

NOTICE

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

2022-04-26


**NOTICE OF THE 10TH COUNCIL MEETING OF 2021/2022
FINANCIAL YEAR OF THE COUNCIL OF BREEDE VALLEY MUNICIPALITY
TUESDAY, 2022-04-26 AT 10:00**

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

COUNCILLORS

V.A. Bedworth	N.Nel
W.M. Blom	C.T. Nyithana
M.N. Bushwana	J. Pieters
G.L. Daames	A. Pietersen
Alderman R. Farao	O. Ralehoko
M.A. Goedeman	P.C. Ramokhabi
E.N. Isaacs	Alderman M. Sampson
Alderman C. Ismail	T.P. Sibozo
J.R. Jack	S.S.T. Steenberg
R.T. Johnson	M. Swartz
I.J. Joseph	H.C. Titus
D. Judge	E. Van der Westhuizen
J.P. Kritzinger	F. Vaughan
S.K. Madlolo	L. Willemse
Z.M. Mangali	M.T. Williams
T. S. Manuel	C.F. Wilskut
P.H. Marais	N.J. Wullschlegler
S.J. Mei	L.R. Yayi
Alderman W.R. Meiring	
J.M. Mokgosi	

Notice is hereby given in terms of Section 29, read with Section 18(2) of the *Local Government: Municipal Structures Act, 117 of 1998*, as amended, that the **10th COUNCIL MEETING** of the **2021/2022 FINANCIAL YEAR** of the **COUNCIL** of **BREEDE VALLEY MUNICIPALITY** will be held at **CWDM, COUNCIL CHAMBERS, 51 TRAPPE STREET, WORCESTER** and by means of a virtual platform on **TUESDAY, 2022-04-26** at **10:00** to consider the items on the Agenda.



SPEAKER
ALDERMAN J.F. VAN ZYL



BREEDE VALLEY
MUNICIPALITY • MUNISIPALITEIT • UMASIPALA

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1. OPENING AND WELCOME

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

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

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

A councillor must –

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

2.2 APPLICATIONS FOR LEAVE OF ABSENCE

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

- 2.2.1 Every Councillor attending a meeting of the Council must sign his or her name in the attendance register kept for such purpose.
 - 2.2.2 A Councillor must attend each meeting except when –
 - (a) Leave of absence is granted in terms of Clause 10; or
 - (b) The Councillor is required to withdraw in terms of law.
 - 2.2.3 The Attendance Registers will be available at the meeting.
 - 2.2.4 A blank Application for Leave of Absence form is enclosed.
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3. COMMUNICATION**3.1 INTERVIEWS OR PRESENTATIONS BY DEPUTATIONS**

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

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

3.2 BIRTHDAYS OF COUNCILLORS

Cllr E. Van der Westhuizen	28 April 2022
Cllr S.J. Mei	4 May 2022
Cllr J.P. Kritzinger	8 May 2022
Cllr T.P. Sibozo	8 May 2022

3.3 STATEMENTS BY THE SPEAKER

3.4 STATEMENTS BY THE EXECUTIVE MAYOR

4. CONFIRMATION OF MINUTES

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

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

4.2 Council Meeting held on 31 March 2022 (Copy enclosed)

RECOMMENDATION

That in respect of

CONFIRMATION OF MINUTES OF PREVIOUS COUNCIL MEETING

discussed by Council at the Council Meeting held on 26 April 2022:

1. As the Minutes of the Council Meeting held on 31 March 2022 were sent to each councillor at least forty-eight hours prior to the meeting, the minutes of the Council meeting held 31 March 2022 be taken as read and confirmed.
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5. REPORT BY THE EXECUTIVE MAYOR ON DECISIONS TAKEN BY THE EXECUTIVE MAYOR, THE EXECUTIVE MAYOR TOGETHER WITH THE DEPUTY EXECUTIVE MAYOR AND THE MAYORAL COMMITTEE

5.1 The Deputy Executive Mayor: Cllr J.J. Von Willingh

5.2 MMC1: Alderman W.R. Meiring

5.3 MMC 2: Cllr. P.C. Ramokhabi

5.4 MMC 3: Cllr. N. Nel

Mayco Meeting held on 22 March 2022

5.4.1 SOCIAL DEVELOPMENT PLAN FOR THE BREDE VALLEY MUNICIPALITY

RESOLVED

EX9/2022

That in respect of –

SOCIAL DEVELOPMENT PLAN FOR THE BREDE VALLEY MUNICIPALITY

discussed by Mayco at the Mayco meeting held on 22 March 2022:

Recommend that Council takes note of the proposed amendments Social Development Plan as encapsulated in “Annexure A – Breede Valley Municipal Social Development Plan”

5.5 MMC 4: Cllr. E. Van der Westhuizen

5.6 MMC 5: Cllr J.R. Jack

5.7 MMC 6: Cllr. V.A. Bedworth

Mayco Meeting held on 22 March 2022

5.7.1 REVIEW OF BREDE VALLEY MUNICIPALITY SPORT FACILITIES MASTERPLAN

RESOLVED

EX8/2022

In respect of

**REVIEW OF BREDE VALLEY MUNICIPALITY SPORT FACILITIES
MASTERPLAN**

Discussed by MayCo at the MayCo meeting held on 22 March 2022:

1. Recommends that Council takes note of the progress with the Sports Facility Masterplan.

2. Recommends that Council approves the upgrading of Rawsonville Sports Grounds and De Wet Sports Grounds as stated in the MIG allocation Letter.

5.8 MMC 7: Cllr. J.P. Kritzinger

5.9 MMC 8: Cllr F. Vaughan**Mayco Meeting held on 22 March 2022****5.9.1 THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017 - MINISTER OF FINANCE V AFRIBUSINESS NPC [2022] ZACC 4 / NATIONAL TREASURY AND PROVINCIAL TREASURY COMMUNIQUEÉS****RESOLVED****EX7/2022**

That in respect of –

THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017 - MINISTER OF FINANCE V AFRIBUSINESS NPC [2022] ZACC 4 / NATIONAL TREASURY AND PROVINCIAL TREASURY COMMUNIQUEÉS

discussed by MayCo at the MayCo meeting held on 22 March 2022:
MAYCO recommends:

- 1. That Council notes the content of the National Treasury and Provincial Treasury communiqués and the Municipal Manager's response to National Treasury.**
- 2. That council approve the following interim arrangements to be in place until new Preferential Procurement Regulations are promulgated or until a Constitutional**

Court ruling which ever occur first, but these interim arrangements cannot lawfully be implemented after 15 February 2023:

- a) That the status quo maintain and that the municipality shall apply the Preferential Procurement Policy Framework Regulations, 2017 (PPPFR) up until such time as the Constitutional Court clarifies the applicable date of the invalidity of said Regulations, or new Procurement Regulations come into effect.
- b) That the municipality shall use the pre-existing points system with thresholds and associated formulas as per the PPPFR, 2017 i.e., 80/20 preference point system for procurement with a rand value equal to or above R30 000 up to R50 million and the 90/10 preference point system for procurement above R50million (all applicable taxes included);
- c) That the municipality shall use the pre-existing mechanism to address the evidence requirements as it relates to the allocation of points for preference i.e., B-BBEE certificates and affidavits given that these matters were not in dispute.
- d) That sub-contracting and pre-qualifying criteria as per regulation 3,4 and 9 of the 2017 Procurement Regulations have also been declared as invalid and irrational and should not be used. However, the CIDB prescripts/ regulations in terms of empowerment impact assessments may still be concluded and sub-contracting as per the CIDB prescripts/ regulations in terms of the different CIDB contracts may still be used in terms of the different contracting models for construction-related bids; and
- e) the status quo in terms of the advertisement and evaluation and awarding of quotations below R30 000 to be maintained.
- f) That where any current Council policy provisions conflict with, the above recommendations, the recommendations above shall be used and not the conflicting policy provisions.

5.9.2 DISCIPLINARY COMMITTEE FOR INVESTIGATION OF BREACHES OF THE CODE OF CONDUCT FOR COUNCILLORS

RESOLVED

EX10/2022

That in respect of -

DISCIPLINARY COMMITTEE FOR INVESTIGATION OF BREACHES OF THE CODE OF CONDUCT FOR COUNCILLORS

as discussed by Mayco at the Mayco meeting held on 22 March 2022:

1. **Recommends that Council establish a Disciplinary Committee in compliance with Item 16(1)(b) of Schedule 7 of the Local Government: Municipal Structures Amendment Act.**
2. **The Disciplinary Committee cannot at its own discretion investigate alleged breaches of the Code of Conduct for Councillors but can only consider matters referred to it by the municipal council.**
3. **That council shall at the time when it refers a matter to the Disciplinary Committee set the terms of reference of each investigation into an alleged breach and**
4. **That Council can at that stage when it refers matters to the committee, substitute any member of the committee should a councillor be implicated or have a conflict of interest or should the committee member be a potential witness at the hearing.**
5. **Safe as provided above the Disciplinary Committee shall be comprised of a representative of all political parties.**
6. **The DC may be assisted by external experts.**

5.9.3 NOMINATION OF MUNICIPAL COUNCILLOR REPRESENTATIVES TO THE SALGA PROVINCIAL CHAPTER OF THE WOMEN'S COMMISSION (SWC)**RESOLVED****EX11/2022**

That in respect of -

NOMINATION OF MUNICIPAL COUNCILLOR REPRESENTATIVES TO THE SALGA PROVINCIAL CHAPTER OF THE WOMAN'S COMMISSION (SWC)

as discussed by Mayco at the Mayco meeting held on 22 March 2022:

1. **Recommends that Council nominate an official political representative and an official political secundi representative to serve on the Provincial SWC.**

**5.9.4 APPLICATION FOR THE ESTABLISHMENT OF A SPECIAL RATING AREA:
FAIRWAY HEIGHTS****RESOLVED****EX12/2022**

That in respect of –

**APPLICATION FOR THE ESTABLISHMENT OF A SPECIAL RATING AREA:
FAIRWAY HEIGHTS**

as discussed by the Community and Strategic Support Services Committee meeting held on 15 March 2022, the following recommendation be made to Council:

1. That Council condone non-compliance with the 90-day period as required in terms of section 8(1) of the Municipal Special Rating Area By-law.
2. That the area as depicted on the map which includes Victory Way, Hickory Way, Wedgewood, Fairway Heights Drive, Classic Close, St. Andrews Close and Master's Way, be determined a Special Rating Area to be called Fairway Heights Special Rating Area;
3. That the additional rates for residential properties in terms of Section 22(1)(b) of the Local Government: Municipal Property Rates Act for inclusion in the 2022/2023 budget be applied as follows:
 - 3.1 R0.001502 excluding VAT;
 - 3.2 R0.001727 including VAT;

6. COLLABORATOR OUTSTANDING RESOLUTIONS REPORT**6.1 OUTSTANDING COMMITTEE RESOLUTIONS PER DIRECTORATE AS EXTRACTED ON 20 APRIL 2022:****1. COMMUNITY SERVICES**

Council	Resolution	Meeting Date	Allocate To	% Compl.	Feedback Comment	
172625	SUBMISSION OF BY-LAW RELATING TO THE MANAGEMENT AND CONTROL OF FLATS (rental housing units) OWNED OR ADMINISTERED BY THE BREEDE VALLEY MUNICIPALITY	RESOLVED C41/2015 That in respect of the SUBMISSION OF BY-LAW RELATING TO THE MANAGEMENT AND CONTROL OF FLATS (rental housing units) OWNED OR ADMINISTERED BY THE BREEDE VALLEY MUNICIPALITY discussed by Council at the Council meeting held on 25 of June 2015: 1. That Council approved the draft By-Law relating to the Management and Control of flats (rental housing units) owned or administer by the Breede Valley Municipality; 2. That the administration advertises said draft By-Law for public comments; 3. That all comments be collated submitted to Council for final approval and promulgation in the Provincial Gazette. 4. That the draft By-Law be workshopped with all the Councillors.	2015-06-25	GMAYEKI	95	The item will be submitted to the councillor in order to amend the recommendation as follows; 1. Human Settlements Plan must be completed first, and all related policy be updated. 2. Council must approve the policy after this process. Covid-19 and the lockdown have delayed the submission. A new report we will be submitted Council when the normal business resume.
767107	AVIAN PARK (439) HOUSING PROJECT: OCCUPIERS AND TRANSFER OF SUBSIDIES TO TRANSHEX HOUSING PROJECT AND	RESOLVED C85/2018 That in respect of – AVIAN PARK (439) HOUSING PROJECT: OCCUPIERS AND TRANSFER OF SUBSIDIES TO TRANSHEX HOUSING PROJECT AND PROPOSED ALIENATION OF TWENTY-FIVE (25) ERVEN IN AVIAN	2018-10-30	HPOTGIETER	90	06/04/2022: Transfers in process. Title deeds awaited from Transhex conveyancer.

