AGENDA - UHLELO LOMHLANGANO - LENANE LA TSAMAISO - AGENDA

COUNCIL - UMKHANDLU - LEKGOTLA - RAAD

NOTICE IS HEREBY GIVEN THAT THE
ISAZISO SOMHLANGANO
TSEBISO KA
KENNIS WORD HIERMEE GEGEE VAN DIE

3RD ORDINARY MEETING OF 2026
SOMHLANGANO WESITHATHU KA 2026
KOPANO YA BORARO, 2026
3DE ALGEMENE VERGADERING VAN 2026

WILL BE HELD ON
OZOHLALA MHLA
E TLA TSHWARWA
WAT GEHOU SAL WORD OP

THURSDAY, 26 MARCH 2026
NGOLWESINE, 26 UNDASA 2026
KA LABONE, 26 HLAKUBELE 2026
DONDERDAG, 26 MAART 2026

AT 14:00
NGO 14:00
KA NAKO 14:00
OM 14:00

IN THE COUNCIL CHAMBERS, 1ST FLOOR, CIVIC CENTRE, MEYERTON
KUMAKAMELO OMKHANDLU, ISIGABA SOKUQALA, ECIVIC CENTRE, EMEYERTON
PHAPUSING YA KOPANELO YA MASEPALA, MOKATONG WA PELE, TOROPONG YA MEYERTON
IN DIE RAADSAAL, 1STE VLOER, BURGERSENTRUM, MEYERTON

ORIGINAL SIGNED

____
ALD. A.R. MCLOUGHLIN
SPEAKER

AGENDA

1. OPENING AND WELCOME

2. APPLICATIONS FOR LEAVE OF ABSENCE

3. OFFICIAL NOTICES

4. PROPOSALS OF CONDOLENCE OR CONGRATULATIONS BY THE CHAIRPERSON (SPEAKER)

5. PROPOSALS OF CONDOLENCE OR CONGRATULATIONS BY OTHER MEMBERS

6. CONFIRMATION OF MINUTES OF PREVIOUS MEETING

<u>Recommendation</u>

1. That the minutes of the 2nd Council meeting held on 26 February 2026, be approved.
2. That the minutes of the 3rd Special Council meeting held on 03 March 2026, be approved.
3. That the minutes of the 4th Special Council meeting held on 19 March 2026, be approved.

7. QUESTIONS OF WHICH NOTICE HAS BEEN GIVEN

None

8. MOTIONS OR PROPOSALS DEFERRED FROM PREVIOUS MEETINGS

None

9. THE REPORT OF THE MAYORAL COMMITTEE

(i) <u>Items of the Speaker</u>

None.

(ii) <u>Items of the Section 79 Committees</u>

9.A.1	C 3733/03/2026	[SEC 79: MPAC]: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC): OVERSIGHT REPORT IN TERMS OF SECTION 129 OF THE LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, 56 OF 2003 (MFMA), ON THE 2024/2025 ANNUAL REPORT	6-23

<u>NOTE</u>: **14 Section 79 MPAC Committee Reports will be dealt with at the meeting IN-COMMITTEE**

(iii) Items of the Mayoral Committee (Non-delegated matters)

9.A.13	C 3745/03/2026	[CS]: REQUEST FOR APPROVAL TO EXTEND THE ACTING PERIOD FOR MS. K. DESAI (DIRECTOR: FINANCIAL REPORTING), AS ACTING EXECUTIVE DIRECTOR: FINANCIAL SERVICES (CFO) BEYOND THREE MONTHS	154-155
9.A.14	C 3746/03/2026	[CS]: REQUEST FOR APPROVAL TO EXTEND THE ACTING PERIOD FOR MR. D. MUKWEVHO (DIRECTOR: TECHNICAL SUPPORT), AS ACTING EXECUTIVE DIRECTOR: ENGINEERING SERVICES BEYOND THREE MONTHS	156-157
9.A.15	C 3747/03/2026	[ES]: APPROVAL OF THE PROPOSED ELECTRICITY TARIFFS FOR THE 2026/27 FINANCIAL YEAR	158-180
9.A.16	C 3748/03/2026	[FS]: APPLICATION BASED REBATES FOR FOOT AND MOUTH DISEASE AFFECTED AGRICULTURAL CATEGORISED PROPERTIES	181-183

iv) Items of the Mayoral Committee (Delegated Matters)

MC B/5377/02/2026	[CS]: MIDVAAL LOCAL MUNICIPALITY: STANDARD OPERATING PROCEDURE INSURANCE CLAIMS REGISTER
MC B/5378/02/2026	[PS&R]: FIRE DEPARTMENT PERFORMANCE REPORT FOR SERVICES RENDERED FOR OCTOBER 2025
MC B/5379/02/2026	[PS&R]: FIRE DEPARTMENT PERFORMANCE REPORT FOR SERVICES RENDERED FOR NOVEMBER 2025
MC B/5380/02/2026	[PS&R]: FIRE DEPARTMENT PERFORMANCE REPORT FOR SERVICES RENDERED FOR DECEMBER 2025
MC B/5381/02/2026	[PS&R]: PROGRESS REPORT OF ALLOCATED BUDGET SPENT TO UPGRADE ROADS FROM GRAVEL TO SURFACE FOR THE 2025/2026 FINANCIAL YEAR
MC B/5382/02/2026	[PS&R]: PROGRESS REPORT OF ALLOCATED BUDGET SPENT TO REHABILITATE (LAYER WORKS CORRECTION / OVERLAY / RESURFACE) IDENTIFIED CRITICAL ROADS FOR THE 2025/2026 FINANCIAL YEAR
MC B/5383/02/2026	[PS & R]: NUMBER OF SQUARE METERS OF TARRED ROADS RESEALED ANNUALLY FOR THE 2025/2026 FINANCIAL YEAR
MC B/5384/02/2026	[FS]: REPORTING ON THE IMPLEMENTATION OF THE CAPEX PROCUREMENT PLAN FOR THE 2nd QUARTER OF THE 2025/26 FINANCIAL YEAR
MC B/5385/02/2026	[FS]: RESPONSE TO GAUTENG PROVINCIAL TREASURY ON MFMA COMPLIANCE ASSESSMENT CONDUCTED FOR QUARTER ENDING 30 SEPTEMBER 2025 FOR THE 2025-2026 FINANCIAL YEAR
MC B/5387/02/2026	[FS]: CONTRACT PERFORMANCE UPDATE, TERMINATION AND RISK CONSIDERATIONS – RAMALIVHA TRADING & PROJECTS (FUEL SUPPLY CONTRACT)
MC B/5388/03/2026	[CS]: REPORT ON LEGAL MATTERS EXCEEDING R500 000.00 IN VALUE FOR QUARTER 2 OF THE 2025/2026 FINANCIAL YEAR
MC B/5389/03/2026	[COMM]: WALKERVILLE LANDFILL SITE PROGRESS REPORT
MC B/5390/03/2026	[CS]: REPORT ON CRITICAL AND CURRENT LABOUR RELATIONS MATTERS (EXCEEDING R500 000.00 IN VALUE) FOR QUARTER 2 OF THE 2025/2026 FINANCIAL YEAR
MC B/5391/03/2026	[PS & R]: FIRE DEPARTMENT PERFORMANCE REPORT FOR SERVICES RENDERED FOR JANUARY 2026

v) Official Notices of the Executive Mayor

10. NEW MOTIONS

None.

11. CLOSURE

C 3733/03/2026
SMC A/6828/03/2026

9.A.1 [SEC 79: MPAC]: MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC): OVERSIGHT REPORT IN TERMS OF SECTION 129 OF THE LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, 56 OF 2003 (MFMA), ON THE 2024/2025 ANNUAL REPORT

COMPETENCY: COUNCIL

PURPOSE

To submit the 2024/2025 Oversight Report on the 2024/2025 Annual Report, as prescribed in terms of Section 129(1) of the Local Government: Municipal Finance Management Act, 56 of 2003 (MFMA).

RECOMMENDATIONS

1. That the Oversight Report, as approved by the MPAC and signed by the MPAC Chairperson, attached to the report as Annexure ‘A’, be adopted.

2. That, in terms of Section 129 of the MFMA, the Annual Report 2024/2025, be approved without reservations.

3. That the recommendations of MPAC as contained in the report be endorsed and that the Mayoral Committee monitor progress on the mentioned issues.

Annexure "A"

[SECTION 79]: OVERSIGHT REPORT OF THE MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC) IN TERMS OF SECTION 129 OF THE LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, 56 OF 2003, (MFMA), ON THE 2024/2025 ANNUAL REPORT

COMPETENCY: COUNCIL

PURPOSE

To submit the 2024/2025 Oversight Report on the 2024/2025 Annual Report, as prescribed in terms of Section 129(1) of the Local Government: Municipal Finance Management Act, 56 of 2003 (MFMA).

REPORT:

1. LEGAL MANDATE

The Municipal Public Accounts Committee (MPAC), duly established in terms of Section 79 of the Local Government: Municipal Structures Act, 117 of 1998, and exercising oversight in terms of Section 129 of the Municipal Finance Management Act (MFMA), has undertaken a comprehensive review of the 2024/2025 Annual Report, including the report of the Auditor General as attached thereto, of the Midvaal Local Municipality.

In accordance with Section 129(1) of the MFMA, Council is required to consider the Annual Report and adopt an Oversight Report containing the Council's comments on the Annual Report.

2. SCOPE OF REVIEW

MPAC reviewed the following chapters of the Annual Report:
- Chapter 1 – Mayor's Foreword and Executive Summary
- Chapter 2 – Governance
- Chapter 3 – Service Delivery Performance
- Chapter 4 – Organisational Development
- Chapter 5 – Financial Performance

The review focused on:
- Legislative compliance
- Governance effectiveness
- Service delivery performance
- Institutional capacity
- Financial sustainability
- Alignment with IDP and SDBIP

3. GENERAL OBSERVATIONS

MPAC acknowledges and records the following positive aspects:

1. Achievement of a twelfth (12th) consecutive clean audit outcome.
2. Maintenance of acceptable liquidity and solvency ratios.
3. Functional governance and oversight structures.
4. Reduction in Supply Chain Management deviations compared to the prior year.

Notwithstanding the above, MPAC identified material areas requiring corrective intervention to strengthen governance maturity and service delivery sustainability.

4. SPECIFIC FINDINGS AND RECOMMENDATIONS

4.1 Chapter 1 – Executive Summary

Findings:

4.1.1 Numerical inconsistencies and minor technical errors require correction prior to final publication.
4.1.2 Capital budget performance is significantly below target (approximately 47% against 90%).
4.1.3 Surplus reported while cash position declined, requiring reconciliation.
4.1.4 Certain KPI classifications are inconsistent with reported performance outcomes.

Recommendations:

MPAC resolves that:

a) Administration corrects all numerical and typographical inconsistencies prior to final publication.
b) A detailed capital expenditure reconciliation report should be submitted to MPAC within 60 days.
c) A surplus-to-cash reconciliation schedule should be provided to clarify the liquidity position.
d) KPI performance classifications should be aligned with actual results achieved.

4.2 Chapter 2 – Governance

Findings

4.2.1 Statutory reporting timeline contains an incorrect oversight assessment year reference.
4.2.2 ICT Governance Framework was not formally approved during the year under review.
4.2.3 Integrity Management Policy last approved in 2020; review cycle confirmation required.

4.2.4 Risk management reporting lacks measurable outcome indicators.
4.2.5 SCM deviations disclosed without percentage disclosure relative to total procurement.

Recommendations

MPAC resolves that:

a) The statutory process timeline should be corrected in the final report.
b) The ICT Governance Framework be finalised and tabled for Council approval before 30 June 2026.
c) The Integrity Policy undergo formal review and re-approval within the current financial year.
d) Future risk reporting to include measurable performance indicators.
e) SCM deviations be reported as a percentage of total procurement expenditure.

4.3 Chapter 3 – Service Delivery Performance

Findings

4.3.1 Capital expenditure underperformance presents service delivery risk.
4.3.2 Certain landfill and infrastructure projects reflect low or zero expenditure.
4.3.3 Environmental and health risks persist relating to landfill fire hazards along the R59.
4.3.4 LED reporting lacks measurable economic outcome indicators.
4.3.5 Public Safety complaint resolution below target.

Recommendations

MPAC resolves that:

a) Administration to submit a Capital Recovery and Acceleration Plan within 90 days.
b) Physical verification reports accompany all projects reported as 100% complete. MPAC to conduct oversight visits.
c) An Intergovernmental Intervention Report regarding landfill fires be submitted to Council.
d) LED reporting to include measurable indicators (jobs created, businesses supported, economic impact).
e) Public Safety turnaround time performance be monitored quarterly and reported to MPAC.

4.4 Chapter 4 – Organisational Development

Findings

4.4.1 Vacancy rate and critical skills capacity require continued monitoring.
4.4.2 Workplace Skills Plan expenditure significantly below target.
4.4.3 Confirmation required regarding performance evaluations of Section 56/57 managers.
4.4.4 Disciplinary and consequence management statistics require enhanced disclosure.

Recommendations

MPAC resolves that:

a) A Critical Vacancy Mitigation Plan be submitted within 60 days.
b) Workplace Skills Plan implementation be strengthened and quarterly progress reported.
c) Confirmation of senior manager performance evaluations be tabled to MPAC.
d) Annual reporting to include detailed disciplinary statistics with case duration analysis.

4.5 Chapter 5 – Financial Performance

Findings

4.5.1 Surplus reporting requires reconciliation with cash flow performance.
4.5.2 Capital budget performance inconsistent with project-level reporting.
4.5.3 Restricted and unrestricted cash not clearly differentiated.
4.5.4 Conditional grant risk exposure requires continued monitoring.
4.5.5 Ongoing oversight required for irregular, fruitless and wasteful expenditure.

Recommendations

MPAC resolves that:

a) A detailed surplus and cash reconciliation report be submitted.
b) Capital expenditure and rollover schedules be tabled to MPAC.
c) Liquidity reporting to distinguish restricted from unrestricted cash.
d) Grant compliance schedules be submitted to Council.
e) Consequence management in respect of irregular expenditure continue to be strengthened.

5. OVERARCHING CONCLUSION

MPAC concludes that while the municipality demonstrates strong compliance with financial reporting standards and continues to achieve clean audit outcomes, sustainability risks remain in:

- Capital delivery performance
- ICT governance maturity

- Skills development investment
- Environmental infrastructure management

Council is urged to ensure that clean audit status is matched by measurable improvements in service delivery and institutional resilience.

6. OVERVIEW OF AUDITOR-GENERAL REPORT

The Auditor-General stated in the Annual Report (Annexure "A") that the audit evidence that was gathered is sufficient for the provision of the audit opinion. In the Auditor-General's opinion, the financial statements as of 30 June 2025 fairly represented and, in all material aspects, the financial position of the Council.

Findings:

6.1 Material Impairments

(a) As disclosed in note 4 to the financial statements, the receivables from exchange transactions balance has been significantly impaired. The Material impairments of R 181 992 667.00 (2023-2024: R 142 001 498.00) were incurred as a result of irrecoverable trade and other receivables from exchange transactions.

(b) As disclosed in note 5 to the financial statements, the receivables from non-exchange transactions balance has been significantly impaired. The material impairments of R 415 357 572.00 (2023-2024: R 368 179 320.00) were incurred as a result of irrecoverable receivables from non-exchange transactions.

6.2 Material Losses - Electricity

(a) As disclosed in note 30 to the financial statements, material electricity losses of R 36 969 487.00 (2023-2024: R 55 197 474) was incurred, which represents 7% (2023-2024: 12%) of total electricity purchased.

(b) Technical Losses amounted to R 12 321 930.00 (2023-2024: R 18 397 318.00) and were due to the electricity that was lost on distribution from the source of generation through the transmission and distribution network to the final consumer.

(c) Non-Technical Losses amounted to R 24 647 557 (2023-2024: R 36 800 156) and were due to faulty meters and illegal connections.

6.3 Material Losses - Water

(a) As disclosed in note 6 to the financial statements, material water losses of R 63 102 537.00 (2023-2024: R 57 767 697) was incurred, which represents 35% (2023-2024:34%) of the total water purchased.

(b) Technical Losses amounted to R 38 347 412 (2023-2024: R 32 708 070.00) and were due to physical loss through the water distribution network.

(c) Non-Technical Losses amounted to R 24 755 125.00 (2023-2024: R 25 059 627.00) and were due to persistent leakages as a result of aging water supply infrastructure and illegal connections.

6.4 Material uncertainties relating to Contingent Liabilities

(a) With reference to note 44 to the financial statements, the municipality is the defendant in various lawsuits. The municipality is opposing the claims, as it believes that the claims are not valid. The ultimate outcome of the matter could not be determined, and no provision for any liability that may result was made in the financial statements.

CONCLUSION

The Municipal Public Accounts Committee (MPAC) considered the 2024/2025 Annual Report and the report of the Auditor-General, **attached as Annexure "A" under separate cover.**

The MPAC further noted that the Midvaal Local Municipality received its 12th (Twelfth) clean audit report.

The MPAC will continue to carry out its oversight role, namely, to assist the Midvaal Local Municipality to be accountable to its ratepayers and to make meaningful recommendations to assist the Municipality.

The MPAC Committee, therefore, at its meeting held on 17 & 18 March 2026, unanimously resolved to recommend that the 2024/2025 Annual Report be approved in terms of Section 129 of the Local Government: Municipal Finance Management Act, 56 of 2003.

RECOMMENDATIONS

1. That, in terms of Section 129 of the Local Government: Municipal Finance Management Act, 56 of 2003 (MFMA), the Annual Report 2024/2025, be approved without reservations.

2. That the recommendations of the Municipal Public Accounts Committee (MPAC) be endorsed, and that the Mayoral Committee monitor progress in the recommendations and give regular feedback to MPAC:

   2.1. NOTES the Preliminary Findings of MPAC on the 2024/2025 Annual Report and the Questions and Answers thereto (Attached hereto marked as

Annexure 'B') and directs the Municipal Manager to implement the corrective actions outlined therein.

2.2. Submission of progress reports on implementation to MPAC within 90 days.

2.3. MANDATES MPAC to incorporate these findings into the final Oversight Report in terms of Section 129 of the MFMA.

Cllr. P.M. Lehloka
MPAC Chairperson

18 - 03 - 2026
Date

ANNEXURE "A"

OVERSIGHT REPORT - ANNEXURE 'A' - FINAL REVIEWED ANNUAL REPORT - 31 JAN 2026

DISTRIBUTED UNDER SEPARATE COVER

ANNEXURE 'B'

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE OF MIDVAAL LOCAL MUNICIPALITY
QUESTIONS AND ANSWERS ON THE 2024/2025 ANNUAL REPORT

Chapter 1		
Page:	Remarks	Response
8	Para 2 "eleven (12)" to be corrected to "twelve (12)".	
12	Financial Sustainability – (2) Ongoing cash management. • Cash decreased from R484 million (30/06/2024) to R464 million (30/06/2025), while surplus is reported as R64 million (on page 13). Possible error, administration to clarify. Punctuation.	
15	KPI 026 (Percentage Compliance to the requirements of Section 75 (MFMA) in terms of the Website updating monthly). • Clarify: Target- 100%; YtD – 100%; Measure of Attainment – Not fully effective. How can a KPI not be fully effective when the target is reached? (Performance classification inconsistent). • Remedial Action: Wording of "Website not be reviewed to comply with Section 75 requirements by 30 Sep 2025" unclear and contradictory. Clarify whether the website was reviewed or not reviewed. KPI 14.6 (The percentage of a municipality's capital budget actually spent on capital projects, identified for a particular financial year, in terms of the municipality's IDP). • Target: 90%, Actual 47.16%. The actual percentage spent is extremely low, explanation is to be provided by the administration. KPI 028 (Percentage of a municipality's budget actually spent on implementing its Workplace Skills Plan (WSP). • Target: 90%, Actual 34.87%. The actual percentage spent is extremely low, and an explanation is to be provided by the administration.	
16	KPI 074.1 (Percentage of Public Safety & Roads-related complaints addressed quarterly). • Target: 75%, Actual 56%. The actual percentage is low, explanation is to be provided by the administration. KPI 032 (Percentage of water losses reduced in line with the Water Demand Management (WDM) Plan per annum. • Target: -30%, Actual -33.75%. The actual percentage is low; explanation is to be provided by the administration.	
19	Sectoral Analysis - Tertiary Sector .	

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE OF MIDVAAL LOCAL MUNICIPALITY
QUESTIONS AND ANSWERS ON THE 2024/2025 ANNUAL REPORT

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE OF MIDVAAL LOCAL MUNICIPALITY QUESTIONS AND ANSWERS ON THE 2024/2025 ANNUAL REPORT

	• Age Group Data identical over 2023/2024 and 2024/2025 financial years, administration to confirm the correctness of information.	
20	Table T1.2.3. • Error correction on "Number of Households in municipal area" for the 2022/2023 financial year to be corrected ("2 4947" to 24 947). Socio-Economic status. • Reduced from 100% (2023/2024) to 81.3% (2024/2025) over one financial year. Clarity to be provided, to be fact-checked.	
24	Graph T..1.2.5. • Refers to 2019/2020, 2020/2021, 2021/2022 financial years, but the report refers to 2024/2025 financial year for the year under review. Data is outdated; administration to confirm. Date contained in graphs is identical over two financial years, administration to confirm the correctness of the information.	
29	Table T.1.2. • Total number of shacks "5 837" vs Housing Backlog of "5 900" (on page 18). Administration to clarify and confirm whether this amount (5 837) includes backyard dwellings.	

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE OF MIDVAAL LOCAL MUNICIPALITY QUESTIONS AND ANSWERS ON THE 2024/2025 ANNUAL REPORT

	• Administration to confirm that the values are correct, as the values seem insufficient.	
36	Numbering not sequential. Comparison to page 13 – ensure figures align across pages. "KPI026 – Website not reviewed." Wording unclear.	
51	Statutory Annual Report Process – (15) Oversight Committee assesses the Annual report. • Date of oversight (Feb / Mar 2025). The report is for the 2024/2025 financial year, yet the oversight assessment reflected falls within the reporting year. Should be Feb/Mar 2026 as the timeline would not be compliant with Section 129 of the MFMA. Administration to clarify.	
General Remarks:	Grammatical and punctuation errors. Appendix referencing is inconsistent.	

Chapter 2		
Page	Remark	
54-55	Division of Legislative and Executive Functions. • Conceptual overview of Political vs Executive function: The report explains that the Executive powers delegated to the Executive Mayor, MPAC assists with oversight between	

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE OF MIDVAAL LOCAL MUNICIPALITY QUESTIONS AND ANSWERS ON THE 2024/2025 ANNUAL REPORT

	executive and legislative function. MPAC, as a structure of a legislative function, is expected to assist with oversight of an executive function. Narrative does not clearly articulate functional independence and mechanisms preventing executive interference. The Separation of Powers, the Legislative – the Speaker's office, the Executive – the Mayor's office. MPAC, as a Section 79 Committee, falls within the Structure of the Speaker's office; you can't exercise oversight over the executive and also report to the executive, a clear separation of powers to be reflected. The person to whom MPAC reports is the Speaker.	
68	Risk Management Table T 2.6.1. • Various risk strategies implemented, but no measurable outcomes listed, no risk reduction percentages, no resolved/outstanding risks, no comparison to the previous financial year Risk Maturity. • Risk Management narrative was heavy, and the data supporting the assertion was very light.	

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE OF MIDVAAL LOCAL MUNICIPALITY QUESTIONS AND ANSWERS ON THE 2024/2025 ANNUAL REPORT

	• Administration to provide measurable indicators on how risk exposure has improved compared to the previous financial year. Presentation is inconsistent compared with other sections where substantial evidence was provided.	
73	Integrity Management Policy & Plant. • Best practice to review, even with no legislative changes, on a 3–5-year basis. The current policy is 5 years old, indicating stagnation in the ethics framework. Administration to confirm the correctness of the last review date.	
76-77	Ethics – deliverables in process. • Deliverables are either in the process of being concluded, and/or implemented, but no deadlines are given, no percentage completion, and no target dates are provided. Progress cannot be measured, and it is suggested that a status matrix be included with completion dates.	
77	Internal data inconsistency. • Earlier reference, another SCM section in the file search reflects different bid counts and totals. Concern is that the figures are inconsistent. Data is consistent across	

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE OF MIDVAAL LOCAL MUNICIPALITY
QUESTIONS AND ANSWERS ON THE 2024/2025 ANNUAL REPORT

	chapters, but in the appendix, SCM doesn't match the data in Chapter 2. Administration to confirm that SCM figures reported in Chapter 2 reconcile with those contained in Chapter 5, as well as the financial statements. • A further problem that may be experienced, as part of the review of the 2024/2025 annual report, it is being done on top of previous financial years, and a concern is that data is merely being copied from previous financial years, and the data is not being updated accordingly. Inconsistencies need to be addressed. Appointment of Bid Committee. • Independence risk. The Bid Adjudication Committee, as chaired by the CFO. This is legally correct; however, the CFO is also the Accounting Officer. SCM oversight concentrated in administration can sometimes cause a conflict, but this is just a general observation and does not necessarily mean that this needs to be changed.	
82	Sample sizes disclosed, methodology disclosed, independent/internal survey.	

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE OF MIDVAAL LOCAL MUNICIPALITY
QUESTIONS AND ANSWERS ON THE 2024/2025 ANNUAL REPORT

General Remarks:	Structural or editorial issues include inconsistent hyphenation, data inconsistency across financial years, incomplete sentences, and no governance performance dashboard included.

Chapter 3 – Component A		
Page	Remark	
88	Unaccounted water losses have decreased, but is more than the previous book year.	
89	• The proportion of households receiving 6kl of free water has increased. It is noted that money is received from the Provincial Government for this, but this needs to be included in the budget. • Unaccountable Water losses are a concern.	
90	• Statistics to be reviewed in light of influx of residents.	
117	Table: Free Basic Services to Low Income Households (T 3.6.2 / T 3.6.3). • Totals remain the same over financial years; administration to confirm the correctness of data. T 3.6.4 (Financial Performance 2024/25). • Associated costs exceed allocated budget.	
121	Graph T 3.7.5 (Road Infrastructure Costs). • The graph is unclear; it is suggested that the format be changed.	

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE OF MIDVAAL LOCAL MUNICIPALITY
QUESTIONS AND ANSWERS ON THE 2024/2025 ANNUAL REPORT

	• 2024/2025 Financial year, little/no money spent on maintenance of tar roads. Clear amounts to be provided.	
123	Capital Expenditure. • Equipment purchased – possible duplication of 12t Roller. Clarity required.	

General Remarks:	Water
	• Water-related operations are very good in terms of service delivery.
	• It is agreed that the water losses are high and that the infrastructure is old.
	• Concern regarding leaking or damaged/stolen water meters, which causes problems for the residents.
	• Overall water losses have decreased.
	• Some areas experience more burst pipes than other areas.
	• Water supplied by Rand Water, some of which flows directly to the purification plants, being the Vaal Marina Purification Plant and the Zuikerbosch Purification Plant.
	• Water is extracted from the Vaal River and is purified by Midvaal itself, thus not running through the Rand Water purification system.
	• Metered points coming from Rand Vaal.
	• Water quality is Blue Drop, which is very good.
	• Water conservation, additional water supply, and add an extraction point in the system via Bass Lake.
	• Infrastructure installed:
	  ○ Kookrus 13.755km.
	  ○ Riversdale 12km.
	  ○ Water Reticulation Valves, installation is slow due to the valves being expensive.
	• Most residents have access to water via pipes, water tankers, or water access points.	

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE OF MIDVAAL LOCAL MUNICIPALITY
QUESTIONS AND ANSWERS ON THE 2024/2025 ANNUAL REPORT

	• Water cleaning is done by a chlorine dosing system. Waste Water (Sanitation) • Most residents have access to water-borne systems connected to Septic tanks, chemical toilets, and pit latrines. • Meyerton WWTW is currently being upgraded from 10 000kl to 25 000kl, which will reduce the pressure on the Rothdene Pumpstation. • Vaal Marina Water Treatment Works at 100% capacity. • Ohenimuri WWTW. • Bantu Bonke WWTW. • Eye of Africa WWTW. • Out of the 96 samples taken, Bantu Bonke was the best performing, being 85% overall compliant, Vaal Marina 47% compliant, Meyerton 59% compliant, Ohenimuri 96% compliant. Electricity • The Midvaal system is generally stable. • The adjustment budget was done to do upgrades. • Losses are not as high due to smart meters being installed, which limits these systems from being overridden. • Savannah City & Sicelo Ext 4 has been electrified. Waste Management • MLM is doing well in terms of Waste Management, especially with the help of the new fleet. • Losses are still being incurred as a result of illegal dumping, specifically at Walkerville, due to limitations on permissible refuse.

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE OF MIDVAAL LOCAL MUNICIPALITY
QUESTIONS AND ANSWERS ON THE 2024/2025 ANNUAL REPORT

	• Midvaal to upgrade recycling.
	• Waste Management is almost fully staffed.
	• Overall Performance.
	    ○ Walkerville Landfill site to be licensed.
	    ○ MLM now owns equipment, and rental equipment is no longer required.
	    ○ Costs associated with a new Landfill site are quite high, but will be a benefit to the municipality.
	    ○ Scheduled targets cannot be obtained due to budget constraints.
	
	Housing
	• Not MLM competency.
	• Previous financial year 85.6% compliance, and is now at 83%, meaning that there is not enough housing due to the influx of residents.
	• MLM is working closely with the Provincial Government and will assist where possible.
	
	Indigent support
	• Concern: The evaluation process is to be applied strictly to curb misuse of the support system benefits.
	• The support benefits include rates and taxes rebates, indigent burials, expanded social packages, and pro-poor households.
	• Social services & ward councillors assist residents.
	
	Roads
	• MLM has 644.2km of surfaced roads and 556.1km of gravel roads.
	• Most long gravel roads are located in sparsely populated rural areas, often used by heavy vehicles, such as farming equipment, which cannot always be maintained, especially during the rainy season.

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE OF MIDVAAL LOCAL MUNICIPALITY
QUESTIONS AND ANSWERS ON THE 2024/2025 ANNUAL REPORT

	• In areas where road rehabilitation is not possible, the remaining tar will be removed and converted to a gravel road until such time as the budget allows for a new road to be constructed.
	• The current budget does not allow for the construction of new roads.
	• Alternatives to be sought for maintenance.
	• Fog spray on Roads not done.
	• Road cleaning to be done i.t.o. debris and weeds on the side of the road.
	• Jim Fouche bridge to be repaired (Provincial bridge).
	• Uitvlugt Road and Riversdale Roads are in the process of being repaired for an alternative route to Jim Fouche.
	• Various gravel to tar conversion were done.
	• Boundary Road was completely resurfaced.
	• Vacancies 21%.
	• Capital Expenditure.
	    ○ Equipment purchased: 4t Truck, 12t Roller, Water Tanker.
	    ○ Road rehabilitation -1%.
	    ○ Gravel to tar, could be invested in more.
	    ○ Vehicle licensing (to be kept up to date).
	    ○ Rollers are also used on gravel roads; thus, one roller is not enough to keep the roads maintained.
	
	Waste Water (Stormwater drainage)
	Drainage and Trenches to be cleaned.

Chapter 3 – Component B & C		
Page	Remarks	

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE OF MIDVAAL LOCAL MUNICIPALITY
QUESTIONS AND ANSWERS ON THE 2024/2025 ANNUAL REPORT

General Remarks:	General overview: the section relates to LED, Libraries, and Cemeteries. • The Municipality is doing very well in libraries and cemeteries. LED • It is a lot of work for little return, but it is socially beneficial. The report covered the areas very well.	
Chapter 3 – Component D & E		
Page	Remarks	
General Remarks:	Clinics • Running well and are maintained. • Client services complaints to be addressed. Fire Station Concern that there is not enough personnel, especially in the case of a disaster, and it is not budgeted for.	

Chapter 3 – Component F		
Page	Remarks	
General Remarks:	None.	

Chapter 4		
Page	Remarks	

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE OF MIDVAAL LOCAL MUNICIPALITY
QUESTIONS AND ANSWERS ON THE 2024/2025 ANNUAL REPORT

197	• Clarity whether the organisation consists of six (6) or seven (7) departments. • Workforce profile. ○ The turnover rate percentage to be confirmed. Organisational structure. • alignment with IDP.	
198	T 4.1.1. • Clarity on why technical posts remain unfilled. • Concern regarding Senior Management positions – The acting periods remain too long before an appointment is made. • Confirm vacancy rate, indicate which of the vacant posts are critical for service delivery, the length of time positions have been vacant, length of period of acting personnel in those positions. • Acting appointment risk.	
199	T 4.1.2 (Vacancy Rate). • Clarify whether reference is made to highly skilled employees (Highly skilled supervision: Levels 9 – 12 (excluding finance) and Highly skilled supervision: Levels 7 – 12 (Finance)) • Clarify the role within the municipality (Highly skilled supervision: Levels 9 – 12 (excluding	

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE OF MIDVAAL LOCAL MUNICIPALITY
QUESTIONS AND ANSWERS ON THE 2024/2025 ANNUAL REPORT

	finance) and Highly skilled supervision: Levels 7 – 12 (Finance)). • Training and funding to be provided to employees in order for the organisation to be capacitated.	
207	T 4.3.5 (Number and Period of Suspensions). • Information required regarding the suspension of the Director: Development & Planning, as it relates to Town Planning.	
208	Financial Misconduct. • How many Financial Misconduct cases were concluded, and how many were referred to MPAC.	
209	Performance Rewards. • Rewards for Municipal Manager & Section 57. Administration to confirm that employees are rewarded based on performance, if the department is not exceeding the target, how is HOD receiving a performance award.	
211	Staff recognition. • Councillors to be informed of these events for oversight purposes.	
214	T 4.5.3 (Skills Development Expenditure). • Workplace skills training expenditure is only at 34.8% and significantly below the target.	

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE OF MIDVAAL LOCAL MUNICIPALITY
QUESTIONS AND ANSWERS ON THE 2024/2025 ANNUAL REPORT

	The administration should clarify the reasons for the low expenditure.	
217	Employee cost risk is fairly captured.	
General Remark:	Clarity is required in terms of vacancies.	

Chapter 5		
Page	Remark	
221	Surplus vs Cash position reconciliation.	
239	Deviation from SCM regulations. • Number of ratio to total procurement. (R20m in 2024/2025 compared to R29.4m in 2023/2024) What percentage of total procurement does this represent, as a ratio cannot be attributed.	
General Remarks:	Financial Summaries. • How can there be a surplus, while cash decreases – requires clarification. Clarification is required on how the collection rate is determined.	

Report of the Auditor-General		
Page	Remark	
Annexure 'W' OPCA Plan – External Audit Findings	COAF 09. ICT Governance Framework. • ICT Governance Framework not formally approved for the period under review. Draft is at 70%. Approval expected by June 2026.	

MUNICIPAL PUBLIC ACCOUNTS COMMITTEE OF MIDVAAL LOCAL MUNICIPALITY
QUESTIONS AND ANSWERS ON THE 2024/2025 ANNUAL REPORT

	This is a major governance risk as this impedes MLM's clean report and audit sustainability. This issue needs to be properly reviewed, as the ICT governance should be approved, as heavy reliance is placed on ICT in terms of information systems, performance reporting, etc., and it should be clarified that this is being reported correctly.	

C 3734/03/2026
SMC A/6833/03/2026

9.A.2 [DP]: DRAFT MIDVAAL 2026/2027 INTEGRATED DEVELOPMENT PLAN REVIEW INCLUDING SPATIAL DEVELOPMENT FRAMEWORK

2/9/2

COMPETENCY: COUNCIL

PURPOSE

To submit the following to be *approved as Draft* by Council:

- Draft Midvaal 2026/2027 Integrated Development Plan (IDP), including the following Annexures **as distributed under separate cover**:
  - Annexure "A": Draft Community Needs
    - Annexure "A1": Priority Projects per Ward
    - Annexure "A2": Non-Municipal Competency
    - Annexure "A3": Municipal Competency
  - Annexure "B": Draft Midvaal 2026/2027 Spatial Development Framework (2022-2027)
  - Annexure "C": Draft Disaster Management Plan (2026/2027)
  - Annexure "D": Local Economic Development Strategy (2023)
  - Annexure "E": Water Conservation and Water Demand Management Strategy and Business Plan (2020)
  - Annexure "F": ICT Strategy (2021-2026)
  - Annexure "G": Midvaal Integrity Management Strategy Implementation Strategy (2026 - 2027)
  - Annexure "H": Human Settlement Plan 2022 – 2027 (Review 2026)
  - Annexure "I": Integrated Waste Management Plan (2021)
  - Annexure "J": Draft Performance Management Policy (2026/2027)
  - Annexure "K": Draft Performance Management and Development System Policy (2026/2027)
  - Annexure "L": Core Reporting Indicator Report
  - Annexure "M": Letter received from MEC: COGTA on the 2025/2026 IDP
  - Annexure "N": MEC:COGTA Response Letter to the 2025/2026 IDP
  - Annexure "O": Midvaal Electricity Master Plan 2021
  - Annexure "P": Midvaal Roads and Stormwater Master Plan 2024
  - Annexure "Q": Work Place Skills Plan 2026 - 2027

RECOMMENDATION

That the Draft Midvaal 2026/2027 Integrated Development Plan Review and Draft Spatial Development Framework, including **ALL** Annexures, be approved.

REPORT

Section 34 of the Municipal Systems Act, 2000 requires a municipal council to annually review the IDP in accordance with an assessment of its performance and to the extent that changing circumstances so demand. As a result of the annual review, the table below lists the changes that have been effected:

Chapter	Page Number	Status
Message from the Executive Mayor	8-9	Updated
Message from the Municipal Manager	10	Updated – New message
Chapter 1.1 Background, Legislative Framework and Mandate	11	updated sentence to highlight that this is the fourth revision of the 2022-2027 5-year IDP.
Figure 1 - Council Structure	15	Updated Council Structure received from Corporate Services.
Table 2 - 2026/2027 IDP Review Process Plan	16 - 19	Update with key deadlines as adopted in August 2025 (C 3614/08/2025)
2.4.3 Institutional Achievements	38	Updated institutional Achievements as received form the Office of the Executive Mayor
Chapter 2.5 Assessment of Existing Level of Development and Service Delivery	39-56	Update provided by departments for the 2026/2027 column.
Chapter 2.8 Community Participation Assessment	66-68	Information updated as per the public engagements held. Table 9 included on number of responses and community needs received in each review period.
Chapter 4 Financial Plan	83 - 103	Updated
Section 5 Human Resource Strategy	103 -115	Updated by Corporate Services Department – Human Resources Section
Chapter 6: Spatial Development, Local Economic Development and Disaster Management Support Plans	116,119, 121, 126	Updated by Development and Planning Department – Urban Planning Section and LED Section TER Table updated.
Annexure A – Draft Community Needs	N/A	All community needs received were included in Annexure A. Gauteng Provincial Department Expenditure Estimates included in A2.

Annexure B – Draft Midvaal 2026/2027 Spatial Development Framework (2022-2027)	N/A	The following table was updated: - Updated Table 22: name changed to reflect SDAs - Added foot note 8 – explaining changes to housing SDAs
Annexure C – Draft Disaster Management Plan (2026/2027)	N/A	Provided by Public Safety and Roads Department - Fire
Annexure G – Draft Midvaal Integrity Management Strategy (2026/2027)	N/A	Provided by Office of the MM – PMS Section
Annexure H – Draft Human Settlement Plan (2026/2027)	N/A	Provided by Development and Planning Department – HS Section
Annexure J – Draft Performance Management Policy (2026/2027)	N/A	Provided by Office of the MM – PMS Section
Annexure K – Draft Rerformance Management and Development System Policy (2026/2027)	N/A	Provided by Office of the MM – PMS Section
Annexure L – Core Reporting Indicator Report	N/A	Provided by Office of the MM – PMS Section
Annexure M – Letter received from MEC: COGTA on the 2025/2026 IDP	N/A	Letter included
Annexure N – MEC:COGTA Response Letter to the 2025/2026 IDP	N/A	Response Letter included
Annexure O - Midvaal Electricity Master Plan 2021	N/A	Provided by Engineering Department - Electricity
Annexure P - Midvaal Roads and Stormwater Master Plan 2024	N/A	Provided by Engineering Department - Water
Annexure Q - Work Place Skills Plan 2026 - 2027	N/A	Provided by Corporate Services Department – Huma Resources

PUBLIC PARTICIPATION PROCESS

Section 29 (i) and (ii) of the Municipal Systems Act, 2000 requires that the local community be consulted on its development needs and priorities and participate in the drafting of the integrated development plan. During October 2025, the municipality conducted public engagements with communities to ensure its planning is aligned with community needs to inform the budget accordingly. The table below outlines the public engagements held per ward:

Ward	Councillor	Date	Venue	Number of Attendees
1	P. Swart.	18/10/2025	Vaal Marina Community Hall	68
		18/10/2025	Jakkalsdraai Hall	12
2 3 13	SMA Janse van Rensburg. M Myburgh. JG Viljoen.	29/10/2025	AGS Kerk	56
3 9	BJ Jordaan. RJ Hubbard.	07/10/2025	Meyerton Town Hall	23
4	M Myburgh.	30/10/2025	Daleside Firehouse Gym	95
5 11	P Hutcheson. MA Maimane.	21/10/2025	De Deur Primary School	26
6	T Sithole	13/10/2025	Lakeside Multipurpose Centre	107
5 7	P Hutcheson. LTH Visser.	20/10/2025	Walkerville Showgrounds	66
8	MM Ndebele	14/10/2025	White House (Marquee Tent)	339
10	DT Mokhomo	27/10/2025	Sicelo Community Hall	22
11	MA Maimane	15/10/2025	Savanna City Ext 3 (Marquee Tent)	191
		25/10/2025	Savanna City Bonded (Curro Academy)	55
12	MC Kruger	11/10/2025	Final Turning Point Ministries International	97
14 15	PC Pretorius. AH Dickinson.	28/10/2025	Destinata School	23
Total				**1180**

Communities were provided with progress on the implementation of the IDP. The communities were encouraged to peruse Annexure A: Community needs of the 2026/2027 IDP, and any additional community needs could be submitted to their respective Ward Councillor or via idp@midvaal.gov.za for inclusion in Annexure A: Community Needs in the 2025/2026 IDP review. The closing date for submission was 14th November 2025.

A total of 15 responses were received, representing 60 community needs. Eight (8) community needs were received, where operational issues were forwarded to the call centre. Fifty-two (52) needs were incorporated as new or existing needs within Annexure A: Community Needs.

ANNEXURES

The following documents are **distributed under separate cover**:

- Draft Midvaal 2026/2027 Integrated Development Plan (IDP), including the following Annexures:
  - Annexure “A”: Draft Community Needs
    - Annexure “A1”: Priority Projects per Ward
    - Annexure “A2”: Non-Municipal Competency
    - Annexure “A3”: Municipal Competency
  - Annexure “B”: Draft Midvaal 2026/2027 Spatial Development Framework (2022-2027)
  - Annexure “C”: Draft Disaster Management Plan (2026/2027)
  - Annexure “D”: Local Economic Development Strategy (2023)
  - Annexure “E”: Water Conservation and Water Demand Management Strategy and Business Plan (2020)
  - Annexure “F”: ICT Strategy (2021-2026)
  - Annexure “G”: Midvaal Integrity Management Strategy Implementation Strategy (2026 - 2027)
  - Annexure “H”: Human Settlement Plan 2022 – 2027 (Review 2026)
  - Annexure “I”: Integrated Waste Management Plan (2021)
  - Annexure “J”: Draft Performance Management Policy (2026/2027)
  - Annexure “K”: Draft Performance Management and Development System Policy (2026/2027)
  - Annexure “L”: Core Reporting Indicator Report
  - Annexure “M”: Letter received from MEC: COGTA on the 2025/2026 IDP
  - Annexure “N”: MEC:COGTA Response Letter to the 2025/2026 IDP
  - Annexure “O”: Midvaal Electricity Master Plan 2021
  - Annexure “P”: Midvaal Roads and Stormwater Master Plan 2024
  - Annexure “Q”: Work Place Skills Plan 2026 - 2027

COMMENTS: MEETING OF THE MUNICIPAL MANAGER AND HEADS OF DEPARTMENT: 16 MARCH 2026

Resolved

The Item is supported and referred to the Section 80 Development & Planning Portfolio Committee.

C 3735/03/2026
SMC A/6834/03/2026

9.A.3 [FS]: DRAFT (TABLED) MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF): 2026/2027 TO 2028/2029 AS REQUIRED BY SECTION 16 OF THE MFMA

5/1/1 2026/2027 – 2028/2029

COMPETENCY: COUNCIL

PURPOSE

To submit the Draft (Tabled) Medium Term Revenue and Expenditure Framework for the 2026/2027 to 2028/2029 financial period in terms of Section 16 of the Municipal Finance Management Act.

RECOMMENDATIONS

1. **That** the report regarding the Draft Medium-Term Revenue and Expenditure Framework for the 2026/2027 to 2028/2029 financial period **BE NOTED.**

2. **That** the Draft Medium-Term Revenue and Expenditure Framework for the 2026/2027 to 2028/2029 financial period, inclusive of draft tariffs, the draft budget related policies, the draft SDBIP and the draft organisational structure **BE NOTED** in terms of Section 16 of the Municipal Finance Management Act**.**

3. **That** the Draft Medium Term Revenue and Expenditure Framework for the 2026/2027 to 2028/2029 financial period, inclusive of draft tariffs, draft budget related policies and draft SDBIP **BE SUBJECTED** to a community consultation process in terms of Sections 22 and 23 of the Municipal Finance Management Act and that the consultation process be done in accordance with Chapter 4 of the Municipal Systems Act.

4. **That** the Final Medium-Term Revenue and Expenditure Framework for the 2026/2027 to 2028/2029 financial period, inclusive of tariffs, final budget related policies, SDBIP and organisational structures **BE SUBMITTED** to Council for final consideration on 28 May 2026 as required by section 24 of the Municipal Finance Management Act.

REPORT

In terms of the legislative process, the Budget must be tabled to Council by no later than 31st March 2026 for endorsement by Council so that the public participation processes can take place during April 2026.

Section 16 of the MFMA dealing with the tabling of annual budgets, inter alia, reads as follows:

1) *The council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year.*

2) *In order for a municipality to comply with subsection (1), the mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year.*

3) *Subsection (1) does not preclude the appropriation of money for capital expenditure for a period not exceeding three financial years, provided a separate appropriation is made for each of those financial years.*

Section 24 of the MFMA, dealing with the approval of annual budgets and, inter alia, reads as follows:

1) *The municipal council must at least 30 days before the start of the budget year consider approval of the annual budget.*

2) *An annual budget-*

   a) *must be approved before the start of the budget year;*
   b) *is approved by the adoption by the council of a resolution referred to in section 17(3)(a)(i); and*
   c) *must be approved together with the adoption of resolutions as may be necessary-*

      i. *imposing any municipal tax for the budget year;*
      ii. *setting any municipal tariffs for the budget year;*
      iii. *approving measurable performance objectives for revenue from each source and for each vote in the budget;*
      iv. *approving any changes to the municipality's integrated development plan; and*
      v. *approving any changes to the municipality's budget related policies.*

3) *The accounting officer of a municipality must submit the approved annual budget to the National Treasury and the relevant provincial treasury.*

Process Followed

The key deadlines for the compilation of the IDP and Medium-Term Revenue and Expenditure Framework (MTREF, or Budget) were submitted to Council for approval during August 2025 as required by section 21(b) of the MFMA.

In terms of the approved key deadlines, the administrative process in the compilation of the budget was followed, and the Budget Steering Committee provided political oversight.

The Budget Steering Committee considered the operating budget, the capital budget, the tariffs and the budget-related policies and recommended that same now be forwarded to the Section 80 Committee, the Mayoral Committee as well as Council for consideration.

Budget Summary

The revenue for 2026/2027 is budgeted at R2 140 458 609 which is an increase of 6.57% from the 2025/2026 adjusted budget.

The Revenue Budget has been compiled based on projected billing, however provision has been made for a 90% collection rate through the provision of funds for the impairment of debtors.

The following tariff increases are proposed:

- Electricity – 10% (subject to final confirmation of NERSA)
- Water – 10%
- Sanitation – 6.5%
- Refuse Collection – 7.5%
- Assessment Rates – 6.5%

The tariff increases are above the projected inflation targets. Tariffs could not be contained within the targeted inflation limits due to increased cost of the provision of services. No growth in the volume of sales have been budgeted for.

The operating expenditure for 2026/2027 is budgeted at R2 228 901 983 (an increase of 6.6% from the 2025/2026 adjusted budget). This includes a provision for salary increases of 5.5%, increase in repairs and maintenance expenditure of 4%, operating cost of 4.88% and a decrease in contracted services of 5.16%. Bulk purchases have been increased as follows:

Water Purchases from Rand water – 10%
Electricity Purchases from Eskom – 9.01%

The capital amount proposed for 2025/2026 amounts to R170 953 000.

Midvaal mainly spends its capital expenditure on infrastructure services and for the 2026/27 financial year (77%) of the capital budget is allocated to the Engineering Services and Roads department.

The following attachments are provided: (Distributed under a separate cover)

SECTION ONE: MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK

Annexure A1	National Treasury Format Budget Document
Annexure B	Draft Capital Budget Summary
Annexure C	Draft Capital Budget Project List

SECTION TWO: TARIFF SCHEDULES

Annexure D Tariff Schedule for 2026/2027

SECTION THREE: BUDGET RELATED POLICIES

The budget related policies are attached as follows:

Annexure E Tariff By-Law
Annexure F Tariff Policy
Annexure G Property Rates By-Law
Annexure H Property Rates Policy
Annexure I Credit Control and Debt Collection By-Law
Annexure J Credit Control and Debt Collection Policy
Annexure K Cash Management Policy
Annexure L Investment Policy
Annexure M Borrowing Policy
Annexure N Budget Funding and Reserves Policy
Annexure O Municipal Supply Chain Management Policy and Procedures
Annexure P Fixed Asset Management Policy
Annexure Q Policy on the Planning and Approval of Capital Projects
Annexure R Indigents Policy
Annexure S Policy related to the provision of free basic electricity
Annexure T Policy related to the provision of free basic water
Annexure U Policy on the Acceptance of Grants, Donations, Sponsorships and Gifts
Annexure V Long Term Financial Planning Policy
Annexure W Disposal of Assets Policy
Annexure X Budget Implementation and Monitoring Policy
Annexure Y Unauthorised, Irregular, Fruitless and Wasteful Expenditure Policy
Annexure Z Allocation of Unclaimed Credits Policy
Annexure AA Bulk Developer Contributions Policy
Annexure AB Related Party Policy
Annexure AC Cell phone and connectivity allowance Policy
Annexure AD Caucus Budget Policy
Annexure AE Billing Policy
Annexure AF Electricity By-laws
Annexure AG Water By-laws
Annexure AH Supply Chain Management Process Turn-around Policy
Annexure AI EFT Policy
Annexure AJ Policy on Impairment of Receivables
Annexure AK Supply Chain Management Policy for Infrastructure Procurement and Delivery Management
Annexure AL Contract Management Policy
Annexure AM Fleet Management Policy
Annexure AN Cost Containment Policy
Annexure AO Virement Policy
Annexure AP Allocation of Payment Policy
Annexure AQ Wayleave Policy
Annexure AR UIFW Reduction Strategy
Annexure AS Preferential Procurement Policy

It must be noted that all Personnel Policies will be submitted to Council as separate items where amendments are required.

SECTION FOUR: DRAFT SDBIP

The Draft SDBIP is attached as Annexure AT.

SECTION FIVE: DRAFT PROCUREMENT PLAN

The Draft Procurement Plan is attached as Annexure AU.

SECTION SIX: DRAFT ORGANISATIONAL STRUCTURES FOR 2026/2027

The Draft Organisational Structures is attached as Annexure AV, to be viewed in conjunction with staff establishment item.

SECTION SEVEN: ADDITIONAL INFORMATION

This section deals with other information that are submitted to Council for additional information as part of the annual budget documentation.

