C.15. MATTERS FOR CONSIDERATION

C.15.1 DRAFT 2026/2027, 2027/2028 AND 2028/2029 MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF) FOR THE CAPE WINELANDS DISTRICT MUNICIPALITY (5/1/1/10)

PURPOSE OF SUBMISSION

That Council consider to adopt the draft 2026/2027, 2027/2028 and 2028/2029 Medium Term Revenue and Expenditure Framework (MTREF) for the Cape Winelands District Municipality for inspection, public representations, inputs and comment.

BACKGROUND

In terms of section 16 of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA) a council of a municipality must for each financial year approve an annual budget for the municipality before the start of the financial year.

In order for a municipality to comply with section 16(1) of the said Act, the mayor must table the annual budget at a council meeting at least 90 days before the start of the budget year.

Section 15 of the MFMA prescribes that a municipality may incur expenditure only:

15 (a) In terms of an approved budget; and

(b) Within the limits of the amounts appropriated for the different votes in an approved budget.

The contents of the annual budget must consist of the following documents as prescribed in terms of section 17 of the MFMA:

1. Realistically anticipated income and expenditure per vote for the budget year and the two financial years following the budget year;

2. Budget related policies of the Council (Tariff, Rates & Credit Control Policies);

3. Details of Council's investments for the budget year;

4. Details of all proposed service delivery agreements, including material amendments to existing service delivery agreements;

5. Particulars of any proposed allocations or grants by the municipality in terms of sections 67 and 17(3)(j) of the MFMA;

6. The proposed cost to the municipality for the budget year of the salary, allowances and benefits of political office bearers and senior managers;

7. Capital expenditure and projects envisioned within the budget year.

COMMENT

*** Attached as Annexures "A" to "R" are copies of the draft 2026/2027 2027/2028 and 2028/2029 Medium Term Revenue and Expenditure Framework (MTREF) for the Cape Winelands District Municipality as well as related documents as prescribed by the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA).

The IDP/Budget process for the 2026/2027 financial year was a consultative process – including the Budget Steering Committee, Executive Directors, Senior Managers, Councillors and other stakeholders.

The MTREF (2026 – 2029) has been compiled in accordance with the budget growth guidelines determined by National Treasury. The Budget Steering Committee, established in terms of the Budget and Reporting Regulations, 2008, comprehensively scrutinised the proposed MTREF.

IMPLICATIONS

PERSONNEL

None.

Comment prepared by: Ms. G.C.N. Julie

FINANCIAL

Financial implications were addressed adequately in the contents of the item and concomitant Annexures.

Comment prepared by: Ms. F.A. du Raan-Groenewald

LEGAL

Legal implications were addressed adequately in the contents of the item and concomitant Annexures.

Extracted from Item MC.8.3.1 of 4 March 2025.

DECLARATION BY MANAGEMENT

Management declares that they followed all guidelines prescribed by the relevant legislation during the budget process.

RECOMMENDATION BY MUNICIPAL MANAGER:

(a) That the Executive Mayor together with the Mayoral Committee consider to recommend to Council to adopt the draft 2026/2027, 2027/2028 and 2028/2029 Medium Term Revenue and Expenditure Framework (MTREF) for the Cape Winelands District Municipality as outlined in the attached Annexures for public participation for inspection, public representations, inputs and comment:

(i) The draft Medium Term Revenue and Expenditure Framework for the 2026/2027, 2027/2028 and 2028/2029 financial years as set out in Annexure “A”;

(ii) Adjustments to the budget related policies submitted as Annexure “B”;

(iii) Details of Council’s investments as set out in Annexure “C”;

(iv) Draft amendment of the Cape Winelands District 2022-2027 IDP following the 2025/26 IDP review process as outlined in the IDP Review Report as set out in Annexure “D”;

(v) Details of employment costs – salaries, allowances and benefits – of all political office-bearers, councillors and senior managers of the Cape Winelands District Municipality as set out in Annexure “E”;

(vi) Capital expenditure within the budget year as set out in Annexure “F”;

(vii) Projects to be undertaken within the budget year as set out in Annexure “G”;

(viii) Particulars of all proposed allocations and grants by the District Municipality in terms of section 67 of the MFMA, as set out in Annexure “H”;

(ix) Proposed Tariffs for the 2026/2027 financial year as set out in Annexure “I”;