	<p>PROPOSED ALIENATION OF TWENTY-FIVE (25) ERVEN IN AVIAN PARK FOR RESIDENTIAL PURPOSES</p>	<p>PARK FOR RESIDENTIAL PURPOSES as discussed by Council at the Council meeting held on 30 October 2018 council decide:</p> <p>1. That Council take cognizance of the negotiations with the respective effected stakeholders;</p> <p>2. That Council resolve in respect of the occupants or owners as follows:</p> <p>2.4 Legitimate owners of the Volstruis- and Dikkop Street units to have their approved subsidies transferred to the Transhex Housing Development;</p> <p>2.5 Occupants of the Volstruis- and Dikkop Street Houses agreed to cancel the initial mediation agreement and a new agreement be concluded stipulating that they will remain in the aforementioned houses;</p> <p>2.6 Worcester West Informal Occupants cancelled the mediation agreement and application for a subsidy at the Transhex Housing Development project will be processed.</p> <p>3. That Council resolve that the alienation of the respective erven as set out in Annexure G by means of a competitive process in the open market solely for housing / residential purposes be approved in principle; subject to the following conditions:</p> <p>3.1 that the Municipal Manager be mandated to decide on the final erven to be disposed of prior to the competitive process being followed;</p> <p>3.2 that the administration be mandated to administer the process of disposal of the properties;</p> <p>3.3 that the municipality will complete the outstanding engineering services (i.e. roads, stormwater and electricity) and the erven thereafter be alienated at the market related value, which will serve as the residual value;</p> <p>3.4 that a reversion condition be included in the Deed of Sale as well as the Title Deed that the disposed properties be utilised</p>				
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		<p>for residential purposes only and should the Purchaser fail to erect a building within two (2) years from date of registration and not use the property as specified, the erf will revert back to the Municipality free of charge;</p> <p>3.5 that the Purchaser will be responsible for the payment of all municipal services including rates and taxes in respect of the property following transfer of the property;</p> <p>3.6 that the costs pertaining to the transaction, e.g. transfer costs be paid by the purchaser;</p> <p>3.7 that the relevant internal comments be incorporated in the Deed of Sale and the right be reserved to supplement such internal comments</p> <p>4. that the following of a public participation process, be approved and should no objections / comments be received, then the item would not be referred back to Council;</p> <p>5. That provision be made in the February 2019 adjustment budget for the provision of roads, stormwater and electrical reticulation to the amount of approximately One Million Rand (R1,000,000.00);</p> <p>6. that Council has taken cognisance of the fact that the Municipal property herewith alienated is not required for the provision of basic municipal services in terms of the provisions Section 14 of the Local Government: Municipal Finance Management Act (Act 56 of 2003); and</p> <p>7. that the Municipal Manager be authorized to sign all documents relating to the disposal and transfer of the respective municipal properties.</p>				
913138	DEVOLUTION OF 34 WESTERN CAPE HUMAN SETTLEMENTS RENTAL UNITS: ROUX PARK WORCESTER TO BREDE VALLEY MUNICIPALITY	<p>RECOMMENDATION C44/2021</p> <p>That in respect of DEVOLUTION OF 34 WESTERN CAPE HUMAN SETTLEMENTS RENTAL UNITS: ROUX PARK WORCESTER TO BREDE VALLEY MUNICIPALITY as discussed by Council at the Council Meeting held on 28 April 2021:</p> <p>1. That Council approve and</p>	2021-04-28	GMAYEKI	99	the Deed of Alienation has been completed and signed by the MM. The transfer and registration of the property into the BVM is currently underway. The handing over meeting is scheduled for 29 April 2022

		<p>accept the devolution of the units indicated above and that the Western Cape Department of Human Settlements be informed of the decision.</p> <p>2. That the Municipal Manager be authorised to negotiate and finalize the terms of the proposed Deed of Alienation</p> <p>3. That it be noted that an amount of R3.4m will be transferred by the Department to BVM as a once-off contribution in respect of upgrading and maintenance of the 34 units.</p>				
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2. STRATEGIC SUPPORT SERVICES

Council	Resolution	Meeting Date	Allocate To	% Compl.	Feedback Comment
685303	<p>IN PRINCIPLE APPROVAL FOR THE DIRECT ALIENATION OF A PORTION OF ERF 1 WORCESTER, LOUIS LANGE STREET SITUATED ADJACENT TO ERF 5899, WORCESTER</p> <p>RESOLVED C59/2019</p> <p>In respect of IN PRINCIPLE APPROVAL FOR THE DIRECT ALIENATION OF A PORTION OF ERF 1 WORCESTER, LOUIS LANGE STREET SITUATED ADJACENT TO ERF 5899, WORCESTER</p> <p>As discussed by Council at the Council Meeting held on 23 July 2019:</p> <p>That the direct alienation of a portion of Erf 1 Worcester (adjacent to Erf 5899), ±115m² 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;</p> <p>1. that Council take cognisance of the fact that the direct alienation is only approved as the subject portion, a portion of Erf 1, Worcester is classified as a non-viable property;</p> <p>2. that the subject portion, a portion of Erf 1, Worcester be consolidated with the adjoining property of the Applicant, being Erf 5899, Worcester;</p>	2019-07-23	HPOTGIETER	95	06/04/2022: Vesting transfer in process. Diagrams awaited.

		<p>3. that the alienation of the subject portion, a portion of Erf 1, 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;</p> <p>4. 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;</p> <p>5. that all costs pertaining to the transaction be borne by the Purchaser, which may include survey, rezoning, consolidation and costs of transfer;</p> <p>6. that a suspensive condition in respect of the consolidated properties be included stipulating that the subject erven be subject to approval in terms of land use planning legislation;</p> <p>7. that the following of a public participation process, be approved;</p> <p>8. 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;</p> <p>9. 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</p> <p>10. 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 1, Worcester and all necessary documents relating thereto.</p>				
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728886	IN PRINCIPLE APPROVAL FOR THE DIRECT ALIENATION OF FARM 319, PORTION 64 WORCESTER, TWEE FONTEINEN SITUATED ADJACENT TO FARM 319 PORTION 43, WORCESTER.	<p>RESOLVED C87/2019 That in respect of – IN PRINCIPLE APPROVAL FOR THE DIRECT ALIENATION OF FARM 319, PORTION 64 WORCESTER, TWEE FONTEINEN SITUATED ADJACENT TO FARM 319 PORTION 43, WORCESTER Discussed by Council at the Council meeting held on 29 October 2019 council decide:</p> <p>1. That the direct alienation of Farm 319 Portion 64 Worcester (adjacent to Farm 319 Portion 43), ±4300m² in extent, for the purpose of building a lined dam for irrigation, to the owner of the adjoining erf, De Wet Cellar (Pty) Ltd, at the total purchase price of approximately Thirty-Four Thousand Rand (R34 000.00) be approved in principle;</p> <p>2. that Council take cognisance of the fact that the direct alienation is only approved as Farm 319 Portion 64, Worcester is classified as a non-viable property;</p> <p>3. that Farm 319 Portion 64, Worcester be consolidated with the adjoining property of the Applicant, being Farm 319 Portion 43, Worcester;</p> <p>4. that the alienation of Farm 319 Portion 64, Worcester be subject to obtaining the necessary 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;</p> <p>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;</p> <p>6. that all costs pertaining to the transaction be borne by the Purchaser, which may include survey, rezoning, consolidation and costs of transfer;</p> <p>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</p>	2019-10-29	HPOTGIETER	95	06/04/2022: Transfer in process. Approval from adjacent bond holders awaited.
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		<p>planning legislation;</p> <p>8. that the following of a public participation process, be approved;</p> <p>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 in that an item will only be tabled in Council again should any representations/comments be received;</p> <p>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</p> <p>11. that the Municipal Manager be authorized to sign all documents relating to the alienation and transfer of the subject portion of Farm 319 Portion 64 Worcester and all necessary documents relating thereto.</p>				
886395	<p>IN PRINCIPLE APPROVAL FOR THE DISPOSAL OF MUNICIPAL PROPERTY: ERF 5595, SITUATED AT 1 PHILLY MAPUTANE STREET, DE DOORNS</p>	<p>RESOLVED C20/2021</p> <p>That in respect of –</p> <p>IN PRINCIPLE APPROVAL FOR THE DISPOSAL OF MUNICIPAL PROPERTY: ERF 5595, SITUATED AT 1 PHILLY MAPUTANE STREET, DE DOORNS</p> <p>as discussed by Council at the Council meeting held on 23 February 2021 Council decide:</p> <p>1. that the disposal of erf 5595, De Doorns for purposes permitted under Institutional Zone I be approved in principle by means of a competitive bidding process in the open market at the market related value as determined by HCB Property Valuations in the amount of R95 000.00 (Ninety-Five Thousand Rand), VAT Excluded, VAT Excluded;</p> <p>2. should the Purchaser be a registered social care organization/institution the purchase price be fixed at a minimum of 50% of the fair market value;</p>	2021-02-23	HPOTGIETER	90	06/04/2022: Regulation 68 (Deeds Registry Act) in process due to lost title deed.

		<p>3. that all costs pertaining to the transaction be borne by the Purchaser, e.g. transfer costs, survey, rezoning, provision of services and a direct access road;</p> <p>4. that the development of the erf be completed within two (2) years of registration and be included in the Deed of Sale;</p> <p>5. that the following of a public participation process, be approved;</p> <p>6. that an item will only be resubmitted to Council should any representations/objections be received;</p> <p>7. that the administration be mandated to administer the process of disposal of the municipal property following the public participation process;</p> <p>8. that a reversion condition be included in the Deed of Sale and that Council's pre-emptive right be registered in the title deed that the disposed property will only be utilised for the purpose stipulated in item 1 above;</p> <p>9. that the Purchaser be responsible for the payment of all municipal services including rates and taxes in respect of the property following transfer of the property;</p> <p>10. that the relevant internal comments be incorporated in the Deed of Sale and the right be reserved to supplement internal comments;</p> <p>11. 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 the community value as well as the economic value in exchange for the asset was weighed against the market related purchase price; and</p> <p>12. that the Municipal Manager be authorized to sign all</p>				
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		documents relating to the disposal and transfer of the subject property.				
886398	IN PRINCIPLE APPROVAL FOR THE DISPOSAL OF THE REMAINDER OF ERF 5940, SITUATED AT CHURCH STREET, WORCESTER	<p>RESOLVED C22/2021 That in respect of – IN PRINCIPLE APPROVAL FOR THE DISPOSAL OF THE REMAINDER OF ERF 5940, SITUATED AT CHURCH STREET, WORCESTER</p> <p>as discussed by Council at the Council meeting held on 23 February 2021 council decide:</p> <ol style="list-style-type: none"> 1. That, the disposal of the remainder of erf 5940 Worcester currently permitted under Transport Zone I be approved in principle by means of a competitive bidding process in the open market at the market related value as determined by HCB Property Valuations as HCB Property Valuations determined the market related value of the property in the amount of R300 000.00 (Three Hundred Thousand Rand), VAT Excluded. 2. that the Purchaser be permitted to apply for the rezoning of the municipal property, provided that the application follows proper Town Planning procedures; 3. that all costs pertaining to the transaction be borne by the Purchaser, e.g. transfer costs, survey, rezoning, provision of services and a direct access road; 4. that the development of the erf be completed within two (2) years of registration and be included in the Deed of Sale; 5. that the following of a public participation process, be approved; 6. that an item will only be resubmitted to Council should any representations/objections be received; 7. that the administration be mandated to administer the process of disposal of the municipal property following the public participation process; 8. that a reversion condition be 	2021-02-23	HPOTGIETER	90	06/04/2022: Awaiting transfer documents.

