



ORDINARY MEETING OF THE COUNCIL

GEWONE VERGADERING VAN DIE RAAD

INTLANGANISO YESIQHELO YEBHUNGA

A G E N D A

I-AJENDA

DATE / DATUM / UMHLA : 24 JUNE / JUNIE / JUNI 2026

**VENUE / PLEK / INDAWO : BANQUETING HALL /
BANKETSAAL**

**CIVIC CENTRE / BURGERSENTRUM / IZIKO LOLUNTU
HERMANUS**

TIME / TYD / IXESHA : 10:00

MUNICIPALITY / MUNISIPALITEIT / UMASIPALA WE-OVERSTRAND

Office of the Municipal
Manager
Municipal Offices
HERMANUS

17 June / Junie / Juni 2026

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, 24 JUNE 2026** at **10:00** to consider the business set forth in the subjoined agenda.

The attention of Councillors is directed to the Code of Conduct for Councillors, Schedule 7 of the Local Government : Municipal Structures Act, 1998 (Act 117 of 1998).

DR D O'NEILL
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, 24 JUNIE 2026** om **10:00** om die sake op meegaande sakelys te bespreek.

Raadslede se aandag word gevestig op die Gedragskode vir Raadslede, Skedule 7 van die Wet op Plaaslike Regering : Munisipale Strukture, 1998 (Wet 117 van 1998).

DR D O'NEILL
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 **I-Banqueting Hall, kwiZiko LoLUNTU, eHermanus, uLWESITHATHU**, Umhla we **24 JUNI 2026**, ngeye-**10:00** ukuqwalasela imicimbi ekule ajenda iqhotyoshelwe apha.

OCeba bayacelwa ukuba baqwalasele isikhokelo sokuziphatha sooCeba, iShedyuli 7 kaRhulumente wooMasipala: uMthetho weNkqubo zikaMasipala, uMthetho -1998 (uMthetho we-117 ka-1998).

DR D O'NEILL
UMPHATHI KAMASIPALA

AGENDA/...

COUNCIL

24 June 2026

INDEX

<u>ITEM</u>		<u>PAGE NUMBER</u>
1.	OPENING	1
2.	APPLICATIONS FOR LEAVE OF ABSENCE	1
3.	CONFIRMATION OF MINUTES	1
4.	MATTERS ARISING FROM MINUTES	1
5.	STATEMENTS AND COMMUNICATIONS BROUGHT FORWARD BY THE SPEAKER / EXECUTIVE MAYOR	1
6.	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)	2
6.1	A PORTION OF ERF 830 HERMANUS, KNOWN AS “BIENTANG’S CAVE RESTAURANT”: LEASE OF MUNICIPAL PROPERTY TO TOURVEST HOLDINGS (PTY) LTD	2
6.2	RISK APPETITE AND TOLERANCE FRAMEWORK	3
6.3	MONTHLY REPORT TO COUNCIL ON THE SUPPLY CHAIN MANAGEMENT (SCM) POLICY FOR MAY 2026	4
6.4	ASSIGNMENT AGREEMENT REGARDING THE OPERATION OF PUBLIC LIBRARIES BY OVERSTRAND MUNICIPALITY	5
6.5	WARD COMMITTEE SYSTEM: DRAFT REVISION OF WARD COMMITTEE RULES	6
7.	CONSIDERATION OF REPORTS	
7.1	IRREGULAR EXPENDITURE: SCIE 2025.2026.04 NON-COMPLIANCE WITH PARAGRAPH 17 OF THE OVERSTRAND MUNICIPALITY SCM POLICY – PROFESSIONAL SURVEYOR SERVICES - ERVEN 8959 & 9079 ZWELIHLE, HERMANUS	7-11
7.2	APPROVAL FOR FILLING OF VACANCY: CHIEF ENGINEER – INSTRASTRUCTURE SERVICES	12-13

ITEM		PAGE NUMBER
7.3	CONSIDERATION OF SPECIAL RATING AREA POLICY OF THE OVERSTRAND MUNICIPALITY	14-30
7.4	PROPOSED AMENDMENT OF TENDER SC 1675C/2016: UPGRADE, MAINTENANCE AND SUPPORT OF OVERSTRAND MUNICIPALITY'S RADIO FREQUENCY NETWORK	31-39
7.5	FINAL BUDGET OF OVERSTRAND MUNICIPALITY : 2026/2027 MTREF : OMITTED TARIFF	40-43
8.	URGENT MATTERS SUBMITTED BY THE MUNICIPAL MANAGER (IF ANY)	44
9.	CONSIDERATION OF NOTICES OF MOTIONS / QUESTIONS (IF ANY)	44
10.	CONSIDERATION OF MOTIONS OF EXIGENCY (IF ANY)	44

- 1. OPENING**
- 2. APPLICATIONS FOR LEAVE OF ABSENCE**
- 3. CONFIRMATION OF MINUTES**
 - 3.1 Minutes of an **Ordinary Meeting** of the **Overstrand Municipal Council** held on **Wednesday, 27 May 2026 at 10:00**
 - 3.2 Minutes of a **Special Meeting** of the **Overstrand Municipal Council** held on **Friday, 29 May 2026 at 10:00**
- 4. MATTERS ARISING FROM THE MINUTES**
- 5. STATEMENTS AND COMMUNICATIONS BROUGHT FORWARD BY THE SPEAKER / EXECUTIVE MAYOR**

Salga:

6. 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 Mayoral Committee in view of the fact that the **compilation of the Council agenda** was done before the Mayoral Committee of 23 June 2026 had formally sat.

6.1

A PORTION OF ERF 830 HERMANUS, KNOWN AS “BIENTANG’S CAVE RESTAURANT”: LEASE OF MUNICIPAL PROPERTY TO TOURVEST HOLDINGS (PTY) LTD

(ITEM 6 PAGE 41 : PLANNING & DEVELOPMENT PORTFOLIO - MAYORAL COMMITTEE MEETING : 23 JUNE 2026)

RECOMMENDATION TO THE COUNCIL:

1. that the lease of municipal property, being a portion of Erf 830 Hermanus, ±1,740m² in extent, to Tourvest Holdings (Pty) Ltd for a period of 9 (NINE) years and 11 (ELEVEN) months for the purpose of managing a restaurant, at a rental amount of R184,000.00 (ONE HUNDRED AND EIGHTY-FOUR THOUSAND RAND) (VAT Included) per month, **be approved** pending the finalisation of the objections received; and
2. that the rental amount mentioned in 1 above escalate every year on the 1st of July in accordance with the consumer price index (all items).

RESPONSIBLE OFFICIAL :

M ERASMUS

TARGET DATE FOR IMPLEMENTATION :

30 JUNE 2026

TARGET DATE TO INFORM APPLICANT :

30 JUNE 2026

6.2**RISK APPETITE AND TOLERANCE FRAMEWORK**

**(ITEM 1 PAGE 1 : CORPORATE SERVICES PORTFOLIO - MAYORAL
COMMITTEE MEETING : 23 JUNE 2026)**

RECOMMENDATION TO THE COUNCIL:

that the proposed Risk Appetite and Tolerance Framework **be approved**.

RESPONSIBLE OFFICIAL :**Z MAZUTHU****TARGET DATE FOR IMPLEMENTATION :****24 JUNE 2026**

6.3**MONTHLY REPORT TO COUNCIL ON THE SUPPLY CHAIN MANAGEMENT (SCM) POLICY FOR MAY 2026****(ITEM 1 PAGE 1 : FINANCIAL SERVICES PORTFOLIO - MAYORAL COMMITTEE MEETING : 23 JUNE 2026)****RECOMMENDATION TO THE COUNCIL:**

1. that the deviations from the procurement processes, approved in terms of the delegated authority for May 2026, **be noted**;
2. that the awards made in terms of Paragraph 17(1)(c), approved in terms of the delegated authority for May 2026, **be noted**;
3. that the awards made through the Bid Committee system and formal written price quotations for May 2026, **be noted**; and
4. that all other activities undertaken and outcomes achieved in the implementation of the Overstrand Municipality's Supply Chain Management Policy for May 2026, **be noted**.

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

6.4**ASSIGNMENT AGREEMENT REGARDING THE OPERATION OF PUBLIC LIBRARIES BY OVERSTRAND MUNICIPALITY****(ITEM 6 PAGE 12 : MAYORAL COMMITTEE MEETING : 23 JUNE 2026)****RECOMMENDATION TO THE COUNCIL:**

that the Executive Mayor and Municipal Manager **be authorised** to sign the Assignment Agreement with the Western Cape Department of Cultural Affairs and Sport, Library Services.

RESPONSIBLE OFFICIAL:**TA GCOTYELWA****TARGET DATE FOR IMPLEMENTATION:****1 JULY 2026**

6.5**WARD COMMITTEE SYSTEM: DRAFT REVISION OF WARD COMMITTEE RULES****(ITEM 7 PAGE 17 : MAYORAL COMMITTEE MEETING : 23 JUNE 2026)****RECOMMENDATION TO THE COUNCIL:**

1. that the draft revised Ward Committee Rules for Overstrand Municipality **be noted**; and
2. that the draft revised Ward Committee Rules for Overstrand Municipality **be advertised** for public comment.

