



NOTULE VAN 'N VERGADERING VAN DIE UITVOERENDE BURGEMEESTERSKOMITEE GEHOU IN DIE BANKETSAAL, MALMESBURY OP WOENSDAG, 15 FEBRUARIE 2023 OM 10:00

TEENWOORDIG:

Uitvoerende Burgemeester, rdh J H Cleophas (voorsitter)
Uitvoerende Onderburgemeester, rdl J M de Beer

Lede van die Burgemeesterskomitee:

Rdl D G Bess
Rdl N Smit
Rdl A K Warnick

Ander raadslede:

Die Speaker, rdl M A Rangasamy

Beampes:

Munisipale Bestuurder, mnr J J Scholtz
Direkteur: Beskermingsdienste, mnr P A C Humphreys
Direkteur: Siviele Ingenieursdienste, mnr L D Zikmann
Direkteur: Ontwikkelingsdienste, me J S Krieger
Direkteur: Korporatiewe Dienste, me M S Terblanche
Snr Bestuurder: Begrotingskantoor, me H Papier
Bestuurder: Sekretariaat en Rekordsdienste, me N Brand

1. OPENING

Die Uitvoerende Burgemeester verwelkom lede en versoek rdl N Smit om die vergadering met gebed te open.

2. VERLOF TOT AFWESIGHEID

Dat **KENNIS GENEEM** word van die verskonings ontvang vanaf rdh T van Essen, die Direkteur: Finansiële Dienste en die Direkteur: Elektriese Ingenieursdienste.

3. VOORLEGGINGS/AFVAARDIGINGS/SPREEKBEURTE

Geen.

4. NOTULES

4.1 NOTULE VAN 'N GEWONE UITVOERENDE BURGEMEESTERSKOMITEE-VERGADERING GEHOU OP 18 JANUARIE 2023

BESLUIT

(op voorstel van rdl J M de Beer, gesekondeer deur rdl N Smit)

Dat die notule van 'n Gewone Uitvoerende Burgemeesterskomiteevergadering gehou op 18 Januarie 2023 goedgekeur en deur die Burgemeester onderteken word.

5. OORWEGING VAN AANBEVELINGS UIT DIE NOTULE

5.1 NOTULE VAN PORTEFEULJEKOMITEESVERGADERING GEHOU OP 8 FEBRUARIE 2023

5.1.1 MUNISIPALE BESTUUR, ADMINISTRASIE EN FINANSIES

BESLUIT

(op voorstel van rdl A K Warnick, gesekondeer deur rdl D G Bess)

Dat die Uitvoerende Burgemeester die aanbevelings in die betrokke notule bekragtig.

5.1.2 SIVIELE EN ELEKTRIESE DIENSTE

BESLUIT

(op voorstel van rdl A K Warnick, gesekondeer deur rdl D G Bess)

Dat die Uitvoerende Burgemeester die aanbevelings in die betrokke notule bekragtig.

5.1.3 ONTWIKKELINGSDIENSTE

BESLUIT

(op voorstel van rdl A K Warnick, gesekondeer deur rdl D G Bess)

Dat die Uitvoerende Burgemeester die aanbevelings in die betrokke notule bekragtig.

5.1.4 BESKERMINGDIENSTE

BESLUIT

(op voorstel van rdl A K Warnick, gesekondeer deur rdl D G Bess)

Dat die Uitvoerende Burgemeester die aanbevelings in die betrokke notule bekragtig.

6. SAKE VOORTSPRUITEND UIT DIE NOTULES

6.1 NOTULE VAN 'N UITVOERENDE BURGEMEESTERSKOMITEEVERGADERING GEHOU OP 18 JANUARIE 2023

6.1.1 ITEM 7.4: HUUR VAN AKKOMMODASIE VIR DIE BRANDWEERDIENSTE TE DARLING (12/1/2-3)

Die Direkteur: Beskermingsdienste meld dat met die toekenning van die tender aan JF & KJ Kirsten Trust vir die huur van akkommodasie vir die Brandweerdienste te Darling dit aan die lig gekom het dat die perseel nie korrek gesoneer is nie.

Daar kan dus nie uitvoering gegee word aan die besluit tot tyd en wyl die korrekte grondgebruike en goedgekeurde bouplanne nie in plek is nie

BESLUIT

- (a) Dat kennis geneem word dat
 - (i) daar nie uitvoering gegee kan word aan die besluit van die burgemeesterskomitee van 18 Januarie 2023 nie, gegewe die perseel nie oor die nodige grondgebruiksregte beskik nie;
 - (ii) die voorneme steeds is om van die akkommodasie gebruik te maak, potensieel met ingang vanaf 1 Julie 2023 (vir 'n termyn van drie jaar soos getender) of sodra die betrokke regte in plek is;
 - (iii) die eienaar onderneem het om die toepaslike regte te bekom, en om in die interim ook die onderdak-fasiliteit vir die brandweervoertuig (soos vereis in die tendervoorwaardes) aan te bring;
- (b) Dat 'n verslag ter wysiging van die besluit aan die komitee voorgehou sal word.

7. NUWE SAKE

7.1 WYSIGINGS VAN KPI'S EN TEIKENS VIR 2022/2023 (2/4/2)

Die KPI's en teikens is aan die Uitvoerende Burgemeesterskomitee voorgelê op 18 Januarie 2023 en die volgende wysiging word voorgestel en word –

BESLUIT

(op voorstel van rdl N Smit, gesekondeer deur rdl D G Bess)

- (a) Dat die teiken van KPI 14-0023 (1) verander word van 21 224 na 22 602;
- (b) Dat die teiken van KPI 14-0023 (2) verander word van 21 224 na 20 409;
- (c) Dat die teiken van KPI 09-0259 (2) verander word van "Yes" na "2 for the year".

7.2 WYSIGINGS AAN DIE 2022/2023 DIENSLEWERING- EN BEGROTINGIMPLEMENTERINGSPLAN (SDBIP) (2/4/2)

Die Dienslewering- en Begrotingimplementeringsplan (SDBIP) vir die 2022/2023 finansiële jaar is op 15 Junie 2022 deur die Uitvoerende Burgemeesterskomitee goedgekeur.

Die wysiging van die SDBIP word voorafgegaan deur die voorlegging van die halfjaarlikse begroting- en prestasie-evaluasie ingevolge Artikel 72 van die MFMA en as resultaat die aansuiweringsbegroting.

Die goedkeuring van die 2022/2023 Aansuiweringsbegroting deur die Raad op 26 Januarie 2023 noodsaak dus wysigings aan die SDBIP.

BESLUIT

(op voorstel van rdl N Smit, gesekondeer deur rdl D G Bess)

Dat die gewysigde Dienslewering- en Begrotingimplementeringsplan (SDBIP) vir die 2022/2023 finansiële jaar in terme van Artikel 54(1)(c) van die Wet op Munisipale Finansiële Bestuur (Wet 56 van 2003) goedgekeur word.

7.3 KWARTAALVERSLAG AANGAANDE DIE PRESTASIE VAN KONTRAKTEURS (8/1/B/2)

Die verslag ten opsigte van die kwartaallikse prestasie-evaluering van kontrakteurs wat ingevolge die Voorsieningkanaalbestuursbeleid aangestel is, word voorgelê ter voldoening aan Artikel 116(2) van die MFMA en die kernprestasie-indikator van die Munisipale Bestuurder.

Die Munisipale Bestuurder meld, met verwysing na gebreke in die verslagdoening, dat die Munisipaliteit in proses is om die kontrakbestuurstelsel te outomatiseer en dat die stelsel teen einde Februarie ten volle ontwikkel sal wees.

BESLUIT

Dat kennis geneem word van die kwartaalverslag aangaande die prestasie van kontrakteurs vir die periode 1 Oktober 2022 tot 31 Desember 2022.