		<p>included in the Deed of Sale and that Council's pre-emptive right be registered in the title deed that the disposed property will only be utilised for the purpose stipulated in item 1 above;</p> <p>9. that the Purchaser will be responsible for the payment of all municipal services including rates and taxes in respect of the property following transfer of the property;</p> <p>10. that the relevant internal comments be incorporated in the Deed of Sale and the right be reserved to supplement internal comments;</p> <p>11. 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 the community value as well as the economic value in exchange for the asset was weighed against the market related purchase price; and</p> <p>12. that the Municipal Manager be authorized to sign all documents relating to the disposal and transfer of the respective municipal properties.</p>				
886399	IN PRINCIPLE APPROVAL FOR THE DISPOSAL OF A PORTION OF ERF 1 (ALSO KNOWN AS YSSEL STREET THOROUGHFARE), SITUATED AT YSSEL STREET, WORCESTER	<p>RESOLVED C23/2021</p> <p>That in respect of –</p> <p>IN PRINCIPLE APPROVAL FOR THE DISPOSAL OF A PORTION OF ERF 1 (ALSO KNOWN AS YSSEL STREET THOROUGHFARE) SITUATED AT YSSEL STREET, WORCESTER</p> <p>as discussed by Council at the Council meeting held on 23 February 2021 Council decide:</p> <p>1. That the disposal of a portion of erf 1 (also known as Yssel Street thoroughfare), Worcester for purposes permitted under Residential Zone I be approved in principle by means of a competitive bidding process in the open market at the market related value as determined by HCB Property Valuations in the amount of R105 500.00 (One hundred and Five Thousand Five Hundred Rand), VAT Excluded;</p>	2021-02-23	HPOTGIETER	90	06/04/2022: Transfers in process. Title deeds awaited from Transhex conveyancer.

		<p>2. that the erf be offered to first time homeowners with the means to purchase and develop the property;</p> <p>3. that all costs pertaining to the transaction be borne by the Purchaser, e.g. transfer costs, survey, rezoning, provision of services and a direct access road;</p> <p>4. that the development of the erf be completed within two (2) years of registration and be included in the Deed of Sale;</p> <p>5. that a suspensive condition in respect of the subdivision of the property be included in the Deed of Sale stipulating that the disposal of the property be made subject to approval of the subdivision (Town Planning) processes in terms of land use planning legislation;</p> <p>6. that the following of a public participation process, be approved;</p> <p>7. that an item will only be resubmitted to Council should any representations/objections be received;</p> <p>8. that the administration be mandated to administer the process of disposal of the municipal property following the public participation process;</p> <p>9. that a reversion condition be included in the Deed of Sale and that Council's pre-emptive right be registered in the title deed that the disposed property will only be utilised for the purpose stipulated in item 1 above;</p> <p>10. that the Purchaser will be responsible for the payment of all municipal services including rates and taxes in respect of the property following transfer of the property;</p> <p>11. that the relevant internal comments be incorporated in the Deed of Sale and the right be reserved to supplement internal comments;</p> <p>12. that it is confirmed that Council has taken cognisance of the fact that the Municipal</p>				
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		<p>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 the community value as well as the economic value in exchange for the asset was weighed against the market related purchase price; and</p> <p>13. that the Municipal Manager be authorized to sign all documents relating to the disposal and transfer of the subject property.</p>				
913139	<p>IN PRINCIPLE APPROVAL FOR THE DISPOSAL OF A PORTION OF REMAINDER OF FARM 576 RHOODE HOOGTE OUTSPAN, WORCESTER</p>	<p>RESOLVED C45/2021</p> <p>That in respect of –</p> <p>IN PRINCIPLE APPROVAL FOR THE DISPOSAL OF A PORTION OF REMAINDER OF FARM 576 (RHOODE HOOGTE OUTSPAN), WORCESTER</p> <p>as discussed by Council at the Council meeting held on 28 April 2021 Council decide:</p> <p>1. That the disposal of a portion of remainder of Farm 576 (Rhoode Hoogte Outspan), Worcester, ±15.2400ha in extent for purposes permitted under Agricultural Zone I be approved in principle by means of a competitive process in the open market at least at a fair market price as determined by HCB Valuers in the amount of Seventy-Five Thousand Rand (R75 000.00);</p> <p>2. That the prospective purchaser be liable for all costs related to the disposal, e.g. rehabilitation- and transfer costs, EIA if required, registration of a right of way and the installation of municipal services;</p> <p>3. that the following of a public participation process, be approved;</p> <p>4. that an item will only be resubmitted to Council should any representations/comments be received;</p> <p>5. that the administration be mandated to administer the process of disposal of the municipal properties following the public participation process;</p>	2021-04-28	HPOTGIETER	90	06/04/2022: Item to be resubmitted to Council during May 2022.

		<p>6. that a reversion clause be included in the Deed of Sale as well as the Title Deed that the disposed property be utilized for Agricultural Zone I Purposes only and should the Purchaser not use the property as specified, the erf will revert back to the Municipality free of charge;</p> <p>7. that the Purchaser will be responsible for the payment of all municipal services including rates and taxes in respect of the property following transfer of the property;</p> <p>8. that the relevant internal comments be incorporated in the Deed of Sale and the right be reserved to supplement internal comments;</p> <p>9. 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</p> <p>10. that the Municipal Manager be authorized to sign all documents relating to the disposal and transfer of the municipal property.</p>				
977287	<p>IN-PRINCIPLE APPROVAL FOR THE DIRECT ALIENATION AND TRANSFER OF A PORTION OF ERF 4014 AND A PORTION OF ERF 4015, SITUATED ON THE R43 VILLIERSDORP ROAD, WORCESTER, TO CAPE WINELANDS DISTRICT MUNICIPALITY</p>	<p>RESOLVED C85/2021</p> <p>That in respect of – IN-PRINCIPLE, APPROVAL FOR THE DIRECT ALIENATION AND TRANSFER OF A PORTION OF ERF 4014 AND A PORTION OF ERF 4015, SITUATED ON THE R43 VILLIERSDORP ROAD, WORCESTER, TO CAPE WINELANDS DISTRICT MUNICIPALITY as discussed by Council at the Special Council meeting held on 28 September 2021, Council decide:</p> <p>1. That the capital asset to be transferred is not needed for the provision of the minimum level of basic municipal services and is considered to be surplus to the requirements of the municipality;</p> <p>2. That the direct alienation and transfer of the property being a portion of Erf 4014 and a portion</p>	2021-09-28	HPOTGIETER	70	06/04/2022: Town planning processes in process. Public participation being followed.

		<p>of Erf 4015, situated on the R43 Viliersdorp Road, Worcester ±47.23 ha in extent, at the market-related value of R1 890 000.00 (One Million Eight Hundred And Ninety Thousand Rand), alternatively R40 000.00 (Forty Thousand Rand) per hectare, for the primary purpose of establishing a Regional Landfill Site or for alternative utilisation identified and approved by Breede Valley Municipality to the Cape Winelands District Municipality, be approved in principle;</p> <p>3. that the transfer of the property be subject to obtaining the necessary rezoning and subdivision approvals as well as compliance with the relevant internal departments (Directorates) comments with the right to supplement same;</p> <p>4. that all costs pertaining to the transaction be borne by the Cape Winelands District Municipality; and</p> <p>5. that the Municipal Manager be authorized to sign all documents relating to the alienation and transfer of the property and all necessary documents relating to it.</p>				
1065283	IN PRINCIPLE APPROVAL FOR THE DIRECT ALIENATION OF A PORTION OF ELIZABETH STREET, RAWSONVILLE	<p>RESOLVED C26/2022 That in respect of – IN PRINCIPLE APPROVAL FOR THE DIRECT ALIENATION OF A PORTION OF ELIZABETH STREET, RAWSONVILLE as discussed by Council at the Council Meeting held on 23 February 2022:</p> <p>That the direct alienation of a portion of Elizabeth Street, Rawsonville (adjacent to Erven 536 and 537), ±221.57m² in extent, for formal parking purposes, to the owner of the adjoining erven, at an amount of One Hundred and Ten Thousand Rand (R110 000.00), be approved in principle;</p> <p>1. that Council take cognisance of the fact that the direct alienation is only approved as the subject portion of Elizabeth Street, Rawsonville is classified as a non-viable property;</p> <p>2. that the purchaser make</p>	2022-02-24	HPOTGIETER	30	06/04/2020: Public participation process being followed. Closing date for comments / objections is 19 April 2022.

		<p>provision for a pedestrian thoroughfare from Elizabeth Street to Van Riebeeck Street, Rawsonville;</p> <p>3. that the subject portion of Elizabeth Street, Rawsonville be consolidated with the adjoining property of the Applicant, being Erf 537, Rawsonville;</p> <p>4. that the alienation of the subject portion of Elizabeth Street, Rawsonville be subject to obtaining the necessary closure, rezoning, consolidation and deproclamation approvals within two (2) years, as well as comply with the relevant internal departments (Directorates) comments and the right be reserved to supplement such internal comments;</p> <p>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;</p> <p>6. that all costs pertaining to the transaction be borne by the Purchaser, which may include survey, rezoning, consolidation and costs of transfer;</p> <p>7. that a suspensive condition in respect of the consolidated properties be included stipulating that the subject erven be subject to approval in terms of land use planning legislation;</p> <p>8. that the following of a public participation process, be approved;</p> <p>9. that the above-mentioned in principle approval 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;</p> <p>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</p>				
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		2003), and 11. that the Municipal Manager be authorized to sign all documents relating to the alienation and transfer of the subject portion of Elizabeth Street, Rawsonville and all necessary documents relating thereto.				
1086624	APPLICATION FOR THE ESTABLISHMENT OF A SPECIAL RATING AREA: FAIRWAY HEIGHTS	RESOLVED C42/2022 That in respect of – APPLICATION FOR THE ESTABLISHMENT OF A SPECIAL RATING AREA: FAIRWAY HEIGHTS as discussed by Council at the Council meeting held on 31 March 2022: 1. That Council condone non-compliance with the 90-day period as required in terms of section 8(1) of the Municipal Special Rating Area By-law. 2. That the area as depicted on the map which includes Victory Way, Hickory Way, Wedgewood, Fairway Heights Drive, Classic Close, St. Andrews Close and Master’s Way, be determined a Special Rating Area to be called Fairway Heights Special Rating Area; 3. That the additional rates for residential properties in terms of Section 22(1)(b) of the Local Government: Municipal Property Rates Act for inclusion in the 2022/2023 budget be applied as follows: 3.1 R0.001502 excluding VAT; 3.2 R0.001727 including VAT;	2022-03-31	HPOTGIETER	25	08/04/2022: Resolution e-mailed to Finance on 8 April 2022 for implementation of the additional rate in due course. Loaded On Coll. for record purposes.

