

# MINUTES

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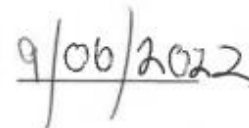
## SPECIAL COUNCIL MEETING OF THE COUNCIL OF THE BREEDE VALLEY MUNICIPALITY

**2022-06-08 AT 09:00**

APPROVED BY SPEAKER



DATE



**BREED VALLEY**

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**TABLE OF CONTENTS**

<b>ITEM</b>	<b>SUBJECT</b>	<b>PAGE</b>
<b>1.</b>	<b>OPENING AND WELCOME</b>	
<b>2.</b>	<b>OFFICIAL NOTICES</b>	
2.1	Disclosure of interests	
2.2	Applications for leave of absence	
<b>3.</b>	<b>CONSIDERATION OF MATTERS SUBMITTED BY THE ADMINISTRATION</b>	
<b>3.1</b>	PROPOSED AMENDMENTS TO BIDS BV 566/2020; BV814/2020 AND BV816/2019 IN COMPLIANCE WITH SECTION 116(3) OF THE MFMA (THE TENDER DESCRIPTIONS ARE WITHIN THE REPORT CONTENT)	
<b>3.2</b>	REPORT TO COUNCIL ON DEVIATIONS FOR THE MONTH OF MAY 2022	
<b>3.3</b>	RECRUITMENT AND SELECTION OF DIRECTOR: PUBLIC SERVICES	
<b>3.4</b>	DETERMINATION OF UPPER LIMITS OF SALARIES, ALLOWANCES AND BENEFITS OF COUNCILLORS: 2021/22	
<b>4.</b>	<b>CONSIDERATION OF REPORTS, COMMUNICATIONS, PETITIONS AND APPLICATIONS DEALING WITH MATTERS OF URGENCY SUBMITTED BY THE MUNICIPAL MANAGER</b>	
<b>4.1</b>	<u><b>CONFIDENTIAL</b></u> ALLEGED BREACH OF CODE OF CONDUCT BY SENIOR OFFICIALS	
<b>5.</b>	<b>CLOSURE</b>	

**1. OPENING AND WELCOME**

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

**The Speaker opened the meeting at 09:00, welcomed everyone present. The Speaker conducting a roll call between all the venues. The Speaker afforded a moment of silence for prayer and meditation.**

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**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.

- 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.

**The Speaker received Applications for Leave from Cllrs S. Steenberg, S. Swarts, R.T. Johnson and Ald. C. Ismail.**

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### 3. CONSIDERATION OF AGENDA ITEMS

#### 3.1 PROPOSED AMENDMENTS TO BIDS BV 566/2020; BV814/2020 AND BV816/2019 IN COMPLIANCE WITH SECTION 116(3) OF THE MFMA (The tender descriptions are within the report content)

**File No./s:** 5/3/1/146

**Responsible Official:** J. Steyn

**Directorate:** Engineering Services

**Portfolio:** Civil Engineering Services

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### 1. Purpose

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

1. **WEC CONSULT (PTY) LTD** (BV566/2020 Professional Services for the Construction of Erosion Protection at Hex River, Worcester)
2. **BERGSTAN SOUTH AFRICA (PTY) LTD** (BV814/2020 Professional services for the extension of Rawsonville Wastewater Treatment Works)
3. **WSP GROUP AFRICA (PTY) LTD** (BV816/2019 Professional services for the construction of 20ML Service Reservoir at Preloads)

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

### 2. Legal Requirements

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

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

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

(ii) has been invited to submit representations to the municipality or municipal entity.”

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

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

### 3. Contracts procured through the Supply Chain Management Policy

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

**WEC CONSULT (PTY) LTD** (BV566/2020 Professional Services for the Construction of Erosion Protection at Hex River, Worcester)

**BERGSTAN SOUTH AFRICA (PTY) LTD** (BV814/2020 Professional services for the extension of Rawsonville Wastewater Treatment Works)

**WSP GROUP AFRICA (PTY) LTD** (BV816/2019 Professional services for the construction of 20ML Service Reservoir at Preloads)

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

### 4. Background/Motivation

**WEC CONSULT (PTY) LTD** (BV566/2020 Professional Services for the Construction of Erosion Protection at Hex River, Worcester)

The Contract Data as provided by the Employer (Breede Valley Municipality) provides as follows:

- Clause 1, The anticipated Period of Performance is approximately 25 months (including public holidays and year end break), commencing from May / June 2020 and ending on 30<sup>th</sup> of June 2022, and
- The Start Date is within two weeks (14 days) after receiving a formal Letter of Award.

