



**MINUTES OF AN URGENT MEETING OF THE SWARTLAND MUNICIPAL COUNCIL, HELD IN THE MALMESBURY BANQUETING HALL ON THURSDAY, 26 MARCH 2020 AT 10:00**

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**PRESENT:**

Speaker, clr M Rangasamy

Executive Mayor, ald T van Essen

Deputy Executive Mayor, aldd M S I Goliath

Bess, D G (DA)

Daniels, C (DA)

De Beer, J M (DA)

McQuire, V D (DA)

O'Kennedy, E C

Smit, N (DA)

Solomons, P E (DA)

Stanley, B J (DA)

Stemele, O M (DA)

Van der Westhuizen, R F (DA)

Van Zyl, M (DA)

Officials:

Municipal Manager, mr J J Scholtz

Director: Financial Services, mr M A C Bolton

Director: Protection Services, mr P A C Humphreys

Director: Development Services, ms J C Krieger

Director: Corporate Services, ms M S Terblanche

Senior Manager: Strategic Services, mr L Fourie

IDP/LED Official, ms O Fransman

Manager: Secretarial and Records, ms N Brand

**1. OPENING**

The Municipal Manager, mr J J Scholtz, opened the meeting with a scripture reading and a prayer at the request of the Speaker.

A word of welcome was extended to the Executive Mayor, The Deputy Executive Mayor, aldermen, alderdames, councillors, officials and members of the press.

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

**APOLOGIES**

Apologies received from clrs Z Bekebu, E S M Maart, F C Humphreys, N S Zatu, D B Philander, A M Sneewe, B J Penxa, C H Papers and L E Mfutwana.

The Speaker voiced his concern that the ANC caucus did not consider it important to attend this urgent meeting. Even the President and Ministers urgently adjusted their schedules in order to put rules in place to provide for the health of the South African residents.

Furthermore the Western Cape Department of Local Government also requested in Circular C6 of 2020 dated 24 March 2020 that municipalities make an attempt to hold council meetings with a view to dealing with the submission of the draft IDP and Budgets before/on 26 March 2020.

**3. DEPUTATIONS/DECLARATIONS AND COMMUNICATIONS/SUBMISSIONS**

None

4./...

#### 4. MINUTES FO APPROVAL

##### 4.1 MINUTES OF AN ORDINARY COUNCIL MEETING HELD ON 30 JANUARY 2020

###### RESOLUTION

(proposed by alderdame M van Zyl, seconded by clr V D McQuire)

That the minutes of an Ordinary Council Meeting held on 30 January 2020 are approved and signed by the Speaker.

#### 5. REPORT IN RESPECT OF 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 authority in the following minutes:

##### 5.1 MINUTES OF AN ORDINARY MEETING OF THE EXECUTIVE MAYORAL COMMITTEE HELD ON 22 JANUARY 2020

##### 5.2 MINUTES OF AN ORDINARY MEETING OF THE EXECUTIVE MAYORAL COMMITTEE HELD ON 19 FEBRUARY 2020

read in conjunction with

##### MINUTES OF A PORTFOLIOS COMMITTEE MEETING HELD ON 12 FEBRUARY 2020

#### 6. REPORT IN RESPECT OF 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 authority in the following minutes:

##### 6.1 MINUTES OF A MEETING OF THE TENDER AWARD COMMITTEE HELD ON 10 DECEMBER 2019

##### 6.2 MINUTES OF A MEETING OF THE TENDER AWARD COMMITTEE HELD ON 3 FEBRUARY 2020

##### 6.3 MINUTES OF A MEETING OF THE TENDER AWARD COMMITTEE HELD ON 5 MARCH 2020

#### 7. MATTERS FOR DISCUSSION

##### 7.1 SUBMISSION OF DRAFT ANNUAL REPORT: 2018/2019 FINANCIAL YEAR (7/1/1/1)

The Draft Annual Report for the 2018/2019 financial year was presented to the Council on 30 January 2020 in accordance with section 127 of the Municipal Financial Management Act, 2003, after which the Annual Report was made available to the public and relevant government organizations for comment/and input.

The Executive Mayor confirmed that the Summary Report was drawn up by the Public Accountability Committee on 12 March 2020.

The Summary Report for the 2018/2019 financial year was brought to the vote by the Speaker and unanimously approved (in the absence of nine councillors).

