

NOTICE

Ref no. 2/1/4/4/2

Date distributed: 2025/10/22

**NOTICE OF THE 3rd COUNCIL MEETING OF 2025/2026
FINANCIAL YEAR OF THE COUNCIL OF BREEDE VALLEY MUNICIPALITY
WEDNESDAY, 2025-10-29 AT 09:00**

TO The Speaker, Alderman J.F. Van Zyl [Chairperson]
The Executive Mayor, Alderman A. Steyn (Ms)
The Deputy Executive Mayor, Cllr J.J. von Willingh

COUNCILLORS

V.A. Bedworth
W.M. Blom
E. Botha
M.N. Bushwana
G.L. Daames
Alderman R. Farao
M.A. Goedeman
E.N. Isaacs
Alderman C. Ismail
J.R. Jack
M. Jacobs
R.T. Johnson
I.J. Joseph
D. Judge
J.P. Kritzinger
S.K. Madlolo
Z.M. Mangali
T. S. Manuel
P.H. Marais

S.J. Mei
Alderman W.R. Meiring
C.N. Snyders
P.C. Moso
N. Nel
C.T. Nyithana
J. Pieters
A. Pietersen
O. Ralehoko
Alderman M. Sampson
T. P. Sibozo
S. S. T. Steenberg
M. Swartz
H.C Titus
F. Vaughan
M.T. Williams
Alderman C.F. Wilskut
N.J. Wullschleger
L.R. Yayi

Notice is hereby given in terms of Section 29, read with Section 18(2) of the *Local Government: Municipal Structures Act, 117 of 1998*, as amended, that the **3rd COUNCIL MEETING** of the **2025/2026 FINANCIAL YEAR of the COUNCIL** of **BREEDE VALLEY MUNICIPALITY** will be held at **CAPE WINELANDS DISTRICT MUNICIPALITY, TRAPPE STREET WORCESTER**, on **WEDNESDAY, 2025-10-29 at 09:00 to consider the items on the agenda.**



SPEAKER: ALDERMAN J.F. VAN ZYL



BREEDE VALLEY
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1. OPENING AND WELCOME

In terms of the Rules of Order for Internal Arrangement By-Law 2012 (as amended) the chairperson must take the chair at the time stated in the notice of the meeting or as soon thereafter as is reasonably possible: provided that the meeting does not commence later than 30 (thirty) minutes after the time stated in the notice of the meeting and must proceed immediately with the business of the meeting.

2. OFFICIAL NOTICES

2.1 Disclosure of Interests

Item 6 of Schedule 7 of the Municipal Structures Amendment Act 3 of 2021 states:

A councillor must –

- (a) disclose to the council, or any committee of which that councillor is a member, any direct or indirect personal or private business interest that that councillor or any spouse, partner or business associate of that councillor may have in any matter before the council or the committee; and
- (b) withdraw from the proceedings of the council or committee when that matter is considered by the council or committee unless the council or committee decides that the councillors' direct or indirect interest in the matter is trivial or irrelevant.

2.2 APPLICATIONS FOR LEAVE OF ABSENCE

In terms of the Rules of Order for Internal Arrangement By-Law 2012 (as amended).

2.2.1 Every Councillor attending a meeting of the Council must sign his or her name in the attendance register kept for such purpose.

2.2.2 A Councillor must attend each meeting except when –

- (a) Leave of absence is granted in terms of Clause 10; or
- (b) The Councillor is required to withdraw in terms of law.

2.2.3 The Attendance Registers will be available at the meeting.

2.2.4 A blank Application for Leave of Absence form is enclosed.

3. COMMUNICATION

3.1 INTERVIEWS OR PRESENTATIONS BY DEPUTATIONS

In terms of the Rules of Order for Internal Arrangement By-Law 2012 (as amended).

"A deputation seeking an interview with Council must give the Municipal Manager 6 (six) days written notice of its intention and furnish details of the representations to be made and the source of the deputation. The Municipal Manager must submit a request by a deputation for an interview with Council to the Speaker, who may decide to grant or refuse an interview and under what conditions"

3.2 BIRTHDAYS OF COUNCILLORS

Cllr C. F. Wilskut	06 September 2025
Cllr P. H. Marais	08 September 2025
Cllr G. L. Daames	16 September 2025
Cllr N. J. Wullschleger	21 September 2025
Ald R. Farao	05 October 2025
Ald C. Ismail	10 October 2025



Cllr V. A. Bedworth	23 October 2025
Cllr M. Jacobs	24 October 2025
Cllr N. Nel	25 October 2025
Cllr J. Pieters	26 October 2025
Cllr T. Manuel	28 October 2025
Cllr P. Moso	31 October 2025

3.3 STATEMENTS BY THE SPEAKER

3.4 STATEMENTS BY THE EXECUTIVE MAYOR

4. CONFIRMATION OF MINUTES

4.1 In terms of the Rules of Order for Internal Arrangement By-Law 2012 (as amended).

- (a) Minutes of the proceedings of meetings must be compiled in printed form and be confirmed by the Council at the next meeting and signed by the Speaker.
- (b) The minutes shall be taken as read, for the purpose of confirmation, if a copy thereof was sent to each Councillor within forty-eight hours before the next meeting, subject to the provisions of sub-Clause (4).
- (c) No motion or discussion shall be allowed on the minutes, except in connection with the correctness thereof.
- (d) The minutes formulated and screened during meetings, shall constitute a resolution for purposes of implementation of decisions.

4.2 Minutes of Council Meeting held on 25 August 2025. (Copy enclosed)

RECOMMENDATION

That in respect of

CONFIRMATION OF MINUTES OF PREVIOUS COUNCIL MEETING

discussed by Council at the Council Meeting held on 29 October 2025:

1. As the Minutes of the Council Meeting held on 25 August 2025 were sent to each councillor at least forty-eight hours prior to the meeting, the minutes of the Council meeting held 25 August 2025 be taken as read and confirmed.

4.3 Minutes of Special Council meetings held on 1 September 2025 and 29 September 2025. (Copies enclosed)

RECOMMENDATION

That in respect of

CONFIRMATION OF MINUTES OF PREVIOUS SPECIAL COUNCIL MEETINGS



discussed by Council at the Council Meeting held on 29 October 2025:

1. As the Minutes of the Special Council Meetings held on 1 September 2025 and 29 September 2025 were sent to each councillor at least forty-eight hours prior to the meeting, the minutes of the Council meeting held on 1 September 2025, and 29 September 2025 be taken as read and confirmed.

5. REPORT BY THE EXECUTIVE MAYOR ON DECISIONS TAKEN BY THE EXECUTIVE MAYOR, THE EXECUTIVE MAYOR TOGETHER WITH THE DEPUTY EXECUTIVE MAYOR AND THE MAYORAL COMMITTEE

5.1 THE DEPUTY EXECUTIVE MAYOR: CLLR J.J. Von Willingh

5.2 MMC1: Alderman W. R. Meiring

5.2.1 SUBMISSION OF THE IN-YEAR FINANCIAL MANAGEMENT REPORT FOR THE PERIOD ENDED 31 AUGUST 2025: MFMA SECTION 71 Report.

RESOLVED:

That in respect of

SUBMISSION OF THE IN-YEAR FINANCIAL MANAGEMENT REPORT FOR THE PERIOD ENDED 31 AUGUST 2025: MFMA SECTION 71 Report.

discussed by Mayco at the meeting held on 14 October 2025 **with resolution number EX64/2025**

1. Mayco take note of the in-year financial management report for the period ended 31 August 2025.

5.2.2 REPORT TO COUNCIL ON DEVIATIONS FOR THE MONTH OF AUGUST 2025

RESOLVED:

That in respect of

REPORT TO COUNCIL ON DEVIATIONS FOR THE MONTH OF AUGUST 2025

Discussed at the Mayco meeting held on 14 October 2025 **with resolution number EX65/2025**

1. That the deviations from the procurement processes, approved in terms of the delegated authority for the month of August 2025, **be noted**.

5.3 MMC 2: Cllr. P.C. Moso



5.4 MMC 3: Cllr. N. Nel**5.4.1 LIBRARY SERVICES QUARTERLY UPDATE: THE PROGRESS OF THE LIBRARY SERVICES OUTREACH PROGRAMS PLANNED AND COMPLETED (April 2025 – June 2025)****RESOLVED:**

That in respect of –

LIBRARY SERVICES QUARTERLY UPDATE: THE PROGRESS OF THE LIBRARY SERVICES OUTREACH PROGRAMS PLANNED AND COMPLETED (April 2025 – June 2025)

discussed by Mayco at the meeting held on 14 October 2025 **with resolution number EX63/2025**

That Mayco takes cognisance of the progress update and statistics of the outreach programs of the Library Service.

5.5 MMC 4: Cllr. E. Botha**5.5.1 WATER SERVICES AUDIT REPORT FOR 2024/2025****RESOLVED:**

That in respect of

WATER SERVICES AUDIT REPORT FOR 2024/2025

discussed by Mayco at the meeting held on 14 October 2025 **with resolution number EX66/2025**

Mayco approves:

- The Water Services Audit Report for 2024/2025.

5.6 MMC 5: Cllr J.R. Jack

5.7 MMC 6: Cllr. V.A. Bedworth

5.8 MMC 7: Cllr. J.P. Kritzinger



5.9 MMC 8: Cllr F. Vaughan**5.9.1 IN PRINCIPLE APPROVAL FOR THE ALIENATION OF A PORTION OF ERF 799, DE DOORNS (COMMONLY KNOWN AS “LA SERENA FARM”)****RESOLVED:**

That in respect of

IN PRINCIPLE APPROVAL FOR THE ALIENATION OF A PORTION OF ERF 799, DE DOORNS (COMMONLY KNOWN AS “LA SERENA FARM”)

Following deliberation of the item as discussed by MayCo during the meeting held on 14 October 2025, Mayco resolved **with resolution number EX67/2025:**

1. That the administration must investigate the possible enlargement of the subject property recommended to be alienated;
2. that the aspect regarding the water rights be clarified; and
3. that following implementation of points 1 and 2, the item due to serve at Council be amended accordingly.

