

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026



Knysna

Municipality • Munisipaliteit • uMasipala
INCLUSIVE. INNOVATIVE. INSPIRED.

Clyde Street
Knysna
6570

Clydestraat
Knysna
6570

iClyde
eKnysna
6570

PO Box 21
Knysna
6570

Posbus 21
Knysna
6570

Posbus 21
Knysna
6570

Tel: +27 44 302 6300
Fax: +27 44 302 6333

Tel: +27 44 302 6300
Faks: +27 44 302 6333

Umnxeba: +27 44 302 6300
Ifeksi: +27 44 302 6333

Notice is hereby given, in terms of Section 19(b) of the Local Government: Municipal Systems Act, 32 of 2000 as amended, that a **SPECIAL MEETING** of the **MUNICIPAL COUNCIL** of Knysna Municipality will be held in the Council Chamber on **THURSDAY, 30 APRIL 2026** at **9:00** to consider the business set forth in the attached agenda.

Kennis geskied hiermee as gevolg van Artikel 19(b) van die Plaaslike Regering : Munisipale Stelsels Wet, 32 van 2000, dat 'n **SPESIALE VERGADERING** van die **MUNISIPALE RAAD** van Knysna Munisipaliteit in die Munisipale Raadsaal op **DONDERDAG, 30 APRIL 2026** om **9:00** gehou sal word ten einde sake soos uiteengesit in die aangehegte agenda te oorweeg.

Ibhunga lika**MASIPALA** waseKnysna lazisa ngomthetho okwisolotya 19(b) wenkqubo mgaqo olawula oMasipala, 32 of 2000, njengoko utshintshiwe, **NGENTLANGANISO EKHETHEKILEYO** ye**BHUNGA** lika**MASIPALA** waseKnysna eyakubanjelwa ku Microsoft Teams - **NGOLWESINE, NGOMHLA WE 30 UTSHAZIMPUZI 2026** ngentsimbi ye **9:00** umba iyakuba lushishino oluchazwe kwi-agenda.

CLLR M WILLEMSE

The Speaker
Die Speaker
Usomlomo

DR RICHARD MARTIN

Acting Municipal Manager
Waarnemende Munisipale Bestuurder
Mphathi kaMasipala

Date : 23 April 2026

TABLE OF CONTENTS

1.	OPENING AND WELCOMING	3
2.	SILENT PRAYER	3
3.	ATTENDANCE OF MEMBERS	3
3.1	COUNCILLORS PRESENT	3
3.2	COUNCILLORS ABSENT WITH LEAVE	3
3.3	COUNCILLORS ABSENT WITHOUT LEAVE	3
4.	NOTING OF THE PROVISIONS OF CODE OF CONDUCT FOR COUNCILLORS AND CODE FOR ETHICAL LEADERSHIP AS ADOPTED BY COUNCIL	3
5.	DISCLOSURE OF INTEREST	3
6.	NEW MATTERS SUBMITTED BY THE MUNICIPAL MANAGER	
6.1	2025/2026 QUARTER 3 NON-FINANCIAL PERFORMANCE ASSESSMENT REPORT FOR THE PERIOD 1 JAN 2026 – 31 MARCH 2026	4
6.2	QUARTERLY WITHDRAWAL REPORT: QUARTER 3 OF 2025/2026	7
6.3	MONTHLY & QUARTERLY BUDGET STATEMENT – MARCH 2026	26
6.4	REVISION OF MIG DPIP FOR 2025/2026 FINANCIAL YEAR	77
6.5	MIG DPIP FOR 2026/2027 FINANCIAL YEAR	81
6.6	UPPER LIMITS OF TOTAL REMUNERATION PACKAGES OF MUNICIPAL MANAGERS AND MANAGERS DIRECTLY ACCOUNTABLE TO MUNICIPAL MANAGERS – 2025/26 FY	84
6.7	ACTING MUNICIPAL MANAGER	168
6.8	REPORT OF THE GRANT-IN-AID AD HOC COMMITTEE – GRANT ALLOCATION FOR 2025/26	170
7.	IN COMMITTEE (See separate agenda)	177
8.	ADJOURNMENT	177

A G E N D A

1. **OPENING AND WELCOMING**
2. **SILENT PRAYER**
3. **ATTENDANCE OF MEMBERS**
 - 3.1 **COUNCILLORS PRESENT**
 - 3.2 **COUNCILLORS WITH LEAVE**
 - 3.3 **COUNCILLORS WITHOUT LEAVE**
4. **NOTING OF THE PROVISIONS OF CODE OF CONDUCT FOR COUNCILLORS AND CODE FOR ETHICAL LEADERSHIP AS ADOPTED BY COUNCIL**
5. **DISCLOSURE OF INTERESTS BY COUNCILLORS**

6. **NEW MATTERS SUBMITTED BY THE MUNICIPAL MANAGER**

6.1

SC01/04/26 2025/2026 QUARTER 3 NON-FINANCIAL PERFORMANCE ASSESSMENT REPORT FOR THE PERIOD 1 JAN 2026 – 31 MARCH 2026

REPORT TO COUNCIL FROM THE ACTING MUNICIPAL MANAGER

PURPOSE OF THE REPORT

The purpose of this report is to present to Council an updated Quarter 3 Organisational Non-Financial Performance Assessment Report for the period 01 January 2026 to 30 March 2026. This report details the implementation of the budget as per the 2025/2026 Service Delivery and Budget Implementation Plan (SDBIP) of Knysna Local Municipality.

PREVIOUS RESOLUTIONS

Not Applicable.

BACKGROUND

The Local Government: Municipal Finance Management Act, No. 56 of 2003 ("the MFMA") places the responsibility on the Accounting Officer to assess the organisation's performance on a quarterly basis and draft a report, referred to as the Section 52(d) Report for submission to the Executive Mayor.

The assessment considers the monthly budget statements, the municipality's service delivery performance, and service delivery targets, referred to as the performance indicators as included in the SDBIP. The report is drafted taking note of the municipality's previous year's Annual Report and progress made on resolving issues identified in the Annual Report.

Chapter 7 of the MFMA, Section 52(d) assigns the responsibility to the Executive Mayor to submit a report on the implementation of the budget and the financial situation of the municipality to Council within 30 days after the end of each quarter. This quarter 3 Section 52(d) report represents the state of non-financial performance of the municipality up and until 31 March 2026.

DISCUSSION

The Quarter 3 Non-Financial Performance Assessment Report is used as a management tool to assess the Municipality's non-financial performance of the municipality against the approved SDBIP. This report should be read in conjunction with the Section 71 Report.

The assessment is done by analysing trends and patterns for Quarter 3 of the 2025/2026 financial year, with a view of giving effect to the management role of the Accounting Officer to make recommendations as to whether based on an adjustment budget an amendment to the SDBIP will be required. The Executive Mayor and Council must; based on the recommendations of the Accounting Officer, confirm the recommended adjustments to the SDBIP.

FINANCIAL IMPLICATIONS

Financial implications ☐ None ☐ Opex ☐ Capex

☐ Capex Projects

☐ Capex: Existing projects requiring additional funding

☐ Capex: Existing projects with no additional funding requirements

POLICY AND STRATEGY ☐ YES ☐ NO

RELEVANT LEGISLATION

LEGAL COMPLIANCE ☐ YES ☐ NO

Municipal Finance Management Act No. 2003 (Act 56 of 2003), Section 71 and Municipal Budget and Reporting Regulations.

Chapter 7 of the MFMA

Staff Implications ☐ Yes ☐ None

RECOMMENDATION OF THE ACTING MUNICIPAL MANAGER

- [a] That this updated Quarter Performance Assessment Report as at 31 March 2026 is submitted to Council for noting;
- [b] That Council notes the content of the Quarter 3 Performance Assessment Report,
- [c] That Council notes that this updated Quarter 3 Non-Financial Performance Assessment Report will be submitted to National Treasury, the Western Cape Provincial Treasury and that a copy of the Noted Section 52(d) Report will be placed on the Knysna Municipality website for public information.

ANNEXURES

2025/2026 Quarter 3 Non-Financial Performance Assessment Report – 31 March 2026 (*To be circulated separately*)

File Number: 15/2/6/1/3

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

Execution: Municipal Manager

6.2

SC02/04/26 QUARTERLY WITHDRAWAL REPORT: QUARTER 3 OF 2025/2026
--

REPORT FROM THE DIRECTOR: FINANCIAL SERVICES

PURPOSE OF THE REPORT

To present to Council the Quarterly Withdrawal Report for the quarter ending March 2026.

BACKGROUND

Section 11(1) of the Municipal Finance Management Act (MFMA) determines that only the accounting officer or the chief financial officer of a municipality, or any other senior financial official of the municipality acting on the written authority of the accounting officer, may withdraw money or authorise the withdrawal of money from any of the municipality's bank accounts.

As per section 11(4) of the MFMA, the accounting officer must within 30 days after the end of each quarter table in the municipal council a consolidated report of all withdrawals made during that quarter and must submit a copy of the report to the Western Cape Provincial Treasury and the Auditor-General.

DISCUSSION

The Quarterly Withdrawal Report for the quarter ending March 2026 has been prepared in accordance with section 11 of the MFMA.

FINANCIAL IMPLICATIONS

The financial implications are contained in the report attached hereto as Annexure A.

RELEVANT LEGISLATION

Section 11 of the Municipal Finance Management Act, No 56 of 2003.

RECOMMENDATION OF THE ACTING MUNICIPAL MANAGER

- [a] That the Quarterly Withdrawal Report for the quarter ending March 2026 be noted;
- [b] That a copy of the Quarterly Withdrawal Report was submitted to the Western Cape Provincial Treasury and the Auditor-General on 14 April 2026.

APPENDIX / ADDENDUM

Annexure A - Quarterly Withdrawal Report as at 31 March 2026.

File Number: 9/1/2/10

Execution: Director: Financial Services

中華民國教育部
Ministry of Education, Science and Technology
臺北, 臺灣

Acknowledgment of Receipt
Office of the Auditor
Date: 12/14/2016

**PLEASE FORWARD THIS TO THE NEXT PERSON AFTER COMMENTS & SIGNATURE -
note that the MUNICIPAL MANAGER is the last person to sign off on the document**

Should none of the Sections below apply to you, please indicate 'NOT APPLICABLE' together with your signature and the date:

1. LEGISLATION & POLICIES APPLICABLE TO THE MUNICIPALITY:

8 | Page

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

DESCRIPTION OF DOCUMENT	Quarterly Withdrawal report – Q3 of 2026	
THE UNDERSIGNED HEREBY CERTIFY THAT THE ATTACHED DOCUMENTATION COMPLY WITH THE FOLLOWING:		
3. PLANNING AND ENVIRONMENTAL POLICIES & REGULATIONS APPLICABLE TO THE MUNICIPALITY:		
COMMENTS BY DIRECTOR: PLANNING & DEVELOPMENT: N/A	SIGNATURE OF DIRECTOR: PLANNING & DEVELOPMENT: N/A	DATE:
4. HUMAN RESOURCES & SAFETY REQUIREMENTS APPLICABLE TO THE MUNICIPALITY:		
COMMENTS BY MANAGER: HUMAN RESOURCES: N/A	SIGNATURE OF MANAGER: HUMAN RESOURCES: N/A	DATE:
5. ALL TECHNICAL SPECIFICATIONS MEET THE REQUIRED STANDARDS & ARE COMPLIANT WITH APPLICABLE POLICIES AND REGULATIONS:		
COMMENTS BY DIRECTOR: TECHNICAL SERVICES N/A	SIGNATURE OF DIRECTOR: TECHNICAL SERVICES N/A	DATE:
6. COMMUNITY & SOCIAL SERVICES PROCEDURES COMPLY WITH APPLICABLE POLICIES & LEGISLATION		
COMMENTS BY DIRECTOR: COMMUNITY SERVICES: N/A	SIGNATURE OF DIRECTOR: COMMUNITY SERVICES: N/A	DATE:
7. CORPORATE SERVICES PROCEDURES COMPLY WITH APPLICABLE POLICIES & LEGISLATION:		
COMMENTS BY DIRECTOR: CORPORATE SERVICES: N/A	SIGNATURE OF DIRECTOR: CORPORATE SERVICES: N/A	DATE:

Page | 2

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

DESCRIPTION OF DOCUMENT	Quarterly Withdrawal report – Q3 of 2026		
THE UNDERSIGNED HEREBY CERTIFY THAT THE ATTACHED DOCUMENTATION COMPLY WITH THE FOLLOWING:			
8. PERFORMANCE, INTERNAL AUDIT, COMPLIANCE & RISK MANAGEMENT PROCESSES:			
COMMENTS BY MANAGER: PERFORMANCE, INTERNAL AUDIT & RISK MANAGEMENT:		SIGNATURE OF MANAGER: PERFORMANCE, INTERNAL AUDIT & RISK MANAGEMENT:	
N/A		N/A	
		DATE:	
9. CONCLUSION:			
COMMENTS BY MUNICIPAL MANAGER:		SIGNATURE OF MUNICIPAL MANAGER:	
			
APPROVED 		DATE: 13/04/2026	
NOT APPROVED			

Once the DOCUMENT is duly signed by all role players, it must be returned to the Initiator who must ensure that the document is registered on Council's Official Document Management System, being Collaborator and ensure that all role players are copied in.

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026



Collab. Ref.:
File No: 9/1/2/10

10 April 2026

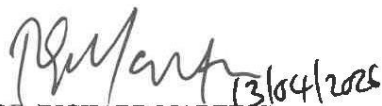
OFFICE OF AUDITOR-GENERAL
Private Bag X1
CHEMPET
7442

**QUARTERLY WITHDRAWALS FROM MUNICIPAL BANK ACCOUNT
FOR MARCH 2026.**

Dear Sir/Madam

Herewith, Knysna Municipality's (WC048) Quarterly withdrawals report for the quarter ended **MARCH 2026**, per the requirements of Section 11(4) of the MFMA.

Yours faithfully


DR. RICHARD MARTING
ACTING MUNICIPAL MANAGER

Please address all correspondence to the Municipal Manager and quote the above reference
P O Box 21 · Knysna · 6570 · Tel: 044 302 6300 · Fax: 044 302 6333 · E-mail:
Knysna@knysna.gov.za

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

PROVINCIAL TREASURY Withdrawals from Municipal Bank Accounts In accordance with Section 11, Sub-section 1 (b) to (j)			
NAME OF MUNICIPALITY:	KNYSNA MUNICIPALITY		
MUNICIPAL DEMARCATION CODE:	WC 048		
QUARTER ENDED:	January 2026 - March 2026		
MFMA section 11. (1) Only the <i>accounting officer</i> or the <i>chief financial officer</i> of a <i>municipality</i> , or any other senior financial <i>official</i> of the <i>municipality</i> acting on the written authority of the <i>accounting officer</i> may withdraw money or authorise the withdrawal of money from any of the <i>municipality's</i> bank accounts, and may do so only - (b) to defray expenditure authorised in terms of section 26(4); (c) to defray unforeseeable and unavoidable expenditure authorised in terms of section 29(1); (d) in the case of a bank account opened in terms of section 12, to make payments from the account in accordance with subsection (4) of that section; (e) to pay over to a person or organ of state money received by the <i>municipality</i> on behalf of that person or organ of state, including - (i) money collected by the <i>municipality</i> on behalf of that person or organ of state by agreement; or (ii) any insurance or other payments received by the <i>municipality</i> for that person or organ of state; (f) to refund money incorrectly paid into a bank account; (g) to refund guarantees, sureties and <i>security</i> deposits; (h) for cash management and <i>investment</i> purposes in accordance with section 13; (i) to defray increased expenditure in terms of section 31, or (j) for such other purposes as may be <i>prescribed</i> . (4) The <i>accounting officer</i> must within 30 days after the end of each <i>quarter</i> - (a) table in the <i>municipal council</i> a consolidated report of all withdrawals made in terms of subsection (1)(b) to (j) during that <i>quarter</i> ; and (b) submit a copy of the report to the relevant <i>provincial treasury</i> and the <i>Auditor-General</i> .	Amount	Reason for withdrawal	
	R 0.00		
	R 0.00	Unavoidable expenditure	
	R 0.00		
	R 0.00		
	R 5 786 897.02	Vehicle registration and Prodiba Cards	
	R 0.00	Insurance claims	
	R 0.00		
	R 332 700.13	Consumer deposits repaid	
	R 68 630 000.00	GL Bank (Investment)	
	R 0.00		
	R 0.00	Garnishee Orders, Group insurance, Repay unspent Conditional Grants	
	Name and Surname:		Mugelane Van Wyk
	Rank/Position:		Manager: AFS, Compliance & Reporting
	Signature:		
Tel number	Fax number	Email Address	
044-3026281	n/a	mvanwyk@knysna.gov.za	
The completed form must reach Mr Donovan Alexander at the Provincial Treasury, Private Bag x 9165, 7 Wale Street, Cape Town, 8000, Tel: 021 483 5007, Fax 021 483 8623, Email: wbaatjie@pgwc.gov.za on or before the 15th of the month following the end of each quarter.			

BANK ACCOUNT WITHDRAWALS NOT IN TERMS OF AN APPROVED BUDGET



National Treasury
Republic of South Africa
MINISTRY OF COORDINATION

Municipal Finance Management Act, section 11(4)

Consolidated Quarterly Report for period 01/01/2026 to 31/03/2026 (WC048 - Knysna Municipality)



Date	Payee	Amount in R'000	Description and Purpose (including section reference e.g. sec 11(f))	Authorised by (name)
01/10/2025-31/12/2025	Unforeseen Disaster	-	Section 11(c) - Unforeseeable and unavoidable expenditure authorised by the mayor in terms of section 29 (1);	CFO - C JULIES
01/10/2025-31/12/2025	Department of Public Works & Transport	5 786	sec 11(e) (i) - Vehicle Registration & Prodlba Cards	CFO - C JULIES
01/10/2025-31/12/2025	Multiple Insurance Claims	-	sec 11(e) (ii) - Insurance Claims	CFO - C JULIES
01/10/2025-31/12/2025	Multiple Consumer Accounts	332	sec 11(g) - Consumer Deposits Refunded	CFO - C JULIES
01/10/2025-31/12/2025	Financial Institutions - Nedbank, ABSA & Standard Bank	68 630	sec 11(h) - Short Term Investments	CFO - C JULIES
01/10/2025-31/12/2025	Department of Local Government	-	sec 11(j) - Other purposes prescribed	CFO - C JULIES

Instructions for completing this report:

The Accounting Officer must include information motivating the non-budgeted withdrawals, action taken to rectify the breach and identify how funding will be sourced through an Adjustments Budget. This motivation can be an additional report to council or incorporated into the table above by inserting additional space. This report must be tabled in Council within 30 days after the end of each quarter where a withdrawal occurs.

Withdrawals that must be reported each quarter:

- Section 11(b) - Expenditure authorised by the MEC for finance in terms of section 26 (4) when a municipality has failed to approve a budget by 30 June;
- Section 11(c) - Unforeseeable and unavoidable expenditure authorised by the mayor in terms of section 29 (1);
- Section 11(d) - Payments from a trust, charitable or relief fund without budget appropriation in terms of section 12(4);
- Section 11(e) - Payments to a person or organ of state of money received by the municipality on behalf of that person or organ of state, including:
 - (i) money collected by the municipality on behalf of that person or organ of state by agreement; or
 - (ii) any insurance or other payments received by the municipality for that person or organ of state;
- Section 11(f) - Refund money incorrectly paid into a bank account;
- Section 11(g) - Refund guarantees, sureties and security deposits;
- Section 11(h) - Payments for cash management and investment purposes in accordance with section 13;
- Section 11(i) - To defray increased expenditure on a multi-year capital project in terms of section 31;
- Section 11(j) - Payments for such other purposes as may be prescribed from time-to-time.

Distribution:

- Table this report in a full council meeting, including additional motivation on action taken to rectify, within 30 days after the end of each quarter (section 11(4));
- Submit a copy to the relevant National Treasury, provincial treasury and the Auditor-General

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

MfmaAccount (All)							
Sum of AMOUNT				PER			
MfmaLine	MfmaDescription	acct-no	DESCRIPTION	202605	202602	202601	Grand Total
170	Refund Deposits	01-07-24-07-5160	LOWFIELD AIR SERVICES PTY LTD	16 058.36			16 058.36
			DE GRANDIS EGGERS PROPERTY PAR	15 396.31			15 396.31
			VANDEPEER MORAG AC		8 797.89		8 797.89
			RENFIELD SHERIDAN J		4 514.71		4 514.71
			DE VILLIERS DAVID	4 708.84			4 708.84
			SIMOLA GOLF AND COUNTRY ESTATE	4 708.84			4 708.84
			RICE PENELOPE J		15 396.31		15 396.31
			MEYER HERMANUS E		14 677.14		14 677.14
			VAN EYSEN PC		4 708.84		4 708.84
			DURDEN EMMA-LOUISE		15 396.31		15 396.31
			BLUE ROUTE OCEAN VIEW INVESTME		3 862.40		3 862.40
			EST LATE GERHARD W HANNWEG		4 303.82		4 303.82
			PALPHRAMAND RALPH H		8 386.93		8 386.93
			COVER POINT INVESTMENTS (PTY)	16 058.36			16 058.36
			BADENHORST ASHLEY	22 622.05			22 622.05
			VANDAMAX (PTY) LTD	8 386.93			8 386.93
			LOUBSER BAREND FREDERIK	9 176.20			9 176.20
			HIGGS LAETITIA	8 386.93			8 386.93
			ROBISON MARION O	4 708.84			4 708.84
			COETZEE L	9 176.20			9 176.20
			BURGER P	8 386.93			8 386.93
			BIRRELL BRUCE PATRICK	9 176.20			9 176.20
			MAXEM EQUIPMENT (PTY) LTD	15 396.31			15 396.31
			THE BRONKHORST AMILY TRUST	4 514.71			4 514.71
			LA COCK SAMANTHA	4 051.66			4 051.66
			VISION YACHTS SA (PTY) LTD	15 396.31			15 396.31
			MAADE KENNETH A	8 797.89			8 797.89
			HARTEBEESFONTEIN SESTEIN TRUST		4 708.84		4 708.84
			CATHERINE ANN GREVE	4 514.71			4 514.71
			WYLOUW TRADING 101 PROPERTIES	9 176.20			9 176.20
			A R PIETERSE	8 797.89			8 797.89
			KLAPP SYLKE ANJA	8 797.89			8 797.89
			MOOLMAN ANDREAS	14 677.14			14 677.14
			001 UNPAID/WEIERINGS ABSA	(4 514.71)			(4 514.71)
		01-07-24-07-5436	MOREL DP	1 509.24			1 509.24
			HOLY TRINITY BELVIDERE		639.92		639.92
		01-07-24-07-5836	PLUIM RANDI-LUE		796.88		796.88
			KITAS HARMANUS		795.00		795.00
			WAGENAAR LORETTA N		764.03		764.03
			SOPO GELSON		794.46		794.46
			HARDNICK ROWENA		784.81		784.81
			WITBOOI W		752.45		752.45
			MOOS REMONA HENDRIKA		764.10		764.10
			SNYMAN ANDREI M		796.88		796.88
			WAGENAAR JOHANNES		796.88		796.88
			BARNARD THERESA LORETTA		796.88		796.88
			WILLIAMS WILFRED		796.88		796.88
			KHAN MOHAMED FAROUK		796.88		796.88
			SWARTBOOI VERONIQUE V		797.00		797.00
			PRINSLOO ELROY		765.00		765.00
			MISIMILA GABRIEL		795.00		795.00
			BOESAK ALROY R		727.00		727.00
			MASENA YVONNE		796.88		796.88
			KAYLAN HENNIES	797.00			797.00
			MARIA E PEGRAM	796.88			796.88
			ALFRED LOUW	797.00			797.00
			AUSTIN CAMIRON IVANNO OSCAR	2 988.20			2 988.20
			GWEN MAGADLA	544.00			544.00
170 Sum				50 299.22	199 543.72	80 857.19	332 700.13
150	Third Party Agreemnt	01-07-26-07-8002	ACC88748 LICENSE FEES	1 331 136.16	1 477 280.72	1 571 406.45	4 379 823.33
			ACC88748 LIENSE FEES		371 116.99		371 116.99
			ACC88748 LICENSE FEES	361 046.70			361 046.70
		01-07-26-07-8202	ACC88748 RTMC FEES	181 800.00	198 576.00	177 120.00	557 496.00
		01-07-26-07-8102	ACC88742 Pay over of driving l	37 683.00	46 610.00	32 311.00	116 604.00
		01-07-26-07-8901	GERLIAM HOLDINGS PTY LTD		810.00		810.00
150 Sum				1 911 665.86	2 094 393.71	1 780 837.45	5 786 897.02
180	Cash Mngmnt & Invest	01-09-37-13-0010	288567420-035		50 000 000.00		50 000 000.00
			288567420-036	18 630 000.00			18 630 000.00
180 Sum				18 630 000.00	50 000 000.00		68 630 000.00
Grand Total				20 599 985.08	52 287 937.43	1 861 694.64	74 749 597.15

[illegible]

22 | Page

191123.F
Start Period: 2026 01 End Period: 2026 03
DESCRIPTION ACCOUNT

23 | Page

24 | Page

25 | Page

6.3

SC03/04/25 MONTHLY & QUARTERLY BUDGET STATEMENT – MARCH 2026

REPORT FROM THE DIRECTOR: FINANCIAL SERVICES

PURPOSE OF THE REPORT

To present to Council the Section 71 Monthly Budget Statement and Section 52 Quarterly Budget Statement as at 31 March 2026.

BACKGROUND

Section 71(1) of the Municipal Finance Management Act (No. 56 of 2003) (MFMA) determines that the Accounting Officer of a Municipality must by no later than 10 working days after the end of each month submit to the Executive Mayor of the Municipality and the relevant Provincial Treasury a statement in the prescribed format on the state of the Municipality's Budget.

Section 52 of the MFMA determines that:

"The mayor of a municipality –

- (a) must provide general political guidance over the fiscal and financial affairs of the municipality;*
- (b) in providing such general political guidance, may monitor and, to the extent provided in this Act, oversee the exercise of responsibilities assigned in terms of this Act to the accounting officer and the chief financial officer, but may not interfere in the exercise of those responsibilities;*
- (c) must take all reasonable steps to ensure that the municipality performs its constitutional and statutory functions within the limits of the municipality's approved budget;*
- (d) must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality; and*
- (e) must exercise the other powers and perform the other duties assigned to the mayor in terms of this Act or delegated by the council to the mayor."*

DISCUSSION

The Monthly Budget Statement and Quarterly Budget Statement as at 31 March 2026 has been prepared in compliance with the legislative requirements stipulated in section 71 and section 52 of the MFMA.

FINANCIAL IMPLICATIONS

The financial implications are contained in the annexure attached hereto.

RELEVANT LEGISLATION

Section 71 and Section 52 of the MFMA (No. 56 of 2003).

RECOMMENDATION OF THE ACTING MUNICIPAL MANAGER

- [a] That Council notes the Section 71 Monthly Budget Statement and Section 52 Quarterly Budget Statement as at 31 March 2026.
- [b] That Council notes that the Section 71 Monthly Budget Statement and Section 52 Quarterly Budget Statement as at 31 March 2026 was submitted to the Executive Mayor, the National Treasury and the Western Cape Provincial Treasury on 16 April 2026 which is before the 10th working day after the end of March 2026.
- [c] That Council notes that the Section 71 Monthly Budget Statement and Section 52 Quarterly Budget Statement as at 31 March 2026 has been published on the municipal website.

APPENDIX / ADDENDUM

Annexure 1 – Monthly and Quarterly Budget Statement – March 2026.

File Number: 9/1/2/10
Execution: Director Financial Services

ANNEXURE A



Monthly and Quarterly Budget Statement

(Section 71 and Section 52 of the MFMA)

Prepared in terms of the Local Government:
Municipal Finance Management Act (No 56 of 2003);
Municipal Budget and Reporting Regulations; and
Government Gazette 32141, dated 17 April 2009.

March 2026



TABLE OF CONTENTS

	PAGE
PART 1: IN-YEAR REPORT.....	3
1. LEGAL CONTEXT.....	3
1.1 Monthly Budget Statement.....	3
1.2 Quarterly Budget Statement.....	4
1.3 Responsibility of the Executive Mayor.....	5
2. EXECUTIVE MAYOR'S REPORT.....	6
2.1 In-Year Report: Monthly Budget Statement.....	6
2.2 Overall Financial Status of the Municipality.....	6
2.3 Recommendations.....	7
3. ACCOUNTING OFFICER'S REPORT.....	8
3.1 Introduction.....	8
3.2 Financial Performance Overview.....	9
3.3 Financial Position Overview.....	13
3.4 mSCOA Implementation Status.....	22
3.5 Cost Containment.....	22
3.6 Conclusion.....	23
MUNICIPAL MANAGER'S QUALITY CERTIFICATE.....	24
PART 2: IN-YEAR BUDGET STATEMENT SCHEDULES.....	25
APPENDIX A - Capex Report as at 31 March 2026.....	44

PART 1: IN-YEAR REPORT

1. LEGAL CONTEXT

1.1 Monthly Budget Statement

Section 71 of the Municipal Finance Management Act (MFMA) determines that:

- “(1) The accounting officer of a municipality must by no later than 10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality’s budget reflecting the following particulars for that month and for the financial year up to the end of that month –*
- (a) Actual revenue, per revenue source;*
 - (b) Actual borrowings;*
 - (c) Actual expenditure, per vote;*
 - (d) Actual capital expenditure, per vote*
 - (e) The amount of any allocations received;*
 - (f) Actual expenditure on those allocations, excluding expenditure on –*
 - (i) Its share of the local government equitable share; and*
 - (ii) Allocations exempted by the annual Division of Revenue Act from compliance with this paragraph; and*
 - (g) When necessary, an explanation of –*
 - (i) Any material variances from the municipality’s projected revenue by source, and from the municipality’s expenditure projections per vote;*
 - (ii) Any material variances from the service delivery and budget implementation plan; and*
 - (iii) Any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipality’s approved budget.*
- (2) The statement must include –*
- (a) A projection of the relevant municipality’s revenue and expenditure for the rest of the financial year, and any revisions from initial projections; and*
 - (b) the prescribed information relating to the state of the budget of each municipal entity as provided to the municipality in terms of section 87(10).*
- (3) The amounts reflected in the statement must in each case be compared with*

the corresponding amounts budgeted for in the municipality's approved budget.

- (4) The statement to the provincial treasury must be in the format of a signed document and in electronic format.*
- (5) The accounting officer of a municipality which has received an allocation referred to in subsection (1)(e) during any particular month must, by no later than 10 working days after the end of that month, submit that part of the statement reflecting the particulars referred to in subsection (1)(e) and (f) to the national or provincial organ of state or municipality which transferred the allocation.*
- (6) The provincial treasury must by no later than 22 working days after the end of each month submit to the National Treasury a consolidated statement in the prescribed format on the state of the municipalities' budgets, per municipality and per municipal entity.*
- (7) The provincial treasury must, within 30 days after the end of each quarter, make public as may be prescribed, a consolidated statement in the prescribed format on the state of municipalities' budgets per municipality and per municipal entity. The MEC for finance must submit such consolidated statement to the provincial legislature no later than 45 days after the end of each quarter".*

1.2 Quarterly Budget Statement

Section 52 of the MFMA determines that:

"The mayor of a municipality –

- (a) must provide general political guidance over the fiscal and financial affairs of the municipality;*
- (b) in providing such general political guidance, may monitor and, to the extent provided in this Act, oversee the exercise of responsibilities assigned in terms of this Act to the accounting officer and the chief financial officer, but may not interfere in the exercise of those responsibilities;*
- (c) must take all reasonable steps to ensure that the municipality performs its constitutional and statutory functions within the limits of the municipality's approved budget;*
- (d) must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality; and*

- (e) *must exercise the other powers and perform the other duties assigned to the mayor in terms of this Act or delegated by the council to the mayor."*

1.3 Responsibility of the Executive Mayor

Section 54 of the MFMA determines that:

- "(1) On receipt of a statement or report submitted by the accounting officer of the municipality in terms of section 71 or 72, the mayor must –*
- (a) Consider the statement or report;*
 - (b) Check whether the municipality's approved budget is implemented in accordance with the service delivery and budget implementation plan;*
 - (c) Consider and, if necessary, make any revisions to the service delivery and budget implementation plan, provided that revisions to the service delivery targets and performance indicators in the plan may only be made with the approval of the council following approval of an adjustments budget;*
 - (d) Issue any appropriate instructions to the accounting officer to ensure –*
 - (i) That the budget is implemented in accordance with the service delivery and budget implementation plan; and*
 - (ii) That spending of funds and revenue collection proceed in accordance with the budget;*
 - (e) Identify any financial problems facing the municipality, including any emerging or impending financial problems; and*
 - (f) In the case of a section 72 report, submit the report to the council by 31 January of each year.*
- (2) If the municipality faces any serious financial problems, the mayor must –*
- (a) Promptly respond to and initiate any remedial or corrective steps proposed by the accounting officer to deal with such problems, which may include –*
 - (i) Steps to reduce spending when revenue is anticipated to be less than projected in the municipality's approved budget;*
 - (ii) The tabling of an adjustments budget; or*
 - (iii) Steps in terms of Chapter 13; and*
 - (b) Alert the council and the MEC for local government in the province to those problems.*
- (3) The mayor must ensure that any revisions of the service delivery and budget implementation plan are made public promptly".*

EXECUTIVE MAYOR'S REPORT

2.1 In-Year Report: Monthly Budget Statement

- 2.1.1 This report represents the Section 71 MFMA Monthly Budget Statement and Section 52 Quarterly Budget Statement for the month ending 31 March 2026 and reflects the implementation of the budget and the financial state of affairs of the Municipality.
- 2.1.2 I hereby wish to submit a report to the Council on the implementation of the budget and the financial state of affairs of the Municipality as at the end of March 2026.
- 2.1.3 Further to the above, Section 54(1) of the MFMA determines that the Executive Mayor must consider the Section 71 report submitted by the Accounting Officer and assess whether the Municipality's approved budget is implemented in accordance with the approved Service Delivery Budget Implementation Plan (SDBIP), and if necessary issue appropriate instructions to the Accounting Officer.

