



ORDINARY MEETING OF THE COUNCIL
GEWONE VERGADERING VAN DIE RAAD
INTLANGANISO YESIQHELO YEBHUNGA

A G E N D A

I-AJENDA

**DATE / DATUM / UMHLA : 29 AUGUST / AUGUSTUS /
AGASTI 2018**
**VENUE / PLEK / INDAWO : BANQUETING HALL /
BANKETSAAL**
**CIVIC CENTRE / BURGERSENTRUM / IZIKO LOLUNTU
HERMANUS**
TIME / TYD / IXESHA : 15:30

MUNICIPALITY / MUNISIPALITEIT / UMASIPALA WE-OVERSTRAND

Office of the Municipal
Manager
Municipal Offices
HERMANUS

24 August / Augustus / Agasti 2018

NOTICE TO ALL ALDERMEN & COUNCILLORS

ORDINARY MEETING OF THE OVERSTRAND MUNICIPAL COUNCIL

NOTICE IS HEREBY GIVEN that an **ORDINARY MEETING** of the **OVERSTRAND MUNICIPAL COUNCIL** will be held in the **Banqueting Hall, Civic Centre, Hermanus**, on **WEDNESDAY, 29 AUGUST 2018** at **15:30** to consider the business set forth in the subjoined agenda.

The attention of Councillors is directed to the Code of Conduct for Councillors and Municipal Officials, Schedules 1 & 2 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000).

D ARRISON
ACTING MUNICIPAL MANAGER

KENNISGEWING AAN ALLE RAADSHERE & RAADSLEDE

GEWONE VERGADERING VAN DIE OVERSTRAND MUNISIPALE RAAD

KENNIS WORD HIERMEE GEGEE dat 'n **GEWONE VERGADERING** van die **OVERSTRAND MUNISIPALE RAAD** gehou sal word in die **Banketsaal, Burgersentrum, Hermanus**, op **WOENSDAG, 29 AUGUSTUS 2018** om **15:30** om die sake op meegaande sakelys te bespreek.

Raadslede se aandag word gevestig op die Gedragskode vir Raadslede en Munisipale Beampptes, Bylae 1 & 2 van die Wet op Plaaslike Regering : Munisipale Stelsels, 2000 (Wet 32 van 2000).

D ARRISON
WAARNEMENDE MUNISIPALE BESTUURDER

ISAZISO ESIYA KUBO BONKE OOCEBAKHULU NOOCEBA

INTLANGANISO YESIQHELO YEBHUNGA LIKAMASIPALA WE-OVERSTRAND

OKU KUKWAZISA ukuba intlanganiso **YESIQHELO yeBHUNGA LIKAMASIPALA WE-OVERSTRAND**, iza kuba se **Banqueting Hall, kwiZiko LoLUNTU, eHermanus** ngo**LWESITHATHU, Umhla we 29 AGASTI 2018** ngeye-**15:30** ukuqwalasela imicimbi ekule ajenda iqhotyoshelwe apha.

OoCeba bayacelwa ukuba baqwalasele isikhokelo sokuziphatha sooCeba namaGosa kamasipala, amaXwebhu 1 & 2 kaRhulumente wooMasipala: uMthetho weeNkqubo zikaMasipala, 2000 (UMthetho 32 wowama-2000).

D ARRISON
IBAMBELA LOMPHATHI KAMASIPALA

AGENDA/...

1. OPENING

2. APPLICATIONS FOR LEAVE OF ABSENCE

3. CONFIRMATION OF MINUTES

3.1 Minutes of an **Ordinary Meeting** of the **Council** held on **Wednesday, 27 June 2018** at **11:00**

3.2 Minutes of a **Special Meeting** of the **Council** held on **Wednesday, 25 July 2018** at **11:00**

3.3 Minutes of a **Special Meeting** of the **Council** held on **Wednesday, 22 August 2018** at **11:30**

4. STATEMENTS AND COMMUNICATIONS BROUGHT FORWARD BY THE SPEAKER / EXECUTIVE MAYOR

5. CONSIDERATION OF RECOMMENDATIONS MADE BY THE EXECUTIVE MAYOR TO COUNCIL, IN TERMS OF SECTION 160(2) OF THE CONSTITUTION, 1996, AND SECTION 59(1)(a) OF THE LOCAL GOVERNMENT: MUNICIPAL SYSTEMS ACT 2000 (ACT 32 OF 2000)

REMARK

Please note that the following recommendations contained in this agenda are subject to confirmation or amendment by the Executive Mayor in view of the fact that the **compilation of the Council agenda** was done before the Mayoral Committee of 29 August 2018 had formally sat.