6. COLLABORATOR OUTSTANDING RESOLUTIONS REPORT**6.1 OUTSTANDING COUNCIL RESOLUTION REPORT PER DIRECTORATE AS EXTRACTED ON 22 JULY 2025.****COMMUNITY SERVICES**

Council	Resolution	Meeting Date	Allocate To	% Compl.	Feedback Comment
172625	SUBMISSION OF BY-LAW RELATING TO THE MANAGEMENT AND CONTROL OF FLATS (rental housing units) OWNED OR ADMINISTERED BY THE BREEDE VALLEY MUNICIPALITY RESOLVED C41/2015 That in respect of the SUBMISSION OF BY-LAW RELATING TO THE MANAGEMENT AND CONTROL OF FLATS (rental housing units) OWNED OR ADMINISTERED BY THE BREEDE VALLEY MUNICIPALITY discussed by Council at the Council meeting held on 25 of June 2015: 1. That Council approved the draft By-Law relating to the Management and Control of flats (rental housing units) owned or administer by the Breede Valley Municipality; 2. That the administration advertises said draft By-Law for public comments; 3. That all comments be collated submitted to Council for final approval and promulgation in the Provincial Gazette. 4. That the draft By-Law be	2015-06-25	GMAYEKI	98	1. The proposed bylaw has been distributed to the Directorates for feedback/review. 2. The proposed document was workshopped with all Councillors. 3. Inputs were integrated into the draft papers. 4. The final draft is expected to be submitted to Council in September 2025.



		workshopped with all the Councillors.				
1798673	LAND FOR HUMAN SETTLEMENTS RAWSONVILLE: CONSIDERATION TO PURCHASE PRIVATELY OWNED LAND	<p>RESOLVED</p> <p>That in respect of –</p> <p>LAND FOR HUMAN SETTLEMENTS RAWSONVILLE: CONSIDERATION TO PURCHASE PRIVATELY OWNED LAND</p> <p>Discussed by Council at the Council meeting held on 27 May 2025, resolution number C148/2025:</p> <p>1. That Council grants in-principle approval of both presentations relating to the proposed offer of land in Rawsonville for human settlement purposes, as set out in Council Item C148/2025, subject to the outcome of further negotiations and full compliance with the following requirements:</p> <p>a) Confirmation of the suitability of the land for human settlement development;</p> <p>b) Obtaining all requisite environmental and land use planning authorisations in terms of the National Environmental Management Act (NEMA) and the Spatial Planning and Land Use Management Act (SPLUMA);</p> <p>c) Assessment and confirmation of the cost-effectiveness of the proposed acquisition and development;</p> <p>d) Fulfilment of any additional preconditions or legislative requirements as may be prescribed by the Western Cape Department of Infrastructure; and</p> <p>e) Formal approval by the Western Cape Department of Infrastructure of the municipal project application for the acquisition of the land.</p> <p>2. That the municipal administration be authorised to prepare and submit the relevant project application to the Western Cape Department of Infrastructure as part of the required process for land acquisition.</p> <p>3. That both landowners be formally notified of this Council resolution.</p>	2025-05-27	GMAYEKI	80	<p>The Western Cape Department of Infrastructure (WCDol) is currently assessing the related grant application and Project Initiation Application (PID). We are currently awaiting written feedback or outcome from the Provincial Planning Committee, and their scheduled meeting is on 22 November 2025. Feedback will be presented to Council, anticipated at the November 2025 meeting, and subsequently communicated to the community during this calendar quarter (October - December 2025).</p>
1798676	BREDE VALLEY MUNICIPALITY: WORCESTER PRIORITY HUMAN	<p>RESOLVED</p> <p>That in respect of –</p>	2025-05-27	GMAYEKI	80	<p>1. The Directorate: Community Services is organising a session for all councillors. The</p>



	SETTLEMENTS HOUSING DEVELOPMENT AREA PLAN (PHSHDA)	<p>BREDE VALLEY MUNICIPALITY: WORCESTER PRIORITY HUMAN SETTLEMENTS HOUSING DEVELOPMENT AREA PLAN (PHSHDA)</p> <p>Discussed by Council at the Council meeting held on 27 May 2025, resolution number C149/2025:</p> <ol style="list-style-type: none"> 1. That Council adopt the Draft Breede Valley Municipality; Worcester Priority Human Settlements Housing Development Area Plan (PHSHDA) 2. that Directorate: Community Services workshop the plans to all councilors and a public participation process and stakeholders' engagements, 3. The final plan be submitted to Council for final approval. 				<p>arrangement is in conjunction with the Speaker's office.</p> <p>2. The workshop will set the timetables for the public engagement process, including stakeholders.</p>
2394656	LAND FOR HUMAN SETTLEMENTS WORCESTER: OVERHEX FARMLANDS: TWEEFONTEIN NO.960, EXT. OF OUDE WAGENDRIFT NO.362, EXT. OF EXCELSIOR NO.366 AND FARM NO.909: CONSIDERATION TO PURCHASE PRIVATELY OWNED LAND	<p>RESOLVED</p> <p>That in respect of –</p> <p>LAND FOR HUMAN SETTLEMENTS WORCESTER: OVERHEX FARMLANDS: TWEEFONTEIN NO.960, EXT. OF OUDE WAGENDRIFT NO.362, EXT. OF EXCELSIOR NO.366 AND FARM NO.909: CONSIDERATION TO PURCHASE PRIVATELY OWNED LAND</p> <p>Discussed by Council at the Special Council meeting held 29 September 2025, resolution number C175/2025:</p> <ol style="list-style-type: none"> 1. That Council grants in-principle approval of the land acquisition for human settlement of land in WORCESTER: OVERHEX FARMLAND from the private landowners as outlined in the report. Subject to the outcome of further negotiations and full compliance with the following requirements: <ol style="list-style-type: none"> a) Confirmation of the suitability of the land for human settlement development; b) Obtaining all requisite environmental and land use planning authorisations in terms of the National Environmental Management Act (NEMA) and the Spatial Planning and Land Use Management Act (SPLUMA); c) Assessment and confirmation of the cost-effectiveness of the proposed acquisition and development; d) Fulfilment of any additional 	2025-09-29	GMAYEKI	80	<p>The Housing Development Agency (HDA) has been tasked to proceed with the negotiations with the various private land owners. The Western Cape Department of Infrastructure (WCDol) is currently assessing the related grant application and Project Initiation Application (PID). The application will be presented to the Provincial Planning Committee that is scheduled to sit on 22 November 2025. Feedback will be presented to Council, anticipated at the November 2025 meeting, and subsequently communicated to the community during this calendar quarter (October - December 2025).</p>



		<p>preconditions or legislative requirements as may be prescribed by the Western Cape Department of Infrastructure; and</p> <p>e) Formal approval by the Western Cape Department of Infrastructure of the municipal project application for the acquisition of the land.</p> <p>2. That the municipal administration be authorised to prepare and submit the relevant project application to the Western Cape Department of Infrastructure as part of the required process for land acquisition.</p>				
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STRATEGIC SUPPORT SERVICES

Council	Resolution	Meeting Date	Allocate To	% Compl.	Feedback Comment
1648536	<p>7.14 PROPOSED APPROVAL OF STAFF ESTABLISHMENT IMPLEMENTATION ON 1 JANUARY 2025</p> <p>RESOLVED</p> <p>That in respect of –</p> <p>PROPOSED APPROVAL OF STAFF ESTABLISHMENT IMPLEMENTATION ON 1 JANUARY 2025</p> <p>as discussed by the Council at the Council Meeting held on 4 December 2024 with resolution number C100/2024 :</p> <p>1. That the Council notes the response from the National Minister on the draft staff establishment.</p> <p>2. That the Council notes that the draft staff establishment does not comply with organisational metrics as prescribed by the MSR.</p> <p>3. That the administration compiles an Implementation Plan of how the municipality will achieve compliance with the MSR, Structural layers and Span of control and submit the Implementation Plan at the Council meeting in February 2025.</p> <p>4. That the Council approves the Staff Establishment for Breede Valley Municipality in terms of the MSR for implementation on 1 January 2025.</p> <p>5. That the Municipal Manager initiates the review of the approved staff establishment in preparation for the next financial year, 2025/2026.</p>	2024-12-04	NM MONYELA	85	HR has commenced with the development of the implementation plan.



1798684	RESUBMISSION ITEM: ERVEN 8645 AND 194, WORCESTER, COMMONLY KNOWN AS "KLEINPLASIE"	<p>RESOLVED</p> <p>That in respect of – RESUBMISSION ITEM: ERVEN 8645 AND 194, WORCESTER, COMMONLY KNOWN AS "KLEINPLASIE"</p> <p>as discussed by Council at the Council meeting held on 27 May 2025, resolution number C150/2025 Council decided:</p> <p>1. That council duly considered the development proposals received during the public participation process followed (Annexures A – M) in respect of Erven 8645 and 194, Worcester, commonly known as "Kleinplasie" (the property);</p> <p>2. that based on the development proposals received, council decide that the property shall be alienated for the purpose of either or a combination of local economic development, tourism, sports and recreation and education.</p> <p>3. The purchaser shall ensure that all historical buildings on the premises be maintained and renovated in compliance with the requirements that are set out by Heritage Western Cape, the BVM Town Planning Section and the Worcester Heritage and Conservation Society. This requirement specifically refers to the following historical buildings:</p> <p>(1) the historical Roodewal main manor house on Erf 194; as well as (2) the old historical "jonkmanshuis", (3) the old historical wine cellar and the (4) – (5) two smaller adjacent old labourers' cottages, (6) the old historical "werf" around the main manor house (back and front) – all of which lays on erf 8645 in close proximity around erf 194- (7) the World War 2 Italian Prisoners of War Obelisk Memorial, which is also situated on Erf 8645;</p> <p>4. The purchaser shall ensure, by means of the registration of a right-of-way servitude at the purchaser's cost, that all the employees of, and visitors to, the adjacent Worcester Museum shall continue to (1) have access, via Erf 8645, to the Museum's main entrance and side entrance (adjacent to the main entrance); and (2) that all of the employees and visitors of Worcester Museum shall continue to be able to use the parking lot on Erf 8645 in its entirety on both sides of the main entrance to Worcester Museum. As part of such a servitude, controlled access should be allowed at the main gate on Erf 8645 (from the</p>	2025-05-27	HPOTGIETER	90	<p>02/06/2025: Resolution communicated via e-mail to relevant internal directorates. 17/06/2025: Liaised with auctioneer, requested internal representatives from relevant directorates. 26/06/2025: Internal employees designated for directorates PDIS & CS. Teams meeting held with auctioneer on 26/06/2025 in respect of way forward. 11/07/2025: Internal inputs requested and received on 10 July 2025. 15/07/2025: User department feedback submitted to auctioneer on 11 July 2025. 14/08/2025: Hand-over meeting held. Draft auction catalogue and conditions of sale received from auctioneer for scrutiny and inputs. 29/08/2025: Online auction scheduled for 17 & 18 September 2025: Marketing campaign commenced. 10/10/2025: Online auction took place on 17 & 18 September 2025: Alienation in process.</p>
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		<p>Robertson Road) to all Worcester Museum's visitors and employees whenever they need to enter to go to Worcester Museum.</p> <p>5. that the Purchaser will be responsible for the payment of all municipal services including rates and taxes in respect of the property following transfer of the property;</p> <p>6. that the relevant internal comments be incorporated in the Deed of Sale and the right be reserved to supplement internal comments;</p> <p>7. that the purchaser inter alia be responsible at its cost for the registration of any relevant servitudes over the subject property to accommodate and protect all applicable municipal services thereon;</p> <p>8. that Directorate: Planning, Development and Integrated Services will be responsible for the management, administration and operational maintenance of the Kleinplasie property until the alienation process is finalized;</p> <p>9. that Directorate: Community Services will ensure adequate security is deployed at the property until the alienation process is finalized; and</p> <p>10. that Council has taken cognisance of the fact that the Municipality is not required for the provision of basic municipal services in terms of the provisions Section 14 of the Local Government: Municipal Finance Management Act (Act 56 of 2003).</p>				
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FINANCIAL SERVICES