- Clause 3.9.2, The time-based fees used to determine changes to the Contract Price are as stated in the Pricing Data, Time Based Fees Schedule.
- Clause 3.16.1, The indices are those contained in Table A of P0141 Consumer Price Index for the CPI for all services published by Statistics South Africa.
- Clause 3.16.2, The anticipated start date is May/June 2020 or otherwise agreed on between the Employer (Breede Valley Municipality) and the Service Provider.

Clause C2.1.1.3 of the Pricing Instruction of the Contract provides as follows:

- The quantities given in the Bill of Quantities are the estimated quantities of work to be done and will be subject to re-measurement during the execution of the works. The Contract shall obtain the Agent's detailed instruction for all work before executing work or making arrangements for it.
- The Works as finally completed with the contract shall be measured and paid for as specified in the Bill of Quantities, and the contract price for the completed contract shall be computed at the relevant unit rates, sums, percentage fee and / or prices, all in accordance with the General and Special Conditions of Contract, the Specifications and Contract Specifications.
- The validity of the contract will in no way be affected by differences between the quantities in the Bill of Quantities and the quantities finally certified for payment.

As per the Scope of works:

#### **CLIENT'S OBJECTIVE**

The Client's objective is to implement:

- (a) Zweletemba Access Road bridge: The abutment road embankments should be protected by large riprap. This protection works should be **first** on the priority list due to the risk of loss of asset and life.
- (b) Zweletemba North: Flood embankment along Zweletemba North which ties in with an existing flood embankment. This protection works should be **second** on the priority list due to the risk of loss of life.
- (c) Zweletemba South: Flood embankment. This protection works should be **third** on the priority list due to the risk of loss of life.
- (d) Associated works.

**EXTENT OF THE SERVICES**

The services to be provided in terms of this project are inextricably linked to the Client's three year capital budget. All services to be provided and construction works to be executed shall therefore be programmed in order to make full use of, but not exceed, the budget provision in any given financial year.

It should be noted that while the Client has every intention of completing the full Scope of Works making full use of the budget provision given, the Client's budget is subject to periodic review. Should it become necessary to vary the scope of works or even suspend or terminate this contract, such variation, suspension or termination shall be dealt with in accordance with the provisions of the Contract.

The final award of contract BV566/2020: Professional Services for the Construction of Erosion Protection at Hex River, Worcester) to WEC CONSULT (PTY) LTD at a contract value of R 7,019,371.40 (incl. VAT) was made on 7 December 2020 and works only commenced during January 2021 (after the December year end break). The latter is more than six (6) months later than the anticipated commencement date of May / June 2020. The delay was mainly due to Declaration of a National State of Disaster: COVID-19.

Further to the above the declaration of a local state of disaster within the Breede Valley municipal area (Council resolution C59/2021 of 1 July 2021), specifically in respect of the repairs to the access road to Zwelethemba, situated at Raymond Pollet Drive results in reprioritisation of the scope of works, programme and budget.

Due to insufficient funding for project implementation during the 2020/2021 and 2021/2022 financial years it results to a delay of project implementation. The 2022/23 Final Budget Medium Term Revenue and Expenditure Framework (MTREF) as approved by Council (C58/2022, 30 May 2022) makes provision for the Erosion Protection of Hex River: Phase 2 and funded from External Loan and the Municipal infrastructure Grant (MIG). Although the latter is unfunded the Directorate Engineering Services is compiling an application for project registration.

Inception Report, Preliminary Design and Contract Documentation for implementation of the Erosion Protection at Hex River as per original scope of works under Contract BV566/2020: Professional Services for the Construction of Erosion Protection at Hex River, Worcester were compiled by WEC. Due to project readiness the amendment of Contract BV566/2020: Professional Services for the Construction of Erosion Protection at Hex River, Worcester is proposed.

