



**ORDINARY MEETING OF THE COUNCIL**

**GEWONE VERGADERING VAN DIE RAAD**

**INTLANGANISO YESIQHELO YEBHUNGA**

**MINUTES / NOTULE /**

**IMIZUZU**

**DATE / DATUM / UMHLA : 27 MARCH / MAART / MATSHI  
2024**

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

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

**TIME / TYD / IXESHA: 10:00**

# OVERSTRAND

MUNICIPALITY / MUNISIPALITEIT / U-MASIPALA

## MINUTES OF AN ORDINARY COUNCIL MEETING HELD IN THE **BANQUETING HALL**, CIVIC CENTRE, HERMANUS, ON **27 MARCH 2024 AT 10:00**

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**PRESENT:** Councillors were present as per attached attendance register.

**OFFICIALS PRESENT:** Mr D O'Neill, Municipal Manager  
Ms S Reyneke-Naudé, Director : Finance  
Ms D Arrison, Director : Management Services  
Mr N Michaels, Director : Protection Services  
Mr S Swartz, Director : Community Services  
Mr S Müller, Director : Infrastructure & Planning  
Mr S Madikane, Director : LED  
Mr R Kuchar, Senior Manager : Town & Spatial Planning  
Ms R Louw, Senior Manager : Strategic Services  
Ms A Le Roux, Manager : Property Administration  
Ms N Zweni, Manager : Communications  
Mr L Smith, Senior Manager : Fire & Emergency Services and Disaster Management  
Ms R Steenekamp, Media Liaison & Social Media Liaison Officer  
Mr T Louw, Technical Support : Auditorium  
Mr A Lekay, Senior Clerk  
Ms S Swart, Administrative Officer : Council Support Services

**ALSO PRESENT:** Members of the Public

**MINUTES/....**

OVERSTRAND MUNICIPALITY  
ATTENDANCE REGISTER

COUNCIL MEETING  
27 MARCH 2024

ALDERMEN/COUNCILLORS	SIGNATURE
AFRICA, F	
BANDEZA, V	
BEYI, S	Absent without leave
BRICE, KD	
COETZEE, DP	
COHEN, G	
DE CONING, CA	Apology
DEES, RM	
ELS, T	PLS
FOURIE, SH	
GILLION, E	
GRIMBEEK, MD	Teams 
KOMANI, AS	
LERM, CH	Apology
LOMBARD, H	
NGQANDANA, K	
NOMATITI, M	
NOMBULA, BG	
NQINATA, NNT	
NTSABO, L	
NUTT, R	
RABIE, AL	
RESANDT, CT	
SIHLAHLA, M	
TAFU-NWONKWO, CC	
VAN STADEN, JA	
WILLIAMS, SH	

**1. OPENING**

The Speaker, Cllr G Cohen, opened the meeting and welcomed those present. The Municipal Manager, Mr D O'Neill, read the convening notice and the Deputy Executive Mayor, Cllr L Ntsabo, opened with prayer.

**2. APPLICATIONS FOR LEAVE OF ABSENCE**

**Cllr C Lerm**  
**Ald R de Coning**

**RESOLVED:**

that the above-mentioned applications for leave of absence, **be granted.**

Cllr M Grimbeek joined the meeting via Teams at 10:15

**Cllr S Beyi**

**RESOLVED:**

that it be noted that Cllr S Beyi was **absent without leave.**

**3. CONFIRMATION OF MINUTES**

- 3.1 Minutes of an **Ordinary Meeting** of the **Overstrand Municipal Council** held on **Wednesday, 28 February 2024** at **10:00**

**RESOLVED:**

that the Minutes of an **Ordinary Meeting** of the **Overstrand Municipal Council** held on **Wednesday, 28 February 2024** at **10:00** **be confirmed.**

**4. MATTERS ARISING FROM THE MINUTES**

- 4.1 Meeting between Council, SCM and budget holders  
4.2 Writing Off of Irrecoverable Debt

Workshops were held on the above-mentioned matters. (Items to be removed from the agenda)

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

The Speaker, Cllr G Cohen, referred to the dates and times of OMAF as well as the public engagements regarding the Budget and IDP and councillors can now start working with their ward committees.