3. PUBLIC SERVICES

None

4. ENGINEERING SERVICES

None

5. FINANCIAL SERVICES

Council		Resolution	Meeting Date	Allocate To	% Compl.	Feedback Comment
1065279	MID-YEAR ADJUSTMENTS BUDGET – FEBRUARY 2022	<p>RESOLVED C22/2022</p> <p>That in respect of Adjustments budget for the Financial Year 2021/22 discussed by council at the Council meeting held on 23 February 2022</p> <p>1. Council resolves that the budget of Breede Valley Municipality for the financial year 2021/22 be adjusted and approved with amendments as set out in the following Municipal Budget tables B1-B10 and Municipal Budget supporting documentation SB1 - SB19.</p> <p>2. Council resolves that the Detailed Project Implementation Plan (DPIP) relating to the Municipal Infrastructure Grant (MIG) be revised as per approved budget.</p>	2022-02-24	RONTONG2		
1086592	BUDGET 2022/2023: FINANCE LEASE (HIRE PURCHASE LOAN) MFMA SECTION 46 Long-term debt	<p>RESOLVED C35/2022</p> <p>That in respect of</p> <p>FINANCE LEASE (HIRE PURCHASE LOAN):</p> <p>discussed by Council at the Council Meeting held on 31 March 2022, Council support the intention of raising a finance lease based on the following conditions:</p> <p>1. That the municipality made public, an information statement setting out particulars of the proposed debt, including the amount of the proposed debt, to wit R80 million, the purpose for which the debt is to be incurred and particulars of any security to be provided, at least twenty one (21) days prior to the meeting of the council at which approval for the debt is to be considered; and</p> <p>2. That the municipality invite the public, the National Treasury and the relevant provincial treasury to submit written comments or representations to the council in respect of the proposed debt; and</p> <p>3. That a copy of the information statements be submitted to the municipal council prior to the meeting of</p>	2022-03-31	RONTONG2		

		<p>the council, together with particulars of:</p> <p>(i) the essential repayment terms, including the anticipated debt repayment schedule; and (ii) the anticipated total cost in connection with such debt over the repayment period</p> <p>4. That all the legislative requirements must be complied with such as;</p> <p>III. Local Government Municipal Finance Management Act, (Act 56 of 2003); and IV. Municipal Regulations on Debt Disclosure, Regulation R492, published under Government Gazette 29966, 15 June 2007.</p>				
1086589	2022/23 DRAFT BUDGET MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK	<p>RESOLVED C34/2022 In respect of 2022/23 DRAFT BUDGET MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK discussed by Council at the Council Meeting of 31 March 2022:</p> <p>1. Council approves the tabling of the draft annual budget tables and annual budget supporting tables as prescribed by the Municipal Budget and Reporting Regulations, as set out in Annexure A.</p> <p>2. Council approves the tabling of the Quality Certificate to the draft budget signed by the Accounting Officer, as per Annexure B.</p> <p>3. Council approves the tabling of revised budget related policies as per Annexure C.</p> <p>4. Council approves the tabling of the draft tariffs, tariff structures and service delivery charges for water, electricity, refuse, sewerage, and other municipal services as per Annexure D;</p> <p>5. The above tabled draft budget and tariffs may be amended after the public participation process and the workshop of council is held.</p>	2022-03-31	ACROTZ		

6. **MUNICIPAL MANAGER**

None

7. CONSIDERATION OF AGENDA ITEMS**7.1 SUBMISSION OF THE IN-YEAR FINANCIAL MANAGEMENT REPORT FOR THE PERIOD ENDED 31 MARCH 2022.
MFMA SECTION 71 & 52 (d) Report****File No. /s:** 3/15/1**Responsible Officials:** R. Ontong**Directorate:** Financial Services**Portfolio:** Financial Services

1. Purpose

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

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

(1) The accounting officer of a municipality must by no later than 10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month:

- (a) Actual revenue, per revenue source;
 - (b) actual borrowings;
 - (c) actual expenditure, per vote;
 - (d) actual capital expenditure, per vote;
 - (e) the amount of any allocations received;
 - (f) actual expenditure on those allocations, excluding expenditure on
 - (i) its share of the local government equitable share; and
 - (ii) allocations exempted by the annual Division of Revenue Act from compliance with this paragraph; and
 - (g) when necessary, an explanation of-
 - (i) any material variances from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote;
 - (ii) any material variances from the service delivery and budget implementation plan; and
 - (iii) any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipality's approved budget.
- (2) The statement must include-
- (a) a projection of the relevant municipality's revenue and expenditure for the rest of the financial year, and any revisions from initial projections; and

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- (b) the prescribed information relating to the state of the budget of each municipal entity as provided to the municipality in terms of section 87(10).
- (3) The amounts reflected in the statement must in each case be compared with the corresponding amounts budgeted for in the municipality's approved budget.
- (4) The statement to the provincial treasury must be in the format of a signed document and in electronic format.
- (5) The accounting officer of a municipality which has received an allocation referred to in subsection (1)(e) during any particular month must, by no later than 10 working days after the end of that month, submit that part of the statement reflecting the particulars referred to in subsection (1)(e) and (f) to the national or provincial organ of state or municipality which transferred the allocation.
- (6) The provincial treasury must by no later than 22 working days after the end of each month submit to the National Treasury a consolidated statement in the prescribed format on the state of the municipalities' budgets, per municipality and per municipal entity.
- (7) The provincial treasury must, within 30 days after the end of each quarter, make public as may be prescribed, a consolidated statement in the prescribed format on the state of municipalities' budgets per municipality and per municipal entity. The MEC for finance must submit such consolidated statement to the provincial legislature no later than 45 days after the end of each quarter.

In terms of the Municipal Finance Management Act, 56 of 2003, section 52(d).

The mayor of a municipality—

- (d) must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality.

3. Financial Implications

None

4. Applicable Legislation/ Council Policy

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

Comment of Directorates/ Departments concerned:

Municipal Manager: Recommendation supported

Director: Strategic Support Services: Recommendation supported

Director: Financial Services: Recommendation supported

Director: Community Services: Recommendation supported

Director: Engineering Services: Recommendation supported

Director: Public Services: Recommendation supported

RECOMMENDATION

That in respect of

SUBMISSION OF THE IN-YEAR FINANCIAL MANAGEMENT REPORT FOR THE PERIOD ENDED 31 MARCH 2022

discussed by council at the council meeting held on 26 April 2022:

1. That Council take note of the in-year financial management report for the period ended 31 March 2022.

To Action

R. Ontong

7.2 QUARTERLY PERFORMANCE REPORTS PERTAINING TO THE THIRD QUARTER (1 JANUARY 2022 – 31 MARCH 2022)

File No./s: 3/15/1

Responsible Official: C. Malgas

Directorate: Strategic Support Services **Portfolio:** IDP/PMS

1. Purpose

To inform the Mayoral Executive Committee on the implementation of the budget and the financial state of affairs of the Municipality and assess performance against the performance indicators set in approved Top-Layer SDBIP 2021/2022.

2. Background

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

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

3. Comment

A copy of the Quarter 3 SDBIP Performance Report and Top-Layer KPI Report is attached as Annexures "A" and "B" respectively.

4. Financial Implications

None

5. Applicable Legislation/Council Policy

Municipal Finance Management Act, no. 56 of 2003

DECISION BY MAYORAL COMMITTEE**RESOLVED****EX21/2022**

That in respect of -

The Quarterly Performance Report for the Third Quarter (1 January 2022 – 31 March 2022)

discussed by the Mayco at the Mayco meeting held on 19 April 2022:

- 1. That the Executive Mayoral Committee takes note of the Quarter 3 SDBIP Performance Report and the Top-Layer KPI Report for the period 1 January 2022 – 31 March 2022: and**
- 2. That the Executive Mayoral Committee refers the item and annexures to Council for notification purposes.**

RECOMMENDATION

That in respect of -

The Quarterly Performance Report for the Third Quarter (1 January 2022 – 31 March 2022)

discussed by Council at the Council Meeting held on 26 April 2022:

- 1. That Council takes note of the Quarter 3 SDBIP Performance Report and the Top-Layer KPI Report for the period 1 January 2022 – 31 March 2022.**

To Action

C. Malgas

7.3 QUARTERLY SUPPLY CHAIN MANAGEMENT IMPLEMENTATION REPORT FOR THE 3rd QUARTER OF THE 2021/22 FINANCIAL YEAR

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

Responsible Official: R. Ontong

Directorate: Financial Services

Portfolio: Supply Chain Management

1. Purpose

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

2. Background

Although the MFMA prohibits a Councillor from being a member of a bid committee or any other committee evaluating or approving quotations or tenders, Council has an oversight role to ensure that the Accounting Officer implements all supply chain management activities in accordance with this policy. For the purposes of such oversight, Council's Supply Chain Management Policy, **paragraph 6.3** requires that the Accounting Officer must "**within 10 working days of the end of each quarter, submit a report on the implementation of the supply chain management policy to the mayor of the municipality.**" In addition, **paragraph 6.4** requires that the report referred to in paragraph 6.3 above **also to be tabled to council on a quarterly basis and is in accordance with Section 21A of the Systems Act.** The report may be included as part of any other report to serve before council.

The SCM quarterly implementation report approved in terms of paragraph 6.3 for the 3rd quarter of the 2021/22 financial year, is attached as **Annexure A**.

3. Financial Implications

None

4. Applicable Legislation / Council Policy

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

Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003)
The Competitions Act 1998 (Act No. 89 of 1998)
Construction Industry Development Board Act, 2000 (Act No.38 of 2000)

Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998)
Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000)
Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000)
Prevention and Combating of Corrupt Activities Act, 2000 (Act No. 12 of 2004)
Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000)

Annexure:

Annexure A: SCM quarterly implementation report (3rd quarter ending 31 March 2022) approved in terms of paragraph 6.3.

DECISION BY SECTION 80 COMMITTEE**RESOLVED****FSC1/2022**

In respect of

**QUARTERLY SUPPLY CHAIN MANAGEMENT IMPLEMENTATION REPORT
FOR
THE 3rd QUARTER OF THE 2021/22 FINANCIAL YEAR**

discussed by the Financial Service Committee at the Financial Services Committee meeting held on 12 April 2022:

- 1. The Committee concurs with the recommendation made to Council.**

DECISION BY MAYORAL COMMITTEE**RESOLVED****EX14/2022**

In respect of

**QUARTERLY SUPPLY CHAIN MANAGEMENT IMPLEMENTATION REPORT
FOR THE 3rd QUARTER OF THE 2021/22 FINANCIAL YEAR**

discussed by Mayco at the Mayco meeting held on 19 April 2022:

- 1. Recommends that the approved SCM quarterly implementation report for the 3rd quarter of the 2021/22 financial year, be noted by Council.**

RECOMMENDATION

In respect of

QUARTERLY SUPPLY CHAIN MANAGEMENT IMPLEMENTATION REPORT FOR

THE 3rd QUARTER OF THE 2021/22 FINANCIAL YEAR

discussed by Council at the Council Meeting held on 26 April 2022:

1. That the approved SCM quarterly implementation report for the 3rd quarter of the 2021/22 financial year, be noted.

To Action

M. Potgieter

**7.4 REPORT TO COUNCIL ON DEVIATIONS FOR THE MONTH OF MARCH
2022****File No./s:** 2/1/1/1**Responsible Official:** R. Ontong**Directorate:** Financial Services**Portfolio:** Supply Chain Management

1. 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 of March 2022.

2. 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 March 2022, are attached as **Annexure A**.