###### RESOLUTION

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

(a) That Council, having considered the 2018/2019 Annual Report of Swartland Municipality, adopts the Oversight Report in terms of section 129 of the Municipal Finance Management Act (MFMA);

(b)/...

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- (b) That the 2018/2019 Annual Report of Swartland Municipality be approved without reservations, in terms of section 129 of the MFMA;
- (c) That the minutes of the meetings where the Annual Report was discussed, in the presence of the accounting officer (Municipal Manager) be submitted to the Auditor-General, the Provincial Treasury and the Western Cape Department for Local Government as attached to the report, in terms of section 129(2) of the MFMA;
- (d) That the 2018/2019 Oversight Report of Swartland Municipality be made public in terms of Section 129(3) of the MFMA and be submitted to the Western Cape Legislature in terms of Section 132(2) of the MFMA;

#### **FURTHER RESOLVED**

- (e) That cognisance be taken and thus approval be granted for the payment of performance bonuses as specified in paragraph 3.1 of the Oversight Report.

#### **7.2 THIRD AMENDMENT TO THE 2017-2022 INTEGRATED DEVELOPMENT PLAN (IDP) AND AREA PLANS (2/1/4/4/1)**

Section 34(a) of the Local Government Act: Municipal Systems, 2000 stipulates that a municipal council must revise its Integrated Development Plan (IDP) annually. The IDP serves as a basis for the 2020/2021 annual budget, the SDBIP and the performance plans for the various directorates.

The Executive Mayor dealt briefly with the amendments to the IDP and stated that, due to the inability of National and Provincial Departments to execute budgeted projects, this information will no longer be referred to in the IDP.

The Executive Mayor confirmed that interested parties will have the opportunity, until 30 April 2020, to comment on the draft IDP.

The recommendation was brought to the vote by the Speaker and unanimously approved (in the absence of nine councillors).

#### **RESOLUTION**

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

That the -

- (a) third amendment of the 2017-2022 Integrated Development Plan (IDP),
  - (b) the revision of the area plans, and
  - (c) the Financial Plan
- be approved.

#### **7.3 MULTI-YEAR CAPITAL AND OPERATING BUDGETS, REVISED BUDGET RELATED POLICIES, REGULATIONS, PROPERTY TAXATION, TARIFFS AND OTHER LEVIES FOR 2020/2021; 2021/2022 AND 2022/2023 FOR PURPOSES OF THE PUBLIC PARTICIPATION PROCESS AS PER THE REQUIREMENTS OF THE 'MFMA' INCLUDING IN PRINCIPLE APPROVAL FOR TAKING OUT A LONG TERM LOAN FOR THE PARTIAL FUNDING OF THE EXTENSIONS TO THE MOORREESBURG AND DARLING SEWERAGE WORKS (5/1/1/1, 5/1/1/2-2019/20; 5/1/4)**

The Executive Mayor, ald T van Essen tabled the draft Capital and Operating Budgets for the 2020/2021, 2021/2022 and 2022/2023 financial years, which were considered during the Executive Mayor's Committee meeting held on 24 March 2020.

The recommendations/...

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The recommendations before the Council, which were considered during the Executive Mayor's Committee meeting held on 24 March 2020, were brought to the vote by the Speaker (in the absence of nine councillors) and -

**UNANIMOUSLY RESOLVED**

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

- (a) That council takes note that the costs as envisaged by Section 19 (2)(a)(b) were derived after consultation with the respective director(s) who has confirmed the costs as per **(Annexure A, Section 1: 2020/21 – 2022/23 Draft Budget and Tariff File)** and consider same;
- (b) That council prior to approving the capital projects above R50 million as listed in **(Annexure B: 2020/21 – 2022/23 Capital Projects ito Sec 19)**, first consider the projected cost covering all financial years until the project is operational and the future operational costs and revenue on the project, including municipal tax and tariff implications;
- (c) That council considers the funding sources linked to council's capital program and take note that these funding sources are available and have not been committed for other purposes;

