



Munisipaliteit
Municipality
Umasipala

MINUTES OF A MEETING OF THE SWARTLAND MUNICIPAL COUNCIL, HELD IN THE MALMESBURY BANQUETING HALL ON WEDNESDAY, 30 MAY 2018 AT 10:00

PRESENT:

Speaker, clr M Rangasamy

Executive Mayor, ald T van Essen

Deputy Executive Mayor, ald M S I Goliath

Bess, D G (DA)

Bekebu, Z (ANC)

Daniels, C (DA)

De Beer, J M (DA)

Fortuin, C B (DA)

Maart, E S M (DA)

McQuire, V D (DA)

Papers, C H (DA)

Penxa, B J (ANC)

Philander, D B (ANC)

Smit, N (DA)

Sneewe, A M (ANC)

Solomons, P E (DA)

Stanley, B J (DA)

Stemele, O M (DA)

Van der Westhuizen, R F (DA)

Van Zyl, M (DA)

Zatu, N S (ANC)

Officials:

Municipal Manager, mr J J Scholtz

Director: Development Services, mr J T Steenkamp

Director: Financial Services, mr M A C Bolton

Director: Security Services, mr P A C Humphreys

Director: Electrical Engineering Services, mr R du Toit

Director: Corporate Services, ms M S Terblanche

Director: Civil Engineering Services, mr L D Zikmann

Manager: Strategic Services, mr L Fourie

IDP/PEO Official, ms O Fransman

Manager: Secretarial and Records, ms N Brand

1. OPENING

The Speaker welcomed the Executive Mayor, Deputy Executive Mayor, councillors, officials, the media and members of the public.

The Speaker welcomed Pastor Andrew Mesani from the Volle Evangelie Kerk, Wesbank and requested that the latter open the meeting with a scripture reading and prayer.

The Speaker congratulated councillors and officials who had celebrated birthdays during May.

2. APOLOGIES

Apologies received from clrs F S Humphreys and L E Mfutwana.

3. DEPUTATIONS/DECLARATIONS AND COMMUNICATIONS/SUBMISSIONS

None

4. MINUTES FOR APPROVAL

4.1 MINUTES OF AN ORDINARY COUNCIL MEETING HELD ON 26 APRIL 2018

Resolution/...

4.1/...

RESOLUTION

(proposed by clr C B Fortuin, seconded by clr M van Zyl)

That the minutes of an Ordinary Council Meeting held on 26 April 2018 are approved and signed by the Speaker, subject to the amendment of clr Fortuin's initials and the correct Afrikaans naming of the MPAC committee, namely "die Munisipale Publieke Verantwoordbaarheidskomitee".

5. REPORT IN RESPECT OF THE DELEGATED DECISION MAKING BY THE EXECUTIVE MAYOR

RESOLUTION

That note is taken of the decisions made by the Executive Mayor in accordance with his delegated power in respect of the following minutes:

5.1 MINUTES OF AN ORDINARY MEETING OF THE SWARTLAND COUNCIL HELD ON 18 APRIL 2018

6. REPORT IN RESPECT OF THE DELEGATED DECISION MAKING BY THE MUNICIPAL MANAGER

RESOLUTION

That note is taken of the decisions made by the Municipal Manager in accordance with his delegated power in respect of the following minutes:

6.1 MINUTES OF A TENDER AWARD COMMITTEE MEETING HELD ON 8 MARCH 2018

6.2 MINUTES OF A TENDER AWARD COMMITTEE MEETING HELD ON 9 APRIL 2018

6.3 MINUTES OF A TENDER AWARD COMMITTEE MEETING HELD ON 18 APRIL 2018

7. MATTERS FOR DISCUSSION

7.1 FIRST REVISION OF THE 2017-2022 INTEGRATED DEVELOPMENT PLAN AND AREA PLANS (2/1/4/4/1)

The Speaker gave the Executive Mayor, ald T van Essen, the opportunity to table the first revision of the 2017-2022 integrated Development Plan (IDP).