Annexure AW Midvaal Service Charter
Annexure AX NT MFMA Cost Containment Regulations
Annexure AY Midvaal Cost Containment Progress
Annexure AZ MFMA Budget Circular No 132 dated 05 December 2025

C 3736/03/2026
SMC A/6803/02/2026

9.A.4 [CS]: APPROVAL OF A MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE GAUTENG PROVINCIAL DEPARTMENT OF e-GOVERNMENT AND MIDVAAL LOCAL MUNICIPALITY

13/5

COMPETENCY: COUNCIL

PURPOSE

To request approval for the entering into a Memorandum of Understanding (MOU) between Midvaal Local Municipality and the Gauteng Provincial Department of e-Government (e-Gov), in order to establish a formal partnership for the provision, collaboration, integration and support of ICT-related services, digital transformation initiatives and e-Government solutions to enhance municipal service delivery.

RECOMMENDATIONS

1. That the Memorandum of Understanding (MOU) between Midvaal Local Municipality and the Gauteng Provincial Department of e-Government (e-Gov) for a period of five (5) years, be approved.
2. That Council approves that the Municipal Manager be authorised to sign the MOU on behalf of Midvaal Local Municipality.
3. That Council notes that each Party shall be responsible for its own financial obligations and costs relating to the implementation of the MOU, unless otherwise agreed upon for specific projects.

REPORT

The Gauteng Provincial Department of e-Government (e-Gov) is mandated to modernise government services and foster a citizen-centric innovation ecosystem through the implementation of transformative Fourth Industrial Revolution (4IR) technologies. The Department further seeks to support government entities through the development and enablement of ICT infrastructure, platforms and e-services.

Midvaal Local Municipality, as a key local government institution within the Gauteng City Region (GCR), is continuously pursuing ICT-driven solutions that improve operational efficiency, enhance governance, and strengthen service delivery to residents, businesses and visitors.

The proposed MOU establishes a formal partnership between the parties, aimed at strengthening collaboration, enabling systems integration, and supporting the roll-out of ICT solutions such as e-recruitment, e-learning, payroll systems, performance management, records management, business intelligence analytics, customer relationship management systems, work allocation systems and warehousing solutions.

1. DISCUSSION / SUMMARY OF THE MOU

The MOU outlines a cooperative relationship between the parties with the intention to promote ICT innovation, enhance e-service delivery and ensure alignment to the Gauteng Provincial e-Government Strategy.

The agreement is structured around the five pillars of the Gauteng Provincial e-Government Strategy, which include:

- Enabling ICT infrastructure for a connected government,
- Platforms and support services for e-Government delivery,
- Governance structures for ICT priorities, policies and standards,
- Promoting the usage of e-services, and
- Stimulating the ICT economy through innovation and partnerships.

The agreement further provides for integration and collaboration between the parties to automate municipal processes, improve efficiency, enable data exchange, and strengthen secure ICT operations and cybersecurity information sharing.

2. DURATION OF THE AGREEMENT

The MOU shall be for a period of five (5) years and may be terminated earlier should either party provide six (6) months' written notice, supported by sound and rational grounds.

3. ROLES AND RESPONSIBILITIES

The Gauteng Department of e-Government commits to:

- Automating and integrating systems to improve municipal processes and service delivery.
- Supporting compliance through signing of Service Level Agreements (SLA) where required.
- Collaborating on broadband infrastructure access and integration.
- Supporting consolidation of data and disaster recovery services into the Gauteng Private Cloud.
- Collaborating on cyber security systems and incident response.
- Providing access to and hosting of e-services and platforms.
- Supporting digital township economy initiatives and ICT skills development.

Midvaal Local Municipality commits to:

- Ensuring compliance with the MOU.
- Liaising with e-Gov regarding service issues and assisting with resolution.
- Providing access to municipal systems where required.
- Ensuring accuracy of municipal data and maintaining system security.

Joint Responsibilities

Both parties commit to:

- Establishing secure communication channels for data exchange.
- Coordinating on data governance policies and procedures.
- Cooperating in good faith to resolve integration and service delivery issues.
- Coordinating response to cyber security incidents.

4. CONCLUSION

The approval of this MOU will strengthen collaboration between Midvaal Local Municipality and the Gauteng Provincial Department of e-Government, enabling improved ICT integration, enhanced digital services, shared cyber security initiatives, and support for strategic ICT modernisation.

The agreement aligns with provincial e-Government objectives and supports the municipality's digital transformation agenda to improve service delivery and operational efficiency.

Council approval is therefore requested to authorise the Municipal Manager to sign the MOU on behalf of the Municipality.

EXECUTIVE DIRECTOR: CORPORATE SERVICES – LEGAL COMMENTS

The MOU was vetted by Legal Services and found to be in order.

The item is supported.

COMMENTS: MEETING OF THE MUNICIPAL MANAGER AND HEADS OF DEPARTMENT: 23 FEBRUARY 2026

Resolved To Recommend

That the Item is supported and referred to the Section 80 Corporate Services Portfolio Committee.

COMMENTS: SECTION 80 CORPORATE SERVICES PORTFOLIO COMMITTEE: 24 JANUARY 2026

RESOLVED

The recommendations are supported.

GAUTENG PROVINCE
e-GOVERNMENT
REPUBLIC OF SOUTH AFRICA

MEMORANDUM OF AGREEMENT BETWEEN

Gauteng Provincial Department of e-Government

Herein represented by **Ms. Masabata Mutlaneng** in her capacity as Head of Department

and duly authorised in terms of Section 36 of the Public Finance

Management Act 1 of 1999 (Hereinafter referred to as "**Department**")

AND

Midvaal Local Municipality

duly represented by **Mr Phumudzo Magodi** in his capacity as Municipal Manager and duly authorised hereto in terms of the Municipal Structures Act, No. 117 of 1998, and is recognised as a Category B municipality within the Sedibeng District Municipality, Gauteng Province, in terms of section 155 of the Constitution of the Republic of South Africa, 1996.

(hereinafter referred to as **"MIDVAAL"**)

GAUTENG PROVINCE
e-GOVERNMENT
REPUBLIC OF SOUTH AFRICA

Contents

GAUTENG PROVINCE
e-GOVERNMENT
REPUBLIC OF SOUTH AFRICA

1. DEFINITIONS

The following expressions/acronyms bear the meaning assigned to them and cognate expressions/acronyms shall bear corresponding meanings:

1.1. **"Business Day"** - means any day other than a Saturday, Sunday or public holiday in the RSA, within the meaning of the Public Holidays Act, 1994.

1.2. **"Confidential Information"** means Information relating to one Party or its Agents (the "Disclosing Party") and/or the business carried on or proposed or intended to be carried on by the Disclosing Party and which is made available in connection with this Agreement to the other Party (the "Receiving Party") (or its Agents) by the Disclosing Party (or its Agents) or which is recorded in agreed minutes following oral disclosure to the Receiving Party and any other information which is otherwise made available by the Disclosing Party (or its Agents) to the Receiving Party (or its Agents), whether before, on or after the date of this Agreement, including any information, analysis or specifications derived from, containing or reflecting such information but excluding information which:

1.2.1. is publicly available at the time of its disclosure or becomes publicly available (other than as a result of disclosure by the Receiving Party or any of its Agents contrary to the terms of this Agreement); or

1.2.2. was lawfully in the possession of the Receiving Party or its Agents (as can be demonstrated by its written records or other reasonable evidence) free of any restriction as to its use or disclosure prior to it being so disclosed; or

1.2.3. following such disclosure, becomes available to the Receiving Party or its Agents (as can be demonstrated by its written records or other reasonable evidence) from a source other than the Disclosing Party or his agents, which source is not bound by any duty of confidentiality owed, directly or indirectly, to the disclosing party in relation to such information.

GAUTENG PROVINCE
e-GOVERNMENT
REPUBLIC OF SOUTH AFRICA

1.3. **"MIDVAAL"** means Midvaal Local Municipality.

1.4. **"Client"** means service recipient (Midvaal Local Municipality)

1.5. **"Customer Relationship Manager (CRM)" means** the person(s) so designated at the e-Gov who is responsible for building and maintaining customer relationships with the Client.

1.6. **"e-GOV"** means the Gauteng Department of e-Government.

1.7. **"Intellectual Property"** means collectively, patents, trademarks, designs, models, copyright, Know-How, inventions, trade and business secrets, and any other type of intellectual property that is used or held in connection with a Party's business, regardless of whether such intellectual property is currently used or held or is registered or unregistered. Intellectual Property further includes any other right to apply for the registration, use, or protection of same.

1.8. **"Operations Manager"** (OM) means the person(s) so designated at the e-Gov or Client who is responsible for managing the day-to-day operations of the specific services to ensure its delivery.

1.9. **"Services"** means providing ICT Solutions needed such as e-recruitment, e-learning, payroll, performance management, records management, business intelligence for Analytics and Reporting purposes, Customer Relation Management, System, work allocation and tracking system and SAP Warehousing.

1.10. Words importing the masculine shall include a reference to the feminine and vice versa.

1.11. Headings in this Agreement are for reference purposes only and shall not affect the interpretation hereof.

1.12. Words importing the singular shall include a reference to the plural and vice versa.

GAUTENG PROVINCE
e-GOVERNMENT
REPUBLIC OF SOUTH AFRICA

1.13. Reference to a document includes an amendment or supplement to, or replacement or novation of that document and any reference in this Agreement to legislation or a statute shall be a reference to such legislation or statute as at the Signature Date and as amended, varied or re-enacted from time to time.

1.14. Where numerical figures are referred to in numerals and words, if there is any conflict between the two, the words shall prevail.

1.15. If any provision is a definition and is a substantive provision conferring rights or imposing obligations on any party, notwithstanding that it is only in the definition (or such other clause) effect shall be given to it as if it were a substantive provision in the body of this Agreement.

1.16. Where any number of days is prescribed in this Agreement, that number shall be determined inclusively of the first and exclusively of the last day, unless the last day falls on a day which is not a Business Day, in which case the last day shall be the following Business Day.

1.17. The use of the word "including" followed by specific examples shall not be construed as limiting the meaning of the general wording preceding it and the *eiusdem generis* rule shall not be applied in the interpretation of such general wording or such specific examples.

1.18. Unless expressly otherwise stated, no provision of this Agreement shall constitute a stipulation for the benefit of any person (*stipulation alteri*) who is not a Party to this Agreement.

1.19. The terms of this Agreement having been negotiated, shall not be interpreted against the Party who procured its preparation and drafting, it being specifically agreed that the *contra proferentem* rule shall not apply.

GAUTENG PROVINCE
e-GOVERNMENT
REPUBLIC OF SOUTH AFRICA

2. PREAMBLE TO THE AGREEMENT

2.1. Whereas the Gauteng Department of e-Government (the "e-GOV") has as its responsibilities and mission to Modernise government services and foster the implementation of a citizen centric innovation ecosystem that stimulates sustainable economic growth through transformative fourth industrial revolution technologies.

2.2. Whereas it is critical for the e-Gov to have adequate capacity to fulfil its responsibilities and mandate in an effective, efficient, and cost- effective manner. To ensure that services are delivered efficiently, cost-effectively and at the standards as set by a written Service Level Agreement (SLA) between the Gauteng Department of e-Government and the Midvaal Local Municipality.

2.3. Now therefore, the parties enter into this written agreement as follows:

3. DURATION AND RENEWAL OF THE AGREEMENT

3.1. The period of this agreement commences on the commencement date and shall endure for a period of five (5) years unless terminated earlier by one Party giving the other Party six (6) months' notice of its intention to terminate on sound and rational grounds.

4. POSITIVE UNDERTAKINGS

4.1. The parties confirm their distinct complementary and respective roles in the implementation of this MOU.

4.2. The parties further commit to collaborate to promote the objectives of this MOU.

GAUTENG PROVINCE
e-GOVERNMENT
REPUBLIC OF SOUTH AFRICA

4.3. The parties will endeavour to align their strategic objectives to achieve the intent of the MOU

4.4. Each party shall remain entitled to engage in and receive full benefits from its independent business activities and operations without any consultation or other obligations to the other party.

5. GCR EGOVERNMENT STRATEGY

The areas of agreement shall be aligned to the 5-pillar programme of the Gauteng Provincial Government and to the Gauteng Provincial e-Government strategy:

5.1. To build an enabling ICT infrastructure for the GCR connected government

5.2. To create the enabling platform and support services to enable GCR entities to design, develop and deliver e-Government services.

5.3. To establish a GCR e-Government governance structure to drive priorities, policies, standards and regulations.

5.4. To promote usage of e-Government services (Citizens, Businesses and Government Entities).

5.5. To stimulate the ICT economy through facilitating incubation and innovation as well as encouraging public private partnerships for the development and roll-out of e-Government services.

5.6. The Parties agree to commit which will include but not limited to those in section 5 of this agreement, "cooperate in providing e-Governance, management of ICT and e-Services in the municipality to Citizens, Business, Government and visitors".

GAUTENG PROVINCE
e-GOVERNMENT
REPUBLIC OF SOUTH AFRICA

6. E-GOVERNMENT'S RESPONSIBILITIES / OBLIGATIONS/ UNDERTAKINGS

6.1. <u>Integration and Collaboration</u>

6.1.1. To automate various functions within the MIDVAAL Process to realise efficiency and improve service delivery, approve and sign the SLA and any subsequent modifications to ensure SLA compliance;

6.1.2. To collaborate and integrate with various solutions within the municipality

6.1.3. To ensure compliance with the Agreement;

6.1.4. To activate and renew the relationship between e-Gov and the Client;

6.1.5. Scope of Integration: The scope of Systems integration shall include different or specific systems or data sets to be integrated, e.g., customer relationship management (CRM) systems, financial data platforms, operational databases.

6.1.6. The teams shall agree on technical specifications for the particular integration

6.1.7. Scope of Collaboration: The scope of collaboration shall include joint data analysis, shared reporting, coordinated incident response, mutual development of data-driven solutions].

6.1.8. E-Gov undertakes to abide by its roles and responsibilities as per this Agreement.

6.2. <u>Enabling ICT Infrastructure</u>

6.2.1. The parties commit to create an enabling ICT infrastructure for the realization of the connected GCR.

GAUTENG PROVINCE
e-GOVERNMENT
REPUBLIC OF SOUTH AFRICA

6.2.2. The parties agree that they will allow each other's access to their existing Broadband network within the agreed protocols and securities.

6.2.3. The parties agree to integrate GBN connectivity with existing and new broadband infrastructure and vice versa.

6.2.4. The parties agree that wayleave application will be priorities and approvals expedited.

6.2.5. The parties agree to consolidation of Data and Disaster Recovery Centres into the GPG Private Cloud.

6.2.6. The parties agree to collaborate and share experiences on current cyber security events and the response or mitigations to the events.

6.2.7. The parties agree to collaborate and share information on the following:

6.2.8. cyber-Security systems: "and"

6.2.9. cyber–Security Prevention Tools

6.2.10. Compliance with Midvaal ICT policies and governance framework

6.2.10.1. The implementation of this MOU will be subject to Midvaal Local Municipality's ICT Governance Framework, ICT Security Policies, Change Management controls, and ICT standards currently in place.

6.2.10.2. The agreement promotes compliance with sound ICT governance practices through:

6.2.10.2.1. Secure systems integration requirements.

6.2.10.2.2. Protection of data through confidentiality and governance commitments.

GAUTENG PROVINCE
e-GOVERNMENT
REPUBLIC OF SOUTH AFRICA

6.2.10.2.3. Emphasis on cyber security collaboration and coordinated incident response.

6.2.10.2.4. Formalisation of roles and responsibilities, which align with good governance principles.

6.2.10.2.5. Requirement that services and platforms adhere to national standards and international best practices.

6.2.11. All activities emanating from this agreement will therefore be implemented in accordance with municipal ICT governance processes, including risk management, information security controls, access management, and change approval procedures.

6.3. **e-Services and Platform**

6.3.1. The parties agree to provide access and utilizations to existing e-Services and those are to be developed.

6.3.2. The parties agree to share and promote the usage of e-Services to citizens, business, government entities and visitors.

6.3.3. The parties agree that their platforms and a-Services will adhere to all national standards and international best practice and conventions.

6.3.4. The parties agree to make each other's online platform available to host the other party's e-Services.'

6.4. **Stimulation of ICT Economy**

6.4.1. The parties agree to stimulate the digital township economy by:

6.4.1.1. creating an enabling environment of jobs for young people, women, and previously disadvantaged individuals.

GAUTENG PROVINCE
e-GOVERNMENT
REPUBLIC OF SOUTH AFRICA

6.4.1.2. promoting innovation and encouraging digital entrepreneurships; and

6.4.1.3. growing skills and capacity for the 4th Industrial Revolution (4IR) (Skilling):

6.4.2. The parties agree to support SMMEs in general and those in the townships in particular.

6.4.3. The parties agree to increase the speed and lower the cost of connectivity and access to the Internet.

6.4.4. The parties agree to allow each other access to all public spaces where Connectivity is made available such as Libraries and existing connected sites within their respective control.

6.4.5. The parties agree to maintain existing free Wi-Fi access sites within the local municipal areas and to grow access to free Wi-Fi in areas that are not adequately covered.

7. MIDVAAL'S RESPONSIBILITIES /OBLIGATIONS/ UNDERTAKINGS

7.1. To ensure compliance with this agreement.

7.2. To liaise with e-Gov in respect of queries or service issues escalated to them and assist in resolution where practical.

7.3. Undertakes to abide by its roles and responsibilities.

8. JOINT ROLES AND RESPONSIBILITIES

8.1. Midvaal Responsibilities: Midvaal shall be responsible for:

GAUTENG PROVINCE
e-GOVERNMENT
REPUBLIC OF SOUTH AFRICA

8.1.1. providing access to its Systems as per requirements, ensuring the accuracy of Data originating from its Systems, maintaining its System security.

8.1.2. Cooperating with Midvaal in good faith to resolve any issues related to Data or Systems integration.

8.2. e-Gov Responsibilities: e-Gov shall be responsible for:

8.2.1. developing and implementing integration interfaces as per requirements, ensuring the proper processing of Data received from Midvaal, maintaining its System security.

8.2.2. Cooperating with Midvaal in good faith to resolve any issues related to Data or Systems integration.

8.3. Joint Responsibilities: The Parties shall jointly be responsible for:

8.3.1. Establishing and maintaining secure communication channels for Data exchange.

8.3.2. * Coordinating on Data governance policies and procedures.

8.3.3. * Responding to Security Incidents in accordance with Section

9. FINANCIAL OBLIGATIONS

9.1. Each Party shall finance its own costs relating to this MOU and shall be in line with PFMA and MFMA.

9.2. There shall be no expectation of financial relief from each other.

9.3. Notwithstanding 9.2 above, nothing shall prevent one party from agreeing to support, fund, or resource-specific projects, programs, or activities of the other

GAUTENG PROVINCE
e-GOVERNMENT
REPUBLIC OF SOUTH AFRICA

party. The party receiving such support, funding, or resources shall be accountable to such other party for all funds or other resources received.

10. BREACH

10.1. All Intellectual Property rights created, acquired or otherwise obtained, including but not limited to copyright in documents and operational analysis, concepts, ideas, methods, methodologies, procedures, processes, know-how, techniques, models, templates; generalized features of the structure, sequence, and organization of software, user interfaces and screen designs; general purpose consulting and software tools, utilities and routines; and logic, coherence, and methods of operation systems, related to and in the reports, documents, databases developed and supplied prior to the conclusion of this Agreement shall remain the sole property and right of each Party responsible for such creation or acquisition.

10.2. Except for cases where a license is expressly granted in writing, neither Party shall acquire any right or interest in the other Party's Intellectual Property.

10.3. Each Party (the "warranting party") warrants that no aspect of its Intellectual Property rightfully utilised by the other Party in terms of this Agreement will infringe any patent, design, copyright, trade secret, or other proprietary right of any third party ("third-party proprietary rights"), and the warranting party shall, at its cost, defend the other Party against any claim that the Services infringe any such third party proprietary rights, provided that the other Party gives prompt notice to the warranting party of such claim, the warranting party controls the defence thereof, and the Parties agree to co-operate and provide reasonable support to each other in the defence of the claim.

10.4. Upon the termination or expiry of this MOU, the Gauteng Department of e-Government shall return, and/or submit, as the case may be, to the Municipality

GAUTENG PROVINCE
E-GOVERNMENT
REPUBLIC OF SOUTH AFRICA

any Intellectual Property of the Municipality, and any Work and/or Marketing and/or Project deliverables developed by the Department on behalf of the Municipality in terms of this Agreement. The Intellectual Property of the Municipality shall be returned within seven (7) days after the expiry or termination of this MOU, whichever occurs first, or on written request by the Municipality.

11. DISPUTE RESOLUTION

11.1. The parties recognize that they are governed by the Intergovernmental Framework Relations Act, 2005 (Act No. 13 of 2005) "and may not institute legal action against each other. Thus, it is agreed that if a dispute arises out of or in connection with this MOU, the following dispute resolution mechanism apply:

11.2. The parties shall attempt to resolve the dispute through discussions between liaison personnel from each Department who are duly appointed to deal with matters in relation to which the dispute has arisen.

11.3. Should the dispute remain unresolved, it shall be referred by the liaison personnel to either the Municipal Manager or the Heads of Department, depending on the magnitude of the issues.

11.4. Should the dispute come to the Heads of Department and Municipal Manager level, both heads may:

11.4.1. Reach an agreement with each other, or

11.4.2. Refer the dispute to a facilitator or any other person or body considered appropriate to resolve the dispute; or

11.4.3. Attempt to resolve the dispute with the input of the respective Councils.

11.5. Should the dispute remain unresolved, the Heads of Department or Municipal Manager may refer the dispute to the Member of the Mayoral Committee

GAUTENG PROVINCE
e-GOVERNMENT
REPUBLIC OF SOUTH AFRICA

(Municipality) and the Member of the Executive Council (Gauteng Department of e-Government) if it remains unresolved the dispute may be referred to the Gauteng Premier.

12. INTELLECTUAL PROPERTY

12.1. Any Background Intellectual Property belonging to either Party before the commencement of the agreement will belong to that Party, and the other Party will not have a claim against such Background Intellectual Property, which may include, but are not limited to thoughts patents, patent applications, inventions, discoveries and improvements, copyright in documents, computer software, drawings, designs, operational analysis, technology, course material and know-how and written material, including course material of whatever nature compiled for the purposes of this research.

12.2. All Foreground Intellectual Property shall be jointly owned by the Parties in equal shares, and the Parties shall be free to commercially exploit the Foreground Intellectual Property with the proper acknowledgement of each Party.

12.3. Subject to section 15 of the Publicly Financed Research and Development Act 51 of 2008 (IPR Act), the Parties agree that in the event of publicly financed research and development, the IPR Act will be applicable, and both Parties will comply to the provisions of this Act.

12.4. Subject to section 15(2) of the IPR Act, intellectual property emanating from publicly financed research and development shall be owned by the Recipient.

12.5. No Party will claim any intellectual property rights to any trademarks or brands of the other Party, nor will one party use any trademarks or brands of the other party without the written consent of that Party.

GAUTENG PROVINCE
e-GOVERNMENT
REPUBLIC OF SOUTH AFRICA

13. INDEMNITY AND LIMITATION OF LIABILITY

13.1. Each Party shall defend, indemnify, and hold harmless the other Party from all losses, claims, suits and expenses of any kind and description, including, without limiting the generality of the foregoing, losses, claims, suits and expenses arising out of or in connection with property damage, injuries or death sustained by any person or persons whatsoever which may result from or arise in connection from this Agreement.

13.2. Under no circumstances shall either Party be liable for any indirect or consequential damages arising out of or relating to its performance or failure to perform under this Agreement.

13.3. Neither party excludes or limits liability to the other party for death, personal injury caused by its proven negligence or that of its employees, for fraud or theft by it or its employees and for a breach of any of the provisions in this Agreement.

13.4. Nothing in this clause 12 (Limitation of Liability) will be taken as in any way reducing or affecting a general duty to mitigate loss suffered by a Party.

14. CONFIDENTIALITY

14.1. Each party agrees that the Confidential Information of the other party will be held in confidence to the same extent and the same manner as each party protects its own Confidential Information, but each party agrees that in no event will less than reasonable care be used.

14.2. Each party shall, however, be permitted to disclose relevant aspects of such confidential information to its officers, employees and consultants on a need-to-know basis, provided that they have undertaken to protect the Confidential Information to the same extent as required under this Agreement.

GAUTENG PROVINCE
e-GOVERNMENT
REPUBLIC OF SOUTH AFRICA

14.3. Each party agrees to use all reasonable steps to ensure that the other party's Confidential Information received under this Agreement is not disclosed in violation of this paragraph.

14.4. Confidential Information shall not include information that:

14.4.1. is or becomes generally known or available to the public at large through no negligent act or omission of either party;

14.4.2. can be demonstrated to have been available lawfully to either party prior to the disclosure or had thereafter been furnished to either party without restrictions to disclosure or use; or

14.4.3. can be demonstrated to be independently developed by the recipient of Confidential Information without use of such Confidential Information and such independent development is proven on the basis of either party's records related to such development.

15. DOMICILIUM

15.1. The parties choose as their respective addresses for the purpose of giving or sending any notice provided for or necessary in terms of this MOU, the said *domicilia-*

15.2. The Parties choose as their *domicilia citandi et executandi* the following addresses:

15.2.1. For Gauteng Department of e-Government: Imbumba House

75 Fox Street Johannesburg 2107

e-Gov Representative: Ms. Sipokazi Gqweta

e-mail address: Sipokazi.Gqweta@gauteng.gov.za

GAUTENG PROVINCE
e-GOVERNMENT
REPUBLIC OF SOUTH AFRICA

Cell number: 083 289 9802

Work Tel:011 689 6530

15.2.2. All communications shall be marked for the attention of the Municipal Manager

For the Midvaal Local Municipality:

25 Mitchell Street

Po Box 9

Meyerton

1961

Municipality Representative: Mr. Phumudzo Magodi

e-mail address: mm@midvaal.gov.za

Work Tel: (016) 360 7400

15.3. A Party is entitled from time to time, by written notice to the other, to vary its *domicilium* to any other address within the Republic of South Africa which is not a post office box or poste restante.

15.4. Any notice given by one Party to the other ("the addressee") which is:

15.4.1. delivered by hand during the normal business hours of the addressee at the addressee's *domicilium* for the time which shall be presumed, until the contrary is proved, to have been received by the addressee at the time of delivery,

15.4.2. posted by pre-paid registered post from an address within the Republic of South Africa to the addressee at the addressee's *domicilium* for the time being shall be presumed, until the contrary is

GAUTENG PROVINCE
e-GOVERNMENT
REPUBLIC OF SOUTH AFRICA

proved, to have been received by the addressee on the 4th (fourth) day after the date of posting; or

15.4.3. transmitted by telefax or email shall be deemed (in the absence of proof to the contrary) to have been received within 1 (one) hour of transmission where it is transmitted during normal business hours of the receiving instrument and within 2 (two) hours of the commencement of the following business day where it is transmitted outside those business hours.

16. ANTI-CORRUPTION

16.1. The Parties and each of its owners, affiliates, officers, directors, employees and agents acting under its instructions and/or influence and taking actions in furtherance of this Agreement, will comply with all applicable anti-corruption laws, including the Prevention and Combating of Corrupt Activities Act No. 12 of 2004 of the Republic of South Africa.

16.2. The Parties also agrees to adhere to any other applicable anti-bribery and anti-corruption laws and regulations applicable like the U.S. Foreign Corrupt Practices Act of 1977 (where applicable), the Australian Criminal Code Amendment (Bribery of Foreign Public Officials) Act of 1999, and the UK Bribery Act 2010 to the extent that they are applicable (collectively, the "**Applicable Anti-Corruption Legislation**").

16.3. Should there be a breach of the Applicable Anti-Corruption Legislation by either Party, the aggrieved Party may demand that any monies already paid under this Agreement, must be paid back, and any appropriate charges may be filed against the Defaulting Party.

GAUTENG PROVINCE
e-GOVERNMENT
REPUBLIC OF SOUTH AFRICA

17. FORCE MAJEURE

17.1. If either party is prevented, whether in whole or in part, from performing any of its duties, functions or obligations under this agreement, whether timeously or at all, due to an act of God (which for the purposes hereof shall mean war, political riots, civil commotions, insurrection, sabotage, legal prohibitions or restrictions), then such failure shall not constitute a breach under this document, and the obligation to perform shall be suspended to the extent and during the continuance of such prevention provided that the service provider shall use its best endeavours to minimise any delay occasioned thereby.

17.2. In order to qualify for the protection under the above clause, the party providing a service / or who is prevented from performing in terms of this contract, shall forthwith upon the happening or anticipation of the happening of such event notify the other party thereof and furnish that party with full particulars of the nature and cause of the prevention or expected prevention and the anticipated extent and duration thereof and shall at all times keep that party informed as to the position prevailing from time to time, in order to enable that party to take all such steps as it may consider necessary to protect its interests and reduce any loss or inconvenience to itself or others including, but not limited to, the right to appoint any other service provider(s) to render the services or any aspect thereof.

17.3. Notwithstanding anything to the contrary contained or implied in this clause, should such delay endure for a period of 3 (three) months or more, then the aggrieved party shall be entitled, but not obliged, to cancel this agreement on written notice to the other party to such effect and that party shall not have any claim against the aggrieved party arising there from.

18. INSURANCE

18.1. Both Parties shall for the continued duration of this agreement, have and

GAUTENG PROVINCE
e-GOVERNMENT
REPUBLIC OF SOUTH AFRICA

maintain sufficient insurance to cover its obligations and liabilities under this agreement.

18.2. The terms of any insurance or the amount of cover shall not relieve the affected Party of any liabilities under this agreement.

18.3. Where applicable, both Parties shall be covered by Public Liability Insurance.

19. INTERPRETATION AND JURISDICTION OF THE AGREEMENT

19.1. The law of the Republic of South Africa shall govern the interpretation of the Agreement.

19.2. If any legal proceedings arise from the provisions of the Agreement, both Parties submit to the jurisdiction of the courts of the Republic of South Africa.

20. ENTIRE CONTRACT

20.1. This Agreement constitutes the whole of the agreement between the Parties relating to the matters dealt with herein and, save to the extent otherwise provided herein, no undertaking, representation, term or condition relating to the subject matter of this Agreement not incorporated in this Agreement shall be binding on either of the Parties.

21. NON-VARIATION

21.1. No addition to, variation, or agreed cancellation of this Agreement shall be of any force or effect unless recorded in a written document and signed by or on behalf of the duly authorized representatives of all the parties to this Agreement.

GAUTENG PROVINCE
e-GOVERNMENT
REPUBLIC OF SOUTH AFRICA

21.2. For the purposes of this clause, a "written document" shall exclude any written document that is in the form, either wholly or partly, of a data message as defined in the Electronic Communications and Transactions Act 25 of 2002, and "signed" shall mean a signature executed by hand with a pen and without any electronic process or intervention.

22. WAIVER

22.1. No waiver of any of the terms and conditions of this Agreement will be binding or effectual for any purpose unless in writing and signed by the Party giving the same. Any such waiver will be effective only in the specific instance and for the purpose given.

22.2. Failure or delay on the part of either Party in exercising any right, power or privilege hereunder will not constitute or be deemed to be a waiver thereof, nor will any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

23. CESSION AND ASSIGNMENT

23.1. Neither Party is entitled without the prior written consent of the other Party to cede all or any part of its rights in terms of the agreement to any person, assign all or any part if its obligations in terms of the agreement to any person, or subcontract with any other person to perform all or any part of its obligations in terms of the agreement.

23.2. Any change in control in the juristic entity of the other Party shall be deemed to constitute a cession of rights and assignment of obligations, which shall not be allowed by the Department. In the event of a change of control of the juristic

GAUTENG PROVINCE
e-GOVERNMENT
REPUBLIC OF SOUTH AFRICA

entity, the Department must be informed accordingly, and its written prior consent must be obtained.

24. VALIDITY AND SEVERABILITY

24.1. All provisions and the various clauses of this Agreement are, notwithstanding the way they have been grouped together or linked grammatically, severable from each other. Any provision or clause of this Agreement, which is or becomes unenforceable in any jurisdiction, whether due to voidness, invalidity, illegality, unlawfulness or for any other reason whatever, shall, in such jurisdiction only and only to the extent that it is so unenforceable, be treated as *pro non scripto* and the remaining provisions and clauses of this Agreement shall remain of full force and effect. The Parties declare that it is their intention that this Agreement would be executed without such unenforceable provision if they were aware of such unenforceability at the time of execution hereof.

25. NO AGENCY

25.1. No Party shall present itself as the representative or agent of any other Parties for any legal action to be taken, nor shall it have the power of authority to commit any other Party(ies) other than as anticipated in terms of this Agreement, unless it receives prior written consent from the Party concerned, and then only to the extent set out therein.

25.2. All Parties shall act as independent contractors for the purposes of this Agreement.

25.3. Nothing in this Agreement shall be interpreted as establishing a joint venture between the Parties.

GAUTENG PROVINCE
e-GOVERNMENT
REPUBLIC OF SOUTH AFRICA

26. INDULGENCE

26.1. No indulgence or relaxation of rights granted by a Party to the Agreement to the other Party shall be prejudicial to or constitute a waiver of such Party's rights under the Agreement or at law, and any waiver of rights by a Party to the Agreement shall not be construed as such unless such waiver is in writing and signed by the Parties.

GAUTENG PROVINCE
e-GOVERNMENT
REPUBLIC OF SOUTH AFRICA

27. SIGNATORIES

27.1. This Agreement is made in two equally authentic copies, one for each of the signing parties.

Signed on behalf of the Gauteng Provincial Department of e- Government.

SIGNED at ______________ this _______day of _____________________2026.

SIGNATURE: ______________________

NAME IN PRINT: ______________________

In her capacity as …………………… ……..and warranting that she is duly authorised hereto.

WITNESSES SIGNATURE: ____

WITNESSES NAME: ____

WITNESSES SIGNATURE: ____

WITNESSES NAME: ____

Signed on behalf of the Midvaal Local Municipality

SIGNED at ______________ this ________ day of _____________________2026.

SIGNATURE: ______________________

NAME IN PRINT ______________________

In his capacity as ………………… ………. and warranting that he/she is duly authorised hereto.

GAUTENG PROVINCE
e-GOVERNMENT
REPUBLIC OF SOUTH AFRICA

WITNESSES SIGNATURE: ________________________________

WITNESSES NAME: ________________________________

WITNESSES SIGNATURE: ________________________________

WITNESSES NAME: ________________________________

C 3737/03/2026
MC A/6806/03/2026

9.A.5 [ES/COMM]: UPDATE ON THE REGIONAL LANDFILL AND CEMETERY - DOORNKUIL

16/2/7/1

COMPETENCY: COUNCIL

PURPOSE

To provide an update and recommendations on the development of the regional landfill site and cemetery in Doornkuil.

RECOMMENDATIONS

1. That the report dealing with the update on the regional landfill site and cemetery at Doornkuil, be noted.
2. That it be noted that Doornkuil does not offer an opportunity for a regional landfill site due to its size being too small to meet the requirements of a landfill site.
3. That it be noted that Doornkuil does not offer an opportunity for a regional Cemetery due to the vast distance of 160km east to west and 50km north to south across the Sedibeng District Municipality.
4. That Sedibeng District Municipality be informed of the outcome.

REPORT

Midvaal Local Municipality (MLM) embarked on a process for the development of a regional landfill site and cemetery. This process required that all technical steps be taken to ensure the project addressed all requirements for the development of the landfill site (s) and the cemetery. This includes all GDARD requirements and steps, as well as internal requirements such as the land zoning process.

MLM appointed professional teams to assist the process. This team included Environmental Specialists, Landfill Specialists, Civil Engineers, etc. Furthermore, a meeting was held with GDARD to confirm the steps required to finalise this process in line with the set standards.

MLM had identified portions 3 and 4 of the farm Doornkuil 369 – JQ for development of a regional landfill site. However, during an engagement with GDARD, it was indicated that the Municipality is required to do a process referred to as the 'site selection' process. Where this process looks at least at about sixteen (16) to form part of the selection process for the most suitable site for Landfill Development and Cemetery development.

This report is a summary of information gathered during visual site inspections, relevant documents researched, and interviews with knowledgeable local individuals regarding each of the sixteen proposed sites.

It demonstrates a systematic approach to landfill site selection, ensuring transparency and accountability in the decision-making process. Sixteen sites identified by the MLM were considered for assessment.

The MLM has expressed the need to develop regional cemetery and landfill facilities. The planning of these facilities is typically based on planning horizons of 20 to 30 years as a minimum. On this basis, the two facilities would require the following land surface areas:

i) The cemetery requires a minimum of 125ha surface area based on a 30-year planning horizon to develop a high-class cemetery providing all services expected of a regional facility. The required land will increase to 154ha if larger graves are provided, in line with other municipalities.

ii) The landfill requires a minimum of 45ha surface area based on a 20-year planning horizon to develop an engineered sanitary landfill. The required land will increase to 70ha over a 30-year planning horizon. Individually, none of the sites present options to develop either a cemetery or a landfill due to their limited size. These parcels were clustered to present improved options for the proposed developments.

Four clusters were formed i.e.

i) The De Deur Estates Cluster
ii) The Chrissiesfontein Cluster
iii) The Koolfontein Cluster
iv) Doornkuil Cluster

Although the De Deur Estates Cluster offers sufficient land size, the land is dissected by a water course. The geometric layout of the cluster does not allow for the development of an economic landfill with the required capacity. Additional land adjacent to the land parcel will have to be included, and the larger cluster assessed for viability.

The few individual sites that could be clustered together in the Chrissiesfontein area do not offer sufficient land for regional facilities. Additional land adjacent to the land parcels will have to be included, and the larger cluster considered for viability.

The Koolfontein cluster consists of much smaller parcels of land. Due to the geometric layout, a cluster of some individual sites does not offer viable options for the regional facilities. Here, too, additional land adjacent to the land parcels will have to be added to the included and the larger cluster considered for viability.

The Doornkuil sites are dissected by a future road reserve. Individually, they do not present viable options for the development of either a regional cemetery or a regional landfill. The two sites can thus not be clustered to present a larger land parcel for at least a landfill facility.

All 16 sites were assessed based on environmental, economic, social, and physical criteria to determine whether the sites are fatally flawed in terms of the proposed developments. Sites 3 to 8 in the Chrissiesfontein Cluster were considered fatally flawed in terms of their proximity to the adjacent community and schools.

They would therefore conflict with the region's land development objectives (spatial development framework). These sites are also impacted by the proximity to model aircraft community facilities.

Sites 9 and 10 in the Koolfontein cluster are also considered fatally flawed due to the numerous servitudes across the sites in favour of municipal engineering infrastructure. Although not fatally flawed at this stage, site 16 in the Doornkuil Cluster is potentially underlain by a geological structure (dyke) and dolomite rock formation. This level of risk can only be determined once further costly site investigations are undertaken. A significant shortcoming of the Doornkuil cluster is the lack of an access road. Such an access road will have to be included at a significant cost to the project to ensure the viability of the proposed regional facilities.

This report draws the following conclusions:

Cemetery development

1. The sites as presented do not offer the opportunity to develop a single regional facility.

2. With the vast distances of 160km east to west and 50km north to south across the Sedibeng District Municipality (SDM), a regional cemetery is considered unsustainable and thus not a viable option to the MLM.

3. The community of the SDM, and specifically the MLM, will be better served by decentralised cemeteries closer to the various communities within the SDM.

4. While some sites may be fatally flawed, the remaining sites can be re-assessed in terms of several smaller cemeteries based on the specific communities to be served

Landfill development

1. The sites as presented do not offer the opportunity to develop a single regional facility.

2. The IWMP for the MLM and the SDM is outdated and should be reviewed. The IWMP will provide guidance on the need for regional facilities managed by the SDM and/or local facilities managed by the MLM. A strategic assessment is required to incorporate the potential use and/or expansion of the existing landfill facilities.

3. The MLM may require a landfill to be developed in their region, whilst allowing the use of the facility by neighbouring municipalities. Information on the population served should be clarified to enable the sizing of a local landfill facility.

Based on the above conclusions and the content of the report, it is recommended that:

1. Master planning, such as the IDP for cemeteries and Integrated Waste Management Plans (IWMP) for landfill developments be updated for the MLM. Where regional facilities are concerned, the master planning should be driven by the district municipality. The master planning should be based on strategic assessments regarding the number and locations where the required facilities are to be planned and developed.

2. The master plan should provide guidance in terms of the communities and, thus, the population numbers to be served by the proposed facilities.

3. The master plan would furthermore indicate the planning horizon for the envisaged facilities in the region.

4. The end-user department, community services, should consider an option of a local landfill site and or local cemetery in the long term. This exercise is to be linked to the findings of the proposed master plan and IWMP.

5. The work that has commenced at the Walkerville landfill site should be funded further. Council has completed the design for this landfill site for its expansion. It is, therefore, further recommended that Council funding be redirected to this project. This funding is to be co-funded with other sources, such as the Municipal Infrastructure Grant (MIG). This project is anticipated to be completed with an estimated amount of **R 108 245 406.68 (All inclusive).** Note to be taken that this is an estimate for the expansion scope, which includes the construction of an additional cell.

COMMENTS: MEETING OF THE MUNICIPAL MANAGER AND HEADS OF DEPARTMENT: 09 FEBRUARY 2026

Resolved to Recommend

That the Item is supported and referred to the Joint Section 80 Engineering Services and Community Services Portfolio Committee.

COMMENTS: JOINT SECTION 80 ENGINEERING SERVICES AND COMMUNITY SERVICES PORTFOLIO COMMITTEE: 04 MARCH 2026

The recommendations are supported.

C 3738/03/2026
MC A/6807/03/2026

9.A.6 [CS]: APPROVAL ICT GOVERNANCE FRAMEWORK POLICY 2026

6/2/2/5

COMPETENCY: COUNCIL

PURPOSE

To submit the reviewed ICT Governance Framework Policy for consideration and approval.

RECOMMENDATIONS

1. That the ICT Governance Framework Policy, be approved.

2. That Council authorises the ICT Section to implement the policy and report on compliance as part of regular ICT governance updates.

REPORT

The policy establishes a structured governance framework to ensure that ICT supports the Municipality's strategic objectives, service delivery mandate, risk management requirements, and compliance obligations, while providing clear accountability, oversight, and performance monitoring mechanisms.

Information and Communication Technology (ICT) play a critical role in enabling efficient municipal operations, service delivery, and good governance. Effective ICT governance is therefore essential to ensure that ICT investments deliver value, risks are managed, and compliance with applicable legislation and standards is maintained.

The ICT Governance Framework Policy has been reviewed to:

- Align with current legislative and regulatory requirements, including MFMA, POPIA, and the Municipal Systems Act;
- Clearly define roles and responsibilities for Council, Executive Management, the ICT Steering Committee, and the ICT Section; and
- Provide a governance structure for oversight of ICT strategy, risk management, performance monitoring, and policy compliance.

The reviewed framework further integrates and governs all subsidiary ICT policies, ensuring consistency, accountability, and a standardised approach to ICT governance across the Municipality.

Approval of this policy will strengthen ICT oversight, enhance risk management, support audit outcomes, and ensure alignment between ICT initiatives and the Municipality's Integrated Development Plan (IDP) and strategic objectives.

Policy Review and Compliance

The ICT Governance Framework Policy will be reviewed annually or as required by legislative changes, audit outcomes, or operational requirements.

Compliance with the policy will be monitored through:

- Internal and external audit processes.
- ICT Steering Committee oversight; and
- Ongoing risk and compliance assessments in collaboration with the Risk Management and Internal Audit units.

The policy will take effect upon approval by Council.

COMMENTS: MEETING OF THE MUNICIPAL MANAGER AND HEADS OF DEPARTMENT: 09 FEBRUARY 2026

Resolved to Recommend

That the Item is supported and referred to the Section 80 Corporate Services Portfolio Committee.

COMMENTS: SECTION 80 CORPORATE SERVICES PORTFOLIO COMMITTEE: 11 MARCH 2026

The recommendations are supported.

ICT GOVERNANCE FRAMEWORK POLICY

Version Control

Version	Date	Developed by	Details	Reviewed by
1	08/12/2025	S. Mnguni	ICT GOVERNANCE FRAMEWORK POLICY	AED: P. Luswazi

Contents

1. Purpose

The purpose of the ICT Governance Framework Policy is to establish a structured approach for the governance, management, and control of Information and Communication Technology (ICT) within Midvaal Local Municipality (MLM). This framework ensures that ICT supports and enables the Municipality's strategic objectives, service delivery mandate, and compliance obligations, while effectively managing ICT-related risks.

The framework aligns ICT decision-making with business priorities and ensures accountability, transparency, and the realisation of value from ICT investments.

2. Legislative and Regulatory context

This policy is informed by and aligned with, but not limited to, the following:

- Constitution of the Republic of South Africa, 1996
- Municipal Finance Management Act (MFMA), Act 56 of 2003
- Municipal Systems Act, Act 32 of 2000
- Protection of Personal Information Act (POPIA), Act 4 of 2013
- Electronic Communications and Transactions Act (ECTA), Act 25 of 2002
- King IV Report on Corporate Governance for South Africa
- COBIT (Control Objectives for Information and Related Technologies)
- ISO/IEC 27001 and related information security standards
- National Archives and Records Service of South Africa Act

3. Scope

This policy applies to:

- All ICT systems, infrastructure, applications, data, and services
- All municipal employees, councillors, interns, contractors, consultants, and third-party service providers
- All ICT-enabled business processes across the Municipality

4. Objectives of ICT Governance

The objectives of the ICT Governance Framework are to but are not limited to:

- Ensure alignment of ICT with the municipal Integrated Development Plan (IDP) and strategic objectives

- Enable value creation through effective ICT investment and portfolio management
- Ensure effective ICT risk management and security
- Promote compliance with applicable laws, regulations, and standards
- Establish clear roles, responsibilities, and accountability for ICT
- Ensure continuity, availability, and reliability of ICT services

5. Governance Principles

The ICT Governance Framework is underpinned by the following principles:

- Strategic alignment
- Value delivery
- Risk management
- Resource optimisation
- Performance measurement
- Accountability and transparency

6. ICT Governance Structure

6.1 Council

Council retains ultimate accountability for ICT governance and oversight.

6.2 Municipal Manager

The Municipal Manager is accountable for implementing this ICT Governance Framework and ensuring that ICT supports municipal objectives.

6.3 Executive Management

Executive Management provides strategic direction and ensures integration of ICT into business planning.

6.4 ICT Steering Committee

The ICT Steering Committee:

- Prioritises ICT initiatives
- Ensures alignment with strategic objectives
- Reviews ICT performance and risks
- Oversees ICT investment and portfolio decisions

6.5 ICT Section

The ICT Section is responsible for operational management, the implementation of ICT policies, standards, and procedures, and the reporting of ICT performance.

7. ICT Governance Domains

The framework addresses the following governance domains:

7.1 Strategic Alignment

Ensuring ICT strategies and plans are aligned with municipal business strategies.

7.2 Value Delivery

Ensuring ICT investments deliver measurable benefits and value to the Municipality.

7.3 Risk and Security Management

Identifying, assessing, and managing ICT-related risks, including cybersecurity and data protection risks.

7.4 Resource Management

Effective management of ICT infrastructure, applications, information, and human resources.

7.5 Performance Management

Monitoring and reporting on ICT performance using defined KPIs and service levels.

8. ICT Policies Governed by this Framework

This ICT Governance Framework governs, integrates, and provides oversight into the following, but not limited to, these ICT policies, frameworks, and procedures:

- Antivirus Policy
- ICT Backup and Restore Policy and Procedure
- ICT Change Management Policy and Procedures
- ICT Firewall Policy
- ICT Portfolio Management Framework
- ICT Security Management Policy and Procedures
- ICT Service Charter and Service Management Policy
- ICT Third-Party Management Policy
- ICT User Account Management Policy
- ICT Patch Management Policy
- Security Incident Response Framework

All the above policies must be read in conjunction with this framework and derive their authority from it.

9. Risk Management and Compliance

ICT risks shall be identified, assessed, and managed in line with the Municipality's Risk Management Section. Regular audits, compliance reviews, and assurance activities shall be conducted to ensure compliance with policies, standards, and applicable legislation.

10. Performance Monitoring and Reporting

ICT performance shall be measured through:

- Service level agreements (SLAs)
- Key performance indicators (KPIs)

- Internal and external audit findings
- Management and Council reporting cycles

11. Policy Review and Amendments

The Director: ICT, or a delegated authority within MLM, is responsible for maintaining this policy. The policy must be reviewed whenever it is deemed necessary or annually by MLM.

12. Implementation

The ICT Section, under the direction of the Municipal Manager and Executive Management, is responsible for implementing and enforcing this framework.

13. Effective Date

This policy becomes effective upon approval by Council.

C 3739/03/2026
MC A/6808/03/2026

9.A.7 [CS]: RISK MATURITY IMPROVEMENT PLAN 2025-2026 FY

5/16/1/1/3

COMPETENCY: COUNCIL

PURPOSE

To present the risk maturity improvement plan for 2025-2026 which is based on the outcome of Provincial Treasury's Maturity Assessment Questionnaire completed in September 2025.

RECOMMENDATION

That the outcome of the risk maturity assessment questionnaire completed and the improvement plan developed to be implemented to further improve the level of risk maturity in Midvaal Local Municipality, be noted.

REPORT

Section 62(1)(c) of the Municipal Finance Management Act, Act 56 of 2003, determines as follows:

"62(1) The accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose, take all reasonable steps to ensure –

(c)(i) financial and risk management and internal control;"

The Risk Management Unit completed the questionnaire circulated by the Risk Management Support Unit in Provincial Treasury. The questionnaire covers, but is not limited to the following:

- Development of risk registers
- Development and reporting of risk response plans
- Functionality of the risk management committee
- Review of governance documents
- Development of Key Risk Indicators, Appetite and Tolerance levels; and
- Inclusion of risk management responsibilities in performance contracts

The Municipality has maintained the Level 4.9 Risk Management Maturity rating, consistent with the previous financial year, which indicates that risk management practices are institutionalised and integrated into the Municipality's governance and management processes, in line with National Treasury Risk Management Framework requirements. The unchanged outcome is attributable to certain portions of portfolio of evidence (PoE) that had not yet been reviewed or updated at the time of assessment. These matters are currently being addressed, which is expected to result in an improved outcome, which is level 5 and the highest level, in the new financial year.

Risk Management Maturity Level Indicators

Level	Indicator	Description of the Risk Environment
1	**Start up**	❖ A risk management framework is not in place. ❖ Risk management practices are non-existent or ad-hoc and unsystematic.
2	**Development**	❖ Approved risk management governance documents (incorporating a policy and implementation strategy) are in place and have been communicated throughout the institution. ❖ Implementation, although at a fairly low level at this stage, is in line with the governing documents.
3	**Control**	❖ Institution-wide risk assessments have been completed and the necessary institutional capacity and structures to support risk management are in place. ❖ Risk management processes, practices and systems satisfy all legislative requirements at this stage but have limited influence on the control environment. ❖ Risk Management is still seen as a separate process in the organisation and not integrated in the decision-making processes
4	**Information**	❖ Risk management is firmly embedded in the institution. ❖ Metrics to measure the value-added of risk management are in place. ❖ Aggregated risk management information is circulated to relevant officials and oversight structures as a matter of routine. ❖ Risk Appetite and tolerance levels have been set.
5	**Management**	❖ Risks are managed in line with set appetite and tolerance thresholds. ❖ Management of risk is subjected to close monitoring to ensure prudent risk taking. ❖ Risk management has a significant influence on the control environment, and consequently the overall performance of the organisation at this stage. Thus, the benefits of effective risk management throughout the organisation are realised.

The risk maturity improvement plan is attached hereto and progress on the implementation of the plan will be reported quarterly.

COMMENTS: MEETING OF THE MUNICIPAL MANAGER AND HEADS OF DEPARTMENT: 09 FEBRUARY 2026

Resolved to Recommend

That the Item is supported and referred to the Section 80 Corporate Services Portfolio Committee.

COMMENTS: SECTION 80 CORPORATE SERVICES PORTFOLIO COMMITTEE: 11 MARCH 2026

The recommendation is supported.