The Executive Mayor, Ald A Rabie, acknowledged the presence of Mr M Mngasela as well as the leader of the Alliance of Citizens for Change and referred to a meeting which was held on 29 February 2024 which dealt with a very specific request around the expropriation of land with reasonable compensation for the current section of Paradise Park where there is currently a number of households.

She further reported that she wrote a letter to the Provincial Government to bring the matter to the attention of the Minister responsible for Local Government. No formal response was received but she will engage with Min T Simmers as Min Bredell referred the matter to him.

Overstrand will get a legal opinion in this regard with specific reference to the responsibilities of a municipality in land expropriation proceedings. The municipality also needs to understand what the risks and liabilities would be in order for Council to make an informed decision. The municipality will further facilitate the arrangement of a meeting between the landowner and the residents of Paradise Park.

**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)**

**6.1 SIGNED REVISED PERFORMANCE PLANS OF THE MM AND CFO FOR 2023/24**

**(ITEM 9 PAGE 32 : MAYORAL COMMITTEE MEETING : 27 MARCH 2024)**

**RESOLVED (SUPPORTED BY 23 COUNCILLORS):**

that the signed revised performance plans of the Municipal Manager and CFO **be noted.**

**RESPONSIBLE OFFICIAL :**

**RG LOUW**

**TARGET DATE FOR IMPLEMENTATION :**

**IMMEDIATELY**

## 6.2

**MONTHLY REPORT TO COUNCIL ON SUPPLY CHAIN MANAGEMENT (SCM)  
POLICY: PARAGRAPH 36, 16(1)(b) AND 17(1)(c) FOR FEBRUARY 2024****(ITEM 10 PAGE 55 : MAYORAL COMMITTEE MEETING : 27 MARCH  
2024)****RESOLVED (SUPPORTED BY 23 COUNCILLORS):**

1. that the deviations from the procurement processes, approved in terms of the delegated authority for February 2024, **be noted**;
2. that the awards made in terms of Paragraph 16(1)(b) and 17(1)(c), approved in terms of the delegated authority for February 2024, **be noted**; and
3. that the awards made through the Bid Committee system, formal written price quotations in excess of R30 000 and price quotations below R30 000 for February 2024, **be noted**.

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

**6.3****CONSIDERATION OF THE 2022/23 ANNUAL REPORT AND ADOPTION OF AN OVERSIGHT REPORT****(ITEM 11 PAGE 73 : MAYORAL COMMITTEE MEETING : 27 MARCH 2024)****CLLR M GRIMBEEK JOINED THE MEETING VIA TEAMS****RESOLVED (SUPPORTED BY 24 COUNCILLORS):**

that, in terms of Section 129 of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA) and having duly considered the 2022/23 Annual Report of the Overstrand Municipality and the content of this item, the said report **be approved** without reservation.

**RESPONSIBLE OFFICIAL :****RG LOUW****TARGET DATE FOR IMPLEMENTATION :****NOT APPLICABLE**



**6.4****DRAFT INTEGRATED DEVELOPMENT PLAN (IDP) REVIEW AND PROPOSED AMENDMENT FOR 2024/25****(ITEM 12 PAGE 96 : MAYORAL COMMITTEE MEETING : 27 MARCH 2024)****RESOLVED (SUPPORTED BY 24 COUNCILLORS):**

1. that the draft IDP review and proposed amendment for 2024/25 **be noted**; and
2. that the draft IDP review and proposed amendment for 2024/25 **be advertised** for public comment in order for Council to consider the final document during the May 2024 Council meeting.