General information was presented to the Council by the Executive Mayor in respect of the progress made by the Swartland Municipality, with reference to the Financial Sustainability Index from *Ratings Africa*, which rates them as one of the foremost municipalities in South Africa.

The Executive Mayor continued by discussing the amendments to the 2017-2022 IDP since May 2017, which had necessitated the revision. The Chief Whip of the ANC, clr D B Philander, was thanked for the input to the IDP which was given during the public participation process. The input, as well as the reactions thereto, were presented by the Executive Mayor. It was emphasised that the IDP must be viewed as a strategic document which lays down guidelines for further development policy and cannot accommodate detailed programmes.

The Speaker opened the floor to the councillors for discussion on the submission by the Executive Mayor.

Clr D B Philander emphasised the necessity to right the inequalities of the past, and also those in the Swartland, as emphasised in the speech delivered on Freedom Day by the DA leader, mr Mmusi Maimane and reiterated by clr Philander.

7.1/...

The latter noted that the input from the ANC is handled as an attachment, and voiced his concern that the Swartland Municipality has not shown a definite break from the spatial development guidelines of the Apartheid era. Clr Philander also voiced his concern that no action will be taken in respect of the input from the ANC.

The Speaker requested clr Philander to refrain from any racist comments and references to the Apartheid era in his speech.

Clr C B Fortuin, on a point of order, stated that the address from the leader of the DA, mr Maimane, was in a certain context and that it should not be quoted outside of that context.

The Speaker allowed mr Philander to continue his presentation after the point of order.

Clr Philander also voiced his concern that Swartland Municipality is not serious about uplifting the previously disadvantaged groups, inter alia, the employment of women, accommodation of the disabled, with reference to access to municipal buildings, and the support given to up and coming farmers in the acquisition of land. Clr Philander requested that an investigation is launched into unspent housing funds by the relevant Provincial Department, as well as the contract with ASLA because the RDP houses in Moorreesburg are in urgent need of upgrading.

Clr O M Stemele stated – on behalf of the DA, in reaction to the submission by the Executive Mayor – that the acknowledgement of the input from all the role players in respect of the IDP is an indication that Swartland Municipality supports the democratic practices of the South African Government.

The Executive Mayor reacted to the presentation by the ANC and explained that 70% of the capital and operating budgets are allocated to eradicating the backlog in the community, a so-called “pro-poor” budget.

The matter was brought to the vote by the Speaker, and (in the absence of two councillors) decided with 16 DA councillors in favour thereof, and five ANC councillors who abstained.

RESOLUTION

(proposed by ald T van Essen, seconded by ald M S I Goliath)

That the first revision of the 2017-2022 Integrated Development Plan (IDP), and the area plans are approved.

7.2 APPROVAL OF 2018/2019, 2019/2020 AND 2020/2021 MULTI-YEAR CAPITAL AND OPERATING BUDGETS, AMENDED BUDGET RELATED POLICIES, PROPERTY RATES AND TAXES, TARIFFS AND OTHER LEVIES (5/1/1/1-2018/2019, 5/1/1/2-2018/2019 AND 5/1/4)

The Executive Mayor, at the request of the Speaker, tabled the item and emphasised various aspects of the report.

The principles according to the National Treasurer’s Budget Circular, no 91, which are fully explained in the report, were handled with specific reference to the decrease in Swartland Municipality’s Municipal Infrastructure (MIG) grant by R4 115 million over the MTREF (multi-year budget term) which is more or less in line with the country-wide decreases, as a direct result of the shortfall in the national fiskus.

The Executive Mayor dealt with the comments and actions arising from the input from the Yzerfontein Residents Association for consideration by the Council. The implementation of level 5 tariffs as a result of the drought were specifically mentioned.

The Municipal Manager/...

7.2/...