2.2 Overall Financial Status of the Municipality

- 2.2.1 As at 31 March 2026, the Cash and Cash Equivalents balance equates to R 196.7 million with commitments equating to R 83.4 million. This results in the cash and cash equivalents are exceeding the commitment by R 113.3 million. This reflects that the municipality can meet its obligations as they become due.
- 2.2.2 The Debt Collection and Credit Control Policy remains fully effective. Disconnection of services/reduction of services, as well as handing over of old debt to debt collectors, remain in practice.
- 2.2.3 The Traffic Fines tender has been finalised and a service provider appointed. The process is currently in the appeal process and should be finalise soon. The Security service tenders has been recommended for cancellation, and a new procurement process must be followed which must particularly focus on the specification of the security services required. A deviation process is currently followed to ensure the continuous service delivery in terms of safe keeping of the municipal assets and personnel.
- 2.2.4 The February Adjustments Budget have resulted in a huge increase in expenditure (+- R 55 million) which will definitely impact the liquidity and going concern ratios of the municipality, this is not an ideal situation but is was necessitated to ensure continuous service delivery (refuse collection & transportation, water and sanitation) as well as the safekeeping of the assets of the municipality.

2.3 Recommendations

- (a) That Council notes the Section 71 Monthly Budget Statement and Section 52 Quarterly Budget Statement as at 31 March 2026.
- (b) That Council notes that the Section 71 Monthly Budget Statement and Section 52 Quarterly Budget Statement as at 31 March 2026 will be published on the municipal website.

CLLR THANDO MATIKA
EXECUTIVE MAYOR
DATE: 16 April 2026

3 ACCOUNTING OFFICER'S REPORT

3.1 Introduction

- 3.1.1 In accordance with Section 71(1) of the Municipal Finance Management Act (MFMA), I submit the required statement on the state of Knysna Municipality's budget reflecting the financial information for the month ending March 2026.
- 3.1.2 Section 52(d) of the MFMA requires from the Executive Mayor to submit a quarterly report to Council on the implementation of the approved budget. The report relates to the quarter ending 31 March 2026.
- 3.1.3 Section 54(1) of the MFMA requires from the Mayor of a municipality to take certain actions, if needed, following receipt of this report to ensure that the approved budget is implemented in accordance with the projections contained in the Service Delivery and Budget Implementation Plan (SDBIP).
- 3.1.4 The financial performance of the operating and capital budget for the 2025/2026 financial year, and an overview of the financial position of the Municipality, is provided below.

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

3.2 Financial Performance Overview

3.2.1 The Year-to-date total actual operating revenue (Row 19 in the table below) of R 1.08 billion against the Year-to-date budgeted operating revenue of R 1.06 billion (capital grants excluded) results in a positive variance of 2%. Variances of a material value in nature in the operating revenue budget are presented with appropriate comments in the table below.

Variances between Year-to-Date Actual and Year-to-Date Budget								
Row Number	Description	Original Budget	Current Budget	Year-to-Date Actual	Year-to-Date Budget	Variance between YTD Actual and Year-to-Date Budget	YTD Variance %	Reasons for Material Variance (D - E)
Column Reference	A	B	C	D	E	F	G	H
1	Service charges - Electricity	465,762,477	463,597,394	340,501,497	336,014,164	4,487,313	1.3%	
2	Service charges - Water	112,803,280	112,835,618	80,441,068	82,865,797	-2,424,728	-2.9%	Due to the water meter installations not yet being concluded, consumption at certain properties remains unmeasurable. As a result, customers are currently being charged the minimum rate tariff.
3	Service charges - Waste Water Management	79,041,338	67,110,248	30,011,445	30,412,636	-401,191	-1.3%	
4	Service charges - Waste management	46,612,040	55,690,848	38,667,019	38,327,883	239,136	0.6%	
5	Sale of Goods and Rendering of Services	32,753,342	34,328,999	29,483,141	31,749,918	-2,266,777	-7.1%	
6	Agency services	4,037,734	4,179,896	3,280,343	3,281,610	-1,267	0.0%	
7	Interest earned from Receivables	29,324,126	33,039,625	22,018,534	22,002,027	16,507	0.1%	
8	Interest from Current and Non Current Assets	4,526,054	8,428,808	6,406,092	6,164,290	241,802	3.0%	
9	Rental from Fixed Assets	8,582,955	7,405,209	4,529,604	5,629,265	-1,099,661	-18.5%	The decrease in revenue is mainly due to adjustments made to the Rental Land billing.
10	Licence and permits	385,314	239,219	91,848	82,521	9,327	11.3%	More licences and permits issued than anticipated.
11	Operational Revenue	4,623,665	4,821,573	3,797,504	3,136,670	660,834	21.1%	Increased operational revenue
12	Property rates	362,040,268	362,723,469	289,070,840	288,075,740	994,900	0.3%	
13	Fines, penalties and forfeits	103,207,460	103,208,532	40,170,929	33,816,491	6,354,438	18.8%	Fines are difficult to project due to IGRAP implementation on fines. Also all relevant calculations done at year-end.
14	Licence and permits	1,456,861	1,214,431	994,546	937,350	57,196	6.1%	
15	Transfers and subsidies - Operational	165,381,826	177,053,083	151,191,742	162,761,156	-1,569,414	-1.0%	Grants were adjusted upward due to Grantroll-over that were brought into the budget with the main February adjustments budget. All projects were awarded and awaiting on budget upload, expenditure should expedite in the upcoming months.
16	Interest (Property Rates)	11,810,635	11,341,484	8,226,837	8,424,962	-198,125	-2.4%	
17	Gains on Disposal of PPE	1,000,000	1,000,000	18,630,900	0	18,630,900	0.0%	Disposal Journals still to be processed.
18	Other Gains	0	440,798	440,798	440,798	0	0.0%	
19	Total Revenue (Capital Grants Excluded)	1,433,458,055	1,448,658,232	1,079,853,587	1,056,123,298	23,730,289	2.2%	

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

3.2.2 The Year-to-date total actual operating expenditure (Row 33 in the table below) of R 798.1 million against the total Year-to-date budgeted operating expenditure of R 827.4 million result in a positive variance of 3.5%. Variances of a material value in nature in the operating expenditure budget are presented with appropriate comments in the table below.

Variances between Year-to-Date Actual and Year-to-Date Budget								
Row Number	Description	Original Budget	Current Budget	Year-to-Date Actual	Year-to-Date Budget	Variance between YTD Actual and Year-to-Date Budget	YTD Variance %	Reasons for Material Variance (D - E)
Column Reference	A	B	C	D	E	F	G	H
20	Employee related costs	374,677,754	379,152,943	250,680,815	250,031,292	-649,623	-0.3%	
21	Remuneration of councillors	11,925,784	10,925,784	7,429,609	7,421,845	-7,764	-0.1%	
22	Bulk purchases - electricity	357,093,221	356,229,524	235,750,415	238,422,034	2,671,619	1.1%	Eskom charges different tariffs during different season (peak, Off-peak and standard) and big invoices come during June and July period. Also the new tariffs implemented by Eskom for the first time in the 2025-2026 financial year such as Legacy tariffs will be determined by year-end.
23	Other materials	46,693,594	48,130,902	24,591,231	23,106,115	-1,485,116	-6.4%	
24	Debt impairment	119,548,550	121,243,707	50,528,682	90,932,769	40,404,087	44.4%	Monthly cash flows automatically calculated by system based on uncollected rated projected however journal done at year-end.
25	Depreciation and amortisation	68,548,010	237,443,613	37,303,505	34,755,432	-2,548,073	-7.3%	No asset system available to calculate monthly asset impairment. The provision will be done with the annual journal at year-end June 2026
26	Interest	29,426,054	28,230,699	15,563,148	15,448,209	-114,939	-0.7%	
27	Contracted services	152,032,410	178,698,914	103,606,290	94,203,910	-9,402,470	-10.0%	The main contributors to the variance are Electrical services (due to the emergency repairs as a result of the lightning and thunder), Integrated Human Settlement, Community services and Corporate services.
28	Transfers and subsidies	3,634,823	15,157,193	5,564,219	4,917,864	-646,355	-13.1%	Mainly as a result of the SETA grant receipt monthly. Total grant recognised as per grant however expenditure based on number of interns registered.
29	Irrecoverable debts written off	9,403,903	8,548,498	0	4,277,025	4,277,025	100.0%	Monthly cash flows automatically calculated by system based on uncollected rated projected however journal done at year-end.
30	Operational costs	89,359,646	103,928,359	57,053,432	63,857,001	-3,196,431	-5.0%	The main contributors to the variance are Financial Service (external audit fees) and Technical services.
31	Losses on Disposal of Assets	0	0	0	0	0	0.0%	
32	Other Losses	0	0	0	0	0	0.0%	
33	Total Operating Expenditure	1,262,373,859	1,498,690,036	798,071,335	827,373,396	29,302,060	3.5%	

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

- 3.2.3 The year-to-date total actual operating surplus of R 281.8 million against the year-to-date budgeted operating surplus of R 228.7 million (capital grants excluded) results in a positive operating surplus of R 53.0 million (Row 34 in the table below).

Variances between Year-to-Date Actual and Year-to-Date Budget								
Row Number	Description	Original Budget	Current Budget	Year-to-Date Actual	Year-to-Date Budget	Variance between YTD Actual and Year-to-Date Budget	YTD Variance %	Reasons for Material Variance (D - E)
Column Reference	A	B	C	D	E	F	G	H
19	Total Revenue (Capital Grants Excluded)	1,433,458,055	1,448,669,232	1,079,853,587	1,056,123,298	23,730,289	2.2%	
33	Total Operating Expenditure	1,282,373,889	1,498,690,036	798,071,336	827,373,396	28,302,060	3.5%	
34	Operating Surplus/(Deficit)	171,084,166	-80,030,804	281,782,251	228,749,902	53,032,349	23.2%	
35	Capital Grants	63,633,174	64,523,344	28,265,229	34,021,063	-5,756,834	-16.9%	Under performance of capital grant expenditure.
36	Public Contributions	0	0	0	0	0	0.0%	
37	Surplus/(Deficit) for the Year	234,717,370	14,492,540	310,038,480	262,770,965	47,267,515	18%	

- 3.2.4 The year-to-date actual surplus for the year (Row 37 in the table above) of R 310.0 million against the total year to date budgeted surplus for the year of R 262.8 million (capital grants included) results in an positive operating surplus of R 47.3 million.

3.2.5 Overtime

The table below depicts the Overtime Expenditure as at 31 March 2026.

Overtime									
Row Number	Directorate	Expenditure 2023/2024	Expenditure 2024/2025	Original Budget 2025/2026	Current Budget	Actual March 2026	YTD Budget 2025/2026	YTD Actual 2025/2026	Variance (G-H)
Column Reference	A	B	C	D	E	F	G	H	I
1	Executive and Council	0	0	0	0	0	0	0	0
2	Corporate Services	179,381	129,186	122,142	209,010	25,811	133,672	148,079	-14,507
3	Financial Services	83,462	54,301	25,769	31,278		9,130	6,502	2,628
4	Planning and Development	0	41,535	17,216	17,215	6,886	24,650	24,650	0
6	Integrated Human Settlements	74,305	605	0	56,869	17,680	18,083	0	18,083
6	Community Services	9,203,926	9,306,936	4,158,658	7,392,246	4,688,832	5,009,236	864,179	4,145,057
7	Electrical Services	2,077,945	1,876,925	1,230,955	2,256,724	1,361,981	1,284,086	135,821	1,148,255
8	Technical Services	8,135,628	8,479,866	9,363,322	16,220,000	10,183,669	10,063,086	1,174,573	8,886,513
9	Grand Total	20,764,647	19,889,343	14,918,061	26,183,332	16,274,859	16,541,843	2,353,804	14,188,039

3.2.6 Standby

The below table depicts the Standby Expenditure as at 31 March 2026.

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

Standby Allowance									
Row Number	Directorate	Expenditure 2023/2024	Expenditure 2024/2025	Original Budget 2025/2026	Current Budget	Actual March 2026	YTD Budget 2025/2026	YTD Actual 2025/2026	Variance (G-H)
Column Reference	A	B	C	D	E	F	G	H	I
1	Executive and Council	148,184	33,722	0	0	25,357	0	25,500	-25,500
2	Corporate Services	199,443	213,417	0	0	0	0	5,446	-5,446
3	Financial Services	42,535	6,814	160,201	267,028	18,763	169,852	169,208	644
4	Planning and Development	0	0	0	0	0	0	0	0
5	Integrated Human Settlements	0	0	0	68,605	0	19,056	15,994	3,062
6	Community Services	1,676,582	1,911,422	997,180	1,620,663	140,886	1,076,599	1,069,575	7,024
7	Electrical Services	1,658,775	1,713,582	922,539	1,353,823	96,344	912,432	894,121	18,311
8	Technical Services	3,380,477	3,673,771	2,422,921	5,448,137	414,904	3,550,631	3,496,316	54,515
9	Grand Total	7,103,996	7,552,727	4,502,841	8,959,236	696,283	5,728,770	5,678,160	52,610

3.2.7 Consultants

The below table depicts the Consultants expenditure as at 31 March 2026.

Use of Consultants per Directorate									
Row Number	Directorate	Expenditure 2023/2024	Expenditure 2024/2025	Original Budget 2025/2026	Current Budget	Actual March 2026	YTD Budget 2025/2026	YTD Actual 2025/2026	Variance (H-I)
Column Reference	A	B	C	D	E	F	G	H	I
1	Executive and Council	0	0	0	1,500,000	1,355,000	0	0	0
2	Corporate Services	6,654,895	7,718,067	4,900,931	5,800,000	8,900,000	1,647,799	8,592,605	7,839,382
3	Financial Services	3,868,450	1,599,139	2,173,802	4,390,000	3,990,000	252,302	1,041,813	1,266,367
4	Planning and Development	1,294,495	1,533,129	1,758,085	4,420,000	2,672,668	133,290	604,945	910,853
5	Integrated Human Settlements	2,467,243	1,892,353	106,857	1,750,000	1,312,500	0	12,500	12,500
6	Community Services	397,981	190,844	42,400	46,543	46,543	0	29,500	29,500
7	Electrical Services	0	0	0	0	514,784	498,018	498,018	498,018
8	Technical Services	2,922,785	949,374	4,226,637	2,245,559	7,245,559	0	0	0
9	Grand Total	17,635,848	13,613,006	13,210,713	20,252,102	26,137,034	2,531,408	8,281,364	10,556,430

3.2.8 Travel and Subsistence

The Travel and Subsistence expenditure as at 31 March 2026 are depicted in the following table.

Travel and Subsistence per Directorate							
Row Number	Directorate	Original Budget 2025/2026	Current Budget	Actual March 2026	YTD Budget 2025/2026	YTD Actual 2025/2026	Variance (E-F)
Column Reference	A	B	C	D	E	F	G
1	Executive and Council	327,940	572,940	16,357	145,638	175,933	-30,295
2	Corporate Services	155,000	195,000	8,323	54,556	76,433	-21,877
3	Financial Services	255,042	465,042	19,860	145,765	209,927	-64,162
4	Planning and Development	465,000	908,000	45,460	771,294	473,695	297,599
5	Integrated Human Settlements	82,000	82,000	2,190	31,158	33,348	-2,190
6	Community Services	81,673	177,158	12,200	121,397	137,800	-16,403
7	Electrical Services	7,477	7,477	5,434	23,626	6,560	17,066
8	Technical Services	76,227	138,860	2,050	47,345	62,178	-14,833
9	Grand Total	1,450,359	2,546,477	111,874	1,340,779	1,175,875	164,904

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

3.2.9 Contracted Service

The Contracted Services expenditure is presented in the table below.

Contracted Services per Directorate							
Row Number	Directorate	Original Budget 2025/2026	Current Budget	Actual March 2026	YTD Budget 2025/2026	YTD Actual 2025/2026	Variance (E-F)
Column Reference	A	B	C	D	E	F	G
1	Executive and Council	3,450,000	2,100,000	16,108	580,441	501,889	78,552
2	Corporate Services	7,607,500	9,958,500	1,671,249	6,840,060	8,186,133	-1,346,073
3	Financial Services	6,115,800	5,735,800	365,771	1,302,505	1,866,468	-563,963
4	Planning and Development	6,460,000	5,556,668	483,361	1,795,456	2,434,086	-838,630
5	Integrated Human Settlements	34,053,200	39,935,700	3,009,791	27,696,591	29,150,327	-1,453,736
6	Community Services	38,122,412	48,872,842	4,881,909	33,992,730	35,218,143	-1,225,413
7	Electrical Services	24,766,442	28,911,206	4,076,463	10,268,853	13,913,475	-3,644,622
8	Technical Services	31,457,056	38,268,068	2,021,375	11,727,174	12,334,856	-607,682
9	Grand Total	152,032,410	179,436,782	16,526,027	94,203,810	103,605,377	-9,401,567

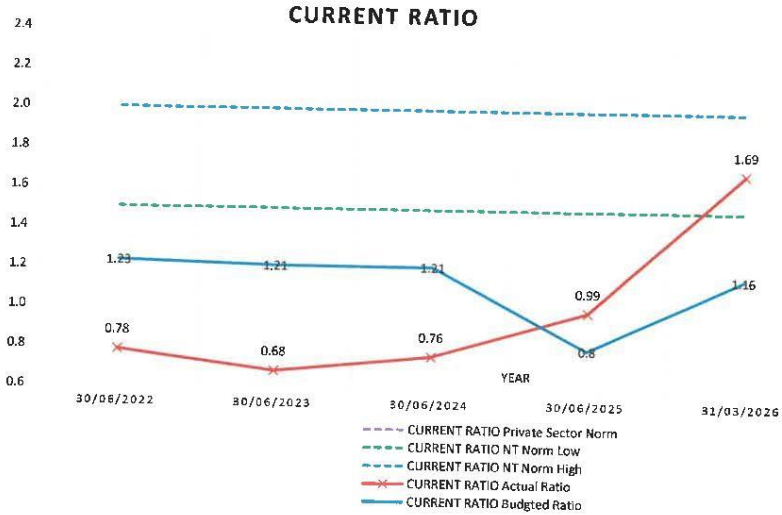
3.3 Financial Position Overview

3.3.1 Current Ratio (1.69 : 1)

The Current Ratio as at 31 March 2026 equates to 1.69 : 1 compared to the National Treasury norm of 1.5 – 2 : 1, and a budgeted Current Ratio of 1.16 : 1. This reflects a vast improvement in comparison to the current ratio of 0.99:1 as at 30 June 2025.

Current Ratio	Current Assets / Current Liabilities	Statement of Financial Position, Budget, IDP and AR	1.5 - 2:1	Description	Jan-26	Feb-26	Mar-26
				Current Assets	603,777,509	595,444,940	678,834,447
				Current Liabilities	369,957,571	376,605,334	402,437,289

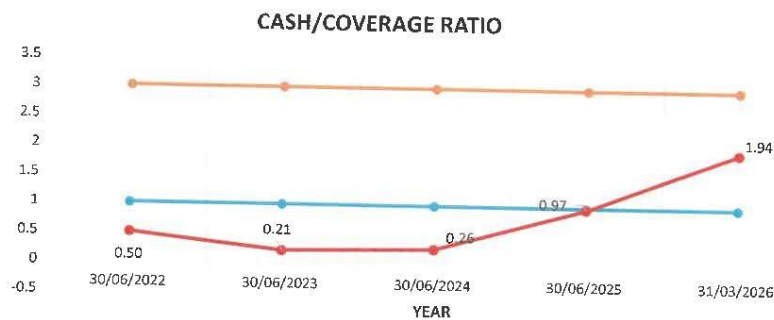
SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026



3.3.2 Cash/Cost Coverage Ratio (1.9 months)

The Cash/Cost Coverage Ratio as at 31 March 2026 equates to 1.9 months compared to the National Treasury norm of 1 – 3 months.

Cash / Cost Coverage Ratio (Excl. Unspent Conditional Grants)	((Cash and Cash Equivalents Unspent Conditional Grants Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets)	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In year Reports and AR	1 - 3 Months	Description	Jan-26	Feb-26	Mar-26
				Cash and cash equivalents	89,428,003	37,151,845	85,231,409
				Unspent Conditional Grants	26,295,373	21,850,118	44,009,411
				Overdraft			
				Short Term Investments	42,343,369	62,695,749	111,506,839
				Monthly Operational Expenditure	76,676,124	86,797,407	78,915,461



SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

3.3.3 Cash and Cash Equivalents (R 196.7 million)

Cash and Cash Equivalents (Row 3 in the Table below) equates to R 196.7 million as at 31 March 2026.

3.3.4 Current Investments (R 111.5 million)

Current investments (Row 2 in the Table below) equates to R 111.5 million as at 31 March 2026. The total investment portfolio equates to R 115.1 million, which includes non-current investments of R 3.6 million.

Cash and Cash Equivalents versus Commitments					
Row Number	Description	January 2026	February 2026	March 2026	Movement (C to D)
Column Reference	A	B	C	D	E
1	Cash at Bank	99,428,003	37,151,845	85,231,409	48,079,583
2	Investments - Current	42,343,369	92,595,748	111,506,839	18,911,092
3	Total Cash and Cash Equivalents	141,771,372	129,747,593	196,738,248	66,990,655
4	Unspent Conditional Transfers and Grants	26,295,373	21,850,118	44,009,411	22,159,293
5	Unspent Conditional Public Contributions	0	0	0	0
6	VAT Payable to SARS	0	0	0	0
7	Trade Payables	20,845,735	20,004,517	23,198,714	3,194,197
8	Consumer Deposits	16,019,843	16,239,700	16,239,700	0
9	Total Commitments	63,160,951	58,094,335	83,447,825	25,353,490
10	Surplus / (Shortfall)	80,238,793	66,523,936	113,290,423	41,637,165

3.3.5 Cash Commitments (R 83.4 million)

Total commitments (Row 9 in the Table above) increased by R 25.3 million during the month under review from R 58.1 million at the end of February 2026 to R 83.4 million at the end of March 2026. Cash and Cash Equivalents exceeded the Commitments by R 113.3 million at the end of March 2026 (Row 10 in the Table above).

3.3.6 Unpaid Conditional Grants (R 23.8 million)

Unpaid Conditional Grants (Row 5 in the Table below) reflects a total balance of R 23.8 million at the end of March 2026

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

Unpaid Conditional Grants						
Row Number	Description	Directorate	Opening Balance: 01/07/2025	Receipts: 01/07/2025 to 31/03/2026	Expenditure: 01/07/2025 to 31/03/2026	Closing Balance: 31/03/2026
Column Reference	A	B	C	D	E	F
1	Integrated Human Settlements Grant	Integrated Human Settlements	12,213,690	-16,721,966	25,072,368	20,564,112
2	Maintenance of Proclaimed Roads	Infrastructure	77,458	-68,729	74,705	83,434
3	SETA Grant	Planning and Development	44,775	-939,365	4,086,216	3,191,626
4	Library Services Grant	Community Services	1,277,780	-11,363,000	10,075,220	0
5	Total		13,613,703	-29,083,060	39,308,531	23,839,174

The respective Directorates are required to engage with the relevant institutions to recover the unpaid amounts, as un/underfunded mandates have a significant negative impact on the municipal cashflow.

3.3.7 Unspent Conditional Grants (R 44.0 million)

Unspent Conditional Grants (Row 17 in the Table below) reflects a total balance of R 44.0 million as at 31 March 2026. Directorates are to ensure full spending of their respective grants by the end of the 2025/2026 financial year, in order to avoid Roll-Over Grant applications which are not guaranteed to be approved.

Unspent Conditional Grants							
Row Number	Description	Directorate	Opening Balance: 01/07/2025	Receipts: 01/07/2025 to 31/03/2026	Expenditure: 01/07/2025 to 31/03/2026	Repayment of Unspent Grants	Closing Balance: 31/03/2026
Column Reference	A	B	C	D	E	F	G
1	Municipal Infrastructure Grant	Technical Services	8,646,887	27,765,000	-14,033,436	-4,849,348	17,728,103
2	Energy Efficiency Demand Side Management Grant	Electrical Services	56,884	0	0	0	56,884
3	Integrated National Electrification Programme	Electrical Services	8,822,614	6,077,000	-4,396,250	-6,822,614	1,680,750
4	Finance Management Capability Grant	Financial Services	1,047,339	0	-234,600	-144,000	668,739
5	Water Services Infrastructure Grant	Water Services	110,922	7,000,000	-6,995,755	-110,922	4,246
6	Disaster Response Grant	Planning and Development	331,731	0	0	0	331,731
7	Green Sebenza	Planning and Development	18,115	0	0	0	18,115
8	Neighbourhood Development Partnership Grant	Technical Services	5,740,117	20,000,000	-1,106,960	-5,740,117	18,893,040
9	Municipal Water Resilience Grant	Technical Services	4,773,076	2,500,000	-4,012,167	0	3,260,908
10	Municipal Electricity Resilience Grant	Technical Services	574,764	0	-498,018	0	76,746
11	Finance Management Grant	Financial Services	0	1,900,000	-729,564	0	1,170,436
12	EPWP	Planning and Development	0	1,461,000	-1,205,481	0	255,519
13	Neobank/SME Incubator Programme	Planning and Development	22,904	0	0	0	22,904
14	Community Development Worker's Grant	Corporate Services	0	40,000	-17,368	0	22,642
15	Chemical Industries Education and Training Authority	Corporate Services	604,871	621,000	-1,548,514	0	-322,643
16	Municipal Fire Service Capacity Support	Community Services	0	1,072,000	-931,708	0	140,292
17	Total		30,950,222	68,436,000	-35,709,811	-15,667,000	44,008,411

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

3.3.8 Trade Payables (R 23.1 million)

Trade Payables (Row 4 in the Table below) as at the end of March 2026 amounts to R 23.1 million.

Payables from Exchange Transactions					
Row Number	Description	January 2026	February 2026	March 2026	Movement (C to D)
Column Reference	A	B	C	D	E
1	Trade Creditors	4,116,451	3,541,494	5,350,537	1,809,043
2	Retentions	15,137,890	14,908,907	16,294,061	1,385,154
3	Sundry Creditors	1,591,395	1,554,117	1,554,117	0
4	Total	20,845,735	20,004,517	23,198,714	3,194,197

3.3.9 External Borrowings (R 264.0 million)

External Borrowings as at 31 March 2026 equates to R 264.0 million (Row 6 in the Table below) and are taken up to fund capital expenditure only.

External Borrowings					
Row Number	Description	January 2026	February 2026	March 2026	Movement (C to D)
Column Reference	A	B	C	D	E
1	Opening Balance	266,864,813	265,650,107	264,677,623	-972,484
2	New Loans Acquired	0	0	0	0
3	Interest Capitalised	384,797	111,535	238,852	127,317
4	Repayments	-1,599,503	-1,084,019	-877,399	206,620
5	Adjustments	0	0	0	0
6	Closing Balance	265,650,107	264,677,623	264,039,076	-638,547
7	Current Budgeted Operating Revenue (Conditional Operating Grants excluded) =	1,409,514,149			
8	Gearing Ratio =	18.7%			

External borrowings as a percentage of budgeted operating revenue (conditional operating grants excluded) equates to a gearing ratio of 18.7%, which is below the National Treasury benchmark of 45%.

3.3.10 Consumer Debtors (R 606.9 million)

Total outstanding debtors of R 606.9 million as at 31 March 2026 is presented by

Income Source, Customer Group and by Ward.

The total outstanding debtors has increased by R 6.8 million from R 600.1 million as at 28 February 2025 to R 606.9 million at 31 March 2026.

The total amount due by Organs of State of R 22.7 million and Businesses of R 210.9 million constitutes 38% of the total outstanding debtors of R 606.9 million.

As at 31/03/2026, the total amount of debt handed over to debt collection firms equates to R 71.5 million.

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

Debtor Age Analysis						
By Income Source						
Row Number Column Reference	Description A	0-30 Days B	31-60 Days C	61-90 Days D	Over 90 Days E	Total Outstanding Debtors F
1	Water	9,452,317	5,103,865	4,011,918	92,701,500	111,269,600
2	Electricity	30,492,812	8,602,261	5,847,188	114,363,315	159,305,576
3	Property Rates	24,929,227	8,804,701	6,213,852	128,090,852	168,038,732
4	Sanitation	3,889,091	2,339,381	2,041,495	77,983,675	86,253,642
5	Refuse	3,895,228	1,866,768	1,561,756	69,988,314	77,312,066
6	Other	523,968	174,199	157,801	3,870,571	4,726,539
7	Grand Total	73,182,643	26,891,175	19,833,910	486,998,227	606,905,955
8	% of Total Outstanding Debtors =	12.1%	4.4%	3.3%	80.2%	100.0%
By Customer Group						
Row Number Column Reference	Description A	0-30 Days B	31-60 Days C	61-90 Days D	Over 90 Days E	Total Outstanding Debtors F
9	Organs of State	3,186,008	2,275,654	1,838,363	15,416,218	22,716,233
10	Commercial	21,004,455	8,467,469	6,352,115	175,084,125	210,908,164
11	Households	48,992,180	16,148,052	11,643,442	296,497,884	373,281,558
12	Grand Total	73,182,643	26,891,175	19,833,910	486,998,227	606,905,955
13	% of Total Outstanding Debtors =	12.1%	4.4%	3.3%	80.2%	100.0%
By Ward						
Column Reference	A	B	C	D	E	F
14	Ward 1	8,703,624	2,167,725	1,767,603	34,316,626	46,955,577
15	Ward 2	4,402,560	1,686,268	1,119,262	27,812,510	35,020,600
16	Ward 3	2,495,118	1,456,472	1,215,175	46,663,715	51,830,480
17	Ward 4	1,727,763	1,396,400	1,263,869	53,536,474	57,924,506
18	Ward 5	7,126,096	2,771,704	1,870,472	43,397,161	55,165,433
19	Ward 6	1,332,447	694,615	536,838	18,672,730	21,436,631
20	Ward 7	1,952,098	2,119,613	1,786,290	49,363,219	55,221,220
21	Ward 8	981,456	616,041	627,270	38,756,902	40,991,669
22	Ward 9	22,739,087	5,789,162	3,321,083	51,340,261	83,189,593
23	Ward 10	20,866,076	7,596,908	5,800,924	102,482,138	136,746,046
24	Ward 11	795,203	554,402	481,906	17,053,813	18,885,324
25	Unknown Ward (Sundries/Hand over accounts)	47,777	41,154	43,292	3,390,553	3,522,776
26	Unknown Ward (Corrections to be made)	3,339	711	-74	12,126	16,102
27	Grand Total	73,182,643	26,891,175	19,833,910	486,998,227	606,905,955
28	% of Total Outstanding Debtors =	12.1%	4.4%	3.3%	80.2%	100.0%

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

3.3.11 Staff Debtors (R 1.7 million)

The Total Staff Debtors (Row 7 in Table below) equates to R 1.7 million as at 31 March 2026.

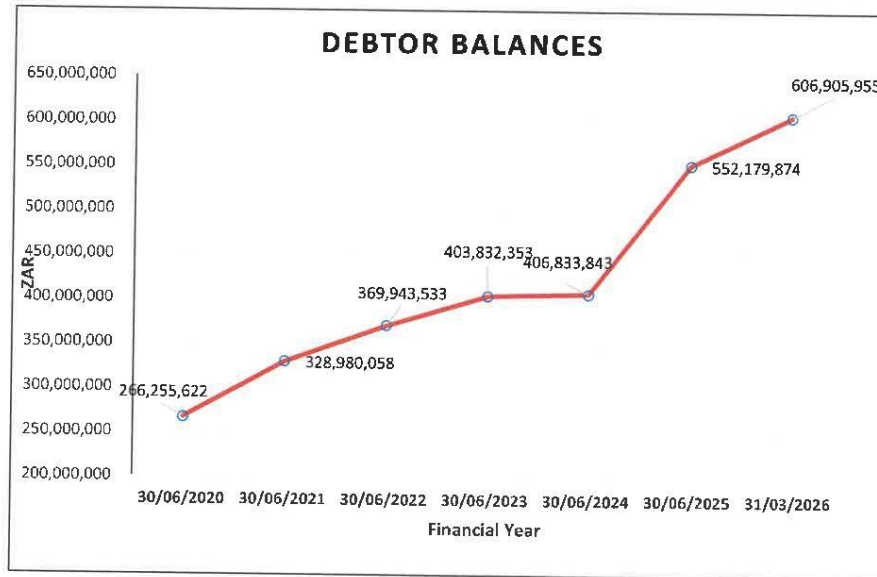
Staff Debtors Age Analysis						
By Income Source						
Row Number	Description	0-30 Days	31-60 Days	61-90 Days	Over 90 Days	Total Outstanding Staff Debtors
Column Reference	A	B	C	D	E	F
1	Water	66,901	11,284	6,524	479,040	563,749
2	Electricity	6,269	0	0	11,472	17,741
3	Property Rates	41,679	1,194	1,166	24,058	68,097
4	Sanitation	50,465	8,018	6,439	418,233	481,155
5	Refuse	45,818	5,259	5,257	244,943	301,277
6	Other	36,828	654	523	218,670	256,676
7	Grand Total	247,961	26,409	19,909	1,394,416	1,688,695
8	% of Total Outstanding Debtors =	14.7%	1.6%	1.2%	82.6%	100.0%

3.3.12 Councillors Debt (R2 thousand)

The Total Councillors Debt (Row 7 in the Table below) equates to R 2 thousand as at 31 March 2026. This is reported on a quarterly basis to the Speaker of Council.