**BERGSTAN SOUTH AFRICA (PTY) LTD** (BV814/2020 Professional services for the extension of Rawsonville Wastewater Treatment Works)

The Contract Data as provided by the Employer (Breede Valley Municipality) provides as follows:

- Clause 1, The anticipated Period of Performance is approximately 26 months (including public holidays and year end break), commencing from 4<sup>th</sup> of May 2020 and ending on 30<sup>th</sup> of June 2022, and

- The Start Date is within two weeks (14 days) after receiving a formal Letter of Final Award.
- Clause 3.9.2, The time-based fees used to determine changes to the Contract Price are as stated in the Pricing Data, Time Based Fees Schedule.
- Clause 3.16.1, The indices are those contained in Table A of P0141 Consumer Price Index for the CPI for all services published by Statistics South Africa.
- Clause 3.16.2, The anticipated start date is 4<sup>th</sup> of May 2020 or otherwise agreed on between the Employer (Breede Valley Municipality) and the Service Provider.

Clause C2.1.1.3 of the Pricing Instruction of the Contract provides as follows:

- The quantities given in the Bill of Quantities are the estimated quantities of work to be done, and will be subject to re-measurement during the execution of the works. The Contract shall obtain the Agent's detailed instruction for all work before executing work or making arrangements for it.
- The Works as finally completed with the contract shall be measured and paid for as specified in the Bill of Quantities, and the contract price for the completed contract shall be computed at the relevant unit rates, sums, percentage fee and / or prices, all in accordance with the General and Special Conditions of Contract, the Specifications and Contract Specifications.
- The validity of the contract will in no way be affected by differences between the quantities in the Bill of Quantities and the quantities finally certified for payment.

As per the Scope of works:

#### **CLIENT'S OBJECTIVE**

The Client's objective is to extend the existing the Wastewater Treatment Works (WwTW) at Rawsonville. The WwTW and associate work must comply with all current and relevant South African codes and standards as well as the Breede Valley Municipality's own standards.

#### **EXTENT OF THE SERVICES**

The services to be provided in terms of this project are inextricably linked to the Client's three year capital budget. All services to be provided and construction works to be executed shall therefore be programmed in order to make full use of, but not exceed, the budget provision in any given financial year.



It should be noted that while the Client has every intention of completing the full Scope of Works making full use of the budget provision given, the Client's budget is subject to periodic review. Should it become necessary to vary the scope of works or even suspend or terminate this contract, such variation, suspension or termination shall be dealt with in accordance with the provisions of the Contract.

The final award of contract BV814/2020: Professional Services for the Extension of Rawsonville Wastewater Treatment Works to Bergstan South Africa Consulting and Development Engineers (Pty) Ltd at a contract value of R 2,720,944.16 (incl. VAT) was made on 16 February 2021. The latter is more than nine (9) months later than the anticipated commencement date of 4<sup>th</sup> of May 2020. The delay was mainly due to Declaration of a National State of Disaster: COVID-19.

The construction phase of the Extension of Rawsonville Wastewater Treatment Works commenced during March 2022. Completion of construction and end of contractors' contract liability period of 12 months will be towards the 30 June 2023 and 30 June 2024, respectively. Hence the amendment of Contract BV814/2020: Professional Services for the Extension of Rawsonville Wastewater Treatment Works, is proposed.

**WSP GROUP AFRICA (PTY) LTD** (BV816/2019 Professional services for the construction of 20ML Service Reservoir at Preloads

The Contract Data as provided by the Employer (Breede Valley Municipality) provides as follows:

- Clause 1, The anticipated Period of Performance is approximately 27 months (included public holidays and year end break), commencing from 16<sup>th</sup> of March 2020 and ending on 30<sup>th</sup> of June 2022., and
- The Start Date is within two weeks (14 days) after receiving a formal Letter of Final Award.
- Clause 3.9.2, The time-based fees used to determine changes to the Contract Price are as stated in the Pricing Data, Time Based Fees Schedule.
- Clause 3.16.1, The indices are those contained in Table A of P0141 Consumer Price Index for the CPI for all services published by Statistics South Africa.
- Clause 3.16.2, The anticipated start date is 16<sup>th</sup> of March 2020 or otherwise agreed on between the Employer (Breede Valley Municipality) and the Service Provider.