Council	Resolution	Meeting Date	Allocate To	% Compl.	Feedback Comment
1798690	<p>PROPOSED AMENDMENTS TO CONTRACTS IN COMPLIANCE WITH SECTION 116(3) OF THE MUNICIPAL FINANCE MANAGEMENT ACT, 56 OF 2003 (MFMA)</p> <p>RESOLVED</p> <p>That in respect of –</p> <p>The PROPOSED AMENDMENTS TO CONTRACTS IN COMPLIANCE WITH SECTION 116(3) OF THE MUNICIPAL FINANCE MANAGEMENT ACT, 56 OF 2003 (MFMA)</p> <p>as discussed by Council at the Council meeting held on 27 May 2025, resolution number C151/2025:</p> <p>It is recommended that Council:</p> <p>1. Note that the contracts proposed to</p>	2025-05-27	ACROTZ		



		<p>be amended as set out in the table below were procured through the Municipality's Supply Chain Management Policy.</p> <p>2. To obtain consent in principle that the contracts as set out in the table below be amended as reflected,</p> <p>No Ref no Service Provider name Description Period of Amendment Proposed Conditions or limitations on Amendments</p> <p>1 BV 890/2021 ABSA Bank Limited Aquisition of a R300 million loan 1 July 2025 – 30 June 2026 Safe for the period amended, the contract shall be subject to the same conditions as the current contract.</p> <p>2 BV 995/2022 Nedbank Limited Provision of banking service 1 July 2024 – 30 September 2025 Safe for the period amended, the contract shall be subject to the same conditions as the current contract.</p> <p>3 BV 954/2022 Marsh (Pty) Ltd Short term insurance services for the period ending 30 June 2025 1 July 2025 – 30 June 2026 Safe for the period amended, the contract shall be subject to the same conditions as the current contract.</p> <p>4 BVD 659 The Institute of Internal Auditors South Africa Renewal of membership fees 1 July 2025 – 30 June 2027 Safe for the period amended, the contract shall be subject to the same conditions as the current contract.</p> <p>3. Note that the municipal manager already gave reasonable notice of the intention to amend the contracts or agreements set out in the table of point 2 above to the local community and that they were invited to submit representations.</p> <p>4. Note that no comments were received by the local community where the period for representations has already lapsed.</p> <p>5. Resolve that an item only be resubmitted to Council should any comments/representations be received in the matters where the deadline for public comments have not already lapsed.</p>				
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7. CONSIDERATION OF AGENDA ITEMS**7.1 QUARTERLY PERFORMANCE REPORTS PERTAINING TO THE FIRST
QUARTER (1 JULY 2025 – 30 SEPTEMBER 2025)****File No./s:** 3/15/1**Responsible Official:** C Malgas**Directorate:** Strategic Support Services**Portfolio:** Performance Management

1. PURPOSE:

To inform Council on the implementation of the budget and the financial state of affairs of the Municipality and assess performance against the performance indicators set in the approved 2025/2026 Top-Layer SDBIP.

2. BACKGROUND:

According to Section 52(d) of the MFMA, the Mayor must, submit a report to the Council on the implementation of the budget and the financial state of affairs of the Municipality. Effective in-year reporting provides municipal management with an opportunity to analyse performance and address shortcomings and improve internal controls and service delivery.

All quarterly reports tabled in the Council in terms of section 52(d) must be placed on the website not later than five days after its tabling in the Council or on the date on which it must be made public, whichever occurs first.

3. COMMENT:

A copy of the Quarter 1 SDBIP Performance Report and Top-Layer KPI Report is attached as Annexures "A" and "B" respectively.

4. FINANCIAL IMPLICATIONS:

None

5. APPLICABLE LEGISLATION / COUNCIL POLICY:

- Municipal Finance Management Act, no. 56 of 2003

6. COMMENTS OF DIRECTORATES CONCERNED:

Municipal Manager: Recommendation supported

Director: Financial Services: Recommendation supported



Director: Community Services: Recommendation supported

Director: Planning, Development & Integrated Services & Acting Director Engineering Services: Recommendation supported

Acting Director: Strategic Support Services: Recommendation supported

Senior Manager: Legal Services: Recommendation supported

RECOMMENDATION:

That in respect of –

THE QUARTERLY PERFORMANCE REPORT FOR THE FIRST QUARTER (1 JULY 2025 – 30 SEPTEMBER 2025),

as discussed by Council at the Council meeting held on 29 October 2025

1. That Council takes note of the Quarter 1 SDBIP Performance Report and the Top-Layer KPI Report for the period 1 July 2025 – 30 September 2025.
2. That Council notes that the reports will be publicised on the municipal website and circulated to governmental stakeholders in accordance with the applicable legislative prescripts.



7.2 SUBMISSION OF THE IN-YEAR FINANCIAL MANAGEMENT REPORT FOR THE PERIOD ENDED 31 AUGUST 2025 MFMA SECTION 71 Report

File No. /s: 3/15/1

Responsible Officials: R. Ontong

Directorate: Financial Services

Portfolio: Financial Services

1. PURPOSE

To submit the in-year financial management report for adoption.

2. BACKGROUND

In terms of the Municipal Finance Management Act, 56 of 2003, section 71.

(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.

3. FINANCIAL IMPLICATIONS

None

4. APPLICABLE LEGISLATION/ COUNCIL POLICY

Municipal Finance Management Act, 56 of 2003 (Section 71)

Municipal Budget and Reporting Regulations, 2009

5. COMMENT OF DIRECTORATES/ DEPARTMENTS CONCERNED:

Municipal Manager:	Recommendation supported
Director: Strategic Support Services:	Recommendation supported
Director: Financial Services:	Recommendation supported
Acting Director: Community Services:	Recommendation supported
Director: Engineering Services:	Recommendation supported
Director: Planning Development and Integrated Services:	Recommendation supported

RECOMMENDATION

That in respect of

SUBMISSION OF THE IN-YEAR FINANCIAL MANAGEMENT REPORT FOR THE PERIOD ENDED 31 AUGUST 2025: MFMA SECTION 71 Report.

discussed by Council at the Council meeting held on 29 October 2025:

1. That Council take note of the in-year financial management report for the period ended 31 August 2025.

**7.3 SUBMISSION OF THE IN-YEAR FINANCIAL MANAGEMENT REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2025.
MFMA SECTION 71 & 52 (d) Report****File No. /s:** 3/15/1**Responsible Officials:** R. Ontong**Directorate:** Financial Services**Portfolio:** Financial Services

PURPOSE

To submit to Council the In-year financial management report for adoption.

BACKGROUND:**In terms of the Municipal Finance Management Act, 56 of 2003, section 71.**

(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:

- (h) Actual revenue, per revenue source;
- (i) actual borrowings;
- (j) actual expenditure, per vote;
- (k) actual capital expenditure, per vote;
- (l) the amount of any allocations received;
- (m) 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
- (n) 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.

IN TERMS OF THE MUNICIPAL FINANCE MANAGEMENT ACT, 56 OF 2003, SECTION 52(D).

The mayor of a municipality—

(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.

FINANCIAL IMPLICATIONS:

None

APPLICABLE LEGISLATION/ COUNCIL POLICY:

Municipal Finance Management Act, 56 of 2003 (Section 52(d) & 71).
Municipal Budget and Reporting Regulations, 2009

COMMENT OF DIRECTORATES/ DEPARTMENTS CONCERNED:

Municipal Manager:	Recommendation supported.
Director: Strategic Support Services:	The item and recommendation is noted.
Director: Financial Services:	Recommendation supported
Director: Community Services:	Recommendation supported
Director: Engineering Services:	Recommendation supported
Director: Planning, Development and Integrated Services:	Recommendation supported

RECOMMENDATION:

That in respect of

SUBMISSION OF THE IN-YEAR FINANCIAL MANAGEMENT REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2025

discussed by Council at the Council meeting held on 29 October 2025:

1. That council takes note of the in-year financial management report for the period ended 30 September 2025.



7.4 REPORT TO COUNCIL ON DEVIATIONS FOR THE MONTHS OF AUGUST 2025 AND SEPTEMBER 2025**File No./s:** 2/1/1/1**Responsible Official:** R. Ontong**Directorate:** Financial Services**Portfolio:** Supply Chain Management

PURPOSE

To report to Council on all deviations and their reasons, approved by the delegated authority in terms of paragraph 36(2) of the Supply Chain Management Policy, for the months of August 2025 and September 2025.

BACKGROUND

The purpose of this report is to ensure that Council maintains oversight over the implementation of the Supply Chain Management Policy. In terms of paragraph 36(2) of the said policy, the Accounting Officer must record the reasons for any deviations in terms of paragraph 36(1)(a) of the policy and report them to Council. However, it must be noted that these deviations also serve on the **monthly Section 71** (MFMA) report/s to Mayco and **quarterly Section 52** (MFMA) report/s to Council.

