

8. MUNICIPAL LEASES: COMMUNITY HALLS/FACILITIES MANAGED BY THIRD PARTIES

A Le Roux
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Divisional Manager: Property Management

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1. Executive Summary

To provide information to the Executive Mayor on the municipal leases for the community halls/facilities managed by third parties.

2. Service Delivery and Budget Implementation Plan - IGNITE

Planning and Development
Property Management

3. Compliance with Strategic Priorities

Provision of democratic, accountable and ethical governance
Promotion of tourism, economic and social development

4. Delegated Authority

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/Evaluation

The Municipality has the following lease agreements/ consents on record with regards to community halls/facilities within the Overstrand which are managed by third parties.

Nr	Name	Erf	Area
1.	Pringle Bay Ratepayers Association	1772	Pringle Bay
2.	Betty's Bay Ratepayers Association	2416	Betty's Bay
3.	Sjechinah Christian Centre	1179	Hawston
4.	De Wetsaal Bestuurskomitee	2506	Onrustrivier
5.	Sandbaaisaal Bestuurskomitee	2820	Sandbaai

6.	Mount Pleasant Business Centre Committee	243	Hermanus
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The relevant information regarding the above are as follows:

A: Pringle Bay Ratepayers Association

Property: A portion of Erf 1772 Pringle Bay (±3000m² in extent), situated at 3 Buffels Road, Pringle Bay as indicated on the locality map attached marked Annexure A.

Current lease period: 9 (nine) years and 11 (eleven) months commencing on 1 October 2020 and expiring on 31 August 2030.

Current rental amount: R217.00 (VAT included)

Specific lease conditions:

5.1. *The Leased Premises, together with the existing buildings and other structures thereon as well as such buildings and other structures as may be erected in accordance with the provisions of this lease, shall be used exclusively for the sole **purpose of managing, leasing, supervising and maintaining the Pringle Bay Community Hall as a community project.***

6.5. *The LESSEE shall annually submit to the LESSOR audited financial statements which shall also contain a complete inventory of all the LESSOR's movable items at or in the hall. It is recorded that, as the date of the last person signing this lease, the LESSOR owns the movable items listed in Annexure B. The LESSEE must inform the LESSOR of any changes that must be made to this inventory.*

6.6. *Any profit after provisions in respect of maintenance and improvements have been made must be paid to the LESSOR on an annual basis.*

The audited financial statements were received on 15 January 2024 (1 November 2022 – 31 October 2023).

7.7. *An official from the Building Department of the Overstrand Municipality must submit an annual report to determine whether maintenance is being performed to the satisfaction of the LESSOR.*

The annual report regarding maintenance was received on 24 November 2023.

8.1. *For the duration of this lease the Lessee shall:*

8.1.1. *pay to the LESSOR the monthly insurance premium in respect of any buildings and/or structures erected and/or to*

be erected on the Leased Premises and the LESSOR shall insure the buildings and/or structures on the Leased Premises against damage;

The insurance is being levied on the municipal account. The current amount is R100.05 (VAT included).

14.1. The LESSEE will be responsible for payment of the normal services charges and tariffs for any municipal services or availability fees provided to the Leased Premises, whether at the request of the LESSEE or not. The LESSEE shall not be responsible for the payment of property rates.

Refuse and sewerage are levied on the account. Clarity must be obtained as why water services are not levied. The municipal account is paid up to date.

19.1. The Pringle Bay Community Hall situated on the Leased Premises must be made available to the LESSOR free of charge for official meetings and functions.

19.2. Should the Property be required for use by the LESSOR for emergency purposes, for example accommodation of people or storage of supplies during incidents of unrest or disaster, the LESSOR will inform the LESSEE of same on short notice and in writing. In cases where the Property is used by the LESSOR for emergency purposes, the LESSEE may apply for the write back of the rental, rates and taxes, services charges and associated expenses incurred by the LESSEE during this period, subject to substantiating proof of the expense as well as of why these expenses were deemed to be necessary. Each application will be evaluated on a case by case basis.

General notes:

The conditions of the lease agreement are being adhered to.