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

**6.5****DRAFT WATER SERVICES DEVELOPMENT PLAN FOR 2024/25****(ITEM 13 PAGE 108 : MAYORAL COMMITTEE MEETING : 27 MARCH 2024)****RESOLVED (SUPPORTED BY 24 COUNCILLORS):**

1. that the Draft Water Services Development Plan (WSDP) for 2024/25 **be noted**; and
2. that it furthermore **be noted** that the Final Draft WSDP for 2024/25, with inputs from the public and other stakeholders taken into consideration, is to be submitted for approval at the Council meeting to be held on 31 May 2024.

**RESPONSIBLE OFFICIAL:****H BLIGNAUT****TARGET DATE FOR IMPLEMENTATION:****1 JULY 2024****TARGET DATE TO INFORM APPLICANT:****NOT APPLICABLE****TARGET DATE TO INFORM OBJECTOR:****NOT APPLICABLE**

**6.6**

**REVIEW OF THE DRAFT DISASTER MANAGEMENT PLAN**

**(ITEM 14 PAGE 110 : MAYORAL COMMITTEE MEETING : 27 MARCH 2024)**

**RESOLVED (SUPPORTED BY 24 COUNCILLORS):**

1. that the Overstrand Municipality Disaster Management Plan, **be noted**; and
2. that it furthermore **be noted** that the Final Disaster Management Plan, with inputs from the public and other stakeholders taken into consideration, is to be submitted to Council for approval at its meeting to be held on 31 May 2024.

**RESPONSIBLE OFFICIAL :**

**NJ MICHAELS  
L SMITH**

**TARGET DATE FOR IMPLEMENTATION :**

**1 JULY 2024**

**6.7****OVERSTRAND: DRAFT CAPITAL EXPENDITURE FRAMEWORK****(ITEM 15 PAGE 112 : MAYORAL COMMITTEE MEETING : 27 MARCH 2024)****RESOLVED (SUPPORTED BY 24 COUNCILLORS):**

1. that the Draft Capital Expenditure Framework be noted; and
2. that the Draft Capital Expenditure Framework forms part of the Spatial Development Framework Review for the 2024/25 and 2025/26 financial year.

**RESPONSIBLE OFFICIAL:****R KUCHAR****TARGET DATE FOR IMPLEMENTATION:****4 JUNE 2024****TARGET DATE TO INFORM APPLICANT:****N/A****TARGET DATE TO INFORM OBJECTOR:****N/A**

## 6.8

**DRAFT BUDGET FOR 2024/2025, INDICATIVE BUDGET FORECASTS FOR 2025/2026 TO 2026/2027 AND DRAFT BUDGET RELATED POLICIES**

**(ITEM 16 PAGE 121 : MAYORAL COMMITTEE MEETING : 27 MARCH 2024)**

**THE SPEAKER, CLLR G COHEN, AFFORDED THE EXECUTIVE MAYOR, ALD A RABIE, TIME TO DELIVER HER BUDGET SPEECH. THE EXECUTIVE MAYOR, ALD A RABIE, DELIVERED HER BUDGET SPEECH, A COPY OF WHICH IS ATTACHED AS ANNEXURE A TO THE MINUTES.**

**RESOLVED (SUPPORTED BY 24 COUNCILLORS):**

1. that the tabling of the Draft Budget for 2024/2025, indicative budget forecasts for 2025/2026 to 2026/2027 and the draft budget related policies **be noted**; and
2. that the Draft Budget for the 2024/2025 MTREF **be advertised** for public comment in order for Council to consider the final budget at a Council meeting to be held on 31 May 2024.

**RESPONSIBLE OFFICIALS:**

**S REYNEKE-NAUDE  
BA KING**

**TARGET DATE FOR IMPLEMENTATION:**

**TO BE NOTED**

**6.9**

**DRAFT TOP LAYER SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) FOR 2024/25**

**(ITEM 17 PAGE 123 : MAYORAL COMMITTEE MEETING : 27 MARCH 2024)**

**RESOLVED (SUPPORTED BY 24 COUNCILLORS):**

that the draft Top Layer Service Delivery and Budget Implementation plan (SDBIP) for 2024/25 **be noted**.

