LANGEBERG

MUNISIPALITEIT MUNICIPALITY MASIPALA

DIENS - UKUKHONZA - SERVICE

Medium Term Revenue and Expenditure Framework (MTREF)

BUDGET: 2026/2027 – 2028/2029

Table of Contents

SECTION A – Part 1

1. 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 (CAPEX) –	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. Cash receipts and payments do not always coincide with budgeted revenue and expenditure timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month that the services or goods are received, even though it may not be paid in the same period.
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 recognised classification system that facilitates comparisons between municipalities.
ICT –	Information and Communication Technology
IDP –	Integrated Development Plan. The main strategic planning document of a municipality.
KPI –	Key Performance Indicators. Measures of service input, output and/or outcome.
LM –	Langeberg Municipality
MFMA -	Municipal Finance Management Act (No 53 of 2003). The principal piece of legislation relating to municipal financial management.

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 (OPEX)–	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.
NT –	National Treasury
PT –	Provincial Treasury
NERSA -	National Energy Regulator of South Africa. NERSA is responsible for the price determination of the bulk costs of electricity.
MERO -	Municipal Economic Review. The Municipal Economic Review and Outlook (MERO) provide a detailed economic intelligence disaggregated at a metro, district and municipal level to help inform policy intervention and budgeting at local government.
CPI -	Consumer Price Index. The CPI is a statistical measure that tracks the price level of a representative basket of goods and services consumed by households, such as food, housing, transportation, medical care, and education. It reflects changes in the purchasing power of money and is widely used to monitor inflation, which indicates how much prices are rising or falling in an economy. A rising CPI means that the cost of living is increasing, while a falling CPI indicates lower prices.
SALGA -	South African Local Government Association. SALGA is an autonomous association of all 257 South African local governments, comprising of a national association, with one national office and nine provincial offices. It provides guidance, support and advocacy for local government.
SMME -	These are businesses that are classified based on their size, typically measured by: number of employees, annual turnover (revenue), asset value.

2. Mayor's report

To be updated after the council meeting, Mayor's report is tabled by the Mayor in Council and inserted in here after Council approval.

3. Resolutions

4. Executive Summary

The 2026/27–2028/29 Medium Term Revenue and Expenditure Framework (MTREF) for Langeberg Municipality is presented within a constrained yet gradually stabilising macroeconomic environment. Nationally, South Africa continues to experience modest economic growth, persistent structural challenges, and fiscal pressures, which collectively impact municipal revenue streams and service delivery demands. Within the Western Cape Province and the Cape Winelands District, economic activity remains relatively resilient, supported by key sectors such as agriculture, tourism, and agro-processing, although these are increasingly affected by climate variability, energy constraints, and cost pressures. Locally, the Langeberg municipal area reflects these broader trends, with ongoing pressures on household affordability, rising demand for basic services, and the need for infrastructure investment to support sustainable growth. Against this backdrop, this MTREF seeks to strike a careful balance between financial sustainability, enhanced revenue management, and continued investment in core infrastructure and service delivery to promote inclusive economic development and improve the quality of life of all residents.

The multi-year MTREF Capital and Operating Budgets for the three (3) year period: 2026/2027 – 2028/2028 is summarised below:

Final Budget Summary – Table 1:

Details	2026/2027	2027/2028	2028/2029
Operating Revenue	1 334 707 567.00	1 425 127 030.00	1 477 795 167.00
Capital Grants	64 835 826.00	54 871 000.00	58 769 000.00
Total revenue	**1 399 543 393.00**	**1 479 998 030.00**	**1 536 564 167.00**
Operating expenditure	- 1 366 800 373.00	- 1 454 109 773.00	- 1 526 447 167.00
Surplus/Deficit	**32 743 020.00**	**25 888 257.00**	**10 117 000.00**
Capital expenditure	137 011 853.00	162 550 698.00	105 167 442.00

Rates and Tariffs

To ensure the long-term financial sustainability of Langeberg Municipality, tariff increases cannot be limited to the CPI projections published by Statistics South Africa (Stats SA) and National Treasury. This is due to the current reality that expenditure associated with both trading and non-trading services is increasing at a rate above inflation targets. Furthermore, the fuel price increases are expected to place additional upward pressure on operational costs.

The Municipality will continuously monitor the impact of fuel price movements, inflationary trends, and other cost drivers, and where necessary, will consider appropriate adjustments in accordance with the provisions of Section 28 of the Municipal Finance Management Act (MFMA) to ensure that the budget remains funded from realistically anticipated revenue, credible and sustainable over the medium to long term.

Rates and Tariff Increases – Table 2

Description	2026/2027	2025/2026
The increase/(decrease) in Rates Tariffs	-21%.	6%.
The increase in Water Tariffs	3.7%.	6%.
The increase in Sanitation Tariffs	3.7%.	6%.
The increase in Refuse Removal	8%.	8%.
The increase in Electricity Tariffs	9.01%.	11.32%.
The increase in Sundry Tariffs	0% -3.7%.	0%-6%.

National Treasury encourages municipalities to maintain tariff increases at levels that reflects an appropriate balance between the affordability to poorer households and other customers while ensuring that the tariffs are cost reflective for the financial sustainability of the municipality. The budget of the municipality must also be responsive to its Integrated Development Plan (IDP) Strategic Objectives.

Bases for tariffs increases/decreases:

- The 3.7% increase on the tariffs for water, sanitation, refuse removal and some sundry tariffs is based on the forecasted CPI for 2026/27 MTREF municipal budgets.
- Langeberg municipality support cost-reflective tariffs, but not at the expense of financial viability. A balanced approach is required that protects financial sustainability, service delivery and community affordability. There is a misalignment between Eskom tariff implementation dates and municipal financial years. Winter demand and time-of-use tariffs further exacerbate cash-flow pressures. The current electricity tariff framework shifts financial risk disproportionately to municipalities and vulnerable communities. Electricity tariffs have increased far beyond inflation over the last two decades. In real terms, electricity prices have risen over six times faster than inflation, making the current trajectory untenable for both municipalities and communities. Electricity sales remain one of the largest own-revenue sources for the municipality. Rising tariffs are driving reduced consumption, increased non-payment of municipal accounts and an accelerated migration to self-generation, particularly rooftop solar. This results in revenue erosion, puts pressure on cash flows, and constrains Langeberg municipality's ability to maintain ageing electricity infrastructure and to invest in upgrades and resilience to ensure reliable and safe supply. SALGA has escalated municipal electricity tariff concerns to the President of the Republic, indicating the seriousness of the issue. The municipality aligns with SALGA's call for:
    (i) Review of the electricity tariff determination methodology.
    (ii) Alignment of tariff implementation timelines.
    (iii) Transitional or compensatory mechanisms for municipalities facing financial distress.
- The municipality called for community comments on the proposed application to NERSA for the approval of electricity tariffs for the 2026-27 financial year. The cost-reflective tariff proposed at the time was 14.4% based on the Cost of Supply Study as prescribed by NERSA. Input was obtained from the local community and affected parties. To protect financial sustainability, service delivery and community affordability, the proposed increase for electricity tariffs is 9.01% following the comments/inputs from the public on electricity tariffs. This is in align with the NERSA approved tariff granted to ESKOM for the effective period from 1 July 2026 to 30 June 2027 for municipalities. The current electricity tariff framework places the municipality as a price taker. To mitigate

against the impact of a cost reflective tariff increase of 14.4%, the municipality proposes a 9.01% electricity tariff increase.

- The tariff increase for refuse removal is increased by 8% due to participation in the regional landfill site.
- A property rates tariff modelling was conducted by the municipality to accommodate the natural increases in the market values of properties during the compilation of the general valuation roll for the period: 01 July 2026 - 30 June 2031. This exercise has resulted in a 21% decrease in property rates tariffs to be imposed for the 2026/27 budget year.

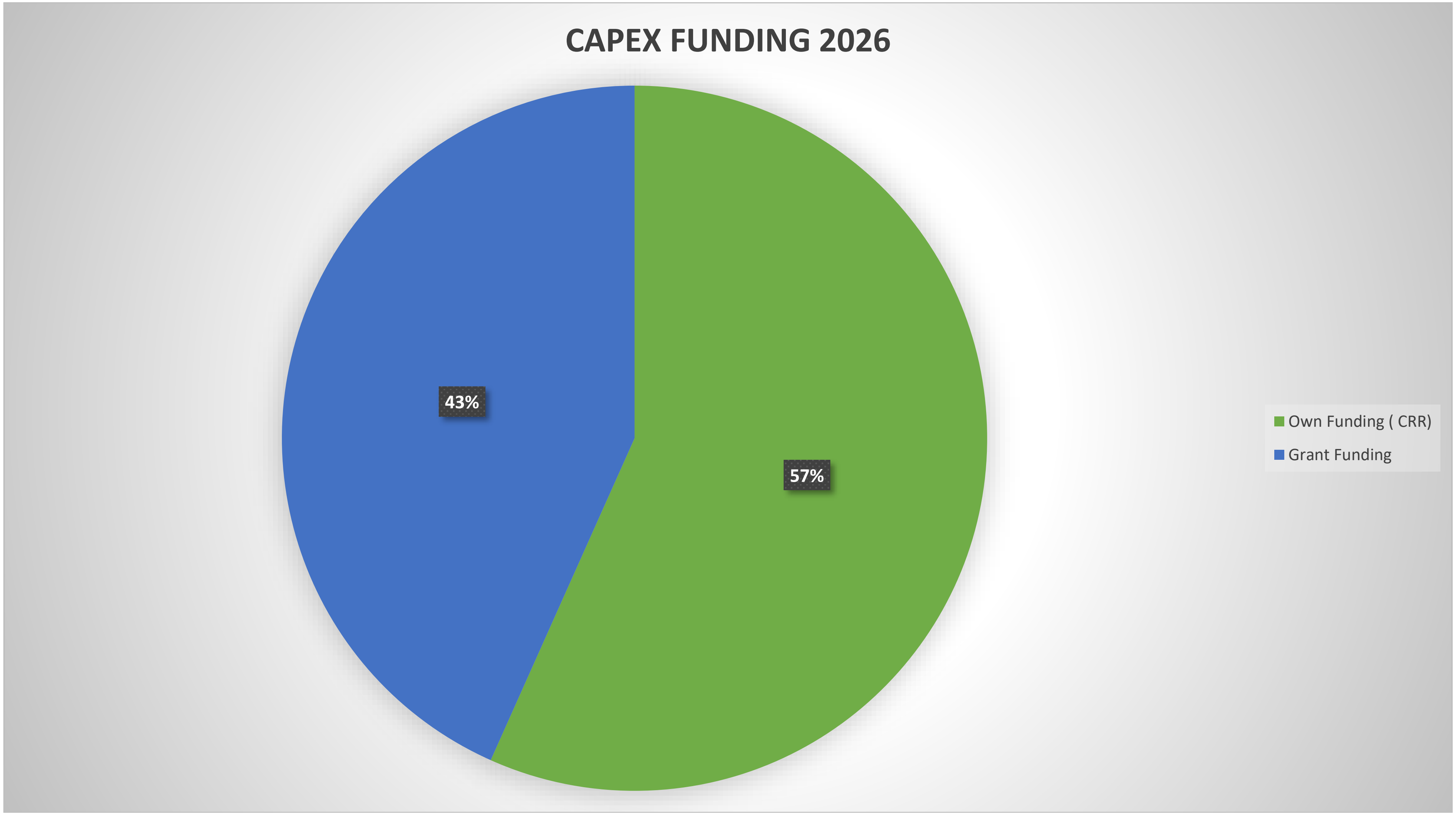
In 2026, the overall economic growth is forecasted to moderate to 1.6% measured by the gross domestic product per region (GDPR) based on the MERO for 2025/26 financial year. The US–Israel–Iran conflict poses structural risks as fuel inflation is now structural, not temporary. The municipality's core operations are diesel-intensive to deliver services to communities making fuel cost a key input cost. Langeberg relies on fleet-intensive service such as waste removal, water & sanitation operations, roads & stormwater maintenance as well as fire and emergency services. Without policy intervention, the war is likely to result in higher operating deficits and accelerate infrastructure backlogs. National Treasury has already cautioned municipalities that are living beyond their means. The expected increase in fuel costs and the uncertainty on the prolonged effects of this war is likely to drive commodity prices and inflation higher than forecasted in the MTREF period. This in turn, is likely to lead to higher consumer default on municipal accounts and growth in indigent registers without corresponding increases in the local government equitable share. This conflict implies a need to re-baseline fuel and electricity cost assumptions during the mid-year budget and performance assessments, prioritise cash preservation and cost containment; accelerate revenue protection and collection strategies and reprioritise capital budgets toward essential services. The municipality will monitor tightly the impact of the US–Israel–Iran conflict on its operations to ensure financial sustainability, service delivery and community affordability.

Langeberg Municipality has prepared a multi-year budget in accordance with the Municipal Budgeting and Reporting Regulations.

