



**MINUTES OF AN ORDINARY MEETING OF THE EXECUTIVE MAYOR'S COMMITTEE HELD IN THE BANQUETING HALL, MALMESBURY ON WEDNESDAY, 23 JANUARY 2019 AT 11:00**

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**PRESENT:**

Executive Mayor, alderman T van Essen (chairman)  
Deputy Executive Mayor, alderlady M S I Goliath

Members of the Mayor's Committee:

Clr O M Stemele  
Alderman R F van der Westhuizen  
Alderlady M van Zyl

Other councillors:

The Speaker, clr M A Rangasamy

Officials:

Municipal Manager, mr J J Scholtz  
Director: Financial Services, mr M A C Bolton  
Director: Security Services, mr P A C Humphreys  
Act Director: Development Services, mr A M Zaayman  
Director: Civil Engineering Services, mr L D Zikmann  
Director: Corporate Services, ms M S Terblanche  
Director: Electrical Engineering Services, mr R du Toit  
Manager: Secretarial and Record Services, ms N Brand

**1. OPENING**

The chairman welcomed everyone to the first Executive Mayor's Committee Meeting of 2019. Alderman R F van der Westhuizen opened the meeting with a prayer at the request of the chairman.

**2. APOLOGIES**

Apology received from clr P E Solomons.

**3. SUBMISSIONS/DEPUTATIONS/COMMUNICATIONS**

None

**4. MINUTES**

**4.1 MINUTES OF AN ORDINARY EXECUTIVE MAYOR'S COMMITTEE MEETING HELD ON 13 DECEMBER 2018**

**RESOLUTION**

That the minutes of an Ordinary Executive Mayor's Committee Meeting held on 13 December 2018 are approved and signed by the Mayor.

**5. MATTERS ARISING FROM THE MINUTES**

None

## 6. MONTHLY REPORTS IN RESPECT OF NOVEMBER 2018

[Note: The performance and financial information in respect of Quarter 2 are included in the Half Yearly Performance and Budget Evaluation Report, hence the presentation of only additional reports applicable to the various directorates.]

### 6.1 CIVIL ENGINEERING SERVICES (7/1/2/2-4)

**RESOLUTION** that note is taken of the contents of the monthly report from the Directorate Civil Engineering Services for the period November 2018.

### 6.2 ELECTRICAL ENGINEERING SERVICES (7/1/2/2-6)

**RESOLUTION** that note is taken of the contents of the monthly report from the Directorate Electrical Engineering Services for the period November 2018.

### 6.3 SECURITY SERVICES (7/1/2/2-3)

#### 6.3.1 TRAFFIC AND LAW ENFORCEMENT SERVICES

#### 6.3.2 FIRE FIGHTING SERVICES

#### **RESOLUTION**

- (a) That note is taken of the contents of the monthly report from the Directorate Security Services for the period November 2018;
- (b) That, at the request of the Executive Mayor, a survey is carried out of all the informal structures in the Swartland municipal area because the last complete survey was done in April 2017.

### 6.4 DEVELOPMENT SERVICES

**RESOLUTION** that note is taken of the contents of the monthly report from the Directorate Development Services for the period November 2018.

## 7. NEW MATTERS

### 7.1 SUBMISSION OF THE DRAFT ANNUAL REPORT: 2017/2018 FINANCIAL YEAR (7/1/1/1)

The Municipal Manager confirmed that the Audit Report had not yet been received from the Auditor General. The Executive Mayor cannot consider the annual report in the absence of the audit report and therefore -

#### **RESOLUTION**

- (a) That cognisance be taken that the Auditor General, in spite of a written communication that "an unqualified audit with material issues" will be issued on 18 January 2019 at the latest, the Audit Report has not yet been received;
- (b) That further note is taken, with concern, of the late issue of the audit report by the Auditor General, and the risk that it entails for the Swartland Municipality in respect of the submission of the annual report within the statutory time frame;
- (c) That it is noted that the Executive Mayoral Committee therefore cannot consider the annual report for recommendation to the Council without the Audit Report;
- (d) That approval is given that a special Executive Mayor Committee Meeting will have to be held at short notice when the Audit Report is received.