Councillor Debtors Age Analysis						
By Income Source						
Row Number	Description	0-30 Days	31-60 Days	61-90 Days	Over 90 Days	Total Outstanding Councillor Debtors
Column Reference	A	B	C	D	E	F
1	Water	1,138	110	0	0	1,248
2	Electricity	561	3	0	0	564
3	Property Rates	4,212	118	0	0	4,330
4	Sanitation	814	410	202	35	1,461
5	Refuse	804	209	0	0	1,013
6	Other	0	0	0	-6,154	-6,154
7	Grand Total	7,529	850	202	-6,119	2,462
8	% of Total Outstanding Debtors =	305.8%	34.5%	8.2%	-248.5%	100.0%

Below is a graphical representation of the year-on-year outstanding debtor balances. It is clearly evident that the outstanding debtor balances have significantly increased year-on-year since June 2020.



3.3.13 Debtor Collection Rate (91.31%)

The overall Debtor Collection Rate as at 31 March 2026 equates to 91.31%, compared to the National Treasury norm of 95%. This percentage will progressively increase on a monthly basis until year-end.

Collection Rate	(Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance - Bad Debts Written Off) / Billed Revenue x 100	Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget, In-Year Reports, IDP and AR	95%	Gross Debtors closing balance 31/03/2026	91.31%
				Gross Debtors opening balance 01/07/2025	606,905,955
				Bad debts written Off	552,179,874
				Billed Revenue	12,206,539
					770,270,021

Important to note is that the matching principle is not applied when allocating payments received, as several payments could possibly relate to prior year debt.

3.3.14 Capital Expenditure per Directorate (31.2%)

The year-to-date actual capital expenditure of R 42.7 million (Row 9 in the Table below) equates to 31.2% (Row 10 in the Table below) of the total annual capital expenditure budget of R 137.0 million. Commitments of R 27.9 million (20.3%) and the year-to-date actual capital expenditure in total equates to R 70.6 million or 51.5% of the total capital expenditure budget.

As at 31 March 2026, being month 9 of the financial year, it would have been expected that total actual and commitments should have equated to 75% of the total

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

budget allocation of R137 million. As at 31 March 2026, 48.5% was not spent. This poses a huge risk as this contains grant-funded projects as well.

Capital Expenditure per Directorate									
Row Number Column Reference	Directorate	Original Budget (OB)	Current Budget	Year-to-Date Budget	Year-to-Date Actual Expenditure	Commitments	Year-to-Date Actual Expenditure and Commitments	Actual Expenditure and Commitments as a % of AB	Available Funds
	A	B	C	D	E	F	G	H	I
1	Executive and Council	84,700	84,700	20,452	39,694	12,500	52,194	0.0%	32,506
2	Corporate Services	1,050,000	1,943,931	349,823	343,145	395,112	738,257	38.0%	1,205,674
3	Financial Services	45,000	45,000	0	0	0	0	0.0%	45,000
4	Planning and Development	0	374,696	149,878	85,993	102,688	188,881	0.0%	185,815
5	Integrated Human Settlements	9,200,000	1,700,000	516,520	1,615,376	731,587	2,346,966	136.1%	-646,966
6	Community Services	20,618,120	18,295,321	9,573,008	9,802,675	7,098,447	16,901,122	92.4%	1,394,199
7	Electrical Services	16,495,652	19,071,062	6,289,682	4,859,159	7,363,383	12,022,522	63.0%	7,048,540
8	Technical Services	125,091,382	95,535,115	30,948,703	26,202,777	12,161,018	38,363,795	40.2%	57,171,320
9	Grand Total	172,584,854	137,048,825	47,848,066	42,748,821	27,854,915	70,613,736	51.5%	66,436,089
10	% of Adjusted Budget =				31.2%	20.3%	51.5%		48.5%

3.3.15 Capital Expenditure per Funding Source (31.2%)

The table below depicts the same financial information contained in the table above however, the table below categorises the capital expenditure by funding source.

Capital Expenditure per Funding Source									
Row Number Column Reference	Funding Source	Original Budget (OB)	Current Budget	Year-to-Date Budget	Year-to-Date Actual Expenditure	Commitments	Year-to-Date Actual Expenditure and Commitments	Actual Expenditure and Commitments as a % of AB	Available Funds
	A	B	C	D	E	F	G	H	I
1	National Government Grant	52,387,261	56,177,989	25,442,588	23,593,353	13,057,834	36,651,188	65.2%	19,526,801
2	Provincial Government Grant	11,245,913	7,396,850	4,971,361	5,503,707	626,766	6,332,473	85.6%	1,064,177
3	District Municipality Grant	0	0	0	0	0	0	0.0%	0
4	Borrowings	40,000,000	0	0	0	0	0	0.0%	0
5	Internally Generated Funds	68,951,680	73,475,188	17,434,137	13,651,761	13,978,315	27,630,075	37.6%	45,845,114
6	Grand Total	172,584,854	137,048,828	47,848,066	42,748,821	27,854,915	70,613,736	51.5%	66,436,092
7	% of Adjusted Budget =				31.2%	20.3%	51.5%		48.5%

The year-to-date actual and committed capital expenditure is funded by National and Provincial Government grants of 65.2% and 85.6% respectively; external borrowings of 0.0% and, internally generated funds of 37.6%.

Year-to-date actual capital expenditure of R 42.7 million (31.2%) and capital commitments of R 27.9 million (20.3%) of the total capital expenditure budget results in available funds of R 66.4 million (48.5%) which must be spent by 30 June 2026.

Appendix A (attached hereto) contains the capital expenditure by Directorate, Department and Project as at 31 March 2026.

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

3.4 mSCOA Implementation Status

National Treasury hosted workshops of the Regulations on the Minimum Business Process and System Requirements for mSCOA. The next mSCOA Technical Committee meeting is scheduled for 28 April 2026.

3.5 Cost Containment

Directorates are urged to implement cost cutting measures in accordance with the Cost Containment Policy and the Cost Containment Regulations.

The table below presents the budget, expenditure, and savings realised on the cost containment categories of expenditure to be reported.

Cost Containment									
Row Number	Expenditure Measures	Current Budget	Quarter 1 Expenditure	Quarter 2 Expenditure	Quarter 3 Expenditure	Quarter 4 Expenditure	Year-to-Date Expenditure	% of Approved Budget	Available Budgeted Expenditure
Column Reference	A	B	C	D	E	F	G	H	I
1	Use of Consultants	25,837,034	2,494,111	4,571,967	3,490,351	0	10,556,430	40.9%	15,280,604
2	Vehicles used for political office-bearers	0	0	0	0	0	0	0.0%	0
3	Travel and Subsistence	2,173,334	213,321	344,241	364,653	0	922,215	42.4%	1,251,119
4	Domestic Accommodation	791,775	34,288	99,134	120,238	0	253,660	32.0%	538,115
5	Sponsorships, Events and Catering	2,294,852	85,143	144,893	174,038	0	404,074	17.6%	1,890,778
6	Communication	500,000	155,255	97,318	205,428	0	458,000	0.0%	142,000
7	Other related expenditure items	0	0	0	0	0	0	0	0
8	Totals	31,696,965	2,982,118	5,257,554	4,354,708	0	12,594,380	39.7%	19,102,615

3.6 Conclusion

Continuous emphasis will be placed on collecting outstanding debt; implementing revenue realisation recommendations; and, reducing operating expenditure through cost containment measures. The Municipality must however understand that severe cost-cutting may potentially negatively impact the standards of service delivery.



DR RICHARD MARTIN
ACTING MUNICIPAL MANAGER
DATE: 16 APRIL 2026

MUNICIPAL MANAGER'S QUALITY CERTIFICATION

QUALITY CERTIFICATE

I, **Richard Martin**, the Acting Municipal Manager of Knysna Municipality, hereby certify that
-

X	The monthly budget statement
X	The quarterly report on the implementation of the budget and financial state of affairs of the municipality
	The mid-year budget and performance assessment

for the period ending 31 March 2026 of the 2025/2026 financial year has been prepared in accordance with the Municipal Finance Management Act and Regulations made under that Act.



DR RICHARD MARTIN
ACTING MUNICIPAL MANAGER
DATE: 16 APRIL 2026

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

PART 2: IN-YEAR BUDGET STATEMENT SCHEDULES

Table C1: Monthly Budget Statement Summary

WC048 Knyene - Table C1 Monthly Budget Statement Summary - M09 March

Description	2024/25	Budget Year 2025/26						
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
Financial Performance								
Property rates	348,305	382,040	369,723	20,981	209,071	268,076	985	0%
Service charges	566,735	704,219	698,234	53,227	489,521	487,621	1,901	0%
Investment revenues	1,300	4,926	8,429	717	8,406	8,154	252	3%
Transfers and subsidies - Donations	152,071	185,382	177,053	31,196	181,192	182,741	(1,549)	(0)
Other own revenue	195,148	197,182	201,220	34,290	131,664	104,002	27,162	26%
Total Revenue (including capital transfers and contributions)	1,260,567	1,433,458	1,448,659	148,382	1,079,854	1,056,123	23,730	2%
Employment costs	338,841	374,678	375,153	26,562	250,681	250,031	650	0%
Remuneration of Councilors	9,884	11,526	10,826	829	7,450	7,422	28	0%
Interest	57,820	86,548	227,444	3,320	37,304	34,755	2,548	7%
Inventory, consumables and bulk purchases	38,025	29,426	28,211	247	15,563	15,448	115	1%
Transfer and subsidies	368,178	483,737	414,300	27,967	260,042	261,833	(1,791)	(0%)
Other expenditure	1,561	3,655	15,187	1,025	5,564	4,918	646	13%
Total Expenditure	361,097	370,375	413,410	31,774	221,188	233,371	(12,062)	-13%
Surplus/(Deficit)	1,175,165	1,262,374	1,488,690	91,721	798,671	822,373	(23,302)	-4%
Transfers and subsidies - capital (primary)	90,481	171,684	(50,031)	58,681	281,782	228,750	53,032	23%
Transfers and subsidies - capital (secondary)	40,904	63,633	64,523	5,914	28,255	34,021	(5,765)	-17%
Surplus/(Deficit) after capital transfers & contributions	129,574	234,717	14,493	62,574	310,035	262,771	47,264	16%
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	129,574	234,717	14,493	62,574	310,035	262,771	47,264	16%
Capital expenditure & funds sources								
Capital expenditure	-	-	-	-	-	-	-	-
Capital transfers recognised	-	63,633	63,575	5,308	26,719	30,414	(3,695)	-12%
Borrowing	-	40,000	-	-	-	-	-	-
Internally generated funds	-	68,923	73,475	1,406	13,839	17,424	(3,584)	-20%
Total sources of capital funds	-	172,556	137,050	7,345	42,748	47,848	(5,099)	-11%
Financial position								
Total current assets	450,103	301,155	455,220	-	478,634	-	-	-
Total non current assets	1,564,148	1,461,480	1,462,064	-	1,568,137	-	-	-
Total current liabilities	447,345	258,913	391,828	-	402,437	-	-	-
Total non current liabilities	409,595	434,557	338,653	-	361,585	-	-	-
Community wealth/Equity	1,133,908	1,369,164	1,186,803	-	1,172,311	-	-	-
Cash flows								
Net cash from (used) operating	(14,801)	322,880	243,317	31,234	21,987	201,497	179,511	89%
Net cash from (used) investing	(55,836)	(197,473)	(164,210)	12,300	(28,304)	(53,410)	(25,106)	47%
Net cash from (used) financing	(56,814)	(50,673)	(50,673)	(639)	(28,310)	-	28,240	100%
Cash/cash equivalents at the month/year end	(107,649)	98,264	144,433	42,895	71,373	227,588	156,215	69%
Debtors & creditors analysis								
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Days-1 Yr	Over 1Yr
Debtors Age Analysis								
Total By Income Source	73,163	25,801	19,884	15,272	14,156	12,572	122,397	322,602
Creditors Age Analysis								
Total Creditors	5,031	38	-	-	-	-	20	250

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

Table C2: Financial Performance (Standard Classification)

WC048 Knysna - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M09 March

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
Governance and administration		405,383	413,881	428,834	51,112	358,437	339,660	18,777	6%	428,834
Executive and council		4,835	6,031	6,031	19,888	23,661	5,031	18,630	370%	6,031
Finance and administration		400,548	407,850	422,803	31,225	334,776	334,629	147	0%	422,803
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		137,139	152,507	146,090	11,547	78,738	74,680	4,058	5%	146,090
Community and social services		11,841	14,050	13,685	(299)	11,727	12,889	(1,162)	-9%	13,685
Sport and recreation		1,587	1,664	1,584	11	1,086	1,191	(105)	-9%	1,584
Public safety		87,621	103,533	104,552	8,712	40,925	34,339	6,586	19%	104,552
Housing		26,091	33,260	26,269	3,122	24,999	26,260	(1,261)	-5%	26,269
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		34,807	34,925	34,728	2,289	14,920	18,974	(4,054)	-21%	34,728
Planning and development		10,499	9,258	9,642	1,214	7,471	7,050	420	6%	9,642
Road transport		21,926	24,566	24,754	1,076	7,449	11,808	(4,359)	-37%	24,754
Environmental protection		2,382	1,072	332	-	-	115	(115)	-100%	332
Trading services		739,052	895,779	903,530	89,346	656,015	656,830	(815)	0%	903,530
Energy sources		442,781	518,744	520,085	52,598	389,740	386,809	2,930	1%	520,085
Water management		157,191	170,299	174,258	17,213	133,343	134,637	(1,295)	-1%	174,258
Waste water management		77,101	134,433	127,859	11,395	70,494	73,121	(2,626)	-4%	127,859
Waste management		61,979	72,303	81,528	8,140	62,438	62,263	175	0%	81,528
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	1,316,382	1,497,091	1,513,183	154,295	1,108,110	1,090,144	17,965	2%	1,513,183
Expenditure - Functional										
Governance and administration		191,191	239,463	238,921	18,954	161,081	143,229	7,852	5%	238,921
Executive and council		17,983	35,014	23,535	1,316	10,636	10,397	239	2%	36,322
Finance and administration		167,938	196,247	209,619	17,329	137,429	129,865	7,564	6%	196,718
Internal audit		5,270	8,202	5,787	310	3,016	2,968	48	2%	5,537
Community and public safety		247,493	229,853	248,002	15,378	137,815	173,845	(35,831)	-21%	248,252
Community and social services		21,491	20,672	23,608	1,910	17,951	17,129	822	5%	23,858
Sport and recreation		23,883	28,392	25,927	1,849	19,807	19,170	638	3%	25,927
Public safety		160,913	136,246	147,715	7,799	64,255	103,376	(39,121)	-38%	147,715
Housing		41,206	44,543	50,752	3,820	35,801	33,971	1,830	5%	50,752
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		85,156	99,472	117,527	8,026	64,020	64,687	(667)	-1%	117,527
Planning and development		39,586	46,467	66,100	3,258	34,337	33,755	581	2%	66,100
Road transport		41,554	48,130	47,508	2,546	27,359	28,230	(871)	-3%	47,508
Environmental protection		4,015	4,875	3,919	223	2,326	2,702	(378)	-14%	3,919
Trading services		647,601	693,586	874,741	51,363	445,156	445,811	(655)	0%	874,835
Energy sources		382,082	430,643	439,756	30,881	156,943	159,836	1,107	1%	439,850
Water management		107,001	102,603	111,189	10,139	179,815	177,913	1,902	1%	111,189
Waste water management		86,525	93,056	242,693	4,744	53,372	55,275	(1,903)	-3%	242,693
Waste management		71,993	67,284	81,103	5,819	55,025	56,787	(1,762)	-3%	81,103
Other		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	1,171,441	1,262,374	1,479,191	91,721	798,071	827,373	(29,302)	-4%	1,479,191
Surplus/(Deficit) for the year		144,941	234,717	33,992	62,574	310,038	262,771	47,268	0.179881	33,992

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

Table C3: Financial Performance (Revenue and Expenditure by Municipal Vote)

WC048 Knysna - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M09 March

Vote Description		Ref	2024/25	Budget Year 2025/26							
			Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands											
Revenue by Vote											
Vote 1 - EXECUTIVE AND COUNCIL (31: IE)		1	-	-	-	-	-	-	-	-	-
Vote 2 - CORPORATE SERVICES (32: IE)			574	-	10,353	-	4,086	5,448	(1,362)	-25.0%	10,353
Vote 3 - COMMUNITY SERVICES (33: IE)			400	-	5	-	5	5	-	-	5
Vote 4 - FINANCIAL SERVICES (34: IE)			49	-	-	-	-	-	-	-	-
Vote 5 - OPERATING SERVICES (35: IE)			7,235	-	992	-	-	379	(379)	-100.0%	992
Vote 6 - (50: IE)			-	-	-	-	-	-	-	-	-
Vote 7 - 1. Executive AND Council (110: IE)			4,835	6,031	6,031	19,888	23,661	5,031	18,630	370.3%	6,031
Vote 8 - 2. Corporate (120: IE)			7,415	9,421	8,787	885	5,802	5,796	6	0.1%	8,787
Vote 9 - 3. Finance (130: IE)			369,538	381,741	386,975	26,167	308,199	306,697	1,503	0.5%	386,975
Vote 10 - (140: IE)			-	-	-	-	-	-	-	-	-
Vote 11 - 5. Planning (150: IE)			7,957	8,810	8,503	1,109	6,397	6,211	185	3.0%	8,503
Vote 12 - 6. Community (160: IE)			194,140	214,068	223,035	20,372	136,748	131,670	5,078	3.9%	223,035
Vote 13 - 7. Electricity (170: IE)			442,755	518,744	519,510	52,100	389,242	386,809	2,432	0.6%	519,510
Vote 14 - 8. Community (180: IE)			247,787	325,017	321,076	26,950	207,268	215,408	(8,139)	-3.8%	321,076
Vote 15 - 9. Technical (180: IE)			-	-	-	-	-	-	-	-	-
Vote 16 - 9. Housing Services (190: IE)			26,081	33,260	26,269	3,122	24,999	25,260	(1,261)	-4.8%	26,269
Total Revenue by Vote		2	1,308,866	1,497,091	1,511,536	152,594	1,106,408	1,089,716	16,693	1.5%	1,511,536
Expenditure by Vote											
Vote 1 - EXECUTIVE AND COUNCIL (31: IE)		1	16,370	-	27	60	71	9	62	678.5%	27
Vote 2 - CORPORATE SERVICES (32: IE)			658	-	35	6	634	-	634	#DIV/0!	35
Vote 3 - COMMUNITY SERVICES (33: IE)			748	51,026	51,536	(219)	(1,727)	38,623	(40,350)	-104.5%	51,536
Vote 4 - FINANCIAL SERVICES (34: IE)			45,623	28,274	30,171	3,038	22,644	22,274	369	1.7%	30,171
Vote 5 - OPERATING SERVICES (35: IE)			52,589	48,320	197,492	4,428	32,175	36,174	(3,998)	-11.1%	197,531
Vote 6 - (50: IE)			-	2,646	2,846	-	-	-	-	-	2,846
Vote 7 - 1. Executive AND Council (110: IE)			27,881	47,732	45,348	1,973	17,856	17,631	225	1.3%	44,868
Vote 8 - 2. Corporate (120: IE)			63,160	82,406	77,601	8,122	51,394	46,389	4,978	10.7%	77,631
Vote 9 - 3. Finance (130: IE)			23,037	64,466	65,428	4,546	47,168	46,018	1,150	2.5%	65,334
Vote 10 - (140: IE)			4,220	7,500	7,467	550	3,148	2,491	655	26.3%	7,126
Vote 11 - 5. Planning (150: IE)			522,246	571,797	589,690	39,948	347,652	343,305	4,348	1.3%	590,088
Vote 12 - 6. Community (160: IE)			284,550	208,538	233,690	17,088	164,109	163,015	1,093	0.7%	233,940
Vote 13 - 7. Electricity (170: IE)			17,294	31,256	39,604	3,397	22,339	21,293	1,045	4.9%	39,604
Vote 14 - 8. Community (180: IE)			86,629	85,145	93,454	6,377	69,476	59,758	(282)	-0.5%	93,454
Vote 15 - 9. Technical (180: IE)			-	-	-	-	-	-	-	-	-
Vote 16 - 9. Housing Services (190: IE)			25,713	33,069	34,448	2,326	26,798	25,862	936	3.6%	34,448
Total Expenditure by Vote		2	1,170,917	1,262,374	1,468,838	91,640	793,904	822,840	(28,936)	-3.6%	1,468,838
Surplus/ (Deficit) for the year		2	137,949	234,717	42,698	60,954	312,504	266,875	45,628	17.1%	42,698

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

Table C4: Financial Performance (Revenue and Expenditure)

WC048 Knysna - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M09 March										
Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		397,816	465,782	463,597	41,750	340,591	336,014	4,487	1%	463,224
Service charges - Water		59,353	112,803	112,838	5,758	80,441	82,869	(2,428)	-3%	112,787
Service charges - Waste Water Management		31,708	79,041	67,110	2,580	30,011	30,413	(401)	-1%	67,110
Service charges - Waste management		37,860	46,612	56,691	2,739	38,567	38,328	239	1%	56,691
Sale of Goods and Rendering of Services		25,434	32,753	34,328	2,880	28,483	31,750	(2,267)	-7%	34,329
Agency services		3,863	4,038	4,180	354	3,280	3,282	(1)	0%	4,180
Interest		—	—	—	—	—	—	—	—	—
Interest earned from Receivables		29,520	29,324	33,040	2,499	22,019	22,002	17	0%	33,040
Interest from Current and Non Current Assets		5,308	4,626	8,429	717	8,406	8,164	242	3%	8,429
Dividends		—	—	—	—	—	—	—	—	—
Rent on Land		—	—	—	—	—	—	—	—	—
Rental from Fixed Assets		7,758	8,583	7,405	81	4,530	5,529	(1,100)	-20%	7,405
Licence and permits		320	385	235	11	92	83	9	11%	235
Special rating levies		—	—	—	—	—	—	—	—	—
Operational Revenue		6,197	4,624	4,822	782	3,798	3,137	661	21%	5,244
Non-Exchange Revenue										
Property rates		348,306	362,649	362,728	23,981	269,071	288,076	895	0%	362,723
Surcharges and Taxes		—	—	—	—	—	—	—	—	—
Fines, penalties and forfeits		97,190	103,207	103,208	8,043	40,171	33,816	6,354	15%	103,209
Licence and permits		1,478	1,457	1,214	150	995	937	57	6%	1,214
Transfers and subsidies - Operational		153,071	166,382	177,053	36,196	161,192	162,761	(1,569)	-1%	177,053
Interest		11,093	11,811	11,341	829	8,227	8,423	(196)	-2%	11,341
Fuel Levy		—	—	—	—	—	—	—	—	—
Operational Revenue		—	—	—	—	—	—	—	—	—
Gains on disposal of Assets		—	1,000	1,000	18,630	18,630	—	18,630	#DIV/0!	1,000
Other Gains		8,496	—	441	—	441	441	—	—	441
Discontinued Operations										
Total Revenue (excluding capital transfers and contributions)										
		1,288,567	1,433,658	1,448,659	148,382	1,078,854	1,056,123	23,730	2%	1,448,659
Expenditure By Type										
Employee related costs		338,641	374,678	379,153	26,562	250,881	250,031	650	0%	379,153
Remuneration of councillors		9,684	11,826	10,826	828	7,430	7,422	8	0%	10,826
Bulk purchases - electricity		328,888	357,093	368,230	24,338	235,750	238,422	(2,672)	-1%	368,230
Inventory consumed		36,190	46,694	48,131	3,623	24,591	23,106	1,485	6%	48,104
Debt Impairment		126,820	119,549	121,244	6,744	50,529	50,533	(40)	-4%	121,244
Depreciation and amortisation		57,820	68,548	237,444	3,320	37,304	34,755	2,548	7%	237,444
Interest		38,028	29,426	28,231	247	15,563	15,448	115	1%	28,231
Contracted services		149,112	152,032	173,699	18,527	103,606	94,204	9,402	10%	173,699
Transfers and subsidies		1,861	3,035	15,157	1,025	5,564	4,918	646	13%	14,907
Irrecoverable debts written off		—	9,404	8,548	—	—	4,277	(4,277)	-100%	8,548
Operational costs		81,873	83,380	103,828	8,499	67,063	63,857	3,196	5%	104,311
Losses on Disposal of Assets		279	—	—	—	—	—	—	—	—
Other Losses		3,214	—	—	—	—	—	—	—	—
Total Expenditure										
		1,175,106	1,262,374	1,408,890	91,721	798,071	827,373	(28,302)	-4%	1,408,890
Surplus/(Deficit)										
Surplus/(Deficit)		83,461	171,064	(50,091)	56,661	281,782	228,750	53,032	0	(80,031)
Transfers and subsidies - capital (monetary allocations)		46,904	63,633	64,523	5,914	28,256	34,021	(5,765)	(9)	64,523
Transfers and subsidies - capital (in-kind)		(850)	—	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers & contributions		139,575	234,717	14,493	62,574	310,038	262,771	47,268	0	14,493
Income Tax		—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after Income tax		139,575	234,717	14,493	62,574	310,038	262,771	47,268	0	14,493
Share of Surplus/Deficit attributable to Joint Venture		—	—	—	—	—	—	—	—	—
Share of Surplus/Deficit attributable to Minorities		—	—	—	—	—	—	—	—	—
Surplus/(Deficit) attributable to municipality		139,575	234,717	14,493	62,574	310,038	262,771	47,268	0	14,493
Share of Surplus/Deficit attributable to Associate		—	—	—	—	—	—	—	—	—
Intercompany/Parent subsidiary transactions		—	—	—	—	—	—	—	—	—
Surplus/(Deficit) for the year		139,575	234,717	14,493	62,574	310,038	262,771	47,268	0	14,493

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

Table C5: Capital Expenditure (Municipal Vote, Standard Classification and Funding)

WC048 Knyana - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M09 March

Vote Description	Ref	2024/25		Budget Year 2025/26		Monthly actual	YearTD actual	YearTD budget	YTD Variance	YTD variance %	Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual						
R thousands	1										
Multi-Year expenditure appropriation	2										
Vote 17 - CAPITAL SUSPENSE (28: CAPEX)		-	-	-	-	-	-	-	-	-	-
Vote 18 - 1. Executive AND Council (110: CAPEX)		-	-	-	-	-	-	-	-	-	-
Vote 19 - 2. Corporate (120: CAPEX)		-	-	-	-	-	-	-	-	-	-
Vote 20 - 3. Finance (130: CAPEX)		-	-	-	-	-	-	-	-	-	-
Vote 21 - 5. Planning (150: CAPEX)		-	-	-	-	-	-	-	-	-	-
Vote 22 - 6. Community (160: CAPEX)		-	-	-	-	-	-	-	-	-	-
Vote 23 - 7. Electricity (170: CAPEX)		-	-	-	-	-	-	-	-	-	-
Vote 24 - 8. Technical (180: CAPEX)		-	-	-	-	-	-	-	-	-	-
Vote 25 - 9. Housing Services (190: CAPEX)		-	-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-	-	-	-
Single Year expenditure appropriation	2										
Vote 17 - CAPITAL SUSPENSE (28: CAPEX)		-	-	16,199	247	1,339	3,495	(2,156)	-62%		16,092
Vote 18 - 1. Executive AND Council (110: CAPEX)		-	85	85	1	40	20	19	94%		86
Vote 19 - 2. Corporate (120: CAPEX)		-	1,050	1,944	75	343	350	(7)	-2%		1,958
Vote 20 - 3. Finance (130: CAPEX)		-	45	45	-	-	-	-	-		45
Vote 21 - 5. Planning (150: CAPEX)		-	1,050	5,307	1,423	2,848	1,939	709	37%		5,307
Vote 22 - 6. Community (160: CAPEX)		-	20,618	17,371	1,622	9,226	8,996	230	3%		17,498
Vote 23 - 7. Electricity (170: CAPEX)		-	16,496	16,790	-	4,247	5,909	(1,662)	-36%		16,790
Vote 24 - 8. Technical (180: CAPEX)		-	124,041	76,650	3,905	23,518	26,851	(3,333)	-12%		76,844
Vote 25 - 9. Housing Services (190: CAPEX)		-	9,200	500	173	1,387	289	1,098	351%		500
Total Capital single-year expenditure	4	-	172,585	137,050	7,345	42,749	47,848	(5,099)	-11%		137,050
Total Capital Expenditure		-	172,585	137,050	7,345	42,749	47,848	(5,099)	-11%		137,050
Capital Expenditure - Functional Classification											
Governance and administration		-	2,160	3,090	77	797	858	(68)	-6%		3,096
Executive and council		-	85	85	1	40	20	19	94%		86
Finance and administration		-	2,065	3,005	76	757	845	(88)	-10%		3,010
Internal audit		-	-	-	-	-	-	-	-		-
Community and public safety		-	19,618	10,130	1,794	6,258	4,930	1,329	27%		10,332
Community and social services		-	1,213	1,004	-	360	184	176	96%		610
Sport and recreation		-	743	3,110	-	2,782	3,375	(593)	-18%		3,800
Public safety		-	8,462	5,596	1,622	1,728	1,082	646	60%		5,422
Housing		-	9,200	500	173	1,387	289	1,098	351%		500
Health		-	-	-	-	-	-	-	-		-
Economic and environmental services		-	39,156	20,230	2,102	8,477	8,332	145	2%		20,224
Planning and development		-	500	419	40	129	84	45	54%		413
Road transport		-	38,656	28,437	2,063	8,252	8,096	156	2%		28,437
Environmental protection		-	-	375	-	86	150	(64)	-43%		375
Trading services		-	111,831	94,580	3,372	27,216	33,720	(6,504)	-19%		94,397
Energy sources		-	15,496	15,071	211	4,248	5,784	(1,547)	-27%		15,071
Water management		-	64,136	53,066	2,900	17,284	21,541	(4,247)	-20%		53,066
Waste water management		-	21,800	14,737	261	744	1,454	(709)	-48%		14,797
Waste management		-	10,200	8,648	-	4,832	4,932	-	-		8,463
Other		-	-	-	-	-	-	-	-		-
Total Capital Expenditure - Functional Classification	3	-	172,585	137,050	7,345	42,749	47,848	(5,099)	-11%		137,050
Funded by:											
National Government		-	52,397	56,178	3,437	24,215	25,443	(1,228)	-5%		56,178
Provincial Government		-	11,246	7,397	2,472	5,504	4,971	532	11%		7,397
Disaster Municipality		-	-	-	-	-	-	-	-		-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm		-	-	-	-	-	-	-	-		-
Agencies, Households, Non-profit Institutions, Private Enterprises, Public		-	-	-	-	-	-	-	-		-
Corporations, Higher Educ Institutions)		-	-	-	-	-	-	-	-		-
Transfers recognised - capital		-	63,633	63,575	5,908	28,719	30,414	(1,695)	-2%		63,575
Borrowing		-	40,000	-	-	-	-	-	-		-
Internally generated funds	6	-	68,952	73,475	1,436	13,030	17,434	(4,404)	-25%		73,475
Total Capital Funding		-	172,585	137,050	7,345	42,749	47,848	(5,099)	-11%		137,050

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

Table C6: Financial Position

WC048 Knysna - Table C6 Monthly Budget Statement - Financial Position - M09 March

Description	Ref	2024/25	Budget Year 2025/26			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		106,001	90,724	106,475	196,738	106,475
Trade and other receivables from exchange transactions		64,465	66,862	65,844	122,087	65,844
Receivables from non-exchange transactions		100,564	92,286	100,564	126,058	100,564
Current portion of non-current receivables		4	4	4	(60)	4
Inventory		8,962	12,045	10,653	11,466	10,653
VAT		170,244	38,821	171,817	222,940	171,817
Other current assets		(137)	413	(137)	(495)	(137)
Total current assets		450,103	301,155	455,220	678,634	455,220
Non current assets						
Investments		3,423	3,176	3,423	3,698	3,423
Investment property		67,370	67,389	67,201	67,234	67,201
Property, plant and equipment		1,474,847	1,572,613	1,373,057	1,476,798	1,373,057
Biological assets		-	-	-	-	-
Living and non-living resources		-	-	-	-	-
Heritage assets		14,613	14,613	14,613	14,613	14,613
Intangible assets		34	34	(80)	32	(90)
Trade and other receivables from exchange transactions		-	-	-	-	-
Non-current receivables from non-exchange transactions		(8)	(8)	(8)	(8)	(8)
Other non-current assets		3,869	3,672	3,869	3,869	3,869
Total non current assets		1,564,148	1,661,489	1,462,064	1,568,137	1,462,064
TOTAL ASSETS		2,014,252	1,962,644	1,917,284	2,246,771	1,917,284
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Financial liabilities		47,885	(3,702)	(3,357)	47,319	(3,357)
Consumer deposits		15,872	15,538	15,872	16,294	15,872
Trade and other payables from exchange transactions		180,207	210,196	172,935	53,951	172,935
Trade and other payables from non-exchange transactions		11,806	(11,491)	11,716	13,293	11,716
Provision		38,953	40,758	44,961	46,717	44,961
VAT		146,749	7,615	149,701	224,864	149,701
Other current liabilities		5,877	-	-	-	-
Total current liabilities		447,349	258,913	391,828	402,437	391,828
Non current liabilities						
Financial liabilities		253,199	305,629	202,618	225,465	202,618
Provision		44,431	35,481	38,515	38,038	38,515
Long term portion of trade payables		-	-	-	-	-
Other non-current liabilities		102,879	93,257	97,220	98,492	97,220
Total non current liabilities		400,509	434,367	338,353	361,995	338,353
TOTAL LIABILITIES		847,858	693,280	730,181	764,432	730,181
NET ASSETS	2	1,166,394	1,269,364	1,186,803	1,482,339	1,186,803
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		1,031,029	1,269,164	1,186,803	1,172,311	1,186,803
Reserves and funds		-	-	-	-	-
Other		102,879	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	1,133,908	1,269,164	1,186,803	1,172,311	1,186,803