RESPONSIBLE OFFICIAL :

**R LOUW
M MIDDLETON
A FORD
N MTHOLO**

TARGET DATE FOR IMPLEMENTATION :

30 JUNE 2026

7. CONSIDERATION OF REPORTS**7.1**

IRREGULAR EXPENDITURE: SCIE 2025.2026.04 NON-COMPLIANCE WITH PARAGRAPH 17 OF THE OVERSTRAND MUNICIPALITY SCM POLICY – PROFESSIONAL SURVEYOR SERVICES - ERVEN 8959 & 9079 ZWELIHLE, HERMANUS

**R Kuchar
8 May 2026**

**Divisional Manager: Town & Spatial Planning
(028) 3138900**

1. Executive Summary

To consider the write-off of irregular expenditure incurred during the Zwelihle project (Erven 8959 & 9079), approved in July 2023, that has been delayed due to issues obtaining a required status quo report. Survey work by Geomatics Africa extended beyond the tender period, and conflicting guidance between Supply Chain and Creditors has resulted in non-payment due to the absence of a valid order, stalling the progress of payment prior to the tender end date.

2. Service Delivery and Budget Implementation Plan - IGNITE

Directorate: Planning & Development
Division: Town and Spatial Planning

3. Compliance with Strategic Priority

Provision of democratic, accountable and ethical governance

4. Delegated Authority

Not applicable

5. Legal Requirements

- Section 32 of the Local Government: Municipal Financial Management Act, Act 56 of 2003
- Overstrand Municipality Supply Chain Management Policy dated 25 May 2008, as amended.

6. Background/Discussion/Evaluation/Conclusion

Background

Geomatics Africa was appointed under a valid tender SC2402/2023 to provide land surveying services for the following: survey and placing of subdivisional beacons; preparation of survey records for Surveyor-General's Office; Compilation of subdivision diagram of Erf 9079, Zwelihle and Consolidation diagrams; submission of diagrams and survey records to the Surveyor-General's Office for approval and Surveyor-General examination fees.

In order for the above to be submitted, a status report was required as part of the submission documentation to the Surveyor General's office. The delay in obtaining the status report from the Surveyor-General's office resulted in the work and payment of funds to Geomatics Africa could only be done after the tender period has ended (tender SC2402/2023). The following is a flow of events that occurred:

6.1 An order was subsequently issued under:

- **Request Number:** 136327
- **Order Number:** 266662
- **Date:** 6 February 2024

6.2 Additional Work Request

Following this, the Town & Spatial Planning Department requested that a Status Report be obtained from the Surveyor General's Office for Erf 9079, Zwelihle.

An additional order was made out for this purpose as follows:

- **Order Number:** 267155
- **Amount:** R275.00
- **Date:** 8 March 2024

This Status Report was a prerequisite for Geomatics Africa to proceed with and complete their work.

6.3 Delay in Project Completion

Due to the delay in obtaining the Status Report from the Surveyor General, Geomatics Africa was unable to complete the required survey and therefore could not issue their invoice at that time.

When the new financial year commenced, the department sought guidance regarding payment, as the work remained incomplete and the previous tender (SC2402/2023) had lapsed.

6.4 Consultation and Guidance

We were initially advised on 26 June 2024 that the budget holder should request the cancellation of the existing order and issue a new order in the 2024/2025 financial year.

Subsequently, further guidance from the SCM Department indicated that a new order for the same matter could not be processed, as the previous tender did not provide for a continuation clause to allow for the completion of work commenced in the prior financial year, as this would constitute reciprocal performance.

6.5 No Payment

On 20 October 2025, an invoice for the outstanding amount was received from Geomatics Africa for the work completed. The invoice was submitted for payment, but the Creditors could not make payment without a valid order.

Discussion

The Municipal Project for Erven 8959 & 9079 Zwelihle, Hermanus relating to the application for Subdivision, closure of a portion of public place, rezoning, consolidation, and consent use to accommodate both a business site and a recreational site for the Zwelihle community was approved on 6 July 2023. Subsequent to the approval, surveyed diagrams and a final status quo report relating to the closure of a portion of public place were required prior to the sale of the business site in order to obtain funds to develop the recreational site.

On 29 January 2024, requests for quotations were sent out to the three appointed Land Surveyors under Tender SC2402/2023. Quotations were received, and Geomatics Africa submitted the lowest bid at R22 837.50.

The process to obtain the status quo report took much longer than expected due to the processing of funds to the Surveyor General's Office. In addition, Geomatics Africa was appointed (in line with the Professional Land Surveyors Tender, Tender Number SC2402/2023) to survey the abovementioned sites and submit them to the Surveyor General's Office. Geomatics Africa subsequently surveyed the site and provided draft diagrams to the Town & Spatial Planning Department. Unfortunately, due to the delay in obtaining the status quo report, Geomatics Africa was not able to submit the relevant diagrams and status report to the Surveyor General's office.

The work conducted by Geomatics Africa continued after the Tender SC2402/2023 end period. It must be noted that the tender did not

accommodate finalisation of work after the tender period has closed. Assistance in this regard was sought out from the Supply Chain Divisional Manager prior to the financial year end: the Supply Chain Divisional Manager stated that the order for Geomatics Africa be cancelled, and payment will still be made after the end of the tender period. Additionally, the Supply Chain Divisional Manager indicated that a new order for the same works could not be processed and must be paid directly by the Creditors Department to Geomatics.

Furthermore, once Geomatics Africa submitted their invoice, the Town & Spatial Planning Department proceeded to submit the invoice to the Creditors for which they indicated that no payment will be made without an order.

Conclusion

It must also be noted that the Town & Spatial Planning Department did communicate with the relevant departments in anticipation of the end of the tender period and the financial year end to process the funds for services rendered. It is evident from the abovementioned, that the payment for work carried out to Geomatics Africa was delayed due to the delay in receiving the final status quo report. It must also be mentioned that the Tender SC2402/2023 did not include a clause which permits the work to be carried out after the tender end date.

We hereby confirm that the aforementioned clause will be included in all future tenders relating work that could only be finalised after the end of the tender period. Furthermore, the works conducted by Geomatics Africa were done under a valid tender (SC2402/2023) and the tender created thereafter also included Geomatics Africa as a valid bidder to serve on the panel of Professional Land Surveyors as and when needed.

On 28 May 2026, the Municipal Public Accounts Committee (MPAC), consisting of Cllr C Tafu-Nwonkwo, Ald R de Coning, Ald D Coetzee and Cllr M Nomatiti, considered a detailed report on the matter and came to the conclusion that the Municipality did not suffer any financial loss and was unanimous in its decision to recommend to Council that the irregular expenditure in the amount of R22 837,50 be certified as irrecoverable and be written off.

7. Financial Implications

R22 837,50

8. Staff Implications

None

9. Comments from other Departments, Divisions and Administrations

Municipal Manager/Accounting Officer's comment as follows:

"I am satisfied that no financial misconduct has been committed, and hereby refer the Irregular Expenditure incurred due to non-compliance with Council's Supply Chain Management Policy, to the relevant director to institute disciplinary procedures, where applicable and/or to implement the process articulated and prescribe in terms of the Section 32 of the Local Government: Municipal Finance Management Act (56/2023).

10. Annexures

None

RECOMMENDATION TO THE COUNCIL:

that the irregular expenditure in the amount of R22 837,50 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**

7.2

**APPROVAL FOR FILLING OF VACANCY: CHIEF ENGINEER –
INSTRASTRUCTURE SERVICES**

D Arrison
10 June 2026

Director: Corporate Services

(028) 313 8001

1. Executive Summary

The purpose of this report is to obtain Council's approval for the filling of the vacancy, of the Chief Engineer: Infrastructure Services, which will be triggered by the retirement of the current Chief Engineer: Infrastructure Services, Mr Stephen Müller who will retire on 30 September 2026.

2. Service Delivery and Budget Implementation Plan Reference - IGNITE

Directorate: Corporate Services

3. Compliance with Strategic Priority

Provision of democratic and accountable governance

4. Delegated Authority

None

5. Legal Requirements

- Section 160(1)(d) of the Constitution of the Republic of South Africa, 1996
- Sections 67, 56, 57A and 72 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) [Systems Act]
- Chapter 3 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000): Local Government Regulations on Appointment and Conditions of Employment of Senior Managers, **(GN 21 dated 17 January 2014)** [Regulations]

6. Discussion

The employment contract of the Chief Engineer: Infrastructure Services, Mr Stephen Müller, provides for the termination date of the contract of employment to be "*the last day of the month in which the relevant Director reaches the retirement age of 65 years*". Chief Engineer Müller's last day of employment will be **30 September 2026** as he will reach the retirement age of 65 years during September 2026.

Chapter 3 of the Regulations Chapter 3 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000): Local Government Regulations on Appointment and Conditions of Employment of Senior Managers, **(GN 21 dated 17 January 2014)** provides for the legislative process to be followed for the filling of the vacancy of a Senior Manager. Sub-regulation 7(1) determines that the *municipal manager must upon receipt of official notification that the post of a senior manager will become vacant, obtain approval from the municipal council for the filling of such post in its next council meeting or as soon as it is reasonably possible to do so.*

As the employment contract for Mr Müller will terminate as discussed above, the recruitment process must commence, anticipating that the post will be filled by 1 October 2026.

Sub-regulation 10(2) provides that the vacancy *must be advertised in a newspaper circulating nationally and, in the province, where the Municipality is located.*

7. Financial Implications

Funding available on the 2026/2027 salary budget for the funding of this post

8. Staff Implications

Vacancy of the position of Chief Engineer: Infrastructure Services

9. Comments from other Departments, Divisions and Administrations

Not applicable

10. Annexures

None

RECOMMENDATION TO THE COUNCIL:

1. that ***the retirement of Mr Müller on 30 September 2026, as he reaches retirement age of 65 year, be noted***; and
2. that the filling of the vacancy **be approved** and the post of Chief Engineer: Infrastructure Services be advertised in the national newspapers as well as provincial newspapers in the Western Cape.