A5 CAPITAL BUDGET 2026/2027 – Table 3

R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Capital expenditure - Vote											
Single-year expenditure *to be appropriated*	2										
Vote 1 - FINANCE		–	35 791	15 973	3 008	2 616	2 616	2 616	2 617	2 617	2 617
Vote 2 - EXECUTIVE&COUNCIL		–	–	–	–	–	–	–	–	–	–
Vote 3 - ESIDS		–	7 574	(7 574)	8 000	10 220	10 220	3 045	7 000	3 000	–
Vote 4 - CORPORATE		–	697	3 149	2 542	2 542	2 542	452	1 675	–	–
Vote 4 - CORPORATE		–	–	–	–	–	–	–	–	–	–
Vote 5 - ENGINEERING		–	77 470	52 297	72 692	137 867	137 867	44 527	90 765	129 419	84 413
Vote 5 - ENGINEERING		–	31 847	30 977	32 798	44 998	44 998	14 865	20 532	16 745	17 038
Vote 6 - COMMUNITY		–	16 835	(16 796)	17 136	18 040	18 040	2 983	14 422	10 770	1 100
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total		**–**	**170 214**	**78 025**	**136 176**	**216 283**	**216 283**	**68 488**	**137 012**	**162 551**	**105 167**
Total Capital Expenditure - Vote		**–**	**170 214**	**78 025**	**136 176**	**216 283**	**216 283**	**68 488**	**137 012**	**162 551**	**105 167**
Capital Expenditure - Functional											
Governance and administration		**–**	**42 130**	**24 990**	**11 440**	**13 135**	**13 135**	**7 555**	**11 047**	**5 617**	**2 617**
Executive and council		–	473	(473)	500	1 500	1 500	41	500	–	–
Finance and administration		–	41 657	25 463	10 940	11 635	11 635	7 514	10 547	5 617	2 617
Internal audit		–	–	–	–	–	–	–	–	–	–
Community and public safety		**–**	**16 885**	**(16 846)**	**18 746**	**19 695**	**19 695**	**2 983**	**14 667**	**10 770**	**1 100**
Community and social services		–	417	(378)	688	688	688	–	1 275	–	–
Sport and recreation		–	3 143	(3 143)	14 448	15 376	15 376	2 912	12 158	–	–
Public safety		–	13 324	(13 324)	3 610	3 631	3 631	71	1 235	10 770	1 100
Housing		–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–
Economic and environmental services		**–**	**58 289**	**30 413**	**11 502**	**50 607**	**50 607**	**5 403**	**45 002**	**20 896**	**23 935**
Planning and development		–	2 235	(2 235)	500	20 547	20 547	–	24 306	12 200	16 000
Road transport		–	56 054	32 648	11 002	30 060	30 060	5 403	20 696	8 696	7 935
Environmental protection		–	–	–	–	–	–	–	–	–	–
Trading services		**–**	**52 909**	**39 469**	**94 487**	**132 845**	**132 845**	**52 547**	**66 296**	**125 268**	**77 516**
Energy sources		–	10 731	8 493	26 333	35 689	35 689	12 162	7 678	14 581	13 884
Water management		–	2 609	7 721	29 777	53 134	53 134	23 659	41 817	90 587	57 531
Waste water management		–	31 798	31 026	30 098	35 312	35 312	16 427	9 100	100	4 100
Waste management		–	7 771	(7 771)	8 280	8 710	8 710	300	7 700	20 000	2 000
Other		–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional	3	**–**	**170 214**	**78 025**	**136 176**	**216 283**	**216 283**	**68 488**	**137 012**	**162 551**	**105 167**
Funded by:											
National Government		–	29 955	(10 732)	49 938	52 878	52 878	21 767	33 991	37 105	37 190
Provincial Government		–	304	(304)	2 277	22 237	22 237	1 739	25 351	12 200	16 000
District Municipality		–	–	–	–	296	296	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	4	**–**	**30 260**	**(11 036)**	**52 216**	**75 411**	**75 411**	**23 506**	**59 342**	**49 305**	**53 190**
Borrowing	6	–	–	–	–	–	–	–	–	–	–
Internally generated funds		–	107 176	121 839	83 960	140 871	140 871	44 982	77 670	113 245	51 977
Total Capital Funding	7	**–**	**137 436**	**110 803**	**136 176**	**216 283**	**216 283**	**68 488**	**137 012**	**162 551**	**105 167**

The graph below shows the capital expenditure for 2026/2027 per funding source expressed as a %- Graph1:

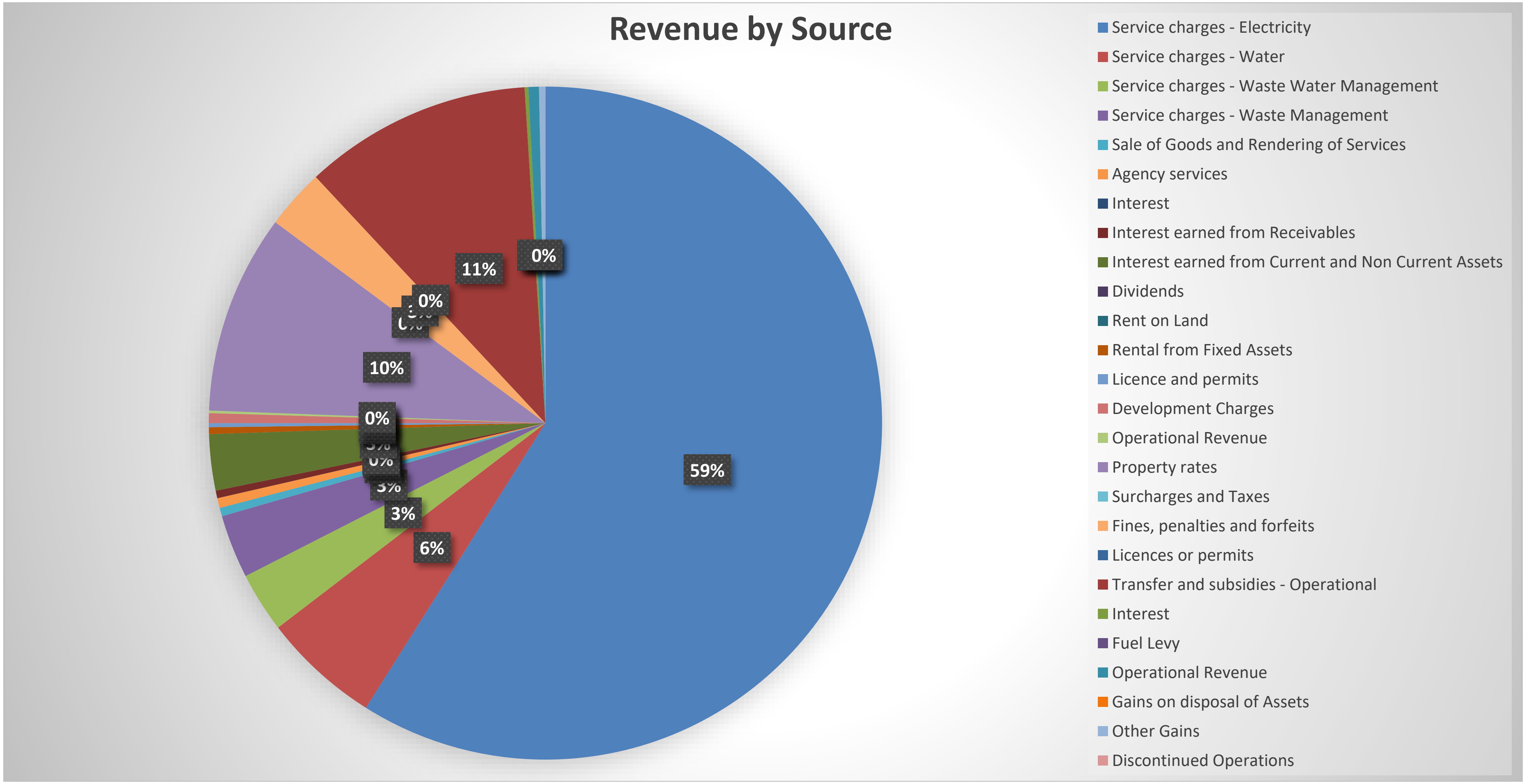


A4 Summary Operating Budget – Table 4

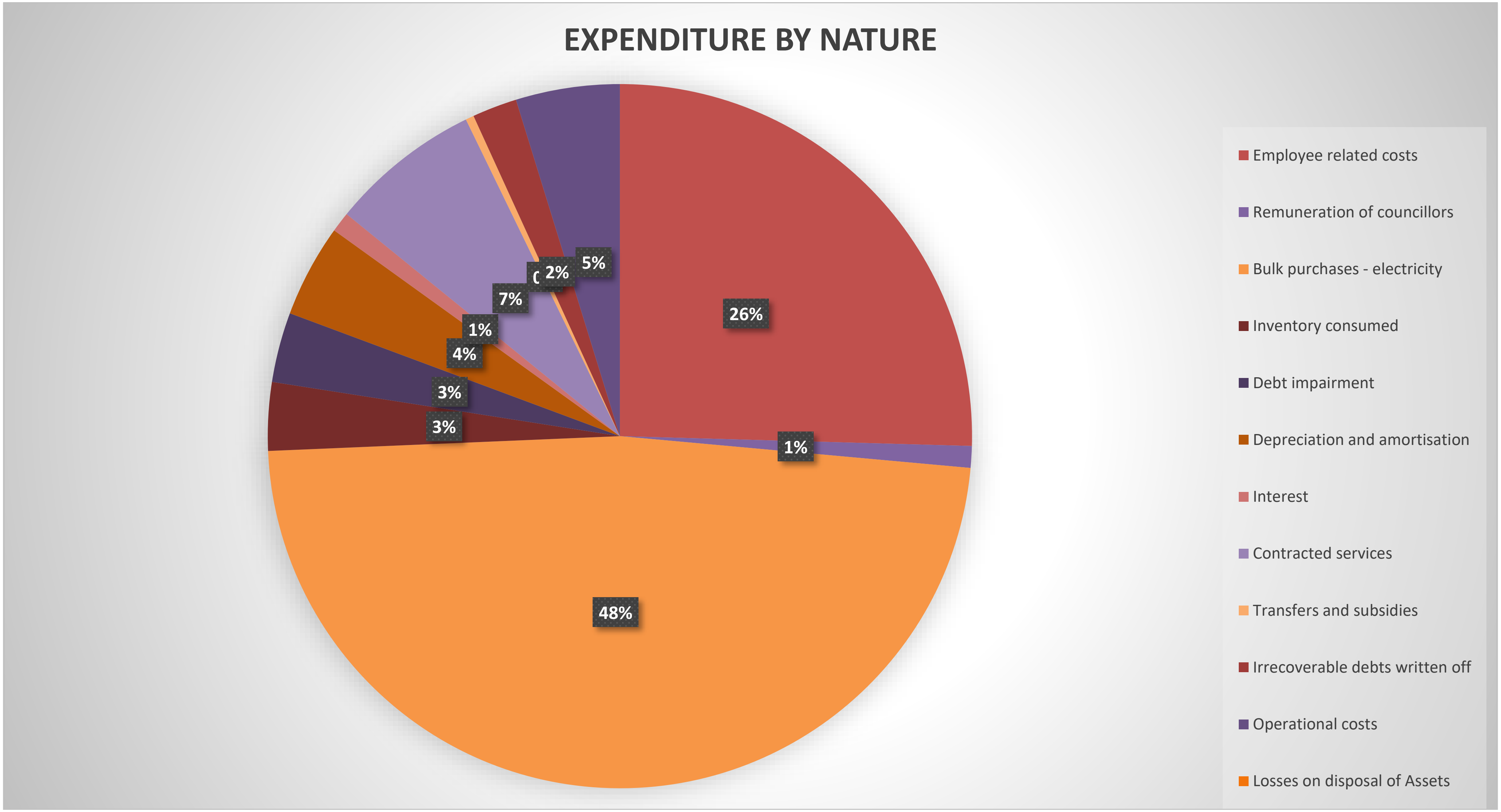
WC026 Langeberg - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2022/23	2023/24	2024/25	Current Year 2025/26				2026/27 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 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
Revenue											
Exchange Revenue											
Service charges - Electricity	2	-	561 443	682 128	691 544	689 377	689 377	524 378	787 049	857 962	893 009
Service charges - Water	2	-	58 764	82 700	69 574	69 669	69 669	47 938	75 455	77 719	80 051
Service charges - Waste Water Management	2	-	32 213	39 127	32 962	37 149	37 149	26 218	38 523	39 795	41 068
Service charges - Waste Management	2	-	31 240	38 346	33 379	37 648	37 648	26 448	40 660	43 913	47 426
Sale of Goods and Rendering of Services	2	-	5 379	5 262	5 220	5 220	5 220	4 710	5 414	5 592	5 771
Agency services	2	-	15 120	16 936	6 107	6 107	6 107	4 354	6 333	6 542	6 751
Interest		-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables	2	-	4 170	8 223	4 681	4 681	4 681	5 698	12 972	13 376	13 778
Interest earned from Current and Non Current Assets	2	-	32 804	23 120	35 711	35 711	35 711	10 564	25 711	26 483	27 277
Dividends	2	-	-	-	-	-	-	-	-	-	-
Rent on Land	2	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets	2	-	3 787	3 769	4 163	4 163	4 163	3 208	4 317	4 460	4 603
Licence and permits	2	-	2 238	3 842	2 514	2 514	2 514	707	2 608	2 694	2 780
Special rating levies	2	-	-	-	-	-	-	-	-	-	-
Construction Contract Revenue	2	-	-	-	-	-	-	-	-	-	-
Development Charges	2	-	3 418	-	6 176	6 104	6 104	319	6 329	6 538	6 747
Operational Revenue	2	-	1 297	8 737	1 507	1 579	1 579	1 042	1 637	1 691	1 746
Non-Exchange Revenue											
Property rates	2	-	101 163	108 425	106 956	111 520	111 520	76 480	127 957	131 795	135 749
Surcharges and Taxes	2	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	2	-	11 386	37 003	12 770	37 003	37 003	1 724	38 372	39 638	40 907
Licences or permits	2	-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational	2	-	149 865	150 964	166 208	151 272	151 272	141 645	146 285	151 243	153 829
Interest	2	-	2 040	1 851	2 292	2 292	2 292	9 197	4 258	4 393	4 528
Fuel Levy	2	-	-	-	-	-	-	-	-	-	-
Operational Revenue	2	-	-	1 842	-	6 512	6 512	186	6 753	6 976	7 199
Gains on disposal of Fixed and Intangible Assets	2	-	(932)	(32)	-	1 000	1 000	-	-	-	-
Other Gains	2	-	(1 255)	103	-	-	-	75	4 073	4 318	4 577
Discontinued Operations		-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		-	**1 014 140**	**1 212 346**	**1 181 765**	**1 209 521**	**1 209 521**	**884 892**	**1 334 708**	**1 425 127**	**1 477 795**
Expenditure											
Employee related costs	2	-	270 125	290 279	310 872	316 392	316 392	213 530	347 779	358 545	375 543
Remuneration of councillors	2	-	11 830	12 349	13 716	13 716	13 716	8 050	13 616	14 161	14 727
Bulk purchases - electricity	2	-	486 281	592 038	588 459	600 459	600 459	462 748	654 561	713 537	777 826
Inventory consumed	2,8	-	49 512	38 260	55 533	41 365	41 365	19 853	42 849	45 731	47 093
Debt impairment	2,3	-	15 623	65 956	15 623	43 862	43 862	-	43 862	45 177	46 533
Depreciation, amortisation and impairment	2	-	52 812	54 736	52 355	56 532	56 532	37 766	58 228	59 974	61 774
Interest, Dividends and Rent on Land	2	-	21 937	21 695	4 569	18 569	18 569	1 457	12 666	18 602	18 443
Contracted services	2	-	50 732	43 041	94 779	90 856	90 856	46 874	94 820	97 629	80 230
Transfers and subsidies	2	-	3 335	3 500	5 429	4 369	4 369	2 596	5 209	4 504	4 504
Irrecoverable debts written off	2	-	13 850	28 160	16 514	28 079	28 079	3 165	28 079	29 118	30 195
Operational costs	2	-	31 766	49 791	83 407	69 859	69 859	38 032	65 134	67 133	69 579
Disposal of Fixed and Intangible Assets	2	-	(811)	(131)	-	-	-	-	-	-	-
Other Losses	2	-	273	11 532	-	-	-	-	-	-	-
Total Expenditure		-	**1 007 264**	**1 211 207**	**1 241 257**	**1 284 056**	**1 284 056**	**834 072**	**1 366 800**	**1 454 110**	**1 526 447**
Surplus/(Deficit)		–	**6 876**	**1 140**	**(59 492)**	**(74 535)**	**(74 535)**	**50 820**	**(32 093)**	**(28 983)**	**(48 652)**
Transfers and subsidies - capital (monetary allocations)	6	-	42 611	46 317	60 048	83 781	83 781	25 841	64 836	54 871	58 769
Transfers and subsidies - capital (in-kind)	6	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		–	**49 487**	**47 457**	**556**	**9 246**	**9 246**	**76 660**	**32 743**	**25 888**	**10 117**
Income Tax		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		–	**49 487**	**47 457**	**556**	**9 246**	**9 246**	**76 660**	**32 743**	**25 888**	**10 117**
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		–	**49 487**	**47 457**	**556**	**9 246**	**9 246**	**76 660**	**32 743**	**25 888**	**10 117**
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	1	–	**49 487**	**47 457**	**556**	**9 246**	**9 246**	**76 660**	**32 743**	**25 888**	**10 117**