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

Table C7: Cash Flow

WC048 Knyana - Table C7 Monthly Budget Statement - Cash Flow - M09 March

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		335,153	354,137	334,833	24,423	199,439	251,200	(51,761)	-21%	334,933
Service charges		578,775	657,391	749,314	19,132	170,567	591,985	(391,478)	-70%	749,314
Other revenue		125,003	292,212	201,019	41,146	382,406	130,705	231,639	154%	201,019
Transfers and Subsidies - Operational		189,383	170,274	189,540	37,211	212,748	142,156	70,594	50%	189,540
Transfers and Subsidies - Capital		59,364	63,633	64,523	25,485	48,342	48,393	949	2%	64,523
Interest		948	45,781	52,810	3,192	5,845	41,450	(34,605)	-83%	52,810
Dividends								-		
Payments										
Suppliers and employees		(1,239,408)	(1,227,644)	(1,303,881)	(118,815)	(683,810)	(980,745)	(28,065)	2%	(1,233,881)
Interest		(37,378)	(29,426)	(28,234)	(235)	(15,489)	(21,173)	5,684	-27%	(28,231)
Transfers and Subsidies		(1,551)	(3,635)	(18,710)	-	-	(12,533)	12,533	-100%	(18,710)
NET CASH FROM/(USED) OPERATING ACTIVITIES		(14,801)	322,503	243,917	31,334	21,937	201,497	179,511	89%	243,917
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	1,000	1,000	18,830	18,830	750	17,880	2384%	1,000
Decrease (increase) in non-current receivables		-	-	-	(20)	(175)	-	(175)	#DIV/0!	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-
Payments										
Capital assets		(59,838)	(198,473)	(155,210)	(8,311)	(46,753)	(54,160)	7,401	-14%	(155,210)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(59,838)	(197,473)	(154,210)	12,300	(28,304)	(53,410)	(25,190)	47%	(154,210)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans										
Borrowing long term/financing										
Increase (decrease) in consumer deposits										
Payments										
Repayment of borrowing		(56,614)	(50,875)	(50,875)	(839)	(28,310)	-	(28,310)	#DIV/0!	(50,875)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(56,614)	(50,875)	(50,875)	(839)	(28,310)	-	28,310	#DIV/0!	(50,875)
NET INCREASE/ (DECREASE) IN CASH HELD										
Cash/cash equivalents at beginning		(191,253)	74,855	38,432	42,895	(34,828)	149,088			38,432
Cash/cash equivalents at month/year end		23,809	23,609	106,001	-	106,001	79,501	28,500		106,001
		(107,645)	98,264	144,433	42,895	71,373	227,568			144,433

Note: The figures contained in the above schedule is incorrect the correct Cash and Cash Equivalent balance as at 31 March 2026 amounts to R 196,738,248 (Refer to C6 Statement of Financial Position)

Supporting Table SC3: Debtors Age Analysis

WC048 Knysna - Supporting Table SC3 Monthly Budget Statement - aged debtors - M09 March

Description		Budget Year 2025/26										Income Statement		
R thousands	NT Code	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Days-1 Yr	Over 1Yr	Total	Total over 90 days	Debits Written Off against Debtors	Bad Debts i.to Council	
Debtors Age Analysis By Income Source														
	Trade and Other Receivables from Exchange Transactions - Water	1200	9,462	5,104	4,012	2,675	2,617	2,032	25,036	60,341	111,270	92,702	-	
	Trade and Other Receivables from Exchange Transactions - Electricity	1300	30,453	8,602	5,947	4,659	4,321	3,948	22,910	79,625	159,305	144,363	-	
	Receivables from Non-exchange Transactions - Property Rates	1400	24,929	8,895	6,214	4,555	3,594	3,711	45,353	70,437	188,039	128,091	-	
	Receivables from Exchange Transactions - Waste Water Management	1500	3,889	2,339	2,041	1,879	1,796	1,726	9,192	63,391	86,254	77,964	-	
	Receivables from Exchange Transactions - Waste Management	1600	3,885	1,867	1,562	1,374	1,310	1,148	18,122	48,033	77,372	69,988	-	
	Receivables from Exchange Transactions - Property Rental Debtors	1700	356	63	52	41	36	21	1,182	7,203	8,955	8,483	-	
	Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	
	Recoverable unauthorised, irregular, fullless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	
	Other	1900	168	111	105	88	82	84	562	(5,428)	(4,228)	(4,613)	-	
	Total By Income Source	2000	73,183	26,691	19,834	15,272	14,156	12,572	122,397	322,602	606,906	488,988	-	
	2024/25 - totals only		62,811	24,040	15,136	13,550	11,277	11,215	138,102	248,930	525,060	423,073	-	
Debtors Age Analysis By Customer Group														
	Organs of State	2200	3,186	2,275	1,638	1,237	895	937	7,220	5,128	22,716	15,416	-	
	Commercial	2300	21,004	8,467	6,352	5,504	5,678	4,854	39,499	119,553	210,508	175,084	-	
	Households	2400	48,992	16,148	11,643	8,531	7,586	6,781	75,678	197,922	373,282	266,488	-	
	Other	2500	-	-	-	-	-	-	-	-	-	-	-	
	Total By Customer Group	2600	73,183	26,691	19,834	15,272	14,156	12,572	122,397	322,602	606,906	488,988	-	

Supporting Table SC4: Creditors Age Analysis

WC048 Knysna - Supporting Table SC4 Monthly Budget Statement - aged creditors - M09 March

Description	NT Code	Budget Year 2025/26									Total	Prior year totals for chart (same)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year			
R thousands												
Creditors Age Analysis By Customer Type												
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	5,031	39	-	-	-	-	20	260	5,351	3,581	-
Auditor General	0800	-	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-	-
Medical Aid deductions	0950	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	5,031	39	-	-	-	-	20	260	5,351	3,581	-

Supporting Table SC5: Investment Portfolio

WC048 Khyana - Supporting Table SC5 Monthly Budget Statement - Investment Portfolio - M09 March

R thousands	Investments by maturity Name of institution & Investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/No)	Variable or Fixed Interest rate	Interest Rate *	Commisio n Paid (Rands)	Commisio n Recipient	Expiry date of Investment	Opening balance	Period / Premature Withdrawal (4)	Investment Top Up	Closing Balance
			Yrs/Months											
Municipality														
Investor - (Credited to DSSA)		021941-500	Call	Call Deposit	Call Deposit	Call Deposit	7.25%	-	-	Call Deposit	3,578	23	-	3,597
Investor - (Own Funds)		021941-503	Call	Call Deposit	Call Deposit	Call Deposit	7.25%	-	-	Call Deposit	24	0	-	24
Standard Bank - (Own Funds)		285957420-031	Fixed	Fixed	Fixed	Fixed	8.25%	-	-	Fixed	-	-	-	0
Standard Bank - (Own Funds)		285957420-032	Fixed	Fixed	Fixed	Fixed	8.35%	-	-	Fixed	-	-	-	-
Standard Bank - (Own Funds)		285957420-035	Fixed	Fixed	Fixed	Fixed	7.35%	-	-	Fixed	50,000	-	-	50,000
Standard Bank - (Own Funds)		285957420-034	Fixed	Fixed	Fixed	Fixed	7.55%	-	-	Fixed	-	-	-	-
Standard Bank - (Own Funds)		285957420-033	Call	Call Deposit	Call Deposit	Call Deposit	8.15%	-	-	Call Deposit	26,931	187	-	27,118
Standard Bank - (Own Funds)		285957420-036	Fixed	Fixed	Fixed	Fixed	7.45%	-	-	Fixed	-	-	-	18,630
Standard Bank - (Own Funds)		338558115-011	Call	Call Deposit	Call Deposit	Call Deposit	8.60%	-	-	Call Deposit	15,611	94	-	15,735
Municipality sub-total											96,173	381	-	115,104
Entities sub-total											-	-	-	-
TOTAL INVESTMENTS AND INTEREST		2									96,173	381	-	115,104

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

Supporting Table SC6: Transfers and Grant Receipts

WC048 Knysna - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M09 March

Description	Ref	2024/25	Budget Year 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		149,972	150,647	151,184	35,310	144,238	145,128	(890)	-0.6%	151,184
Equitable Share		130,576	137,308	137,908	34,477	137,808	137,908	-		137,908
Expanded Public Works Programme Integrated Grant		1,279	1,461	1,461	178	1,205	1,120	85	7.6%	1,461
Integrated National Electrification Programme Grant		141	1,304	1,304	-	573	979	(406)	-41.4%	1,304
Local Government Financial Management Grant		1,800	1,900	1,900	228	730	567	162	28.6%	1,900
Municipal Disaster Response Grant		311	-	43	-	-	-	-		43
Municipal Infrastructure Grant		3,784	5,204	5,658	404	2,794	2,793	1	0.1%	5,658
Neighbourhood Development Partnership Grant		1,922	1,957	1,957	-	144	848	(704)	-33.0%	1,957
Water Services Infrastructure Grant		1,160	913	913	22	912	913	(1)	-0.1%	913
Provincial Government:		11,593	11,809	12,961	339	11,190	11,366	(175)	-1.5%	12,961
Specify (Add grant description)		11,593	11,809	12,961	339	11,190	11,366	(175)	-1.5%	12,961
District Municipality:		2	637	-	-	89	-	99	100.0%	-
Specify (Add grant description)		2	637	-	-	89	-	99	100.0%	-
Other grant providers:		574	2,289	12,908	546	5,935	6,267	(332)	-10.1%	12,908
Chemical Industry Seta		574	2,289	2,555	546	1,549	819	730	89.1%	2,555
Construction, Education and Training SETA		-	-	10,353	-	4,006	5,448	(1,362)	-25.0%	10,353
Total Operating Transfers and Grants	5	153,071	145,342	177,053	36,196	161,192	162,787	(1,595)	-1.0%	177,053
Capital Transfers and Grants										
National Government:		39,417	63,459	58,178	2,064	22,106	30,693	(8,575)	-27.9%	58,178
Integrated National Electrification Programme Grant		937	8,696	8,696	-	3,823	6,001	(2,179)	-26.3%	8,696
Municipal Disaster Response Grant		2,072	1,072	289	-	-	115	(115)	-100.0%	289
Municipal Infrastructure Grant		15,868	24,561	26,063	1,916	11,230	13,556	(2,317)	-17.1%	26,063
Neighbourhood Development Partnership Grant		12,815	13,043	13,043	-	983	4,903	(3,940)	-80.4%	13,043
Water Services Infrastructure Grant		7,735	6,087	6,087	146	6,083	6,107	(24)	-0.4%	6,087
Provincial Government:		7,548	10,174	8,345	3,849	5,149	3,338	2,810	84.2%	8,345
Specify (Add grant description)		7,548	10,174	8,345	3,849	5,149	3,338	2,810	84.2%	8,345
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		850	-	-	-	-	-	-	-	-
Unspecified		850	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	47,815	63,633	64,523	5,914	28,256	34,021	(5,765)	-18.9%	64,523
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	200,886	229,015	241,576	42,110	189,448	196,782	(7,334)	-3.7%	241,576

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

Supporting Table SC7: Transfers and Grant Expenditure

WC048 Knysna - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M09 March

Description		Ref	2024/25 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands											
EXPENDITURE											
Operating expenditure of Transfers and Grants											
National Government:			68,442	88,345	94,930	9,243	85,517	69,065	6,452	10.7%	94,451
Chemical Industry Seta			403	2,289	2,555	546	1,549	—	1,549	#DIV/0!	2,555
Construction, Education and Training SETA			171	—	10,353	81	4,198	4,533	(336)	-5.1%	10,353
Equitable Share			24,913	39,494	33,876	3,932	19,677	16,359	3,318	20.3%	33,398
Expanded Public Works Programme Integrated Grant			1,281	1,461	1,461	179	1,205	1,319	(113)	-5.5%	1,461
Local Government Financial Management Grant			1,800	1,900	1,600	228	130	522	286	39.8%	1,900
Municipal Infrastructure Grant			1,545	2,297	1,494	137	1,326	1,204	122	10.1%	1,494
Specify (Add grant description)			38,230	40,934	43,291	4,139	37,863	38,129	1,734	4.6%	43,291
Provincial Government:			38,230	40,934	43,291	4,139	37,863	38,129	1,734	4.6%	43,291
Specify (Add grant description)			38,230	40,934	43,291	4,139	37,863	38,129	1,734	4.6%	43,291
District Municipality:			—	—	—	—	—	—	—	—	—
Other grant providers:			574	2,289	12,808	827	5,715	4,533	1,183	26.1%	12,808
Chemical Industry Seta			403	2,289	2,555	546	1,549	—	1,549	#DIV/0!	2,555
Construction, Education and Training SETA			171	—	10,353	81	4,198	4,533	(336)	-5.1%	10,353
Total operating expenditure of Transfers and Grants:			167,246	131,964	151,129	14,909	110,095	100,727	8,368	9.3%	150,630
Capital expenditure of Transfers and Grants											
National Government:			—	63,633	63,676	5,909	28,719	30,414	(165)	-2.3%	63,676
Integrated National Electrification Programme Grant			—	6,696	8,696	—	3,823	4,512	(690)	-15.3%	8,696
Municipal Disaster Response Grant			—	—	289	—	—	115	(115)	-100.0%	289
Municipal Infrastructure Grant			—	24,561	28,063	3,291	13,346	13,165	181	1.4%	28,063
Neighbourhood Development Partnership Grant			—	13,043	13,043	—	969	1,569	(600)	-38.4%	13,043
Specify (Add grant description)			—	11,246	7,397	2,472	5,504	4,971	532	10.7%	7,397
Water Services Infrastructure Grant			—	6,087	6,087	146	6,083	6,097	(14)	-0.1%	6,087
Provincial Government:			—	11,246	7,397	2,472	5,504	4,971	532	10.7%	7,397
Specify (Add grant description)			—	11,246	7,397	2,472	5,504	4,971	532	10.7%	7,397
District Municipality:			—	—	—	—	—	—	—	—	—
Other grant providers:			—	—	—	—	—	—	—	—	—
Total capital expenditure of Transfers and Grants			—	74,879	70,971	8,382	35,222	35,385	(163)	-0.3%	70,971
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS			167,246	206,843	222,100	23,291	145,318	136,112	9,206	6.8%	221,621

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

Supporting Table SC8: Councillor and Staff Benefits

WC048 Knyana - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M09 March

Summary of Employee and Councillor remuneration	Ref	2024/25	Budget Year: 2025/26							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands		A	B	C						D
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		7,868	9,564	9,146	677	6,065	6,063	2	0%	8,148
Pension and UIF Contributions		679	758	634	56	511	513	(1)	0%	634
Medical Aid Contributions		156	158	101	10	84	83	1	1%	101
Motor Vehicle Allowance		393	391	406	31	280	275	5	2%	405
Cellphone Allowance		569	551	565	50	436	436	1	0%	565
Housing Allowances										
Other benefits and allowances		6	—	71	6	53	53	—		71
Sub Total - Councillors		9,669	11,880	10,823	829	7,430	7,422	8	0%	10,926
% Increase	4		23.0%	13.0%						13.0%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		5,574	6,367	12,216	568	4,975	4,681	(5)	0%	12,216
Pension and UIF Contributions		478	899	1,173	90	782	758	(18)	-2%	1,173
Medical Aid Contributions		60	191	218	11	107	131	(24)	-18%	218
Overtime										
Performance Bonus		302	486	490	—	255	480	(225)	-46%	490
Motor Vehicle Allowance		419	683	817	58	508	488	20	4%	817
Cellphone Allowance		—	6	4	—	—	2	(2)	-100%	4
Housing Allowances		58	108	108	—	—	43	(43)	-100%	108
Aging and post related allowance		15	14	14	27	27	5	22	403%	14
In kind benefits										
Sub Total - Senior Managers of Municipality		8,908	10,754	15,040	755	6,664	6,937	(272)	-4%	15,040
% Increase	4		55.7%	117.8%						117.8%
Other Municipal Staff										
Basic Salaries and Wages		186,389	228,057	205,297	16,330	146,475	143,810	2,565	2%	205,297
Pension and UIF Contributions		36,596	48,445	42,958	3,379	30,432	31,303	(870)	-3%	42,958
Medical Aid Contributions		14,414	16,931	15,810	1,307	11,562	11,209	346	3%	15,810
Overtime		27,867	20,506	34,159	2,455	20,763	21,194	(431)	-2%	34,159
Performance Bonus		15,181	15,685	15,685	21	15,290	16,423	(1,133)	-7%	15,685
Motor Vehicle Allowance		8,345	8,622	8,622	641	5,530	5,217	313	6%	8,622
Cellphone Allowance										
Housing Allowances		2,790	3,553	3,553	211	1,719	1,723	(14)	-1%	3,553
Other benefits and allowances		8,736	4,778	10,696	824	6,767	6,658	(689)	-1%	10,696
Payments in lieu of leave		4,970	3,229	5,665	286	2,438	2,438	—		5,665
Long service awards		1,500	—	—	—	—	—	—		—
Post retirement benefit obligations		16,678	15,042	15,291	—	—	3	(3)	-100%	2,254
Entertainment										
Security		2,098	1,945	2,211	192	1,765	1,647	118	7%	2,211
Aging and post related allowance		10,829	5,435	11,538	823	6,983	7,014	(31)	0%	11,538
In kind benefits										
Sub Total - Other Municipal Staff		338,973	366,427	371,478	28,504	249,893	248,823	870	0%	371,478
% Increase	4		8.4%	9.3%						9.3%
Total Parent Municipality		356,548	391,070	397,444	28,083	263,787	263,182	605	0%	397,444
Unpaid salary, allowances & benefits in arrears:										
TOTAL SALARY, ALLOWANCES & BENEFITS		356,548	391,070	397,444	28,083	263,787	263,182	605	0%	397,444
% Increase	4		9.7%	11.5%						11.5%
TOTAL MANAGERS AND STAFF		346,879	378,181	386,518	27,219	286,357	259,780	267	0%	386,518

Supporting Table SC9: Monthly targets for Cash Receipts and Payments

WC046 Kinyere - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M03 March

Ref	Description	Budget Year 2025/26												2025/26 Medium Term Revenue & Expenditure Framework	
		Budget Year 2025/26												Budget Year 2025/26	
		July Outcome	August Outcome	Sept Outcome	Oct Outcome	Nov Outcome	Dec Outcome	January Budget	Feb Budget	March Budget	April Budget	May Budget	June Budget	Budget Year 2025/26	Budget Year 2025/26
1	Cash Receipts by Source													2025/26	2025/26
	Proportional	(35,405)	3,648	39,347	67,163	26,218	26,777	24,395	23,243	24,123	27,511	27,511	79,672	334,833	370,772
	Service charges - Electricity revenue	(25,961)	19,297	20,077	66,228	10,123	20,692	17,511	16,113	19,097	42,134	42,134	251,379	505,803	505,803
	Service charges - Water revenue	(3,274)	62	90	3,349	52	15	30	55	56	9,788	9,788	97,431	117,453	117,453
	Service charges - Waste Management	(214)	-	-	214	-	-	-	-	-	5,785	5,785	57,847	89,416	89,416
	Service charges - Waste Management	(2,551)	14	5	2,614	14	11	9	15	9	4,737	4,737	47,264	56,842	56,842
	Rent of facilities and equipment	2	80	116	210	168	197	110	81	77	707	707	6,002	6,884	6,884
	Interest earned - external investments	296	474	279	450	425	503	543	839	417	692	692	3,039	8,129	8,129
	Dividends received	(440)	-	-	440	-	-	54	-	2,776	3,638	3,638	34,144	44,361	44,361
	Fines, penalties and tolls	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Licence and permits	(1,476)	2,263	2,068	5,327	1,784	1,618	1,988	2,170	2,117	4,111	4,111	22,788	49,206	49,206
	Agency services	1,349	2,505	3,124	3,073	2,026	1,817	2,352	1,932	2,154	139	139	(16,999)	1,582	1,582
	Transfers and Subsidies - Operational	134	128	127	150	134	130	130	128	133	401	401	2,811	4,807	4,807
	Other revenue	75,238	44,466	221	7,961	4,442	30,059	2	4,228	37,211	15,795	15,795	(54,799)	189,540	189,540
	Cash Receipts by Source	35,238	38,877	38,899	39,102	36,503	35,123	32,787	33,862	36,392	1,314	1,314	(316,750)	16,773	16,773
	Other Cash Flows by Source	47,897	115,715	104,444	196,833	90,488	117,743	80,240	82,484	124,552	117,212	117,212	211,829	1,406,870	1,471,828
	Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	1,458	-	-	13,678	8,821	-	-	-	25,485	5,377	5,377	4,427	54,523	59,348
	Transfers and subsidies - capital (monetary allocations) (Nat / Prov Deptm - Agencies, Households, Non-profit institutions, Private Enterprises, Public Corporations, Higher Education Institutions)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provision on Disposal of Fixed and Intangible Assets	-	-	-	-	-	-	-	-	16,030	83	83	(17,797)	1,000	1,000
	Short term loans	-	-	-	-	-	-	-	-	-	(6,450)	(6,450)	(84,602)	(84,602)	(84,602)
	Borrowing long term refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Increases (decreases) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	VAT Control (receipts)	61	-	1,722	240	1,889	5,637	-	1,627	251	10,079	10,079	89,251	120,946	115,146
	Decrease (Increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Decrease (Increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Cash Receipts by Source	48,415	115,735	106,146	210,651	101,799	123,360	80,240	84,111	188,819	124,201	124,201	285,118	1,461,617	1,487,921
															1,722,983

Note: The figures contained in the above schedule is incorrect the correct Cash and Cash Equivalent balance as at 31 March 2026 amounts to R 196,738,248 (Refer to C6 Statement of Financial Position)

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

Supporting Table SC13(a): Capital Expenditure on New Assets

WC048 Knysna - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M09 March

Expenditure on new assets by Asset class - M08 March											
Description	Ref	2024/25		Budget Year: 2025/26							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
R thousands	1										
Capital expenditure on new assets by Asset Class/Sub-class											
Infrastructure											
Roads Infrastructure		-	59,584	22,303	2,083	10,537	11,254	617	5.9%	22,303	
Roads		-	9,000	2,152	173	1,216	258	(958)	-372.0%	2,152	
Capital Spares		-	8,000	-	173	1,206	-	1,206	#DIV/0!	-	
Sewer water Infrastructure		-	1,000	2,152	-	11	258	(246)	-95.8%	2,152	
Electrical Infrastructure		-	-	-	-	-	-	-		-	
MV Networks		-	2,800	5,224	211	825	1,095	270	24.7%	5,224	
LV Networks		-	2,800	4,613	12	425	864	(469)	-52.9%	4,613	
Capital Spares		-	-	611	198	400	201	199	98.8%	611	
Water Supply Infrastructure		-	-	-	-	-	-	-		-	
Water Treatment Works		-	44,424	13,931	1,700	8,413	9,613	1,199	12.9%	13,931	
Bulk Mains		-	2,774	9,868	1,700	5,710	6,470	(760)	-11.8%	9,868	
Distribution		-	-	-	-	-	-	-		-	
Distribution Points		-	650	839	-	-	139	(139)	-100.0%	839	
PRV Stations		-	-	-	-	-	-	-		-	
Capital Spares		-	-	-	-	-	-	-		-	
Sanitation Infrastructure		-	41,000	3,224	-	2,704	3,004	(300)	-10.0%	3,224	
Pump Station		-	1,300	397	-	-	-	-		397	
Retreatment		-	-	-	-	-	-	-		-	
Rail Infrastructure		-	1,300	397	-	-	-	-		397	
Drainage Collection		-	2,400	690	-	183	289	106	38.6%	690	
Community Assets		-	2,400	690	-	183	289	(106)	-38.6%	690	
Community Facilities		-	3,800	500	-	-	-	-		500	
Fire/Ambulance Stations		-	3,800	500	-	-	-	-		500	
Police		-	-	250	-	-	-	-		250	
Computer Equipment		-	-	250	-	-	-	-		250	
Computer Equipment		-	750	1,714	75	343	242	(101)	-41.9%	1,688	
Furniture and Office Equipment		-	750	1,714	75	343	242	(101)	-41.9%	1,688	
Furniture and Office Equipment		-	803	700	3	203	290	88	20.8%	732	
Machinery and Equipment		-	803	700	3	203	290	88	20.8%	732	
Machinery and Equipment		-	3,988	1,312	40	322	870	547	62.9%	1,671	
Transport Assets		-	3,988	1,312	40	322	870	(547)	-62.9%	1,671	
Transport Assets		-	12,307	14,030	1,820	7,464	6,819	(645)	-9.5%	13,933	
Transport Assets		-	12,307	14,030	1,820	7,464	6,819	(645)	-9.5%	13,933	
Total Capital Expenditure on new assets	1	-	81,572	40,569	3,821	18,970	19,474	504	2.6%	40,833	

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

Supporting Table SC13(b): Capital Expenditure on Renewal of Existing Assets

WCM48 Knysna - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M09 March

Description	Ref	2024/25	Budget Year: 2025/26						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands	1								
Capital expenditure on renewal of existing assets by Asset Class/Sub-class									
Infrastructure									
Roads Infrastructure		—	32,193	42,194	1,423	4,316	8,108	1,740	28.5%
Roads		—	13,543	18,020	1,423	4,062	3,804	(248)	-6.3%
Water Supply Infrastructure		—	13,543	18,020	1,423	4,062	3,804	248	8.9%
Distribution		—	1,050	11,000	—	—	1,500	1,500	100.0%
Sanitation Infrastructure		—	1,050	11,000	—	—	1,500	(1,500)	-100.0%
Waste Water Treatment Works		—	13,600	9,800	—	228	228	—	9,800
Solid Waste Infrastructure		—	13,600	9,800	—	228	228	—	9,800
Capital Spares		—	4,000	3,000	—	—	425	425	100.0%
Coastal Infrastructure		—	4,000	3,000	—	—	425	(425)	-100.0%
Promenades		—	—	375	—	86	150	64	42.8%
Community Assets		—	—	375	—	86	150	(64)	-42.8%
Sport and Recreation Facilities		—	1,000	1,000	—	—	—	—	1,000
Capital Spares		—	1,000	1,000	—	—	—	—	1,000
Total Capital Expenditure on renewal of existing assets	1		55,193	43,194	1,423	4,316	8,108	1,740	28.5%

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

Supporting Table SC13(c): Expenditure on Repairs & Maintenance

WC048 Krysta - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M09 March

Supporting Table 03-1c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M09 March												
Description		Ref	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	
Repairs and maintenance expenditure by Asset Class/Sub-class												
Infrastructure			24,064	27,745	28,742	2,337	10,482	9,306	(1,176)	-12.6%	28,742	
Roads Infrastructure			3,016	5,600	5,600	160	2,701	2,946	245	8.3%	5,600	
Roads			3,016	5,600	5,600	160	2,701	2,946	(245)	-8.3%	5,600	
Storm water Infrastructure			779	1,000	1,000	-	114	119	5	4.1%	1,000	
Drainage Collection												
Storm water Conveyance			779	1,000	1,000	-	114	119	(5)	-4.1%	1,000	
Attenuation												
Electrical Infrastructure			15,736	14,527	15,027	801	4,404	4,179	(225)	-5.4%	15,027	
Power Plants												
HV Substations			2,185	2,000	2,000	45	888	955	(57)	-6.0%	2,000	
HV Switching Station			324	261	261	-	6	7	(2)	-25.4%	261	
HV Transmission Conductors			589	1,004	1,504	-	283	300	(16)	-5.4%	1,504	
MV Substations												
MV Switching Stations												
MV Networks			4,664	5,313	5,313	260	1,090	1,089	2	0.2%	5,313	
LV Networks			7,975	5,948	5,948	496	2,127	1,830	296	16.3%	5,948	
Capital Spares												
Water Supply Infrastructure			3,376	5,038	5,368	1,112	2,582	1,470	(1,099)	-74.3%	5,368	
Water Treatment Works			2,855	4,165	4,165	1,111	2,557	1,466	(1,091)	-74.9%	4,165	
Capital Spares			520	863	1,203	1	5	4	1	13.5%	1,203	
Sanitation Infrastructure			564	1,230	1,230	12	382	494	(112)	-22.6%	1,230	
Waste Water Treatment Works			564	1,230	1,230	12	382	494	(112)	-22.6%	1,230	
Solid Waste Infrastructure			592	350	497	251	319	98	(221)	-225.2%	497	
Landfill Sites												
Waste Transfer Stations			592	350	497	251	319	98	(221)	-225.2%	497	
Community Assets			3,373	2,821	2,933	64	2,784	2,720	(65)	-1.3%	2,933	
Community Facilities			1,558	1,271	1,304	23	1,234	1,215	(20)	-1.6%	1,304	
Halls			545	455	475	1	450	450	0	0.1%	475	
Museums			13	-	-	-	-	-	-	-	-	
Libraries			61	75	82	0	71	72	(9)	-0.5%	82	
Cemeteries/Crematoria			444	306	311	12	297	266	(31)	-3.8%	311	
Police			18	35	35	10	17	8	9	100.1%	35	
Ports												
Public Open Space			477	400	400	-	398	398	-	-	400	
Sport and Recreation Facilities			1,715	1,550	1,629	40	1,520	1,505	(15)	-1.0%	1,629	
Indoor Facilities												
Outdoor Facilities			1,715	1,550	1,629	40	1,520	1,505	(15)	-1.0%	1,629	
Other assets			918	719	718	1	320	394	75	19.0%	814	
Operational Buildings			722	714	714	1	320	394	75	19.0%	814	
Municipal Offices			721	713	713	1	319	394	(75)	-19.0%	813	
Depots			1	1	1	-	1	1	-	-	1	
Capital Spares												
Housing			196	2	2	-	-	-	-	-	2	
Staff Housing			2	2	2	-	-	-	-	-	2	
Social Housing			194	-	-	-	-	-	-	-	2	
Transport Assets			8,673	7,278	7,940	518	3,564	3,583	20	0.5%	7,970	
Transport Assets			8,673	7,278	7,940	518	3,564	3,583	(20)	-0.5%	7,970	
Total Repairs and Maintenance Expenditure			1	36,928	38,559	40,331	2,919	17,120	16,004	(1,116)	-7.0%	40,461