The Municipal Manager gave further information regarding the above mentioned matter and stated that application, in accordance with article 170 of the Municipal Financial Management Act, 2003 (MFMA), has been made for exemption from article 28(6) of the Act. As a result of discussions with the Provincial Treasurer and the Department of Local Government, as well as meetings with the Department of Disaster Management in respect of the drought, it has been proposed to follow an all inclusive approach (“umbrella approach”) in order to include all the affected municipalities in the application for exemption. In the exemption notice only the names of Knysna, Bitou, Drakenstein, Saldanha and City of Cape Town are named, with the result that Swartland and Berg River were incorrectly omitted. Swartland Municipality is in the process of investigating the matter, but it appears that the only solution is to declare an inter-governmental dispute which will then mean that the relevant National and Provincial Departments will have to confer with the Swartland Municipality.

The Executive Mayor continued to deal with the amendments since March 2018, as well as the recommendations to the Council.

The Speaker offered councillors the opportunity to reply to the budget speech given by the Executive Mayor, and clr D B Philander, (on behalf of the ANC) stated that salary increases of the poorest of the poor are not in line with tariff increases. As a result residents can no longer afford the municipal accounts and the tariff increases will lead to greater poverty in the community. Clr Philander, as in the past, stated that 6kl free water allocated to a household, in which sometimes more than one family resides, is therefore not sufficient free water being made available to the poorest of the poor.

Clr Philander stated that the ANC had lost trust in the Municipality because there is no notice taken of the input received and that no progress is shown.

The Speaker, with reference to the salary adjustments of the management team, requested that an investigation is made into the rest of the organization in order to determine if officials receive the correct remuneration.

Clr O M Stemele, on behalf of the DA, congratulated the leadership on the drawing up of the budget in challenging economic circumstances. Clr Stemele also stated that the success of the organization can be attributed largely to the proficiency of its leadership and therefore it is important, with reference to the salary increases and benefits notification, that the Municipality must remain competitive with the private sector, in order to ensure a stable workforce.

The approval of the multi-year capital and operating budgets, amended budget associated policies, levying of property rates and taxes, tariffs and other levies for 2018/2019, 2019/2020 and 2020/2021 was brought to the vote and decided (in the absence of two councillors) with 16 DA councillors in favour thereof, and five ANC councillors against.

RESOLUTION

(proposed by ald T van Essen, seconded by clr O M Stemele)

- (a) That the input received from the Yzerfontein Residence Association as dealt with by the Executive Mayor (refer to Annexure D) is noted by Council as allowed for in terms of Section 23 of the MFMA insofar that same relates to the 2018/19 MTREF Budget;
- (b) That the multi-year capital and operating budgets with respect to the 2018/19 – 2020/21 financial years be approved as final;

Table/...

	Original Budget 2017/2018	Adjustment Budget 2017/2018	Original Budget 2018/2019	Original Budget 2019/2020	Original Budget 2020/2021
Capital budget	R 81 242 586	R 110 073 122	R 87 245 909	R 97 544 038	R 123 974 860
Operating Expenditure	R 664 697 875	R 668 442 676	R 698 278 426	R 711 223 093	R 730 314 794
Operating Revenue	R 695 180 694	R 741 252 229	R 746 205 036	R 792 475 517	R 831 670 644
Budgeted (Surplus)/ Deficit	(R 30 482 818)	(R 72 809 553)	(R 47 926 610)	(R 81 252 425)	(R 101 355 849)
Less Capital Grants	R 35 075 916	R 61 390 842	R 36 975 000	R 42 261 000	R 42 685 000
(Surplus)/ Deficit	(R 4 593 098)	(R 11 418 711)	(R 10 951 610)	(R 38 991 425)	(R 58 670 849)

Note: The 2019/20 and 2020/21 Revenue budgets include Provincial grant funding for which no expenditure projects have been finalized yet. (**2019/20** includes R23 780 million Dep Human Settlement funding and **2020/21** includes R24 800 million Dep Human Settlement funding)

