

# AGENDA

Ref no.2/1/4/4/2  
2019-06-13

**NOTICE OF THE SPECIAL COUNCIL MEETING OF  
THE BREDE VALLEY MUNICIPALITY  
THURSDAY, 2019-06-13 AT 09:00**

**TO** The Speaker, Cllr N.P.Mercuur [Chairperson]  
The Executive Mayor, Alderman A. Steyn  
The Deputy Executive Mayor, Cllr J.D. Levendal

<b>COUNCILLORS</b>	M.N. Bushwana	A.Pietersen
	R. Farao	P.C. Ramokhabi
	Alderman S.Goedeman	J. Robinson
	E.N. Isaacs	M. Sampson
	Alderman C. Ismail	E.Y. Sheldon
	N. Ismail	I.L. Tshabile
	J.R.Jack	Alderman P.Tyira
	M.Jacobs	E.Van der Westhuizen
	J.D.P.Jaftha	J.F. Van Zyl
	J.P. Kritzinger	J.J. Von Willingh
	P.B.Langata	W.Vrolick
	Z.M. Mangali	T.M. Wehr
	T.Maridi	L.Willemse
	E.S.C. Matjan	N.P. Williams
	S.J.Mej	M.T. Williams
	W.R.Meiring	C.F. Wilskut
	S.M. Mkhwane	N.J. Wullschleger
	V.I. Mngcele	
	C.M. Mohobo	
	N.Nel	

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 a **SPECIAL COUNCIL MEETING** of the **BREDE VALLEY MUNICIPALITY** will be held in the **COUNCIL CHAMBERS, CWDM, 51 TRAPPE STREET, WORCESTER** on **THURSDAY, 2019-06-13** at **09:00** to consider the items on the Agenda.




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**SPEAKER**  
**CLLR NP MERCUUR**

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**1. OPENING AND WELCOME**

In terms of the Rules of Order for Internal Arrangement By-Law 2012 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.

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**2. OFFICIAL NOTICES****2.1 DISCLOSURE OF INTERESTS**

Item 5 of the Code of Conduct for councillors' 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;

- 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.
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### 3. CONSIDERATION OF AGENDA ITEMS

#### 3.1 REVIEW OF THE 2017 APPROVED MUNICIPAL SPATIAL DEVELOPMENT FRAMEWORK IN TERMS OF THE LOCAL GOVERNMENT: MUNICIPAL SYSTEMS ACT (ACT 32 OF 2000)(MSA) FOR THE BREDE VALLEY MUNICIPALITY IN LINE WITH THE WESTERN CAPE LAND USE PLANNING ACT (ACT 3 OF 2014) (LUPA), THE SPATIAL PLANNING AND LAND USE MANAGEMENT ACT (ACT 16 OF 2013)(SPLUMA) AND THE BREDE VALLEY MUNICIPAL LAND USE PLANNING BY-LAW (P.N. 7485/2015)

**File No./s:** 10/3/26

**Directorate:** Technical Services

**Responsible Official:** PSJ Hartzenberg

**Portfolio:** Technical Services

#### **Purpose**

The purpose of this report is to request Council approval of the reviewed Breede Valley Spatial Development Framework which is aligned with the Municipal Systems Act (2000) read together with the Spatial Planning and Land Use Management Act, No 16 of 2013, (*hereafter referred to as SPLUMA*) Western Cape Land Use Planning Act, Act 3 of 2014 (*hereafter referred to as LUPA*) and the Breede Valley Municipal Land Use Planning By-law (P.N. 7485/2015).

#### **Background**

The Spatial Development Framework (SDF) is a long-term forward planning document which spatially indicates the long-term growth and development path of a municipality. It co-ordinates the spatial implications of all strategic sector plans (engineering, transport, economic, housing, community services etc.) of a municipality. The SDF is also one of the core components of a municipal IDP and gives physical effect to the vision, goals and objectives of the municipal IDP. The BVM:SDF, when approved in terms of the Municipal Systems Act, 2000 (Act 32 of 2000) will serve as a guide to decision making in development and land use planning.

With the enactment of the new planning dispensation which include the Breede Valley Municipal Land Use Planning By-Law, 2015 (By-law), the Western Cape Land Use Planning Act, No 3 of 2014 (LUPA) and the Spatial Planning and Land Use Planning Act, No 16 of 2013 (SPLUMA) Council must adopt a Municipal Spatial Development Framework (MSDF) within five years of implementation. The Breede Valley Municipality implemented the above new planning dispensation on the 1st of December 2015 through Provincial Gazette Notice, number 7485 by repealing the Land Use Planning Ordinance of 1985 (LUPO).

In terms of Section 26(c) of the Municipal Systems Act, 2000 (Act 32 of 2000) states that the SDF is a core component of the IDP.

Also, Section 12(5) and (6) of SPLUMA states that:

*12(5) A municipal spatial development framework must assist in integrating, coordinating, aligning and expressing development policies and plans emanating from the various sectors of the spheres of government as they apply within the municipal area.*

*12(6) Spatial development frameworks must outline specific arrangements for prioritising, mobilising, sequencing and implementing public and private infrastructural and land development investment in the priority spatial structuring areas identified in spatial development frameworks.*

**Financial Implications**

Tender was awarded to AURECON for the amount of R698 923.

**Applicable Legislation / Council Policy**

- Municipal Systems Act, Act 32 of 2000
- Spatial Planning and Land Use Management, Act 16 of 2013
- Land Use Planning Act (Act 3 of 2014)
- Breede Valley Municipal Land Use Planning By-law (P.N. 7485/2015)

**Comment of Directorates / Departments concerned**

<b>Municipal Manager:</b>	Supports the recommendation
<b>Director: Community Services:</b>	Supports the recommendation
<b>Director: Strategic Support Services:</b>	Supports the recommendation
<b>Director: Financial Services:</b>	Supports the recommendation
<b>Director: Technical Services:</b>	Supports the recommendation

**Senior Manager: Municipal Planning and Building Control**

Breede Valley Municipal Land Use Planning By-Law was implemented on the 1<sup>st</sup> of December 2015. All land use planning applications submitted to the municipality need to be aligned with the new land use and spatial planning requirements as set out in SPLUMA, LUPA and the BVM Planning By-law.

As mentioned, the current BVM:SDF was approved as part of the 2017/2022 IDP by Council on 29/05/2017. To allow the Municipal Planning Tribunal and the Authorised Official to make land use planning decisions, the BVM:SDF need to be aligned with the requirements of the new planning legislation. The reviewed SDF attached as Annexure A does comply with all SPLUMA and LUPA requirements.

Once the SDF has been adopted by Council, the Municipal Manager must submit a copy of the SDF to the MEC for Local Government, within 10 days of the adoption. This submission must include:

- a) a summary of the public participation process
- b) a statement that the process set out in Section 29(1) of the MSA has been complied with a copy of the relevant Districts Framework for Integrated Development Planning

Within 30 days from the date of receipt of the adopted SDF, the MEC for Local Government must determine if:

- a) the drafting process and content of the SDF complies with the MSA
- b) whether the SDF is in line with any development plans and strategies of other affected municipalities or organs of state
- c) the public participation process outlined in Section 29 of the MSA has been complied with

**RECOMMENDATION**

That in respect of the

**REVIEW OF THE 2017 APPROVED MUNICIPAL SPATIAL DEVELOPMENT FRAMEWORK (SDF) IN TERMS OF THE LOCAL GOVERNMENT: MUNICIPAL SYSTEMS ACT (ACT 32 OF 2000)(MSA) FOR THE BREDE VALLEY MUNICIPALITY IN LINE WITH THE WESTERN CAPE LAND USE PLANNING ACT (ACT 3 OF 2014) (LUPA), THE SPATIAL PLANNING AND LAND USE MANAGEMENT ACT (ACT 16 OF 2013)(SPLUMA) AND THE BREDE VALLEY MUNICIPAL LAND USE PLANNING BY-LAW (P.N. 7485/2015)**

**discussed by Council at the Special Council meeting held on 13 June 2019:**

1. That Council adopt the SDF as presented and authorise the Municipal Manager to proceed with the administrative functions in terms of the Municipal Systems Act (2000), the BVM: Land Use Planning By-law (2015), Land Use Planning Act (2014) and the Spatial Planning Land Use Management Act (2013).

**To action**

P Hartzenberg

**3.2 PROPOSED INFILL DEVELOPMENT OF VACANT MUNICIPAL LAND, WORCESTER**

**File No./s:** 10/3/R  
**Directorate:** Technical Services

**Responsible Official:** PSJ Hartzenberg  
**Portfolio:** Technical Services

**Purpose**

To gain Council's approval to continue with applications for rezoning and subdivision to facilitate and formalise the infill development of various pockets of vacant Municipal land and for the proposed developments to be implemented as prioritised and as funding allows.

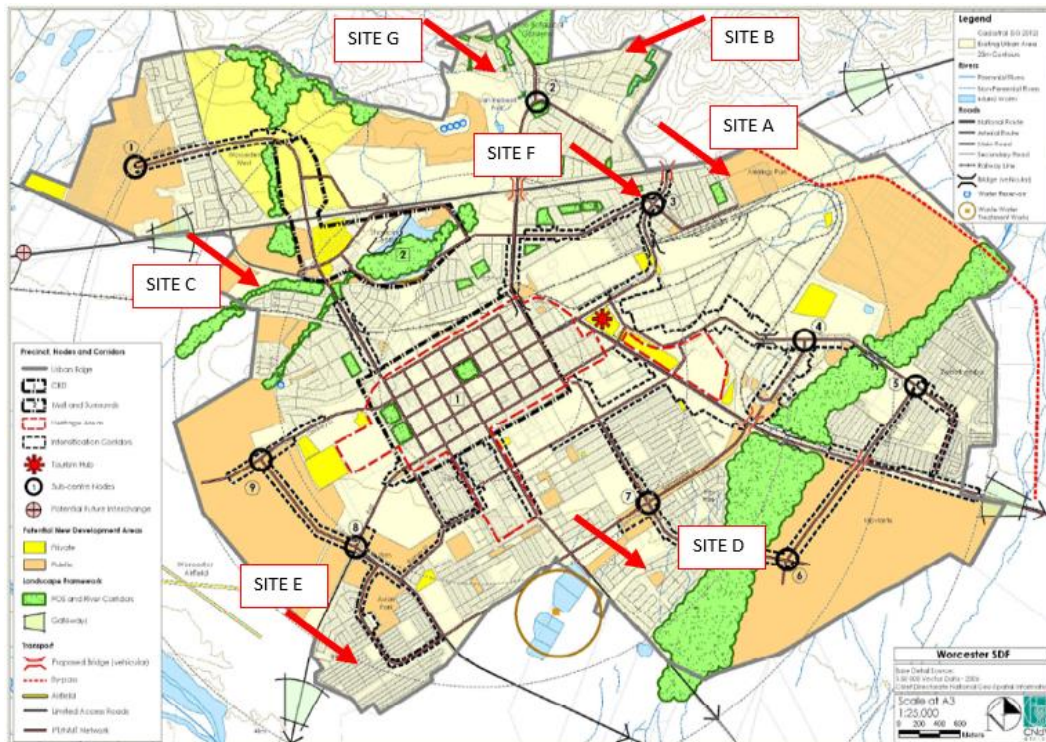
**Background**

Urban infill is defined as new development that is sited on vacant or undeveloped land within an existing community, and that is enclosed by other types of development.

The term "urban infill" itself implies that existing land is mostly built-out and what is being built is in effect "filling in" the gaps.

Seven sites (A – G) were identified for immediate infill development

- Site A – Erven 1, 6920 and 6921 (Meiringspark)
- Site B – Erf 550 (Panorama)
- Site C – Erven 13674 and 13963 (Somerset Park)
- Site D – Erf 9992 (Johnsonspark)
- Site E – Erf 15610 (Avian Park)
- Site F – Erf 4437 (Rouxpark)
- Site G – Erf 16551 (Fairway Heights)



On 21 February 2017, Mayco agreed to the commencement of the proposed infill developments, requiring that an Internal technical Committee be formed to assess the feasibility and prioritisation of the said projects.

File Number	10/3/R
Description of Resolution	RESOLVED: EX5/2017 That in respect of PROPOSED INFILL DEVELOPMENT OF VACANT MUNICIPAL LAND, WORCESTER Discussed at the MayCo meeting held on 21 February 2014: 1. That Council agrees to the commencement of the proposed infill development projects as set out in the infill development report, attached as Annexure A; 2. That an internal technical steering committee (consisting of the departments Town Planning, Civil Engineering and Electrical Engineering) be appointed by the Director Technical Services to roll out proposed the infill developments and that such committee report back to MayCo before 30 June 2017; 3. That the developments be prioritised in terms of cost implications and; 4. That (in accordance with prioritisation of projects) a detail costing of service installations, additional professional fees and survey and transfer costs be presented for inclusion in future Budgets, should there be allowance. 5. The investigation, assessment and communication of the potential impact of activities must follow the procedure as prescribed in regulation 21, 22, 23 and 24 of the Environmental Impact Assessment Regulations, 2014. 6. That all MFMA legislative processes be followed before the alienation of land.