5.1

TIME SCHEDULE FOR THE 2019/20 INTEGRATED DEVELOPMENT PLAN (IDP) REVIEW / BUDGET PROCESS

(ITEM 1, PAGE 1 : MANAGEMENT SERVICES PORTFOLIO - MAYORAL COMMITTEE MEETING : 29 AUGUST 2018)

RECOMMENDATION TO THE COUNCIL:

that the schedule of key dates for the 2019/20 compilation of an IDP review / Budget process **be noted**.

RESPONSIBLE OFFICIAL :

RG LOUW

TARGET DATE FOR IMPLEMENTATION :

3 SEPTEMBER 2018

5.2

REVIEW OF DISASTER MANAGEMENT POLICY

(ITEM 2, PAGE 15 : PROTECTION SERVICES, ECONOMIC DEVELOPMENT & TOURISM PORTFOLIO - MAYORAL COMMITTEE MEETING : 29 AUGUST 2018)

RECOMMENDATION TO THE COUNCIL:

that the Disaster Management Policy be **noted**.

RESPONSIBLE OFFICIAL :

L SMITH

TARGET DATE FOR IMPLEMENTATION :

29 AUGUST 2018

5.3

REVIEW OF THE OVERSTRAND MUNICIPALITY DISASTER MANAGEMENT PLAN**(ITEM 3, PAGE 33 : PROTECTION SERVICES, ECONOMIC DEVELOPMENT & TOURISM PORTFOLIO - MAYORAL COMMITTEE MEETING : 29 AUGUST 2018)****RECOMMENDATION TO THE COUNCIL:**that the Overstrand Municipality Disaster Management Plan **be adopted**.**RESPONSIBLE OFFICIAL :****L SMITH****TARGET DATE FOR IMPLEMENTATION :****29 AUGUST 2018**

**5.4
FIRE SERVICE MANAGEMENT PLAN 2015 - 2020**

(ITEM 4, PAGE 127 : PROTECTION SERVICES, ECONOMIC DEVELOPMENT & TOURISM PORTFOLIO - MAYORAL COMMITTEE MEETING : 29 AUGUST 2018)

RECOMMENDATION TO THE COUNCIL:

that the Overstrand Municipality Fire Management Plan **be noted**.

RESPONSIBLE OFFICIAL :

L SMITH

TARGET DATE FOR IMPLEMENTATION :

29 AUGUST 2018

5.5

ZWELIHLE: PROPOSED TRANSFER OF PROPERTIES TO ORIGINAL OWNERS WHO LOST IT THROUGH AN EXECUTION SALE**(ITEM 2, PAGE 7 : COMMUNITY SERVICES PORTFOLIO - MAYORAL COMMITTEE MEETING : 29 AUGUST 2018)****RECOMMENDATION TO THE COUNCIL:**

1. that Council approval dated 28 January 2003 with regard to the confiscation of houses **be amended** to read as follows: "that the houses that were confiscated and bought on an execution sale by the municipality, be transferred back to the present occupants at a value equal to the municipal value of properties, in the following manner:
 - 1.1 that transfers be effected to original property owners currently occupying properties, namely erf numbers: 337, 350, 356, 361, 371, 403, 644 and 1509, Zwelihle;
 - 1.2 that, in the absence of the original owners, the housing opportunity be considered for immediate family members, and other third parties on a case by case bases, to be considered by the Executive Mayor, namely erf numbers 332, 336, 358, 396, 440, 477, 524, 530, 642 and 1480, Zwelihle;
2. that the respective beneficiaries remain responsible for outstanding municipal services accounts, subject to council's consent to transfer the properties;
3. that recommendation number two (2) of Council approval dated 28 January 2003 that reads as follows : "That a bond be registered in favour of the municipality for the full outstanding purchase price" **be rescinded**;
4. that the payment of conveyancing fees by Council for the transfer of the mentioned properties **be approved**;
5. that the list of original owners and current occupants of the properties sold on auction **be noted**; and
6. that the discussion of the pre-emptive right with regard to the possible repossession of low cost housing properties, **be noted**.