7.4 LIGGING VAN DIE NUWE WESBANK SWEMBAD (17/9/2/1/1)

Die Raad het op 26 Mei 2022 goedkeuring verleen vir die allokasie van fondse ten bedrae van R12,7 miljoen in die 2022/23 en 2024/25 finansiële jare vir die konstruksie van die Wesbank Swembad.

Na verdere ondersoek word die volgende drie persele voorgestel as moontlike ligging vir die swembad, naamlik:

- (1) Wesbank Sportgronde (Erf 2660);
- (2) Hisbuskus Park (Erf 8674)
- (3) Wesbank Binnehuise Sportkompleks (Erf 9201)

7.4/...

Die verslag tot die sakelys bevat die opweging van voor- en nadele met betrekking tot elkeen van voormelde persele.

BESLUIT

(op voorstel van rdl J M de Beer, gesekondeer deur rdl D G Bess)

- (a) Dat kennis geneem word van die drie voorgestelde liggings vir die nuwe Wesbank Swembad;
- (b) Dat verder kennis geneem dat die voorgestelde ligging by die Wesbank Sportgronde (Erf 2660) meer voordele het as die ander twee voorgestelde liggings wat sal lei tot besparings in konstruksiekoste en toekomstige bedryfsuitgawes;
- (c) Dat die Uitvoerende Burgemeesterskomitee goedkeuring verleen vir die posisionering van die nuwe Wesbank Swembad by die Wesbank Sportgronde (Erf 2660).

7.5 VERHUUR VAN KAMPE: MEENTGROND, DARLING (12/2/4-3/1)

Die Raad beskik oor meentgrond te Darling, opgedeel in kampe 2 tot 6, wat vir landboudoeleindes aangewend kan word.

Dit is die voorneme om hierdie kampe per veiling vir verhuring beskikbaar te stel.

BESLUIT

(op voorstel van rdl A K Warnick, gesekondeer deur rdl N Smit)

- (a) Dat Kampe 2 tot 6, per veiling, vir verhuring beskikbaar gestel word;
- (b) Dat met verwysing na vorige versoeke vanuit wyke 4 en 6, asook vanaf plaaslike kleinboere, gemelde kampe slegs verhuur sal word aan persone wat permanent woonagtig is binne die munisipale gebied van Swartland Munisipaliteit;
- (c) Dat die Raad se voorneme in die plaaslike pers geadverteer word.

7.6 NASIENING EN AFSKRYWING VAN STUKKE GROND INGESLUIT IN DIE BATE-REGISTER SOOS OP 30 JUNIE 2023 (5/14/3/5)

Munisipale grond vorm die basis van die munisipale bateregister (alle infrastruktuur kan gekoppert word aan 'n spesifieke stuk grond) en 'n ondersoek is sedert 1 April 2020 aan die gang om die volledigheid van die bateregister te verseker.

Die totale populasie van bates wat in die bateregister ingesluit is, oorskry tans 90 000 aktiewe komponente met 'n totale gerapporteerde boekwaarde soos op 30 Junie 2022 van R2,184 miljard.

Tydens die ondersoek is gevind dat daar duplikasies van stukke grond op die bateregister aangeteken is. Daar is intussen verbeterings in die kwaliteitsbeheer van die bateregister geïmplementeer met die skakel tussen die bateregister, akteregister en SG-data (waarop die waardasielys gebaseer is).

BESLUIT

(op voorstel van rdl N Smit, gesekondeer deur rdl D G Bess)

Dat goedkeuring verleen word vir die afskryf van bates, soos per aangehegte lys, ten bedrae van R7 678 437,93 en dat die bates vanaf die bateregister verwyder word vir doeleindes van volledigheid van die Munisipaliteit se rekords teen 30 Junie 2023.

7.7 UITSTAANDE DEBITEURE: JANUARIE 2023 (5/7/1/1)

'n Volledige verslag van die stand van uitstaande debiteure teen einde Januarie 2023 is met die sakelys gesirkuleer.

7.7/...

Die Senior Bestuurder: Begrotingskantoor meld dat dat die uitstaande debiteure vanaf Desember 2022 met R3 705 800,26 vermeerder het.

Die Munisipale Bestuurder bevestig, met verwysing na voormelde vermeerdering en 'n styging in die aantal gevalle op die afsnylys met ± 500 , dat daar 'n mandaat aan die Kredietbeheerafdeling gegee is om konsekwent op te tree teen wanbetalers, met die uitsondering indien die nodige bewyse gelewer kan word of vir mediese doeleidens, bv. persoon wat aan 'n suurstofmasjien gekoppel is.

Die Munisipale Bestuurder doen 'n beroep op raadslede om nie by die prosesse van die Kredietbeheerafdeling in te meng nie.

BESLUIT

Dat kennis geneem word van die verslag aangaande die stand van Swartland Munisipaliteit se uitstaande debiteure vir Januarie 2023.

7.8 VORDERING MET UITSTAANDE VERSEKERINGSEISE (5/14/3/5)

Ingevolge die Batebestuursbeleid moet maandeliks verslag gedoen word insake die uitstaande versekeringseise.

BESLUIT

Dat kennis geneem word van die stand van uitstaande versekeringseise tot en met 31 Januarie 2023 soos met die sakelys gesirkuleer.

7.9 AFWYKING VAN VOORGESKREWE VERKRYGINGSPROSESSE: HERSTEL EN NAKOMINGSERTIFIKAAT VIR VRAGMOTOR, CK 47512 (8/1/B/2)

Alle raadsvoertuie waarop hyskrane gemonteer is moet op 'n jaarlikse basis geïnspekteer word ten einde 'n voldoeningsertifikaat ingevolge die Wet op Beroepsgesondheid en -veiligheid te bekom.

Met die inspeksie van CK 47512 is daar sekere gebreke vir herstelwerk uitgewys, alvorens 'n voldoeningsertifikaat uitgereik kon word.

BESLUIT

- (a) Dat die Uitvoerende Burgemeesterskomitee kennis neem van die afwyking van die voorgeskrewe verkrygingsprosedures ingevolge klousule 36(2) van die Voorsieningkanaalbestuurbeleid;
- (b) Dat die rede vir die afwyking van die normale aankoop proses aangeteken word as volg:
 - (i) Alle kraan trokke moet jaarliks inspekteur word en 'n nuwe nakomings sertifikaat uitgereik word in terme van die Beroeps Gesondheid en Veiligheids Wet (Wet 85 van 1993) om veilige bedryf van die toerusting te verseker.
 - (ii) Die trok was na die verskaffer van die kraan, CT 600 Manufacturing, gestuur om te inspekteur/herstel/toets en die nakomings sertifikaat uit te reik om diens lewering in die Darling en Yzerfontein omgewing te verseker.
 - (iii) Dit is onprakties om die normale aankope proses in hierdie geval te volg.
- (c) Dat verder kennis geneem word van die aksie van die Munisipale Bestuurder om goedkeuring te verleen vir die inspeksie, herstel en uitreiking van 'n nakomings sertifikaat van die hidroliese kraan van Voertuig CK47512;
- (d) Dat daar voldoende fondse beskikbaar is en dat die uitgawe ten bedrae van R50 947.50 (BTW uitgesluit) teen posnommer 9/4-24-5 verreken word;
- (e) Dat die Bestuurder: Finansiële State in terme van die Voorsiening-kanaalbestuursbeleid opdrag gegee word om bovermelde rede as nota by die finansiële state in te sluit, wanneer die betrokke state opgestel word.

7.10 AFWYKING VAN VOORGESKREWE VERKRYGINGSPROSEDURES: DRINGENDE HERSTELWERK AAN VRAGMOTOR, CK 32363 (8/1/B/2)

'n Ernstige olielek is opgemerk aan die hidrouliese tenk op vragmotor, CK 32363, wat op 'n daaglikse basis in Darling gebruik word. Die personeel het onmiddellik werksaamhede gestaak en probeer om die olielek onder beheer te kry ten einde verdere skade, moontlike beserings en omgewingsbesoedeling te voorkom.

Die aard en omvang van die olielek het dringende herstelwerk benodig.