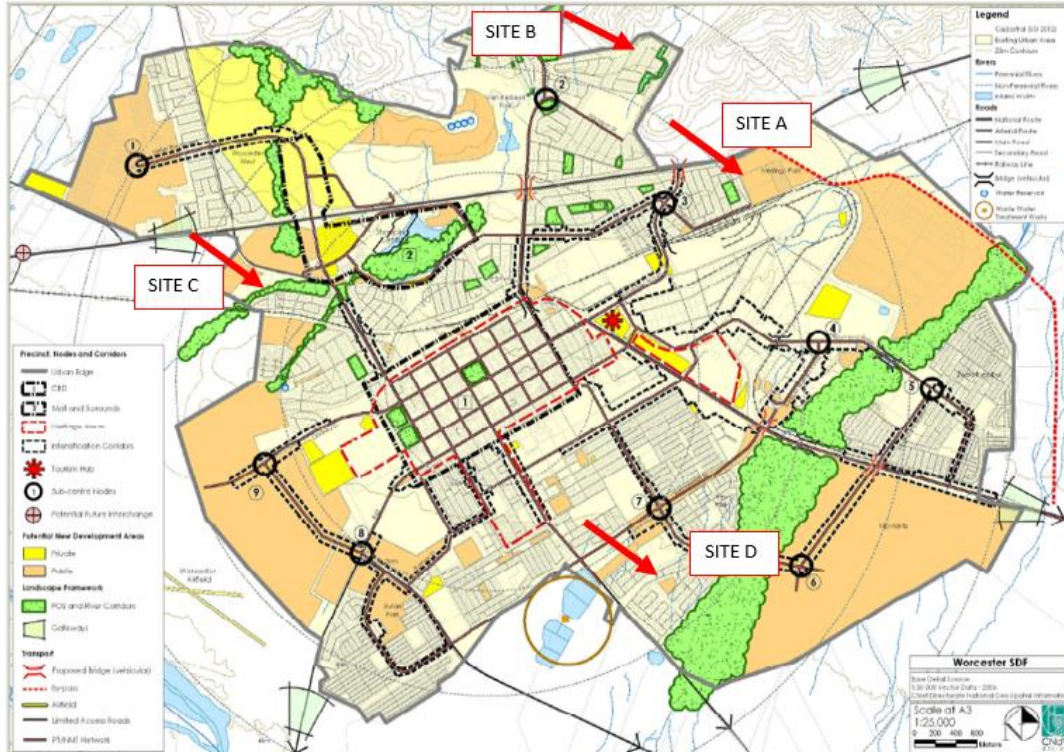
A multi-disciplinary committee was formed and its synopsis of its findings and recommendations follows below, while a more comprehensive report (attached as Annexure A) records the methodology to the findings and recommendations.

A service availability study and costing for each development (including water, sewerage, storm water, roads and electricity, (but excluding bulk service levees) was done for each development.

Capital Cost For Infill Development											
Site	Erf Number	Suburb	Water	Sewer	Stormwater	Roads	Electricity	Total Cost (excl Vat)	VAT	Total Cost	
Site A	1, 6920, 6921	Meiringspark	R 269 617.20	R 808 623.60	R 175 251.60	R 0.00	R 1 800 000.00	R 3 053 492.40	R 427 488.94	R 3 480 981.34	
Site B	550	Panorama	R 169 381.20	R 404 988.00	R 60 000.00	R 250 000.00	R 250 000.00	R 1 134 369.20	R 158 811.69	R 1 293 180.89	
Site C	13674, 13963	Somerset Park	R 321 734.40	R 1 011 672.00	R 180 000.00	R 18 079.20	R 1 800 000.00	R 3 331 485.60	R 466 407.98	R 3 797 893.58	
Site D	9992	Johnsons Park	R 268 800.00	R 508 800.00	R 180 000.00	R 1 756 800.00	R 2 900 000.00	R 5 614 400.00	R 786 016.00	R 6 400 416.00	
Site E	15610	Avian Park	Not recommended for sale due to location of services								
Site F	4437	Rouxpark	Not recommended for sale due to location of services								
Site G	16551	Fairway Heights	Not recommended for sale due to location of services								

It was found that only Sites A-D were optioned for development.





**Professional Costs/unit:**

Site	Erf Number	Suburb	Survey and Transfer Cost (R30 000/unit)	Number of units	Cost per Unit
Site A	1, 6920, 6921	Meiringspark	R 540 000	18	R 30 000
Site B	550	Panorama	R 90 000	3	R 30 000
Site C	13674, 13963	Somerset Park	R 870 000	29	R 30 000
Site D	9992	Johnsons Park	R 1 110 000	37	R 30 000

\* The suggestion is made that a standard EIA application done by an independent environmentalist will amount to approximately R100 000 and that the average cost for survey and transfer be taken as R30 000 per unit.

**Service Costs/unit:**

Given the cost of services (excluding bulk service levees) the unit cost for each development is set out below:

Site	Erf Number	Suburb	Total Service Cost (incl vat)	Number of units	Cost per unit
Site A	1, 6920, 6921	Meiringspark	R 3 480 981.30	18	R 193 387.85
Site B	550	Panorama	R 1 293 180.87	3	R 431 060.29
Site C	13674, 13963	Somerset Park	R 3 797 893.65	29	R 130 961.85
Site D	9992	Johnsons Park	R 6 400 416.14	37	R 172 984.22

\* Cost of services (excluding bulk service levees)

**Total Development Cost/unit:**

Site	Erf Number	Suburb	Professional cost/ unit	Service cost/ unit	Number of units	Total Cost per unit
Site A	1, 6920, 6921	Meiringspark	R30 000	R 193 387.85	18	<b>R 223 387,85</b>
Site B	550	Panorama	R30 000	R 431 060.29	3	<b>R 461 060.29</b>
Site C	13674, 13963	Somerset Park	R30 000	R 130 961.85	29	<b>R 160 961.85</b>
Site D	9992	Johnsons Park	R30 000	R 172 984.22	37	<b>R 202 984,22</b>

\* Cost of services (excluding bulk service levees)

### **Market Value/unit:**

Market research was done by contacting leading local Estate Agencies and requesting a breakdown of market related prices per m<sup>2</sup> or each of the areas to be developed.

Current selling prices were used as a benchmark.

Site	Erf Number	Suburb	Number of units	Cost per unit	Price per unit	Profit per unit
Site A	1, 6920, 6921	Meiringspark	18	R 223 387,85	R 422 400	<b>R 199012,15</b>
Site B	550	Panorama	3	R 461 060.29	R 663 000	<b>R 201 939,71</b>
Site C	13674, 13963	Somerset Park	29	R 160 961.85	R 205 200	<b>R 44 238,15</b>
Site D	9992	Johnsons Park	37	R 202 984,22	R 240 000	<b>R 37 015,78</b>

\* Cost of services (excluding bulk service levees)

### **Financial Implications:**

The financial implications of servicing the above-mentioned infill developments is set out below (per site).

### **Total Development Cost:**

Site	Erf Number	Suburb	Professional cost/ unit	Service cost/ unit	Number of units	Total Cost per unit
Site A	1, 6920, 6921	Meiringspark	R30 000	R 193 387.85	18	<b>R 223 387,85</b>
Site B	550	Panorama	R30 000	R 431 060.29	3	<b>R 461 060.29</b>
Site C	13674, 13963	Somerset Park	R30 000	R 130 961.85	29	<b>R 160 961.85</b>
Site D	9992	Johnsons Park	R30 000	R 172 984.22	37	<b>R 202 984,22</b>

\* Cost of services (excluding bulk service levees)

LUPA processes were started in order to ascertain the public desirability and spatial feasibility of the proposals. and are progressing well. The LUPA process cannot be finalised or acted upon

however, until an official Council approval for the proposed infill developments have been obtained.

#### **Applicable Legislation / Council Policy**

- Breede Valley Municipality Spatial Development Framework
- The Spatial Development Framework identifies the sites A-D as fit for infill development.
- Municipal Planning Bylaw
- Environmental Conservation Act
- Municipal Finance Management Act

#### **Comment of Directorates / Departments concerned**

**Municipal Manager:** Supports recommendations

**Director: Community Services:** The recommendations are noted. Land for subsidized housing should not be affected by this alienation as decided by the Council in terms of its long-term housing planning

**Director: Strategic Support Services:** Supports recommendations

**Senior Manager: Legal Services:** In terms of section 14 of the MFMA, Council has to approve the disposal of the erven thus should MayCo support the item, same should be approved by Council. The infill development of various pockets of vacant Municipal land is supported.

**Director: Financial Services:** Supports recommendations

**Director: Technical Services:** Supports recommendations

#### Town Planning discussion and recommendation

Given the cost breakdown and market related price per unit, it is recommended that the development of the different areas be prioritized as follows, based on cost per unit and profit margin:

1. Site A – Meiringspark (18 units)
2. Site D – Johnsons Park (37 units)
3. Site C – Somerset Park (29 units)
4. Site B – Panorama (3 units)

#### Civil Engineering:

The investigation, assessment and communication of the potential impact of activities must follow the procedure as prescribed in regulation 21, 22, 23 and 24 of the Environmental Impact Assessment Regulations, 2014.

That all MFMA legislative processes be followed before the alienation of land.

#### Electrical Engineering:

Supports recommendations

**RECOMMENDATION:**

**That in respect of the  
PROPOSED INFILL DEVELOPMENT OF VACANT MUNICIPAL LAND, WORCESTER  
discussed by Council at the Special Council meeting held on 13 June 2019:**

1. That Council agrees to the commencement of the proposed infill development projects as set out in the infill development report, attached as Annexure A.
2. That projects be prioritised in accordance with the recommendations of the Town Planner:
  - Site A – Meiringspark (18 units)
  - Site D – Johnsons Park (37 units)
  - Site C – Somerset Park (29 units)
  - Site B – Panorama (3 units)
3. That (in accordance with prioritisation of projects) a detail costing of service installations, additional professional fees and survey and transfer costs be presented for inclusion in the budget, should there be allowance.
4. The investigation, assessment and communication of the potential impact of activities must follow the procedure as prescribed in regulation 21, 22, 23 and 24 of the Environmental Impact Assessment Regulations, 2014.

**To action**

P Hartzenberg

### 3.3 DESIGNATION OF WASTE MANAGEMENT OFFICER IN TERMS OF THE NATIONAL ENVIRONMENTAL MANAGEMENT ACT, 2008 (ACT NO. 59 OF 2008)

**File no.:** 11/4/B

**Directorate:** Technical Services

**Responsible Official:** J.A Steyn

**Portfolio:** *Technical Services*

#### **Purpose**

To obtain council's approval for the designation of Waste Management Officer (WMO) from its administration to be responsible for coordinating matters pertaining to waste management in the Breede Valley Municipality.

#### **Introduction**

The Minister of Water and Environmental Affairs has, as part of a legal review on environmental management, promulgated the Waste Act, 2008; as a specific environmental management act (SEMA) under the National Environmental Management Act, 1998 (Act No.107 of 1998). The objectives of the NEM: Waste Act are mainly to give effect to section 24 of the Constitution in order to secure an environment that is not harmful to the health and wellbeing of the people by putting measures in place to protect, avoid, reduce, reuse, recycle, treat and dispose waste in an environmentally sound manner. These measures include remediation of contaminated land, preventing pollution and ecological degradation and most importantly, ensuring effective delivery of waste services.

The weakness of most legislative frameworks is mostly due to lack of institutional capacity at government level to implement or enforce legislation. In an effort to address this challenge, the NEM: Waste Act makes provision for institutional and planning matters in chapter 3 (section 10 - 13). Of particular importance is the provision for the designation of Waste Management Officers (WMOs) at National, Provincial and Municipality government for the co-ordination of matters that relate to waste management.