7.2/...

## 7.2 HALF YEARLY BUDGETS AND PERFORMANCE EVALUATION (7/1/1/2)

The submission of the quarterly report is prescribed in article 52(d) of the Local Government Act: Municipal Financial Management, Act 56 of 2003 (MFMA).

The submission is in respect of the responsibility of the Executive Mayor to inform the Council with respect to the implementation of the budget and the state of the financial matters of the Municipality.

**RESOLUTION** (for submission to the Council on 31 January 2019)

That cognisance be taken of the mid-year budget and performance assessment i.r.o. the first half of the 2018/19 financial year and more specifically the need to revise the original budget by way of an adjustments budget.

## 7.3 BUDGET MANAGEMENT COMMITTEE 2018/2019: HALF YEARLY ADJUSTED CAPITAL AND OPERATING BUDGETS, TECHNICAL RECOMMENDATIONS (5/1/1/1; 5/1/1/2)

The half Yearly adjusted capital and operating budgets were considered by the Budget Management Committee at a meeting held on 15 January 2019 in order to present the technical recommendations to the Executive Mayor's Committee and therefore -

**RESOLUTION** (for submission to the Council on 31 January 2019)

- (a) That the Budget Steering Committee convened after having considered the explanations and motivations provided by the financial staff and other directors;
- (b) That it be noted that the changes in the budget will have no impact on tariffs in respect of the 2018/2019 financial year but will result in an increase in the budgeted surplus from R 10 914 610 to a budgeted surplus of R 16 149 238;
- (c) That the 2017/2018 unauthorised expenditure illustrated under 2.5 (a) be approved as part of this adjustments budget of 2018/2019 in line with section 32(2)(a)(i) of the Act;
- (d) That the adjusted budget schedules as required by the Budget and Reporting Regulations be approved as well as the correction of the differences identified during the verification process of the original budget schedules;
- (e) 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;
- (f) That the Service Delivery Budget Implementation Plan (SDBIP) where appropriate be amended accordingly;
- (g) That approval be granted to amend the high-level capital and operating budget for 2018/2019 as follows:

	<b>Original Budget 2018/2019</b>	<b>Roll-Over Adj Budget 2018/2019</b>	<b>Special Adj Budget 2018/2019</b>	<b>Annual Adj Budget 2018/2019</b>
Capital budget	R 87 245 909	R 94 009 363	R 102 890 363	R 98 565 331
Operating Expenditure	R 698 278 426	R 699 811 714	R 676 259 498	R 693 672 465
Operating Revenue	R 746 205 036	R 751 554 438	R 736 846 222	R 761 793 817
Budgeted (Surplus)/ Deficit	(R 47 926 610)	(R 51 742 724)	(R 60 586 724)	(R 68 121 352)
<b>Less: Capital Grants</b>	R 36 975 000	R 40 791 114	R 49 672 114	R 51 972 114
(Surplus)/ Deficit	(R 10 951 610)	(R 10 951 610)	(R 10 914 610)	(R 16 149 238)

#### **7.4 AMENDMENT TO THE 2018/2019 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) (2/4/4)**

The special budget adjustment which was approved by the Council on 13 December 2018 has necessitated an amendment to the Service Delivery and Budget Implementation Plan (SDBIP) which was approved by the Executive Mayor's Committee on 14 June 2018 and 19 September 2019 respectively.

A further amendment to the SDBIP will take place after approval of the half yearly adjusted capital and operating budgets.

##### **RESOLUTION**

That the attached amended 2018/2019 Service Delivery and Budget Implementation Plan (SDBIP) be approved.

#### **7.5 AMENDMENT TO THE KPI'S AND GOALS FOR 2018/2019 (2/4/2)**

The necessity to amend the key performance indicators (KPI's) and goals came to light during the first semester of the 2018/2019 financial year. The amendments describe the KPI's more clearly and the goals are now more realistic.