- (c) That council approve the property rates tariffs, tariff structures and charges for water, electricity, refuse removal, sewerage and other sundry charges as set out in (**Annexure A: 2018/19 – 2020/21 Final Budget and Tariff File**) as final;
- (d) That the annual budget tables as required by the Budget and Reporting Regulations and as set out in (**Annexure B: Budget Report and A-Schedules 2018/19 – 2020/21**), be approved as final;
- (e) That council approve the electricity tariffs of 6.8% for the 2018/2019 financial year, bearing in mind that it is still subject to NERSA's final approval;
- (f) That the amendments to the budget related policies as set out in (**Annexure C: Budget Related Policies 2018/19**), be approved;
- (g) That it be noted that the training budget has been limited to 0,83% of the salary budget in the amount of R1 731 293 for the financial year;
- (h) That cognisance is taken and approval is granted for the following increases:
 - (i) In respect of all personnel, excluding the Municipal Manager and section 56-appointments, an increase of 7% for 2018/19; 7% for the 2019/20 and 2020/21 financial years, excluding the increase in other benefits that are applicable and the annual 2,5% notch increase. These events to date is notwithstanding the fact that the Municipality provided a mandate to SALGA at the mandate of 4 May 2018 to keep to headline inflation of around 5,3%;
 - (ii) In respect of the Municipal Manager 2,5% per the contract of employment or the higher per the determination of the upper limits should the aforementioned upper limit be higher than the package determined in the contract of employment;
 - (iii) In respect of the CFO 0% and the Director Civil Engineering Services (DC) limited to the Upper Limits Dispensation currently at 5,3% as per the draft Upper Limit Notice;
 - (iv) That the Municipal Manager be mandated to attend to the formalities in respect of the process of applying for a waiver for the CFO and DC to COGTA;

7.2(h)/...

- (v) In respect of the other four section 56-appointments, namely the Director: Protection Services (DPS), Director: Development Services (DDS), Director: Electrical Engineering Services (DES) and the Director: Corporate Services (DCS) an increase of 7% be approved effective from 1 July 2018 and that the compensation of the latter (which was not appointed under the upper limit dispensation) be adjusted equal to that of the first three directors backdated from 1 July 2017;
- (vi) That cognisance is taken and approval is granted that the service contract of the DPS, DDS, DES and DCS be amended with the consent of the incumbents – by means of an addendum – to replace the determination that annual salary adjustments be determine by a professional remuneration consultant (*Work Dynamics*) with the determination that annual salary increases will be equal to the rest of the staff as determine on Bargaining Council level;
- (vii) That cognisance is taken that one of the contributing factors to the successes of Swartland Municipality is the fact that Swartland Municipality did not implement performance bonuses, which system had the following advantages, namely –
- innovative goals, indicators and targets;
 - putting in place the correct controls;
 - expanding the performance system to all middle management officials;
 - taking the municipality from a good municipality to an excellent municipality and that the incumbents – as with the rest of personnel – received a 13th cheque or 8%;
- (viii) That cognisance is taken that the Upper-Limit Notice acknowledges and allows for the payment of performance bonuses, as much as 14%, and that approval is granted – due to the upper limit dispensation that leads to unequal remuneration dispensation – the staff affected being the Director: Financial Services, the Director: Civil Engineering Services and the Municipal Manager (if applicable), receive the same 13th cheque dispensation (limited to 8,33% - similar to pre 2014 appointments) instead of a performance bonus system, subject to the Municipal Manager obtaining legal advice regarding the implementation thereof;
- (ix) Provision has been made for a 6% increase for political office bearers which are within the upper band of the inflation targets set by the South African Reserve Bank (SARB).
- (i) That the discount to disabled persons and senior citizens as defined in the Property Rates Policy, be limited to a maximum of R300 000 for the 2019/20 financial year;
- (j) That council grants approval and take note of the taking over of the water assets from the District based on a functional split (value of assets currently being finalised) and external borrowings by the District linked to the aforementioned assets to value of around R24,4 million which loans have settlement dates from 30-06-2020 to 31-12-2022 and that the interest portions are factored into the final budget over the MTREF with no impact on water tariffs or charges within or beyond the MTREF as same was and is currently included in Swartland Municipality's bulk water charges from the WCDM and will not form part of same w.e.f. 1 July 2018 and that same form part of the public participation process notwithstanding the fact that no new loans will be taken-up for the transfer of these assets;
- (k) That Council take note of the budgeted operating surpluses, the efforts to limit total expenditure growth to only **4,5%** (including operating grant expenditure) from the current to the new financial year, growth in revenue of only **0,7%** (**4,3%** excluding capital grants) in these hard economic times for the same period as well as the cash flow statement for the current as well as the next three financial years and more specifically the progress made in this regard;

7.2(k)/...