Deviations approved in terms of paragraph 36(1)(a) for the months of August 2025 and September 2025, are attached as **Annexures A and B**

FINANCIAL IMPLICATIONS

Reference can be made to the total approved amount as reflected in annexures "A" and "B"

APPLICABLE LEGISLATION / COUNCIL POLICY

Municipal Finance Management Act. 2003, (Act 56 of 2003)
Breede Valley Supply Chain Management Policy, as amended.
Supply Chain Management Regulations

COMMENT OF DIRECTORATES / DEPARTMENTS

Municipal Manager:	Noted
Director: Strategic Support Services:	Noted
Director: Planning, Development and Integrated Services:	Noted
Director: Financial Services:	Noted



Acting Director: Engineering Services:
Director: Community Services:

Noted
Noted

Senior Manager: Legal Services:

Noted

RECOMMENDATION

That in respect of

REPORT TO COUNCIL ON DEVIATIONS FOR THE MONTHS OF AUGUST 2025 AND SEPTEMBER 2025

discussed by Council at the Council meeting held on 29 October 2025, Council decides:

1. That the deviations from the procurement processes, approved in terms of the delegated authority for the months of August 2025 and September 2025, **be noted**.



7.5 QUARTERLY SUPPLY CHAIN MANAGEMENT IMPLEMENTATION REPORT FOR THE 1st QUARTER OF THE 2025/26 FINANCIAL YEAR

File No./s: 2/1/1/1

Responsible Official: R. Ontong

Directorate: Financial Services

Portfolio: Supply Chain Management

1. PURPOSE

The Local Government: Municipal Finance Management Act, no 56 of 2003 (MFMA), requires the municipality to have and implement a Supply Chain Management (SCM) Policy which gives effect to the provisions of Part 1 of Chapter 11 of the Act that deals with 'Supply Chain Management'.

2. BACKGROUND

Although the MFMA prohibits a Councillor from being a member of a bid committee or any other committee evaluating or approving quotations or tenders, as per SCM Regulation 117 of the MFMA of 2003. Council has an oversight role to ensure that the Accounting Officer implements all supply chain management activities in accordance with this policy. For the purposes of such oversight, Council's Supply Chain Management Policy, **paragraph 6.3** requires that the Accounting Officer must **"within 10 working days of the end of each quarter, submit a report on the implementation of the supply chain management policy to the mayor of the municipality."** In addition, **paragraph 6.4** requires that the report referred to in paragraph 6.3 above **also to be tabled to council on a quarterly basis**. The report may be included as part of any other report to serve before council.

The SCM quarterly implementation report approved in terms of paragraph 6.3 for the 1st quarter of the 2025/26 financial year, is attached as **Annexure A**.

3. FINANCIAL IMPLICATIONS

None

4. APPLICABLE LEGISLATION / COUNCIL POLICY

Municipal Finance Management Act. 2003, (Act 56 of 2003)
Breede Valley Supply Chain Management Policy, as amended.
Supply Chain Management Regulations
Preferential Procurement Policy Framework Act (Act No. 5 of 2000)
Preferential Procurement Regulations of 2022
Breede Valley Preferential Procurement Policy, as approved



5. ANNEXURE

Annexures A: SCM quarterly implementation report (1st quarter ending 30 September 2025) approved in terms of paragraph 6.3.

RECOMMENDATION:

That in respect of,

**QUARTERLY SUPPLY CHAIN MANAGEMENT IMPLEMENTATION REPORT
FOR THE 1st QUARTER OF THE 2025/26 FINANCIAL YEAR**

Discussed by Council at the Council meeting held on 29 October 2025:

That the approved SCM quarterly implementation report for the 1st quarter of the 2025/26 financial year, **be noted**.



7.6 PROPOSED AMENDMENT TO BID BV 1106/2024: PROVISION AND MAINTENANCE OF INTERNET AND RELATED SERVICE FOR A PERIOD ENDING 30 JUNE 2028 IN COMPLIANCE WITH SECTION 116(3) OF THE MFMA**File No./s:** 5/2/5/3**Responsible Official:** Z Solomon**Directorate:** Strategic Support Services**Portfolio:** ICT

1. PURPOSE

The purpose of this report is to provide the necessary information and motivation on the proposed amendment of the following contract:

LINUX BASED SYSTEM DESIGN SA (PTY) LTD – (BV 1106/2024: PROVISION AND MAINTENANCE OF INTERNET AND RELATED SERVICE FOR A PERIOD ENDING 30 JUNE 2028)

In terms of section 116(3) of the Local Government: Municipal Finance Management Act, Act No. 56 of 2003 (MFMA), Council to make an informed decision whether to consent to the amendment of the contracts.

2. LEGAL REQUIREMENTS

Section 116(3) of the MFMA provides as follows:

“(3) A contract or agreement procured through the supply chain management policy of the municipality or municipal entity may be amended by the parties, but only after -

- (a) the reasons for the proposed amendment have been tabled in the council of the municipality or, in the case of a municipal entity, in the Council of its parent municipality; and
- (b) The local community-
 - (i) has been given reasonable notice of the intention to amend the contract or agreement and
 - (ii) has been invited to submit representations to the municipality or municipal entity.”

The following three things as set out below must therefore be done before the Accounting Officer can amend a procurement contract:

- a) The contract must have been procured through the supply chain management policy of the Municipality.
- b) The reasons for the proposed amendment have been tabled in the Council.
And
- c) The local community has been given reasonable notice of the intention to amend the contract or agreement, and they have been invited to submit representations to the Municipality.

3. CONTRACTS PROCURED THROUGH THE SUPPLY CHAIN MANAGEMENT POLICY

It is confirmed that the contract as set out below were procured in compliance with the Municipality supply chain management policy.



BV 1106/2024:PROVISION AND MAINTENANCE OF INTERNET AND RELATED SERVICE FOR A PERIOD ENDING 30 JUNE 2028

It is further confirmed that the contract above is still valid and enforceable and may be amended.

4. BACKGROUND/MOTIVATION

BVM has identified a possible weakness in IT security relating to web applications and requested the relevant service providers to provide options to lower risk and mitigate possible future threats.

These web applications span multiple different service providers, web application technologies and business functions.

We understand the challenges faced to provide a unified solution to protect the security of the municipality and cover both current and future environment or service provider changes.

As the current Internet, firewall, DNS hosting and network services provider the role of providing a solution to help mitigate threats against other service provider's web application best fits under our portfolio.

Challenges Faced

Recently it has come to BVM's attention that the application providers are ill-equipped to handle threats against their applications, even something as simple as blocking an IP. While this may sound like a trivial task and one may think it should be a function of the firewall, it is however more complicated than this.

Currently BVM web applications mostly use HTTPS, which is an encrypted communication channel. One of the identified problems with this is that the firewall passes these requests directly to the front-end web servers using NAT (Network Address Translation) without any visibility or knowledge into the validity of these requests.

The first issue is that the nature of encrypted traffic makes interception and identification of external threats almost impossible from a firewall perspective, and this differs considerably to how internal network devices making requests to the Internet work, where a custom SSL certificate is injected into every machine forcibly trusting the firewall to essentially generate custom SSL certificates for websites. In this case when a request is made to the Internet to access website, the request is intercepted, the firewall generates a custom SSL certificate, makes a request to the website on the user's behalf and re-encrypts the traffic to the device making the request. This essentially is a MiTM (Man In the Middle) mechanism for decrypting encrypted traffic, scanning it for threats and blocking those threats. This cannot be done for external traffic in the same way by the firewall. In essence the firewall has no visibility into the contents of traffic destined to web applications on the BVM network.

While the firewall does have additional licensable features that would allow a slightly different mechanism to intercept requests, they are expensive and will not mitigate against a well-coordinated DDoS attack, which has the potential to fully saturate the BVM internet links with traffic. These firewall features will not protect the public IP's of the web applications which are returned by DNS queries and susceptible to being targeted.

The second issue comes from the fact that bad actors may make requests from thousands, hundreds of thousands or millions of IP's on the internet. This makes manually maintaining

block lists on the firewall unfeasible. Furthermore, the traffic generated from these IP's would be directly connecting to the BVM external IP's used for serving the web applications, providing a means to launch a co-ordinated DDoS attack against the web application itself and potentially taking it offline for extended periods. I believe Paul Victor showed me an example of this happening to the BVM website.

A potential third issue is that BVM makes use of multiple service providers for their web applications, and any possible mitigations implemented would be onsite and differ between service providers. We feel a more standardized approach across all web applications would be easier to maintain and manage. This approach, being off-site, would greatly reduce the risk to the underlying connectivity links to BVM should an attack with the desired result of flooding the BVM Internet links take place

Proposed Solution

Firstly, we need to note that web applications, if vulnerable, might be compromised and there is nothing that can provide a 100% guarantee that 0-day or unpatched exploits cannot be taken advantage of. We can however leverage the best in the industry mitigation techniques to help prevent this from happening.

We would like to propose a solution which uses a 3rd party specialized security service called CloudFlare. CloudFlare is one of the biggest web application security providers in the world and has recently handled attacks as large as 2.5Tbps.

As the web applications run by BVM are not mission critical to the business and can still be accessed via VPN, we suggest the CloudFlare Business plan. BVM's requirements differ significantly to a business like Takealot, which relies solely on their web application, and thus we don't see a need for a higher-level plan to start off with. Should a need arise in future for an upgrade we can quote on this.

Solving issue, one would be done by making use of the CloudFlare reverse proxy feature, which will front all web application requests on the CloudFlare network. CloudFlare will issue SSL certificates for each site, signed by an accredited certificate authority, respond to incoming requests, analyse them against their managed rule sets and mitigation techniques, which have the visibility into IP reputation spanning millions of other websites, and then make a request to the BVM web application over SSL (additionally adding a header indicating the original IP making the request).

Additional mitigations can be setup, which include limiting traffic to South Africa.

Solving issue two is done firstly by gating any suspicious request to the CloudFlare human verification page, which uses advanced techniques, as well as CAPTCHA to determine if the request is valid before passing it onto the BVM web application. This would cover all web applications run by BVM. The fact that CloudFlare is fronting all requests on their network also mitigates against DDoS attacks targeted at either the web application, or one of BVM's public IP's – the public IP's of BVM's web applications would effectively be hidden. CloudFlare only forwards traffic to BVM which is deemed to be clean and safe.