The amendments to the KPI's and goals will be publicised in accordance with article 42 of the Local Government: Municipal Systems (Act 32 of 2000).

##### **RESOLUTION**

That the attached key performance indicators (KPI's) and targets be approved with effect from 1 July 2018 (retrospective)

#### **7.6 1ST AMENDMENT TO THE 2018/2019 MIG PROJECT IMPLEMENTATION PLAN (5/9/2/6/1)**

The 2018/2019 MIG project implementation plan was sent to the Department of Co-operative Governance and Traditional Affairs (COGTA) on 16 May 2018. Tenders have been received for the 2018/2019 MIG projects of which many are much higher than anticipated which means that a reallocation of funds must be made.

An amended 2018/2019 MIG project implementation plan has therefore been drawn up which must be considered by the Executive Mayor's Committee for submission to COGTA.

##### **RESOLUTION**

- (a) That the Executive Mayoral Committee notes tenders received for the MIG projects in the 2018/2019 financial year, accept the Moorreesburg WWTW upgrade which is for professional fees only, were higher than anticipated.
- (b) That the Executive Mayoral Committee notes that in order to achieve successful project implementation a re-allocation of funds between registered MIG projects is required and that the 2018/2019 DPIIP must be amended accordingly.
- (c) That the Executive Mayoral Committee approves the following projects and budgets for the amended DPIIP for the 2018/2019 financial year:

Table/...

7.6/...

Nr	Project	Budget
1	Rehabilitate Water Networks (WC1287/W/14/17)	R 2 142 895.00
2	Malmesbury De Hoop: New Reservoir (WC/1649/W/16/19)	R 8 538 444.00
3	Malmesbury De Hoop: External Sewer (WC/1650/S/16/20)	R 6 222 816.00
4	New Sports Grounds: Chatsworth (WC1605/CF/16/18)	R 2 852 895.00
5	Upgrade Moorreesburg WWTW (WC1710S/17/122)	R 1 146 505.00
<b>Total</b>		<b>R 20 945 000.00</b>

- (d) That the amended DPIP be submitted to the Department of Cooperative Governance and Traditional Affairs.

#### 7.7 REPORT IN RESPECT OF THE IMPLEMENTATION OF THE SUPPLY CHAIN MANAGEMENT REGULATION FOR THE PERIOD 1 OCTOBER 2018 TO 31 DECEMBER 2018 (8/1/B/2)

Article 6(3) of the *Supply Chain Management Regulations* stipulates that the activities of the relevant division must be reported quarterly to the Executive Mayor.

#### RESOLUTION

- (a) That cognisance is taken of the Quarterly Report in respect of the implementation of the Supply Chain Management Policy as envisaged by section 6(3) of the Regulations, as well as reports on the Formal Tenders (Annexure A), Informal Tenders (Annexure B), and the Deviation Report (Annexure C).
- (b) That cognisance is taken of the services rendered for the period 1 October 2018 to 31 December 2018 with reference to the exceptions where it is impractical to test the market and therefore justified a deviation from the procurement processes in terms of paragraph 2(6) of the Supply Chain Management Policy (Annexure D).

#### 7.8 SUBMISSION OF THE DRAFT REGULATION IN RESPECT OF PUBLIC NUISANCES (1/1)

The presentation of the draft regulation is in accordance with paragraphs 56 and 57 of the Swartland Municipality: Regulation in respect of the Rules for Holding Meetings, as promulgated in the Extraordinary Government Gazette, No 7501 dated 2 October 2015.

In revising the Regulation in respect of Public Nuisances during 2015 the Council was advised to omit the keeping of animals, specifically dogs, in the relevant regulation, because this was already regulated by the Regulation in respect of Municipal Land Usage Planning.

Experience is however that, particularly in respect of the number of dogs which can be kept on a property, this causes a public nuisance and that the regulation must again be revised in order to address the existing short coming.

