EXTRACT COUNCIL MINUTES: 29 JUNE 2026

UNANIMOUSLY RESOLVED **Item A125/29/06/2026**

1. that the unforeseeable and unavoidable expenditure as approved by the Executive Mayor in terms of section 29 of the MFMA as stated below be approved:

Operating Expenditure

Department	Project	Item	Amount
Engineering Services	Disaster Management	Contractors: Maintenance of Unspecified Assets	R1 300 000
Engineering Services	Disaster Management	Inventory Consumed: Materials and Supplies	R400 000
		TOTAL	**R1 700 000**

2. that the Adjustments Budget for the Financial year 2025/2026, as set out in the below-prescribed budget tables attached as **Annexure A.7**, be approved;

   2.1 Table B1 Adjustments Budget Summary;
   2.2 Table B2 Adjustments Budget Financial Performance (functional classification);
   2.3 Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote);
   2.4 Table B4 Adjustments Budget Financial Performance (revenue and expenditure);
   2.5 Table B5 Adjustments Capital Expenditure Budget by vote and funding;
   2.6 Table B6 Adjustments Budget Financial Position;
   2.7 Table B7 Adjustments Budget Cash Flows;
   2.8 Table B8 Cash-backed reserves/accumulated surplus reconciliation;
   2.9 Table B9 Asset Management;
   2.10 Table B10 Basic service delivery measurement;

3. that the Adjustments Budget be placed on the municipal website and be submitted to Provincial and National Treasury.

Item number A125. 29.06.2026

FINANCE: ADJUSTMENT BUDGET - UNFORESEEN AND UNAVOIDABLE BUDGET – DISASTER

Report from the Director Financial Services: Ms E Wassermann

Department Financial Services

Section Budget

File number 5/1/1/20

PURPOSE OF THE REPORT

At a special Mayoral Committee meeting, Item A115/02/06/2026, the Executive Mayor approved unforeseen and unavoidable expenditure under section 29 of the MFMA for the recent disaster as follows:

Operating Expenditure

Department	Project	Item	Amount
Engineering Services	Disaster Management	Contractors: Maintenance of Unspecified Assets	R1 300 000
Engineering Services	Disaster Management	Inventory Consumed: Materials and Supplies	R400 000
TOTAL		**R1 700 000**	

FACTS AND BACKGROUND

Severe storms, heavy rainfall, flooding, and strong winds affected the Swellendam municipal area and the wider Western Cape on 11 and 12 May 2026.

The following key damage to municipal infrastructure was reported:

a) Parks, Sport and Recreation:

- Caravan Park – damage to roofs, ceilings, and windows.
- Damage to walls and fencing at Powell Stadium.
- Damage to the Railton Community Hall fence, together with minor structural damage.
- Numerous trees were uprooted or fell in both Swellendam and Suurbraak.

b) Water and Sanitation:

- Damage to the roof of the N2 Pump Station.
- Damage to power supply infrastructure at Buffelsjagrivier Water Treatment Plant
- Suurbraak Water Treatment Plant repair work for the replacement of the faulty surge control unit, telemetry restoration, electrical repairs and damage to property.
- Buffelsjagrivier Pump Station and Waste Water Treatment works

c) SCM Stores/Fleet Department:

- Damage to roof sheeting.
-

d) Electrical Department:

- Damage to electrical infrastructure in Swellendam and Railton.

e) Suurbraak:

- Damage to the raw water pump station.
- Roof damage to the Wawiel building.
- Damage to the large store door.
- Damage to gutters at the main building.
- Roof and structural damage at the sports facility.

f) Barrydale:

- Damage to gabions.

DISCUSSION

In terms of section 29(1)–(3) of the Municipal Finance Management Act (MFMA):

The Mayor may authorise the expenditure in emergency or other exceptional circumstances for which no provision was made in an approved budget, subject to:

- It must comply with the prescribed framework;
- It may not exceed a prescribed percentage of the approved annual budget;
- It must be reported to Council at the next meeting.
- It must be appropriated in an adjustments budget;
- If the adjustments budget is not approved within 60 days, the expenditure becomes unauthorised under section 32;

Based on MFMA regulations, the Mayor of a municipality may authorise expenditure in terms of Section 29 of the act only if:

- The expenditure could not have been foreseen at the time the annual budget of the municipality was approved;
- The delay in approving the expenditure:
    - May result in significant financial loss;
    - Disrupt or suspend essential municipal services;
    - Endanger life, cause serious injury, or significant property damage;
    - Prevent the municipality from instituting or defending urgent legal proceedings;

Council is requested to approve the Adjustments Budget as approved by the Executive Mayor under item A115/02/06/2026.

LEGAL IMPLICATIONS

Municipal Finance Management Act and Budget and Reporting Regulations.

FINANCIAL IMPLICATIONS

The additional funds will have to be allocated from surplus funds in the meantime, whilst the insurance process is underway to recover the cost.

PERSONNEL IMPLICATIONS

None

COMMUNICATION IMPLICATIONS

None

COMMENTS FROM DEPARTMENTS:

Director: Corporate and Community Services

None

Director: Financial Services

Based on preliminary cost estimates, an additional amount of R1 700 000 is required, as set out below:

Caravan Park:	R 105 720
Trees:	R 323 300
Cherry Picker Rental:	R 62 100
Repair electricity lines:	R 146 165
Engineering cost for water and sewerage:	R 500 000
Material to date issued:	R 236 000
Other Unforeseen:	R 800 000
Total	**R2 173 285**
Less Interim Budget	(R510 000)
Additional Disaster Budget Required	**R1 663 285**

Director: Infrastructure Services and Planning Services

None

Municipal Manager

None

This Item served on the Special Mayoral Committee meeting held on Tuesday, 02 June 2026 as Item A115.

This item served on the Mayoral Committee meeting held on Tuesday, 23 June 2026.

RECOMMENDED TO COUNCIL

1. that the unforeseeable and unavoidable expenditure as approved by the Executive Mayor in terms of section 29 of the MFMA as stated below be approved:

Operating Expenditure

Department	Project	Item	Amount
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		TOTAL	**R1 700 000**

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