Solving issue three is done by setting up each web application on the CloudFlare platform, there is no additional cost for the number of web applications or sub-domains setup. This provides a central point of management and mitigation, also catering for any current and future applications run by BVM.

Additional benefits include the fact that the BVM public IP's are hidden from the greater Internet and that all traffic will transverse private peering links between AllWorldIT and CloudFlare, bypassing Internet transit links and mitigating potential threats of bad actors using the IP the web application resolves to in order to launch an attack against the IP or web application directly.

Suggestions to improving security. An additional step that we recommend to be taken is that externally facing servers be put in a DMZ network where they are only allowed access to specific internal resources. External penetration tests done by an organization which specializes in this can also help identify risks relating to internal resources exposed externally like web applications.

Changes Required

We believe we can implement the CloudFlare service without impact to the BVM network. A brief list of changes required are detailed below:

- Add an account for BVM on CloudFlare under our managed services profile
- Setup bvm.gov.za on CloudFlare and create required DNS records
- Enable mitigation on the BVM web application domain names and monitor

5. FINANCIAL IMPLICATIONS

The current contract expires on 30 June 2028. The amendment will increase the monthly cost by R8 798.00 (ex VAT) or R 10 117.70 (incl VAT) For year 1. This will add R 87 980.00 (ex VAT) or R 101 177.00 (incl VAT), bringing the total to R 3 393 242.00 (inc VAT). The amount for Year 2 and Year 3 will be CPI + Base (Estimated at CPI + R121 412.40 incl. VAT) for a total of R 3 413 477.40 (incl. VAT) + CPI for year 2 and year 3.

The total estimated budget for the three-year contract can be seen in Table 3.

Table 3: Budget 2025/2026/2027/2028 FY

<u>Description</u>	<u>Finance Source Description</u>	<u>Budget 2025/26</u>	<u>Budget 2026/27</u>	<u>Budget 2027/28</u>	<u>TOTAL</u>
Internet Charge	BVM	4 025 646.61	4 307 441.87	4 608 962.80	12 942 051.28
TOTAL BUDGET (Exclusive VAT)		4 025 646.61	4 307 441.87	4 608 962.80	12 942 051.28

6. APPLICABLE LEGISLATION / COUNCIL POLICY

Local Government: Municipal Finance Management Act, 2003(Act 56 of 2003)
 Circular 57, National Treasury Practise note
 Circular 62, National Treasury Practise note
 Circular 73 National Treasury Practise note
 Circular 102, National Treasury Practice note
 Breede Valley Municipality Supply Chain Management Policy, as amended
 Breede Valley Municipality Contract Management Framework as part of the SCM Policy, as amended

Section 116 (3) of the Municipal Finance Management Act 56 of 2003 determines as follows—



“A contract or agreement procured through the supply chain management policy of the municipality or municipal entity may be amended by the parties, **but only after**— (*own highlight and underlining*)

- (a) the reasons for the proposed amendment have been tabled in the council of the municipality or, in the case of a municipal entity, in the council of its parent municipality; and
- (b) the local community—
 - (i) has been given reasonable notice of the intention to amend the contract or agreement; and
 - (ii) has been invited to submit representations to the municipality or municipal entity.”

In order to comply with section 116 (3) of the Municipal Finance Management Act, a public participation process was followed, whereby the intention to amend this contract was advertised as follow:

Section 116(3) Notification for Public Participation

Date of Advertising:	05 August 2025
Method of Advertising:	Notice Boards; Breede Valley Municipality Website
Closing Date for Comments:	04 September 2025

Section 116(3)(b) oblige that the local community be given reasonable notice of the intention to amend the contract or agreement and that they are invited to submit representations to the Municipality. The sub-section is not prescriptive whether the notice should be given to the local community before the item is tabled in Council or not.

What is, however, unambiguous is that a contract can only be amended after the local community was given reasonable notice of the intention to amend and they have been offered an opportunity to provide input.

The accounting officer can thus use his discretion in this regard. For this reason, the public notice was already placed on the municipal notice boards, and the website.

No comments were received from the public on the notice that already closed for public input.

7. COMMENT OF DIRECTORATES / DEPARTMENTS

Municipal Manager:	Supported.
Director: Strategic Support Services:	Co-author of the item.
Director: Financial Services:	Supported.
Senior Manager Supply Chain Management Unit:	Supported.
Director: Planning Development and Integrated Services:	Supported.
Director: Community Services:	Supported.



8. Annexures

Annexure A: Intent to amend document

Annexure B: Bill of Quantities

Annexure C: Proof of Advertisement

RECOMMENDATION

That in respect of –

PROPOSED AMENDMENTS TO BID BV 1106/2024: PROVISION AND MAINTENANCE OF INTERNET AND RELATED SERVICE FOR A PERIOD ENDING 30 JUNE 2028 IN COMPLIANCE WITH SECTION 116(3) OF THE MUNICIPAL FINANCE MANAGEMENT ACT, 56 OF 2003,

as discussed by Council at the Council meeting held on 29 October 2025:

- 1) That cognisance be taken of the reasons for the proposed amendment of BV 1106/2024: PROVISION AND MAINTENANCE OF INTERNET AND RELATED SERVICE FOR A PERIOD ENDING 30 JUNE 2028, enabling provisions of Section 116(3) of the Local Government: Municipal Finance Management Act 2003 (Act 56 of 2003), and that the amendment of the contract be consented to
- 2) Note that the proposed amended were procured through the Municipality's Supply Chain Management Policy.
- 3) Note that the municipal manager already gave reasonable notice of the intention to amend the contract to the local community and that they were invited to submit representations.
- 4) Note that no comments were received by the local community where the period for representations has already lapsed.



7.7 LIBRARY SERVICE: LIBRARY OUTREACH ACTIVITIES PLANNED AND COMPLETED: (April 2025 – June 2025)

Responsible Official: C Gerber

Directorate: Community Services

Portfolio: Library Service

PURPOSE

The purpose of the item is to:

- a) Provide an update on progress made re outreach activities planned and completed at Library Services.
- b) Statistics of the outreach activities for the period April 2025 to June 2025

BACKGROUND

The principle/goal of the Library Service in our communities is to provide essential information (written and electronic), reading material (written and electronic) to patrons to assist with the increase in literacy levels and social development enhancement.

The Library Service, on local municipal level, is executed via a signed implementation protocol with the Western Cape Department of Cultural Affairs and Sport (Library Service) in respect of the intergovernmental co-operation regarding the operation of public libraries in the Western Cape.

The municipality is regarded as a B 2 municipality and is therefore only partially funded by a conditional grant from the Provincial Library Service.

The municipality currently operates 13 libraries on a fulltime basis.

The municipality has 50 permanently employed library staff members. The Library Service forms part of a YearBeyond program – organised between the Western Cape Government and several partner organisations.

The program aims to provide unemployed youth (18 – 25 years) with a meaningful work experience and a pathway to further studies or work, while at the same time encouraging a culture of service to your community. All libraries were included to take part in this program again during 2024. Candidates applied online and the interviews were held, during March 2024. Candidates

to be Reading Champions or ICT Champions. Candidates were recommended by Librarians and these candidates registered at libraries during the second week of April 2024. Candidates had orientation via the provincial department from 23 – 26 April 2024 and started with duties at libraries on 29 April 2024. Candidates will serve the community and take part in library outreach activities until 29 November 2024. The program was extended until 14 March 2025. Yeboneers were given the opportunity to stay in the program. They may however be released from the program if other opportunities occur. Candidates that opted for the continuation of the program, completed their work opportunity on 14 March 2025. All libraries held interviews during March 2025 for new candidates to commence duties at libraries in April/May 2025. Candidates were registered and attended orientation in April 2025. Candidates started doing service at libraries on 1 May 2025. They are no longer split into Reading and ICT champions but fulfil both roles. They receive a daily stipend from the Western Cape Government.

PROGRESS OF OUTREACH LIBRARY ACTIVITIES FROM APRIL 2025 – JUNE 2025:

The Library Service continuously organise educational outreach programs at the libraries, in co-operation with other government departments, NGO's and NPO's and other individual organisations/members of the community.

The Library Service does not have a special budget for outreach programs and only make use of limited budget to cover costs for outreach programs/reading competitions.

Month	Nr of awareness programmes from April 2024 – June 2024	Nr. of awareness programmes from April 2025 – June 2025
April	43	30
May	60	54
June	63	26

STATISTICS AND HIGHLIGHTS OF THE CURRENT PERIOD:

April 2025	May 2025	June 2025
30 activities	54 activities	26 activities
All libraries took part in Freedom Month outreach	All libraries took part in Africa Month outreach activities	All libraries celebrated Youth Day and Father's



activities during April 2025. The school holiday, Easter Weekend and public holiday on 28 April 2025 had an impact on service delivery because many employees took leave during the above-mentioned periods.	during May 2025. Yeboneers formed part of outreach activities at all libraries. Steenvliet Library organised a Spelling Bee competition between learners of quite a few schools of De Doorns and Touwsrivier. It was held at De Doorns Library on 7 May 2025.	Day with either programs, displays and/or crafts.
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COMMENTS

Municipal Manager	: Item, supported.
Director Community Services	: Noted.
Director: Engineering	: Noted.
Director Financial Services	: Noted.
Director Strategic Support Services	: Noted.
Director Planning, Development and Integrated Services	: Noted.

RECOMMENDATION

That in respect of –

LIBRARY SERVICES QUARTERLY UPDATE: THE PROGRESS OF THE LIBRARY SERVICES OUTREACH PROGRAMS PLANNED AND COMPLETED (April 2025 – June 2025)

discussed by Council at the Council meeting held on 29 October 2025:

That Council take cognisance of the progress update and statistics of the outreach programs of the Library Service.



7.8 WATER SERVICES AUDIT REPORT FOR 2024/2025

File No./s: 11/1/R

Responsible Official: **J. D. Pekeur**Directorate: **PDIS**Portfolio: **Water Services**

PURPOSE:

To obtain Council's approval of the Water Services Audit Report for 2024/2025.

BACKGROUND:

Section 62 of the Water Services Act requires the Minister to monitor every Water Services Authority (WSA) in order to ensure compliance with the prescribed national standards. This regulation requires a WSA to complete and submit a water services audit every year.