(x) Service Delivery Standard as set out in Annexure “J”; and

(xi) Measurable performance objectives for revenue from each source and for each vote in the budget, taking into account the District Municipality's Integrated Development Plan (IDP) as part of Annexure "K";

(xii) Demand Plan as set out in Annexure "L";

(b) That cognisance be taken of –

(i) MFMA Circular No. 132: Municipal Budget Circular for the 2026/2027 MTREF – 5 December 2025 and Circular 88, Addendum 7, attached as Annexure "M";

(ii) The Cape Winelands District Municipality's:

(aa) Air Quality Management Plan, attached as Annexure "N";

(bb) Draft Spatial Development Framework (2021-2025), attached as Annexure "O";

(cc) Integrated Waste Management Plan, attached as Annexure "P";

(dd) Corporate Disaster Management Planning Framework, attached as Annexure "Q";

(ee) IDP and Budget Time Schedule 2026/2027, attached as Annexure "R".

Annexure "D" and all the annexures referred to in subsection (b) of the recommendation by the Municipal Manager, will be distributed via flash drive to the Councillors receiving a hard copy of the Mayoral Committee agenda.

MAYORAL COMMITTEE: 12 MARCH 2026: ITEM MC.8.3.1

RESOLVED: That it be recommended to Council to –

(a) Adopt the draft 2026/2027, 2027/2028 and 2028/2029 Medium Term Revenue and Expenditure Framework (MTREF) for the Cape Winelands District Municipality as outlined in the attached Annexures for public participation for inspection, public representations, inputs and comment:

(i) The draft Medium Term Revenue and Expenditure Framework for the 2026/2027, 2027/2028 and 2028/2029 financial years as set out in Annexure "A";

(ii) Adjustments to the budget related policies submitted as Annexure "B";

(iii) Details of Council's investments as set out in Annexure "C";

(iv) Draft amendment of the Cape Winelands District 2022-2027 IDP following the 2025/26 IDP review process as outlined in the IDP Review Report as set out in Annexure "D";

(v) Details of employment costs – salaries, allowances and benefits – of all political office-bearers, councillors and senior managers of the Cape Winelands District Municipality as set out in Annexure "E";

(vi) Capital expenditure within the budget year as set out in Annexure "F";

(vii) Projects to be undertaken within the budget year as set out in Annexure "G";

(viii) Particulars of all proposed allocations and grants by the District Municipality in terms of section 67 of the MFMA, as set out in Annexure "H";

(ix) Proposed Tariffs for the 2026/2027 financial year as set out in Annexure "I";

(x) Service Delivery Standard as set out in Annexure "J"; and

(xi) Measurable performance objectives for revenue from each source and for each vote in the budget, taking into account the District Municipality's Integrated Development Plan (IDP) as part of Annexure "K";

(xii) Demand Plan as set out in Annexure "L";

(b) Take cognisance of –

(i) MFMA Circular No. 132: Municipal Budget Circular for the 2026/2027 MTREF – 5 December 2025 and Circular 88, Addendum 7, attached as Annexure "M";

(ii) The Cape Winelands District Municipality's:

(aa) Air Quality Management Plan, attached as Annexure "N";

(bb) Draft Spatial Development Framework (2021-2025), attached as Annexure "O";

(cc) Integrated Waste Management Plan, attached as Annexure "P";

(dd) Corporate Disaster Management Planning Framework, attached as Annexure “Q”;

(ee) IDP and Budget Time Schedule 2026/2027, attached as Annexure “R”.

ADDITIONAL COMMENTS

The Provincial Division of Revenue Act (DORA) was published on 12 March 2026; consequently, the grant allocations to Cape Winelands District Municipality could not be included in the Medium-Term Revenue and Expenditure Framework (MTREF) tabled at the Mayoral Committee meeting held on 12 March 2026. The allocations to the Cape Winelands District Municipality, as reflected in Annexure “S”, were subsequently processed and are included in all the relevant annexures submitted for consideration.