The amended regulation was circulated with the agenda..

#### RESOLUTION (for submission to the Council on 31 January 2019)

- (a) That the draft By-law with respect to Public Nuisances be submitted to the Council for approval in principle on 31 January 2019;

7.8/...

- (b) That, after approval in principle by the Council, the draft by-law be advertised for public comment in terms of section 12(3)(b) of the Systems Act, 2000 both in the local media and on the municipal website.

#### **7.9 STATUS QUO AND AMENDMENT TO THE 2017-2022 MUNICIPAL SPATIAL DEVELOPMENT FRAMEWORK (SDF) (15/1/4/1)**

The acting Director: Development Services mr A Zaayman, presented the proposed amendments to the 2017-2022 Municipal Spatial Development Framework (SDF) to the Executive Mayor's Committee. Three specific focus areas have been addressed in the proposed amendments, namely (1) housing, (2) institutional needs and (3) cemetery needs.

The submission via the Executive Mayor's Committee to the Municipal Council on 31 January 2019 aims to set in motion the public participation process. To this end visits will be made to all the ward committee meetings which commenced on Monday, 28 January 2019.

The Executive Mayor requested that, with reference to the sports fields/athletic track which will be built between Liebenberg Primêr and Schoonspruit Sekondêre, an on-site inspection is carried out on the land around Liebenberg School in order to determine if it can be utilized for education purposes and indicated accordingly in the SDF.

#### **RESOLUTION** (for submission to the Council on 31 January 2019)

- (a) That note is taken of the status quo in respect of the 2017-2022 Municipal Spatial Development Framework (SDF) and the proposed amendment with specific reference to the focus areas, namely (1) housing, (2) institutional needs and (3) cemetery needs;
- (b) That approval is given that the first draft amendment to the 2017-2022 SDF is advertised for public comment in terms of paragraph 7(1)(b) of the Swartland Municipality: Regulation in respect of Land Usage Planning (PK 7741 dated 3 March 2017);
- (c) That the proposed amendment of the SDF is made available to the Provincial Minister and other state organs for comment;
- (d) That the time frame for the public participation process will be from February to March 2019 and that open days will be held in most of the towns in the Swartland municipal area as per the attached schedule.

#### **7.10 APPOINTMENT OF A MEMBER TO THE VALUATIONS APPEAL BOARD FOR SWARTLAND MUNICIPALITY (15/2/2/1)**

The Valuations Appeal Board was appointed at beginning of 2016 for a term of four years in accordance with article 60 of the Local Government: Municipal Property Rates and Taxes Act (Act 6 of 2004) and terminates on 29 February 2020.

In June 2018 ms T Kuyk resigned as a member of the Valuations Appeal Board which necessitated that the Municipality must appoint another member for the remainder of the term. Mr A H Rootman, a resident of the Swartland, originally applied to serve on the Valuations Appeal Board.

#### **RESOLUTION**

- (a) Herewith it is recommended that the application from mr A H Rootman for appointment as a member of the Swartland Municipality's Valuations Appeal Board, is submitted to the Minister of Local Government;
- (b) Mr Rootman's term of appointment expires on 29 February 2020 together with the existing members of the Appeal Board.

**7.11 INCOME PROTECTION AND LOSS MANAGEMENT OFFICIAL: MS BELINDA MARAIS (P/...)**

The Director: Electrical Engineering Services gave the background to the appointment of ms Belinda Marais as President Elect of the *Southern Africa Revenue Protection Association* (SARPA).

The Executive Mayor requested that the appointment of ms Marais is announced during the Council Meeting of 31 January 2019 in the presence of the latter.

**RESOLUTION**

- (a) That ms Belinda Marais is congratulated on her appointment as President Elect of the *Southern Africa Revenue Protection Association* (SARPA).
- (b) That note is taken of the election of ms Marais as President Elect of the *Southern Africa Revenue Protection Association* and that an undertaking is made to support her in carrying out her duties and further notice is taken that a suitable amount must be budgeted for the presentation of the national conference of SARPA when necessary.

