGY

The preparation of the PSHDA development plan essentially involve a strategic planning process. The methodology partly draws on the RSEP reconstruction framework methodology, with a predominant focus on decision-making in the housing sphere to achieve normative outcomes. The approach and methodology are covered under the following sub-sections:

- The planning goals and objectives
- Project execution methodology
- The RSEP reconstruction framework

There are four main parties to the PSHDA development plan preparation, being:

- The Breede Valley Municipality (BVM).
- The Western Cape Department of Infrastructure (WCDOI).
- The Regional Socio-Economic Projects (RSEP) programme within the department of environmental affairs and development planning (DEA&DP); and the

- The Housing Development Agency (HDA)

3. FINANCIAL IMPLICATIONS:

Housing is a functional area of concurrent national and provincial legislative competence in terms of Schedule 4, Part A of the Constitution. National Treasury, in consultation with the Minister of Human Settlements, provides the necessary funding for the development of human settlements programmes.

A multidimensional funding model (government led, private sector led, community led, and hybrid led) will be pursued through multi-level governance, which includes the DDM and ensure that the needs and priorities of local communities are considered.

4. APPLICABLE LEGISLATION / COUNCIL POLICY:

RSA Constitution - The Constitution provides the overarching framework for all legislation in South Africa. The right to housing is enshrined in Section 26 of the Constitution,

Housing Act (Act No. 107 of 1997) - The Housing Act provides the guiding framework for government housing development.

The Housing Development Agency Act (Act No. 23 of 2008) - The act provides for the establishment of the Housing Development Agency and defines its objects, roles, powers, and duties.

Social Housing Act (Act No. 16 of 2008) - The Act establishes the framework for a sustainable social housing environment by providing for the Housing Regulatory Authority as an enabling and regulatory body.

Spatial Planning and Land Use Management (Act No. 16 of 2013) - The *SPLUMA* provides a framework for spatial planning and land use management in South Africa.

National Environmental Management Act (Act No. 107 Of 1998) - The National Environmental Management Act (NEMA) provides the guiding framework for all environmental legislation in South Africa.

Integrated Urban Development Framework (2016) - The Integrated Urban Development Framework (IUDF) is the government's policy position to guide the future growth and management of urban areas.

5. COMMENTS

Municipal Manager : Supported.
Director Community Services : Supported.
Director: Engineering : Item and recommendation, supported.
Director Financial Services : Supported.
Director Strategic Support Services : Noted and supported.
Director Planning, Development and Integrated Services: Supported

From a planning perspective the recommendation is supported but cognisance should be taken that any spatial planning should be included in the SDF process and not approved via any other process. Any approval of the PHSHDA can only be a recommendation / input in the SDF process.

RECOMMENDATION

That in respect of –

BREDE VALLEY MUNICIPALITY: WORCESTER PRIORITY HUMAN SETTLEMENTS HOUSING DEVELOPMENT AREA PLAN (PHSHDA)

Discussed by Council at the Council meeting held on 27 May 2025:

1. That Council adopt the Draft Brede Valley Municipality; Worcester Priority Human Settlements Housing Development Area Plan (PHSHDA)
2. that Directorate: Community Services workshop the plans to all councillor and a public participation process and stakeholders' engagements,
3. The final plan be submitted to Council for final approval.

7.10 RESUBMISSION ITEM: ERVEN 8645 AND 194, WORCESTER, COMMONLY KNOWN AS “KLEINPLASIE”

File no.: 7/1/4/14

Responsible Official: H Potgieter

Directorate: SSS

Portfolio: Legal Services

1. PURPOSE

The purpose of this item is to table the development proposals received and for the Council to resolve on the future use of the municipal property.

2. BACKGROUND / DISCUSSION

During the council meeting held on 27 February 2025 it was resolved as follows:

“RESOLVED

That in respect of –

RESUBMISSION ITEM: ERVEN 8645 AND 194, WORCESTER, COMMONLY KNOWN AS “KLEINPLASIE”

as discussed by Council at the Council meeting held on 27 February 2025, resolution number C116/2025, Council decided:

1. *That council duly considered the representations / comments received during the public participation process followed (Annexures A – D) in respect of Erven 8645 and 194, Worcester, commonly known as “Kleinplasie”;*
2. ***that based on the consideration by council of item 1, council resolves and mandate the administration to call for development proposals before the end of March 2025 with the closing date of the submission before the end of April 2025 for purposes of disposal, or the right to use (a long-term lease) the subject property;***
3. *that the purpose of the invitation is for the gathering of ideas for the optimal future use of the municipal property;*

-
4. *that the preferred proposal may be used as a basis to formulate the specifications for a tender or the conditions of a future public auction;*
 5. *that no rights and/or obligations and/or legitimate expectations will be created or implied by the submission of any proposals;*
 6. *that no compensation will be payable by the Municipality to any party due to a specific idea or proposal being accepted or declined by Council;*
 7. ***that an item be resubmitted for council to consider the development proposals in order to identify the most suitable future utilisation of the subject property; and***
 8. *that Council has taken cognisance of the fact that the municipal property is not required for the provision of basic municipal services in terms of the provisions Section 14 of the Local Government: Municipal Finance Management Act (Act 56 of 2003)".*

Item 2 of council resolution **C116/2025** was duly implemented. Thirteen (13) development proposals were received, attached hereto as confidential **Annexures A – M**.