The Constitution is filed on record. The committee members as on 22 December 2022 are:

- Chairperson: Elmarie Strydom
- Vice Chair: Bertie Vorster
- Secretary: Heather Morkel
- Treasurer: Michael Meyer

Portfolio members:

- Firefighting: Clayton Francis & Pieter Janse van Rensburg
- Conservancy: David Lees-Rolfe
- Development: Vic Prins

- Communication: Ilse Meyer
- Pringle Post: James Burns

No notice of a change in the members has been received since December 2022. The constitution stipulates as follows as to membership:

“5. MEMBERSHIP

- (a) *Ordinary membership shall be open to:*
 - (i) *all ratepayers owning property within the area of Pringle Bay Township as defined in sub-clause 3 (a) above; and*
 - (ii) *subject to the provisions as to voting rights pertaining to members as set out in clause 7(h), the spouse of any ratepayer who is a natural person.*
 - (iii) *for the purposes of subperson with whom the ratepayer is in a permanent relationship.*
- (b) *Application for membership shall be made in writing to the Secretary and signed by the applicant.*
- (c) (i) *The Executive Committee shall consider all applications for membership and shall in their discretion admit applicants to membership and enrol them as members of the Association.*
 - (ii) *If at any time after the admission of an applicant to membership it shall appear that he has been admitted under a misrepresentation or mistake, the committee shall have the power to cancel such admission. The person whose election is thus cancelled in terms of this clause shall cease to be a member of the Association and his name shall be erased from the register of members and he shall have no claim against the association for damages, return of entrance fee or subscription, on any grounds whatsoever, but the committee shall be entitled to make such ex gratia refund of such entrance fee or subscription.*
- (d) *Honorary members may be elected by the members present at a general meeting.”*

The financial year of the committee is from 1 November to 31 October of each year. The last audited financial statements were received on 15 January 2024 (1 November 2022 – 31 October 2023). The audited financial statements for the 2023/2024 financial year will be requested after due date thereof.

B: Betty’s Bay Ratepayers Association (Crassula Hall)

Property: Erf 2416 Betty’s Bay (1982m² in extent), situated at Crassula Avenue, Betty’s Bay as indicated on the locality map attached marked Annexure B.

Current lease period: 9 (nine) years and 11 (eleven) months commencing on 1 November 2015 and expiring on 30 September 2025.

Current rental amount: R215.98 (VAT included) – old CPI escalation

Specific lease conditions:

5.1 *The said land, together with the existing buildings and other structures thereon as well as such buildings and other structures which may be erected in accordance with the provisions of this agreement, shall be used exclusively for the **purpose of recreational and related activities [including inter alia the following: craft markets, boot and foot sales for local organisations, exercise classes, independent Electoral Commission (IEC) registrations and elections, together with wedding receptions and birthdays, etc.] will be allowed on the leased land and no other activities will be allowed on the leased land.***

The purpose of the lease is not as specific to indicate that the property is managed as a community hall.

6.8 *The **LESSEE** undertakes for the currency of this lease to pay to the **LESSOR** the monthly insurance premium in respect of any buildings and/or structures erected or any buildings and/or structures to be erected in accordance with this agreement on the land which they are utilising. The buildings and/or structures will be insured against damage or loss by the **LESSOR** in terms of this lease.*

The insurance is being levied on the municipal account. The current amount is R92.43 (VAT included).

11.1 *The **LESSEE** undertakes that it will be responsible for payment at the normal rates, taxes and tariffs for any municipal services or availability fees provided to the land hereby leased, whether at the request of the **LESSEE** or not.*

Water, refuse and sewerage are levied on the account. The municipal account is paid up to date.

16. **SUB-LETTING**

16.1 *The **LESSEE** may sublet/make available the property to prospective individuals and organisations of the community provided that:*

16.1.1 *The tariffs to be charged shall be determined in the consultation with the **LESSOR**.*

16.1.2 *Such sub-lease/us of is subject in all respects to the provisions of the main lease agreement entered into between the **LESSEE** and the **LESSOR** as well as the*

LESSOR's Administration of Immovable Property Policy as may be amended from time to time.

- 16.1.3 The **LESSOR** is indemnified against any claims from such prospective lessees/users in terms of the sub-leasing/use of the property.
- 16.1.4 The sub-lease may only be for recreational and related activities in line with the utilisations of the property depicted in Clause 5 above.
- 16.1.5 Preference will be given to the local community.
- 16.1.6 Sub-leasing of the **LESSOR's** property shall be per approved activity and shall not be on a permanent basis.