**7.12 ABBOTSDALE: BOTTERKLOOF (ERF 167) HOUSING PROJECT: POSSIBLE SETTING ASIDE OF CAPITAL CONTRIBUTIONS (15/3/3-1)**

The farms Botterkloof and Klein Botrivier in the Paardeberg area have been under new ownership since November 2016. The owners, Botterkloof Boerdery, intend to change the farming operations from mainly export fruit growing to cattle farming. The latter is not so labour intensive and the owners have decided to purchase erf 167, Abbotsdale on which to establish a subsidized housing scheme for farm workers.

The preliminary budget for the project is R5 500 000.00 and it is envisage to erect 26 duplex houses which will be grouped in three blocks. The project will also be registered with the NHBRC and will therefore comply with all the building and municipal regulations, in order to ensure high quality building work.

The Department of Human Settlement has already indicated that they support the project and subsidies to the amount of R 3 800 000.00 will be provided. The aim of the owners is to provide the houses free to the beneficiaries and the owners must therefore finance the balance of R 1 700 000.00.

If the project is successfully implemented it can be used as best practice, as the Municipality is continuously confronted by layoffs of farm workers on farms and farm owners who wish to obtain land in town to accommodate farm workers.

A request has been received from Botterkloof Boerdery to exempt the development from capital development contributions because the owners will be contributing R1 700 000.00 toward the project and do not intend to make a profit on the provision of housing for their farm employees.

**RESOLUTION**

- (a) That the Executive Mayor's Committee places on record that it supports the Abbotsdale: Botterkloof Housing Project;
- (b) That approval is given for exemption from capital contributions per unit for this project, because it is subsidized housing, but that every application in the future will be handled on merit depending on the availability of infrastructure;
- (c) That, with reference to paragraph (b), the land usage conditions are amended accordingly.

### **7.13 PROPOSED LEASING OF INDUSTRIAL LAND IN MOORREESBURG FOR AGRICULTURAL PURPOSES (12/2/5/5-9/2)**

The Municipality owns over ±17,7 ha in Moorreesburg which is made available, on an annual basis, for agricultural purposes by means of a public tender process.

The tender will only be awarded, to a local (Moorreesburg) based public welfare organization, which is concerned with either welfare, humanitarian or cultural activities.

#### **RESOLUTION**

- (a) That approval be granted for proposals to be invited for the leasing of a portion (± 17.7 ha in extent) of erf 1133, Moorreesburg for a period not exceeding twelve months, with effect from 1 April 2019;
- (b) That proposals be invited on the basis of and conditions as contained in the draft notice as per Annexure B to the report;
- (c) That the Municipal Manager be authorized to appoint a committee to consider the proposals received and to make an award in consultation with the relevant ward councilor;
- (d) That the Director: Corporate Services be authorized to finalize the contents, as well as the signing of the lease agreement.

### **7.14 OUTSTANDING DEBTORS: DECEMBER 2018 (5/7/1/1)**

A complete report in respect of outstanding debtors was circulated with the agenda.

**RESOLUTION** that the Council takes note of the report in respect of the state of Swartland Municipality's outstanding debtors for December 2018.

### **7.15 WRITE-OFF OF NON-RECOVERABLE AND OTHER DEBT: JANUARY 2019 (5/7/3)**

Despite the fact that destitute households receive a subsidy in respect of basic services, and that the credit management department draws their attention to using particularly water sparingly, the accounts with respect to these households escalates monthly. This is mainly the result of the socio-economic situation in which most of the destitute households find themselves, as well as the higher water tariffs. The amount submitted for write-off is R1 237 879.29.

In respect of the outstanding debt which is non-recoverable, the credit management division has made every possible effort to recover the money. The total amount submitted for write-off is R168 286.81 and can be attributed for example to the fact that the account holder has passed away, persons cannot be traced, and account holders who do not have the financial capacity to make any payments.

The Executive Mayor requested that the highest water users, who live in the Eskom Distribution areas, where credit management cannot be enforced, are visited.