RISK MATURITY IMPROVEMENT PLAN 2025-26 FY

No.	Area of Improvement	Planned Action	Output
1	Review and update Business Continuity Management (Plan and Policy)	Department Responsible to review and update the Business Continuity Management (Plan and Policy	Updated and approved Business Continuity Management (Plan and Policy)
2	Review and update on Ethics and Fraud risk registers	Responsible department to review and update the Ethics and Fraud risk registers	Updated and approved the Ethics and Fraud risk registers
3	Continuous Review of Compliance Management Policy and Strategy	Annual Review of Policy and Strategy	Reviewed, updated and approved Compliance Management Policy and Strategy
4	Ongoing Risk Management training for key officials	Conduct Risk Management training sessions with key officials	Continuation of training programmes, induction, mentoring and coaching
5	Municipal Manager evaluates the RMC effectiveness	Written report is required from the MM (Report on evaluation of the effectiveness of the RMC)	Report from MM on evaluation of RMC effectiveness on an annual basis to Council
6	Is there a process to improve risk management processes (Effectiveness)	Risk maturity improvement plan to be used as basis for prioritising areas for improvement	Continuous improvements are made on reporting of risk related matters

	Description	2021	2022	2023	2024	2025
1	Start-up					
2	Development	2,7				
3	Control		3,6			
4	Information			4,9	4,9	4,9
5	Managed					

C 3740/03/2026
MC A/6809/03/2026

9.A.8 [CS]: RISK APPETITE AND TOLERANCE STATEMENT–REVIEW FOR 2025-26 FY

5/16/1/1/3

COMPETENCY: COUNCIL

PURPOSE

To consider and approve the reviewed Risk Appetite and Tolerance Statement, developed in terms of the GPG Risk Appetite and Tolerance Guidelines, for further consideration and input at the Audit, Performance, Integrity, and Risk Management Committee.

RECOMMENDATIONS

1. That the Risk Appetite and Tolerance Statement, developed in terms of the GPG Guidelines, be approved as the document was reviewed by the Risk Management Unit and will be presented for further inputs to the Audit, Performance, Integrity, and Risk Management Committee.

2. That the Accounting Officer signs off on the final approved document after all inputs have been considered.

REPORT

Some of the benefits of determining the risk appetite and tolerance are outlined in the statement as follows:

- Knowing the risk appetite and tolerance levels helps management and the oversight structures to make informed decisions and influences the organisation's attitudes towards risk
- Improve understanding and expectations that management and other stakeholders have of the organisation
- Improve reporting and analysis of organisational risks, which leads to better risk data
- Leads to more efficient and effective activities related to regulatory, compliance, and audit matters
- Results in more cost-effective management and monitoring of risks
- Helps the management to effectively and sufficiently allocate resources to areas that require more attention; and
- Improve transparency for stakeholder information

In line with the GPG Risk Appetite and Tolerance Guidelines, the Chief Risk Officer facilitated the development of risk thresholds in consultation with the relevant user departments.

Please find the risk appetite and tolerance statement with thresholds attached hereto.

COMMENTS: MEETING OF THE MUNICIPAL MANAGER AND HEADS OF DEPARTMENT: 09 FEBRUARY 2026

Resolved to Recommend

That the Item is supported and referred to the Section 80 Corporate Services Portfolio Committee.

COMMENTS: SECTION 80 CORPORATE SERVICES PORTFOLIO COMMITTEE: 11 MARCH 2026

The recommendations are supported.

DETAILED QUARTERLY ASSESSMENT

Data as per risk appetite and tolerance statement							Record of work done for the quarter					
Risk Category	Risk	Key Risk Indicator	Risk Appetite	Risk Tolerance	Appetite Threshold	Tolerance Threshold	Actual Performance (Quarter)	Status (Within Appetite / Within Tolerance / Breach)	Management Commentary	Corrective Action	Responsible Official	Target Date
Financial	Incorrect billing of account- loss of revenue	Revenue collection rate	Low Appetite	Low Tolerance	100% collection rate	95% collection of budgeted revenue		Within Appetite				
Financial	Water losses	Decrease in water losses	Low Appetite	Moderate Tolerance	Not more than 10%	Not more than 30%		Within Tolerance				
Financial	Electricity losses	Decrease in electricity Losses	Low Appetite	Moderate Tolerance	Not more than 7%	Not more than 10%		Within Appetite				
Financial	Non-compliance with the SCM prescripts resulting in increase in the UIFW expenditure	Incidents of UIFW Expenditure	No Appetite	Low Tolerance	Zero Appetite	1% tolerance to non-compliance leading to UIFW expenditure (if notwithin control)		Within Appetite				
Compliance / Regulatory	Non-compliance with license conditions	Number of non-compliance with landfill site licenses	No Appetite	Zero Tolerance	Zero Appetite	Zero Tolerance		Within Appetite				
Information Technology	Unauthorized access, data breaches, ransomware attacks, and other cyber threats.	Number of hacking or breaching incidents	Low Appetite	Low tolerance	No more 2 than incidences of hacking leading to financial losses	No more than 1 minor incident of disruption leading to financial losses		Within Appetite				

Level of Risk Appetite and Tolerance			
Profile	level	management	Discription
No Appetite	Zero Tolerance	Zero Tolerance	The organisation does not condone any deliberate risk-taking actions in this area. The organisation is unwilling to accept any risk for the pursuit of value.
Low Appetite	Low Tolerance	Averse	The organisation is **not willing** to accept risks in most circumstances that may result in reputation damage, financial loss or exposure, major breakdown in information system or information integrity, significant incidents(s) of regulatory non-compliance, and potential risk of injury to staff
Moderate Appetite	Moderate Tolerance	Prudent	The organisation is willing to accept **some risks** in certain circumstances that may result in financial loss or exposure, minor breakdown in information system or information integrity and insignificant incidents(s) of regulatory non-compliance
High Appetite	High Tolerance	Aggressive	The organisation **accepts** opportunities and risks resulting in the practical implementation of ideas that lead to the introduction or improvement of services

TABLE OF CONTENTS

RISK APPETITE AND TOLERANCE STATEMENT

1. INTRODUCTION

An effective enterprise risk management process requires that there be a defined risk appetite and risk tolerance levels which will embody the rules and guidelines to an organisation for taking on risk, or treatment of risk. The risk appetite and tolerance levels tend to be a crucial process that needs more attention to avoid developing vague risk tolerance and appetite levels that leads to poor risk response planning. When the Municipality fails to respond to significant risks (i.e., threats and opportunities), the goals and opportunities will not be realised.

The risk appetite and tolerance levels enable the Municipality to increase its opportunities by optimizing risk taking and accepting calculated risks within an appropriate level of authority.

2. PURPOSE

The purpose of this document is to:

- Define and articulate the risk appetite and tolerance levels for Midvaal Local Municipality;
- Determine its risk appetite and tolerance to guide resource allocation and to influence more informed decision making in regard to planning and implementation processes; and
- Monitor the risk profile against the risk appetite and tolerance levels.

3. LEGISLATIVE MANDATE

This guideline is in accordance with the risk management legislations, regulations, and standards, as well as best practices as follows:

Legislation / Standard	Description
Municipal Finance Management Act 29 of 1999 as amended **Section 62 (1) (c)**	The accounting officer of a municipality is responsible for managing the financial administration of the municipality and must for this purpose take all responsible steps to ensure that the municipality has and maintains effective, efficient, and transparent systems of financial and risk management and internal control.
Treasury Regulations **Section 3.2.1**	The accounting officer must ensure that a risk assessment is conducted regularly to identify emerging risks for the institution.
King IV Code on Corporate Governance – Report on Corporate Governance for South Africa, 2016 Principle 11	The governing body should evaluate and agree the nature and extent of the risks that the organisation should be willing to take in pursuit of its strategic objectives. It should approve in particular: a. the organisation's risk appetite, namely its propensity to take appropriate levels of risk; and b. the limit of the potential loss that the organisation has the capacity to tolerate
ISO 31000:2018	Risk Management - Guidelines, provides principles, framework and a process for managing risk. It can be used by any organization regardless of its size, activity or sector.
COSO (Committee of Sponsoring Organizations)	COSO is a joint initiative of five private sector organizations and is dedicated to providing thought leadership through the development of frameworks and guidance on enterprise risk management internal control and fraud deterrence.

4. DEFINITIONS

4.1 Risk Appetite

The amount or acceptable level of risk that the municipality is willing or prepared to pursue, take and/or retain to achieve its stated objectives.

4.2 Risk Bearing capacity

The maximum amount of risk the municipality can afford to take in line with its Vision/Mission/values /strategic goals, considering the available resources.

4.3 Risk Tolerance

The specific set limits/thresholds that the municipality is willing to take regarding each relevant risk, i.e., a mitigating strategy with urgent interventions, escalation & corrective measures should be developed if the tolerance thresholds are exceeded.

4.4 The difference between Risk Appetite and Risk Tolerance

Risk tolerance guide operating units as they implement risk appetite within their area of operation. Risk tolerance communicate a degree of flexibility, while risk appetite sets a limit beyond which additional risk should not be taken.

Some tolerances are easier to express in qualitative terms. For example, an organization may have a low-risk appetite for non-compliance with laws and regulations and may communicate a similarly low tolerance for violations — for example, a zero tolerance for some types of violations and slightly higher tolerances for other types of violations. Or tolerance may be stated in quantitative terms, for example 30 days payment to creditors.

4.5 Risk Thresholds

Risk thresholds are benchmarks and indicate how much risk the organisation is required to assume and/or reject given the service delivery and developmental impact that must be made. Risk thresholds enable an organisation to align its strategies more explicitly with its desired level of risk taking and management of risks.

Risk thresholds assist to align the organisational priorities and to allocate resources in accordance, to efficiently and economically deliver on set priorities. The taking, managing, and reporting on risk in the organisation should be guided by the frame of risk thresholds.

4.6 Key Risk Indicators

Key Risk Indicators is a measure to indicate the potential presence, level or trend of a risk at a point in time. It can indicate whether a risk has occurred or is emerging, a sense of the level of the risk exposure and changes in the risk exposure (trends). When effectively designed and used, KRIs have a predictive value and act as early warning signals on the possible changes to the Organisational risk profile.

4.6.1 The role and Purpose of Key Risk Indicators

KRIs play an important role in risk management by predicting potential high-risk areas and enabling timely action. KRIs reveal and state early action needed to prevent risk from escalating beyond acceptable levels and alert the risk owners to proactively re-assess the affected risk.

KRIs enable organisations to:

- Identify current risk exposure and emerging risk trends
- Highlight control weaknesses and allow for the strengthening of poor controls; and
- Facilitate the risk reporting and escalation process.
- Thus, the KRIs play an integral part in the monitoring of the Risk Appetite and Tolerance.

5. THE BENEFITS OF DETERMINING THE RISK APPETITE AND TOLERANCE

(a) Knowing the risk appetite and tolerance levels helps management and the oversight structures to make informed decisions and influences the organisation's attitudes towards risk
(b) Improve understanding and expectations that management and other stakeholders have of the organisation.
(c) Improve reporting and analysis of organisational risks and leads to better risk data
(d) Leads to more efficient and effective activities related to regulatory, compliance and audit matters
(e) Results in more cost-effective management and monitoring of risks
(f) Helps the management to effectively and sufficiently allocate resources to areas that require more attention.
(g) Improve transparency for stakeholders

6. FUNCTIONS OF THE ACCOUNTING OFFICER AND CHIEF RISK OFFICER

6.1 Accounting Officer

a) Holds management accountable and responsible for risk management activities by making sure that management's reports include risk issues.
b) Approves the levels of the risk thresholds (risk appetite, risk tolerance and risk bearing capacity).
c) Take appropriate action when parameters have been breached without supporting motivation.
d) Ensures that management carries out its duties as guided by the Local Government Risk Management Framework.
e) Conduct reviews, through the internal audit function, to ensure that employees consistently
make decisions that are aligned with the organisation's risk thresholds.

6.2 Chief Risk Officer (CRO)

(a) The CRO is responsible for monitoring and maintaining risk management activities throughout the organisation. He or she must therefore ensure that risk thresholds are integrated within the organisational processes.
(b) Ensure that monitoring of risks and of the organisation's performance is conducted through normal business processes and that risks are kept within the parameters of the risk thresholds
(c) Communicate the approved risk thresholds and ensure that all employees adhere to them.
(d) Working with and advising management during the process of developing the thresholds.
(e) Assisting management to monitor identified risks through using the risk thresholds
(f) Assisting and guiding management to monitor any trends of risks, using the risk thresholds
(g) Ensuring the alignment of risk thresholds and other aspects of the risk management process, including the risk management policy, the risk management strategy, and the risk management implementation plan.

7. RISK APPETITE AND TOLERANCE LEVELS

Risk Category	Key Risk Indicators	Appetite Levels	Tolerance Levels
Human Resource	• Vacancy rate at Top and senior management level • Vacancy rate at critical skills level	• The vacancy rate at top and senior management to be no more than 8%. • The vacancy rates for critical skills/ service delivery department to be no more than 10% in a year cycle.	✓ The vacancy rates for critical skills to be no more than 10% in a year cycle. ✓ The vacancy rates for critical skills/ service delivery department to be no more than 15% in a year cycle.
Reputational	▪ Number of negative media reports	• Not more than 2 media reports depicting the Municipality in a bad light (with minimum impact)	✓ Not more than 3 media reports depicting the Municipality in a bad light (with minimum impact)
Health & safety	▪ Number of health and Safety incidents.	• Zero appetite on loss of life and major injuries	• Zero tolerance on loss of life and major injuries
Information Technology	• System downtime and network unavailability • Incidences of irrecoverable data loss	• Financial system 95% • Non-financial systems=95% • Active Directory=95% • No more than 2 incidences of hacking leading to major financial losses	• 2 % when the system is under maintenance • No more than 1 minor incident of disruption leading to financial losses
Compliance/ Regulator	• Number of litigation cases because of non-compliance • Percentage of Drinking Water Compliance to SANS241 • Wastewater quality compliance according to the water use license • Number of landfill site licenses expired	• Zero appetite for non-compliance	• Zero tolerance for non-compliance

Risk Category	Key Risk Indicators	Appetite Levels	Tolerance Levels
Service Delivery (assets)	• Number of assets lost/stolen/misplaced	• Zero appetite for assets that are lost/stolen/misplaced	✓ Zero tolerance for assets that are lost/stolen/misplaced
Service Delivery (contracts)	• Delays in renewal of contracts	• Zero appetite for late renewal of contracts	• Zero tolerance for late renewal of contracts
Service Delivery (performance)	• Achievement of performance targets	• Zero appetite for non-achievement of performance targets	• Zero tolerance for non-achievement of performance targets
Service Delivery ✓ **CAPEX**	• Percentage of capital expenditure • Percentage of variation of orders against the original contract	• CAPEX spending levels of 100% • Contracts may be expanded or varied by not more than: 20% for construction related goods and/or services; and 15% for all other goods and/or services of the original value of the contract	• CAPEX spending level of 90 or more • Contracts may be expanded or varied by not more than: 20% for construction related goods and/or services: and 15% for all other goods and/or services of the original value of the contract
✓ **Municipal Infrastructure** ○ **Grant Funded (MIG)** ○ **Non-Grant Funded**	• Percentage expenditure of the annual MIG allocation year-to-date • Under expenditure reported relating to delays in implementing infrastructure projects	• Zero appetite to MIG roll-over • 5% under expenditure on implementation of infrastructure projects (i.r t. annual infrastructure budget)	• Second tranche and third tranche - the expenditure should be at least 60% of the previous tranche 40% of total allocation of MIG Funding. • 10% under expenditure on implementation of infrastructure projects (i.r t. approved adjusted approved infrastructure budget)
Financial ✓ **Liquidity (Current Ratio: 2.84:1)**	• Irregular expenditure • Under-Expenditure	• Zero appetite to non-compliances leading to irregular expenditure • 100% spending of the budget	• 1% tolerance to non-compliances leading to irregular expenditure (if not within control) • Not more that 5% of the adjusted budget

Risk Category	Key Risk Indicators	Appetite Levels	Tolerance Levels
✓ **Revenue Maximization** ✓ **Counterparty**	• Revenue collection • Decrease in water loss • Decrease in electricity loss • Number of contracts entered regulated financial institutions	• 100% collection of budgeted revenue • Water loss not more than 10% • Electricity loss not more than 7% • Zero appetite for non-regulated institutions	• 90% collection of budgeted revenue (excluding Department of Health and Departments with approved payment plan) • Water loss not more than 30% • Electricity loss not more than 10% • Zero tolerance for non-regulated financial institutions
Governance	• Number of investigation cases undertaken • Percentage of councilors, senior Managers, managers and Supply Chain Management officials who have declared their financial interests	• Zero appetite for fraud and corruption • Zero appetite for non-declaration of financial interest by councilors, senior Managers, managers and Supply Chain Management officials	• Zero tolerance for fraud and corruption • Zero tolerance for non-declaration of financial interest by councilors, senior Managers, managers and Supply Chain
Political	• Number of Incidences on protests, riots and civil unrest	• No more than 3 service delivery/labour relations protests per year	• No more than 5 service delivery/labour relations protests per year
Environmental Risk	• Incidences of environmental pollution. • Number of environmental infringement notices Issued	• No penalties for environment transgression • No infringement notices received per year	• No more than 2 notices for environmental • 2 infringement notices received on a yearly basis

8. THE REVIEW OF THE DOCUMENT

The risk Appetite and Tolerance shall be reviewed annually to reflect the prevailing status of risk management within the Municipality. No amendments may be made to any sections of this document without such amendments first being recommended by the Audit Performance Integrity and Risk Management Committee for approval by the Accounting Officer.

Approved by:

____

Accounting Officer
Mr P Magodi
Date:

9. GLOSSARY

Term	Definition
Accounting Officer (AO)	Means: a) In a Constitutional Institution: The Chief Executive Officer. b) In a National Department: The Director-General; c) In a Provincial Department: The Head of Department d) In a Municipality: The Municipal Manager e) In a Municipal Entity: The Chief Executive Officer
Chief Risk Officer (CRO)	A senior official who is the head of the risk management unit
Objectives	An objective is a measurable step you take to achieve a strategy. It is something that our efforts or actions are intended to attain or accomplish. Objectives are measurable and tangible.
Outcomes	Outcomes are the events, occurrences, or changes in conditions, behaviour, or attitudes that indicate progress toward a project's goals

C 3741/03/2026
MC A/6810/03/2026

9.A.9 [CS]: REPORT ON MUNICIPAL AMENDMENT REGULATIONS ON MINIMUM COMPETENCY LEVELS OF 2018: IN TERMS OF THE GOVERNMENT GAZETTE NOTICE R493 IN GOVERNMENT GAZETTE 41996 OF 26 OCTOBER 2018: PROGRESS REPORT: JANUARY 2026

5/16/1/1/3

COMPETENCY: COUNCIL

PURPOSE

To report on the compliance to the Municipal Amendment Regulations on minimum competency levels submitted to National Treasury for the month of January 2026.

RECOMMENDATION

That the report dealing with the compliance with the Municipal Amendment Regulations on minimum competency levels in Midvaal Local Municipality for January 2026, be noted.

REPORT

The Minister of Finance, acting with the concurrence of the Minister of Cooperative Governance and Traditional Affairs, in terms of section 168(1) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), amended the Municipal Regulations on Minimum Competency Levels, 2007, published under Government Notice R.493 of 15 June 2007 (the Regulations").

Previously Municipalities were required to report to National and Provincial Treasury on the exemption from the competency regulations and reports have been submitted on the implementation of the conditions referred to in paragraph 2.1(a), which states that a municipality must implement the following conditions:

(a) In the case of -

(i) An existing official, the official must attain the minimum competency level in the unit standards for each competency area within 18 months from the date of publication of this Notice; and

(ii) A new appointee, the official must attain the minimum competency level in the unit standards for each competency area within 18 months from the date of appointment.

Subsequently, the above regulation has been amended, and the new regulation is a combination of academic qualifications and related Unit Standards as per the specific Senior and Middle Management role.

Enrolment into this programme is prioritised as follows:

- Senior Managers (Municipal Manager & all Managers that report directly to the MM)
- Finance Officials
- Finance interns
- Other officials who, by virtue of their positions in the municipality, manage municipal finances

The status for the above-mentioned categories of officials, is captured in sections A, B and C of the report.

The report submitted to National and Provincial Treasury is attached to the report as Annexure "A".

The report reflects the following categories of officials:

A = Officials who have completed and are compliant with the Regulations.

B = Officials who are currently enrolled and their respective progress.

C = Officials who are yet to be enrolled/commence with the programme.

COMMENTS: MEETING OF THE MUNICIPAL MANAGER AND HEADS OF DEPARTMENT: 16 FEBRUARY 2026

Resolved to Recommend

That the Item is supported and referred to the Section 80 Corporate Services Portfolio Committee, after amendments.

COMMENTS: SECTION 80 CORPORATE SERVICES PORTFOLIO COMMITTEE: 11 MARCH 2026

The recommendation is supported.

ANNEXURE A - MUNICIPAL REGULATION ON MINIMUM COMPETENCY LEVELS (*Gazette 41996*)

DECLARATION: The Municipal Manager/ Chief Executive Officer certifies that this information is true and correct as it reflects the latest records on Competency Levels for officials in the municipality and/or municipal entity, respectively.

Select your province by using the scroll button in next column: GT | Select your Municipality by using the scroll button in next column: GT422 - Midvaal

Surname	Name	Position (select from scroll button)	Department	Job Level	Higher Education Qualification (New NQF Levels)	Status - Pending/Complete	Financial and Supply Chain Management Competency Areas (Do not complete as this column is automated with column D)	Insert the number of completed Unit Standards, e.g. 3, 5, 10, etc.	Remaining Unit Standards (Do not complete as this column is automated with coloumn F and G)	Unit Standards attended
Section A										
MAGODI	P	Senior Manager (MSA S56)	Municipal Manager	Section 5	NQF Level 9 - Masters Degree or higher	Completed - SOR issued	15 Unit Standards needed	28	0	28
MOKOENA	KC	Senior Manager (MSA S56)	Development & Planning	Sect 56	NQF Level 9 - Masters Degree or higher	Completed - Certificate issued	15 Unit Standards needed	21	0	21
LENSLEY	E	Senior Manager (MSA S56)	Public Safety & Roads Mair	Sect 56	NQF Level 7 - B-Tech (min 360 credits)	Completed - Certificate issued	15 Unit Standards needed	28	0	28
CAVE	S	Senior Manager (MSA 56)	Corporate Services	Sect 56	NQF Level 9 - Masters Degree or higher	Completed - Certificate issued	15 Unit Standards needed	28	0	28
DESAI	F	Middle Manager: Finance	Financial Services	Level 1	NQF Level 8 - Post Graduate Degree (min 120 credits)	Completed - Cerficate issued	15 Unit Standards needed	20	0	20
MNGUNI	T	Middle Manager: Finance	Financial Services	Level 1	NQF Level 7 - Bachelors Degree (min 360 credits	Completed - Certificate issued	15 Unit Standards needed	28	0	28
HUMAN	H	Middle Manager	Savanna City	Contract	NQF Level 6 - National Diploma (min 240 credits)	Complete - Certificate issued	15 Unit Standards needed	17	0	17
STEYN	H	Other Official	Public Safety & Roads Mair	Level 3/2	NQF Level 6 - National Diploma (min 120 credits)	Complete - Certificate issued	15 Unit Standards needed	16	0	16
MPAI	A	Middle Manager-Traffic	Public Safety & Roads Mair	Level 3/2	NQF Level 6 National Diploma (min 240 credits)	Complete - Certificate issued	15 Unit Standards needed	25	0	25
MAKGOBA	J	Middle Manager	Corporate Services	Level 3/2	NQF Level 9 - Masters Degree or higher	Complete - Certificate issued	15 Unit Standards needed	28	0	28
VAN DER MERWE	E	Other Official	Development & Planning	Level 3/2	NQF Level 7 - Bachelor Degree (min 360 credits)	Complete - Certificate issued	15 Unit Standards needed	16	0	16
MKAZA	M	Other Official	Community Services	Level 4	NQF Level 7 - Post Graduate Diploma (min 240 credits)	Complete - Certificate issued	15 Unit Standards needed	16	0	16
WELMAN	A	Middle Manager	Corporate Services	Level 4	NQF Level 7 - Bachelor Degree (min 360 credits)	Complete - Certificate issued	15 Unit Standards needed	28	0	28
NHLAPO	SM	Other Official	Corporate Services	Level 4	NQF Level 7 - Bachelor Degree (min 360 credits)	Complete - Certificate issued	15 Unit Standards needed	21	0	21
LETSATSI	S	Middle Manager	Financial Services	Level 4	NQF Level 6 - National Diploma (min 240 credits)	Complete - Certificate issued	15 Unit Standards needed	17	0	17
MEIRING	A	Middle Manager: Finance	Financial Services	Level 1	Lower than NQF Level 6	Complete - Certificate issued	15 Unit Standards needed	25	0	25
KRUGER	G	Middle Manager: Finance	Financial Services	Level 4	NQF Level 6 - National Diploma (min 240 credits)	Complete - Certificate issued	15 Unit Standards needed	25	0	25
RAMODIKE	JM	Finance Official	Financial Services	Level 4	Lower than NQF Level 6	Complete - Certificate issued	15 Unit Standards needed	28	0	28
TSUBELLA	A	Other Official	Community Services	Level 5	NQF Level 7 - Bachelor Degree (min 360 credits)	Complete - Certificate issued	15 Unit Standards needed	16	0	16
AUGUST	E	Other Official	Engineering Services	Level 7	NQF Level 6 - National Diploma (min 240 credits)	Complete - Certificate issued	15 Unit Standards needed	16	0	16
AMEER-VAN WYK	N	Middle Manager	Corporate Services	Level 1	NQF Level 8 - Post Graduate Degree (min 120 credits)	Completed - Certificate issued	15 Unit Standards needed	24	0	24
TSHABALALA (MNGUNI)***	P	Middle Manager	Development & Planning	Level 1	NQF Level 7 - Bachelor Degree (min 360 credits)	Complete - Certificate issued	15 Unit Standards needed	28	0	28
TSHABALALA	PV	Middle Manager-Engineering	Engineering Services	Level 1	NQF Level 7-Bachelor Degree(min 360 credits)	Complete - Certificate issued	15 Unit Standards needed	28	0	28
NKRUMAH-ABEBRESE	S	Other Official	Development & Planning	Level 3/2	NQF Level 8 - Post Graduate Degree (min 120 credits)	Complete - Certificate issued	15 Unit Standards needed	28	0	28
REDDY (SUKDEV)	T	Other Official	Development & Planning	Level 3/2	NQF Level 9 - Masters Degree or higher	Complete - Certificate issued	15 Unit Standards needed	28	0	28
PATI	L.P	Middle Manager	Community Services	Level 4	NQF Level 9 - Masters Degree or higher	Complete - Certificate issued	15 Unit Standards needed	28	0	28
MTHIMKHULU	N	Other Official	Financial Services	Level 8	NQF Level 7 - Bachelor Degree (min 360 credits)	Complete - Certificate issued	15 Unit Standards needed	28	0	28
BRUNO	A	Other Official	Public Safety & Roads Mair	Level 4	NQF Level 6 - National Diploma (min 120 credits)	Complete - Certificate issued	15 Unit Standards needed	24	0	24
GITE	N	Middle Manager	Financial Services	Level 3/2	NQF Level 7 - Bachelor Degree (min 360 credits)	Complete - Certificate issued	15 Unit Standards needed	28	0	28
PUTHINI	FP	Other Official	Development & Planning	Level 4	NQF Level 6 - National Diploma (min 240 credits)	Complete - Certificate issued	15 Unit Standards needed	28	0	28
VILJOEN	E	Other Official	Engineering Services	Level 7B	Lower than NQF Level 6	Completed - Certificate issued	15 Unit Standards needed	24	0	24
MASEKWAMENG	NMT	Other Official	Engineering Services	Level 3/2	NQF Level 6 - National Diploma (min 240 credits)	Completed -Certificate issued	15 Unit Standards needed	28	0	28
SIBEKO	AA	Other Official	Corporate Cluster	Level 4	NQF Level 7 - Bachelor Degree (min 360 credits)	Completed -Certificate issued	15 Unit Standards needed	28	0	28
BHENGU	S	Finance Official	Financial Services	Level 5	NQF Level 7 - Bachelor Degree (min 360 credits)	Completed -Certificate issued	15 Unit Standards needed	28	0	28
RASENTSOERE	M	Finance Official	Financial Services	Level 7	NQF Level 7 -Bachelor Degree(min360 credits)	Completed -Certificate issued	15 Unit Standards needed	28	0	28

Employees who have completed and are compliant:
Senior Manager refers to Section 57 & 56, Middle Manager refers to Levels 1-4, Other Official refers to employees who are required ito regulations to complete MFMA minimum competencies (any level)
NOTE: unit standards completed in excess of the required number of unit standards referred to in the regulations are subject to individual training assessments and scope and application of appointed service providers and does not impact financially or otherwise as additional modules completed is advantageous to the employee and employer.

VAN VOLLENSTEE	K	Other Official	Public Safety & Roads Mai	Level 4	NQF Level 6- National Diploma (min 240 credits)	Completed - Certificate issued	15 Unit Standards needed	24	0	28
TAIT	J	Middle Manager	Corporate Services	Level 1	NQF Level 7 - Bachelor Degree (min 360 credits)	Completed - Certificate issued	15 Unit Standards needed	24	0	24
PILANE	P	Middle Manager	Corporate Services	Level 3/2	NQF Level 6 - National Diploma (min 240 credits)	Completed - SOR issued	15 Unit Standards needed	16	0	16
VERSTER	J	Other Official	Community Services	Level 4	NQF Level 8 - Post Graduate Degree (min 120 credits)	Completed -SOR issued	15 Unit Standards needed	16	0	16
SCUTTS	A	Middle Manager	Corporate Services	Level 1	NQF Level 8 - Post Graduate Degree (min 120 credits)	Completed - SOR issued	15 Unit Standards needed	16	0	16
SEMANO	D	Finance Official	Financial Services	Level 4	NQF Level 6- National Diploma (min 240 credits)	Completed -Certificate issued	15 Unit Standards needed	28	0	28
RASEPAE	K	Middle Manager	Development & Planning	Level 1	NQF Level 6 - National Diploma (min 240 credits)	Completed - SOR issued	15 Unit Standards needed	28	0	28
MONILLAL	Y	Other Official	Development & Planning	Level 4	NQF Level 7 - Bachelor Degree (min 360 credits)	Completed -SOR issued	15 Unit Standards needed	28	0	28
MNGUNI	S.	Middle Manager	Corporate Services	Level 1	NQF Level 7 -Bachelor Degree(min360 credits)	Completed - SOR issued	15 Unit Standards needed	28	0	28
MBULAHENI	TC	Finance Official	Financial Services	Intern	NQF Level 8 - Post Graduate Degree (min 120 credits)Yet	Completed -SOR issued	15 Unit Standards needed	28	0	28
MOLOI	KR	Other Official	Engineering Services	Level 4	NQF Level 7 - Bachelor Degree (min 360 credits)	Completed - SOR issued	15 Unit Standards needed	28	0	28
LEMEKO	K	Finance Official	Financial Services	Level 9	NQF Level 7 - Bachelor Degree (min 360 credits)	Completed -SOR issued	15 Unit Standards needed	28	0	28
XABA	T.W.	Middle Manager	Corporate Cluster	Level 3/2	NQF Level 8 - Post Graduate Degree (min 120 credits)	Completed -SOR issued	15 Unit Standards needed	28	0	28
REDDY	K	Middle Manager	Development & Planning	Level 4	NQF Level 6 - National Diploma (min 240 credits)	Completed -SOR issued	15 Unit Standards needed	28	0	28
MAKOFANE	LM	Other Official	Development & Planning	Level 7	NQF Level 7 - Bachelor Degree (min 360 credits)	Completed -SOR issued	15 Unit Standards needed	28	0	28
MABULA	TP	Middle Manager	Community Services	Level 1	NQF Level 9 - Masters Degree or higher	Completed - SOR issued	15 Unit Standards needed	28	0	28
NGCANE	K	Middle Manager	Engineering Services	Level 4	NQF Level 7 - Bachelor Degree (min 360 credits)	Completed - SOR issued	15 Unit Standards needed	28	0	28
MUKWEVHO	D	Middle Manager	Engineering Services	Level 4	NQF Level 7 - Bachelor Degree (min 360 credits)	Completed - SOR issued	15 Unit Standards needed	28	0	28
MAZIBUKO	NV	Finance Official	Financial Services	Intern	NQF Level 7 - Bachelor Degree (min 360 credits)	Completed - SOR issued	15 Unit Standards needed	28	0	28
MOHUBA	M	Finance Official	Financial Services	Intern	NQF Level 6 - National Diploma (min 240 credits)	Completed - SOR issued	15 Unit Standards needed	28	0	28
MASHIGOANE	PQ	Middle Manager	Corporate Cluster	Level 3/2	NQF Level 9 - Masters Degree or higher	Completed - SOR issued	15 Unit Standards needed	28	0	28
HLUNGWANI	M	Middle Manager	Engineering Services	Level 4	NQF Level 7 - Bachelor Degree (min 360 credits)	Completed - SOR issued	15 Unit Standards needed	28	0	28
RAMOABI	M	Other Official	Corporate Services	Level 6	NQF Level 8 -Post Graduate Diploma (min 240 credits)	Completed - SOR issued	15 Unit Standards needed	28	0	28
MARENENE	S	Finance Intern	Financial Services	N/A	NQF Level 7 - B-Tech (min 360 credits)	Completed - SOR issued	15 Unit Standards needed	28	0	28
RADEBE	B.E	Middle Manager	Public Safety & Roads Mai	Level 6/5	NQF Level 7 - Bachelor Degree (min 360 credits)	Completed - SOR issued	15 Unit Standards needed	28	0	28
MBATHA	N.E	Middle Manager	Financial Services	Level 7	NQF Level 7 - Bachelor Degree (min 360 credits)	Completed - SOR issued	15 Unit Standards needed	28	0	28
THEKISO	PA	Other Official	Development & Planning	Level 5	NQF Level 7 - Bachelor Degree (min 360 credits)	Completed - SOR issued	15 Unit Standards needed	28	0	28
STEYN	P	Other Official	Development & Planning	Level 6	NQF Level 6- National Diploma (min 240 credits)	Completed - SOR issued	15 Unit Standards needed	28	0	28
KUBHEKA	HL	Middle Manager	Corporate Services	Level 4	NQF Level 6 - National Diploma (min 240 credits)	Completed - SOR issued	15 Unit Standards needed	28	0	28
KOBE	N	Middle Manager	Development & Planning	Level 4	NQF Level 8 - Post Graduate Degree (min 120 credits)	Completed - SOR issued	15 Unit Standards needed	28	0	28
NKOMO	N	Middle Manager	Engineering Services	Level 4	NQF Level 7 - Bachelor Degree (min 360 credits)	Completed - SOR issued	15 Unit Standards needed	28	0	28
MATITWANE	P	Other Official	Community Services	Level 6	NQF Level 7 - Bachelor Degree (min 360 credits)	Competed - SOR issued	15 Unit Standards needed	28	0	28
RALPH	LM	Other Official	Community Services	Level 6	NQF Level 7 - Bachelor Degree (min 360 credits)	Completed - SOR issued	15 Unit Standards needed	28	0	28
NTULI	NL	Finance Official	Financial Services	Levels 9	NQF Level 7 - Bachelor Degree (min 360 credits)	Completed - SOR issued	15 Unit Standards needed	28	0	28
TLHAKE	B.S	Other Official	Community Services	Level 5	NQF Level 7 - Bachelor Degree (min 360 credits)	Completed - SOR issued	15 Unit Standards needed	28	0	28
VAN GREUNE	R	Middle Manager	Corporate Services	Level 4	NQF Level 6 - National Diploma (min 240 credits)	Completed - SOR issued	15 Unit Standards needed	24	0	24
ZULU	L.P	Middle Manager	Development & Planning	Level 4	NQF Level 7 - B-Tech (min 360 credits)	Completed - Certificate issued	15 Unit Standards needed	28	0	28
ZUNGUZANE	F	Other Official	Community Services	Level 5	NQF Level 7 - B-Tech (min 360 credits)	Completed - Certificate issued	15 Unit Standards needed	28	0	28
NTLHAILE	I	Other Official	Engineering Services	Level 7	NQF Level 6 - National Diploma (min 240 credits)	Completed - Certificate issued	15 Unit Standards needed	28	0	28
MTHI	N	Finance Intern	Financial Services	Level 6	NQF Level 6 - National Diploma (min 240 credits)	Completed -Certificate issued	15 Unit Standards needed	28	0	28
THOBANE	B	Finance Official	Financial Services	Level 6	NQF Level 6 - National Diploma (min 240 credits)	Completed - Certicate issued	15 Unit Standards needed	28	0	28
MADIMUTSA	R	Other Official	Engineering Services	Level 1	NQF Level 9 - Masters Degree or higher	Completed - Certificate issued	15 Unit Standards needed	28	0	28
SIMAMANE	S	Other Official	Community Services	Level 5	NQF Level 7- Bachelor Degree (min 360 credits)	Completed - Certificate issued	15 Unit Standards needed	28	0	28
MATSANENG (KHUMALO)	SNJ	Middle Manager	Corporate Services	Level 4	NQF Level 7 - B-Tech (min 360 credits)	Completed - Certificate issued	15 Unit Standards needed	28	0	28
MDLALOSE	M	Finance Official	Financial Services	Level 4	NQF Level 7 - Bachelor Degree (min 360 credits)	Completed - Certificate issued	15 Unit Standards needed	28	0	28
RAMAKOLOI	J	Finance Official	Financial Services	Level 4	NQF Level 6 - National Diploma (min 240 credits)	Completed - Certificate issued	15 Unit Standards needed	28	0	28

Section B

Employees who have submitted POE, but have outstanding modules and/or are in the process of completing the MFMA minimum competency requirements specific to their category of employment:

Senior Manager refers to Section 57 & 56, Middle Manager refers to Levels 1-4, Other Official refers to employees who are required ito regulations to complete MFMA minimum competencies (any level)

NOTE: Unit Standards completed in excess of the required number of unit standards referred to in the regulations are subject to individual training assessments and scope and application of appointed service providers and does not impact financially or otherwise as additional modules completed is advantageous to the employee and employer.

										Unit standards attended
VENTER	J	Other Official	Community Services	Level 1	NQF Level 6 National Diploma (min 240 credits)	Incomplete - US outstanding.	15 Unit Standards needed	6	15	21
LUSWAZI-CHIYA	P	Middle Manager	Ofiice of the MM	Level 2	NQF Level 9 - Masters Degree or higher	Awaiting WITS to provide SOR				
PUMANE	N	Middle Manager	Corporate Services	Level 1	NQF Level 9 - Masters Degree or higher	Provisional Assessment Report, p	15 Unit Standards needed	0	15	
KHUMALO	X	Finance Official	Financial Services	Level 8	Lower than NQF Level 6	Incomplete - cost of outstanding U	15 Unit Standards needed	2	21	23
DUBULA	Z	Finance Official	Financial Services	Level 9	NQF Level 7 - Bachelor Degree (min 360 credits)	Incomplete - cost of outstanding U	15 Unit Standards needed	5	18	23
ZWANE	J.N	Middle Manager	Community Services	Level 4	NQF Level 6 - National Diploma (min 240 credits)	Pending - awaiting verification & S	15 Unit Standards needed	28	8	8
NDIMANDE	D.	Finance Official	Financial Services	Level 6	NQF Level 7 - Bachelor Degree (min 360 credits)	Pending - awaiting verification & S	15 Unit Standards needed	28	15	13
TSHUKETANA	D	Other Official	Community Services	Level 6	NQF Level 7 - Bachelor Degree (min 360 credits)	Pending - awaiting verification & S	15 Unit Standards needed	28	15	13
SHONGWE (DLAMINI)	N	Other Official	Community Services	Level 6	NQF Level 7 - Bachelor Degree (min 360 credits)	Pending - awaiting verification & S	15 Unit Standards needed	28	15	13
MOFOKENG	N	Other Official	Community Services	Level 7	NQF Level 7 - Bachelor Degree (min 360 credits)	Pending - awaiting verification & S	15 Unit Standards needed	28	15	13

MTHEMBU	D	Finance Official	Financial Services	Level 6	NQF Level 6 - National Diploma (min 240 credits)	Pending - awaiting verification & S	15 Unit Standards needed	28	15	13
MAHLATSI	T	Other Official	Public Safety & Roads	Level 5	NQF Level 6 - National Diploma (min 240 credits)	Pending - awaiting verification & S	15 Unit Standards needed	28	15	13
TSHABALALA	B	Other Official	Corporate Services	Level 3	NQF Level 7 - Bachelor Degree (min 360 credits)	Pending - awaiting verification & S	15 Unit Standards needed	28	15	13
MONONYANE	JN	Middle Manager	Corporate Services	Level 4	NQF Level 7 - Bachelor Degree (min 360 credits)	Commenced training	15 Unit Standards needed	0	15	6
FAIRFOOT	R	Finance Official	Financial Services	Level 4	NQF Level 7- Bachelor Degree (min 360 credits)	Commenced training	15 Unit Standards needed	0	15	6
MASUKU	S	Finance Official	Financial Services	Level 6	NQF Level 6 - National Diploma (min 240 credits)	Commenced training	15 Unit Standards needed	0	15	6
HEYMANS	C	Middle Manager	Public Safety & Roads M	Level 5	NQF Level 6 - National Diploma (min 240 credits)	Commenced training	15 Unit Standards needed	0	15	6
KUBHEKA	TV	Other Official	Community Services	Level 6	Below NQF Level 5	Commenced training	15 Unit Standards needed	0	15	6
MARIRI	Y	Finance Official	Financial Services	Level 6	NQF Level 7 - Bachelor Degree (min 360 credits)	Commenced training	15 Unit Standards needed	0	15	6
MAKAZANE	M	Finance Official	Financial Services	Level 6	NQF Level 7 - Bachelor Degree (min 360 credits)	Commenced training	15 Unit Standards needed	0	15	6
DU KOKER	G	Finance Official	Financial Services	Level 6	NQF Level 6 - National Diploma (min 240 credits)	Commenced training	15 Unit Standards needed	0	15	6
MOLOANTOA	W	Other Official	Corporate Services	Level 7	NQF Level 7 - Bachelor Degree (min 360 credits)	Commenced training	15 Unit Standards needed	0	15	6
RADEBE	T	Finance Official	Financial Services	Level 8	NQF Level 7 - B -Tech (min 360 credits)	Commenced training	15 Unit Standards needed	0	15	6
MASHIGO	LT	Finance Intern	Financial Services	N/A	NQF Level 6 - National Diploma (min 240 credits)	Commenced training	15 Unit Standards needed	0	15	6
MAGOQOZA	S	Finance Intern	Financial Services	N/A	NQF Level 6 - National Diploma (min 240 credits)	Commenced training	15 Unit Standards needed	0	15	6
DEWENHUIS	T	Finance Intern	Financial Services	N/A	NQF Level 7 - Bachelor Degree (min 360 credits)	Commenced training	15 Unit Standards needed	0	15	6
MAJIKIJA	A	Other Official	Community Services	Level 4	NQF Level 8 - Post Graduate Diploma (min 240 credi	Commenced training	15 Unit Standards needed	0	15	6

Section C

Employees who are yet to commence with the MFMA Minimum Competency Requirements Training Program:

Senior Manager refers to Section 57 & 56, Middle Manager refers to Levels 1-4, Other Official refers to employees who are required ito competencies (any level).

NOTE: unit standards completed in excess of the required number of unit standards referred to in the regulations are subject to individual training assessments and scope and application of appointed service providers and does not impact financially or otherwise as additional modules completed is advantageous

MOAHLOLI	M	Middle Manager	Engineering Services	Level 5	NQF Level 5 - Higher Certificate	Yet to commence with training	15 Unit Standards needed	0	15	
MASEMULA	T	Other Official	Development & Planning	Level 4	NQF Level 9 - Masters Degree or higher	Yet to commence with training	15 Unit Standards needed	0	15	
SOLOMONS	Y	Other Official	Corporate Services	Level 4	NQF Level 8 - Post Graduate Degree (min 120 credit	Yet to commence with training	15 Unit Standards needed	0	15	
NTSANWISI	J	Other Official	Development & Planning	Level 4	NQF Level 9 - Masters Degree or higher	Yet to commence with training	15 Unit Standards needed	0	15	
MTHEMBU	N	Other Official	Engineering Services	Level 4	NQF Level 7 - B-Tech (min 360 credits)	Yet to commence with training	15 Unit Standards needed	0	15	
MLE	S	Other Official	Corporate Services	Level 4	NQF Level 7 - Bachelor Degree (min 360 credits)	Yet to commence with training	15 Unit Standards needed	0	15	
JHETAM	A	Finance Official	Financial Services	Level 5	NQF Level 8 - Post Graduate Degree (min 120 credit	Yet to commence with training	15 Unit Standards needed	0	15	
MANQELE	S	Finance Intern	Financial Services	N/A	NQF Level 6 - National Diploma (min 240 credits)	Yet to commence with training	15 Unit Standards needed	0	15	
SHIVURI	S	Finance Intern	Financial Services	N/A	NQF Level 7 - Advanced Diploma (min 360 credits)	Yet to commence with training	15 Unit Standards needed	0	15	
MPANZA	P	Finance Intern	Financial Services	N/A	NQF Level 6- National Diploma (min 240 credits)	Yet to commence with training	15 Unit Standards needed	0	15	
MOKOENA	P	Finance Intern	Financial Services	N/A	NQF Level 7 - Bachelor Degree (min 360 credits)	Yet to commence with training	15 Unit Standards needed	0	15	
MALINDI	N	Finance Intern	Financial Services	N/A	NQF Level 6 - National Diploma (min 240 credits)	Yet to commence with training	15 Unit Standards needed	0	15	
RATLHAGANE	S	Other Official	Community Services	Level 6	NQF Level 7 - Bachelor Degree (min 360 credits)	Yet to commence with training	15 Unit Standards needed	0	15	
MOKOENA	K	Other Official	Corporate Services-IT	Level 4	NQF Level 7 - Bachelor Degree (min 360 credits)	Yet to commence with training	15 Unit Standards needed	0	15	

C 3742/03/2026
MC A/6811/03/2026

9.A.10 [FS]: REPORT ON DEVIATIONS FROM THE SUPPLY CHAIN MANAGEMENT POLICY AS REQUIRED BY THE MUNICIPAL SUPPLY CHAIN MANAGEMENT REGULATIONS: MONTH OF FEBRUARY 2026

8/1/1

COMPETENCY: COUNCIL

PURPOSE

To report on deviations from the supply chain management policy as required by the Municipal Supply Chain Management (MFMA) Regulations for the month of February 2026.

RECOMMENDATION

That the report on the deviations from the MFMA Supply Chain Management Policy, as required by the Municipal Supply Chain Regulations, for the month of February 2026, be noted.

REPORT

The Municipal Supply Chain Management Regulations published under General Notice 868 in Government Gazette 27636 of 30 May 2005, inter alia, contain the following reporting requirements:

"Regulation 6 provides that the council of a municipality has an oversight role over the implementation of its supply chain management policy."

(1) The council of a municipality must maintain oversight over the implementation of its supply chain management policy.

(2) For the purposes of such oversight, the accounting officer must –

(ii) Whenever there are serious and material problems in the implementation of the supply chain management policy, immediately submit a report to the council of the municipality."

The following Regulations are applicable to the implementation of the SCM policy and reported on as per the SCM regulations:

REPORT	SCM REGULATION NO	REPORT TO	FREQUENCY	RESPONSIBLE PERSON
Report on deviations from SCM Policy	36(2)	Council	Monthly (next Council meeting)	Director: SCM
Report whenever there are serious and material problems in the implementation of the SCM Policy, immediately submit a report to the Council	6 (2) (a) (iii)	Council	Immediately (as and when applicable)	Director: SCM

MIDVAAL LOCAL MUNICIPALITY: MFMA SCM REGULATIONS - REGULATION 36 (1) & (2) OF THE: DEVIATIONS AND RATIFICATION OF MINOR BREACHES OF PROCUREMENT PROCESS

1. The Accounting Officer may dispense with the official procurement processes established by Midvaal Local Municipality's SCM policy and procure goods or services through a convenient process which includes:

i) Emergency;
ii) Goods and services produced or available from a single provider only;
iii) Special works of art, historical objects;
iv) Animals for zoos;
v) Exceptional cases where it is impractical or impossible to follow the official procurement process.

Herewith the report to Council on purchases that could not follow the official procurement process for the month February 2026:

(i) PURCHASES ACQUIRED IN EMERGENCY CASES					
R/N	DEP	DESCRIPTION	DATE	REASON	AMOUNT
		NONE			
(ii) PURCHASES ACQUIRED WHERE GOODS AND SERVICES PRODUCED OR AVAILABLE ARE FROM A SINGLE PROVIDER ONLY/AGENTS					
R/N	DEP	DESCRIPTION	DATE	REASON	AMOUNT
FEB001-2025-2026	COMMUNITY SERVICES	Symphony serials training course for 2 days for 10 staff	03/02/2026	Library software and training in the use of software said software, that is used in Midvaal libraries to be able to function. UKS is the only licenced supplier in Africa of the software and training. There is no benchmark as it is unique.	R131 309,78
(iii) SPECIAL WORKS OF ART OR HISTORIC OBJECTS					
R/N	DEPT	DESCRIPTION	DATE	REASON	AMOUNT
		NONE			
(iv) ACQUISITION OF ANIMALS FOR ZOOS AND/OR NATURE AND GAME RESERVES					
R/N	DEPT	DESCRIPTION	DATE	REASON	AMOUNT
		NONE			

(v) IMPRACTICAL OR IMPOSSIBLE					
R/N	DEPT	DESCRIPTION	DATE	REASON	AMOUNT

36 (1)(b) RATIFICATION OF MINOR BREACH BY ACCOUNTING OFFICER					
R/N	DEPT	DESCRIPTION	DATE	REASON	AMOUNT
		NONE			

Implementation of the SCM policy Regulation 6 (2) (a) (iii)

That it be noted that there are no serious or material problems in the implementation of the MFMA SCM policy.

PREPARED BY:

ORIGINAL SIGNED
MR NL NTULI
ACCOUNTANT: STRATEGIC SOURCING
04 March 2026

RECOMMENDED / NOT RECOMMENDED

ORIGINAL SIGNED
MS K DESAI
ACTING CHIEF FINANCIAL OFFICER
04 March 2026

REVIEWED BY:

ORIGINAL SIGNED
MR M MDLALOSE
ACTING DIRECTOR: SCM
04 March 2026

APPROVED / NOT APPROVED

ORIGINAL SIGNED
MR. P MAGODI
MUNICIPAL MANAGER
04 March 2026

COMMENTS: MEETING OF THE MUNICIPAL MANAGER AND HEADS OF DEPARTMENT: 09 MARCH 2026

Resolved To Recommend

The item is supported and referred to the Section 80 Finance Services Portfolio Committee.

COMMENTS: SECTION 80 FINANCIAL SERVICES PORTFOLIO COMMITTEE: 16 MARCH 2026

The recommendation is supported.

ANNEXURE A

FEB001/2025-2026

PURCHASE ORDER

25 MITCHEL STREET
MEYERTON
1961

Tel: (016) 360 7544
Fax: (016) 362 3386
VAT: 4700193503

MIDVAAL LOCAL MUNICIPALITY

Delivery address:
MEYERTON LIBRARY, 25 MITCHEL STREET, MEYRTON, 1961

www.midvaal.gov.za

Supplier:
UNIVERSAL KNOWLEDGE SOFTWARE PTY LTD
P O BOX 31186
BRAAMFONTEIN
2017

Order Number: 0002047364

Date: 20260223

IMPORTANT: Invoices bearing the relevant purchase order number must be forwarded to the above address.
Payments will be affected within 30 days of receipt of an invoice.