- the risk factor for cash coverage for operating expenses is **7.4 months** for 2018/19, **7.8 months** for 2019/20 and **7.9 months** for 2020/21;
 - over the next three financial years the planning is such that the following operating surpluses are envisaged, 2018/19 an amount of **R47 926 610**, 2019/20 an amount of **R81 252 425** and 2020/21 an amount of **R101 355 849 (inclusive of capital grant income)**;
- (l) That the Director: Financial Services adhere to the requirements of the Budget Circulars and Budget Reforms in the context of the reporting requirements to Provincial and National Treasury;
- (m) That Council take note that the budget was also prepared in the new mSCOA Version 6.2 as required by National Treasury (more detail in the Budget Report).

7.3 REVISION OF THE LONG TERM FINANCIAL PLAN (2/1/4/4/1)

The Long Term Financial Plan is a key element of the IDP and must, in accordance with the Municipal Planning and Performance Management Regulations of 2001, consist of various components, inter alia:

- Budget projections for at least the following three years;
- Financial sources for financing the capital budget and operating expenditure;
- Financial strategy.

Furthermore, Article 215 of the South African Constitution also stipulates that municipal budgets and budgeting processes must promote transparency, responsibility and the effective financial management of the economy, debt and the public sector. The upgrading of the Long Term Financial Plan is therefore necessary in order to comply with these constitutional obligations in respect of the Swartland community.

The first revision of the IDP also necessitates the revision of the attached Long Term Financial Plan.

RESOLUTION

(proposed by ald T van Essen, seconded by clr C B Fortuin)

That the revised Long Term Financial Plan be approved by Council.

7.4 AMENDMENT TO THE SUPPLY CHAIN MANAGEMENT POLICY (8/1/B/2)

After approval by the Council, the Supply Chain Management Policy was implemented on 1 January 2006. The policy must be reviewed annually in order to determine if any amendments are necessary.

The amended Supply Chain Management Policy was circulated with the agenda. The amendments deal mostly with processes which must be followed when departure from the prescribed procurement procedure, in accordance with paragraph 36, is considered.

In answer to a question from clr D B Philander in respect of the appointment of ASLA, the Speaker requested that the Director: Development Services arrange a meeting with clr Philander in order to clear up any uncertainties.

RESOLUTION

(proposed by clr E S M Maart, seconded by clr R F van der Westhuizen)

The the proposed amendments to the Supply Chain Management Policy be approved by Council with immediate effect.

7.5 REVISION OF SYSTEM OF DELEGATIONS (2/5/1, 2/5/2)

Article 59 of the Municipal Systems Act stipulates that a Council must develop and maintain a System of Delegations which will optimize administrative and operational efficiency and make provision for adequate checks and balances.

7.5/...

The attachment to the agenda is the second revision of the System of Delegations.

RESOLUTION

(proposed by clr M van Zyl, seconded by clr P E Solomons)

- (a) That the System of Delegation (2nd Revision) as per Annexure A to the report be approved;
- (b) That cognizance be taken that no amendments were effected to the Section 53 Role Definition of political structures, political office bearers and the municipal manager, which document forms part of the System of Delegations.

7.6 RECOMMENDATION FOR AMENDMENT TO THE ORGANIZATIONAL STRUCTURE WITH REFERENCE TO AMENDMENTS TO CORPORATE SERVICES AND CIVIL ENGINEERING SERVICES (2/3)

Article 66 of the Municipal Systems Amended Act 2011, stipulates that the municipal manager is responsible for the development of an organizational structure for approval by the council.

The amendments to the organizational structure are fully explained in the report attached to the agenda.

RESOLUTION

(proposed by clr M van Zyl, seconded by clr O M Stemele)

That the Council, taking into account the recommendations from the Local Labour Forum and the Executive Mayor's Committee, approves the entire organizational structure, including the amendments to the organizational structure in respect of Corporate Services and Civil Engineering Services, for implementation as of 1 July 2018.