BESLUIT

- (a) Dat die Uitvoerende Burgemeesterskomitee kennis neem van die afwyking van die voorgeskrewe verkrygingsprosedures ingevolge klousule 36(2) van die Voorsieningkanaalbestuurbeleid;
- (b) Dat die rede vir die afwyking van die normale aankoop proses aangetek word as volg:
 - (i) Die hidroliese tenk van die voertuig het tydens nood herstel van 'n transformator installasie gebeur
 - (ii) Die trok onmiddelik onttrek is en beskikbare verskaffer met die nodige materiaal versoek is om herstelwerk te doen nadat hulle dit voertuig inspekteur het.
 - (iii) Herstel van die voertuig noodsaaklik is vir diens lewering in die Darling en Yzerfontein omgewing.
- (c) Dat verder kennis geneem word van die aksie van die Munisipale Bestuurder om goedkeuring te verleen vir die inspeksie, herstel en uitreiking van 'n toets sertifikaat van die hidroliese tenk van Voertuig CK32363;
- (d) Dat daar voldoende fondse beskikbaar is en dat die uitgawe ten bedrae van R28 048.00 (BTW uitgesluit) teen posnommer 9/1-14-5 verreken word;
- (e) Dat die Bestuurder: Finansiële State in terme van die Voorsiening-kanaalbestuursbeleid opdrag gegee word om bovermelde rede as nota by die finansiële state in te sluit, wanneer die betrokke state opgestel word.

7.11 AFWYKING VAN VOORGESKREWE VERKRYGINGSPROSEDURES: VERKEER/WETSTOEPASSINGSOPLEIDING: GENE LOUW VERKEERSKOLLEGE (DEPARTEMENT VAN VERVOER EN OPENBARE WERKE, WESKAAP) (8/1/B/2)

Verkeers- en Wetstoepassingsbeamptes moet verskillende opleidingsprogramme voltooi om hul relevante funksies optimaal te verrig. Gene Louw Verkeerskollege word beskou as die aangewese instansie om die opleiding koste effektief aan te bied, aangesien al die modules onder een dak aangebied word.

BESLUIT

- (a) Dat die Uitvoerende Burgemeesterskomitee kennis neem van die afwyking van die voorgeskrewe verkrygingsprosedures ingevolge klousule 36(2) van die Voorsieningkanaalbestuurbeleid;
- (b) Dat verder kennis geneem word van die aksie van die Munisipale Bestuurder om goedkeuring te verleen vir die opleiding deur die Gene Louw Verkeerskollege aan Verkeer- en Wetstoepassingsbeamptes teen die gekwoteerde tariewe;
- (c) Dat kennis geneem word van die redes vir die afwyking van die voorgeskrewe verkrygingsprosedures soos volg:
 - (i) dit sal onprakties wees om verskillende diensverskaffers aan te stel vir die opleiding/modules genoem in paragraaf 1, punt 1.1 (a) tot (k), in ag genome dat, alhoewel daar ander diensverskaffers beskikbaar is, is hulle nie daartoe in staat om al die modules onder een dak te verskaf nie, wat tot bykomende koste vir die werkgewer sal lei, insluitend reis en meer man-ure wat verlore gaan;

7.11/...

- (d) Dat daar voldoende fondse beskikbaar is en dat die uitgawe teen posnommer 9/213-1195-953 (Training: Efficiency Development) verreken word;
- (e) Dat die Bestuurder: Finansiële State in terme van die Voorsieningskanaalbestuursbeleid opdrag gegee word om bovermelde rede as nota by die finansiële state in te sluit, wanneer die betrokke state opgestel word.

7.12 ALGEMENE JAARVERGADERING: PLAASLIKE OWERHEDE AFTREEFONDS: AANWYSING VAN AFGEVAARDIGDES (11/1/2/5)

Die 39^{ste} Algemene Jaarvergadering van die Plaaslike Owerhede Aftreefonds vind plaas op 26 Mei 2023.

BESLUIT

(op voorstel van rdl D G Bess, gesekondeer deur rdl J M De Beer)

- (a) Dat kennis geneem word dat mnr A Zaayman genomineer is om die lede te verteenwoordig by die Algemene Jaarvergadering van die Plaaslike Owerhede Aftreefonds op 26 Mei 2023,
- (b) Dat rdl N Smit genomineer word om die Raad by die vergadering te verteenwoordig;

BESLUIT VERDER

(op voorsel van rdl N Smit, gesekondeer deur rdl D G Bess)

- (c) Dat rdh T van Essen genomineer word as sekundi om die Raad by die vergadering te verteenwoordig in die afwesigheid van rdl N Smit.

7.13 AFSKRYWING VAN ONINBARE EN ANDER SKULD: JANUARIE 2023

Die sosio-ekonomiese omstandighede van deernishuishoudings, alhoewel hulle subsidie op dienste ontvang, maak dit onmoontlik om hul maandelikse rekening op datum te hou.

In die geval van ander uitstaande debiteure is alle moontlike pogings aangewend om gelde in te vorder.

BESLUIT

(op voorstel van rdl N Smit, gesekondeer deur rdl A K Warnick)

- (a) Dat die Uitvoerende Burgermeesterskomitee goedkeuring verleen dat die bedrag van **R4 782 627,83** en opsigte van deernishuishoudings, afgeskryf word as oninvorderbaar;
- (b) Dat die Uitvoerende Burgermeesterskomitee goedkeuring verleen dat die bedrag van **R1 349 667.63** ten opsigte van ander uitstaande debiteure, afgeskryf word as oninvorderbaar soos per die individuele redes;
- (c) Dat, indien dit vanaf datum van hierdie goedkeuring aan die lig kom dat 'n gedeelte van die skuld of die totale skuld van 'n debiteur nie korrek sou wees nie, of dat enige inligting wat op datum van afskrywing nie aan die Uitvoerende Burgemeesterskomitee bekend was wat daartoe sou lei dat die komitee die voorgelegde skuld nie vir afskrywing sou oorweeg nie, die Uitvoerende Burgermeesterskomitee die reg voorbehou om die skuld weer terug te skryf na die betrokke debiteur en dat die nodige stappe geneem sal word om die skuld in te vorder;
- (d) Dat, indien 'n eiendom op welke wyse ookal vervreem sou word, die Raad die reg voorbehou om uitklaring op die betrokke eiendom te weerhou en die bedrae afgeskryf eers in te vorder, alvorens uitklaring op die betrokke eiendom gegee sal word. Ten einde uitvoering aan hierdie besluit te gee, is 'n register by die eiendomsbelastingafdeling ingestel waarin gekontroleer word of daar ten opsigte van die betrokke uitklaring vir die voorafgaande twee jaar voor uitklaring, enige afskrywing was, en dat indien wel, die afgeskryfde bedrag met die uitklaring verhaal word;

7.13/...