The water services audit is designed to monitor the compliance of the WSA. It allows the water services audit to be used as a tool to compare actual performance of the WSA against the targets and indicators set in their Water Services Development Plan (WSDP). It also assists local communities and Department Water and Sanitation (DWS) to assess how well WSAs are performing relative to their stated intentions and their capacity. The Water Services Audit Report will give an overview of the implementation of the previous years' WSDP of Breede Valley.

METHODOLOGY FOLLOWED:

The Service Delivery Budget Implementation Plan (SDBIP) of Breede Valley Municipality for 2024/2025 was used to report on the Key Performance Indicators (KPIs) for water and sewerage services. The WSDP was further used as basis to compile the report.

AVAILABILITY OF THE WATER SERVICES AUDIT REPORT:

The Water Services Audit Report is a public document and must be made available within four months after the end of each financial year and must be available for inspection at the offices of the Municipality. It is also recommended that the document be placed on the Municipality's website. The Water Services Audit Report must also be made available to DWS for their comments as required by legislation.

FINANCIAL IMPLICATIONS:

No financial implications.

APPLICABLE LEGISLATION / COUNCIL POLICY:

Water Services Act:

Section 18 of the Water Services Act stipulates the following with regard to the water services audit on the implementation of the WSDP.

- (1) A water services authority must report on the implementation of its development plan during each financial year,
- (2) The report-
 - a) must be made available within four months after the end of each financial year; and
 - b) must be given to the Minister, the Minister for Provincial and Local Government, the Member of the Executive Council responsible for local government in the relevant province and all the organisations representing municipalities having jurisdiction in the area of the water services authority.
- (3) The water services authority must publicise a summary of its report.
- (4) A copy of the report and of its summary must be-
 - a) Available for inspection at the offices of the water services authority; and
 - b) Obtainable against payment of a nominal fee.

Regulations under Section 9 of the Water Services Act, which include the water services audit as Section 10 of the Guidelines for Compulsory National Standards stipulates the following:

- (10) (2) A water services audit must contain details for the previous financial year and, if available, comparative figures for the preceding two financial years of-
 - (a) the quantity of water services provided, including at least –
 - (i) the quantity of water used by each sector;
 - (ii) the quantity of water provided to the water services institution by another water services institution;
 - (iii) the quantity of effluent received at sewage treatment plants; and
 - (iv) the quantity of effluent not discharged to sewage treatment plants and approved for use by the water services institution;
 - (b) the levels of services rendered, including at least –
 - (i) the number of user connections in each user sector;
 - (ii) the number of households provided with water through communal water services works;
 - (iii) the number of consumers connected to a water reticulation system where pressures rise above 900 kPa at the consumer connection;
 - (iv) the number of households provided with sanitation services through consumer installations connected to the sewerage system;
 - (v) the number of households with access to basic sanitation services;
 - (vi) the number of new water supply connections made; and
 - (vii) the number of new sanitation connections made;
 - (c) the numbers provided in compliance with paragraph (b) expressed as a percentage of the total number of connections or households;
 - (d) cost recovery, including at least –
 - (i) the tariff structures for each user sector;



- (ii) the income collected expressed as a percentage of total costs for water services provided; and
- (iii) un-recovered charges expressed as a percentage of total costs for water services provided;
- (e) meter installation and meter testing, including at least –
 - (i) the number of new meters installed at consumer installations; and
 - (ii) the number of meters tested and the number of meters replaced expressed as a percentage of the total number of meters installed at consumer connections;
- (f) the water quality sampling programme contemplated in regulation 5(1), the results of the comparison set out in regulation 5(3) and any occurrence reported in compliance with regulation 5(4);

Guidelines for Compulsory National Standards and Norms and Standards for Water Services Tariffs: Sections 5(1), 5(3) and 5(4) stipulates the following:

5 (1) Within two years of the promulgation of these Regulations, a WSA must include a suitable programme for sampling the quality of potable water provided by it to consumers in its WSDP.

5(2) The water quality sampling programme contemplated in sub regulation (1) must specify the points at which potable water provided to consumers will be sampled, the frequency of sampling and for which substances and determinants the water will be tested.

5 (3) A water services institution must compare the results obtained from the testing of the samples with SABS241: Specifications for Drinking Water, or the South African Water Quality Guidelines published by the Department of Water Affairs and Forestry.

5 (4) Should the comparison of the results as contemplated in sub regulation (3) indicate that the water supplied poses a health risk, the water services institution must inform the Director-General of the Department of Water Affairs and Forestry and the head of the relevant Provincial Department of Health and it must take steps to inform its consumers-

(a) that the quality of the water that is supplied poses a health risk;

(b) of the reasons for the health risk;

(c) of any precautions to be taken by the consumers; and

(d) of the time frame, if any, within which it may be expected that water of a safe quality will be provided.

- (g) water conservation and demand management, including at least –
 - (i) the results of the water balance as set out in regulation 11;
 - (ii) the total quantity of water unaccounted for;
 - (iii) the demand management activities undertaken; and
 - (iv) the progress made in the installation of water efficient devices.

Guidelines for Compulsory National Standards and Norms and Standards for Water Services Tariffs: Section 11 stipulates the following:



11 (1) *Within two years of the promulgation of these Regulations, a water services institution must every month-*

- (a) *Measure the quantity of water provided to each supply zone within its supply area;*
- (b) *Determine the quantity of unaccounted for water by comparing the measured quantity of water provided to each supply zone with the total measured quantity of water provided to all user connections within that supply zone;*
- (c) *Measure the quantity of effluent received at each sewage treatment plant; and*
- (d) *Determine the quantity of water supplied but not discharged to sewage treatment plants by comparing the measured quantity of effluent received at all sewage treatment plants with the total measured quantity of water provided to all user connections.*

11 (2) *A water services institution must-*

- (a) *Take steps to reduce the quantity of water unaccounted for; and*
- (b) *Keep record of the quantities of water measured and of the calculations made.*

Strategic Framework for Water Services (September 2003):

A WSA must report annually and in a public way on progress in implementing the plan." The requirement that WSAs regularly update their plans and report annually on progress against their plans will assist local communities and DWA to assess how well WSAs are performing relative to their stated intentions and their capacity.

COMMENT OF DIRECTORATES / DEPARTMENTS CONCERNED:

Municipal Manager:	Item supported
Director: Community Services:	Recommendation noted
Senior Manager: Legal Services:	Recommendation noted
Manager: IDP:	Recommendation noted
Director: Financial Services:	Recommendation noted
Director: Engineering Services:	Recommendation noted
Director Planning Development and Integrated Services:	Item supported



RECOMMENDATION:

That in respect of

WATER SERVICES AUDIT REPORT FOR 2024/2025

discussed by Council at the Council meeting held on 29 October 2025

Council approves:

- The Water Services Audit Report for 2024/2025.



7.9 BUSINESS CONTINUITY MANAGEMENT POLICY

POLICY File No./s: 3/16

Responsible Official: E Cloete

Directorate: Municipal Manager

Portfolio: Enterprise Risk Management

PURPOSE:

To report to Council that the Local Labour Forum and Risk, Fraud and Corruption Committee (RiskCom) support and recommend to Council for the approval of the Business Continuity Management Policy.

BACKGROUND:

The draft policy was developed during the current financial year 2024-2025, with the intention to align to the Public Sector Risk Management Framework and the Good Practice Guidelines from the Business Continuity Institute (BCI).

Business continuity is an essential component of building and improving an organization's resilience. Organizations should adopt this practice as part of their overall approach to addressing risks and threats. In order to deal with disruptive threats, an organization's business continuity management process should assist in identify and prepare solutions for addressing those threats.

Management and Union representatives were invited to provide written comments and/or input. The draft Business Continuity Management Policy is attached along with the King IV Report. As far as the process is concerned, comments and/or input were received and incorporated. Also, on 26 September 2024, the draft Policy was presented to the Risk, Fraud and Corruption Management Committee. Upon submission to the Local Labour Forum, discussed at its meetings on 19 May 2025, 13 June 2025, and 01 August 2025, the Local Labour Forum supports and recommends approval of the Business Continuity Management Policy. Policy was also workshopped with Council on 14 October 2025.

[Annexure 1 – Draft Business Continuity Management Policy](#)

[Annexure 2 – Good Practice Guidelines, 2018](#)



FINANCIAL IMPLICATIONS:

None

APPLICABLE LEGISLATION / COUNCIL POLICY:

- Constitution of the Republic of South Africa Act (No. 108 of 1996).
- The Business Continuity Institute Good Practice Guidelines (GPG2018).
- Occupational Health and Safety Act as amended by Occupational Health and Safety Amendment Act (No. 181 of 1993).
- Disaster Management Act 2002 (Section 57).
- Local Government Municipal Finance Management Act (No. 56 of 2003).
- National Environmental Management Act (No. 107 of 1998).
- National Archives and Record Service of South Africa Act (Act 43 of 1996).
- ISO 22301: 2012 (Societal Security – Business Continuity Management Systems – Guidance).
- King IV Report on Corporate Governance for South Africa.
- COBIT 2019's Enterprise Goal EG06 Business Service continuity and availability;
- Batho Pele Principles.
- International Organization of Securities Commissions (IOSCO) requirements.
- ISO 27001:2022; Information Security Management System.

RECOMMENDATION:

That in respect of the

BUSINESS CONTINUITY MANAGEMENT POLICY

discussed by Council at the Council meeting held on 29 October 2025:

- That Council approves the Business Continuity Management Policy.



7.10 COMPLIANCE MANAGEMENT POLICY

File No./s: 3/16

Responsible Official: E Cloete

Directorate: Municipal Manager

Portfolio: Enterprise Risk Management

PURPOSE:

To report to Council that the Local Labour Forum and Risk, Fraud and Corruption Committee (RiskCom) support and recommend to Council for the approval of the Compliance Management Policy.

BACKGROUND:

The draft policy was developed during the current financial year 2024-2025, with the intention to align to the King IV principle on Compliance Governance and General Accepted Compliance Framework from the Institute of Compliance South Africa.

King IV recommended the following principles, with recommended practices:

Principle 13, "The governing body (Council) should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the municipality being ethical and a good corporate citizen".