17. RECORDAL

- 17.1 It is recorded that the **LESSEE** will make available the premises to the **LESSOR** at no cost.

General notes:

The lease agreement does not have the requirement of annual statements to be submitted nor building control inspections to be done. The conditions of the lease agreement are being adhered to.

The constitution is filed on record. The current committee members as on 13 December 2022 are:

- Chairman: Wayne Jackson
- Vice Chairman: Rob Boyd
- Secretary: Karon Scholefield
- Treasurer: Adrian de Kock
- Jorika Rabie
- Graeme McGill
- Wendy Lucas
- Barbara Jenman
- Laura Brown
- Cheryl Gleeson
- Tammy Fernandes
- Claudele Jackson

No notice of a change in the members has been received since December 2022. The constitution stipulates as follows regarding membership:

"The following are eligible for membership:

- (a) Any person (and his or her spouse) who owns property in Betty's Bay, or the small holding area surrounding the town;
- (b) A maximum of two (2) persons in the event of joint or syndicated ownership of any properties;

- (c) *Maximum of two (2) persons where property is held in the name of a private company, close corporation or a trust;*
- (d) *Any person (and his or her spouse) living permanently in Betty's Bay. Permanently is defined as being resident in Betty's Bay for a minimum of six months per year. Notwithstanding the provisions of clause 4. (b) and (c) the executive committee may on consensus agree to increase this number provided that such agreement will not result in a block being formed where the owners/residents of a particular property will be able to exert undue pressure on the executive committee to conform to their will. Should this happen in the opinion of the executive committee at any time they may rescind certain membership/s to restore the status quo;*
- (e) *Any person, not otherwise qualified as a member, whom the Committee considers as taking an active interest in Betty's Bay's affairs and who shall apply in writing to the Committee for such membership;*
- (f) *The Committee may invite a person to accept Honorary Membership of the Association for which no annual subscription will be due."*

The financial year of the committee is from 1 November to 31 October of each year. No audited financial statements were requested as it is not a condition of the lease agreement.

C: Siechinah Christian Centre (Hawston Selfboustoor)

Property: Erf 1179 Hawston 2075m² in extent), situated on the corner of Woodlands Road and Mill Street, Hawston as indicated on the locality map attached marked Annexure C.

Previous lease period: 9 (nine) years and 11 (eleven) months commencing on 1 September 2011 and expiring on 31 July 2021. Renewal of the lease agreement was not approved, and the appeal was not successful. Lessee was permitted to remain on the property until such time a tender is awarded. The initial tender was unsuccessful, and a new tender will be advertised in due course.

Current rental amount: R215.18 (VAT included) – old CPI escalation

Specific lease conditions:

4.3 *This lease shall be subject to the Constitution of the **LESSEE** which is attached per Annexure B. The **LESSEE** shall fulfil all obligations set out in the above Constitution and may only operate within the parameters as set out in this agreement and in accordance with the said Constitution.*

Their constitution lists the objectives of the committee to be:

- Spiritual & cultural development
- Community welfare & development

- Economic development

5.1 *The said land, together with such buildings and other structures thereon and as may be erected in accordance with the provisions of this agreement shall be used exclusively **for community purposes in accordance with the abovementioned constitution.***

No specific reference is made that the property is leased to be managed as a community hall, although it has the attributes of a community hall.

6.1 *The **LESSEE** shall keep a register of bookings available on the property to be viewed by the public.*

A copy of the register of bookings was requested from the Lessee at some stage during the lease, but they refrained from providing same. It was requested to assist them to address the complaints that the facility is not made available to the community.

6.6 *The **LESSEE** undertakes for the currency of this lease to pay to the **LESSOR** the monthly insurance premium in respect of a portion of Erf 1179, Hawston. The buildings and/or structures will be insured against damage or loss by the **LESSOR** in terms of this lease.*

The insurance is being levied on the municipal account. The current amount is R129.76 (VAT included).