**RESPONSIBLE OFFICIAL :**

**RG LOUW**

**TARGET DATE FOR IMPLEMENTATION :**

**NOT APPLICABLE**

**7. CONSIDERATION OF REPORTS****7.1****NON-COMPLIANCE WITH CLAUSE 16 OF THE OVERSTRAND MUNICIPALITY SCM POLICY: RENTAL OF CYLINDERS (SCIE2023.24.05)****T Marx****Acting Deputy Director: Operational Services****29 December 2023****(028) 313-8084**

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**EXECUTIVE SUMMARY**

The purpose of this report is to request Council to write off the expenditure in terms of section 32(2)(b). This report contains the following in relation to the rental of cylinders (SCIE 2023.24.05), for last-mentioned purposes:

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

**RESOLVED (SUPPORTED BY 24 COUNCILLORS):**

that the amount of R2,227.20 (VAT incl.) 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 OFFICIALS :****C LE ROUX  
B KING**

## 7.2

**NON-COMPLIANCE WITH CLAUSE 17 OF THE OVERSTRAND MUNICIPALITY  
SCM POLICY: REPAIR OF GENERATOR (SCIE 2022.23.18)**

**J Solomons      Senior Manager: Operational Services, Gansbaai/Stanford**  
**20 September 2023      (028) 341-8312**

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**EXECUTIVE SUMMARY**

The purpose of this report is to request Council to write off the expenditure in terms of section 32(2)(b). This report contains the following in relation to SCIE 2022.23.18, for last-mentioned purposes:

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

**RESOLVED (SUPPORTED BY 24 COUNCILLORS):**

that the expenditure of R11,237.77 (VAT incl.) 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 OFFICIALS:****C LE ROUX  
B KING**



**7.3****NON-COMPLIANCE WITH SECTION 217 OF THE CONSTITUTION & REGULATION 11(1) OF THE MUNICIPAL SUPPLY CHAIN MANAGEMENT REGULATIONS: PROVISION OF ANIMAL WELFARE SERVICES (SCIE 2023.24.07)****N Michaels  
25 January 2024****Director : Protection Services****(028) 313 8054**

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**EXECUTIVE SUMMARY**

The purpose of this report is to report to Council the expenditure incurred in contravention of Section 217 of the Constitution & Regulation 11(1), in terms of Section 3(1)(b) of the Local Government: Municipal Finance Management Act (56/2003): Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings and/or Section 32 of the Local Government: Municipal Finance Management Act (56/2003).

**RESOLVED (SUPPORTED BY 24 COUNCILLORS):**

that, in view of the municipality having received value for money, irregular expenditure in the amount of R1,037,500-00 for the provision of animal welfare services, 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 OFFICIALS :****C LE ROUX  
B KING**

## 7.4

**CONFERRING OF ALDERMANSHIP/ALDERLADYSHIP**

H van Tonder  
20 February 2024

Manager : Council Support Services

(028) 313 8006

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**EXECUTIVE SUMMARY**

The purpose of this report is to inform Council that, in terms of the approved criteria for conferring of aldermanship/alderladyship, Councillors G Cohen and L Ntsabo qualify for this title and to therefore request Council to consider the awarding of the title to aforementioned Councillors.

**RESOLVED (SUPPORTED BY 24 COUNCILLORS):**

that aldermanship **be conferred** upon Councillors G Cohen and L Ntsabo in acknowledgement for services rendered by them to the community.