Section 10 on designation of WMOs indicates that:

*'10. (1) The Minister must designate in writing an officer in the Department as the national waste management officer responsible for co-ordinating matters pertaining to waste management in the national government.*

*(2) The MEC must designate in writing an officer in the provincial administration as the provincial waste management officer responsible for co-ordinating matters pertaining to waste management in that province.*

*(3) Each municipality authorised to carry out waste management services by the Municipal Structures Act, 1998 (Act No. 117 of 1998), must designate in writing a waste management officer from its administration to be responsible for coordinating matters pertaining to waste management in that municipality.'*

#### **Background / Discussion**

In the history of waste management legislation in South Africa, there has been a gap as far as coordination of the implementation of the regulations or legislation is concerned. As a result, most legislative provisions were not sufficiently enforced or implemented in all spheres of government. The Waste Act adopts a new concept by introducing waste management officers' at all three spheres of government who will be responsible for the coordination of the waste management function. This was informed by a series of studies including a study which was conducted by the

then Department of Environmental Affairs and Tourism (DEAT) in 2007 titled “Assessment of the status of waste service delivery and capacity at the local government level”. The study amongst other things discovered discrepancies in as far as capacity is concerned. It also indicated that the primary obstacle to a sustainable waste management service at a municipal level is the lack of ‘in house’ capacity to run the service in an efficient and effective manner as well as the lack of knowledge to move the service from an ‘end of pipe’ scenario to a waste minimisation approach. In order to achieve this objective, there must be a resolve to strengthen the municipality’s capacity (DEAT: 2007). The provision for the designation of WMO seeks to contribute to efforts of addressing capacity challenges which does not only affect local government, but affects all spheres of government. The designation of WMOs at all spheres of government will assist in closing communication gaps in the implementation of the Act and provision of waste services to the public.

### **WMO powers**

The Waste Act mainly refers to the role of the WMO as coordination of waste activities in their area of jurisdiction and awards the powers to the Minister, MEC and Municipality respectively, to manage various aspects of waste. The WMO will therefore be responsible for coordination of all functions or powers assigned by the Act to the respective authority. This therefore means that where the Act refers to the Minister, the national Waste Management Officer should give support to the Minister to ensure compliance, and this applies also to the MECs of provincial environmental authorities in respect to their designated provincial WMOs and Mayors of respective municipalities with respect to their municipal WMOs.

### **Duties of WMOs as defined in the Waste Act**

The duties of all WMOs is to coordinate matters relating to waste management, which essentially means that the WMO will be a focal point of entry available to the public to address all waste management matters. The Act also puts a responsibility to WMOs to ensure implementation and coordination of the national waste management strategy:

*10 (5) Waste management officers must co-ordinate their activities with other waste management activities in the manner set out in the national waste management strategy established in terms of section 6 or determined by the Minister by notice in the Gazette.*

The WMO may be required to perform other duties by their respective administration, over and above their stipulated role in this document.

### **Roles and responsibilities**

The information below reflects the generic duties and the list is not exhaustive:

#### **National WMO**

- Organise annual waste management officer’s conference.
- Manage the WMO’s database.
- Authorisation for listed waste management activities
- Report feedback on agreed goals and targets.
- Provide capacity support where provincial or local government fails to fulfill an executive obligation.
- Conduct national awareness campaigns.
- Develop national Regulations, Norms and Standards and Guidelines in

- support of the Act.
- Capacity building for provincial and or local government.

#### Provincial WMO

- Implementing national waste management strategies.
- Monitor and enforce waste legislation.
- Develop provincial legislation and waste implementation strategies and guidelines.
- Monitor compliance with the plans.
- Coordinate implementation of the Act at provincial level.
- Capacity building for local government.
- Develop and implement Provincial Integrated Waste Management Plan.

#### Municipal WMO

- **Policy development and bylaws**
  - a) Tariff policy which adequately addresses indigents, provision of basic services and service levels in terms of waste management services, based on a medium term analysis of operating costs.
  - b) Debt collection and credit control policy.
  - c) Procurement policy.
  - d) Credit control and debt collection bylaws which give effect to waste management services tariff and credit control policies are promulgated.
  - e) Waste management services bylaws which give effect to the tariff policy are promulgated.
- **Financial Planning and Management**
  - a) Ensure that all municipalities understand the full costs of providing waste management services in order to facilitate appropriate service pricing and subsidization.
  - b) Waste management services budget which identifies tariffs and subsidies required for financial sustainability.
  - c) Tariffs determined.
  - d) Financial statements for waste management services are up to date.
- **Integrated Waste Management Planning and Reporting**
  - a) Integrated Waste Management Plan (IWMP) is developed.
  - b) IWMP identifies future targets and infrastructure projects and complies with the requirements of the Waste Management Act is adopted by Council.
  - c) Through implementation of the IWMPs, facilitate unlocking of the economic value of solid waste leading to participation of private sector, cooperatives and SMMEs in waste management including:
    - i. Collection and transportation.
    - ii. Reuse of building rubble for example to produce bricks and in roads construction
    - iii. Recycling of all recyclable material.
    - iv. Substitution of landfill sites for waste to energy plants.
  - d) The annual performance report prepared in terms of section 46 of the Municipal Systems Act contains information on the implementation of the municipal integrated waste management plan.

- **Infrastructure Development**
  - a) Project Management Unit in place.
  - b) MIG waste services projects are listed in the IDP.
  - c) MIG project registrations comply with conditions and criteria.
  - d) Project feasibility studies are undertaken for MIG projects.
  - e) 3 year Capital Plan is prepared for MIG waste services projects.
  - f) 3 year Operational Budget is prepared for MIG waste services projects.
  - g) MIG Quarterly Reports are submitted
  - h) Implementing Agents in place.
- **Waste Services Provision Arrangements**
  - a) WMO must assist municipality to review the effectiveness of institutional arrangement for providing waste management services. The review should be done in accordance with the Municipal Systems Act, Section 78 and adopted by Council.
  - b) Municipalities to view solid waste management as a technical service and manage it as such including hiring properly qualifying solid waste management officials.
  - c) Where the external mechanisms of providing waste management services are acquired, the following should happen: Service delivery agreements (contracts) should be in place for all service providers within the municipality's area of jurisdiction.
- **Performance Management and Regulatory Capacity**
  - a) Key performance indicators for measuring Service Provider performance including outcomes and impact are set.
  - b) Mechanism in place to monitor Service Providers that include early warning indicator of under-performance.
  - c) Performance of Service Providers is measured and reviewed at least once per year.
- **Health and Hygiene Promotion**
  - a) Health, hygiene and safety promotion programme is established.
- **Asset Management and Legal Matters**
  - a) Asset registers for all waste management services infrastructure are up-to-date.
  - b) Records for insurance of assets are up-to-date (assets may be insured either by municipality or service providers).
  - c) Maintenance plan is in place for all assets.
  - d) All the necessary permits, licenses, exemptions, permissions and approvals in respect of the provisioning of waste services in the municipal area of jurisdiction have been obtained.
- **Service Authority Structural and Organisational Issues (Capacity Building)**
  - a) Waste Management Authority function is provided for within the municipal organogram.
  - b) Waste Management Authority functional areas addressed in job descriptions.

**Delegation of powers**

*10 (4) A power delegated or a duty assigned to a waste management officer by virtue of subsection (1), (2) or (3) may be sub-delegated or further assigned by*



*that officer to another official in the service of the same administration, subject to such limitations or conditions as may be determined by the Minister, MEC or municipality, respectively.*

The delegation of power will be a prerogative of the WMO to ensure that their functions are performed optimally, however, the responsibility and accountability still remains with the designated WMO.

### **Profile of the WMO**

The Act places a coordinating role on the WMO, which naturally means that the WMO does not have to be a specialist waste management practitioner, but will have to ensure that specialist are available in the administration or are appointed on a temporary basis, to perform the functions assigned to their respective administration. However, due to the fact that the WMO will have to ensure effective implementation of the national waste management strategy, some level of understanding of the issues will be a necessity. As a guide in the designation of such an officer, it is recommended that they should have the following credentials:

- A person who is specifically responsible for waste management in the national, provincial or municipality. The WMO may in addition to their role, assume other responsibilities as directed by their authority.
- A middle to senior management level.
- A person who has broad knowledge of waste management and related matters.
- A person who can be mandated to represent their respective administration in meetings with other WMO and be mandated to take a position and/or decisions
- A person who has sufficient authority to make decisions on day to day waste management issues
- A person may be a full time/ contract employee of the national, provincial or municipal administration.
- A person who will be accessible to the public at all times, when not available, he/she must ensure that the delegated person is available to address matters.

The relevant administration must ensure that the WMO should not be:

- A person who is not involved in waste management in some way
- A person who due to other functions assigned to them, will not be available to fully meet the requirements of the Act
- A junior official who is unlikely to be provided with adequate mandate to meet the requirements of the Act
- A WMO may not be consultant, but may appoint consultants to perform some of the duties assigned to them

The relevant authority may decide to change the WMO as deemed necessary, but should ensure that an alternative is designated in writing within one month of such a decision. They may, however, not have more than one WMO at a time to ensure accountability.

### **Rank of the WMO**

The rank of the WMO will differ from province to province and from municipality to municipality depending on their institutional structure. This is because the designation of the WMO does not necessarily have to be a new appointment, but a designation of a person who is already in the

employ of the administration. For example, at national level, the WMO will be the Chief Director responsible for Pollution and Waste Management, who is the focal point for all waste related matters. In this regard, the provinces may designate a Director responsible for waste management and Mayors may designate a reasonably senior official such as municipal manager or manager responsible for waste management respectively.

*Designation in writing*

The Waste Act indicates that the WMO should be designated in writing (section 10). The designation should be done by the Minister at national level, MEC at provincial level and the Mayor at municipality level.

**Applicable legislation / Council policy**

**National Environmental Management: Waste Act, 2008 (Act No. 59 of 2008)**

Section 10 on designation of WMOs indicates that: '10. (3) Each municipality authorised to carry out waste management services by the Municipal Structures Act, 1998 (Act No. 117 of 1998), must designate in writing a waste management officer from its administration to be responsible for coordinating matters pertaining to waste management in that municipality.'

**Financial implications**

Not applicable.

**Comments of directorates / Departments**

**Municipal Manager:** The purpose of this item is to submit a legal compliance issue to council for consideration and to designate in writing the Waste Management Officers as provided for in section 10(3) of the National Environmental Management Waste Act, 2008 (Act No. 59 of 2008) to the Director Technical Services.

**Director: Technical Services:** Author of the item. Recommendation supported.

**Director: Financial Services:** Supported.

**Director: Community Services:** Not comment received.

**Acting Director: Strategic Support Services:** Recommendation supported.

**Senior Manager: Legal Services:** Recommendation supported.

**RECOMMENDATION:**

That in respect of the

**DESIGNATION OF WASTE MANAGEMENT OFFICER IN TERMS OF THE NATIONAL ENVIRONMENTAL MANAGEMENT ACT, 2008 (ACT NO. 59 OF 2008)**

**discussed by Council at the Special Council meeting held on 13 June 2019:**

1. That Council approves the designation of Waste Management Officer (WMO) in terms of the National Environmental Management: Waste Act, 2008 (Act No. 59 of 2008), Section 10 (3) be designated to the Director Technical Services.
2. That the designatee be appointed in writing by the Mayor in cooperation with the Municipal Manager.

**To action**

J Steyn

### 3.4 report on THE IMPLEMENTATION OF THE SPATIAL PLANNING AND LAND USE MANAGEMENT ACT (SPLUMA) ACT 16 OF 2013: PROPOSED ESTABLISHMENT OF THE MUNICIPAL PLANNING TRIBUNAL

**File No./s:** 10/3/R  
**Directorate:** Technical Services

**Responsible Official:** PSJ Hartzenberg  
**Portfolio:** Technical Services

#### **Purpose**

The purpose of this report is to obtain the necessary Council resolution required in terms of the Spatial Planning and Land Use Management, Act 16 of 2013 (*hereafter referred to as SPLUMA*) and the Land Use Planning Act (Act 3 of 2014) (*hereafter referred to as LUPA*), which is to be implemented on 1 July 2015.

Council needs to put certain structures in place for decision making on land use applications.

#### **Establishment of a Municipal Planning Tribunal in terms of Section 35 of SPLUMA**

A municipality must, in order to determine land use and development applications within its municipal area, establish a Municipal Planning Tribunal in terms of Section 35 of SPLUMA and sections 2 and 3 of the SPLUMA regulations.

A MPT consist of at least 5 or more members (Section 36(3)) of whom a Chairperson and Deputy Chairperson must be appointed by the Council. The term of office for a MPT member is 3 years as determined by Council on the Municipal Planning Bylaw and no MPT member may serve continuously for more than 6 years, i.e. two terms. (Section 37(1)).

In terms of Section 36(1) a MPT must consist of

- (a) Officials in the full time employ of the municipality (i.e. staff); and
- (b) Persons appointed by the Municipal Council who are not municipal officials (i.e. external members).

The SPLUMA Regulation do however determine in terms of Section 3(2) that external members may include officials or employees from national, provincial or another municipality, a government business enterprise, a public entity, organised local government, NGO, and a municipal support organisation created for such purpose. Section 36(2) stipulates that no municipal councillors may be appointed as MPT members.

Section 36(1)(b) further determines that such external members have appropriate experience and knowledge in the planning fields, and for which purpose the municipality, in terms of Section 3(1)(e) of the SPLUMA regulations, must identify any additional criteria that such members must comply with.

