BUDGET SPEECH OF THE EXECUTIVE MAYOR FOR THE 2026-2027 FINANCIAL YEAR
BY THE EXECUTIVE MAYOR, ALDERMAN SW VAN EEDEN

Honourable Speaker, Councillors, and Residents,

Today we present the Final Budget for 2026/2027, a budget built on the principles of credibility, sustainability, and service delivery. It is designed to ensure that our municipality continues to provide essential services while remaining financially stable, responsive, and fair to all residents.

Financial Overview
Langeberg Municipality's 2026-2027 budget amounts to R1.503 billion represented by a total:

- Capital Budget of R137 million and an
- Operating Budget of R1.366 billion.

This demonstrates that we have carefully balanced our financial position, ensuring that we do not budget for a deficit while still maintaining the ability to deliver services effectively.

Where the Money Comes From

- Service Charges (electricity, water, sanitation, refuse): R941.7 million
- Property Rates: R127.9 million
- Other Income: R330.2 million
- Capital Grants: R64.8 million

Where the Money Goes

- Bulk Electricity Purchases: R654.6 million
- Employee Costs: R361.2 million (Bargaining Council Determination)
- Contracted Services: R94.8 million
- Other Expenditure: R258 million
- Capital Projects: R137 million

Tariff Adjustments
To maintain sustainability while protecting residents, tariffs will be adjusted as follows:

- Property Rates: 21% Decrease
- Water & Sanitation: 3.7% Increase
- Refuse Removal: 8% Increase (Participation in District Regional Solid Waste Site from 1 July 2026)
- Electricity: 9.01% Increase (NERSA Determination)
- Sundry Tariffs: 0 – 3.7% increase
- Salary costs will increase by 4.75%, while general expenses and maintenance rise by 3%.

Understanding the 21% Property Rates Reduction
One of the most important aspects of this budget is the 21% reduction in the property rates tariff.

This Council and residents must understand that this reduction is not a loss of revenue, but a deliberate corrective measure linked to the new property valuations.

Following the General Valuation Roll, property values across all categories have increased significantly. If the previous tariff had remained unchanged, ratepayers would have experienced substantial increases in their municipal bills.

Council has therefore reduced the tariff to ensure that ratepayers are protected from sharp increases, maintaining affordability while preserving municipal revenue stability.

Practical Impact Across Categories

Residential Properties

- Property value increases: R1.8 million → R1.937 million
- Old tariff (0.0080) would result in: R14,604 per year (R1,217/month)
- New tariff (0.0063) results in: R11,605 per year (R967/month)

Residents will pay less than last year (R13,674) and significantly less than under the unchanged tariff.

Business and Commercial

- Value increases: R730,000 → R913,000
- Old tariff result: R14,517 annually
- New tariff result: R11,535 annually

Businesses experience stability and slight relief, supporting local economic growth.

Industrial

- Value increases: R400,000 → R500,000
- Old tariff result: R7,950 annually
- New tariff result: R6,317 annually

Industrial rates remain virtually unchanged from R6,360, ensuring sector stability.

Agricultural

- Value increases: R975,000 → R1.25 million
- Old tariff result: R2,517 annually
- New tariff result: R1,974 annually

Farmers continue to pay almost exactly the same as the previous year, supporting agricultural sustainability.

Summary of the Impact

Category	2025/26 Tariff	2026/27 Old Tariff	2026/27 Final Tariff
Residential	13,674	14,604	11,605
Business	11,607	14,517	11,535
Industrial	6,360	7,950	6,317
Agricultural	1,964	2,517	1,974

Key Message

- The 21% tariff decrease is a protection mechanism that ensures:
- Residents are not penalised for increased valuations
- Monthly municipal bills remain affordable
- Businesses and industry receive stability and predictability
- Agriculture is protected from excessive cost increases

In practical terms, most ratepayers will pay either less or very close to what they paid last year, despite increased property values

Debt Relief Programme

We recognise the financial pressure on households and businesses:

- Indigent households: 100% debt write-off
- Pensioners: 40–60% write-off
- SMMEs and others: 40% write-off with arrangements

This programme will write off R152 million over three years, while improving collection rates.

Other Matters

- Flood damage assessments are ongoing
- Electricity and water losses are being managed within norms
- A 95% collection rate is targeted

Conclusion

This budget is not just a set of numbers—it is a commitment to:

- Fairness
- Affordability
- Economic support
- Sustainable service delivery

It balances the needs of our residents, businesses, and the municipality, while preparing us for future challenges.

FINAL ADOPTION OF THE REVIEWED INTEGRATED DEVELOPMENT PLAN (IDP) FOR 2026/2027 OF THE LANGEBERG MUNICIPALITY

Council is today also requested to consider the final adoption of the Reviewed Integrated Development Plan (IDP) for the 2026/2027 financial year.

