



SPECIAL MEETING OF THE COUNCIL

SPEZIALE VERGADERING VAN DIE RAAD

INTLANGANISO EKHETHEKILEYO YEBHUNGA

A G E N D A

I-AJENDA

**DATE / DATUM / UMHLA : 20 SEPTEMBER / SEPTEMBER
2022**

**VENUE / PLEK / INDAWO : BANQUETING HALL,
CIVIC CENTRE, HERMANUS**

TIME / TYD / IXESHA : 10:00

MUNISIPALITEIT OVERSTRAND MUNICIPALITY

Office of the Municipal
Manager
Municipal Offices
HERMANUS

14 September / Septemba 2022

NOTICE TO ALL ALDERMEN & COUNCILLORS

SPECIAL MEETING OF THE OVERSTRAND MUNICIPAL COUNCIL

NOTICE IS HEREBY GIVEN that a **SPECIAL MEETING** of the **OVERSTRAND MUNICIPAL COUNCIL** will be held in the **Banqueting Hall, Civic Centre, Hermanus**, on **Tuesday, 20 September 2022 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).

D O'NEILL
MUNICIPAL MANAGER

KENNISGEWING AAN ALLE RAADSHERE & RAADSLEDE

SPESIALE VERGADERING VAN DIE OVERSTRAND MUNISIPALE RAAD

KENNIS WORD HIERMEE GEGEE dat 'n **SPESIALE VERGADERING** van die **OVERSTRAND MUNISIPALE RAAD** gehou sal word in die **Banketsaal, Burgersentrum, Hermanus**, op **Dinsdag, 20 September 2022 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).

D O'NEILL
MUNISIPALE BESTUURDER

ISAZISO ESIYA KUBO BONKE OOCEBAKHULU NOOCEBA

INTLANGANISO EKHETHEKILEYO YEBHUNGA LIKAMASIPALA WE-OVERSTRAND

OKU KUKWAZISA ukuba **INTLANGANISO EKHETHEKILEYO YEBHUNGA**, eza kuba se **Banqueting Hall, kwiZiko LoLUNTU, eHermanus ngoLwesibini, Umhla we 20 Septemba 2022 ngeye-10:00** ukuqwalasela imicimbi ekule ajenda iqhotyoshelwe apha.

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

D O'NEILL
LOMPHATHI KAMASIPALA

AGENDA/...

SPECIAL COUNCIL

20 September 2022

INDEX

<u>ITEM</u>	<u>PAGE NUMBER</u>
1. OPENING	1
2. APPLICATIONS FOR LEAVE OF ABSENCE	1
3. STATEMENTS AND COMMUNICATIONS BROUGHT FORWARD BY THE SPEAKER / EXECUTIVE MAYOR	1
4. 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
4.1 HERMANUS: IN PRINCIPLE APPROVAL FOR THE ALIENATION OF A PORTION OF ERF 4833 HERMANUS (SITUATED AT 17TH AVENUE VOËLKLIJ), ±11,59HA IN EXTENT, BY MEANS OF A COMPETITIVE PROCESS TO BE DEVELOPED FOR RESIDENTIAL PURPOSES	2-14
4.2 HERMANUS: IN PRINCIPLE APPROVAL FOR THE ALIENATION OF A PORTION OF ERF 4771 HERMANUS (SITUATED IN SEVENTH STREET BETWEEN FOURTH AND SIXTH AVENUE, VOËLKLIJ), ±30 000m ² IN EXTENT, BY MEANS OF A COMPETITIVE PROCESS FOR THE PURPOSE OF A RESIDENTIAL DEVELOPMENT	15-28
4.3 HERMANUS, A PORTION OF PORTION 3 OF FARM 585 (BEESEMHOÛT KLOOF): DEVIATION FROM SEVERAL PARAGRAPHS OF THE ADMINISTRATION OF IMMOVABLE PROPERTY POLICY OF 2015 TO ACCOMMODATE SUBSISTENCE AND EMERGING FARMERS (PIG FARMING) ON MUNICIPAL OWNED LAND BY MEANS OF LONG-TERM LEASE AGREEMENT: CAMPHILL AGRICULTURAL PRIMARY COOPERATIVE PRIMARY COOPERATIVE LIMITED (2022/604653/24)	29-49
4.4 REGIONAL CHAPTER OF THE WOMAN'S COMMISSION	50-51
4.5 APPOINTMENT OF MUNICIPAL MANAGER	52-56

1. **OPENING**

2. **APPLICATIONS FOR LEAVE OF ABSENCE**

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

4. 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)

4.1

HERMANUS: IN PRINCIPLE APPROVAL FOR THE ALIENATION OF A PORTION OF ERF 4833 HERMANUS (SITUATED AT 17TH AVENUE VOËLKLIP), ±11,59HA IN EXTENT, BY MEANS OF A COMPETITIVE PROCESS TO BE DEVELOPED FOR RESIDENTIAL PURPOSES

7/2/3/2

A Le Roux

Manager: Property Administration

20 July 2022

(028) 316-5623

1. Executive Summary

To obtain in principle approval for the alienation of a portion of Erf 4833 Hermanus, ±11,59ha (approximately eleven comma five nine hectares) in extent, situated at 17th Avenue, Voëlklip, Hermanus (the "Property"), for by means of a competitive process to be developed for residential purposes

The locality of the portion of Erf 4833 Hermanus is indicated with the blue line on the locality map attached per "Annexure A".

2. Service Delivery and Budget Implementation Plan - IGNITE

Infrastructure and Planning
Property Administration

3. Compliance with Strategic Priorities

Provision of democratic, accountable and ethical governance

The encouragement of structured community participation in the matters of the municipality

4. Delegated Authority

None

5. Legal Requirements

- Local Government: Municipal Finance Management Act, Act 56 of 2003 ("MFMA")
- Municipal Asset Transfer Regulations (R. 878 of 2008)

- Administration of Immovable Property Policy of the Overstrand Municipality, as amended
- Municipal Supply Chain Management Regulations (Notice 868 of 30 May 2005)
- Overstrand Municipality Supply Chain Management Policy, as amended

6. Background/Discussion/Evaluation/Conclusion

Background/Discussion

The subject Property was identified for development as part of the Investment Conference that took place on 23 and 24 June 2022. Several attendees of the conference indicated interest in developing the Property.

The Property is ±11,59ha (approximately eleven comma five nine hectares) in extent, situated at 17th Avenue, Voëlklip, Hermanus.

The Property is situated within the Urban Edge as depicted in the Overstrand Municipality Spatial Development Framework, 2020. The Property has a split zoning which includes Resort Zone: Holiday Resort (RZ), coloured in pink and Open Space Zone 2: Public Open Space, coloured in dark green on the attached locality map (Annexure A).

The Property includes unregistered Erf 4834 Hermanus. Unregistered Erf 4834 Hermanus is zoned Utility Zone: Utility Services and leased to Vodacom for telecommunication purposes. The Municipality wishes to retain this lease as it is foreseen that it might be needed in the future to install infrastructure for the Fire Services to link communication between Hermanus and Stanford. The successful bidder will be required to register an access and services servitude in favour of the Municipality in order to accommodate the above. See Annexure B.

As there is a need for further residential development, it is recommended that the Property be made available in the open market by means of a competitive process for the development thereof.

Evaluation

A. Evaluation in terms of the Administration of Immovable Property Policy of the Overstrand Municipality

The following conditions of said policy apply to this report:

Paragraph 9.1(a): “The Municipality may transfer ownership or otherwise dispose of a non-exempted immovable property only after the Municipal Council has, in terms of sections 14(2)(a) and (b) of the MFMA decided on reasonable grounds that the immovable

property is not needed to provide the minimum level of basic municipal services.”

The comments received from the relevant officials confirmed that the subject Property is not needed for the provision of the minimum level of basic municipal services. The portion where the mast is situated on will be secured by a servitude.

Paragraph 9.1(b): “The Municipality may transfer ownership or otherwise dispose of a non-exempted immovable property only after the Municipal Council has, in terms of sections 14(2)(a) and (b) of the MFMA considered the fair market value of the immovable property and the economic and community value to be received in exchange for the immovable property in accordance with Section 14(2) of the MFMA.”

HCB Property Valuations determined the market related value of the Property on 1 August 2022 at an amount of R7,000,000.00/ha (VAT excluded) which amounts to approximately R81,130,000.00 (eighty-one million one hundred and thirty thousand rand) (VAT excluded).

Paragraph 9.1(c): “The Municipality may transfer ownership or otherwise dispose of a non-exempted immovable property only after the Municipal Council has, in terms of sections 14(2)(a) and (b) of the MFMA has as a consequence to 9.1(a) and (b) above approved in principle that the immovable property may be transferred or disposed of, and the method of disposal or transfer.”

The purpose of this report is to request in principle approval from Council for the alienation of the Property by means a competitive process.

Paragraph 15.1: “The transfer of immovable property must, except in the case of non-viable immovable property, be affected by means of competitive process, which may include a public or closed tender, auction or proposal call.”

It is recommended that the Property be alienated by means of a competitive process.

Paragraph 28: “All costs pertaining to a transaction shall be borne by the successful bidder/purchaser, e.g. survey, advertisements, valuation, rezoning, relocation or provision of services where necessary, etc. The Municipality may, however, waive its right to claim the costs should it be to its advantage to bear the costs.”

The successful bidder will be liable for all costs pertaining to the transaction, excluding the cost for the valuation of the property. Costs for the successful bidder will include, but is not limited to:

- Section 14 advertisement,
- transfer costs,
- installation, upgrading and connection of services,
- registration of a servitude (diagram),
- Town Planning processes (including the preparation of subdivision diagrams and Environmental Impact Assessment, etc), and
- any other costs pertaining to the transaction and proposed development.

The above will be suspensive conditions in the deed of sale which will have the effect of a delayed transfer. If the conditions are not met, the transaction will not continue. The above will be done at the successful bidder's own risk and cost.

Paragraph 29: *“Should existing services need to be relocated or secured by means of the registration of a servitude in favour of the Municipality as a result of the alienation of the immovable property, all related costs shall be for the account of the successful bidder/purchaser.”*

A servitude must be registered for the telecommunication mast at the cost of the successful bidder.

Paragraph 31: *“Where immovable property is alienated for development, a condition, taking into consideration the nature of the development, might be included in the Deed of Sale stipulating that such development must be completed within two years from date of registration. Likewise a condition may be included in the agreement to provide for forfeiture in the event that the development has not been completed within the required time period, unless a written extension has been granted by the Municipality.”*

A clause to this effect will be included in any deed of sale to be entered into between the Municipality and the successful bidder to ensure that the development is at least commenced with, and that the Property is not used for speculation purposes.

Paragraph 32: *“Save with prior approval, the immovable property alienated may only be used for the purpose for which it was originally sold and purposes permitted by town planning scheme regulations pertaining to such purposes.”*

A clause to this effect will be included in any deed of sale to be entered into between the Municipality and the successful bidder.

Paragraph 33: “The agreement might contain a suspensive condition in respect of immovable property which is sold subject to approval in terms of land use planning legislation.”

The following land use planning processes, as a minimum, must be followed in order to develop the Property:

- Subdivision of the Property together with a general plan.
- Closure of a portion of public place.
- Rezoning the Property.
- Deviation of the Spatial Development Framework of 2020
- Traffic Impact Assessment.
- Heritage Impact Assessment.
- Environmental Impact Assessment.
- The application must also address the relevant overlay zones applicable to the Property.

Paragraph 34: “A 10% deposit of the agreed/tendered purchase price will be due and payable by the purchaser/successful bidder within 10 days of date of request in writing thereof by the Municipality.”

A clause to this effect will be included in any deed of sale to be entered into between the Municipality and the successful bidder. The bidder will be required to pay the deposit even before the suspensive conditions are met.

Paragraph 35: “Interest on the purchase price, as from date of signature of the deed of sale, must be charged by the Municipality should payment or transfer be delayed due to an action or failure on the part of the successful bidder/ purchaser.”