7.13 *An official from the building department of the Municipality must submit an annual report to determine whether maintenance is being performed to the satisfaction of the **LESSOR**.*

The lessee is responsible for the maintenance of the inside of the building situated on the property, including the windows. During the lease period the building has been regularly inspected by officials from the building department of the Overstrand Municipality. At times the building officials have reported that some items/concerns raised in their reports of the previous years have not been attended to, despite written notice from the Property Management Division calling on them to do so. The Lessee has been served with numerous written notices over the years calling upon it to attend to maintenance issues. Overall, the property is maintained to a satisfactory level by the Lessee. No new inspection was done.

11.1 *The **LESSEE** undertakes that it will be responsible for payment at the normal tariffs for any municipal services provided to the land hereby leased whether at the request of the **LESSEE** or not.*

Water, electricity, refuse and sewerage are levied on the account. The municipal account is in arrears.

11.4 *Should it become apparent that the LESSEE is utilising the property for own used and that other organisations from the community is unreasonably denied access to the facilities, the lease agreement will be cancelled.*

As early as 2018 the Division was informed of numerous complaints from the public that the Lessee is not making the building on the property accessible to the community for use. It was also raised by the then Deputy Mayor Gillion that the fees of the Lessee for use of the building are excessive. This was addressed with the Lessee at a meeting.

General notes:

The lease agreement does not have the requirement of annual statements to be submitted.

The constitution is filed on record. The committee members, according to our knowledge, are:

- J Gelderblom
- J Stoffels
- N Arinds
- D Page
- W Page
- J Gillion
- M Stoffels
- E Booyesen
- N Salies

The constitution stipulates as follows as to membership:

“I. MEMBERSHIP; OFFICE BEARERS; THE MANAGEMENT BOARD

1. *SCC has the following management board, until such time that the SCC Board decide to increase membership or introduce (in-stel) additional types of membership:*
Chairperson
Deputy Chairperson
Secretary
Deputy Secretary
Treasurer
Deputy Treasurer
2. *The Management Board will be appointed by the members from the membership.*
3. *Every member has one vote.*
4. *The following positions will exist on the Management Board:*
Chairman & Executive Director

(Permanent position, subject to Code of Conduct and contract; appointed by Board)

Vice Chairman

General Secretary

Vice Secretary

Financial Officer / Treasurer

Vice Financial Officer

Municipal Council Representative (ex officio)

5. *Vacancies on the Management Board (due to resignation, death or per majority decision of the Board due to transgression (oortreding) of the Code of Conduct (Gedragkode) can be filled by the remaining Board members per co-optation, until appointment of Board Members takes place at the next AGM or Special Meeting.*
6. *The Board will design and implement a Code of Conduct to guide all members – breach of this Code will result in loss of membership, per decision of the Board.*
7. *The Municipal Council of Overstrand is entitled (geregtig) to nominate one member to the Board.”*

The financial year of the committee is from 1 March to 28 February of each year. No audited financial statements were requested as it is not a condition of the lease agreement.

D: De Wetsaal Bestuurskomitee (De Wet Hall)

Property: Erf 2506 Onrustrivier (1904m² in extent), situated in Roos Street, Onrus River as indicated on the locality map attached marked Annexure D.

Current lease period: 9 (nine) years and 11 (eleven) months commencing on 1 December 2019 and expiring on 31 October 2029.

Current rental amount: R217.00 (VAT included)

Specific lease conditions:

- 5.1 *The Leased Premises, together with the existing buildings and other structures thereon as well as such buildings and other structures as may be erected in accordance with the provisions of this lease, shall be used exclusively for the purpose of **managing, leasing, supervising and maintaining of the De Wet Community Hall as a community project** and no other activities will be allowed on the Leased Premises.*

The purpose is specific that the property must be used as a community hall.

- 5.3 *The Leased Premises shall be made available by the **LESSEE** to the **LESSOR**, free of charge, for official meetings and functions, provided that the **LESSOR** has provided the **LESSEE** with prior reasonable written notice to the effect that it so wishes to use the Leased Premises.*
- 6.4 *The **LESSEE** shall annually submit to the **LESSOR** audited financial statements which contain a complete inventory of all the stock of the hall.*
- 6.5 *Any profit after provision in respect of maintenance has been made must be paid to the **LESSOR** on an annual basis.*

The audited financial statements were received end of August 2024 and will be sent to the relevant Finance Division for comment.