<b>FINANCING SOURCES</b>	<b>Draft Budget 2020/2021</b>	<b>Draft Budget 2021/2022</b>	<b>Draft Budget 2022/2023</b>
External Loans	R 25 000 000	R 25 000 000	R -
Capital Replacement Reserve (CRR)	R 105 626 282	R 85 828 042	R 72 522 640
Municipal Infrastructure Grant (MIG)	R 21 183 000	R 22 700 000	R 23 810 000
Dept. Human Settlements	R 48 474 000	R -	R 36 760 000
Integrated National Electrification Programme	R 7 652 000	R 5 000 000	R 5 000 000
Dept. Cultural Affairs and Sport	R 70 000	R -	R -
RSEP / VPUU	R 3 000 000	R -	R -
Community Safety Grant	R 611 600	R 55 000	R -
Fire Service Capacity Building Grant	R 732 000	R -	R -
Energy Efficiency Demand Side Management	R 4 000 000	R -	R -
<b>GRAND TOTAL</b>	<b>R 216 348 882</b>	<b>R 138 583 042</b>	<b>R 138 092 640</b>

- (d) That council deemed it appropriate to consider the entire capital program excluding the 2 contractually combine projects above R 50 million as the aforementioned capital program's operational cost, inclusive of future costs being covered by the rates regime and the normal cost centres found in the operational budget;
- (e) That council note that the upgrading of both the Moorreesburg and Darling Waste Water Treatment Works will have an impact on the outer years, i.e from the 2022/23 financial year and beyond and therefore the process as prescribed in Section 33 of the MFMA is required prior to final approval in May 2020;
- (f) That council approves the purchasing of the Nedbank and Standard Bank Buildings at a cost of R 20 650 million for purposes of owning its own buildings in a bid to mitigate the risk of increasing rentals payable for the "Checkers", "Santam" and "Pep Buildings", inclusive of the cost additions of around R 6 million required to attend to the conversion works" required to operationalise the 2 buildings over the MTREF with the Standard Bank building becoming available first for the aforementioned purpose **(Annexure E)**;
- (g) That council approves the capital projects as part of its consolidated capital program as per **(Annexure A, Section 1: 2020/21 – 2022/23 Draft Budget and Tariff File)**;

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- (h) That the draft multi-year Capital and Operating budgets with respect to the 2020/21– 2022/23 financial years be approved, in accordance with sections 16, 17 and 19 of the MFMA to allow for public participation;

	Original Budget 2019/20	Mid-Year Adj Budget 2019/20	Draft Budget 2020/21	Draft Budget 2021/22	Draft Budget 2022/23
Capital budget	143 857 572	140 815 524	216 348 882	138 583 042	138 092 640
Operating Expenditure	749 828 067	757 190 607	791 593 605	883 808 881	921 507 325
Operating Revenue	830 826 697	855 620 406	918 266 141	972 092 891	1 058 036 519
<b>Budgeted (Surplus)/ Deficit</b>	<b>(80 998 630)</b>	<b>(98 429 799)</b>	<b>(126 672 537)</b>	<b>(88 284 010)</b>	<b>(136 529 195)</b>
Less: Capital Grants & Donations	67 161 000	80 451 000	85 722 600	27 755 000	65 570 000
<b>(Surplus)/ Deficit</b>	<b>(13 837 630)</b>	<b>(17 978 799)</b>	<b>(40 949 937)</b>	<b>(60 529 010)</b>	<b>(70 959 195)</b>

- (i) That council in-principle approves the raising of an external loan to the amount of R50 000 000 for the partial financing of the Moorreesburg and Darling Waste Water Treatment Works in the multi-year capital budget for 2020/21 to 2022/23 financial years, by means of testing the market as envisaged by MFMA section 46, requesting tenders from the financial institutions;
- (j) That approval be granted to the Director: Financial Services to prepare the necessary tender for purposes of giving effect to section 46 of the MFMA in respect of taking up a capital loan to the value R50 000 000, in terms of the requirements of Section 46 of the MFMA for the specific purpose of partially funding the aforementioned Treatment Works;
- (k) That council approves the property tax rates, exemptions and rebates for the 2020/2021 financial year as listed below and in the property rates policy for purposes of allowing for public participation;

Property Categories	Rate (c/R)
Residential properties	0,5354
Vacant land	0,7207
Industrial properties	0,7722
Business and commercial properties	0,7722
Agricultural properties (used for agricultural purposes)	0,1339
Agricultural properties used for eco-tourism	0,7722
Agricultural properties used for trading in or hunting of game;	0,7722
Mining properties	0,7722
Properties owned by an organ of state and used for public service purposes	0,7722
Public service infrastructure	0,0000
100% Rebate to owners of public benefit organisations used for the public benefit listed activities	0,0000
Properties used for multiple purposes	Either 0,7722, 0,5354 or 0,1339, according to permitted use
Properties in rural area zoned for business or in respect of which consent uses have been approved in terms of the municipality's zoning scheme regulations	0,7722