A clause to this effect will be included in the deed of sale to be entered into between the Municipality and the successful bidder. The interest rate used in another transfer was a rate equal to the prime lending interest rate of Nedbank Bank applicable on date of signature, to be calculated date of signature of the deed of sale by the last signature to date of registration of the transfer (both days included).

B. Advertisement/Notification

The necessary advertisement in terms of Section 14 of the MFMA will be published after the tender is duly awarded. The successful bidder will be liable for the costs of the Section 14 advertisement.

Conclusion

It is recommended that a portion of Erf 4833 Hermanus, ±11,59ha (approximately eleven comma five nine hectares) in extent, situated at 17th Avenue, Voëlklip, Hermanus be alienated means of a competitive process, at not less than the market related value to be developed for residential purposes.

Furthermore, it is recommended that the successful bidder/ be liable for all costs related to the transaction, excluding the costs for the valuation of the Property.

7. Financial Implications

The Municipality stands to gain a market related purchase price to the minimum amount of R7,000,000.00/ha (VAT excluded) which amounts to approximately R81,130,000.00 (eighty-one million one hundred and thirty thousand rand) (VAT excluded) for the Property.

8. Staff Implications

None.

9. Comments from other Departments, Divisions and Administrations

Senior Manager: Expenditure and Assets: Mr J Vorster - (028) 313 8046

Erf 4833 Hermanus, ±62,8571ha (approximately sixty two comma eight five seven one hectares) in extent, is currently reflected in the fixed asset register for Investment Property: Land at a carrying value of R10'600'000-00 as at 30 June 2022. Once the proposed alienation has been concluded the subdivided portion of the erf will have to be written out of the fixed asset register at the applicable selling price in order to account for actual gain / (loss) on the disposal of an asset.

There is no objection as the application complies with the Administration of Immoveable Property Policy.

Town Planner: Mr P Roux – (028) 313 8983

The Property is situated within the Urban Edge as depicted in the Overstrand Municipality Spatial Development Framework, 2020. The Property has a split zoning which includes Resort Zone : Holiday Resort (RZ), coloured in pink

and Open Space Zone 2 : Public Open Space, coloured in dark green (see Annexure A).

The successful bidder will have to apply, at its cost, for the land use rights to develop a Residential development. This application may include the following:

- Land surveying and attaining diagrams;*
- Subdivision of the portion from Erf 4833, Hermanus;*
- Closure of the portion of Erf 4833, Hermanus;*
- Rezoning of the portion of Erf 4833, Hermanus from Open Space Zone 2: Public Open Space and Holiday Resort to Residential Zone 1: Single Residential and/or General Residential Zone 1: Town Housing;*
- Consent use for Retirement Village and associated facilities if included in the development may be applied for under General Residential Zone 1: Town Housing;*
- Densities up to 35 units per hectare for General Residential Zone 1: Town Housing;*
- Residential Zone 1: Single Residential will have a density of 10 to 20 units per hectare (depending on erf sizes);*
- Traffic Impact Assessment;*
- Environmental Impact Assessment, and*
- The application must also address the relevant overlay zones applicable to the Property.*

Senior Manager: Hermanus Administration: Mr A Wyngaard – (028) 313 8112

I support the sale of the said property to be developed for residential purposes.

Senior Manager: Operational Services: Mr T Marx – (028) 313 8092

Services are available in the vicinity of the property. Upgrading of the services for the purpose of the proposed development will be required and to be done at the developer's cost.

Senior Environmental Manager: Ms L de Villiers - (028) 316 5615

The Environmental Department supports the sale of the said property. The successful bidder needs to take the following into account:

- 1) The said property is adjacent to the Fernkloof Nature Reserve and therefore falls within the Protected Area Buffer Zone. The successful bidder will need to take the conditions of the EMOZ into account.*

- 2) *The Fernkloof Nature Reserve has a Protected Area Management Plan which needs to be consulted when any development takes place on it's borders, for example the NEMBA regulations with landscaping.*
- 3) *The Fernkloof Nature Reserve has an Advisory Board which needs to be consulted when a development takes place on the borders on the Fernkloof Nature Reserve.*
- 4) *The sucessfull bidder will have to comply with the NEMA legislation in accordance with the EIA regulations.*
- 5) *In accordance with the Heritage Protection Overlay Zone, the area falls within an Important Scenic Corridor and the development of the infrastructure will have to include the sensitive nature of the surrounding environment.*
- 6) *The area falls in the middle of the home ranges of two local baboon troops, Voelklip troop and Vogelgat troop and the development will need to ensure that they develop their infrastructure with this inmind and contact the local Municipality to discuss inovative baboon proof design.*

Comments from the Property Administration Department: The relevant conditions imposed will be included in a deed of sale.

Manager: Engineering Services: Mr R Andrew - (028) 313 5073

If the sale is approved:

1. *The developer should identify and locate all municipal services located on the property under consideration.*
2. *Any existing municipal services have to stay intact and can't be compromised. If any of the existing services need to be relocated, it will be done by the applicants at his cost, and to the satisfaction of the Director: Infrastructure and Planning. Servitudes should be registered for all municipal services on private property.*
3. *The developer will only utilize the existing roads/accesses and no new additional roads/accesses will be created without the written approval of the Senior Manager: Engineering Services.*
4. *Bulk Infrastructure Contribution Levies are payable by the developer where there is an intensification of land use and a resultant increase in loading on the municipal engineering services. Bulk Contribution Levies will be charged according to the Overstrand Bulk Contribution Levy Policy and the prescribed tariffs as contained in Council's budget. These tariffs are subject to annual adjustment. Levies will be payable prior to the submission of building plans (for sectional title units / commercial buildings) or rates clearance being issued (for free-standing properties).*

5. *The developer will be responsible for the construction and provision of all municipal services to the proposed development, including all connection fees and investigation levies for municipal services.*
6. *The developer must enter into a service level agreement with the Municipality.*

Comments from the Property Administration Department: The relevant conditions imposed will be included in a deed of sale.

Senior Manager Electrical Services: Mr JH du Plessis - (028) 316 5627

The Electrical department does not have any objections towards the development, however, keep in mind this is an open space and there is no electrical capacity available on this property. A formal application must be made for the needed capacity for the development. The existing mast on the erf is already electrically serviced and this service is solely for the demand of the mast.

Senior Manager: (Building Control Department): Mr L Coetzee – (028) 313 8091

The Building Control Department has no objection. Any building plan application must comply with all the applicable laws.

Senior Superintendent: Operations: Mr P De Gruchy – (028) 313 0999

This office has no objection to the sale and development of a portion of Erf 4833 Hermanus for the purpose of a residential development.

The approval of the application is subject to the Engineering Comments which addresses traffic flow and accesses.”

Assistant Chief: Fire Safety & Health and Safety: Mr E Solomons - (028) 313 8979

The fire department has no objection.

Assistant Chief: Operations & Training: Mr A Aplon – (028) 313 8978

There is currently no Protective Services equipment on the mast, but we are busy expanding. Provision must be made for the future when the need arises. We are currently struggling with the connection in Kleinrivier and Stanford Area, so maybe in the future we will have challenges.

10. Annexures

Annexure A: Locality Map

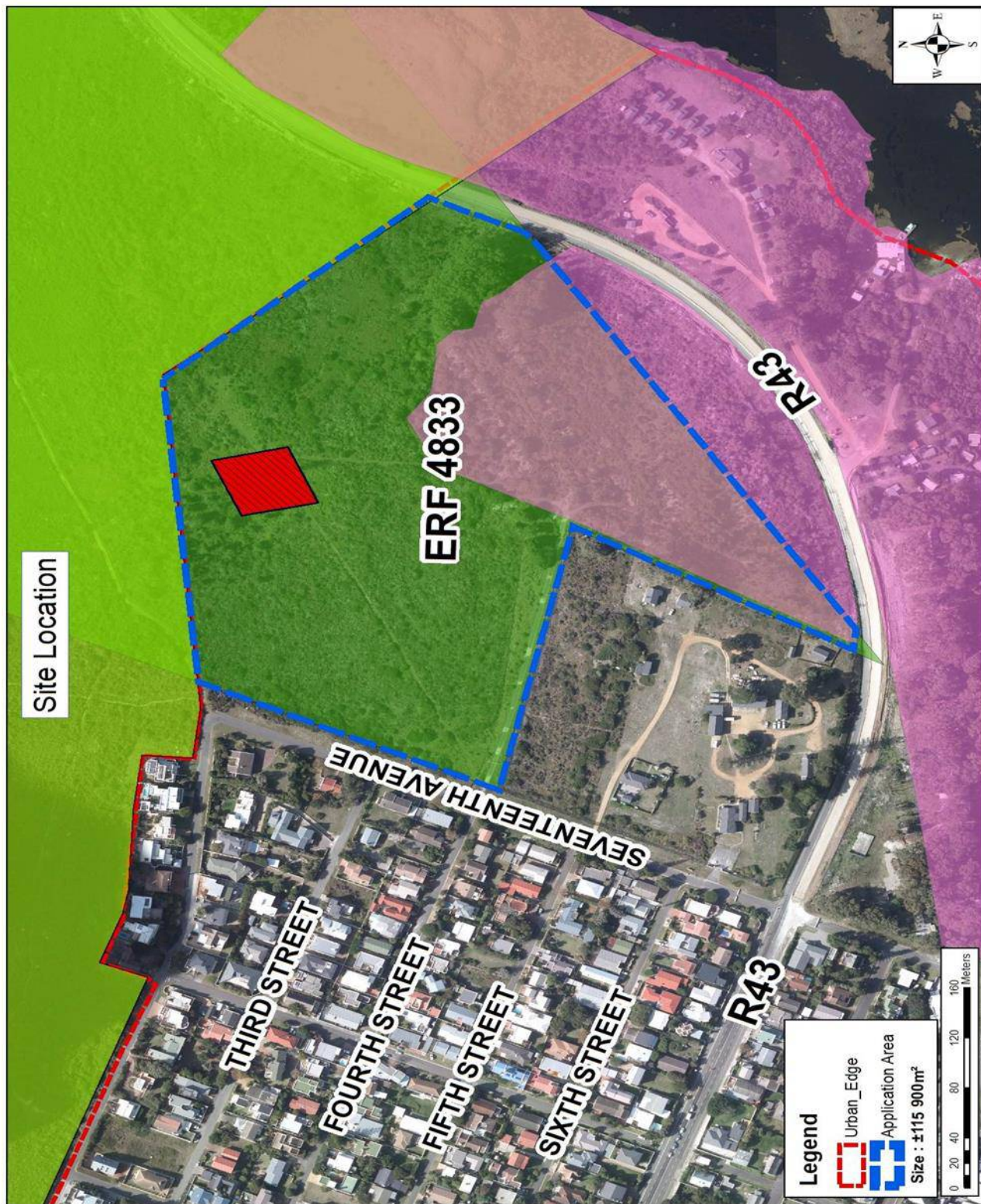
Annexure B: Photos – Telecommunication Mast

RECOMMENDATION TO THE COUNCIL:

1. that the alienation of a portion of Erf 4833 Hermanus ($\pm 11,59$ ha in extent) for the purposes of a residential development, by means of a competitive process at a market related price **be approved in principle**;
2. that the alienation of the portion of Erf 4833 Hermanus be subject to a suspensive condition that the successful bidder obtains at own cost all the approvals, e.g., Town Planning/Land Use Planning, etc. necessary for the transfer and subsequent development of the said portion of Erf 4833 Hermanus;
3. that a condition be included in the deed of sale for forfeiture stating that such development must be commence with within 2 (two) years from date of registration unless prior written approval is obtained from Overstrand Municipality, under the hand of the delegated authority, for an extension of time;
4. that a condition be included in the deed of sale that interest on the purchase price will be charged by the Municipality should payment or transfer be delayed due to an action or failure on the part of the successful bidder;
5. that a condition be registered against the title deed of the Property that it may only be used for the purpose of a residential development, and in line with the development parameters as depicted in the Overstrand Municipality Land Use Scheme, 2020;
6. that all the costs pertaining to the transaction and subsequent development, for example, but not limited to, the transfer costs, water, sewer and electricity connections and the section 14 advertisement, but excluding the valuation costs, be paid by the successful bidder;
7. that the successful bidder registers a servitude in favour of the Municipality for the telecommunications mast on the property against the title deed of the Property, at its own cost, simultaneous with the registration of the transfer;
8. that the successful bidder, at its own cost, constructs the internal municipal and electrical services for the development as well as any link or bulk municipal services that needs to be approved;

9. that the successful bidder enters into a Services Agreement with the Municipality for the provision of internal-, link- and bulk services in terms of the tender, applicable legislation and Council policies; and
10. that it is hereby confirmed by Council that the municipal property herewith envisaged to be alienated is not required for the provision of basic municipal services in terms of paragraph 5 of the Administration of Immovable Property Policy approved by Council on 25 November 2015 and Section 14 of the Local Government: Municipal Finance Management Act (Act 56 of 2003).