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

Supporting Table SC13(d): Depreciation

WC048 Knysna - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M09 March

Description	Ref	2024/25		Budget Year 2025/26						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Depreciation by Asset Class/Sub-class										
Infrastructure		45,861	55,671	45,508	2,549	21,842	22,732	890	3.9%	45,508
Roads Infrastructure		9,617	10,932	10,933	515	4,443	5,159	716	13.9%	10,933
Roads		9,617	10,932	10,933	515	4,443	5,159	(716)	-13.9%	10,933
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure		20	1,151	1,151	88	757	768	11	1.4%	1,151
Drainage Collection		20	1,151	1,151	88	757	768	(11)	-1.4%	1,151
Storm water Conveyance										
Attenuation										
Electrical Infrastructure		6,994	19,913	13,345	694	5,845	6,061	237	3.9%	13,345
Power Plants		3	-	18	-	-	2	(2)	-100.0%	18
HV Substations		8,991	19,913	13,327	694	5,845	6,060	(236)	-3.9%	13,327
Water supply Infrastructure		19,180	21,764	17,802	1,209	10,602	10,560	(22)	-0.2%	17,802
Distribution		19,180	21,764	17,802	1,209	10,602	10,560	22	0.2%	17,802
Sanitation Infrastructure		6,367	44	163	3	47	43	(4)	-10.0%	163
Pump Station		-	-	72	-	-	6	(6)	-100.0%	72
Reticulation		41	-	-	-	-	-	-		-
Waste Water Treatment Works		6,262	-	47	-	-	4	(4)	-100.0%	47
Outfall Sewers										
Toilet Facilities		44	44	44	3	47	33	14	42.9%	44
Capital Spares										
Solid Waste Infrastructure		1,604	1,988	2,019	4	54	37	(16)	-44.1%	2,019
Landfill Sites		1,604	1,988	2,019	4	54	37	16	44.1%	2,019
Information and Communication Infrastructure		78	80	93	6	94	64	(30)	-47.4%	93
Distribution Layers		78	80	93	6	94	64	30	47.4%	93
Capital Spares										
Community Assets		2,093	2,061	3,234	99	2,121	1,440	(681)	-47.3%	3,234
Community Facilities		1,464	1,323	2,478	65	1,437	1,008	(429)	-42.8%	2,478
Halls		618	619	726	22	649	470	(229)	-54.4%	726
Centres		7	7	556	1	8	52	(43)	-93.9%	556
Fire/Ambulance Stations		46	58	56	2	25	18	7	41.3%	56
Testing Stations		0	0	0	-	0	0	(0)	-75.0%	0
Museums		6	-	6	-	0	2	(1)	-76.9%	6
Libraries		437	243	392	16	302	199	(103)	-51.8%	392
Cemeteries/Crematoria		15	58	142	1	99	60	49	89.0%	142
Police		2	-	-	-	-	-	-		-
Parks		116	722	126	9	128	91	38	41.6%	126
Public Ablution Facilities		-	-	5	-	1	2	(1)	-66.7%	5
Markets										
Stalls		27	23	272	2	25	37	(12)	-31.7%	272
Athletics										
Airports										
Taxi Ranks/Bus Terminals		191	191	194	14	199	139	61	43.8%	194
Capital Spares										
Sport and Recreation Facilities		629	736	756	34	683	432	(251)	-36.1%	756
Indoor Facilities		-	717	717	32	653	412	(240)	-59.3%	717
Outdoor Facilities		629	21	39	2	31	20	11	54.9%	39
Capital Spares										
Investment properties		196	196	170	-	137	165	(32)	-30.2%	170
Revenue Generating		136	136	170	-	137	105	(32)	-30.2%	170
Improved Property		136	136	170	-	137	105	32	30.2%	170
Other assets		793	888	945	54	740	516	(224)	-45.4%	945
Operational Buildings		703	688	871	14	740	510	(230)	-45.1%	871
Municipal Offices		703	688	871	14	740	510	230	45.1%	871
Housing		-	1	74	-	-	6	6	100.0%	74
Staff Housing										
Social Housing		-	1	74	-	-	6	(6)	-100.0%	74
Intangible Assets		15	15	124	1	22	23	1	5.4%	124
Services										
Licences and Rights		15	15	124	1	22	23	1	5.4%	124
Computer Software and Applications		15	15	124	1	22	23	(1)	-5.4%	124
Computer Equipment		911	839	1,922	40	1,047	1,123	76	6.6%	1,922
Computer Equipment		911	839	1,922	40	1,047	1,123	(76)	-6.6%	1,922
Furniture and Office Equipment		1,821	7,412	10,052	488	6,325	5,737	(588)	-10.2%	10,052
Furniture and Office Equipment		1,821	7,412	10,052	488	6,325	5,737	588	10.2%	10,052
Machinery and Equipment		789	1,142	3,806	128	2,924	1,824	(1,100)	-91.9%	3,806
Machinery and Equipment		789	1,142	3,806	128	2,924	1,824	1,400	91.9%	3,806
Transport Assets		1,852	393	2,790	-	2,147	1,586	(591)	-38.0%	2,790
Transport Assets		1,852	393	2,790	-	2,147	1,586	591	38.0%	2,790
Total Depreciation	1	54,161	68,548	66,548	3,329	37,394	34,735	(2,546)	-7.3%	66,548

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

Supporting Table SC13(e): Upgrading of Existing Assets

WC048 Knyana - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class - M09 March

Description	Ref	2024/25		Budget Year 2025/26					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands	1								
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class									
Infrastructure		-	57,176	50,748	2,101	17,430	20,481	3,051	14.8%
Roads Infrastructure		-	25,112	10,417	640	4,209	4,254	55	2.0%
Roads		-	25,112	10,417	640	4,209	4,254	(55)	-2.0%
Storm water Infrastructure		-	1,500	1,600	-	93	293	200	88.3%
Drainage Collection		-	1,500	1,600	-	93	293	(200)	-88.3%
Electrical Infrastructure		-	8,696	8,696	-	3,823	4,512	690	15.3%
MV Substations		-	8,696	8,696	-	3,823	4,512	(690)	-15.3%
Water Supply Infrastructure		-	15,162	24,635	1,200	8,881	10,429	1,548	14.8%
Canals and Weirs		-	-	4,300	-	-	608	(608)	-100.0%
Bulk Mains		-	917	917	-	-	-	-	-
Distribution		-	14,245	19,418	1,200	8,881	9,820	(939)	-9.8%
Sanitation Infrastructure		-	6,700	5,400	251	423	833	509	54.8%
Pump Station		-	3,000	3,200	251	336	665	(349)	-31.0%
Refuse/Refuse		-	3,300	1,800	-	88	88	-	-
Waste Water Treatment Works		-	400	400	-	-	160	(160)	-100.0%
Community Assets		-	-	2,074	-	1,817	1,840	3	0.2%
Community Facilities		-	-	153	-	53	56	3	8.8%
Halls		-	-	-	-	(3)	-	(3)	-100.0%
Cemeteries/Crematoriums		-	-	153	-	56	56	-	-
Sport and Recreation Facilities		-	-	1,921	-	1,784	1,784	-	-
Indoor Facilities		-	-	-	-	-	-	-	-
Outdoor Facilities		-	-	1,921	-	1,784	1,784	-	-
Other assets		-	650	474	-	141	(33)	(174)	-523.8%
Operational Buildings		-	650	474	-	141	(33)	(174)	-523.8%
Municipal Offices		-	650	474	-	141	(33)	(174)	-523.8%
Total Capital Expenditure on upgrading of existing assets	1	-	57,820	53,228	2,101	19,406	22,308	2,902	12.5%

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

APPENDIX A - Capex Report as at 31 March 2026

[illegible]

74 | Page

Monthly and Quarterly Budget Statement – March 2026

48

Monthly and Quarterly Budget Statement – March 2026

Monthly and Quarterly Budget Statement – March 2026

a d

6.4

SC04/04/26 REVISION OF MIG DPIP FOR 2025/2026 FINANCIAL YEAR

REPORT FROM DIRECTOR: MUNICIPAL MANAGER

PURPOSE OF THE REPORT

To inform Council of the revision of the approved Detailed Project Implementation Plan (DPIP) for the 2025/2026 financial year, due to the ongoing drought water crisis facing Knysna Municipality, and recommendations from the Joint Operations Committee (JOC) in collaboration with the Department of Local Government (DLG), Department of Water and Sanitation (DWS), Breede-Olifants Catchment Management Agency (BOCMA) and National Department of Cooperative Governance (Dcog). This revision aims to obtain Council's endorsement for the submission of the revised DPIP in support of revised project cashflows, including the approved rollover amounts, with a focus on prioritizing water infrastructure projects to address the crisis, and make way for newly registered Drought Relief Project.

BACKGROUND / DISCUSSION

Council, at its sitting in June 2025, approved the original DPIP for the 2025/2026 financial year in accordance with the requirements of the Division of Revenue Act (DoRA) and the Municipal Infrastructure Grant (MIG) Framework. Subsequently, various revisions have been made to the DPIP with the latest being in January 2026.

Knysna Municipality is allocated R29,765,000 for the 2025/2026 financial year, as published in the DoRA Bill of March 2025.

The National Treasury approved a rollover amount of R 3 995 945,00. Additionally, Knysna Municipality faced a severe drought water crisis, which has necessitated urgent reallocations made to prioritize water supply and dam-related projects for improved resilience and sustainability. This revision is further motivated by recommendations from the Joint Operations Committee (JOC), developed in collaboration with the Department of Local Government (DLG), Department of Water and Sanitation (DWS), and Breede-Olifants Catchment Management Agency (BOCMA), emphasizing the need to accelerate water infrastructure upgrades to mitigate the impacts of the drought on residents and ensure compliance with water management guidelines.

As a result of these factors, including the change in the total budget amount for the Municipal Infrastructure Grant (MIG), a revised DPIP for 2025/2026 must be submitted to CoGTA and National Treasury to reflect the adjusted project plans and financial allocations for the new financial year. In terms of the MIG Framework and DoRA requirements, the submission of an updated DPIP is essential where adjustments are made to project implementation schedules or funding allocations.

MIG PROJECT NAME	PREVIOUS PROJECT BUDGET DECEMBER 25/26	FINAL REVISED BUDGET 25/26
Lower Knysna River Dam	R 2 533 531,00	R 2 323 535,19

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

Upgrade of Rheenendal Bulk Water Supply (Phase 1)	R 14 400 898,00	R 4 429 527,40
Knysna Emergency Drought Relief 25/26	R 0,00	R 9 281 366,41
Upgrade of Bongani Sports Field	R 2 208 861,00	R 2 208 861,00
Rehabilitation of Hornlee Internal Roads and Related Infrastructure	R 5 022 854,00	R 5 022 854,00
Surfacing of Gravel Roads in Rheenendal (Ward 5)	R 6 365 637,00	R 7 365 637,00
Surfacing of Gravel Roads in Concordia (Ward 4)	R 555 752,00	R 555 752,00
Surfacing of Gravel Roads in Damsebos (Ward 3)	R 390 989,08	R 390 989,08
Surfacing of Gravel Roads in Concordia (Ward 7)	R 544 172,92	R 544 172,92
Surfacing of Gravel Roads in Concordia (Ward 1)	R 250 000,00	R 150 000,00
PMU 2025/2026 (5%)	R 1 488 250	R 1 488 250
TOTAL	R 33 760 945	R 33 760 945

FINANCIAL IMPLICATIONS

The revised 2025/2026 Detailed Project Implementation Plan (DPIP) maintains the total MIG allocation of R29,765,000, as gazetted in the 2025 DoRA Bill, with the addition of the approved rollover amount of R3,995,945, resulting in total available funds of R33,760,945.

The revised DPIP incorporates the following key adjustments:

1. The full budget for the Upgrade of the Rheenendal Bulk Water Supply project has been Reduced from R 14 400 898,00 to R 4 219 531,59 to make way for the newly registered Drought Relief Project.
2. Increase of Surfacing of Gravel Roads in Rheenendal (Ward 5) budget from R 6 365 637,00 to R 7 365 637,00 due to potential of quick spending.
3. Reduction of Surfacing of Gravel Roads in Sedgfield (Ward 1) from R 250 000,00 to R 150 000,00 to pay for design and procurement fees
4. Reduction of Lower Knysna River Dam budget from R 2 533 531,00 to R 2 323 535,19 because the project phase is completed

A virement has been compiled to make the above adjustments accordingly.

RELEVANT LEGISLATION

- Division of Revenue Act (DoRA), 2025
- Municipal Finance Management Act (MFMA), Act No. 56 of 2003
- Municipal Systems Act (MSA), Act No. 32 of 2000
- Municipal Infrastructure Grant (MIG) Policy Framework

RECOMMENDATION OF THE ACTING MUNICIPAL MANAGER

- [a] That Council approves the final 2025/2026 Municipal Infrastructure Grant (MIG) Detailed Project Implementation Plan (DPIP) for submission to the Department of Cooperative Governance (CoGTA).

- [b] That Council approves virement linked to the adjustment of the MIG budgets, transferring funds between the respective project votes

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

MIG Project No	National MIG Reference Nr / DCoG Registration Letter Reference No	Service	Total Project Value	Registered MIG Project Value (See note)	MIG Expenditure up to 30-Jun-2024 (excluding actual/planned 2023-24 Roll-Over)	MIG Balance at 1-Jul-2024	2025/26 Planned MIG Expenditure (excl Roll-Over)												Total Planned MIG Expenditure for 2025/26
							Jul-2025	Aug-2025	Sep-2025	Oct-2025	Nov-2025	Dec-2025	Jan-2026	Feb-2026	Mar-2026	Apr-2026	May-2026	Jun-2026	Total Planned MIG Expenditure for 2025/26
196403	WC1055/W/11/13	New Lower Knysna River Dam Ph1, 2, 3, 4 & 5	R 11 400 000,00	R 9 000 000,00	R 666 945,09	R 8 333 054,91	R -	R -	R -	R 1 201 174	R 830 219	R -	R -	R -	R 292 142	R -	R -	R -	R 2 323 535,19
285770	WC1971/CF/23/24	Upgrading of Sportsfield Ph2: Soccer & Ablution Block/Clubhouse	R 11 000 000,00	R 11 000 000,00	R 2 401 798,14	R 8 598 201,86	R -	R -	R 710 145	R 463 438	R 571 841	R 463 438	R -	R -	R -	R -	R -	R -	R 2 208 861
450431	WC1906/R.ST/22/24	Surface of Gravel Roads: Ph 2A	R 16 185 900,38	R 16 185 900,38	R 14 932 624,64	R 1 253 275,74	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
476240	WC1948/R.ST/23/26	Rehabilitation of Internal Street	R 30 463 731,04	R 26 503 446,01	R 16 361 575,13	R 10 141 870,88	R -	R -	R 296 234	R 299 555	R 146 017	R 472 718	R -	R 208 837	R 1 474 264	R 708 410	R 708 410	R 708 410	R 5 022 854
537688	WC/2071/W/25/26	Upgrade of Rheenendal Bulk Water Supply	R 8 789 450,00	R 7 734 716,00	R -	R 7 734 716,00	R -	R -	R -	R -	R -	R 1 072 818	R -	R 725 963	R -	R 876 915	R 876 915	R 876 915	R 4 429 527
538750	WC2073/R.ST/24/27	Surfacing of Gravel Roads	R 7 215 000,01	R 7 215 000,01	R -	R 7 215 000,01	R -	R -	R -	R -	R -	R 1 645 793	R -	R 1 473 465	R 431 921	R 1 271 486	R 1 271 486	R 1 271 486	R 7 365 637
538763	WC2074/R.ST/24/27	Surfacing of Gravel Roads	R 13 325 000,00	R 13 325 000,00	R -	R 13 325 000,00	R -	R -	R -	R 336 694	R 8 512	R -	R -	R -	R -	R -	R 105 273	R 105 273	R 555 752
538187	WC2071/R.ST/24/27	Surfacing of Gravel Roads	R 9 750 000,00	R 9 750 000,00	R -	R 9 750 000,00	R -	R -	R -	R 186 628	R -	R -	R -	R -	R -	R -	R 102 181	R 102 181	R 390 989
538217	WC2072/R.ST/24/27	Surfacing of Gravel Roads	R 13 650 000,00	R 13 650 000,00	R -	R 13 650 000,00	R -	R -	R -	R 544 173	R -	R -	R -	R -	R -	R -	R -	R -	R 544 173
537794	WC2070/R.ST/24/26	Surfacing of Gravel Roads	R 4 355 000,00	R 4 355 000,00	R -	R 4 355 000,00	R -	R -	R -	R 2 473	R -	R -	R -	R -	R -	R 49 176	R 49 176	R 49 176	R 150 000
584975	MIG/WC/2120/W/26/26	Emergency Drought Relief 2025/26	R 16 239 043,10	R 16 239 043,10	R -	R 16 239 043,10	R -	R -	R -	R -	R -	R -	R -	R -	R -	R 2 680 000	R 3 300 683	R 3 300 683	R 9 281 366
PMU/048/2526	0	PMU 2025/26	R 1 519 650,00	R 1 519 650,00	R -	R 1 519 650,00	R 124 021	R 124 021	R 124 021	R 124 021	R 124 021	R 124 021	R 124 021	R 124 021	R 124 021	R 124 021	R 124 021	R 124 021	R 1 488 250

6.5

SC05/04/26 MIG DPIP FOR 2026/2027 FINANCIAL YEAR

REPORT FROM MUNICIPAL MANAGER

PURPOSE OF THE REPORT

To request council to approve the Detailed Project Implementation Plan (DPIP) for the 2026/2027 financial year. This version aims to obtain Council's endorsement for the submission of the revised DPIP to the Transferring Officer to prove readiness of the municipality to implement the 2026/2027 Municipal infrastructure Grant Allocation.

It is necessary that after the gazette of the Dora Bill 2026 that municipalities submit a Final Detailed Project Implementation Plan to prove their readiness to implement the ensuing year.

BACKGROUND / DISCUSSION

Knysna Municipality is scheduled to receive R 30 098 000 in the 2026/2027 financial year for the implementation of MIG-funded projects.

In alignment with MIG processes, Council must approve the preliminary DPIP for submission by 31 May 2026. A final version of the DPIP for the 2026/2027 financial year will be prepared and submitted in May 2025, following the finalization of the Integrated Development Plan (IDP) and 2026/2027 Budget.

MIG PROJECT NAME	PROPOSED BUDGET 26/27	PROJECT STATUS
New Lower Knysna River Dam Ph1, 2, 3, 4 & 5 (Kruisvallei Dam) – Phase 2	R1 196 724,00	Design & Tender
Upgrade of Rheenendal Bulk Water Supply	R5 349 010,50	Construction
Upgrade of Karatara Bulk Water Supply	R2 000 000,00	Design & Tender
Knysna Emergency Drought Relief 25/26	R2 325 634,50	Construction
Surfacing of Gravel Roads – Ward 5	R1 799 000,00	Construction
Surfacing of Gravel Roads – Ward 4	R4 100 000,00	Tender
Surfacing of Gravel Roads – Ward 3	R4 109 221,00	Tender
Surfacing of Gravel Roads – Ward 7	R4 117 499,50	Tender
Surfacing of Gravel Roads – Ward 1	R2 596 010,50	Tender
Municipal Yellow Fleet	R 1 000 000	Registration Stage
PMU 2026/27	R1 504 900,00	N/A
Total	R 30 098 000	

FINANCIAL IMPLICATIONS

The 2026/2027 Preliminary Detailed Project Implementation Plan (DPIP) maintains the total MIG allocation of **R 30 098 000**, as gazetted in the 2025 DoRA Bill. However, due to recent

challenges related to bulk water supply it is envisaged that there may be future changes to the DPIP. Future changes may entail, new medium term water supply solutions for the Knysna Municipality.

ADDED FUTURE PROJECTS

PROJECT DETAILS	PROJECT BUDGET	PROJECT STATUS
Upgrade of Karatara Bulk Water Supply	R 15,5 million	Conditional Approval received in February. Design Development underway
Municipal Yellow Fleet	R 4, 995 million	Project technical appraisal processes with MISA

RELEVANT LEGISLATION

- Division of Revenue Act (DoRA), 2025
- Municipal Finance Management Act (MFMA), Act No. 56 of 2003
- Municipal Systems Act (MSA), Act No. 32 of 2000
- Municipal Infrastructure Grant (MIG) Policy Framework

RECOMMENDATION OF THE ACTING MUNICIPAL MANAGER

That Council approves the Final 2026/2027 Municipal Infrastructure Grant (MIG) Detailed Project Implementation Plan (DPIP) for submission to the Department of Cooperative Governance (CoGTA) by 31 May 2026.

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

Municipal Infrastructure Grant (MIG): Western Cape		R															Step 5: Balance Expenditure with Allocation by 1st completing 2019/20 budget (column AS) then remaining monthly cashflow. Formula in June (column AR) will show 2019/20 budget available. Then balance				
Municipality:		Knysna															R	-	2026/27 MIG Allocation	R	32 056 000
E	F	I	J	AG	AH	AI	AJ	AK	AL	AM	AN	AO	AP	AQ	AR	AS					
Project Description	Service	Project Type (water, sanitation etc)	Total Project Value	2026/27 Planned MIG Expenditure												Total Planned MIG Expenditure for 2026/27					
				Jul-2026	Aug-2026	Sep-2026	Oct-2026	Nov-2026	Dec-2026	Jan-2027	Feb-2027	Mar-2027	Apr-2027	May-2027	Jun-2027						
Knysna	New Lower Knysna River Dam Ph1, 2, 3, 4 & 5	Water	R 11 400 000,00	R -	R -	R -	R -	R -	R -	R -	R -	R 398 908	R 398 908	R 398 908	R -	R 1 196 724					
Bongani	Upgrading of Sportsfield Ph2: Soccer & Ablution Block/Clubhouse	Recreational/Sport Facilities	R 11 000 000,00	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	-					
Hornlee	Rehabilitation of Internal Street	Roads	R 30 463 731,04	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	-					
Hornlee (Budget Maintenance of 476240)	Rehabilitation of Internal Street	Roads	R 6 092 976,21	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	-					
Rheenendal	Upgrade of Rheenendal Bulk Water Supply	Water	R 8 789 450,00	R 1 337 253	R 1 337 253	R 1 337 253	R 1 337 253	R -	R -	R -	R -	R -	R -	R -	R -	-					
Rheenendal	Upgrade of Rheenendal Bulk Water Supply Ph1	Water	R 16 524 300,00	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	-					
Rheenendal: Ward 5	Surfacing of Gravel Roads	Roads	R 7 215 000,01	R 899 500	R 899 500	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	-					
Rheenendal: Ward 5 (Budget Adjustment of 538750)	Surfacing of Gravel Roads	Roads	R 5 194 642,50	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	-					
Concordia: Ward 4	Surfacing of Gravel Roads	Roads	R 13 325 000,00	R 683 333	R 683 333	R 683 333	R 683 333	R 683 333	R 683 333	R -	R -	R -	R -	R -	R -	-					
Dam-Se-Bos: Ward 3	Surfacing of Gravel Roads	Roads	R 9 750 000,00	R 684 870	R 684 870	R 684 870	R 684 870	R 684 870	R 684 870	R -	R -	R -	R -	R -	R -	-					
Concordia: Ward 7	Surfacing of Gravel Roads	Roads	R 13 650 000,00	R 686 250	R 686 250	R 686 250	R 686 250	R 686 250	R 686 250	R -	R -	R -	R -	R -	R -	-					
Sedgefield: Sizamile: Ward 1	Surfacing of Gravel Roads	Roads	R 4 355 000,00	R -	R -	R 649 003	R 649 003	R 649 003	R 649 003	R -	R -	R -	R -	R -	R -	-					
Knysna Emergency Drought Relief 25/26	Knysna Emergency Drought Relief 25/26	Water	R 16 239 043,10	R 775 212	R 775 212	R 775 212	R -	R -	R -	R -	R -	R -	R -	R -	R -	-					
Municipal Yellow Fleet	Municipal Yellow Fleet	Fleet	R 4 995 372,00	R -	R -	R 1 000 000	R -	R -	R -	R -	R -	R -	R -	R -	R -	-					
Upgrade of Karatara Bulk Water Supply	Upgrade of Karatara Bulk Water Supply			R -	R -	R -	R -	R -	R -	R 400 000	R 400 000	R 400 000	R 400 000	R 400 000	R -	-					
Knysna	PMU 2025/26	PMU	R 1 488 250,00	R 125 408	R 125 408	R 125 408	R 125 408	R 125 408	R 125 408	R 125 408	R 125 408	R 125 408	R 125 408	R 250 817	R -	-					
	SUBTOTAL: Projects on MIG Project List (Green Pages)		R 443 318 647	R 5 191 826	R 5 191 826	R 5 941 329	R 4 166 117	R 2 828 864	R 2 828 864	R 525 408	R 525 408	R 924 316	R 924 316	R 1 049 725	R -	R 30 098 000					
	TOTAL		R 443 318 647	R 5 191 826	R 5 191 826	R 5 941 329	R 4 166 117	R 2 828 864	R 2 828 864	R 525 408	R 525 408	R 924 316	R 924 316	R 1 049 725	R -	R 30 098 000					
Test = 0 R -																					
-1 958 000																					

6.6

SC06/04/26

**UPPER LIMITS OF TOTAL REMUNERATION PACKAGES OF
MUNICIPAL MANAGERS AND MANAGERS DIRECTLY
ACCOUNTABLE TO MUNICIPAL MANAGERS – 2025/26 FY**

REPORT FROM THE MUNICIPAL MANAGER

PURPOSE OF THE REPORT

To request Council to implement the Upper Limits of Total Remuneration packages payable to Municipal Managers and Managers directly accountable to Municipal Managers as promulgated in Government Gazette No. 54505 dated 14 April 2026 (hereinafter “the Notice”), and to legally address the “salary scale creep” phenomenon currently experienced in the Administration, where some Third-Tier Managers’ remuneration packages exceed those of the Directors and the Municipal Manager.

BACKGROUND

Upper limits and total remuneration packages payable to Municipal Managers and Managers directly accountable to Municipal Managers are promulgated by the Minister for Cooperative Governance and Traditional Affairs. **Notice No. 54505 in Government Gazette No. 54505 dated 14 April 2026** sets out the remuneration and benefits applicable to these senior managers, effective from **01 July 2024**, replacing the previous Notice (Government Gazette No. 53882 of 18 December 2025).

The Notice determines the following key provisions relevant to this report:

- **Item 5** – Determination of the grade of the Municipality
- **Items 6 & 7** – Upper limits for Municipal Managers and Managers directly accountable to Municipal Managers
- **Item 8** – Criteria for offer of remuneration on appointment
- **Item 9** – Pay progression criteria
- **Item 14(6)** – Addressing salary scale creep

In terms of categorisation, the Knysna statistics are as follows:

Criteria	Points
Total municipal Income (2023/2024) = R973,483,328	53
Total Municipal Equitable Share (2023/2024) = R122,358,000	7
Total Population (2023/2024) = 95,066	3
Total Points	63

In terms of Clause 5 on Page 7 of the Notice, 63 points equate to a Grade 4 determination. The categorisation for each municipality is published in Annexure A of the Notice. In line with this categorisation, the following remuneration determinations are made:

In terms of **Clause 6**, the determination of job grades proposed for Senior Managers are as follows:

(a)	(b)	(c)
-----	-----	-----

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

MUNICIPAL GRADE	MANAGERS DIRECTLY ACCOUNTABLE TO A MUNICIPAL MANAGER	MUNICIPAL MANAGER
4	20	22

In terms of **Clause 7**, the upper limits of the annual total remuneration packages for Municipal Managers are as follows:

MUNICIPAL GRADE	MINIMUM	LOWER	MIDPOINT	UPPER	MAXIMUM
4	R1,887,050	R1,932,340	R1,978,716	R2,026,205	R2,074,834

In terms of **Clause 8**, the annual total remuneration packages for Managers directly accountable to Municipal Managers are as follows:

MUNICIPAL GRADE	MINIMUM	LOWER	MIDPOINT	UPPER	MAXIMUM
4	R1,419,621	R1,453,692	R1,488,580	R1,524,306	R1,560,890

Clause 9 of the Notice addresses the criteria applicable in determining pay progression from one notch to another:

MINIMUM	LOWER	MIDPOINT	UPPER	MAXIMUM
New appointment	1 – 2 yrs in the job	3+ yrs in job	4+ yrs in job	5+ yrs in job
	Achieved performance rating of 3 and above	Achieved performance rating of 3 and above	Achieved performance rating of 3 and above	Achieved performance rating of 3 and above

Clause 14(6) states as follows:

“Despite every effort taken to address scale creep, if such an eventuality occurs where the remuneration philosophy is not aligned with the job level hierarchy, the municipal council must in consultation with the Minister correct it by paying the municipal manager four Task Levels above the highest paid third level managers, in case of manager directly accountable to municipal manager two Task Levels above the highest paid third level managers, subject to the correct job evaluation of the position of third level manager.”

In considering the package of the highest-paid third-level manager, the remuneration package of that manager is R1,749,430-04 per annum. The incumbent's post is on TASK level T17. This remuneration exceeds the highest notch (12) of T17 in terms of the TASK Scales. In terms of Clause 8, all the Senior Managers, even if they are paid at the maximum level, will not have their salaries addressed through the salary creep.

Therefore, Council must, in consultation with the Western Cape MEC for Local Government, Environmental Affairs & Development Planning, Mr Anton Bredell, correct the scale creep in terms of Section 14(6) of the Notice. The Municipal Council must, in consultation with MEC Bredell, take corrective measures in terms of Government Gazette 54505. In terms of the provisions of this gazette, the Municipal Manager must be remunerated four Task Levels above the highest paid third level manager, and in the case

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

of managers directly accountable to the Municipal Manager, two Task Levels above the highest paid third level manager.

The table below is an extract of the TASK scales that are applicable to municipal employees. The highlighted portions indicate the cost-to-company at two notches above the total package of the highest paid third-tier manager, which would apply to other senior managers, as well as the cost-to-company at two notches above the total package of the highest paid third-tier manager, which would be applicable to the Municipal Manager.

PROPOSED Total Cost to Council based on new Task Scales wef 1 July 2025														
T Scale	Notch	T-Notch	Annual Salary	Monthly Salary	Pension (18%)	Group Insurance	Medical Aid (60%)	Housing	UIF	Ind Cncl	Travel	Total	Bonus	Annual Equiv
19	1	88,394.00	1,060,728.00	88,394.00	15,910.92	2,627.95	5,791.15	1,170.23	177.12	11.38	8,959.00	123,041.75	88,394.00	1,564,895
19	3	92,696.00	1,112,352.00	92,696.00	16,685.28	2,755.85	5,791.15	1,170.23	177.12	11.38	8,959.00	128,246.01	92,696.00	1,631,648
19	5	97,188.00	1,166,256.00	97,188.00	17,493.84	2,889.40	5,791.15	1,170.23	177.12	11.38	8,959.00	133,680.12	97,188.00	1,701,349
19	12	114,738.00	1,376,856.00	114,738.00	20,652.84	3,411.16	5,791.15	1,170.23	177.12	11.38	8,959.00	154,910.88	114,738.00	1,973,669
20	1	109,422.00	1,313,064.00	109,422.00	19,695.96	3,253.12	5,791.15	1,170.23	177.12	11.38	8,959.00	148,479.96	109,422.00	1,891,181
20	3	114,738.00	1,376,856.00	114,738.00	20,652.84	3,411.16	5,791.15	1,170.23	177.12	11.38	8,959.00	154,910.88	114,738.00	1,973,669
20	5	120,306.00	1,443,672.00	120,306.00	21,655.08	3,576.70	5,791.15	1,170.23	177.12	11.38	8,959.00	161,646.66	120,306.00	2,060,066
21	1	117,490.00	1,409,880.00	117,490.00	21,148.20	3,492.98	5,791.15	1,170.23	177.12	11.38	8,959.00	158,240.06	117,490.00	2,016,371
21	3	123,194.00	1,478,328.00	123,194.00	22,174.92	3,662.56	5,791.15	1,170.23	177.12	11.38	8,959.00	165,140.36	123,194.00	2,104,878
21	5	129,178.00	1,550,136.00	129,178.00	23,252.04	3,840.46	5,791.15	1,170.23	177.12	11.38	8,959.00	172,379.38	129,178.00	2,197,731
22	1	123,194.00	1,478,328.00	123,194.00	22,174.92	3,662.56	5,791.15	1,170.23	177.12	11.38	8,959.00	165,140.36	123,194.00	2,104,878
22	3	129,178.00	1,550,136.00	129,178.00	23,252.04	3,840.46	5,791.15	1,170.23	177.12	11.38	8,959.00	172,379.38	129,178.00	2,197,731
22	5	135,458.00	1,625,496.00	135,458.00	24,382.44	4,027.17	5,791.15	1,170.23	177.12	11.38	8,959.00	179,976.49	135,458.00	2,295,176

Therefore, the implication is as follows:

- Municipal Manager: **four task levels above the highest paid third level manager = T21 top notch (Notch 5) R2,197,731-00**
- Senior Managers directly accountable to the Municipal Manager: **two task levels above the highest paid third level manager = T19 top notch (notch 12) R1,973,669-00**

However, the Notice provides in terms of Clause 6.2, that for a Grade 4 municipality, the Municipal Manager must be remunerated on a T22 and Managers directly accountable to the Municipal Manager must be remunerated on a T20. The top notch of a T19 and T21, respectively, corresponds to payment on notch 3 of a T20 and T21, respectively.

For ease of reference, the above is depicted in the undermentioned diagram.