- 7.3 *Without derogating from the **LESSEE'S** duty to maintain the Leased Premises as set out herein, it is noted that the **LESSEE'S** duty to maintain the Leased Premises does not include the duty to maintain the structural integrity of the hall situated on the Leased Premises. For the avoidance of doubt, this means that in respect of the hall, the **LESSEE** is not responsible for maintaining the roof and/or maintaining the structural integrity of the floor (however maintenance of the floor covering is the responsibility of the **LESSEE**).*
- 7.4 *The **LESSEE** acknowledges and understands that it is responsible for the interior painting of the hall and that the exterior painting of the hall is generally not regarded as a structural maintenance issue. However, the parties agree that neither party shall be entitled to require that the other party paints the exterior of the hall. Each party shall be entitled to paint the exterior of the hall (at their own discretion), should the party's available finances, budgeting and funding permit it. The **LESSEE** shall not commence such painting exercise without the prior written consent of the relevant delegated authority of the **LESSOR** in order to ensure that the hall's paint colour conforms to other buildings owned by the **LESSOR**.*
- 7.5 *It is noted that the hall situated on the Leases Premises has an existing issue with dampness. It is recorded that the **LESSOR'S** operational services department shall address the dampness of the hall. The extent to which the **LESSOR** shall attend t the dampness shall be within its available funding and resources. The **LESSOR** makes no warranty, representation or guarantee in respect of the level of service to be provided nor to what extent the proposed solution will resolve the dampness. The **LESSEE** shall have neither have any expectation, nor warranty nor any right to enforce a specific level of service in respect of the dampness. The **LESSOR** shall use its best reasonable efforts to address the dampness to the best quality of service it can achieve, the **LESSEE** acknowledging that it understands that the level of service provided by the **LESSOR'S** operational services department will be affected by the available funding and operational limitations that the **LESSOR** as a municipality has.*

7.12 *An official from the Building Department of the Overstrand Municipality must submit an annual report to determine whether maintenance is being performed to the satisfaction of the **LESSOR**.*

The request for an inspection was submitted. The Property Management Division is waiting for the report.

8.1 *For the duration of this lease the Lessee shall:*

8.1.1 *pay to the **LESSOR** the monthly insurance premium in respect of any buildings and/or structures erected and/or to be erected on the Leased Premises and the **LESSOR** shall insure the buildings and/or structures on the Leased Premises against damage.*

The insurance is being levied on the municipal account. The current amount is R157.56 (VAT included).

14.1 *The **LESSEE** will be responsible for payment of the normal rates, services charges and tariffs for any municipal services or availability fees provided to the Leased Premises, whether at the request of the **LESSEE** or not.*

Water, refuse and sewerage are levied on the account. The municipal account is paid up to date.

General notes:

The conditions of the lease agreement are being adhered to.

The constitution is filed on record. The committee members are:

- Chairperson: Elzette Nell
- Vice chairperson: Leonard Stemmet
- Treasurer: Seugnet du Plessis
- Secretary: Isabel Grobler
- Hall manager: Siska Conradie
- Anton Coetsee

The constitution stipulates as follows as to the committee:

“4. SAMESTELLING VAN DIE DWBK

“4.1 Die De Wetsaalbestuurskomitee sal uit minstens 5 lede bestaan waarvan moontlik ‘n afgevaardigde van die Onrusbelasting-betalersvereniging(OBBV) en die Vermont-belastingbetalersvereniging (VBBV) lede sal wees. Die oorblywende lede sal verkies word uit die gemeenskap genome in klousule 4.2 hierna”

- 4.2 *Die persoon of persone moet 'n inwoner wees van Onrusrivier of Vermont of 'n huurder van die De Wetsaalfasiliteite (en dan elders woon), wees.*
- 4.3 *'n Voorsitter, tesourier en sekretaris sal jaarliks tydens die eerste vergadering van die DWBK lede verkies word deur middel van 'n meerderheid van stemme teenwoordig."*

The financial year of the committee is from 1 July to 30 June of each year. The last audited financial statements were received in August 2024.

E: Sandbaaisaal Bestuurskomitee

Property: Erf 2820 Sandbaai (8912m² in extent), situated in Jimmy Smith Street, Sandbaai as indicated on the locality map attached marked Annexure E.