Please supply the following goods

ITEM NO	VOTE NUMBER	DESCRIPTION	QUANTITY	UNIT PRICE	VAT	TOTAL INCL. VAT
PROFTSKIL1	05052305110G4P76ZZWM	Symphony serials training course for 2 days for 10 staff	1.000	42616.86000	6392.53	49009.39
TRAINFEE	05052305110G4P76ZZWM	Symphony circulation training course for 2 days for 10 staff	1.000	42616.86000	6392.53	49009.39
TRAINING	05052305110G4P76ZZWM	Symphony cataloguing training for 3 days for 4 staff	1.000	23158.96000	3473.84	26632.80
TRAINITASS	05052305110G4P76ZZWM	Symphony system admin training course for 3 days. 1 staff.	1.000	5789.74000	868.46	6658.20
				TOTAL	R17,127.36	R131,309.78

FOR OFFICE USE

Vendor No.	UNI014	Buyer Signature:
Requisition No.	00115/2026	
GRN Number.		
Invoice No.		
Contact Person.	LESLEY RALPH	
Contact No.	016 360 7444	

MIDVAAL LOCAL COUNCIL
P.O. BOX 9, MEYERTON 1960
TEL: 016 360 7400 FAX: 016 362 3386
www.midvaal.gov.za

FEB001/2025-2026

UKS

Quote

Universal Knowledge Software (Pty) Ltd

VAT No: 4780180420

P O Box 7195
Weltevredenpark 1715
Company Registration No : 1998/021430/07

Constantia Office Park, Gateview House A1
Corner 14th Avenue and Hendrik Potgieter Road
Weltevredenpark 1709
Email : finance@uks.co.za
Phone : +2711 375 4700

Number:	QUO0000835
Date:	04/12/2025
Page:	1/1
Reference:	MDV001-Training
Sales Rep:	Kerri Morris
Due Date	04/03/2026
Overall Discount%:	0.00%

Midvaal Local Municipality

Customer VAT No: 4700193503

Ms. Judith Zwane
P.O. Box 9
MEYERTON

1961

P.O. Box 9
MEYERTON

1961

Description	Quantity	Excl. Price	Disc %	VAT %	Exclusive Total	Inclusive Total
Symphony Cataloguing training for 3 days (4 Staff)		R 23,158.96	0.00%	15.00%	R 23,158.96	R 26,632.80
Symphony Serials training course for 2 days (10 staff)		R 42,616.86	0.00%	15.00%	R 42,616.86	R 49,009.39
Symphony Circulation training course for 2 days (10 staff)		R 42,616.86	0.00%	15.00%	R 42,616.86	R 49,009.39
Symphony System Admin training course for 3 days (1 staff)		R 5,789.74	0.00%	15.00%	R 5,789.74	R 6,658.20

Venue:

Training will be done at the Customer's premises

Banking Details
Bank ABSA
Branch No 632005
Account No 4092521498
Swift Code ABSAZAJJ

Total Discount:	R 0.00
Total Exclusive:	R 114,182.42
Total VAT:	R 17,127.36
Sub Total:	R 131,309.78
Total:	R 131,309.78

QUOTE.pdf

Universal Knowledge Software (Pty) Ltd

Reg No:1998/021430/07 Vat Reg No: 4780180420 Tax reference number: 9057267842

▸ Gateview House A1, Constantia Office Park, c/o Hendrik Potgieter Road & 14th Avenue, Weltevredenpark, Johannesburg, 1709 | ▸ P.O. Box 7195, Weltevredenpark, 1715

+27 (11) 378 4700 sales@uks.co.za www.uks.co.za

Midvaal Libraries
Ms. Judith Zwane
P.O. Box 9
South Africa
MEYERTON
1960

15 January 2026

Dear Ms. Zwane,

UNIVERSAL KNOWLEDGE SOFTWARE APPOINTED AS EXCLUSIVE SIRSIDYNIX DISTRIBUTOR FOR AFRICA

We hereby confirm that, with effect from 3 March 2005, UKS has been appointed as the SirsiDynix distributor for Africa. The distributor agreement between SirsiDynix and UKS appoints UKS as the exclusive distributor for SirsiDynix in Africa, supplying the SirsiDynix Library Management System and providing all software and application training related to Symphony:

- Circulation training
- Acquisitions training
- Serials training
- Off-line training
- GRAP 17 training
- Cataloguing:
  - Resource Description Access training (RDA) / AACR2
  - MARC21
  - Authorities
  - Classification
  - Reports
- BLUEcloud
  - Circulation training
  - Cataloguing training

UKS has established a professional team that is able to train, install, configure, implement, and support the system including services like data conversion and project management from our offices in Johannesburg.

SirsiDynix is a large international company that has established itself as one of the foremost suppliers of library automation systems. With over 1,700 installations worldwide, and serving over 10,000 individual libraries, they are truly one of the leaders in their field. We are now in a position to offer the full range of SirsiDynix library automation products, to both existing and prospective customers, with the reassurance of local support, training, and consultation services.

Please feel free to contact me or my staff for any additional information you may require.

Kind regards

Mohamed Ismail
COO

Sole Provider Letter.pdf

C 3743/03/2026
MC A/6812/03/2026

9.A.11 [FS]: REPORT ON FINANCIAL RESULTS FOR THE MONTH OF FEBRUARY 2026 AS REQUIRED BY SECTION 71 OF THE MUNICIPAL FINANCE MANAGEMENT ACT

9/1/2/2

COMPETENCY: COUNCIL

PURPOSE

To report on the Financial Results for the month of February 2026, as required by Section 71 of the Municipal Finance Management Act.

RECOMMENDATIONS

1. That the report on the Financial Results for the month of February 2026 of the 2025/2026 financial year, as required by Section 71 of the Municipal Finance Management Act.

2. That it be noted that bad debts of R1 291 917 relating to indigents were written off in February 2026.

3. That the cases of Unauthorised, Irregular, Fruitless & Wasteful Expenditure identified during the month of February 2026 amounted to R32 057.80.

4. That the UIFW be referred to MPAC and FDB for processing in terms of S32 and S171(1) and (4) of MFMA, where applicable.

REPORT

This report is submitted in terms of the above-mentioned legislative requirements.

COMMENTS: MEETING OF THE MUNICIPAL MANAGER AND HEADS OF DEPARTMENT: 16 MARCH 2026

Resolved To Recommend

The item is supported and referred to the Section 80 Finance Services Portfolio Committee.

COMMENTS: SECTION 80 FINANCIAL SERVICES PORTFOLIO COMMITTEE: 16 MARCH 2026

The recommendations are supported.

PROUDLY MIDVAAL

This report provides in-year financial information as required by the Municipal Finance Management Act, 56 of 2003

IN-YEAR FINANCIAL REPORT: FEBRUARY 2026

Submitted in terms of Sections 71 of the MFMA

TABLE OF CONTENTS

PART 1 – IN-YEAR REPORT

Mayor's report

Summary of whether the municipality's budget is being implemented in accordance with the service delivery and budget implementation plan

The tables below indicates the progress made on the implementation of the municipality's budget.

Material variances to the SDBIP:

There are no material variances to the SDBIP targets.

Revenue dashboard

Statement of Financial Performance							
Income	Adjusted Budget	December 2025	January 2026	February 2026	Year to Date	% of Budget	Full Year Forecast
Revenue from Non-Exchange Transactions							
Property Rates	413 566 388	32 269 505	32 002 207	32 511 263	255 404 423	61.76%	383 106 634
Fines, Penalties and Forfeits	58 471 335	2 663 698	4 335 474	2 885 469	29 031 886	49.65%	43 547 829
Interest Non Exch-Prop Rates	22 501 438	1 461 158	1 279 028	1 558 080	14 391 499	63.96%	21 587 248
Operational Transfers Monetary	233 387 753	64 437 219	2 205 009	2 260 447	157 046 732	67.29%	233 387 753
Capital Transfers Monetary (Govt)	90 384 599	14 738 094	9 536 734	7 469 797	69 834 693	77.26%	90 384 599
Capital Transfers Monetary (Developers)	11 183 511	-	1 305 513	-	1 305 513	11.67%	11 183 511
Revenue from Exchange Transactions							
Service Charges Electricity	705 878 638	51 984 540	48 624 053	45 873 648	434 732 884	61.59%	652 099 327
Service Charges Waste Management	74 940 785	5 912 431	5 921 315	5 929 509	47 462 447	63.33%	71 193 671
Service Charges WasteWater Management	74 628 015	5 911 185	5 937 137	5 995 941	47 624 834	63.82%	71 437 250
Service Charges Water	322 105 651	24 036 889	27 422 131	23 405 918	198 926 479	61.76%	298 389 719
Interest	77 261 238	4 788 242	4 503 546	4 623 579	38 293 021	49.56%	57 439 532
Operational Revenue	5 033 964	120 878	37 841	37 809	1 389 830	27.61%	2 084 745
Rental from Fixed Assets	2 230 422	92 448	83 877	91 906	893 519	40.06%	1 340 278
Sales of Goods and Rendering of Services	9 741 930	404 618	418 598	363 929	5 537 196	56.84%	8 305 794
Licenses and Permits	2 000	210	-	-	210	10.50%	315
TOTAL INCOME	2 101 317 667	208 821 114	143 612 462	133 007 295	1 301 875 167	61.96%	1 945 488 206
Total Income Excluding Capital Revenue	1 999 749 557	194 083 020	132 770 216	125 537 498	1 230 734 961	61.54%	1 843 920 096

Expenditure dashboard

Expenditure	Adjusted Budget	December 2025	January 2026	February 2026	Year to Date	% of Budget	Full Year Forecast
Salaries and Allowances							
Senior Managers	12 514 837	701 830	2 536 923	522 999	6 759 932	54.02%	10 139 898
Municipal Staff	465 678 031	33 712 909	34 180 054	34 917 402	277 539 929	59.60%	416 309 893
Councillors Allowances	16 335 037	1 270 128	1 270 128	1 270 128	10 490 215	64.22%	15 735 323
Contracted Services							
Outsourced Services	89 856 466	7 100 956	7 270 496	6 475 739	48 008 189	53.43%	72 012 284
Consultants and Professional Services	44 582 027	1 319 731 -	653 095	2 883 838	10 072 529	22.59%	15 108 794
Contractors	98 222 216	8 380 764	4 585 868	5 612 232	49 384 371	50.28%	74 076 556
Operational Cost	134 865 921	5 349 114	10 688 407	5 636 918	67 757 284	50.24%	101 635 925
Inventory	34 470 422	3 180 210	1 732 649	1 966 333	15 748 726	45.69%	23 623 089
Bulk Purchases							
Electricity	638 155 001	43 594 629	39 286 544	39 351 589	385 642 661	60.43%	578 463 991
Water	214 699 306	15 997 920	16 814 795	17 805 121	133 191 720	62.04%	199 787 580
Interest Paid	30 381 057	13 447 789	367 751	359 331	16 016 026	52.72%	24 024 039
Debt Impairment	126 619 718	58 542 456	535 966	1 291 917	67 932 921	53.65%	126 619 718
Traffic fines impairment	55 700 954	2 401 020	4 016 550	2 566 750	25 594 770	45.95%	38 392 155
Transfers and Subsidies	1 846 920	80 000	535 000	-	1 159 100	62.76%	1 738 650
Depreciation and Amortisation	126 860 752	10 300 235	10 299 115	10 801 114	82 806 279	65.27%	124 209 419
TOTAL EXPENDITURE	2 090 788 865	205 379 692	133 467 150	131 461 410	1 198 104 652	57.30%	1 821 877 315

MIDVAAL LOCAL MUNICIPALITY MONTHLY BUDGET STATEMENT

Capex dashboard

Capital Summary Report: Capital Expenditure per Fund							
NON-CURRENT ASSETS	Adjusted Budget	November 2025	December 2025	January 2026	February 2026	Year to Date	% of Budget
Capital Annuity Loans	42 500 000	13 937 992	7 786 421	967 169	712 545	28 893 352	67.98%
Capital Leases	33 510 000	-	2 140 026	-	1 361 554	3 501 580	10.45%
Capital Operational Revenue	73 461 219	2 658 051	3 504 495	271 196	672 853	22 107 351	30.09%
Private enterprises in kind	11 500 000	-	-	10 978 109	-	10 978 109	95.46%
Capital Monetary Developers Contribution	11 183 511	-	-	-	7 379 456	8 684 968	77.66%
Sub-Total	**172 154 730**	**16 596 043**	**13 430 942**	**12 216 474**	**10 026 408**	**74 165 360**	**43.08%**
Capital Monetary INEP	22 464 878	2 673 213	5 341 279	129 883	3 074 838	18 394 798	81.88%
Capital Monetary MIG	27 406 044	1 148 160	5 463 536	344 598	572 005	21 835 375	79.67%
Capital Monetary WSIG	19 031 304	3 346 499	3 559 994	3 422 011	338 000	11 791 801	61.96%
Capital Monetary NHDG	869 565	-	155 770	-	-	869 565	100.00%
Capital Monetary DAC	4 642 000	904 618	127 493	43 156	419 026	2 131 402	45.92%
Capital Monetary FFRG	1 304 348	-	-	-	-	-	0.00%
Capital Monetary EEF	3 435 861	1 255 618	2 047 954	-	-	3 303 573	96.15%
Capital HIV Grant	53 800	-	-	-	-	-	0.00%
Sub-Total	**79 207 800**	**9 328 108**	**16 696 026**	**3 939 648**	**4 403 869**	**58 326 514**	**73.64%**
TOTAL CAPITAL	**251 362 530**	**25 924 152**	**30 126 968**	**16 156 122**	**14 430 277**	**132 491 875**	**52.71%**

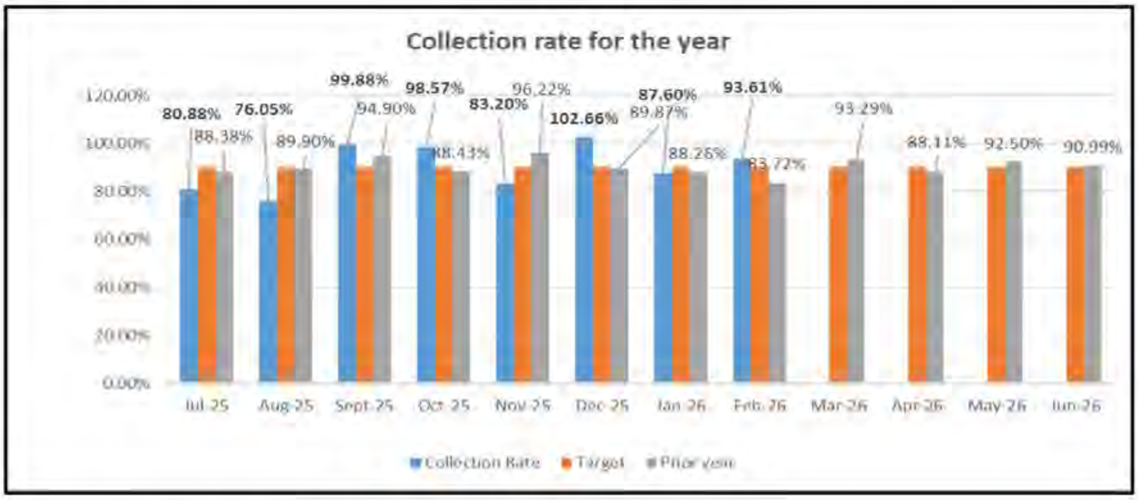
Capital Summary Report: Capital Expenditure per Department (Municipal Standard Classification)						
NON-CURRENT ASSETS	Adjusted Budget	December 2025	January 2026	February 2026	Year to Date	% of Budget
Corporate Services	8 120 450	130 601	14 800	48 721	6 086 190	74.95%
Financial Services	400 000	-	-	-	-	0.00%
Development & Planning	879 565	155 770	-	-	869 565	98.86%
Public Safety and Roads	44 153 059	7 175 090	737 846	265 691	25 474 835	57.70%
Community Services	69 054 084	1 867 613	11 278 114	1 780 580	26 409 025	38.24%
Engineering Services	128 755 372	20 797 893	4 125 362	12 335 285	73 652 260	57.20%
TOTAL CAPITAL	**251 362 530**	**30 126 968**	**16 156 122**	**14 430 277**	**132 491 875**	**52.71%**

Capital Summary Report: Capital Expenditure per Department (KPI)						
NON-CURRENT ASSETS	Adjusted Budget	December 2025	January 2026	February 2026	Year to Date	% of Budget
Corporate Services	8 120 450	130 601	14 800	48 721	6 086 190	74.95%
Financial Services	-	-	-	-	-	0.00%
Development & Planning	-	-	-	-	-	0.00%
Public Safety and Roads	91 473 059	9 315 116	11 715 956	1 627 245	39 954 524	43.68%
Community Services	25 473 964	127 493	300 004	419 026	8 710 659	34.19%
Engineering Services	126 295 057	20 553 757	4 125 362	12 335 285	77 740 502	61.55%
TOTAL CAPITAL	**251 362 530**	**30 126 968**	**16 156 122**	**14 430 277**	**132 491 875**	**52.71%**

Repairs and maintenance for Capex dashboard

EXPENDITURE	Adjusted Budget	December 2025	January 2026	February 2026	Year to Date	% of Budget	Full Year Forecast
O_MAI_NINF_CM_PL_FURNITURE AND OFFICE EQUIPMENT	169 138	1 738	-	-	5 177.02	3%	7 765.53
O_MAI_NINF_PM_CB_TRANSPORT ASSETS	15 994 547	2 380 434	100 659	1 056 436	9 601 231	60%	14 401 846
O_MAI_NINF_CM_PL_TRANSPORT ASSETS	5 367 162	338 524	341 375	388 027	3 389 477	63%	5 084 216
O_MAI_NINF_PM_IB_OA_OPS BLD'S_MUNICIPAL OFFICES_BUILDINGS	7 302 613	225 606	157 867	523 212	1 552 072	21%	2 328 108
O_MAI_NINF_PM_IB_CA_COMM FAC_LIBRARIES_BUILDINGS	2 834 167	109 328	15 900	246 292	1 034 522	37%	1 551 783
O_MAI_INF_CM_PL_SI_CAPITAL SPARES	16 808 740	1 267 608	1 294 297	1 247 893	10 324 218	61%	15 486 327
O_MAI_INF_PM_IB_SI_PUMP STATION_CIVIL STRUCTURE	3 595 052	1 023 569	50 277	55 765	1 761 579	49%	2 642 368
O_MAI_INF_CM_PL_SI_WASTE WATER TREATMENT_PIPE WORK	12 744 786	1 272 209	761 884	613 472	5 022 674	39%	7 534 011
O_MAI_INF_CM_PL_SI_WASTE WATER TREATMENT_EXTERNAL FACILITIES	19 373 033	1 540 696	1 478 863	1 412 981	12 308 250	64%	18 462 375
O_MAI_INF_CM_PL_ROADS INFRASTRUCTURE_CAPITAL SPARES	20 575 085	1 485 237	1 506 136	1 761 067	13 385 987	65%	20 078 980
O_MAI_INF_PM_IB_ROADS INFRASTRUCTURE_ROAD STRUCTURES_CIVIL STRUCTURES	16 246 423	443 743	367 230	611 523	7 719 203	48%	11 578 804
O_MAI_INF_CM_PL_WSI_CAPITAL SPARES	28 126 875	2 111 816	2 189 127	2 240 546	17 162 249	61%	25 743 374
O_MAI_INF_PM_IB_WSI_DISTRIBUTION_PIPE WORK	12 173 318	1 452 831	711 168	501 109	6 797 289	56%	10 195 933
O_MAI_INF_CM_PL_EI_CAPITAL SPARES	27 849 091	1 858 264	1 917 760	1 908 311	15 514 731	56%	23 272 096
O_MAI_INF_CM_PL_EI_MV NETWORKS_MV NETWORK EQUIPMENT	21 933 941	858 165	2 084 278	1 767 928	14 462 625	66%	21 693 937
O_MAI_INF_PM_IB_WSI_WATER TREATMENT_EARTHWORKS	4 577 998	626 113	313 056	313 056	2 491 674	54%	3 737 511
O_MAI_INF_PM_CB_EI_CAPITAL SPARES	2 886 000	-	-	-	2 084 377	72%	3 126 565
O_MAI_INF_CM_PL_EI_LV NETWORKS_PUBLIC LIGHTING	720 310	-	189 770	83 986	273 756	38%	410 635
O_MAI_INF_PM_CB_WSI_BOREHOLES_SERVICE CONNECTIONS ON SITE	711 170	-	-	-	-	0%	-
O_MAI_INF_PM_IB_SWD_LANDFILL SITES_LAND	100 000	-	-	-	-	0%	-
O_MAI_NINF_CM_PL_CA_COMM FAC_CENTRES_EXTERNAL FACILITIES	5 856 717	496 746	915 064	658 962	2 203 249	38%	3 304 873
TOTAL R & M EXPENDITURE	**225 946 165**	**17 472 626**	**14 394 711**	**15 388 565**	**127 094 338**	**56.25%**	**190 641 507**

Collection rates



Summary of risks facing the municipality

The emerging risks are as follows:

1. The collection rate achieved for the month of February is 93.61% against a budgeted rate of 90%.The year to date collection rate is 89.99%.

2. Capital spending level is being monitored to ensure at least a 90% spending level is achieved to optimise service delivery. The year to date spending is at 52.71% overall. Expenditure on Grant Funding budget is 73.64%. The capex spend is monitored weekly at heads of department meeting and monitored closely at Mayoral Committee. Specifications have been submitted to ensure timeous awards of tenders.

3. Spending on repairs is being monitored to ensure assets of Council are well maintained to avoid any service interuptions. The year to date spending is 56.25%. Spending to be accelerated in the coming months.

Resolutions

1. That the report on the Financial Results for the month of February 2026 of the 2025/2026 financial year as required by Section 71 of the Municipal Finance Management Act be noted.

2. That it be noted that bad debts of R1 291 917 relating to indigents were written off in February 2026.

3. That the cases of Unauthorised, Irregular, Fruitless & Wasteful Expenditure identified during the month of February 2026 amounted to R32 057.80.

4. That the UIFW be referred to MPAC and FDB for processing in terms of S32 and S171(1) and (4) of MFMA, where applicable.

Executive summary

Municipality's Financial Performance

Section 71 of the MFMA requires that the Accounting Officer of the municipality, by no later than 10 working days after the end of each month, submit to the Mayor of the municipality a report on the municipality's budget and the implementation thereof.

Section 52(d) of the MFMA requires that the Executive Mayor tables a report on the performance of the municipality to Council within 30 days after the end of the quarter.

Section 32 of the MFMA requires the Accounting Officer to promptly inform the MEC for Local Government in the province and the Auditor General in writing of any unauthorised, irregular or fruitless and wasteful expenditure and the steps that have been taken to recover or rectify such expenditure as well as steps taken to prevent a recurrence of such expenditure.

Section 32(2) further requires that the UIFW be investigated by Council committee to determine whether it is recoverable or not. The Council committee (MPAC) must submit a report with recommendations to the Council about UIFW.

Council's Indigent Management Policy as approved for the 2025/2026 financial year provides that the outstanding balance on the account of an approved indigent be written off against the provision for bad debts. These write-offs are reported to Council on a monthly basis. There were 42 new indigents approved for the month of February 2026 of the 2025/2026 financial year.

This report is submitted in terms of the abovementioned legislative requirements.

Revenue

	BUDGET	FEBRUARY	YTD	YTD %
TOTAL REVENUE	**R 2 101 317 667**	**R 133 007 295**	**R 1 301 875 167**	**61.96%**
Services				
Property rates	R 413 566 388	R 32 511 263	R 255 404 423	61.76%
Electricity	R 705 878 638	R 45 873 648	R 434 732 884	61.59%
Waste Management	R 74 940 785	R 5 929 509	R 47 462 447	63.33%
Wastewater Management	R 74 628 015	R 5 995 941	R 47 624 834	63.82%
Water	R 322 105 651	R 23 405 918	R 198 926 479	61.76%
Grants				
Operational	R 233 387 753	R 2 260 447	R 157 046 732	67.29%
Capital	R 79 207 800	R 4 403 869	R 58 326 514	73.64%

Revenue

Income of R133m was realised for the month of February 2026. The year to date revenue is R1,3bn which equates to 61.96% of the annual budgeted revenue. The norm for month 8 of the financial year is 66.67% (1/12th of the year's income = 8.33%). The revenue to date is below the expected norm.

The fines, penalties and forfeits income includes R28 889 680 which relates to traffic revenue. This is the amount of traffic fines issued as required by iGRAP1 and not what was collected. An amount of R25 594 770 has been impaired.

Grant Funds

The DORA grants are paid out in tranches annually, which is usually in July, December and March. Unspent capital grants are accounted as a liability and not revenue.

Operational grants income recognised for the year to date is 67.29% of the budget.

Expenditure

	BUDGET	FEBRUARY	YTD	YTD %
TOTAL EXPENDITURE	**R 2 090 788 665**	**R 131 461 410**	**R 1 198 104 652**	**57.30%**
Personnel cost				
Remuneration of Senior Management	R 12 514 837	R 522 999	R 6 759 932	54.02%
Employee Cost	R 465 678 031	R 34 917 402	R 277 539 929	59.60%
Remuneration of Councillors	R 16 335 037	R 1 270 128	R 10 490 215	64.22%
Contracted services	R 232 660 709	R 14 971 809	R 107 465 089	46.19%
Bulk purchases				
Electricity	R 638 155 001	R 39 351 589	R 385 642 661	60.43%
Water	R 214 699 306	R 17 805 121	R 133 191 720	62.04%
Distribution losses			Norm	
Electricity			10%	10.20%
Water			up to 30%	32.04%
Repairs and Maintenance	R 225 946 165	R 15 388 565	R 127 094 338	56.25%

Expenditure totalling R131m was incurred during February 2026. Year to date expenditure is R1,19bn which represents 57.30% of the annual budget. The norm for 8 months of the financial year is 66.67% (1/12th of the year's income = 8.3%). The expenditure to date is below the expected norm.

This includes the following non-cash items:

- Depreciation R 82 806 279
- Traffic fines impairment R 25 594 770
- Debt impairment R 67 932 921

Overtime	**Month**	**Year to Date**
Total Cost of overtime	**R 2 554 954**	**R 19 596 542**
Percentage salary budget	**0.56%**	**4.27%**
Analysis by Municipal Classification:	R2 554 954	R19 596 542
Municipal Manager	0.00%	0.00%
Council	0.56%	1.02%
Corporate Services	4.17%	4.48%
Financial Services	0.69%	1.14%
Development & Planning	0.00%	0.00%
Community Services	33.74%	29.01%
Engineering Services	36.89%	38.31%
Public Safety & Roads	23.95%	26.04%

Contracted services

Expenditure on contracted services and operational cost are still low at 47.68% of the budget. It should be noted that most of the contracted services are utilised towards the end of the financial year.

Repairs and maintenance per department

REPAIRS AND MAINTENANCE PER DEPT	Adjusted Budget	December 2025	January 2026	February 2026	Year to Date	% of Budget	Full Year Forecast
Council	73 948	4 490	-	661	36 425	49%	54 638
Corporate Services	5 085 934	51 835	158 773	523 212	978 599	19.24%	1 467 899
Financial Services	71 601	3 795	-	-	24 331	34%	36 496
Development & Planning	29 967	-	-	-	14 744	49%	22 116
Community Services	15 543 511	1 362 493	972 516	1 287 795	7 509 210	48%	11 263 816
Public Safety and Roads	43 796 603	3 295 540	1 886 173	2 780 359	25 158 210	57%	37 737 314
Engineering Services	161 344 601	12 754 472	11 377 249	10 796 538	93 372 819	58%	140 059 228
TOTAL R & M EXPENDITURE	**225 946 165**	**17 472 626**	**14 394 711**	**15 388 565**	**127 094 338**	**56.25%**	**190 641 507**

Repairs and Maintenance expenditure for the year to date is 56.25%.
Assets are maintained on an on-going basis.

Finance cost

Interest on loans are paid bi-annually in February and June. Interest expenditure is not accrued in this report and only interest paid is reflected as expenditure.

The interest payments to date is at 52.72% (R16 016 026).

PART 2 – SUPPORTING DOCUMENTATION

Collection rate	Actual	
	FEBRUARY	**Year to Date**
Collection rate	**93.61%**	**89.99%**
Bad debts written off	R 1 291 917	R 12 033 603
Provision for impairment	R 55 899 318	R 55 899 318

Debtor's analysis

Debtors age analysis

Debtor Age Analysis Per service	Current	30 Days	60 Days	90 Days	120 Days	> 120 Days	Total
Water	20 410 733	10 033 411	9 624 624	8 907 918	6 222 647	139 334 193	194 533 526
Electricity	16 970 146	2 399 572	1 413 518	1 404 260	954 784	25 835 372	48 977 652
Rates	24 464 945	9 811 024	7 870 418	7 068 407	6 439 615	206 200 517	261 854 925
Sewerage	5 009 055	1 803 833	1 548 792	1 390 853	1 321 915	40 954 014	52 028 461
Refuse	4 949 782	2 067 053	1 772 520	1 663 338	1 547 900	44 991 471	56 992 064
Interest	3 701 779	3 044 324	3 342 439	3 276 989	4 620 250	110 043 788	128 029 569
Health Services	1 718 772	362 533	694 979	294 826	267 966	17 079 351	20 418 427
Reconnections	1 102 331	468 917	543 257	571 655	558 189	17 105 122	20 349 471
Other	2 194 747	72 906	198 061	24 422	1 292 720	9 093 154	12 876 009
TOTAL	**80 522 289**	**30 063 573**	**27 008 609**	**24 602 668**	**23 225 983**	**610 636 982**	**796 060 105**

Debtor Age Analysis Per cust group	Current	30 Days	60 Days	90 Days	120 Days	> 120 Days	Total
Organs of state	3 368 942	1 365 767	1 624 599	1 095 148	929 516	32 001 561	40 385 532
Business	25 126 019	3 791 010	2 597 754	2 247 315	2 309 626	59 709 335	95 781 059
Residential	52 027 328	24 906 796	22 786 256	21 260 206	19 986 841	518 926 087	659 893 514
Total	**80 522 289**	**30 063 573**	**27 008 609**	**24 602 668**	**23 225 983**	**610 636 982**	**796 060 105**

Reconcilliation between debtor's age analysis and statement of financial position:

Outstandings debtors as per AFS classification including VAT:	Current	30 Days	60 Days	90 Days	120 Days	> 120 Days	Total
Exchange Transactions							
Sundries							
Interest	3 701 779	3 044 324	3 342 439	3 276 989	4 620 250	110 043 788	119 759 501
Fire	23 798	-	15 897.10	-	-	1 783 394	1 850 503
Sundries	4 991 171	903 476	1 419 520	890 022	2 117 994	41 140 295	51 490 302
Total Sundries	**8 716 748**	**3 947 799**	**4 777 856**	**4 167 011**	**6 738 243**	**152 967 477**	**181 315 135**
Services							
Electricity	16 990 341	2 399 572	1 413 518	1 404 260	954 784	25 850 893	49 013 368
Water	20 390 538	10 033 411	9 624 624	8 907 918	6 222 647	139 318 673	194 497 810
Refuse	4 949 782	2 067 053	1 772 520	1 663 338	1 547 900	44 991 471	56 992 064
Sewerage	5 009 055	1 803 833	1 548 792	1 390 853	1 321 915	40 954 014	52 028 461
Total Services	**47 339 716**	**16 303 869**	**14 359 454**	**13 366 369**	**10 047 245**	**251 115 051**	**352 531 703**
Total Exchange Transactions	**56 056 464**	**20 251 668**	**19 137 310**	**17 533 381**	**16 785 488**	**404 082 527**	**533 846 838**
Non-Exchange Transactions							
Sundries							
Rental	881	881	881	881	881	353 938	358 341
Property Rates	24 464 945	9 811 024	7 870 418	7 068 407	6 439 615	206 200 517	261 854 925
Total Non-Exchange Transac	**24 465 825**	**9 811 904**	**7 871 299**	**7 069 288**	**6 440 495**	**206 554 455**	**262 213 266**
Total Debtors - Vat Inclusive	**80 522 289**	**30 063 573**	**27 008 609**	**24 602 668**	**23 225 983**	**610 636 982**	**796 060 105**
Debtors with credit balances	**-39 438 241**						**-39 438 241**
Grand total	**41 084 048**	**30 063 573**	**27 008 609**	**24 602 668**	**23 225 983**	**610 636 982**	**756 621 863**

The municipality continues with all credit control and debt management initiatives to households and businesses. Government departments that are in arrears are reported to the Provincial and National Treasury to intervene.

Government departments that are in arrears are reported to the Provincial and National Treasury to intervene. The below table represents the government debt to date:

2026/02/28										
DEPARTMENT	D/TYPE	BASIC SERVICES	ELECTRICITY	INTEREST	PROPERTY RATES	REFUSE	SEWER	SUNDRIES (DISCONNECTIONS/RENT/POST OFFICE/HEALTH SERVICES)	WATER	TOTAL
RAILWAY PROPERTIES	16	29 360.90	68 827.98	170 845.11	46 701.35	8 052.89	71 188.96	7 073.96	542 224.45	944 275.60
PUBLIC SERVICE INFRASTRUCTURE	36	-	1 745.30	52.37	52 316.09	392.74	-	287.50	3 451.33	58 245.33
NATIONAL GOVERNMENT DPW	50	18 940.54	-	837 897.17	1 916 203.45	28 810.97	33 107.64	230 008.00	88 793.88	3 153 761.65
NATIONAL GOVERNMENT JUSTICE	51	1 739.10	39 536.38	-	-	3 246.73	4 128.00	401.97	51 069.44	100 111.62
NATIONAL GOVERNMENT BASIC CHARGES	52	3 467.86	-	1 566 945.95	-	54 028.14	-	32 524.65	1 549 969.26	3 206 935.86
PROVINCIAL SCHOOLS SPECIAL PRIVATE	53	-	38 042.48	-	58 805.69	1 144.42	1 558.50	-	106 743.00	206 294.09
PROVINCIAL GOVERNMENT DID	54	90 322.89	-	486 816.34	2 394 511.71	5 931.57	-	7 778.36	301 574.68	3 286 935.55
PROVINCIAL GOVERNMENT SEC 21 SCHOOLS	55	-	168 826.01	7 919.49	-	7 846.21	11 625.43	1 469.46	507 047.94	704 734.54
PROVINCIAL GOVERNMENT BASIC CHARGES	57	18 149.05	172 868.08	417 709.13	-	-	-	69 639.86	430 719.27	1 109 085.39
NATIONAL HOUSING BOARD	61	772.92	-	77 823.21	335 578.36	1 352.52	-	8 085.48	14 754.29	438 366.78
NATIONAL GOVERNMENT RURAL DEVELOPMENT	62	802.84	-	1 082 518.42	1 834 777.46	63 472.77	-	31 568.52	807 170.64	3 820 310.65
PROVINCIAL GOVERNMENT HEALTH	63	-	-	2 904 457.33	-	-	-	19 006 535.24	1 231.15	21 912 223.72
ENVIRONMENTAL AFFAIRS	64	-	-	32 359.87	-	-	-	1 411 891.68	-	1 444 251.55
TOTAL		163 556.10	489 846.23	7 585 344.39	6 638 894.11	174 278.96	121 608.53	20 807 264.68	4 404 739.33	40 385 532.33

Account balances

Account balances	> 90 DAYS	TOTAL
HOD's	-	2 197
Staff: Level 1 - 6	9 257	27 356
Staff accounts	166 661	294 723
Councillors accounts	31 585	47 319
Total		**371 595**

Senior Managers and Level 1 – 6 in arrears more than 90 days

		MANAGEMENT ACCOUNTS		
		20260228	90+	REMARKS
NAME	LEVEL	DEPT	20251130	
LEVEL 1 - 6				
NTULI NL&R	5	FINANCIAL SERVICES	9 257.49	Arrangement
SUBTOTAL: LEVEL 1 -6			9 257.49	

Staff accounts:

Staff Accounts	December 2025	January 2026	February 2026	%
Handovers				-
Arrangements	154 604	153 325	176 671	59.94%
Current	96 406	105 870	103 493	35.12%
30 Days	11 244	12 163	15 803	5.36%
60 Days	9 909	9 028	8 766	2.97%
90 Days	3 491	4 530	3 369	1.14%
120 + Days	149 884	143 151	163 292	55.41%
Total	**270 934**	**274 742**	**294 723**	**100%**

Councillors municipal accounts in arrears more than 90 days

MIDVAAL COUNCILLORS ACCOUNTS			
		20260228	
NAME	DT	90+	REMARKS
		20251130	
MIDVAAL COUNCILORS			
BUSHULA NL	32	31 584.87	arrangement
SUB-TOTAL: MIDVAAL COUNCILLORS		31 584.87	

Creditor's analysis

The municipality aims to pay all creditor invoices, which are not in dispute with the relevant creditor within 30 days. The creditors reflected below are only trade creditor's payable during the year. Other amounts included in the trade and other payables line on the Statement of Financial Position include retentions, accrued leave, hall deposits and receipts in advance. These are not paid out within 30 days but as per the conditions set in the contract agreements insofar as retention is concerned and property registration dates for the payments received in advance.

Detail	30 Days	60 Days	90 Days	120 Days	150 Days	180 Days	-
Bulk Electricity	41 938 823	0	0	0	0	0	41 938 823
Bulk Water	18 198 637	0	0	0	0	0	18 198 637
PAYE deductions	-	0	0	0	0	0	0
VAT (output less input)	-	0	0	0	0	0	0
Pensions / Retirement deductions	-	0	0	0	0	0	0
Loan repayments	-	0	0	0	0	0	0
Trade Creditors	1 846 130	0	0	0	0	0	1 846 130
Auditor General	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0
Total	61 983 590	0	0	0	0	0	61 983 590

Reconcilliation between creditor's age analysis and statement of financial position:

Account Name	Amount
Trade Creditors	1 846 130
Bulk purchases	60 137 460
Total	**61 983 590**

Investment portfolio analysis

Investments for the quarter as at 28 February 2026 are as follows:

MUNICIPAL FINANCE MANAGEMENT ACT 56 OF 2003 — *ART 11(4)(a)*

INVESTMENTS PORTFOLIO : FEBRUARY 2026

Account Number	Details	Interest Rate	Start Date	Maturity Date	Investment term	Market Value Beginning	Accrued Interest	Deposits	Withdrawals	Market Value End
037 288 516 210-306	NEDBANK DAILY CALL	6.50%	n/a	n/a	Call	107 352 553.03	483 563.54	55 616 000.51	(78 271 552.54)	85 180 564.54
037 288 516 210-358	NEDBANK 24-HOUR NOTICE DEPOSIT	6.80%	n/a	n/a	Notice	29 996 575.73	444 234.11	168 892 000.00	(80 000 000.00)	119 332 809.84
037 288 516 210-356	NEDBANK FIXED R100m (maturing 29/06/2026)	8.04%	2025/07/29	2026/06/29	335 days	104 119 123.31	616 767.12	-	-	104 735 890.43
037 288 516 210-357	NEDBANK FIXED R90m (maturing 25/06/2026)	7.83%	2025/09/19	2026/06/25	279 days	92 606 424.66	540 591.78	-	-	93 147 016.44
TOTAL INVESTMENTS: NEDBANK						**334 074 676.73**	**2 085 156.55**	**224 508 000.51**	**(158 271 552.54)**	**402 396 281.25**

Account Number	Details	Interest Rate	Start Date	Maturity Date	Investment term	Market Value Beginning	Accrued Interest	Deposits	Withdrawals	Market Value End
20-8222-9399	ABSA Fixed R90m (maturing 25/02/2026)	7.70%	2025/09/19	2026/02/25	159 days	92 563 150.67	455 671.25	-	(93 018 821.92)	-
TOTAL INVESTMENTS: ABSA						**92 563 150.67**	**455 671.25**	**-**	**(93 018 821.92)**	**-**
037 288 516 210-336	NEDBANK DAILY CALL	6.50%	n/a	n/a	Call	60 331.08	299.04	-	(331.08)	60 299.04
037 288 516 210-337	NEDBANK DAILY CALL	6.50%	n/a	n/a	Call	241 324.94	1 196.72	-	(1 324.94)	241 196.72
037 288 516 210-349	NEDBANK DAILY CALL - ESKOM GUARANTEE	6.50%	n/a	n/a	Call	48 664 177.84	241 321.92	-	(267 177.84)	48 638 321.92
9098688360	ABSA ESKOM GUARANTEE	Linked	n/a	n/a	Call	342 109.82	1 612.60	-	-	343 722.42
TOTAL GUARANTEES						**49 307 943.68**	**244 430.28**	**-**	**(268 833.86)**	**49 283 540.10**
Total municipal investment portfolio						**475 945 771.08**	**2 785 258.08**	**224 508 000.51**	**(251 559 208.32)**	**451 679 821.35**

Allocation of grant and subsidies

GOVERNMENT GRANTS AND SUBSIDIES

FOR THE PERIOD ENDED 1 JULY 2025 TO 30 JUNE 2026

M07 - FEBRUARY 2026

DETAILS		2025/2026 Allocation	Not yet received	2025/2026 Amount Received to Date	2025/2026 Transferred to Revenue	2025/2026 Unspent Against Total Allocation	2025/2026 Unspent Against Received
NATIONAL TREASURY (CONDITIONAL GRANTS)							
Municipal Infrastructure Grant	MIG	R38 050 000	R2 406 000	(R35 644 000)	R28 112 414	R9 937 586	(R7 531 586)
Financial Management Grant	FMG	R2 000 000	R0	(R2 000 000)	R1 114 638	R885 362	(R885 362)
Expanded Public Works Programme	EPWP	R2 077 000	R0	(R2 077 000)	1 870 716.12	R206 284	(R206 284)
Integrated National Electrification Programme	INEP	R35 209 000	R0	(R35 209 000)	R20 944 969	R14 264 031	(R14 264 031)
Neighbourhood Development Partnership Grant	NDPG	R1 000 000	R0	(R1 000 000)	R927 067	R72 933	(R72 933)
Water Services Infrastructure Grant	WSIG	R21 886 000	R4 000 000	(R17 886 000)	R13 387 483	R8 498 517	(R4 498 517)
Energy Efficiency and Demand-Side Management Grant	EEDSM	R4 000 000	R0	(R4 000 000)	R3 799 109	R200 891	(R200 891)
		R104 222 000	**R6 406 000**	**(R97 816 000)**	**R70 156 396**	**R34 065 604**	**(R27 659 604)**

DETAILS		2025/2026 Allocation	2025/2026 Not yet received	2025/2026 Amount Received to Date	2025/2026 Transferred to Revenue	2025/2026 Unspent Against Total Allocation	2025/2026 Unspent Against Received
PROVINCIAL GRANTS (CONDITIONAL GRANTS)							
Fire Services Grant	FFRS	1 500 000.00		-	-	1 500 000	(1 500 000)
Libraries Plan	DSCAR	21 372 000.00		(21 372 000)	13 598 363	7 773 637	(7 773 637)
HIV/AIDS	HV	2 347 306.00		(1 260 610)	-	2 347 306	(1 260 610)
		25 219 306.00		**(22 632 610)**	**13 598 363**	**11 620 943**	**(10 534 246)**
TOTAL CONDITIONAL GRANTS FOR THE YEAR		**R129 441 306**		**(R120 448 610)**	**83 754 759**	**45 686 547**	**(38 193 851)**

There were no changes in the allocations during the month.

Councillor allowances and employee benefits

The salaries and benefits of councillors and employees are detailed below:

Expenditure	Adjusted Budget	December 2025	January 2026	February 2026	Year to Date	% of Budget
Employee Related Cost						
Senior Management						
SM - Salaries Allow And Serv Benefits						
MM - Salaries Allow And Serv Benefits						
SM MM: Sal & All - Basic Salary	1 606 357	90 809	654 556	122 265	1 321 674	82.28%
SM MM: Allow - Cellular & Telephone	24 000	2 000	2 000	2 000	16 000	66.67%
SM MM: Allow - Travel Or Motor Vehicle	180 000	15 000	15 000	15 000	120 000	66.67%
SM MM: Sal & All - Perform Based Bonus	255 600	-	-	-	-	0.00%
CFO - Salaries Allow And Serv Benefits						
SM CFO: Sal & All - Basic Salary	1 298 003	103 016	142 845	-	760 938	58.62%
SM CFO: Allow - Cellular & Telephone	24 000	2 000	-	-	12 000	50.00%
SM D05: Sal & All - Perform Based Bonus	136 000	-	-	-	-	0.00%
SM CFO: Allow - Travel Or Motor Vehicle	120 000	12 641	-	-	66 225	55.19%
HOD CORP- Salaries Allow And Serv Benefits						
HOD: Sal & All - Basic Salary	1 367 784	98 016	248 796	105 951	942 841	68.93%
HOD: Allow - Cellular & Telephone	24 000	2 000	2 000	2 000	16 000	66.67%
SM D02: Sal & All - Perform Based Bonus	150 000	-	-	-	-	0.00%
HOD: Allow - Travel Or Motor Vehicle	180 000	15 000	15 000	15 000	120 000	66.67%
HOD D&P - Salaries Allow And Serv Benefits						
HOD D&P: Sal & All - Basic Salary	1 492 494	137 300	574 692	90 512	1 116 149	74.78%
HOD D&P: Allow - Cellular & Telephone	24 000	2 000	2 000	2 000	16 000	66.67%
HOD D&P: Bonus	150 000	-	-	-	-	0.00%
HOD D&P: Allow - Travel Or Motor Vehicle	180 000	15 000	15 000	15 000	120 000	66.67%
HOD CS - Salaries Allow And Serv Benefits						
HOD CS: Sal & All - Basic Salary	1 008 069	-	461 513	-	650 866	64.57%
HOD CS: Allow - Cellular & Telephone	24 000	-	-	-	6 000	25.00%
SM D04: Sal & All - Perform Based Bonus	150 000	-	-	-	-	0.00%
HOD CS: Allow - Travel Or Motor Vehicle	100 000	-	-	-	39 000	39.00%
HOD ES - Salaries Allow And Serv Benefits						
HOD ES: Sal & All - Basic Salary	1 051 294	-	-	-	-	0.00%
HOD ES: Allow - Cellular & Telephone	24 000	-	-	-	-	0.00%
HOD ES: Bonus	136 000	-	-	-	-	0.00%
HOD ES: Allow - Travel Or Motor Vehicle	180 000	-	-	-	-	0.00%
HOD Public Safety and Roads - Salaries Allow And Serv Benefits						
HOD Public Safety and Roads: Sal & All - Basic Salary	1 250 762	145 452	335 262	81 942	898 061	71.80%
HOD Public Safety and Roads: Allow - Cellular & Telephone	110 000	-	-	-	-	0.00%
HOD Public Safety and Roads: Bonus	24 000	2 000	2 000	2 000	16 000	66.67%
HOD Public Safety and Roads : Allow - Travel Or Motor Vehicle	168 000	14 000	14 000	14 000	112 000	66.67%
Employee Related Cost						
Senior Management						
SM - Social Contributions						
MM - Social Contributions						
SM MM: Soc Contr: Medical	49 060	-	-	-	-	0.00%
SM MM: Soc Contr: Pension Funds	240 000	15 480	19 800	19 800	132 480	55.20%
SM MM: Soc Contr: Uif	2 276	177	354	177	1 594	70.04%
SM MM: Soc Contr: Bargaining Council	278	13	13	13	100	36.12%
CFO - Social Contributions						
SM CFO: Soc Contr: Uif	2 125	177	177	-	1 240	58.35%
SM CFO: Soc Contr: Bargaining Council	152	13	-	-	75	49.54%
DPS - Social Contributions						
HOD: Soc Contr: Uif	2 125	177	177	177	1 417	66.68%
HOD: Soc Contr: Bargaining Council	152	13	13	13	100	66.05%
DCH - Social Contributions						
HOD D&P: Soc Contr: Medical	27 900	-	-	-	11 178	40.06%
HOD D&P: Soc Contr: Pension Funds	95 000	8 280	9 000	12 600	66 780	70.29%
HOD D&P: Soc Contr: Uif	2 125	177	177	177	1 417	66.68%
HOD D&P: Soc Contr: Bargaining Council	119	13	13	13	100	84.37%
DSC - Social Contributions						
HOD CS: Soc Contr: Medical	48 006	-	-	-	11 540	24.04%
HOD CS: Soc Contr: Pension Funds	95 040	-	-	-	22 140	23.30%
HOD CS: Soc Contr: Uif	2 125	-	177	-	886	41.68%
HOD CS: Soc Contr: Bargaining Council	151	-	-	-	38	24.93%
D06 - Social Contributions						
HOD ES: Soc Contr: Pension Funds	188 568	-	-	-	-	0.00%
HOD ES: Soc Contr: Uif	2 125	-	-	-	-	0.00%
HOD ES: Soc Contr: Bargaining Council	151	-	-	-	-	0.00%
HOD Public Safety and Roads - Social Contributions						
HOD Public Safety and Roads:Soc Contr:Medical	58 000	4 609	5 010	5 010	37 675	64.96%
HOD Public Safety and Roads: Soc Contr:Pensions Funds	258 720	16 280	17 160	17 160	119 900	46.34%
HOD Public Safety and Roads: Soc Contr: Uif	2 125	177	177	177	1 417	66.68%
HOD Public Safety and Roads :Soc Contr: Bargaining Council	151	13	13	13	100	66.49%

MIDVAAL LOCAL MUNICIPALITY MONTHLY BUDGET STATEMENT

Expenditure	Adjusted Budget	December 2025	January 2026	February 2026	Year to Date	% of Budget
Municipal Staff						
MS - Salaries Allow And Serv Benefits						
MS: Sal & All: Basic Salary & Wages	283 677 813	21 315 810	21 441 155	21 769 744	171 033 538	60.29%
MS: All - Cellular & Telephone	2 964 156	217 013	219 646	220 581	1 738 472	58.65%
MS: Hb & Inc: Housing Benefits	2 734 293	190 077	191 247	189 796	1 522 678	55.69%
MS: All - Leave Pay	7 532 943	368 172	151 885	353 551	2 651 569	35.20%
MS: All - Travel Or Motor Vehicle	15 892 673	1 154 913	1 180 576	1 171 339	9 392 925	59.10%
MS: Overtime - Non Structured	29 775 000	2 273 966	2 655 880	2 554 954	19 596 542	65.82%
MS: Payments - Shift Add Remuneration	3 572 000	128 878	237 210	153 623	1 218 077	34.10%
MS: SRB - Annual Bonus	20 602 118	1 187 684	1 015 136	1 733 458	13 139 041	63.78%
MS: SRB - Standby Allowance	14 512 785	850 278	853 711	843 712	8 796 274	60.61%
MS - Social Contributions						
MS: Soc Contr - Bargaining Council	142 596	9 839	9 889	10 078	79 115	55.48%
MS: Soc Contr - Group Life Insurance	151 525	11 165	11 165	11 165	89 318	58.95%
MS: Soc Contr - Medical	30 120 551	1 983 344	2 159 122	2 158 457	16 282 556	54.06%
MS: Soc Contr - Pension	52 038 069	3 877 326	3 909 482	3 600 069	30 841 640	59.27%
MS: Soc Contr - Unemployment Insur Fund	1 961 509	144 445	143 950	146 874	1 158 183	59.05%
Remuneration Of Councillors						
Roc - Allowances & Serv Related Benefits						
Speaker - Allowances & Srb						
Speaker: Basic Salary	826 826	67 262	67 262	67 262	557 779	67.46%
Speaker: Cell Phone Allowance	47 004	3 917	3 917	3 917	31 336	66.67%
Whip - Allowances & Srb						
Whip: Travelling Allowance	113 514	8 795	8 795	8 795	72 930	64.25%
Whip: Basic Salary	340 541	26 384	26 384	26 384	218 791	64.25%
Whip: Cell Phone Allowance	47 004	3 917	3 917	3 917	31 336	66.67%
Exec Mayor - Allowances & Srb						
Exec Mayor: Basic Salary	1 085 192	84 077	84 077	84 077	697 210	64.25%
Exec Mayor: Cell Phone Allowance	47 004	3 917	3 917	3 917	31 336	66.67%
Exco - Allowances & Srb						
Exco: Travelling Allowance	610 705	47 315	47 315	47 315	376 978	61.73%
Exco: Basic Salary	4 274 939	331 203	331 203	331 203	2 744 635	64.20%
Exco: Cell Phone Allowance	282 024	23 502	23 502	23 502	205 326	72.80%
Other Council - Allowances & Srb						
Oth Council: Travelling Allowance	855 405	66 273	66 273	66 273	547 237	63.97%
Oth Council: Basic Salary	4 614 113	350 580	350 580	350 580	2 901 794	62.89%
Oth Council: Cell Phone Allowance	752 064	62 672	62 672	62 672	501 376	66.67%
Section 79 - Allowance & Srb						
Sect 79 Chair: Travelling Allowance	330 552	25 610	25 610	25 610	212 373	64.25%
Sect 79 Chair: Basic Salary	1 873 130	145 122	145 122	145 122	1 203 097	64.23%
Sect 79 Chair: Cell Phone Allowance	235 020	19 585	19 585	19 585	156 680	66.67%

Material variances to the service delivery and budget implementation plan

None

MIDVAAL LOCAL MUNICIPALITY MONTHLY BUDGET STATEMENT

Projection of capital expenditure by project broken down per month:

Department	Section	Department as per KPI	Funding Source	Project Description	Adjusted Budget	February 2026	Year to Date	% of Budget
Engineering Services	WATER NETWORK	Engineering Services	Capital Monetary WSIG	AGED BULK WATER PIPE REPLACEMENT	15 233 914	-	9 837 212	64.57%
Engineering Services	WATER NETWORK	Engineering Services	Capital Monetary WSIG	BULK WATER METERS	1 623 479	338 000	1 167 631	71.92%
Community Services	PARKS	Community Services	Capital Operational Revenue	CHAINSAWS	95 700	-	95 700	100.00%
Engineering Services	ELECTRICAL NETWORK	Engineering Services	Capital Monetary Developers Co	ELECTRICITY METERING	1 000 000	-	-	0.00%
Public Safety and Roads	ROADS	Public Safety and Roads	Capital Operational Revenue	EQUIPMENT	200 000	-	122 608	61.30%
Engineering Services	SANITATION NETWORK	Engineering Services	Capital Operational Revenue	EQUIPMENT & TOOLS	1 597 000	-	-	0.00%
Engineering Services	PMU	Engineering Services	Capital Monetary MIG	GRAVEL TO TAR (MIG)NEW	12 196 215	-	11 957 294	98.04%
Community Services	LIBRARY MEYERTON	Community Services	Capital Monetary DAC	ITC HARDWARE (COMPUTORS) - NEW	1 000 000	70 964	428 719	42.87%
Engineering Services	PMU	Engineering Services	Capital Monetary MIG	LAKESIDE SPORT CENTRE (MIG)	3 896 254	-	3 614 068	92.76%
Corporate Services	IT SERVICES	Corporate Services	Capital Operational Revenue	LAPTOPS & DESKTOPS (MOBILE DEV REFURBISH	2 566 547	-	2 167 629	84.46%
Community Services	PARKS	Public Safety and Roads	Capital Leases	LDV'S (REPLACEMENTS)	1 000 000	-	-	0.00%
Community Services	LIBRARY MEYERTON	Community Services	Capital Monetary DAC	LIBRARY FURN & EQUIPMENT - MEYERTON-NEW	452 000	129 708	412 488	91.26%
Community Services	LIBRARY MEYERTON	Community Services	Capital Monetary DAC	MEYERTON LIBRARY BOOKS (DAC)	400 000	10 330	341 982	85.50%
Corporate Services	IT SERVICES	Corporate Services	Capital Operational Revenue	NETWORKS&COMPUTER RELATED HARDWARE	4 500 000	32 626	3 684 762	81.88%
Engineering Services	ELECTRICAL NETWORK	Engineering Services	Capital Monetary Developers Co	NEW CONNECTIONS	1 000 000	-	589 850	58.99%
Corporate Services	CORPORATE SERVICES ADMININSTRATION	Corporate Services	Capital Operational Revenue	OFFICE FURNITURE	580 000	16 095	223 299	38.50%
Engineering Services	WASTE WATER PURIFICATION	Engineering Services	Capital Annuity Loans	PUMPSTATION REFURBISHMENT AND UPGRADE -	4 093 000	-	1 608 142	39.29%
Public Safety and Roads	FIRE	Public Safety and Roads	Capital Operational Revenue	RADIOS AND REPEATER	350 000	-	326 326	93.24%
Engineering Services	WATER NETWORK	Engineering Services	Capital Monetary WSIG	REFURBISHMENT/REPLACEMENT-SUPPLY VALVES	869 563	-	786 958	90.50%
Public Safety and Roads	FIRE	Public Safety and Roads	Capital Operational Revenue	CCTV CAMERAS & EQUIPMENT NEW	1 500 000	93 250	1 003 030	66.87%
Community Services	LIBRARY MEYERTON	Community Services	Capital Monetary DAC	RFID SECURITY SYSTEM-MEYERTON	100 000	82 500	82 500	82.50%
Engineering Services	ELECTRICAL NETWORK	Engineering Services	Capital Monetary INEP	SAVANNA CITY ELECTR. NETWORK	17 437 921	861 198	14 198 549	81.42%
Engineering Services	SANITATION NETWORK	Engineering Services	Capital Monetary Developers Co	SEWER CONNECTIONS NEW	2 000 000	195 945	911 607	45.58%
Engineering Services	ELECTRICAL NETWORK	Engineering Services	Capital Monetary INEP	SICELO ELECTRIFICATION NETWORK	5 026 957	2 213 641	4 196 249	83.47%
Engineering Services	ELECTRICAL NETWORK	Engineering Services	Capital Operational Revenue	EQUIPMENT & TOOLS	600 000	-	182 000	30.33%
Community Services	PARKS	Community Services	Capital Operational Revenue	NEW MACHINERY AND EQUIPMENT	400 000	-	2 518	0.63%
Community Services	SPORT & RECREATION ADMINISTRATION	Community Services	Capital Operational Revenue	NEW MACHINERY AND EQUIPMENT	267 351	-	182 113	68.12%
Community Services	CEMETERIES	Community Services	Capital Annuity Loans	UPGRADE & EXTENSION CEMETERIES MIDVAAL	700 000	-	-	0.00%
Public Safety and Roads	ROADS	Public Safety and Roads	Capital Leases	GRADER	3 500 000	-	-	0.00%
Engineering Services	WATER NETWORK	Engineering Services	Capital Operational Revenue	SOFTWARE APPLICATION	4 000 000	-	3 998 840	99.97%
Engineering Services	WATER NETWORK	Engineering Services	Capital Operational Revenue	NEW MACHINERY AND EQUIPMENT	500 000	-	-	0.00%
Community Services	LANDFILL SITES	Engineering Services	Capital Operational Revenue	ADDITIONAL LANDFILL SITE	320 120	-	320 120	100.00%
Engineering Services	WATER NETWORK	Engineering Services	Capital Annuity Loans	REFURB VAAL MARINA WATERTREATMENT PLANT	975 000	-	-	0.00%
Public Safety and Roads	ROADS	Public Safety and Roads	Capital Annuity Loans	GRAVEL TO TAR	12 000 000	-	11 812 277	98.44%
Public Safety and Roads	ROADS	Public Safety and Roads	Capital Annuity Loans	ROADS REHABILITATION	10 000 000	-	9 984 071	99.84%
Community Services	LIBRARY MEYERTON	Community Services	Capital Monetary DAC	MEYERTON LIBRARY BOOKS (DAC)	240 000	47 597	47 597	19.83%
Community Services	LIBRARY MEYERTON	Community Services	Capital Monetary DAC	RENEWABLE ENERGY FOR LIBRARIES	900 000	-	-	0.00%
Community Services	LIBRARY HENLEY ON KLIP	Community Services	Capital Monetary DAC	HOK LIBRARY BOOKS (DAC)	125 000	-	38 670	30.94%
Community Services	LIBRARY WALKERVILLE	Community Services	Capital Monetary DAC	DE DEUR LIBRARY BOOKS (DAC)	125 000	16 183	34 524	27.62%
Community Services	LIBRARY RANDVAAL	Community Services	Capital Monetary DAC	RANDVAAL LIBRARY BOOKS (DAC)	125 000	8 401	117 423	93.94%
Community Services	LIBRARY SICELO	Community Services	Capital Monetary DAC	SICELO LIBRARY BOOKS (DAC)	200 000	10 867	130 663	65.33%
Community Services	LAKESIDE LIBRARY	Community Services	Capital Monetary DAC	LAKESIDE LIBRARY BOOKS (DAC)	200 000	8 035	53 448	26.72%
Community Services	LIBRARY BANTU BONKE	Community Services	Capital Monetary DAC	BANTU BONKE LIBRARY BOOKS (DAC)	125 000	34 442	92 163	73.73%
Community Services	PARKS	Public Safety and Roads	Capital Leases	TRUCK	3 300 000	-	-	0.00%
Engineering Services	SANITATION NETWORK	Engineering Services	Capital Annuity Loans	UPGR SEWER OUTFLOW BELL RD-RAILWAY LINE	300 000	226 180	260 741	86.91%
Engineering Services	WATER NETWORK	Engineering Services	Capital Monetary WSIG	WATER METER REPLACEMENT PROGRAMME	1 304 348	-	-	0.00%
Engineering Services	WATER NETWORK	Engineering Services	Capital Operational Revenue	PUMPSTATION REFURBISHMENT AND UPGRADE -	1 000 000	-	159 497	15.95%
Engineering Services	WATER NETWORK	Engineering Services	Capital Operational Revenue	CHLORINE BOOSTER STATION	537 000	-	156 150	29.08%
Community Services	LANDFILL SITES	Community Services	Capital Operational Revenue	WEIGHBRIDGE	5 500 000	-	1 076 279	19.57%
Community Services	SOLID WASTE	Public Safety and Roads	Capital Leases	GRAB TRUCK	4 340 000	-	-	0.00%
Public Safety and Roads	FIRE	Public Safety and Roads	Capital Operational Revenue	EQUIPMENT AND TOOLS	200 000	115 636	199 625	99.81%
Engineering Services	SANITATION NETWORK	Engineering Services	Capital Annuity Loans	REHABILATION OF ROTHDENE PUMPSTATION LOA	880 000	-	200 000	22.73%
Public Safety and Roads	ROADS	Public Safety and Roads	Capital Operational Revenue	ROAD REHABILITATION FOGSPRAY	1 028 924	56 804	1 026 979	99.81%
Engineering Services	ENGINEERING ADMIN	Engineering Services	Capital Monetary MIG	EQUIPMENT	30 435	-	22 248	73.10%
Corporate Services	COUNCIL BUILDING	Corporate Services	Capital Operational Revenue	AIRCONDITIONERS	300 000	-	10 500	3.50%
Financial Services	FINANCIAL SERVICES - ADMINISTRATION	Public Safety and Roads	Capital Leases	LDV	400 000	-	-	0.00%

MIDVAAL LOCAL MUNICIPALITY MONTHLY BUDGET STATEMENT

Department	Section	Department as per KPI	Funding Source	Project Description	Adjusted Budget	February 2026	Year to Date	% of Budget
Development & Planning	DEVELOPMENT & PLANNING	Engineering Services	Capital Monetary NHDG	ECONOMIC INFRASTR / URBAN REGENERATION	869 565	-	869 565	100.00%
Community Services	LIBRARY HENLEY ON KLIP	Community Services	Capital Monetary DAC	ELECTRIC FENCE HOK	98 855		98 855	100.00%
Community Services	LIBRARY BANTU BONKE	Community Services	Capital Monetary DAC	ELECTRIC FENCE BANTU BONKE	53 070	-	53 070	100.00%
Community Services	LIBRARY BANTU BONKE	Community Services	Capital Monetary DAC	BANTU BONKE CARPORTS	200 000		199 200	99.60%
Community Services	SOCIAL SERVICES ADMIN	Community Services	Capital Operational Revenue	AIR CONS	100 000	-	99 000	99.00%
Public Safety and Roads	FIRE	Public Safety and Roads	Capital Monetary FFRG	LANDCRUISER	1 304 348	-	-	0.00%
Community Services	PARKS	Community Services	Capital Operational Revenue	BRUSH CUTTERS	232 849	-	232 849	100.00%
Community Services	PARKS	Community Services	Capital Operational Revenue	TELESCOPIC POLE PRUNERS	91 000		91 000	100.00%
Community Services	PARKS	Community Services	Capital Operational Revenue	EQUIPMENT	81 464	-	-	0.00%
Community Services	SPORT & RECREATION ADMINISTRATION	Engineering Services	Capital Annuity Loans	HIGHMAST LIGHTS FOR SICELO SPORT FIELD	2 300 000		1 120 000	48.70%
Community Services	SPORT & RECREATION ADMINISTRATION	Public Safety and Roads	Capital Operational Revenue	RIDE ON LAWNMOWERS WITH TRAILERS	1 000 000	-	-	0.00%
Engineering Services	SANITATION NETWORK	Public Safety and Roads	Capital Leases	SINGLE CAB	320 000	-	-	0.00%
Engineering Services	SANITATION NETWORK	Public Safety and Roads	Capital Leases	DOUBLE CAB	2 080 000	-	-	0.00%
Engineering Services	SANITATION NETWORK	Engineering Services	Capital Operational Revenue	6000L VACUUM TRUCK	1 687 000	-		0.00%
Engineering Services	SANITATION NETWORK	Engineering Services	Capital Annuity Loans	PUMPSTATION REFURBISHMENT AND UPGRADE -	2 727 000	486 365	1 034 962	37.95%
Engineering Services	SANITATION NETWORK	Engineering Services	Capital Monetary MIG	REFURB SEWER INFRA PHASE 1	3 308 686	-		0.00%
Engineering Services	WASTE WATER PURIFICATION	Public Safety and Roads	Capital Leases	SINGLE CABS	1 100 000	-		0.00%
Engineering Services	WASTE WATER PURIFICATION	Engineering Services	Capital Operational Revenue	FENCE	800 000	258 441	798 880	99.86%
Public Safety and Roads	ROADS	Public Safety and Roads	Capital Leases	TRAILERS	190 000	-	-	0.00%
Public Safety and Roads	ROADS	Public Safety and Roads	Capital Operational Revenue	SIDEWALK PROJECT	2 014 000	-	690 919	34.31%
Engineering Services	WATER NETWORK	Public Safety and Roads	Capital Leases	TLB	1 360 000	-		0.00%
Engineering Services	WATER NETWORK	Public Safety and Roads	Capital Leases	DOUBLE CAB	2 120 000	-	-	0.00%
Engineering Services	WATER NETWORK	Engineering Services	Capital Operational Revenue	JOJO TANKS	150 000		147 920	98.61%
Engineering Services	WATER NETWORK	Engineering Services	Capital Monetary MIG	UPGRADE OF BULK WATER SUPPLY	7 104 079	572 005	5 375 315	75.66%
Engineering Services	WATER NETWORK	Engineering Services	Capital Annuity Loans	FIRE HYDRANTS	1 300 000			0.00%
Engineering Services	WATER NETWORK	Engineering Services	Capital Annuity Loans	FENCING	725 000	-	374 577	51.67%
Engineering Services	ELECTRICAL NETWORK	Public Safety and Roads	Capital Leases	CHERRY PICKER	2 600 000			0.00%
Engineering Services	ELECTRICAL NETWORK	Public Safety and Roads	Capital Leases	10 TON TRUCK WITH MOUNTED CRANE	3 000 000	-		0.00%
Engineering Services	ELECTRICAL NETWORK	Engineering Services	Capital Monetary EEF	HIGHMAST & STREET LIGHTS: UNSERVICED AR	3 435 881	-	3 303 573	96.15%
Engineering Services	ELECTRICAL NETWORK	Engineering Services	Capital Monetary MIG	HIGHMAST LIGHTS - SAVANNA CITY	869 565		866 450	99.64%
Engineering Services	ELECTRICAL NETWORK	Engineering Services	Capital Operational Revenue	STRENGTHENING ELECTRICITY INFRASTRUCTURE	5 379 000	-	-	0.00%
Community Services	LANDFILL SITES	Community Services	Capital Operational Revenue	BOREHOLE	500 000	-	-	0.00%
Community Services	LANDFILL SITES	Engineering Services	Capital Operational Revenue	REHAB OF HENLEY (CLOSING JUNE 2021)	2 500 000			0.00%
Community Services	LANDFILL SITES	Engineering Services	Capital Operational Revenue	EXTENSION TO VAAL MARINA LANDFILL	2 500 000	-	-	0.00%
Community Services	LANDFILL SITES	Engineering Services	Capital Annuity Loans	TRANSFER STATIONS	2 500 000	-	2 498 583	99.94%
Community Services	SOLID WASTE	Public Safety and Roads	Capital Leases	LDV	750 000	-	-	0.00%
Community Services	SOLID WASTE	Public Safety and Roads	Capital Leases	ROLL ON TRUCK	3 860 000	-	-	0.00%
Community Services	SOLID WASTE	Public Safety and Roads	Private enterprises in kind	STEEL WHEEL LANDFILL COMPACTOR	11 500 000	-	10 978 109	95.46%
Community Services	SOLID WASTE	Public Safety and Roads	Capital Operational Revenue	TIPPER TRUCKS	5 000 000	-		0.00%
Community Services	SOLID WASTE	Public Safety and Roads	Capital Leases	4 TON TRUCK X2	1 500 000	1 361 554	1 361 554	90.77%
Community Services	LANDFILL SITES	Public Safety and Roads	Capital Leases	LOWBED TRAILER	1 420 000	-	1 420 000	100.00%
Community Services	LANDFILL SITES	Community Services	Capital Operational Revenue	WOODCHIPPER	4 800 000		4 800 000	100.00%
Engineering Services	ELECTRICAL NETWORK	Public Safety and Roads	Capital Leases	LAND CRUISERS	850 000	-	720 026	84.71%
Corporate Services	CORPORATE SERVICES ADMININSTRATION	Corporate Services	Capital Operational Revenue	STRATEGIC LAND PURCHASES	5 200	-		0.00%
Corporate Services	SPEAKERS OFFICE	Corporate Services	Capital Operational Revenue	CARPORT AND GATE	85 000	-	-	0.00%
Corporate Services	PUBLIC RELATIONS OFFICER	Corporate Services	Capital Operational Revenue	BILLBOARD	83 703			0.00%
Development & Planning	DEVELOPMENT & PLANNING	Community Services	Capital Operational Revenue	EQUIPMENT & TOOLS	10 000			0.00%
Community Services	LIBRARY WALKERVILLE	Community Services	Capital Monetary DAC	FENCE FOR DE DEUR LIBRARY DAC FUNDED	150 000		-	0.00%
Community Services	LIBRARY RANDVAAL	Community Services	Capital Monetary DAC	FENCE RANDVAAL LIBRARY	97 975	-	-	0.00%
Community Services	LAKESIDE LIBRARY	Community Services	Capital Monetary DAC	BIOMETRIC TAGGING SYSTEM	50 000			0.00%
Community Services	SOCIAL SERVICES ADMIN	Community Services	Capital HIV Grant	FURNITURE & EQUIPMENT	53 800	-	-	0.00%
Public Safety and Roads	FIRE	Public Safety and Roads	Capital Operational Revenue	FENCE VAAL MARINA	800 000	-	-	0.00%
Community Services	SPORT & RECREATION ADMINISTRATION	Community Services	Capital Operational Revenue	LAKESIDE SPORT CENTRE	8 000 000	-	-	0.00%
Engineering Services	SANITATION NETWORK	Engineering Services	Capital Annuity Loans	BOREHOLE	300 000	-	-	0.00%
Engineering Services	SANITATION NETWORK	Engineering Services	Capital Annuity Loans	SEWER CONNECTIONS	1 500 000	-	-	0.00%
Engineering Services	SANITATION NETWORK	Engineering Services	Capital Operational Revenue	SHADE FOR SEWER	287 894	-	-	0.00%
Engineering Services	WASTE WATER PURIFICATION	Engineering Services	Capital Annuity Loans	DISCHARGE PIPELINE MEYERTON WWTW	1 200 000	-	-	0.00%
Engineering Services	WASTE WATER PURIFICATION	Engineering Services	Capital Operational Revenue	SHADE FOR GENERATOR	40 000	-	-	0.00%
Public Safety and Roads	ROADS	Public Safety and Roads	Capital Operational Revenue	ROLLER COMPACTOR	400 000			0.00%
Public Safety and Roads	ROADS	Public Safety and Roads	Capital Operational Revenue	ROADS REHABILITATION	7 050 000	-	-	0.00%
Public Safety and Roads	ROADS	Public Safety and Roads	Capital Operational Revenue	GRAVEL TO SURFACE	250 000			0.00%
Public Safety and Roads	ROADS	Public Safety and Roads	Capital Operational Revenue	4 TON TRUCK	1 565 787	-	-	0.00%
Engineering Services	ELECTRICAL NETWORK	Engineering Services	Capital Annuity Loans	HIGHMAST & STREET LIGHTS	1 000 000	-		0.00%
Engineering Services	ELECTRICAL NETWORK	Engineering Services	Capital Monetary Developers Co	RIVERSTONE ELECTRICAL	7 183 511	7 183 511	7 183 511	100.00%
Engineering Services	ELECTRICAL NETWORK	Engineering Services	Capital Operational Revenue	LADDERS AND BINS	200 000	-	-	0.00%
				TOTAL CAPITAL	251 362 530	14 430 277	132 491 875	52.71%

Cause of variations from the approved annual budget and the impact on any contractual agreements and the overall budget, if any

Not applicable

Impact of material deviations on annual performance agreements of the municipal manager and senior managers

Not applicable

Capital programme performance

Capital expenditure by month per department:
Refer to tables above.
Summary of capital expenditure by asset class and sub-class. This is included in the report as schedules C1-C7.

Other supporting documents

Distribution Losses

	Percentage for the year-to date	Norm
Non-revenue water	32.04%	30%
Electricity	10.20%	10%

Water Distribution Losses (Non Revenue Water)

Month	Op/Clo	Purchase Kl		Sold Kl		Loss Kl		Loss %	
	Balance	2025/2026	2024/2025	2025/2026	2024/2025	2025/2026	2024/2025	2025/2026	2024/2025
JULY	91 977.35	1 129 707.35	1 276 395.42	618 312.26	743 843.40	-511 395.09	-532 552.02	-45.27	-41.72
AUG		1 150 079.28	1 209 904.00	869 399.89	707 839.64	-280 679.39	-502 064.36	-24.41	-41.50
SEPT		1 009 818.00	1 205 730.00	799 275.50	733 481.66	-210 542.50	-472 248.34	-20.85	-39.17
OCT		1 186 172.00	1 311 514.00	709 760.17	794 458.63	-476 411.83	-517 055.37	-40.16	-39.42
NOV		1 061 485.00	1 186 847.00	659 894.92	638 753.21	-401 590.08	-548 093.79	-37.83	-46.18
DEC		1 115 683.20	1 215 923.00	695 537.10	749 876.53	-420 146.10	-466 046.47	-37.66	-38.33
JAN		1 185 167.80	1 245 948.00	925 966.67	822 308.50	-259 201.13	-423 639.50	-21.87	-34.00
FEB		1 052 458.00	1 123 531.00	764 140.54	668 640.79	-288 317.46	-454 890.21	-27.39	-40.49
MAR			1 032 875.00		775 144.17	0.00	-257 730.83		-24.95
APR			900 886.00		751 969.13	0.00	-148 916.87		-16.53
MAY			1 084 716.00		764 683.71	0.00	-320 032.29		-29.50
JUNE	- 74 343.42		856 748.65		755 918.75	0.00	-100 829.90		-11.77
TOTALS		**8 890 570.63**	**13 651 018.07**	**6 042 287.05**	**8 906 918.12**	**-2 848 283.58**	**-4 744 099.95**	**-32.04%**	**-34.75%**

Electricity Distribution Losses

Month		Purchase Units		Sold Units		Loss Units		Loss %	
		2025/2026	2024/2025	2025/2026	2024/2025	2025/2026	2024/2025	2025/2026	2024/2025
JULY		22 460 423.50	21 022 545.00	17 905 000.90	18 355 611.80	-4 555 422.60	-2 666 933.20	-20.28	-12.69
AUG		21 293 083.00	20 079 559.00	19 819 216.40	18 130 028.60	-1 473 866.60	-1 949 530.40	-6.92	-9.71
SEPT		20 071 462.80	19 283 953.50	17 859 390.70	17 998 805.90	-2 212 072.10	-1 285 147.60	-11.02	-6.66
OCT		20 962 340.70	19 552 735.00	16 923 083.20	18 809 513.90	-4 039 257.50	-743 221.10	-19.27	-3.80
NOV		20 494 933.50	18 989 268.50	19 038 184.80	17 822 960.60	-1 456 748.70	-1 166 307.90	-7.11	-6.14
DEC		18 231 320.00	17 386 588.50	18 056 453.40	18 948 791.10	-174 866.60	1 562 202.60	-0.96	8.99
JAN		18 196 493.10	18 069 430.00	16 460 584.70	16 437 649.50	-1 735 908.40	-1 631 780.50	-9.54	-9.03
FEB		17 755 074.00	17 322 990.50	17 134 569.50	16 299 486.90	-620 504.50	-1 023 503.60	-3.49	-5.91
MAR			18 755 822.37		18 179 204.60	0.00	-576 617.77		-3.07
APR			18 215 135.18		17 680 752.90	0.00	-534 382.28		-2.93
MAY			20 418 460.60		17 551 573.10	0.00	-2 866 887.50		-14.04
JUNE			21 013 960.60		17 133 696.50	0.00	-3 880 264.10		-18.47
TOTALS		**159 465 130.60**	**230 110 448.75**	**143 196 483.60**	**213 348 075.40**	**-16 268 647.00**	**-16 762 373.35**	**-10.20%**	**-7.28%**

Virements Processed

VIREMENTS					
Account no	Description	Reference	Date	Additional	Reduced
01102323604F1MRCZZHO	INVENTORY - COPY CHARGES	VIREMENT	20260204	5 200.00	-
01152260600F1P84ZZHO	OS: CATERING SERVICES DA	VIREMENT	20260204	-	10 000.00
01152304510F1P84ZZHO	OC: PRINTING & PUBLICATIONS DA	VIREMENT	20260204	-	19 532.00
01152304510F1Q62ZZHO	OC: PRINTING & PUBLICATIONS TYM	VIREMENT	20260213	-	1 028.00
01152305110F1P84ZZHO	OC: REG FEES NATIONAL DA	VIREMENT	20260204	-	43 850.00
01152305110F1Q62ZZHO	OC: REG FEES NATIONAL TYM	VIREMENT	20260213	-	3 302.00
01152305761F1MRCZZHO	ACCOMMODATION: DA	VIREMENT	20260204	146 838.00	-
01152305765F1MRCZZHO	ACCOMMODATION: TYM	VIREMENT	20260213	9 816.00	-
01152305805F1MRCZZHO	WITHOUT OPR CAR RENTAL: TYM	VIREMENT	20260213	-	1 800.00
01152305831F1MRCZZHO	AIR TRANSPORT: DA	VIREMENT	20260204	-	73 456.00
01152305835F1MRCZZHO	AIR TRANSPORT: TYM	VIREMENT	20260213	-	3 686.00
01302323604F1MRCZZHO	INVENTORY - COPY CHARGES	VIREMENT	20260204	5 376.00	-
02052305110F1MRCZZHO	OC: REG FEES NATIONAL	VIREMENT	20260203	963.00	-
02152300130F3MRCZZHO	OC: ADV/PUB/MARK - CUSTOMER/CLIENT INFO	VIREMENT	20260203	-	963.00
02202323604F1MRCZZHO	INVENTORY - COPY CHARGES	VIREMENT	20260204	-	10 576.00
11102306100F1MRCZZWM	OC: UNIFORM & PROTECTIVE CLOTHING	VIREMENT	20260204	65 194.00	-
1110232061FF1MRCZZWM	INV - CONSUMABL STORES -ZERO RATED FLEE	VIREMENT	20260204	-	65 194.00
				233 387.00	**233 387.00**

Unauthorised, Irregular, Fruitless and Wasteful Expenditure

Register of Unauthorised, Irregular, Fruitless and Wasteful Expenditure: 2025/2026 Financial Year

MIDVAAL LOCAL MUNICIPALITY

Name of Municipality: Midvaal Local Municipality

MIDVAAL LOCAL MUNICIPALITY

No	Date of discovery	Date Reported to the Accounting Officer	Transaction details					Person Liable (Official or Political Office Bearer)	Type of Prohibited Expenditure	Comments and Remarks	Status						
			Date of Payment	Payment Number	Amount	Balance	Description of Incident				UI	DP	CC	TR	P	WO	General comments
	Opening Balance				11 046 238.00	11 046 238.00											
1	**11-Aug-25**	**05-Sept-25**	**15-Aug-25**	E 106 995	11 322.00	11 322.00	Motor Vehicle Registration Penalties	Public Safety and Roads	Fruitless & Wasteful	Relevant Department already notified	X						**Item to be Submitted to MPAC**
2	07-Jul-25	15-Jul-25	30-Sept-25	E 107 664	94 165.83	94 165.83	Service Provider Instructed to provide Services before the SCM Process was completed	Corporate Services Department	Irregular	Relevant Department already notified							**Item to be Submitted to MPAC**
3	07-Jul-25	15-Jul-25	10-Oct-25	E 107 859	83 030.00	83 030.00	Service Provider Instructed to provide Services before the SCM Process was completed	Corporate Services Department	Irregular	Relevant Department already notified							**Item to be Submitted to MPAC**
4	26-Nov-25	03-Dec-25	28-Nov-25	E 108 738	243.20	243.20	Motor Vehicle Registration Penalties	Public Safety and Roads	Fruitless & Wasteful	December 2025 amount reported R387,20 was rectified to R243,20							**Item to be Submitted to MPAC**
5	29-Jan-26	10-Feb-26	03-Feb-26	E 109 573	81.60	81.60	Motor Vehicle Registration Penalties	Public Safety and Roads	Fruitless & Wasteful	Relevant Department already notified							**Item to be Submitted to MPAC**
6	30-Sept-25	10-Feb-26	17-Oct-25	E 107 852	309.40	309.40	Motor Vehicle Registration Penalties	Public Safety and Roads	Fruitless & Wasteful	Relevant Department already notified							**Item to be Submitted to MPAC**
7	17-Nov-25	10-Feb-26	18-Nov-25	E 108 458	1 025.80	1 025.80	Motor Vehicle Registration Penalties	Public Safety and Roads	Fruitless & Wasteful	Relevant Department already notified							**Item to be Submitted to MPAC**
8	11-Mar-26	11-Mar-26	16-Feb-26	E 109 804	32 057.80	32 057.80	Supplier default on terms of purchase of lowbed	Public Safety and Roads	Fruitless & Wasteful	Relevant Department already notified							**Item to be Submitted to MPAC**
					11 268 473.63	**11 268 473.63**											

Abbreviations:	
UI:	Irregular expenditure Under Investigation
DP:	Disciplinary process initiated against responsible person
CC:	Criminal charges laid with SAPS
TR:	Transferred to receivables for recovery
P:	Paid or in process of paying in installments
WO:	Written-off by council as irrecoverable

- That the cases of Unauthorised, Irregular, Fruitless & Wasteful Expenditure identified during the month of February 2026 amounted to R32 057.80.
- That the year to date is at R11 268 474.

Indigents

As at 28 February 2026, Midvaal had 7 181 registered indigents.

Monthly financial statements

Midvaal Local Municipality

Annual Financial Statements for the period ended 28 February 2026

Statement of Financial Position as at 28 February 2026

Figures in	Note(s)	28 February 2026	30 June 2025 Restated*
Assets			
Current Assets			
Cash and cash equivalents	3	490 220 148	464 001 229
Trade and other receivables from exchange transactions	4	260 769 228	247 196 841
Receivables from non-exchange transactions	5	158 667 477	146 834 461
Inventory	6	39 830 679	36 250 570
VAT Receivable	7	-	25 389 919
Total Current Assets		**949 487 532**	**919 673 020**
Non-Current Assets			
Property, plant and equipment	8	2 431 096 677	2 383 139 805
Investment property	9	49 234 032	49 234 032
Intangible assets	10	14 422 049	12 693 324
Heritage assets	11	18 701	18 701
Total Non-Current Assets		**2 494 771 459**	**2 445 085 862**
Total Assets		**3 444 258 991**	**3 364 758 882**
Liabilities			
Current Liabilities			
Trade and other payables from exchange transactions	12	187 374 615	241 802 970
Borrowings	13	14 134 035	27 886 732
Consumer deposits	14	23 956 155	24 692 899
Lease liabilities	15	11 599 851	11 599 851
Unspent conditional grant	16	38 188 198	400 541
Income received in advance from developer contribution	17	6 793 603	1 750 616
Total Current Liabilities		**282 046 457**	**308 133 609**
Non-Current Liabilities			
Borrowings	13	221 885 119	221 885 121
Provisions	18	80 071 601	80 071 601
Lease liabilities	15	28 740 616	34 107 382
Employee benefits	19	23 201 488	23 201 488
Total Non-Current Liabilities		**353 898 824**	**359 265 592**
Total Liabilities		**635 945 281**	**667 399 201**
Net Assets		**2 808 313 710**	**2 697 359 681**
Net assets presented by:			
Accumulated surplus	55	2 808 313 710	2 697 359 681

Midvaal Local Municipality

Annual Financial Statements for the period ended 28 February 2026

Statement of Financial Performance

Figures in	Note(s)	28 February 2026	30 June 2025 Restated*
Revenue			
Exchange Revenue			
Services charges – Electricity	20	434 732 885	592 323 057
Services charges – Water management	20	198 926 479	281 574 302
Services charges – Waste water management	20	47 624 833	70 006 471
Services charges – Waste management	20	47 462 447	64 379 446
Interests on investments	23	24 848 412	44 001 866
Interest earned from receivables	22	13 444 611	23 041 225
Sales of goods and rendering of services	21	5 537 405	7 600 058
Operational revenue	25	1 389 829	5 347 788
Hire of facilities	24	893 519	1 115 015
Total Exchange Revenue		**774 860 420**	**1 089 389 228**
Non-Exchange Revenue			
Property rates	26	255 404 422	351 320 412
Transfers and subsidies – Operational	28	157 046 732	202 090 733
Transfers and subsidies – Capital	28	78 323 716	136 066 861
Fines, penalties and forfeits	27	29 031 886	39 050 536
Interest earned from receivables	22	14 391 499	18 718 747
Inventory surplus	29	-	41 609
Total Non-Exchange Revenue		**534 198 255**	**747 288 898**
Total Revenue		**1 309 058 675**	**1 836 678 126**
Expenditure			
Bulk purchases	30	385 642 661	507 510 479
Employee related cost	31	284 299 869	408 908 286
Inventory consumed	37	148 940 448	206 456 250
Contracted services	32	107 465 090	194 128 151
Debt impairment	34	93 527 690	173 059 039
Depreciation and amortisation	33	82 806 280	118 100 432
Operational cost	35	67 757 282	95 620 496
Interest	36	16 016 026	31 907 704
Losses on disposal of fixed assets	39	-	19 206 402
Remuneration of councillors	38	10 490 214	15 452 341
Transfers and subsidies	40	1 159 100	1 774 405
Total Expenditure		**1 198 104 660**	**1 772 123 985**
Surplus for the period		**110 954 015**	**64 554 141**

Midvaal Local Municipality

Annual Financial Statements for the period ended 28 February 2026

Cash Flow Statement

Figures in	Note(s)	28 February 2026	30 June 2025 Restated*
Cash flows from operating activities			
Receipts			
Cash receipts from non exchange transactions		535 527 108	658 608 243
Cash receipts from exchange transactions		697 233 893	935 159 256
Interest		24 848 412	44 001 866
Payments			
Employees		(294 790 083)	(422 471 156)
Finance charges		(16 016 026)	(24 827 535)
Suppliers		(768 973 043)	(1 015 988 438)
Net cash from(used) operating activities	41	**177 830 261**	**174 482 236**
Cash flows from investing activities			
Receipts			
Proceeds on disposal of fixed and intangible assets		-	800 425
Payments			
Intangible assets		(1 516 889)	(3 815 921)
Capital assets		(130 974 988)	(245 606 776)
Net cash flows from investing activities		**(132 491 877)**	**(248 622 272)**
Cash flows from financing activities			
Receipts			
Increase in borrowing long-term		-	67 950 000
Increase in consumer deposits		-	-
Increase in finance lease liabilities		-	18 270 579
Payments			
Decrease in borrowing long-term		(13 752 699)	(22 884 362)
Decrease in finance lease liabilities		(5 366 766)	(9 724 660)
Net cash flows from financing activities		**(19 119 465)**	**53 611 557**
Net increase/(decrease) in cash		**26 218 919**	**(20 528 479)**
Cash and cash equivalents at period begin		464 001 229	484 529 708
		490 220 148	**464 001 229**

MIDVAAL LOCAL MUNICIPALITY MONTHLY BUDGET STATEMENT

Expenditure Summary Report: Expenditure per item

Expenditure	Adjusted Budget	December 2025	January 2026	February 2026	Year to Date	% of Budget
Employee Related Cost						
Senior Management						
SM - Salaries Allow And Serv Benefits						
MM - Salaries Allow And Serv Benefits						
SM MM: Sal & All - Basic Salary	1 606 357	90 809	654 556	122 265	1 321 674	82.28%
SM MM: Allow - Cellular & Telephone	24 000	2 000	2 000	2 000	16 000	66.67%
SM MM: Allow - Travel Or Motor Vehicle	180 000	15 000	15 000	15 000	120 000	66.67%
SM MM: Sal & All - Perform Based Bonus	255 600	-	-	-	-	0.00%
CFO - Salaries Allow And Serv Benefits						
SM CFO: Sal & All - Basic Salary	1 298 003	103 016	142 845	-	760 938	58.62%
SM CFO: Allow - Cellular & Telephone	24 000	2 000	-	-	12 000	50.00%
SM D05: Sal & All - Perform Based Bonus	136 000	-	-	-	-	0.00%
SM CFO: Allow - Travel Or Motor Vehicle	120 000	12 641	-	-	66 225	55.19%
HOD CORP- Salaries Allow And Serv Benefits						
HOD: Sal & All - Basic Salary	1 367 784	98 016	248 796	105 951	942 841	68.93%
HOD: Allow - Cellular & Telephone	24 000	2 000	2 000	2 000	16 000	66.67%
SM D02: Sal & All - Perform Based Bonus	150 000	-	-	-	-	0.00%
HOD: Allow - Travel Or Motor Vehicle	180 000	15 000	15 000	15 000	120 000	66.67%
HOD D&P - Salaries Allow And Serv Benefits						
HOD D&P: Sal & All - Basic Salary	1 492 494	137 300	574 692	90 512	1 116 149	74.78%
HOD D&P: Allow - Cellular & Telephone	24 000	2 000	2 000	2 000	16 000	66.67%
HOD D&P: Bonus	150 000	-	-	-	-	0.00%
HOD D&P: Allow - Travel Or Motor Vehicle	180 000	15 000	15 000	15 000	120 000	66.67%
HOD CS - Salaries Allow And Serv Benefits						
HOD CS: Sal & All - Basic Salary	1 008 069	-	461 513	-	650 866	64.57%
HOD CS: Allow - Cellular & Telephone	24 000	-	-	-	6 000	25.00%
SM D04: Sal & All - Perform Based Bonus	150 000	-	-	-	-	0.00%
HOD CS: Allow - Travel Or Motor Vehicle	100 000	-	-	-	39 000	39.00%
HOD ES - Salaries Allow And Serv Benefits						
HOD ES: Sal & All - Basic Salary	1 051 294	-	-	-	-	0.00%
HOD ES: Allow - Cellular & Telephone	24 000	-	-	-	-	0.00%
HOD ES: Bonus	136 000	-	-	-	-	0.00%
HOD ES: Allow - Travel Or Motor Vehicle	180 000	-	-	-	-	0.00%
HOD Public Safety and Roads - Salaries Allow And Serv Benefits						
HOD Public Safety and Roads: Sal & All - Basic Salary	1 250 762	145 452	335 262	81 942	898 061	71.80%
HOD Public Safety and Roads: Allow - Cellular & Telephone	110 000	-	-	-	-	0.00%
HOD Public Safety and Roads: Bonus	24 000	2 000	2 000	2 000	16 000	66.67%
HOD Public Safety and Roads : Allow - Travel Or Motor Vehicle	168 000	14 000	14 000	14 000	112 000	66.67%
Employee Related Cost						
Senior Management						
SM - Social Contributions						
MM - Social Contributions						
SM MM: Soc Contr: Medical	49 060	-	-	-	-	0.00%
SM MM: Soc Contr: Pension Funds	240 000	15 480	19 800	19 800	132 480	55.20%
SM MM: Soc Contr: Uif	2 276	177	354	177	1 594	70.04%
SM MM: Soc Contr: Bargaining Council	278	13	13	13	100	36.12%
CFO - Social Contributions						
SM CFO: Soc Contr: Uif	2 125	177	177	-	1 240	58.35%
SM CFO: Soc Contr: Bargaining Council	152	13	-	-	75	49.54%
DPS - Social Contributions						
HOD: Soc Contr: Uif	2 125	177	177	177	1 417	66.68%
HOD: Soc Contr: Bargaining Council	152	13	13	13	100	66.05%
DCH - Social Contributions						
HOD D&P: Soc Contr: Medical	27 900	-	-	-	11 178	40.06%
HOD D&P: Soc Contr: Pension Funds	95 000	8 280	9 000	12 600	66 780	70.29%
HOD D&P: Soc Contr: Uif	2 125	177	177	177	1 417	66.68%
HOD D&P: Soc Contr: Bargaining Council	119	13	13	13	100	84.37%
DSC - Social Contributions						
HOD CS: Soc Contr: Medical	48 006	-	-	-	11 540	24.04%
HOD CS: Soc Contr: Pension Funds	95 040	-	-	-	22 140	23.30%
HOD CS: Soc Contr: Uif	2 125	-	177	-	886	41.68%
HOD CS: Soc Contr: Bargaining Council	151	-	-	-	38	24.93%
D06 - Social Contributions						
HOD ES: Soc Contr: Pension Funds	188 568	-	-	-	-	0.00%
HOD ES: Soc Contr: Uif	2 125	-	-	-	-	0.00%
HOD ES: Soc Contr: Bargaining Council	151	-	-	-	-	0.00%
HOD Public Safety and Roads - Social Contributions						
HOD Public Safety and Roads:Soc Contr:Medical	58 000	4 609	5 010	5 010	37 675	64.96%
HOD Public Safety and Roads: Soc Contr:Pensions Funds	258 720	16 280	17 160	17 160	119 900	46.34%
HOD Public Safety and Roads: Soc Contr: Uif	2 125	177	177	177	1 417	66.68%
HOD Public Safety and Roads :Soc Contr: Bargaining Council	151	13	13	13	100	66.49%

MIDVAAL LOCAL MUNICIPALITY MONTHLY BUDGET STATEMENT

Expenditure	Adjusted Budget	December 2025	January 2026	February 2026	Year to Date	% of Budget
Municipal Staff						
MS - Salaries Allow And Serv Benefits						
MS: Sal & All: Basic Salary & Wages	283 677 813	21 315 810	21 441 155	21 769 744	171 033 538	60.29%
MS: All - Cellular & Telephone	2 964 156	217 013	219 646	220 581	1 738 472	58.65%
MS: Hb & Inc: Housing Benefits	2 734 293	190 077	191 247	189 796	1 522 678	55.69%
MS: All - Leave Pay	7 532 943	368 172	151 885	353 551	2 651 569	35.20%
MS: All - Travel Or Motor Vehicle	15 892 673	1 154 913	1 180 576	1 171 339	9 392 925	59.10%
MS: Overtime - Non Structured	29 775 000	2 273 966	2 665 880	2 554 954	19 596 542	65.82%
MS: Payments - Shift Add Remuneration	3 572 000	128 878	237 210	153 623	1 218 077	34.10%
MS: SRB - Annual Bonus	20 602 118	1 187 684	1 015 136	1 733 458	13 139 041	63.78%
MS: SRB - Standby Allowance	14 512 785	850 278	853 711	843 712	8 796 274	60.61%
MS - Social Contributions						
MS: Soc Contr - Bargaining Council	142 596	9 839	9 889	10 078	79 115	55.48%
MS: Soc Contr - Group Life Insurance	151 525	11 165	11 165	11 165	89 318	58.95%
MS: Soc Contr - Medical	30 120 551	1 983 344	2 159 122	2 158 457	16 282 556	54.06%
MS: Soc Contr - Pension	52 038 069	3 877 326	3 909 482	3 600 069	30 841 640	59.27%
MS: Soc Contr - Unemployment Insur Fund	1 961 509	144 445	143 950	146 874	1 158 183	59.05%
Remuneration Of Councillors						
Roc - Allowances & Serv Related Benefits						
Speaker - Allowances & Srb						
Speaker: Basic Salary	826 826	67 262	67 262	67 262	557 779	67.46%
Speaker: Cell Phone Allowance	47 004	3 917	3 917	3 917	31 336	66.67%
Whip - Allowances & Srb						
Whip: Travelling Allowance	113 514	8 795	8 795	8 795	72 930	64.25%
Whip: Basic Salary	340 541	26 384	26 384	26 384	218 791	64.25%
Whip: Cell Phone Allowance	47 004	3 917	3 917	3 917	31 336	66.67%
Exec Mayor - Allowances & Srb						
Exec Mayor: Basic Salary	1 085 192	84 077	84 077	84 077	697 210	64.25%
Exec Mayor: Cell Phone Allowance	47 004	3 917	3 917	3 917	31 336	66.67%
Exco - Allowances & Srb						
Exco: Travelling Allowance	610 705	47 315	47 315	47 315	376 978	61.73%
Exco: Basic Salary	4 274 939	331 203	331 203	331 203	2 744 635	64.20%
Exco: Cell Phone Allowance	282 024	23 502	23 502	23 502	205 326	72.80%
Other Council - Allowances & Srb						
Oth Council: Travelling Allowance	855 405	66 273	66 273	66 273	547 237	63.97%
Oth Council: Basic Salary	4 614 113	350 580	350 580	350 580	2 901 794	62.89%
Oth Council: Cell Phone Allowance	752 064	62 672	62 672	62 672	501 376	66.67%
Section 79 - Allowance & Srb						
Sect 79 Chair: Travelling Allowance	330 552	25 610	25 610	25 610	212 373	64.25%
Sect 79 Chair: Basic Salary	1 873 130	145 122	145 122	145 122	1 203 097	64.23%
Sect 79 Chair: Cell Phone Allowance	235 020	19 585	19 585	19 585	156 680	66.67%
Contracted Services						
Outsource Services						
OS: Burial Services	1 628 527	96 000	96 000	140 659	1 046 184	64.24%
OS: B&A Occupational Health & Safety	804 673	193 472	-	8 272	319 705	39.73%
OS: B&A Valuer	4 254 466	26 581	25 857	26 374	417 451	9.81%
OS: Catering Services	1 247 129	32 634	6 994	29 894	251 318	20.15%
OS: Catering Services - Munic Activities	554 600	-	-	-	37 839	6.82%
OS: Call Centre	1 641 161	-	-	-	1 214 015	73.97%
OS: Clearing & Grass Cutting Services	6 672 204	724 822	915 064	658 962	2 572 086	38.55%
OS: Electrical	-	-	-	-	-	0.00%
OS: Hygiene Services	1 726 857	203 739	183 130	147 722	852 610	49.37%
OS: Illegal Dumping	1 641 161	-	-	-	793 696	48.36%
OS: Meter Management	1 406 489	62 810	103 104	-	472 233	33.58%
OS: Personnel & Labour	13 196 620	957 302	1 200 921	964 031	8 357 116	63.33%
OS: Connect/Dis-Connection: Electicity	5 023 586	-	85 162	84 617	640 337	12.75%
OS: Connect/Disconnection: Water	8 975 410	1 199 721	916 571	940 835	3 903 008	43.49%
OS: Removal Of Struct & Illegal Signs	4 716 602	246 394	252 863	-	1 545 370	32.76%
OS: Security Services	35 559 599	3 313 082	3 484 831	3 474 374	25 335 222	71.25%
OS: Traffic Fines Management	645 655	38 900	-	-	234 100	36.26%
OS: Transport Services	161 727	5 500	-	-	15 900	9.83%
Consultants And Professional Services						
C&PS: B&A Accountants & Auditors	1 980 264	235 582	-	109 572	591 172	29.85%
C&PS: B&A Business & Fin Management	7 177 955	253 748	4 772	-	2 842 747	39.60%
C&PS: B&A Communications	456	-	-	-	-	0.00%
C&PS: B&A Human Resources	3 143 063	522 436	42 465	153 716	1 567 093	49.86%
C&PS: B&A ORGANISATIONAL	1 282 539	121 739	-	130 000	460 435	35.90%
C&PS: B&A Project Management	11 622 069	80 000	- 737 451	2 351 596	3 892 956	33.50%
C&PS: B&A Research & Advisory	4 622 288	98 900	-	9 735	200 635	4.34%
C&PS: I&P Engineering Electrical	8 151 644	-	-	-	-	0.00%
C&PS: I&P Geodetic Control & Surveys	524 276	-	-	-	-	0.00%
C&PS: I&P Town Planner	1 062 374	-	-	-	17 788	1.67%
C&PS: Legal Cost Advice & Litigation	4 987 068	7 326	32 059	129 219	488 459	9.79%
C&PS: Legal Cost Collection	28 031	-	5 060	-	11 244	40.11%

MIDVAAL LOCAL MUNICIPALITY MONTHLY BUDGET STATEMENT

Expenditure	Adjusted Budget	December 2025	January 2026	February 2026	Year to Date	% of Budget
Contractors						
Contr: Artists & Performers	72 105	-	2 000	-	3 900	5.41%
Contr: Waste recycling	100 000	-	-	-	-	0.00%
Contr: Employee Wellness	153 389	-	1 960	5 752	34 812	22.70%
Contr: Fire Services	9 534	-	-	-	-	0.00%
Contr: Maint Of Buildings & Facilities	10 436 346	1 049 531	224 044	574 975	2 713 083	26.00%
Contr: Maintenance Of Equipment	2 920 102	108 774	1 199	254 906	1 357 190	46.48%
Contr: Maintenance Of Unspecified Assets	64 769 014	4 557 402	4 066 977	3 558 328	34 807 026	53.74%
Contr: Maintenance Fleet	15 821 250	2 360 434	96 661	1 056 436	9 592 810	60.63%
Contr: Medical Services	46 696	-	-	-	-	0.00%
Contr: Pest Control & Fumigation	171 307	-	-	-	-	0.00%
Contr: Plants Flowers & Oth Decorations	300 000	282 260	-	88	282 348	94.12%
Contr: Safeguard & Security	124 451	-	-	-	-	0.00%
Contr: Sports & Recreation	97 334	-	-	-	7 000	7.19%
Contr: Stage & Sound Crew	47 182	-	-	-	-	0.00%
Contr: Tracing Agents & Debt Collectors	1 233 864	1 463	3 256	-	4 719	0.38%
Contr: Traffic & Street Lights	720 310	-	189 770	83 986	273 756	38.01%
Contr: Catering Services	881 287	20 900	-	77 763	277 926	31.54%
Contr: Transportation Contractor	318 045	-	-	-	29 800	9.37%
Operational Cost						
OC: T&S Dom Trp - Without Opr Car Rental	433 070	20 983	-	44 856	109 823	25.36%
OC: Without opr car rental: DA	34 200	-	-	-	1 132	3.31%
OC: Without opr car rental: ANC	10 800	-	-	-	-	0.00%
OC: Without opr car rental: EFF	3 776	-	-	-	1 132	29.99%
OC: Without opr car rental: FF	3 776	-	-	-	-	0.00%
OC: Without opr car rental: TYM	-	-	-	-	-	0.00%
OC: T&S Dom Pub Trp - Air Transport	681 337	56 499	5 627	-	228 921	33.60%
OC: Air Transport: ANC	23 197	-	-	-	-	0.00%
OC: Air Transport: EFF	7 732	-	-	-	-	0.00%
OC: Air Transport: FF	7 732	-	-	-	-	0.00%
OC: Air Transport: TYM	-	-	-		-	0.00%
OC: T&S Foreign - Daily Allowance	4 985	-	-	-	-	0.00%
OC: Uniform & Protective Clothing	8 225 662	304 477	37 025	640 864	3 963 887	48.19%
OC: Vehicle Tracking	946 467	-	53 448	59 690	329 601	34.82%
OC: Workmen's Compensation Fund	2 312 161	-	-	-	-	0.00%
OC: Lic - Vehicle Lic & Registr Fleet	5 690	-	-	-	-	0.00%
Inventory						
Inventory - Consumable Stores -Std Rated Fleet	98 297	-	3 998	-	3 998	4.07%
Inventory - Consumabl Stores -Zero Rated Fleet	24 141 961	2 449 680	1 511 085	1 385 954	11 685 944	48.41%
Inventory - Materials & Supplies	7 391 141	692 232	120 090	476 759	3 385 109	45.80%
Inventory - Stationery	1 835 892	38 299	53 935	79 088	491 037	26.75%
Inventory - Stationery (Cartridges)	26 253	-	-	-	6 252	23.81%
Inventory - Computer Requirements	375 306	-	-	-	18 825	5.02%
Inventory - Copy Charges	601 572	-	43 541	24 532	157 561	26.19%
Inventory - Water	151 283 505	9 224 726	12 165 124	9 382 844	78 451 471	51.86%
Bulk Purchases						
Eskom	638 155 001	43 594 629	39 286 544	39 351 589	385 642 661	60.43%
Interest Dividends And Rent On Land						
Int Paid Bor: Annuity Loans	25 721 518	13 100 575	17 641	16 525	13 249 287	51.51%
Int Paid Bor: Financial Leases	4 659 539	347 213	350 110	342 806	2 766 738	59.38%
Operating Leases						
Bad Debts Written Off						
IRRECOV DEBTS W/OFF_NON-EXCHG:PROP RATES	10 166 588	752 108	16 254	285 844	2 978 557	29.30%
IRRECOV DEBTS W/OFF_EXCHG:WASTE WATER	2 220 054	264 924	4	97 172	787 741	35.48%
IRRECOV DEBTS W/OFF_EXCHG:WATER	32 433 125	1 253 789	67 461	774 043	6 369 500	19.64%
IRRECOV DEBTS W/OFF_EXCHG:ELECTRICITY	932 770	62 864	-	43 435	344 480	36.93%
IRRECOV DEBTS W/OFF_EXCHG:WASTE	5 095 681	309 453	97 247	91 424	1 198 324	23.52%
Transfers And Subsidies						
Operational : Monetary						
Priv Ent: Oth Trf-Mayors' Charity	1 500 000	80 000	535 000	-	1 159 100	77.27%
Priv Ent: Oth Trf-Mayors' Charity	346 920	-	-	-	-	0.00%
Depreciation & Amortisation						
Depreciation Elec Hv Substations	1 211 158	100 094	100 094	100 094	800 753	66.11%
Depreciation Elec Hv Substations	13 021 004	1 083 995	1 083 990	1 083 996	8 672 066	66.60%
Dep Infra: Sanitation Pump Station	11 403 479	934 730	934 721	934 730	7 477 808	65.57%
Dep & Amor: Roads	27 410 453	2 278 950	2 278 938	2 278 950	18 231 533	66.51%
Dep & Amor: Community Halls	6 839 891	552 903	552 903	552 903	4 423 221	64.67%
Dep & Amor: Libraries	1 429 102	116 339	116 339	134 519	947 188	66.28%
Dep & Amor: Libraries	110 380	9 080	9 080	9 080	72 638	65.81%
Dep & Amor: Municipal Buildings	187 708	12 525	12 525	12 525	100 197	53.38%
Traffic - other specific accounts	55 700 954	2 401 020.00	4 016 550.00	2 566 750.00	25 594 770	45.95%
Property rates	30 061 003	19 030 495.99	-	-	19 030 496	63.31%
Electricity	3 200 497	1 151 629.21	-	-	1 151 629	35.98%
Waste management	4 095 000	2 872 695.51	-	-	2 872 696	70.15%
Waste water management	7 420 000	2 693 460.01	355 000.00	-	3 048 460	41.08%
Water	30 995 000	30 151 036.91	-	-	30 151 037	97.28%
Inventory Water Losses	63 415 801	6 773 194.10	4 649 670.20	8 422 276.44	54 740 249	86.32%
TOTAL EXPENDITURE	**2 090 788 665**	**205 379 692**	**133 467 150**	**131 461 410**	**1 198 104 652**	**57.30%**