7.7 (1) REPORTING OF ARTICLE 56 VACANCY: MR J T STEENKAMP; (2) FILLING OF ARTICLE 56 MANAGEMENT POSITION: DIRECTOR: DEVELOPMENT SERVICES; (3) APPOINTMENT OF SELECTION PANEL (4/3/B, 4/3/1)

The aim of the report before the Council is to inform members in respect of the vacancy which will occur with the retirement of mr J T Steenkamp at the end of December 2018 and to present the process plan to the Council in respect of filling the post in accordance with article 56 of the Systems Act, 2000.

In answer to a question from the ANC, the Executive Mayor confirmed that the post must be advertised nationally, according to the above mentioned legislation, in order to appoint a suitable candidate.

Clr Philander, on behalf of the ANC, requested that the opportunity is used to strive for equal opportunity employment and that the appointment of a black woman is encouraged.

RESOLUTION

(proposed by ald T van Essen, seconded by clr J M de Beer)

- (a) That cognizance be taken of the vacancy which will arised in the post of Director of Development Services with the retirement of Mr Johan Steenkamp at the end of December 2018;
- (b) That it be approved and confirmed by Council that the macro personnel structure as indicated on the approved organizational structure, is in line with the IDP and that the position of Director: Development Services is relevant and needed to achieve the strategic objectives of the IDP;

- (c) That approval is granted by Council that the post of Director: Development Services be filled through the advertising thereof in accordance with the attached advertisement and the Regulations;

7.7/...

- (d) That the post be filled on an all-inclusive "cost to company" package in accordance with the provisions of the upper limits for senior managers, in terms of the Noticed dated 10 October 2017, or as amended;
- (e) That the selection panel consisting of the following persons, be approved –
- (i) The Municipal Manager - Mr Joggie Scholtz (Chairperson of the panel);
 - (ii) The Executive Deputy Mayor, Alw M S I Goliath (as secundi, cllr P E Solomons);
 - (iii) Director: Planning Services of a neighbouring municipality, either Drakenstein, Stellenbosch, Witzenberg or Mossel Bay;
 - (iv) Director: Community Services of a neighbouring municipality, either Drakenstein, Stellenbosch, Witzenberg or Mossel Bay;
- (f) That it be noted that a service provider will be appointed by the Municipal Manager to assist in the recruitment and selection process for the appointment of the Director: Development Services;
- (g) That the process plan attached hereto be noted and approved;
- (h) That approval be granted that Mr Johan Steenkamp is used in a mentorship role after the appointment of his successor for the remaining period of his contract period, provided that he also be used for other tasks, functions and responsibilities, as and when required.

7.8 **CONTRACTS WITH FUTURE BUDGET IMPLICATIONS: APPOINTMENT OF EVALUATOR OUTSIDE THE 2018/21 MULTI-YEAR BUDGET TERM (5/2/1)**

A tender was called for the appointment of a service provider for carrying out a General Valuation and associated Supplementary Valuations for the period 1 July 2018 to 30 June 2024.

Article 33 of the Municipal Financial Management Act, 2003 (MFMA) contains legal requirements which must be followed when contracts with future budget implications, outside the multi-year budget (MTREF), are agreed upon. Inter alia a public participation process was followed, but no comments were received from the public or any state institution.

RESOLUTION

(proposed by cllr T van Essen, seconded by cllr P E Solomons)

In compliance with section 33(c) of the MFMA it is **RESOLVED THAT** –

- (a) approval be granted for a six year agreement to be concluded for the appointment of Suid Kaap Waardeerders as Municipal Valuer for the period 1 July 2018 to 30 June 2024 which will result in the following financial implications as per the requirements of the Local Government Municipal Property Rates Act, 2004:
- R1,171,416.32 for General Valuation (cost already covered in the new MTREF)
 - R1140.00 per day – Preparation for Appeal board Hearings
 - R4560.00 per day – Attendance of Appeal board Hearings
 - R300,000.00 + CPI per year for Supplementary Valuations (costs for years 1, 2.& 3 already covered in the new MTREF with years 4, 5 & 6 not covered)
- (b) Council takes note that the costs for years 4 to 6 (detail under 1 (B)) are not material in aggregate or individual in relation to the total expenditure budget and

more importantly will not impact tariff increases beyond the rates communicated during the 2018/19-2020/21 MTREF;