Municipal properties	0,0000
Informal settlements, including those on land which are not subdivided into residential ervens	0,0000
Property acquired through the Provision of Land and Assistance Act, 1993 (126 of 1993) or the Restitution of Land Rights Act, 1994 (Act 22 of 1994) or Communal Property Association Act, 1996	Either 0,7722, 0,5354, according to permitted use
Conservation areas	0,0000
Protected areas	0,0000
National monuments	0,0000
State owned properties	0,7722
A rebate to an amount equal to the rates payable on the first amount of the valuation of such property to a limit of R300 000	Qualifying senior citizens and disabled persons

- (l) That the rebate to qualifying senior citizens and disabled persons who are owners of property, be limited to a maximum of R300 000 of the total valuation, as defined in the Property Rates Policy for the 2021/22 financial year, where after the impact of the rebate be assessed in the context of the affordability of increased revenue forgone;
- (m) That council approve the draft tariff structures and charges for water, refuse removal, sewerage and other sundry charges as set out in **(Annexure A: 2020/21 – 2022/23 Draft Budget and Tariff File)** for purposes of allowing for public participation;
- (n) That council approves the proposed electricity tariffs as draft for the 2020/2021 financial year, bearing in mind that it is still subject to NERSA's final approval;
- (o) That the annual budget tables as required by the Budget and Reporting Regulations be approved as set out in **(Annexure C: Budget Report and A-Schedules 2020/21 – 2022/23)**;
- (p) That the **amendments** to the budget and related policies, the Credit Control and Debt Collection By-law and Policy, also the **amendments** to the Property Rates Policy as set out in **(Annexure D: Draft Amendments to Budget Related Policies 2020/21)** hereto, be approved for purposes of soliciting the views and comment from the public, but that the amendments to the Indigent Policy be approved with immediate effect, i.e for the 2019/20 and 2020/21 financial years;
- (q) That the training budget limited to 0,83% of the salary budget in the amount of R2 003 144 for the 2020/21 financial year be approved as draft;
- (r) That Council takes note and grant approval for the following increases as follows:
- In respect of all personnel, excluding the Municipal Manager, CFO, Directors Civil Services and Development Services, an increase of **6.25%** for 2020/21; **6%** for 2021/22 and **6%** for the 2022/23 financial years, excluding the increase in other benefits that are applicable and the annual 2.5% notch increase where applicable.
  - In respect of the other section 56-appointments, a **6.25%** increase with effect from 1 July 2020 (increases of the directors: Corporate, Electrical and Protection Services being linked to the other personnel costs negotiated and determined at national level as allowed for);
  - Provision has been made for a **5%** increase for political office bearers which are within the upper band of the inflation targets set by the South African Reserve Bank (SARB).

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- (s) That council approves the additional increase in the salary bill to the tune of R 7 480 million to fund the posts per **Annexure F** (this only relates to the additional posts and not the other annual increases);
- (t) That Council takes note of the budgeted operating surpluses, the total expenditure growth of **4.5%** from the current to the new financial year and growth in revenue of **7.3%** for the MTREF period as well as the cash flow statement as per **(A-schedule A7)** for the next three financial years;
- the risk factor for cash coverage for operating expenses is **10.9 months** for 2020/2021, **9.6 months** for 2021/2022 and **10.1 months** for 2022/2023 financial years;
  - over the next three financial years the planning is such that the following operating surpluses are envisaged, 2020/2021 an amount of **R 40 949 937**, 2021/2022 an amount of **R 60 529 010** and 2022/2023 an amount of **R 70 959 195 (excluding capital grant income)**;
- (u) 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;
- (v) That Council take note that the budget was also prepared in the new mSCOA Version 6.4 as required by National Treasury;
- (w) That cognisance be taken of the content of National Treasury's Circulars 98 and 99 regarding guidelines for the budget;
- (x) That note is taken, that with the implementation of the "Upper Limits" system, there is now disproportionate differentiation between the directors, in that the Directors Financial Services, Civil Engineering Services and Development Services earn less than the others, to the extent that a department head now earns more than the relevant director;
- (y) That approval is given, in terms of Section 13(4) of the "Upper Limits" Notice 351 dated 20 March 2020, to apply for exemption in respect of the Directors Financial Services, Civil Engineering Services and Development Services with respect to the irrational disparity in terms of which department heads earn more than directors;
- (z) That note is taken of the possibility of a Special Council Meeting – as and when necessary – in order to consider a budget adjustment to determine the impact of the COVID-19 virus and in order to make provision for the negative impact of the Disaster Situation which is being experienced at present;
- (aa) That note is taken, with reference to Circular C6 of 2020 from the Western Cape Department of Local Government dated 24 March 2020, of the extended period for comment (more than 21 days) from the public up to and including 30 April 2020, in order to give additional opportunity to deliver comment, whilst there are no public participation meetings;
- (bb) That the Executive Mayor and Municipal Manager are authorized, given the Disaster Situation as a result of the COVID-19 virus, to consider, inter alia and within the legal framework, not blocking electricity meters (also in respect of those meters which are already blocked), holding back on interest on outstanding municipal accounts, increasing the allocation of free water and the buying of electricity with a credit card;
- (cc) That, in order to ensure effective operational management during this time of restricted movement, the Executive Mayor is authorized to approve the overspending of the disaster management, overtime and support posts and any other posts which are seen as necessary for the management of the COVID-19 pandemic, ...