Section 40(1) determines that the MPT may designate at least (i.e. minimum of) 3 members of such MPT to hear, consider and decide on an application, and of which at least one such member should be an external member (Section 40(2)). For such meeting the appointed chairperson of the MPT must designate one of such three members to be the preceding officer (Section 40(3)).

In the establishment of a MPT, the following principles should be taken into account:

- The independence, objectivity and credibility of the MPT must be ensured and this can be assisted by enhanced capacity for responsible decision making.
- The system must not be too taxing on the capacity of existing staff to manage and participate in an MPT.

- Inherent control over administration of tribunal should remain with individual municipalities in order to cater for unique operational requirements and related costs with clear administrative accountability;
- The required external members of a Tribunal should preferably be sourced from other spheres of Government and municipalities to reduce cost as well as ensuring appropriately competent members to enhance responsible decision making and the credibility of the MPT.
- A larger the pool of appropriate professional staff to serve as internal MPT members should ensure appropriately competent internal members to enhance responsible decision making and the credibility of the MPT.

On 06 June 2016 the following external persons were appointed and promulgated to the Municipal Planning Tribunal for a term of 3 years:

- Berchwald Rode;
- Howitson Viljoen;
- Anelia Coetzee;
- Ronald Brunnings (secundi)
- Wilhelm Norkel De Kok (secundi)

The membership of this MPT comes to an end on 06 June 2019 and it is requested that membership be extended for a subsequent term of 3 years.

During the past three years of service, the MPT has dealt with various land use applications (as delegated) and has built up a knowledge of not only the legislation and processes of land use planning, but also of the land use dynamics of the Breede Valley Municipal Area.

### **Financial Implications**

Not applicable.

### **Applicable Legislation / Council Policy**

- Spatial Planning and Land Use Management, Act 16 of 2013
- Land Use Planning Act (Act 3 of 2014)
- Breede Valley Municipal Planning Bylaw

### **Comment of Directorates / Departments concerned**

<b>Municipal Manager:</b>	Supports recommendation
<b>Director: Community Services:</b>	Supports recommendation
<b>Director: Strategic Support Services:</b>	Supports recommendation
<b>Director: Financial Services:</b>	Supports recommendation
<b>Director: Technical Services:</b>	Supports recommendation

### Senior Manager: Municipal Planning and Building Control

Taking the mentioned principles of an MPT into account, it is recommended that the Municipality establish a single MPT in terms of Section 35 of SPLUMA and sections 2 and 3 of the SPLUMA regulations.

This MPT model and approach will entail:

(a) MPT Composition: Structure and members:

- Internal Complement: Municipality to nominate appropriately skilled officials. (3 officials): it is proposed that Council appoint the 3 officials currently serving on the MPT for a subsequent term of 3 years.
- External Complement: it is proposed that Council appoint the existing five external members of the MPT for a subsequent term of 3 years.
- Council to appoint Chairperson to manage and coordinate the MPT meetings: it is proposed that Council appoint the Director: Technical services (Mr. J. Steyn) as Chairperson for a subsequent term of 3 years.

Should any of the newly appointed members of the MTB not be able to serve the full term of 3 years, the matter will be referred back to Council for consideration of a replacement.

(b) Administration of Applications

The municipality will continue to administer the applications for the MPT but will also have to administer the MPT's own application register, agendas, a program for MPT meetings in accordance with its operational requirements and needs, as well as minutes and a register of decisions. It is foreseen that additional administrative capacity might have to be created for the administrative functioning of the MPT.

(c) MPT Meetings

The MPT will have meetings in accordance with the operational needs for which purpose a designated MPT with a minimum of 3 members could be appointed from the available body of MPT members by the Chairperson to hear, consider and decide on the matters submitted in terms of the MPT agenda.

(d) Duration of MPT

There is no time limit on an internal MPT but the term of office of the external members to a municipal tribunal is 3 years.

**RECOMMENDATION:**

**That in respect of the**

**REPORT ON THE IMPLEMENTATION OF THE SPATIAL PLANNING AND LAND USE MANAGEMENT ACT (SPLUMA) ACT 16 OF 2013: PROPOSED ESTABLISHMENT OF THE MUNICIPAL PLANNING TRIBUNAL**

**discussed by Council at the Special Council meeting held on 13 June 2019:**

1. Council to approve the following 5 members of the Breede Valley Municipal Planning Tribunal for a serving term of 3 years:

Chairperson:	Mr. J Steyn
Internal Members:	Me. H. Potgieter (Manager Legal Services); Mr. C Potshumus (Manager: Civil Works) and
External members	Berchwald Rode; Howitson Viljoen; Anelia Coetzee; Ronald Brunnings (secundi) Wilhelm Norkel De Kock (secundi)

**To action**

P Hartzenberg

**3.5 IN PRINCIPLE APPROVAL FOR THE DIRECT ALIENATION OF A PORTION OF ERF 3041 WORCESTER, LOUIS LANGE STREET SITUATED ADJACENT TO ERF 5899, WORCESTER**

**File no.:** 9/2/1/1/55  
**Directorate:** Strategic Support Services

**Responsible Official:** H Potgieter  
**Portfolio:** Legal Services

**Purpose**

To obtain in principle approval for the direct alienation of a portion of Erf 3041, Worcester, ± 115m<sup>2</sup> in extent, to the owner of Erf 5899, Worcester.

**Background / Discussion**

An application was received from the owner of Erf 5899 (hereinafter referred to as “*the Applicant*”) to purchase a portion of Erf 3041, Louis Lange Street, ±115m<sup>2</sup>, Worcester. The portion which the Applicant intend to purchase is municipal owned property and indicated on the locality map attached as “**Annexure A**” as “**A**”. The property of the Applicant is depicted in “**Annexure A**” as “**B**”. The subject property applied for is zoned as **Transport I** and the Applicant wish to utilise this portion for business purposes.

Factors such as the locality, use and size of the portion of the subject property applied for, renders that it can be classified as a non-viable property, allowing it to be alienated directly to the adjoining property owner. The Breede Valley Land Management and Disposal Policy define non-viable property as follows:

*“Non-viable property” means property that, owing to urban planning, physical constraints or extent cannot be developed on its own function as a separate entity and that can therefore become functional only if used by an adjoining owner in conjunction with such owners’ property”*

It can be confirmed that the subject property is not needed for the provision of minimum level of basic municipal services and also not required for operational services. This then is confirmed through the comments obtained from the internal departments.

It will also be necessary that a condition be included in the Deed of Sale that the subject property be consolidated with Erf 5899, being the existing property of the Applicant. A suspensive condition will be included in the Deed of Sale in respect of the immovable property (subject property) being sold subject to the approval in terms of land use planning legislation.

Subsequent costs from this direct alienation, for which the Applicant will be responsible entails *inter alia* the following: Town planning procedures e.g. consolidation and rezoning, transfer cost as well as the required advertisement to be published for comments and / objections.

**Evaluation****A. LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, NO 56 OF 2003 (“MFMA”)****“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 directly alienate the subject property to the Applicant.

In respect of subsection 2(a) and (b) above the internal departments' comments confirmed that the subject portion of municipal property is not needed for the provision of basic municipal services. HCB Group, HCB Property Valuations determined the market related value in March 2019 at an amount of One Hundred and Thirty Rand (R130.00) per square metre (VAT excluded). The valuation was done taking into consideration the size, locality, zoning and proposed use of the property. The total purchase price based on the aforementioned amounts to approximately Fifteen Thousand Rand (R15 000.00). It is to be noted specifically in respect of subsection (5) above that the subject portion of Erf 3041 Worcester can be classified as a non-viable immovable property due to the location, size and proposed use thereof.

#### **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 property will be disposed of at the market related value of approximately Fifteen Thousand Rand (R15 000.00).
- (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.
- (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 intended to be utilized by the Applicant for business purposes.
- (g) **the estimated costs of the proposed transfer or disposal;**  
The transfer and related 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**  
None to report on.
- (l) **compliance with the legislative regime applicable to the proposed transfer or disposal.**  
The proposed disposal and transfer is 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. The risks are limited and a fair market related purchase price will be obtained as well as future rates and taxes as income. The representations and comments from the local community will be sought in terms of the advertisement to be placed. Compliance with the applicable legislative regime is sought with this item. 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.”*

A fair market related valuation was obtained from HCB Group, HCB Property Valuations which will be the purchase price.

c. ADVERTISEMENT

The necessary advertisement in terms of legal prescripts will be placed in a local newspaper for a thirty (30) day period, after obtaining this in principle decision. The Applicant will be liable for the costs of said advertisement. This is in order to obtain any representations/comments from the local community in respect of this proposed direct alienation. An item will only be resubmitted to Council should representations / comments be received.

**Conclusion**

It is recommended that the erf, being a portion of erf 3041, Worcester size of ±115m<sup>2</sup> in extent, be alienated by means of a direct alienation at a market related purchase price of One Hundred and Thirty Rand (R130.00) per square metre (VAT exclusive) at the total purchase price of approximately Fifteen Thousand Rand (R15 000.00).

Furthermore, it is recommended that the purchaser be liable for all cost involved to affect transfer of the property in the deeds office. These costs will *inter alia* include the possible closure, consolidation, rezoning, advertisement, transfer and registration costs.

**Financial Implications**

The Municipality stands to gain the market related purchase price of One Hundred and Thirty Rand (R130.00) per square metre (VAT exclusive) at the total purchase price of approximately

Fifteen Thousand Rand (R15 000.00). More so, the Municipality will also gain rates and taxes after transfer of the subject property.

Annexure A: Locality Map (below)

**Comments of Directorates / Departments**

**Municipal Manager:** Recommendation supported.

**Director: Technical Services:** Item and Recommendation supported.

**Civil Engineering Services:** The Department: Civil Engineering Services has no objection to the application for the alienation of a portion of erf 3041, Worcester, subject to the following conditions:

1. That the area of alienation be limited to 115m<sup>2</sup> and that the area where the water services is located be excluded for alienation.
2. That should the proposed alienation be approved the applicant must consolidate the proposed area with to Erf 5899. No separate water connection will be provided to the proposed area of alienation.
3. That on-site parking facilities be provided as per the Planning Schedule, and to the satisfaction of the Directorate: Technical Services.
4. That any additional and / or extended vehicle entrances will be for the owner's account.

**Electrical Services:** The Department: Electrical Services has no objection against the application subject to the following conditions:

1. Any damage to council property will be for the applicants account.
2. Please note should any network extensions, maintenance or repairs on municipal infrastructure or equipment be required the municipality will not be responsible for any repairs or damages cause to the contributory value (fences, harden, pave, tar, and concrete) added to the terrain.
3. Your attention is drawn to the electrical Bylaw "10. Right of admittance to inspect, test or do maintenance work" that clearly indicate our 24hour access to our metering.
4. Applicant to ensure the electrical service cable has been identified before construction commences.
5. Customer must be able to show to electricity department his valid certificate of compliance (coc) for the installation.
6. Customer to consult with Telkom to obtain their approval.

**Town Planning:** No objection, subject to all costs for rezoning, closure, subdivision, consolidation, survey and registration be for the account of the applicant.

**Building Control:** Building Control has no objection to this application: Building plans for new buildings must be submitted and be approved before any construction.

**Director: Financial Services:** Recommendation supported.

**Director: Community Services:** Recommendation supported.

**Fire, Safety and Disaster Risk Management:** The department has no objection with the application for alienation under the following conditions: If any structures will be erected they must comply with the fire protection requirements of the National Building Regulation.

**Traffic and Law Enforcement Services:**

1. To cause minimum disruption to the immediate traffic flow, the applicant should consider having the access to the erf from Louis Lange Street.
2. Ample "on and off-street parking" for customers visiting the business even pedestrians can utilise the side walk in safety.
3. Note: Breede Valley Municipality Traffic Department hereby raise no objection against the application of alienation of Erf 3041, Louis Lange Street, Worcester.