- (c) cognisance further be taken that the Municipal Manager has complied with the requirements in terms of Section 33 of the MFMA, and that no comments were received from the public or any state institution;
- (d) Council also notes that all the required supply chain procedures were adhered to;
- (e) the Municipal Manager be authorised to sign all contracts which may arise from the award of the tender to Suid Kaap Waardeerders.

7.9 PROPOSED OUT OF HAND ALIENATION OF IMMOVABLE RESIDENTIAL PROPERTY IN RIVERLANDS 36 HOUSING PROJECT (PHASE 2) (12/2/B)

There were two phases created in the so-called Riverlands 36 housing project in which qualifying occupants received an individual subsidy as part of a programme from the Department of Human Settlement in order to purchase the property. During phase 1, 36 erwen were transferred, but the remaining 14 erwen as part of phase 2 could not be transferred, because the properties were not serviced.

During the 2016/2017 financial year Swartland Municipality provided the remaining 14 erwen with services using its own funds and these can now be transferred to qualifying occupants.

RESOLUTION

(proposed by clr B J Stanley, seconded by clr P E Solomons)

- (a) That approval be granted by Council in terms of Section 14 of the Municipal Finance Management Act, 2003 that the 14 properties in Riverlands, being Phase 2 of the so-called Riverlands 36 housing project as listed in Annexure B to this report, be alienated out-of-hand at the reserve prices as indicated;
- (b) That cognizance be taken that the properties to be sold have been identified from the outset for alienation for housing purposes and at no stage have been earmarked for the provision of a minimum or any other level of basic municipal services;
- (c) That the properties may only be alienated to either the existing occupants (provided they qualify as first homeowners) and to qualifying beneficiaries in terms of the Riverlands housing waiting-list, but provided that the particulars of the beneficiaries who are identified, are to be tabled in Council for confirmation;
- (d) That cognizance be taken that a competitive process in this instance is not considered feasible, and that is considered fair and equitable to alienate the properties to the persons as indicated above, to help address the housing need of the poor in the community;
- (e) That the directorate Development Services (Housing Division) be tasked to assist the beneficiaries concerned to apply for subsidies under the individual housing scheme of the Department Human Settlements and to provide guidance to those who, based on their income, will have to apply for private financing, and that – for purposes of transparency – the housing committee concerned also be consulted with.

7.10 PROPOSED OUT OF HAND ALIENATION OF PORTION OF ERF 495, YZERFONTEIN (15/3/3-14)

An application has been received from the owner of erf 115, Yzerfontein to purchase a portion (107 m²) of erf 495, Yzerfontein for consolidation with erf 115 for creating parking. The owner of erf 115, Yzerfontein operates a hardware shop.

It is regarded as sensible to alienate the relevant portion of erf 495, Yzerfontein to the adjoining owner, because the situation and shape of erf 495 is of such a nature that it cannot be used for any other purpose.

RESOLUTION

(proposed by clr E S M Maart, seconded by clr C B Fortuin)