MIDVAAL LOCAL MUNICIPALITY MONTHLY BUDGET STATEMENT

Income Summary Report: Income per item

INCOME	Adjusted Budget	December 2025	January 2026	February 2026	Year to Date	% of Budget
NON - EXCHANGE REVENUE						
PROPERTY RATES						
INTEREST NON EXCH PROP RATES	22 501 438	1 461 158	1 279 028	1 558 080	14 391 499	63.96%
BUSINESS & COMMERCIAL PROPERTIES	29 140 766	2 982 951	2 982 875	2 963 203	22 386 335	76.82%
INDUSTRIAL PROPERTIES	73 410 235	5 646 208	5 412 909	5 877 158	45 133 377	61.48%
MINING PROPERTIES	240 207	23 607	23 607	23 607	188 855	78.62%
RESIDENTIAL PROPERTIES: DEVELOPED	195 812 564	15 095 253	15 142 992	15 128 192	119 711 122	61.14%
RESIDENTIAL PROPERTIES: VACANT LAND	88 720 127	6 998 904	6 917 910	6 999 937	55 814 380	62.91%
STATE-OWNED PROPERTIES	14 611 604	521 807	521 807	521 807	4 191 193	28.68%
AGRICULTURAL PROPERTY	11 630 885	1 000 775	1 000 106	997 360	7 979 161	68.60%
FINES PENALTIES AND FORFEITS						
FINES: WAYLEAVE	-	8 296	-	6 452	31 339	0.00%
FINES: OVERDUE BOOKS FINE	149 020	5 161	5 733	5 015	49 005	32.88%
FINES: POUND FEES	92 155	3 551	7 879	23 575	61 862	67.13%
FINES: TRAFFIC - MUNICIPAL	58 230 160	2 646 690	4 321 862	2 850 427	28 889 680	49.61%
TRANSFERS AND SUBSIDIES						
OPERATIONAL : MONETARY						
TS_O_M_NG_ENERGY & DEMAND SIDE MNG GRANT	48 760	-	-	-	-	0.00%
TS_O_M_NG_EPWP GRANT	2 077 000	-	-	-	1 870 716	90.07%
TS_O_M_NG_INEP GRANT	9 374 391					0.00%
TS_O_M_NG_LOCAL GOV FIN MNG GRANT	2 000 000	373 235	61 027	83 684	1 114 638	55.73%
TS_O_M_NG_MIG GRANT	6 533 050	125 971	127 362	153 683	1 061 570	16.25%
TS_O_M_NRF_EQUITABLE SHARE	184 733 000	61 578 000	-	-	138 550 000	75.00%
DM GP: SEDIBENG - ENVIRON HEALTH & SAFET	3 081 089		736 811	316 821	2 382 242	77.32%
DM GP: SEDIBENG - HEALTH	5 518 957	362 533	313 230	351 910	2 194 424	39.78%
PG GP - RECAP COMM LIBRARIES GRANT	13 510 000	972 826	903 064	904 860	7 338 902	54.32%
PG GP - RECAPITAL COMM LIBRARIES GRANT	4 220 000	1 024 654	63 515	449 490	2 534 239	60.05%
TS O M DM GAU DC42 HIV AWARENESS	2 293 506	-	-	-	-	0.00%
TS C IK PE SUBS NON FIN PRIV ENT PR	7 183 511					0.00%
CAPITAL : MONETARY						
TS C M NG ENERGY EFF & DEMAND GRANT	3 951 240	-1 443 961	3 799 109	-	3 799 109	96.15%
TS C M NG INEP GRANT	25 834 609	5 933 422	149 365	3 536 064	20 944 969	81.07%
TS C M NG MIG GRANT	31 516 950	6 015 260	198 909	3 063 153	27 050 844	85.83%
TS_C_M_NG_NEIGBOORHOUD DEV PARTNER GRANT	1 000 000	175 342	-	-	927 067	92.71%
TS_C_M_NG_WSIG GRANT	21 886 000	4 023 840	3 885 252	388 700	13 387 483	61.17%
PRIV ENT. OTH TRF -DEVELOPERS CONTRIB	4 000 000	-	1 305 513	-	1 305 513	32.64%
PG GP - RAPID RESPONSE VEHICLE & EQUIP	1 500 000	-	-	-	-	0.00%
PG GP - RECAP COMM LIBRARIES GRANT	3 502 000	-	1 453 796	337 528	3 133 560	89.48%
PG GP - RECAP COMM LIBRARIES GRANT	1 140 000	34 190	50 303	144 353	591 662	51.90%
TS_C_M_DM_GAU_DC42_INFR_HIV	53 800	-	-	-	-	0.00%
EXCHANGE REVENUE						
SERVICE CHARGES						
ELEC: CONNEC/RECON DISCONN/RECONN FEES	7 721 714	536 389	589 693	547 234	3 933 038	50.93%
ELEC: NEW CONNECTIONS	2 714 890	73 503	164 459	190 662	1 550 368	57.11%
ELEC: METER READING FEES	40 356	2 460	820	2 050	14 324	35.49%
ELEC SALES: COMMERCIAL CONVEN 3-PHASE	56 266 015	4 636 732	5 661 535	3 297 300	37 975 967	67.49%
ELEC SALES: DOMESTI LOW HOME LIGHT 1 60A	2 539 576	312 604	148 892	158 666	981 567	38.65%
ELEC SALES: DOMESTIC LOW: PREPAID	210 269 582	16 052 263	14 610 600	14 307 999	130 461 635	62.04%
ELEC SALES: DOMESTIC HIGH HOME POWER 2	21 838 819	1 054 027	1 331 856	1 291 337	12 120 160	55.50%
ELEC SALES: AGRICULTURAL MEDIUM	15 346 998	809 952	854 098	952 630	8 907 006	58.04%
ELEC SALES: INDUSTR 11 000 VOLTS (HIGH)	295 553 351	20 527 511	17 357 786	17 659 186	173 104 394	58.57%
ELEC SALES: SPORT/CHURCH/HOLIDAY/OLD-AGE	1 905 189	147 409	129 055	109 537	1 285 884	67.49%
ELEC SALES: INDUSTR MORE THAN 11 000 V	91 682 168	8 456 837	7 775 260	7 357 048	64 398 542	70.24%
WASTE MANGEMENT: DISPOSAL FACILITIES	792 340	17 113	33 473	20 575	350 053	44.18%
WASTE MANGEMENT: REFUSE REMOVAL	65 568 379	5 344 537	5 363 647	5 337 853	42 802 465	65.28%
WASTE MANGEMENT: SKIP	8 580 066	550 780	524 195	571 081	4 309 929	50.23%
WASTE WATER MANG: SANITATION CHARGES	80 229 851	6 965 061	6 977 154	6 956 908	55 699 107	69.42%
WASTE WATER MANG: AVAILABILITY CHARGES	-6 171 836	-1 072 557	-1 067 707	-1 063 269	-8 513 347	137.94%
WASTE WATER MANG: CONNECTION/RECONNECTIO	450 000	18 681	27 425	102 302	371 951	82.66%
WASTE WATER M. PUMP/REMOVAL WASTE WATER	120 000	-	265	-	67 122	55.94%
WATER: CONNECTION/RECONNECTION	2 637 473	86 410	214 816	356 278	1 794 705	68.05%
WATER: NEW CONNECTIONS	721 591	-	927	-10 252	27 485	3.81%
INCOME BOREHOLE APPLICATIONS	40 000	4 729	1 060	1 982	28 973	72.43%
WATER: METER READING FEES	288 618	11 032	23 246	29 944	161 166	55.84%
WATER: SALE - CONVENTIONAL	289 223 047	26 629 197	32 680 956	22 060 020	206 889 350	71.53%
WATER: SALE - PREPAID	4 790 828	-3 081 297	-5 923 179	454 432	-13 938 914	-290.95%
WATER: INDUSTRIAL WATER	24 404 094	388 818	424 306	513 515	3 963 734	16.24%
INTER: RECEIV - ELECTRICITY	2 502 511	154 598	149 173	181 095	1 350 389	53.96%
INTER: RECEIV - SERVICE CHARGES	600 972	271 604	112 468	47 477	1 657 699	275.84%
INTER: RECEIV - WASTE MANAGEMENT	3 878 392	249 015	221 163	289 483	2 561 493	66.05%
INTER: RECEIV - WASTE WATER MANAGEMENT	3 503 831	198 312	189 821	216 403	2 236 996	63.84%
INTER: RECEIV - WATER	17 953 871	1 022 024	905 174	1 123 862	8 953 432	49.87%
INTER: SHORT TERM INVEST & CALL ACCOUNTS	48 821 661	2 892 688	3 150 682	2 785 258	24 848 412	50.90%
ADMINISTRATIVE HANDLING FEES	2 047 301	120 878	18 861	37 859	523 595	25.57%
CCR: TRANSFERS TO/FROM RESERVES	55 000	-	-	-	3 226	5.87%
BREAKAGES RECOVERED	4 448	-	180	-	1 525	34.29%
COLLECTION CHARGES	5 300	-			194	3.66%
INCIDENTAL CASH SURPLUSES	6 060	-	0	-50	-313	-5.16%
STAFF RECOVERIES	140 596	-	18 800	-	108 841	77.41%
REQ INFO - PLAN PRINTING & DUPLICATES	557	-	-	-	-	0.00%
INSURANCE REFUND	2 053 699	-			753 149	36.67%
SALE OF PROPERTY	376 197	-	-	-	-	0.00%
SKILLS DEVELOPMENT LEVY REFUND	344 806	-	-	-	-	0.00%
M-R PPE: S/LINE OTHER ASSETS	2 230 422	92 448	83 877	91 906	893 519	40.06%
ADVERTISEMENTS	59 011	-	339	317	22 333	37.85%
CEMETERY & BURIAL	984 732	67 948	30 274	58 939	460 551	46.77%
CLEANING & REMOVAL	1 487 456	67 928		66 507	1 367 233	91.92%
ESCORT FEES	28 090	-	-	-	-	0.00%
ENTRANCE FEES	319 257	46 989	46 828	23 190	201 627	63.16%
FIRE SERVICES	2 253 351	85 064	148 181	81 994	928 402	41.20%
LEGAL FEES	13 129	-	-	-	-	0.00%
PHOTOCOPIES & FAXES	5 560	77	231	-	2 075	37.33%
PLAN & DEV: BUILDING PLAN APPROVAL	428 698	24 514	15 367	33 255	169 277	39.49%
PLAN & DEV: CLEARANCE CERTIFICATES	236 335	67 315	14 424	31 650	182 252	77.12%
PLAN & DEV: TOWN PLANNING & SERVITUDES	3 864 528	179 971	161 954	198 756	2 189 663	56.66%
SALE OF: PUBLICATION - TENDER DOCUMENTS	61 486	667	1 001	2 336	13 839	22.51%
SALE OF: VALUATION ROLLS	297	-	-	-	-57	-19.16%
LICENCES AND PERMITS						
TRADING	2 000	210			210	10.50%
TOTAL INCOME	**2 101 317 667**	**208 821 114**	**143 612 462**	**133 007 295**	**1 301 875 167**	**61.96%**

Page 24 of 25

MIDVAAL LOCAL MUNICIPALITY MONTHLY BUDGET STATEMENT

Municipal manager's quality certification

I, P Magodi, Municipal Manager of the Midvaal Local Municipality, hereby certify that the monthly report on the implementation of the budget and financial state of affairs for the month of **February 2026** of the 2025/2026 financial year has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

pp.

P MAGODI
MUNICIPAL MANAGER

DATE: 12 March 2026

Submitted to the Office of the Executive Mayor

Received by:

Date: 12 March 2026

GT422 Midvaal - Table C1 Monthly Budget Statement Summary - M08 February

Description	2024/25	Budget Year 2025/26							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance									
Property rates	351 320	423 566	413 566	32 511	255 404	280 378	(24 973)	-9%	413 566
Service charges	1 008 283	1 173 553	1 177 553	81 205	728 747	783 169	(54 422)	-7%	1 177 553
Investment revenue	44 002	48 822	48 822	2 785	24 848	32 548	(7 699)	-24%	48 822
[illegible]	202 091	218 111	233 388	2 260	157 047	148 463	8 584	0	233 388
Other own revenue	96 121	155 421	126 421	6 776	64 689	97 814	(33 125)	-34%	126 421
Total Revenue (excluding capital transfers and contributions)	**1 701 817**	**2 019 473**	**1 999 750**	**125 537**	**1 230 735**	**1 342 370**	**(111 635)**	**-8%**	**1 999 750**
Employee costs	408 908	476 021	478 193	35 440	284 300	317 782	(33 482)	-11%	478 193
Remuneration of Councillors	15 452	15 431	16 335	1 270	10 490	10 468	22	0%	16 335
[illegible]	118 100	126 861	126 861	10 801	82 806	84 575	(1 769)	-2%	126 861
Interest	24 828	25 718	30 381	359	16 016	18 078	(2 062)	-11%	30 381
Inventory consumed and bulk purchases	650 905	825 633	823 909	50 701	479 843	550 202	(70 360)	-13%	823 909
[illegible]	1 774	2 662	1 847	–	1 159	1 612	(453)	-28%	1 847
Other expenditure	553 361	638 377	613 263	32 890	323 490	420 441	(96 951)	-23%	613 263
Total Expenditure	**1 773 330**	**2 110 703**	**2 090 789**	**131 461**	**1 198 105**	**1 403 159**	**(205 054)**	**-15%**	**2 090 789**
Surplus/(Deficit)	**(71 513)**	**(91 230)**	**(91 039)**	**(5 924)**	**32 630**	**(60 788)**	**93 419**	**-154%**	**(91 039)**
Transfers and subsidies - capital (monetary	134 767	106 314	94 385	7 470	71 140	68 490	2 650	4%	94 385
Transfers and subsidies - capital (in-kind)	1 300	–	7 184	7 184	7 184	1 437	5 747	400%	7 184
Surplus/(Deficit) after capital transfers & contributions	**64 554**	**15 084**	**10 529**	**8 729**	**110 954**	**9 138**	**101 816**	**1114%**	**10 529**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**64 554**	**15 084**	**10 529**	**8 729**	**110 954**	**9 138**	**101 816**	**1114%**	**10 529**
Capital expenditure & funds sources									
Capital expenditure	**250 723**	**235 715**	**251 363**	**14 430**	**132 492**	**166 718**	**(34 226)**	**-21%**	**251 363**
Capital transfers recognised	124 624	93 548	90 391	11 783	67 011	61 734	5 277	9%	90 391
Borrowing	82 280	70 240	76 010	2 074	32 395	50 499	(18 104)	-36%	76 010
Internally generated funds	**43 819**	**71 927**	**84 961**	**573**	**33 085**	**54 486**	**(21 400)**	**-39%**	**84 961**
Total sources of capital funds	**250 723**	**235 715**	**251 363**	**14 430**	**132 492**	**166 718**	**(34 226)**	**-21%**	**251 363**
Financial position									
Total current assets	951 254	805 086	871 582		986 672				871 582
Total non current assets	2 445 086	2 528 229	2 650 930		2 494 771				2 650 930
Total current liabilities	339 714	374 211	377 479		320 173				377 479
Total non current liabilities	359 266	332 220	343 790		353 899				343 790
Community wealth/Equity	**2 697 360**	**2 611 799**	**2 790 714**		**2 810 839**				**2 790 714**
Cash flows									
Net cash from (used) operating	73 404	100 404	207 446	190 320	420 498	138 719	(281 778)	-203%	207 446
Net cash from (used) investing	(242 924)	(235 289)	(249 421)	(14 430)	(132 492)	(166 280)	(33 788)	20%	(249 421)
Net cash from (used) financing	81 341	30 213	29 213	426	(20 820)	19 475	40 295	207%	29 213
Cash/cash equivalents at the month/year end	**396 354**	**389 815**	**451 273**	**731 187**	**731 187**	**455 949**	**(275 238)**	**-60%**	**451 240**
Debtors & creditors analysis	**0-30 Days**	**31-60 Days**	**61-90 Days**	**91-120 Days**	**121-150 Dys**	**151-180 Dys**	**181 Dys-1 Yr**	**Over 1Yr**	**Total**
Debtors Age Analysis									
Total By Income Source	–	–	–	–	–	–	–	–	–
Creditors Age Analysis									
Total Creditors	–	–	–	–	–	–	–	–	–

GT422 Midvaal - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M08 February

Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue - Functional										
Governance and administration		**525 414**	**680 680**	**676 787**	**39 092**	**421 929**	**453 008**	(31 079)	-7%	**676 787**
Executive and council		6 864	7 144	7 144	–	5 358	4 763	595	12%	7 144
Finance and administration		518 550	673 536	669 643	39 092	416 571	448 245	(31 674)	-7%	669 643
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**89 464**	**127 148**	**98 148**	**5 169**	**52 479**	**78 965**	(26 486)	-34%	**98 148**
Community and social services		21 886	22 510	23 510	1 900	14 109	15 207	(1 097)	-7%	23 510
Sport and recreation		19 944	6 807	6 807	(43)	6 190	4 538	1 652	36%	6 807
Public safety		43 122	92 314	62 314	2 960	29 985	55 543	(25 558)	-46%	62 314
Housing		–	–	–	–	–	–	–		–
Health		4 512	5 517	5 517	352	2 194	3 678	(1 484)	-40%	5 517
Economic and environmental services		**37 789**	**22 997**	**22 997**	**549**	**19 617**	**15 331**	4 286	28%	**22 997**
Planning and development		13 914	9 396	9 396	232	3 309	6 264	(2 956)	-47%	9 396
Road transport		20 942	10 519	10 519	–	13 926	7 013	6 913	99%	10 519
Environmental protection		2 933	3 081	3 081	317	2 382	2 054	328	16%	3 081
Trading services		**1 185 217**	**1 294 962**	**1 303 386**	**95 381**	**815 034**	**864 993**	**(49 959)**	-6%	**1 303 386**
Energy sources		671 285	754 919	762 102	56 593	472 583	504 716	(32 133)	-6%	762 102
Water management		351 368	358 668	355 908	26 858	223 481	238 560	(15 079)	-6%	355 908
Waste water management		89 090	99 098	99 098	6 000	62 875	66 065	(3 190)	-5%	99 098
Waste management		73 474	82 278	86 278	5 930	56 095	55 652	443	1%	86 278
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	**1 837 884**	**2 125 787**	**2 101 318**	**140 191**	**1 309 059**	**1 412 297**	**(103 238)**	**-7%**	**2 101 318**
Expenditure - Functional										
Governance and administration		**290 161**	**353 333**	**357 527**	**17 437**	**190 700**	**236 879**	(46 179)	-19%	**357 527**
Executive and council		41 752	60 773	60 181	2 811	29 364	40 108	(10 744)	-27%	60 181
Finance and administration		248 409	292 560	297 346	14 626	161 336	196 771	(35 435)	-18%	297 346
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**195 133**	**270 413**	**241 720**	**16 689**	**133 306**	**174 933**	(41 627)	-24%	**241 720**
Community and social services		29 129	32 618	33 730	2 262	18 773	22 139	(3 366)	-15%	33 730
Sport and recreation		44 398	48 624	49 341	4 240	29 523	32 652	(3 128)	-10%	49 341
Public safety		116 833	182 704	153 996	9 819	82 256	116 194	(33 938)	-29%	153 996
Housing		–	–	–	–	–	–	–		–
Health		4 773	6 466	4 652	368	2 753	3 948	(1 195)	-30%	4 652
Economic and environmental services		**132 646**	**146 717**	**142 653**	**8 942**	**81 315**	**95 896**	(14 581)	-15%	**142 653**
Planning and development		42 758	52 880	53 629	3 187	27 612	35 417	(7 806)	-22%	53 629
Road transport		85 875	89 223	84 437	5 436	50 961	57 375	(6 414)	-11%	84 437
Environmental protection		4 014	4 614	4 587	319	2 742	3 104	(361)	-12%	4 587
Trading services		**1 155 389**	**1 340 240**	**1 348 889**	**88 393**	**792 784**	**895 450**	**(102 667)**	-11%	**1 348 889**
Energy sources		593 369	773 454	744 700	45 386	445 513	509 203	(63 690)	-13%	744 700
Water management		334 368	329 687	367 492	27 115	222 278	227 892	(5 613)	-2%	367 492
Waste water management		111 432	113 915	118 447	8 316	65 795	77 116	(11 321)	-15%	118 447
Waste management		116 221	123 184	118 250	7 577	59 198	81 241	(22 043)	-27%	118 250
Other		–	–	–	–	–	–	–		–
Total Expenditure - Functional	3	**1 773 330**	**2 110 703**	**2 090 789**	**131 461**	**1 198 105**	**1 403 159**	**(205 054)**	**-15%**	**2 090 789**
Surplus/ (Deficit) for the year		**64 554**	**15 084**	**10 529**	**8 729**	**110 954**	**9 138**	**101 816**	**11.141879**	**10 529**

GT422 Midvaal - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M08 February

Description	Ref	2024/25	Budget Year 2025/26							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue - Functional										
Municipal governance and administration		**525 414**	**680 680**	**676 787**	**39 092**	**421 929**	**453 008**	(31 079)	-7%	**676 787**
Executive and council		6 864	7 144	7 144	–	5 358	4 763	595	0	7 144
Mayor and Council		6 864	7 144	7 144	–	5 358	4 763	595	0	7 144
Municipal Manager, Town Secretary and Chief Executive								–		
Finance and administration		518 550	673 536	669 643	39 092	416 571	448 245	(31 674)	(0)	669 643
Administrative and Corporate Support		4 725	4 332	9 490	160	1 599	3 920	(2 320)	(0)	9 490
Asset Management								–		
Finance		511 406	667 628	657 578	38 840	414 078	443 075	(28 998)	(0)	657 578
Fleet Management								–		
Human Resources		1 304	345	345	–	–	230	(230)	(0)	345
Information Technology								–		
Legal Services								–		
Marketing, Customer Relations, Publicity and Media Co-ordination								–		
Property Services		1 115	1 230	2 230	92	894	1 020	(127)	(0)	2 230
Risk Management								–		
Security Services								–		
Supply Chain Management								–		
Valuation Service								–		
Internal audit		–	–	–	–	–	–	–		–
Governance Function								–		
Community and public safety		**89 464**	**127 148**	**98 148**	**5 169**	**52 479**	**78 965**	**(26 486)**	**(0)**	**98 148**
Community and social services		**21 886**	**22 510**	**23 510**	**1 900**	**14 109**	**15 207**	**(1 097)**	**(0)**	**23 510**
Aged Care								–		
Agricultural								–		
Animal Care and Diseases								–		
Cemeteries, Funeral Parlours and Crematoriums		719	985	985	59	461	656	(196)	(0)	985
Child Care Facilities								–		
Community Halls and Facilities								–		
Consumer Protection								–		
Cultural Matters								–		
Disaster Management								–		
Education								–		
Indigenous and Customary Law								–		
Industrial Promotion								–		
Language Policy								–		
Libraries and Archives		21 167	21 525	22 525	1 841	13 649	14 550	(901)	(0)	22 525
Literacy Programmes								–		
Media Services								–		
Museums and Art Galleries								–		
Population Development								–		
Provincial Cultural Matters								–		
Theatres								–		
Zoo's								–		
Sport and recreation		**19 944**	**6 807**	**6 807**	**(43)**	**6 190**	**4 538**	**1 652**	**0**	**6 807**
Beaches and Jetties								–		
Casinos, Racing, Gambling, Wagering								–		
Community Parks (including Nurseries)		1 305	2 007	2 007	(67)	1 886	1 338	549	0	2 007
Recreational Facilities		18 638	4 800	4 800	23	4 304	3 200	1 104	0	4 800
Sports Grounds and Stadiums								–		
Public safety		**43 122**	**92 314**	**62 314**	**2 960**	**29 985**	**55 543**	**(25 558)**	**(0)**	**62 314**
Civil Defence								–		
Cleansing								–		
Control of Public Nuisances								–		
Fencing and Fences								–		
Fire Fighting and Protection		4 050	3 753	3 753	82	928	2 502	(1 574)	(0)	3 753
Licensing and Control of Animals								–		
Police Forces, Traffic and Street Parking Control		39 072	88 561	58 561	2 878	29 057	53 041	(23 984)	(0)	58 561
Pounds								–		
Housing		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Housing								–		
Informal Settlements								–		
Health		**4 512**	**5 517**	**5 517**	**352**	**2 194**	**3 678**	**(1 484)**	**(0)**	**5 517**
Ambulance								–		
Health Services		4 512	5 517	5 517	352	2 194	3 678	(1 484)	(0)	5 517
Laboratory Services								–		
Food Control								–		
Health Surveillance and Prevention of Communicable Diseases including immunizations								–		
Vector Control								–		
Chemical Safety								–		
Economic and environmental services		**37 789**	**22 997**	**22 997**	**549**	**19 617**	**15 331**	**4 286**	**0**	**22 997**
Planning and development		**13 914**	**9 396**	**9 396**	**232**	**3 309**	**6 264**	**(2 956)**	**(0)**	**9 396**

Billboards								–		
Corporate Wide Strategic Planning (IDPs, LEDs)								–		
Central City Improvement District								–		
Development Facilitation								–		
Economic Development/Planning		10 025	5 098	5 100	0	950	3 399	(2 449)	(0)	5 100
Regional Planning and Development								–		
Town Planning, Building Regulations and Enforcement, and City Engineer		3 889	4 299	4 297	232	2 359	2 865	(506)	(0)	4 297
Project Management Unit								–		
Provincial Planning								–		
Support to Local Municipalities								–		
Road transport		**20 942**	**10 519**	**10 519**	**–**	**13 926**	**7 013**	**6 913**	**0**	**10 519**
Public Transport								–		
Road and Traffic Regulation								–		
Roads		20 942	10 519	10 519	–	13 926	7 013	6 913	0	10 519
Taxi Ranks								–		
Environmental protection		**2 933**	**3 081**	**3 081**	**317**	**2 382**	**2 054**	**328**	**0**	**3 081**
Biodiversity and Landscape								–		
Coastal Protection								–		
Indigenous Forests								–		
Nature Conservation								–		
Pollution Control		2 933	3 081	3 081	317	2 382	2 054	328	0	3 081
Soil Conservation								–		
Trading services		**1 185 217**	**1 294 962**	**1 303 386**	**95 381**	**815 034**	**864 993**	**(49 959)**	**(0)**	**1 303 386**
Energy sources		**671 285**	**754 919**	**762 102**	**56 593**	**472 583**	**504 716**	**(32 133)**	**(0)**	**762 102**
Electricity		671 285	754 919	762 102	56 593	472 583	504 716	(32 133)	(0)	762 102
Street Lighting and Signal Systems								–		
Nonelectric Energy								–		
Water management		**351 368**	**358 668**	**355 908**	**26 858**	**223 481**	**238 560**	**(15 079)**	**(0)**	**355 908**
Water Treatment								–		
Water Distribution		351 368	358 668	355 908	26 858	223 481	238 560	(15 079)	(0)	355 908
Water Storage								–		
Waste water management		**89 090**	**99 098**	**99 098**	**6 000**	**62 875**	**66 065**	**(3 190)**	**(0)**	**99 098**
Public Toilets								–		
Sewerage		89 090	99 098	99 098	6 000	62 875	66 065	(3 190)	(0)	99 098
Storm Water Management								–		
Waste Water Treatment		–	–	–	–	–	–	–		–
Waste management		**73 474**	**82 278**	**86 278**	**5 930**	**56 095**	**55 652**	**443**	**0**	**86 278**
Recycling								–		
Solid Waste Disposal (Landfill Sites)		–	–	–	–	–	–	–		–
Solid Waste Removal		73 474	82 278	86 278	5 930	56 095	55 652	443	0	86 278
Street Cleaning								–		
Other		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Abattoirs								–		
Air Transport								–		
Forestry								–		
Licensing and Regulation								–		
Markets								–		
Tourism								–		
Total Revenue - Functional	2	**1 837 884**	**2 125 787**	**2 101 318**	**140 191**	**1 309 059**	**1 412 297**	**(103 238)**	**(0)**	**2 101 318**
Expenditure - Functional										
Municipal governance and administration		**290 161**	**353 333**	**357 527**	**17 437**	**190 700**	**236 879**	**(46 179)**	**(0)**	**357 527**
Executive and council		41 752	60 773	60 181	2 811	29 364	40 108	(10 744)	(0)	60 181
Mayor and Council		33 243	40 335	40 066	2 295	22 596	26 534	(3 938)	(0)	40 066
Municipal Manager, Town Secretary and Chief Executive		8 510	20 438	20 115	516	6 768	13 574	(6 806)	(0)	20 115
Finance and administration		248 409	292 560	297 346	14 626	161 336	196 771	(35 435)	(0)	297 346
Administrative and Corporate Support		59 976	71 597	74 569	4 664	39 685	48 423	(8 738)	(0)	74 569
Asset Management								–		
Finance		111 731	134 533	135 746	4 654	71 152	90 462	(19 310)	(0)	135 746
Fleet Management		8 003	8 078	8 556	609	5 219	5 567	(349)	(0)	8 556
Human Resources		21 674	24 830	25 823	1 533	13 487	16 754	(3 267)	(0)	25 823
Information Technology		36 836	40 717	40 567	2 316	27 475	27 115	360	0	40 567
Legal Services								–		
Marketing, Customer Relations, Publicity and Media Co-ordination		3 133	3 752	3 857	74	1 470	2 560	(1 090)	(0)	3 857
Property Services		7 055	9 053	8 228	776	2 848	5 890	(3 042)	(0)	8 228
Risk Management								–		
Security Services								–		
Supply Chain Management								–		
Valuation Service								–		
Internal audit		–	–	–	–	–	–	–		–
Governance Function								–		
Community and public safety		**195 133**	**270 413**	**241 720**	**16 689**	**133 306**	**174 933**	**(41 627)**	**(0)**	**241 720**
Community and social services		**29 129**	**32 618**	**33 730**	**2 262**	**18 773**	**22 139**	**(3 366)**	**(0)**	**33 730**
Aged Care								–		
Agricultural								–		
Animal Care and Diseases								–		
Cemeteries, Funeral Parlours and Crematoriums		1 354	1 578	1 698	113	1 021	1 076	(55)	(0)	1 698
Child Care Facilities								–		

Community Halls and Facilities							–		
Consumer Protection							–		
Cultural Matters							–		
Disaster Management							–		
Education							–		
Indigenous and Customary Law							–		
Industrial Promotion							–		
Language Policy							–		
Libraries and Archives	27 775	31 040	32 032	2 149	17 752	21 063	(3 311)	(0)	32 032
Literacy Programmes							–		
Media Services							–		
Museums and Art Galleries							–		
Population Development							–		
Provincial Cultural Matters							–		
Theatres							–		
Zoo's							–		
Sport and recreation	**44 398**	**48 624**	**49 341**	**4 240**	**29 523**	**32 652**	**(3 128)**	**(0)**	**49 341**
Beaches and Jetties							–		
Casinos, Racing, Gambling, Wagering							–		
Community Parks (including Nurseries)	35 968	39 685	40 648	3 391	23 482	26 737	(3 255)	(0)	40 648
Recreational Facilities	8 430	8 940	8 693	849	6 041	5 914	127	0	8 693
Sports Grounds and Stadiums							–		
Public safety	**116 833**	**182 704**	**153 996**	**9 819**	**82 256**	**116 194**	**(33 938)**	**(0)**	**153 996**
Civil Defence							–		
Cleansing							–		
Control of Public Nuisances							–		
Fencing and Fences							–		
Fire Fighting and Protection	47 228	55 292	57 230	4 368	35 201	37 380	(2 178)	(0)	57 230
Licensing and Control of Animals							–		
Police Forces, Traffic and Street Parking Control	69 605	127 413	96 766	5 451	47 055	78 815	(31 760)	(0)	96 766
Pounds							–		
Housing	**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Housing							–		
Informal Settlements							–		
Health	**4 773**	**6 466**	**4 652**	**368**	**2 753**	**3 948**	**(1 195)**	**(0)**	**4 652**
Ambulance							–		
Health Services	4 773	6 466	4 652	368	2 753	3 948	(1 195)	(0)	4 652
Laboratory Services							–		
Food Control							–		
Health Surveillance and Prevention of Communicable Diseases including immunizations							–		
Vector Control							–		
Chemical Safety							–		
Economic and environmental services	**132 646**	**146 717**	**142 653**	**8 942**	**81 315**	**95 896**	**(14 581)**	**(0)**	**142 653**
Planning and development	**42 758**	**52 880**	**53 629**	**3 187**	**27 612**	**35 417**	**(7 806)**	**(0)**	**53 629**
Billboards							–		
Corporate Wide Strategic Planning (IDPs, LEDs)							–		
Central City Improvement District							–		
Development Facilitation							–		
Economic Development/Planning	22 257	29 135	29 810	1 551	13 911	19 555	(5 644)	(0)	29 810
Regional Planning and Development							–		
Town Planning, Building Regulations and Enforcement, and City Engineer	20 500	23 746	23 819	1 635	13 701	15 862	(2 162)	(0)	23 819
Project Management Unit							–		
Provincial Planning							–		
Support to Local Municipalities							–		
Road transport	**85 875**	**89 223**	**84 437**	**5 436**	**50 961**	**57 375**	**(6 414)**	**(0)**	**84 437**
Public Transport							–		
Road and Traffic Regulation							–		
Roads	85 875	89 223	84 437	5 436	50 961	57 375	(6 414)	(0)	84 437
Taxi Ranks							–		
Environmental protection	**4 014**	**4 614**	**4 587**	**319**	**2 742**	**3 104**	**(361)**	**(0)**	**4 587**
Biodiversity and Landscape							–		
Coastal Protection							–		
Indigenous Forests							–		
Nature Conservation							–		
Pollution Control	4 014	4 614	4 587	319	2 742	3 104	(361)	(0)	4 587
Soil Conservation							–		
Trading services	**1 155 389**	**1 340 240**	**1 348 889**	**88 393**	**792 784**	**895 450**	**(102 667)**	**(0)**	**1 348 889**
Energy sources	**593 369**	**773 454**	**744 700**	**45 386**	**445 513**	**509 203**	**(63 690)**	**(0)**	**744 700**
Electricity	593 369	773 454	744 700	45 386	445 513	509 203	(63 690)	(0)	744 700
Street Lighting and Signal Systems							–		
Nonelectric Energy							–		
Water management	**334 368**	**329 687**	**367 492**	**27 115**	**222 278**	**227 892**	**(5 613)**	**(0)**	**367 492**
Water Treatment							–		
Water Distribution	334 368	329 687	367 492	27 115	222 278	227 892	(5 613)	(0)	367 492
Water Storage							–		
Waste water management	**111 432**	**113 915**	**118 447**	**8 316**	**65 795**	**77 116**	**(11 321)**	**(0)**	**118 447**
Public Toilets							–		
Sewerage	81 660	79 224	82 325	6 050	45 322	53 685	(8 363)	(0)	82 325

Storm Water Management								–		
Waste Water Treatment		29 772	34 690	36 122	2 266	20 473	23 431	(2 958)	(0)	36 122
Waste management		**116 221**	**123 184**	**118 250**	**7 577**	**59 198**	**81 241**	**(22 043)**	**(0)**	**118 250**
Recycling								–		
Solid Waste Disposal (Landfill Sites)		20 328	44 536	38 427	1 964	11 609	28 729	(17 121)	(0)	38 427
Solid Waste Removal		95 893	78 647	79 824	5 612	47 589	52 511	(4 922)	(0)	79 824
Street Cleaning								–		
Other		–	–	–	–	–	–	–		–
Abattoirs								–		
Air Transport								–		
Forestry								–		
Licensing and Regulation								–		
Markets								–		
Tourism								–		
Total Expenditure - Functional	3	**1 773 330**	**2 110 703**	**2 090 789**	**131 461**	**1 198 105**	**1 403 159**	**(205 054)**	**(0)**	**2 090 789**
Surplus/ (Deficit) for the year		**64 554**	**15 084**	**10 529**	**8 729**	**110 954**	**9 138**	**101 816**	**0**	**10 529**

References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist national and international accounts and comparison

2. Total Revenue by Functional Classification must reconcile to total operating revenue shown in Financial Performance (revenue and expenditure)

3. Total Expenditure by Functional Classification must reconcile to total operating expenditure shown in Financial Performance (revenue and expenditure)

4. All amounts must be classified under a Functional classification. The function 'Other' is only for Abbatoirs, Air Transport, Licensing and Regulation, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification

check oprev balance	-	-	-	-	-	-	-103 238 310		-
check opexp balance	-	-	-	-	-	312	-312		-

GT422 Midvaal - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M08 February

Vote Description	Ref	2024/25	Budget Year 2025/26							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote	1									
Vote 01 - Executive & Council		6 864	7 144	7 144	–	5 358	4 763	595	12.5%	7 144
Vote 02 - Corporate Services		2 419	1 575	2 575	92	894	1 250	(357)	-28.5%	2 575
Vote 03 - Financial Services		511 406	667 628	657 578	38 840	414 078	443 075	(28 998)	-6.5%	657 578
Vote 04 - Development & Planning		13 914	9 396	9 396	232	3 309	6 264	(2 956)	-47.2%	9 396
Vote 05 - Health		4 512	5 517	5 517	352	2 194	3 678	(1 484)	-40.3%	5 517
Vote 06 - Community And Social Services		42 723	29 836	33 183	1 857	20 777	20 560	217	1.1%	33 183
Vote 07 - Public Safety		4 050	3 753	3 753	82	928	2 502	(1 574)	-62.9%	3 753
Vote 08 - Sport And Recreation		–	–	–	–	–	–	–		–
Vote 09 - Environmental Protection		2 933	3 081	3 081	317	2 382	2 054	328	16.0%	3 081
Vote 10 - Waste Water Management		89 090	99 098	99 098	6 000	62 875	66 065	(3 190)	-4.8%	99 098
Vote 11 - Solid Waste Management		73 474	82 278	86 278	5 930	56 095	55 652	443	0.8%	86 278
Vote 12 - Roads And Transport		60 014	99 080	69 080	2 878	42 983	60 053	(17 071)	-28.4%	69 080
Vote 13 - Water Services		351 368	358 668	355 908	26 858	223 481	238 560	(15 079)	-6.3%	355 908
Vote 14 - Electrical Services		675 117	758 732	768 725	56 753	473 705	507 820	(34 115)	-6.7%	768 725
Vote 15 - Other		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	**1 837 884**	**2 125 787**	**2 101 318**	**140 191**	**1 309 059**	**1 412 297**	**(103 238)**	**-7.3%**	**2 101 318**
Expenditure by Vote	1									
Vote 01 - Executive & Council		41 053	59 853	57 670	2 786	28 281	39 176	(10 896)	-27.8%	57 670
Vote 02 - Corporate Services		99 234	113 607	113 629	7 094	65 805	75 705	(9 900)	-13.1%	113 629
Vote 03 - Financial Services		111 731	133 481	135 285	4 654	71 152	89 879	(18 727)	-20.8%	135 285
Vote 04 - Development & Planning		42 758	52 380	53 185	3 187	27 612	35 095	(7 483)	-21.3%	53 185
Vote 05 - Health		4 280	5 974	4 650	368	2 753	3 718	(965)	-25.9%	4 650
Vote 06 - Community And Social Services		85 135	93 703	98 600	7 387	56 383	63 881	(7 498)	-11.7%	98 600
Vote 07 - Public Safety		47 218	55 205	57 144	4 366	35 194	37 322	(2 128)	-5.7%	57 144
Vote 08 - Sport And Recreation		–	–	–	–	–	–	–		–
Vote 09 - Environmental Protection		4 014	4 614	4 587	319	2 742	3 104	(361)	-11.6%	4 587
Vote 10 - Waste Water Management		98 631	100 827	107 369	6 789	59 140	68 792	(9 652)	-14.0%	107 369
Vote 11 - Solid Waste Management		116 341	124 376	119 450	7 598	59 284	82 037	(22 753)	-27.7%	119 450
Vote 12 - Roads And Transport		163 473	224 691	189 736	11 494	103 227	141 742	(38 514)	-27.2%	189 736
Vote 13 - Water Services		334 032	330 779	367 290	27 155	222 169	228 361	(6 192)	-2.7%	367 290
Vote 14 - Electrical Services		625 429	811 214	782 194	48 264	464 362	534 347	(69 985)	-13.1%	782 194
Vote 15 - Other		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	**1 773 330**	**2 110 703**	**2 090 789**	**131 461**	**1 198 105**	**1 403 159**	**(205 054)**	**-14.6%**	**2 090 789**
Surplus/ (Deficit) for the year	2	**64 554**	**15 084**	**10 529**	**8 729**	**110 954**	**9 138**	**101 816**	**1114.1%**	**10 529**

GT422 Midvaal - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - A - M08 February

Vote Description	Ref	2024/25	Budget Year 2025/26							
R thousand		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote	1									
Vote 01 - Executive & Council		**6 864**	**7 144**	**7 144**	**–**	**5 358**	**4 763**	595	12%	**7 144**
01.1 - Municipal Manager		–	–	–	–	–	–	–		–
01.2 - Councillors		6 864	7 144	7 144	–	5 358	4 763	595	12%	7 144
01.3 - Speakers Office		–	–	–	–	–	–	–		–
01.4 - Office Of The Mayor		–	–	–	–	–	–	–		–
01.5 - Savanna City		–	–	–	–	–	–	–		–
Vote 02 - Corporate Services		**2 419**	**1 575**	**2 575**	**92**	**894**	**1 250**	(357)	-29%	**2 575**
02.1 - Corporate Services Admininstration		–	–	–	–	–	–	–		–
02.2 - Council Building		1 115	1 230	2 230	92	894	1 020	(127)	-12%	2 230
02.3 - Public Relations Officer		–	–	–	–	–	–	–		–
02.4 - It Services		–	–	–	–	–	–	–		–
02.5 - Performance Audit		–	–	–	–	–	–	–		–
02.6 - Human Resources		1 304	345	345	–	–	230	(230)	-100%	345
Vote 03 - Financial Services		**511 406**	**667 628**	**657 578**	**38 840**	**414 078**	**443 075**	(28 998)	-7%	**657 578**
03.1 - Financial Services - Administration		510 159	667 202	657 202	38 840	414 078	442 801	(28 723)	-6%	657 202
03.2 - Financial Services - Income		800	426	376	–	–	274	(274)	-100%	376
03.3 - Financial Services - Expenditure		447	–	–	–	–	–	–		–
Vote 04 - Development & Planning		**13 914**	**9 396**	**9 396**	**232**	**3 309**	**6 264**	(2 956)	-47%	**9 396**
04.1 - Development & Planning		10 025	5 098	5 100	0	950	3 399	(2 449)	-72%	5 100
04.2 - Building Control		288	434	432	33	169	289	(120)	-41%	432
04.3 - Town Planning		3 600	3 865	3 865	199	2 190	2 576	(387)	-15%	3 865
Vote 05 - Health		**4 512**	**5 517**	**5 517**	**352**	**2 194**	**3 678**	(1 484)	-40%	**5 517**
05.1 - Clinic Randvaal		4 512	880	880	352	2 194	587	1 608	274%	880
05.2 - Clinic Meyerton		–	2 792	2 792	–	–	1 862	(1 862)	-100%	2 792
05.3 - Clinic Kookrus		–	1 845	1 845	–	–	1 230	(1 230)	-100%	1 845
Vote 06 - Community And Social Services		**42 723**	**29 836**	**33 183**	**1 857**	**20 777**	**20 560**	217	1%	**33 183**
06.1 - Library Meyerton		19 956	21 525	22 525	1 752	11 396	14 550	(3 155)	-22%	22 525
06.2 - Libaray Henley On Klip		160	–	–	–	1 501	–	1 501	#DIV/0!	–
06.3 - Library Walkerville		49	–	–	19	40	–	40	#DIV/0!	–
06.4 - Library Randvaal		180	–	–	10	135	–	135	#DIV/0!	–
06.5 - Library Sicelo		134	–	–	12	150	–	150	#DIV/0!	–
06.6 - Lakeside Library		541	–	–	9	61	–	61	#DIV/0!	–
06.7 - Library Bonte Bonke		148	–	–	40	366	–	366	#DIV/0!	–
06.8 - Social Services Admin		893	519	2 867	–	478	816	(338)	-41%	2 867
06.9 - Parks		1 305	2 007	2 007	(67)	1 886	1 338	549	41%	2 007
06.10 - Swimming Pool		194	319	319	23	202	213	(11)	-5%	319
06.11 - Sport & Recreation Administration		18 445	4 481	4 481	–	4 102	2 987	1 115	37%	4 481
06.12 - Cemeteries		719	985	985	59	461	656	(196)	-30%	985
Vote 07 - Public Safety		**4 050**	**3 753**	**3 753**	**82**	**928**	**2 502**	(1 574)	-63%	**3 753**
07.1 - Fire		4 050	3 753	3 753	82	928	2 502	(1 574)	-63%	3 753
Vote 08 - Sport And Recreation		**–**	**–**	**–**	**–**	**–**	**–**	–		**–**
Vote 09 - Environmental Protection		**2 933**	**3 081**	**3 081**	**317**	**2 382**	**2 054**	328	16%	**3 081**
09.1 - Municipal Health Services (Sedibeng Funding)		2 933	3 081	3 081	317	2 382	2 054	328	16%	3 081
Vote 10 - Waste Water Management		**89 090**	**99 098**	**99 098**	**6 000**	**62 875**	**66 065**	(3 190)	-5%	**99 098**
10.1 - Sanitation Network		89 090	99 098	99 098	6 000	62 875	66 065	(3 190)	-5%	99 098
10.2 - Waste Water Purification		–	–	–	–	–	–	–		–
Vote 11 - Solid Waste Management		**73 474**	**82 278**	**86 278**	**5 930**	**56 095**	**55 652**	443	1%	**86 278**
11.1 - Landfill Sites		–	–	–	–	–	–	–		–
11.2 - Solid Waste		73 474	82 278	86 278	5 930	56 095	55 652	443	1%	86 278
Vote 12 - Roads And Transport		**60 014**	**99 080**	**69 080**	**2 878**	**42 983**	**60 053**	(17 071)	-28%	**69 080**
12.1 - Traffic		39 072	88 561	58 561	2 878	29 057	53 041	(23 984)	-45%	58 561
12.2 - Roads		20 942	10 519	10 519	–	13 926	7 013	6 913	99%	10 519
12.3 - Mechanical Workshop		–	–	–	–	–	–	–		–
12.4 - Storm Water		–	–	–	–	–	–	–		–
Vote 13 - Water Services		**351 368**	**358 668**	**355 908**	**26 858**	**223 481**	**238 560**	(15 079)	-6%	**355 908**
13.1 - Water Network		351 368	358 668	355 908	26 858	223 481	238 560	(15 079)	-6%	355 908
Vote 14 - Electrical Services		**675 117**	**758 732**	**768 725**	**56 753**	**473 705**	**507 820**	(34 115)	-7%	**768 725**
14.1 - Electrical Network		671 285	754 919	762 102	56 593	472 583	504 716	(32 133)	-6%	762 102
14.2 - Engineering Admin		3 832	3 813	6 623	160	1 122	3 104	(1 982)	-64%	6 623
Vote 15 - Other		**–**	**–**	**–**	**–**	**–**	**–**	–		**–**
Total Revenue by Vote	2	**1 837 884**	**2 125 787**	**2 101 318**	**140 191**	**1 309 059**	**1 412 297**	(103 238)	-7%	**2 101 318**
Expenditure by Vote	1							–		
Vote 01 - Executive & Council		**41 053**	**59 853**	**57 670**	**2 786**	**28 281**	**39 176**	(10 896)	-28%	**57 670**
01.1 - Municipal Manager		7 581	19 561	17 938	484	5 637	12 729	(7 092)	-56%	17 938
01.2 - Councillors		20 052	20 528	21 236	1 465	15 012	13 827	1 185	9%	21 236
01.3 - Speakers Office		5 284	7 231	6 638	334	2 826	4 333	(1 506)	-35%	6 638
01.4 - Office Of The Mayor		7 906	12 086	11 713	496	4 758	8 050	(3 292)	-41%	11 713
01.5 - Savanna City		230	446	146	6	48	238	(190)	-80%	146
Vote 02 - Corporate Services		**99 234**	**113 607**	**113 629**	**7 094**	**65 805**	**75 705**	(9 900)	-13%	**113 629**
02.1 - Corporate Services Admininstration		22 817	26 102	26 795	1 888	15 615	17 419	(1 804)	-10%	26 795
02.2 - Council Building		7 055	8 938	8 113	776	2 848	5 813	(2 965)	-51%	8 113
02.3 - Public Relations Officer		3 133	3 727	3 833	74	1 470	2 543	(1 073)	-42%	3 833

02.4 - It Services		36 836	40 463	40 312	2 316	27 475	26 945	530	2%	40 312
02.5 - Performance Audit		7 718	9 814	9 021	507	4 909	6 409	(1 500)	-23%	9 021
02.6 - Human Resources		21 674	24 563	25 555	1 533	13 487	16 576	(3 089)	-19%	25 555
Vote 03 - Financial Services		**111 731**	**133 481**	**135 285**	**4 654**	**71 152**	**89 879**	(18 727)	-21%	**135 285**
03.1 - Financial Services - Administration		49 511	58 259	62 511	972	33 775	40 360	(6 584)	-16%	62 511
03.2 - Financial Services - Income		25 318	30 268	30 752	1 834	14 812	20 271	(5 459)	-27%	30 752
03.3 - Financial Services - Expenditure		36 902	44 954	42 021	1 848	22 565	29 248	(6 684)	-23%	42 021
Vote 04 - Development & Planning		**42 758**	**52 380**	**53 185**	**3 187**	**27 612**	**35 095**	(7 483)	-21%	**53 185**
04.1 - Development & Planning		22 257	28 795	29 528	1 551	13 911	19 340	(5 429)	-28%	29 528
04.2 - Building Control		17 081	19 821	19 851	1 399	11 412	13 237	(1 825)	-14%	19 851
04.3 - Town Planning		3 420	3 764	3 806	236	2 289	2 518	(229)	-9%	3 806
Vote 05 - Health		**4 280**	**5 974**	**4 650**	**368**	**2 753**	**3 718**	(965)	-26%	**4 650**
05.1 - Clinic Randvaal		716	1 174	820	56	417	712	(295)	-41%	820
05.2 - Clinic Meyerton		2 364	3 001	2 494	219	1 503	1 897	(394)	-21%	2 494
05.3 - Clinic Kookrus		1 200	1 799	1 335	92	833	1 109	(276)	-25%	1 335
Vote 06 - Community And Social Services		**85 135**	**93 703**	**98 600**	**7 387**	**56 383**	**63 881**	(7 498)	-12%	**98 600**
06.1 - Library Meyerton		22 869	25 993	26 444	1 762	14 704	17 469	(2 764)	-16%	26 444
06.2 - Libaray Henley On Klip		1 470	1 407	1 509	111	942	1 000	(58)	-6%	1 509
06.3 - Library Walkerville		976	1 131	1 175	87	706	768	(62)	-8%	1 175
06.4 - Library Randvaal		759	842	910	45	378	581	(203)	-35%	910
06.5 - Library Sicelo		656	659	917	54	411	537	(126)	-23%	917
06.6 - Lakeside Library		500	546	586	51	332	395	(62)	-16%	586
06.7 - Library Bonte Bonke		546	460	490	38	279	313	(34)	-11%	490
06.8 - Social Services Admin		11 682	12 554	15 643	925	8 188	9 157	(968)	-11%	15 643
06.9 - Parks		35 894	39 595	40 538	3 351	23 381	26 673	(3 293)	-12%	40 538
06.10 - Swimming Pool		2 680	3 127	2 993	311	1 720	2 060	(341)	-17%	2 993
06.11 - Sport & Recreation Administration		5 750	5 812	5 699	538	4 321	3 853	468	12%	5 699
06.12 - Cemeteries		1 354	1 577	1 696	113	1 021	1 075	(54)	-5%	1 696
Vote 07 - Public Safety		**47 218**	**55 205**	**57 144**	**4 366**	**35 194**	**37 322**	(2 128)	-6%	**57 144**
07.1 - Fire		47 218	55 205	57 144	4 366	35 194	37 322	(2 128)	-6%	57 144
Vote 08 - Sport And Recreation		–	–	–	–	–	–	–		–
Vote 09 - Environmental Protection		**4 014**	**4 614**	**4 587**	**319**	**2 742**	**3 104**	(361)	-12%	**4 587**
09.1 - Municipal Health Services (Sedibeng Funding)		4 014	4 614	4 587	319	2 742	3 104	(361)	-12%	4 587
Vote 10 - Waste Water Management		**98 631**	**100 827**	**107 369**	**6 789**	**59 140**	**68 792**	(9 652)	-14%	**107 369**
10.1 - Sanitation Network		68 860	66 137	71 247	4 523	38 668	45 362	(6 694)	-15%	71 247
10.2 - Waste Water Purification		29 772	34 690	36 122	2 266	20 473	23 431	(2 958)	-13%	36 122
Vote 11 - Solid Waste Management		**116 341**	**124 376**	**119 450**	**7 598**	**59 284**	**82 037**	(22 753)	-28%	**119 450**
11.1 - Landfill Sites		20 328	44 536	38 427	1 964	11 609	28 729	(17 121)	-60%	38 427
11.2 - Solid Waste		96 013	79 840	81 024	5 634	47 675	53 308	(5 632)	-11%	81 024
Vote 12 - Roads And Transport		**163 473**	**224 691**	**189 736**	**11 494**	**103 227**	**141 742**	(38 514)	-27%	**189 736**
12.1 - Traffic		69 605	127 401	96 754	5 451	47 055	78 807	(31 752)	-40%	96 754
12.2 - Roads		85 824	89 118	84 392	5 434	50 937	57 317	(6 380)	-11%	84 392
12.3 - Mechanical Workshop		7 993	8 067	8 545	607	5 212	5 560	(348)	-6%	8 545
12.4 - Storm Water		51	104	44	3	24	58	(34)	-58%	44
Vote 13 - Water Services		**334 032**	**330 779**	**367 290**	**27 155**	**222 169**	**228 361**	(6 192)	-3%	**367 290**
13.1 - Water Network		334 032	330 779	367 290	27 155	222 169	228 361	(6 192)	-3%	367 290
Vote 14 - Electrical Services		**625 429**	**811 214**	**782 194**	**48 264**	**464 362**	**534 347**	(69 985)	-13%	**782 194**
14.1 - Electrical Network		607 950	788 954	759 600	46 931	453 461	519 416	(65 955)	-13%	759 600
14.2 - Engineering Admin		17 479	22 260	22 594	1 334	10 901	14 931	(4 030)	-27%	22 594
Vote 15 - Other		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	**1 773 330**	**2 110 703**	**2 090 789**	**131 461**	**1 198 105**	**1 403 159**	**(205 054)**	**(0)**	**2 090 789**
Surplus/ (Deficit) for the year	2	**64 554**	**15 084**	**10 529**	**8 729**	**110 954**	**9 138**	**101 816**	**0**	**10 529**

References

1. Insert 'Vote'; e.g. Department, if different to standard structure

2. Must reconcile to Financial Performance ('Revenue and Expenditure by Standard Classification' and 'Revenue and Expenditure')

3. Assign share in 'associate' to relevant Vote

check revenue

check expenditure

C 3744/03/2026
MC A/6813/03/2026

9.A.12 [CS]: RECOMMENDATION FOR SETTLEMENT OF OUTSTANDING DEBT: ESTATE LATE A CRAILL (ACCOUNT NUMBER 40089683, 172 NEBRASKA)

5/3/1

COMPETENCY: COUNCIL

PURPOSE

To seek Council's approval for a proposed settlement of the long-outstanding municipal debt owed by the Estate Late A Craill, as recommended by the Municipal Accounts Dispute Committee (MADC) following deliberations on the client's counter-offer. This settlement aims to resolve a matter that has been ongoing for 6-8 years, recover a portion of the debt while reversing interest, and avoid prolonged litigation, thereby promoting efficient debt management and financial sustainability for the municipality.