**Certificates and name badges were handed over to the two aldermen by the Executive Mayor, Ald A Rabie, and Mr M Mnqasela.**

**RESPONSIBLE OFFICIAL :**

**S SWART**

**TARGET DATE FOR IMPLEMENTATION :**

**27 MARCH 2024**

**THE MEETING STOOD DOWN AT 10:57 IN ORDER FOR THE PUBLIC AND OFFICIALS TO LEAVE THE BANQUETING HALL**

**THE MEETING RESUMED AT 11:03**

**7.5  
WRITING OFF OF IRRECOVERABLE DEBT**

This item was distributed under separate cover.

In terms of Section 20(1) of the Local Government: Municipal Systems Act, No 32 of 2000, read with Rule 17 of the Overstrand Municipality's By-law on Rules of Order for Internal Arrangements, this item was considered "in committee".

The resolutions under this item shall be minuted in a separate minute book in terms of section 20(1) of the Local Government: Municipal Systems Act, No 32 of 2000 read with Rule 17 of the Overstrand Municipality's By-law on Rules of Order for Internal Arrangements.

**THE MEETING STOOD DOWN AT 11:15 TO ALLOW THE PUBLIC AND OFFICIALS TO REJOIN THE MEETING**

**THE MEETING RESUMED AT 11:17**

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

None

**8. CONSIDERATION OF NOTICES OF MOTIONS / QUESTIONS**

None

**9. CONSIDERATION OF MOTIONS OF EXIGENCY (IF ANY)**

Ald D Coetzee submitted a motion of exigency regarding a decision by the Mayoral Committee dated 30 September 2020 with reference to Erf 3160, Blompark, Gansbaai and wish to rescind one of the conditions. The reason being that the owner is now charged in terms of this condition and must appear in court before the next council meeting. The Speaker deemed the motion to be valid and the motion was seconded by Cllr A Komani.

Ald D Coetzee explained that Section 3(2) of the Liquor Trading Hours By-law stipulates that a licensee of premises on which liquor may be sold for consumption off the licensed premises may sell liquor on any day between 08:00 and 20:00. As far as Section 4 (Departure from Trading Hours) of the Liquor Trading Hours By-law is concerned, the Council may, in the interest of the community and on application by a licensee of the premises upon which liquor may be sold for consumption on the licensed premises, grant consent to that licensee to sell liquor between other times than those determined by Section 3. No provision was made in the By-law to amend the trading hours for the sale of liquor for consumption off the premises and it was thus

**RESOLVED (SUPPORTED BY 24 COUNCILLORS):**

that paragraph 3(i) of the resolution under Item 9 of the Mayoral Committee Meeting held on 30 September 2020 **be amended** to read as follows: "that the hours of operation and trading shall be in terms of Section 3(2) of the Liquor Trading Hours By-law."

**The meeting adjourned at 11:20**

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**DATE**

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**THE SPEAKER – G COHEN**

**Speaker,**

The purpose of this report is to table the Draft Budget for 2024/2025, indicative budget forecasts for 2025/2026 to 2026/2027 and draft budget related policies.

Section 16. (1) of the MFMA requires that the council of a municipality must for each financial year, approve an annual budget for the municipality before the start of that financial year.

In order to comply with subsection (1), the Mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year.

Sections 21 to 23 of the MFMA furthermore provides for the budget preparation process, the publication of annual budgets for comment and consultations to take place on tabled budgets.

The Draft Budget for 2024/2025 will be advertised for public comment in order for Council to consider the final budget during the May 2024 Council meeting.

**A The proposed budget for the 2024/2025 financial year:**

1. The budgeted revenue **excluding** capital grants received, amounts to R1,829 billion.
2. The budgeted operational expenditure amounts to R1,944 billion – this includes non cash items like depreciation.

Hence an accounting deficit of R114,92m is reflected.

3. The Capital budget amounts to R152,033m. It is to be used for very specific Capital projects - more about this later on.

**B. Projected Revenue per functional classification, including capital grants are:**

Governance and administration	R527,064m
Community and Public Safety	R193,553m
Economic and Environmental services	R13,907m
Trading services	R1,160,336 billion

Trading services include electricity/energy; water management, waste water management, and waste management.