RECOMMENDATION BY MAYORAL COMMITTEE:

(a) That it be recommended to Council to adopt the draft 2026/2027, 2027/2028 and 2028/2029 Medium Term Revenue and Expenditure Framework (MTREF) for the Cape Winelands District Municipality as outlined in the attached Annexures for public participation for inspection, public representations, inputs and comment subject thereto that adjustments be made within the current appropriation, based on the verbal input tabled during the meeting:

(i) The draft Medium Term Revenue and Expenditure Framework for the 2026/2027, 2027/2028 and 2028/2029 financial years as set out in Annexure “A”;

(ii) Adjustments to the budget related policies submitted as Annexure “B”;

(iii) Details of Council’s investments as set out in Annexure “C”;

(iv) Draft amendment of the Cape Winelands District 2022-2027 IDP following the 2025/26 IDP review process as outlined in the IDP Review Report as set out in Annexure “D”;

(v) Details of employment costs – salaries, allowances and benefits – of all political office-bearers, councillors and senior managers of the Cape Winelands District Municipality as set out in Annexure “E”;

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(viii) Particulars of all proposed allocations and grants by the District Municipality in terms of section 67 of the MFMA, as set out in Annexure "H";

(ix) Proposed Tariffs for the 2026/2027 financial year as set out in Annexure "I";

(x) Service Delivery Standard as set out in Annexure "J"; and

(xi) Measurable performance objectives for revenue from each source and for each vote in the budget, taking into account the District Municipality's Integrated Development Plan (IDP) as part of Annexure "K";

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(b) Take cognisance of –

(i) MFMA Circular No. 132: Municipal Budget Circular for the 2026/2027 MTREF – 5 December 2025 and Circular 88, Addendum 7, attached as Annexure "M";

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(cc) Integrated Waste Management Plan, attached as Annexure "P";

(dd) Corporate Disaster Management Planning Framework, attached as Annexure "Q";

(ee) IDP and Budget Time Schedule 2026/2027, attached as Annexure "R";

(ff) Provincial Extraordinary Gazette 9206 – Treasury Allocations attached as Annexure "S";

(gg) mSCOA Roadmap attached as Annexure "T".

COUNCIL MEETING: 26 MARCH 2026: ITEM C.15.1

Alderman D. Swart proposed that –

(a) The draft 2026/2027, 2027/2028 and 2028/2029 Medium Term Revenue and Expenditure Framework (MTREF) for the Cape Winelands District Municipality as outlined in the attached Annexures be approved for public participation, inspection, public representations, inputs and comment:

(i) The draft Medium Term Revenue and Expenditure Framework for the 2026/2027, 2027/2028 and 2028/2029 financial years as set out in Annexure "A";

(ii) Adjustments to the budget related policies submitted as Annexure "B";

(iii) Details of Council's investments as set out in Annexure "C";

(iv) Draft amendment of the Cape Winelands District 2022-2027 IDP following the 2025/26 IDP review process as outlined in the IDP Review Report as set out in Annexure "D";

(v) Details of employment costs – salaries, allowances and benefits – of all political office-bearers, councillors and senior managers of the Cape Winelands District Municipality as set out in Annexure "E";

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(ix) Proposed Tariffs for the 2026/2027 financial year as set out in Annexure "I";

(x) Service Delivery Standard as set out in Annexure "J"; and

(xi) Measurable performance objectives for revenue from each source and for each vote in the budget, taking into account the District Municipality's Integrated Development Plan (IDP) as part of Annexure "K";

(xii) Demand Plan as set out in Annexure "L";

(b) Cognisance be taken of –

(i) MFMA Circular No. 132: Municipal Budget Circular for the 2026/2027 MTREF – 5 December 2025 and Circular 88, Addendum 7, attached as Annexure "M";

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(ff) Provincial Extraordinary Gazette 9206 – Treasury Allocations attached as Annexure "S";

(gg) mSCOA Roadmap attached as Annexure "T".

The proposal by Alderman D. Swart was seconded by Councillor F. Jacobs.

The matter was put to the vote and thirty-three (33) Councillors voted in favour of the proposal by Alderman D. Swart.

RESOLVED (33 Councillors) : That –

(a) The draft 2026/2027, 2027/2028 and 2028/2029 Medium Term Revenue and Expenditure Framework (MTREF) for the Cape Winelands District Municipality as outlined in the attached Annexures be approved for public participation, inspection, public representations, inputs and comment:

(i) The draft Medium Term Revenue and Expenditure Framework for the 2026/2027, 2027/2028 and 2028/2029 financial years as set out in Annexure "A";

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