Revenue by Source: The graph below shows the funding of the 2026/2027 budget per revenue source expressed as a % - Graph 2



Expenditure by Type: The graph below shows how the 2026/2027 budget will be spent per expenditure type expressed as % - Graph 3



Revenue Foregone: Property Rates

In the current year an amount of R10 001 802 is budgeted for exemptions, reductions and rebates and impermissible values more than the amount as determined in section 17 of the Municipal Property Rates Act.

Free Basic Services

The municipality is currently providing free basic services for 7 000 indigent consumers and the amount in Rand value is shown below:

- Electricity R9 433 296
- Water R11 049 360
- Sewerage R21 481 320
- Refuse R21 036 120

In terms of MFMA Circular No.129 free basic to indigent households must be restricted. Langeberg Municipality always strive to restrict the number of indigent consumers by proactively identifying indigent residents and accelerating the registration process through data driven indigency status verification. The municipality implemented an electronic indigent registration process and maintained an electronic register which is reviewed monthly. The current cycle for indigent applications started on 1 July 2024 and will end on 30 June 2027. Eligible consumers can apply at any time during the cycle to ensure accuracy of the indigent register.

SECTION A – Part 2

1. Budget Process Overview

1.1 Political oversight of the budget process

Section 53 (1) of the MFMA stipulates that the mayor of a municipality must provide general political guidance over the budget process and the priorities that guides the preparation of the budget.

Section 21(1) of the MFMA states that the mayor of a municipality must co-ordinate the processes for preparing the annual budget and for reviewing the municipality's integrated development plan and budget-related policies to ensure that the tabled budget and any revisions of the integrated development plan and budget-related policies are mutually consistent and credible.

Furthermore, this section also states that the mayor must at least 10 months before the start of the budget year, table in municipal council, a time schedule outlining key deadlines for the preparation, tabling and approval of the annual budget.

This time schedule provides for political input from formal organisations such as portfolio committees.

1.2. Schedule of Key Deadlines relating to budget process [MFMA s21 (1) (b)]

The IDP and Budget time schedule of the 2026/2027 budget cycle was approved by Council in August 2025, ten months before the start of the budget year in compliance with legislative directives.

1.3. Process used to integrate the review of the IDP and preparation of the Budget

Updating the IDP and Budget is an evolving and re-iterative process over a 10-month period. The initial parallel process commenced with the consultative process of the IDP in 2025 and the update of the MTREF to determine the affordability and sustainability framework at the same time.

1.4. Process for consultation with each group of stakeholders and outcomes

Following the tabling of the draft budget on the 31st of March 2026, community inputs was solicited via notices published in major newspapers, including The Standard Gazette Newspaper, the Langeberg Express, the municipal website, social media platforms, WhatsApp channel, bulk SMSs and ward committees.

1.5. Stakeholders involved in consultations

The tabled budget will be provided to National Treasury and Provincial Treasury for their consideration in line with S23 of the MFMA.

1.6. Process and media used to provide information on the budget to the community

The Municipality's consultation process on its draft IDP review and budget was held between 1 April 2026 – 8 May 2026 where various community organisations and representatives will provide input and to re-prioritise some of their needs.

1.7. Methods employed to make the budget document available (including websites)

In compliance with the Municipal Finance Management Act and the Municipal Systems Act with regards to the advertising of budget documents (including the tariffs, fees and charges for 2026/2027), advertisements were be placed in the local newspaper The Gazette, the Langeberg Express, the municipal website and social media platforms. The information relating to resolutions and budget documentation was be displayed at the notice boards in the municipal offices as well as libraries.

2. IDP Overview and Amendments

2.1 The Vision of the Municipality

The Municipality's long-term vision:

"To create a safe and healthy environment for delivering sustainable quality services".

2.2 Alignment with Provincial and National Government

Langeberg Municipality's development planning framework is aligned with current National and Western Cape Government priorities to ensure maximum impact from the coordinated efforts of all spheres of government. In this regard, the Municipality gives effect to key policy frameworks and strategic outcomes, including the National Development Plan (NDP) 2030, the Medium-Term Strategic Framework (MTSF), and the District Development Model (DDM) at a national level, as well as the Western Cape Government's Vision-Inspired Priorities (VIPs), the Provincial Spatial Development Framework (PSDF), and the Growth for Jobs Strategy. This alignment ensures that municipal planning and resource allocation contribute meaningfully to inclusive economic growth, job creation, spatial transformation, and improved service delivery within the Langeberg municipal area.

All these plans, frameworks, models and strategies influence the review of the Integrated Development Plan of the municipality.

2.3 Langeberg Municipality Budget Priorities (Key Performance areas)

The Municipality's 2026/27 Integrated Development Plan (IDP) is structured around five strategic focus areas, which provide the basis for integrated planning, budgeting, and performance management over the 2026/27–2028/29 MTREF period. The strategic objectives defined within each focus area are detailed in the 2026/27 IDP and are translated into measurable key performance indicators and targets reflected in the Service Delivery and Budget Implementation Plan (SDBIP). These indicators are further aligned to the approved MTREF budget to ensure that resource allocation directly supports the achievement of development priorities. The Top Layer SDBIP consolidates these aligned indicators and targets, forming the foundation for monitoring, performance reporting, and accountability across the Municipality.

2.4 The strategic objectives of the municipality are as follows:

1. *Ensure efficient administration for good governance.*
2. *Provide infrastructure for sustainable and affordable basic services.*
3. *Promote a safe and secure environment.*
4. *Promote and facilitate investment and local economic development.*
5. *Provide sustainable financial management.*

3. Measurable Performance Objectives and Indicators

3.1 Key Financial Indicators and Ratios

Information regarding key financial indicators and ratios is provided on Supporting Table SA 8.

3.2 Measurable Performance Objectives

Information regarding revenue is provided as follows:

- Revenue - A4
- Revenue for each vote - SA 26
- Revenue for each source - SA 25

4 Provision of Basic Services

4.1 Free Basic Services

The cost of the social package of the registered indigent households is financed by the municipality's unconditional equitable share grant, allocated in terms of the Constitution to local government, and received in terms of the annual Division of Revenue Act.

The municipality is currently providing free basic services to 7 000 indigent consumers, and the exception threshold and the Rand values are provided below:

(i) Level of service to be provided

Indigents will receive 50 kWh of electricity and 6 kilolitres of water per month while their basic charges for water, refuse and sewerage will be subsidised.

(ii) Number of households to receive free basic services

There is a budget for 7 000 households that will receive 50 kWh electricity per month, 100 households that will receive free basic charge on conventional electricity and 7 000 indigent consumers in the municipal area will receive 6 kilolitres of free water consumption and free basic charge per month; free refuse x 4 removals per month at a fixed tariff applicable to residents; and free sewerage per month at a fixed tariff applicable to residents.

(iii) Total budgeted for providing each basic service

- Electricity R 9 433 296.00
- Water R11 049 360.00
- Sewerage R21 481 320.00
- Refuse R21 036 120.00

These totals do not include financing of other community services such as fire services, burst pipe replacements, servicing of informal settlements and actual expenditure incurred on indigent consumers. Rates are free of charge to the value based on market value of the property to the maximum of R85 000 (R15 000 impermissible tax excluded).

4.2 Providing Clean Water and Managing of Wastewater

Name of the Water Service Authority in the area and name of the Water Service Provider, and who manages the provision of drinking water and wastewater management (if outsourced).

Langeberg Municipality is both a Water Service Provider and a Water Service Authority and manages the provision of drinking water and wastewater management.

The Blue Drop and Green Drop performance ratings (as determined by the Department of Water and Sanitation) applicable to all water and wastewater services within the municipality, highlights areas that require attention.

The DWS completed the Blue Drop process for the WSAs in 2023. Blue drop status is awarded to those towns that comply with 95% criteria on drinking water quality management. The Blue Drop performance of Langeberg Municipality was summarised as follows in the DWS's 2023 Blue Drop Report.

Blue Drop Performance of the Langeberg Municipality - Table 5

Blue Drop Performance of the Langeberg Municipality (DWS's 2023 Blue Drop Report)	
Municipal Blue Drop Score	**2011 – 32.39% (Very Poor), 2012 – 51.62% (Average), 2014 – 72.30% (Average) and 2023 – 44.67% (Very Poor)**
Introductions: Langeberg Municipality provides potable water to about 119 962 people, through five water supply systems. Langeberg LM is responsible for 100% of the overall water delivery. As shown in the table, the five systems abstract water from the Breede River, via canal schemes and storage dams in some cases and distribute the water to the consumers. **Regulator's Comments:** The Langeberg team showed appreciation for the Blue Drop audit process by recognising the value of the audit in assisting with the optimisation of their operational efficiency and accountability. Regrettably, the lack of evidence for the criteria pertaining to support functions undermined the effort shown by the operations team in the audit preparation. Noticeably, the Langeberg Local Municipality's performance is continuing a downward trend placing it in a critical risk area. The decline is evident in all key performance areas namely water quality compliance, risk management, capacity management, technical and financial management. Upon close examination, the team identified several underlying issues that have contributed to the regression in performance. These include, among others, a lack of proper maintenance planning and scheduling, inadequate operational and compliance monitoring, and insufficient measures to mitigate potential risks. Moreover, the team observed that the WSI lacks internal scientific capacity which is critical in overseeing the implementation of the operational and compliance monitoring and Water Safety Planning process. Although the water safety planning process was initiated in 2014, the plan lacked proper review and implementation. The gap in implementation became apparent during the Ashton site inspection when the plant operation was disrupted by loadshedding without any mitigation measures put in place. In view of the above, the Langeberg team is encouraged	

Blue Drop Performance of the Langeberg Municipality (DWS's 2023 Blue Drop Report)
to review and implement the water safety planning process taking into account the findings and recommendations of the full SANS 241 analysis report and technical assessment documents such as process audits, reticulation inspection reports, etc. The team should ensure effective integration of the maintenance plans and asset register to achieve adequate asset management and maintenance. This will enable the team to better prioritise work efforts, reduce costs associated with unplanned downtime and maximise the value of the assets over time. Furthermore, the WSI should establish a reliable supply chain for critical spares, equipment, treatment consumables and chemicals to minimise operation disruption. The Langeberg team is applauded for keeping and maintaining the flow records. However, the audit team acknowledged with regret the uncertainty surrounding the accuracy and interpretation of flow data due to insufficient evidence regarding meter calibration and updated flow calculations. The WSI is advised to adhere to best practices by maintaining a consistent determination of the water balance for all supply systems and ensuring the accuracy of flow meters. In addition, application for site-specific water use authorisations and effective resource allocation including the registration of process controllers on IRIS, is of critical importance in ensuring regulatory compliance while optimising capacity management and compliance monitoring. Several capital projects are planned to improve asset condition and operational efficiency. **Blue Drop Findings:** • The registration of process controllers and supervisors is incomplete on IRIS and therefore does not comply with either Regulation 2834 or draft Regulation 813. • There is no mechanical term contract in place despite not having capacity internally. The WSI could not produce evidence of mechanical maintenance. • The WSI does not have qualified scientists internally to oversee the implementation of the Operational and Compliance monitoring programme as well as the water. • Safety Planning process. • The Water Safety Plan was developed in 2014 and has not been reviewed in the past three years. The plan provided was in draft format and not approved. • The compliance monitoring programme is not in place; however, minimum compliance monitoring does take place. • Incident Management Protocol is in place with alert levels but not implemented. The WSI has good incident register templates that are merely utilised for maintenance entries.