RESPONSIBLE OFFICIAL :**FW FRANS****TARGET DATE FOR IMPLEMENTATION :****01 JULY 2018**

5.6

HERMANUS: PORTION OF ERF 832, REBATE ON RENTAL TO BE RAISED, BIENTANG'S CAVE CC

(ITEM 2, PAGE 104 : INFRASTRUCTURE & PLANNING PORTFOLIO - MAYORAL COMMITTEE MEETING : 29 AUGUST 2018)

RECOMMENDATION TO THE COUNCIL:

that the item **be referred back** and resubmitted at the forthcoming Mayoral Committee meeting.

RESPONSIBLE OFFICIAL :**M ERASMUS****TARGET DATE FOR IMPLEMENTATION :****13 SEPTEMBER 2018****TARGET DATE TO INFORM APPLICANT :****N/A****TARGET DATE TO INFORM OBJECTOR :****N/A**

5.7

**MONTHLY REPORT TO COUNCIL ON SUPPLY CHAIN MANAGEMENT (SCM)
POLICY: PARAGRAPH 36, 16(1)(b) AND 17(1)(c) FOR JULY 2018**

**(ITEM 5, PAGE 1 : MAYORAL COMMITTEE MEETING : 29 AUGUST
2018)**

RECOMMENDATION TO THE COUNCIL:

1. that the deviations from the procurement processes, approved in terms of the delegated authority for July 2018, **be noted**; and
2. that the awards made in terms of Paragraph 16(1)(b) and 17(1)(c), approved in terms of the delegated authority for July 2018, **be noted**.

RESPONSIBLE OFFICIAL :**C LE ROUX****TARGET DATE FOR IMPLEMENTATION :****TO BE NOTED**

5.8

SUBMISSION OF THE DRAFT UNAUDITED ANNUAL REPORT FOR THE FINANCIAL YEAR 2017/18

(ITEM 6, PAGE 6 : MAYORAL COMMITTEE MEETING : 29 AUGUST 2018)

RECOMMENDATION TO THE COUNCIL:

that the tabling of the 2017/18 **DRAFT** unaudited Annual Report **be noted**.

RESPONSIBLE OFFICIAL :

R LOUW

TARGET DATE FOR IMPLEMENTATION :

NONE

5.9

WRITING OFF OF NON-TECHNICAL WATER AND ELECTRICITY LOSSES

(ITEM 7, PAGE 12 : MAYORAL COMMITTEE MEETING : 29 AUGUST 2018)

RECOMMENDATION TO THE COUNCIL:

1. that the non-technical electricity losses to the value of R212 633.52 for the 2017/18 financial year be written off; and
2. that the non-technical water losses to the value of R1 786 269.30 for the 2017/18 financial year be written off.

RESPONSIBLE OFFICIAL :

BA KING

TARGET DATE FOR IMPLEMENTATION :

31 AUGUST 2018

5.10

FIXED ASSETS: DISPOSAL / DERECOGNITION OF ASSETS FOR THE 2017/18 FINANCIAL YEAR**(ITEM 8, PAGE 27 : MAYORAL COMMITTEE MEETING : 29 AUGUST 2018)****RECOMMENDATION TO THE COUNCIL:**

1. that it **be noted** that the assets detailed in Annexure A to the item are not needed to provide the minimum level of basic municipal services;
2. that the Minor Assets and Control Items written off and sold on Public Auction as detailed in Annexure A and Annexure B to the item **be noted**; and
3. that the derecognition of the Infrastructure Assets as detailed in Annexure A to the item **be approved**.