7.3(cc)/...

in the interest of implementation of the latest COGTA regulations in respect of assistance to the community, including the expenditure which is necessary for law enforcement and traffic officials and any other personnel who must carry out duties outside their normal call of duty;

- (dd) That such expenditure, made in consultation with the Accountable Officer and the Director: Financial Services for purposes of the management of unforeseen and inevitable expenses as a direct result of the Municipality's efforts to prevent the spread of the COVID-19 virus, will be approved later in accordance with the MFMA requirements or as recommended by the National Treasury.

#### **7.4 DRAFT 2020/2021 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) (2/4/2)**

The draft 2020/2021 Service Delivery and Budget Implementation Plan (SDBIP) was presented to the Council by the Executive Mayor.

The SDBIP was presented in terms of regulations 14 and 15 of the *Municipal Budget and Reporting Regulations*.

##### **RESOLUTION**

(proposed by ald T van Essen, seconded by ald R F van der Westhuizen)

That the attached draft 2020/2021 Service Delivery and Budget Implementation Plan (SDBIP) be approved for the purposes of assessment of the budget by National and Provincial Treasury.

#### **7.5 DETERMINATION OF DEVELOPMENT CONTRIBUTIONS FOR 2020/2021 (15/1/B)**

The Executive Mayor confirmed that the matter was considered during the Executive Mayor's Committee Meeting held on 24 March 2020 and it is proposed that the 40% discount must still apply. The reason for this is that the Municipality is in the process of revising the Bulk Services Master Plan.

##### **RESOLUTION**

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

- (a) The attached Development Charges for the 2020/2021 financial year be approved:
- "Greenfields" Development Charges – Malmesbury (Annexure "A").
  - "Brownfields" Development Contributions – Swartland Municipal Area (Annexure "B").
  - Development Charges – Riebeeek Valley (Annexure "C").
  - Development charges for Bulk Services – Yzerfontein (Annexure "D").
- (b) A rebate of 40% be considered regarding development charges in respect of the 2020/2021 financial year;
- (c) Developers have to enter into an agreement with the Municipality regarding the payment of charges in terms of the existing policies;
- (d) The previous resolution in terms of which exemption from development charges was granted to businesses and industries in the Riebeeek Valley of 100m<sup>2</sup> or smaller in extent, be reconfirmed in respect of the 2020/2021 financial year;
- (e) Actual Cost of Development Charges will apply to all developments, as determined and calculated by the Directors of Civil and Electrical Engineering Services;

7.6/...



## **7.6 MUNICIPAL WARD DEMARCATION FOR THE 2021 LOCAL ELECTIONS (15/1/1; 17/17/1/1)**

The Executive Mayor dealt with the proposals, which were circulated with the agenda, for submission to the Municipal Demarcation Council.

The Director: Corporate Services stated that the closing date for the submission of proposals by the Municipal Demarcation Council has been extended to 15 May 2020.

### **RESOLUTION**

(proposed by ald T van Essen, seconded by cllr N Smit)

- (a) That the draft WC015 ward delimitations for purposes of the 2021 local elections be noted as provided by the Municipal Demarcation Board;
- (b) That the proposed amendments to said drafts as explained in Annexure B to the report be approved, and that the prescribed forms in this regard be completed by the Municipal Manager and submitted to the Municipal Demarcation Board.