Current lease period: 9 (nine) years and 11 (eleven) months commencing on 1 December 2019 and expiring on 31 October 2029.

Current rental amount: R217.00 (VAT included)

Specific lease conditions:

- 5.1. *The Leased Premises, together with the existing buildings and other structures thereon as well as such buildings and other structures as may be erected in accordance with the provisions of this lease, shall be used exclusively for the purpose of **managing, leasing, supervising and maintaining of the Sandbaai Community Hall as a community project and no other activities will be allowed on the Leased Premises.***

The purpose is specific that the property must be used as a community hall.

- 5.3. *The Leased Premises shall be made available by the **LESSEE** to the **LESSOR**, free of charge, for official meetings and functions, provided that the **LESSOR** has provided the **LESSEE** with prior reasonable written notice to the effect that it so wishes to use the Leased Premises.*
- 5.4. *Should the Property be required for use by the **LESSOR** for emergency purposes, for example accommodation of people or storage of supplies during incidents of unrest or disaster, the **LESSOR** will inform the **LESSEE** of same on short notice and in writing. In cases where the Property is used by the **LESSOR** for emergency purposes, the **LESSEE** may apply for the write back of the rental, rates and taxes, services charges and associated expenses incurred by the **LESSEE** during this period, subject to substantiating proof of the expense as well as of why these expenses*

were deemed to be necessary. Each application will be evaluated on a case by case basis.

- 6.4. The **LESSEE** shall annually submit to the **LESSOR** audited financial statements which contain a complete inventory of all the stock of the hall.
- 6.5. Any profit after provision in respect of maintenance has been made must be paid to the **LESSOR** on an annual basis.

The audited financial statements were requested and will be provided by the end of September 2024.

- 7.3. Without derogating from the **LESSEE's** duty to maintain the Leased Premises as set out herein, it is noted that the **LESSEE's** duty to maintain the Leased Premises does not include the duty to maintain the structural integrity of the hall situated on the Leased Premises. For the avoidance of doubt, this means that in respect of the hall, the **LESSEE** is not responsible for maintaining the roof and/or maintaining the structural integrity of the floor (however maintenance of the floor covering is the responsibility of the **LESSEE**).
- 7.4. The **LESSEE** acknowledges and understands that it is responsible for the interior painting of the hall and that the exterior painting of the hall is generally not regarded as a structural maintenance issue. However, the parties agree that neither party shall be entitled to require that the other party paints the exterior of the hall. Each party shall be entitled to paint the exterior of the hall (at their own discretion), should the party's available finances, budgeting and funding permit it. The **LESSEE** shall not commence such painting exercise without the prior written consent of the relevant delegated authority of the **LESSOR**, in order to ensure that the hall's paint colour conforms to other buildings owned by the **LESSOR**.
- 7.11. An official from the Building Department of the Overstrand Municipality must submit an annual report to determine whether maintenance is being performed to the satisfaction of the **LESSOR**.

The inspection was done on 7 March 2024 and a report was provided to the Property Management Division.

- 8.1. For the duration of this lease the Lessee shall:
 - 8.1.1. pay to the **LESSOR** the monthly insurance premium in respect of any buildings and/or structures erected and/or to be erected on the Leased Premises and the **LESSOR** shall insure the buildings and/or structures on the Leased Premises against damage;

The insurance is being levied on the municipal account. The current amount is R444.88 (VAT included).

14.1. The **LESSEE** will be responsible for payment of the normal rates, services charges and tariffs for any municipal services or availability fees provided to the Leased Premises, whether at the request of the **LESSEE** or not.

Water, electricity and sewerage are levied on the account. The municipal account is paid up to date.

General notes:

The conditions of the lease agreement are being adhered to.

The constitution is filed on record. The committee members are:

- Chairperson: Deon Beukes
- Vice chairperson: Andre Kruger
- Secretary: Willie Marais
- Treasurer: Ria Botha
- Richard Coquillon
- Roy Groenewald
- Hall Manager: Lidia Schmidt

The Property Management Division has been informed on 4 September 2024 that three of the members have submitted their respective notices of resignation from the committee.