PROPOSED Total Cost to Council based on new Task Scales wef 1 July 2025														
T Scale	Notch	T-Notch	Annual Salary	Monthly Salary	Pension (18%)	Group Insurance	Medical Aid (60%)	Housing	UIF	Ind Cncl	Travel	Total	Bonus	Annual Equiv
19	1	88,394.00	1,060,728.00	88,394.00	15,910.92	2,627.95	5,791.15	1,170.23	177.12	11.38	8,959.00	123,041.75	88,394.00	1,564,895
19	3	92,696.00	1,112,352.00	92,696.00	16,685.28	2,755.85	5,791.15	1,170.23	177.12	11.38	8,959.00	128,246.01	92,696.00	1,631,648
19	5	97,188.00	1,166,256.00	97,188.00	17,493.84	2,889.40	5,791.15	1,170.23	177.12	11.38	8,959.00	133,680.12	97,188.00	1,701,349
19	12	114,738.00	1,376,856.00	114,738.00	20,652.84	3,411.16	5,791.15	1,170.23	177.12	11.38	8,959.00	154,910.88	114,738.00	1,973,669
20	1	109,422.00	1,313,064.00	109,422.00	19,695.96	3,253.12	5,791.15	1,170.23	177.12	11.38	8,959.00	148,479.96	109,422.00	1,891,181
20	3	114,738.00	1,376,856.00	114,738.00	20,652.84	3,411.16	5,791.15	1,170.23	177.12	11.38	8,959.00	154,910.88	114,738.00	1,973,669
20	5	120,306.00	1,443,672.00	120,306.00	21,655.08	3,576.70	5,791.15	1,170.23	177.12	11.38	8,959.00	161,646.66	120,306.00	2,060,066
21	1	117,490.00	1,409,880.00	117,490.00	21,148.20	3,492.98	5,791.15	1,170.23	177.12	11.38	8,959.00	158,240.06	117,490.00	2,016,371
21	3	123,194.00	1,478,328.00	123,194.00	22,174.92	3,662.56	5,791.15	1,170.23	177.12	11.38	8,959.00	165,140.36	123,194.00	2,104,878
21	5	129,178.00	1,550,136.00	129,178.00	23,252.04	3,840.46	5,791.15	1,170.23	177.12	11.38	8,959.00	172,379.38	129,178.00	2,197,731
22	1	123,194.00	1,478,328.00	123,194.00	22,174.92	3,662.56	5,791.15	1,170.23	177.12	11.38	8,959.00	165,140.36	123,194.00	2,104,878
22	3	129,178.00	1,550,136.00	129,178.00	23,252.04	3,840.46	5,791.15	1,170.23	177.12	11.38	8,959.00	172,379.38	129,178.00	2,197,731
22	5	135,458.00	1,625,496.00	135,458.00	24,382.44	4,027.17	5,791.15	1,170.23	177.12	11.38	8,959.00	179,976.49	135,458.00	2,295,176

FINANCIAL IMPLICATIONS

Financial Implication: 2025/2026

	OFFICIAL	T-LEVEL & NOTCH	AMOUNT
1.	Municipal Manager	T22, Notch 3	R2,197,731-00
2.	Chief Financial Officer	T20, Notch 3	R1,973,669-00

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

3.	Director Corporate Services	T20, Notch 3	R1,973,669-00
4.	Director Infrastructure Services	T20, Notch 3	R1,973,669-00
5.	Director Planning Services	T20, Notch 3	R1,973,669-00
6.	Director Community Services	T20, Notch 3	R1,973,669-00
7.	Director Integrated Human Settlements	T20, Notch 3	R1,973,669-00

***Provision has been made in the 2025/26 Budget for the salary adjustment and backpay as per the tables above.**

Back pay up to January 2026

	OFFICIAL	AMOUNT
1.	Municipal Manager	R774,133-00
2.	Chief Financial Officer	R1,081,172-00
3.	Director Corporate Services	R657,468-00
4.	Director Infrastructure Services	R710,431-00
5.	Director Planning Services	R1,081,172-00
6.	Director Community Services	R602,416-00
7.	Director Integrated Human Settlements	R816,357-00

***Provision has been made in the 2025/26 Budget for the salary adjustment and backpay as per the tables above.**

RELEVANT LEGISLATION

Municipal Systems Act 32 of 2000, Government Notice on Upper Limits for the Remuneration of Senior Managers; Government Gazette No. 54505 dated 14 April 2026.

APPENDIX / ADDENDUM

ANNEXURE A – Government Notice 54505 dated 14 April 2026.

RECOMMENDATION OF THE ACTING MUNICIPAL MANAGER

- [a] That the content of the report on the Upper Limits of Total Remuneration packages Payable to Municipal Manager and Managers Directly accountable to Municipal Managers, be noted;
- [b] That Council approves of the implementation of the Upper Limits of Total Remuneration packages payable to Municipal Managers and Managers directly accountable to the Municipal Manager in terms of Government Gazette No 54505 for Category 4 Municipal Grading;
- [c] That Council mandates the Acting Municipal Manager to formally consult with Western Cape MEC for Local Government, Environmental Affairs & Development Planning, Mr Anton Bredell, (as required by Item 14(6) of the Notice) to finalise the correction of the salary scale creep, and to ensure that the proposed T21 (minimum notch) for the Municipal Manager and T19 (minimum notch) for Directors are in full compliance with the Notice.

- [d] That the Municipal Manager tables the written outcome of the consultation with the MEC to Council for ratification, before the final implementation of the salary creep correction.

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

STAATSKOERANT, 14 APRIL 2026

No. 54505 3

GOVERNMENT NOTICES • GOEWERMENTSKENNISGEWINGS

DEPARTMENT OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

NO. 7368

14 April 2026

LOCAL GOVERNMENT: MUNICIPAL SYSTEMS ACT, 2000
(ACT NO. 32 OF 2000)

UPPER LIMITS OF TOTAL REMUNERATION PACKAGES
OF MUNICIPAL MANAGERS AND
MANAGERS DIRECTLY ACCOUNTABLE TO MUNICIPAL MANAGERS

Under the powers vested in me by section 72(2A) of the *Local Government: Municipal Systems Act, 2000* (Act No. 32 of 2000) read in conjunction with the *Local Government: Regulations on Appointment and Conditions of Employment of Senior Managers*, issued in terms of Government Notice No. 21 as published under *Government Gazette* No. 37245 of 17 January 2014, I, Velenkosini Hlabisa, the Minister for Cooperative Governance and Traditional Affairs, hereby after –

- (a) consultation with the bargaining council established for municipalities, Minister of Finance, Minister for Public Service and Administration, MECs for local government, and organised local government; and
- (b) taking into consideration the matters as set out in regulation 35 of the Regulations,

determine the upper limits of the total remuneration packages payable to municipal managers and managers directly accountable to municipal managers as set out in the Schedule.



MR VELENKOSINI HLABISA, MP

MINISTER FOR COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

DATE: 10/04/2026

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

4 No. 54505

GOVERNMENT GAZETTE, 14 APRIL 2026

SCHEDULE

Preamble

Having regard to the upper limits of salaries of senior managers as set out below, the need to prioritise service delivery to communities and to sustain viable local government and the fiscal capacity of different categories of municipalities, this Notice provides a strategic framework for remuneration of senior managers across all municipalities.

The development of this Notice took into consideration the core reward principles aimed at ensuring an appropriate remuneration mix and sought to ensure that the remuneration of senior managers is cost-effective, consistent, internally equitable, externally competitive and aligned to the achievement of the objectives of municipalities while providing a uniform remuneration framework for local government.

The upper limits constitute an integral part of the human resource value chain in building resilient administrative institutions underpinned by the intent to enable municipalities to attract, appoint and retain suitably qualified and competent senior managers necessary for effective performance of their functions.

To strengthen the capacity of municipalities, this Notice reinforces the statutory obligation binding on municipalities to appoint senior managers who meet the minimum prescribed competencies, higher education qualifications, work experience and knowledge as provided for in *Government Gazette* No. 37245.

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

STAATSKOERANT, 14 APRIL 2026

No. 54505 5

Definitions

1. In this Schedule, unless the context indicates otherwise, a word or phrase to which a meaning has been assigned in the *Local Government: Municipal Systems Act, 2000* (Act No. 32 of 2000) as amended (hereafter referred to as "the Act") and *Government Gazette* No. 37245 has that meaning –

"in-job" means the number of years in-job in the same position in the same municipality;

"job evaluation" means the systematic process of assessing the job content and ranking jobs according to a consistent set of job characteristics to create a job worth hierarchy that determines and illustrates where each job fits in the municipality relative to other jobs in the municipality;

"Immediately" means in this context within a period of six months after lapsing of the employment contract;

"Municipal categorisation" or **"municipal grade"** means the grade assigned to a municipality in terms of this Notice, and both terms shall be interpreted as having the same meaning. For the avoidance of doubt, these terms do not refer to the grading or evaluation of individual posts of employees;

"notch" means an incremental point within a salary scale for a post, reflecting a predetermined remuneration amount within the same salary level or grade, and forming the basis for pay progression subject to the prescribed criteria;

"pay progression" means the structured movement of a senior manager from one salary notch to a higher salary notch within the same salary level or grade, in accordance with this Notice and subject to the senior manager meeting the prescribed performance and eligibility requirements;

"personal-to-incumbent" means the protection of current contractual terms and conditions applicable to an employee, including benefits, who has accepted a specific remuneration package, where that package may not conform to all aspects of the Remuneration Policy or any applicable determinations;

"Regulations" means the Local Government: Regulations on Appointment and Conditions of Employment of Senior Managers issued in terms of Government Notice No. 21 as published under *Government Gazette* No. 37245 of 17 January 2014;

"remote allowance" means a non-pensionable allowance, determined through the remoteness index, payable by a municipality to attract and retain suitably qualified and competent senior managers to a geographically remote area where the approved pay scales are not sufficient to attract such managers;

"remoteness index" means the directory of all municipalities providing a relative weight in terms of the remoteness of each municipality in relation to another as measured in terms of access to a range of public and private services, including livelihood opportunities;

"salary level or grade" means the level determined for a post in terms of an approved job evaluation system, representing the relative value of that post within the municipality and forming the basis upon which the applicable salary scale or total remuneration package is determined;

"salary scale" means the structured range of consisting of a minimum, lower, midpoint, upper maximum and, where applicable, incremental salary notches, within which a senior manager

3

This gazette is also available free online at www.gpwonline.co.za

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

6 No. 54505

GOVERNMENT GAZETTE, 14 APRIL 2026

may be remunerated in accordance with the Notice;

“senior manager” means a senior manager as defined in regulation 1 of the Local Government: Regulations on Appointment and Conditions of Employment of Senior Managers issued in terms of Government Notice No. 21 as published under *Government Gazette* No. 37245 of 17 January 2014;

“total remuneration package” means the total annual guaranteed pay of a Senior Manager, including the basic salary, housing, motor vehicle, pension contributions, medical aid contributions but excludes a variable pay;

“total municipal equitable share” means the equitable share of revenue that is provided to a metropolitan, district or local municipality for the 2023/24 financial year in terms of section 227(1) of the Constitution of the Republic of South Africa, 1996, to enable the municipality to provide basic services and perform the functions assigned to it, but excludes the regional services council replacement grant for district municipalities;

“total municipal income” means the gross income in respect of a metropolitan, district or local municipality based on actual income as stated in the audited financial statements of that municipality for the 2023/24 financial year. For the purpose of this meaning—

- (a) The gross income for a municipality includes the following:
 - (i) rates on property;
 - (ii) fees for services rendered by the municipality or on its behalf by a municipal entity;
 - (iii) surcharges;
 - (iv) other authorised taxes;
 - (v) levies and duties;
 - (vi) income from fines for traffic offences and contravention of municipal by-laws or legislation assigned to the local sphere of government;
 - (vii) regional services council replacement grant for district municipalities;
 - (viii) interest earned on invested funds other than national and provincial conditional grants;
 - (ix) rental for the use of municipal movable or immovable property; and
 - (x) amounts received as agent for other spheres of government.
- (b) The gross income excludes:
 - (i) transfers and / or grants from the national fiscus and provincial fiscus, with the exception of the regional services council replacement grant for district municipalities; and
 - (ii) all value added tax (VAT) refunds.

“total population” means the official statistics of the population residing in the area of jurisdiction of a metropolitan, district or local municipality, as determined by the Statistician-General for the 2022 Census, in terms of section 14(7) of the *Statistics Act*, 1999 (Act No. 6 of 1999); and

“upper limits” means the applicable total remuneration package values as contained in the Notice.

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

STAATSKOERANT, 14 APRIL 2026

No. 54505 7

Allocation of number of points for total municipal income

2. The number of points allocated for the total municipal income of a municipality is as follows:

TOTAL MUNICIPAL INCOME		
From	To	Number of Points
R-	R16 191 729	1
R16 191 730	R17 340 223	2
R17 340 224	R19 543 694	3
R19 543 695	R20 983 057	4
R20 983 058	R24 186 473	5
R24 186 474	R26 064 462	6
R26 064 463	R27 963 778	7
R27 963 779	R30 407 638	8
R30 407 639	R33 041 897	9
R33 041 898	R35 937 753	10
R35 937 754	R37 600 145	11
R37 600 146	R42 504 132	12
R42 504 133	R46 688 485	13
R46 688 486	R49 395 675	14
R49 395 676	R53 251 596	15
R53 251 597	R57 018 571	16
R57 018 572	R60 784 958	17
R60 784 959	R65 997 867	18
R65 997 868	R73 227 876	19
R73 227 877	R74 776 061	20
R74 776 062	R78 207 438	21
R78 207 439	R88 979 181	22
R88 979 182	R90 022 960	23
R90 022 961	R99 084 223	24
R99 084 224	R109 014 174	25
R109 014 175	R119 125 892	26
R119 125 893	R126 002 993	27
R126 002 994	R131 165 051	28
R131 165 052	R143 054 606	29
R143 054 607	R155 508 336	30
R155 508 337	R162 789 950	31
R162 789 951	R169 023 178	32
R169 023 179	R183 521 758	33
R183 521 759	R191 472 483	34
R191 472 484	R208 127 074	35
R208 127 075	R213 998 719	36
R213 998 720	R219 870 361	37
R219 870 362	R226 230 306	38
R226 230 307	R237 413 157	39
R237 413 158	R255 225 522	40
R255 225 522	R278 569 199	41
R278 569 200	R315 819 987	42
R315 819 988	R343 290 524	43
R343 290 525	R367 775 062	44
R367 775 063	R405 607 737	45
R405 607 737	R440 888 165	46
R440 888 166	R479 237 339	47

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

8 No. 54505

GOVERNMENT GAZETTE, 14 APRIL 2026

TOTAL MUNICIPAL INCOME		
From	To	Number of Points
R479 237 340	R520 922 187	48
R520 922 188	R566 232 852	49
R566 232 853	R669 020 578	50
R669 020 578	R790 467 270	51
R790 467 271	R859 223 405	52
R859 223 406	R1 417 005 983	53
R1 417 005 984	R1 103 500 974	54
R1 103 500 975	R1303 818 489	55
R1 303 818 490	R1 768 489 347	56
R1 768 489 348	R2 839 049 994	57
R2 839 049 995	R5 379 509 951	58
R5 379 509 952	R10 246 229 202	59
R10 246 229 203	Above	60

Allocation of number of points for total population

3. The number of points allocated for the total population of a municipality is as follows:

TOTAL POPULATION		
From	To	Number of Points
	78269	1
78270	92082	2
92083	103596	3
103597	117593	4
117594	132991	5
132992	145589	6
145590	159587	7
159588	173584	8
173585	188982	9
188983	209977	10
209978	233774	11
233775	261770	12
261771	295363	13
295364	331757	14
331758	382149	15
382150	440939	16
440940	510928	17
510929	593513	18
593514	690097	19
690098	804877	20
804878	937854	21
937855	1093229	22
1093230	1283597	23
1283598	1503361	24
1503362	1787513	25
1787514	2155650	26
2155651	2602176	27
2602177	3127087	28
3127088	4507475	29
4507476	above	30

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

STAATSKOERANT, 14 APRIL 2026

No. 54505 9

Allocation of number of points for total municipal equitable share

4. The number of points allocated for the total municipal equitable share of a municipality is as follows:

TOTAL MUNICIPAL EQUITABLE SHARE		
From	To	Number of Points
R0	R28 674 697	1
R28 674 698	R43 161 779	2
R43 161 780	R56 423 172	3
R56 423 173	R66 219 670	4
R66 219 671	R81 177 329	5
R81 177 330	R114 864 016	6
R114 864 017	R181 669 184	7
R181 669 185	R399 161 028	8
R399 161 029	R2 593 938 739	9
R2 593 938 740	above	10

Determination of grade of municipality

5. The total number of points allocated to a municipality, in terms of items 2, 3, and 4 respectively, determines the grade of such municipality, in accordance with the following table:

GRADE OF MUNICIPALITIES		
Grade	From	To
1	1	26
2	27	47
3	48	60
4	61	70
5	71	78
6	79	85
7	86	91
8	92	96
9	97	98
10	99	100

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

10 No. 54505

GOVERNMENT GAZETTE, 14 APRIL 2026

Annual total remuneration packages of municipal managers

6. The upper limits of the annual total remuneration packages for municipal managers are as follows:

MUNICIPAL GRADE	MINIMUM	LOWER	MIDPOINT	UPPER	MAXIMUM
1	R1,419,659	R1,453,731	R1,488,620	R1,524,347	R1,560,932
2	R1,560,932	R1,598,394	R1,636,755	R1,676,038	R1,716,262
3	R1,716,262	R1,757,453	R1,799,632	R1,842,823	R1,887,050
4	R1,887,050	R1,932,340	R1,978,716	R2,026,205	R2,074,834
5	R2,074,834	R2,124,630	R2,175,621	R2,227,836	R2,281,304
6	R2,281,304	R2,336,055	R2,392,121	R2,449,532	R2,508,320
7	R2,508,320	R2,568,520	R2,630,165	R2,693,288	R2,757,927
8	R2,757,927	R2,824,118	R2,891,896	R2,961,302	R3,032,373
9	R3,032,373	R3,105,150	R3,179,674	R 3,255,986	R3,334,130
10	R3,334,130	R3,414,149	R3,496,088	R 3,579,994	R3,665,914

Annual total remuneration packages of managers directly accountable to municipal managers

7. The upper limits of the annual total remuneration packages for managers directly accountable to municipal managers are as follows:

MUNICIPAL GRADE	MINIMUM	LOWER	MIDPOINT	UPPER	MAXIMUM
1	R1,068,004	R1,093,636	R1,119,883	R1,146,761	R1,174,283
2	R1,174,283	R1,202,466	R1,231,325	R1,260,877	R1,291,138
3	R1,291,138	R1,322,125	R1,353,856	R1,386,348	R1,419,621
4	R1,419,621	R1,453,692	R1,488,580	R1,524,306	R1,560,890
5	R1,560,890	R1,598,351	R1,636,711	R1,675,992	R1,716,216
6	R1,716,216	R1,757,405	R1,799,583	R1,842,773	R1,887,000
7	R1,887,000	R1,932,288	R1,978,663	R2,026,151	R2,074,778
8	R2,074,778	R2,124,573	R2,175,563	R2,227,776	R2,281,243
9	R2,281,243	R2,335,993	R2,392,056	R2,449,466	R2,508,253
10	R2,508,253	R2,568,451	R2,630,094	R2,693,216	R2,757,853

Offer of remuneration on appointment

8. (1) The offer of remuneration on appointment to a senior manager will be determined by the qualifications, experience, knowledge of the candidate considered for appointment and performance track record, where applicable.

8

This gazette is also available free online at www.gpwonline.co.za

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

STAATSKOERANT, 14 APRIL 2026

No. 54505 11

(2) A municipal council must apply the criteria as set out below to determine the offer of remuneration on appointment:

TOTAL REMUNERATION PACKAGE	CRITERIA
MINIMUM	- Meets the prescribed minimum qualifications in terms of the Regulations; - Has at least five (5) years' relevant experience as required; and - Has demonstrated exposure to strategic leadership responsibilities at a comparable municipal scale.
LOWER	- Meets the prescribed minimum qualifications; - Has between five (5) and seven (7) years' relevant experience; and - Demonstrates emerging strategic management capability with measurable performance outputs in a similar environment.
MIDPOINT	- Meets the prescribed minimum qualifications; - Has between seven (7) and ten (10) years' relevant experience; - Has demonstrable experience in managing complex institutional programmes, budgets and multidisciplinary teams; and - Has a proven record of achieving performance targets and maintained an effective individual performance at a senior management level.
UPPER	- Meets the prescribed minimum qualifications and possesses additional relevant postgraduate or specialist qualifications; - Has more than ten (10) years' relevant senior management experience; - Has demonstrated sustained institutional performance improvement, governance strengthening, or turnaround capability; - Has a proven record of achieving performance targets and maintained an effective individual performance at a senior management level; and - Has experience operating within highly complex or distressed municipal or institutional environments. The Municipal Council must record written reasons justifying placement at the upper notch.
MAXIMUM	- Meets the prescribed minimum qualifications and possesses additional advanced or specialist qualifications; - Has extensive senior management experience exceeding ten (10) years at comparable or higher institutional complexity; - Has demonstrated exceptional leadership, institutional reform, financial stabilisation, or service delivery turnaround achievements; - Has a proven record of achieving performance targets and maintained an effective individual performance at a senior management level; and - Provides scarce or critical skills that are demonstrably difficult to recruit within the municipal labour market and record is available to indicate such. The Municipal Council must record written reasons justifying placement at the Maximum notch.

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

12 No. 54505

GOVERNMENT GAZETTE, 14 APRIL 2026

(3) Where a senior manager, immediately following the expiry or termination of a contract, is appointed to the same position in the same municipality, or to an equivalent position in another municipality of the same municipal grade, the senior manager may be appointed at the salary notch applicable at the time of termination or departure, subject to the applicable upper limits, provided that good cause for such salary placement is demonstrated and formally recorded.

(4) For purposes of sub-item (3) above, good cause shall include demonstrated operational necessity, institutional continuity, retention of skills, recruitment constraints or other objectively justifiable reasons recorded by the municipal council.

Pay Progression

9. The following criteria apply in determining pay progression from one notch to another:

MINIMUM	LOWER	MIDPOINT	UPPER	MAXIMUM
New appointment	1-2 yrs in job	3+ yrs in job	4+ yrs in job	5+ yrs in job
	Achieved performance rating of 3 and above	Achieved performance rating of 3 and above	Achieved performance rating of 3 and above	Achieved performance rating of 3 and above

Upper limits of cell phone allowance and data for municipal managers and managers directly accountable to municipal managers

10. A senior manager may, in addition to the annual total remuneration packages provided for in terms of items 6 and 7 respectively, be paid a cell phone allowance and data not exceeding R2500.00 per month, in accordance with the applicable municipal council policy.

Payment of remote allowance

11. (1) A senior manager may be paid a remote allowance not exceeding the percentage of the total annual remuneration package applicable to the relevant senior manager, as provided in **Annexure A** to this Notice.

(2) A senior manager who receives a market premium allowance, rural or scarce skills allowance in terms of Notice No. 225 as published in *Government Gazette* No. 37500 of 29 March 2014 or Notice No. 578 as published in *Government Gazette* No. 38946 of 1 July 2015 is not eligible for the remote allowance contemplated in sub-item (1).

- (3) A remote allowance referred to in sub-item (1) terminates when –
- (a) the employment contract of a senior manager lapses or is terminated; or
 - (b) the senior manager vacates office for any reason before the date of expiry of the employment contract, including but not limited to transfer,

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

STAATSKOERANT, 14 APRIL 2026

No. 54505 13

promotion, dismissal for misconduct, incapacity, operational requirements and retirement.

Overpayment

12. (1) A municipality must remunerate its senior managers only within the framework of the Act and this Notice, setting out the upper limits of the total remuneration packages payable to senior managers.
- (2) Any remuneration paid to a senior manager other than in accordance with sub-item (1) or any benefit, is an irregular expenditure and the municipality must recover that remuneration and benefits from the senior manager concerned.
- (3) A municipality that remunerated a senior manager in contravention of the criteria governing the offer of remuneration on appointment, and in the absence of a waiver granted by the Minister, must correct the total remuneration package and recover any resultant overpayment in accordance with section 32 of the Municipal Finance Management Act, 2003 and other applicable legislation and legal principles governing the recovery of debts.

Furnishing of information to Minister

13. (1) A municipal council is required in terms of section 107 of the Act, to compile the following information for senior managers as at 1 July 2024 and submit same to the MEC for local government in the province:
- (a) Total approved posts;
 - (b) Total filled posts;
 - (c) Total vacant posts;
 - (d) Name of incumbent;
 - (e) Designation;
 - (f) Gender;
 - (g) Nature of contract (either permanent or fixed term contract);
 - (h) Date of appointment;
 - (i) Date of expiry of contract;
 - (j) Total remuneration packages and any allowances that are payable to senior managers and divisional managers (third level managers) for the 2024/ 25 municipal financial year, including the T-scale levels where applicable; and
 - (k) Municipal grade for the 2024/25 municipal financial year.
 - (l) Total municipal income;
 - (m) Total population; and
 - (n) Total municipal equitable share.

(2) The information contemplated in sub-item (1) must be submitted to the MEC for local government in the province within 60 days from the date of publication of this Notice on an official letterhead of the municipality, signed by the executive mayor or mayor.

(3) The MEC for local government must analyse, verify and submit consolidated information for all municipalities in the province to the Minister within 90 days from the of publication of this Notice.

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

14 No. 54505

GOVERNMENT GAZETTE, 14 APRIL 2026

Transitional provisions

14. (1) A municipal council may apply in writing to the Minister for exemption, using an application form which corresponds with **Annexure B**, after consultation with the MEC for local government if the municipality cannot afford to implement item 6 and 7 as set out in this Notice. The Minister will consider each application on merit, based on circumstances and motivation provided by the municipalities.

(2) If the remuneration of a senior manager is higher than the applicable pay scales determined in Items 6 and 7 the personal-to-incumbent will apply. In such cases, the senior manager shall retain his or her current total remuneration package and benefits; however, the senior manager shall not be eligible for pay progression and any adjustments to the remuneration package shall be limited to the cost-of-living adjustments determined by the Minister, until the applicable salary scale is aligned through the normal determination of upper limits.

(3) A senior manager who was remunerated at the midpoint or maximum in terms of the previous Notices, or whose remuneration falls between the notches prescribed in this Notice, must be placed, for purposes of this Notice, at the closest matching notch, being the nearest higher notch. A senior manager who was remunerated at a minimum in terms of the previous Notices, shall be placed at the minimum of this Notice.

(4) For a senior manager to qualify for pay progression he/she must have completed full cycle of performance management system for 2024/25 financial year, signed performance agreement, being assessed for the 2024/25 financial year and complied with all requirements in terms of the Local Government: Municipal Performance Regulations for municipal managers and managers directly accountable to municipal managers, 2006.

(5) Item 10 does not affect the existing cellphone and data contract of a senior manager entered into before the date of this Notice.

(6) Despite every effort taken to address scale creep, if such an eventuality occurs where there is still a salary creep, the municipal council must in consultation with the MEC for local government correct it by paying the municipal manager four salary levels or grades, at the minimum notch, above the highest paid third level managers, in case of manager directly accountable to municipal manager two salary levels or grades, at the minimum notch, above the highest paid third level managers in the department or directorate to which the manager directly accountable to the municipal manager is appointed to, subject to the following criteria:

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

STAATSKOERANT, 14 APRIL 2026

No. 54505 15

CRITERIA	DESCRIPTION
Job Evaluation	The positions of the third-level manager, the manager directly accountable to the municipal manager in that department or directorate, and the municipal manager have been evaluated in accordance with the Municipal Staff Regulations, 2021 and council policy, and the job-evaluation results have been audited and approved in terms of the council's delegations.
MTREF	Determine whether the budget is funded or unfunded and affordability.
Senior Manager's costed remuneration	Assess whether the current remuneration of the senior managers complies with Notice on upper limits of the total remuneration packages payable to municipal managers and managers directly accountable to municipal managers.
Remuneration ratio	Assess whether the employee related costs and councillors remuneration expenditure of a municipality is within the prescribed norm of 25% and 40% of the total operating budget with a view to free budget earmarked for service delivery for what it is intended for.
Sustainability ratio	Assess whether the municipality has the ability to overcome economic and external shocks by utilising its reserves.
Liquidity- Current Ratio	Assess whether the municipality is able to pay back its short- term liabilities (debt and payables) with its short-term assets (cash, Inventory and receivables).
Collection rate	Assess whether the municipality has the ability to collect revenue owed to it, including the effectiveness of its credit control and revenue management.
Cash/ Cost coverage ratio	Assess whether the municipality has the ability to meet its monthly fixed operating commitments from cash and short- term investment.

(7) The MEC for local government in the province must, without delay, notify the Minister of any determination, approval, or corrective measure made in terms of item 14(6), including the grounds on which such decision was taken and the municipality's historical compliance with previous determinations on upper limits and waiver approvals;

(8) A senior manager to whom a waiver was granted at the midpoint, or maximum must be placed at the closest matching notch in terms of this Notice. No waiver shall apply where a person commences a new position in the same municipality.

(9) Where a senior manager has been granted a remuneration waiver resulting in placement one or two notches above the highest-paid third-level managers, the municipal council must, in consultation with the MEC for local government in the province, correct such disparity in accordance with the principle and criteria set out in sub-item 14(6).

(10) If the grade of a municipality is lower than the previous categorisation as determined in terms of this Notice, the municipality shall retain the categorisation prescribed in the previous Notice and a senior manager –

- (a) who is appointed as at 30 June 2024, will be remunerated in terms of this Notice as per item 7 and 8 in accordance with the categorisation determined in terms of Government Notice No. 4897, Government Gazette No. 50787 of 30 May 2024. Provided that the data used by the municipality for determination of the grade of a municipal council is correct; and

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

16 No. 54505

GOVERNMENT GAZETTE, 14 APRIL 2026

(b) is entitled to the applicable cost of living adjustment entitled to cost-of-living adjustments aligned to the Minister's determination: Provided that the data used by the municipality for determination of the grade of a municipality is correct.

(11) The criteria as contained in Item 9 shall apply with effect 1 July 2024.

(12) Any council resolution, remuneration adjustment, or other administrative decision lawfully implemented in reliance on Government Gazette No. 53882, as published on 18 December 2025, prior to the publication of this Amendment Notice, and which was lawful and in compliance with the said Notice, shall remain valid.

Short title and commencement

15. (1) This Notice is called the Upper Limits of Total Remuneration Packages of Municipal Managers and Managers Directly Accountable to Municipal Managers.

(2) This Notice takes effect from 1 July 2024 and replaces Government Gazette No. 53882, as published on 18 December 2025.

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

STAATSKOERANT, 14 APRIL 2026

No. 54505 17

ANNEXURE A

PROVINCE	DISTRICT CODE	MUNICIPAL CODE	MUNICIPALITY	%
Eastern Cape	DC10	EC102	Blue Crane Route	4%
Eastern Cape	DC10	EC106	Sundays River Valley	4%
Eastern Cape	DC10	EC109	Kou-Kamma	4%
Eastern Cape	DC12	EC129	Raymond Mhlaba	4%
Eastern Cape	DC13	EC131	Inxuba Yethemba	4%
Eastern Cape	DC13	EC135	Intsika Yethu	4%
Eastern Cape	DC13	EC137	Engcobo	4%
Eastern Cape	DC13	EC138	Sakhisizwe	4%
Eastern Cape	DC13	EC139	Enoch Mgijima	4%
Eastern Cape	DC14	EC141	Elundini	4%
Eastern Cape	DC15	EC153	Ingguzu Hill	4%
Eastern Cape	DC44	EC443	Winnie Madikizela-Mandela	4%
Eastern Cape	DC15	EC154	Port St Johns	4%
Eastern Cape	DC44	EC442	Umzimvubu	4%
Eastern Cape	DC44	EC444	Ntabankulu	4%
Eastern Cape	DC14	DC14	Joe Gqabi	4%
Eastern Cape	DC44	DC44	Alfred Nzo	4%
Free State	DC16	FS161	Letsemeng	4%
Free State	DC16	FS162	Kopanong	4%
Free State	DC18	DC183	Tswelopele	4%
Free State	DC19	FS191	Setsoto	4%
Free State	DC19	FS196	Mantsopa	4%
Free State	DC20	FS205	Mafube	4%
Free State	DC20	FS204	Metsimaholo	4%
Free State	DC16	DC16	Xhariep	4%
Free State	DC20	DC20	Fezile Dabi	4%
KwaZulu Natal	DC21	KZN214	UMuziwabantu	4%
KwaZulu Natal	DC22	KZN224	Impendle	4%
KwaZulu Natal	DC23	KZN235	Okhahlamba	4%
KwaZulu Natal	DC24	KZN245	Umvoti	4%
KwaZulu Natal	DC24	KZN244	Msinga	4%
KwaZulu Natal	DC26	KZN261	eDumbe	4%
KwaZulu Natal	DC26	KZN262	UPhongolo	4%
KwaZulu Natal	DC26	KZN265	Nongoma	4%
KwaZulu Natal	DC26	KZN266	Ulundi	4%
KwaZulu Natal	DC27	KZN276	Big Five Hlabisa	4%
KwaZulu Natal	DC28	KZN285	Mthonjaneni	4%
KwaZulu Natal	DC28	KZN286	Nkandla	4%
KwaZulu Natal	DC43	KZN433	Greater Kokstad	4%
KwaZulu Natal	DC43	KZN434	Ubuhlebezwe	4%
KwaZulu Natal	DC43	KZN435	Umzimkhulu	4%
KwaZulu Natal	DC26	DC26	Zululand	4%
KwaZulu Natal	DC43	DC43	Harry Gwala	4%
Limpopo	DC33	LIM331	Greater Giyani	4%
Limpopo	DC34	LIM341	Musina	4%
Limpopo	DC35	LIM351	Blouberg	4%
Limpopo	DC35	LIM353	Molemole	4%
Limpopo	DC36	LIM361	Thabazimbi	4%
Limpopo	DC47	LIM473	Makhuduthamaga	4%
Limpopo	DC47	LIM476	Greater Tubatse/Fetakgomo	4%
Mpumalanga	DC30	MP301	Albert Luthuli	4%
Mpumalanga	DC30	MP303	Mkhondo	4%

15

This gazette is also available free online at www.gpwonline.co.za

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

18 No. 54505

GOVERNMENT GAZETTE, 14 APRIL 2026

PROVINCE	DISTRICT CODE	MUNICIPAL CODE	MUNICIPALITY	%
Mpumalanga	DC30	MP304	Dr Pixley Ka Isaka Seme	4%
Mpumalanga	DC32	MP321	Thaba Chweu	4%
Mpumalanga	DC 32	MP324	Nkomazi	4%
North West	DC37	NW375	Moses Kotane	4%
North West	DC38	NW381	Ratlou	4%
North West	DC38	NW382	Tswaing	4%
North West	DC38	NW385	Ramotshere Moiloa	4%
North West	DC39	NW392	Naledi (NW)	4%
North West	DC39	NW393	Mamusa	4%
North West	DC39	NW394	Greater Taung	4%
North West	DC39	NW396	Lekwa-Teemane	4%
North West	DC40	NW404	Maquassi Hills	4%
North West	DC39	DC39	Dr Ruth Segomotsi Mompati	4%
Northern Cape	DC8	NC084	IKheis	4%
Northern Cape	DC7	NC078	Siyancuma	4%
Northern Cape	DC7	NC076	Thembelihle	4%
Northern Cape	DC9	NC093	Magareng	4%
Northern Cape	DC9	NC094	Phokwane	4%
Western Cape	DC1	WC013	Bergrivier	4%
Western Cape	DC1	WC015	Swartland	4%
Western Cape	DC3	WC032	Overstrand	4%
Western Cape	DC3	WC034	Swellendam	4%
Western Cape	DC3	WC031	Theewaterskloof	4%
Western Cape	DC4	WC042	Hessequa	4%
Western Cape	DC4	WC041	Kannaland	4%
Western Cape	DC5	WC051	Laingsburg	4%
Western Cape	DC5	WC052	Prince Albert	4%
Western Cape	DC1	DC1	West Coast	4%
Eastern Cape	DC10	EC101	Dr Bayers Naude	7%
Eastern Cape	DC14	EC142	Senqu	7%
Eastern Cape	DC14	EC145	Walter Sisulu	7%
Eastern Cape	DC44	EC441	Matatiele	7%
Free State	DC16	FS163	Mohokare	7%
KwaZulu-Natal	DC27	KZN272	Jozini	7%
KwaZulu-Natal	DC27	DC27	Umkhanyakude	7%
KwaZulu-Natal	DC43	KZN436	Dr Nkosazana Dlamini Zuma	7%
Limpopo	DC36	LIM362	Lephalale	7%
Northern Cape	DC6	NC067	Khai-Ma	7%
Northern Cape	DC7	NC072	Umsobomvu	7%
Northern Cape	DC7	NC075	Renosterberg	7%
Northern Cape	DC8	NC085	Tsantsabane	7%
Northern Cape	DC8	NC086	Kgatelopele	7%
Northern Cape	DC45	NC453	Gamagara	7%
Northern Cape	DC45	NC452	Ga-Segonyana	7%
Northern Cape	DC45	DC45	John Taolo Gaetsewe	7%
Western Cape	DC1	WC012	Cederberg	7%
Western Cape	DC3	WC033	Cape Agulhas	7%
Western Cape	DC5	WC053	Beaufort West	7%
Western Cape	DC3	DC3	Overberg	7%
Western Cape	DC5	DC5	Central Karoo	7%
KwaZulu-Natal	DC27	KZN271	Umhlabuyalingana	10%
North West	DC39	NW397	Kagisano/Molopo	10%
Northern Cape	DC6	DC6	Namakwa	10%
Northern Cape	DC6	NC061	Richtersveld	10%

16

This gazette is also available free online at www.gpwonline.co.za

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

STAATSKOERANT, 14 APRIL 2026

No. 54505 19

PROVINCE	DISTRICT CODE	MUNICIPAL CODE	MUNICIPALITY	%
Northern Cape	DC6	NC062	Nama Khoi	10%
Northern Cape	DC6	NC064	Kamiesberg	10%
Northern Cape	DC6	NC065	Hantam	10%
Northern Cape	DC6	NC066	Karoo Hoogland	10%
Northern Cape	DC7	DC7	Pixley Ka Seme	10%
Northern Cape	DC7	NC073	Emthanjeni	10%
Northern Cape	DC7	NC071	Ubuntu	10%
Northern Cape	DC7	NC074	Kareeberg	10%
Northern Cape	DC7	NC077	Siyathemba	10%
Northern Cape	DC45	NC451	Joe Morolong	10%
Western Cape	DC1	WC011	Matzikama	10%

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

20 No. 54505

GOVERNMENT GAZETTE, 14 APRIL 2026

ANNEXURE B

APPLICATION FOR EXEMPTION FROM THE NOTICE ON UPPER LIMITS OF TOTAL REMUNERATION PACKAGES OF MUNICIPAL MANAGERS AND MANAGERS DIRECTLY ACCOUNTABLE TO MUNICIPAL MANAGERS

This form must be completed by a municipality applying to the Minister for exemption from the implementation of the Notice on Upper Limits of Total Remuneration Packages of Municipal Managers and Managers Directly Accountable to Municipal Managers. The application must be approved by the Municipal Council and submitted by the Mayor or Executive Mayor.