Blue Drop Performance of the Langeberg Municipality (DWS's 2023 Blue Drop Report)

- System-specific Cost Determination is done, however, lacks a detailed breakdown of cost drivers except for maintenance cost. The calculation is done per design capacity and not cubic meter treated.
- The 2021/22 Budget information was not uploaded, including CAPEX for the network, treatment and distribution despite the information having been presented during the main audit.
- Proof of approved contract for maintenance, spares, chemicals, and treatment consumables not provided. The flow meters are not calibrated; only lab instruments are.
- No reticulation inspection was conducted during the audit period to account for the water losses and network condition.
- Neither the Asset Register nor maintenance plans were provided.

The Department has noted that the municipality has maintained all water supply systems within the low risks and hopefully the municipality will consider the findings identified above and take the necessary corrective measures to improve their Blue Drop performance in the next assessment cycle.

Technical Site Assessment:

The Ashton WTW was inspected to assess the condition and functionality of the infrastructure and verify the Blue Drop audit findings. The plant received a technical site assessment score of 70% with a VROOM estimated cost of R4 286 700 required to restore the system to full functionality. The overall impression is positive, although occupational health and safety can be improved.

Performance Area		Ashton	Bonnievale	McGregor	Montagu	Robertson
Bulk/WSP		-	-	-	-	-
Capacity Management	15%	56.00%	46.00%	36.00%	46.00%	34.00%
DWQ Risk Management	20%	35.50%	35.50%	35.50%	35.50%	35.50%
Financial Management	10%	7.50%	17.50%	7.5%	17.50%	17.50%
Technical Management	20%	16.50%	16.50%	16.50%	24.50%	24.50%
DWQ Compliance	35%	48.00%	84.00%	78.00%	66.00%	69.00%
Bonus	10%	0.00%	0.00%	0.00%	0.00%	0.00%
Penalties	10%	25.00%	0.00%	0.00%	10.00%	0.00%
Disqualifiers		None	None	None	None	None
Blue Drop Score (2023)	**%**	**33.85%**	**48.45%**	**43.85%**	**42.75%**	**43.00%**

Blue Drop Performance of the Langeberg Municipality (DWS's 2023 Blue Drop Report)						
		(Very poor)	(Very poor)	(Very poor)	(Very poor)	(Very poor)
Blue Drop Score (2014)	%	78.05%	69.99%	71.73%	64.06%	64.06%
Blue Drop Score (2012)	%	48.99%	48.31%	58.26%	43.31%	43.31%
Blue Drop Score (2011)	%	33.50%	33.50%	48.50%	29.48%	29.48%
System Design Capacity	kl/d	11 910	20 000	2 000	6 000	10 800
System Available Capacity	kl/d	11 910	20 000	2 000	6 000	10 800
System Input Value	kl/d	5 242	20 000	1 017	2 993	7 332
Capacity Utilization	%	44.02%	NI	50.87%	49.88%	67.89%
Average Daily Consumption	l/p/d	393	2 200	326	197	246
Resource Abstracted From		Breede River	Breede River	Breede River	Breede River	Breede River, Hoops Rivier Irrigation Scheme, Dassieshoek and Kooskok Dams
Microbiological Compliance	%	92.19%	99.99%	99.99%	95.45%	97.50%
Chemical Health Compliance	%	99.99%	99.99%	99.99%	99.99%	99.99%
Risk Defined Compliance	%	93.81%	95.80%	93.95%	95.85%	88.47%
VROOM	Rand	R4 287 600	-	-	-	-
BDRR 2023	**%**	**32.98% (Low)**	**42.61% (Low)**	**22.64% (Low)**	**31.99% (Low)**	**33.48% (Low)**
BDRR 2022	**%**	**19.20% (Low)**	**19.70% (Low)**	**21.40% (Low)**	**34.80% (Low)**	**26.80% (Low)**

Note: BDRR – Blue Drop Risk Rating

The DWS completed the new Green Drop assessment for the WSAs in 2021, and the results were received early in 2022. Green drop status is awarded to those WSAs that comply with 90% criteria on key selected indicators on wastewater quality management. The green drop performance of Langeberg Municipality is summarised as follows in the DWS's 2022 Green Drop Report.

Green Drop Performance of the Langeberg Municipality - Table 6

Green Drop Performance of the Langeberg Municipality (DWS's 2022 Green Drop Report)	
Average Green Drop Score	**2009–50.0% (Average), 2011–43.0% (Poor), 2013–52.0% (Average), 2021–27.0% (Critical)**
Regulator's Comment: Langeberg Local Municipality impressed with a good representation of senior officials, which resonates well in terms of firm management commitment. Regrettably, preparations for the audit were not on par with the Inspectorate expectations, and IRIS uploads or hard copies of evidence were not fully available. The Green Drop Score of 27% places the municipality in the unappealing position of critical performance. The poor performance of the Robertson system contributed significantly to the overall low score. Robertson WWTW is due for upgrade and plans are in place, which is commendable. However, new infrastructure alone will not bring about the desired change – plans, systems and procedures need to be developed and implemented to ensure the upgraded plant meets compliance and good practice standards. Langeberg follows a long history of average to sub-standard performance, and the 2023 audit cycle will bring a new opportunity to rectify this situation. Municipal leadership will need to pull all stops to ensure that the municipality raise its performance by addressing each of the Green Drop Standards outlined in this report. The Regulator takes a balanced view by observing the low and medium risk CRR positions of 4 of the 5 plants except for Robertson in a high-risk position, notable as result of the reasonable to good effluent quality compliance, with McGregor meeting excellence standards, with Ashton and Bonnievale also doing very well. It is thus evident that the effluent quality is already scoring high on the Regulator's scoresheet, but the administration needs to match this performance. The municipal sub-standard scores thereby do not relate to major root cause failures but is rather one where a large number of small changes will affect a significant improvement in the future Green Drop scores. DWS encourages leadership to focus on these incremental improvements and to target a Green Drop score of >50% in the 2023 audit. Green Drop findings: 1. The Supervisors and majority of Process Controllers are unregistered and do not comply with Reg. 2834 or draft Reg. 813. 2. No engineer or scientific competencies could be verified via qualification certificates. 3. Electrical maintenance is done inhouse while mechanical maintenance is outsourced - maintenance schedules	

Green Drop Performance of the Langeberg Municipality (DWS's 2022 Green Drop Report)
and logbooks are lacking for all systems. 4. Raw and final monitoring is done by external laboratory, with on-site operational monitoring lacking. 5. Financial information was provided, however, lacking ring-fenced budgets, expenditure records, and actual cost determinations with sufficient cost drivers. 6. Flow figures were provided, noting that all flowmeters were either out of order or erroneous for a large part of the year under review. Flow data is not interpreted or used to influence operations and needs to be addressed via training and/or appointment of qualified operational/supervisory staff. 7. Plant & Process Audits, Sewer Inspections and Asset Registers are absent from the technical management portfolio of evidence. Daily sewer network inspections are in place, but no proof provided via checklists, photos, or rating systems. 8. Most of the treatment plants lacks water use authorisations to guide the frequency, determinants and associated limits that would render a plant compliant at discharge of effluent. 9. Based on an evaluation against general limits, the plants are predominantly non-compliant, except for the McGregor Ponds which has low (irrigation) limits. 10. Zero of the five (5) systems had capital plans to address the defects identified, most concerning of all is the hydraulic overload of the Robertson WWTWs. However, no evidence of business plans for funding sources could be provided. The Regulator is concerned about the overall poor state of wastewater services at the Roberson system and the consequential impact on respective water resources. It is thus required that the WSI submit a detailed corrective action plan within 60 days of publishing of this report. The plan must map the activities, responsible persons, timelines, and expected improvements as outlined in the Regulatory Comment. The plan will be considered against the Regulatory Comment and recommended for approval by a national regulation committee. Technical Site Assessment: **Robertson WWTW 39%** The ***Robertson WWTW*** was inspected to verify the Green Drop audit findings: • The network and pumpstation were in an acceptable condition. • However, one of the pumpstations was dysfunctional and raw sewage was allowed to accumulate in a dedicated natural depression. Even though this depression allows sewage to be diverted back to another pumpstation without entering the surface water, this area needs to be formalised if it is to be used on a regular basis.

Green Drop Performance of the Langeberg Municipality (DWS's 2022 Green Drop Report)
• Operational monitoring systems were not formalised, and Process Controllers did not interact with the data collected on site. Process Controller training in operations would be beneficial. PCs can also do more with respect to the terrain neatness and 1st order maintenance. • The terrain was not kept tidy and grounds maintenance was lacking. • Plant facilities for the staff (breakroom, bathroom, etc.) was available, but unkempt. • The mechanical and grit channel sluice gates needed repairs, and maintenance was severely lacking at the Head of Works. • A new flow meter was recently installed. A data-logger could be considered to monitor flow on a continuous basis, depending on PC skills levels. Site walk through is however, still a good manner to ensure operation checks and recording of flows. • The biofilter section of the plant is due for refurbishment, to include the cleaning of the PST's and repairing the biofilters leaking distributer arms. The biofilter underdrains need to be kept clean and free of vegetation. • Only one humus tank was operational. • Desludging of settling tanks and clarifiers were inadequate and contribute to high solids carry-over to final effluent channels, high chlorine demand and non-compliant effluent quality. • The Activated Sludge section of the plant was in better condition compared with the biofilter module. Unfortunately, both RAS-pumps allegedly failed just prior to the TSA, which resulted in sludge carry-over the clarifier v-notches and the aeration basin not containing viable biomass. • The maturation ponds were filled with sludge, resulting in regular solids carry-over. The final effluent quality would be impacted by the negligent state of these ponds. • The disinfection equipment was in a reasonable condition. The building needs to be secured even further as to prevent theft and vandalism - latest report incident involved the roof of the building being removed. • The anaerobic digester was filled twice a day and supernatant withdrawn on an ad-hoc basis. The digester is not mixed or heated – operational monitoring of the AD can be improved. • Both digested sludge and WAS discharged to the drying beds. The mechanical sludge drying equipment needs to be repaired as to improve sludge age control of the Activated Sludge module. • Plans related to the upgrade of this works has already been submitted.

Green Drop Performance of the Langeberg Municipality (DWS's 2022 Green Drop Report)						
Green Drop Scores						
Key Performance Area	**Weight**	**Ashton**	**Bonnievale**	**McGregor**	**Montagu**	**Robertson**
A. Capacity Management	15%	36.0%	32.0%	15.0%	22.0%	32.0%
B. Environmental Management	15%	55.0%	55.0%	55.0%	55.0%	54.5%
C. Financial Management	20%	19.0%	19.0%	23.8%	19.0%	19.0%
D. Technical Management	20%	11.0%	11.0%	5.9%	11.0%	11.0%
E Effluent & Sludge Compliance	30%	61.1%	61.0%	88.8%	61.0%	15.0%
F. Bonus		0.0%	0.0%	0.0%	0.0%	0.0%
G. Penalties		0.0%	-25.0%	0.0%	0.0%	-62.5%
H. Disqualifiers		None	None	None	None	None
Green Drop Score (2021)		**36% (Poor)**	**32% (Poor)**	**41% (Poor)**	**34% (Poor)**	**12% (Critical)**
2013 Green Drop Score		**47%**	**65%**	**69%**	**50%**	**47%**
2011 Green Drop Score		**40%**	**50%**	**51%**	**44%**	**37%**
2009 Green Drop Score		**49%**	**49%**	**52%**	**49%**	**49%**
System Design Capacity (Ml/d)		3.100	2.500	0.300	3.500	4.300
Design Capacity Utilisation (%)		42%	31%	77%	63%	125%
Resource Discharged into		Sarahs River to Cogmanskloof to Breede River	Breede River	Irrigated	Kingna River	Breede River
Microbiological Compliance (%)		75%	42%	92%	8%	8%
Chemical Compliance (%)		81%	88%	100%	67%	67%
Physical Compliance (%)		92%	92%	100%	67%	67%
Wastewater Risk Rating (CRR% of CRR max)						
2011 CRR (%)		**52.9% (Medium)**	**47.1% (Low)**	**58.8% (Medium)**	**58.8% (Medium)**	**64.7% (Medium)**
2013 CRR (%)		**64.7% (Medium)**	**29.4% (Low)**	**35.3% (Low)**	**58.8% (Medium)**	**74.4% (High)**

Green Drop Performance of the Langeberg Municipality (DWS's 2022 Green Drop Report)					
2021 CRR (%)	**58.8% (Medium)**	**52.9% (Medium)**	**41.2% (Low)**	**47.1% (Low)**	**70.6% (High)**

Note: CRR – Cumulative Risk Ratio

Langeberg Municipality also received their 2023 Green Drop Risk Ratings, as calculated from the 2023 assessment done by the DWS.

