

MONTHLY REPORT – WARD 14

PORTFOLIO: Finance

MONTH: January 2026

MEMBER RESPONSIBLE FOR THIS PORTFOLIO: CWA NIEUWOUDT

Purpose

The purpose of this report is to inform the ward committee that no municipal financial report can be submitted for the month, seeing that the section 72 report is only due for submission to council by 25 January 2026.

Background

As previously reported to the ward committee, municipal financial reports are required in accordance with the applicable legislation.

In terms of **Section 71(d)** of the MFMA, 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 National and Provincial Treasury, a statement in the prescribed format on the state of the municipality's budget reflecting certain particulars for that month for the financial year up to the end of that month.

In terms of **Section 72** of the MFMA, the Mid-year Budget and Performance assessment report must be tabled by the accounting officer by 25 January of each year to recommend whether an **adjustment budget** is required.

The above compliance report must be made public in terms of **section 21A** of the Municipal Systems Act.

Discussion

The Mid- term budget and performance report must be submitted to council by 25 January and therefore there is no January report to be submitted at the time of the ward meeting. It is however important to advise the ward committee that an **adjustment budget** will be required due to the poor performance on revenue collection as reported in the previous meeting as well as the impact of the December media statements.

The public statements of the municipality on 9 and 10 December 2025 pertaining to the Eskom and Rand Water outstanding accounts will have a serious impact on the current budget as well as the 2026/27 budget.

It should further be noted that the latest financial reports are still not available on the municipal website as required by law. The website is totally outdated and some of the "latest" reports are for the previous financial year. This has been reported on numerous occasions without any response or correction.

ESKOM DISTRIBUTION AGENCY AGREEMENT

With reference to the impact of the Media Statement pertaining to the **attached Eskom Distribution Agency Agreement (DAA)**, on the financial position of Merafong and the budget, it is indicated that the agreement is key to the Turnaround Strategy. This statement is factually incorrect seeing that no mention is made of such an agreement in the approved Municipal Financial Recovery Plan and Turnaround Strategy.

It is acknowledged that little detail can be provided in a media statement but the following summary is noted:

- Electricity distribution and certain retail functions will be jointly managed in a structured framework.
- Billing and revenue collection will be ring-fenced and administered through Eskom systems.
- Merafong will remain the electricity licence holder, with Eskom providing technical expertise, operational support, and skills transfer.
- Free Basic Electricity will be disbursed directly by Eskom to qualifying indigent households.
- Long-term structural reforms will continue through National Treasury to support municipal fiscal sustainability.

It is further stated that:

The DAA introduces key improvements to strengthen the resilience and accountability of Merafong's electricity distribution system:

- Strengthened operational coordination between Eskom and the Municipality.
- Improved maintenance processes and fault-response times.
- Enhanced infrastructure planning and investment readiness.
- Clearer responsibilities, reporting lines, and accountability mechanisms.
- Greater reliability and predictability of electricity supply.
- Protection of existing jobs and structured training for municipal employees.
- Capacity-building and skills transfer to support long-term municipal sustainability.

It should be noted that the above will have a serious impact on the municipal budget, although it will definitely benefit Eskom pertaining to the outstanding debt. The most serious impact will be the provision that:

- Electricity distribution and certain retail functions will be jointly managed in a structured framework.
- Billing and revenue collection will be ring-fenced and administered through Eskom systems.

The billing through the Eskom system might be a huge challenge seeing that the Merafong billing system is highly questionable, due to the number of account queries and incorrect accounts reported monthly. Data integrity will be key to this exercise.

The impact of the ringfencing of electricity on the Merafong budget is that funds from sales from conventional electricity meters revenue will not be available for any other municipal functions. Currently revenue from electricity is subsidizing other functions where cost reflective tariffs are not applicable or possible.

The biggest challenge pertaining to Billing and revenue collection in Merafong is not the conventional meters but the 20 000+ bridged and non-purchasing pre-paid electricity meters. The statement is quiet about vending of pre-paid electricity and the fixing of bridged meters. Taking over the billing system will not solve this problem. The indigent register will also have to be integrated with the Eskom system seeing that they will provide free basic electricity to registered indigents.

A detailed report will have to be submitted to council to explain the full impact of the DAA on the budget and service delivery. The AGREEMENT also determines that Eskom will provide technical expertise, operational support, and skills transfer. No detail is provided in this regard.

No implementation dates or plan is indicated in the Media statement. A detailed implementation plan will have to be approved by council, seeing that it was previously reported that Council did not give any mandate on the terms of the Agreement.

Council should evaluate whether the **Distribution Agency Agreement (DAA)** should have been concluded without following the prescribed legislated process in terms of Sections 76,77 and 78 of the Municipal Systems Act, 32 of 2000, pertaining to:

- **76 “Mechanisms for provision of services:**
In short, this section stipulates that a municipality may provide municipal services through internal mechanisms and external mechanisms.
- **77 “Occasions when municipalities must review and decide on mechanisms to provide municipal services.”**
This section deals with the review on the appropriate mechanism to provide a municipal service which includes aspects of upgrading, performance, restructuring or re-organization and service delivery agreements and when a review is required by an **intervention in terms of section 139 of the Constitution. (Merafong is under section 139 intervention)**
- **78 “Criteria and processes for deciding on mechanisms to provide municipal services.”**
This section stipulates that a detailed assessment must be undertaken including the direct and indirect costs, the capacity and potential future capacity and resources required, the extent of the re-organization and the development of human resource capacity within the administration, read with section 51 and 68 of the MSA.