**Director: Strategic Support Services:** Co-Author of the item. Recommendation supported.

**Senior Manager: Legal Services:** Author of the item.

**RECOMMENDATION:****That in respect of the****IN PRINCIPLE APPROVAL FOR THE DIRECT ALIENATION OF A PORTION OF ERF 3041 WORCESTER, LOUIS LANGE STREET SITUATED ADJACENT TO ERF 5899, WORCESTER discussed by Council at the Special Council meeting held on 13 June 2019:**

1. That the direct alienation of a portion of Erf 3041 Worcester (adjacent to Erf 5899), ±115m<sup>2</sup> in extent, for **business purposes**, to the owner of the adjoining erf, Mr. Tait, at an amount of One Hundred and Thirty Rand (R130.00) per square metre (VAT exclusive) at the total purchase price of approximately Fifteen Thousand Rand (R15 000.00) be **approved in principle**;
2. that Council take cognisance of the fact that the direct alienation is only approved as the subject portion, a portion of Erf 3041, Worcester is classified as a non-viable property;
3. that the subject portion, a portion of Erf 3041, Worcester be consolidated with the adjoining property of the Applicant, being Erf 5899, Worcester;
4. that the alienation of the subject portion, a portion of Erf 3041, Worcester be subject to obtaining the necessary closure, rezoning and consolidation approvals as well as comply with the relevant internal departments (Directorates) comments and the right be reserved to supplement such internal comments;
5. that a reversion condition be included in the Deed of Sale and Council's pre-emptive right be registered in the title deed that the disposed property will only be utilized for the purpose stipulated in **item 1** above;
6. that all costs pertaining to the transaction be borne by the Purchaser, which may include survey, rezoning, consolidation and costs of transfer;
7. that a suspensive condition in respect of the consolidated properties be included stipulating that the subject even be subject to approval in terms of land use planning legislation;
8. that the following of a public participation process, **be approved**;
9. that the above-mentioned approval in principle be subject to a public participation process being followed due to the non-viability of the property and that an item will only be tabled in Council again should any representations/comments be received;
10. that it is confirmed 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 provision Section 14 of the Local Government: Municipal Finance Management Act (Act 56 of 2003), and
11. that the Municipal Manager be authorized to sign all documents relating to the alienation and transfer of the subject property, being a portion of Erf 3041, Worcester and all necessary documents relating thereto.

**To Action**

H Potgieter

ANNEXURE A



### 3.6 SUBMISSION OF RECOMENDATIONS OF MUNICIPAL PUBLIC ACCOUNTS COMMITTEE IN RESPECT OF COUNCIL RESOLUTIONS C96/2018 AND C94/2018

**File No/s:** 3/15/1

**Responsible person:** E Cloete

**Directorate:** Municipal Manager  
Risk Management

**Portfolio: Manager:** Enterprise

#### **Purpose**

To submit to Council the recommendations of the Municipal Public Accounts Committee (MPAC) in respect of council resolutions C31/2017 and C94/2018 held on 04 April 2019.

#### **Background**

MPAC – Municipal Public Account Committee

- MPAC is established in terms of Structures Act section 79 and it reports to council on its performance.
- MPAC exercise oversight as delegated by Council, promote transparency, public accountability and ensure good governance in the municipality as in terms of Section 53 and 59 of the Local Government: Municipal Systems Act, Act 32 of 2000.

Council assigned the following tasks to MPAC:

- **RESOLVED C96/2018**. In Respect of INVESTIGATION INTO PROGRESS AND/OR IMPLMENTATION OF COUNCIL RESOLUTION C31/2017 AND C29/2018 REFERRED TO AS THE "AVIANPARK CRIME PREVENTION PROGRAMME." Discussed by Council at the Special Council Meeting held on 12 November 2018.
  1. That MPAC be mandated to investigate and report on the spending of the R300 00.00 (C31/2017) and the R500 00.00 that was made available in the previous financial year 2017/18 (C29/2018);
  2. That the multi-party committee as well as the sectoral task team be mandated to compile programmes in respect of crime prevention in Avian Park (29/2019).
- **RESOLVED C94/2018**. In respect of TELEFOON REKORDS VAN DIE BURGER MEESTER EN HAAR KOMITEE. Discussed by Council at the Special Council Meeting held on 12 November 2018.
  1. Council notes that at present no evidence exists that any member of the Mayoral Committee is conducting private business from the Municipal premises;
  2. That the Municipal Manager be instructed to compile a report on the telephone usage of the members of the Mayoral Committee as from date of implementation of the new monitoring system;

3. That the report be made available to MPAC for scrutiny and MPAC report to council their findings.

The abovementioned tasks assigned to MPAC by Council were part of the agenda point from the meeting held on 29 November 2019 which included the oversight of the Annual Report for the 2017/18 financial year:

- 29 November 2018 – 1<sup>st</sup> Meeting (Analysis of Annual Report);
- 04 December 2018 – 2<sup>nd</sup> Meeting (Analysis of Annual Report);
- 10 January 2019 – 3<sup>rd</sup> Meeting (Analysis of Annual Report);
- 11 January 2019 – 4<sup>th</sup> Meeting (Conclude and Compile Oversight Report);
- 20 February 2019 – 5<sup>th</sup> Meeting (Conflict Management MPAC Oversight Responsibilities);
- 04 April 2019 – 6<sup>th</sup> Meeting (Council Resolution C29/2018 & C31/2017 and C94/2018).

MPAC has resolved its recommendations in respect of the abovementioned tasks assigned on 04 April 2019.

Annexure A: Minutes of the MPAC Meeting held on 04 April 2019; and  
Annexure B: Report on the telephone records of the Executive Mayor and her Committee (Resolved C94/2018).

#### **Applicable Legislation / Council Policy**

- Municipal Systems Act, 32 of 2000 (as amended);
- Municipal Finance Management Act, 56 of 2003;
- MFMA Circular 68 (Unauthorised, irregular, fruitless and wasteful expenditure);  
and
- Local Government, National Treasury & SALGA'S Guidelines on the functioning of the MPAC.

#### **RECOMMENDATION:**

That in respect of the

#### **SUBMISSION OF RECOMENDATIONS OF MUNICIPAL PUBLIC ACCOUNTS COMMITTEE IN RESPECT OF COUNCIL RESOLUTIONS C96/2018 AND C94/2018**

**discussed by Council at the Special Council meeting held on 13 June 2019:**

#### **1. That in respect of INVESTIGATION INTO PROGRESS AND/OR IMPLMENTATION OF COUNCIL RESOLUTION C31/2017 AND C29/2018 REFERRED TO AS THE "AVIANPARK CRIME PREVENTION PROGRAMME:**

- i. That Council takes note that the MPAC Committee has analysed the council resolution and that the committee has exercised oversight on the expenditure of the intervention programs in Avian Park; and
- ii. That the committee recommends that a safety strategy be developed with other stakeholders such as Community, Provincial and National

Government:

2. **That in respect of TELEFOON REKORDS VAN DIE BURGER MEESTER EN HAAR KOMITEE. Discussed by Council at the Special Council Meeting held on 12 November 2018:**
  - i. That Council takes note that the committee has reviewed the report of the telephone usage as per council resolution submitted by the MM to the MPAC; and
  - ii. The committee recommends to council that the Municipal Manager must ensure that monitoring on the telephone usage are taking place on a more regular basis.

**To Action**

E Cloete

**3.7 REPORT TO COUNCIL ON DEVIATIONS FOR THE MONTH: APRIL 2019****File No./s:** 2/1/1/1**Directorate:** Financial Services**Responsible Official:** R. Ontong**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 month: April 2019.

**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 month of April 2019, are attached as **Annexure A**.

**Financial Implications**

None

**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**

<b>Municipal Manager:</b>	Recommendation is noted.
<b>Director: Strategic Support Services:</b>	Recommendation is noted.
<b>Director: Financial Services:</b>	Recommendation supported.
<b>Director: Technical Services:</b>	Recommendation supported.
<b>Director: Community Services:</b>	Recommendation is supported.
<b>Senior Manager: Legal Services:</b>	Recommendation is noted.

Annexure A: Schedule of deviations from the procurement processes approved in terms of sub-delegations

**RECOMMENDATION:**

**That in respect of the  
REPORT TO COUNCIL ON DEVIATIONS FOR THE MONTH: APRIL 2019  
discussed by Council at the Special Council meeting held on 13 June 2019:**

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

**To action**

R Ontong



### 3.8 REPORT TO COUNCIL ON DEVIATIONS FOR THE MONTHS: JULY 2018 TO MAY 2019, FOR COMPLETENESS PURPOSE

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

**Directorate:** Financial Services

**Responsible Official:** R. Ontong

**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 –

- a) Those deviations that occurred and were approved during May 2019 and
- b) Those deviations that occurred during: July 2018 to April 2019, **but** were inappropriately classified and reported under paragraph 17.1(c) of the Supply Chain Management Policy.

#### **Background**

The purpose of this report is to ensure that Council maintains oversight over the implementation of the Supply Chain Management Policy (Policy).

Paragraph 17.1(c) of the Supply Chain Management Policy of the municipality states that –

*If it is not possible to obtain at least three quotations, the reasons must be recorded by the Supply Chain Practitioner and approved by the Senior Manager Supply Chain Management or an official designated by the Chief Financial Officer, in terms of delegations.*

In the past certain transactions were recorded under this paragraph and reported monthly to the Chief Financial Officer in accordance with paragraph 17.2 of the policy. Included in the report were the transactions that relate to the following goods or services:

- a) Accommodation services, due to the fact that it was the municipality's view that it is not possible to obtain three quotations for accommodation services, which can be evaluated against the same or comparable specifications in all respects, as per **Annexure "C"**;
- b) Servicing of lifts, due to the fact that it was the municipality's view that obtaining three quotes every time when a lift has to be serviced in accordance with the requirements of the Health and Safety Act, may compromise certain Health and Safety aspects
- c) Call out services for inspection and replace/ repairs to worn out heavy vehicle tyres;
- d) Monitoring of camera systems by an external security company;
- e) Advertising Services on the newspapers of records circulating within our region;
- f) Travelling Agency Services.

Through numerous discussions and engagements during various Supply Chain Forum meetings, the Auditor General (AG) was able to clear and explain the interpretation of paragraphs 16 and 17 of the Municipal Supply Chain Regulations and how misinterpretation may result in Audit Findings. The approach of the AG is to validate if an effort was made by the municipality to obtain at least three quotations through e-mails or any other convincing audit trail. It is for this reason that management realised that it shall be for the best interest of the municipality to –

- a) Identify all those transactions that occurred during July 2018 to May 2019, who were reported under paragraph 17 and
- b) To appropriately classify and report them under paragraph 36 of the 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 month of May 2019, are attached as **Annexure "A"**.

Deviations that occurred during: July 2018 to April 2019, **but** were inappropriately classified and reported under paragraph 17.1(c) of the Supply Chain Management Policy, are attached as Annexure **"B"**

#### **Financial Implications**

None

#### **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:** Recommendation is noted.

**Director: Strategic Support Services & Senior Manager Legal Services:** Recommendation is noted.

**Director: Financial Services:** Recommendation is noted.

**Director: Technical Services:** Recommendation is noted.

**Director: Community Services:** Recommendation is noted.

Annexure A and B: Schedule of deviations from the procurement processes approved in terms of sub-delegations.

Annexure C: List of Accommodation facilities used for the period: July 2018 to May 2019.

#### **RECOMMENDATION:**

**That in respect of the**

**REPORT TO COUNCIL ON DEVIATIONS FOR THE MONTHS: JULY 2018 TO MAY 2019,  
FOR COMPLETENESS PURPOSE**

**discussed by Council at the Special Council meeting held on 13 June 2019:**

1. That the deviations from the procurement processes, approved in terms of the delegated authority for the months of July 2018 to May 2019 (for completeness purposes), **be noted**.