RESPONSIBLE OFFICIAL:

DS ARRISON

TARGET DATE FOR IMPLEMENTATION:

IMMEDIATELY

7.3**CONSIDERATION OF SPECIAL RATING AREA POLICY OF THE OVERSTRAND MUNICIPALITY****D Louw**
17 June 2026**Chief Financial Officer****(028) 313 8040**

1. Executive Summary

The purpose of the report is to present the revised Special Rating Area Policy to Council for consideration in view of the contents of this report.

2. Service Delivery and Budget Implementation Plan - IGNITE

Directorate: Finance
Department: Revenue

3. Compliance with Strategic Priorities

Provision of democratic, accountable and ethical governance
Provision and maintenance of municipal services

4. Delegated Authority

None

5. Legal Requirements

Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA)
Local Government: Municipal Systems Act, 2000 (Act 32 of 2000)
Local Government: Municipal property Rates Act (Act 6 of 2004)

6. Background/Discussion/Evaluation/Conclusion**Background**

As part of the annual review process of the budget related policies, certain amendments were proposed to the Special Rating Area Policy and same was advertised for public comment. A special request was received from the existing SRA's to be afforded an opportunity to submit representations on the proposed amendments.

Discussion/Evaluation/Conclusion

The proposed amendments are as follows:

Paragraph 6.5 (Majority Support) – This provision is revised to eliminate ambiguity in the consent process by confirming that each registered property shall carry one vote, irrespective of the number of co-owners associated with that property. Clarification is also provided to expressly permit duly authorised representatives (including proxies) to act on behalf of trusts, companies, or other legal entities in the exercise of such voting rights. In this regard, consent in respect of a property registered in the name of a trust, company, or other legal entity will only be regarded as valid where it is supported by a duly signed resolution authorising a designated representative (proxy) to act on behalf of that entity in matters relating to the establishment of the SRA.

Paragraph 9.1.6 (Procurement Principles) - a new provision has been inserted to regulate the procurement of goods and services in accordance with the principles embodied in section 217 of the Constitution. This amendment aligns with legal advice confirming that SRA's perform a public function and utilise public resources and are therefore required to adhere to constitutionally prescribed procurement principles.

Paragraph 10.1.9 (Survey Methodology) - The existing approach has been amended by removing the provision for a 5% random sample and increasing the formal survey participation threshold from 20% to 25%. This revision is intended to eliminate ambiguity associated with differing sampling methodologies and to promote greater clarity and consistency in the assessment of participation.

Paragraph 10.3.1 (Timeframes for Obtaining Support) - A defined timeframe has been introduced, requiring that the process of obtaining the requisite support be finalised within 6 months following the public meeting (or second meeting, where applicable). This amendment addresses the absence of a clear cut-off period in the existing policy and promotes greater certainty and procedural efficiency.

For a marked-up view of the proposed changes to the Policy, please see Annexure A attached hereto.

7. Financial Implications

None.

8. Staff Implications

N/A

9. Comments from other Departments, Divisions and Administrations

N/A

10. Annexures

Annexure A: Special Rating Area Policy

RECOMMENDATION TO THE COUNCIL:

that the revised Special Rating Area Policy be approved for implementation from 1 July 2026.

RESPONSIBLE OFFICIAL :**D LOUW****TARGET DATE FOR IMPLEMENTATION :****1 JULY 2026**



SPECIAL RATING AREA POLICY

[] Words in bold in square brackets indicate omissions from existing enactments.

_____ Words underlined with a solid line indicate insertions in existing enactments.

INDEX

1. DEFINITIONS
2. INTRODUCTION
3. AIM OF POLICY
4. EXCLUSION
5. POLICY STATEMENT
6. FACTORS CONSIDERED WHEN DETERMINING A SPECIAL RATING AREA
7. APPLICABILITY OF THE RATES POLICY AND OTHER POLICIES
8. PROCESS
9. INSTITUTIONAL ARRANGEMENTS
10. ESTABLISHMENT PRINCIPLES OF A SPECIAL RATING AREA
11. BUSINESS PLAN CONTENT
12. ANNUAL REQUIREMENTS
13. AMENDMENT TO THE BUSINESS PLAN
14. EXTENSION OF THE SRA TERM
15. DISSOLUTION
16. FINANCIAL CONTROL
17. COMMENCEMENT AND IMPLEMENTATION
18. COST
19. SHORT TITLE

OVERSTRAND MUNICIPALITY – SPECIAL RATING AREA POLICY

1. DEFINITIONS

In this Policy words or expressions shall bear the meaning assigned to them and, unless the context otherwise indicates –

"Additional rate"	means a rate as contemplated in sections 19(1)(d) and 22(1)(b) of the MPRA read together with section 10 of the Municipality's Property Rates Policy and section 12(2) of the Municipality's Special Ratings Area By-law, which Additional Rate shall be determined on an annual basis by the Municipality and shall be a debt due to the Municipality by the registered owner of a property within the SRA, and collected in the same manner as other property rates imposed by the Municipality.
"applicant"	means any owner who makes an application for the determination of a special rating area in accordance with Chapter 1 of the By-law, or if a management body is established in terms of section 10 thereof, any reference to "the Applicant" means the management body.
"Business plan"	means a motivation report, implementation plan and term budget as contemplated in section 10 of the By-law.
"By-law"	means the Overstrand Municipality: Special Rating Area By-law.
"CFO"	means the Chief Financial Officer
"Companies Act"	means the Companies Act, 2008 (Act No. 71 of 2008), as amended or replaced;
"Council"	means the Council of the Overstrand Municipality
"IDP"	means Integrated Development Plan
"majority"	means the majority of property owners as contemplated in 6.5 and 6.6 of the Policy.
"Management body"	means the management body of a special rating area to be established in accordance with the provisions of section 11 of the By-law; "owner" has the meaning assigned to it in section 1 of the Property Rates Act;
"non-profit company"	defined as a non-profit company with members as defined in section 1 of the Companies Act No 71 of 2008
"Policy"	means the Policy for the determination of special rating areas, or any other policy adopted by the Council in relation to special rating areas, as in force from time to time.
"Property Rates Act"	means the Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004);
"Rateable property"	has the meaning assigned to it in section 1 of the Property Rates Act.
"Special rating area" or "SRA"	means a special rating area approved by the Council in accordance with the provisions of section 22 of the Property Rates Act;
"Steering committee"	means the steering committee of a special rating area to be established in accordance with the provisions of paragraph 9.1.1 of the Policy;
"Term budget"	means the budget of the management body contemplated in section 6 of the By-law.

2. INTRODUCTION

- 2.1 This Policy for the establishment of special rating areas must be read together with the Property Rates Act and the By-Law.
- 2.2 All words and phrases defined in the Property Rates Act and the By-law have the same meaning in this Policy.
- 2.3 In the event of any conflict between the provisions of the By-law and the provisions of this Policy, the By-law prevails.
- 2.4 The Policy should at all times be read together with the Rates Policy of Overstrand Municipality.

OVERSTRAND MUNICIPALITY – SPECIAL RATING AREA POLICY

3. AIM OF THE POLICY

This Policy aims to –

- 3.1 set out Council's position on special rating areas and the factors that will influence Council's decision whether or not to determine a particular special rating area,
- 3.2 provide guidance to members of the local community and to decision- makers within the Overstrand Municipality in relation to the establishment of special rating areas,
- 3.3 strike an appropriate balance between facilitating self-funded community initiatives that aim to improve and/or upgrade neighborhoods by making use of a non-profit company ("NPC") structure as contemplated in the Companies Act, which is referred to in the By-law as "the management body"; and ensure commitment to good, fair and transparent governance by the management body as defined in the By-law, by implementing a transparent process when appointing service providers to improve and/or upgrade the special rating area in the public areas and ensuring that these improved and/or upgraded services are not provided for private properties.

4. EXCLUSION

This Policy does not apply to privately-owned property developments.

5. POLICY STATEMENT

- 5.1 The special rating area model is based on international best practice. It is aimed at preventing the degeneration of towns and the consequential urban decay, and facilitating their upliftment, economic growth and sustainable development.
- 5.2 The purposes of a special rating area are to –
 - 5.2.1 enhance and supplement the **municipal services** provided by the Overstrand Municipality.
 - 5.2.2 facilitate investment in the special rating area.
 - 5.2.3 facilitate a co-operative approach between the Municipality and the private sector in the provision of municipal services.
 - 5.2.4 halt the degeneration and facilitate the upliftment of distressed business and mixed-use areas; and
 - 5.2.5 promote economic growth and sustainable development and in this way assist the Council in the fulfilment of its objects and developmental duties as set out in its Integrated Development Plan ("IDP").
- 5.3 The Overstrand Municipality recognises special rating areas as a potential tool for assisting it to fulfill its constitutional and statutory obligations to allow property owners within a geographical area to improve and upgrade their area by means of a property rate in addition to the standard property rate.
- 5.4 The Overstrand Municipality does not see its role as advocating or initiating the establishment of special rating areas, but rather facilitating the process with guidance and advice and assisting and helping to capacitate management bodies

OVERSTRAND MUNICIPALITY – SPECIAL RATING AREA POLICY

6. FACTORS CONSIDERED WHEN DETERMINING A SPECIAL RATING AREA

The Council will consider determining a special rating area where the requirements of section 22 of the Property Rates Act are complied with, including that-

- 6.1 the purpose of the special rating area is to allow an additional rate to be levied on property in the defined area to raise funds for improving or upgrading the area.
- 6.2 the special rating area will not be used to reinforce existing inequities in the development of the Overstrand's area of jurisdiction.
- 6.3 the determination of the special rating area is consistent with the IDP.
- 6.4 residential special rating areas mean an area in which more than 40% (forty percent) of the rates base value consists of Residential Property as defined in the Municipalities Rates Policy.
- 6.5 any residential special rating area must comply fully with the provisions of the By-law, save that, with reference to the majority support, the applicant must provide written proof to the Council that owners of rateable property within the boundary of the special rating area who own not fewer than 50% (fifty percent) plus 1 in number of such properties, approve the formation of the special rating area.