- 18. The governing body should assume responsibility for the governance of compliance with applicable laws and adopted, non-binding rules, codes and standards by setting the direction for how compliance should be approached and addressed in the organisation.
- 19. The governing body should approve policy that articulates and gives effect to its direction on compliance, and that identifies which non-binding rules, codes and standards.
- 20. The governing body should delegate to management responsibility for implementation and execution of effective compliance management.
- 21. The governing body should exercise ongoing oversight of compliance and, in particular, oversee that it results in the following:
 - a. Compliance being understood not only for the obligations it creates, but also for the rights and protections it affords.
 - b. Compliance management taking a holistic view of how applicable laws and non-binding rules, codes and standards relate to one another.
 - c. Continual monitoring of the regulatory environment and appropriate responses to change and developments.

- 22. The governing body should consider the need to receive periodic independent assurance on the effectiveness of compliance management.
- 23. The following should be disclosed in relation to compliance:
 - a. An overview of the arrangements for governing and managing compliance.
 - b. Key areas of focus during the reporting period.
 - c. Actions taken to monitor the effectiveness of compliance management and how the outcomes were addressed.
 - d. Planned areas of future focus.
- 24. Material or repeated regulatory penalties, sanctions or fines for contraventions of, or non-compliance with statutory obligations, whether imposed on the organisations or on members of the governing body or officers should be disclosed.
- 25. Details of monitoring and compliance inspections by environmental regulators, findings on non-compliance with environmental laws, or criminal sanctions and prosecutions for such non-compliance should be disclosed.

Management and Union representatives were invited to provide written comments and/or input. The draft Compliance Management Policy is attached along with the King IV Report. As far as the process is concerned, comments and/or input were received and incorporated. Also, on 26 September 2024, the draft Policy was presented to the Risk, Fraud and Corruption Management Committee. Upon submission to the Local Labour Forum, discussed at its meetings on 19 May 2025, 13 June 2025, and 01 August 2025, the Local Labour Forum supports and recommends approval of the Compliance Management Policy. Policy was also workshopped with Council on 14 October 2025.

Annexure 1 – Draft Compliance Management Policy

Annexure 2 – KING IV Report, 2016

FINANCIAL IMPLICATIONS:

None

APPLICABLE LEGISLATION / COUNCIL POLICY:

- Constitution of the Republic of South Africa Act (No. 108 of 1996).
- Generally Accepted Compliance Practice Framework, issued by Compliance Institute South Africa.
- King IV Report on Corporate Governance for South Africa.



-
- Batho Pele Principles.

RECOMMENDATION:

That in respect of the

COMPLIANCE MANAGEMENT POLICY

discussed by Council at the Council meeting held on 29 October 2025:

- That Council approves the Compliance Management Policy.



7.11 IN PRINCIPLE APPROVAL FOR THE ALIENATION OF A PORTION OF ERF 799, DE DOORNS (COMMONLY KNOWN AS “LA SERENA FARM”)

File no.: 9/2/3/1/8

Responsible Official: H. Potgieter

Directorate: SSS

Portfolio: Legal Services

1. PURPOSE

The purpose of this item is to obtain in principle approval for the alienation of a portion of erf 799, (hereinafter referred to as “*La Serena*”), De Doorns.

2. BACKGROUND / DISCUSSION

Numerous requests and subsequent applications for the disposal and or lease of municipal properties were received to avail erven for agricultural purposes. The subject property was identified as one of the limited properties within the Breede Valley municipal jurisdiction which can possibly be availed for agricultural purposes.

In addition to this, Legal Services received various complaints from neighbouring farmers as the current state of the vineyards situated on La Serena poses a risk for contamination to their crops. Thus, if left unattended this could result in Council potentially being held liable for possible delictual damages in this regard.

The subject property is described as below and indicated as “**Portion B**” on the locality map attached hereto marked “**Annexure A**”:

1. A portion of Erf 799, De Doorns (La Serena Farm), ±14.4ha in extent.
2. The red dotted line on **Annexure A** depict the current access road used by the municipality to reach its Waste-Water Treatment Plant, situated at “**Portion A**”.

The comments from the internal departments didn't indicate that the property is needed for the provision of the minimum level of basic municipal services, nor for operational purposes.

Should Council resolve in principle to alienate the subject property, the use of the property is to conform to the usage allowed in terms of the zoning **Agricultural Zone I**. This zoning provides for:

1. Primary use – Agriculture
2. Consent use – Additional dwelling units, farm store, farmstall, intensive feed farming, riding school, nursery, service trade, tourist facilities.

3. **EVALUATION**

A. **LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, NO 56 OF 2003**

“14. Disposal of capital assets

- (1) *A municipality may not transfer ownership as a result of a sale or other transaction or otherwise permanently dispose of a capital asset needed to provide the minimum level of basic municipal services.*
- (2) *A municipality may transfer ownership or otherwise dispose of a capital asset other than one contemplated in subsection (1), but only after the municipal council, in a meeting open to the public—*
 - (a) *has decided on reasonable grounds that the asset is not needed to provide the minimum level of basic municipal services; and*
 - (b) *has considered the fair market value of the asset and the economic and community value to be received in exchange for the asset.*



-
- (3) *A decision by a municipal council that a specific capital asset is not needed to provide the minimum level of basic municipal services, may not be reversed by the municipality after that asset has been sold, transferred or otherwise disposed of.*
- (4) *A municipal council may delegate to the accounting officer of the municipality its power to make the determinations referred to in subsection (2)(a) and (b) in respect of movable capital assets below a value determined by the council.*
- (5) *Any transfer of ownership of a capital asset in terms of subsection (2) or (4) must be fair, equitable, transparent, competitive and consistent with the supply chain management policy which the municipality must have and maintain in terms of section 111.*
- (6) *This section does not apply to the transfer of a capital asset to another municipality or to a municipal entity or to a national or provincial organ of state in circumstances and in respect of categories of assets approved by the National Treasury, provided that such transfers are in accordance with a prescribed framework.”*

Adherence to this section is sought through obtaining in principle approval from Council to alienate the erf by means of a competitive process in the open market.

In respect of subsection 2(a) and (b) above the internal departments' comments confirmed that the subject portion of the municipal property is not needed for the provision of basic municipal services.

In *Oranje Watersport CC v Dawid Kruiper Local Municipality and Others (397/2019) [2020] ZASCA 75 (30 June 2020)*, the court held that when disposing municipal owned property, the community value as well as the economic value that will be received in exchange for the property must be taken into consideration. Furthermore, the court held that section 14(2)(b) requires that once the market value of the property is ascertained, the market value should be weighed against the community value as well as the economic value of the asset.

In this instance, the subject property is recommended to be alienated in the open market for agricultural purposes. The property being located within De Doorns with an established agricultural market will afford the future purchaser the opportunity to partake in this market. The vast agricultural potential this property offers will undoubtedly benefit not only the future purchaser but will also create new employment opportunities for the local labour market. Furthermore, unoccupied municipal property has increasingly been creating instances where unwanted activities take place as well as the premises being illegally occupied which leads to vandalism and damage to Council property. Availing the subject property in the open market for agricultural purposes will allow the property to be utilised to its full potential and similarly generate an income for Breede Valley Municipality.

In addition to the above, it is worth noting that De Doorns is presently faced with water scarcities. La Serena currently obtains its water from the Hex Valley Water Association in accordance with approved water rights on the property. HCB Group, HCB Property Valuations provided market related valuations for the subject property if it were to be sold with, and without the existing water rights respectively, as indicated in “**Annexure A2**”, attached hereto.

It is evident that selling the land with pro rata water rights has more economic value as opposed to selling it without same. Furthermore, considering the water scarcities within De Doorns, selling the land without the pro rata water rights might result in no viable offers being received during the competitive bidding process, resulting in the property lying dormant for a further period. This has the potential to exacerbate the current challenges faced at the subject property.

Accordingly, it is proposed that Council resolve to alienate the municipal property inclusive of the pro rata water rights.

B. MUNICIPAL ASSET TRANSFER REGULATIONS

In accordance with the provisions of Regulation 7 of the Municipal Asset Transfer Regulations, R878 of 2008 the municipal council must, when considering any proposed transfer or disposal of a non-exempted capital asset, take into account -

- (a) whether the capital asset may be required for the Municipality's own use at a later date;



The asset will not be required for Municipal use.

- (b) **the expected loss or gain that is expected to result from the proposed transfer or disposal;**

The erf will be disposed by means of a competitive process and the indicative value will be the market related value thereof.

- (c) **the extent to which any compensation to be received in respect of the proposed transfer or disposal will result in a significant economic or financial cost or benefit to the Municipality;**

The Municipality will receive payment of the purchase price which will be a financial benefit to the Municipality.

- (d) **the risks and rewards associated with the operation or control of the capital asset that is to be transferred or disposed of in relation to the Municipality's interests;**

The reward for the Municipality would be receipt of the purchase price as well as future income for municipal services including rates and taxes.

- (e) **the effect that the proposed transfer or disposal will have on the credit rating of the Municipality, its ability to raise long-term or short-term borrowings in the future and its financial position and cash flow;**

No detrimental effect will be experienced on the credit rating.

- (f) **any limitations or conditions attached to the capital asset or the transfer or disposal of the asset, and the consequences of any potential non-compliance with those conditions;**

The property is only to be utilized for **bona fide Agricultural zone I purposes**.

- (g) **the estimated costs of the proposed transfer or disposal;**

The transfer costs will be for the purchaser's account.

- (h) **the transfer of any liabilities and reserves funds associated with the capital asset;**

No transfer of reserve funds is associated with the asset.

- (i) **any comments or representations on the proposed transfer or disposal received from the local community and other interested persons;**

The required public participation process will be followed in order to obtain comments or representations on the proposed transfer.

- (j) **any written views and recommendations on the proposed transfer or disposal by the National Treasury and the relevant Provincial Treasury;**

The written views and recommendations of National Treasury and the relevant Provincial Treasury will be obtained if required.

- (k) **the interests of any affected organ of state, the Municipality's own strategic, legal and economic interests and the interests of the local community; and**

The interests of the local community will be addressed, as a need was identified to earmark erven for agricultural purposes.

- (l) **compliance with the legislative regime applicable to the proposed transfer or disposal.**

The proposed transfer and disposal are in compliance with:

The Local Government: Municipal Finance Management Act, No.56 of 2003.