**TOTAL REVENUE (Including capital grants) R1,894,8 billion**

**C. Projected Operational Expenditure per functional classification, are:**

Governance and administration	R358,132m
Community and Public Safety	R356,028m
Economic & Environmental Services	R223,538m
Trading services	R1,002,626m
Other	R3,923m
<b>TOTAL OPEX EXPENDITURE</b>	<b>R1,944billion</b> (with a nett deficit of R49,388m )

**2024/2025 Draft MTREF Budget**

The draft MTREF draft budget for 2024/25, provides for tariffs increases for the respective municipal services ranging between 6% and 11%, the details as follows -

Property Rates	8%
Water	6%
Sewerage	8,9%
Refuse Removal	11%

Electricity tariffs, as following:

The draft electricity tariff increase recommended for municipal consumers of the municipality, is in accordance with electricity consumer categories, **now also offering a capacity charge, for the consumer to determine the level of services required, directly in relation to the price structure.**

**Implementation will follow a phased approach with four phases over the next four years**, starting with phase one of the revised CoS electricity tariff structure for 2024/25.

**The national annual increase for municipalities to implement, as issued by the National Energy Regulator of South Africa (NERSA), represents a 10.04% increase, but the final increase per category consumer is to be considered in view of phase one of the Cos tariffs.**

**This increase should be determined in combination with the capacity charge tariff applicable to the consumer, together with the unit costs (kWh) consumed.**

Before-mentioned implementation also involves the phasing out over four years of the familiar sliding scale for electricity unit costs, previously prescribed for a number of years by NERSA.

**An important principle of the CoS tariffs will be the option for individual consumers to migrate to, or to choose the most cost effective capacity charge tariff, allowing consumers to manage this portion of electricity costs, as well as consumption levels, which are already managed by the consumer.**

### **Additional relief to vulnerable groups**

The municipality is furthermore now also with this budget, improving on the provision of additional relief in line with the municipality's focus to render support to vulnerable groups –

Owners of residential properties with a municipal valuation below R300 000 (Three hundred thousand Rand). **This will in effect mean that no property rates will be payable on properties with a valuation of R300 000 (Three hundred thousand Rand).**

### **Registered indigents are granted the following subsidies:**

- (i) 100% of the basic levy for electricity for one service point per month;
- (ii) 100% of the basic levy for water for one service point per month;
- (iii) 100% of the basic levy for sewage for one service point per month;
- (iv) 100% of 1 X vacuum tanker service after hours, per annum;
- (v) 100% of the basic levy for refuse removal for one service point per month;
- (vi) The first 70\_kWh in the tariff block 0-350 of electricity per month shall be free of charge;
- (vii) 10 kℓ of water;
- (viii) 7 kℓ of water consumption for sewerage; and
- (ix) R11.84 in regard of Infrastructure Levy.

**To be noted that the increased electricity units allocation from 1 July 2024, from 50 kWh, to 70 kWh per 30-day period free of charge, in the instance that they qualify for this indigent benefit.**

### **Service Rendering funded from Property Rates**

Revenue from Property Rates amounts to R359,44m, however taking into account the cost of rates related services rendered to communities across the Overstrand, is exceeding the revenue received. For example, services related to Baboon

Management is funded by the municipality, without any contribution from other spheres.

**In conclusion**

Council will furthermore continue to explore avenues to provide relief to lower income households to the extent that it can be afforded by the municipality.

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**RECOMMENDATION TO THE COUNCIL:**

1. that the tabling of the Draft Budget for 2024/2025, indicative budget forecasts for 2025/2026 to 2026/2027 and the draft budget related policies be noted;  
and
2. that the Draft Budget for the 2024/2025 MTREF be advertised for public comment in order for Council to consider the final budget at a Council meeting to be held on 31 May 2024.