RECOMMENDATIONS

1. That the proposed settlement for the Estate Late A Craill, comprising full payment of outstanding property rates, refuse removal, and related charges amounting to R236 161.74 plus R262 666.63 as at the time of preparation of this report, however these figures does not include future levies towards the water debt.

2. Reversal of the remaining interest R163 567.68 as at the time of the report to be reversed, in addition to interest already reversed in 2024 (approximately R385 000), be approved.

3. That the remaining water balance is written off as irrecoverable.

4. That Legal Services be authorised to draft and issue a formal letter to the estate's attorney outlining the settlement terms.

5. That the Municipal Manager or Chief Financial Officer shall be delegated the authority to finalise and execute the settlement agreement upon acceptance, ensuring consistency with prior municipal offers and protection of municipal interests.

REPORT

The Municipal Accounts Dispute Committee (MADC) has reviewed the long-standing debt dispute involving the Estate Late A Craill, with a total outstanding amount of approximately R1 100 000, including water usage, property rates, refuse removal, and interest. This matter, dating back to October 2018, has involved multiple settlement proposals and counter-offers, with the client recently proposing R84 916.37 for water usage and R250 000 for outstanding debt.

The MADC's recommendation seeks to balance debt recovery with practical resolution, considering the client's continued consumption, lack of recent payments, and the need to recoup at least bulk water costs paid to Rand Water. This approach aligns with the municipality's strategic objectives under the Credit Control and Debt Collection Policy to resolve disputes efficiently, minimise financial losses, and maintain fair precedents for similar cases.

The Estate Late A Craill account has accumulated significant arrears over 6-8 years, primarily due to disputed water consumption and non-payment since September 2024. Previous municipal offers included a 30% discount on portions of the debt (approximately R800 000 plus R500 000 for water), but the client's recent counter-offer of R334 916.37 (R84 916.37 for water from October 2018 to October 2022 plus R250 000 for outstanding debt) was deemed insufficient and not negotiated in good faith, as it conflicts with the client's claim that no water debt is owed despite ongoing usage (average 40-50 kilolitres per month).

The MADC deliberated on the matter during its meeting on 1 December 2025, considering the breakdown of balances: property rates (R183 000), refuse removal (R37 000), remaining interest (R143 000 after prior reversals), and water debt (including recent consumption of approximately 588 kilolitres over the past year, valued at R294 000 plus VAT at retail rates, with bulk costs to Rand Water at approximately R98 000). The committee emphasised consistency with prior offers, recouping essential costs (e.g., bulk water from Rand Water at R15.34 per kilolitre), and avoiding precedents that unduly favour debtors.

The proposed settlement ensures fairness by requiring full payment of non-water services (rates and refuse, amounting to R236 161.74, a contribution to water debt (R262 666.63), and further interest reversal (R163 567.68), while rejecting unsubstantiated claims. This resolution prevents further compounding of debt, promotes finality, and aligns with best practices in municipal debt management. It also opens the door for a more workable counter-offer from the client if needed, with Legal Services drafting the correspondence to include exact figures and circulation for committee approval.

Strategically, this supports the municipality's mandate to collect revenue efficiently, reduce impairment provisions, and enhance financial stability without immediate additional costs.

FINANCIAL IMPLICATIONS

The proposed settlement involves a partial write-off through interest reversal of R163 567.68, in addition to R385 000 already reversed in 2024, and acceptance of a reduced water debt payment, resulting in an estimated recovery of R262 666.63 against the total R1 100 000 owed.

This will be treated as a debt compromise in the financial statements, potentially reducing impairment losses and improving cash flow. No additional municipal expenditure is required, as the settlement leverages existing resources, and it mitigates the risk of full non-recovery through litigation.

Potential benefits include recouping bulk water costs and encouraging payment compliance.

ANNEXURE

Annexure 1: MADC Minutes of the meeting that took place on 1 December 2025.

COMMENTS: MEETING OF THE MUNICIPAL MANAGER AND HEADS OF DEPARTMENT: 23 FEBRUARY 2026

Resolved to Recommend

The item is supported and referred to the Mayoral Committee, after amendments.

MIDVAAL LOCAL MUNICIPALITY

MINUTES OF THE MUNICIPAL ACCOUNTS DISPUTE COMMITTEE MEETING HELD ON TUESDAY, THE 10TH OF DECEMBER 2025 AT 11H00 VIA TEAMS.

ATTENDEES:

Samora Mle (On behalf of Ms Ameer-van Wyk)
Delight Mokwevho
Arie Meiring
Nqobani Nkomo
Vanette Esterhuizen (Secretariat)

1. OPENING & WELCOME:

The Chairperson, Mr. Mle, welcomed all attendees.

2. APOLOGIES:

None.

3. CONSIDERATION OF PREVIOUS MINUTES OF MEETING:

Not considered.

4. ITEMS:

4.1. ESTATE LATE: A CRAILL (ESTATE LATE) ACCOUNT NUMBER 40089683, 172 NEBRASKA:

The Chairperson requested a brief summary of the matter.

Mr. Meiring noted that the committee previously indicated that, from a legal perspective, the letter with the previous settlement proposal had to be resent to the attorney and his client, and then, subsequent to that they responded to make an offer of R 84 916.37 (October 2018 to October 2022 water usage) and R 250 000.00 (Outstanding Debt) as final settlement. In light of the counteroffer received, the committee must make recommendations to the Accounting Officer on a way forward.

Mr. Mokwevho noted that the developments that occurred after submitting the settlement offer need to be considered, i.e., whether the outreach was accepted, if it was accepted, then proceed with the settlement, if not accepted, what the counteroffer was, so that the committee can consider that.

The Chairperson indicated that Mr. Meiring had noted receipt of a settlement offer. The offer was read to the members.

5. Despite our irrefutable argument and out of pure frustration, the Heirs of our Estate instructed us as follows, with reference to your letter received on 7 November 2024:

   5.1. *AD 1. RATES CLEARANCE CERTIFICATE*: Attached hereto, please find our breakdown of your Invoices and our payment from September 2023 to August 2025 (2 Years). As a result of the fact that the preposterous water usage in terms of your invoices for the period October 2018 to October 2022 are the source of our dispute with yourselves, you can of cause not add any interest to these amounts, and we hereby tender payment in the amount of **R 84 916.37**. (*Please take note of the fact that the payments contained in our breakdown do not include the payments made yourselves from 29 October 2022 to 23 April 2023 totalling R 42 000.00*)

   5.2. *AD 2. OUTSTANDING DEBT*: We still maintain that no amount is due by our Estate to yourselves for water consumption or otherwise but in order to bring this matter to a close, we hereby tender payment of the amount of **R 250 000.00**.

   5.3. Both tenders and amounts without prejudice to our client and ourselves, in full and final settlement of all amounts outstanding and / or owing to yourselves on date of payment.

The Chairperson noted that the statement in 5.2 is a loaded one, as it conflicts: they say there's no amount due, but then tender an amount. The Chairperson confirmed the total amount due is around 1.1 million.

Mr. Meiring confirmed that this is correct, but noted that he doubts whether any payments were received since August 2024, and that the R 1 100 000.00 is not only in respect of water but also includes other services.

Mr. Mokwevho noted that he agrees with the Chairperson and stated that the clients are not negotiating in good faith, as they now do not agree with the amount they were billed for water consumption, but they are still offering a settlement.

The Chairperson indicated that the proposed settlement is not aligned with the debt owed and that the clients' negotiations are considered *mala fide*. The proposed settlement amount is a quarter of the outstanding debt. Considering this, if the committee were to accept the offer and write an item to Council, it is not clear what the basis would be or the arguments in favour thereof. The Chairperson does not consider this proposal acceptable, but noted that, as a committee, the offer must be deliberated upon before submitting its recommendations. Does the committee accept the offer, or does the committee recommend a different route altogether in light of the counterproposal received.

Mr. Mokwevho indicated that, when presenting the committee's arguments, it must be borne in mind that this issue has been dragging on for some time and there is an appetite to resolve the matter. Thus, as much as it might sound like a low offer, if the committee feels that a counter proposal must be made, perhaps that is what should be done. Mr. Mokwevho cautioned that he would not want the committee to be in a position where the offer is not accepted and there is no way forward or alternative offer to what the client is proposing. Mr Mokwevho noted that perhaps the counter proposal should be raised to R 350 000.00 as a final offer, but if the committee considers this amount insufficient another amount could be considered. Mr. Mokwevho is in favour of accepting the offer, but noted that the other members might feel a need to increase the amounts, considering the initial debt. Mr. Mokwevho enquired what the portion of interest is that is included in the amount.

Mr. Meiring confirmed that a portion of interest has been removed from the account during 2024. Currently, the interest portion is around R 143 000.00, and around R 385 000.00 interest has already been removed in November 2024. The Clients have not made any subsequent payments since September 2024; thus, the clients are also under pressure. The outstanding balances on property rates are R 183 000.00, and warning notices and refuse removal amount to approximately R 37 000.00, for a total of approximately R 220 000.00. The amount proposed by the client would be enough to cover this portion, but would not cover the outstanding water debt. Mr. Meiring indicated to the committee that a detailed breakdown of the balances will be provided.

Mr. Meiring agreed with Mr. Mokwevho that the matter has been dragging on for between 6 and 8 years. Mr Meiring proposes that an offer must be made to the clients, noting that the outstanding rates and refuse must be settled in full, in addition another R 250 000.00 towards the water debt, reminding them of the amount of interest that has already been reversed.

The Chairperson noted that Mr. Meiring's proposal seems fair to the clients, taking cognisance of the fact that the matter has been outstanding for a long time. The Chairperson noted that every decision taken by the committee sets a precedent, and that offers must be duly considered before it is accepted, to avoid setting a bad precedent. The offer must be fair to both parties and cannot favour one party to the detriment of the other. In light of the breakdown as provided by Mr. Meiring, the Chairperson is persuaded to move with that, as at the end of the day, these things will be interrogated, and the committee must be comfortable and be strong enough in the committee's stance to say the decision that was taken was duly motivated. The Chairperson indicated that the position proposed by Mr. Meiring sounds fair to both parties.

Mr. Meiring agreed, as it is not fair for the municipality to receive only R 250 000.00; as much of the debt as possible should be collected, but the matter has been long outstanding, and a conclusion should be reached. Mr. Meiring proposed that Legal Services should draft a response letter.

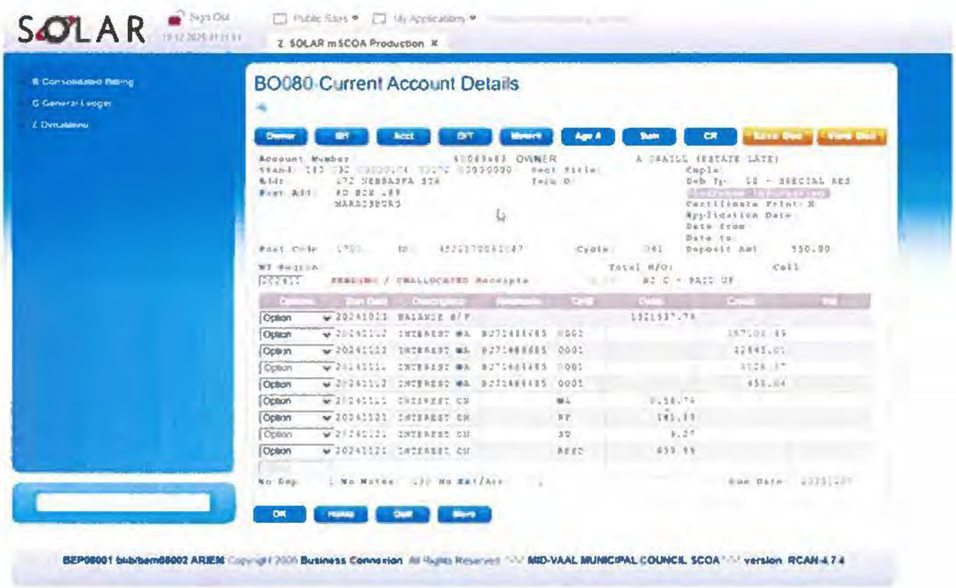
Mr. Mokwevho stated that the letter should clarify that the municipality disagrees with the clients' claim that they owe nothing on water charges. The Chairperson and Mr. Meiring concurred.

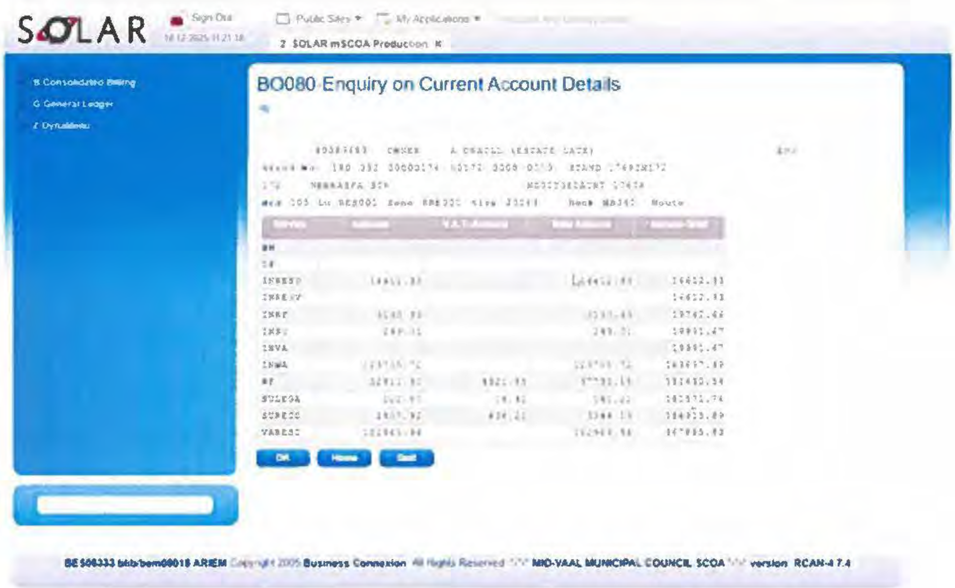
MIDVAAL LOCAL MUNICIPALITY

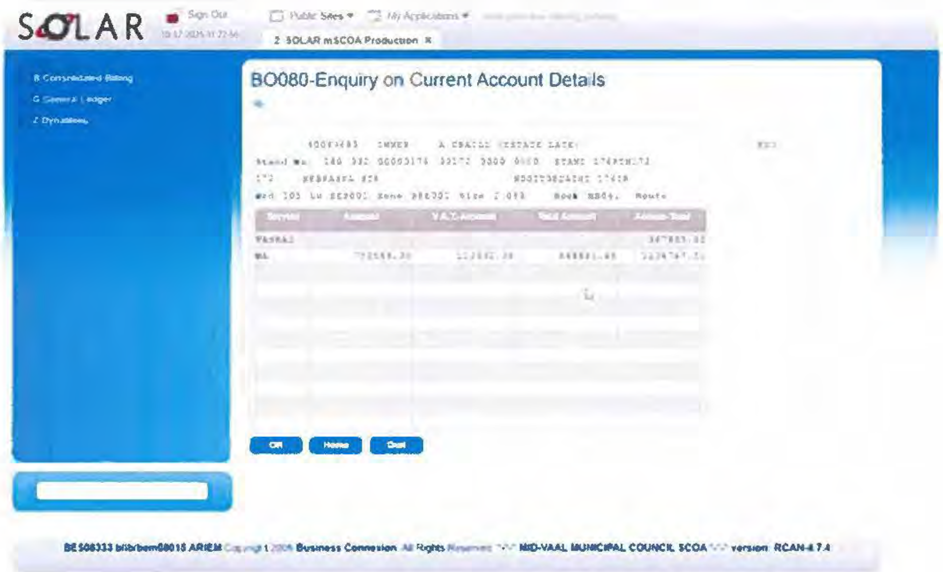
MINUTES OF THE MUNICIPAL ACCOUNTS DISPUTE COMMITTEE MEETING HELD ON TUESDAY, THE 10TH OF DECEMBER 2025 AT 11H00 VIA TEAMS.

Mr. Mokwevho noted that if there are any rebates the committee needs to consider, they should be limited to the water component, leaving the property rates and refuse collections unchanged. Regarding the water component, the committee can consider a percentage of the water amount owed, add to it, and present it as a final offer.

Mr. Meiring guided the committee through the balances.



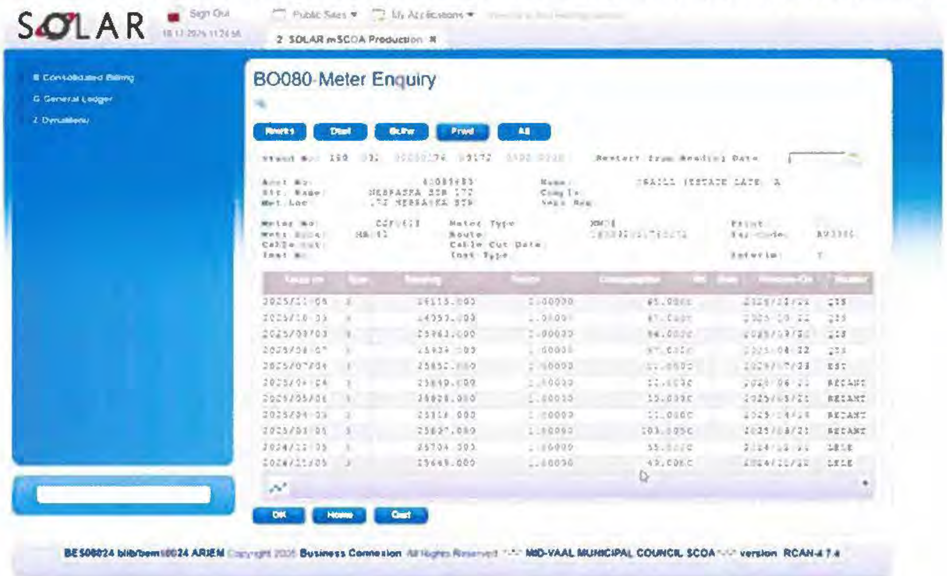




- R 249.00 (sundry) is in respect of the various notices.
- Legal and connection fees are also included.

Mr. Meiring noted that the letter should indicate that the interest of R 123 000.00 be removed, in addition to what has already been removed; that the full outstanding balance in respect of property rates is due; and that R 250 000.00 will be accepted in respect of the water debt.

Mr. Meiring noted that the municipality levies water each month; thus, the client's statement that they do not owe anything in respect of water is incorrect, as the average usage is between 40 and 50 kilolitres each month.



Mr. Mokwevho wanted to clarify whether the write-off period the committee is considering would be the period for which the committee is considering, not necessarily just the water, but other fees as well. Mr. Mokwevho noted that if clients continue to consume water but do not pay, this compounds the problem. The reason for asking is that it should be ascertained whether they have been paying for water up to date, or if it was just left to compound, which puts the municipality in a very tight position, and the municipality stands to lose more as a result of the client's decision not to pay the amounts owed up to this period.

Mr. Meiring noted that the clients cannot dictate what their payment is for. The last payment received was roughly R 16 500.00 a month. In terms of the priority setup on the system, payments will be applied to certain services first, and the last service will remain with whatever is there. The fact that the clients have not paid anything for the past year, plus the balances given, is the balance as of today. Thus, the clients currently owe approximately R 100 000.00 for property rates and other balances. This is the reason for making the proposal to the clients, indicating that they must settle at least R 220 000.00 for what is owed on normal services, such as property rates and refuse, after which the municipality will reverse the interest charged on all services. The final portion of what the clients need to pay for water is for the water they are using that was not blocked, and there is still consumption.

Mr. Mokwevho noted that, during the previous MM, an offer was made that needs to be considered, as the committee should not make an offer that is over and above what was previously offered, as this would show inconsistency on the municipality's side. Mr. Mokwevho indicated that if an offer is to be made, it should be better than the previous MM's offer.

The offer made by the previous MM was considered.

1. RATES CLEARANCE CERTIFICATE

In order to obtain the rates clearance certificate, we wish to make the following proposition.
Section 118.1 clearance figures for the last two years plus 4 months – R 397 031.68
This is all inclusive of all services for water, rates, refuse etc. We will further reduce the amount by withdrawing interest and penalties which amount to R 150 000. This leaves a balance of R 247 031.68 (two hundred and forty-seven thousand and thirty one rand). In order to expedite the clearance certificate, we would propose payment thereof in settlement.

2. OUTSTANDING DEBT

The largest aspect of the debt remains the unpaid water account which is the basis of the contestation. Our records show that the amount of R 838 338,41 is outstanding and that an amount of R 606 645 was paid to date. The issue as to the accuracy of the meters and the steps taken on both sides sadly do not provide an explanation or clarity as to the consumption levels. While we can go back and forth on correctness and appropriate responses or lack thereof over time, I would like to propose the following as a settlement of the outstanding debt. We propose that the outstanding balance is reduced by 30% and that the settlement of the water account is R 586 836 (five hundred and eighty six thousand and eight hundred and thirty six rand).

In order to take the process forward, should you wish to appeal, I would like to suggest that you provide as much factual information as possible as supporting documentation to help substantiate your argument. In order to seek finality, we can meet again shortly after you have tabled your written response.

The Chairperson indicated that he supports Mr. Mokwevho's inputs regarding consistency and suggested that the committee revert to what the previous MM proposed, considering the R250,000.00 counteroffer. He also noted that, from the beginning, the municipality provided the client with 30% off the R800,000.00, plus R500,000.00 for water. It should be clarified that R250,000.00 does not align with the original offer, and the client should be encouraged to make a proposal that is more acceptable to both parties. The committee's stance should be that the municipality is not deviating from the original offer but is open to considering a more workable one, as the client's offer does not match the initial proposal. The client should present a serious offer that demonstrates their intent to resolve the matter.

Thus, the committee resolved to write a letter to the clients once more, indicating the various amounts owed and written off, and to request that the clients propose an offer that is more aligned with the previous offer. The proposal was made by Mr. Meiring and seconded by Mr. Mokwevho.

Mr. Mokwevho noted that he was considering how to make the offer more attractive while also protecting the committee regarding the decisions it makes. He suggested that the offer of R 250,000.00 be based on the rates, taxes, and refuse owed, as Mr. Mokwevho believes there are people living on the property and the municipality is maintaining services. However, regarding water, Mr. Mokwevho wanted to take a different stance. He requested Mr. Meiring to assist the committee by determining the volume of water owed. The reasoning is to recover costs from Rand Water, by establishing the cost of water and the rate charged to clients. This way, the committee can ensure that the costs recouped are what is owed without considering profits or other factors. Based on the rate charged per rand per kilolitre, the committee should consider the amount paid to Rand Water, multiply it by the water consumed, and then make an offer. To determine this monetary value, it is essential to know the volume consumed, so the owed amount by the client can be accurately calculated.

Mr. Meiring indicated that from September last year until now, the clients have used 588 kiloliters, noting that this is an estimate since it might be a month more or less. Calculated at an average price of R50.00 per kilolitre, this totals R294,000.00 plus VAT of R33,000.00. Therefore, the water consumption cost over the past year is approximately R333,000.00. It makes sense to at least recover the costs paid to Rand Water; this could be a viable option. Considering 588 units at R15.00 each, the total is R88,000.00 plus VAT of around R10,000.00, amounting to approximately R98,000.00 paid to Rand Water, which suggests there is some profit margin on the water used over the past year.

The Chairperson enquired whether this was the final position taken by the members.

Mr. Nkomo stated that he agrees with the final discussions of the committee members.

Mr. Mokwevho noted that the last invoice received from Rand Water indicates that the cost of the water is R 15.34 per kilolitre. Mr. Mokwevho proposed that, depending on the volume confirmed by Mr. Meiring, the committee attempt to recoup what was paid to the bulk service provider and what MLM charges for the rates, taxes, and refuse, thus avoiding a percentage of what is owed, but recouping what was spent, which is more defendable.

The Chairperson stated that this is the committee's final position on the matter. Mr. Meiring is to supply the exact figures. Legal services will draft the necessary letter, including all figures, to be sent to the estate of Craill. The Chairperson welcomed any final comments from the members.

Mr. Meiring noted that the letter is to be circulated to all members to confirm whether the final proposed figure aligns with the Municipality's expectations.

Mr. Meiring further noted that the committee must ensure that the counterproposal remains so that the client might consider it, but that there is also some benefit to the municipality.

4.2. S GENESH: WATER BY-PASS FOUND ACCOUNT NUMBER 40183603, 2 RIVER STREET, KOOKRUS:

The Chairperson requested Mr. Meiring to guide the committee through the item.

Mr. Meiring indicated that the attorney is quite firm and that the letter should also be reviewed from a legal perspective. The attorneys made various allegations, including that incorrect information was provided, and it is up to the court to decide. Mr. Meiring requested that the Legal Section review the correspondence to familiarize themselves with its contents, including the engineering report indicating an illegal connection on the water. Certain recommendations are made to state that the legal section draft a response to the representative attorney based on the outcome of the investigation conducted by engineering services, that the outcome be communicated to the customer, and that the customer make arrangements upon the conclusion of this dispute. The representative attorney noted that his client always paid the municipality the monthly account debited for the services; they maintain the dispute relates to an arbitrary figure the municipality levied for water usage on the meter, which has no legal basis, especially considering that water usage prior to detecting the illegal water connection was higher than after. The representative attorney submitted that the amount so debited should be reversed; however, if the municipality is unwilling to do so, then it should be decided by the court, and thus, invites MLM to issue a summons against the client, which will be vigorously defended. In the meantime, the representative attorneys requested an assurance from MLM that the water would not be disconnected or discontinued (which was granted as an extension, pending the outcome of the dispute committee). According to the credit control/debt collection policy, Mr. Meiring notes that the property owner is responsible and liable for any illegal connection or tampering by the tenant or any other party on the property. Based on the credit control policy, the owner remains responsible for any costs incurred due to an illegal connection. Mr. Meiring proposed that the legal section draft a letter to clients, explaining the credentials and investigation outcome, as engineering does. Finance levies the fees as received from engineering in the field. Mr. Meiring further stated that communication between staff and the client, and his representative, where it was conveyed to the client to enter into a payment plan, which the client declined and sought legal representation.
The representative attorney informed the municipality that the client disputes the amount levied for loss resulting from the bypass and requested that the municipality provide the legal basis for levying such a charge. Mr. Meiring notes that the basis is in terms of the current credit control policy. The representative attorney further requested details on how the amount was arrived at, for what period the said units were calculated, and the total amount of units. The information is provided in the emails, and the period is six months. The units lost are 100 kilolitres per month over a six-month period, in other words, 600 kilolitres at the applicable sliding scale. There is also an admin penalty fee of R 4 900.00, and then at what charge per unit, which is at the sliding scale amounting to R 33 000.00, calculated in terms of the credit control policy and proof tariffs.

MIDVAAL LOCAL MUNICIPALITY

MINUTES OF THE MUNICIPAL ACCOUNTS DISPUTE COMMITTEE MEETING HELD ON TUESDAY, THE 10TH OF DECEMBER 2025 AT 11H00 VIA TEAMS.

Mr. Meiring noted that it is important to make the client and his representatives aware of the policy's provisions and that the owner remains responsible, regardless of whether the culprit was the owner or the tenant. Thus, if a person wants to benefit from rental income, the person must also take responsibility for what happens on the property in terms of illegality or wrongdoing.

The Chairperson requested to view the technical report from engineering services. The Chairperson noted that these are the type of reports that legal normally relies on when the public protector also writes to the municipality querying these accounts, and that no adverse reports from either the public protector or other legal entities have been received. The report is quite solid and normally on point.

Mr. Meiring noted that the attorney has some obligation towards his client and that is the reason for sending this letter, in order to show that some work has been done for his monies, knowing that there was no wrongdoing on the part of the municipality, but needed to defend the matter in order to represent his client and establish whether there is some technicality on which they can rely.

Mr. Meiring indicated that he is in agreement but noted that it is important to read through the communications to establish the representative attorney's actual gripe and to provide them with all the evidence.

Mr. Meiring requested a timeline to provide to the representative attorney, as the attorney is quite persistent. Mr. Meiring noted that he will write to the attorney, indicating that a meeting was held and that feedback will be provided.

The Chairperson noted Mr. Meiring's request and that the draft letters need to be circulated to the members for their input as well. The Chairperson noted that a reasonable and fair time frame would be the end of January 2026.

5. GENERAL :

The Chairperson indicated that the items listed under general will be addressed at a later stage.

Mr. Meiring indicated that he will review the items on the dispute register that require clarification through this committee. Mr. Meiring notes that some of the other matters might already be resolved, might be plain account queries, and were incorrectly labelled as disputes and are not disputes in terms of the act or the policy.

Mr. Meiring proposed that if there are no items for the next meeting, the meeting may be opened and closed at the same time, or the meetings can be arranged as soon as an item is submitted.

5.1. TERMS OF REFERENCE:

Not considered.

5.2. DATE OF NEXT MEETING:

Not considered.

6. CLOSURE:

From the Chairperson's side, he thanked all the members for attending this meeting, for the inputs, which are very much appreciated, and for the progress made thus far.

To those members taking leave, the Chairperson wishes them a Merry Christmas and a prosperous 2026.

The meeting adjourned at 12h00.

MR S. MLE
CHAIRPERSON

03/03/2026
DATE:

C 3745/03/2026
SMC A/6831/03/2026

9.A.13 [CS]: REQUEST FOR APPROVAL TO EXTEND THE ACTING PERIOD FOR MS. K. DESAI (DIRECTOR: FINANCIAL REPORTING), AS ACTING EXECUTIVE DIRECTOR: FINANCIAL SERVICES (CFO) BEYOND THREE MONTHS

4/6/3

COMPETENCY: COUNCIL

PURPOSE

To obtain approval to request for permission from the MEC: COGTA to extend acting appointment for Ms. K. Desai (Director: Financial Reporting) as Executive Director: Financial Services (CFO), for a further period that does not exceed three months.

RECOMMENDATIONS:

1. That Council give approval to request for permission from the MEC: COGTA to extend acting appointment for Ms. K. Desai (Director: Financial Reporting) as Executive Director: Financial Services (CFO), as contemplated in The Municipal Systems Act, Section 56(c), for a further period that does not exceed three months viz. 01 April 2026 to 30 June 2026.

2. That should an appointment be recommended by Council, before the acting period lapses, the acting appointment shall fall away.

3. That the Municipal Manager be authorised to apply to the MEC: COGTA to give permission as contemplated in the Municipal Systems Act, section 56(1)(c).

REPORT

The Municipal Systems Act, Section 56(c) makes provision for a municipal council to request for permission from the MEC: COGTA to extend the period of an acting appointment for a period that does not exceed three months. During December 2025, due the reviewed upper limits of total remuneration packages for Municipal Managers and Senior Managers, Council resolved to re-advertise the position of Executive Director: Financial Services (CFO).

Subsequently, the current acting period approved for Ms. Desai, will lapse on 31 March 2026. To ensure timeous submission to the MEC and avoid a lapse of the acting period, Council is requested to approve the extension of the acting period by another three months, viz. 01 April 2026 to 30 June 2026. Should the council recommend appointment before the acting period lapses, the acting appointment shall fall away.

Council is requested to note the status of the recruitment process. The position was re-advertised with a closing date of 06 February 2026. A shortlisting process was conducted on 26 February 2026.

The interviews were successfully conducted on 06 March 2026, whereafter recommendations were made for the two highest scoring candidates to proceed to competency assessments and the date for the competency assessments is yet to be confirmed.

COMMENTS: MEETING OF THE MUNICIPAL MANAGER AND HEADS OF DEPARTMENT: 16 MARCH 2026

Resolved to Recommend

The Item is supported and referred to the Section 80 Corporate Services Portfolio Committee.

COMMENTS: SPECIAL SECTION 80 CORPORATE SERVICES PORTFOLIO COMMITTEE: 20 MARCH 2026

The recommendations are supported.

C 3746/03/2026
SMC A/6832/03/2026

9.A.14 [CS]: REQUEST FOR APPROVAL TO EXTEND THE ACTING PERIOD FOR MR. D. MUKWEVHO (DIRECTOR: TECHNICAL SUPPORT), AS ACTING EXECUTIVE DIRECTOR: ENGINEERING SERVICES BEYOND THREE MONTHS

4/6/3

COMPETENCY: COUNCIL

PURPOSE

To obtain approval to request permission from the MEC: COGTA to extend the acting appointment for Mr D. Mukwevho as Executive Director: Engineering Services, for a further period that does not exceed three months.

RECOMMENDATIONS

1. That Council give approval to request permission from the MEC: COGTA to extend the acting appointment for Mr D. Mukwevho as Executive Director: Engineering Services, as contemplated in The Municipal Systems Act, Section 56(c), for a further period that does not exceed three months, viz. 01 April 2026 to 30 June 2026.

2. That should an appointment be recommended by Council, before the acting period lapses, the acting appointment shall fall away.

3. That the Municipal Manager be authorised to apply to the MEC: COGTA to give permission as contemplated in the Municipal Systems Act, section 56(1)(c).

REPORT

The Municipal Systems Act, Section 56(c), makes provision for a municipal council to request permission from the MEC: COGTA to extend the period of an acting appointment for a period that does not exceed three months. During December 2025, due to the reviewed upper limits of total remuneration packages for Municipal Managers and Senior Managers, Council resolved to re-advertise the position of Executive Director: Engineering Services.

Subsequently, the current acting period approved for Mr. Mukwevho, will lapse on 31 March 2026. To ensure timeous submission to the MEC and avoid a lapse of the acting period, Council is requested to approve the extension of the acting period by another three months, viz. 01 April 2026 to 30 June 2026. Should the council recommend an appointment before the acting period lapses, the acting appointment shall fall away.

Council is requested to note the status of the recruitment process. The position was re-advertised with a closing date of 06 February 2026. A shortlisting process was conducted on 26 February 2026. The interviews were successfully conducted on 13 March 2026, whereafter recommendations were made for the two highest scoring candidates to proceed to competency assessments and the date for the competency assessments is yet to be confirmed.

COMMENTS: MEETING OF THE MUNICIPAL MANAGER AND HEADS OF DEPARTMENT: 19 MARCH 2026

Resolved to Recommend

The Item is supported and referred to the Section 80 Corporate Services Portfolio Committee.

COMMENTS: SPECIAL SECTION 80 CORPORATE SERVICES PORTFOLIO COMMITTEE: 20 MARCH 2026

The recommendations are supported.

C 3747/03/2026
SMC A/6829/03/2026

9.A.15 [ES]: APPROVAL OF THE PROPOSED ELECTRICITY TARIFFS FOR THE 2026/27 FINANCIAL YEAR.

5/1/2

COMPETENCY: COUNCIL

PURPOSE:

To obtain Council approval of the proposed 2026/27 electricity tariffs, informed by the approved Cost of Supply (CoS) study and benchmarked against the Eskom-awarded tariff increase, for submission to the National Energy Regulator of South Africa (NERSA).

To submit the 2026/27 proposed electricity tariffs to Council that will be used to apply to NERSA for approval and to comply with the Court Order of 4 December 2025 between AFRIFORUM NPC (Applicant), NERSA, SALGA, Eskom Holdings SOC Limited and the 192 municipalities in South Africa (Respondents).

RECOMMENDATIONS:

1. That the continued validity of the Cost of Supply (CoS) study completed during the 2024/25 financial year be noted.
2. That the proposed 2026/27 electricity tariffs, informed by the CoS study and benchmarked against the Eskom-approved increase, be approved for submission to NERSA.
3. That Council notes that the updated cost of supply study outcome indicates an adjustment of approximately 21.9% to allow the Municipality to align the current existing tariffs to cost- reflective levels.
4. That the Finance Section ensure compliance with all publication, public participation and regulatory submission requirements.

REPORT

COURT ORDER:

The Court order reads, inter alia, the following:

"Every municipality that submits an electricity tariff application must take all reasonable steps to ensure that the participation process NERSA chooses regarding municipal tariffs application is brought to the attention of the public within its jurisdiction."

"Eskom and each municipality are directed to comply timeously with the aforesaid timeline.

provided that, on good cause shown to the satisfaction on the court, the court may sanction a deviation on such terms as it deems meet."

The court order of 4 December 2025 had certain specific dates that must be adhered to.

The timeframes were amended on 20 February 2026 by way of a Court Order and is as follows:

- ESKOM to given written notice to municipality of the bulk electricity tariffs for the new financial year by 31 January of every year – it was amended to 6 March 2026.

- Municipalities to submit their electricity tariff applications to NERSA by 20 March annually – it was amended to 31 March 2026.

- NERSA to communicate their decision of the tariff applications of municipalities by 5 May annually – it was amended to 11 May 2026.

If a municipality does not submit their electricity tariffs application by 31 March 2026, they run the risk of not tariff increase being approved.

For purposes of meaningful public participation, NERSA is directed to publish every municipal electricity tariff application along with its cost of supply study for that particular financial year, in a manner that makes it accessible to the public, provided that, where a municipal electricity tariff application does not include a cost of supply study for the financial year, NERSA must specifically state the absence of such costs of supply study. NERSA is directed to finalise the process of considering the municipal electricity tariff applications timeously received and communicate its decisions on or before 11 May 2026.

BACKGROUND:

In accordance with NERSA's regulatory requirements and the provisions of the Electricity Regulation Act, municipalities are required to conduct a Cost of Supply (CoS) study periodically to ensure that tariffs are cost-reflective and equitable across customer categories.

Midvaal Local Municipality completed a comprehensive Cost of Supply (CoS) study during the 2024/25 financial year, which has subsequently been updated and reviewed during the 2025/26 financial year to reflect current cost drivers and tariff requirements. The outcomes of the study remain valid for a period of five (5) years and continue to inform tariff determinations over the medium term.

DISCUSSION:

The CoS study identified the actual cost to serve different consumer categories and guided the equitable allocation of costs, in line with NERSA's guidelines. Key considerations included:

- Recovery of operational and capital costs.
- Cross-subsidisation balance between customer groups.
- Infrastructure investment needs.
- Compliance with regulatory frameworks.

For the 2025/26 financial year, the Cost of Supply (CoS) study recommended an electricity tariff increase of approximately 19% to achieve full cost reflectivity. However, following a recent update of the CoS model during the 2025/26 financial year, the revised cost-reflective tariff requirement has increased to 21.9%.

For the 2025/26 financial year, Council approved a tariff increase of 12.7%, which was significantly lower than the cost-reflective level recommended by the CoS study. This resulted in a revenue under-recovery relative to the actual cost of electricity supply.

It is worth noting that the Eskom approved tariff adjustment for 26/27 is 9.01%. The Municipality is proposing a tariff increase of 21.9% considering the benchmark against the Eskom tariff adjustment as well as the outcome of the cost of supply study.

KEY DATES AND MILESTONES – 2026/27 ELECTRICITY TARIFF PROCESS:

- 6 March 2026 – ERSTA Approved.
- 31 March 2026 – Tariff Application Submission to NERSA.
- 31 March – 10 May 2026 – NERSA Assessment and Engagements.
- 11 May 2026 – Court-mandated communication of tariffs.
- 01 July 2026 – Implementation of new tariffs.

FINANCIAL IMPLICATIONS:

Implementation of the approved tariffs is critical to achieving budgeted revenue targets for the electricity division, ensuring long-term financial sustainability and service delivery.

LEGAL IMPLICATIONS:

The proposed 2026/27 electricity tariff determination process complies with applicable legislation, regulatory frameworks and prevailing judicial precedents, including but not limited to the following:

- **Electricity Pricing Policy (EPP), 2008.**
- **Electricity Regulation Act, 2006 (Act 4 of 2006), as amended.**
- **Municipal Finance Management Act, 2003 (Act 56 of 2003).**
- **Municipal Systems Act, 2000 (Act 32 of 2000).**
- **Promotion of Administrative Justice Act, 2000 (Act 3 of 2000) (PAJA).**
- NERSA Tariff Approval Framework and Guidelines.
- Cost of Supply (CoS) Methodology Guidelines.

JUDGEMENTS AND CASE LAW:

Recent judicial decisions and regulatory determinations have reinforced the following principles, which have been duly considered in the preparation of the proposed tariffs:

- **2020 Judgements:** Courts and regulatory decisions have confirmed that the use of arbitrary guidelines or benchmarking approaches, without a substantiated Cost of Supply basis, is unlawful. Tariff determinations must be supported by empirical cost data and defensible methodologies.

- **2024 Judgements:** Case law has affirmed that a **Cost of Supply study is mandatory** for electricity tariff applications submitted to NERSA, and that such studies form the cornerstone of lawful, rational and cost-reflective tariff setting.

- **2025 Judgements:** Courts have emphasised the requirement for **adequate and meaningful public consultation**, confirming that tariff-setting processes constitute administrative action and must therefore comply with the procedural fairness requirements of **PAJA**, including transparency, reasonableness and opportunity for public participation.

CONCLUSION:

The Municipality's tariff determination process, including reliance on a valid Cost of Supply study, benchmarking against Eskom-approved increases, phased recovery of under-recovered costs, and compliance with prescribed public participation processes, is consistent with these legal principles and judicial precedents.

ATTACHMENTS:

Annexure "A":
Approved Cost of Supply (CoS) Study (2024/25) – Executive Summary and Key Findings.

Annexure "B":
Updated Cost of Supply (CoS) Study (2024/25) – Executive Summary and Key Findings.

Annexure "C":
Approved 2025/26 Electricity Tariff Schedule.

Annexure "D":
Eskom approved Tariff.

COMMENTS: MEETING OF THE MUNICIPAL MANAGER AND HEADS OF DEPARTMENT: 16 MARCH 2026

Resolved to Recommend

The Item is supported and referred to the Section 80 Engineering Services Portfolio Committee.

COMMENTS: SPECIAL SECTION 80 ENGENEERING SERVICES PORTFOLIO COMMITTEE: 19 MARCH 2026

The recommendations are supported.

Annexure "A"

Revenue Requirement › Cost Functionalisation › Cost Classification › Cost Allocation › Rate Design

Guide | Map | < Previous sheet | Next sheet >

Rate Design Dashboard (Year 2)

This sheet compares the Business As Usual and the Cost To Serve results and help the user fixe its tariffs.

Rate Design Dashboard (Year 2)

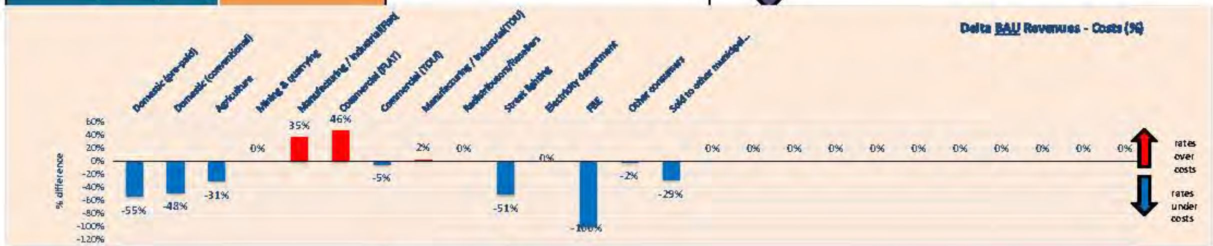
Results BEFORE phasing

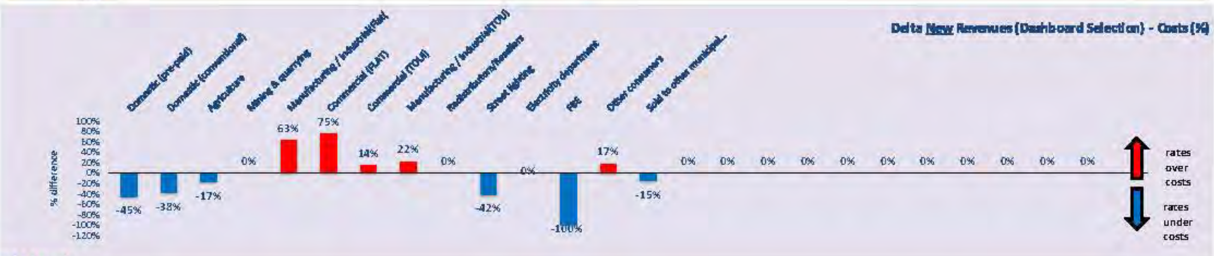
	BAU	CTS (net of subsidies)	New rates (Dashboard
Total revenue forecast (with new rates)	647 957 800	771 409 320	777 549 360
		Delta =	6 140 040

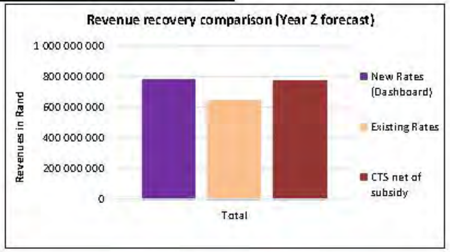
Average increase in rates	20,0%
Average increase in rates to reach overall cost-reflectivity	19,1%
Share of total cost recovered with the new rates	100,8%
Share of total costs recovered (existing rates)	84,0%

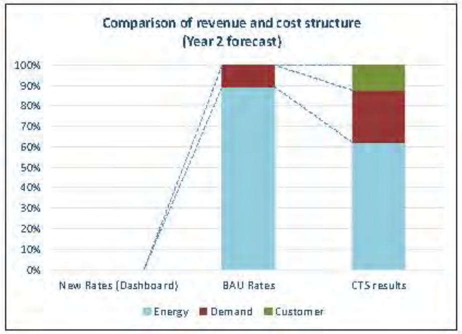
PHASING INPUTS

Increase in rates to be phased over	1	year(s)
Show analysis for year #/1	1	
20,0%	<< A = Compounded increase in period	
20,0%	<< B = Annual increase in rates	









Average rate inputs

Midvaal Local Municipality Cost of Supply Study Report

1. Introduction

A critical first step in understanding the operational performance of an electricity distributor is to conduct a Cost of Service (COS) study and sometimes referred to as a Cost to Serve (CTS) study. The objective of this study is to fairly and equitably allocate all costs associated with servicing customers among different customer classes. To support this objective, the National Energy Regulator of South Africa (NERSA) has developed a COS Framework for all licensed electricity distributors ('licensees'), in the country. This framework will serve as a guideline for licensees when conducting their own COS studies.