For the purposes of determining majority support:

- Each registered property as recorded in the valuation roll, shall count as one vote.
 - Consent for a property registered in the name of a trust, company, or other legal entity shall only be regarded as valid if accompanied by a properly signed resolution authorizing a designated representative (proxy) to act on behalf of that entity in matters relating to the establishment of the SRA.
- 6.6 any non-residential special rating area must comply fully with the provisions of the By-law, save that, with reference to the majority support, the applicant must provide written proof to the Council that owners of rateable property within the boundary of the special rating area who own not fewer than 50% (fifty percent) plus 1 in number of such properties, approve the formation of the special rating area;
 - 6.7 the procedural requirements of section 22 of the Property Rates Act as well as the By-law and the Policy, are complied with, including the community consultation requirement, as determined by the CFO;
 - 6.8 the proposed improvement or upgrade has been clearly and fully defined;
 - 6.9 the proposed improvement or upgrade can be clearly and logically linked to a geographical area, the boundaries of which can be clearly determined;
 - 6.10 there is evidence that it will be financially viable to use a special rating area to raise funds for the proposed improvement or upgrade.
 - 6.11 Overstrand is satisfied with the institutional arrangements proposed in respect of the special rating area; and
 - 6.12 ultimately, the decision whether or not to determine a special rating area rest with the Council in its sole discretion.

7. APPLICABILITY OF THE OVERSTRAND MUNICIPALITIES RATES POLICY AND OTHER POLICIES

- 7.1 The Overstrand Municipality's rates policy applies with the necessary changes to this Policy. In particular, and without limiting the generality of the afore-going, Section 17 of the Property Rates Act, the exemptions, rebates and reductions set out in the Rates Policy apply with the necessary changes in relation to the levying of an additional rate for special rating area purposes.

OVERSTRAND MUNICIPALITY – SPECIAL RATING AREA POLICY

- 7.2 Notwithstanding the provisions of paragraph 7.1 above, when the Municipality grants a partial rebate as set out in the Rates Policy, the relevant property owner will be granted a full (100%) rebate in relation to the additional rate.
- 7.3 Other policies approved by the Council apply with the necessary changes to the collection of additional rates in terms of the Policy, the By-Law and section 22 of the Property Rates Act, including, but not limited to, the Overstrand Municipality Credit Control and Debt Collection Policy.

8. PROCESS

This Policy sets out –

- 8.1 the institutional arrangements for special rating areas (paragraph 9),
- 8.2 the establishment principles (paragraph 10),
- 8.3 the information to be included in the business plan which needs to be submitted to the Overstrand Municipality in order to motivate a request for determination of a special rating area (paragraph 11),
- 8.4 the annual requirements for Special Rating Areas (paragraph 12),
- 8.5 the amendment and/or extension of term for special rating area (paragraph 13 and paragraph 14),
- 8.6 the dissolution requirements which must be followed (paragraph 15) and
- 8.7 the financial arrangements (paragraph 16).

9. INSTITUTIONAL ARRANGEMENTS

Section 22 of the Property Rates Act is not prescriptive as to the structural arrangements which need to be put in place to administer a special rating area. The structural arrangements that will be supported by the Overstrand Municipality are the following:

9.1 Administration by a NPC

- 9.1.1 The ratepayers within the special rating area must establish and participate in an appropriate structure to carry out planning, contracting, financial control and administrative functions within the special rating area, in order to manage and implement the services and upgrades.
- 9.1.2 This structural arrangement does not entail ratepayers *setting* the additional rate, which under law can only be done by the Council.
- 9.1.3 Councilors who are actively involved in pursuing and promoting the establishment of a special rating area must recuse themselves when Council considers the application for establishment of a special rating area.
- 9.1.4 Amongst other reasons, because funds collected by government are placed in the hands of the private sector through this structural arrangement, the requirements set out in this Policy must be met.
- 9.1.5 The functions of the structure would include:
 - (a) determining the funding required each year (paragraph 16.2),
 - (b) appointing contractors to effect the improvement/s or upgrade/s and

OVERSTRAND MUNICIPALITY – SPECIAL RATING AREA POLICY

- (c) receiving the additional rate collected by the Overstrand Municipality and expending the funds in accordance with the approved business plan.

9.1.6 The management body shall procure goods and services in accordance with a procurement policy approved by its Board of Directors. The procurement policy shall give effect to the principles of fairness, transparency, competitiveness, accountability, and cost-effectiveness as contemplated in section 217 of the Constitution.

Compliance with this provision shall not require the management body to implement a municipal supply chain management system, provided that its procurement policy adequately gives effect to the principles set out above.

The procurement policy shall be submitted to the Municipality for review, comment and approval upon the establishment of the Special Rating Area (SRA) and upon any extension / amendment of the SRA as contemplated in this policy. Such policy must be reviewed annually before the end of May.

9.2 Structural requirements:

- 9.2.1 Before Overstrand Municipality will consider allowing ratepayers in a special rating area to carry out administrative and other functions in relation to the area, the Steering Committee must establish a non-profit company ("**NPC**") in terms of the Companies Act for that purpose.
- 9.2.2 The inaugural memorandum of incorporation ("**MOI**") of the NPC must be aligned with the prescribed format determined by the CFO; and any amendments thereto must be approved by the CFO.
- 9.2.3 The NPC must be managed in terms of the Companies Act, and must also comply with any other legislation as a result of the financial connection to Council.
- 9.2.4 The NPC must have at least 3 (three) directors, each with specific portfolio(s) aligned with the business plan.
- 9.2.5 The Executive Mayor will appoint councilor(s) as director(s) and alternate director(s) as representative(s) of the Municipality, who shall attend and participate in, but not vote at meetings of the management body, to the board of the management body in accordance with sections 11(4) and 11(5) of the By-law. The director(s) appointed by the Executive Mayor will not have the powers and duties of directors as set out in the Companies Act and the management body's MOI.
- 9.2.6 The NPC must give a written notice to all the affected property owners within the special rating area of the intention to hold a members meeting within six months of the establishment of the NPC and thereafter an annual general meeting ("**AGM**") (paragraph 12.2) on the date stated in the notice by advertising in one English and one Afrikaans daily newspaper and must also give notice in a community (local) newspaper to accommodate other official languages where applicable; and
- 9.2.7 The purpose of the meetings referred to in paragraph 9.2.6 will be to, amongst other items on the agenda:
- (a) appoint directors, other than the director(s) appointed in terms of paragraph 9.2.5;
 - (b) amend the NPC's MOI if required and with prior written consent of the CFO; and
 - (c) approve the following year's budget and implementation plan (paragraph 16.2).

OVERSTRAND MUNICIPALITY – SPECIAL RATING AREA POLICY

10. ESTABLISHMENT PRINCIPLES OF A SPECIAL RATING AREA

The process for establishing special rating areas as set out in Chapter 1 of the By-law, must be followed.

10.1 Initiation Phase

- 10.1.1 The applicant must form a steering committee that is representative of property owners within the proposed special rating area.
- 10.1.2 The Steering Committee must keep a comprehensive portfolio of evidence of the establishment process.
- 10.1.3 The Steering Committee must meet with the CFO before commencing with the establishment process to ensure that the special rating area is the appropriate vehicle.
- 10.1.4 All documents relating to the establishment process must be approved by the CFO before circulating them to the public.
- 10.1.5 After the Steering Committee confirms in writing that it will engage in the pursuit of establishing a special rating area it must supply the Overstrand Municipality with a map depicting the boundaries of the special rating area.
- 10.1.6 The Overstrand Municipality will extract a property database which the Steering Committee, with the assistance of the Municipality, must verify as correct. Any anomalies must be reported to the Municipality for remedial action.
- 10.1.7 All properties except municipal properties predominantly used for municipal purposes or properties exempted from paying property rates or receiving partial rates relief (paragraph 7.1) will form part of the property database of the proposed special rating area.
- 10.1.8 After the **[Overstrand Municipality]** CFO has prepared a total arrears profile of the area and is satisfied with the outcome thereof the Steering Committee may proceed with the establishment process.
- 10.1.9 The Steering Committee will be required to conduct an urban management survey (only one survey per property owner) of not less than **[20%] 25%** of properties in the database (proportional split in terms of the usage code is required). **[In addition, a random sample of people within the area, which is equal in number to not less than 5% of the properties in the database, is also required.]** Where a reduction in the number of survey forms is required, it may be motivated for consideration by the CFO.
- 10.1.10 The Steering Committee must consult with the respective Overstrand Municipality Directorate(s) regarding the current service(s) provided and the levels thereof as well as the SRA anticipated service(s) and level thereof.
- 10.1.11 The Steering Committee must compile a business plan in accordance with the provisions of paragraph 11 of this Policy.