Clause C2.1.1.3 of the Pricing Instruction of the Contract provides as follows:

- The quantities given in the Bill of Quantities are the estimated quantities of work to be done, and will be subject to re-measurement during the execution of the works. The Contract shall obtain the Agent's detailed instruction for all work before executing work or making arrangements for it.

- The Works as finally completed with the contract shall be measured and paid for as specified in the Bill of Quantities, and the contract price for the completed contract shall be computed at the relevant unit rates, sums, percentage fee and / or prices, all in accordance with the General and Special Conditions of Contract, the Specifications and Contract Specifications.
- The validity of the contract will in no way be affected by differences between the quantities in the Bill of Quantities and the quantities finally certified for payment.

As per the Scope of works:

#### **CLIENT'S OBJECTIVE**

The Client's objective is to construct a new 20 ML reservoir, associated pipe work and water supply pipeline (which may be phased). The reservoir, associate pipe work and water supply pipeline must comply with all current and relevant South African codes and standards as well as the Breede Valley Municipality's own standards.

#### **EXTENT OF THE SERVICES**

The services to be provided in terms of this project are inextricably linked to the Client's three year capital budget. All services to be provided and construction works to be executed shall therefore be programmed in order to make full use of, but not exceed, the budget provision in any given financial year.

It should be noted that while the Client has every intention of completing the full Scope of Works making full use of the budget provision given, the Client's budget is subject to periodic review. Should it become necessary to vary the scope of works or even suspend or terminate this contract, such variation, suspension or termination shall be dealt with in accordance with the provisions of the Contract.

The final award of contract BV816/2020: Professional Services for the construction of 20ML Service Reservoir at Preloads to WSP Group (Pty) Ltd at a contract value of R3,889,856.03 (incl. VAT) was made on 4<sup>th</sup> of May 2020.

Cancellation of BID BV817/2020, 22 February 2021 due to insufficient counter funding to MIG, Declaration of a National State of Disaster: COVID-19 and objections towards the implementation of the Preferential Procurement Regulation 2017, result in delay of more than 12 months for construction of the 20ML Service Reservoir at Preloads.

The construction phase of the 20ML Service Reservoir at Preloads commenced during April 2022. Completion of construction and end of contractors' contract liability period of 12 months will be towards the 30 June 2023 and 30 June 2024, respectively. Hence the amendment of Contract BV816/2020: Professional Services for the construction of 20ML Service Reservoir at Preloads, is proposed.

## 5. Financial Implications

Besides Contract Price as stated in the Pricing Data, Time Based Fees Schedule there will be no additional financial implication.

## 6. Applicable Legislation / Council Policy

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

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

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

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

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

### Section 116(3) Notification for Public Participation

Date of Advertising: 11 May 2022  
Method of Advertising: Notice Boards; Breede Valley Municipality Website  
Closing Date for Comments: 10 June 2022

Should comments or representations be received, as result of the invitation placed on the notice boards and the BVM website, this item will be referred to council for further consideration. If no representation or comments was received on the 10<sup>th</sup> of June 2022, the municipality will regard and observe this process as completed.

**Annexures**

Annexure A: Intent to amend document  
Annexure B: Contract Bill of Quantities  
Annexure C: Proof of Advertisement

**7. Comment of Directorates / Departments**

**Municipal Manager:** Supported.

**Director: Strategic Support Services:** Supported.

**Director: Financial Services:** Supported.

**Senior Manager Supply Chain Management Unit:** Supported.

**Director: Engineering Services:** Author of the item.

**Director: Public Works:** Supported

**Director: Community Services:** Supported.

**Legal Services:** Supported.

**RECOMMENDATION**

In respect of

**PROPOSED AMENDMENTS TO BIDS BV 566/2020; BV814/2020 AND BV816/2019 IN COMPLIANCE WITH SECTION 116(3) OF THE MFMA**

as discussed by Council at the Special Council Meeting held on 8 June 2022:

That **cognisance be taken** of the reasons for the proposed amendment of **Contracts:**

1. **WEC CONSULT (PTY) LTD** (BV566/2020 Professional Services for the Construction of Erosion Protection at Hex River, Worcester)
2. **BERGSTAN SOUTH AFRICA (PTY) LTD** (BV814/2020 Professional services for the extension of Rawsonville Wastewater Treatment Works)
3. **WSP GROUP AFRICA (PTY) LTD** (BV816/2019 Professional services for the construction of 20ML service Reservoir at Preloads

for services of the above contracts, 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 contracts be consented to;

And that the amendment of all above-mentioned contracts extended under the same terms and conditions for a period ending 30 June 2024, and that the amendments be subject to BVM financial capacity to utilise these contracts, including a one-month written notification for cancellation clause, applicable to for both parties.