RESPONSIBLE OFFICIAL :	A LE ROUX
TARGET DATE FOR IMPLEMENTATION :	15 OCTOBER 2022
TARGET DATE TO INFORM APPLICANT :	N/A
TARGET DATE TO INFORM OBJECTOR :	N/A





4.2

HERMANUS: IN PRINCIPLE APPROVAL FOR THE ALIENATION OF A PORTION OF ERF 4771 HERMANUS (SITUATED IN SEVENTH STREET BETWEEN FOURTH AND SIXTH AVENUE, VOËLKLIIP), ±30 000m² IN EXTENT, BY MEANS OF A COMPETITIVE PROCESS FOR THE PURPOSE OF A RESIDENTIAL DEVELOPMENT

7/2/3/2

A Le Roux

Manager: Property Administration

6 July 2022

(028) 316-5623

1. Executive Summary

To obtain in principle approval for the alienation of a portion of Remainder Erf 4771 Hermanus, ±30 000m² (approximately thirty thousand square metres) in extent (the “Property”), for by means of a competitive process for the purpose of a residential development.

The locality of the portion of Remainder Erf 4771 Hermanus is indicated with the blue line on the locality map attached per “Annexure A”.

2. Service Delivery and Budget Implementation Plan - IGNITE

Investment and Infrastructure
Property Administration

3. Compliance with Strategic Priorities

Provision of democratic, accountable and ethical governance
The encouragement of structured community participation in the matters of the municipality

4. Delegated Authority

None

5. Legal Requirements

- Local Government: Municipal Finance Management Act, Act 56 of 2003 (“MFMA”)
- Municipal Asset Transfer Regulations (R. 878 of 2008)
- Administration of Immovable Property Policy of the Overstrand Municipality, as amended
- Municipal Supply Chain Management Regulations (Notice 868 of 30 May 2005)
- Overstrand Municipality Supply Chain Management Policy, as amended

6. Background/Discussion/Evaluation/Conclusion

Background/Discussion

The subject Property was identified for development as part of the Investment Conference that took place on 23 and 24 June 2022. Several attendees of the conference indicated interest in developing the Property.

The Property is 30 000m² (thirty thousand square metres) in extent, vacant and situated in Seventh Street between Fourth and Sixth Avenue, Voëlklip.

The Property is zoned as Open Space Zone 2: Public Open Space and a portion of the Property is also partially situated outside of the Urban Edge as depicted in the Overstrand Municipality Spatial Development Framework, 2020.

As there is a need for residential erven it is recommended that the Property be made available in the open market by means of a competitive process for the purpose of a residential development.

Evaluation

C. Evaluation in terms of the Administration of Immovable Property Policy of the Overstrand Municipality

The following conditions of said policy apply to this report:

Paragraph 9.1(a): “The Municipality may transfer ownership or otherwise dispose of a non-exempted immovable property only after the Municipal Council has, in terms of sections 14(2)(a) and (b) of the MFMA decided on reasonable grounds that the immovable property is not needed to provide the minimum level of basic municipal services.”

The comments received from the relevant officials confirmed that the subject Property is not needed for the provision of the minimum level of basic municipal services.

Paragraph 9.1(b): “The Municipality may transfer ownership or otherwise dispose of a non-exempted immovable property only after the Municipal Council has, in terms of sections 14(2)(a) and (b) of the MFMA considered the fair market value of the immovable property and the economic and community value to be received in exchange for the immovable property in accordance with Section 14(2) of the MFMA.”

Boland Valuers determined the market related value of the Property on 24 June 2022 at an amount of R1,095.00/m² (one thousand and ninety-five rand) (VAT excluded).

Paragraph 9.1(c): *“The Municipality may transfer ownership or otherwise dispose of a non-exempted immovable property only after the Municipal Council has, in terms of sections 14(2)(a) and (b) of the MFMA has as a consequence to 9.1(a) and (b) above approved in principle that the immovable property may be transferred or disposed of, and the method of disposal or transfer.”*

The purpose of this report is to request in principle approval from Council for the alienation of the Property by means a competitive process.

Paragraph 15.1: *“The transfer of immovable property must, except in the case of non-viable immovable property, be affected by means of competitive process, which may include a public or closed tender, auction or proposal call.”*

It is recommended that the Property be alienated by means of a competitive process.

Paragraph 28: *“All costs pertaining to a transaction shall be borne by the successful bidder/purchaser, e.g. survey, advertisements, valuation, rezoning, relocation or provision of services where necessary, etc. The Municipality may, however, waive its right to claim the costs should it be to its advantage to bear the costs.”*

The successful bidder will be liable for all costs pertaining to the transaction, excluding the cost for the valuation of the property. Costs for the successful bidder will include, but is not limited to:

- Section 14 advertisement,
- transfer costs,
- installation, upgrading and connection of services,
- Town Planning processes (including the preparation of subdivision diagrams and Environmental Impact Assessment, etc), and
- any other costs pertaining to the transaction and proposed development.

The above will be suspensive conditions in the deed of sale which will have the effect of a delayed transfer. If the conditions are not met, the transaction will not continue. The above will be done at the successful bidder's own risk and cost.

Paragraph 29: *“Should existing services need to be relocated or secured by means of the registration of a servitude in favour of the Municipality as a result of the alienation of the immovable property, all related costs shall be for the account of the successful bidder/purchaser.”*

A servitude must be registered for a water pipeline at the cost of the successful bidder.

Paragraph 31: *“Where immovable property is alienated for development, a condition, taking into consideration the nature of the development, might be included in the Deed of Sale stipulating that such development must be completed within two years from date of registration. Likewise a condition may be included in the agreement to provide for forfeiture in the event that the development has not been completed within the required time period, unless a written extension has been granted by the Municipality.”*

A clause to this effect will be included in any deed of sale to be entered into between the Municipality and the successful bidder to ensure that the development is at least commenced within two years, and that the Property is not used for speculation purposes.

Paragraph 32: *“Save with prior approval, the immovable property alienated may only be used for the purpose for which it was originally sold and purposes permitted by town planning scheme regulations pertaining to such purposes.”*

A clause to this effect will be included in any deed of sale to be entered into between the Municipality and the successful bidder.

Paragraph 33: *“The agreement might contain a suspensive condition in respect of immovable property which is sold subject to approval in terms of land use planning legislation.”*

The following land use planning processes, as a minimum, must be followed in order to develop the Property:

- Subdivision of the Property together with a general plan.
- Closure of a portion of public place.
- Rezoning the Property.
- Deviation of the Spatial Development Framework of 2020 to allow higher densities up to 35 units per hectare and to amend the urban edge.
- Traffic Impact Assessment.
- Heritage Impact Assessment.

- Environmental Impact Assessment.
- The application must also address the relevant overlay zones applicable to the Property.

Paragraph 34: *“A 10% deposit of the agreed/tendered purchase price will be due and payable by the purchaser/successful bidder within 10 days of date of request in writing thereof by the Municipality.”*

A clause to this effect will be included in any deed of sale to be entered into between the Municipality and the successful bidder. The bidder will be required to pay the deposit even before the suspensive conditions are met.

Paragraph 35: *“Interest on the purchase price, as from date of signature of the deed of sale, must be charged by the Municipality should payment or transfer be delayed due to an action or failure on the part of the successful bidder/ purchaser.”*

A clause to this effect will be included in the deed of sale to be entered into between the Municipality and the successful bidder. The interest rate used in another transfer was a rate equal to the prime lending interest rate of Nedbank Bank applicable on date of signature, to be calculated date of signature of the deed of sale by the last signature to date of registration of the transfer (both days included).

D. Advertisement/Notification

The necessary advertisement in terms of Section 14 of the MFMA will be published after the tender is duly awarded. The successful bidder will be liable for the costs of the Section 14 advertisement.

Conclusion

It is recommended that a portion of Remainder Erf 4771 Hermanus ($\pm 30\,000\text{m}^2$ in extent) be alienated for the purpose of a residential development by means of a competitive process, at not less than the market related value.

Furthermore, it is recommended that the successful bidder/ be liable for all costs related to the transaction, excluding the costs for the valuation of the Property.

7. Financial Implications

The Municipality stands to gain a market related purchase price of R1,095.00/m² (one thousand and ninety-five rand) (VAT excluded) for the Property which equates to $\pm R32,850,000.00$ (thirty-two million eight hundred and fifty thousand rand) (VAT excluded) for the $\pm 30\,000\text{m}^2$.

8. Staff Implications

None.

9. Comments from other Departments, Divisions and Administrations**Senior Manager: Expenditure and Assets: Mr J Vorster - (028) 313 8046**

Erf 4771 Hermanus is currently reflected in the fixed asset register for PPE: Land at a carrying value of R3'999'450-42 as at 30 June 2022. Once the proposed alienation has been concluded the subdivided portion of the erf will have to be written out of the fixed asset register at the applicable selling price in order to account for actual gain / (loss) on the disposal of an asset.

There is no objection as the application complies with the Administration of Immoveable Property Policy.

Town Planner: Mr P Roux – (028) 313 8983

The subject portion of Erf 4771, Hermanus is zoned as Open Space Zone 2: Public Open Space and a portion of the portion of Erf 4771, Hermanus is also partially situated outside of the Urban Edge as depicted in the Overstrand Municipality Spatial Development Framework, 2020.

The successful bidder will have to apply for the land use rights to develop a Residential development. This application may include the following:

- *Subdivision of the portion from Erf 4771, Hermanus,*
- *Closure of the portion of Erf 4771, Hermanus,*
- *Rezoning of portion of Erf 4771, Hermanus from Open Space Zone 2: Public Open Space to Residential Zone 1: Single Residential and/or to General Residential Zone 1: Town Housing,*
- *Deviation of the SDF, 2020 to allow higher densities up to 35 units per hectare for General Residential Zone 1: Town Housing and to amend the urban edge,*
- *Residential Zone 1: Single Residential will have a density of 10 to 20 units per hectare (depending on erf sizes),*
- *Traffic Impact Assessment,*
- *Heritage Impact Assessment,*
- *Environmental Impact Assessment, and*
- *The application must also address the relevant overlay zones applicable to the site.*

Senior Manager: Hermanus Administration: Mr A Wyngaard – (028) 313 8112

I support the sale of the said property for the purpose of a residential development.

Senior Manager: Operational Services: Mr T Marx – (028) 313 8092

Services are available in the vicinity of the property. A servitude must be registered to accommodate the water pipeline crossing the property as indicated on the attached locality map (Annexure B). Upgrading of the services for the purpose of the proposed development will be required and to be done at the developer's cost.

Senior Environmental Manager: Ms L de Villiers - (028) 316 5615

This office supports the sale and development of a portion of Remainder Erf 4771 Hermanus.