PART A: SUBMISSION CHECKLIST

- ☐ Council Resolution approving the exemption application
- ☐ Municipal Budget and MTREF showing affordability constraints
- ☐ Latest Audited Annual Financial Statements
- ☐ Organisational Structure indicating senior management posts
- ☐ Current remuneration packages of affected senior managers
- ☐ Motivation report explaining financial constraints
- ☐ Any other relevant supporting documentation

PART B: MUNICIPALITY DETAILS

Name of Municipality	
Municipal Code	
Province	
District Municipality (if applicable)	
Physical Address	
Postal Address	
Telephone	
Email Address	

PART C: AUTHORISED APPLICANT (ON BEHALF OF COUNCIL)

Name	
Designation (Mayor / Executive Mayor)	
Contact Number	
Email Address	

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

STAATSKOERANT, 14 APRIL 2026

No. 54505 21

PART D: DETAILS OF THE EXEMPTION REQUEST

Positions for which exemption is sought:

Position	Number of Posts	Current Remuneration	Proposed Remuneration
Municipal Manager			
Manager directly accountable to Municipal Manager			

Provision(s) of the Notice for which exemption is sought:

- ☐ Upper limit of remuneration package
☐ Pay progression requirement
☐ Placement within salary notch framework
☐ Other (specify)

Relevant clause(s) of the Notice: _____

PART E: MUNICIPALITY CLASSIFICATION

Provide the following information used to determine the municipal grade:

Indicator	Value	Source
Total Municipal Income		
Total Population		
Municipal Equitable Share		
Total Points		
Municipal Grade		

PART F: REASONS FOR REQUESTING EXEMPTION

Explain why the municipality cannot implement the Notice:

- ☐ Financial constraints / affordability
☐ Unfunded budget
☐ Service delivery impact
☐ Other (specify)

Detailed motivation:

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

22 No. 54505

GOVERNMENT GAZETTE, 14 APRIL 2026

PART G: PERIOD OF EXEMPTION REQUESTED

- ☐ One financial year
☐ Two financial years
☐ Other (specify)

Proposed start date: _____

Proposed end date: _____

PART H: FINANCIAL INFORMATION

Provide summary financial indicators:

Indicator	Value
Total Operating Budget	
Employee Related Costs	
Cash Coverage Ratio	
Liquidity Ratio	
Collection Rate	
Whether Budget is Funded/Unfunded	

Attach supporting documentation where applicable.

PART I: DECLARATION

I hereby certify that:

- The information provided in this application is true and correct.
- The Municipal Council has approved the submission of this application.
- All supporting documentation has been attached.

Name: _____

Designation: _____

Signature: _____

Date: _____

PART J: MUNICIPAL COUNCIL CONFIRMATION

Council Resolution Number: _____

Date of Council Resolution: _____

Certified by:

Municipal Manager/Delegated Authority: _____

Signature: _____

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

STAATSKOERANT, 18 DESEMBER 2025

No. 53882 3

GOVERNMENT NOTICES • GOEWERMENTSKENNISGEWINGS

DEPARTMENT OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

NO. 6967

18 December 2025

**LOCAL GOVERNMENT: MUNICIPAL SYSTEMS ACT, 2000
(ACT NO. 32 OF 2000)**

**UPPER LIMITS OF TOTAL REMUNERATION PACKAGES OF
MUNICIPAL MANAGERS AND
MANAGERS DIRECTLY ACCOUNTABLE TO MUNICIPAL MANAGERS**

Under the powers vested in me by section 72(2A) of the *Local Government: Municipal Systems Act, 2000* (Act No. 32 of 2000) read in conjunction with the *Local Government: Regulations on Appointment and Conditions of Employment of Senior Managers*, issued in terms of Government Notice No. 21 as published under *Government Gazette* No. 37245 of 17 January 2014, I, Velenkosini Hlabisa, the Minister for Cooperative Governance and Traditional Affairs, hereby after –

- (a) consultation with the bargaining council established for municipalities, Minister of Finance, Minister for Public Service and Administration, MECs for local government, and organised local government; and
- (b) taking into consideration the matters as set out in regulation 35 of the Regulations,

determine the upper limits of the total remuneration packages payable to municipal managers and managers directly accountable to municipal managers as set out in the Schedule.


MR VELENKOSINI HLABISA, MP
MINISTER FOR COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
DATE: 16/12/2025

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

4 No. 53882

GOVERNMENT GAZETTE, 18 DECEMBER 2025

SCHEDULE

Preamble

Having regard to the upper limits of salaries of senior managers as set out below, the need to prioritise service delivery to communities and to sustain viable local government and the fiscal capacity of different categories of municipalities, this Notice provides a strategic framework for remuneration of senior managers across all municipalities.

The development of this Notice took into consideration the core reward principles aimed at ensuring an appropriate remuneration mix and sought to ensure that the remuneration of senior managers is cost-effective, consistent, internally equitable, externally competitive and aligned to the achievement of the objectives of municipalities while providing a uniform remuneration framework for local government.

The upper limits constitute an integral part of the human resource value chain in building resilient administrative institutions underpinned by the intent to enable municipalities to attract, appoint and retain suitably qualified and competent senior managers necessary for effective performance of their functions.

To strengthen the capacity of municipalities, this Notice reinforces the statutory obligation binding on municipalities to appoint senior managers who meet the minimum prescribed competencies, higher education qualifications, work experience and knowledge as provided for in *Government Gazette* No. 37245.

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

STAATSKOERANT, 18 DESEMBER 2025

No. 53882 5

Definitions

1. In this Schedule, unless the context indicates otherwise, a word or phrase to which a meaning has been assigned in the *Local Government: Municipal Systems Act, 2000* (Act No. 32 of 2000) as amended (hereafter referred to as "the Act") and *Government Gazette* No. 37245 has that meaning –

"in-job" means the number of years in-job in the same position in the same municipality;

"job evaluation" means the systematic process of assessing the job content and ranking jobs according to a consistent set of job characteristics to create a job worth hierarchy that determines and illustrates where each job fits in the municipality relative to other jobs in the municipality;

"job grade" means the relative value of a particular job as reflected by the job weight, which is linked to a salary range in a salary scale, as used in local government;

"pay scale" means the pay guidelines linked to the job grade;

"personal-to-incumbent" means the protection of current contractual terms and conditions applicable to an employee, including benefits, who has accepted a specific remuneration package, where that package may not conform to all aspects of the Remuneration Policy or any applicable determinations;

"Regulations" means the Local Government: Regulations on Appointment and Conditions of Employment of Senior Managers issued in terms of Government Notice No. 21 as published under *Government Gazette* No. 37245 of 17 January 2014;

"remote allowance" means a non-pensionable allowance, determined through the remoteness index, payable by a municipality to attract and retain suitably qualified and competent senior managers to a geographically remote area where the approved pay scales are not sufficient to attract such managers;

"remoteness index" means the directory of all municipalities providing a relative weight in terms of the remoteness of each municipality in relation to another as measured in terms of access to a range of public and private services, including livelihood opportunities;

"senior manager" means a senior manager as defined in regulation 1 of the Local Government: Regulations on Appointment and Conditions of Employment of Senior Managers issued in terms of Government Notice No. 21 as published under *Government Gazette* No. 37245 of 17 January 2014;

"T.A.S.K" means a skills-based job evaluation system whereby a natural progression of the acquisition of skills is emphasised throughout the grading process;

"total remuneration package" means the total annual guaranteed pay of a Senior Manager, including the basic salary, housing, motor vehicle, pension contributions, medical aid contributions but excludes a variable pay;

"total municipal equitable share" means the equitable share of revenue that is provided to a metropolitan, district or local municipality for the 2023/24 financial year in terms of section 227(1) of the Constitution of the Republic of South Africa, 1996, to enable the municipality to provide basic services and perform the functions assigned to it, but excludes the regional services council replacement grant for district municipalities;

"total municipal income" means the gross income in respect of a metropolitan, district or local municipality based on actual income as stated in the audited financial statements of that municipality for the 2023/24 financial year. For the purpose of this meaning–

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

6 No. 53882

GOVERNMENT GAZETTE, 18 DECEMBER 2025

- (a) The gross income for a municipality includes the following:
- (i) **rates on property;**
- (ii) fees for services rendered by the municipality or on its behalf by a municipal entity;
 - (iii) surcharges;
 - (iv) other authorised taxes;
 - (v) levies and duties;
 - (vi) income from fines for traffic offences and contravention of municipal by-laws or legislation assigned to the local sphere of government;
 - (vii) regional services council replacement grant for district municipalities;
 - (viii) interest earned on invested funds other than national and provincial conditional grants;
 - (ix) rental for the use of municipal movable or immovable property; and
 - (x) amounts received as agent for other spheres of government.
- (b) The gross income excludes:
- (i) transfers and / or grants from the national fiscus and provincial fiscus, with the exception of the regional services council replacement grant for district municipalities; and
 - (ii) all value added tax (VAT) refunds.

“total population” means the official statistics of the population residing in the area of jurisdiction of a metropolitan, district or local municipality, as determined by the Statistician-General for the 2022 Census, in terms of section 14(7) of the *Statistics Act*, 1999 (Act No. 6 of 1999); and

“upper limits” means the applicable total remuneration package values as contained in the Notice.

Allocation of number of points for total municipal income

2. The number of points allocated for the total municipal income of a municipality is as follows:

TOTAL MUNICIPAL INCOME		
From	To	Number of Points
R-	R16 191 729	1
R16 191 730	R17 340 223	2
R17 340 224	R19 543 694	3
R19 543 695	R20 983 057	4
R20 983 058	R24 186 473	5
R24 186 474	R26 064 462	6
R26 064 463	R27 963 778	7
R27 963 779	R30 407 638	8
R30 407 639	R33 041 897	9
R33 041 898	R35 937 753	10
R35 937 754	R37 600 145	11
R37 600 146	R42 504 132	12
R42 504 133	R46 688 485	13
R46 688 486	R49 395 675	14
R49 395 676	R53 251 596	15
R53 251 597	R57 018 571	16
R57 018 572	R60 784 958	17

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

STAATSKOERANT, 18 DESEMBER 2025

No. 53882 7

TOTAL MUNICIPAL INCOME		
From	To	Number of Points
R60 784 959	R65 997 867	18
R65 997 868	R73 227 876	19
R73 227 877	R74 776 061	20
R74 776 062	R78 207 438	21
R78 207 439	R88 979 181	22
R88 979 182	R90 022 960	23
R90 022 961	R99 084 223	24
R99 084 224	R109 014 174	25
R109 014 175	R119 125 892	26
R119 125 893	R126 002 993	27
R126 002 994	R131 165 051	28
R131 165 052	R143 054 606	29
R143 054 607	R155 508 336	30
R155 508 337	R162 789 950	31
R162 789 951	R169 023 178	32
R169 023 179	R183 521 758	33
R183 521 759	R191 472 483	34
R191 472 484	R208 127 074	35
R208 127 075	R213 998 719	36
R213 998 720	R219 870 361	37
R219 870 362	R226 230 306	38
R226 230 307	R237 413 157	39
R237 413 158	R255 225 522	40
R255 225 522	R278 569 199	41
R278 569 200	R315 819 987	42
R315 819 988	R343 290 524	43
R343 290 525	R367 775 062	44
R367 775 063	R405 607 737	45
R405 607 738	R440 888 165	46
R440 888 166	R479 237 339	47
R479 237 340	R520 922 187	48
R520 922 188	R566 232 852	49
R566 232 853	R669 020 578	50
R669 020 578	R790 467 270	51
R790 467 271	R859 223 405	52
R859 223 406	R1 015 197 437	53
R1 015 197 438	R1 103 500 974	54
R1 103 500 975	R1303 818 489	55
R1 303 818 490	R1 768 489 347	56
R1 768 489 348	R2 839 049 994	57
R2 839 049 995	R5 379 509 951	58
R5 379 509 952	R10 246 229 202	59
R10 246 229 203	Above	60

Allocation of number of points for total population

3. The number of points allocated for the total population of a municipality is as follows:

TOTAL POPULATION		
From	To	Number of Points
	78269	1

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

8 No. 53882

GOVERNMENT GAZETTE, 18 DECEMBER 2025

TOTAL POPULATION		
From	To	Number of Points
78270	92082	2
92083	103596	3
103597	117593	4
117594	132991	5
132992	145589	6
145590	159587	7
159588	173584	8
173585	188982	9
188983	209977	10
209978	233774	11
233775	261770	12
261771	295363	13
295364	331757	14
331758	382149	15
382150	440939	16
440940	510928	17
510929	593513	18
593514	690097	19
690098	804877	20
804878	937854	21
937855	1093229	22
1093230	1283597	23
1283598	1503361	24
1503362	1787513	25
1787514	2155650	26
2155651	2602176	27
2602177	3127087	28
3127088	4507475	29
4507476	above	30

Allocation of number of points for total municipal equitable share

4. The number of points allocated for the total municipal equitable share of a municipality is as follows:

TOTAL MUNICIPAL EQUITABLE SHARE		
From	To	Number of Points
R0	R28 674 697	1
R28 674 698	R43 161 779	2
R43 161 780	R56 423 172	3
R56 423 173	R66 219 670	4
R66 219 671	R81 177 329	5
R81 177 330	R114 864 016	6
R114 864 017	R181 669 184	7
R181 669 185	R399 161 028	8
R399 161 029	R2 593 938 739	9
R2 593 938 740	above	10

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

STAATSKOERANT, 18 DESEMBER 2025

No. 53882 9

Determination of grade of municipality

5. The total number of points allocated to a municipality, in terms of items 2, 3, and 4 respectively, determines the grade of such municipality, in accordance with the following table:

GRADE OF MUNICIPALITIES		
Grade	From	To
1	1	26
2	27	47
3	48	60
4	61	70
5	71	78
6	79	85
7	86	91
8	92	96
9	97	98
10	99	100

Determination of job grades

6. (1) All positions of senior managers must be profiled and evaluated before appointment.
- (2) The table below sets out the municipal job grades for managers directly accountable to a municipal manager, and for municipal managers, in column (b) and (c), respectively.

(a) MUNICIPAL GRADE	(b) MANAGERS DIRECTLY ACCOUNTABLE TO A MUNICIPAL MANGER	(c) MUNICIPAL MANAGER
1	18	20
2	18	20
3	18	20
4	20	22
5	20	22
6	20	22
7	20	22
8	22	24
9	24	25
10	24	25

Annual total remuneration packages of municipal managers

7. The upper limits of the annual total remuneration packages for municipal managers are as follows:

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

10 No. 53882

GOVERNMENT GAZETTE, 18 DECEMBER 2025

MUNICIPAL GRADE	MINIMUM	LOWER	MIDPOINT	UPPER	MAXIMUM
1	R1,419,659	R1,453,731	R1,488,620	R1,524,347	R1,560,932
2	R1,560,932	R1,598,394	R1,636,755	R1,676,038	R1,716,262
3	R1,716,262	R1,757,453	R1,799,632	R1,842,823	R1,887,050
4	R1,887,050	R1,932,340	R1,978,716	R2,026,205	R2,074,834
5	R2,074,834	R2,124,630	R2,175,621	R2,227,836	R2,281,304
6	R2,281,304	R2,336,055	R2,392,121	R2,449,532	R2,508,320
7	R2,508,320	R2,568,520	R2,630,165	R2,693,288	R2,757,927
8	R2,757,927	R2,824,118	R2,891,896	R2,961,302	R3,032,373
9	R3,032,373	R3,105,150	R3,179,674	R 3,255,986	R3,334,130
10	R3,334,130	R3,414,149	R3,496,088	R 3,579,994	R3,665,914

Annual total remuneration packages of managers directly accountable to municipal managers

8. The upper limits of the annual total remuneration packages for managers directly accountable to municipal managers are as follows:

MUNICIPAL GRADE	MINIMUM	LOWER	MIDPOINT	UPPER	MAXIMUM
1	R1,068,004	R1,093,636	R1,119,883	R1,146,761	R1,174,283
2	R1,174,283	R1,202,466	R1,231,325	R1,260,877	R1,291,138
3	R1,291,138	R1,322,125	R1,353,856	R1,386,348	R1,419,621
4	R1,419,621	R1,453,692	R1,488,580	R1,524,306	R1,560,890
5	R1,560,890	R1,598,351	R1,636,711	R1,675,992	R1,716,216
6	R1,716,216	R1,757,405	R1,799,583	R1,842,773	R1,887,000
7	R1,887,000	R1,932,288	R1,978,663	R2,026,151	R2,074,778
8	R2,074,778	R2,124,573	R2,175,563	R2,227,776	R2,281,243
9	R2,281,243	R2,335,993	R2,392,056	R2,449,466	R2,508,253
10	R2,508,253	R2,568,451	R2,630,094	R2,693,216	R2,757,853

Offer of remuneration on appointment

9. A senior manager shall be offered remuneration at the minimum notch of the applicable salary band and relevant category of a municipality on appointment.

Pay Progression

10. The following criteria apply in determining pay progression from one notch to another:

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

STAATSKOERANT, 18 DESEMBER 2025

No. 53882 11

MINIMUM	LOWER	MIDPOINT	UPPER	MAXIMUM
New appointment	1-2 yrs in job	3+ yrs in job	4+ yrs in job	5+ yrs in job
	Achieved performance rating of 3 and above	Achieved performance rating of 3 and above	Achieved performance rating of 3 and above	Achieved performance rating of 3 and above

Upper limits of cell phone allowance and data for municipal managers and managers directly accountable to municipal managers

11. A senior manager may, in addition to the annual total remuneration packages provided for in terms of items 7 and 8 respectively, be paid a cell phone allowance and data not exceeding R2500.00 per month, in accordance with the applicable municipal council policy.

Payment of remote allowance

12. (1) A senior manager may be paid a remote allowance not exceeding the percentage of the total annual remuneration package applicable to the relevant senior manager, as provided in **Annexure B** to this Notice.

(2) A senior manager who receives a market premium allowance, rural or scarce skills allowance in terms of Notice No. 225 as published in *Government Gazette* No. 37500 of 29 March 2014 or Notice No. 578 as published in *Government Gazette* No. 38946 of 1 July 2015 is not eligible for the remote allowance contemplated in sub-item (1).

(3) A remote allowance referred to in sub-item (1) terminates when –

- (a) the employment contract of a senior manager lapses or is terminated; or
- (b) the senior manager vacates office for any reason before the date of expiry of the employment contract, including but not limited to transfer, promotion, dismissal for misconduct, incapacity, operational requirements and retirement.

Overpayment

13. (1) A municipality must remunerate its senior managers only within the framework of the Act and this Notice, setting out the upper limits of the total remuneration packages payable to senior managers.

(2) Any remuneration paid to a senior manager other than in accordance with sub-item (1) or any benefit, is an irregular expenditure and the municipality must recover that remuneration from the senior manager concerned.

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

12 No. 53882

GOVERNMENT GAZETTE, 18 DECEMBER 2025

- (3) The expenditure for implementation of this Notice must be defrayed from the budget of municipalities.

Furnishing of information to Minister

14. (1) A municipal council is required in terms of section 107 of the Act, to compile the following information for senior managers as at 1 July 2024 and submit same to the MEC for local government in the province:

- (a) Total approved posts;
- (b) Total filled posts;
- (c) Total vacant posts;
- (d) Name of incumbent;
- (e) Designation;
- (f) Gender;
- (g) Nature of contract (either permanent or fixed term contract);
- (h) Date of appointment;
- (i) Date of expiry of contract;
- (j) Total remuneration packages and any allowances that are payable to senior managers and divisional managers (third level managers) for the 2024/ 25 municipal financial year, including the T-scale levels where applicable; and
- (k) Municipal grade for the 2023/24 municipal financial year.

- (2) The information contemplated in sub-item (1) must be submitted to the MEC for local government in the province within 30 days from the date of publication of this Notice on an official letterhead of the municipality, signed by the executive mayor or mayor.

- (3) The MEC for local government must analyse and submit consolidated information for all municipalities in the province to the Minister within 30 days from the date of receipt of information from municipalities.

Transitional provisions

15. (1) A municipal council may apply in writing to the Minister for exemption, using an application form which corresponds with **Annexure C**, after consultation with the MEC for local government if the municipality cannot afford to implement item 7 and 8 as set out in this Notice. The Minister will consider each application on merit, based on circumstances and motivation provided by the municipalities.

- (2) If the remuneration of a senior manager is higher than the applicable pay scales the personal-to-incumbent will apply, that senior manager shall retain his/her current salary and benefits, provided that the future annual salary adjustments shall be withheld until the incumbent's salary equals the salary scale in the Notice.

- (3) Municipalities with unfunded budgets for the 2025/26 municipal financial year, as listed in **Annexure D**, must remunerate their senior managers with pay scales as provided in **Annexure E** until such time that they are no longer on the list.

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

STAATSKOERANT, 18 DESEMBER 2025

No. 53882 13

(4) Item 11 does not affect the existing cellphone and data contract of a senior manager entered into before the date of this Notice.

(5) Job evaluation of senior managers takes effect from 1 July 2026.

(6) Despite every effort taken to address scale creep, if such an eventuality occurs where the remuneration philosophy is not aligned with the job level hierarchy, the municipal council must in consultation with the Minister correct it by paying the municipal manager four Task levels above the highest paid third level managers, in case of manager directly accountable to municipal manager two Task levels above the highest paid third level managers, subject to correct job evaluation of the position of third level manager.

Short title and commencement

16. (1) This Notice is called the Upper Limits of Total Remuneration Packages of Municipal Managers and Managers Directly Accountable to Municipal Managers.

(2) This Notice takes effect from 1 July 2024 and replaces *Government Gazette* No. 50737 as published on 30 May 2024.

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

14 No. 53882

GOVERNMENT GAZETTE, 18 DECEMBER 2025

ANNEXURE A

MUNICIPAL GRADES

NO,	CODE	MUNICIPALITY	GRADE
EASTERN CAPE			
1	BUF	Buffalo City	7
2	NMA	Nelson Mandela Bay	8
3	EC101	Dr Beyers Naude	3
4	EC102	Blue Crane Route	2
5	EC104	Makana	3
6	EC105	Ndlambe	1
7	EC106	Sundays River Valley	2
8	EC108	Kouga	4
9	EC109	Kou-Kamma	2
10	DC10	Sarah Baartman District Municipality	2
11	EC121	Mbhashe	2
12	EC122	Mnquma	3
13	EC123	Great Kei	1
14	EC124	Amahlathi	2
15	EC126	Ngqushwa	1
16	EC129	Raymond Mhlaba	3
17	DC12	Amathole District Municipality	6
18	EC131	Inxuba Yethemba	2
19	EC135	Intsika Yethu	2
20	EC136	Emalahleni	2
21	EC137	Dr AB Xuma	1
22	EC138	Sakhisizwe	1
23	EC139	Enoch Mgijima	5
24	DC13	Chris Hani District Municipality	6
25	EC141	Elundini	3
26	EC142	Senqu	3
27	EC145	Walter Sisulu	4
28	DC14	Joe Gqabi District Municipality	4
29	EC153	Ngquza Hill	2
30	EC154	Port St Johns	4
31	EC155	Nyandeni	2
32	EC156	Mhlontlo	2
33	EC157	King Sabata Dalindyebo	6
34	DC15	O.R. Tambo District Municipality	5
35	EC441	Matatiele	3
36	EC442	Umzimvubu	3
37	EC443	Mbizana	2
38	EC444	Ntabankulu	1
39	DC44	Alfred Nzo District Municipality	4

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

STAATSKOERANT, 18 DESEMBER 2025

No. 53882 15

NO	CODE	MUNICIPALITY	GRADE / CATEGORY
FREE STATE			
40	MAN	Mangaung	6
41	FS161	Letsemeng	2
42	FS162	Kopanong	1
43	FS163	Mohokare	2
44	DC16	Xhariep District Municipality	1
45	FS181	Masilonyana	1
46	FS182	Tokologo	2
47	FS183	Tswelopele	2
48	FS184	Matjhabeng	6
49	FS185	Nala	3
50	DC18	Lejweleputswa District Municipality	3
51	FS191	Setsoto	3
52	FS192	Dihlabeng	4
53	FS193	Nketoana	3
54	FS194	Maluti-a-Phofung	5
55	FS195	Phumelela	2
56	FS196	Mantsopa	3
57	DC19	Thabo Mofutsanyana District Municipality	3
58	FS201	Moghaka	4
59	FS203	Ngwathe	4
60	FS204	Metsimaholo	5
61	FS205	Mafube	3
62	DC20	Fezile Dabi District Municipality	3
GAUTENG			
63	EKU	City of Ekurhuleni	10
64	JHB	City of Johannesburg	10
65	TSH	City of Tshwane	10
66	GT421	Emfuleni	7
67	GT422	Midvaal	4
68	GT423	Lesedi	4
69	DC42	Sedibeng District Municipality	5
70	GT481	Mogale City	6
71	GT484	Merafong City	5
72	GT485	Rand West City	5
73	DC48	West Rand District Municipality	5
KWAZULU-NATAL			
74	ETH	eThekweni	10
75	KZN212	uMdoni	2
76	KZN213	uMzumbe	1
77	KZN214	uMuziwabantu	2
78	KZN216	Ray Nkonyeni	5

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

16 No. 53882

GOVERNMENT GAZETTE, 18 DECEMBER 2025

79	DC21	Ugu District Municipality	6
80	KZN221	uMshwathi	1
81	KZN222	uMngeni	3
82	KZN223	Mpofana	2
83	KZN224	iMpendle	1
84	KZN225	Msunduzi	6
85	KZN226	Mkhambathini	1
86	KZN227	Richmond	1
87	DC22	uMgungundlovu District Municipality	5
88	KZN235	Okhahlamba	2
89	KZN237	iNkosi Langalibalele	4
90	KZN238	Alfred Duma	5
91	DC23	uThukela District Municipality	4
92	KZN241	eNdumeni	3
93	KZN242	Nquthu	2
94	KZN244	uMsinga	2
95	KZN245	uMvoti	2
96	DC24	uMzinyathi District Municipality	3
97	KZN252	Newcastle	6
98	KZN253	eMadlangeni	1
99	KZN254	Dannhauser	1
100	DC25	Amajuba District Municipality	3
101	KZN261	eDumbe	1
102	KZN262	uPhongolo	2
103	KZN263	AbaQulusi	4
104	KZN265	Nongoma	1
105	KZN266	Ulundi	3
106	DC26	Zululand District Municipality	2
107	KZN271	uMhlabuyalingana	3
108	KZN272	Jozini	2
109	KZN275	Mtubatuba	2
110	KZN276	Big Five Hlabisa	1
111	DC27	uMkhanyakude District Municipality	3
112	KZN281	uMfolozi	1
113	KZN282	uMhlathuze	6
114	KZN284	uMlalazi	4
115	KZN285	Mthonjaneni	1
116	KZN286	Nkandla	2
117	DC28	King Cetshwayo District Municipality	6
118	KZN291	Mandeni	2
119	KZN292	KwaDukuza	5
120	KZN293	Ndwedwe	1
121	KZN294	Maphumulo	1
122	DC29	iLembe District Municipality	4

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

STAATSKOERANT, 18 DESEMBER 2025

No. 53882 17

123	KZN433	Greater Kokstad	3
124	KZN434	uBuhlebezwe	2
125	KZN435	uMzimkhulu	3
126	KZN436	Dr Nkosazana Dlamini Zuma	3
127	DC43	Harry Gwala District Municipality	3
LIMPOPO			
128	LIM331	Greater Giyani	3
129	LIM332	Greater Letaba	2
130	LIM333	Greater Tzaneen	6
131	LIM334	Ba-Phalaborwa	4
132	LIM335	Maruleng	3
133	DC33	Mopani District Municipality	6
134	LIM341	Musina	3
135	LIM343	Thulamela	4
136	LIM344	Makhado	5
137	LIM345	Collins Chabane	3
138	DC34	Vhembe District Municipality	6
139	LIM351	Blouberg	2
140	LIM353	Molemole	2
141	LIM354	Polokwane	7
142	LIM355	Lepele-Nkumpi	3
143	DC35	Capricorn District Municipality	6
144	LIM361	Thabazimbi	3
145	LIM362	Lephalale	4
146	LIM366	Bela-Bela	3
147	LIM367	Mogalakwena	5
148	LIM368	Modimolle-Mookgopong	4
149	DC36	Waterberg District Municipality	5
150	LIM471	Ephraim Mogale	2
151	LIM472	Elias Motsoaledi	4
152	LIM473	Makhuduthamaga	2
153	LIM476	Tubatse Fetagomo	5
154	DC47	Sekhukhune District Municipality	3
MPUMALANGA			
155	MP301	Chief Albert Luthuli	3
156	MP302	Msukaligwa	4
157	MP303	Mkhondo	4
158	MP304	Dr Pixley ka Isaka Seme	3
159	MP305	Lekwa	4
160	MP306	Dipaleseng	3
161	MP307	Govan Mbeki	6
162	DC30	Gert Sibande District Municipality	3
163	MP311	Victor Khanye	4
164	MP312	Emalaheni	6