In line with the requirements of the Local Government: Municipal Systems Act, the municipality conducted its annual review of the current 2022–2027 IDP to assess progress made against our strategic objectives and to determine whether any amendments to the five-year plan were necessary.

The review process included performance assessments, internal evaluations by management, and an extensive public participation process following the tabling of the Draft Reviewed IDP before Council on 31 March 2026. After careful assessment, it was concluded that the current strategic direction of the municipality remains relevant and responsive to the needs of our communities. No significant changes to the five-year development strategy were required. This therefore represents the final review of the current 2022–2027 Integrated Development Plan cycle.

I wish to thank all stakeholders, residents, ward committees, councillors, and officials who participated in the review process and contributed valuable inputs.

Council is accordingly requested to approve and adopt the Reviewed Integrated Development Plan for the 2026/2027 financial year together with the municipal budget.

Thank you.

BEGROTINGSTOESPRAAK VAN DIE UITVOERENDE BURGEMEESTER VIR DIE 2026-2027 FINANSIËLE JAAR
DEUR DIE UITVOERENDE BURGEMEESTER, RAADSHEER SW VAN EEDEN

Agbare Speaker, Raadslede en Inwoners,

Vandag bied ons die Finale Begroting vir 2026/2027 aan – 'n begroting wat gebou is op die beginsels van geloofwaardigheid, volhoubaarheid en dienslewering. Dit is ontwerp om te verseker dat ons munisipaliteit voortgaan om noodsaaklike dienste te lewer, terwyl ons finansiëel stabiel, responsief en regverdig teenoor alle inwoners bly.

Finansiële Oorsig
Langeberg Munisipaliteit se 2026-2027 begroting beloop R1.503 miljard, wat verteenwoordig word deur 'n totale:
- Kapitale Begroting van R137 miljoen, en 'n
- Bedryfsbegroting van R1.366 miljard.

Dit wys dat ons ons finansiële posisie noukeurig gebalanseer het om te verseker dat ons nie vir 'n tekort begroot nie, terwyl ons steeds die vermoë behou om dienste doeltreffend te lewer.

Waar die Geld Vandaan Kom
- Diensfooie (elektrisiteit, water, sanitasie, vullisverwydering): R941.7 miljoen
- Eiendomsbelasting: R127.9 miljoen
- Ander Inkomste: R330.2 miljoen
- Kapitale Toelaes: R64.8 million

Waar die Geld Heengaan
- Grootmaat Elektrisiteitaankope: R654.6 miljoen
- Personeelkoste: R361.2 miljoen (Bedringingsraadvasstelling)
- Gekontrakteerde Dienste: R94.8 miljoen
- Ander Uitgawes: R258 miljoen
- Kapitale Projek: R137 miljoen

Tariefaanpassings
Om volhoubaarheid te handhaaf en terselfdertyd inwoners te beskerm, sal tariewe as volg aangepas word:
- Eiendomsbelasting: 21% Verlaging
- Water & Sanitasie: 3.7% Verhoging
- Vullisverwydering: 8% Verhoging (Deelname aan Distrik-streeksoliedeafvalterrein vanaf 1 Julie 2026)
- Elektrisiteit: 9.01% Verhoging (NERSA-vasstelling)
- Diverse Tariewe: 0 – 3.7% verhoging

Salariskoste sal met 4.75% styg, terwyl algemene uitgawes en instandhouding met 3% styg.

Tariefaanpassings en die 21% Verlaging
Een van die belangrikste aspekte van hierdie begroting is the 21% verlaging in the eiendomsbelastingtarief. Hierdie Raad en die inwoners moet verstaan dat hierdie verlaging nie 'n verlies aan inkomste is nie, maar 'n doelbewuste regstellende maatreël wat verband hou met die nuwe eiendomswaardasies.

Ingevolge die Algemene Waardasierol het eiendomswaardes oor alle kategorieë heen aansienlik gestyg. Indien die vorige tarief onveranderd gebly het, sou belastingbetalers drastiese verhogings op hul munisipale rekeninge ervaar het. Die Raad het dus die tarief verlaag om te verseker dat belastingbetalers teen skerp verhogings beskerm word, waardeur bekostigbaarheid gehandhaaf en munisipale inkomste-stabiliteit behou word.

Praktiese Impak oor Kategorieë Heen

Residensiële Eiendomme

- Styging in eiendomswaarde: R1.8 miljoen → R1.937 miljoen
- Ou tarief (0.0080) sou uitloop op: R14,604 per jaar (R1,217/maand)
- Nuwe tarief (0.0063) loop uit op: R11,605 per jaar (R967/maand)
- Inwoners sal minder as verlede jaar betaal (R13,674) en aansienlik minder as onder die onveranderde tarief.