Green Drop Risk Rating of the Langeberg Municipality - Table 7

Green Drop Risk Rating of the Langeberg Municipality (DWS's 2023 Green Drop Progress Report)	
CRR 2023 (%CRR/CRR max)	**78.1% (High)**
Introduction: Langeberg Municipality is responsible for the management and operation of five (5) WWTWs of different sizes ranging from 400 kl/day to 3500 kl/day. **Regulator's Comments:** The design information (Criteria A) of several of the sites requires confirmation as there are differences reported on the MIS, IRIS and on the registration forms. This includes Ashton and Robertson WWTWs. The operational capacity of these sites (Criteria B) is reported however no confirmatory flow data is loaded onto the IRIS. From the reported flows, the Ashton, McGregor, Montague and Robertson WWTWs are reported to be nearing or over the hydraulic capacity of the WWTWs. Flow measurement data is crucial to determine the operational capacity of the WWTWs. The WSA must ensure inflow meters are installed, daily flow readings are recorded, and annual meter calibration is conducted to determine the annual operational capacity of all the WWTWs. Therefore, the CRR scores of these sites where operational capacity is reported to be close to the hydraulic design capacity of the plant is high and an increase in the CRR scores is noted for all sites when compared to 2022. None of the sites have information regarding the availability of their WUL and this is a requirement for ensuring the accuracy of the effluent limits and therefore compliance of the final effluent. The WSA is encouraged to apply for WUL for all sites. The quality of the final effluent from all sites discharged to the environment is poor especially the microbiological compliance which will impact the health of the environment and users downstream. There is also a serious and critical risk to the health of all the sites due to a lack of qualified and competent staff that can operate and manage the WWTWs to ensure that the final effluent complies with the limits required. In addition, there are very few qualified maintenance staff; it is therefore not a surprise that the final effluent discharged from these sites is causing a serious and significant health risk to all downstream users. The WSA has not provided a W_2RAP, GDIP or CAP for this assessment. No information concerning any risk management or mitigation was provided by the WSA. No information on capital projects for refurbishment to be undertaken was available. There does not appear to be any management strategy in place to improve wastewater	

Green Drop Risk Rating of the Langeberg Municipality (DWS's 2023 Green Drop Progress Report)
effluent compliance. The WSA must adopt and implement the risk -based approach of the W_2RAP to address all high risks which negatively impact on the final effluent discharged into the environment. A GDIP should be developed to identify the shortcomings for all GD criteria and allocate responsibility, budget and time frame to address the gaps. There is a critical shortage of qualified and competent operational and maintenance staff and the WSA is strongly encouraged to fill these positions with qualified staff to start to take control and improve upon the current state of wastewater treatment and management.

Risk Assessment Areas	Weight	Ashton	Bonnievale	McGregor	Montagu	Robertson
Class of Works		C: Approved	D: Approved	E: Approved	C: Approved	B: Approved
Treatment Technology		Activated Sludge	Oxidation Ponds	Oxidation Ponds	Activated Sludge	Oxidation ponds
A: Total Design Capacity	Kl/d	2 500	2 807	300	3 500	4 200
B: Operational Capacity (% inflow / design)	%	100.0%	67.7%	93.3%	100.0%	102.4%
C: Effluent Quality Non-compliance	#	6	7	1	5	6
% Microbiological Compliance	%	33.3%	16.7%	0.0%	25.0%	0.0%
% Physical Compliance	%	66.7%	77.8%	NMR	91.7%	47.2%
% Chemical Compliance	%	52.8%	61.1%	NMR	80.6%	36.1%
D: Technical Skills Compliance	%	0.0%	11.1%	0.0%	0.0%	0.0%
Process Controller Compliance	%	0%	0%	0%	0%	0%
Supervisor Compliance	%	0.0%	0.0%	0.0%	0.0%	0.0%
Maintenance Team Compliance	%	0.0%	33.3%	0.0%	0.0%	0.0%
CRR (2023)	%	**76.5% (High)**	**82.4% (High)**	**80.0% (High)**	**70.6% (High)**	**82.4% (High)**
CRR (2022)	%	**58.8% (Medium)**	**52.9% (Medium)**	**41.2% (Low)**	**47.1% (Low)**	**60.5% (Medium)**

Green Drop Risk Rating of the Langeberg Municipality (DWS's 2023 Green Drop Progress Report)						
CRR (2013)	%	**64.7% (Medium)**	**29.4% (Low)**	**35.3% (Low)**	**58.8% (Medium)**	**74.7% (High)**
CRR (2011)	%	**52.9% (Medium)**	**47.1% (Low)**	**58.8% (Medium)**	**58.8% (Medium)**	**64.7% (medium)**
W_2RAP Status: 2022 Green Drop Report		**No Proof**	**No Proof**	**No Proof**	**No Proof**	**No Proof**
W_2RAP Status: 2023 Green Drop PAT		**No Proof**	**No Proof**	**No Proof**	**No Proof**	**No Proof**
Capital & Refurbishment Projects (Rand)		NI	NI	NI	NI	NI
Description of Capital & Refurbishment Projects		NI	NI	NI	NI	NI
2022 GD Score	%	36.0%	32.0%	41.0%	34.0%	12.0%
GD Improvement Plan (GDIP)	Y/N	No	No	No	No	No
Corrective Action Plan (CAP)	Y/N	No	No	No	No	No

Note: CRR – Cumulative Risk Ratio

The status of the municipality's Water Safety Plan and Wastewater Risk Abatement Plan (W_2RAP)

The Water Safety Plan and W_2RAP were updated during the 2023/2024 financial year and approved. The Water Safety Plans and W_2RAPs comply with DWS's requirements for these plans. Water Use Licences were also received for all five WWTWs.

The Water Safety Plans includes the following sections:

- A Water Safety Plan Team with adequate experience and expertise to understand the water abstraction, treatment and distribution process as well as the hazards that can impact safety through the supply system.
- A detailed description of the water supply system (Catchment, treatment processes, storage and distribution infrastructure).
- Hazard identification and risk assessment
- An assessment of existing control measures and barriers for any of the risks identified, including an evaluation of the effectiveness of existing control measures.
- An improvement or upgrade plan
- Operational and Compliance Monitoring
- Management Procedures and Supporting Programmes.
- Sign off of the Water Safety Plan

The W_2RAPs includes the following sections:

- Wastewater Quality Compliance
  - W_2RAP Team
  - Authorization for implementation of W_2RAP
  - Implementation of previous W_2RAP
  - Description of existing wastewater treatment systems
  - Risk assessment
  - Risk management
- Wastewater Quality Failures Response Management
  - Wastewater Incident Management Protocol
  - Evidence of Implementation of Protocol (Documentation and Communication)
- Wastewater Quality Monitoring
  - Operational and Compliance Monitoring
  - Historical energy demands and future projected demands.
- Recommendations and Way Forward

A brief outline of problems that the municipality are experiencing with regards to the management of drinking water and sewerage.

- Lack of adequate funding for required reactive and preventative maintenance regarding water and sewerage infrastructure, calibration of bulk meters, office area, buildings and structures at the water and sewer treatment works.
- Vandalism is becoming an increasing problem and increased funding for new fencing and the implementation of other security measures at the pump stations, reservoirs and treatment plants is required.
- Systems and procedures need to be aligned to ensure effective management. Technology can be utilized to assist in this regard. Funding for the implementation of new technologies is required.
- Failing water and sewerage infrastructure such as pumps and motors remains a huge challenge, because of inadequate funding allocation towards reactive and preventative maintenance. No support grant from National Treasury to ensure adequate refurbishment and maintenance of infrastructure.
- The organizational structure needs to be aligned to current processes. Lack of staff/positions on the structure result in reactive management. Ensure compliance with new Regulation 3630 (June 2023) regarding the number and Class of Process Controllers required for the different classified treatment plants.
- Continuous electricity loadshedding is causing numerous problems since all pump stations and treatment plants do not have backup power. Loadshedding is putting additional pressure on available O&M resources due to the continuous need for refueling of standby generators, controlling of sewerage pump station sump levels with tankers, increased equipment failures due to load shedding and increased service requirements. The cost of fuel to operate the existing generators is a huge additional operational cost.
- The national shortage of chlorine gas has a direct impact on water quality and the quality of the final effluent discharged from the Wastewater Treatment Plants.

An outline of the steps the municipality needs to take to address the problems noted.

<u>Step 1.</u>

- When vacancies become available in future qualified personnel must be appointed. Establish a mentoring role for all the Process Controllers and operators to ensure an adequately trained and classified workforce with dedicated training programmes for Supervisors, Process Controllers and operators. Budgets need to be established to address the shortfall in skilled staff, rethink methods to retain qualified personnel and plan for succession and clear career paths for experienced staff. With such a program a source of specific resources of skilled operators, technicians and managers will be established.

<u>Step 2.</u>

- Current personnel must receive adequate practical training at the workplace through the implementation of the Municipality's Workplace Skills Programme.

<u>Step 3.</u>

- Increased funds must be made available for reactive and preventative maintenance and the refurbishment of old water and sewerage infrastructure, buildings, structures and the calibration of bulk meters.

<u>Step 4.</u>

- Align organizational structure with required management and operational processes. Ensure compliance with new Regulation 3630 (June 2023) regarding the number and Class of Process Controllers required for the different classified treatment plants.

<u>Step 5.</u>

Investigate and implement technologies that can assist with the management of drinking water and treatment of sewerage.

STEPS THE MUNICIPALITY HAS TAKEN TO ADDRESS THE FINDINGS RAISED:

- A total of R31 976 304 has been proposed for water related projects in the 2026/27 CAPITAL BUDGET.
- A total of R17 574 168 has been proposed for the maintenance of water infrastructure assets for the 2026/27 financial year.

Refer to the Operational Budget and the Capital Budget for details of the projects relating to water.

5 Overview of Budget Related Policies and Amendments

The following budget related policies will be tabled to council together with the 2026/27 – 2028/29 MTREF final budget and IDP:

- Asset Management Policy
- Budget Policy
- Credit Control and Debt Collection Policy
- Cash Management and Investment Policy
- Tariff Policy
- Rates Policy
- Supply Chain Management Policy
- Virement Policy
- Borrowing, Funds and Reserves Policy
- Liquidity Policy
- Free Use of Facilities Policy
- Indigent and Pauper Burials Policy
- Preferential Procurement Policy
- Cost Containment Policy
- Hiring Policy
- Fiber Wayleave policy
- Grant-in aid.

Policies which have been amended according to the recommendation below will be available at libraries in the municipal area and the website of the municipality. Herewith information regarding the amendment of policies:

Supply Chain Management Policy
• Minor changes on page 8 under Specified contract participation goal, paragraph 9.2(b) to exclude temporary site office
Fiber Wayleave Policy
• New Policy.
Free Use of Community Services Facilities Policy • This policy was published for public comment already.
Hiring Policy
• This policy was published for public comment already.
Credit Control and Debt Collection Policy
• Insert debt management solution • Increase indigent threshold from R4 700 to R7 050 per household • Increase in the arrangement income threshold ❖ R0 – R7 050 36 months ❖ R7 051 – R10 000 24 months ❖ R10 000 12 months

Debt Management Solution (Period of grace once every three years (MTREF 2026/27 – 2028/29))

- Added to the Credit Control and Debt Collection Policy.
- The total outstanding debt as at 31 December 2025 is R322 million.
- Historical debt of 181 days > amounts to R152 million, which is 47% of the total outstanding debt.
- This solution aims to incentivise the residents to enter into a debt relief arrangement to write off this historical debt, as listing historical debt as an asset distorts the financial position of the municipality.
- This will also ensure revenue realisation.
- There will be conditions attached to the debt management solution per targeted group.

Targeted groups are as follows:

- Indigent households
- Pensioners
- SMMEs (Spaza shops & small businesses)
- Agricultural
- Retailers
- Other consumer households

Indigent Households Conditions:

- 100% write-off
- Must provide email address/cell phone number

SMMEs; Small Farmers (Business enterprise), Retailers with turnover between R0-R1 million; & Other consumer households Conditions

- 40% write-off
- Must provide email address/cell phone number
- Must enter into an arrangement for the outstanding debt
- Credit control officials will monitor compliance with the arrangement and ensure the current account & instalment of the arrangement remain settled for six months
- Write off debt when the abovementioned conditions are met

Pensioners Conditions

- Debt write-off will be based on the pensioner's income threshold for property rates rebate:
  - R0 – R7 050 60%
  - R7 051 – R8 500 50%
  - R8 501 – R9 500 40%
  - Must provide email address/cell phone number

Rates Policy

- Increase pensioners' threshold
  - R0 – R7 050 60%
  - R7 051 – R8 500 50%
  - 8 501 – R10 000 40%
- Exception threshold: Increased from R80 000 – R100 000

Virement Policy

- Virements out of the security services expenditure account are not permitted.