- *A portion of the property falls under “New Proposal to Council” (refer to area outside urban edge) under the Fernkloof Protected Areas Management Plan – This document has served in front of Council, but the new proposal must still be considered by council. The request is that the remainder of the erf be rezoned as Open Space Zone 1, Nature Reserve and Proclaimed under the Protected Areas Act, Fernkloof Nature Reserve.*
- *The property is currently Open Space Zone 2, new proposal to be zoned Opens Space Zone 1.*
- *It is noted that according to the GIS there are existing services on the property (Water and Storm Water).*
- *The vegetation type is Agulhas Limestone Fynbos – Which his “Vulnerable” according to the SANBI Ecosystem Vegetation Layer.*
- *The property falls under the Environmental Overlay Zone, Protected Areas Buffer zone.*
- *Please note. The proposed portion of 4771 borders on Fernkloof Nature Reserve.*

Comments from the Property Administration Department: At this stage the inclusion of a portion of the Property into the Fernkloof Protected Areas Management Plan has not been approved by Council. The development of this area will go through a public participation process and the successful developer will have to obtain an Environmental Assessment Impact report which can address this.

Manager: Engineering Services: Mr R Andrew - (028) 313 5073

If the sale is approved:

1. *The developer should identify and locate all municipal services located on the property under consideration.*
2. *The existing municipal services have to stay intact and can't be compromised. If any of the existing services need to be relocated, it will be done by the applicants at his cost, and to the satisfaction of the Director: Infrastructure and Planning. Servitudes should be registered for all municipal services on private property.*
3. *The developer will only utilized the existing roads/accesses and no new additional roads/accesses will be created without the written approval of the Senior Manager: Engineering Services.*
4. *Bulk Infrastructure Contribution Levies are payable by the developer where there is an intensification of land use and a resultant increase in loading on the municipal engineering services. Bulk Contribution Levies will be charged according to the Overstrand Bulk Contribution Levy Policy and the prescribed tariffs as contained in Council's budget. These tariffs are subject to annual adjustment. Levies will be payable prior to the submission of building plans (for sectional title units / commercial buildings) or rates clearance being issued (for free-standing properties).*
5. *The developer will be responsible for the construction and provision of all municipal services to the proposed development, including all connection fees and investigation levies for municipal services.*
6. *The developer must enter into a service level agreement with the Municipality.*

Comments from the Property Administration Department: The relevant conditions imposed will be included in a deed of sale.

Senior Manager Electrical Services: Mr JH du Plessis - (028) 316 5627

The Electrical department does not have any objections towards the development, however, keep in mind this is an open space and there is no electrical capacity available on this property. A formal application must be made for the needed capacity for the development. Please take note that an 11k V cable cross this property as per attached plan (Annexure C). This cable will have to be rerouted alongside 7th Street which can be addressed in the service agreement.

Comments from the Property Administration Department: The deed of sale will stipulate that such costs are for the bidder's account.

Senior Manager: (Building Control Department): Mr L Coetzee – (028) 313 8091

The Building Control Department has no objection. Any building plan application must comply with all the applicable law.

Senior Superintendent: Operations: Mr P De Gruchy – (028) 313 0999

This office has no objection to the sale and development of a portion of Remainder Erf 4771 Hermanus for the purpose of a residential development.

The approval of the application is subject to the Engineering Comments which addresses traffic flow and accesses.”

Assistant Chief: Fire Safety & Health and Safety: E Solomons - (028) 313 8979

The fire department has no objection subject to compliance with the provision of SANS-A:2016, 10400-T:2020 and the By-Law relating to community fire safety.

10. Annexures

- Annexure A: Locality Map
- Annexure B: Locality Map – Water pipeline
- Annexure C: Fernkloof Protected Areas Management Plan proposal
- Annexure D: Locality Map - Electrical services for relocation

RECOMMENDATION TO THE COUNCIL:

1. that the alienation of a portion of Remainder Erf 4771 Hermanus ($\pm 30\,000\text{m}^2$ in extent) for the purpose of a residential development by means of a competitive process at a market related price **be approved in principle**;
2. that the alienation of the portion of Remainder Erf 4771 Hermanus be subject to a suspensive condition that the successful bidder obtains at own cost all the approvals, e.g., Town Planning/Land Use Planning, etc.) necessary for the transfer and subsequent development of the said portion of Remainder Erf 4771 Hermanus;
3. that a condition be included in the deed of sale for forfeiture stating that such development must be commenced with within 2 (two) years from date of registration, unless prior written approval is obtained from Overstrand Municipality, under the hand of the delegated authority, for an extension of time;

4. that a condition be included in the deed of sale that interest on the purchase price will be charged by the Municipality should payment or transfer be delayed due to an action or failure on the part of the successful bidder;
5. that a condition be registered against the title deed of the Property that it may only be used for the purpose of a residential development and in line with the development parameters as depicted in the Overstrand Municipality Land Use Scheme, 2020;
6. that all the costs pertaining to the transaction and subsequent development, for example, but not limited to, the transfer costs, water, sewer and electricity connections and the section 14 advertisement, but excluding the valuation costs, be paid by the successful bidder;
7. that the successful bidder, at its own cost, constructs the internal municipal and electrical services for the development as well as any link or bulk municipal services that needs to be approved;
8. that the successful bidder enters into a Services Agreement with the Municipality for the provision of internal-, link- and bulk services in terms of the tender, applicable legislation and Council policies;
9. that a services servitude for the water pipeline be registered against the title deed of the Property in favour of the Municipality, at the successful bidder's cost, simultaneous with the registration of the transfer; and
10. that it is hereby confirmed by Council that the municipal property herewith envisaged to be alienated is not required for the provision of basic municipal services in terms of paragraph 5 of the Administration of Immovable Property Policy approved by Council on 25 November 2015 and Section 14 of the Local Government: Municipal Finance Management Act (Act 56 of 2003).

RESPONSIBLE OFFICIAL :

A LE ROUX

TARGET DATE FOR IMPLEMENTATION :

15 OCTOBER 2022

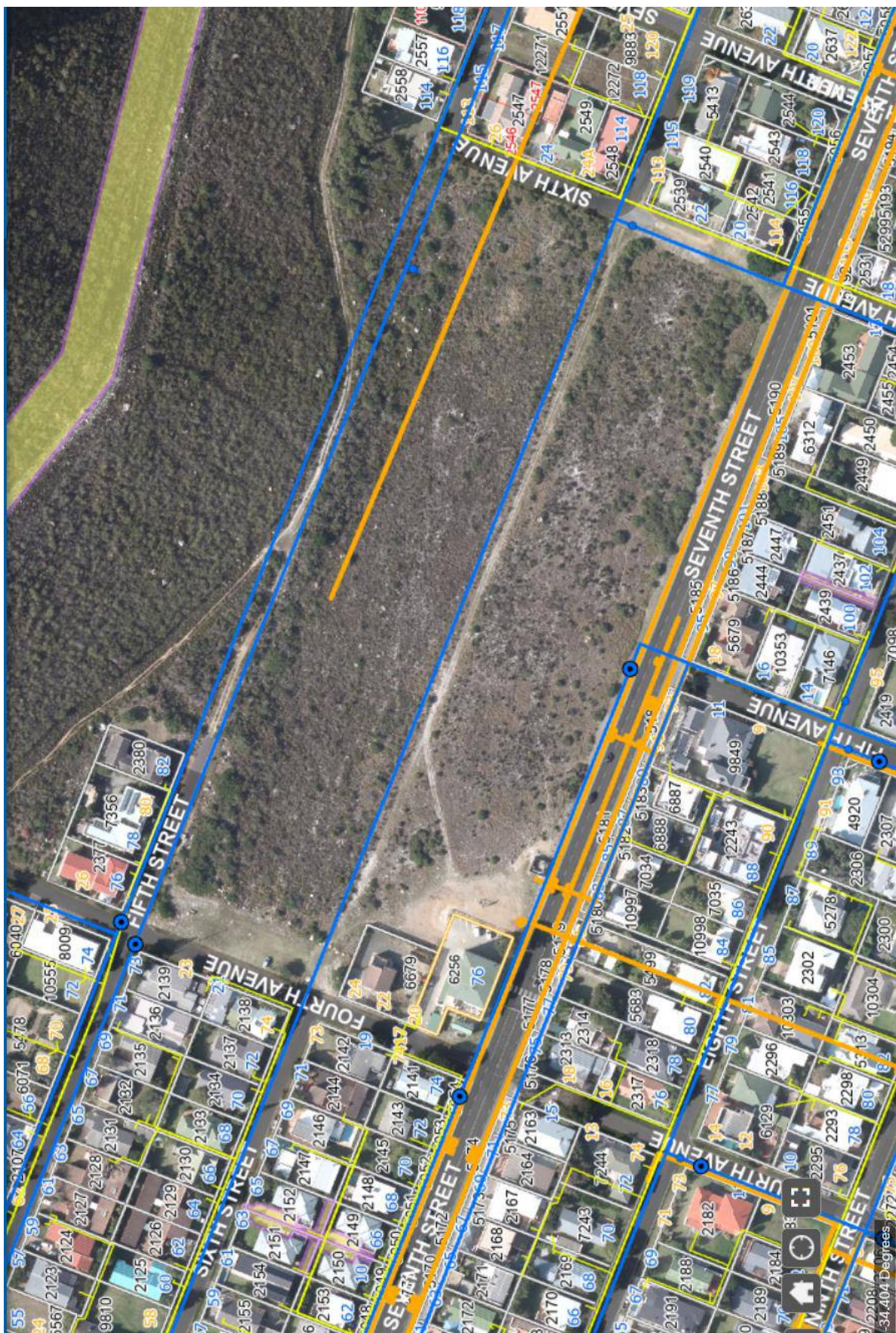
TARGET DATE TO INFORM APPLICANT :

N/A

TARGET DATE TO INFORM OBJECTOR :

N/A









4.3

HERMANUS, A PORTION OF PORTION 3 OF FARM 585 (BEESEMHOOT KLOOF): DEVIATION FROM SEVERAL PARAGRAPHS OF THE ADMINISTRATION OF IMMOVABLE PROPERTY POLICY OF 2015 TO ACCOMMODATE SUBSISTENCE AND EMERGING FARMERS (PIG FARMING) ON MUNICIPAL OWNED LAND BY MEANS OF LONG-TERM LEASE AGREEMENT: CAMPHILL AGRICULTURAL PRIMARY COOPERATIVE PRIMARY COOPERATIVE LIMITED (2022/604653/24)

7/2/1/3

X. Kosi

Manager: Local Economic Development

14 September 2022

(028) 313 8195

1. Executive Summary

To obtain approval from the Executive Mayor to enter into a lease agreement for a period of 9 (NINE) years and 11 (ELEVEN) months with Camphill Agricultural Primary Cooperative Primary Cooperative Limited (2022/604653/24) in respect of a portion of Portion 3 of Farm 585 (total extent of approximately 5,000 m²), hereinafter referred to as “the Property”, for the pig farming; and

To obtain approval for the deviation from several paragraphs of the Administration of Immovable Property Policy of 2015 allowing the Municipality to enter into a lease agreement with Camphill Agricultural Primary Cooperative Primary Cooperative Limited (2022/604653/24) (hereinafter referred to as “the Co-operative”) for the purpose of pig farming on a portion of Portion 3 of Farm 585 (total extent of approximately 5,000 m²).

2. Service Delivery and Budget Implementation Plan - IGNITE

Economic, Social Development and Tourism
Local Economic Development

3. Compliance with Strategic Priorities

Provision of democratic, accountable and ethical governance
Creation and maintenance of a safe and healthy environment
Promotion of tourism, economic and social development

4. Delegated Authority

Partly delegated to the Executive Mayor

5. Legal Requirements

- Municipal Asset Transfer Regulations (R. 878 of 2008)

- Administration of Immovable Property Policy of the Overstrand Municipality, as amended

6. Background/Discussion/Evaluation/Conclusion

Background

The Overstrand Municipality has identified an increase in the need for suitable land to accommodate subsistence and emerging farming, in this regard pig farming, within the Overstrand area. In order to accommodate subsistence and emerging farming, an area of $\pm 5,000\text{m}^2$ was identified on Portion 3 of Farm 585. A lease agreement will be entered into with the registered Co-operative at a nominal rental amount. This will afford the co-operative time to accommodate and grow their farming activities until more permanent land is obtained.