2. Study Area Overview

Midvaal Local Municipality is a Category B municipality found in the South African province of Gauteng, and it has a population of 112254. The total energy sales of the municipality were 201 983 765 kWh in the 2023/24 financial year. In 2023/24 the majority of the electricity sales which accounted for 44% came from Manufacturing/industrial customers followed by 37% came from domestic customers and 14% by commercial customers as informed by the Cost of Supply Study results.

Table 1 Municipal energy sales per customer category

Consumer classification	Sales (kWh) Actual 2023/24	% Sales	Number of customers Actual 2023/24
Free Basic Electricity	2 592 550	1,26%	4500
Domestic (pre-paid)	48 394 043	23,66%	16 521
Domestic (Conventional)	6 815 574	13,21%	1563
Agriculture	2 971 010	1,45%	510
Manufacturing/Industrial	89 122 899	43,56%	22
Commercial (pre-paid)	16 131 348	7,88%	683
Commercial (Conventional)	32 134 843	5,83%	478
Other consumers	553 534	0,27%	183
Street lighting	477 277	0,23%	1
Sold to other municipal departments	5 383 239	2,63%	348
Total	201 983 765	100%	20370

3. COS Study Methodology

The Midvaal Local Municipality cost of supply study is a sophisticated study that is inclusive of all requirements of NERSA's current COS framework and also goes beyond it to accommodate electricity distribution businesses transitioning to a more infrastructure availability-based business.

The NERSA Cost Plus methodology has been used for both the wires and retail business revenue requirement determinations. The model has functionality to use the allowable return on the regulated asset base or asset values annuitized at selected discount rates to calculate the revenue requirement of the wires business.

The COS study is a multi-year model spanning across 3 years, namely, the most recent audited financial statement. The years are described as follows:

- Year 0 (FY 23/24) - The data input test year with the recently audited financial statements
- Year 1 (FY 24/25) - The current year in which the study is taking place
- Year 2 (FY 25/26) - The following year for which tariffs are being designed

This multi-year approach introduces several complexities and requires forecasting of costs across years, but it does bring a range of benefits to the analysis.

4. Overview of COS Study Key Results

The following key results were noted from Midvaal Local Municipality's COS study:

Revenue requirement

- The revenue requirement in FY25FY26 is estimated as R775 269 091 (excluding the impact of subsidy), increasing from R673 668 180 in FY24/25;
- The wires costs are dominated by network related costs, namely network repairs and maintenance, depreciation, cost of losses and other OPEX costs;
- With regards to the retail business, the dominant cost in this regard is energy purchases from Eskom; and
- Overall, a greater proportion of total electricity costs are incurred by the retail part of the business (around 86%) whilst 14% of the cost is related to the wires business.

Cost functionalisation

- Energy purchases are significant within the cost breakdown and dominate when compared to other costs such as OPEX and Surplus
- CAPEX costs do not contribute significantly to the overall cost breakdown each year as result of the rate of return for the analysis assumed at 0%.

Cost classification

- Energy purchases and the cost of losses make up the energy driven cost, with the highest amount of costs incurred during the Low Season and standard TOU – mostly due to the low season covering a greater proportion of the year
- Demand driven costs are depreciation, network repairs and maintenance along with energy purchase demand related costs. The period of greatest demand driven costs is during the Low Season
- Finally, customer driven costs are dominated by "Other OPEX" which relates to costs incurred in offering the electricity distribution service to the customers

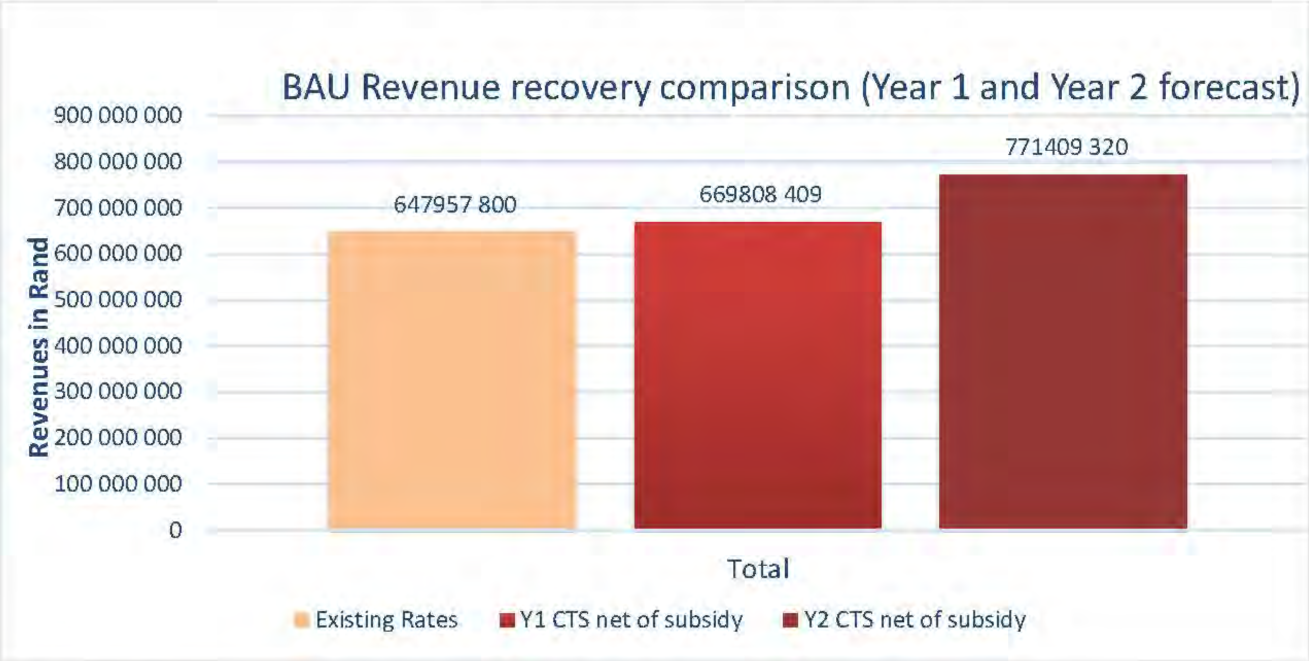
Cost allocation

- The domestic customer category carries the largest proportion of costs, followed by the commercial customers.
- Industrial customers and internal electricity requirements result in the lowest proportion of costs
- Differences in results between customer classes are mainly driven by differences in voltage of connection point, load factors, coincidence factors, and average specific consumption.

COS results

- Under the current rate regime, it is found that 84% cost reflectivity is achieved for FY24/25
- There is a mismatch between the structure of the revenue breakdown and cost breakdown
- A 19,1% increase with rate structure improvements and refined TOU - pricing signals would make rates cost-reflective

Table 2 BAU revenue comparison (FY25/26 forecast)



5. COS Study Analysis

Energy purchases analysis

The municipality purchases all their energy from Eskom via 8 points of delivery (PODs). The COS model captures the tariffs of each POD as well as the volumes purchased at each intake point.

COS models and revenue forecasts are always sensitive to sales forecasts. The Midvaal Local Municipality COS model assumes D-form sales values for years 0 – 2. Thereafter, sales are assumed to be flat, with a 0% sales increase per year.

Operating expenses analysis

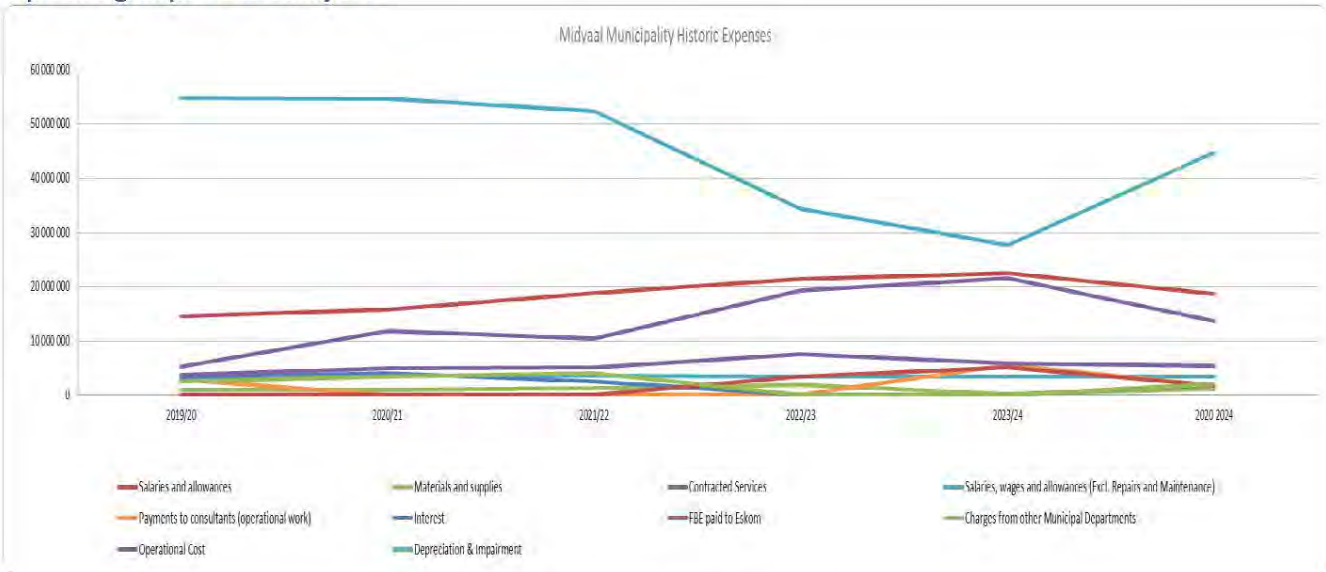


Figure 1 Trend Analysis of D-Form Expenses

When analysing the expenditure over the 5 years, the following observations were made:

- Salaries and allowances have increased gradually, due to strengthening of the electrical section.
- Materials and supplies have slightly dropped over the years, as the section has invested in advanced technology and continuous employee trainings
- Contracted services have been increasing over the years,
- Payments to consultants have been inconsistent over a period of years.
- FBE paid to Eskom has been gradually increasing as more customers register as indigents over a period of years.
- Charges from other Municipal Departments sightly consistent over the years.
- Operational costs have been increasing over the years relatively to the staff requirements.
- Depreciation and impairment have been recorded over the years and slightly stable, indicating an investment in the electrical infrastructure.

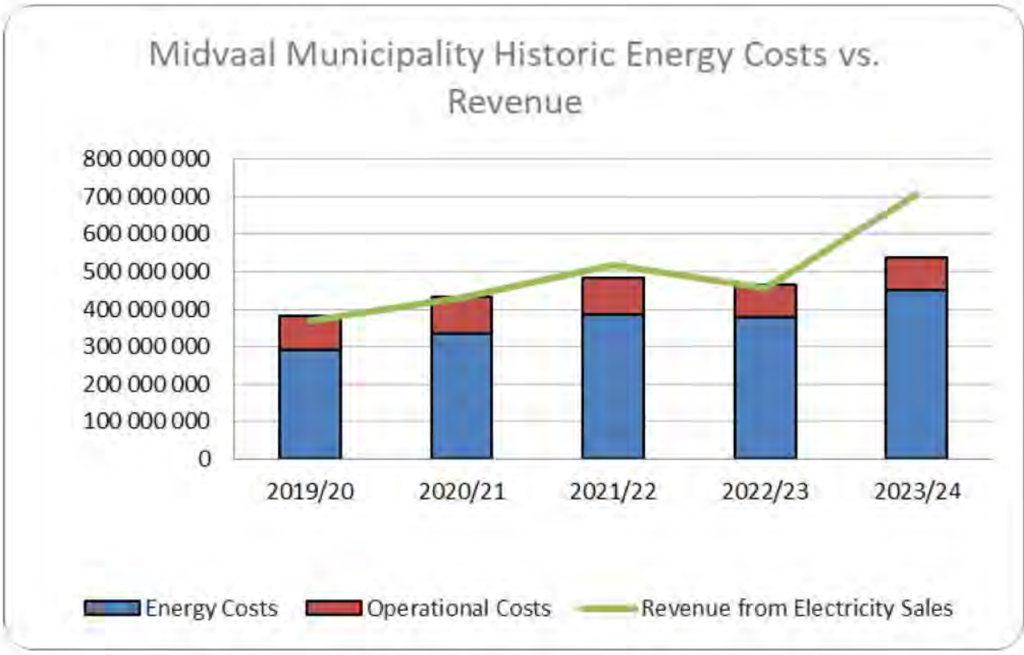


Figure 2 Historic energy costs and revenue comparison

The revenue on the other hand showed the following trend:

- The revenue from electricity sales has steadily increased over the years, reaching a high of R706 948 844.73 in 2023/24. This suggests an increase in the number of customers or an increase in the rate of electricity consumption.
- The revenue growth rate has shown a great increase over the years from 2019 to 2024.
- The revenue from electricity sales has exceeded the expenses, indicating a profit in the electricity sales business.

Overall, the analysis suggests that the cost of electricity purchases has been the main driver of the increase in expenses, while revenue from electricity sales has been steadily increasing, and had a sudden drop in 2022/23. However, a significant increase is shown in 2023/24 in sales which is required to ensure the sustainability of the municipality.

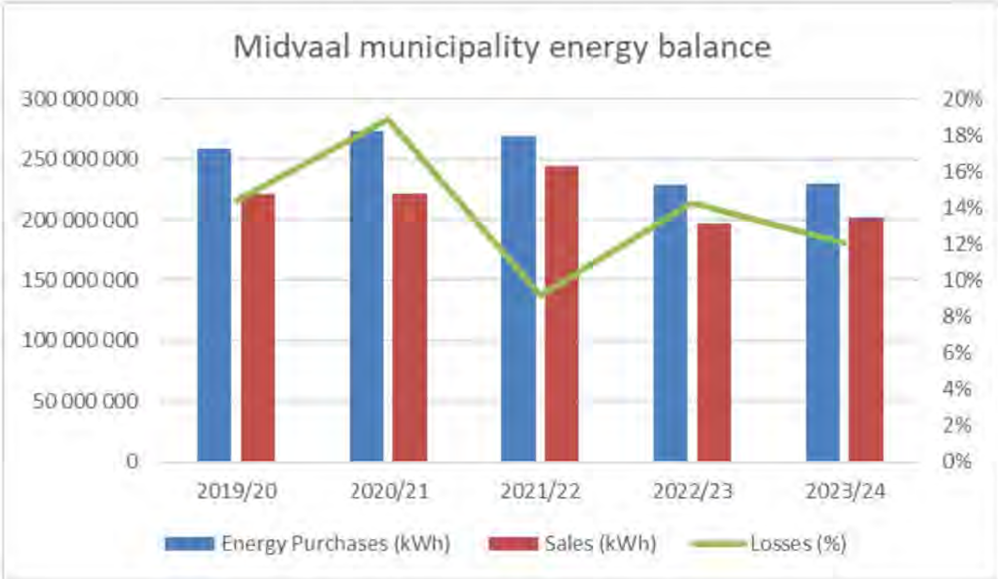


Figure 3 Energy balance and losses

Total energy purchased and total energy sales have remained relatively stable over the years, indicating potential stability in the organization's operations. Energy losses have been inconsistent from over the years. This could suggest potential issues with energy management or technical inefficiencies.

Revenue requirement analysis

Section 3.2.1.1 of the NERSA COS framework deals with the revenue requirement and states that NERSA adopted the Cost-Plus Methodology 'as an interim methodology for implementation by licensees, including small licensees with limited capacity and database challenges. This is because other regulatory methodologies such as the rate of return, price cap, revenue cap, yard stick regulation, will be difficult to implement for a number of reasons, including the fact that licensees might struggle to keep proper accounting and property records, among other reasons. Even though these are historical costs (since the test year for the study was FY24/FY25), it is important to adjust these costs for prudency and efficiency so that when they are allocated to different customers, the allocation results reflect the proper costs. The framework covers the key elements of the revenue requirement including purchases, operating costs, repairs and maintenance, and depreciation and return on assets or interest on loans.

The Figure 4 below offers a breakdown of the revenue requirement based on the various functions which have been established and split between the wires and retail/trading parts of the electricity value chain. The data below is determined based on a forecast for the financial year 2025/26 (FY25/FY26), or Year 2.

Various aspects can be ascertained from the figure. These include:

- The revenue requirement in FY25/FY26 is estimated as R775 269 091 (excluding the impact of subsidy);
- The wires costs are dominated by network related costs, namely network repairs and maintenance, depreciation, cost of losses and other OPEX costs;
- With regards to the retail business, the dominant cost in this regard is energy purchases from Eskom; and
- Overall, a greater proportion of total electricity costs are incurred by the retail part of the business (86%) whilst the costs related to the wires business (14%).

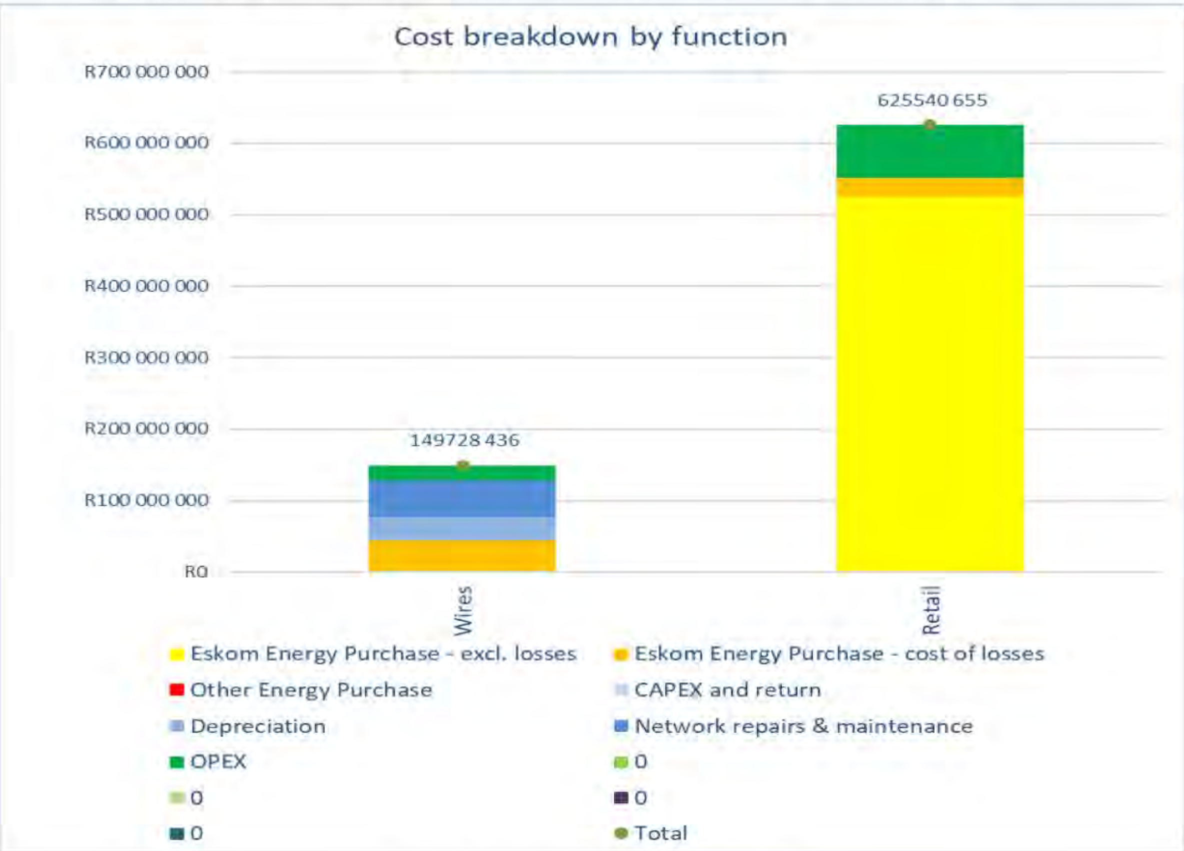


Figure 4 Cost breakdown by function

Energy Purchases

Midvaal Local Municipality has eight incoming electricity supplies from Eskom that it uses for distribution namely M1, Savanna City, Oheinemuri, Grooitvlei and Vaal marina pumps, Sicelo, Graceview, Duncanville and Risiville Eskom 4.

The municipal energy purchases have been adjusted for losses since the COS framework only allows for only 12% of losses as per the benchmark. The municipality's projected losses for the FY25/F26 are 11%. The municipality buys electricity from Eskom and the total energy purchases were projected to be R523 370 748 in FY25/FY26.

The licensee used the purchases for the test period to forecast sales for the financial year that it is applying for. The forecasted purchases include street lighting electricity, own use electricity and the allowable loss factor.

Cost functionalisation, classification, and allocation

The model follows the NERSA COS framework methodology for these methodological steps. Costs are first split into their function, and then classified according to their cost drivers, and finally allocated to the customer categories according to usage. These methodological steps are sound and the key results have been summarised in the previous section.

COS results

The key finding is that the municipality needs to increase its tariffs by 19,1% to achieve full cost-reflectivity.

The municipality's COS results are shown per tariff category in the figure below. The Agrigulture customers are most costly to service.

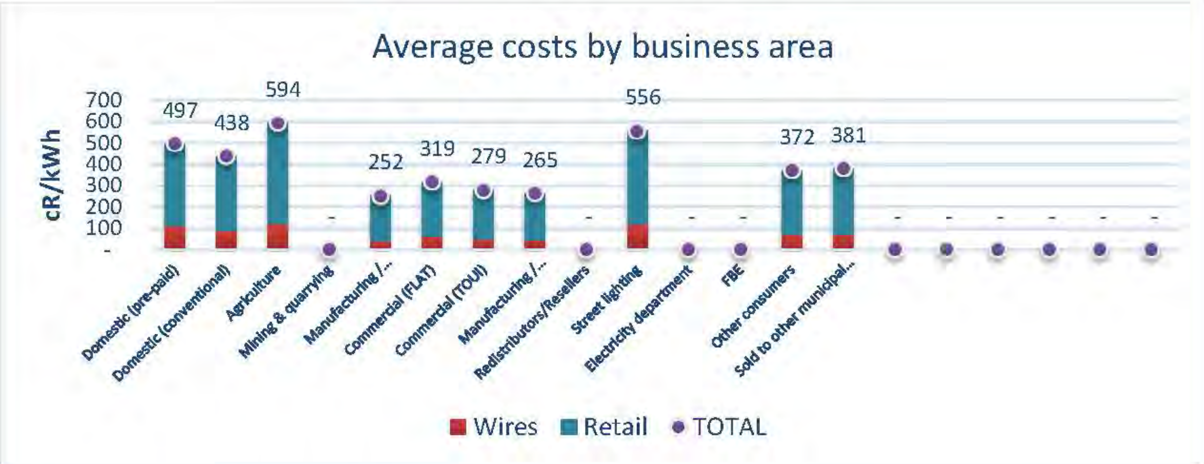


Figure 5 average costs by business area

Comparing these costs to the income per tariff category reveals the over or under recovery per tariff category, as shown in the figure below. When reading this graph, it is important to note that it is presented in % terms and not absolute Rand terms.

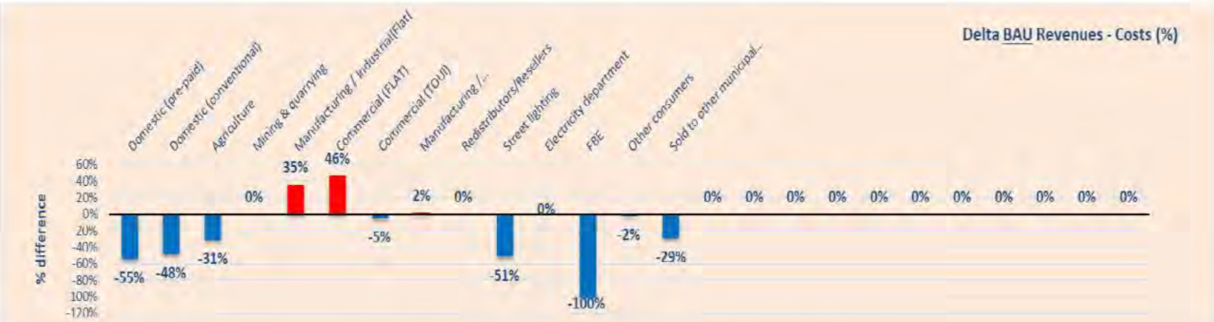


Figure 6 % Over/under recovery of customers

The key insight is that prepaid and agricultural customers are currently receiving electricity services at a price below cost (i.e., being cross-subsidized) while manufacturing/industrial and commercial customers are paying above cost for electricity. Interestingly, all the time-of-use tariffs are close to cost reflectivity.

The business as usual (BAU) rates as shown in graph below indicate that existing tariff structures are not cost reflective. More than 90% of costs are recovered through a variable energy charge and this makes the municipality susceptible to volumetric risk. The cost of supply (CTS) results indicates that to achieve cost reflectivity, the municipality must recover not less than 60% of their costs through variable energy charges, the remainder of costs through stable or fixed demand and customer charges. As the uptake of distributed generation increases in electricity distribution networks, a more cost reflective approach to setting tariffs is proposed.

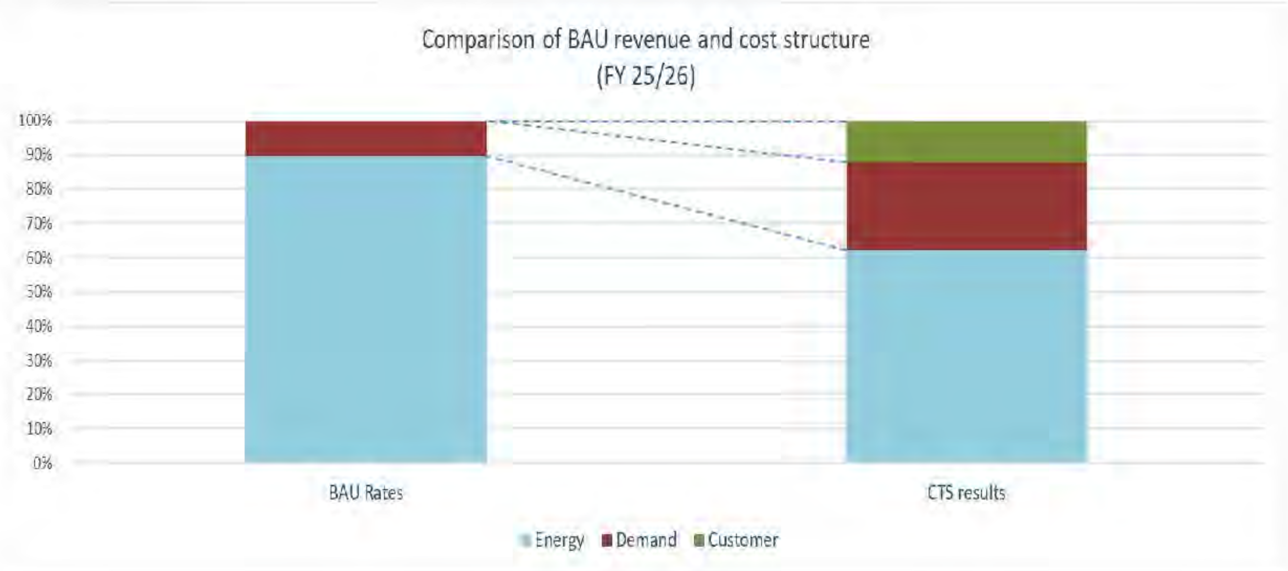


Figure 7 Comparison of revenue and cost structure

The cost reflective charges are shown in table below. These are results of the cost of supply study and indicate what the municipality should be charging customers to recover 100% of their revenue. However, due South Africa's socio-economic conditions and the municipality's revenue recovery strategy, the municipality may deviate from these cost reflective tariffs in the tariff design stage of the cost of supply study. Rate design is discussed in the next section and may deviate from these results based on the municipality's maximum tolerable tariff increase, subsidy policy, price signals, tariff design choices etc.

Table 3 Cost reflective results by business area, class, season, TOU

Business area:	Total	Total	Total
Cost class:	Energy	Demand	Customer
Season:	All	All	All
TOU:	All	All	All
Unit:	c/kWh	R/kVA/month	R/POD/month
Customer Categories			
Domestic (pre-paid)	246	315	246
Domestic (conventional)	246	362	328
Agriculture	196	218	1 557
Manufacturing / Industrial(Flat(	196	223	1 557
Commercial (FLAT)	205	232	410
Commercial (TOUI)	205	237	492
Manufacturing / Industrial(TOU)	205	239	492
Street lighting	246	331	574
Other consumers	246	319	246
Sold to other municipal departments	246	319	492

5. Rate design

Municipal tariff setting is guided by Municipal Tariff Policy which is developed with reference to various pieces of legislation, but in particular Sections 4 and 74 of the Municipal Systems Act (32 of 2000) and the National Electricity Pricing Policy (2008), which also outlines the General Tariff Principles as set out in S16 of the Electricity Regulation Act of 2006. The regulatory framework on tariffs seeks to balance the often competing or contradictory tariff principles of revenue sufficiency, economic efficiency, equity, fairness and simplicity.

The COS is an important, but not deterministic, input to tariff design. It enables a municipality (and the Regulator) to assess:

a. Revenue sufficiency of proposed tariffs and the financial sustainability of the utility.
b. That tariffs reflect the costs associated with rendering the services and those customers are treated equitably and pay in general proportion to use of services.

c. The reasonableness of the low-income tariff determination in line with guiding policy: including access to a free basic service plus lifeline tariff based on operation and maintenance only.
d. Whether environmental objectives are being encouraged; and
e. The transparency of subsidies and surcharges.

6. Key Assumptions

This section of the report outlines key assumptions that were made in the development of this Cost of Supply study. These assumptions were essential due to granular data unavailability and lack of clear planning approaches in the municipality. These assumptions are as follows:

- The energy forecasts were estimated using D-form sales for years 0 – 2 and there after there was no increase in sales.
- The D-Form expenses will increase based on the projected values in the D-form, thereafter no increase was assumed.
- The Eskom bulk purchase energy price was assumed to increase year by year and the increment for year 2 (2025/26) is kept at 12,7%
- For customers with an inclining block tariff, the block 2 tariff was used as the test year input. The model is unable to cater for inclining block tariff inputs.
- For customers with multiple tariffs within a single customer category, an average tariff across the individual tariffs was used as an input into the model.
- The actual municipal energy losses for FY2023/24 were 12% however, energy losses were capped at 12% as per the COS framework.

Annexure "B"

Revenue Requirement > Cost Functionalisation > Cost Classification > Cost Allocation > Rate Design

Guide | Map | < Previous sheet | Next sheet >

Rate Design Dashboard (Year 2)

This sheet compares the Business As Usual and the Cost To Serve results and help the user fixe its tariffs.

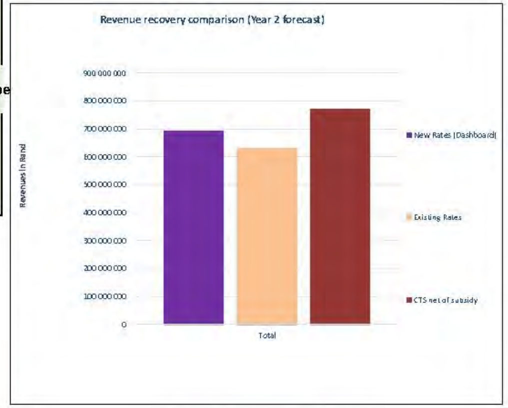
Rate Design Dashboard (Year 2)

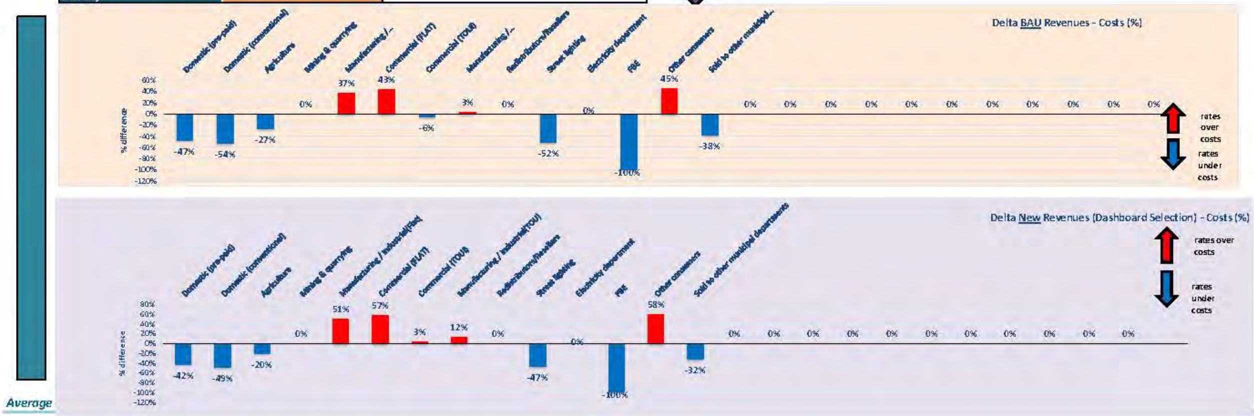
Results BEFORE phasing

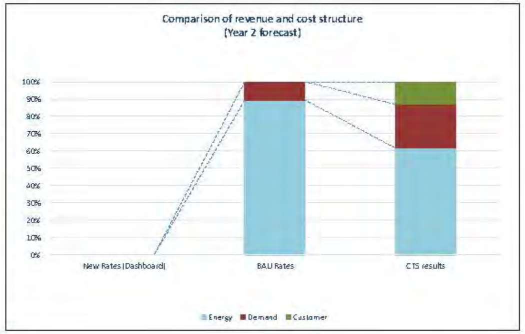
	BAU	CTS (net of subsidies)	New rates (Dashboard
Total revenue forecast (with new rates)	631 971 117	770 642 371	692 008 373
		Delta =	- 78 633 998
Average increase in rates	9,5%		
Average increase in rates to reach overall cost-reflectivity	21,9%		
Share of total cost recovered with the new rates	89,8%		
Share of total costs recovered (existing rates)	82,0%		

PHASING INPUTS

Increase in rates to be phased over	1	year(s)
Show analysis for year #/1	1	
9,5%	<< A = Compounded increase in pe	
9,5%	<< B = Annual increase in rates	







Annexure "C"

NATIONAL ENERGY REGULATOR OF SOUTH AFRICA

Kulawula House
526 Madiba Street
Arcadia 0083
Pretoria, SOUTH AFRICA

PO Box 40343
Arcadia 0007
Pretoria
SOUTH AFRICA

Tel: +27(0)12 401 4600
Fax: +27(0)12 401 4700
Email: info@nersa.org.za
www.nersa.org.za

@NERSA_ZA
@NERSAZA

Enquiries: Rhulani Mathebula
Tel: 012 401 4616
Fax: 012 401 4700
Email: Rhulani.Mathebula@nersa.org.za
Ref: NER/D/AECI

Mr Phumudzo Magodi
The Municipal Manager
Midvaal Local Municipality
P O Box 9
Meyerton
1960

Per Email: MM@midvaal.gov.za
Cc: nqobanin@midvaal.gov.za

Dear Mr Magodi

ELECTRICITY TARIFFS FOR THE PERIOD 1 JULY 2025 – 30 JUNE 2026

1. Your application dated 30 April 2025 refers.

2. The Energy Regulator at its meeting held on 18 June 2025 considered your Cost of Supply based application for a tariff increase for the period 1 July 2025 - 30 June 2026 and approved the tariffs as follows:

2.1 TARIFFS

1. Private residences, each flat or town house where it is separately metered by council and used as such. EEL051, VAO460, WAO441, EELLOW	**c/kWh**
Block 1(0-50kwh)	198,06
Block 2 (51 – 350kwh)	254,64
Block 3 (351 – 600kwh)	349,20
Block 4 (>600)	406,31

2. Commercial Prepaid/Conventional	c/kWh
Energy Charge (c/kWh)	426,31

4. Charitable Institutions/Provincial Hospitals/ Churches and Church Halls	c/kWh
Energy Charge (c/kWh)	409,80

5. Flat and Townhouse complexes	c/kWh
Energy Charge (c/kWh)	428,53

6. General lighting	
Basic Charge (R/M)	1129,72
Energy Charge (c/kWh)	711,85

7. Municipal suppliers	c/kWh
Energy Charge (c/kWh)	304,19

8. Agriculture Single Phase	c/kWh
Energy Charge (c/kWh)	460,77

9. Agriculture Nightsave	c/kWh
Energy Charge (c/kWh) (22:00-06:00	225,35
Energy Charge (c/kWh) (06:00-22:00	460,92

10. Industrial Bulk supply low voltage	
Energy Charge (c/kWh)	313,70
Demand Charge (R/KVA)	283,61

11. Bulk Supply - medium voltage	
Energy Charge (c/kWh)	315,92
Demand Charge (R/KVA)	277,46

12. Off-peak Tariff Low Voltage	
Energy Charge (c/kWh)	195,75
Demand Charge (R/KVA)	613,25

13. Off-peak Tariff Medium Voltage	
Energy Charge (c/kWh)	195,75
Demand Charge (R/KVA)	584,10

14. Megaflex	
High Season off peak c/kwh	178,40
High Season standard c/kwh	294,76
High Season peak c/kwh	711,85
Low Season off peak c/kwh	166,67
Low Season Standard c/kwh	211,74
Low Season peak c/kwh	471,86
Reactive Energy c/kVArh	88,47
Demand Charge (R/KVA)	186,39

14. Miniflex	
High Season off peak c/kwh	189,18
High Season standard c/kwh	353,30
High Season peak c/kwh	1053,61
Low Season off peak c/kwh	164,29
Low Season Standard c/kwh	261,41

Low Season peak c/kwh	519,42
Reactive Energy c/kVArh	69,70

3. The Energy Regulator further directs as follows:

   3.1 The municipality to submit a report accounting for all the costs that have been noted for 2024/25 financial year, to enable the Regulator to perform its independent verification by 28 November 2025.

   3.2 All cost information submitted by the municipality will be subject to an independent verification and may be clawed back upon receipt of audited financial figures by the Regulator by 28 November 2025.

   3.3 The licensee is required to restructure its electricity tariffs to align with Eskom's new plan, which includes changes to tariff structures.

   3.4 The Municipality must submit to NERSA a report on Specific, Measurable, Achievable, Realistic and Time bound (S-M-A-R-T) energy losses reduction plan which will ensure that energy losses are reduced. An appropriate budget needs to be allocated and spent in support of this. The implementation of this plan, together with its budget must be monitored on a quarterly basis and reported to NERSA bi-annually commencing 31 October 2025.

4. Please note that in terms of the National Energy Regulator Act, 2004 (Act No. 40 of 2004), National Energy Regulator is entrusted to perform all the functions that the National Electricity Regulator used to perform, and amongst others, to review and approve tariff increase proposals by all licensed distributors of electricity in South Africa. Implementation of tariffs without approval of the Energy Regulator is a contravention of the license conditions issued to you.

5. It is therefore important that provision is made in your planning / budgeting cycle to allow time for the submission of applications for future changes or increases to NERSA for consideration. NERSA further requests that you submit your budgetary timelines for purposes of our planning.

6. Should you have any enquiries please do not hesitate to contact Mr Rhulani Mathebula on (012) 401 4616 or email: Rhulani.Mathebula@nersa.org.za.

Yours sincerely

pp T Nxumalo

Advocate Nomalanga Sithole
Chief Executive Officer
Date: 28 June 2025

Annexure "D"

Customer Category	Average Increase
Total Standard Tariffs	**8.76%**
Municipal - 1 July 2026	**9.01%**
Municicflex	9.01%
Municrate	9.01%
Publiclighting Gen-Wheeling, Gen-offset, Gen-Purchase	9.01% 9.01%
Eskom Direct Customers	
Key Industrial and urban: Megaflex, Miniflex, Nighsave Urban, WEPS, Megaflex Gen, Gen-Wheeling, Gen-offset, Gen-Purchase	**8.76%**
Other Urban: Businessrate, Public Lighting	8.76%
Rural: Ruralflex, Nighsave Rural, Landrate, Landlight, Rurafex Gen, Gen-Wheeling, Gen-Offset, Gen-purchase	8.76%
Homelight 20A	8.76%
Homelight 60A	8.76%
Homepower	8.76%
Homeflex	8.76%
Gen-offset Homeflex	8.76%

C 3748/03/2026
SMC A/6835/03/2026

9.A.16 [FS]: APPLICATION BASED REBATES FOR FOOT AND MOUTH DISEASE AFFECTED AGRICULTURAL CATEGORISED PROPERTIES

5/3/1/R

COMPETENCY: COUNCIL

PURPOSE

To approve the additional rebate for Foot and Mouth disease-affected customers as per the Municipal Property Rates Act.

The Municipal Property Rates Act 6 of 2004 as amended, Section 15 2 (d) inter alia determines the following:

"In the event of owners of properties situated within an area, affected by a disaster within a meaning of Disaster Management Act, (Act No. 57 of 2002), and any other serious adverse social or economic conditions" .

RECOMMENDATIONS

1. That the additional Rebate of 10% on Property Rates be granted to Agricultural Categorised properties affected by the Foot and Mouth Disease.
2. That this Rebate be on application basis only for a period of 12 months from date of application or cancellation of National State of disaster whichever is earlier.
3. That the customers applying for this rebate submit a proper motivation with supporting documentary evidence (Photos, State Veterinary Reports, etc.).
4. That marketing places a notice on social media and on the municipal website informing the customers of this proposed rebate.
5. That the Chief Financial Officer or delegated Official be delegated to approve these applications.
6. That the approved property owners maintain compliance with all Environmental legislation that relates to Foot and Mouth disease by ensuring a proper motivation to be included with the application.

REPORT

The Municipal Property Rates Act, Section 15(2)(d), provides that property owners situated in an area affected by a disaster as defined in the Disaster Management Act, 2002 (Act No. 57 of 2002), or experiencing other serious adverse social or economic conditions, may qualify for relief.

South Africa was declared a National State of disaster for Foot and Mouth Disease in terms of Disaster Management Act, 2002 (Act No. 57 of 2002), as declared by the President of South Africa in February 2026.

In line with this provision, an additional 10% rebate on property rates is proposed for customers affected by the Foot and Mouth Disease outbreak.

The duration of this rebate will be for a period of 12 months from the date of application or until cancellation of the National State of Disaster, whichever comes earlier, noting that the persistence of the disease within the municipal area remains uncertain. Customers can request an application form from the municipality's Finance Income Section. See attached application form as Annexure A.

The proposed 10% rebate is benchmarked against similar relief measures implemented by other local municipalities affected by Foot and Mouth Disease. It should also be noted that agricultural properties already benefit from a 75% rebate on property rates, and this additional relief is intended to provide further temporary support.

NATIONAL ENVIRONMENTAL MANAGEMENT

The approved property owners are to maintain compliance with all Environmental legislation that relates to Foot and Mouth disease which seek to control the spread of the virus whilst managing the environmental impacts of containment measures.

1. **Waste Act (NEM: WA), 2008 (Act 59 of 2008)**

   Which manages the disposal of carcasses from controlled slaughter or death due to FMD, focusing on preventing environmental contamination. It gives guidance to the following:

   - Carcass Disposal Protocols
   - Burial and Incineration Standards
   - Duty of Care**:** Section 28 of NEMA and Section 16 of NEM: WA impose a duty on landowners to ensure that waste (carcasses, contaminated manure) does not pollute the environment or cause a nuisance

2. **National Environmental Management Act (NEMA), 1998 (Act 107 of 1998)**

   General Duty of Care**:** (Section 28) requires that all reasonable measures are taken to prevent the FMD virus from spreading from land to other areas, including the contamination of water resources through runoff from disinfection sites.

3. **National Water Act, 1998 (Act 36 of 1998)**

   Groundwater Protection**:** It ensures that burial sites do not contaminate groundwater, particularly near boreholes.

FINANCIAL IMPLICATION

The estimated financial impact of granting an additional 10% rebate on property rates for agricultural properties is approximately R105,000.00 per month, assuming all eligible property owners submit applications. This estimate is based on an anticipated 2,071 properties that may qualify for and apply for the rebate.

COMMENTS: MEETING OF THE MUNICIPAL MANAGER AND HEADS OF DEPARTMENT: 16 MARCH 2026

Resolved to Recommend

The Item is supported and referred to the Section 80 Finance Services Portfolio Committee, after amendments.

MIDVAAL LOCAL MUNICIPALITY

(In terms of the Municipal Property Rates Act, 2004(Act no 6 of 2004) and the Municipal Rates Policy

APPLICATION FOR 10% FOOT & MOUTH DISEASE RATES RELIEF

Applicant Details

Name of the registered Property Owner ______________________

____

ID Number ______________________

Contact Person ______________________

Contact Number ______________________

Email Address ______________________

Date

Property Details

Property Description ______________________

Municipal Account ______________________

____

Physical Address ______________________

____

per General Valuation Roll ______________________

Outstanding Debts

Foot and Mouth Disease Impact Details

Type of Agricultural Activity affected		
Period		
Nature of Impact		
Movement Restrictions / Quarantine (Yes/No)		
Jobs Sustained Details: (Number of Gender, Permanent & Temporal Employees)		

Supporting Documents

More than three months)	Proof of Ownership	Proof that the FMD Impact has been reported to Department of Agriculture	Proof of FMD Impact	Affidavit(If Applicable)
Company Registration CIPC	Proof of Registration with SARS		Annual Financial Statements	Photos of FMD-Infected Cows/Animals

Insurance Information

Name of the Insurer			
Policy Number		Claim Number	

Declaration

I declare that the information provided is true and correct		Applicant Name and signature	

For Official Use Only

Date Received		
Physical Verification		
Comments		
Authorised by		

DECISIONS ADOPTED BY THE MAYORAL COMMITTEE IN TERMS OF COUNCIL's SYSTEM OF DELEGATION READ WITH SECTION 56(5) OF THE MUNICIPAL STRUCTURES ACT NO 117 OF 1998.

MC B/5377/02/2026

[CS]: MIDVAAL LOCAL MUNICIPALITY: STANDARD OPERATING PROCEDURE INSURANCE CLAIMS REGISTER

4/6/1

COMPETENCY: MAYORAL COMMITTEE

RESOLVED

1. That the Midvaal Local Municipality: Standard Operating Procedure for reporting insurance claims and updating the claims register, attached to the report as Annexure "A", be approved as updated to include the process to be followed for Councillors.

2. That Heads of Departments communicate the SOP with all supervisors and staff within their respective departments.

3. That a workshop be held for the Councillors, to be informed.

MC B/5378/02/2026

[PS&R]: FIRE DEPARTMENT PERFORMANCE REPORT FOR SERVICES RENDERED FOR OCTOBER 2025

2/14/3

COMPETENCY: MAYORAL COMMITTEE

RESOLVED

That the Performance Report by the Fire Section for October 2025, be noted.

MC B/5379/02/2026

[PS&R]: FIRE DEPARTMENT PERFORMANCE REPORT FOR SERVICES RENDERED FOR NOVEMBER 2025

2/14/3

COMPETENCY: MAYORAL COMMITTEE

RESOLVED

That the Performance Report by the Fire Section for November 2025, be noted.

MC B/5380/02/2026

[PS&R]: FIRE DEPARTMENT PERFORMANCE REPORT FOR SERVICES RENDERED FOR DECEMBER 2025

2/14/3

COMPETENCY: MAYORAL COMMITTEE

RESOLVED

That the Performance Report by the Fire Section for December 2025, be noted.

MC B/5381/02/2026

[PS & R]: PROGRESS REPORT OF ALLOCATED BUDGET SPENT TO UPGRADE ROADS FROM GRAVEL TO SURFACE FOR THE 2025/2026 FINANCIAL YEAR

16/3/3/1

COMPETENCY: MAYORAL COMMITTEE

RESOLVED

That the progress report for expenditure to date for the upgrading of roads from gravel to surface, during Quarter 2 of the 2025/2026 financial year, be noted.

MC B/5382/02/2026

[PS & R]: PROGRESS REPORT OF ALLOCATED BUDGET SPENT TO REHABILITATE (LAYER WORKS CORRECTION/OVERLAY/RESURFACE) IDENTIFIED CRITICAL ROADS FOR THE 2025/2026 FINANCIAL YEAR

16/3/3/1

COMPETENCY: MAYORAL COMMITTEE

RESOLVED

That the overall progress reported on the rehabilitation (reconstruction) of 1,9 km of critical roads for Quarter 2 of the 2025/2026 Financial Year, and that 100% of the allocated budget has been spent on the rehabilitation (layer works correction/overlay/resurfacing) of the identified critical roads, be noted.

MC B/5383/02/2026

[PS & R]: NUMBER OF SQUARE METERS OF TARRED ROADS RESEALED ANNUALLY FOR THE 2025/2026 FINANCIAL YEAR

16/3/3/1

COMPETENCY: MAYORAL COMMITTEE

RESOLVED

That the progress on the R-Value for repair and maintenance per service against the approved budget allocation for KPI 031, during quarter 2 of the 2025/2026 financial year, be noted.

MC B/5384/02/2026

[FS]: REPORTING ON THE IMPLEMENTATION OF THE CAPEX PROCUREMENT PLAN FOR THE 2nd QUARTER OF THE 2025/26 FINANCIAL YEAR

5/1/P

COMPETENCY: MAYORAL COMMITTEE

RESOLVED

That the report on the progress of the implementation of the capex procurement plan for the 2nd Quarter of the 2025/26 Financial Year, be noted.

MC B/5385/02/2026

[FS]: RESPONSE TO GAUTENG PROVINCIAL TREASURY ON MFMA COMPLIANCE ASSESSMENT CONDUCTED FOR QUARTER ENDING 30 SEPTEMBER 2025 FOR THE 2025-2026 FINANCIAL YEAR

5/16/1/1/3

COMPETENCY: MAYORAL COMMITTEE

RESOLVED

1. That the response submitted to GPT on the MFMA Compliance Assessment conducted, be noted.
2. That it be noted that the outcome of the assessment will also be forwarded to the relevant officials to assist with the implementation of recommendations where applicable.
3. The assessment should be regarded as a mini audit of the municipality's compliance with the MFMA, aimed at identifying potential deviations at an early stage of the audit process and ensuring that the municipality remains on track to sustain its clean audit status.

MC B/5387/02/2026

[FS]: CONTRACT PERFORMANCE UPDATE, TERMINATION AND RISK CONSIDERATIONS – RAMALIVHA TRADING & PROJECTS (FUEL SUPPLY CONTRACT)

8/1/1

COMPETENCY: MAYORAL COMMITTEE

RESOLVED

That the contents of this report, the corrective actions implemented, the internal deliberations undertaken, and the associated risk considerations, be noted.

MC B/5388/03/2026

[CS]: REPORT ON LEGAL MATTERS EXCEEDING R500 000.00 IN VALUE FOR QUARTER 2 OF THE 2025/2026 FINANCIAL YEAR

4/2/4

COMPETENCY: MAYORAL COMMITTEE

RESOLVED

That the legal matters exceeding R500 000.00 (five hundred thousand rand) in value and considered critical or emerging, be noted.

MC B/5389/03/2026

[COMM]: WALKERVILLE LANDFILL SITE PROGRESS REPORT

16/5/2/6

COMPETENCY: MAYORAL COMMITTEE

RESOLVED

1. That the report dealing with compliance with the newly acquired waste licence for the Walkerville Landfill Site, be noted.

2. That the municipality commits itself to fully complying with all the conditions set in the new licence for the Walkerville Landfill site.

MC B/5390/03/2026

[CS]: REPORT ON CRITICAL AND CURRENT LABOUR RELATIONS MATTERS (EXCEEDING R500 000.00 IN VALUE) FOR QUARTER 2 OF THE 2025/2026 FINANCIAL YEAR

4/2/4

COMPETENCY: MAYORAL COMMITTEE

RESOLVED

1. That the legal matters, specific to Labour Relations, considered critical attended to during quarter 2 of the 2025/2026 financial year, as per table 1 of the report, be noted.

2. That active matters on the litigation tracking register for labour relations, with an update in status, be noted for Q1 and Q2 (Table 2), be noted.

3. That dormant matters on the litigation tracking register (Table 3), be noted.

MC B/5391/03/2026

[PS & R]: FIRE DEPARTMENT PERFORMANCE REPORT FOR SERVICES RENDERED FOR JANUARY 2026

2/14/3

COMPETENCY: MAYORAL COMMITTEE

RESOLVED

That the Performance Report by the Fire Section for January 2026, be noted.