6 Overview of Budget Assumptions

Expenditure

Salaries and Allowances

An increase of 4.75% was applied for the salaries and allowances and that is aligned with the SALGA agreement in terms of the collective bargaining process.

The employee related costs, including councillor remuneration are aligned with the lower end of the National Treasury's recommended range of 25% - 45% to prevent personnel costs from outpacing service delivery improvements.

General Operating Expenditure

An increase of 3.7% is applied for general operating expenses which falls within the forecasted CPI inflation in terms of NT MFMA Circular No.132.

Depreciation and amortisation expense is budgeted for in terms of General Recognized Accounting Practice (GRAP) principles whereby it is assumed that capital projects for 2026/27 financial year will be completed during the financial year. Depreciation on new capital expenditure is calculated at a varying rate depending on the nature of the assets. To counter the impact of the inflation-related increase in the fuel levy, proposed by the finance minister, which is also expected to contribute to higher operating costs as fuel is the main cost driver, the municipality cautiously budgeted minimal increments to operating costs, inventory consumed and contracted services with a focus on cutting non-essential expenditure in terms of its cost containment policy over the MTREF period. This will stabilise operating costs, inventory consumed and contracted services proportional contribution into the OPEX over same period and ensure reprioritisation of available resources.

The weak economic growth continues to impact municipal finances, and this has strained consumer's ability to pay for services. The municipality has an enabling credit control and debt collection policy which provides adequate measures to improve debt collection and take care of its vulnerable residents through its indigent management programme. Langeberg Municipality has adequate capacity to implement its credit control and debt collection policy and will continue to scrutinise its debt impairment and irrecoverable debt write offs.

The Municipality is monitoring the state of the war which is expected to affect fuel costs in South Africa and subsequently the price of goods and services.

Repairs and Maintenance

Municipal infrastructure and assets will be maintained as per maintenance plans, and no provision has been made for major breakages due to disasters and other major incidents but provision for unplanned maintenance has been made. Repairs and maintenance are currently budgeted at 5%% of the carrying value of the property, plant and equipment which is expected to remain stable over the MTREF period in terms of the Long-Term Financial Plan (LTFP) subject to funding availability, see table 8 below. Although, the norm is at least 8% of the carrying amount of Property Plant and Equipment & Investment Property in terms of MFMA Circular No. 71 of 20214, the municipality will strive to reach this target over a long-term period according to its LTFP which covers a 10-year time horizon and updated on an annual basis. Repairs, maintenance, renewals and upgrades of existing assets increase to 9% of property plant and equipment & investment property at carrying value for 2026/27 and 2027/28 and 7% for 2028/29 due to a decrease in CAPEX in that year, see table 9.

Repairs and Maintenance as % of Property, Plant, and Equipment & Investment Property at Carrying Value - Table 8

Financial Year	**2026/27 (R)**	**2027/28 (R)**	**2028/29 (R)**
Maintenance Cost	**62 571 957.00**	**70 238 104.00**	**72 319 993.00**
Property Plant and Equipment & Investment Property	1 135 034 716.00	1 269 446 569.00	1 429 397 267.00
CAPEX at Cost	134 411 853.00	159 950 698.00	105 167 441.00
Total Property Plant and Equipment & Investment Property	**1 269 446 569.00**	**1 429 397 267.00**	**1 534 564 708.00**
Repairs and Maintenance as % of Property Plant and Equipment & Investment Property	**5%**	**5%**	**5%**

Repairs, Maintenance, Renewals and Upgrades as % of Property, Plant, and Equipment & Investment Property at Carrying Value - Table 9

Financial Year	**2026/27 (R)**	**2027/28 (R)**	**2028/29 (R)**
Repairs and Maintenance	62 571 957.00	70 238 104.00	72 319 993.00
Renewal and Upgrading of Existing Assets	51 468 258.00	62 718 654.00	34 252 827.00
Total Repairs, Maintenance, Renewals and Upgrades	**114 040 215.00**	**132 956 758.00**	**106 572 820.00**
Property Plant and Equipment & Investment property	1 135 034 716.00	1 269 446 569.00	1 429 397 267.00
CAPEX	134 411 853.00	159 950 698.00	105 167 441.00
Total Property Plant and Equipment & Investment Property	**1 269 446 569.00**	**1 429 397 267.00**	**1 534 564 708.00**
Repairs, Maintenance, Renewals and Upgrades as % of Property Plant and Equipment & Investment Property at Carrying Value	**9%**	**9%**	**7%**

Capital Costs

It is assumed that interest rates will be impacted by inflation due to the fuel costs and commodity process that is expected to impact the delivery of services during the financial year. The Municipality is monitoring the state of the war which is expected to affect fuel costs in South Africa and subsequently the price of goods and services.

Bulk Purchases

Electricity tariffs have been budgeted to be increased by 9.01% in line with the increase approved by NERSA for Eskom for municipalities.

Contracted Services

The municipality budgeted for a stable and controlled increase in contracted services to cater for new projects that the municipality expects to implement, including (but not limited) to the following:

- Solid waste is expected to be transported to the regional waste disposal facility which is managed by the Cape Winelands District Municipality.
- Contract with Eskom to increase the current capacity in terms of points of supply.
- Other services such as detailed designs and project management, with most being infrastructure projects that are directly linked to service delivery.

Revenue

Households

Langeberg's population is projected to grow from 128 537 in 2026 to approximately 133 814 by 2029, with an annual growth rate of between 1.5% - 1.9%. This growth reflects a steady interest in the area as a residential option. The number of households in Langeberg is set to increase from 33 637 in 2026 to 35 073 by 2029. This steady rise indicates a demand for additional housing as the population grows. It should be noted that the municipality is experiencing an influx of undocumented illegal immigrants which results in a significant increase in the number of households that are not accounted for.

Collection Rate for Municipal Services

In accordance with relevant legislation and national directives, the estimated revenue recovery rates are based on realistic and sustainable trends. The Municipality's collection rate is set at an average of 95% and this is in align with the National Treasury norms.

Grant Funding (Transfers and Subsidies)

The municipality is expecting the national and provincial grants to decline steadily over the MTREF period based on the 2026/27 DORA allocations.

Indigent Households

The municipality currently anticipates that the provision of free basic services will not exceed 7 000 indigent households. The municipality implemented an electronic indigent registration process and maintained an electronic register which is reviewed monthly. The new cycle for indigent applications started on 1 July 2024 and will end on 30 June 2027. Eligible consumers can apply at any time during the cycle to ensure accuracy of the indigent register.

Contracts with Future Budget Implications

- ABSA – Provision of banking services for a period of 5 years
- CCG Systems Pty Ltd– Procurement of enterprise resource planning (ERP) system for a period of 10 years.
- ASLA – Housing projects
- Suid Kaap Waardeerders T/A Qhawekazi Pty Ltd – General Valuation roll compilation (Municipal Valuers) for a period of 5 years.

Refer to SA33 for the budget figures

Electricity and Water Losses

Management is monitoring the electricity and water losses through key performance indicators included in the SDBIP with set targets. Controls are in place which includes (but not limited to) system configuration reviews, reconciliations and a performance management system to ensure that electricity and water losses are limited through implementation of controls and corrective measures where applicable.

Impact of Floods in the Langeberg Municipal Area – May 2026

The financial implications of the recent flood events are currently subject to detailed assessment. In line with the provisions of the Municipal Finance Management Act (MFMA), the Municipality may, where necessary, utilise the legislative mechanisms provided under Section 29 to address unforeseen and unavoidable expenditure, subject to the availability of funding and compliance with prescribed regulatory limits. In addition, the Municipality will pursue available disaster relief funding through the appropriate national and provincial grant mechanisms to support the repair and restoration of damaged infrastructure. Applications for such funding will be submitted to the relevant authorities upon completion of the damage assessments. In the interim, the Municipality will utilise approved budget allocations to undertake urgent repairs and ensure the timely restoration and continuation of essential basic services, while maintaining strict financial oversight and adherence to MFMA requirements.

7 Overview of Budget Funding

Budget Summary

The operating budget for 2026/2027 will be financed as follows:

- Charges for electricity, water, refuse and sewage R941 687 578.00
- Property rates R127 956 619.00
- Provincial and national grants R146 285 173.00
- Other Revenue R119 135 312.00

The capital budget for 2026/2027 will be financed as follows:

- Own Funds (Capital Replacement Reserves) R77 670 048
- Grant Funding R59 341 805

8 Reserves

The Municipality will utilise accumulated surpluses as a funding source to support the recognition of depreciation on assets, in accordance with GRAP standards and the Municipal Budget and Reporting Regulations. This approach is necessitated by the need to balance full cost recovery with tariff affordability for residents. The funding of depreciation will therefore be implemented on a phased basis over the medium- to long-term financial planning horizon, ensuring alignment with the Municipal Standard Chart of Accounts (mSCOA), while maintaining financial sustainability, adequate cash backing of reserves, and compliance with applicable legislative and reporting frameworks.

9 Sustainability of Municipality

The funding of the 2026/27–2028/29 MTREF has been structured to support the short- to medium-term financial sustainability of Langeberg Municipality through a prudent balance of revenue generation, expenditure control, and cash flow management. However, the sustainability outlook remains subject to external cost pressures, particularly the continued escalation in bulk electricity tariffs, over which the Municipality has limited control, and which may, over the longer term, place additional strain on both affordability for consumers and the Municipality's financial position. The Municipality also faces ongoing challenges associated with unauthorised electricity and water connections, which contribute to non-revenue losses and increased service delivery costs. In response, strengthened enforcement and revenue protection measures will be prioritised. Furthermore, the utilisation of Capital Replacement Reserves (CRR) as a funding source is being carefully managed and monitored to ensure that it does not erode cash-backed reserves and compromise liquidity over the MTREF period. Collectively, these measures aim to safeguard the Municipality's financial resilience while maintaining its ability to deliver essential services efficiently and sustainably.

10 Impact on Rates and Tariffs

The funding structure of the budget has been designed to ensure the continued provision of sustainable and affordable basic services. In this regard, tariff increases for the 2026/27 financial year have been carefully calibrated, with most services reflecting adjustments ranging between 3.7 per cent and 8 per cent, while electricity tariffs are projected to increase by 9.01 per cent in line with Eskom bulk supply increases. Although the Municipality has limited control over these externally driven electricity tariff adjustments, it recognises that such increases may place additional financial strain on consumers and local businesses within the current inflationary environment, which is estimated at approximately 4 per cent.

The Municipality will continuously monitor the impact of fuel price increases and inflationary pressures on operating costs and overall financial performance. Should these cost drivers materially affect the approved budget, the Municipality will, where necessary, consider appropriate adjustments to both revenue and expenditure in accordance with the provisions of Section 28 of the Municipal Finance Management Act (MFMA), ensuring that any revisions are undertaken within the prescribed legislative framework while maintaining financial sustainability and service delivery commitments.

11 Property Valuations, Rates, Tariffs and Other Charges

The valuation of properties is based on a valuation roll that will be effective from 01 July 2026 financial year till 30 June 2031. The general valuation was compiled in terms of the Property Rates Act, (Act 6 of 2004).

The summary of the new valuation roll by category based on market values – Table 10

Category per MPRA	**2021 Market Value (R) -Current GV**	**2026 Market Value (R) – New GV**	**% Increase/Decrease**
Residential	9 198 185 333	11 236 373 400	22%
Agricultural	8 082 782 566	12 716 060 000	57%
Business	1 445 772 050	1 635 369 300	13%
Industrial	794 787 425	1 158 001 500	46%
Public Service Purposes	769 281 119	840 602 400	9%
Public Service Infrastructure	70 447 300	78 945 100	12%
Public Benefit Organisation	278 754 489	262 243 300	-6%
TOTAL	**20 640 010 282**	**27 927 595 000**	

Summary of property rates decreases based on the Rate-in-the-Rand per category of property– Table 11

Category of property	**2025/26 (Rate-in-the-Rand)**	**2026/27 (Rate-in-the-Rand)**	**% Decrease**
Residential	0.0080	0.0063	21%
Agricultural	0.0020	0.0016	22%
Business	0.0159	0.0126	21%
Industrial	0.0159	0.0126	21%
Public Service Purposes	0.0159	0.0126	21%
Public Service Infrastructure	0.0020	0.0016	21%
Public Benefit Organisation	0.0020	0.0016	21%

The rates tariffs as well as tariffs for electricity, water, refuse, sewage together with the sundry tariffs are listed in Appendix B - Tariffs. The tariff increases are also indicated.

Collection Rate

Revenue collection rates for service charges

- Rates 95%
- Electricity 95%
- Water 95%
- Sanitation 95%
- Refuse 95%
- Property Rates 95%

The budget was based at a collection rate of 95% based on National Treasury norms.

12 Planned Savings and Efficiencies

The following areas were identified for possible savings after the efficiency of the usage of the assets/services has been evaluated:

- Advertising services.
- Bulk purchase stationery and cleaning material to take advantage of bulk discounts.
- Strict monitoring of employee related costs such as overtime and allowances.
- Limiting attendance of congresses and meetings outside municipal area.

Investments

The municipality does not have investments except for the shares from Sanlam, Hosken Passenger and Heineken which are not significant amounts (2025: 154 537, 2024: R137 205). Funds are invested in short-term interest-bearing investments which are all held for less than 90 days which are classified as cash and cash equivalents.