In order to enter into the lease agreement, it is needed to deviate from several paragraphs of the Administration of Immovable Property Policy (as amended from time to time).

The lease will be for the $\pm 5,000\text{m}^2$ to the Co-operative consisting of identified subsistence and emerging farmers (as members of the co-operative) subject thereto that the farmer qualifies as a subsistence or emerging farmer. Only approximately 20 units can be allocated with each unit having a specific number of pigs that can be accommodated. Strict conditions will be set in the lease agreement as to the care of the animals and the responsibilities of the farmers forming part of the Co-operative.

Discussion

Subsistence Farming

Subsistence farming can be defined as self-sufficiency farming in which the farmers focus on growing enough food to feed themselves and their families. The typical subsistence farm has a range of crops and animals needed by the family to feed and clothe themselves during the year. The output is mostly for local requirements with little or no surplus trade.

Subsistence and small-scale farmers need to have access to sufficient land and water resources with which to carry out their farming activities. Subsistence farmers are self-employed and as such do not earn a salary from an employer. Cash income is generated by selling surplus produce agricultural products that are produced over-and-above what is needed for household use.

Most subsistence farmers learn the necessary skills from their parents or relatives who are also involved in subsistence farming in the local area, and

who know the farming methods best suited to the area as well as information related to local markets for the sale of produce. They will gain additional skills through personal practical experience.

Emerging farming

An emerging farmer is a farmer that was previously disadvantaged, was given land by government via the land reform process, has operating knowledge of farming or may have even been a previous employee on the same farm, lacks technical knowhow, farm and risk management skill and also lacks access to formal markets with defined off take agreements. This type of farmer needs constant mentorship and training. These farmers also lack access to finance and usually rely on government grant funding to kick start their operations

The emerging farmer sector is made up of new farmers created by government land reform programs or existing smallholder subsistence farmers who are attempting to make a transition to commercially based agriculture.

Thus, the purpose is to assist these farmers for a specific period in order for them to obtain other more permanent and suitable land. This will assist them to develop to more commercialized farming on other identified land.

Allocation of units ("pens")

The existing footprint will be used and on equal basis where possible, a maximum of 20 units ("pens") can be allocated with a limited number of pigs that can be allocated per unit ("pen"). It must be noted that as need may arise, the allocation of units ("pens") can be extended to accommodate rabbits and poultry.

Management of lessees

The lease agreements will be managed by the Local Economic Development ("LED") Department. The lessee will have to open a municipal account for the levying of the rental and water consumption. The activities on the Property will be managed by a qualified Agriculturalist in the LED department and the "Pound Master" (a Law Enforcement Official) situated on the Farm.

Lease Agreement

The farmers forming part of the Co-operative are already on the Property. They have requested a rent-free period to apply for the necessary funding and to rectify all the concerns on the Property. It is thus requested that they be afforded a 4 (FOUR) month rent free period in order start the necessary.

Evaluation

A: Administration of Immovable Property Policy of the Overstrand Municipality:

The following paragraphs of the Administration of Immovable Property Policy are applicable:

- (1) **Paragraph 4: “No application for the purchase, lease of or encroachment on immovable property (save for the instances mentioned in paragraphs 58 to 62 and 64.1 below) shall be processed unless the prescribed application fee as per tariff approved in the annual budget for that financial year has been paid, nor shall any proposed lease or encroachment (save for the instances mentioned in paragraphs 58 to 62 and 64.1 below) be advertised unless the applicant has confirmed, in writing, that he/she will bear all costs involved in such transaction including - but not limited to - legal, survey, re-zoning, sub-division, consolidations, advertisement, relocation or provision of services and, where applicable, a deposit as per prescribed rate to cover incidental costs has been paid.”**

Currently the application fee is an amount of R3,000.00 (VAT included). As the purpose of the leasing is to accommodate and uplift subsistence and emerging farmers, it is suggested that the application fee be waived. In this regard it must be noted that the mentioned farmers (due to their status) will not be able to afford the application fee. A request is thus made to Council to deviate from paragraph 4 to exempt the Co-operative from paying the prescribed application fee for the proposed lease.

The Property is not zoned correctly for the current and intended use and any rezoning / consent use will require an Environmental Impact Assessment. The Co-operative does not have the means to attend to this, thus Council will have to address this.

- (2) **Paragraph 17: “Taking into consideration the nature and duration of the lease to be entered into, the leasing of immovable property may be affected by means of either:**
- 17.1 a competitive process, which may include a closed or public tender or proposal call, specifically in circumstances listed in paragraph 18 below; or**
- 17.2 a direct lease.”**
- (3) **Paragraph 18: “A competitive process must at all times be followed in circumstances where:**
- 18.1 the lease is for a long term with an income value in excess of R10 million;**
- 18.2 the lease is for a formal business premises with a market related rental;**

**18.3 more than one party, in discretion of the municipality, is interested in the lease of the subject property; and/or
18.4 by discretion of the municipality, a competitive process will best serve the interests of the community.”**

Although the application is for a long term, the rental will not be in excess of R10 million. The property is not a business property.

A competitive process will not serve a purpose as most of the identified subsistence and emerging farmers who form part of the Co-operative do not have the necessary ability and skills to complete complicated tender documents. It is rather proposed that the pens be allocated to the farmers who are registered members of the Co-operative and who are already occupying the Property. A long-term lease will capacitate them to apply for the necessary funding and assistance from various government entities.

Taking the above into consideration a request is made to Council to deviate from Paragraph 18 in that a competitive process not be followed, and that the Property be leased directly to the Co-operative.

- (4) **Paragraph 20: “Long term lease of municipal immovable property with an income value less than R10 million:
20.1 The Municipality may grant a long term lease of municipal immovable property with an income value of less than R10 million only after:**
- (a) the Accounting Officer has approved the lease in principle;**
 - (b) in the case of a direct lease, the proposed lease was advertised in terms of paragraph 10.1 and 10.2 above to invite the local community and other interested parties to submit comments or representations; and**
 - (c) the Executive Mayor, as delegated authority, has subsequently approved that the right may be granted.”**

The Municipal Manager approved in principle the long-term lease of the Property to the Co-operative on 24 August 2022 for a period of 9 (NINE) years and 11 (ELEVEN) months, subject thereto that the approval of Council is obtained for the deviation from several paragraphs of the Administration of Immovable Property Policy as well as the approval for the long-term lease from the Executive Mayor.

The lease will be advertised for the prescribed 30 days after this approval is obtained. It is requested that the Municipality bears the cost of the advertisement as motivated below.

It will be requested that the Executive Mayor approves the long-term lease subject to Council approving the deviation from the relevant policy.

- (5) **Paragraph 24: “The fair market value for the alienation of, the rental amount for the leasing or compensation payable for a servitude over municipal immovable property shall be determined by an independent professional valuer or professional associated valuer registered in terms of the Property Valuers Profession Act, 2000 (Act 47 of 2000), or any ensuing act at the cost of the purchaser (in the case of a direct sale) or lessee (in the case of a direct lease)/servitude holder (in the case of a servitude).”**

It is recommended that nominal rental be charged as the farmers who are the registered members of the Co-operative will not be able to afford a market related rental amount and will also not be able to pay the costs of the valuation (which is currently R2,500.00). As there is no tariff for this type of lease and taking their financial position as well as the purpose of the lease into consideration, a deviation is requested from this paragraph to the effect that the Co-operative not pay market related rental as determined by a professional valuer, but rather pay a nominal amount of R782.60 (SEVEN HUNDRED AND EIGHTY-TWO RAND AND SIXTY CENTS) (VAT excluded) per month for the 5,000m². This amount is calculated by using the tariff approved for Wetcore Stands (Social Housing) (2021/2022 financial year) which is an amount of R39.13 (THIRTY-NINE RAND AND THIRTEEN CENTS) (VAT excluded) per month and multiplying it by maximum number of pens (20) that may be allocated. This calculates to R39.13 (VAT excluded) for a pen of 250m². The directors of the Co-operative will have to manage the payments of the members to ensure that the Municipality is paid.

- (6) **Paragraph 36: “All costs pertaining to a transaction, e.g. survey, advertisements, valuation, relocation or provision of services where necessary, shall be borne by the Lessee. The Municipality may, however, waive its right to claim all or any portion of the costs. Where necessary a deposit to cover the costs may be required.”**

A request is made to Council to exempt the Co-operative from paying the advert cost, and if Council approves the request, that the Municipality bears, via the LED Department, the advert cost in order to still follow a public participation process in respect of this lease. As mentioned above, the Co-operative consists of emerging and subsistence farmers who do not have the financial ability to pay for this advertisement which can amount to approximately R4,500.00. It is requested that it be borne by the Municipality in an attempt to accommodate the farmers and not put any further financial strain on them.

- (7) **Paragraph 38: “No immovable property shall be sub-let and no lease may be ceded or assigned without the prior written approval of the Municipality.”**

The only sub-lease that will be approved, is one farmer who is currently using the Property, who could not register on the Co-operative due to a problem with his identity document.

- (8) **Paragraph 41: “The lessee shall, as a rule, be liable for the payment of rates, taxes and service charges in respect of the leased property. In the case of leases to certain social care users and sports facilities at rentals lower than market value the Municipality may consider granting a rebate on rates in accordance with the rates policy of the Municipality.”**

It is requested that the Co-operative not be liable for the payment of rates, taxes, sewerage, refuse and the basic for water as they will not be able to afford it taking the type of farming into consideration. Currently there is a separate water point being used by the Co-op where a water meter can be installed (at no cost to them) to monitor the water usage by the current farmers, hence the Co-operative will be liable for payment for water usage. The water can then be levied at the following tariff:

W3A5 IRRIGATION WATER ("LEI WATER") & RAW WATER: R5.22/kl

It is further requested that the Co-operative not pay the required connection fees and deposits for the availability of water to the Property.

The Co-operative will however have to ensure that a portable toilet is placed on the Property at their cost for the use of the farmers. This is as there is no ablution facilities available for them to use.

B. Advertisement/Notification

It is requested that Council exempt the Co-operative from paying the advertisement cost and that the Municipality bears the cost thereof.

If approved, the LED Department will publish the advertisement and if any comments are received, this matter will be referred back to the Executive Mayor and Council together with the comments received.

Conclusion

Taking the above into consideration, it is recommended that:

- (a) The Executive Mayor approves the lease of the Property to Camphill Agricultural Primary Cooperative Primary Cooperative Limited (2022/604653/24) for a period of 9 (NINE) years and 11 (ELEVEN)

months at a rental amount R782.60 (SEVEN HUNDRED AND EIGHTY-TWO RAND AND SIXTY CENTS) (VAT excluded) per month, subject to Council's approval for a deviation from paragraphs 4, 18, 24 and 41 of the Administration of Immovable Property Policy, as amended;

- (b) Council approves a deviation from paragraph 4 of the Administration of Immovable Property Policy, exempting Camphill Agricultural Primary Cooperative Primary Cooperative Limited (2022/604653/24) from payment of the prescribed application fee;
- (c) Council approves a deviation from paragraph 18 of the Administration of Immovable Property Policy, in order to enter into a direct lease with Camphill Agricultural Primary Cooperative Primary Cooperative Limited (2022/604653/24);
- (d) Council approves the deviation from paragraph 24 of the Administration of Immovable Property Policy, exempting the Municipality from obtaining a valuation from an independent valuer at the cost of Camphill Agricultural Primary Cooperative Primary Cooperative Limited (2022/604653/24) to determine the market related rental amount and that the rental amount be an amount equal to the tariff approved for Wetcore Stands (Social Housing) in the Municipality's annual budget multiplied by 20 (number of pens);
- (e) Council approves the deviation from paragraph 36 of the Administration of Immovable Property Policy, to exempt the Camphill Agricultural Primary Cooperative Primary Cooperative Limited (2022/604653/24) from paying the advertisement cost, and if Council approves the request, that the Municipality bears, via the LED Department, the advertisement cost; and
- (f) Council approves the deviation from paragraph 41 of the Administration of Immovable Property Policy, to exempt the Camphill Agricultural Primary Cooperative Primary Cooperative Limited (2022/604653/24) from paying the rates, taxes, sewerage, refuse and the basic for water, as well as the connection fees and water deposits.