- (e) Dat verder goedkeuring verleen word dat lopende heffings wat nie by die bestaande lys bygewerk is nie, vanweë die tydsverloop van wanneer die administratiewe proses van genoemde afskrywingslys begin is en die tydperk daarna, ook deel van die afskrywings sal wees, onderhewig daaraan dat die Kredietbeheerafdeling oortuig is dat die nuwe skuld onder dieselfde omstandighede ook oninvorderbaar is;
- (f) Dat verder goedkeuring verleen word dat die bedrae wat aan die Raad verskuldig is, wat op datum van hierdie Item nie by die bestaande lys bygewerk is nie, as gevolg van sosioekonomiese ondersoeke wat nog nie kon plaasvind aan al die deernishuishoudings nie, ook deel van die afskrywings sal wees, onderhewig daaraan dat die Kredietbeheerafdeling oortuig is dat die nuwe skuld onder dieselfde omstandighede ook oninvorderbaar is;
- (g) Dat die werklike bedrag afgeskryf, nadat hierdie voorlegging aan die Uitvoerende Burgemeesterskomitee gemaak was, weer tydens die volgende vergadering voorgelê sal word;
- (h) Dat enige BTW op dienste gehef op die gebruikelike manier vanaf die Ontvanger van Inkomste teruggeëis word;
- (i) Dat die Kredietbeheerafdeling poog om besoeke aan die deernishuishoudings te bring, ten einde die afskrywing te verduidelik en die implikasie van toekomstige verpligtinge van 'verantwoordelike verbruikers' aan hulle duidelik te maak, asook om die installering van 'n waterbeheermeganismestelsel en die werking daarvan aan die deernishuishoudings te verduidelik, ten einde voorkomende Kredietbeheer toe te pas;
- (j) Dat verdere goedkeuring verleen word dat die kostes met betrekking tot die vervanging van die konvensionele elektrisiteitsmeter deur 'n voorafbetaalde elektrisiteitsmeter, deur die munisipaliteit gedra word en dat die Hoof Finansiële Beampte die kostes vanaf die Deernistoekenning sal verhaal;
- (k) Dat die Uitvoerende Burgemeesterskomitee kennis neem dat die administrasie sal poog om maatreëls in te stel om gebruikers van dienste wat nie op die Munisipaliteit se finansiële stelsel is nie te nader om die nodige dienste-aansluitingsvorm(s) te voltooi vir registrasie op die finansiële stelsel.

(GET) J H CLEOPHAS
UITVOERENDE BURGEMEESTER



NOTULE VAN 'N VERGADERING VAN DIE MUNISIPALE BESTUUR-, ADMINISTRASIE EN FINANSIES PORTEFEULJEKOMITEE VAN DIE SWARTLAND MUNISIPALE RAAD GEHOU OP WOENSDAG, 8 MAART 2023 OM 10:00

TEENWOORDIG:

RAADSLEDE:

Voorsitter, rdl I S le Minnie
Ondervoorsitter, rdl N Smit

Penxa, B J
Pypers, D C
Rangasamy, M A (rdh)
Van Essen, T (rdh)

Van Zyl, M (rdd)
Vermeulen, G
Warnick, A K

Die Uitvoerende Burgemeester, rdh J H Cleophas (in ex-officio hoedanigheid)

BEAMPTES:

Munisipale Bestuurder, mnr J J Scholtz
Direkteur: Finansiële Dienste, mnr M A C Bolton
Direkteur: Beskermingsdienste, mnr P A C Humphreys
Direkteur: Korporatiewe Dienste, me M S Terblanche
Direkteur: Ontwikkelingsdienste, me J S Krieger
Direkteur: Siviele Ingenieursdienste, mnr L D Zikmann
Senior Bestuurder: IKT, mnr WJ Pienaar
Komiteebeampte, me S Willemse

1. OPENING/VERLOF TOT AFWESIGHEID

Die voorsitter verwelkom lede en versoek rdl D C Pypers om die vergadering met skriflesing en gebed te open.

Die Voorsitter bevestig die teenwoordigheid van raadslede wat dien op die Portefeuljekomitee: Munisipale Bestuurder, Administrasie en Finansies.

Verlof tot afwesigheid word verleen aan rdle E C O'Kennedy, P E Soldaka en die Direkteur: Elektriese Ingenieursdienste, mnr T Möller.

Die Speaker versoek raadslede, met verwysing na die afwesigheid van raadslede by die MPAC vergadering wat Dinsdag 7 Maart 2023 plaasgevind het, om die proses te volg soos voorgeskryf deur die Verordening insake die Hou van Vergaderings, om verskoning aan te bied as 'n vergadering nie bygewoon kan word nie.

2. NOTULE

2.1 NOTULE VAN 'N PORTEFEULJEKOMITEEVERGADERING (MUNISIPALE BESTUUR-, ADMINISTRASIE- EN FINANSIESKOMITEE) GEHOU OP 8 FEBRUARIE 2023

BESLUIT

(op voorstel van rdd M van Zyl, gesekondeer deur rdl A K Warnick)

Dat die notule van die Portefeuljekomiteevergadering (Munisipale Bestuur-, Administrasie- en Finansieskomitee) gehou op 8 Februarie 2023 goedgekeur word.

3. AFVAARDIGINGS/VOORLEGGINGS/MEDEDELINGS

3.1 *Expanded Public Works Programme (EPWP)*

Die doelwit van EPWP is om werksgeleenthede en inkomste-ondersteuning aan arm en werklose mense te verskaf deur die lewering van openbare en gemeenskapsbates en -dienste; en daardeur by te dra tot ontwikkeling.

Dit is 'n massiewe program in Suid-Afrika wat 13 miljoen werksgeleenthede geskep het sedert sy ontstaan in alle sferes van regering, insluitend munisipaliteite.

VIR KENNISNAME

3.1 **SKRYWES VAN DANK EN WAARDERING AAN SWARTLAND MUNISIPALITEIT**

BESLUIT

Dat kennis geneem word van die skrywes van dank en waardering aan Swartland Munisipaliteit soos met die sakelys gesirkuleer.

4. **SAKE VOORTSPRUITEND UIT NOTULES**

Geen.

5. **GEDELEGEERDE SAKE M.B.T. MUNISIPALE BESTUURDER**

5.1 **MAANDVERSLAG: JANUARIE 2023**

Die voorsitter lê die maandverslag ter tafel soos met die sakelys gesirkuleer.

Die Munisipale Bestuurder, mnr J J Scholtz het die volgende uitgelig:

- Die aantal appèlle teen die munisipaliteit rakende die toekenning van tenders wat gehandhaaf was se teiken is 0. Dis 'n goeie prestasie, aangesien die munisipaliteit geen appèlle ontvang het nie;
- Die Jaarverslag sal teen die einde Maart 2023 voorgelê word, soos vereis deur die MFMA, waarvan die Oorsigverslag op 9 Maart voorgelê sal by by die MPAC vergadering;
- Die persentasie van die kapitaalbegroting spandering is 31.4%, maar die teiken sal teen die einde van die finansiële jaar 90% wees;
- Die teiken op die aantal werksgeleenthede geskep deur die Munisipaliteit se kapitaal projekte sal ook gemonitor word.

Rdl B J Penxa verwys na die voorsiening van elektrisiteit by die informele nedersettings in Illinge Lethu. Watter kriteria is gebruik vir die inwoners om die elektrisiteit te bekom; en sal hierdie inwoners wat op die behuisingswaglys is, kwalifiseer vir die De Hoop-behuising.

Die Munisipale Bestuurder meld dat indien 'n individu op die waglys is, sal hulle beskou word soos enige ander potensiële begunstigde wat op die waglys is, vir 'n huis in De Hoop.

BESLUIT

(voorgestel deur rdl N Smit, gesecondeer deur rdl A K Warnick)

Dat kennis geneem word van die maandverslag van die Munisipale Bestuurder vir Januarie 2023.

6. **SAKE VIR AANBEVELINGS AAN DIE UITVOERENDE BURGEMEESTER**

Geen

7. **GEDELEGEERDE SAKE M.B.T. ADMINISTRASIE**

7.1 MAANDVERSLAG: JANUARIE 2023

Die voorsitter lê die maandverslag ter tafel soos met die sakelys gesirkuleer.

Die Direkteur: Korporatiewe Dienste, me M S Terblanche gee 'n oorsig oor die prestasieverslag van Korporatiewe Dienste ingevolge die Raad se Strategiese Bestuurstelsel.

Rdl B J Penxa verwys na die gelyke indiensneming geleentheid en spreek sy kommer uit oor 'n vakature in die semi-bekwame vlak wat moeilik is om gevul te word.

BESLUIT

(op voorstel van D C Pypers, gesekondeer deur rdd M van Zyl)

Dat kennis geneem word van die maandverslag van die Direktoraat Korporatiewe Dienste vir Januarie 2023.

8. SAKE VIR AANBEVELINGS AAN DIE UITVOERENDE BURGEMEESTER

Geen.