The constitution stipulates as follows as to the committee:

“5. SAMESTELLING VAN DIE SSBK

5.1 *Die SSBK sal uit nie minder as ses persone bestaan nie. Die Voorsitter van die Sandbaaibelastingbetalersvereniging en die Voorsitter van die Sandbaaiiontspanningsklub sal outomaties lede word van die SSBK op voorwaarde dat elk van die genoemde organisasies jaarliks 'n bygewerkte finansiële verslag verstrek en minstens 50 volopbetaalde lede het en op voorwaarde dat hul eiendom in Sandbaai besit en permanente inwoners van Sandbaai is. Indien 'n Voorsitter(s) nie eiendom in Sandbaai besit of nie permanente inwoners van Sandbaai is nie, mag die betrokke organisasie(s) 'n lid van hul komitee benoem wat aan die vereistes voldoen. Die Sandbaaiwykskomitee sal vier verdere lede aanwys, welke lede eiendom in Sandbaai moet besit en permanente inwoners van Sandbaai is.*

5.2 *'n Komiteelid wat deur die wykskomitee aangewys word, sal aanvanklik vyf jaar dien. Die termyn van minste drie van die ses lede sal vir 'n verdere vyf jaar verleng word om kontinuiteit te verseker. Geen lid sal langer as tien jaar dien nie.*

- 5.3 *Die Komitee mag addisionele kundige en betrokke persone koöpteer om op die Komitee te dien. Die dienstydperk van sodanige lede sal vyf jaar wees. Gekoöpteerde lede moet ook aan die vereistes soos uiteengesit in 5.1 hierbo voldoen*
- 5.4 *Die Komitee mag 'n Bestuurder aanstel om toesig te hou oor die dag-tot-dag aktiwiteite. Die Bestuurder is ook lid van die SBBK.*
- 5.5 *'n Komiteelid sal nie langer 'n lid bly as hy/sy nie meer aan die vereistes soos uiteengesit in 5.1 hierbo voldoen nie, of indien hy/sy twee opeenvolgende vergaderings nie bywoon nie, sonder 'n rede wat vir die meerderheid van die ander komiteelede aanvaarbaar is,*
- 5.6 *Indien 'n Komiteelid wat deur die Wykskomitee benoem is nie meer kwalifiseer in terme van 5.1 hierbo nie of bedank as lid moet die Wykskomitee sy/haar opvolger aanwys. Indien 'n gekoöpteerde lid bedank of nie meer kwalifiseer nie hoef die vakature nie gevul word nie.*
- 5.7 *Komiteelede mag nie enige vergoeding ontvang omdat hy/sy 'n komiteelid is nie.*
- 5.8 *Die komitee sal 'n Voorsitter uit sy lede verkies.”*

The financial year of the committee is from 1 July to 30 June of each year. Annual audited financial statements will be submitted by end of September 2024. The statements are done, but it must still be approved and signed off by the committee.

F: Mount Pleasant Business Centre Committee (Mount Pleasant Multi-purpose centre)

Property: A portion of Erf 243 Hermanus (±1400m² in extent), situated in Malva Street, Mount Pleasant as indicated on the locality map attached marked Annexure F.

Current lease period: 9 (nine) years and 11 (eleven) months commencing on 1 October 2020 and expiring on 31 August 2030.

Current rental amount: R217.00 (VAT included)

Specific lease conditions:

- 5.1. *The Leased Premises, together with the existing buildings and other structures thereon as well as such buildings and other structures as may be erected in accordance with the provisions of this lease, shall be used exclusively for the purpose of for **the sole purpose of managing, leasing, sub-letting, supervising and maintaining the Mount Pleasant Business Centre, situated on the Leased Premises, as a community project.***

The purpose of the lease is not as specific to indicate that the property is managed as a community hall.

6.4. *The LESSEE shall fulfil all its obligations in terms of its constitution and it shall only operate within the parameters of this agreement and its constitution.*

8.1. *For the duration of this lease the LESSEE shall:*

8.1.1. *pay to the LESSOR the monthly insurance premium in respect of any buildings and/or structures erected and/or to be erected on the Leased Premises and the LESSOR shall insure the buildings and/or structures on the Leased Premises against damage;*

The insurance is being levied on the municipal account. The current amount is R222.44 (VAT included).