7. Financial Implications

The Municipality stands to gain a monthly lease in the amount of R782.60 (SEVEN HUNDRED AND EIGHTY-TWO RAND AND SIXTY CENTS) (VAT excluded).

The Co-operative will be responsible for water consumption costs at the following tariff (annually approved tariff):

W3A5 IRRIGATION WATER ("LEI WATER") & RAW WATER: (Currently R5.22/kl)

If approved, the Municipality will be liable for payment of the advertisement costs, which will be approximately R4,500.00 (FOUR THOUSAND FIVE HUNDRED RAND).

If approved, the Municipality, through the Directorate Economic, Social Development and Tourism, will bear the basic fee for water (as per the tariff) as the Co-operative will only pay for usage.

8. Staff Implications

A person with knowledge and experience in animal husbandry in the LED Department will oversee the activities on the Property and will manage the lease agreement to be entered into.

9. Comments from other Departments, Divisions and Administrations

Senior Manager: Expenditure and Assets, Mr J Vorster - (028) 313 8046

"As this is an income generating proposal, with no intention of selling the asset, there is no objection against the application."

Manager: Property Administration, Ms A Le Roux - (028) 316 5623

My comments are already included in the report as I assisted with the drafting thereof.

10. Annexures

Annexure A: Locality Map

Annexure B: Registration of documents including list of Directors

RECOMMENDATION TO THE EXECUTIVE MAYOR:

1. that the lease of a portion of Portion 3 of Farm 585 ($\pm 5,000\text{m}^2$ in extent, to Camphill Agricultural Primary Cooperative Primary Cooperative Limited (2022/604653/24) for a period of 9 (NINE) years and 11 (ELEVEN) months, for pig farming purposes, at a rental amount R782.60 (SEVEN HUNDRED AND EIGHTY-TWO RAND AND SIXTY CENTS) (VAT excluded), **be approved;**
2. that the rental amount mentioned in 1 above escalate every year on the 1st of July in accordance with the tariffs stipulated in the Annual Budget as approved by Council, the next escalation to be on 1 July 2023;

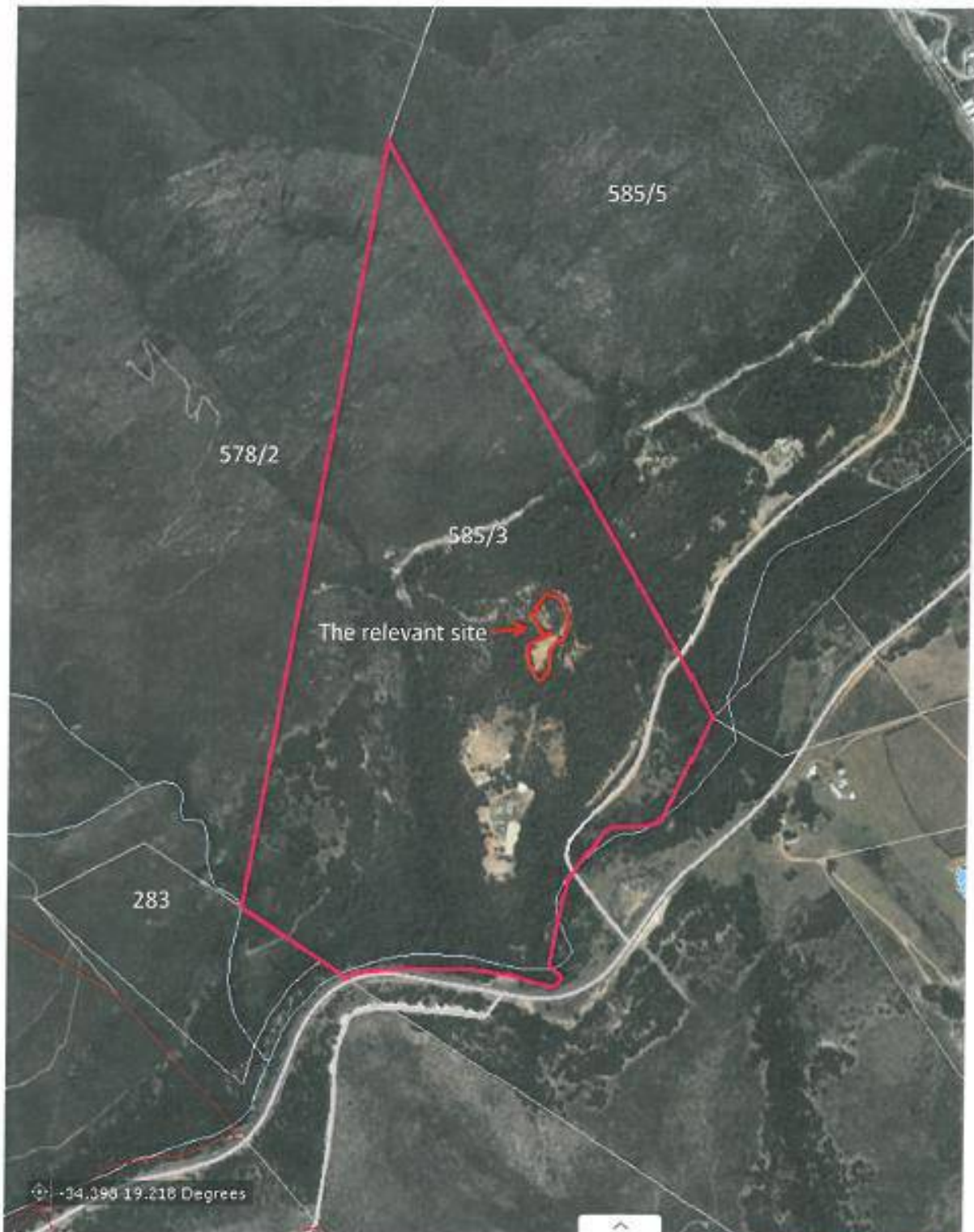
3. that the abovementioned approval be subject to Council approving the deviation from paragraphs 4, 18, 24, 36 and 41 of the Administration of Immovable Property Policy of 2015;
4. that the abovementioned approval be subject to a public participation process being followed and that any comments / objections received from the public following the public participation process be submitted to the Executive Mayor for consideration;
5. that Camphill Agricultural Primary Cooperative Primary Cooperative Limited (2022/604653/24) be responsible for the payment for water consumption at the tariff W3A5 as contained in the Municipality's approved Annual Budget; and
6. that Camphill Agricultural Primary Cooperative Primary Cooperative Limited (2022/604653/24) be given a 4 (FOUR) month rental rebate from date of commencement of the lease agreement.

RECOMMENDATION TO THE COUNCIL:

1. that the deviation from paragraph 4 of the Administration of Immovable Property Policy exempting Camphill Agricultural Primary Cooperative Primary Cooperative Limited (2022/604653/24) from paying the prescribed application fee, **be approved**;
2. that the deviation from paragraph 18 of the Administration of Immovable Property Policy allowing the Municipality to enter into a direct lease with Camphill Agricultural Primary Cooperative Primary Cooperative Limited (2022/604653/24), **be approved**;
3. that the deviation from paragraph 24 of the Administration of Immovable Property Policy, exempting Camphill Agricultural Primary Cooperative Primary Cooperative Limited (2022/604653/24) from obtaining a valuation from an independent valuer to determine the market related rental amount and that the rental amount be an amount equal to the tariff approved for Wetcore Stands (Social Housing) in the Municipality's annual budget multiplied by 20 (maximum pens allowed), **be approved**;
4. that the deviation from paragraph 36 of the Administration of Immovable Property Policy, exempting Camphill Agricultural Primary Cooperative Primary Cooperative Limited (2022/604653/24) from paying the advertisement cost and that the Municipality bears, via the LED Department, the advertisement cost, **be approved**;

5. that the deviation from paragraph 41 of the Administration of Immovable Property Policy, exempting Camphill Agricultural Primary Cooperative Primary Cooperative Limited (2022/604653/24) from paying rates, taxes, sewerage, refuse, the water basic fee, connection costs and the water deposit and only be liable for payment for water consumption at the tariff W3A5 as contained in the Municipality's approved Annual Budget, **be approved**; and
6. that a clause be inserted in the lease agreement that stipulates that, should the requirements for the municipality with regards to the property be changed due to any circumstances, or alternative land be identified by either party, a 6-months' notice to vacate the land on a Portion 3 of Farm 585, Beesemhout Kloof will be applicable.

RESPONSIBLE OFFICIAL :	X KOSI
TARGET DATE FOR IMPLEMENTATION :	28 OCTOBER 2022
TARGET DATE TO INFORM APPLICANT :	21 OCTOBER 2022
TARGET DATE TO INFORM OBJECTOR :	N/A



LOCALITY MAP: PTN 3 FARM 585





Companies and Intellectual
Property Commission
a member of the dtic group

Tracking number: 60000157526
 Registration number: 2022 / 604653 / 24
 E-mail address: SIPHELELE26@GMAIL.COM
 Date: 26/07/2022

Dear Business Owner

REGISTRATION: CAMPHILL AGRICULTURAL PRIMARY COOPERATIVE PRIMARY COOPERATIVE LIMITED: 2022 / 604653 / 24

I have pleasure in informing you that the above-mentioned co-operative was registered in this office on 26/07/2022 in terms of the Co-operatives Amendment Act, No.6 of 2013.

I further certify that **CAMP HILL AGRICULTURAL PRIMARY COOPERATIVE PRIMARY COOPERATIVE LIMITED** is with effect from 26/07/2022, entitled to commence business. See attached registration documents and Constitution.

Congratulations on registering your co-operative. The Companies and Intellectual Property Commission (CIPC) wishes you all the best in your business endeavours.

Registering your co-operative is only the first step in managing it. Throughout its life span, a co-operative is required to maintain its information and legal status with the CIPC. Failure to do so may have serious consequences for the co-operative and your business activities, as it may result in deregistration.

The Co-operatives Amendment Act, No.6 of 2013 places compliance requirements on all registered entities throughout its life cycle, which includes any changes to the co-operative information and annual submission of audited financial statements. The annexure hereto is an easy guide to assist you with managing your co-operative compliance obligations. The table is not a legal document, but rather a guide to some of the most pertinent requirements that must be adhered to.

Please ensure that CIPC always has the latest contact details for the directors or the authorized representative so that important information relating to annual submission of financial reports, director changes and pending deregistration's can be transmitted efficiently and effectively to the correct person.

Should you require information on any of other requirements, please direct your enquiries to:

- Website: www.cipc.co.za
- Tel: 0861002472

Kind Regards
 COMMISSIONER - SIGNATURE



REGISTRAR OF CO-OPERATIVE: CIPC

The dti Campus (Block F - Entfufukweni), 77 Meintjies Street, Sunnyside, Pretoria | Private Bag X237, Pretoria, 0001 | Docex 256, Pretoria | Contact Centre: 086 100 2472 | Website: www.cipc.co.za



2022/604653/24



60000157526



1 of 10



Companies and Intellectual
Property Commission
a member of the **dtic** group

Registration Number: **2022 / 604653 / 24**

Enterprise Name: **CAMPBILL AGRICULTURAL PRIMARY COOPERATIVE PRIMARY COOPERATIVE LIMITED**

COMPLIANCE ACTIVITY	NOTES	PROCESS/FORM
Annual submission of information to the registrar	<ul style="list-style-type: none"> Co-op 8 must be submitted together with Form Co-op 7 containing the submission by the co-op of its audited report, independent reviewed report or annual report, in terms of regulation 21 or within 30 days thereafter. 	
Annual Returns	<ul style="list-style-type: none"> Due on anniversary date of co-operative incorporation date. Must be filed within 30 business days of its due date. Must be filed electronically via the CIPC website. A fee is payable at the time of filing that is dependent on the turnover of your business An Annual return is not the same as a tax return which is filed with SARS. Failure to file the annual return will result in your co-operative being deregistered. 	
Changes in directors or auditors	<ul style="list-style-type: none"> CIPC must be notified of any changes in the directorship of your co-operative within 30 business days of such change on Form Co-op2. CIPC must also be notified of any changes to the auditor (appointment, resignation or removal) of your co-operative within 15 business days of such change or approval on form Co-op4 	
Changes in address and contact details	<ul style="list-style-type: none"> If a change in the physical / postal address and/or e-mail address occurs, the co-operative must notify the CIPC of such change by filing form Co-op3 within 5 working days of the decision to change contact details. 	