10.2 First Public Meeting

- 10.2.1 The public meeting must be conducted in accordance with section 5 of the By-law.

10.3 Obtaining Support

- 10.3.1 Support may only be obtained after the public meeting and on the consent form provided by the Overstrand Municipality. The process of obtaining support must be

OVERSTRAND MUNICIPALITY – SPECIAL RATING AREA POLICY

concluded within 6 (six) after the public meeting (or second meeting, where applicable).

- 10.3.2 All support forms must be filed and cross-referenced to the most recent property database available which reflect data from one month prior to the application submission date. [in terms of paragraph 10.1.6 of the Policy to verify the accuracy thereof.]
- 10.3.3 Any property owner that wants to object to the establishment of a special rating area or to the provisions of the business plan can do so by indicating it on the consent form. The objector will be required to submit an objection letter once an application for the establishment of a special rating area is submitted to Council.

10.4 Application

- 10.4.1 An application must be submitted in terms of paragraph 11 of this Policy.
- 10.4.2 The application must be advertised in terms of paragraph 9.2.6 and also set a date for a second public meeting to occur not more than twenty days or less than seven days before the objection period closes.
- 10.4.3 Prior to submitting an application the Steering Committee will be required to set up a website that displays the following:
- application letter
 - business plan
 - urban management perception report
 - public meeting presentations and minutes
 - By-law
 - Policy
 - SRA frequently asked questions
 - notices; and
 - blank consent / objection form.
- 10.4.4 The special rating area application must be submitted by 30 September of the financial year preceding the establishment of the special rating area. The CFO may extend this date if a properly motivated request is received. This will depend on Council's ability to accommodate the late application within the budget process.

10.5 Objections

- 10.5.1 **[Consents and o]** Objections will be considered only if they are submitted to Council by the last day specified in the application notice.
- 10.5.2 Property owners objecting to the establishment of a special rating area in terms of paragraph 10.3.3 must do so in writing and include a motivation for their objection.
- 10.5.3 The Steering Committee must engage with all the objectors and provide them and Council with minutes of these meetings. The objector/s will be allowed to respond to the minutes.
- 10.5.4 Any property owner who wants to make oral representations for submission to Council in terms of section 7(4) of the By-law will be assisted by an official to document this for inclusion in the report to be considered by Council.

10.6 Inaugural Phase

- 10.6.1 The process and appointment of all service providers must be communicated to the property owners on the NPC's website and in newsletters.
- 10.6.2 The application form to become a member of the NPC must also be available on the website.

OVERSTRAND MUNICIPALITY – SPECIAL RATING AREA POLICY

10.6.3 Any special rating area that is approved more than nine months prior to the effective date may:

10.6.3.1 delay the implementation of the special rating area and commence with year two of the business plan. This will imply that the term is effectively reduced by one year; or

10.6.3.2 implement the original business plan.

11. BUSINESS PLAN CONTENT

The business plan comprises of the following:

- a motivation report
- an implementation plan and
- a term budget.

11.1 Motivation report

The motivation report must contain the following:

11.1.1 Introduction:

11.1.1.1 an executive summary of the improvement or upgrade proposed for the special rating area as set out in the business plan;

11.1.1.2 an explanation of how the proposed improvement or upgrade is linked to the geographical area of the proposed special rating area;

11.1.1.3 an explanation of why the proposed special rating area will not reinforce existing inequities in the development of the Overstrand Municipality;

11.1.1.4 an explanation of how the special rating area, if determined, will be consistent with the Overstrand Municipalities IDP as per the Service Departments' business plans;

11.1.1.5 an explanation of the institutional arrangements proposed in relation to the special rating area;

11.1.2 Vision

11.1.3 Mission

11.1.4 Goal

11.1.5 A diagram clearly indicating the boundaries of the proposed special rating area.

11.1.6 Proposed management structure:

- composition of special rating area board including allocation of portfolios; and
- operational arrangements.

11.1.7 Services:

11.1.7.1 Service providers to be appointed as contemplated in paragraphs 2.1.4 and 9.6.1.

11.1.8 Financial Impact:

- provide details regarding the calculation of the additional rate;

OVERSTRAND MUNICIPALITY – SPECIAL RATING AREA POLICY

- provide details of criteria to qualify for exemption from paying the additional rate as per paragraph 10.1.7

11.1.9 A list of all rateable properties within the proposed special rating area, contact details of all property owners and the value of each property as set out in the Council's general valuation roll. Differentiation between categories of properties, as provided for in section 8 of the Property Rates Act, must be considered.

11.1.10 Proof of the consent of the majority of the members of the local community in the proposed special rating area who will be liable for paying the additional rate.

11.1.11 Proof of the notice of the public meeting or meetings contemplated in the By-law.

11.1.12 Minutes of the public meeting or meetings; and

11.1.13 Compilation date.

11.2 Implementation plan

The implementation plan is a schedule of goals to implement improvements or upgrades as per the motivation report and must at least address the following:

11.2.1 Milestones;

11.2.2 Tasks per milestone;

11.2.3 Start and finish date per task;

11.2.4 Assign responsibility per goal, milestone & task; and

11.2.5 Performance indicators per milestone.

11.3 Term budget

11.3.1 The budget for the proposed improvements or upgrades must at least address the following:

11.3.1.1 an annual budget per line item commencing on 1 July of the first year and ending on 30 June of the last year of the term; and

11.3.1.2 a budget split for the provision of improvements or upgrades between the different categories of properties.

11.3.2 subject to the provisions of the Property Rates Act, the additional rate in any category of property must not exceed 25% of the municipal property rate. Any deviation must be fully motivated to Council for consideration.

12. ANNUAL REQUIREMENTS

12.1 The NPC must confirm the property data base which the Steering Committee must verify as correct or report anomalies to the Overstrand Municipality for remedial action.

12.2 The NPC must hold its AGM before 31 December as per the MOI requirements.

12.3 Within two months of the end of each financial year the NPC must provide the CFO with its Audited Financial Statements for the immediately preceding year.

12.4 Within three months after the AGM the NPC must provide Council with its audited Financial Statements for the immediately preceding year and an Annual Report on its progress in carrying out the provisions of the Business Plan in the preceding year to improve and upgrade the Special Rating Area.

OVERSTRAND MUNICIPALITY – SPECIAL RATING AREA POLICY

- 12.5 The NPC must submit an annual budget and implementation plan for comment by the CFO before approval at the AGM (paragraph 16.2), and ensure that -
- 12.5.1 the quantum of financial reserves is not less than two months of revenue received from the Overstrand Municipality in terms of the approved budget per SRA except if these funds have been duly allocated to a project.
 - 12.5.2 the implementation plan is aligned with the proposed budget.
- 12.6 The submission of the annual budget and implementation plan as referred to in paragraph 12.5 will be subject to approval by Council during the municipalities annual budget process.
- 12.7 The NPC must by 31 January each year provide the CFO with a mid- year performance scorecard based on the activities set out in the implementation plan.
- 12.8 The NPC will within one month after the AGM provide the CFO with draft minutes of the AGM to ensure compliance with the legal requirements.

13. AMENDMENT TO THE BUSINESS PLAN

- 13.1 In the event that a NPC seeks to amend the boundaries of the SRA and/or the business plan content then the procedures set out in section 14 of the By-law must be followed and submitted by 30 September.
- 13.2 The following factors, although not limited to, must be addressed in the motivation:
- explanation of impact on costs, budget and implementation plan expectations
 - cross subsidisation by existing members
 - fairness and equity
 - affordability and sustainability of the existing SRA
 - intention of the legislation prescribing that all property owners; must be allowed to participate in the formation of a SRA
 - priorities of the new area may differ from the existing SRA priorities; and
 - arrears profile
- 13.3 The boundary changes must not affect the vested rights of existing property owners as per the Business Plan.
- 13.4 Boundary changes are subject to the following criteria:
- 13.4.1 Obtaining by special resolution the support from existing NPC members at a members meeting before expansion is pursued;
 - 13.4.2 Determining the profile of the new total SRA as it could change from non-residential to residential and vice versa;
 - 13.4.3 Obtaining the required majority support from the property owners in the new area only, based on the determination referred to in paragraph 13.4.2.
 - 13.4.4 Any geographical boundary changes must be continuous with the existing SRA geographical area.

OVERSTRAND MUNICIPALITY – SPECIAL RATING AREA POLICY

- 13.5 Property owners in the new area must follow the establishment process as per Chapter 1 of the By-law.

14. EXTENSION OF THE SRA TERM

In the event that a NPC seeks to extend the term of the special rating area for a further period then the procedures set out in section 15 of the By-law must be followed.

15. DISSOLUTION

The special rating area may be dissolved by resolution of the Council in terms of section 16 of the By-law. Thereafter the management body may be wound up in terms of the provisions of section 16 of the By-law and the NPC's MOI.