## **7.7 IRREGULAR EXPENDITURE AS REPORTED BY THE AUDITOR GENERAL IN THE AUDIT REPORT FOR 2018/2019 FINANCIAL YEAR (5/15/1/5)**

The Municipal Manager explained the background to the finding by the Auditor General in respect of irregular expenditure which it is felt are grossly unfair.

The finding was based on the MFMA Circular 96 dated 24 July 2019 which stipulated stricter rules for the so-called "piggy backing" process which the Auditor General thus applied in retrospect in the case of Swartland Municipality. The Municipal Manager explained that during the disaster situation as a result of the drought and with dam levels at 14% a decision was made to make use of the Drakenstein Municipality tender for the sinking of boreholes, in order to ensure continued water supply to the towns.

The Auditor General is however of the opinion that a departure process should have been followed. The result is that the Auditor General has demanded that the expenditure must be declared as irregular in the Financial Statements.

### **RESOLUTION**

(op voorstel van ald T van Essen, seconded by cllr P E Solomons)

That the progress of the preliminary investigation by the Disciplinary Board regarding the irregular expenditure as reported by the Auditor-General be noted:

- (a) The preliminary investigation has been completed with regards to the procurement of goods and services under the contract secured by Drakenstein Municipality;
- (b) The final conclusion as indicated in the report is that the municipality followed the correct process and complied with the requirements of section 32 of the SCM Regulation at the time when they procured the goods and services for the municipality under a contract secured by Drakenstein Municipality;
- (c) Insufficient grounds exist to regard the expenditure of R8 308 687.28 as irregular and it is therefore recommended to Council that it does not warrant a full investigation to determine if any official of the municipality committed an act of financial misconduct;
- (d) The Disciplinary Board's report to be submitted to Council to be dealt with at its next ensuing meeting; and
- (e) The preliminary investigation with regards to the procurement of services to the amount of R 744 633.12 under the contract secured by Cape Winelands District Municipality, is still being investigated.

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**7.8 APPOINTMENT OF MEMBERS OF THE DISCIPLINARY COUNCIL FOR RECOMMENDATION TO THE COUNCIL (5/15/1/5)**

The purpose of the Disciplinary Council is to serve as an independent advisory body to support the Council in respect of investigations into financial misconduct in accordance with the *Financial Misconduct Regulations*.

The Disciplinary Council must consist of five members and the members who currently serve on the Council have indicated their willingness to be appointed for a further term of office.

**RESOLUTION**

(proposed by ald M van Zyl, seconded by cllr O M Stemele)

- (a) That according to Section 4(3) of the Financial Misconduct Regulations, the term of office for members of the Disciplinary Board must not exceed a period of three years. Therefore the Executive Mayoral Committee is requested to consider the comments in 2 above and the following proposals to ensure continuity and further existence of the Disciplinary Board:
  - (i) The appointment of Mr CB de Jager as Chairperson of the Disciplinary Board from 1 January 2020 to 31 December 2022 or when his term of office as member of the Performance and Risk Audit Committee is not extended on 31 October 2021;
  - (ii) Extension of the current term of office for Ms M Terblanche, Director: Corporate Services and Ms S de Jongh, Manager: Human Resources from 1 January 2020 to 31 December 2022 and Mr P le Roux, Manager Internal Audit from 1 January 2020 to 31 May 2021;
- (b) The remuneration payable to the external member of the Disciplinary will be the same as attendance of the Performance and Risk Audit Committee.

**7.9 MOTION RECEIVED: CHAIRMAN OF THE PORTFOLIO COMMITTEE: MUNICIPAL MANAGEMENT, ADMINISTRATION AND FINANCES (3/2)**

The motion received from the DA caucus was circulated with the agenda and -

**RESOLUTION**

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

- (a) That the appointment of Cllr E S M Maart as chairperson of the Municipal Management, Administration and Finance Portfolio Committee be approved effective from 1 April 2020 with associated remuneration;
- (b) That Alderman R F van der Westhuizen replaced Cllr Maart on the Development Services Portfolio Committee effective from 1 April 2020.

**7.10 PROPOSED SUBSIDIZATION OF PURCHASE PRICES IN THE S.C. RENTAL AREAS: WESBANK, MALMESBURY AND MOORREESBURG (12/2/B)**

During August 2018 the Council approved the alienation of the so-called rental areas situated within the municipal area.