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

18 No. 53882

GOVERNMENT GAZETTE, 18 DECEMBER 2025

165	MP313	Steve Tshwete	5
166	MP314	Emakhazeni	2
167	MP315	Thembisile Hani	4
168	MP316	Dr JS Moroka	4
169	DC31	Nkangala District Municipality	5
170	MP321	Thaba Chweu	4
171	MP324	Nkomazi	5
172	MP325	Bushbuckridge	6
173	MP326	City of Mbombela	5
174	DC32	Ehlanzeni District Municipality	5
NORTHERN CAPE			
175	NC061	Richtersveld	3
176	NC062	Nama Khoi	3
177	NC064	Kamiesberg	1
178	NC065	Hantam	1
179	NC066	Karoo Hoogland	1
180	NC067	Khâi-Ma	1
181	DC6	Namakwa District Municipality	1
182	NC071	Ubuntu	2
183	NC072	Umsobomvu	2
184	NC073	Emthanjeni	2
185	NC074	Kareeberg	1
186	NC075	Renosterberg	1
187	NC076	Thembelihle	1
188	NC077	Siyathemba	2
189	NC078	Siyancuma	2
190	DC7	Pixley Ka Seme District Municipality	1
191	NC082	!Kai !Garib	3
192	NC084	!Kheis	1
193	NC085	Tsantsabane	2
194	NC086	Kgatelopele	1
195	NC087	Dawid Kruiper	4
196	DC8	Z.F. Mgcawu District Municipality	2
197	NC091	Sol Plaatjie	5
198	NC092	Dikgatlong	2
199	NC093	Magareng	2
200	NC094	Phokwane	3
201	DC9	Frances Baard District Municipality	2
202	NC451	Joe Morolong	2
203	NC452	Ga-Segonyana	3
204	NC453	Gamagara	3
205	DC45	John Taolo Gaetsewe District Municipality	2
NORTH WEST			

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

STAATSKOERANT, 18 DESEMBER 2025

No. 53882 19

206	NW371	Moretele	3
207	NW372	Madibeng	6
208	NW373	Rustenburg	7
209	NW374	Kgetlengrivier	2
210	NW375	Moses Kotane	5
211	DC37	Bojanala Platinum District Municipality	6
212	NW381	Ratlou	1
213	NW382	Tswaing	2
214	NW383	Mafikeng	5
215	NW384	Ditsobotla	3
216	NW385	Ramotshere Moiloa	2
217	DC38	Ngaka Modiri Molema District Municipality	4
218	NW392	Naledi	3
219	NW393	Mamusa	2
220	NW394	Greater Taung	2
221	NW396	Lekwa-Teemane	3
222	NW397	Kagisano-Molopo	1
223	DC39	Dr Ruth Segomotsi Mompati District Municipality	3
224	NW403	City of Matlosana	6
225	NW404	Maquassi Hills	3
226	NW405	JB Marks	5
227	DC40	Dr Kenneth Kaunda District Municipality	3
WESTERN CAPE			
228	CPT	City of Cape Town	10
229	WC011	Matzikama	3
230	WC012	Cederberg	3
231	WC013	Bergrivier	3
232	WC014	Saldanha Bay	4
233	WC015	Swartland	4
234	DC1	West Coast District Municipality	5
235	WC022	Witzenberg	4
236	WC023	Drakenstein	6
237	WC024	Stellenbosch	5
238	WC025	Breed Valley	5
239	WC026	Langeberg	4
240	DC2	Cape Winelands District Municipality	5
241	WC031	Theewaterskloof	2
242	WC032	Overstrand	4
243	WC033	Cape Agulhas	3
244	WC034	Swellendam	3
245	DC3	Overberg District Municipality	4
246	WC041	Kannaland	2
247	WC042	Hessequa	3

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

20 No. 53882

GOVERNMENT GAZETTE, 18 DECEMBER 2025

248	WC043	Mossel Bay	4
249	WC044	George	5
250	WC045	Oudtshoorn	4
251	WC047	Bitou	3
252	WC048	Knysna	4
253	DC4	Garden Route District Municipality	5
254	WC051	Laingsburg	1
255	WC052	Prince Albert	2
256	WC053	Beaufort West	3
257	DC5	Central Karoo District Municipality	2

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

STAATSKOERANT, 18 DESEMBER 2025

No. 53882 21

ANNEXURE B

PROVINCE	DISTRICT CODE	MUNICIPAL CODE	MUNICIPALITY	%
Eastern Cape	DC10	EC102	Blue Crane Route	4%
Eastern Cape	DC10	EC106	Sundays River Valley	4%
Eastern Cape	DC10	EC109	Kou-Kamma	4%
Eastern Cape	DC12	EC129	Raymond Mhlaba	4%
Eastern Cape	DC13	EC131	Inxuba Yethemba	4%
Eastern Cape	DC13	EC135	Intsika Yethu	4%
Eastern Cape	DC13	EC137	Engcobo	4%
Eastern Cape	DC13	EC138	Sakhisizwe	4%
Eastern Cape	DC13	EC139	Enoch Mgijima	4%
Eastern Cape	DC14	EC141	Elundini	4%
Eastern Cape	DC15	EC153	Ingguzu Hill	4%
Eastern Cape	DC44	EC443	Winnie Madikizela-Mandela	4%
Eastern Cape	DC15	EC154	Port St Johns	4%
Eastern Cape	DC44	EC442	Umzimvubu	4%
Eastern Cape	DC44	EC444	Ntabankulu	4%
Eastern Cape	DC14	DC14	Joe Gqabi	4%
Eastern Cape	DC44	DC44	Alfred Nzo	4%
Free State	DC16	FS161	Letsemeng	4%
Free State	DC16	FS162	Kopanong	4%
Free State	DC18	DC183	Tswelopele	4%
Free State	DC19	FS191	Setso	4%
Free State	DC19	FS196	Mantsopa	4%
Free State	DC20	FS205	Mafube	4%
Free State	DC20	FS204	Metsimaholo	4%
Free State	DC16	DC16	Xhariep	4%
Free State	DC20	DC20	Fezile Dabi	4%
KwaZulu Natal	DC21	KZN214	UMuziwabantu	4%
KwaZulu Natal	DC22	KZN224	Impendle	4%
KwaZulu Natal	DC23	KZN235	Okhahlamba	4%
KwaZulu Natal	DC24	KZN245	Umvoti	4%
KwaZulu Natal	DC24	KZN244	Msinga	4%
KwaZulu Natal	DC26	KZN261	eDumbe	4%
KwaZulu Natal	DC26	KZN262	UPhongolo	4%
KwaZulu Natal	DC26	KZN265	Nongoma	4%
KwaZulu Natal	DC26	KZN266	Ulundi	4%
KwaZulu Natal	DC27	KZN276	Big Five Hlabisa	4%
KwaZulu Natal	DC28	KZN285	Mthonjaneni	4%
KwaZulu Natal	DC28	KZN286	Nkandla	4%
KwaZulu Natal	DC43	KZN433	Greater Kokstad	4%
KwaZulu Natal	DC43	KZN434	Ubuhlebezwe	4%
KwaZulu Natal	DC43	KZN435	Umzimkhulu	4%
KwaZulu Natal	DC26	DC26	Zululand	4%
KwaZulu Natal	DC43	DC43	Harry Gwala	4%
Limpopo	DC33	LIM331	Greater Giyani	4%
Limpopo	DC34	LIM341	Musina	4%
Limpopo	DC35	LIM351	Blouberg	4%
Limpopo	DC35	LIM353	Molemole	4%
Limpopo	DC36	LIM361	Thabazimbi	4%
Limpopo	DC47	LIM473	Makhuduthamaga	4%
Limpopo	DC47	LIM476	Greater Tubatse/Fetakgomo	4%
Mpumalanga	DC30	MP301	Albert Luthuli	4%

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

22 No. 53882

GOVERNMENT GAZETTE, 18 DECEMBER 2025

PROVINCE	DISTRICT CODE	MUNICIPAL CODE	MUNICIPALITY	%
Mpumalanga	DC30	MP303	Mkhondo	4%
Mpumalanga	DC30	MP304	Dr Pixley Ka Isaka Seme	4%
Mpumalanga	DC32	MP321	Thaba Chweu	4%
Mpumalanga	DC 32	MP324	Nkomazi	4%
North West	DC37	NW375	Moses Kotane	4%
North West	DC38	NW381	Ratlou	4%
North West	DC38	NW382	Tswaing	4%
North West	DC38	NW385	Ramotshere Moiloa	4%
North West	DC39	NW392	Naledi (NW)	4%
North West	DC39	NW393	Mamusa	4%
North West	DC39	NW394	Greater Taung	4%
North West	DC39	NW396	Lekwa-Teemane	4%
North West	DC40	NW404	Maquassi Hills	4%
North West	DC39	DC39	Dr Ruth Segomotsi Mompati	4%
Northern Cape	DC8	NC084	IKheis	4%
Northern Cape	DC7	NC078	Siyancuma	4%
Northern Cape	DC7	NC076	Thembelihle	4%
Northern Cape	DC9	NC093	Magareng	4%
Northern Cape	DC9	NC094	Phokwane	4%
Western Cape	DC1	WC013	Bergvriër	4%
Western Cape	DC1	WC015	Swartland	4%
Western Cape	DC3	WC032	Overstrand	4%
Western Cape	DC3	WC034	Swellendam	4%
Western Cape	DC3	WC031	Theewaterskloof	4%
Western Cape	DC4	WC042	Hessequa	4%
Western Cape	DC4	WC041	Kannaland	4%
Western Cape	DC5	WC051	Laingsburg	4%
Western Cape	DC5	WC052	Prince Albert	4%
Western Cape	DC1	DC1	West Coast	4%
Eastern Cape	DC10	EC101	Dr Bayers Naude	7%
Eastern Cape	DC14	EC142	Senqu	7%
Eastern Cape	DC14	EC145	Walter Sisulu	7%
Eastern Cape	DC44	EC441	Matatiele	7%
Free State	DC16	FS163	Mohokare	7%
KwaZulu Natal	DC27	KZN272	Jozini	7%
KwaZulu-Natal	DC27	DC27	Umkhanyakude	7%
KwaZulu-Natal	DC43	KZN436	Dr Nkosazana Dlamini Zuma	7%
Limpopo	DC36	LIM362	Lephalale	7%
Northern Cape	DC6	NC067	Khai-Ma	7%
Northern Cape	DC7	NC072	Umsobomvu	7%
Northern Cape	DC7	NC075	Renosterberg	7%
Northern Cape	DC8	NC085	Tsantsabane	7%
Northern Cape	DC8	NC086	Kgatelopele	7%
Northern Cape	DC45	NC453	Gamagara	7%
Northern Cape	DC45	NC452	Ga-Segonyana	7%
Northern Cape	DC45	DC45	John Taolo Gaetsewe	7%
Western Cape	DC1	WC012	Cederberg	7%
Western Cape	DC3	WC033	Cape Agulhas	7%
Western Cape	DC5	WC053	Beaufort West	7%
Western Cape	DC3	DC3	Overberg	7%
Western Cape	DC5	DC5	Central Karoo	7%
KwaZulu Natal	DC27	KZN271	Umhlabuyalingana	10%
North West	DC39	NW397	Kagisano/Molopo	10%

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

STAATSKOERANT, 18 DESEMBER 2025

No. 53882 23

PROVINCE	DISTRICT CODE	MUNICIPAL CODE	MUNICIPALITY	%
Northern Cape	DC6	DC6	Namakwa	10%
Northern Cape	DC6	NC061	Richtersveld	10%
Northern Cape	DC6	NC062	Nama Khoi	10%
Northern Cape	DC6	NC064	Kamiesberg	10%
Northern Cape	DC6	NC065	Hantam	10%
Northern Cape	DC6	NC066	Karoo Hoogland	10%
Northern Cape	DC7	DC7	Pixley Ka Seme	10%
Northern Cape	DC7	NC073	Emthanjeni	10%
Northern Cape	DC7	NC071	Ubuntu	10%
Northern Cape	DC7	NC074	Kareeberg	10%
Northern Cape	DC7	NC077	Siyathemba	10%
Northern Cape	DC45	NC451	Joe Morolong	10%
Western Cape	DC1	WC011	Matzikama	10%

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

24 No. 53882

GOVERNMENT GAZETTE, 18 DECEMBER 2025

ANNEXURE C

APPLICATION FORM

 cooperative governance Department: Cooperative Governance REPUBLIC OF SOUTH AFRICA	
NOTICE ON UPPER LIMITS OF SENIOR MANAGERS EXEMPTION APPLICATION FORM	
1. WHAT IS THE PURPOSE OF THIS FORM? This form enables a municipality to apply for an exemption from the Notice on upper limits of the total remuneration packages payable to municipal managers and managers directly accountable to municipal managers.	
2. WHO FILLS IN THIS FORM? A mayor or executive mayor on behalf of municipal council applying for exemption from a Notice on upper limits of the total remuneration packages payable to municipal managers and managers directly accountable to municipal managers.	
3. WHERE DOES THIS FORM GO? To the Minister of the Department of Cooperative Governance and Traditional Affairs.	
4. WHAT WILL HAPPEN WHEN THIS FORM IS SUBMITTED? When you refer the exemption application to the Minister, the Minister will attempt to resolve the exemption application, within the prescribed periods.	
5. FURTHER INSTRUCTIONS A copy of this application must be submitted electronically.	
READ THIS FIRST  Tick the correct box ☒	6. DETAILS OF THE APPLICANT a) Name of the municipality Name: Postal Address: Tel: Fax: Postal Code: Cell: Email:

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

STAATSKOERANT, 18 DESEMBER 2025

No. 53882 25

b) Name of the person applying on behalf of the municipal council: Name: Postal Address: Tel: Cell: Fax: Email: ☐ ☐	
Please Turn Over ...	
READ THIS FIRST	
Tick the correct box	☐
The Minister will consider each application on merit, based on circumstances and motivation provided by the municipalities.	☐
	☐
	☐
	☐
	☐
	☐

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

26 No. 53882

GOVERNMENT GAZETTE, 18 DECEMBER 2025

7. TYPE OF THE EXEMPTION APPLICATION

Notice on upper ☐ limits

Specify:

☐

Specify:

The provisions (clause/s) of the *agreement* in respect of which exemption is sought;

.....

a) The number of persons in respect of whom the exemption is sought;.....

.....

b) The reasons why the exemption is sought;

.....

.....

.....

c) The grade of the municipality in respect of which the exemption is sought;

.....

.....

.....

d) The duration and timeframe for which the exemption sought;

.....

.....

e) The business strategy and plan of the applicant seeking the exemption;

.....

.....

f) The applicant's past record (if applicable) of compliance with the provisions of the Notice;

.....

.....

.....

.....

g) Any other relevant supporting data and financial information the municipality may prescribe from time to time.....

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

STAATSKOERANT, 18 DESEMBER 2025

No. 53882 27

8. FACTORS OR CRITERIA FOR CONSIDERATION BY THE MINISTER

- ☐ The municipality is unable to afford the costs of the whole or part of this Notice or;
 - ☐ The employer has short-term cash flow problems necessitating a limited exemption;
 - ☐ The applicant's past record of compliance with Notice;
 - ☐ Any other factor which is considered appropriate.
 - ☐ Fairness to the municipalities and its senior managers.
 - ☐ Whether an exemption, if granted would undermine the Notice process.
 - ☐ Unexpected economic downturn occurring during the current Notice.
 - ☐ Whether a budgetary provision was made for implementation of the obligation arising out of the Notice.
 - ☐ The infringement of basic conditions of employment rights.
 - ☐ The fact that a competitive advantage might be created by exemption.
 - ☐ Comparable benefits or provisions where applicable.
- The municipality's compliance with other statutory requirements such as the compensation for the Occupational Injuries and Diseases Act, Basic Conditions of Employment Act 75 of 1997, Employment Equity Act 55 of 1998, Skills Development Act 97 of 1998, Skills Development Levies Act 9 of 1999, or Unemployment Insurance Act 63 of 2001.
- Any other factor which is considered appropriate.

NB: The proper and detailed motivation of each factor must be attached to this form.

9. SPECIAL FEATURES / ADDITIONAL INFORMATION

Briefly outline any special features / additional information the Minister needs to note:

.....

.....

.....

.....

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

28 No. 53882

GOVERNMENT GAZETTE, 18 DECEMBER 2025

10. CONFIRMATION OF ABOVE DETAILS

I (name in
full) Designation ,
hereby confirm that municipal council was advised of the exemption
application.

Signature of applicant:
.....

Signed at (place) on this
..... (date)

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

STAATSKOERANT, 18 DESEMBER 2025

No. 53882 29

ANNEXURE D

LIST OF MUNICIPALITIES WITH UNFUNDED BUDGETS

EASTERN CAPE		
1.	EC101	Dr Beyers Naude LM
2.	EC102	Blue Crane Route LM
3.	EC104	Makana LM
4.	EC106	Sundays River Valley LM
5.	EC124	Amahlathi LM
6.	DC12	Amathole DM
7.	EC139	Enoch Mgijima
8.	EC145	Walter Sisulu LM
FREE STATE		
9.	FS161	Letsemeng LM
10.	FS162	Kopanong LM
11.	FS163	Mohokare LM
12.	FS181	Masilonyana LM
13.	FS182	Tokologo LM
14.	FS184	Matjhabeng LM
15.	FS185	Nala LM
16.	FS192	Dihlabeng LM
17.	FS193	Nketoana LM
18.	FS194	Maluti-a-Phofung LM
19.	FS195	Phumelela LM
20.	FS196	Mantsopa LM
21.	FS201	Moqhaka LM
22.	FS203	Ngwathe LM
23.	FS205	Mafube LM
GAUTENG		
24.	GT421	Emfuleni LM
25.	GT423	Lesedi LM
26.	DC42	Sedibeng DM
27.	GT484	Merafong City LM
28.	GT485	Rand West City LM
29.	DC48	West Rand DM
KWAZULU-NATAL		
30.	KZN223	Mpofana LM
31.	DC23	uThukela DM
32.	KZN241	Endumeni LM
33.	DC24	uMzinyathi DM
34.	KZN253	eMadlangeni LM
35.	KZN266	Ulundi LM
LIMPOPO		

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

30 No. 53882

GOVERNMENT GAZETTE, 18 DECEMBER 2025

36.	LIM332	Greater Letaba LM
37.	LIM334	Ba-Phalaborwa LM
38.	DC33	Mopani DM
39.	LIM341	Musina LM
40.	DC34	Vhembe DM
41.	LIM361	Thabazimbi LM
42.	LIM368	Modimolle-Mookgopong LM
43.	DC36	Waterberg DM
MPUMALANGA		
44.	MP302	Msukaligwa LM
45.	MP303	Mkhondo LM
46.	MP304	Dr Pixley ka Isaka Seme LM
47.	MP305	Lekwa LM
48.	MP306	Dipaleseng LM
49.	MP307	Govan Mbeki LM
50.	MP311	Victor Khanye LM
51.	MP312	Emalahleni LM
52.	MP314	Emakhazeni LM
53.	MP321	Thaba Chweu LM
54.	MP324	Nkomazi LM
NORTHERN CAPE		
55.	NC061	Richtersveld LM
56.	NC064	Kamiesberg LM
57.	NC067	Khâi-Ma LM
58.	NC071	Ubuntu LM
59.	NC073	Emthanjeni LM
60.	NC075	Renosterberg LM
61.	NC076	Thembelihle LM
62.	NC077	Siyathemba LM
63.	NC078	Siyancuma LM
64.	DC7	Pixley Ka Seme DM
65.	NC082	!Kai !Garib LM
66.	NC084	!Kheis LM
67.	NC085	Tsantsabane LM
68.	NC086	Kgatelopele LM
69.	DC8	Z.F. Mgcawu DM
70.	NC092	Dikgatlong LM
71.	NC093	Magareng LM
72.	NC094	Phokwane LM
73.	NC451	Joe Morolong LM
74.	NC453	Gamagara LM
NORTH WEST		
75.	NW372	Madibeng LM
76.	NW374	Kgetlengrivier LM
77.	NW375	Moses Kotane LM

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

STAATSKOERANT, 18 DESEMBER 2025

No. 53882 31

78.	NW382	Tswaing LM
79.	NW384	Ditsobotla LM
80.	NW392	Naledi LM
81.	NW393	Mamusa LM
82.	NW394	Greater Taung LM
83.	NW396	Lekwa-Teemane LM
84.	NW397	Kagisano-Molopo LM
85.	DC39	Dr Ruth Segomotsi Mompati DM
86.	NW403	City of Matlosana LM
87.	NW404	Maquassi Hills LM
88.	NW405	JB Marks LM
WESTERN CAPE		
89.	WC031	Theewaterskloof LM
90.	WC041	Kannaland LM
91.	WC053	Beaufort West LM

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

32 No. 53882

GOVERNMENT GAZETTE, 18 DECEMBER 2025

ANNEXURE E

Annual total remuneration packages of municipal managers

1. The upper limits of the annual total remuneration packages payable to municipal managers are as follows:

MUNICIPAL GRADE	MINIMUM	MIDPOINT	MAXIMUM
10	R2,901,737	R3,673,084	R4,444,433
9	R2,490,226	R3,112,783	R3,735,342
8	R2,149,932	R2,637,951	R3,125,973
7	R1,860,093	R2,254,658	R2,649,225
6	R1,654,150	R1,927,058	R2,245,024
5	R1,443,069	R1,707,774	R1,918,755
4	R1,311,324	R1,524,799	R1,738,249
3	R1,205,976	R1,386,180	R1,566,384
2	R1,164,374	R1,289,470	R1,431,313
1	R1,121,386	R1,228,067	R1,350,873

Annual total remuneration packages of managers directly accountable to municipal managers

2. The upper limits of the annual total remuneration packages payable to managers directly accountable to municipal managers are as follows:

MUNICIPAL GRADE	MINIMUM	MIDPOINT	MAXIMUM
10	R2,321,390	R2,938,469	R3,555,546
9	R1,992,181	R2,490,226	R2,988,273
8	R1,719,945	R2,110,360	R2,500,779
7	R1,529,742	R1,803,730	R2,119,380
6	R1,342,719	R1,598,476	R1,803,730
5	R1,191,847	R1,402,172	R1,612,497
4	R1,098,730	R1,251,938	R1,420,951
3	R1,010,392	R1,154,735	R1,280,391
2	R956,012	R1,074,171	R1,175,182
1	R920,718	R1,023,032	R1,125,321

6.7

SC07/04/26

ACTING MUNICIPAL MANAGER

REPORT FROM THE DIRECTOR : CORPORATE SERVICES

PURPOSE OF THE REPORT

To request Council to appoint an Acting Municipal Manager.

BACKGROUND

Council at its meeting held on 6 February 2026 resolved to appoint Dr Richard Martin as Acting Municipal Manager during the suspension of MM Mapholoba for a maximum period of three months.

In the light of the aforementioned the acting period for Dr Martin comes to an end on 5 May 2026, Council needs to appoint an Acting Municipal Manager from 6 May 2026.

The minimum criteria for the position is:

- Bachelor Degree in Public Administration / Political Sciences / Social Sciences / Law or equivalent;
- Minimum of 5 years work related experience at senior management level;
- Proven successful institutional transformation within public or private sector;
- Advanced knowledge and understanding of relevant Policy and Legislation;
- Advanced understanding of institutional governance systems and performance management;
- Good Governance;
- Audit and risk management establishment and functionality;
- Budget and finance management;
- Good facilitation and communication skills in at least two of the three official languages of the Western Cape;
- Valid driver's license and own vehicle;
- The required core competencies as stipulated in Annexures A and B of the Regulations on Appointment and Conditions of Employment of Senior Managers Government Notice 21 in Government Gazette 37245 dated 17 January 2014.
- Compliance with the National Treasury Regulations on the Required Minimum Competency Level in Unit Standards is a recommendation. In terms of the exemption from Regulations 15 and 18 of Government Gazette 29967 officials not compliant will be granted 18 months from date of employment to comply with the aforesaid regulations.

The Municipal Systems Act, Act 32 of 2000, as amended states as follows:

“54 A.(1)The municipal council must appoint—

- (a) a municipal manager as head of the administration of the municipal council*
- (b) ;or (b) an acting municipal manager under circumstances and for a period as prescribed.*

(2) A person appointed as municipal manager or acting municipal manager in terms of subsection (1) must at least have the skills, expertise, competencies and qualifications as prescribed.

(2A)(a) A person appointed in terms of subsection(1)(b) may not be appointed to act for a period that exceeds three months.

(c) A municipal council may, in special circumstances and on good cause shown, apply in writing to the MEC for local government to extend the period of appointment contemplated in paragraph(a), for a further period that does not exceed three months."

RECOMMENDATION

- [a] That the Council notes the report on the appointment of an Acting Municipal Manager;
- [b] That _____ be appointed as Acting Municipal Manager for the period from date of Council Meeting.

6.8

SC08/04/26 REPORT OF THE GRANT-IN-AID AD HOC COMMITTEE – GRANT ALLOCATION FOR 2025/2026
--

REPORT FROM THE DIRECTOR: CORPORATE SERVICES

PURPOSE OF THE REPORT

This report contains the recommendations of the Grant-in-Aid Ad Hoc Committee regarding the awarding of Grants-in-Aid for the 2025/2026 financial year for consideration by the Municipal Council.

BACKGROUND

Notices inviting applications for Grants-in-Aid were advertised on 10 October 2025 on the Municipal website and in the local Newspapers.

The Grant-in-Aid Ad Hoc Committee sat on 4 December 2025 to discuss and evaluate the applications received, with a follow up and final meeting held on 24 March 2026.

Recommendations are attached hereto.

DISCUSSION

Every application received were duly evaluated by the Committee against the stipulations of the Revised Grant-in-Aid Policy and the attached recommendations to Council were reached as per attached minutes.

An amount of R200 000.00 is currently available for Grant-in-Aid to be awarded to qualifying applicants.

RECOMMENDATION OF THE MUNICIPAL MANAGER

- [a] That the report of the Grant-in-Aid Ad Hoc Committee meeting held on 24 March 2026, be noted;
- [b] That cognisance be taken that the **R200 000.00 initially budgeted** for allocating 2025/26 Grant-in-Aid funding, is insufficient to fund all applications submitted;
- [c] That the GIA 2025/2026 allocation of R200 000.00 be distributed amongst 70 Applicants, as set out in the attached spreadsheet, of which 3 were received after the deadline, be approved;
- [d] That applications for sports tournaments from all sports organisations be referred to the Sports Development Department, Community Services for consideration;

- [e] That an amount of R2 000 000-00 be budgeted for in the 2026/2027 financial year (Grant-In-Aid vote 3131-5018-7340);
- [f] That funding in the amount of _____ for the following non-profit organisations be considered in the 2026/2027 financial year :
- [i] Knysna Animal Welfare Society
 - [ii] Pledge Nature Reserve
 - [iii] Leisure Isle Residents Association
 - [iv] Revive Knysna
 - [v] Revive Sedgefield
- [g] That the Assistant to the Office of the Speaker arrange a meeting between the Executive Mayor, The Speaker, the Acting Municipal Manager together with the relevant Department to draft and finalise Service Level Agreements between Knysna Municipality :
- [i] Knysna Animal Welfare Society
 - [ii] Pledge Nature Reserve Trust and Knysna Municipality
 - [iii] Leisure Isle Residents Association
 - [iv] Revive Knysna
 - [v] Revive Sedgefield
- [g] That the handover ceremony for the beneficiaries be arranged by the Office of the Executive Mayor for a date in May 2026.

APPENDIX / ADDENDUM

1. MINUTES - Grant-in-Aid Ad Hoc Committee 2025/26 Meeting_ 4 December 2025.
2. RESOLUTION of Council_ 12 December 2025.
3. MINUTES - Grant-in-Aid Ad Hoc Committee 2025/26 Meeting_ 24 March 2026.
4. GIA Report- Total Funds Allocated 2025/26

File Number: 9/1/1/1

Execution: Executive Mayor
Director: Corporate Services
Administrative Officer: Auxiliary Services

-oOo-

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

ORDINARY COUNCIL MEETING
MINUTES
11 DECEMBER 2025

C10/12/25 **REPORT OF THE GRANT-IN-AID AD HOC COMMITTEE – GRANT
ALLOCATION FOR 2025/26**

UNANIMOUSLY RESOLVED

- [a] That the minutes of the Grant-in-Aid Ad Hoc Committee meeting held on Thursday, 04 December 2025, be noted;
- [b] That additional funding be made available in the 2025/2026 Adjustments Budget during January / February 2026 for Grant-in-Aid (vote number 31-31-5018-7340);
- [c] That after considering the total amount of available funds in comparison to the amount requested, the Executive Mayor proposed that the report be withdrawn and resubmitted for consideration after the Adjustment Budget in January/February 2026.

File Number: 9/1/1/1

Execution: Executive Mayor
Director: Corporate Services
Manager : Administration Services

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026



MINUTES

GRANT IN AID AD HOC COMMITTEE MEETING

1/2025/26

held on
Thursday, 04 December 2025
at 10h:33
in the
Executive Mayoral Boardroom
First Floor,
Municipal Building,
Clyde Street,
Knysna

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

MINUTES
GRANT IN AID AD HOC COMMITTEE MEETING
1/2025/26

Members in attendance:

Exec Mayor T Matika	Chairperson
Cllr M Gericke	
Cllr N Louw	
Cllr C Vanston	

Member absent with leave:

Cllr M Willemse

Member absent without leave:

Cllr M Khumelwana

Officials

Ms Mtwa, S	Administrative Officer: Auxiliary Services
Ms Mowers, E	Administrative Intern

1. WELCOME

The Chairperson opened the meeting by welcoming everybody present at the meeting and further requested each member to present their inputs and or suggestions regarding the manner in which 2025/26 Grant-in-Aid allocations should be handled/ considered by the Committee.

2. ATTENDANCE

The meeting proceeded with a quorum.

3. DECLARATION OF INTEREST BY MEMBERS

None

4. CONSIDERATION OF GRANT-IN-AID 2025/26 APPLICATIONS

4.1 GIA01/12/25 CONSIDERATION OF GRANT IN AID APPLICATION REPORT 2025/26

UNANIMOUS RECOMMENDATION FROM THE GRANT-IN-AID-AD HOC COMMITTEE

- [a] That the GIA 2025/26 Report of 67 Applicants as detailed on the attached spreadsheet, be noted;
- [b] That after considering the total amount of available funds in comparison to the amount requested, the Executive Mayor proposed that the report be withdrawn and resubmitted for

SPECIAL COUNCIL MEETING
AGENDA
30 APRIL 2026

MINUTES
GRANT IN AID AD HOC COMMITTEE MEETING
1/2025/26

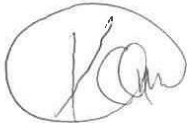
consideration after the Adjustment Budget in January/February 2026;

- [c] That at the Adjustment Budget, an amount of R1 500 000-00 be allocated to the Grant-In-Aid vote 3131-5018-7340;
- [d] That cognisance be taken of the total amount available for Grant-In-Aid allocations is R180 000.00, and the total amount requested funding is ± R3 million;
- [e] That an item for the filling of the vacancy on the Grant-in-Aid Ad Hoc Committee, be drafted by the Manager: Administration Services for consideration at the next Council meeting.

5. Closure

The Chairperson thanked all present at the meeting and the meeting concluded at 10h:45.

-oOo-

 08/10/2025

SPECIAL COUNCIL MEETING
GRANT IN AID APPLICATION REPORT 2025/26 - TOTAL FUNDS ALLOCATED
AGENDA

WELFARE	AMOUNT	EDUCATION	AMOUNT	SPORTS	AMOUNT
THE LIVING CONERTONE	10,000.00				
				SOUTHERN STARS,	
GOLDEN MOVEMENT SERVICE CENTRE	10,000.00	BITOU ROUND TABLE CRECHE	3000	UNITED WOMEN'S ,	10,000.00
MASITHANDANE	10,000.00	ZANOLWAZI PRE SCHOOL	3000	FOOTBALL CLUB	
FAMSA KNYSNA	10,000.00	SIYAFUNDA EDUCARE CENTRE	3000	GREATER KNYSNA	10,000.00
ITHEMBA SERVICE CENTRE	10,000.00			RUGBY CLUB	
VERMONT CENTRE AND SERVICES CENTRE	10,000.00	ETHEMBENI DAY CARE CENTRE	3000		
MASIBONISANE SERVICE CENTRE	10,000.00	KANYISA EDUCARE CENTRE	3000		20,000.00
KNYSNA ALCOHOL & DRUG CENTRE	10,000.00	LITTLE AMORA DAYCARE	3000		
SALT AND LIGHT OF AFRICA	10,000.00				
MOLOSI WELFARE KITCHEN	5,000.00	LILLIPUT CRECHE	3000		
TRAINING SHIP KNYSNA OF THE SOUTH AFRICAN SEA CADETS	10,000.00				
OTHER		EMPILWENI DAY CARE	3000		
LOVEJOY KNYSNA PERFORMING ARTS ACADEMY	5,000.00	PAULA WHITNEY CRECHE	3000		
HOPE TO THE HOPELESS	5,000.00	ENTABENI NURSERY & PRE SCHOOL	3000		
LAYAS UITKYK SOUPKITCHEN	5,000.00	BETHEL DAY CARE	3000		
		IKAMVA LETHU PRE SCHOOL	3000		
	120,000.00	WONDERLAND EDUCARE CENTRE	3000		
		MARANATHA PLAYSCHOOL	3000		
		NOLUTHANDO CRECHE AND PRE SCHOOL	3000		
		SIYAHLUMA DAY CARE	3000		
		HAPPY KIDS DAYCARE	3000		
		SOPHAKAMA PLAY SCHOOL	3000		
		ALL SAINTS PRE- SCHOOL	3000		
		ILINGA LOM AFRICA PRE - SCHOOL	3000		
		GUMMY BEARS EDUCARE CENTRE	3000		
			63,000.00		
GRANT IN AID APPLICATION ALLOCATED 25/26	203,000.00				

7 IN COMMITTEE (See Separate agenda)

8. ADJOURNMENT

-oOo-