RAND WATER: ACCEPTANCE OF THE MUNICIPALITY'S REVISED REPAYMENT PLAN FOR CURRENT ACCOUNT AND HISTORIC DEBT

With reference to the Rand Water repayment plan for the current account and historic debt, it is acknowledged with gratitude that a formal agreement is now in place. It is assumed that the agreement is based on detailed cash flow projections based on real data.

It is however uncertain whether the municipality will be in a position to honor the agreement. The payment of the current account was not possible in the past, hence the escalating debt. Apart from the agreed ad hoc settlements for the November and December period as well as shortfalls to be settled by March 2026, the full account must be settled monthly as from February 2026. Without any cash flow statement, it is not possible to express an opinion in this regard. It is suggested that council obtain a detailed report in this regard and communicate such data with the public who will be affected in the case of default. The statement is also quiet on what the consequences of any default of the municipality will be and what the role of COGTA will be in such a scenario, which is very possible.

It is noted that the historic debt will be payable in the new financial year from 1 July 2026 over a period of 5 years. It is also noted that the historic debt will be settled through a minimum of R25M from the equitable share allocation.

This will however depend on the Equitable share allocations in the next 5 years.

As in the case with the Eskom agreement, a detailed report should be approved by council to clarify any grey areas and the detail must be made public.

Recommendations

1. That it be noted that the Mid-term budget and performance assessment report must be submitted to council by 25 January 2026 to make recommendations to council on whether an Adjustment budget is required.
2. That the Media Statement pertaining to the **Eskom Distribution Agency Agreement (DAA)**, be noted and that a detailed report be approved by council and be made public.
3. That the Media Statement pertaining to: **Rand Water: Acceptance of the Municipality's Revised Repayment Plan for Current Account and Historic Debt** be noted and that a detailed report be approved by council and be made public.

SIGNATURE: *Original Signed*

CWA NIEUWOUDT

DATE:14/01/2025

Health and Social Development in Ward 14: A Practical Community Overview: Abraham Brits 13 January 2026

Importance Of Health And Social Development Oversight In A Community

1. Why This Matters to Our Community

This report is written for the **residents of Ward 14**, the **Ward Committee**, and especially the **Municipal Manager's office**. Its aim is to explain, in plain language, why health and social development oversight is important and what practical support residents need from the municipality to improve daily living conditions.

Many of the challenges faced in Ward 14 are not isolated issues. Problems with water, waste removal, public spaces, and social distress all affect one another. When these matters are not addressed early, they place pressure on families, increase health risks, and weaken trust between the community and the municipality.

2. The Municipality's Responsibility (In Simple Terms)

South African law is clear: municipalities must help create a **safe, healthy, and caring environment**. This includes access to basic services, protection of vulnerable people, and meaningful engagement with communities.

For residents, this means the Municipal Manager's office plays a key role in:

- Making sure service delivery problems are addressed promptly
- Ensuring departments work together instead of in silos
- Providing clear feedback when issues are reported
- Supporting ward structures that act as the community's voice

Health and social development oversight is therefore not an extra task—it is part of the municipality's core duty.

3. What Health and Social Development Oversight Looks Like on the Ground

In practical terms, oversight focuses on everyday issues that affect quality of life.

3.1 Health and Environmental Concerns

Residents are directly affected by:

- Overgrown sidewalks and open spaces that attract dumping and criminal activity
- Irregular waste removal and illegal dumping
- Water supply interruptions that affect hygiene and household health

These issues require **quick reporting, visible action, and follow-up** from municipal departments.

3.2 Social Challenges in the Ward

Ward 14 also faces social pressures that cannot be ignored:

- Children spending time in unsafe environments with limited support structures
- Elderly residents struggling to access help and services
- Families affected by unemployment, substance abuse, and food insecurity

Early support and coordination with social services can prevent these problems from becoming crises.

4. Role of the Health and Social Development Representative

The Health and Social Development Representative acts as a **bridge between residents and the municipality**.

Key functions include:

- Listening to residents and identifying recurring problems
- Reporting health and social risks through ward and municipal channels
- Linking residents with clinics, social workers, NGOs, and other support services
- Following up on reported issues and providing feedback to the community

For this role to be effective, the representative needs **support, access, and responsiveness** from the Municipal Manager's office.