3. Financial Implications

Reference can be made to the total approved amount as reflected in annexure "A"

4. Applicable Legislation / Council Policy

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

Comment of Directorates / Departments**Municipal Manager**

Noted

Director: Strategic Support Services

Noted

Director: Financial Services

Noted

Director: Engineering Services

Noted

Director: Community Services

Noted

Director: Public Services

Noted

Senior Manager: Legal Services

Noted

DECISION BY SECTION 80 COMMITTEE

RESOLVED

FSC2/2022

in respect of

**REPORT TO FINANCE COMMITTEE ON DEVIATIONS FOR THE MONTH OF
MARCH 2022**

discussed by the Financial Services Committee at the Financial Services Committee Meeting held on 12 April 2022:

- 1. Recommends that the deviations from the procurement processes, approved in terms of the delegated authority for the month of March 2022, be noted by Council.**

1. The committee concurs with the recommendation made to Council.

DECISION BY MAYORAL COMMITTEE

RESOLVED

EX15/2022

In respect of

**REPORT TO FINANCE COMMITTEE ON DEVIATIONS FOR THE MONTH OF
MARCH 2022**

discussed by Mayco at the Mayco meeting held on 19 April 2022:

1. **Recommends that the deviations from the procurement processes, approved in terms of the delegated authority for the month of March 2022, be noted by Council.**

RECOMMENDATION

In respect of

REPORT TO COUNCIL ON DEVIATIONS FOR THE MONTH OF MARCH 2022

As discussed by Council at the Council Meeting held on 26 April 2022:

1. **That the procurement processes, approved in terms of the delegated authority for the month of March 2022, be noted.**

To Action

K. Moteetee

7.5 PROPOSED AMENDMENT TO BID BV 787/2019: COMPILATION AND MAINTENANCE OF GENERAL AND SUPPLEMENTARY VALUATION ROLLS FOR THE PERIOD ENDING 30 JUNE 2022, IN COMPLIANCE WITH THE LEGISLATIVE REQUIREMENTS OF SECTION 116(3) OF THE MFMA**File No./s:** 3/10/1**Responsible Officials:** R. Ontong**Directorate:** Finance**Portfolio:** Finance

1. Purpose

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

HCB VALUATIONS AND SERVICES (PTY) LTD (BV 787/2019: Compilation and maintenance of general and supplementary valuation rolls for the period ending 30 June 2022)

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

2. Background/Motivation

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

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

In terms of the Breede Valley Municipality’s Supply Chain Management Policy and Contract Administration, the above mentioned contract was awarded to HCB Valuations and Services (Pty) Ltd and it is an essential part of the Municipality’s property Rates Revenue which plays a pivotal part in ensuring that there is adequate funding for service delivery. A contract description is accompanied below as it was originally tendered. It can be confirmed that the contract is still in force and may still be amended.

Background

The Municipal Property Rates Act 6 of 2004, as amended, regulates the powers of a Municipality to impose rates on properties. It requires a municipality to appoint a valuer who can value all properties within the boundaries of a Municipality. The validity of a General

Valuation Roll is 5 years while the process to approve the valuation roll takes about two years before the roll can be implemented.

During the validity period of the General Valuation Roll the Municipality is required to compile Supplementary Valuation Rolls (SV) for the remaining period in respect of properties omitted, subdivided, consolidated and properties whose market values have substantially increased or decreased for any reasons after the last General Valuation roll (GV).

BVM General Valuation Roll was implemented 01 July 2021 and is valid until 30 June 2026. HCB Property Valuations was appointed to compile the GV and SV through tender BV787 and will end on 30 June 2022. Breede Valley Municipality must now enter into a three (3) year contract with experienced and qualified valuers for the compilation and maintenance of the Supplementary Valuation Rolls with a valuation date of 1 July 2020, as well as the supply of other valuation related services in compliance with the MPRA for the financial year: 1 July 2022 to 30 June 2025.

The appointed service provider will compile a Supplementary Valuation roll (SV) in respect of properties omitted, subdivided, consolidated and properties whose market values have substantially or decreased for any reason after the last General Valuation roll (GV), including access to his Valuation System.

HCB Property Valuations is currently the appointed Valuer of the municipality and was appointed under Tender BV787 to perform the General & Supplementary valuation roll for a period ending 30 June 2022. The contract was subsequently amended to include access to the MetrolQ property system as it forms an integral part of the contract. It is proposed that the current contract as amended should be extended until 30 June 2025. This means that there will be continuity from the current valuation roll to the next supplementary valuation rolls.

Motivation

- Valuations are based on professional judgement and to bring in a different valuer for the last GV period could place the credibility of the Supplementary rolls in jeopardy.
- HCB was recently appointed to perform the BV787 and went through an open competitive bid and was deemed the preferred supplier based on meeting price and technical requirements. This means we have tested the market and the most cost-effective bidder at the time of the initial bid submission.
- Non-interruption in the continuous process which will ensure quality and level of service currently being rendered as well as consistent valuation processes and Mitigating Risks (Cost, Time, Training etc.)
- HCB's Valuation system is currently used by all in rates & valuation section for the day-to-day valuation enquiries and it is integrated with the SAMRAS financial system of the municipality and met the requirements of mSCOA. – Confirmation letter was provided by Solvem Consulting (Pty) Ltd.
- HCB tender includes the MetrolQ system where the municipality can view all details pertaining to a particular property in one single place, including property information, Deeds Reports and any comments captured by users.

- MetrolQ also can easily export lists of property transfers, sub-divisions, and consolidations for importing into any of our databases and systems.
- It also has features of being able to conduct individual property reports, by name and id search.
- The same terms and conditions of the original contract will apply, inclusive of the escalation clause pertaining to the price.

It is therefore proposed that Breede Valley Municipality amend contract BV787/2019, allowing for the scope of the services to be extended for a period ending 30 June 2025.

3. Financial Implications

The additional scope of the contract will have the following financial implications.

Fees Description	2022/2023	2023/2024	2024/2025	Total
MetrolQ: Annual License Fee	R 173 631.98	R 184 049.89	R 195 092.89	R 552 774.76
Supplementary Rolls	R 200 000.00	R 200 000.00	R 200 000.00	R 600 000.00
Sub-Total	R 383 631.98	R 384 049.89	R 395 092.89	R 1 152 774.76
VAT	R 57 544.80	R 57 607.48	R 59 263.93	R 172 916.21
Total	R 441 176.78	R 441 657.37	R 454 356.82	R1 325 690.97

The pricing to determine Supplementary Valuation Roll will be used in terms of the BV787/2019 contract. It is a rate-based price and therefore the R200,000.00 per annum above is an estimate based on historical information. Note that the price escalations in terms of the Supplementary Valuation Roll will be in accordance with the Consumer Price Index (CPIX) for the outer years.

These fees will be paid as part of the Valuation Vote and the user department will ensure that there is enough funding to fund the outer years.

Cost code: 1 2412 2003 1 0000

Ukey number: 20170418 057 312

4. Applicable Legislation / Council Policy

Local Government: Municipal Finance Management Act, 2003(Act 56 of 2003)

Local Government: Municipal Property Rates Act, 2004(Act No.6 of 2004)

MFMA Circular 57, National Treasury

MFMA Circular 62, National Treasury

MFMA Circular 73 National Treasury

MFMA Circular 102, National Treasury

Breede Valley Municipality Supply Chain Management Policy, as amended

Breede Valley Municipality Contract Management Framework as part of the SCM Policy, as amended

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

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

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

In order to comply with section 116 (3) of the Municipal Finance Management Act, a public participation process was followed, whereby the intention to amend this contract was advertised on the Municipal website and notice boards on **17 February 2022**. During closing date of the advertisement, which was on the **21st of March 2022**, no comments were received from the public (reference can be made to annexure “B” attached to this report).

Comment of Directorates / Departments

Municipal Manager: Noted.

Director: Strategic Support Services: Noted.

Director: Engineering Services: Noted.

Director: Public Services: Noted

Director: Financial Services: Noted

Director: Community Services: Noted

Senior Manager: Legal Services: Noted

Senior Manager Supply Chain Management Unit:

1. The contract was active and did not reach its end date and is feasible for the amendment process initiated.
2. An exceptional reason was provided as motivation for this amendment and full compliance was given to section 116(3), process fully supported

Contract Owner

Chief Financial Officer – R. Ontong (BV787/2019: Compilation and maintenance of general and supplementary valuation rolls for the period ending 30 June 2022, as amended)

Annexures

Annexure A: Intent to amend document

Annexure B: Proof of Advertisement

Annexure C: Bill of quantities (cost of services)

DECISION BY SECTION 80 COMMITTEE**RESOLVED****FSC3/2022**

In respect of

PROPOSED AMENDMENT TO BID BV 787/2019: COMPILATION AND MAINTENANCE OF GENERAL AND SUPPLEMENTARY VALUATION ROLLS FOR THE PERIOD ENDING 30 JUNE 2022, IN COMPLIANCE WITH THE LEGISLATIVE REQUIREMENTS OF SECTION 116(3) OF THE MFMA

discussed by the Financial Services Committee at the Financial Services Committee Meeting held on 12 April 2022

1. Recommends that cognisance be taken of the reasons for the proposed amendment of Contract of HCB VALUATIONS AND SERVICES (PTY) LTD (BV 787/2019 for the services of Compilation and maintenance of general and supplementary valuation rolls contract ending 30 June 2022, enabling provisions of Section 116(3) of the Local Government: Municipal Finance Management Act 2003 (Act 56 of 2003), and that the amendments of the contract be consented to.

1. The Committee concurs with the recommendation made to Council.

DECISION BY MAYORAL COMMITTEE**RESOLVED****EX16/2022**

In respect of

PROPOSED AMENDMENT TO BID BV 787/2019: COMPILATION AND MAINTENANCE OF GENERAL AND SUPPLEMENTARY VALUATION ROLLS FOR THE PERIOD ENDING 30 JUNE 2022, IN COMPLIANCE WITH THE LEGISLATIVE REQUIREMENTS OF SECTION 116(3) OF THE MFMA

Discussed by Mayco at the Mayco Meeting held on 19 April 2022:

1. Recommends that cognisance be taken of the reasons for the proposed amendment of Contract of HCB VALUATIONS AND SERVICES (PTY) LTD (BV 787/2019 for the services of Compilation and maintenance of general

and supplementary valuation rolls contract ending 30 June 2022, enabling provisions of Section 116(3) of the Local Government: Municipal Finance Management Act 2003 (Act 56 of 2003), and that the amendments of the contract be consented to.

RECOMMENDATION

In respect of

PROPOSED AMENDMENT TO BID BV 787/2019: COMPILATION AND MAINTENANCE OF GENERAL AND SUPPLEMENTARY VALUATION ROLLS FOR THE PERIOD ENDING 30 JUNE 2022, IN COMPLIANCE WITH THE LEGISLATIVE REQUIREMENTS OF SECTION 116(3) OF THE MFMA

Discussed by Council at the Council Meeting held on 26 April 2022:

1. That cognisance be taken of the reasons for the proposed amendment of Contract of HCB VALUATIONS AND SERVICES (PTY) LTD (BV 787/2019 for the services of Compilation and maintenance of general and supplementary valuation rolls contract ending 30 June 2022, enabling provisions of Section 116(3) of the Local Government: Municipal Finance Management Act 2003 (Act 56 of 2003), and that the amendments of the contract be consented to.

To Action

R. Ontong

**7.6 PERFORMANCE AGREEMENT OF THE DIRECTOR PUBLIC SERVICES
FOR THE PERIOD 7 MARCH 2022 – 30 JUNE 2022****File No./s:** 3/15/1**Responsible Official:** C Malgas**Directorate:** SSS**Portfolio:** Performance Management

1. PURPOSE

To inform the Executive Mayoral Committee and Council of the Performance Agreement entered with the Director: Public Services for the period 7 March 2022 – 30 June 2022.