The municipality has the following call deposit investments as at 30 April 2026 - Table 12

Trial Balance Figures					
Institution	Opening Balance	Deposits	Interest earned/Accrued	Withdrawals	Closing Balance
ABSA Depositor Plus	25 272 960.66	-	1 336 325.99	- 1 490 000.00	25 119 286.65
Standard Bank	80 865 315.07	240 000 000.00	4 376 000.00	- 244 620 821.91	80 620 493.16
Total	**106 138 276**	**240 000 000**	**5 712 326**	**- 246 110 822**	**105 739 780**

The municipality earned a total interest of R617 669 during the month of April 2026 (Year to date: R5 712 326).

The year-to-date increase in investments from R106 138 276 to R105 739 780 is as follows – Table 13

Description	Amount
Actual investments as at 01 July 2025	R106 138 276
Investments made	R240 000 000
Investments matured and withdrawals	(R246 110 822)
Interest Earned	R5 712 326
Actual investments as at 30 April 2026	**R105 739 780**

13 Contributions and Donations Received

No donations and contributions are budgeted for the 2026/2027 budget year.

14 Planned Proceeds of Sale of Assets

Please refer to budget schedule A4 for the budgeted revenue.

15 Planned Use of Previous Year's Cash Backed Accumulated Surplus

It is planned that prior-year cash-backed surpluses will, subject to affordability, liquidity requirements, and compliance with the Municipality's Borrowing, Reserves, Budget and Asset Management Policies, be appropriated to strengthen the Capital Replacement Reserve (CRR) as a key internal funding source for capital expenditure on asset renewal and replacement. This approach will be implemented in a controlled and sustainable manner to ensure that sufficient cash backing is maintained, liquidity ratios are safeguarded, and that the long-term financial position of the Municipality is not compromised.

Furthermore, the utilisation and allocation of these surpluses will be aligned with the requirements of Generally Recognised Accounting Practice (GRAP), ensuring that reserves are appropriately supported by cash, that asset funding complies with the principle of matching funding sources to asset useful lives, and that all financial transactions are accurately recognised, measured and disclosed in the Municipality's financial statements. This will support credible financial reporting, compliance with the Municipal Budget and Reporting Regulations and the Municipal Standard Chart of Accounts (mSCOA) and reinforce overall financial sustainability.

16 Existing and New Borrowings Proposed to be Raised

The municipality currently has one (1) existing loan with the following bank as of 30 April 2026:

- Standard Bank R20 519 295.00

17 Budget allocations and grants over the MTREF period – Table 14

Allocation Name	Government Sphere	Expenditure Type	BUDGET YEAR 2026/2027	OUTER YEAR 1 2027/2028	OUTER YEAR 2 2028/2029
Equitable Share	National	Operational	128 629 000.00	135 617 000.00	137 972 000.00
Local Government Financial Management Grant	National	Operational	1 800 000.00	1 900 000.00	2 000 000.00
Expanded Public Works Programme Integrated Grant for Municipalities	National	Operational	2 267 000.00	-	-
Municipal Infrastructure Grant	National	Capital	26 470 000.00	29 013 000.00	29 821 000.00
Integrated National Electrification Programme (Municipal) Grant	National	Capital	2 620 000.00	3 658 000.00	3 823 000.00
Neighbourhood Development Partnership Grant (Capital)	National	Capital	10 000 000.00	10 000 000.00	9 125 000.00
Neighbourhood Development Partnership Grant (Technical)	National	Operational			
Water Services Infrastructure Grant	National	Capital	-	-	-
Municipal Disaster Response Grant	National	Capital	-	-	-
Total National			**171 786 000.00**	**180 188 000.00**	**182 741 000.00**
Human Settlement Development Grant (Beneficiaries)	Provincial	Capital	11 685 000.00	12 200 000.00	16 000 000.00
Human Settlement Development Grant (Beneficiaries)	Provincial	Operational		-	-
Informal Settlements Upgrading Partnership Grant: Provinces (Beneficiaries)	Provincial	Operational	11 030 000.00	-	-
Replacement Funding For Most Vulnerable B3 Municipalities (MRF)	Provincial	Operational	8 283 000.00	8 366 000.00	8 449 000.00
Community Library Services Grant (CG)	Provincial	Operational	4 510 174.00	4 758 000.00	4 806 000.00
Community Library Services Grant (CG)	Provincial	Capital	200 826.01		
Community Development Workers Operational Support Grant (CDW)	Provincial	Operational	39 000.00	39 000.00	39 000.00
Western Cape Financial Management Capability Grant	Provincial	Operational	-	-	-
Municipal Service Delivery and Capacity Building Grant- Smoke Alarms	Provincial	Capital	-	-	-
Municipal Service Delivery and Capacity Building Grant- High Mast Light	Provincial	Capital	-	-	-
Municipal Load Sheddding Releif Grant	Provincial	Capital	-	-	-
Provincial Contribution Towards the Acceleration of Housing Delivery	Provincial	Operational	-	-	-
Financial Assistance to Municipalities for Maintenance and Construction of Transport Inf	Provincial	Operational	145 000.00	163 000.00	163 000.00
SMME Booster Fund	Provincial	Operational	-	-	-
Local Government Public Employment Support Grant	Provincial	Operational	-	-	-
Tittle Deeds Restoration Grant	Provincial	Operational	576 000.00	400 000.00	400 000.00
Western Cape Financial Management Capacity Building Grant (BURSARY)	Provincial	Operational	-	-	-
Development of Sport and Recreation Facilities	Provincial	Capital		-	-
Municipal Water Resilience Grant	Provincial	Capital	1 830 000.00	-	-
Western Cape Municipal Intervention Grant (Capital)	Provincial	Capital		-	-
Western Cape Municipal Intervention Grant (Operational)	Provincial	Operational		-	-
Municipal Fire Service Capacity Support Grant	Provincial	Capital	1 000 000.00	-	-
Total Provincial			**39 299 000.01**	**25 926 000.00**	**29 857 000.00**
Cape Winelands LED Support Grant	District	Capital	-	-	-
Cape Winelands Community Safety Grant (Capital)	District	Capital	-		
Cape Winelands Community Safety Grant (Operational)	District	Operational	36 000.00	-	-
Cape Winelands - EPWP Projects Grant	District	Operational	-	-	-
CDWM - Councillors Laptops	District	Operational	-	-	-
Total District			**36 000.00**	**-**	**-**
Total			**211 121 000.01**	**206 114 000.00**	**212 598 000.00**

18 Funding Assessment for 2026/2027

The following table lists the factors that have been reviewed. Each of these factors is then further described below.

No.	Funding Compliance
1	Cash/cash equivalent position
2	Cash plus investments less applications
3	Monthly average payments covered by cash or cash equivalents
4	Surplus/deficit excluding depreciation offsets
5	Property Rates/service charge revenue % increase less macro inflation target
6	Cash receipts % of ratepayer and other revenue
7	Debt impairment expense % of billable revenue
8	Capital payments % of capital expenditure
9	Borrowing as a % of capital expenditure (less transfers/grants/contributions)
10	Transfers/grants revenue as a % of Government transfers/grants available
11	Consumer debtors' change (Current and Non-current)
12	Repairs & maintenance expenditure level
13	Asset renewal/rehabilitation expenditure level
14	Financial Performance Budget result
15	Financial Position Budget
16	Cash Flow Budget
17	Other key performance measures
18	Summary question

Funding compliance factor description

Each of these 'funding factors' have been analysed and reviewed in their entirety prior to undertaking any analysis. Where the factor appears unfavourable and cannot be adequately motivated, the budget has been adjusted appropriately.

(a) Cash/cash equivalent position

The Municipality projects a positive cash position over the medium-term period, supported by fully cash-backed working capital and prudent financial management practices. Notwithstanding this position, the cash flow outlook reflects a gradual decline, primarily attributable to the utilisation of internal funding sources for the financing of capital projects. The Municipality has, however, budgeted for a surplus over the MTREF period to support financial sustainability and maintain adequate cash reserves.

The Municipality's cash flow position remained stable, as of 30 April 2026, with total cash and cash equivalents amounting to R256 855 242, indicating a sound liquidity position and the ability to meet its short-term financial obligations.

(b) Cash plus investments less application of funds

The purpose of this measure is to understand how the municipality has applied the available cash and investments to fund its commitments. Below are commitments against Cash and Cash equivalents as at 30 April 2026:

Commitments against Cash and Cash equivalents – Table 15

Commitments against Cash & Cash Equivalents		
Item	**Previous Month R'000.**	**Current Month R'000.**
Cash & Cash Equivalents	**261 131 143**	**256 855 242**
Commitments:	**193 360 537**	**168 813 480**
Ceded investment	-	-
Investment in associate	-	-
Unspent Loans	-	-
Unspent Conditional Grants	61 886 803	55 484 670
Capital Funding requirement	-	-
Capital Replacement Reserve	47 190 749	52 434 166
Loan repayment	2 539 710	2 242 297
Sinking Funds	-	-
EFF Roll-overs	-	-
Trust Funds	-	-
Cash Back Reserves	-	-
Year-end creditor payments	81 743 275	58 652 347
Surplus	**67 770 606**	**88 041 762**

(c) Monthly average payments covered by cash or cash equivalents

The purpose of this measure is to assess the Municipality's level of financial risk, specifically its ability to meet monthly financial obligations as they fall due, even under conditions of financial stress.

The Municipality is currently generating sufficient cash inflows monthly to adequately cover its average monthly expenditure commitments. However, a potential financial risk may arise in the event of unforeseen circumstances that negatively affect revenue collection, particularly electricity revenue, which remains a key component of the Municipality's cash flow.

Financial ratios are compiled and monitored monthly to assess financial health and sustainability. As at 30 April 2026, the Municipality's cash coverage ratio and current ratio were 2.36:1 and 1.9:1 respectively, indicating a sound liquidity position and an ability to meet short-term obligations.

(d) Surplus/deficit excluding depreciation offsets

The main purpose of this measure is to understand whether revenue levels are sufficient to conclude that the community is making a sufficient contribution for the municipal resources consumed each year. An 'adjusted' surplus/deficit is achieved by offsetting the amount of depreciation related to externally funded assets.

This exercise indicates that there will be a surplus if the depreciation has been offset.

(e) Property Rates/service charge revenue % increase less macro inflation target

The purpose of this measure is to understand whether the municipality is contributing appropriately to the achievement of national inflation targets. This measure is based on the increase in 'revenue', which will include both the change in the rate or tariff as well as any assumption about real growth (i.e. new property development, services consumption growth).

(f) Cash receipts % of ratepayer and other revenue

This factor is a macro measure of the rate at which funds are 'collected'. This measure is intended to analyse an underlying assumed collection rate, i.e. how much cash is expected to be collected from current billing, charges and arrear debtors.

The assumed collection rate is based on collections of service charges of the current year (2026/2027) and is regarded as realistic. The collection rate on service charges for the period ending on 30 April 2026 was 88%. This collection rate is expected to increase during the 2026/27 financial year because of the planned debt relief programme as well as the increase in the indigent threshold. These initiatives will result in the old debt being written off and the debt of the residents who do not afford to pay for services. The current trends indicate that debtors are paying the current debt, it's the old debt that is reducing at a slower rate.

(g) Debt impairment expense % of billable revenue

The purpose is to measure whether the provision for debt impairment is being adequately funded and is based on the underlying assumption that the provision for debt impairment (doubtful and bad debts) must be increased to offset under-collection. Debt impairment has been based on service charges not collected during the current year (2024/2025) and is regarded as realistic.

(h) Capital payments % of capital expenditure

The purpose of this measure is to mainly understand whether the timing of payments is being taken into consideration when forecasting the cash position. The measure focuses on the capital budget, because expenditure levels for this component of the budget can vary significantly from month to month, as there tends to be monthly consistency for operational budgets.

(i) Borrowing as a % of capital expenditure (excluding transfers, grants and contributions)

The purpose of this measurement is to determine the proportion of a municipality's 'own-funded' capital expenditure budget that is being funded from borrowed funds to confirm MFMA compliance. Externally funded expenditure (by transfers/grants and contributions) should be excluded. The municipality will secure an external loan to finance general and specialised vehicles.

(j) Transfers/grants revenue as a % of Government transfers/grants available

The purpose of this measurement is mainly to ensure that all available transfers from other government (national, provincial or district municipalities) have been included in the municipal budget, or that the transfer/grant budgets do not exceed available funds. A percentage less than 100 per cent could indicate that all Division of Revenue Bill (DORA Bill), provincial transfers or district transfers have not been budgeted and should be immediately reviewed. The transfers/grants as per Division of Revenue Bill (DORA Bill) (100%) have been included in the revenue budget.

(k) Consumer debtors change (Current and Non-current):

The purposes of these measures are to ascertain whether budgeted reductions in outstanding debtors are realistic.
The amounts of outstanding debtors are regarded as realistic.

(l) Repairs & maintenance (R&M) expenditure level

This measure is included within the funding measures criteria because a trend in local government which indicates that insufficient funds are being committed to asset repair could also indicate that the overall budget is not credible and/or sustainable in the medium to long term because the revenue budget is not being protected. The budgeted amount for repairs and maintenance will be included in the budget supporting schedules. The Municipality's target is to spend 4% of property plant and equipment on repairs and maintenance to align to the Long-Term Financial Plan.

(m) Asset renewal/rehabilitation expenditure level

This measure has a similar objective to the R&M measures but focuses on the credibility of the levels of asset renewal plans.