9. GEDELEGEERDE SAKE M.B.T. FINANSIES

9.1 MAANDVERSLAG: JANUARIE 2023

Die voorsitter lê die maandverslag ter tafel soos met die sakelys gesirkuleer en versoek die Direkteur: Finansiële Dienste, mnr M A C Bolton, om belangrike aspekte uit te wys.

Die Direkteur: Finansiële Dienste meld dat die werklike inkomste is minder as waarvoor begroot is, hoofsaaklik as gevolg van die effek van beurtkrag op dienskosse op elektrisiteit.

Die werklike uitgawes is minder as waarvoor begroot is, hoofsaaklik as gevolg van die effek van beurtkrag op grootmaat aankope.

BESLUIT

(voorgestel deur rdl N Smit, gesekondeer deur rdl A K Warnick)

Dat kennis geneem word van die maandverslag van die Direktoraat Finansiële Dienste vir Januarie 2023.

10. SAKE VIR AANBEVELINGS AAN DIE UITVOERENDE BURGEMEESTER

Geen.

**(GET) RDL I S LE MINNIE
VOORSITTER**



**NOTULE VAN 'N VERGADERING VAN DIE SIVIELE- EN ELEKTRIESE DIENSTE
PORTEFEULJEKOMITEE VAN DIE SWARTLAND MUNISIPALE RAAD GEHOU OP WOENSDAG, 8
MAART 2023 OM 11:15**

TEENWOORDIG:

RAADSLEDE:

Voorsitter, rdl R J Jooste
Ondervoorsitter, rdh T van Essen

Bess, D G
Duda, A A
Fortuin, C
Pieters, C

Smit, N
Stanley, B J (rdh)
Van Zyl, M (rdd)
Warnick, A K

Die Uitvoerende Burgemeester, rdh J H Cleophas (in ex-officio hoedanigheid)

BEAMPTES:

Munisipale Bestuurder, mnr J J Scholtz
Direkteur: Finansiële Dienste, mnr M A C Bolton
Direkteur: Beskermingsdienste, mnr P A C Humphreys
Direkteur: Korporatiewe Dienste, me M S Terblanche
Direkteur: Ontwikkelingsdienste, me J S Krieger
Direkteur: Siviele Ingenieursdienste, mnr L D Zikmann
Senior Bestuurder: IKT, mnr WJ Pienaar
Komiteebeampte, me S Willemse

1. OPENING/VERLOF TOT AFWESIGHEID

Die voorsitter verwelkom almal teenwoordig.

Die voorsitter bevestig die teenwoordigheid van raadslede wat dien op die Portefeuljekomitee: Siviele en Elektriese Dienste.

Verlof tot afwesigheid word verleen aan rdl E C O'Kennedy en die Direkteur: Elektriese Ingenieursdienste, mnr T Möller.

2. NOTULE

2.1 NOTULES VAN 'N PORTEFEULJEKOMITEEVERGADERING (SIVIELE- EN ELEKTRIESE DIENSTEKOMITEE) GEHOU OP 8 FEBRUARIE 2023

BESLUIT

(op voorstel van rdl N Smit, gesekondeer deur rdl A K Warnick)

Dat die notule van die Portefeuljekomiteevergadering (Siviele- en Elektriese Dienste) gehou op 8 Februarie 2023 goedgekeur word.

3. AFVAARDIGINGS/VOORLEGGINGS/MEDEDELINGS

Geen

4. SAKE VOORTSPRUITEND UIT NOTULES

Geen

5. GEDELEGEERDE SAKE

5.1. MAANDVERSLAG: JANUARIE 2023

5.1.1 SIVIELE INGENIEURSDIENSTE

Die voorsitter versoek die Direkteur: Siviele Ingenieursdienste om die belangrikste aspekte uit die verslag toe te lig.

Die Direkteur: Siviele Ingenieursdienste gee inligting deur insake die damvlakke en watergebruik in die Swartland munisipale area en verwys na die Voëlkleidam wat tans op 42% staan.

Op navraag deur rdl A A Duda oor water-rekeninge wat so hoog is, meld die Munisipale Bestuurder dat dit belangrik is om die spesifieke rekening na die finansies departement te neem, sodat die water meter nagegaan kan word.

BESLUIT

(op voorstel van rdh T van Essen, gesekondeer deur rdl A K Warnick)

Dat kennis geneem word van die maandverslag van die Direkoraat Siviele Ingenieursdienste vir Januarie 2023.

5.1.2 ELEKTRIESE INGENIEURSDIENSTE

Die voorsitter lê die maandverslag ter tafel soos met die sakelys gesirkuleer.

Rdl D G Bess doen navraag oor die ooreenkoms tussen die munisipaliteit en Eskom insake die instandhouding van straatligte in die Eskom voorsieningsgebiede.

Die Munisipale Bestuurder meld dat die bostaande kwessie afgehandel is. Daar word reeds kapitaal spandeer op die instandhouding van straatligte.

Die Munisipale Bestuurder lewer kommentaar oor die opstel van sonpanele in die swartland munisipale area en meld dat slegs residensiële huishoudings gebruik maak van sonpanele.

BESLUIT

(op voorstel van rdh T van Essen, gesekondeer deur rdl A K Warnick)

Dat kennis geneem word van die maandverslag van die Direkoraat Elektriese Ingenieursdienste vir Januarie 2023.

6. SAKE VIR AANBEVELINGS AAN DIE UITVOERENDE BURGEMEESTER

Geen

(GET) RDL R J JOOSTE
VOORSITTER



**NOTULE VAN 'N VERGADERING VAN DIE ONTWIKKELINGSDIENSTE PORTEFEULJEKOMITEE
VAN DIE SWARTLAND MUNISIPALE RAAD GEHOU OP WOENSDAG, 8 MAART 2023 OM 12:00**

TEENWOORDIG:

RAADSLEDE:

Voorsitter, rdl G Vermeulen
Ondervoorsitter, rdl D G Bess

Booyesen, A M	Ngozi, M
Daniels, C	Pypers, D C
De Beer, J M	Rangasamy, M A (rdh)
Le Minnie, I S	Smit, N

Die Uitvoerende Burgemeester, rdh J H Cleophas (in ex-officio hoedanigheid)

BEAMPTES:

Munisipale Bestuurder, mnr J J Scholtz
Direkteur: Finansiële Dienste, mnr M A C Bolton
Direkteur: Beskermingsdienste, mnr P A C Humphreys
Direkteur: Korporatiewe Dienste, me M S Terblanche
Direkteur: Ontwikkelingsdienste, me J S Krieger
Direkteur: Siviele Ingenieursdienste, mnr L D Zikmann
Senior Bestuurder: IKT, mnr WJ Pienaar
Komiteebeampte, me S Willemse

1. OPENING/VERLOF TOT AFWESIGHEID

Die voorsitter verwelkom almal teenwoordig.

Die voorsitter bevestig die teenwoordigheid van raadslede wat dien op die Portefeuljekomitee: Ontwikkelingsdienste.

Verlof tot afwesigheid word verleen aan rdl P E Soldaka en die Direkteur: Elektriese Ingenieursdienste, mnr T Möller.

2. NOTULE

**2.1 NOTULES VAN 'N PORTEFEULJEKOMITEEVERGADERING (ONTWIKKELINGS-
DIENSTE) GEHOU OP 8 FEBRUARIE 2023**

BESLUIT

(voorgestel deur rdl De Beer, J M, gesekondeer deur rdl D G Bess)

Dat die notule van die Portefeuljekomiteevergadering (Ontwikkelingsdienste) gehou op 8 Februarie 2023 goedgekeur word.

3. AFVAARDIGINGS/VOORLEGGINGS/MEDEDELINGS

Geen

4. SAKE VOORTSPRUITEND UIT NOTULES

Geen

5. GEDELEGEERDE SAKE

5.1 MAANDVERSLAG: JANUARIE 2023

Die Voorsitter lê die maandverslag ter tafel.