**PROPOSED: CLLR J.R. JACK**

**SECONDED: CLLR E. VAN DER WESTHUIZEN**

**Unanimously resolved by Council.**

**RESOLVED**

**C67/2022**

In respect of

**PROPOSED AMENDMENTS TO BIDS BV 566/2020; BV814/2020 AND BV816/2019 IN COMPLIANCE WITH SECTION 116(3) OF THE MFMA**

as discussed by Council at the Special Council Meeting held on 8 June 2022:

That **cognisance be taken** of the reasons for the proposed amendment of **Contracts**:

1. **WEC CONSULT (PTY) LTD** (BV566/2020 Professional Services for the Construction of Erosion Protection at Hex River, Worcester)
2. **BERGSTAN SOUTH AFRICA (PTY) LTD** (BV814/2020 Professional services for the extension of Rawsonville Wastewater Treatment Works)
3. **WSP GROUP AFRICA (PTY) LTD** (BV816/2019 Professional services for the construction of 20ML service Reservoir at Preloads

for services of the above contracts, 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 contracts be consented to;

And that the amendment of all above-mentioned contracts extended under the same terms and conditions for a period ending 30 June 2024, and that the amendments be subject to BVM financial capacity to utilise these contracts, including a one-month written notification for cancellation clause, applicable to for both parties.

**To Action:**

J. Steyn

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

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**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 May 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 May 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

### **RECOMMENDATION**

In respect of

#### **REPORT TO COUNCIL ON DEVIATIONS FOR THE MONTH OF MAY 2022**

As discussed by Council at the Special Council Meeting held on 8 June 2022:

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

**PROPOSED: ALD W.R. MEIRING**

**SECONDED: ALD A. STEYN**

**Unanimously resolved by Council.**

### **RESOLVED**

In respect of

**C68/2022**

#### **REPORT TO COUNCIL ON DEVIATIONS FOR THE MONTH OF MAY 2022**

As discussed by Council at the Special Council Meeting held on 8 June 2022:

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

### **To Action:**

K. Moteetee

### 3.3 RECRUITMENT AND SELECTION OF DIRECTOR: PUBLIC SERVICES

**File No./s:** 2/3/3/1

**Responsible Official:** D McThomas

**Directorate:** Strategic Support Services

**Portfolio:** Municipal Manager

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#### 1. PURPOSE

The purpose of this item is to inform Council of the resignation of the Director: Public Services, Mr Deelin Naidoo on 31 May 2022 (see “**Annexure A**”) and to recommend to Council that the process for the recruitment and selection for the Director: Public Services position commence.

#### 2. BACKGROUND

The relevant section of the Local Government: Municipal Systems Act 32 of 2000 determines:

**“56 Appointment of managers directly accountable to municipal managers**

- (1) (a) *A municipal council, after consultation with the municipal manager, must appoint-*
- (i) a manager directly accountable to the municipal manager; or*
  - (ii) an acting manager directly accountable to the municipal manager under circumstances and for a period as prescribed.*
- (b) *A person appointed in terms of paragraph (a)(i) must at least have the skills, expertise, competencies and qualifications as prescribed.*
- (c) *A person appointed in terms of paragraph (a)(ii) may not be appointed to act for a period that exceeds three months: Provided that a municipal council may, in special circumstances and on good cause shown, apply in writing to the MEC for local government to extend the period of appointment contemplated in paragraph (a), for a further period that does not exceed three months.*



- (2) *A decision to appoint a person referred to in subsection (1)(a)(ii), and any contract concluded between the municipal council and that person in consequence of the decision, is null and void if-*
- (a) *the person appointed does not have the prescribed skills, expertise, competencies, or qualifications; or*
  - (b) *the appointment was otherwise made in contravention of this Act, unless the Minister, in terms of subsection (6), has waived any of the requirements listed in subsection (1)(b).*

Due to the critical nature of services delivered the need exists to fill the post without delay and whilst the post is being filled to allow appropriately qualified internal persons to act in the vacant post.