14.1. *The LESSEE will be responsible for payment of the services charges and tariffs for any municipal services or availability fees provided to the Leased Premises, whether at the request of the LESSEE or not.*

Water and electricity are levied on the account. The municipal account is in arrears.

19.2. *The LESSEE shall not be responsible for the payment of any rates in respect of the Leased Premises.*

19.3. *A designated official of the Directorate Economic and Social Development and Tourism shall be appointed as Chairperson of the LESSEE. The purpose hereof is to assist the LESSEE in fulfilling its duties and mandate.*

Mr Xolile Kosi was appointed to serve as the Chairperson of the committee. The members of the committee have however in a meeting held with the Overstrand Municipality indicated that he has not, since appointment, called for or attended any committee meetings and is absent from the committee. He has thus ignored the instruction to serve as the Chairperson of the committee.

19.4. *An official from the LESSOR's building department must annually inspect the Leased Premises and submit an annual report in respect of the maintenance of the Leased Premises. The purpose of this inspection and report is to determine whether maintenance is being performed to the satisfaction of the LESSOR.*

A request for the required inspection was submitted. The Property Management Division is waiting for the report. The committee has indicated on several occasions that there is a problem with the roof, which the Municipality has not addressed. The Property Management Division did also attend to a annual inspection on 27 February 2023.

19.5. *The LESSEE shall annually submit to the LESSOR audited financial statements which contain a complete account of all the sub-tenants of the Leased Premises. Any profit, after provision in respect of maintenance has been made, must be paid to the LESSOR on an annual basis.*

No audited financial statements have been received despite several requests. The committee has indicated that due to the lack of co-operation from the appointed Chairperson, who must sign off the statements, they are not willing to bear the expense of audited statements.

General notes:

The constitution is filed on record. The committee members, according to our knowledge, are:

- Chairperson: Xolile Kosi (Overstrand Municipality)
- Ben Solomon
- Pieter de Jager
- Christine May

According to the constitution, the committee must consist of the following:

- *“2 Persone wat in die Overstrand woonagtig is en wat oor die bewese kundigheid in ekonomiese ontwikkeling en bestuur beskik.*
- *2 Amptenare in diens van die Overstrand Munisipaliteit, waarvan 1 die voorsitter is en 1 verantwoordelik is vir die dag tot dag administrasie (sy/haar pligte kan, met die toestemming van die komitee, gedelegeer word na ander komiteelede).*
- *2 Belastingbetalers uit die Mount Pleasant gemeenskap wat by gemeenskap aktiwiteite betrokke is.”*

The financial year of the committee is from 1 March to 28 February of each year.

Conclusion

Taking the above into consideration, it is recommended that the Executive Mayor notes the status of the leases of the community halls of the Overstrand Municipality.

7. Financial Implications

None

8. Staff Implications

None

9. Comments from other Departments, Divisions and Administrations

None

10. Annexures

- Annexure A: Locality map: Portion of Erf 1772 Pringle Bay
- Annexure B: Locality map: Erf 2416 Betty's Bay
- Annexure C: Locality map: Erf 1179 Hawston
- Annexure D: Locality map: Erf 2506 Onrustrivier
- Annexure E: Locality map: Erf 2820 Sandbaai
- Annexure F: Locality map: Portion of Erf 243 Hermanus

RECOMMENDATION:

that the status of the community halls/facilities leased to and managed by third parties as listed below be noted:

1. Pringle Bay Ratepayers Association – Pringle Bay Community Hall
2. Betty's Bay Ratepayers Association – Crassula Hall
3. Sjechinah Christian Centre – Hawston "Selfboustoor"
4. De Wetsaal Bestuurskomitee – De Wet Hall
5. Sandbaaisaal Bestuurskomitee – Sandbaai Hall
6. Mount Pleasant Business Centre Committee – Mount Pleasant Multi-purpose Centre

RESPONSIBLE OFFICIAL :**A LE ROUX****TARGET DATE FOR IMPLEMENTATION :****9 OCTOBER 2024****TARGET DATE TO INFORM APPLICANT :****N/A****TARGET DATE TO INFORM OBJECTOR :****N/A**

ANNEXURE A



ANNEXURE B