It follows that Council must, in implementing Council resolution **C95/2024** item 7, consider the respective proposals and identify the most suitable future utilisation of the subject property.

3. ANNEXURES

Annexures A – M

4. APPLICABLE LEGISLATION

Local Government: Municipal Finance Management Act, No. 56 of 2003

Local Government: Municipal Asset Transfer Regulations, 2008

5. COMMENTS OF MUNICIPAL MANAGER AND DIRECTORS:

Given that this is a resubmission item for consideration by council, same was not circulated for internal comments.

RECOMMENDATION

That in respect of –

RESUBMISSION ITEM: ERVEN 8645 AND 194, WORCESTER, COMMONLY KNOWN AS “KLEINPLASIE”

as discussed by Council at the Council meeting held on 27 May 2025 Council decide:

1. That council duly considered the development proposals received during the public participation process followed (**Annexures A – M**) in respect of Erven 8645 and 194, Worcester, commonly known as “Kleinplasie” (the property);
2. that based on the consideration by council of **item 1**, council resolve to **alienate / or avail the property for purposes of a long-term lease of X years**; (*Note council must decide either to alienate the property or avail the property for a long-term lease. If council decide on a long-term lease, it must further decide on the duration of the lease period.*)
3. that based on the development proposals received, council decide that the property be **alienated / or availed for a long-term lease** (*delete the one not applicable*) **for the purpose of X**; (*Note council must decide on the future purpose / utilisation of the property.*)
4. that council mandate the administration to proceed with a competitive process in the open-market (which can either be an open public tender or a public auction) for the purpose identified in **items 2 and 3**;
5. that all the costs pertaining to the disposal e.g. rezoning, transfer costs and installation of municipal services, be borne by the Purchaser;
6. that the Purchaser will be responsible for the payment of all municipal services including rates and taxes in respect of the property following transfer of the property;
7. that the relevant internal comments be incorporated in the Deed of Sale and the right be reserved to supplement internal comments;

8. that the purchaser *inter alia* be responsible at its cost for the registration of any relevant servitudes over the subject property to accommodate and protect all applicable municipal services thereon;
9. that Directorate: Planning, Development and Integrated Services will be responsible for the management, administration and operational maintenance of the Kleinplasie property until the **alienation / long-term lease** (*delete the one not applicable*) process is finalized;
10. that Directorate: Community Services will ensure adequate security is deployed at the property until the **alienation / long-term lease** (*delete the one not applicable*) process is finalized; and
11. that Council has taken cognisance of the fact that the Municipal is not required for the provision of basic municipal services in terms of the provisions Section 14 of the Local Government: Municipal Finance Management Act (Act 56 of 2003).

8. CONSIDERATION OF REPORTS, COMMUNICATIONS, PETITIONS AND APPLICATIONS DEALING WITH MATTERS OF URGENCY SUBMITTED BY THE MUNICIPAL MANAGER

9. CONSIDERATION OF MATTERS SUBMITTED BY THE CHAIRPERSON OF COUNCIL

10. CONSIDERATION OF NOTICES OF MOTION AND NOTICES OF QUESTIONS WHICH SHALL APPEAR ON THE AGENDA IN THE ORDER IN WHICH THEY HAVE BEEN RECEIVED BY THE MUNICIPAL MANAGER

10.1 MOTION: CLOSING OF CEMETERY**African National Congress
Boland Region**

C/O 41 Napier & High Street
Worcester
6850

Cell:0786256918

Email address: mangalimoses89@gmail.com

OFFICE OF THE CHIEF WHIP

Date : 19/05/2025

To : Office of Municipal manager & Speaker

Subject : Closing of Cemetery

Motion to Oppose the sudden decision to close Zwelethemba Cemetery without favorable condition.

As the ANC Chief whip on behalf of the ANC And Zwelethemba Cemetery Committee and the entire Zwelethemba residents. I hereby submit a motion in line with the Breede Valley Municipality officials on rules of order 31.23 and 38a,b,c,d to oppose the decisions taken by the Breede Valley Municipality Officials to close Zwelethemba cemetery without adequate time frame.

The ANC together with the Zwelethemba Cemetery Committee urge the council to consider the following:

- Revisit the decisions and engage with the community to address the outstanding issues
- Fencing and Security to ensure the safety of visitors and graves.
- Cleaning of the Cemetery and to maintain clean and respectful environment .
- Upgrading the gravel road in order to improve accessibility .
- Water Channels to prevent erosion and ensure proper drainage.
- Alternative route to ease travel to the new Worcester cemetery.

Furthermore, we submit to council to consider implementing the following:

1. Enforce bi-laws to regulate and manage the erection of new Graveyard closer to Zwelethemba (Transhex)
2. Reconsider the sudden closure of the Zwelethemba cemetery and taking into account the concerns and needs of the community.

-
3. If possible, to identify or get a closer open space to Zwelethemba that might be easily accessible and used as the Zwelethemba cemetery.

In Conclusion

We believe that the concerns of the community will be heard and addressed.

We will continue to advocate for the rights and need of our people

Regards



Moses Mangali
ANC Chief whip (BVM)

11. CONSIDERATION OF MOTIONS OF EXIGENCY

12. CLOSURE