The dti Campus (Block F - Entfufukweni), 77 Meintjies Street, Sunnyside, Pretoria | Private Bag X237, Pretoria, 0001 | Doceex 256, Pretoria | Contact Centre: 086 100 2472 | Website: www.cipc.co.za



2022/604653/24



60000157526

3 of 10

Deregistration & Liquidation	<ul style="list-style-type: none"> • When a co-operative stops trading, it needs to apply either for deregistration or for liquidation, depending on the circumstances. • When a co-operative does not file annual financial statements for a period of 2 years of its establishment it will be presumed that it is dormant. Non-submission of annual financial statements will trigger deregistration process. • Liquidation process is followed when a co-operative has assets and liabilities that must be distributed to creditors. 	
Judicial Management	<ul style="list-style-type: none"> • A co-operative may voluntarily apply/any interested person/the Minister to Court for judicial management order if there is reasonable probability that if placed under judicial management it will be able to pay its debts and become a viable going concern. 	

Certificate of Registration issued by the Commissioner of Companies & Intellectual Property Commission on Tuesday, 26 July 2022



Companies and Intellectual
Property Commission
a member of the **dtic** group

Registration number: **2022 / 604653 / 24**

Enterprise Name: **CAMPHILL AGRICULTURAL PRIMARY COOPERATIVE PRIMARY COOPERATIVE LIMITED**

REPUBLIC OF SOUTH AFRICA
CO-OPERATIVES AMENDMENT ACT, NO.6 OF 2013

CERTIFICATE OF REGISTRATION OF A CO-OPERATIVE
(Section 7)

I hereby certify that

CAMPHILL AGRICULTURAL PRIMARY COOPERATIVE PRIMARY COOPERATIVE LIMITED

was registered on

26/07/2022

under Section 7 of the Co-operatives Amendment Act, No.6 of 2013
with registration number

2022 / 604653 / 24

as a PRIMARY COOPERATIVE with a limited liability,
its constitution was also registered on the same date.

I further certify that

CAMPHILL AGRICULTURAL PRIMARY COOPERATIVE PRIMARY COOPERATIVE LIMITED

is with effect from 26/07/2022 entitled to commence business

COMMISSIONER - SIGNATURE

COMMISSIONER:CIPC

The dti Campus (Block F - Entfufukweni), 77 Meintjies Street, Sunnyside, Pretoria | Private Bag X237,
Pretoria, 0001 | Doxex 256, Pretoria | Contact Centre: 086 100 2472 | Website: www.cipc.co.za



2022/604653/24



60000157526

5 of 10

Certificate of Registration issued by the Commissioner of Companies & Intellectual Property Commission on Tuesday, 26 July 2022



Companies and Intellectual
Property Commission

a member of the **dbi** group

Registration number: **2022 / 604653 / 24**

Enterprise Name: **CAMPBILL AGRICULTURAL PRIMARY COOPERATIVE PRIMARY COOPERATIVE LIMITED**

Registration number: **2022 / 604653 / 24**

Enterprise Name: **CAMPBILL AGRICULTURAL PRIMARY COOPERATIVE PRIMARY COOPERATIVE LIMITED**

Registration date: **26/07/2022**

Business Start Date: **26/07/2022**

Enterprise Status: **IN BUSINESS**

Financial Year End: **FEBRUARY**

Tax number:

Description of Principal Business: **TO ESTABLISH A SUSTAINABLE CO-OPERATIVE THAT WILL IMPROVE THE QUALITY OF LIFE OF THE MEMEBRS
TO MAKE MONEY AND SERVE THE MEMBERS
TO ESTABLISH A BUSINESS THAT EVENTUALLY BE COMMERCIAL
TO UNDERTAKE ANY BUSINESS THAT WILL ENHANCE THE PROFITABILITY OF THE CO-OPERATIVE**

Addresses:	POSTAL ADDRESS	ADDRESS OF REGISTERED OFFICE
	1298 ESSEX ROAD, HAWSTON HERMANUS WESTERN CAPE SOUTH AFRICA 7202	1298 ESSEX ROAD, HAWSTON HERMANUS WESTERN CAPE SOUTH AFRICA 7202

Email Address: **TOMMYGELDERBLOM@GMAIL.COM**

The dbi Campus (Block F - Entfuttakweni), 77 Meintjies Street, Sunnyside, Pretoria 1 Private Bag X237,
Pretoria, 0001 | Docex 256, Pretoria | Contact Centre: 086 100 2472 | Website: www.cipc.co.za



2022/604653/24



60000157526

6 of 10

Certificate of Registration issued by the Commissioner of Companies & Intellectual Property Commission on Tuesday, 26 July 2022



Companies and Intellectual
Property Commission

a member of the **stik** group

Registration number: **2022 / 604653 / 24**

Enterprise Name: **CAMPHILL AGRICULTURAL PRIMARY COOPERATIVE PRIMARY COOPERATIVE LIMITED**

ACTIVE DIRECTORS & FOUNDING MEMBERS

SURNAME AND FIRST NAME	TYPE	ID NUMBER	APPOINTMENT DATE	ADDRESS
MADOLO MPOETSI ROSEBUD	MEMBER	6308100728089	26/07/2022	Postal: 134 KAMANA STREET, ZWELIHLE LOCATION, HERMANUS, WESTERN CAPE, SOUTH AFRICA, 7200 Residential: 134 KAMANA STREET, ZWELIHLE LOCATION, HERMANUS, WESTERN CAPE, SOUTH AFRICA, 7200
MTSHAHA MAKHOSANDILE	MEMBER	8303156041089	26/07/2022	Postal: ATR 125, ZWELIHLE, HERMANUS, WESTERN CAPE, SOUTH AFRICA, 7200 Residential: ATR 125, ZWELIHLE, HERMANUS, WESTERN CAPE, SOUTH AFRICA, 7200
YAWA JAMES BONAKELE	MEMBER	5205195618087	26/07/2022	Postal: 681 LISA STREET, ZWELIHLE, HERMANUS, WESTERN CAPE, SOUTH AFRICA, 7200 Residential: 681 LISA STREET, ZWELIHLE, HERMANUS, WESTERN CAPE, SOUTH AFRICA, 7200
YAMISO NTEMBEKO	MEMBER	7504066008081	26/07/2022	Postal: 1798 TAMBO SQUARE, NOZWAKOZI MQU, HERMANUS, WESTERN CAPE, SOUTH AFRICA, 7200 Residential: 1798 TAMBO SQUARE, NOZWAKOZI MQU, HERMANUS, WESTERN CAPE, SOUTH AFRICA, 7200

The dB Campus (Block F - Entfufikweni), 77 Meintjies Street, Sunnyside, Pretoria | Private Bag X237,
Pretoria, 0001 | Docex 256, Pretoria | Contact Centre: 086 100 2472 | Website: www.cipc.co.za



2022/604653/24



60000157526

7 of 10

MARAIS PIET ROBERT	MEMBER	5702075096087	26/07/2022	Postal: 463 HAWSTON, HERMANUS, WESTERN CAPE, SOUTH AFRICA, 7202 Residential: 463 HAWSTON, HERMANUS, WESTERN CAPE, SOUTH AFRICA, 7202
TEBELE ZWELIBANZI ISAAC	MEMBER	6609285800084	26/07/2022	Postal: 68 TEBELE STREET, ZWELIHLE, HERMANUS, WESTERN CAPE, SOUTH AFRICA, 7200 Residential: 68 TEBELE STREET, ZWELIHLE, HERMANUS, WESTERN CAPE, SOUTH AFRICA, 7200
STEMELA NTOMBOXOLO PRISCILLA	MEMBER	7211240859088	26/07/2022	Postal: 1826 MAMSUKWINI, ZWELIHLE, HERMANUS, WESTERN CAPE, SOUTH AFRICA, 7200 Residential: 1826 MAMSUKWINI, ZWELIHLE, HERMANUS, WESTERN CAPE, SOUTH AFRICA, 7200
GELDERBLOM TOM	MEMBER	6402135212084	26/07/2022	Postal: 1298 ESSEX ROAD, HAWSTON, HERMANUS, WESTERN CAPE, SOUTH AFRICA, 7202 Residential: 1298 ESSEX ROAD, HAWSTON, HERMANUS, WESTERN CAPE, SOUTH AFRICA, 7202
ADAM LUNDI	MEMBER	7610285602081	26/07/2022	Postal: 680 ILISA STREET, ZWELIHLE, HERMANUS, WESTERN CAPE, SOUTH AFRICA, 7200 Residential: 680 ILISA STREET, ZWELIHLE, HERMANUS, WESTERN CAPE, SOUTH AFRICA, 7200
BALENI GODLECK	MEMBER	6509025769088	26/07/2022	Postal: 1511 ALAM STREET, WHITE CITY, ZWELIHLE, HERMANUS, WESTERN CAPE, SOUTH AFRICA, 7200 Residential: 1511 ALAM STREET, WHITE CITY, ZWELIHLE, HERMANUS, WESTERN CAPE, SOUTH AFRICA, 7200
MBIZO AMANDA NOMAWUSHE	MEMBER	8109160373081	26/07/2022	Postal: 1749 TAMBO SQUARE, NONZWAKAZI MQHU, HERMANUS, WESTERN CAPE, SOUTH AFRICA, 7200 Residential: 1749 TAMBO SQUARE, NONZWAKAZI MQHU, HERMANUS, WESTERN CAPE, SOUTH AFRICA, 7200
<p>The dti Campus (Block F - Entfutsukweni), 77 Meintjes Street, Sunnyside, Pretoria Private Bag X237, Pretoria, 0001 Docex 256, Pretoria Contact Centre: 086 100 2472 Website: www.cpc.co.za</p>				
 2022/604663/24		 6000157526		 8 of 10

MARTHINUS JEROME	MEMBER	8203055263083	26/07/2022	Postal: 91 LEEUBEKKIE STREET, MOUNT PLEASANT, HERMANUS, WESTERN CAPE, SOUTH AFRICA, 7200 Residential: 91 LEEUBEKKIE STREET, MOUNT PLEASANT, HERMANUS, WESTERN CAPE, SOUTH AFRICA, 7200
SIDUMO MOSES	MEMBER	8011155508087	26/07/2022	Postal: 8991 KWASA KWASA, ZWELIHLE, HERMANUS, WESTERN CAPE, SOUTH AFRICA, 7200 Residential: 8991 KWASA KWASA, ZWELIHLE, HERMANUS, WESTERN CAPE, SOUTH AFRICA, 7200
MADLO MPOETSI ROSEBUD	DIRECTOR	6308100728089	26/07/2022	Postal: 134 KAMANA STREET, ZWELIHLE LOCATION, HERMANUS, WESTERN CAPE, SOUTH AFRICA, 7200 Residential: 134 KAMANA STREET, ZWELIHLE LOCATION, HERMANUS, WESTERN CAPE, SOUTH AFRICA, 7200
TEBELE ZWELIBANZI ISAAC	DIRECTOR	6609285800084	26/07/2022	Postal: 68 TEBELE STREET, ZWELIHLE, HERMANUS, WESTERN CAPE, SOUTH AFRICA, 7200 Residential: 68 TEBELE STREET, ZWELIHLE, HERMANUS, WESTERN CAPE, SOUTH AFRICA, 7200
GELDERBLOM TOM	DIRECTOR	6402135212084	26/07/2022	Postal: 1298 ESSEX ROAD, HAWSTON, HERMANUS, WESTERN CAPE, SOUTH AFRICA, 7202 Residential: 1298 ESSEX ROAD, HAWSTON, HERMANUS, WESTERN CAPE, SOUTH AFRICA, 7202
ADAM LUNDI	DIRECTOR	7610285602081	26/07/2022	Postal: 680 ILISA STREET, ZWELIHLE, HERMANUS, WESTERN CAPE, SOUTH AFRICA, 7200 Residential: 680 ILISA STREET, ZWELIHLE, HERMANUS, WESTERN CAPE, SOUTH AFRICA, 7200
<p>The di Campus (Block F - Entfuttakweni), 77 Meintjes Street, Sunnyside, Pretoria Private Bag X237, Pretoria, 0001 Docex 256, Pretoria Contact Centre: 086 100 2472 Website: www.cipc.co.za</p>				
 <p>2022/604653/24</p>		 <p>6000157526</p>		 <p>9 of 10</p>