(n) Financial Performance Budget result (surplus/deficit)

The purpose of this measure is to assess the overall budget.
The municipality forecast's a positive cash position for the medium term as the working capital is cash-backed. The cash situation seems to be deteriorating, as the funding of the capital projects from own funds has been taken into consideration.

The municipality does recover enough cash monthly to cover its monthly average payments. A financial risk arises if unforeseen circumstances occur, which negatively impacts the recovery of electricity revenue.

(o) Financial Position Budget

The purpose of this measure is to also assess the overall budget.

(p) Cash Flow Budget

The purpose of this measure is to also assess the overall budget. The municipality does recover enough cash monthly to cover its monthly average payments. A financial risk arises if unforeseen circumstances occur, which negatively impacts the recovery of electricity Revenue.

(q) Summary

The Municipality is currently in a sound financial position, with sufficient funding and cash generation capacity to meet its operational requirements. The financial position is monitored on a continuous basis by the relevant finance officials to ensure effective cash flow management and early identification of potential risks.

Regular financial performance and cash flow reports are submitted to the Finance Portfolio Committee monthly, enabling ongoing oversight and informed decision-making. Where necessary, appropriate corrective measures are implemented timeously to safeguard the Municipality's financial sustainability and ensure continued service delivery.

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19 Allocations or Grants Made by the Municipality

The municipality has made provision in the 2026/2027 budget for the following transfers:

- Grant-in-aid.
- Tourism development; and
- Skills development training.

20 Councillor allowances and employee benefits

Councillors

- Salary
- Allowances for cell phones
- allowances for transport
- Contributions

Senior Managers of the Municipality (S57)

- Salary
- Allowances for transport
- Contributions
- Performance bonuses
- Allowances in terms of their contract agreements.

Other Employees

- Salary
- Housing Subsidy
- Long service awards
- Allowances for transport
- Contributions to medical and pension fund

21 Employee related costs – Table 16

Councillors	**2026/2027**	**2027/2028**	**2028/2029**
Speaker	961 088.92	999 532.47	1 039 513.77
Executive Mayor	1 188 130.93	1 235 656.17	1 285 082.42
Deputy Executive Mayor	971 288.15	1 010 139.68	1 050 545.27
Executive Committee	3 618 842.12	3 763 595.81	3 914 139.65
Other Councillors	6 876 682.70	7 151 750.02	7 437 820.02
Total	**13 616 032.83**	**14 160 674.16**	**14 727 101.13**
Senior Managers	**2026/2027**	**2027/2028**	**2028/2029**
Municipal Manager	2 785 926.47	2 918 257.98	3 056 875.24
Chief Financial Officer	1 708 992.79	1 790 169.95	1 875 203.02
Director: Economic, Social & Integrated Development Services	2 287 972.66	2 396 651.36	2 510 492.30
Director: Corporate Services	2 284 271.98	2 392 774.90	2 506 431.71
Director: Engineering Services	1 608 276.91	1 684 670.07	1 764 691.90
Director: Community Services	2 301 232.53	2 410 541.08	2 525 041.78
Total	**12 976 673.36**	**13 593 065.34**	**14 238 735.94**
	2026/2027	**2027/2028**	**2028/2029**
All other staff	334 811 487.95	344 951 676.95	361 303 959.06

22 Monthly targets for revenue, expenditure and cash flow

The monthly targets for revenue, expenditure and cash flows are provided in SA 25.

23 Capital spending detail

Information/detail regarding capital projects by vote is provided in the Capital Budget.

24 Legislation and compliance status

Langeberg Municipality complies in general with legislation applicable to municipalities, such as the MFMA, Municipal Budget and Reporting Regulations, Municipal Regulations on a Standard Chart of Accounts (mSCOA Regulations), Municipal Cost Containment Regulations and MFMA Circulars.

Audit Outcomes

The audit outcomes for the 2024/2025 financial year have been finalised. The Annual Financial Statements for the financial year ended 30 June 2025 and Annual Performance Report were submitted for audit on 31 August 2025 to the Auditor General of South Africa (AGSA) and the AGSA expressed an opinion on 30 November 2025. The municipality maintained an unqualified audit opinion with no material findings on compliance with legislation and regulations and predetermined objectives. The municipality has sustained seven (7) consecutive clean audit outcomes. This is due to the municipality’s commitment to achieve clean governance and administration. Clean audit outcomes have a positive effect on the sentiment of the public, creditors and banks in terms of the commitment of the municipality to clean administration.

Audit and Performance Committee

An Audit and Performance Committee has been established and is fully functional.

In Year Reporting

Full compliance with regards to monthly, quarterly and annual reporting to the Executive Mayor, Mayoral Committee, Council, Provincial Government and National Treasury.

Budget and Treasury Office

The Budget and Treasury Office have been established in accordance with the MFMA and is fully functional. The Municipality has institutionalised the National Treasury Municipal Financial Management Internship Programme and has the highest absorption rate in the Cape Winelands District with fifty-three (53) finance interns taken up into permanent positions in the BTO from the inception of the programme in 2004.

Cost Containment Measures

The Municipality has developed and implemented a Cost Containment Policy in accordance with the Municipal Cost Containment Regulations issued in terms of the MFMA, which is reviewed annually and is subject to quarterly monitoring and reporting to Council in line with prescribed legislative requirements.

Budget Steering Committee

A Budget Steering Committee has been established in terms of the budget policy and is fully functional.

Long-Term Financial Plan

The long-term financial plan has been institutionalised within Langeberg Municipality and forms part of the budgeting and decision-making process within the municipality. This underpins the model of evidence-based decision making, thus providing comfort to stakeholders that a scientific and considered approach has been taken towards the financial decision making within the municipality.

Service Delivery and Budget Implementation Plan

The draft SDBIP document was tabled with the approval of the draft 2026/2027 MTREF budget. The final SDBIP document will be tabled after the approval of the final 2026/2027 MTREF budget. The SDBIP was aligned and informed by the 2026/2027 MTREF budget.

Procurement Plan

The Procurement Plan has been compiled and submitted with this budget document.

Other supporting documents

Supporting documents will be published on the Municipal website.

25 Municipal Manager's quality certification

LANGEBERG MUNICIPALITY

Municipal Manager's quality certification

Quality Certificate

I, Mr Daniël Petrus Lubbe, Municipal Manager of Langeberg Municipality, hereby certify that the original budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the budget and supporting documentations are consistent with the Integrated Development Plan of the municipality.

Print name Mr DP Lubbe

Municipal Manager of LANGEBERG MUNICIPALITY.

Signature ______________________________

Date 27 May 2026

26 Service Level Standard

DIRECTORATE: FINANCE	
Services	**Standards**
Answering telephone calls	Within 5 rings
Return your call	1 working day
Acknowledge all correspondence telephone calls/ faxes/emails and other communications	1 working day
Reply to all formal correspondence received	7-10 working days
Notice of tariffs increases	5 working days after council's approval
Customer Information updates	1 working day
Leave a notice with contact details if we call at your residence and you are not home	Immediately
Meter reading queries	3 working days
Account disputes	As per credit control policy in conjunction with section 95 and 102 of the MSA
Application for indigent subsidy	From next billing run after approval
Water and Electricity meter readings	Monthly

DIRECTORATE: STRATEGY AND SOCIAL DEVELOPMENT	
Services	**Standards**
Approval of business Licenses	21 working days
Issuing of informal trading permits	Initial permit – 2 working days. Thereafter, daily and monthly permits are issued immediately at the cashiers' desk
Approval of tourism related road signage applications	2 months from the date of application
Approval of event applications	10 to 15 working days from the date of receiving a complete event application
Deal with air quality, noise, odour and dust complaints	Respond to the complainant within 1 working day. Follow up and respond to complainant within 5 working days

DIRECTORATE: ENGINEERING SERVICES		
Electric Engineering (All Electro-technical services apply to the Langeberg Municipality area of supply and exclude Eskom areas)		
Services	**Standards**	
Repair unforeseen power outages (Electrical faults, malfunctioning equipment, etc)	Restore 95% of municipal power interruptions within 4 hrs (NRS047) (own network)	Restore 98% of power interruptions within 24 hrs (NRS047) (own network)
Scheduled power outages (for upgrading, maintenance, etc)	Maximum of three (3) planned and six (6) forced outages per year, limited to a total of twelve (12) hours per outage per point of supply. • The municipality endeavours to give at least 7 days' notice of scheduled power outages by means of notice boards, advertisements, SMS ,Langeberg Municipality social media platforms	
Electrical new connections, reconnections, upgrades and changes	Standard reconnections – two (2) working days. Provision of standard connections – within fourteen (14) days after payment and if the building is ready and the necessary documentation is completed. Provision of non-standard connections: Quotation basis of twenty-one (21) days, negotiable subject to delivery times of equipment from suppliers to municipality.	
Reports of faulty street lighting, area, building and sports field lighting	95% of cases within seven (7) working days. 100% of cases within ten (10) working days. Faulty street lighting will only be attended to after hours if the area affected is relatively large	

DIRECTORATE: ENGINEERING SERVICES	
Water and Sanitation	
Services	**Standards**
Voluntary disconnection and reconnection	As per customer requested date: Within 2 working days
Application forms process time	2 working days
Customer queries on meter reading	3 working days
Meter reading cycle	30 days
Bulk meter processing	Same day
Damaged meter, no meter and buried meter processing 1 working day	1 working day
Respond to water leaks and overflows on pipes	Residential: 24 hours Commercial: 2 hours

Responding to bursts, extensive flooding and sewage overflows/blockages	1 hour
Inspections and treatments of sewerage odours from our wastewater treatment plant	2 working days

DIRECTORATE: ENGINEERING SERVICES	
Roads and Stormwater	
Services	**Standards**
Repair of potholes	As per work schedule
Respond to gravel roads surface complaints	As per work schedule
Respond to complaints of flooding	2 hours
Opening of stormwater blockages after complaint lodged	As per work schedule
Respond to complaints about uneven side walks	As per work schedule
Construction of vehicle access after payment	14 days
Town Planning and Building Control	
Services	Standards
Building plan approval less than 500 m²	30 days
Building plan approval more than 500 m²	60 days
Response to all building control and illegal building activity complaints	5 working days
Respond to land use management and property administration complaints	5 working days
Acknowledge receipt of land use applications and inform applicants of any missing information	14 working days

DIRECTORATE: COMMUNITY SERVICES	
Housing	
Services	**Standards**
Respond to any housing and informal settlement complaints and enquiries. Phone, email and in writing	2 working days
Updating of housing waiting list	As per application
Parks & Amenities	
Maintenance of parks and open spaces	As per pre-scheduled bookings program
Maintenance of sport grounds and community facilities	As per pre-scheduled bookings program
Attend to complaints about overgrown erven	30 days
Booking of community facilities	2 working days once payment has been received
Cleaning of cemeteries	As per pre-scheduled programme
Community Facilities	
Bookings for Community Hall	Immediately. If payment is made and

	proof of payment submitted

DIRECTORATE: COMMUNITY SERVICES	
Libraries	
Services	**Standards**
Feedback on special request for books	On availability & Interlibrary lending facility
Community outreach programmes	Monthly at all libraries, special/school holiday programs are promoted on the Municipality's website
General enquiries	Immediately
Feedback on complaints	As soon as possible
Audio & electronic resources	Available via the LIBBY App accessible with library membership only
ICT, printing and scanning facility	Available at all public libraries
Free WIFI	At Robertson, Nkqubela, Mountain View, Montagu, Sunnyside for the time being. Bonnievale and Happy Valley installed but not yet active

DIRECTORATE: COMMUNITY SERVICES	
Solid Waste Management	
Services	**Standards**
Waste Collection from Businesses	1-3 Removals per week
Waste Collection in 240 Lt wheelie bin from households	1 collection per week
Cleaning of street bins	As and when needed
Removal of refuse dumped illegally	As per request
Street cleaning frequency in CBD	Daily
Street cleaning frequency in areas excluding CBD	Monthly
Fire Fighting Emergency Services	
Fire and emergency rescue services	Reaction time 15 - 20 minutes (in town areas) after receipt of a call
Disaster management	Receive immediate attention and feedback when attended to

DIRECTORATE: CORPORATE SERVICES	
Traffic Services	
Services	Standards
Reaction time to emergencies / fire / accidents	Immediately
Issue of motor registration and licenses	Immediately
Bookings for learner and driver license testing	Immediately pending availability on the eNatis system
Application for discount or acquittal of fines	14 days
Acknowledgement and registration of general complaints	3 working days
Call Centre	
Reaction time on enquiries and requests?	It varies from immediate up to 12 hours
Time to respond to a verbal customer enquiry or request? (working days)	It varies from immediate up to 2 working days
Time to respond to a written customer enquiry or request? (working days)	10 days

27 Budget Supporting Appendices

1. Appendix A – CAPEX

2. Appendix B – Tariffs

3. Appendix C – Organisational Structure

4. Appendix D – Long-Term Financial Plan

5. Appendix E – Annual Procurement Plan

6. Appendix F – Policies

7. Appendix G – Budget Circulars

8. Appendix H - Budget Schedules

DISCLAIMER: The municipality implemented a new financial system starting on the 1st of July 2024. The audited figures for the years 2022/23 are therefore not included in the budget schedules. However, these schedules are available at the municipality on request and were also submitted to the AGSA, Provincial Treasury and National Treasury.

In addition, the Municipality used the Municipal Economic Review and Outlook (MERO) for demographics and statistics information as a source for the non-financial information on SA9 and A10.