#### **RESOLUTION**

- (a) That the Executive Mayoral Committee approves that the amount of R1 237 879.29 be written-off as irrecoverable, in respect of indigent households;
- (b) That the Executive Mayoral Committee approves that the amount of R168 286.81 be written-off as irrecoverable, in respect of other debtors linked to and as a direct result of the individual reasons per case;



7.15/...

- (c) That, if after the date of this approval, it comes to light that a portion of the debt owed by a debtor is not correct, or that any information was not made known to the Executive Mayoral Committee at the time of write-off, which would have led to the committee not considering the amount for write-off, the Executive Mayoral Committee retains the right to write back the debt to the relevant debtor and that the necessary steps will be taken to recover the debt;
- (d) That, if a property is in any way alienated, the Council retains the right to refuse clearance on the relevant property in order to recover the amounts written-off, before clearance is given. In order to enforce this decision a register is kept by the Rates and Taxes Division which enables the department to see if any debts were written-off within the previous two years, and if so to recover the amounts before clearance is considered;
- (e) That approval is also given that the current levies, which is not yet incorporated in the current list due to the period from the starting of the administrative process of compiling the write-off list and the period thereafter, form part of the write-off, providing that the Credit Control Division is convinced that the new debt is also irrecoverable under the same circumstances;
- (f) That approval is also given that the amounts owed to the Council, which to date, do not appear on the schedule as a result of the non-completion of socio-economic investigations at all indigent households, will also form part of the write-off, providing that the Credit Control Division is convinced that the new debt is also irrecoverable under the same circumstances;
- (g) That the actual amount for write-off be submitted to the Executive Mayoral Committee at the next meeting;
- (h) That any VAT levied on the services is claimed back from the Receiver of Revenue in the prescribed manner;
- (i) That the Credit Control Division attempt to pay a personal visit to each indigent household in order to explain the write-off and the future obligations of 'responsible users', as well as to explain the installation and workings of water demand management systems, as a proactive credit control measure;
- (j) That approval be given that the costs relating to the replacement of the credit meter with a prepaid electricity meter are for the municipality to bear and that the Chief Financial Officer will recover the costs from the Equitable Share allocation;
- (k) That the Mayoral Committee takes cognizance of the fact that the administration will attempt to put measures in place in a bid to force those users of services not on our financial system to agree and complete the necessary services connection form/s.

#### **7.16 PROGRESS IN RESPECT OF OUTSTANDING INSURANCE CLAIMS (5/14/3/5)**

In accordance with the Asset Management Policy outstanding insurance claims must be reported monthly.

**RESOLUTION** that cognizance be taken of the status of outstanding insurance claims for the period ending December 2019 as circulated with the agenda.

**7.17 ROAD RESEALING PROGRAMME: 2018/2019 (16/5/5/1)**

The amount of R14 million is available in the 2018/2019 financial year for the resealing of roads. The available funds are proportionally distributed between the towns in the Swartland municipal area according to the total length of tarred streets.

The *Pavement Management System*, as well as on-site inspections is used to identify streets which must be resealed. The system prioritizes streets according to classification and the condition of the road.

**RESOLUTION**

- (a) That the reseal programme as attached to this report be approved;
- (b) That cognisance be taken that the reseal programme as attached is preliminary and will be downscaled in relation to the expense of the preparation works.

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

The Supply Chain Management Policy is revised on an annual basis in order to keep in step with the latest legal requirements and related regulations. The amendments deal with the departures from the prescribed procurement processes according to paragraph 36 of the policy.

The amended policy was circulated with the agenda for presentation to the Council on 31 January 2019.

**RESOLUTION**

That the proposed amendments to Council's Supply Chain Management Policy in Paragraph 36(1)(e), as presented in Appendix A, be approved with immediate effect, and Paragraph 2(6)(d) with effect from 1 May 2019.

**(SGD) T VAN ESSEN  
EXECUTIVE MAYOR**