#### **To action**

R Ontong

**ANNEXURE A**

**ANNEXURE "A": DEVIATIONS FOR THE MONTH: MAY 2019**

<b>Deviation #</b>	<b><u>Amount</u></b>	<b><u>Service Provider</u></b>	<b><u>Deviation Category</u></b>	<b><u>Additional Information (where necessary)</u></b> <b><u>SHORT SUMMARY</u></b>
BVD 278/ 2019	74,096.34	First Technology Western Cape (Pty) Ltd	Exceptional case whereby it is impossible or impractical to follow a normal procurement process	Vmware is the virtualization software used to run our server infrastructure, both on production and disaster recovery sites. Vmware also caters for all the needs in our virtual environment. The municipality's license expires on 31 July 2018 and have to be renewed. Using the brand name "Vmware" when inviting quotations is prohibited by law. On the hand, if quotation documents do not specify this brand name "VMware", this may result in the municipality procuring another software solution which shall imply that the whole IT infrastructure must change.
BVD 286/ 2019	59,073.15	Elton Shortles Attorneys Inc	Exceptional case whereby it is impossible or impractical to follow a normal procurement process	It is not always practical to attend to all legal disputes internally. The service rendered was for obtaining an expert opinion relating to a possible review application.
BVD 287/ 2019	29,549.18	Fairbridges Wertheim Becker Attorneys	Exceptional case whereby it is impossible or impractical to follow a normal procurement process	This is a pending matter for which the external legal representative rendered their invoice for services rendered. The matter relates to a dispute regarding assets of the municipality.
BVD 288/ 2019	35,000.00	Total Client Services	Exceptional case whereby it is impossible or impractical to follow a normal procurement process	Migration and implementation of program to main server, whom Total Client Services is the custodian of the server
[4]				
<b>Total</b>	<b>197,718.67</b>			

**ANNEXURE B**

**ANNEXURE "B": DEVIATIONS FOR THE MONTHS: JULY 2018 TO MAY 2019 FOR COMPLETENESS PURPOSES**

<b>Deviation #</b>	<b>Amount</b>	<b>Service Provider</b>	<b>Deviation Category</b>	<b>Additional Information (where necessary) SHORT SUMMARY</b>
BVD 279/2019	30,762.24	Vision Elevators	Exceptional case whereby it is impossible or impractical to follow a normal procurement process	The service relates to regular inspections, servicing and issuing of safety certificates on the lifts that are operating in the municipal main building, in accordance with the Occupational Health and Safety Act. Vision Elevators were the installers of the lifts. It is therefore not possible to obtain three quotations from any other competing service provider(s), other than the one who installed, as doing so may compromise certain legislative H&S requirements and the integrity of the reports.
BVD 281/2019	216,987.60	Capital Security	Exceptional case whereby it is impossible or impractical to follow a normal procurement process	Monthly monitoring and armed response on alarms installed in the municipality's properties. It is therefore not practically possible, for company A, to continuously monitor an alarm or CCTV camera, which was installed by company B as doing so may compromise various security aspects.
BVD 282 /2019	800,000.00	Media 24 Publications	Exceptional case whereby it is impossible or impractical to follow a normal procurement process	Advertising services in order to reach the intended targeted audience. It is not to the benefit of the municipality and the target audience, to change newspaper mediums every time when we advertise communication with the public. Therefore, it is impossible and impractical to follow a normal procurement process of obtaining three quotations for advertising services.
BVD 283/2019	360,000.00	Independent Newspapers	Exceptional case whereby it is impossible or impractical to follow a normal procurement process	Advertising services in order to reach the intended targeted audience. It is not to the benefit of the municipality and the target audience, to change newspaper mediums every time when we advertise communication with the public. Therefore, it is impossible and impractical to follow a normal procurement process of obtaining three quotations for advertising services.
BVD 284 /2019	181,693.90	Accommodation Services (as per Annexure "C")	Exceptional case whereby it is impossible or impractical to follow a normal procurement process	Accommodation services for municipal employees and those officials who have been invited for interviews. It is not possible to follow a normal procurement process of obtaining three quotations for accommodation services, which can be evaluated against the same or comparable specifications in all respects, also taking into account the safety of employee.
BVD 285 /2019	9,971.75	AC Security	Exceptional case whereby it is impossible or impractical to follow a normal procurement process	Monthly monitoring and armed response on alarms installed in the municipality's properties. It is therefore not practically possible, for company A, to continuously monitor an alarm or CCTV camera, which was installed by company B as doing so may compromise various security aspects.

**AGENDA**

**SPECIAL COUNCIL MEETING OF THE  
BREED VALLEY MUNICIPALITY**

**2019-06-13**

BVD 289/ 2019	200,000.00	Trentyre (Pty) Ltd	Exceptional case whereby it is impossible or impractical to follow a normal procurement process	There are two service providers in the BVM jurisdiction, who provide call out services and repairs/ replacement of tyres to heavy plant and vehicles, registered in our database. Rotation between them is exercised as far as practically possible. Whenever a municipal vehicle gets a puncture while on operation, the municipal workshop calls either one, or both Supa Quick and Trentyre. The one that responds quickly, is dispatched to a site for assessment and repair or replace a tyre. An effort is always made to call both service providers on each event but they do not respond on the same time. It is therefore not always possible to follow a normal procurement process of obtaining three quotations as doing so results in idling manpower and affecting service delivery. In certain occasions, the heavy vehicle gets a puncture in unsafe areas and needs immediate attention to avoid further vandalism.
BVD 290/ 2019	400,000.00	Supa Quick	Exceptional case whereby it is impossible or impractical to follow a normal procurement process	There are two service providers in the BVM jurisdiction, who provide call out services and repairs/ replacement of tyres to heavy plant and vehicles, registered in our database. Rotation between them is exercised as far as practically possible. Whenever a municipal vehicle gets a puncture while on operation, the municipal workshop calls either one, or both Supa Quick and Trentyre. The one that responds quickly, is dispatched to a site for assessment and repair or replace a tyre. An effort is always made to call both service providers on each event but they do not respond on the same time. It is therefore not always possible to follow a normal procurement process of obtaining three quotations as doing so results in idling manpower and affecting service delivery. In certain occasions, the heavy vehicle gets a puncture in unsafe areas and needs immediate attention to avoid further vandalism.
BVD 291/ 2019	95,000.00	Sure Boland	Exceptional case whereby it is impossible or impractical to follow a normal procurement process	There are two service providers established in the BVM jurisdiction who provide travel agency services. The other one is Flight Centre in the Mall. Flight Centre is registered in our database but their business operate on cash upfront, which is against the policy of the municipality.
<b>[9]</b>				
<b>Total Estimated expenditure for the year</b>	<b>2,294,415.49</b>			

**ANNEXURE C**



## ANNEXURE "C" - ACCOMMODATION SERVICES USED

Order Number	Service Provider	Amount (Included is all applicabe taxes)
<b>JULY 2018</b>		
1161011	Holida Inn Cape Town	7,000.00
1166007	Holida Inn Cape Town	7,000.00
1161012	Annette Guest House	2,985.00
1161230	Lekkerslaap	2,716.20
1161229	Lekkerslaap	4,800.00
<b>AUGUST 2018</b>		
1161902	Bethmond	22,560.00
1161915	Lekkerslaap	2,384.00
<b>SEPTEMBER 2018</b>		
1162033	Church Strret Protea Hotel	3,360.00
1162759	TygerValley	4,277.22
<b>OCTOBER 2018</b>		
1162810	City Lodge JHB	4,920.00
1163199	Annette Guest House	2,985.00
1163718	Oudtsoorn Inn Hotel	8,550.00
<b>NOVEMBER 2018</b>		
	Protea Hotel	
1164302	Tygervalley	2,851.48
1164463	Oubaaai Hotel	2,600.00
1164760	Pine Lodge George	4,950.00
<b>DECEMBER 2018</b>		
	Protea Hotel	
1165420	Durbanville	46,500.00
<b>JANUARY 2019</b>		
1165578	Annette Guest House	2,985.00
1166007	Holiday Inn Cape Town	2,880.00
<b>FEBRUARY 2019</b>		
1166932	Birchwood Hotel	2,800.00
1167562	City Lodge Grandwest	2,880.00
<b>MARCH 2019</b>		
1167344	Eureka	12,600.00
1167562	City Lodge Grandwest	2,880.00
<b>APRIL 2019</b>		
1167969	Liepzig Country Lodge	2,630.00
<b>MAY 2019</b>		
	Southern Sun Cape	
1168636	Sun	21,600.00
	Total	<u>181,693.90</u>

**3.9 APPROVAL OF AMENDMENTS TO THE WARD COMMITTEE POLICY****File No./s:** 2/1/1/3/4**Responsible Official:** W Thys**Directorate:** Community Services**Portfolio:** Community Development**Purpose**

- To seek council's approval of the amendments to the Ward Committee Policy (Annexure A).
- To seek council's approval for the monthly payment of the out of pocket expenses to the ward committee members.

**Background**

Breede Valley Municipality in 2007 approved and adopted a Ward Committee policy to act as a guideline and reference document on how the ward committee system should be operated.

Since the adoption of this policy, a lot has changed on a provincial and National level in terms of the operational requirements for ward committees by municipalities

Our policy currently limits us to a large extent to fully roll out a proper Ward Committee system that would be beneficial to all parties involved.

The restriction in this policy on items such as the

- 1) Section 10 - Election procedures of Ward Committees
- 2) Section 11 - Establishment of Ward Committees
- 3) Section 14.1 - Ward Committee meetings
- 4) Section 14.2 - Frequency of meetings
- 5) Section 17 - Filling of vacancies on ward committees
- 6) Section 19 - Remuneration of Ward Committee Members

Must be revised in order to ensure that the Municipality can implement a successful Ward Committee Programme

**Financial Implications**

- Annual budget to pay the monthly stipends to all ward committee members for a period of 12 months at the rate to be determined annually.
- The amount of R500 be paid to Ward committee members for the Financial year of 2019/2020
- R500 X 210 ward committee members X 12 months = R1 260 000
- That council budget for the additional activities of the ward committees

**Applicable Legislation / Council Policy**

- The Constitution of the Republic of South Africa, 1996
- The Batho Pele White Paper, 1997
- The White Paper on Local Government, 1998
- Local Government: Municipal Demarcation Act, 1998
- Local Government: Municipal Structures Act, 1998
- Local Government: Municipal Systems Act, 2000
- Promotion of Access to Information Act, 2000
- Municipal Planning and Performance Management Regulations, 2001
- Local Government: Municipal Finance Management Act, 2003
- The Guidelines for the Establishment and Operation of Municipal Ward Committees, 2005.

**Comment of Directorates / Departments concerned**

**Municipal Manager:** Recommendation supported.

**Director: Community Services:** Recommendation supported.

**Community Development Officer:** Upon conclusion of the Ward Committee Establishment process, it was discovered that many a section in the current Ward Committee Policy hampered our progress with the

establishment to a large extent. These constraints that we experienced during the establishment, resulted in the administration considering making minor amendments to the policy to help us implement and roll out a better and more effective Ward Committee Programme.

**Senior Manager: Legal Services:** Recommendation supported.

**Director: Technical Services:** Recommendation supported.

**Director: Strategic Support Services:** Recommendation supported.

**Director: Financial Services:** Recommendation supported.

**RECOMMENDATION:**

That in respect of the

**APPROVAL OF AMENDMENTS TO THE WARD COMMITTEE POLICY**

**discussed by Council at the Special Council meeting held on 13 June 2019:**

1. That council discuss, consider and approve the amendments to the Breede Valley Municipality Ward Committee Policy.
2. That Council consider all budgetary implications that might emanate from the newly approved and adopted Ward Committee Policy when it gets to that stage.
3. That council approve the amount of R500 per month to pay the out of pocket expenses to the ward committee members.
4. That council review the amount payable to ward committee members annually.

**To action**

W Thys

**3.10 COMBINED ASSURANCE FRAMEWORK SUBMITTED FOR APPROVAL****File No. /s:** 2/1/1/3/2**Directorate:** Municipal Manager**Responsible Official:** W du Plessis**Portfolio:** Internal Audit**Purpose**

To submit to Council the Combined Assurance Framework for Breede Valley Municipality for approval purposes (Annexure A). The draft framework was work shopped with Council on 21 May 2019; after which the final framework is hereby re-submitted to Council for approval.

**Background**

The audit committee is an independent advisory committee responsible for the oversight of the organization's controls, governance and risk management. The audit committee executes its functions in terms of a Council approved charter. The King III Report on Governance states that the audit committee must ensure that a combined assurance model is applied to provide a coordinated approach to all assurance activities as defined in the organization's combined assurance framework. In terms of King III combined assurance is defined as *"Integrating and aligning assurance processes in a company to maximize risk and governance oversight and control efficiencies, and optimize overall assurance to audit and risk committee, considering the company's risk appetite"*.

King IV states that the governing body should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the organization's external reports. The audit committee is responsible for monitoring the appropriateness of the organization's combined assurance model and must ensure that the combined assurance approach addresses the significant risks facing the organization which includes monitoring the effective functioning of internal audit and monitoring the relationship between the external assurance providers and the organization.

Breede Valley Municipality's Audit & Performance Audit Committee (APAC) requested that a quarterly status report be tabled before the committee on the progress of the implementation of the Combined Assurance Framework, which included a project plan that was created to facilitate formal implementation.

**Financial Implications**

N/A

**Applicable Legislation / Council Policy**

- King III Report on Governance, 2009
- King IV Report on Corporate Governance, 2016
- Municipal Finance Management Act, 2003
- International Standards for the Professional Practice of Internal Auditing
- BVM Audit & Performance Audit Committee Charter

**Comment of Directorates / Departments concerned**

<b>Municipal Manager:</b>	Item supported
<b>Director: Community Services:</b>	Supported
<b>Director: Strategic Support Services:</b>	Supported
<b>Director: Financial Services:</b>	Supported
<b>Director: Technical Services:</b>	Item and recommendation supported
<b>Senior Manager: Legal Services:</b>	Recommendation supported

**RECOMMENDATION:**

That in respect of the

**COMBINED ASSURANCE FRAMEWORK SUBMITTED FOR APPROVAL**

**discussed by Council at the Special Council meeting held on 13 June 2019:**

1. Council approves the Combined Assurance Framework for Breede Valley Municipality.

**To action**

W du Plessis

### 3.11 PRESUMED STRATEGIC RISK MANAGEMENT REPORT FOR THE 2019-2020 FINANCIAL YEAR

**File No./s:** 3/16

**Directorate:** Municipal Manager

**Responsible Official:** E Cloete

**Portfolio:** Enterprise Risk Management

#### **Purpose**

To report to Council on the outcome of the annual risk identification and assessment process which took place during 2018-2019 financial year for the Presumed Strategic Risk Register; the result of which is the BVM Presumed Strategic Risk Management Report for the period 2019-2020 Financial Year.