16. FINANCIAL CONTROL

- 16.1 As stated in the By-law, the amount of any additional rate levied in a special rating area is determined by Council. The additional rate is imposed by the Council, is a debt owing to the Overstrand Municipality and is payable and collected in the same manner as other property rates imposed by the Council.
- 16.2 The NPC must submit an annual budget as approved at an AGM or Special General Meeting ("**SGM**") to the Overstrand Municipality by 31 January, with appropriate motivation including an implementation plan for the next financial year, and the Council will consider the recommendation during its budgeting process.
- 16.3 Before the Overstrand Municipality will pay over any additional rate collected to the NPC, the NPC and the Overstrand Municipality must have concluded a written finance agreement regulating, amongst other things:
- 16.3.1 the mechanisms and manner of payment;
 - 16.3.2 how the additional rate is to be held by the NPC;
 - 16.3.3 any parameters relating to expenditure; and
 - 16.3.4 any obligations on the NPC to take out and maintain appropriate insurance.
- 16.4 The CFO may request a forensic audit should he deem it necessary.
- 16.5 The CFO may request a special board meeting.
- 16.6 The CFO may amend the percentage retained as a provision for bad debt for SRA's with high arrears, as contemplated in the Finance Agreement concluded between the Overstrand Municipality and each SRA, should he/she deems it necessary.

17. COMMENCEMENT AND IMPLEMENTATION

- 17.1 This Policy will come into effect on **1 July 2026**.
- 17.2 Where the Overstrand Municipality is legally empowered to do so, requirements set out in this Policy may be imposed as conditions attached to the determination of a special rating area.
- 17.3 This Policy and its implementation must be reviewed annually.

18. COSTS

OVERSTRAND MUNICIPALITY – SPECIAL RATING AREA POLICY

Unless otherwise agreed by the Municipal Manager or his/her nominee, the Overstrand Municipality shall not be liable for any costs incurred by ratepayers within the relevant proposed special rating area in respect of the implementation of the steps set out in this Policy and in the By-law.

19. SHORT TITLE

This policy will be referred to as the **Special Rating Area Policy of the Overstrand Municipality**.

POLICY SECTION:	DIVISIONAL MANAGER : REVENUE MANGEMENT
CURRENT UPDATE:	29 MAY 2025
PREVIOUS REVIEW:	31 MAY 2024
PREVIOUS REVIEW:	31 MAY 2023
PREVIOUS REVIEW:	31 MAY 2022
PREVIOUS REVIEW:	26 MAY 2021
PREVIOUS REVIEW:	27 MAY 2020
PREVIOUS REVIEW:	29 MAY 2019
PREVIOUS REVIEW:	30 MAY 2018
PREVIOUS REVIEW:	31 MAY 2017
APPROVAL BY COUNCIL:	25 MAY 2016

7.4**PROPOSED AMENDMENT OF TENDER SC 1675C/2016: UPGRADE, MAINTENANCE AND SUPPORT OF OVERSTRAND MUNICIPALITY'S RADIO FREQUENCY NETWORK****C Johnson
12 June 2026****Divisional Manager: ICT****(028) 313 8190**

1. Executive Summary

The purpose of this report is to provide the necessary information and motivation for the proposed amendment of Contract SC 1675C/2016: UPGRADE, MAINTENANCE AND SUPPORT OF OVERSTRAND MUNICIPALITY'S RADIO FREQUENCY NETWORK, in terms of the enabling provisions of Section 116 (3) (a) and (b) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003), in order to enable Council to take an informed decision when considering the request for the amendment of the contract

2. Service Delivery and Budget Implementation Plan - IGNITE

Directorate: Corporate Services
Department: ICT

3. Compliance with Strategic Priorities

Provision and maintenance of municipal services
Provision of democratic, accountable, and ethical governance

4. Delegated Authority

None

5. Legal Requirements

Local Government: Municipal Finance Management Act, Act 56 of 2003
Overstrand Municipality Supply Chain Management Policy, as amended
Overstrand Municipality Contract Management Policy, as amended

6. Background/Evaluation/Conclusion**Background**

The current contract with Communications Solutions (Pty) Ltd, hereafter referred to as COMSOL, was entered into after they were awarded the tender for the upgrade, maintenance and support of Overstrand Municipality's Radio

Frequency (RF) network, having complied with all the tender requirements and specifications, in addition to being the sole tenderer. The contract was initially to encompass a portion of the upgrade of the RF Wireless network, as dictated by the pricing schedule as well as the maintenance and warranty of the RF Network thereafter.

Sole Tenderer

The reasons they were the sole tenderer is in part due to

- the stringent requirements we placed on the skillsets and expertise needed to perform the procurement, setup, installation and maintenance of the network
- be large enough company to support the scope and set up of the municipalities RF Network
- have enough, competent and compliant manpower to provide the necessary critical SLA response times required, Overstrand Wide, and
- providing an ongoing warranty for the products that we not only purchased, but also the equipment already in place.

Due to these reasons and others that will be covered, COMSOL were the only responder to the last tender, however, they also complied with the technical, evaluation and compliance criteria and were eventually awarded the contract. Due to the nature of the requirements, we believe any subsequent tender will produce the same results, as the network has expanded and become established. There were many (more than 5) service providers at the compulsory tender meeting, and the general sentiment was that they were not prepared to accept the risk of the warranties on new and existing equipment, as their outlay would no longer make it viable for them to be profitable. Their costing models also wanted to include cost of transport and after-hour rates, which would have been a problem for ICT in terms of budgets and risks.

The RF Network was born about 14 years ago from the amalgamation of the requirements for PABX and Network connectivity. The solution was put in place to provide connectivity between the various Overstrand administrations and remote offices and provide Voice over IP telephony, Email and Corporate systems connectivity to these sites. The initial contract was awarded to Gijima Holdings, who subcontracted COMSOL to do the RF Network portion of the contract. COMSOL initially designed and installed the network and has maintained the network since its inception. On subsequent deviations, Gijima and COMSOL have managed the PABX and RF Network respectively.

When the last Gijima contract ended, we decided not to renew the contract as we wanted to (1) split the PABX and RF Network portions, and (2) move from a partial analog/digital PABX solution to a fully VoIP onsite/hosted

environment. That was when we put out the tender for the RF Network upgrade, maintenance and Service Level Agreement, which COMSOL was awarded.

The motivation for the proposed amendment of this contract to extend the contract period to 30 June 2029 is as follows:

1. The service rendered through the current contract (support, continuing operation for installation and maintenance) is regarded as essential in the delivery of basic services to the Overstrand Community. The continuation of services by the current service providers will ensure continuity and stability.
2. The amendment of the contract will have no adverse financial implications for the municipality, as there are fixed rates which are escalated by 6% annually in the outer years. The equipment listed as end-of-life in the price list will be updated to the latest like-for-like available updates ensuring that the municipality, ensuring the municipality has access to fit-for-use technology and not suffer from the use of legacy out-of-date equipment.
3. Extending the contract with Communications Solutions (Pty) Ltd for a 3-year period will enable seamless continuation of upgrade, maintenance, and support of Overstrand Municipality's Radio Frequency Network, as it is impractical to appoint another service provider, with Communications Solutions (Pty) Ltd being the installer and maintainer of the existing equipment, and other equipment not being compatible with the equipment and software.
4. Communications Solutions (Pty) Ltd is a reputable specialist communications system service provider to many industries across the country.
5. A letter of intent to amend the contract under the same terms and conditions was signed by Overstrand Municipality and Communications Solutions (Pty) Ltd and is attached as Annexure B.

Evaluation

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

- “(3) A contract or agreement procured through the supply chain management policy of a 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.”*

Section 116(3) of the MFMA should be read together with MFMA Circular no. 73, issued by National Treasury in May 2013. In terms of the said circular, the following power/duty was conferred to Council, which is cited as follows (emphasis added):

“Considering the reasons for the proposed amendment of a contract or agreement and any representations that may have been received regarding the proposed amendment of a contract or an agreement procured through the supply chain management policy of the municipality and deciding whether to consent to the amendment of the contract or agreement.”

In terms of Section 116(3) of the MFMA, due process has been followed, and the following activities were completed:

- An advertisement inviting comments from the local community and other interested persons was placed in the local media on 19 May 2026 (refer to Annexure A). No comment was received on or before the closing date for comments of 20 June 2026.
- The final step in the MFMA Section 116(3) process is this submission to the Council meeting of 25 June 2026

Conclusion

All the processes required in terms of the MFMA for the amendment of the contract have been followed.

The reasons for the proposed amendment of Contract SCD SC1675C/2016 which is currently active, and no negative comment was received from any stakeholder against the planned extension of the contract period until 30 June 2029.

It is recommended that Council consent to the proposed amendment of the contract.

7. Financial Implications

Source of Funding: Capital and Operating Budget Provisions

The estimated financial implications during the current Medium-Term Expenditure Framework are summarized in the table below.

		2026/27	2027/28	2028/29
SCOA description	(1)	EXPENDITURE:OPERATIONAL COST:EXTERNAL COMPUTER SERVICE:WIRELESS NETWORK		
SCOA business key	(1)	20240627098444		
Budget provision (excl. VAT)	(1)	R2 996 032	R2 996 032	R2 996 032
Balance available (excl. VAT)	(1)	R2 996 032	R2 996 032	R2 996 032
Estimated expenditure in case of tariffs (excl. VAT)		R1 285 805	R1 285 805	R1 285 805
Total estimated project cost (excl. VAT)		R3 857 414		
Escalation (if any)		CPI		
Escalation date		Annually on 1 July		

8. Staff Implications

None

9. Comments from other Departments, Divisions and Administrations

SCM-Contract Management: compliance checks on the service provider were done and all verifications in terms of the SCM Policy were found to be in order, hence the service provider complies in all aspects. The user department must ensure that the extension of the contract is in line with the fair, cost effective, transparent, competitive, and equitable principles of the Supply Chain Management system. Further, it is imperative that the extension results in more efficient and effective systems to promote excellent service delivery to the community by the municipality. SCM supports the extension of the contract in terms of Section 116(3) of the Local Government: Municipal Finance Management Act no 56 of 2003.