Die Direkteur: Ontwikkelingsdienste bring die volgende geleentheid onder die aandag van raadslede, naamlik –

- SASSA se dienspunte vir Maart word uitgelig;
- Die program insake Geslagsgebaseerde Geweld, waar daar 'n projek in Wesbank sal plaasvind om die GBV-kwessies uit te beeld op 'n muur, deur van kuns gebruik te maak;
- Dat daar teen einde Januarie 2023 'n totaal van 340 huise in die De Hoop-behuisingprojek oorhandig is. Die res van die huise sal teen die einde van die finansiële jaar oorhandig word.

Insette en kommentaar word gelewer deur die raadslede oor die verskeie behuisingprojekte en projekte wat aangebied word deur gemeenskapsontwikkeling.

BESLUIT

(op voorstel van rdl I S le Minnie, gesekondeer deur rdl C Daniels)

Dat kennis geneem word van die maandverslag van die Direktoraat Ontwikkelingsdienste vir Januarie 2023.

6. VERSLAGDOENING INSAKE GEDELEGEERDE BESLUITNEMING DEUR

6.1 DIE MUNISIPALE BEPLANNINGSTRIBUNAAL

Dat **KENNIS GENEEM** word van die inhoud van die notule van 'n vergadering van die Munisipale Beplanningstribunaal gehou op 8 Februarie 2023.

7. SAKE VIR AANBEVELINGS AAN DIE UITVOERENDE BURGEMEESTER

Geen

**(GET) RDL G VERMEULEN
VOORSITTER**



NOTULE VAN 'N VERGADERING VAN DIE BESKERMINGSDIENSTE PORTEFEULJEKOMITEE VAN DIE SWARTLAND MUNISIPALE RAAD GEHOU OP WOENSDAG, 8 MAART 2023 OM 12:25

TEENWOORDIG:

RAADSLEDE:

Voorsitter, rdd M van Zyl
Ondervoorsitter, rdl A K Warnick

Bess, D G
Daniels, C
De Beer, J M
Fortuin, C

Jooste, R J
Le Minnie, I S
Pieters, C
Stanley, B J (rdh)

Die Uitvoerende Burgemeester, rdh J H Cleophas (in ex-officio hoedanigheid)

BEAMPTES:

Munisipale Bestuurder, mnr J J Scholtz
Direkteur: Finansiële Dienste, mnr M A C Bolton
Direkteur: Beskermingsdienste, mnr P A C Humphreys
Direkteur: Korporatiewe Dienste, me M S Terblanche
Direkteur: Ontwikkelingsdienste, me J S Krieger
Direkteur: Siviele Ingenieursdienste, mnr L D Zikmann
Senior Bestuurder: IKT, mnr WJ Pienaar
Komiteebeampte, me S Willemse

1. OPENING/VERLOF TOT AFWESIGHEID

Die voorsitter verwelkom lede.

Die voorsitter bevestig die teenwoordigheid van raadslede wat dien op die Portefeuljekomitee: Beskermingsdienste.

Verlof tot afwesigheid word verleen aan rdl J R Papier en die Direkteur: Elektriese Ingenieursdienste, mnr T Möller.

2. NOTULE

2.1 NOTULES VAN 'N PORTEFEULJEKOMITEEVERGADERING (BESKERMINGSDIENSTE) GEHOU OP 8 FEBRUARIE 2023

BESLUIT

(op voorstel van rdl A K Warnick, gesekondeer deur rdl R J Jooste)

Dat die notule van die Portefeuljekomiteevergadering (Beskermingsdienste) gehou op 8 Februarie 2023 goedgekeur word.

3. AFVAARDIGINGS/VOORLEGGINGS/MEDEDELINGS

Geen

4. SAKE VOORTSPRUITEND UIT NOTULES

Geen

5. GEDELEGEERDE SAKE

5.1. MAANDVERSLAG: JANUARIE 2023

5.1.1 PRESTASIEVERSLAG
5.1.2 VERKEER- EN WETSTOEPASSINGSDIENSTE
5.1.3 BRANDBESTRYDING

Die voorsitter lê die maandverslae ter tafel en gee geleentheid aan die Direkteur: Beskermingsdienste om belangrike aspekte daaruit te behandel.

Die Verkeers- en Wetstoepassingsdiens van Swartland Munisipaliteit poog om 'n reeks oorwoë en komplekse kwessies wat die samelewing daaglik in die gesig staar, aan te spreek, wat padveiligheid, misdaad en ander maatskaplike probleme insluit.

Die Verkeers- en Wetstoepassingsafdeling het 'n mandaat deur die GOP om alle informele nedersettings te monitor binne die Swartland munisipale gebied en om grondbesetting te voorkom en te bestuur.

BESLUIT

(op voorstel van rdl A K Warnick, gesekondeer deur rdl D G Bess)

Dat kennis geneem word van die verslae van die onderskeie afdelings in die Direktoraat Beskermingsdienste, nl. Verkeer- en Wetstoepassing en Brandbestryding vir Januarie 2023.

6. SAKE VIR AANBEVELINGS AAN DIE UITVOERENDE BURGEMEESTER

Geen

(GET) RDD M VAN ZYL
VOORSITTER

ITEM 6.1.1 ON THE AGENDA OF THE EXECUTIVE MAYORAL COMMITTEE WHICH WILL BE HELD ON 22 MAART 2023.

ONDERWERP: AFSKRYWING VAN DEERNIS EN ONINBARE SKULD FEBRUARIE 2023 - BEDRAG WERKLIK AFGESKRYF TEN OPSIGTE VAN DEERNISHUISHOUDINGS TEN BEDRAE VAN R 5 171 706.11 EN ANDER ONINVORDERBARE SKULDE TEN BEDRAE VAN R 1 615 410.69

SUBJECT: WRITE-OFFS OF INDIGENT AND IRRECOVERABLE DEBT FEBRUARY 2023 - ACTUAL AMOUNT WRITTEN OFF WITH REGARDS TO INDIGENT HOUSEHOLDS IN THE AMOUNT OF R 5 171 706.11 IRRECOVERABLE DEBT IN THE AMOUNT OF R 1 615 410.69

1. AGTERGROND/BEREDENERING / BACKGROUND/DISCUSSION

Voortspruitend uit 'n notule van 'n Vergadering van die Uitvoerende Burgemeesterskomitee, gehou op 15 Februarie 2023, is goedgekeur dat die bedrag van **R4 782 627.83** afgeskryf mag word ten opsigte van deernishuishoudings en dat die bedrag van **R1 349 667.63** afgeskryf mag word ten opsigte van ander oninvorderbare skulde.

*Arising from a Meeting of the Executive Mayoral Committee held on 15 February 2023, it was approved that the amount of **R 4 782 627.83** may be written off in respect of Indigent households and that the amount of **R 1 349 667.63** may be written off in respect of other irrecoverable debts.*

In die geval van deernishuishoudings is lopende heffings en/of rente wat nie by die bestaande lys bygewerk was nie, as gevolg van sosio-ekonomiese ondersoeke wat nog nie kon plaasvind aan al die deernishuishoudings nie, ook by die afskrywings ingesluit en was daar slegs enkele gevalle waar betaling ontvang was deur deernishuishoudings

In the case of equitable share households, current charges and / or interest not included in the existing list were included as a result of socio-economic investigations that could not yet be made to all the equitable share households and there were only a few cases where payment was received by equitable share households

The actual amount that was written off with regards to indigent households during February 2023, amounted to **R5 171 706.11** . Please see schedule A enclosed hereto **(Included is the written off debt schedule for Feb 2022 for purposes of a comparative analysis)**

Lopende heffings en/of rente wat nie by die bestaande lys ten opsigte van oninvorderbare skulde bygewerk was nie, vanweë die tydsverloop van wanneer die administratiewe proses van genoemde afskrywingslys begin was en die tydperk daarna, is ook by die afskrywings ingesluit.

Ongoing charges and / or interest not included in the existing list in respect of uncollectible debts due to the timing of when the administrative process of the said write-off list was commenced and the period thereafter are also included in the write-offs.