5. What Is Needed from the Municipal Manager's Office

To truly assist residents, the Municipal Manager's office can make a significant difference by focusing on the following practical actions:

5.1 Faster Response and Clear Communication

- Acknowledge complaints and reports promptly
- Provide reference numbers and timelines
- Give feedback, even if delays occur

5.2 Better Coordination Between Departments

- Health, infrastructure, waste, and social services must work together
- Avoid situations where issues are passed from one department to another without resolution

5.3 Support for Ward Structures

- Recognise ward representatives as partners, not obstacles
- Ensure issues raised through ward committees are taken seriously and tracked

5.4 Focus on Prevention

- Maintain public spaces before they become unsafe
 - Address water and sanitation problems early
 - Support awareness programmes on health and social well-being
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6. Role of the Community

Residents also have a role to play:

- Report problems responsibly and through the correct channels
- Participate in ward meetings and community discussions
- Work with ward representatives to identify priorities

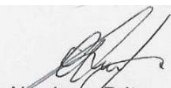
Strong cooperation between residents and the municipality leads to better outcomes for everyone.

7. Closing Message

Health and social development issues affect every household in Ward 14. Clean environments, reliable services, and early social support are basic needs, not luxuries.

By improving communication, coordination, and response at municipal level—and by working closely with ward structures—the Municipal Manager's office can greatly improve the daily lives of residents.

This report calls for a **practical, people-focused approach** that puts community well-being at the centre of service delivery in Ward 14.



Abraham Brits
Ward 14 Health and Social Representative

MONTHLY REPORT

PORTFOLIO: Human settlement and Land Development

MONTH: January 2026

MEMBER RESPONSIBLE FOR THIS PORTFOLIO: Francois Hattingh

List of half-finished houses:

An email was sent to the MM concerning all unfinished and partially constructed houses. A response was received but did not show accurate information, other properties were added to the list as well.

Signature:

Date:

13th of January 2026

MONTHLY REPORT

PORTFOLIO: Intergraded Environmental Management

MONTH: January 2026

MEMBER RESPONSIBLE FOR THIS PORTFOLIO: Heidi Hattingh

We are still awaiting feedback from Merafong.

There is ongoing rubbish accumulation throughout Ward 14.

Sidewalk trees in Ward 14 have yet to be trimmed.

I would appreciate information regarding the planned construction on the three open stands adjacent to Olyf Gim. The owners of 28 and 30 Keurboom, Fochville, received their registered letter from the attorneys only on 19 December 2025, which did not allow adequate time to respond, as the letter was dated 5 December 2025. Furthermore, the notice posted by the attorneys was placed exclusively on Losberg Avenue and not on the Keurboom side.

Signature:

Date:

13th of January 2026

LED Report 13 January 2026

Mr. Jaco van der Merwe

Nothing new during December 2025. Status Quo in Merafong City is in order of the day. The only new development is a solar farm that is in process of development.

Jaco van der Merwe

LED Ward 14.

Monthly Report

Portfolio: Road, Storm water and public works

Member: Mr. Simon Matlala

Month: January 2026

The purpose of this report is to make sure that people get their services delivered to them by the municipality.

1. Olienhout street no 49,57,92,94 and 104 very bad potholes need attention.
2. Ouhout street in the corner no 4 very bad potholes need attention
3. Lilian avenue very bad potholes the whole street need attention
4. Kareeboom street 22 need attention
5. Dalia street very bad potholes whole street need attention
6. Aster street whole street very bad potholes

Please we need assistance with these potholes on our street it's a serious problem that need to be addressed

Thank you

Mr. Simon Matlala

Sports ground and Library

Stella de Beer

Sport:

- Some areas have electricity
- Bathrooms are still a huge concern and not user friendly
- Still waiting for the water problem to be fixed
- Security is a big issue as the fence is still down at the back and anyone can gain access into the area to vandalise it
- Kids are driving around with motor cycles recklessly in the vicinity of the sports grounds and security is allowing it
- Illegal dumping around the sports grounds is taking place because of members are coming from Kokosi and dump what ever they want to there and that is an easy way for illegal activities to take place in and around the area and it is opposite SAVF, and this is also an easy access to the SAVF
- The security at the gate if they are there is, giving access to anyone without completing a formal register to keep record on who is entering and exiting the area
- Lights are burning too long at the rugby fields, and this must be tested for summertime that the timer can go off earlier in the evenings

Library:

- There are two permanent workers in the library
- There are no new books that can be used
- Bathrooms are still a huge issue ass they do not look good, and this is not giving a good impression and it is leaking and water going down the passages
- The building is an issue it's leaking when it rains and books can get rotten because of water damage
- The inside does not look good because of water damage and needs to be repainted
- A bigger space is needed as it is too small for books, shelves, students and readers
- No stationary for underprivileged kids that needs it when they come to the library
- Telephones in place

- Staff must undergo training if there is a fire in the library to make sure they use the right fire equipment
- Computers are outdated and the monitors are still the small monitors
- There are not any traces of an archive for old books, I would suggest that some of the offices not in use can be used for this purpose
- The library needs a revamp and new technology to assist learners in our town to make a difference in their daily lives and to make their work easier
- Staff must also undergo training for in a case of ambushing what to do and who to phone especially if there are learners in the library and how to protect them
- Security measures must be put in place for the staff and learners as safety comes first

Concern:

The civic centre must be painted outside and inside

The garden does not give a good impression from the road and it must be cleaned up