10. Annexures

- Annexure A: Public Notice of intention to amend the Contract
- Annexure B: Addendum to the Contract (Intent to Amend)
- Annexure C: Budget Office Budget confirmation

RECOMMENDATION TO THE COUNCIL:

1. that cognisance be taken that no representations were received from the local community against the intention to amend contract SC1675C/2016; and
2. that cognisance be taken of the reasons for the proposed amendment of Contract SC 1675C/2016: Upgrade, Maintenance and Support of Overstrand Municipality's Radio Frequency Network, in terms of the enabling provisions of Section 116 (3) (a) and (b) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003), and that the amendment be consented to.

AGENDA : ORDINARY COUNCIL MEETING

24 JUNE 2026

RESPONSIBLE OFFICIAL:

C JOHNSON

TARGET DATE FOR IMPLEMENTATION:

1 JULY 2026

OVERSTRAND MUNICIPALITY	OVERSTRAND-MUNICIPALITEIT	UMASIPALA WASE-OVERSTRAND
NOTICE IN TERMS OF SECTION 116(3) OF THE LOCAL GOVERNMENT ACT, 2003 (ACT 56 OF 2003) FOR THE PROPOSED AMENDMENT OF THE EXISTING AGREEMENT WITH: COMSOL NETWORKS (PTY) LTD FOR SCI1675C/2016: UPGRADE, MAINTENANCE AND SUPPORT OF OVERSTRAND MUNICIPALITY'S RADIO FREQUENCY NETWORK FOR A CONTRACT PERIOD ENDING 30 JUNE 2023 Notice is hereby given in terms of Section 116(3) (a) and (b) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) that it is the intention of the Overstrand Municipality to amend the existing contract with Comsol Networks (Pty) Ltd to provide for the extension of the agreement for a period ending 30 June 2023. Notice is hereby further given in terms of Section 21 and 21A of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) that the local community and affected parties are invited to submit comments or representations on the proposed amendment of the agreement. Such comments or representations must be submitted by not later than Thursday, 18 June 2026 at 12:00. Comments or representations must be submitted in a sealed envelope clearly endorsed SCI1675C/2016: UPGRADE, MAINTENANCE AND SUPPORT OF OVERSTRAND MUNICIPALITY'S RADIO FREQUENCY NETWORK FOR A CONTRACT PERIOD ENDING 30 JUNE 2023 and deposited in Tender Box no. 7. All submissions must be addressed to: The Municipal Manager Tender box no 7 Overstrand Municipality Magnolia Avenue Hermanus 7200 Persons who are physical disabled or who cannot read or write but wish to participate in the process, may come during office hours to the Municipal Offices, Magnolia Avenue, Hermanus where a staff member will assist that person to transcribe that person's comments or representations.	KENNISGEWING INGEVOLGE ARTIKEL 116(3) VAN DIE WET OP PLAASLIKE REGERING: MUNISIPALE FINANSIËLE BESTUUR, 2003 (WET 56 VAN 2003) VIR DIE VOORGESTELDE WYSIGING VAN DIE BESTAANDE OOREENKOMS MET: COMSOL NETWORKS (PTY) LTD VIR SCI1675C/2016: OPGRADERING, ONDERHOUD EN ONDERSTEUNING VAN OVERSTRAND MUNISIPALITEIT SE RADIO FREKWENSIE NETWERK VIR 'N KONTRAKTYDPERK EINDIGEND 30 JUNIE 2023 Kennis geskied hiermee ingevolge artikel 116(3) (a) en (b) van die Wet op Plaaslike Regering: Munisipale Finansiële Bestuur, 2003 (Wet 56 van 2003) dat die Munisipaliteit Overstrand van voornemens is om die bestaande ooreenkoms te wysig met Comsol Networks (Pty) Ltd om voorsiening te maak vir die uitbreiding van die ooreenkoms vir 'n periode wat eindig op 30 Junie 2023. Kennis word hiermee verder ingevolge Artikel 21 en 21A van die Wet op Plaaslike Regering: Munisipale Stelsels, 2000 (Wet 32 van 2000) gegee dat die plaaslike gemeenskap en geïntereerde partye uitgenooi word om kommentaar of vertoe oor die voorgestelde wysigings van die ooreenkoms in te dien. Sodanige kommentaar of vertoe moet teen nie later nie as Donnerdag, 18 Junie 2026 om 12:00 ingedien word. Kommentaar of vertoe moet ingedien word in 'n verseelde koever wat duidelik geëndosseer is SCI1675C/2016: OPGRADERING, ONDERHOUD EN ONDERSTEUNING VAN OVERSTRAND MUNISIPALITEIT SE RADIO FREKWENSIE NETWERK VIR 'N KONTRAKTYDPERK EINDIGEND 30 JUNIE 2023 en geplaas word in Tenderbus nr. 7. Alle voorleggings moet gerig word aan: Die Munisipale Bestuurder Tenderboks nr 7 Overstrand Munisipaliteit Magnoliaaan Hermanus 7200 Personne wat fisies gestremd is of wat nie kan lees of skryf nie, maar aan die proses wil deelneem, kan gedurende kantoorure na die Munisipale Kantore, Magnoliaaan, Hermanus kom waar 'n personeelid daardie persoon sal help om daardie persoon se kommentaar of vertoe af te skryf.	ISAZISO NGOKWECANDELO LE-116(3) LORHULUMENTE WEEDOLOPHU: UMTHETHO WOLAWULO LWEZEZIMALI KAMASIPALA, 2003 (UMTHETHO 56 KA-2003) NGESILUNGISELELO ESICETYWEYO SEZIVUMELWANO EZIKHOYO NE: I-COMSOL NETWORKS (PTY) LTD YE- SCI1675C/2016: UHLAZIYO, UKULONDOLOZWA NENKXASO YOMASIPALA WASE-OVERSTRAND I-RADIO FREQUENCY NETWORK NGEXESHA LESIVUMELWANO EKUPHELA NGE-30 JUNI 2023 Isaziso siyanikezelwa ngokweCandelo le-116 (3) (a) kunye (b) loRhulumente weNgingqi: uMthetho wolawulo lweMali kaMasipala, ka-2003 (uMthetho wama-56 ka-2003) ukuba yinjongo kaMasipala wase-Overstrand ukulingisa isivumelwano esikhooyo ne-Comsol Networks (Pty) Ltd ibonelela ngokwandiswa kwesivumelwano ixesha eliphela ngowama we-30 kaJuni 2023. Isaziso siyanikezelwa ngokwemigaqo yeCandelo lama-21 kunye nama-21A kuRhulumente weNgingqi: uMthetho weelNkqubo zikaMasipala, ka-2000 (uMthetho wama-32 ka-2000) sokuba uluntu lwasekuhlaleni kunye namaqela achaphazelekayo bayamanywa ukuba bangenise izimvo okanye iinkcazo malunga nezilungiso ezicetywayo zezivumelwano. Ezo zimvo okanye ezo nkcazo-netho mazingeniswe ungadlulanga uLwesine we-18 kaJuni 2026 ngo-12:00. Izimvo okanye iziphakamiso mazingeniswe kwimvulophu evaliweyo enginjwe ngokucacileyo SCI1675C/2016: UHLAZIYO, UKULONDOLOZWA NENKXASO YOMASIPALA WASE-OVERSTRAND I-RADIO FREQUENCY NETWORK NGEXESHA LESIVUMELWANO EKUPHELA NGE-30 JUNI 2023 yeThenda. 7. Zonke izicelo kufuneka zithunyelwe: UMphathi kaMasipala Ibhokisi yethenda engunombolo 7 uMasipala waseOverstrand Magnolia Avenue Hermanus 7200 Abantu abakhubazekileyo okanye abangakwaziyo ukufunda okanye ukubhala kodwa benqwenela ukuthatha inxaxheba kule nkqubo, banokuza ngamaxesha omsebenzi kwii-Ofisi zikaMasipala, iMagnolia Avenue, eHermanus apho umsebenzi uya kunceda loo mntu ukuba abhale phantsi izimvo okanye izimvo zakhe.
Dr DGI O'Neill Municipal Manager / Munisipale Bestuurder / Umphathi Kamasipala P.O. Box / Posbus / Ibhokisi yePosi 20 HERMANUS 7200	Notice No /Kennisgewing nr / Inombolo yesaziso: 103/2026	156760

Annexure B
111

Enquiries: Craig Johnson
Date: 01 May 2026

**OFFICE OF THE DIRECTOR:
CORPORATE SERVICES**

ADDENDUM – INTENT TO AMEND CONTRACT

The parties agree to the following intention to amend the existing contract, **SC1675C/2016** with **COMSOL NETWORKS (PTY) LTD** for the **UPGRADE, MAINTENANCE AND SUPPORT OF OVERSTRAND MUNICIPALITY'S RADIO FREQUENCY NETWORK** signed between them on **01 JULY 2023** and **30 JUNE 2026** and record this being done freely and willingly, without any coercion whatsoever from any one party:

The parties agree to the amendment of the contract end date, regarding the abovementioned agreement to **30 JUNE 2029** on the same terms and conditions.

Both parties will be bound to give at least 6 months' prior written notice to terminate this Agreement or any Services to be delivered as provided for in any Service Annexure attached hereto, in the instance of an intent to terminate prior to the end date.

The supplier acknowledges that they do have the capacity to fulfil the obligations as set out in the terms and conditions.