Asset Transfer Regulations

It can be summarised that the erf is not required by the municipality for own use as can be seen from the internal departments' comments below. The risks are limited, and a fair market related purchase price will serve as the indicative value during the competitive process. The representations and comments from the local community will be obtained through the prescribed public participation process.

Regulation 13 of the Asset Transfer Regulations furthermore determine:

"13. Compensation for transfer of non-exempted municipal assets

- (1) The compensation payable to a municipality or municipal entity for the transfer of a non-exempted capital asset must, subject to regulation (2) –*



- (a) *be consistent with criteria applicable to compensation set out in the disposal management system of the municipality or municipal entity; and*
 - (b) *if regulation 12(2)(b) applies to the transfer, reflect fair market value.*
- (2) *If a municipality or municipal entity on account of the public interest, in particular in relation to the plight of the poor, intends to transfer a non-exempted capital asset for less than its fair market value, the municipality or entity must, when considering the proposed transfer, take into account –*
 - (a) *the interest of –*
 - (i) *the State; and*
 - (ii) *the local community;*
 - (b) *the strategic and economic interest of the municipality or municipal entity, including the long-term effect of the decision on the municipality or entity;*
 - (c) *the constitutional rights and legal interest of all affected parties;*
 - (d) *whether the interest of the parties to the transfer should carry more weight than the interest of the local community, and how the individual interest is weighed against the collective interest; and*
 - (d) *whether the local community would be better served if the capital asset is transferred at less than its fair market value, as opposed to a transfer of the asset at fair market value.”*

It is proposed that the erf be sold at the fair market value as indicated above.



C. ADVERTISEMENT

The necessary advertisement / notice in terms of legal prescripts will be published should this in principle approval be obtained. A notice will also be placed on the municipal website and the various media platforms. This is in order to obtain any representations / comments from the local community in respect of the proposed alienation of the subject property. An item will subsequently be resubmitted to Council to convey if representations / comments were received.

4. CONCLUSION

It is recommended that the alienation of a portion of erf 799, De Doorns (La Serena Farm) be approved in principle.

Furthermore, **Portion A** being the municipal Waste-Water Treatment Plant and the golf course, indicated as “**Portion C**” on the locality map (“**Annexure A**”) will specifically be excluded from the proposed disposal.

5. FINANCIAL IMPLICATIONS

The Municipality stand to gain the market related purchase price by means of alienating the subject property. More so, the Municipality will also gain rates and taxes following the transfer of the subject property.

6. ANNEXURES

Annexure A2: Valuation report

7. COMMENTS OF DIRECTORATES / DEPARTMENTS

MUNICIPAL MANAGER

Supported

ACTING DIRECTOR: ENGINEERING SERVICES

1. No objection towards the possible alienation of **Portion B** of Erf 799, De Doorns.
2. **Portion A** of Erf 799 must remain municipal property. The latter is required for the De Doorns Waste-Water Treatment Works (WwTW) and future extensions to the WwTW.
3. **Portion A** of Erf 799, is furthermore required for compliance to the Department Water and Sanitations' (*Former Department Water Affairs and Forestry (DWAF)*) approval (6 March 2009) in respect of the authorising the local water services authority, the Breede Valley Municipality, De Doorns WWTW, to dispose of its treated sewerage effluent.
 - *Beneficial irrigation of 1440m³ of treated domestic wastewater from the new WWTW module to be constructed on proposed Lucerne field on municipal land next to the WWTW,*
4. In addition, the existing stormwater furrow / natural watercourse located at the southern boundary of **Portion A** of Erf 799 to be included under **Portion A** of Erf 799, which remain the property of Breede Valley Municipality.
5. It is proposed that a servitude be registered to grant the municipality access to the Waste-Water Treatment plant (**Portion A**), along the right-hand boundary of **Portion B**. In essence, the red dotted-line on **Annexure A** should thus follow a straight line in a northern direction towards **Portion A**. This will ensure that the municipality would not need to traverse the subject property intended for alienation to reach its Waste-Water Treatment Plant. It is furthermore proposed that:
 - 5.1 the servitude over **Portion B** of erf 799 be fenced;
 - 5.2 that a new vehicle crossing be created at the stormwater furrow / natural watercourse, and



5.3 concrete tracks similar to the existing be constructed over **Portion A** of Erf 799 and within the servitude over **Portion B** of Erf 799, all at the cost of the prospective purchaser.



Civil Engineering Services:

All existing municipal services located on **Portion B** must be protected by means of servitude(s).



Electrical Services:

Erf 799 (**Portion B**) is within the Municipal Electrical Services distribution area.

No additional requirements & conditions from the Electrical Services Department.

DIRECTOR: PLANNING, DEVELOPMENT AND INTEGRATED SERVICES**Supported**

The municipality make use of the access road over the farm towards the Waste-Water Treatment Plant.

Town Planning:

The zoning of the property is Open Space II (Private Open Space).

From a Town Planning point of view, there is no objection to the proposed alienation of the

Portion B.Building Control:

Building Control has no objection to the alienation of the erf. Plans must be handed in at Building Control if any structures are to be erected for formal approval.

DIRECTOR: FINANCIAL SERVICES:**Supported****DIRECTOR: COMMUNITY SERVICES:****Supported**Fire, Safety and Risk Management:

- i. Any future structures/buildings being erected on the above-mentioned premises as well as existing structures/buildings, must conform with the provisions of the National Building Regulations, SANS 10400-A:2010, Part T.
- ii. Access for fire-fighting and rescue purposes, must be provided in accordance with Regulation T1(1)(e) of the National Building Regulations, read with the Deemed to Satisfy rules, Rule T4.54 of SANS 10400 - 1990, Part T, and in accordance to the Fire Brigade By-Laws of the Breede Valley Municipality. A width of 3.5 meter and a height of 4.2 meter must be maintained for emergency vehicles to enter premises.
- iii. Provision must be made for fire-fighting equipment (fire extinguishers), in accordance to SANS 10400 -2010 Part T 4.37 Table 10.

Escape routes must also not be blocked so people can escape in case of emergency.



Traffic and Law Enforcement Services:

The Traffic Department support the proposed alienation of the property. An Informal settlement might arise, which will bring transport and other related issues / challenges of its own to the immediate area or centre workers and visitors inside the boundaries of the erven

Manager: Human Settlements and Community Development:

Certain dwellings on the subject property currently form part of the Breede Valley Municipality's rental stock portfolio.

DIRECTOR: STRATEGIC SUPPORT SERVICES: Author of the item and recommendation

RECOMMENDATION

That in respect of –

IN PRINCIPLE APPROVAL FOR THE ALIENATION OF A PORTION OF ERF 799, DE DOORNS (COMMONLY KNOWN AS “LA SERENA FARM”)

as discussed by the Council during the meeting held on **29 October 2025**, the following recommendation be made to Council:

1. That the alienation of a portion of Erf 799, De Doorns (*“La Serena Farm”*) specifically **Portion B** as indicated on the locality map, **inclusive of the pro rata water rights thereon**, for **purposes** permitted under **Agricultural Zone I** be **approved in principle** by means of a **competitive process in the open market**;
2. that Directorate: Planning, Development and Integrated Services determine the exact extent of **Portion B** of Erf 799 proposed for alienation;
3. that Directorate: Planning, Development and Integrated Services clarify the suggested pro rata water rights envisaged to be transferred;



4. that **Portion A** of Erf 799, De Doorns will remain municipal property, as it is required for the De Doorns Waste-Water Treatment Works (WwTW) and future extensions to the WwTW;
5. that the golf course, indicated as “**Portion C**” on **Annexure A**, be excluded from the proposed alienation;
6. that the properties currently forming part of the Breede Valley Municipality’s rental stock portfolio, be included in the proposed alienation;
7. that the following of a public participation process, **be approved**;
8. that an item will be resubmitted to Council to convey if representations / comments were received;
9. that the administration be mandated to administer the process of disposal of the municipal property following the public participation process;
10. that it be noted that the Municipality cannot guarantee vacant occupation of the subject property;
11. that all potential bidders be informed of the above item 10 during the competitive process in the open market;
12. that a reversion condition be included in the Deed of Sale as well as the Title Deed that the disposed property be utilized for **Agricultural Zone I Purposes** (bona fide agricultural purposes) only and should the Purchaser not use the property as specified, the erf will revert back to the Municipality free of charge;
13. that all the costs pertaining to the transaction, e.g. subdivision, rezoning, transfer costs, and registration of servitudes, be paid by the Purchaser;
14. that the Purchaser will be responsible for the payment of all municipal services including rates and taxes in respect of the property following transfer of the property;
15. that the relevant internal comments be incorporated in the Deed of Sale and the right be reserved to supplement internal comments;



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16. that the existing stormwater furrow / natural watercourse located at the southern boundary of **Portion A** of Erf 799, be included under **Portion A** of Erf 799, which remain the property of Breede Valley Municipality;
 17. that the purchaser *inter alia* be responsible at its cost for:
 - 17.1 the registration of a servitude in favour of the municipality to gain access to its Waste-Water Treatment Plant (**Portion A**) along the right-hand boundary of **Portion B** on the locality map (**Annexure A**);
 - 17.2 the fencing of the servitude referred to in item 17.1 above;
 - 17.3 the construction of concrete tracks similar to the existing within the servitude area;
 - 17.4 the registration of any relevant servitudes over the subject property (**Portion B**) to accommodate all applicable municipal services thereon;
 18. that Council has taken cognisance of the fact that the Municipal property herewith alienated is not required for the provision of basic municipal services in terms of the provisions Section 14 of the Local Government: Municipal Finance Management Act (Act 56 of 2003); and
 19. that the Municipal Manager be authorized to sign all documents relating to the disposal and transfer of the subject portion of the municipal property.



8. CONSIDERATION OF REPORTS, COMMUNICATIONS, PETITIONS AND APPLICATIONS DEALING WITH MATTERS OF URGENCY SUBMITTED BY THE MUNICIPAL MANAGER

9. CONSIDERATION OF MATTERS SUBMITTED BY THE CHAIRPERSON OF COUNCIL

10. CONSIDERATION OF NOTICES OF MOTION AND NOTICES OF QUESTIONS WHICH SHALL APPEAR ON THE AGENDA IN THE ORDER IN WHICH THEY HAVE BEEN RECEIVED BY THE MUNICIPAL MANAGER

11. CONSIDERATION OF MOTIONS OF EXIGENCY

12. CLOSURE