#### **Background**

The implementation of the Risk Management system is prescribed by legislation which the municipality must comply with.

Enterprise risk management (ERM) in business includes the methods and processes used by organizations to manage risks and seize opportunities related to the achievement of their objectives. The ERM in Breede Valley Municipality provides the framework for Risk Management, which typically involves identifying particular events or circumstances relevant to the municipality's objectives (risks and contributing factors), assessing them in terms of likelihood and impact, determining a response strategy (action plans), and monitoring progress.

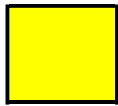
The management response strategy for the specific risks identified and analysed, fall within the following four categories as well as the appetite of 9 as approved by Council:

- **Avoid** – Action is taken to exit the activities giving rise to risk. Risk avoidance may involve exiting a product line, declining expansion to a new geographical market, or selling a division.
- **Reduce** – Action is taken to reduce the risk likelihood or impact, or both. This may involve any of a myriad of everyday business decisions.
- **Share** – Action is taken to reduce risk likelihood or impact by transferring or otherwise sharing a portion of the risk. Common risk sharing techniques include purchasing insurance products, pooling risks, engaging in hedging transactions, or outsourcing an activity.
- **Accept** – No action is taken to affect likelihood or impact.

The Risk assessment process was conducted in engaged on a one on one session with the various directorates where practical. The Risk, Fraud and Corruption Management Committee (RiskCom) supports the strategic risk management report for the period 2019-2020.

The following tables provide the risk ratings:

<b>LIKELIHOOD</b>	5	LOW	MEDIUM	HIGH	EXTREME	EXTREME
	4	LOW	MEDIUM	HIGH	HIGH	EXTREME
	3	LOW	MEDIUM	MEDIUM	HIGH	HIGH
	2	LOW	LOW	MEDIUM	MEDIUM	MEDIUM
	1	LOW	LOW	LOW	LOW	LOW
<b>Risk Matrix</b>		1	2	3	4	5
<b>IMPACT/ CONSEQUENCE</b>						



Risk Appetite Level  
3 X 3 = 9 Level

**Potential Impact / Consequence**

Rating	Continuity of Service	Safety & Environmental	Technical Complexity	Financial	Achievement of objectives
<b>Catastrophic (5)</b>	Risk event will result in widespread and lengthy reduction in continuity of service delivery to customers for a period greater than 48 hours	Major environmental damage. Serious injury (permanent disability) or death of personnel or members of the Public. Major negative media coverage.	Use of unproven technology for critical systems / project components. High level of Technical Interdependencies between system components.	Disaster with potential to lead to collapse of business and is fundamental to the achievement of objectives.	Negative outcomes or missed opportunities that are of critical importance to the achievement of objectives
<b>Major (4)</b>	Reduction in service delivery or disruption for a period ranging between 24 & 48 hours over a significant area	Significant injury of personnel or public. Significant environmental damage. Significant negative media coverage.	Use of new technology not previously utilised by the organisation for critical systems / project components.	Critical event which can be endured but which may have a prolonged negative impact and extensive consequences.	Negative outcomes or missed opportunities that are likely to have a relatively substantial impact on the ability to meet objectives
<b>Moderate (3)</b>	Reduction in service delivery or disruption for a period between 8 & 24 hours over a significant area	Lower level of environmental, safety or health impacts. Negative media coverage	Use of unproven or emerging technology for critical systems / project components.	Major events, which can be managed but requires additional resources and management effort.	Negative outcomes or missed opportunities that are likely to have a relatively moderate impact on the ability to meet objectives

<b>Minor (2)</b>	Brief local inconvenience (work around possible). Loss of an asset with minor impact on operations	Little environmental, safety or health impacts. Limited negative media coverage.	Use of unproven or emerging technology for systems / project components.	Event, which can be managed under normal operating conditions.	Negative outcomes or missed opportunities that are likely to have a relatively low impact on the ability to meet objectives
<b>Insignificant (1)</b>	No or minimal impact on business or core systems	No environmental, safety or health impacts and/or negative media coverage	Use of unproven or emerging technology for non-critical systems / project components	Consequences can be readily absorbed under normal operating conditions.	Negative outcomes or missed opportunities that are likely to have a relatively negligible impact on the ability to meet objectives

**Likelihood/Probability of occurrence**

Rating	Level	Description
5	Almost certain	The risk is already occurring, or is likely to occur more than once within the next 12 months
4	Likely	The risk will easily occur, and is likely to occur at least once during the next 12 months.
3	Moderate	There is an above average chance of the risk occurring more than once during the next 3 years
2	Unlikely	The risk has a low likelihood of occurring during the next 3 years
1	Rare/Remote	The risk is unlikely to occur during the next 3 years

**Control Assessment**

Control Adequacy		Control Adequacy	
Rating	Title	Rating	Title
1	Adequate	1	Effective
2	Adequate but over controlled	2	Partially Effective
3	Partially Adequate	3	Ineffective
4	Inadequate		



Annexure A: Copy of the BVM Presumed Strategic Risk Management Report for the 2019-2020 Financial Year.

### **Deliberation**

#### Definition of Risk Management:

**Risk management** is a systematic process to identify, evaluate and address risks on a continuous basis before such risks can impact negatively on the municipality's service delivery capacity.

Risk management is a management discipline with its own techniques and principles. It is a recognised management science and has been formalised by international and national codes of practice, standards, regulations and legislation.

Risk management forms part of management's core responsibilities and is an integral part of the internal processes of the municipality.

When properly executed risk management provides reasonable, but not absolute assurance, that the municipality will be successful in achieving its goals and objectives.

#### Definition of Risk Identification:

**Risk identification** is a deliberate and systematic effort to identify and document the municipality's key risks.

The objective of risk identification is to understand what is at risk within the context of the municipality's explicit and implicit objectives and to generate a comprehensive inventory of risks based on the threats and events that might prevent, degrade, delay or enhance the achievement of the objectives.

#### Definition of Risk Assessment:

**Risk assessment** is a systematic process to quantify or qualify the level of risk associated with a specific threat or event, to enrich the risk intelligence available to the Institution.

The main purpose of risk assessment is to help the municipality to prioritise the most important risks as the municipality is not expected to have the capacity to deal with all risks in an equal manner.

Risks should be formally reviewed concurrently with changes in strategy, or at least once a year to consider new and emerging risks.

#### Definition of Risk Register:

**Risk register** is the outcome of the annual risk assessment process which is a comprehensive inventory of risks based on the threats and events that might prevent, degrade, delay or enhance the achievement of the objectives of the municipality.

#### The Executive Authority/ Council:

- The Council should take an interest in risk management to the extent necessary to obtain comfort that properly established and functioning systems of risk management are in place to protect the Institution against significant risks.
- Responsibilities of the Executive Authority in risk management should include:
  - ensuring that the Institutional strategies are aligned to the government mandate;
  - obtaining assurance from management that the Institution's strategic choices were based on a rigorous assessment of risk;
  - obtaining assurance that key risks inherent in the Institution's strategies were identified and assessed, and are being properly managed;
  - assisting the Accounting Officer / Authority to deal with fiscal, intergovernmental, political and other risks beyond their direct control and influence; and
  - insisting on the achievement of objectives, effective performance management and value for money.
  - In case of a municipality or municipal entity, in addition to the responsibilities outlined in 21(2), the Executive Authority should also: (a) approve the risk management policy, strategy, and implementation plan; and (b) approve the fraud prevention policy, strategy and implementation plan.

**Council** is responsible for providing oversight and direction to the Accounting Officer on the risk management related strategy and policies; which also include an interest in the effectiveness of the process of risk management within the municipality.

#### **Risk Management Oversight (Risk Management Committee)**

The committee's role is to review the risk management progress and maturity of the municipality, the effectiveness of risk management activities, the key risks facing the municipality and the responses to address these key risks.

#### i. The Accounting Officer/ Municipal Manager:

Sections 62(1)(c)(i) and 95(c)(i) of the MFMA, requires the Accounting Officer to ensure that their municipalities and municipal entities have and maintain effective, efficient and transparent systems of risk management

The **Municipal Manager** is ultimately responsible for risk management within the municipality. This includes ensuring that the responsibility for risk management vests at all levels of management. The Municipal Manager sets the tone at the top by promoting accountability, integrity and other factors that will create a positive control environment.

#### ii. Management, Other Personnel, Risk Manager:

Section 78 of the Municipal Finance Management Act (Act 56 of 2003):

The extension of general responsibilities in terms of Section 78 of the MFMA to all senior managers and other officials of municipalities imply that responsibility for risk management vests at all levels of management and that it is not limited to only the accounting officer and internal audit.

#### **Risk Management Implementers (Management)**

All other levels of management, support the municipality's risk management philosophy, promote compliance with the risk appetite and manage risks within their areas of responsibility.

Management takes ownership for managing the municipality's risks within their areas of responsibility and is accountable to the Municipal Manager for designing, implementing, monitoring and integrating ERM into their day-to-day activities of the municipality. This should

be done in a manner that ensures that risk management becomes a valuable strategic management tool.

### **Risk Management Implementers (Other Officials)**

Other officials are responsible for integrating risk management into their day-to-day activities i.e. by ensuring conformance with controls and compliance to procedures.

### **Risk Management Support (Chief Risk Officer)**

The Chief Risk Officer is the custodian of the Risk Management Strategy and Implementation Plan and the coordinator of Enterprise Risk Management activities throughout Breeder Valley Municipality.

### **Risk Management Support (Risk Champions)**

A Risk Champion would generally hold a senior position within the municipality and possess the skills, knowledge and leadership qualities required to champion a particular aspect of risk management.

The Risk Champion assists the Chief Risk Officer to facilitate the risk assessment process and manage risks within their area of responsibility to be within the risk appetite. Their primary responsibilities are advising on, formulating, overseeing and managing all aspects of a municipality's entire risk profile, ensuring that major risks are identified and reported upwards.

#### iii. Internal Auditors:

Section 165(2)(a), (b)(iv) of the Municipal Finance Management Act (Act 56 of 2003) requires that: *"(2) The internal audit unit of a municipality or municipal entity must -*  
*(a) prepare a risk based audit plan and an internal audit program for each financial year;*  
*(b) advise the accounting officer and report to the audit committee on the implementation on the internal audit plan and matters relating to:*

- *(iv) risk and risk management."*

IIA Standard 2110 - Risk Management of the International Standards for the Professional Practice of Internal Auditing states:

*"The internal audit activity should assist the organisation by identifying and evaluating significant exposures to risk and contributing to the improvements of risk management and control systems.*

### **Risk Management Assurance Providers (Internal Audit)**

The core role of Internal Audit in risk management is to provide an independent, objective assurance to council and the Audit Committee on the effectiveness of risk management. Internal Audit also assists in bringing about a systematic, disciplined approach to evaluate and improve the effectiveness of the entire system of risk management and provide recommendations for improvement where necessary.

### **Risk Management Assurance Providers (External Audit)**

External Audit (Auditor-General) provides an independent opinion on the effectiveness of Enterprise Risk Management.

#### iv. Audit Committee:

Section 166 (2)(a)(ii) of the Municipal Finance Management Act (Act 56 of 2003) states:

*"(2) An audit committee is an independent advisory body which must -*  
*(a) advise the municipal council, the political office-bearers, the accounting officer and the*

*management staff of the municipality, or the board of directors, the accounting officer and management staff of the municipal entity, on matters relating to - (ii) risk management."*

The **Audit Committee** is an independent committee, responsible to oversee the municipality's control, governance and risk management. This committee is vital to, among other things, ensure that financial, IT and fraud risk related to financial reporting are identified and managed.

The Audit Committee's primary responsibility is providing an independent and objective view of the effectiveness of the municipality's risk management process to council and to provide recommendations to the Municipal Manager for continuous improvement and management of risks. The responsibilities of the Audit Committee with regard to risk management are formally defined in its charter.

### **Financial Implications**

None

### **Applicable Legislation / Council Policy**

- The Municipal Finance Management Act (Act 56 of 2003) (MFMA);
- Municipal Structures Act (Act 117 of 1998);
- Municipal Systems Act (Act 32 of 2000); and
- Public Sector Risk Management Framework (NT) published 1 April 2010.