2. BACKGROUND

Following an extensive recruitment and selection process, Council resolved that Mr Deelin Naidoo be appointed as Director: Public Services (Council resolution: C83/2021). Director Naidoo subsequently accepted the appointment and assumed office on the 7th of March 2022. In accordance with his appointment, the necessity to formulate a Performance Agreement, in terms of section 57 (1) (b) and (2), read together with sub-regulation 4 and 23 of the Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers (2006), has been triggered and is subsequently serving before the Section 80 Committee and Council.

3. COMMENT

A copy of the signed Performance Agreement entered with the Director: Public Services, for the period 7 March 2022 – 30 June 2022, is attached as Annexure "1"

4. FINANCIAL IMPLICATIONS

None

5. APPLICABLE LEGISLATION

Chapter 7 of the Local Government: Municipal Systems Act 32 of 2000
Local Government: Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, Notice 805 of 2006
Local Government Municipal Systems Amendment Bill, No 7 of 2011
Local Government: Municipal Finance Management Act 56 of 2003

COMMENT OF DIRECTORATES / DEPARTMENTS CONCERNED

Municipal Manager: Recommendation Supported

Director: Public Services: Recommendation Supported
Director: Strategic Support Services: Recommendation Supported
Senior Manager: Legal Services: Recommendation Supported

DECISION BY MAYORAL COMMITTEE

RESOLVED

EX22/2022

That in respect of –

The signed Performance Agreement entered with the Director: Public Services (for the period 7 March 2022 – 30 June 2022)

discussed by Mayco at the Mayco meeting held on 19 April 2022

- 1. That the Executive Mayoral Committee takes note of the signed Performance Agreement of the Director: Public Services for the period 7 March 2022 – 30 June 2022;**
- 2. That the Performance Agreement, mentioned in recommendation 1, be referred to Council for notification; and**
- 3. That the Performance Agreement, mentioned in recommendation 1, be publicised as legislatively prescribed after serving before Council.**

RECOMMENDATION

That in respect of –

The signed Performance Agreement entered with the Director: Public Services (for the period 7 March 2022 – 30 June 2022)

discussed by Council at the Council meeting held on 26 April 2022

- 1. That Council takes note of the signed Performance Agreement of the Director: Public Services for the period 7 March 2022 – 30 June 2022;**
- 2. That the Performance Agreement, mentioned in recommendation 1, be publicised as legislatively prescribed after serving before Council.**

To Action

C. Malgas

7.7 MINUTES & Q2 REPORT OF THE AUDIT & PERFORMANCE AUDIT COMMITTEE SUBMITTED TO COUNCIL FOR INFORMATION AND NOTIFICATION**File No. /s:** 2/1/1/3/2**Responsible Official:** W du Plessis**Directorate:** Municipal Manager**Portfolio:** Internal Audit

1. Purpose

To submit the minutes & Quarter 2 Report of 2021/2022 of the Audit & Performance Audit Committee to Council for information and notification.

2. Background

Since the initial appointment date, the Audit & Performance Audit Committee is fully functional and have met regularly as prescribed.

The members of the Audit & Performance Audit Committee requested that the minutes of the committee be submitted to Council as part of their communication to Council as prescribed by legislation and the approved Audit Committee Charter.

The Audit & Performance Audit Committee minutes for the relevant quarter, including the Quarter 2 Report are hereby submitted to Council as prescribed. *Attached as annexure A and B, respectively.*

3. Financial Implications

N/A

4. Applicable Legislation / Council Policy

Municipal Finance Management Act (Section 166)
Audit & Performance Audit Committee Charter

Comment of Directorates / Departments concerned:

Municipal Manager:	Supported
Director: Community Services:	Supported
Director: Strategic Support Services:	Noted
Director: Financial Services:	Item Supported
Director: Engineering Services	Item and recommendation supported
Director: Public Services:	Item Supported
Senior Manager: Legal Services:	Recommendation to Council noted

RECOMMENDATION

That in respect of

**MINUTES & Q2 REPORT OF THE AUDIT & PERFORMANCE AUDIT COMMITTEE
SUBMITTED TO COUNCIL FOR INFORMATION AND NOTIFICATION**

discussed by the Council at the Council meeting held on 26 April 2022:

1. Council notes the content of the Minutes & Report of the Committee.

To Action

W. Du Plessis

7.8 REPORT OF THE MUNICIPALITY AUDIT AND PERFORMANCE AUDIT COMMITTEE FOR THE PERIOD 01 JULY 2021 TO 31 DECEMBER 2021

1. MEMBERS OF THE AUDIT COMMITTEE:

Chairperson: Ms M Roos

Members: Ms J Williams
Mr S Allie

2. DATES OF MEETINGS HELD

2 July 2021 (Risk management workshop)

25 August 2021

13 October 2021 (AGSA)

22 November 2021

3. REFERENCE NUMBER:

4. PURPOSE

The Audit Committee is appointed by Council, in terms of the Local Government: Municipal Finance Management Act (MFMA) Section 166. Within the scope and in accordance with the Audit Committee's Terms of Reference, it seeks to provide Council with an update of the activities for the period 1 July 2021 to 31 December 2021.

The report also includes reference to the Audit Committee's assessment of the Municipality's Performance Management System for the period 01 July 2021 to 31 December 2021 as required by Regulation 14 of the Municipal Planning and Performance Management Regulations.

5. FOR DECISION BY

Regulation 14 of the Municipal Planning and Performance Management Regulations require the Audit Committee to report to Council at least twice per annum on their assessment of the Municipality's Performance Management System.

6. EXECUTIVE SUMMARY

The Audit Committee as part of its role and responsibilities completed the following activities for the six months under review:

- Monitored the implementation of Auditor-General recommendations.
- Considered and provided input on annual financial statements.
- Partake in discussions of the Draft Management Report by the AGSA.
- Reviewed financial in-year reports.
- Monitored and discussed matters relating to risks and risk management.
- Studied Internal Audit Reports and monitored the implementation of recommendations.
- Reviewed progress against the Internal Audit Plan.

In terms of Regulation 14 of the Municipal Planning and Performance Management Regulations, the performance audit committee should review the quarterly reports submitted by the internal auditors, review the municipality's performance management system and make recommendations to Council in a report at least twice per annum. This report covers the period 1 July 2021 to 31 December 2021.

7. DISCUSSION/ CONTENTS

In terms of Regulation 14 of the Municipal Planning and Performance Management Regulations, a municipality must appoint a performance audit committee. The Municipality may utilise any audit committee established in terms of other applicable legislation, as the performance audit committee. The municipality has elected to use the Audit Committee to perform the functions of the performance audit committee.

The municipality's internal auditors must:

- (a) On a continuous basis, audit the performance measurements of the municipality; and
- (b) Submit quarterly reports on their audits to the municipal manager and the audit committee.

The audits conducted must include assessments of:

- (a) The functionality of the municipality's performance management system;
- (b) Whether the municipality's performance management system complies with the Act (Municipal Finance Management Act);
- (c) The extent to which the municipality's performance measurements are reliable in measuring performance of municipalities on performance indicators.

The Audit Committee must:

- (a) Review the quarterly reports submitted by internal auditors;
- (b) Review the municipality's performance management system and make recommendations in this regard to Council and at least twice during a financial year submit a report to Council.

The Audit Committee has reviewed the internal audit reports and the feedback provided by internal audit at the audit committee meetings on performance management and provided inputs. The Audit Committee has also reviewed the Draft Performance Information Report for the mid-year up to December 2021. The chairperson of the Audit Committee also attended the Performance Evaluations of the Municipal Manager and the Directors on 14 October 2021, to observe the process.

The Audit Committee emphasises the need to maintain appropriate evidence to substantiate performance information.

The Audit Committee will continue to monitor management's actions to ensure an effective Municipality Performance Management System.

RECOMMENDATION

In respect of

REPORT OF THE MUNICIPALITY AUDIT AND PERFORMANCE AUDIT COMMITTEE FOR THE PERIOD 01 JULY 2021 TO 31 DECEMBER 2021

As discussed by Council at the Council Meeting held on 26 April 2022:

1. That Council note the Audit Committee's Report for the period 01 July 2021 to 31 December 2021 and the Audit Committee's recommendations that:

- (a) Management continues to enhance corporate governance;**
- (b) Management continues to enhance the risk management process;**
- (c) Management continues to enhance the compliance management process;**
- (d) Management continues to enhance the control environment, internal controls and combined assurance;**
- (e) Management continues to implement recommendations by the Auditor-General and Internal Audit;**
- (f) The audit committee reviews quarterly performance reports specifically focusing on the indicators showing negative variances;**

- (g) The audit committee reviews quarterly financial reports; and
- (h) Management implements the necessary controls in the Financial and Performance Management Systems to ensure the accuracy of the documentary evidence which supports the municipality's financial and performance results and that the necessary supervisory controls are exercised to verify the integrity of financial and performance information reported to Council.



Dr M Roos

Chairperson of the Audit Committee

Date: 8 April 2022

To Action

W. Du Plessis

7.9 VARIOUS POLICIES**File No./s:** 3/16**Responsible Official:** E Cloete**Directorate:** Municipal Manager**Portfolio:** Enterprise Risk Management

1. Purpose

To report to the Section 80 Committee that the Risk, Fraud and Corruption Committee (RiskCom) support and recommend to Council for the approval of the various policies and strategies as reviewed.

2. Background

The policies and strategy documents were approved by Council on 13 June 2019 and need to be reviewed.

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 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 Risk, Fraud and Corruption Management on 24 March 2022. These items served before Council on 13 June 2019.

RESOLVED C47/2019 That in respect of the VARIOUS POLICIES discussed by Council at the Special Council meeting held on 13 June 2019: (a) That Council approves the Enterprise Risk Management Policy. (b) That Council approves the Enterprise Risk Management Strategy. (c) That Council approves the Fraud and Corruption Prevention Policy. (d) That Council approves the Fraud and Corruption Prevention Strategy and Response Plan. (e) That Council approves the Whistle Blowing Policy. (f) That Council approves the Code of Ethics Policy.

The Annexures are compiled with track changes and will be corrected after approval to be signed by the MMC and Municipal Manager.

Annexure A – ENTERPRISE RISK MANAGEMENT POLICY

Annexure B – ENTERPRISE RISK MANAGEMENT STRATEGY

Annexure C – FRAUD AND CORRUPTION PREVENTION POLICY

**Annexure D – FRAUD AND CORRUPTION PREVENTION STRATEGY AND
RESPONSE PLAN**

Annexure E – CODE OF ETHICS POLICY

Annexure F – WHISTLE BLOWING POLICY

**Annexure G – RISK, FRAUD AND CORRUPTION MANAGEMENT COMMITTEE
TERMS OF REFERENCE**

3. Financial Implications

Sitting fees and logistical arrangements.

4. Applicable Legislation / Council Policy

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

DECISION BY SECTION 80 COMMITTEE**RESOLVED****FSC4/2022**

That in respect of the

VARIOUS POLICIES

discussed by the Financial Services Committee at the Financial Services Committee Meeting held on 12 April 2022 recommends:

- **That Council approves the Enterprise Risk Management Policy.**
- **That Council approves the Enterprise Risk Management Strategy.**
- **That Council approves the Fraud and Corruption Prevention Policy.**
- **That Council approves the Fraud and Corruption Prevention Strategy and Response Plan.**
- **That Council approves the Whistle Blowing Policy.**
- **Code of Ethics Policy.**
- **Risk, fraud and corruption management committee terms of reference**

1. The Committee unanimously recommended that Council resolve that the policies be workshopped with Council.

DECISION BY MAYORAL COMMITTEE**RESOLVED****EX17/2022**

That in respect of the

VARIOUS POLICIES

discussed by Mayco at the Mayco meeting held on 19 April 2022:

- **That Council approves the Enterprise Risk Management Policy.**
- **That Council approves the Enterprise Risk Management Strategy.**
- **That Council approves the Fraud and Corruption Prevention Policy.**

- That Council approves the Fraud and Corruption Prevention Strategy and Response Plan.
- That Council approves the Whistle Blowing Policy.
- Code of Ethics Policy.
- Risk, fraud and corruption management committee terms of reference
- The policies will be workshopped by Council.