As stipulated in the resignation letter attached hereto as “**Annexure A**” the position of Director: Public Services will be vacant from 1 July 2022. It is imperative that Council appoint an acting Director Public Services in accordance with Section 56 (1)(ii) of the Municipal Systems Act.

### **3. APPLICABLE LEGISLATION / COUNCIL POLICY**

1. The Constitution of the Republic of South Africa
2. Municipal Systems Act, Act 32 of 2000 and Regulations
3. Municipal Finance Management Act

### **4. FINANCIAL IMPLICATIONS**

The position is funded. The financial implications will be the total cost to company, the advertisement costs and payment to the recruitment agency.

### **COMMENT OF DIRECTORATES / DEPARTMENTS CONCERNED:**

**Municipal Manager: Supported**

**Director: Strategic Support Services:**

**Director: Financial Services:**

**Director: Engineering Services:**

**Director: Community Services:**

**Senior Manager: Legal Services:**

## **RECOMMENDATION**

That in respect of

### **RECRUITMENT AND SELECTION OF DIRECTOR: PUBLIC SERVICES**

discussed by the Council at the Special Council meeting held on 8 June 2022:

1. That Council affirms that the position of Director: Public Services is vacant from 1 July 2022;
2. that in terms of Regulation 7(2)(a) of the Regulations on the Appointment and Conditions of Employment of Senior Managers (herein after referred to as "The Regulations") Gazetted on 17 January 2014 (Gazette No. 37245) Council grant approval that the post of Director Public Services be filled;
3. that Council confirm in compliance with Regulation 5 that:
  - 4.1.1 the municipality requires the post to meet its strategic objectives.
  - 4.1.2 remuneration and other conditions of employment will be attached to the post in terms of the Upper Limits of Total Remuneration Package Payable to Municipal Managers and Managers Directly Accountable to the Municipal Managers once a suitable candidate is recommended; and
  - 4.1.3 sufficient budgeted funds, including funds for the remaining period of the medium-term expenditure framework, are available for filling the post;

- 4.2 that the services of a competent and experience recruitment agency be used during the recruitment process, subject thereto that the advertising, recruitment, selection procedure and competency testing complies with the Regulations;
- 4.3 that Council appoint the following members to the selection panel, for the recruitment and selection of the Director Public Services:
- 4.3.1 The Municipal Manager who is the Chairperson;
  - 4.3.2 Councillor Wouter Meiring;
  - 4.3.3 Mr Henry Prins (Cape Winelands District Municipality: Municipal Manager) who has expertise and experience in the area of the advertised post;
- 4.4 that the selection panel submit a report and recommendation on the selection process to the Council on the suitable candidates who comply with the relevant competency requirements of the post in order of preference;
- 4.5 that with regards to the acting appointment in position of Director Public Services:
- 4.5.1 that Council appoint Mr P Hartzenberg to act in the position of Director Public Services from 1 July 2022 to 30 September 2022; and
  - 4.5.2 that Council appoint Mr J. Pekeur to act in the position of Director Public Services from 1 October 2022 to 31 December 2022 or until such date the position is filled which ever occur first.

**PROPOSED: ALD W.R. MEIRING**

**SECONDED: CLLR E. VAN DER WESTHUIZEN**

**Unanimously resolved by Council.**

**RESOLVED**

**C69/2022**

That in respect of

**RECRUITMENT AND SELECTION OF DIRECTOR: PUBLIC SERVICES**

discussed by the Council at the Special Council meeting held on 8 June 2022:

1. That Council affirms that the position of Director: Public Services is vacant from 1 July 2022;
2. that in terms of Regulation 7(2)(a) of the Regulations on the Appointment and Conditions of Employment of Senior Managers (herein after referred to as "The Regulations") Gazetted on 17 January 2014 (Gazette No. 37245) Council grant approval that the post of Director Public Services be filled;
3. that Council confirm in compliance with Regulation 5 that:
  - 4.1.1 the municipality requires the post to meet its strategic objectives.
  - 4.1.2 remuneration and other conditions of employment will be attached to the post in terms of the Upper Limits of Total Remuneration Package Payable to Municipal Managers and Managers Directly Accountable to the Municipal Managers once a suitable candidate is recommended; and
  - 4.1.3 sufficient budgeted funds, including funds for the remaining period of the medium-term expenditure framework, are available for filling the post;
- 4.2 that the services of a competent and experience recruitment agency be used during the recruitment process, subject thereto that the advertising, recruitment, selection procedure and competency testing complies with the Regulations;
- 4.3 that Council appoint the following members to the selection panel, for the recruitment and selection of the Director Public Services:
  - 4.3.1 The Municipal Manager who is the Chairperson;
  - 4.3.2 Councillor Wouter Meiring;
  - 4.3.3 Mr Henry Prins (Cape Winelands District Municipality: Municipal Manager) who has expertise and experience in the area of the advertised post;

4.4 that the selection panel submit a report and recommendation on the selection process to the Council on the suitable candidates who comply with the relevant competency requirements of the post in order of preference;

4.5 that with regards to the acting appointment in position of Director Public Services:

4.5.1 that Council appoint Mr P Hartzenberg to act in the position of Director Public Services from 1 July 2022 to 30 September 2022; and

4.5.2 that Council appoint Mr J. Pekeur to act in the position of Director Public Services from 1 October 2022 to 31 December 2022 or until such date the position is filled which ever occur first.

**To Action:**

D. McThomas

**3.4 DETERMINATION OF UPPER LIMITS OF SALARIES, ALLOWANCES AND BENEFITS OF COUNCILLORS: 2021/22****File No./s:****Responsible Official:** R Ontong**Directorate:** Financial Services**Portfolio:** Financial Services

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**1. Purpose**

To inform Council of the upper limits as received from the Department of Cooperative Governance and Traditional Affairs and to get a resolution for the concurrence and implementation of the increase with effect from 01 July 2021.

**2. Background**

In terms of the Remuneration for Public Office Bearers Act, Act 20 of 1998, the Minister for Cooperative Governance and Traditional Affairs, after consultation with the members of the executive council responsible for each province and taking into consideration the matters listed in paragraphs (a) to (i) of section 7(1) of the Act, proclaimed the remuneration of Councillors through publishing the upper limits annually or whenever the need arises.

The Minister of Cooperative Governance and Traditional Affairs, has on 02 June 2022, promulgated the amendments to the upper limits of the salaries, allowances and benefits of members of Municipal Councils in the Government Gazette No. 46470 (hereinafter referred to as the Upper Limits Notice). The Upper Limits Notice is attached hereto for ease of reference. The over-all inclusive increases are, retrospectively, with effect from 01 July 2021.

In terms of the grading of the Municipality, as per the notice, Breede Valley score 58.33 points (25 for population and 33.33 for total municipal own income) which is equivalent to a Grade 4 Municipality.

**3. Financial Implications**

The total cost (expected spending) amounts to R18 815 664.00 for the 2021/22 financial year (excluding the provision for Special Risk Cover which is incorporated in the municipality's insurance portfolio). This amount is sufficiently provided for in the budget for the 2021/22 financial year.

The table below indicates the proposed remuneration packages, including cell phone allowance inclusive of mobile data.

Office Bearer	No.	Total Remuneration and Cell Phone Packages (2021/2022 Budget)	Remuneration Package per Councillor	Cell Phone Allowance per Councillor (R3400.00 per month)	Total Proposed Remuneration and Cell Phone Packages (Upper Limits Notice)
Executive Mayor	1	991,881.00	920,656.00	40,800.00	961,456.00
Speaker	1	802,383.00	736,530.00	40,800.00	777,330.00
Deputy Executive Mayor	1	802,383.00	736,530.00	40,800.00	777,330.00
Member of Mayoral Committee and Chief Whip	9	6,040,088.00	6,217,272.00	367,200.00	6,584,472.00
Chairperson of Section 79 Committee	1	429,199.00	373,908.00	40,800.00	414,708.00
Other Councillors	28	9,983,047.00	8,157,968.00	1,142,400.00	9,300,368.00
<b>Total</b>	<b>41</b>	<b>19,048,981.00</b>	<b>17,142,864.00</b>	<b>1,672,800.00</b>	<b>18,815,664.00</b>

The upper limits of the cell phone allowance for all Councillors remains at an amount not exceeding R3 400.00 per month inclusive of mobile data, in accordance with the applicable municipal council policy.