RESPONSIBLE OFFICIAL :**J VORSTER****TARGET DATE FOR IMPLEMENTATION :****31 AUGUST 2018**

5.11

CONTRACT SC 1817/2017: PROPOSED AMENDMENT: RE-ELECTRIFICATION OF MANDELA SQUARE, ZWELIHLE, HERMANUS

(ITEM 9, PAGE 40 : MAYORAL COMMITTEE MEETING : 29 AUGUST 2018)

RECOMMENDATION TO THE COUNCIL:

1. that **cognisance be taken** of the reasons for the proposed amendment of Contract number SC1817A/2017: Re-electrification of Mandela Square, Zwelihle, Hermanus, in terms of the enabling provisions of Section 116(3) of the Local Government: Municipal Finance Management Act 2003 (Act 56 of 2003), and that the amendment be consented to: for the purpose of electrifying the emergency housing project in Zwelihle; and
2. that **cognisance be taken** that no written comments or representations were received from the local community by closing date, 13 August 2018.

RESPONSIBLE OFFICIAL :**J DU PLESSIS
C ROETS****TARGET DATE FOR IMPLEMENTATION :****31 AUGUST 2018**

5.12

**MUNICIPAL REGULATIONS ON A STANDARD CHART OF ACCOUNTS (mSCOA):
PROGRESS ON STATUS OF THE mSCOA IMPLEMENTATION PROJECT**

**(ITEM 10, PAGE 50 : MAYORAL COMMITTEE MEETING : 29 AUGUST
2018)**

RECOMMENDATION TO THE COUNCIL:

that the mSCOA Progress Report for the implementation of the mSCOA Regulations
be noted.

RESPONSIBLE OFFICIALS:

**S REYNEKE-NAUDE
C LE ROUX
B KING
E HOONEBERG
H VORSTER**

TARGET DATE FOR IMPLEMENTATION :

1 SEPTEMBER 2018

5.13

REVISED SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP)
FOURTH QUARTERLY REPORT: APRIL - JUNE 2018

(ITEM 11, PAGE 56 : MAYORAL COMMITTEE MEETING : 29 AUGUST 2018)

RECOMMENDATION TO THE COUNCIL:

1. that the content of the revised report for the fourth quarter of the 2017/2018 financial year on the top level Service Delivery and Budget Implementation Plan **be noted**; and
2. that the amendments to the Departmental and Top layer SDBIP for the fourth quarter of the 2017/2018 financial year **be approved**.

RESPONSIBLE OFFICIAL :**R LOUW****TARGET DATE FOR IMPLEMENTATION :****TO BE NOTED**

6. CONSIDERATION OF REPORTS**6.1****INVESTIGATION INTO THE INSTANCE OF IRREGULAR EXPENDITURE:
SCIE 2018/002: NON-COMPLIANCE WITH SUPPLY CHAIN MANAGEMENT
POLICY WITH REGARDS TO THE PROVISION OF ELECTRICITY TO THE OFFICE
CONTAINER AT KLEINMOND SLIPWAY****3/2/3/8****D Lakey/H van Tonder
12 Junie 2018****(028) 271-8413****Kleinmond Administration**

1. Executive Summary

The purpose of this report is to provide the necessary information and to request Council's approval for the writing off of the expenditure in terms of section 32(2)(b). This report contains the following in relation to SCIE 2018/002, for last-mentioned purposes:

- a) Detailed background and reasons for the incurrence of the expenditure,
- b) Corrective steps which have been implemented to mitigate the risk of such an occurrence in the future.