RECOMMENDATION

That in respect of the

VARIOUS POLICIES

discussed by Council at the Council meeting held on 26 April 2022:

- That Council approves the Enterprise Risk Management Policy.
- That Council approves the Enterprise Risk Management Strategy.
- That Council approves the Fraud and Corruption Prevention Policy.
- That Council approves the Fraud and Corruption Prevention Strategy and Response Plan.
- That Council approves the Whistle Blowing Policy.
- Code of Ethics Policy.
- Risk, fraud and corruption management committee terms of reference

To Action:

E. Cloete

7.10 SAFETY PLAN FOR THE BREDE VALLEY MUNICIPALITY**File No./s:** 2/1/4/3/1**Responsible Official:** D. Apollis**Directorate:** Community Services**Portfolio:** Law Enforcement

1. Purpose

To obtain Council's approval for the Safety Plan for the Breede Valley Municipality.

2. Background

The Plan was submitted to the Director Community Services for approval and inclusion in the IDP. The revised plan is being submitted to council to serve as a guiding framework for the current term of council 2021 -2026.

This plan was drafted after the Community Safety Summit held in November 2019.

The aim of this safety plan is to provide council and the administration with a guiding framework on how best to deal with the community safety issues throughout the Breede Valley WC025 Municipal Area.

In this safety plan one will get a sense of the process followed in drafting the document. A variety of all stakeholders was identified and consulted to ensure that an all-inclusive approach was followed. This plan must ultimately become the strategic plan for the Community Safety Forum to be implemented in conjunction with all other partners and be considered as the Community Safety Sector Plan.

This is a five-year plan and should be reviewed annually in line with the IDP.

3. Financial Implications

Implementation of this plan will take place with various stakeholders and will be submitted to them for funding and support. Some programmes and projects can be funded internally from our annual operation budget.

The municipality should consider allocating funding to the community projects listed in the plan.

4. Applicable Legislation / Council Policy

- a) South African Constitution, Act no 108 of 1996, Chapter 11, Sec 198(a)
- b) South African Police Service Act No 68 of 1995
- c) The Municipal Structures Act, No 117 of 1998
- d) The Municipal Systems Act, No 32 of 2000
- e) Inter – governmental Relations Framework Act
- f) Municipal Systems Amendment Bill 2010
- g) Municipal Finance Management Act (Act 56 of 2003):
 - Section 19(1): A municipality may spend money on a capital project only if- (a) the money for the project, excluding the cost of feasibility studies conducted by or on behalf of the municipality, has been appropriated in the capital budget referred to in section 17(2);- (b) the project, including the total cost, has been approved by the council; - (d) the sources of funding have been considered, are available and have not been committed for other purposes.
 - Section 19(2): Before approving a capital project in terms of subsection (1)(b), the council of a municipality must consider- (a) the projected cost covering all financial years until the project is operational; and (b) the future operational costs and revenue on the project, including municipal tax and tariff implications.
 - Section 19(3): A municipal council may in terms of subsection (1)(b) approve capital projects below a prescribed value either individually or as part of a consolidated capital programme.
- h) Policy Framework
 - National Crime Prevention Strategy, 1996.
 - White Paper on Safety and Security, 1998.
 - White Paper on Traditional Leadership and Governance
 - White Paper on Local Government 1998

Comments of Directorates / Departments

Municipal Manager:	Supported
Director: Strategic Support Services:	Supported
Director: Financial Services:	Supported
Director: Technical Services:	Supported

Director: Public Services: Supported

Director: Community Services: Supported

DECISION BY SECTION 80 COMMITTEE

RESOLVED

CS13/2022

That in respect of –

SAFETY PLAN FOR THE BREDE VALLEY MUNICIPALITY

discussed by the Community and Strategic Support Services Committee at the Community and Strategic Support Services Committee meeting held on 12 April 2022:

1. That the Committee takes note of the proposed Safety Plan as encapsulated in “Annexure A – Breede Valley Municipal Safety Plan”
2. That Committee recommends that Council considers and approves the Safety Plan encapsulated in Annexure A

1. The Committee concurs with the recommendation made to Council.

DECISION BY MAYORAL COMMITTEE

RESOLVED

EX18/2022

That in respect of –

SAFETY PLAN FOR THE BREDE VALLEY MUNICIPALITY

discussed by Mayco at the Mayco meeting held on 19 April 2022:

1. That the Committee takes note of the proposed Safety Plan as encapsulated in “Annexure A – Breede Valley Municipal Safety Plan”
2. That Committee recommends that Council considers and approves the Safety Plan encapsulated in Annexure A

RECOMMENDATION

That in respect of –

SAFETY PLAN FOR THE BREEDE VALLEY MUNICIPALITY

discussed by Council at the Council meeting held on 26 April 2022:

- 1. That the Council takes note of the proposed Safety Plan as encapsulated in “Annexure A – Breede Valley Municipal Safety Plan”**
- 2. That Council considers and approves the Safety Plan encapsulated in Annexure A.**

To Action

D. Apollis

**7.11 DRAFT: RENTAL MAINTENANCE MANAGEMENT PROGRAMME/PLAN:
BREED VALLEY MUNICIPALITY****File No. /s:** 12/8/3/4/6**Responsible Official:** Simphiwe Mayeki**Directorate:** Community Services**Portfolio:** Human Settlements

1. Purpose

For Section 80 Committee to take note of the Breede Valley Municipality Rental Maintenance Management Programme/Plan.

2. Background

This programme outlines the procedures of the Breede Valley Municipality should undertake to maintain its rental properties. The responsibility for maintenance lies with the Human Settlements department, which needs to work closely with the internal departments to ensure that Breede Valley Municipality's key stakeholders, its tenants, are satisfied with the quality of the maintenance work done by or on behalf of the municipality, without jeopardizing its financial viability. The objectives of this the programme and the plan are to ensure the units are maintained in such a way that they retain their initial value. The other objective is to ensure that the tenants are satisfied with the matter in which maintenance has been done

The document deals with:

- a) Maintenance standards
- b) Maintenance responsibilities of the SHI and of the tenant
- c) Safety and security
- d) Maintenance of public areas/facility management
- e) Planned maintenance
- f) Unplanned maintenance
- g) Improvements by tenants
- h) Reporting

Underneath is the profile of rental stock, and the full programme and plan are attached as **(Annexure A)**

The profile of the Breede Valley Municipality rental properties:

Name of Stock	Owner	Town	No. of Units
OVD	Breede Valley Municipality	Worcester	107
Worcester Provincial Flat	Breede Valley Municipality	Worcester	34
Zwelethemba	Breede Valley Municipality	Zwelethemba	610
Worcester	Breede Valley Municipality	Worcester	1 761
De Doorns	Breede Valley Municipality	De Doorns	204
Rawsonville	Breede Valley Municipality	Rawsonville	21
Touwsriver	Breede Valley Municipality	Touwsriver	41
	Breede Valley Municipality	All areas	2 778

3. Financial Implications

Operation budget has been enhanced for maintenance and upgrade of the rental units. The budget to escalate based on the prescribed norms.

4. Applicable Legislation / Council Policy

Western Cape Housing Development Act, Act No 6 of 1999 - approval of the devolution of rental stock.

National Housing Code (2009) - to facilitate the creation of human settlement programmes and improve the quality of life. Breede Valley Integrated Human Settlement Plan (2012) - outline the Breede Valley Human Settlement strategy and the delivery of projects.

Social Housing Act. (No. 16 of 2008) - to establish and promote a sustainable social housing environment, to define the functions of national, provincial, and local governments in respect of social housing institutions obtaining or having obtained public funds, to allow for the undertaking of approved projects by other delivery agents with the benefits of public money, to give statutory recognition to social housing institutions and to provide for matters connected therewith.

Rental Units Act. & Amendments - to create mechanisms to promote the provision of rental housing property, to promote access to adequate housing through the renting.

The Comprehensive Plan for Development of Sustainable Human Settlements - Breaking New Ground (BNG) (2004) - aims to promote an integrated society by developing sustainable human settlements and quality housing within a subsidy system for different income groups.

Municipal Finance Management Act 56 of 2003 (ss63) – Asset and liability management

- (1) The accounting officer of a municipality is responsible for the management of –
 - (a) The assets of the municipality, including the safeguarding and the maintenance of those assets; and
 - (b) The liabilities 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 a management, accounting and information system that accounts for the assets and liabilities of the municipality.
 - (b) That the municipality's assets and liabilities are valued in accordance with the standards of general recognized accounting practice.

Comment of Directorates / Departments concerned

Municipal Manager:

Director: Strategic Services:

Senior Manager: Legal Services: Recommendation noted

Director: Financial Services:

Director: Community Services: Item and recommendation, supported.

Manager: Human Settlements and Housing: the author of the report

Director: Engineering Services: Item and recommendation, supported.

Director: Public Services:

DECISION BY SECTION 80 COMMITTEE**RESOLVED****CS14/2022**

That in respect of

DRAFT: RENTAL MAINTENANCE MANAGEMENT PROGRAMME/PLAN: BREDE VALLEY MUNICIPALITY

discussed by the Community and Strategic Support Services Committee at the Community and Strategic Support Services Committee meeting held on 12 April 2022:

- 1. That Section 80 committee take note of the rental maintenance management Programme/plan.**
- 2. That the final rental maintenance management Programme / Plan be submitted to Council for approval**

1. The Committee concurs with the recommendation made to Council.

DECISION BY MAYORAL COMMITTEE**RESOLVED****EX19/2022**

That in respect of

DRAFT: RENTAL MAINTENANCE MANAGEMENT PROGRAMME/PLAN: BREDE VALLEY MUNICIPALITY

discussed by Mayco at the Mayco meeting held on 19 April 2022:

- 1. That the Section 80 and Mayco Committee take note of the rental maintenance management Programme/plan.**
- 2. That the final rental maintenance management Programme / Plan be submitted to Council for approval.**

RECOMMENDATION

That in respect of

DRAFT: RENTAL MAINTENANCE MANAGEMENT PROGRAMME/PLAN: BREEDE VALLEY MUNICIPALITY

discussed by Council at the Council Meeting held on 26 April 2022:

- 1. That Council approve the final rental maintenance management Programme / Plan.**

To Action

S. Mayeki

7.12 IN PRINCIPLE APPROVAL FOR THE DIRECT ALIENATION OF ERF 9048 WORCESTER, WERDA STREET SITUATED ADJACENT TO ERF 9047 AND 9049, WORCESTER

File no.: 9/2/1/1/56

Responsible Official: H Potgieter

Directorate: SSS

Portfolio: Legal Services

1. PURPOSE

The purpose of this item is to obtain in principle approval for the direct alienation of Erf 9048 Worcester, ± 135m² in extent, in equal portions to the adjacent owners of erven 9047 and 9049, Worcester, respectively.

2. BACKGROUND / DISCUSSION

A request was received from the owner of Erf 9049 (hereinafter referred to as "*the Applicant*") to purchase Erf 9048, Werda Street, ±135m², Worcester. The portion which the Applicant intend to purchase is municipal owned property and depicted on the locality map attached as "**Annexure A**" marked "**A**". The property of the Applicant is depicted in "**Annexure B**" marked "**A**". The subject property applied for is zoned as **Public Open Space** and the Applicant wish to utilise this portion for **Residential Zone I** purposes.