- (a) That approval be granted by Council in terms of the applicable By-law as well as Section 14 of the Municipal Finance Management Act, 2003 for a portion of Erf 495, Yzerfontein (± 107 m² in extent) to be alienated and transferred out of hand to Blue Moonlight 61 Pty Ltd for consolidation with Erf 115, Yzerfontein, at the amount of R535,00, excluding VAT;
- (b) That cognizance be taken that said land is not required for the provision of a minimum or any other level of basic municipal services, since the shape of same will not sensibly contribute towards extending the existing adjacent streets, and no need exists for such extension;
- (c) That the following reasons be recorded for the out of hand alienation as above and for not undergoing a competitive process:
 - (i) The land concerned qualifies as 'non-viable land' in that due to physical constraints it cannot be developed on its own and only becomes functional if alienated to an adjoining owner for usage in conjunction with his or her property, as proposed;
 - (ii) The disposal of same to the purchaser will enable him to develop his property more sensibly and to help create parking;
 - (iii) Due to its shape, said portion of Erf 495 cannot be utilized sensibly to extend the adjacent streets, and the maintenance of this property by the purchaser will benefit the Municipality;
- (d) That the transaction shall be subject to the following conditions:
 - (i) The purchaser, in addition to the purchase price, shall be responsible for all costs ancillary and incidental to this transaction, including advertisement costs, transfer costs and costs related to the relevant land use applications (street closure, rezoning, surveying and consolidation);
 - (ii) No development of said portion of land, other than for parking according the proposed site layout plan will be allowed, and the height of any boundary wall or fencing to be erected on same, shall be limited to a maximum of one meter;
 - (iii) Street access to the portion concerned may not be provided from the existing streets, but only via Erf 115;
 - (iv) Because the portion concerned currently accommodates a portion of the municipal water network, the pipe work and related valves be moved by the purchaser to the street or sidewalk, to the satisfaction of the Civil Engineering Department;
 - (v) The services of council attorneys be used to draft the deed of sale and to effect transfer to the purchaser;
 - (vi) Any improvements on the consolidated property shall have to comply with the applicable land use parameters, and building plans shall be submitted to the Municipality in terms of the By-law regarding the Submission of Building Plans (PN 56818 dated 22 May 2015);
- (e) That the proposed transaction be advertised in the media for public comments and/or potential objections, and the executive mayor (in consultation with his committee) be authorized to deal with any objections that may be forthcoming;
- (f) That before the intention is advertised, written confirmation first be obtained from the purchaser that he agrees to the conditions as provided for in this report;
- (g) That the Director: Corporate Services be authorized to finalise and sign the deed of sale.

A service delivery agreement was entered into with the Cape West Coast/Swartland Tourism Association (STO) to provide the tourism function on behalf of the Municipality.

The new term of the agreement is from 1 July 2018 to 30 June 2019. The agreement has only been extended for one year in pursuance of the core performance indicator (CPI) to revise the tourism business model. The revision of the model aims to (1) to ensure a more effective tourism function in the Swartland, (2) to entice more tourists to the Swartland and (3) market the Swartland as a excellent place in which to invest or to live.

RESOLUTION

(proposed by clr M van Zyl, seconded by clr J M de Beer)

- (a) That a Service Level Agreement be concluded with the Cape West Coast/Swartland Tourism Association for the period 1 July 2018 until 30 June 2019, based on the same conditions as the existing contract, subject to an increase in the quarterly payments within the amount (R766 656,00) as approved in the 2018/19 operating budget;
- (b) That the Municipal Manager be authorized to sign the Service Level Agreement on behalf of the Council in order to fulfill Council's legislative mandate regarding tourism.

7.12 TAKEOVER OF ASSETS: WEST COAST DISTRICT MUNICIPALITY (2/1/1/2/1, 16/1/1/B)

The appointment of the West Coast District Municipality (WCDM), in accordance with Article 78 investigation, as the Water Services Provider, in terms of a service delivery agreement, to provide water to the relevant B-municipalities, was previously reported to the Council.

For various reasons, inter alia, the WCDM's incapacity to take out further loans in order to maintain the bulk water infrastructure, the need arose to repeat the Article 78 investigation in order to determine if the service can be more sustainably provided via an alternative arrangement.

The Article 78 investigation is almost finalised and it is requested that the service delivery contract is extended for one (1) year in order to deal with the administrative needs arising from the investigation.

RESOLUTION

(proposed by clr N Smit, seconded by clr D G Bess)

- (a) That approval be granted for the existing Service Delivery Agreement with the West Coast District Municipality, Bergrivier and Saldanha, to be extended for a further term of one year, with effect from 1 July 2018 until 30 June 2019;
- (b) That the Municipal Manager be authorized to sign the Third Addendum to the Service Delivery Agreement, as attached to the report.

**SIGNED:
SPEAKER**