In terms of the Upper Limits Notice, if a municipal council makes available tools of trade, such a municipal council must take into account accessibility, affordability and cost control, equity, flexibility, simplicity, transparency, accountability and the value of tools of trade.

## Summary

The 2021/22 councillor remuneration budget amounts to R19 048 981.00, which is sufficient to implement the proposed increases in the 2021/22 Upper Limits Notice as from 01 July 2021.

The upper limits of the cell phone allowance for all Councillors remains at an amount not exceeding R3 400.00 per month inclusive of mobile data, in accordance with the applicable municipal council policy.

#### 4. Applicable Legislation / Council Policy

Remuneration of Public Office Bearers Act, 1998 (Act No. 20 of 1998)  
Municipal Finance Management Act, 2003 (Act No. 5 of 2003)

#### Comments by Directorates

**Municipal Manager** – Recommendation supported

**Director: Financial Services** – Recommendation supported

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

**Director: Community Services** - Recommendation supported

**Director: Engineering Services** - Recommendation supported

**Director: Public Services** - Recommendation supported

#### RECOMMENDATION

That in respect of -

#### **DETERMINATION OF UPPER LIMITS OF SALARIES, ALLOWANCES AND BENEFITS OF COUNCILLORS: 2021/22**

as discussed by Council at the Special Council meeting of 08 June 2022:

1. All relevant Stakeholders be informed that the Breede Valley Municipal Council supports the upwards adjustment of councillor allowances from 01 July 2021.
2. It be noted that before the implementation of the notice by municipalities the concurrence of the relevant Member of the Executive Council (MEC) responsible for local government is required.
3. The increase is implemented immediately after the concurrence has been received from the MEC for Local Government.

**PROPOSED: ALD.W. R MEIRING**

**SECONDED: ALD A. STEYN**

**VOTES IN FAVOUR OF ALD W.R. MEIRING'S PROPOSAL: 34**

**ABSTAIN: 2**



**RESOLVED****C70/2022**

That in respect of -

**DETERMINATION OF UPPER LIMITS OF SALARIES, ALLOWANCES AND  
BENEFITS OF COUNCILLORS: 2021/22**

as discussed by Council at the Special Council meeting of 08 June 2022:

1. All relevant Stakeholders be informed that the Breede Valley Municipal Council supports the upwards adjustment of councillor allowances from 01 July 2021.
2. It be noted that before the implementation of the notice by municipalities the concurrence of the relevant Member of the Executive Council (MEC) responsible for local government is required.
3. The increase is implemented immediately after the concurrence has been received from the MEC for Local Government.

**To Action:**

R. Ontong

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

**CONFIDENTIAL:  
IN TERMS OF: -**

**SECTION 20: ADMISSION OF PUBLIC TO MEETINGS. – (1) (a) & (b) OF THE LOCAL GOVERNMENT: MUNICIPAL SYSTEMS ACT NO. 32 OF 2000.**

**THE MUNICIPAL MANAGER IS OF THE OPINION THAT THE DISCLOSURE OF THE ITEMS MARKED “CONFIDENTIAL” AND OR PRINTED ON BLUE PAPER IN THE AGENDA, WILL NOT BE IN THE INTEREST OF THE MUNICIPALITY.**

**THE PUBLIC AND THE PRESS SHALL THEREFORE BE EXCLUDED FROM THE PROCEEDINGS WHILE THESE ITEMS ARE CONSIDERED. SUCH RULING MAY ONLY BE OVERTURNED BY COUNCIL IN-COMMITTEE. THE RESOLUTIONS REGARDING THESE ITEMS WILL BE MINUTED SEPARATELY.**

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**ALLEGED BREACH OF CODE OF CONDUCT BY SENIOR OFFICIALS**

**5. CLOSURE**

Meeting adjourned at 12:53.