During the investigation it was found that the adjacent owner of Erf 9047 previously applied to purchase a portion of Erf 9048, however such application was not processed. A meeting was held between both parties and the owners of Erf 9047 expressed their interest in a portion of Erf 9048. It was agreed amongst the parties that both owners (hereinafter *the Applicants*) will apply for an equal portion of Erf 9048, Worcester. Erf 9047 is depicted on "**Annexure B**" and marked "**B**".

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 respective portions of the subject property be consolidated with the individual erf i.e. Erf 9047 and Erf 9049, being the existing property of the Applicants. 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 Applicants 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 Applicants.

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 Property Valuations determined the market related value of the property in the amount of Thirty Thousand Rand (R30 000.00), VAT Excluded.

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

In this instance, the subject property is being alienated to the adjoining homeowners. By being given the opportunity to purchase this property each owner will be able to enlarge their existing property and in doing so increase the value of their homes. Furthermore, unused open spaces have been increasingly creating instances where unwanted activities take place. Upon inspection it was found that the owner of Erf 9047 has closed the entrance of Erf 9048 with vibracrete slabs as gang related activities has taken place on Erf 9048. Thus, by allowing the Applicants to purchase Erf 9048, Worcester will be in the interest of the community.

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, consider -

- (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 Thirty Thousand Rand (R30 000.00), Vat Excluded.

- (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 Applicants for purposes allowed under Residential Zone I.

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

The transfer and related costs will be for the Applicants 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*
 - (e) *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.”*

C. ADVERTISEMENT

The necessary advertisement / notice in terms of legal prescripts will be published should it be resolved that the erf may be alienated. This is to obtain any representations / objections from the local community in respect of the proposed disposal of the erf. An item will only be resubmitted to Council should representations / objections be received.

CONCLUSION

It is recommended that Erf 9048, Worcester ±135m² in extent, be alienated by means of a direct alienation at a market related purchase price of Thirty Hundred Rand (R30 000.00), (VAT Excluded) to both Applicants, each Applicant being liable to pay an amount of Fifteen Thousand Rand (R15 000.00) VAT Excluded.

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

FINANCIAL IMPLICATIONS

The Municipality stands to gain the market related purchase price of Thirty Thousand Rand (R30 000.00), VAT Excluded. More so, the Municipality will also gain rates and taxes after transfer of the subject property.

ANNEXURES

Annexure A: Locality Map of subject property.
Annexure B: Locality Map of Applicants Properties.

COMMENTS OF DIRECTORATES / DEPARTMENTS**MUNICIPAL MANAGER:**

Supported.

DIRECTOR ENGINEERING SERVICES:

Comments as per Department Civil Engineering and electrical Services are applicable.
Department Civil Engineering Services:

The Department: Civil Engineering Services has no objection to the application for the alienation of Erf 9048, Worcester, subject to the following conditions:

1. That should the proposed alienation be approved the applicant must consolidate the erf 9048 to Erf 9047 and 9049. No separate water connection will be provided to the proposed area of alienation.
2. That the existing water- and sewer connection of Erf 9047 and 9049 will be utilized for the provision of water and sewer to the newly consolidated erf.
3. That on-site parking facilities be provided as per the Planning Schedule, and to the satisfaction of the relevant Directorate.
4. That any additional and / or extended vehicle entrances will be for the owner's account.

Electrical Services:

The Engineering section has no objection against the proposal:

1. No electrical services will be affected.

DIRECTOR PUBLIC SERVICES

Supported.

Senior Manager Town Planning and Building Control:

1. No objection to the proposed alienation subject to the applicant being responsible for all costs pertaining to the consolidation.

Manager Building Control:

Building Control has no objection to this application:

1. Application for buying the Erf 9048 can be accepted on conditions: If successful: Consolidation will have to take place. Building plans must be submitted and approved, before any construction, erection or changes can take place.

ACTING CHIEF FINANCIAL OFFICER:

Supported.

ACTING DIRECTOR COMMUNITY SERVICES:

No objections to the proposed alienation, the beneficiaries should be liable for all cost associated with the consolidation of the erven.

Fire and Rescue Services:

1. Any future structures/buildings being erected on the above-mentioned premises as well as existing structures/buildings, must conform with the provisions of the National Building Regulations, SANS 10400-A:2010, Part T.
2. Access for fire-fighting and rescue purposes, must be provided in accordance with Regulation T1(1)(e) of the National Building Regulations, read with the Deemed to Satisfy rules, Rule T4.54 of SANS 10400 - 1990, Part T, and in accordance to the Fire Brigade By-Laws of the Breede Valley Municipality. A width of 3.5 meter and a height of 4.2 meter must be maintained for emergency vehicles to enter premises.
3. Provision must be made for fire-fighting equipment (fire extinguishers), in accordance with SANS 10400 -2010 Part T 4.37 Table 10.
4. Escape routes must also be not be blocked so people can escape in case of emergency.

Traffic Services:

No objection to the application.

DIRECTOR STRATEGIC SUPPORT SERVICES:

Co-Author of the item

SENIOR MANAGER: LEGAL SERVICES

Author of the item

DECISION BY SECTION 80 COMMITTEE**RESOLVED****CS15/2022**

That in respect of –

IN PRINCIPLE APPROVAL FOR THE DIRECT ALIENATION OF ERF 9048 WORCESTER, WERDA STREET SITUATED ADJACENT TO ERF 9047 AND 9049, WORCESTER

discussed by the Community and Strategic Support Services Committee at the Community and Strategic Support Services Committee meeting held on 12 April 2022:

1. That the direct alienation of a Erf 9048, Worcester (adjacent to Erf 9047 and 9049), ±135m² in extent, for purpose allowed under Residential Zone I, to the owners of the adjoining erven, at an amount of Thirty Thousand Rand (R30 000.00) (VAT Excluded), be approved in principle;
2. That each Purchaser will be liable to pay an amount of Fifteen Thousand Rand (R 15 000.00) (VAT Excluded) towards the purchase price in item 1 above.
3. that Council take cognisance of the fact that the direct alienation is only approved as Erf 9048, Worcester is classified as a non-viable property;
4. that Erf 9048, Worcester be consolidated with the adjoining properties of the Applicants, being Erf 9047 and 9049, Worcester respectively;
5. Should one of the Purchasers be unable to proceed with the purchase of their respective portion of Erf 9048, the other purchaser be given the opportunity to purchase Erf 9048 in its entirety;

6. that the alienation of Erf 9048, Worcester be subject to obtaining consolidation approvals as well as comply with the relevant internal departments (Directorates) comments and the right be reserved to supplement such internal comments;
7. 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;
8. that all costs pertaining to the transaction be borne by the Purchasers equally, which may include survey, rezoning, consolidation and costs of transfer;
9. that a suspensive condition in respect of the consolidated properties be included stipulating that the subject erf be subject to approval in terms of land use planning legislation;
10. that the following of a public participation process, be approved;
11. that the above-mentioned approval in principle be subject to a public participation process being followed due to the non-viability of the property in that an item will only be tabled in Council again should any representations/comments be received;
12. 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
13. that the Municipal Manager be authorized to sign all documents relating to the alienation and transfer of Erf 9048, Worcester and all necessary documents relating thereto.

The Committee concurs with the recommendation made to Council.

DECISION BY MAYORAL COMMITTEE**RESOLVED****EX20/2022**

That in respect of –

IN PRINCIPLE APPROVAL FOR THE DIRECT ALIENATION OF ERF 9048 WORCESTER, WERDA STREET SITUATED ADJACENT TO ERF 9047 AND 9049, WORCESTER**Discussed by Mayco at the Mayco meeting held on 19 April 2022:**

- 1. That the direct alienation of a Erf 9048, Worcester (adjacent to Erf 9047 and 9049), ±135m² in extent, for purpose allowed under Residential Zone I, to the owners of the adjoining erven, at an amount of Thirty Thousand Rand (R30 000.00) (VAT Excluded), be approved in principle;**
- 2. That each Purchaser will be liable to pay an amount of Fifteen Thousand Rand (R 15 000.00) (VAT Excluded) towards the purchase price in item 1 above.**
- 3. that Council take cognisance of the fact that the direct alienation is only approved as Erf 9048, Worcester is classified as a non-viable property;**
- 4. that Erf 9048, Worcester be consolidated with the adjoining properties of the Applicants, being Erf 9047 and 9049, Worcester respectively;**
- 5. Should one of the Purchasers be unable to proceed with the purchase of their respective portion of Erf 9048, the other purchaser be given the opportunity to purchase Erf 9048 in its entirety;**
- 6. that the alienation of Erf 9048, Worcester be subject to obtaining consolidation approvals as well as comply with the relevant internal departments (Directorates) comments and the right be reserved to supplement such internal comments;**
- 7. 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;**

8. that all costs pertaining to the transaction be borne by the Purchasers equally, which may include survey, rezoning, consolidation and costs of transfer;
9. that a suspensive condition in respect of the consolidated properties be included stipulating that the subject erf be subject to approval in terms of land use planning legislation;
10. that the following of a public participation process, be approved;
11. that the above-mentioned approval in principle be subject to a public participation process being followed due to the non-viability of the property in that an item will only be tabled in Council again should any representations/comments be received;
12. 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
13. that the Municipal Manager be authorized to sign all documents relating to the alienation and transfer of Erf 9048, Worcester and all necessary documents relating thereto.

RECOMMENDATION

That in respect of –

IN PRINCIPLE APPROVAL FOR THE DIRECT ALIENATION OF ERF 9048 WORCESTER, WERDA STREET SITUATED ADJACENT TO ERF 9047 AND 9049, WORCESTER

discussed by Council at the Council Meeting held on 26 April 2022:

1. That the direct alienation of a Erf 9048, Worcester (adjacent to Erf 9047 and 9049), ±135m² in extent, for purpose allowed under Residential Zone I, to the owners of the adjoining erven, at an amount of Thirty Thousand Rand (R30 000.00) (VAT Excluded), be approved in principle;

1. That each Purchaser will be liable to pay an amount of Fifteen Thousand Rand (R 15 000.00) (VAT Excluded) towards the purchase price in item 1 above.
2. that Council take cognisance of the fact that the direct alienation is only approved as Erf 9048, Worcester is classified as a non-viable property;
3. that Erf 9048, Worcester be consolidated with the adjoining properties of the Applicants, being Erf 9047 and 9049, Worcester respectively;
4. Should one of the Purchasers be unable to proceed with the purchase of their respective portion of Erf 9048, the other purchaser be given the opportunity to purchase Erf 9048 in its entirety;
5. that the alienation of Erf 9048, Worcester be subject to obtaining consolidation approvals as well as comply with the relevant internal departments (Directorates) comments and the right be reserved to supplement such internal comments;
6. 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;
7. that all costs pertaining to the transaction be borne by the Purchasers equally, which may include survey, rezoning, consolidation and costs of transfer;
8. that a suspensive condition in respect of the consolidated properties be included stipulating that the subject erf be subject to approval in terms of land use planning legislation;
9. that the following of a public participation process, be approved;
10. that the above-mentioned approval in principle be subject to a public participation process being followed due to the non-viability of the property in that an item will only be tabled in Council again should any representations/comments be received;

11. 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
12. that the Municipal Manager be authorized to sign all documents relating to the alienation and transfer of Erf 9048, Worcester and all necessary documents relating thereto.

To Action

H. Potgieter

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

9. CONSIDERATION OF MATTERS SUBMITTED BY THE CHAIRPERSON OF COUNCIL

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

11. CONSIDERATION OF MOTIONS OF EXIGENCY

12. CLOSURE