BALENI GODLECK	DIRECTOR	6509025769088	26/07/2022	Postal:1511 ALAM STREET, WHITE CITY, ZWELIHLI, HERMANUS, WESTERN CAPE,SOUTH AFRICA, 7200 Residential:1511 ALAM STREET, WHITE CITY, ZWELIHLI, HERMANUS, WESTERN CAPE, SOUTH AFRICA,7200
MBIZO AMANDA NOMAWUSHE	DIRECTOR	8109160373081	26/07/2022	Postal:1749 TAMBO SQUARE, NONZWAKAZI MQHU, HERMANUS, WESTERN CAPE,SOUTH AFRICA, 7200 Residential:1749 TAMBO SQUARE, NONZWAKAZI MQHU, HERMANUS, WESTERN CAPE, SOUTH AFRICA,7200



The dti Campus (Block F - Enfufulakweni), 77 Meintjes Street, Sunnyside, Pretoria | Private Bag X237,
Pretoria, 0001 | Docex 256, Pretoria | Contact Centre: 086 100 2472 | Website: www.cip.co.za



4.4 REGIONAL CHAPTER OF THE WOMAN'S COMMISSION

12/2/17

D O'Neill

15 September 2022

Municipal Manager

(028) 313 8003

1. Executive Summary

The SALGA Provincial Chapter of the Woman's Commission (SWC) was launched and established at the 2010 Women in Local Government Summit. A need was identified among the female councillors in the Overberg District to establish regional chapter that can inform, influence, and mandate the councillors from local municipalities currently represented on the SWC. The view is held that this will enhance the purpose of the SWC by strengthening the inputs to their agenda.

2. Service Delivery and Budget Implementation Plan - IGNITE

Directorate: Management Services
Council Support Services

3. Compliance with Strategic Priority

Provision of democratic, accountable, and ethical governance.

4. Delegated Authority

None

5. Legal Requirements

Local Government: Municipal Systems Act, 2000 (Act 32 of 2000)

6. Background/Discussion/Evaluation/Conclusion

The Terms of Reference of SWC makes provision for each municipality to nominate an Official Political Representative and an Official Political Secundi Representative to serve on the SWC. Councillor Theresa Els and Alderlady Elnora Gillion are the appointed representatives from Overstrand Municipality.

7. Financial Implications

Adequate budget provision (2021/2022) exists under the respective unique keys/ cost accounts for the Executive Mayor, Council's General and Municipal Manager.

8. Staff Implications

None

9. Comments from other Departments, Divisions and Administrations

None

10. Annexures

None

RECOMMENDATION TO THE COUNCIL:

that Council supports the establishment of an Overberg regional Woman's Commission Chapter to support the SWC.

RESPONSIBLE OFFICIAL :

D ARRISON

TARGET DATE FOR IMPLEMENTATION :

20 SEPTEMBER 2022

4.5 APPOINTMENT OF MUNICIPAL MANAGER

4/3/R

DS Arrison

Director : Management Services

14 September 2022

(028) 313 8001

1. Executive Summary

The purpose of this report is to consider the appointment of a Municipal Manager with effect 1 November 2022.

2. Service Delivery and Budget Implementation Plan Reference - IGNITE

Directorate: Management Services in consultation with the Executive Mayor

3. Compliance with Strategic Priority

Provision of democratic and accountable governance

4. Delegated Authority

None

5. Legal framework

- Sub-section 160(1)(d) of the Constitution of the Republic of South Africa, 1996
- Sections 60, 67 and 72 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) [Systems Act]
- Section 82 of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998) [Structures 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) [Appointment Regulations]
- Local Government: Upper Limits Payable to Municipal Managers and Managers Directly Accountable to Municipal Managers as from time to time promulgated by the Minister of Cooperative Governance and Traditional Affairs [Upper Limit Regulations]
- Act No 3 of 2022: Local Government: Municipal Systems Amendment Act, 2022

6. Discussion

The fixed term contract of employment of the current Municipal Manager, Mr DGI O'Neill, terminates on 31 October 2022.

The vacancy that will arise with effect 1 November 2022, was advertised nationally over the period 10 June 2022 to 12 June 2022, as is provided for in sub-regulation 10(2) of the Appointment Regulations with a closing date of 1 July 2022. A copy of the English version of the advertisement is attached as Annexure A.

Messrs. Roy Steele and Associates were, after following due processes, appointed as professional consultants to facilitate the recruitment and selection process.

A total of 25 applications were received for this position. One late application was received on the 31st of August 2022.

A total of eight (8) candidates were, after proper screening, vetting and referencing the status and work records, invited to attend the evaluation and interview sessions held on 15th and 16th August 2022. Three (3) of the candidates withdrew from the interview session.

The selection process consisted of the following three (3) primary components:

- ❖ Screening process (contacting of current and previous employers, references by candidates, verifying qualifications, financial history, criminal status and disciplinary history);
- ❖ Case Study Evaluation (40% weighting); and
- ❖ A Structured Interview (based on combined 15 competency areas 60% weighting) was administered.

The weighted scores were developed to determine the order of preference of the short-listed candidates, by the selection panel.

The scores derived from the above processes were combined to arrive at an aggregate score that depicts the candidates deemed to be the most competent amongst the applicants. Thus, establishing an order of preference from where the Selection Panel was to seek consensus on the recommendation for appointment of a **suitable** candidate by Council.

The Selection Processes were attended by:

- | | |
|-----------------|---|
| Ald Dr. A Rabie | - Executive Mayor (Chairperson) |
| Cllr L Ntasbo | - Deputy Executive Mayor |
| Ald T Nqinata | - Observer (Opposition) |
| Mr G Paulse | - HoD Provincial Department of Local Government |

Mr R Bosman	- Specialist (Municipal Manager, Overberg District Municipality)
Mr R Steele	- RS&A (Facilitator)
Ms D Arrison	- Director: Management Services & Secretariat

The Executive Mayor will discuss the selection panel's proposal with regard to the appointment of a Municipal Manager with effect from 1 November 2022, at the meeting for Council to make an informed decision.

It is furthermore recommended that the Executive Mayor, as is provided for in section 60(1)(b) of the Systems Act, be authorised to negotiate the terms and conditions of appointment with the successful candidate and to conclude the necessary agreements. Such negotiations are to be guided by the Upper Limit and the Appointment and Conditions of Employment of Senior Managers Regulations.

7. Financial Implications

Sufficient funds are available on the 2022/2023 operational budget for the funding of this post.

8. Staff Implications

Filling of vacancy of Municipal Manager.

9. Comments from other Departments, Divisions and Administrations

Not applicable

10. Annexures

Annexure A: Advertisement in respect of vacancy of Municipal Manager

RECOMMENDATION TO THE COUNCIL:

1. that **consideration be given** to the proposal of the interview panel with regard to the appointment of a Municipal Manager for the Overstrand Municipality on a performance based five (5) year fixed term contract from 1 November 2022 not exceeding a period ending one (1) year after the next local government elections;

2. that, in terms of sub-section 60(1)(b) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000), the Executive Mayor **be authorised** to negotiate the terms and conditions of appointment, as is provided for in 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) and the Local Government Regulations: Upper Limits Payable to Municipal Managers and Managers Directly Accountable to Municipal Managers as from time to time promulgated by the Minister Cooperative Governance and Traditional Affairs, with the successful candidate and to conclude the necessary contract of employment; and

3. that, as is provided for in sub-regulation 17(3)(b) 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) the Minister for Local Government of the Western Cape **be advised** within 14 days of the appointment process and outcome.

RESPONSIBLE OFFICIAL:**DS ARRISON****TARGET DATE FOR IMPLEMENTATION:****1 NOVEMBER 2022**



Overstrand Municipality, an equal opportunity employer, strives to render a dynamic and effective service to the community. The Municipality includes the areas of Hangklip/Kleinmond, Hermanus, Stanford and Gansbaai. Competent and self-motivated people and people from the designated groups who enjoy challenges are invited to join our leading team and to apply for the following vacancy:

**MUNICIPAL MANAGER
(WC0320208)**

PERFORMANCE BASED FIVE (5) YEAR FIXED TERM CONTRACT FROM 1 NOVEMBER 2022 NOT EXCEEDING A PERIOD ENDING ONE YEAR AFTER THE NEXT LOCAL GOVERNMENT ELECTION

TOTAL REMUNERATION PACKAGE: AS APPLICABLE TO A GRADE 4 MUNICIPALITY WHICH IS NEGOTIABLE WITHIN THE TERMS AND CONDITIONS AS ARE PROVIDED FOR IN THE NOTICES IN TERMS OF THE "LOCAL GOVERNMENT: TOTAL REMUNERATION PACKAGES PAYABLE TO MUNICIPAL MANAGERS AND MANAGERS DIRECTLY ACCOUNTABLE TO THE MUNICIPAL MANAGERS"

**PLACE OF WORK:
CORPORATE HEAD OFFICE - HERMANUS**

The Municipal Manager, as Accounting Officer and Head of Administration, is responsible for the overall performance and the management of the municipality to ensure that the objectives of the municipality are achieved.

Core functions of the post: As are provided for, but not limited to, in the provisions of The Local Government: Municipal Systems Act, No 32 of 2000, The Local Government: Municipal Finance Management Act, No 56 of 2003, and the Municipality's Section 53 Role Clarification Policy.

Minimum qualifications, work-related experience and knowledge and competency framework: As are provided for in the Local Government: Regulations on Appointment and Conditions of Employment of Senior Managers (Government Notice 21 in Government Gazette 37245 dated 13 January 2014) and the Municipal Regulations on Minimum Competency Levels (Government Notice 493 in Government Gazette 29967 dated 15 June 2007) as amended from time to time.

Enquiries: D Arrison (Ms) Tel: 028 313 8001 or darrison@overstrand.gov.za
PO Box 20, HERMANUS 7200

Closing Date: Friday, 01 July 2022 at 12:00

NOTES TO APPLICANTS

- Thank you for your interest in seeking employment with us.
- **ONLY APPLICATIONS ON THE OFFICIAL APPLICATION FORM ACCOMPANIED BY A CV THAT DISCLOSES THE ACADEMIC QUALIFICATIONS, PROVEN EXPERIENCE AND COMPETENCIES AS WELL AS DETAILS OF CONTACTABLE REFERENCES WILL BE ACCEPTED ON OR BEFORE THE CLOSING DATE (see www.overstrand.gov.za under vacancies).**
- For the implementation of the provisions of the Employment Equity Act, No 55 of 1998 and the Municipality's Employment Equity Policy candidates are encouraged to indicate their race, gender and disability (if any).
- All appointments are subject to reference checks from previous and current employer(s), verification of qualifications, credit record and criminal record check.
- The candidate will be required to disclose all financial interests.
- Appointment is subject to the signing of an employment contract and performance agreement in terms of Section 57 of the Local Government: Municipal Systems Act, No 32 of 2000.
- Favours Councilors or any other decision-maker is not permitted, and proof thereof will result in disqualification.
- Further communication will be limited to shortlisted candidates. If you have not received a response within 2 (two) months of the closing date, please consider your application unsuccessful.
- The Council holds the right to make no appointment and to re-advertise the vacancy.