The actual amount that was written off with regards to other irrecoverable debt during February 2023, amounted to **R1 615 410.69** Please see schedule B enclosed hereto. **(Included is the written off schedule for Feb 2022 for purposes of a comparative analysis)**

2. WETGEWING / LEGISLATION

2.1 Local Government : Municipal Systems Act 32 of 2000

2.2 Local Government : Municipal Finance Management Act 56 of 2003

3. KOPPELING AAN DIE GOP / ALIGNMENT TO THE IDP

For purposes of Revenue Protection with reference to Strategic Outcome 1: A Financial Sustainable Municipality with well Maintained Assets in terms of Chapter 7 of the IDP, more specifically Output 1.1.2 – Maintain and Improve on Debt Collection.

4. FINANSIËLE IMPLIKASIE / FINANCIAL IMPLICATION

R 5 171 706.11 is die werklike bedrag afgeskryf ten opsigte van deernishuishoudings.

R 5 171 706.11 is the actual amount written off in respect of indigent households.

R 1 615 410.69 is die werklike bedrag afgeskryf ten opsigte van ander uitstaande debiteure wat oninvorderbaar is.

R 1 615 410.69 is the actual amount written off in respect of other outstanding debtors which are uncollectible.

The total amount written-off, amounted to **R 6 787 116.80**

5. AANBEVELING / RECOMMENDATION

- (a) Dat kennis geneem word dat die bedrae wat werklik afgeskryf is ten opsigte van deernishuishoudings **R 5 171 706.11** beloop en ten opsigte van ander oninvorderbare skulde **R1 615 410.69** beloop.

That cognizance is taken that the actual amount written off in respect of indigent households amounted to R 5 171 706.11 and in respect of other irrecoverable debt amounted to R1 615 410.69.

- (b) Dat kennis geneem word dat Swartland Munisipaliteit die reg voorbehou om enige bedrag wat afgeskryf is, weer terug te skryf na die betrokke debiteur en alle nodige stappe geneem sal word om die skuld in te vorder, indien dit vanaf datum van hierdie goedkeuring aan die lig kom dat -

- (i). 'n huishouding nie aan die deerniskriteria voldoen het nie (soos bepaal in Hoofstuk 7 van die Deernisbeleid); of
- (ii). 'n gedeelte van die skuld of die totale skuld van 'n debiteur nie korrek sou wees nie; of
- (iii). enige inligting wat op datum van afskrywing nie aan die Uitvoerende Burgemeesterskomitee bekend was, wat daartoe sou lei dat die komitee die voorgelegde skuld nie vir afskrywing sou oorweeg nie.

That further cognizance is taken that Swartland Municipality reserves the right to do a reversal of any amount that was written off to the relevant debtor and that all necessary steps will be taken to recover the debt, if it comes to light after the date of this approval that -

- (i) a household did not comply with the indigent criteria (as determined in Chapter 7: of the Indigent Policy); or
- (ii) a portion of, or the total debt of a debtor was not correct; or
- (iii) information came forth that was not known to the Executive Mayoral Committee when the writing off was considered, that would have influenced the decision of the committee.

- (c) Dat kennis geneem word dat indien 'n eiendom op welke wyse ookal vervreem sou word, Swartland Munisipaliteit die reg voorbehou om uitklaring op die betrokke eiendom te weerhou en die bedrae afgeskryf eers in te vorder, alvorens uitklaring op die betrokke eiendom gegee sal word. 'n Register is by die Eiendomsbelastingafdeling ingestel waarin gekontroleer word of daar ten opsigte van die betrokke uitklaring vir die voorafgaande twee jaar voor uitklaring, enige afskrywing was en dat indien wel, die afgeskryfde bedrag met die uitklaring verhaal word.

That cognizance is taken that if the property is alienated in any way; Swartland Municipality reserves the right to refuse clearance on the property in question in order to first recover the amounts written off. A register is kept in this regard at the Property Rates Division in order to determine if any amounts was written off for the previous two years, in order to recover the write-off amount before clearance is given.

(get) M Bolton

DIREKTEUR FINANSIËLE DIENSTE

Schedule A

February 2023

<u>Indigent write offs Feb 2022</u>	<u>Indigent write offs</u>	<u>Vat</u>	<u>W/offs without Vat</u>	<u>Written off amount</u>
493 606,80	Abbotsdale	95 916,39	784 088,79	880 005,18
571 206,25	Chatsworth	117 935,25	965 045,74	1 082 980,99
257 797,51	Darling	13 142,68	107 872,62	121 015,30
358 912,19	Ilinge Lethu	12 455,74	91 479,58	103 935,32
344 727,84	Kalbaskraal	38 065,51	306 824,21	344 889,72
51 482,63	Koringberg	6 367,51	50 521,18	56 888,69
3 660,52	Malmesbury	2 320,00	25 894,00	28 214,00
231 644,05	Moorreesburg	9 981,12	87 321,83	97 302,95
196 805,56	Phola Park	15 910,51	112 444,35	128 354,86
3 341,30	Riebeek-Kasteel	113 689,56	930 283,29	1 043 972,85
774 505,38	Riebeek-Wes	23 684,93	199 274,13	222 959,06
476 910,09	Riverlands	92 204,72	671 193,52	763 398,24
350 893,66	Wesbank	31 773,01	265 713,04	297 486,05
526 370,99	Yzerfontein	34,50	268,40	302,90
2 568,58				
R4 644 433,35	Actual Written off amount	573 481,43	4 598 224,68	5 171 706,11

Schedule B

Bad Debt Write off Feb 2023

<u>Bad Debt write offs Feb 2022</u>	<u>Bad Debt write offs</u>	<u>Vat</u>	<u>Write offs without Vat</u>	<u>Written off amount</u>
158 085,49	Abbotsdale	23 235,58	233 327,95	256 563,53
42 471,46	Chatsworth	17 820,54	185 182,56	203 003,10
4 067,10	Malmesbury	22 691,68	359 400,52	382 092,20
35 764,20	Moorreesburg	8 592,27	65 862,40	74 454,67
13 369,35	Riebeek Wes	2 284,56	17 586,94	19 871,50
15 873,24	Riverlands	2 780,85	26 513,18	29 294,03
43 817,63	Wesbank	13 223,13	206 655,97	219 879,10
69 045,48	Ilingelethu	869,24	7 353,11	8 222,35
90 578,72	Phola Park	9 779,58	85 327,80	95 107,38
24 397,28	Kalbaskraal	2 372,84	27 652,49	30 025,33
97 172,21	Riebeek Kasteel	2 645,61	20 703,00	23 348,61
53,37	PPC	69,36	500,05	569,41
	Darling	675,39	7 300,60	7 975,99
	Yzerfontein	2 742,81	45 451,94	48 194,75
	Koringberg	14 035,86	107 020,17	121 056,03
	Diverse	11 243,66	84 509,05	95 752,71
594 695,53	Actual written off amount	135 062,96	1 480 347,73	1 615 410,69

ITEM 7.1 VAN DIE AGENDA VAN 'N UITVOERENDE BURGEMEESTERSKOMITEEVERGADERING WAT GEHOU SAL WORD OP 22 MAART 2023

**ONDERWERP: BEGROTINGSBEHEERKOMITEE 2022/2023 SPESIALE AANSUIWERINGSKAPITAAL
EN BEDRYFSBEGROTING TEGNIESE AANBEVELINGS**

**SUBJECT: BUDGET STEERING COMMITTEE (BSC) 2022/2023 SPECIAL ADJUSTMENTS
CAPITAL AND OPERATING BUDGET TECHNICAL RECOMMENDATIONS**

1. BACKGROUND

The municipality received an additional grant allocation from the provincial government for Emergency Municipal Load-Shedding Relief, of which the detail of the funding was not confirmed at the time of the January 2023 Adjustments process. The reason for this special adjustments budget is to allocate the funding of R10 945 000 as per the promulgated Provincial Gazette Extraordinary (No.8719).