The parties agree that the amendment of the contract is subject to the completion of a Supply Chain Management process, including completing a process as prescribed by section 116(3) of the Municipal Finance Management OR Circular 62 from National Treasury.

Thus done and signed at **Centurion** this **7** day of **May** **2026** 2026
in the presence of the undersigned witnesses

WITNESSES:

1. **Danny Ossher**.....

2. **Camy Pillay**.....

.....
for and on behalf of COMSOL NETWORKS (PTY) LTD:

NAME: **Naki Matamela**.....

DESIGNATION: **Chief Legal Officer**.....

Thus done and signed at this day of 2014
in the presence of the undersigned witnesses

WITNESSES:

1.

2.

.....
for and on behalf of Overstrand Municipality:

NAME: **Desiree Arrison**,

DESIGNATION: **Director: Corporate Services**

Craig Johnson

From: Carlouw Engelbrecht
Sent: Friday, 12 June 2026 11:31
To: Craig Johnson
Subject: FW: Budget Information-Item: Wireless Network

From: Kelly Johnson <kjohnson@overstrand.gov.za>
Sent: Friday, 12 June 2026 11:31
To: Carlouw Engelbrecht <cengelbrecht@overstrand.gov.za>
Subject: Budget Information-Item: Wireless Network

Goeie more, Carlouw

Sien asb die onderstaande print-screen.

Project	Item	Actuals	2025/26	2026/27	2027/28
AA06801 - MRC-INFO + COMM...	Wireless Network	0.00	2 603 164.00	2 996 032.00	2 996 032.00

Groete

Kelly Johnson
 Accountant: Budget
 Finance: Financial Accounting
 Overstrand Munisipaliteit / Municipality

M: +27 | **T:** +27 (0) 28 313 8138 | **F:** +27 (0) 28 313 2961
E: kjohnson@overstrand.gov.za



OVERSTRAND MUNICIPALITY
A: 1 Magnolia Street, Hermanus, 7200 | **P:** P.O.Box 20, Hermanus, 7200
T: +27 (0) 28 313 8000 | **F:** +27 (0) 28 312 1894
W: www.overstrand.gov.za

Vision Statement: "To be a centre of excellence for the community"

Disclaimer: This e-mail (including attachments) is subject to the disclaimer published at: <http://www.overstrand.gov.za>
 Please read the disclaimer before opening any attachment or taking any other action in terms of this e-mail.
 By replying to this e-mail or opening any attachment you agree to be bound by the provisions of the disclaimer.

Please consider the environment before printing this correspondence.

7.5**FINAL BUDGET OF OVERSTRAND MUNICIPALITY : 2026/2027 MTREF : OMITTED TARIFF****BA King
17 June 2026****Divisional Manager: Financial Accounting****(028) 313 8154**

1. Executive Summary

The purpose of this report is to inform Council of an error of omission of a tariff in the approved list of tariffs for the 2026/2027 MTREF (Medium Term Revenue and Expenditure Framework) budget.

2. Service Delivery and Budget Implementation Plan - IGNITE

Directorate: Financial Services
Department: Financial Accounting

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
The encouragement of structured community participation in the matters of the municipality
Promotion of tourism, economic and social development

4. Delegated Authority

None

5. Legal Requirements

Local Government: Municipal Financial Management Act, 2003 (Act 56 of 2003) (MFMA)
Local Government: Municipal Systems Act, 2000 (Act 32 of 2000)

6. Background/Discussion/Evaluation/Conclusion

Council noted the draft budget for the 2026/2027 MTREF as tabled on 31 March 2026. The budget was then presented to the community and other spheres of government for comments, as required by legislation. The programme of Roadshows for community consultation was advertised in the local press and attendees were hosted at various venues in the Overstrand municipal area.

Comments received from the community arising from the statutory IDP/Budget public consultation process were considered by the Budget Steering Committee and taken into consideration.

The final budget for the 2026/2027 MTREF was tabled and approved by Council at the special council meeting held on 29 May 2026. This approval included the list of tariffs and charges for the 2026/2027 financial year which was included as Annexure A to the report that served before Council.

It has since been discovered that a single tariff had inadvertently not reflected the new proposed tariff in the final tariff list as intended. Reference is made to Tariff S72I1 which was presented in Annexure A17/44 of the Sundry Tariffs listing.

As this tariff was included and reflected as intended in the Draft Budget 2026/2027 MTREF and was presented to the community during the public participation process and no comments were received in the regard, Council is hereby requested to consider the approval of Tariff S72I1 as listed in Annexure A of this report.

7. Financial Implications

The potential revenue from this tariff amounts to R1 041.

8. Staff Implications

None

9. Comments from other Departments, Divisions and Administrations

The Directorate: Planning and Development informed the Budget Office of the omission after the approved tariffs were distributed.

10. Annexures

Annexure A: List of Tariffs and Charges: Tariff S72I1

RECOMMENDATION TO THE COUNCIL:

that Tariff S72I1, as reflected in **Annexure A**, **be approved** for the budget year 2026/2027, in terms of section 24(2)(ii) of the Municipal Finance Management Act, (Act 56 of 2003) and be included in the list of approved tariffs and charges for the 2026/2027 financial year.

RESPONSIBLE OFFICIALS:

**D LOUW
BA KING**

TARGET DATE FOR IMPLEMENTATION:

1 JULY 2026

OVERSTRAND MUNICIPALITY TARIFF LIST 2026/2027

SUNDRY TARIFF LIST

Tariff Code	Detail	2026/2027		2025/2026	
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%
		R	R	R	R
S72	TOWN PLANNING: APPLICATION FEES				
S72I	<u>Application for Consent Use</u>				
S72I1	Erven 150m ² and smaller	301.74	347.00	286.96	330.00
S72I2	Erven between 150m ² and 400m ²	800.00	920.00	761.74	876.00
S72I3	Erven 400 m ² and larger	3 795.65	4 365.00	3 614.78	4 157.00

ANNEXURE A1/2

OVERSTRAND MUNICIPALITY TARIFF LIST 2026/2027

Tariff Code	Detail	2026/2027		2025/2026	
		Exclude VAT	Include VAT 15%	Exclude VAT	Include VAT 15%
		R	R	R	R
S72F3	Erven 400 m ² and larger	5 374.78	6 181.00	5 119.13	5 887.00
S72G	Consolidations (if combined with a subdivision application, only the subdivision fee is payable)				
S72G1	Erven 150m ² and smaller	329.57	379.00	313.91	361.00
S72G2	Erven between 150 m ² and 400 m ²	665.22	765.00	633.91	729.00
S72G3	Erven 400 m ² and larger	3 794.78	4 364.00	3 613.91	4 156.00
S72H	Subdivision (cumulative)				
S72H1	up to 5 erven	5 129.57	5 899.00	4 885.22	5 618.00
S72H2	6 to 10 erven	8 731.30	10 041.00	8 315.65	9 563.00
S72H3	More than 10	8 731.30	10 041.00	8 315.65	9 563.00
S72H3A	Additional per erf after 10	131.30	151.00	125.22	144.00
S72I	Application for Consent Use				
S72I1	Erven 150m ² and smaller	0.00	0.00	286.96	330.00
S72I2	Erven between 150m ² and 400m ²	800.00	920.00	761.74	876.00
S72I3	Erven 400 m ² and larger	3 795.65	4 365.00	3 614.78	4 157.00
S72J	Application for Rezoning and Closure of Public Place				
S72J1	Erven 150 m ² and smaller	800.00	920.00	761.74	876.00
S72J2	Erven between 150 m ² and 400 m ²	1 306.96	1 503.00	1 244.35	1 431.00
S72J3	Erven between 400m ² and 5000m ²	8 731.30	10 041.00	8 315.65	9 563.00
S72J4	Erven 5000m ² and larger	9 999.13	11 499.00	9 522.61	10 951.00
S72K	Departure to Section 16 (2) (b) and (c) of OM Land Use Planning Bylaw				
S72K1A	Erven 150m and smaller	301.74	347.00	286.96	330.00
S72K1B	Erven between 150m ² and 400m ²	664.35	764.00	633.04	728.00
S72K1C	Erven 400 m ² and larger	3 795.65	4 365.00	3 614.78	4 157.00
S72L	Appeal deposit in terms of Section 79(5) of the Bylaw on Municipal Land Use Planning (refundable if appeal is upheld)				
S72L1	Erven 150m ² and smaller	433.00	no vat	412.00	no vat
S72L2	Erven between 150m ² and 400 m ²	812.00	no vat	773.00	no vat
S72L3	Erven 400 m ² and larger	4 380.00	no vat	4 171.00	no vat
	Note: No appeal fee payable in case of appeal submitted by the Municipal Manager				
S72M	Amendment of site development plan, Constitution/Architectural Guidelines, Phasing, amendment or cancellation of a plan of subdivision or a part thereof	2 761.74	3 176.00	2 630.44	3 025.00
S72N	Zoning Determination				
S72N1	Erven 150m ² and smaller	800.00	920.00	761.74	876.00
S72N2	Erven between 150 m ² and 400 m ²	2 513.04	2 890.00	2 393.04	2 752.00
S72N3	Erven 400 m ² and larger	3 795.65	4 365.00	3 614.78	4 157.00

ANNEXURE A 2/2
A11/14

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

9. CONSIDERATION OF NOTICES OF MOTIONS / QUESTIONS

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

10. CONSIDERATION OF MOTIONS OF EXIGENCY (IF ANY)