### **Comment of Directorates / Departments**

**concerned Municipal Manager:** Supported

**Director: Community Services:**

Supported **Director: Strategic Support**

**Services:** Supported **Director:**

**Financial Services:** Supported

**Director: Technical Services:**

Supported

### **RECOMMENDATION:**

**That in respect of the**

**PRESUMED STRATEGIC RISK MANAGEMENT REPORT FOR THE 2019-2020 FINANCIAL YEAR**

**discussed by Council at the Special Council meeting held on 13 June 2019:**

1. That Council takes note of the outcome of the Strategic Risk identification and assessment process, the result of which is captured in the BVM Strategic Risk Management Report for the period 2019-2020.
2. That Council approve the Strategic Risk Management Report for the period financial period 2019-2020.

### **To action**

E Cloete

### 3.12 VARIOUS POLICIES

**File No./s:** 3/16

**Directorate:** Municipal Manager

**Responsible Official:** E Cloete

**Portfolio:** Enterprise Risk  
Management

#### **Purpose**

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

#### **Background**

The policies were approved on 24 March 2015 and need to be reviewed every three years.

The strategies were approved on 27 June 2016 and need to be reviewed annually. Council did not approve the Strategy document during the 2016-2017 financial year.

Risk Management in the Municipality provides a framework to identify, assess and manage potential risks and opportunities. It provides a way for managers to make informed management decisions. Effective Risk Management affects everyone in the Municipality. To ensure a widespread understanding, Management and all operational/business units should be familiar with, and all staff and councillors are aware of, the principles set out in this document.

The Fraud and Corruption Prevention policy provides guidance to all Staff Members, Councillors of the Municipality, and all external stakeholders to prevent and combat fraud and other acts of theft and maladministration. Breede Valley Municipality is committed to its Fraud Prevention Policy and Response Plan, and also its Code of Ethics and to promote a high standard of honesty, openness and accountability.

Ethics is about distinguishing between what is morally right and wrong with the purpose of doing what is right. In an ethical organisation employee will do the right thing for the right reason – not just because the rule says so. Rules and procedures influence individuals' behaviour, but values are what change the culture within the Municipality.

The item served before the Local Labour Forum on 12 May 2017 and the Risk, Fraud and Corruption Management Committee on 9 May 2017.

These items served before Council on 20 July 2017.

RESOLVED C55/2017 That in respect of the ENTERPRISE RISK MANAGEMENT POLICY discussed by Council at the Special Council meeting held on 20 July 2017: • That the Enterprise Risk Management Policy be workshopped and referred back to Council.

RESOLVED C56/2017 That in respect of the ENTERPRISE RISK MANAGEMENT STRATEGY 2017-2018 discussed by Council at the Special Council meeting held on 20 July 2017: • That the Enterprise Risk Management Strategy 2017-2018 Financial Year be workshopped and referred back to Council for approval.

RESOLVED C57/2017 That in respect of the FRAUD PREVENTION POLICY discussed by Council at the Special Council meeting held on 20 July 2017: • That the Fraud Prevention Policy be workshopped and referred back to Council for approval.

RESOLVED C58/2017 That in respect of the FRAUD PREVENTION STRATEGY AND RESPONSE PLAN discussed by Council at the Special Council meeting held on 20 July 2017: 1. That the Fraud Prevention Strategy and Response Plan for the 2017-2018 Financial Year be workshopped and referred back to Council for approval.

RESOLVED C60/2017 That in respect of the CODE OF ETHICS POLICY discussed by Council at the Special Council meeting held on 20 July 2017: • That the Code of Ethics Policy be workshopped and referred back to Council for approval.

RESOLVED C61/2017 That in respect of the WHISTLE BLOWING POLICY discussed by Council at the Special Council meeting held on 20 July 2017: • That the Whistle Blowing Policy be workshopped and referred back to Council for approval.

The Policies are compiled with track changes and will be corrected after approval to be signed by the Executive Mayor and Municipal Manager.

Annexure A – Bundle of Policies consisting of:

- THE ENTERPRISE RISK MANAGEMENT POLICY
- THE ENTERPRISE RISK MANAGEMENT STRATEGY
- THE FRAUD AND CORRUPTION PREVENTION POLICY
- THE FRAUD AND CORRUPTION PREVENTION STRATEGY AND RESPONSE PLAN
- THE CODE OF ETHICS POLICY
- THE WHISTLE BLOWING POLICY

#### **Financial Implications**

None

#### **Applicable Legislation / Council Policy**

- v. The Constitution of the Republic of South Africa, No.108 of 1996;
- vi. Municipal Finance Management Act no. 56 of 2003;
- vii. Municipal Systems Act, No. 32 of 2000 (“MSA”).

#### **RECOMMENDATION:**

##### **That in respect of the VARIOUS POLICIES**

**discussed by Council at the Special Council meeting held on 13 June 2019:**

- (c) That Council approves the Enterprise Risk Management Policy.
- (d) That Council approves the Enterprise Risk Management Strategy.
- (e) That Council approves the Fraud and Corruption Prevention Policy.
- (f) That Council approves the Fraud and Corruption Prevention Strategy and Response Plan.
- (g) That Council approves the Whistle Blowing Policy.
- (h) That Council approves the Code of Ethics Policy.

#### **To action**

E Cloete

**3.13 WARD COMMITTEE PROJECTS FUNDING POLICY****File No./s:** 2/1/1/1**Responsible Official:** R Esau**Directorate:** Strategic Support Services**Portfolio:** Strategic Support Services**Purpose**

To obtain Council's approval of the Ward Committee Projects Funding Policy (Annexure A).

**Background**

The Municipality has, through its Integrated Development Planning (IDP) Process, identified key priorities in each ward and it is acknowledged that some ward priorities as per the IDP are not always funded through the funding prioritisation, due to limited funds.

The purpose of this Policy is thus to equitably allocate at least a minimum amount for municipal and or community-based services to citizens of each ward in order to better meet specific community needs at ward levels.

**Financial Implications**

Amounts for Ward Projects as approved annually by Council through the normal annual budget process.

**Applicable Legislation / Council Policy**

MFMA, section 65 and 67

Relevant provisions of section 65 provides that:

*"Expenditure management*

- (1) *The accounting officer of a municipality is responsible for the management of the expenditure of the municipality.*
- (2) *The accounting officer must for the purpose of subsection (1) take all reasonable steps to ensure—*
  - (a) *that the municipality has and maintains an effective system of expenditure control, including procedures for the approval, authorisation, withdrawal and payment of funds;*
  - (b) *that the municipality has and maintains a management, accounting and information system which—*
    - (i) *recognises expenditure when it is incurred;*
    - (ii) *accounts for creditors of the municipality; and*
    - (iii) *accounts for payments made by the municipality;*
  - (c) */...*
  - (d) *that payments by the municipality are made—*
    - (i) *directly to the person to whom it is due unless agreed otherwise for reasons as may be prescribed; and*
    - (ii) *either electronically or by way of non-transferable cheques, provided that cash payments and payments by way of cash cheques may be made for exceptional reasons only, and only up to a prescribed limit;"*

**Comment of Directorates / Departments**

<b>Municipal Manager:</b>	Recommendation supported.
<b>Director: Strategic Support Services:</b>	Author of the item.
<b>Director: Financial Services:</b>	Recommendation supported.
<b>Director: Technical Services:</b>	Item and recommendation supported.
<b>Director: Community Services:</b>	Item supported.
<b>Senior Manager: Legal Services:</b>	Recommendation supported.

**RECOMMENDATION**

**That in respect of the**

**WARD COMMITTEE PROJECTS FUNDING POLICY**

**as discussed by Council at the Special Council meeting held on 13 June 2019:**

1. That Council approves the Ward Committee Projects Funding Policy.

**To action**

I Roos



**3.14 TRANSPORT ALLOWANCE POLICY REVIEW****File no.:** 4/1/B**Responsible Official:** M Nell**Directorate:** Strategic Support Services**Portfolio:** Human Resources**PURPOSE**

The purpose of this item is for Council to consider the review of the Transport Allowance Policy.

**BACKGROUND / DISCUSSION**

The Transport Allowance Policy was approved by Council on 25 June 2015, Resolution C42/2015.

Below find an extract from the current approved policy:

*“Eligible employees in terms of this policy will be paid as follows for travelling within the boundaries of Breede Valley Municipality:*

<b><i>TASK levels of the eligible employee</i></b>	<b><i>Maximum km within boundaries of BVM</i></b>
<i>Task 16 and above</i>	<i>850km</i>
<i>Task 15</i>	<i>750km</i>
<i>Task 14</i>	<i>650km</i>

*The formula for the calculation of the allowance will be as follows:*

$$(F + R) \times Km$$

*Where: F = Fixed cost component read off 10 000 km column of AA tables (according to annual salary).*

*R = Running cost according to the AA table for a vehicle with an engine capacity of 2,5 litres.*

*Km = Fixed kilometre allocation according to allocation to different levels concerned.”*

Following comparison with other municipalities and thorough investigation, it was ascertained that the utilisation of the AA tables as a component of determining the transport allowance payable, is not the most appropriate factor to be utilised in the calculation. A process of review and consultation was undertaken and the draft reviewed policy served at the Local Labour Forum on 7 June 2019. Said forum recommended that the proposed reviewed Transport Allowance Policy (attached as “**Annexure A**”) be tabled in Council for approval. The proposed amendments to the current policy are indicated in red and specifically, a market related transport allowance is provided for.

**FINANCIAL IMPLICATIONS**

There is sufficient budgetary provision for the financial implications associated with the amended Transport Allowance Policy.

**RELEVANT LEGISLATION**

- Basic Conditions of Employment Act, No. 75 of 1997
- Labour Relations Act, No. 66 of 1995
- Local Government: Municipal Finance Management Act, No. 56 of 2003

**COMMENTS FROM DIRECTORATES**

**MUNICIPAL MANAGER:** Recommendation supported  
**DIRECTOR TECHNICAL SERVICES:** Support the item and recommendation  
**CHIEF FINANCIAL OFFICER:** Recommendation supported  
**DIRECTOR COMMUNITY SERVICES:** Recommendation supported  
**DIRECTOR STRATEGIC SUPPORT SERVICES:** Co-Author of the item.  
Recommendation supported  
**SENIOR MANAGER: LEGAL SERVICES:** Recommendation supported

## **CONCLUSION**

It is proposed that Council consider the approval of the reviewed Transport Allowance Policy.

## **RECOMMENDATION:**

**That in respect of the**

**TRANSPORT ALLOWANCE POLICY REVIEW**

**as discussed by Council at the Special Council meeting held on 13 June 2019:**

1. That Council approves the reviewed Transport Allowance Policy.

## **To action**

M Nell

4. CLOSURE  
4.1 Copy of notice placed on notice boards

For information, a copy of the Notice follows:

**NOTICE IS HEREBY GIVEN** that a **SPECIAL COUNCIL MEETING** of the **Breede Valley Municipality** will be held on **THURSDAY, 13 JUNE 2019 at 09:00** in the **CAPE WINELANDS DISTRICT MUNICIPALITY, WORCESTER**

Members of the media and the public wishing to attend the meeting must please contact **Mr. J.R. Botha (Public Relations Officer)** at **023 348 2807** during office hours to book one of the **16 (sixteen) seats available to the public** on a first come first served basis. The list will be closed at **16:30** on **Wednesday, 12 June 2019** and will be handed to Security officials the morning of the meeting. Only persons whose names appear on the list will be allowed to attend the meeting and they must be seated at least five minutes before the scheduled start of the meeting. Once the meeting has started, no member of the public will be allowed into the meeting. If a member of the public leaves the meeting venue during the course of the meeting, he / she will not be allowed to return to the meeting.

**KENNIS GESKIED HIERMEE** dat 'n **SPESIALE RAADSVERGADERING** van die **Breede Vallei Munisipaliteit** op **DONDERDAG, 13 JUNIE 2019 om 09:00** gehou sal word in die **KAAAPSE WYNLAND DISTRIK MUNISIPALITEIT, WORCESTER**

Lede van die media en die publiek wat graag die vergadering wil bywoon moet asseblief **Mnr. J.R. Botha (Skakelbeampte)** by **023 348 2807** gedurende kantoorure kontak om een van die **16 (sestien) sitplekke wat vir die publiek beskikbaar is** op 'n "first come first served basis" te bespreek. Die lys sal om **16:30** op **Woensdag, 12 Junie 2019** die werksdag voor die vergadering sluit en sal aan Sekuriteitsbeamptes die oggend van die vergadering gegee word. Alleenlik persone wie se name op die lys verskyn sal toegelaat word om die vergadering by te woon en hulle moet 'n sitplek inneem minstens vyf minute voor die geskeduleerde tyd van die vergadering. Niemand sal tot die vergadering toegelaat word wanneer dit reeds begin het nie. Indien 'n lid van die publiek die vergaderplek gedurende die duur van die vergadering verlaat sal hy / sy nie weer tot die vergadering toegelaat word nie.

**D. MCTHOMAS**  
**MUNICIPAL MANAGER/MUNISIPALE BESTUURDER**

**06 2019**