The process of determining a subsidized purchase price has been completed for consideration by the Council.

**RESOLUTION**

(proposed by cllr J M de Beer, seconded by cllr C Daniels)

- (a) That approval be granted by Council that the land values for the respective lease areas be determined at 10% of the municipal valuation, excluding VAT, as follows, to ensure transfer of the properties in the interest of the beneficiaries, also in respect of those cases where the notarial lessees do not waive their rights to compensation:

Table/...

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<b>Erf number</b>	<b>Amount</b>
Erf 2905, 37 Malva Street, Moorreesburg	R2 500,00 (10% of R25 000)
Erf 2913, 18 Petunia Street, Moorreesburg	R2 510,00 (10% of R25 100)
Erf 2915, 14 Petunia Street, Moorreesburg	R2 520,00 (10% of R25 200)
Erf 2920, 4 Petuna Street, Moorreesburg	R2 560,00 (10% of R25 600)
Erf 2395, Iris Street, Malmesbury – Lease area 5 (one unit remaining)	R4 600,00 (10% of R46 000)
Erf 2395, Iris Street, Malmesbury – Lease area 6 (two units)	R3 750,00 (10% of R37 500) per unit
Erf 2395, Iris Street, Malmesbury – Lease areas 7, 8, 10 & 11 (eight units)	R3 750,00 (10% of R37 500) per unit
Erf 3694, Tulpe Street, Malmesbury (six units)	R3 550,00 (10% of R35 500) per unit
Erf 4933, between Dahlia and Wistaria Streets, Malmesbury (six units)	R3 550,00 (10% of R35 500) per unit
Erf 3072, Dahlia Street, Malmesbury (two units)	R6 350,00 (10% of R63 500) per unit

- (b) That, since a subsidized selling price will apply in this instance, the necessary mechanisms be included in the deeds of sale to protect the Municipality's interest, e.g. a prohibition on resale or pre-emptive rights, in accordance with the mandate granted to the Director: Corporate Services in this regard on 30 August 2018;
- (c) That all other determinations in the Council resolution of 30 August 2018 remain in force.

#### **7.11 PROPOSED ALIENATION OF IMMOVABLE PROPERTY (INDUSTRIAL PROPERTY) IN DARLING (12/2/B)**

The Council owns vacant industrial property, Erf 984 (9146 m<sup>2</sup>) zoned as Industrial Zone 2, situated in Caledon Street, Darling.

It has been proposed that Erf 984 is alienated by means of a public competitive process.

#### **RESOLUTION**

(proposed by cllr O M Stemele, seconded by cllr E C O'Kennedy)

- (a) That in-principle approval be granted by Council in terms of Section 14 of the Municipal Finance Management Act, 2003 and the By-law and Policy relating to the Transfer of Municipal Assets for financial offers to be called by means of public tenders for the disposal of the following vacant immovable property in Darling:
- Erf 984 (9146 m<sup>2</sup> in extent), Caledon Road, Darling
- (b) That cognizance be taken that the property to be sold has been identified from the outset for alienation as industrial site in terms of its zoning and at no stage has been earmarked for the provision of a minimum or any other level of basic municipal services;
- (c) That the reserve price (VAT exclusive) for the property be determined as follows, which reserve price is considered by Council to fairly represent the market value of same:
- Erf 984                      R683 500,00
- (d) That authorization be given as follows:
- (i) to the Executive Mayoral Committee to
- to deal with any comments and/or objections received in respect of the proposed disposal; and
  - to evaluate and consider for adoption the offers received in respect of the property, and to finalise a decision regarding the transfer of the asset;

7.11(d)/...

- (ii) to the Director: Corporate Services to finalise the conditions of sale for tender purposes with all the relevant internal role-players, as well as Council's attorney;
- (e) That approval be granted that should the property remain unsold after the competitive process, it be sold out-of-hand on a 'first come first serve' basis at the reserve price or higher, provided that the reserve price corresponds with fair market value (based on the municipal valuation of the property when alienation takes place), and provided further that the same suspensive conditions to be included in the deed of sale, shall apply to said purchaser.

Before closing the meeting, the Executive Mayor gave information in respect of the COVID-19 pandemic and called on all residents in the Swartland municipal area to adhere to the rules which have been introduced in order to combat the spread of the virus.

**SIGNED:  
SPEAKER**