2. Service Delivery and Budget Implementation Plan - IGNITE

Directorate: Community Services
Department: Area Management

3. Compliance with Strategic Priorities

Provision of democratic, accountable and ethical governance
Provision and maintenance of municipal services
Creation and maintenance of a safe and healthy environment

4. Delegated Authority

None

5. Legal Requirements

Local Government: Municipal Finance Management Act 2003, (Act 56 of 2003)
Overstrand Municipality Supply Chain Management Policy dated 25 May 2008, as amended

6. Background/Discussion/Evaluation/Conclusion

Background/Discussion

The container office's rental has been procured in February 2017 through the ordinary SCM processes. At that stage the municipal ablution facilities at the Kleinmond Slipway, situated right next to the container, were already in operation since December 2014. It was also electrified since the opening thereof. The further details of the supply of electricity to the ablution facilities is unknown in the planning discussions of the harbour development project, which started before the taking of the office by the Senior Manager: Kleinmond Administration in 2014.

Since the opening of the ablution facilities in December 2015 till June 2017, no invoices for the use of electricity at the toilets were received, neither has any external supplier of the electricity to the ablution facilities been registered as a creditor on the municipal data base.

After the office container arrived in March 2017, the electrical department was consulted for the necessary assistance with the electrical connection to the container. The Kleinmond office was referred to Wharfside Developers for assistance as it appeared that they were also the supplier of electricity to the ablution facilities next door. Permission was granted for the connection to the same connection point as those of the ablution facilities. The owner, Mr Pauw, confirmed his permission to make use of their cables. It was understood to mean that the municipality can make use of their cables in the same manner that the ablution facilities were making use of their cables since December 2015.

No mention was made that the municipality will be charged for using their cables. The fact that for such a long period no invoices were submitted or even having been under discussion by Wharfside for use of electricity at the ablution facilities or office container office, strengthened belief that the matter is being treated in the same way as the electrical supply to the ablution facilities, thus being accepted as a gesture in view of the availability of the ablution facilities to all on the premises, inclusive of Warfside.

After receipt of Wharfside's invoices in June 2017, they were requested to register as a supplier on our database. As it was end of financial year and time was running out, the advice of our Manager: Expenditure & Assets on how best to proceed with the invoices. Mrs Heyns telephonically advised that the invoice may be processed as a direct payment. To be noted that Mrs Heyns has retired since then.

The electricity tariffs of the service provider are NERSA approved tariffs, thus being similar to municipal tariffs. The service provider is therefore not making any profit on the electricity supply to the office container.

Corrective Steps/Conclusion

Electricity supply to the office container at the Kleinmond Slipway is currently secured via a valid deviation process. A process will nonetheless be started in the new financial year to have the container connected to municipal electrical supply network in order to ease the burden on procurement processes by cutting out third parties with regards to electrical supply to ablution facilities and office container in the Kleinmond Slipway area.

It is however management's submission that value for money has been received in that the current supplier is charging Overstrand tariffs as approved by the municipal council for the provision of electricity, being the same tariffs that the municipality is charging Warfside, and receiving payment for.

On 27 June 2018 the Municipal Public Accounts Committee (MPAC) consisting of Cllrs S Tebele, D Botha, B Molefe and G Cohen considered the matter. The MPAC recommended that, in view of the municipality having received value for money, the irregular expenditure in the amount of R1 591.92 in lieu of the provision of electricity to the office container at Kleinmond Slipway, be certified as irrecoverable and written off.

7. Financial Implications

R1 591.92

8. Staff Implications

None

9. Comments from other Departments, Divisions and Administrations

None

10. Annexures

None

RECOMMENDATION TO THE COUNCIL:

that, in view of the municipality having received value for money, the irregular expenditure in the amount of R1 591.92 in lieu of the provision of electricity to the office container at Kleinmond Slipway, be certified as irrecoverable and written off in terms of section 32(2)(b) of the Local Government: Municipal Finance Management Act, Act 56 of 2003.

RESPONSIBLE OFFICIAL :

**C LE ROUX
B KING**

TARGET DATE FOR IMPLEMENTATION :

14 SEPTEMBER 2018

7. URGENT MATTERS SUBMITTED BY THE MUNICIPAL MANAGER (IF ANY)

8. CONSIDERATION OF NOTICES OF MOTIONS / QUESTIONS

At the time of the closing of the agenda, no notices of motions/questions were received.

9. CONSIDERATION OF MOTIONS OF EXIGENCY (IF ANY)