Sake en Kommersieel

- Styging in waarde: R730,000 → R913,000
- Ou tarief-bedrag: R14,517 jaarliks
- Nuwe tarief-bedrag: R11,535 jaarliks
- Besighede ervaar stabiliteit en ligte verligting, wat plaaslike ekonomiese groei ondersteun.

Industrieel

- Styging in waarde: R400,000 → R500,000
- Ou tarief-bedrag: R7,950 jaarliks
- Nuwe tarief-bedrag: R6,317 jaarliks
- Industriële tariewe bly feitlik onveranderd vanaf R6,360, wat stabiliteit in die sektor verseker.

Landbou

- Styging in waarde: R975,000 → R1.25 miljoen
- Ou tarief-bedrag: R2,517 jaarliks
- Nuwe tarief-bedrag: R1,974 jaarliks
- Boere gaan voort om amper presies dieselfde as die vorige jaar te betaal, wat landbou-volhoubaarheid ondersteun.

Opsomming van die Impak

Kategorie	2025/26 Tarief	2026/27 Ou Tarief	2026/27 Finale Tarief
Residensieel	13,674	14,604	11,605
Besigheid	11,607	14,517	11,535
Industrieel	6,360	7,950	6,317
Landbou	1,964	2,517	1,974

Sleutelboodskap:

Die 21% tariefverlaging is 'n beskermingsmeganisme wat verseker dat:

- Inwoners nie gepenaliseer word vir verhoogde waardasies nie
- Maandelikse munisipale rekeninge bekostigbaar bly
- Besighede en die industrie stabiliteit en voorspelbaarheid geniet
- Landbou beskerm word teen buitensporige kosteverhogings

In praktiese terme sal die meeste belastingbetalers óf minder óf baie naby aan dit wat hulle verlede jaar betaal het betaal, ondanks verhoogde eiendomswaardes.

Skuldverligtingsprogram

Ons erken die finansiële druk op huishoudings en besighede:

- Deernishuishoudings: 100% skuldafskrywing
- Pensioenarisse: 40–60% afskrywing
- KMMO's (SMMEs) en ander: 40% afskrywing met reëlings

Hierdie program sal R152 miljoen oor drie jaar afskryf, terwyl dit invorderingskoerse verbeter.

Ander Sake

- Vloedskade-beoordelings is tans aan die gang
- Elektrisiteit- en waterverliese word binne die norme bestuur
- 'n Invorderingskoers van 95% word geteiken

Samevatting

Hierdie begroting is ‘n balans tussen:

- Dienslewering
- Bekostigbaarheid
- Finansiële volhoubaarheid

Dit is ‘n begroting wat voorsiening maak vir beide huidige behoeftes en toekomstige stabiliteit.

FINALE GOEDKEURING VAN DIE HERSIENE GEÏNTEGREERDE ONTWIKKELINGSPLAN (GOP) VIR 2026/2027 VAN DIE LANGEBERG MUNISIPALITEIT

Die Raad word vandag ook versoek om die finale goedkeuring van die Hersiene Geïntegreerde Ontwikkelingsplan (GOP) vir die 2026/2027 finansiële jaar te oorweeg.

In ooreenstemming met die vereistes van die Wet op Plaaslike Regering: Munisipale Stelselswet, het die munisipaliteit sy jaarlikse hersiening van die huidige 2022–2027 GOP uitgevoer om vordering teenoor ons strategiese doelwitte te evalueer en te bepaal of enige wysigings aan die vyfjaarplan nodig is.

Die hersieningsproses het prestasiebeoordelings, interne evaluasies deur bestuur, asook ’n uitgebreide openbare deelnameproses ingesluit ná die voorlegging van die Konsep Hersiene GOP aan die Raad op 31 Maart 2026.

Na deeglike oorweging is daar bevind dat die huidige strategiese rigting van die munisipaliteit steeds relevant is en reageer op die behoeftes van ons gemeenskappe. Geen beduidende veranderinge aan die vyfjaar-ontwikkelingsstrategie was nodig nie.

Dit verteenwoordig dus die finale hersiening van die huidige 2022–2027 Geïntegreerde Ontwikkelingsplan-siklus. Ek wil graag alle belanghebbendes, inwoners, wykskomitees, raadslede en amptenare bedank wat aan die hersieningsproses deelgeneem en waardevolle insette gelewer het.

Die Raad word dienooreenkomstig versoek om die Hersiene Geïntegreerde Ontwikkelingsplan vir die 2026/2027 finansiële jaar saam met die munisipale begroting goed te keur en aan te neem.

Dankie.