The purpose of the allocation is to provide a financial contribution to municipalities towards the purchase and installation of back-up energy supply (which may include generators, renewable power sources, batteries and all ancillary costs associated with the installation i.e.: switch gear, safe keeping, caging etc.) for water and wastewater infrastructure as an immediate response to the prolonged load-shedding, thereby mitigating the impact on the provision of basic services and potential health risks.

SECTION 28 MUNICIPAL ADJUSTMENTS BUDGETS

(2) An adjustments budget-

- (a) must adjust the revenue and expenditure estimates downwards if there is material under-collection of revenue during the current year;
- (b) may appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for;
- (c) may, within a prescribed framework, authorise unforeseeable and unavoidable expenditure recommended by the mayor of the municipality;
- (d) may authorise the utilisation of projected savings in one vote towards spending under another vote;
- (e) may authorise the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by the council;
- (f) may correct any errors in the annual budget; and
- (g) may provide for any other expenditure within a prescribed framework.

2. HIGH-LEVEL DISCUSSION / MOTIVATION

The adjustments in respect of the Capital Budget for 2022/2023 will result in an increase of R10 945 000, which will increase the 2022/2023 capital budget from R167 894 804 to R178 839 804.

The adjustments in respect of the Operating Budget for 2022/2023 will result in the gross budgeted surplus of R61 496 587 increasing to R72 441 587 including capital grants and contributions. The adjustments will have no effect on the budgeted net deficit excluding capital grants and contributions of R6 448 923. **At this juncture it is appropriate to emphasize that the aforementioned net deficit of R6 448 923 is the more appropriate measurement of budgeted deficits** from a budgeted cash flow perspective.

The adjustments to the 2022/2023 balance sheet budget are mainly due to a combination of adjustments to the capital and operating budgets.

2.1 OPERATING EXPENDITURE

No adjustments were made to the operating expenditure except for virements already processed that must be allocated during this special adjustments budget.

Note: The difference between the actual adjustment amounts listed above and the adjustment amounts in the B-schedule are because of virements within departments that now also forms part of the proposed adjusted budget.

2.2 OPERATING REVENUE

An increase in revenue of R10 945 000 due to the following:

1. Transfers Recognised – Capital increases by R10 945 000 due to the Emergency Municipal Load-Shedding Relief Grant received.

2.3 CAPITAL EXPENDITURE

The capital budget must increase by R10 945 000 due to the Emergency Municipal Load-Shedding Relief Grant received, to be used towards the purchase and installation of back-up energy supply for water and wastewater infrastructure.

(See detail attached in Annexure A)

RECOMMENDATIONS

(The following recommendations by the Budget Steering Committee held on 16 March 2023, to be considered by the Executive Mayoral Committee on 22 March 2023)

- That it be noted that the Budget Steering Committee convened to consider the explanations and motivations provided by the financial and engineering staff in a bid to advise the Executive Mayor on way forward;*
- That approval be granted to amend the high-level capital and operating budget for 2022/2023 with no amendments to the outer years as follows:*

	Original Budget 2022/23	Mid-Year Adj Budget 2022/23	Special Adj Budget 2022/23	Adjustments	Original Budget 2023/24	Original Budget 2024/25
Capital budget	191 095 805	167 894 804	178 839 804	10 945 000	195 834 903	165 690 722
Operating Expenditure	1 029 331 855	1 025 575 992	1 025 575 992	-	1 061 375 491	1 139 864 061
Operating Revenue	1 093 983 961	1 087 072 579	1 098 017 579	10 945 000	1 123 993 179	1 174 158 797
Budgeted (Surplus)/ Deficit	(64 652 106)	(61 496 587)	(72 441 587)	(10 945 000)	(62 617 688)	(34 294 736)
Less: Capital Grants & Contributions	77 109 000	67 945 510	78 890 510	10 945 000	73 351 000	35 935 000
(Surplus)/ Deficit	12 456 894	6 448 923	6 448 923	-	10 733 312	1 640 264

- (c) That it be noted that the changes to the budget will have no impact on tariffs in respect of the 2022/2023 financial year or beyond and the budgeted net deficit of R6 448 923 will remain unchanged;
- (d) That the adjusted budget schedules as required by the Budget and Reporting Regulations be approved as set out in **(Annexure B: Budget Report and B-Schedules 2022/23 – 2024/25)**;
- (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.

AANBEVELINGS

(Die volgende aanbevelings deur die Begrotingsbeheerkomitee gehou op 16 Maart 2023, vir oorweging deur die UBK op 22 Maart 2023)

- (a) Dat kennis geneem word dat die Begrotingsbeheerkomitee vergader het om die verduidelikings en motiverings van die finansiële en ingenieurspersoneel te oorweeg in 'n poging om die Uitvoerende Burgemeester te adviseer insake die pad vorentoe;
- (b) Dat goedkeuring verleen word om die hoë-vlak kapitaal- en bedryfsbegroting vir 2022/2023 as volg te wysig met geen veranderinge aan die buite jare nie;

	Oorspronklike Begroting 2022/23	Half-Jaarlikse Aansuiwerings begroting 2022/23	Spesiale Aansuiwerings begroting 2022/23	Aanpassings	Oorspronklike Begroting 2023/24	Oorspronklike Begroting 2024/25
Kapitaalbegroting	191 095 805	167 894 804	178 839 804	10 945 000	195 834 903	165 690 722
Bedryfsuitgawes	1 029 331 855	1 025 575 992	1 025 575 992	-	1 061 375 491	1 139 864 061
Bedryfsinkomste	1 093 983 961	1 087 072 579	1 098 017 579	10 945 000	1 123 993 179	1 174 158 797
Begrote (Surplus)/ Tekort	(64 652 106)	(61 496 587)	(72 441 587)	(10 945 000)	(62 617 688)	(34 294 736)
Minus: Kapitaal Toekennings & Donasies	77 109 000	67 945 510	78 890 510	10 945 000	73 351 000	35 935 000
(Surplus)/ Tekort	12 456 894	6 448 923	6 448 923	-	10 733 312	1 640 264

- (c) Dat kennis geneem word dat die veranderinge in die begroting geen impak op tariewe het ten opsigte van die 2022/2023 finansiële jaar of verder nie en dat die begrote netto tekort van R6 448 923 onverander bly;
- (d) Dat die aangepaste begrotingskedules soos vereis deur die Begroting en Verslagdoening Regulasies goedgekeur word soos vervat in **(Annexure B: Budget Report and B-Schedules 2022/23 – 2024/25)**;
- (e) Dat die Direkteur: Finansiële Dienste voldoen aan die vereistes van die Begrotingsomsendbriewe en –formate in die konteks van die verslagdoeningsvereistes aan Provinsiale en Nasionale Tesourie;
- (f) Dat die Dienslewering – en Begroting Implementeringsplan (SDBIP) toepaslik dienooreenkomstig gewysig word.

(Get) M BOLTON

DIREKTEUR: Finansiële Dienste



Verslag ♦ Ingxelo ♦ Report

Office of the Municipal Manager
2023-03-22

2/1/4/4/1
WARDS: All wards

**ITEM __7.2__ VAN DIE AGENDA VAN 'N UITVOERENDE BURGEMEESTERSKOMITEEVERGADERING
WAT GEHOUSAL WORD OP 22 MAART 2023**

**ITEM __7.2__ OF THE AGENDA OF AN EXECUTIVE MAYORAL COMMITTEE MEETING TO BE HELD
ON 22 MARCH 2023**

ONDERWERP: 2023 GEÏNTEGREERDE ONTWIKKELINGSPLAN
SUBJECT: 2023 INTEGRATED DEVELOPMENT PLAN

1. BACKGROUND AND DISCUSSION

The Integrated Development Plan (IDP) is the Municipality's principal strategic plan that deals with the most critical development needs of the municipal area (external focus) as well as the most critical governance needs of the organisation (internal focus).

The IDP –

- is adopted by the council within a prescribed period after a municipal election and remains in force for the council's elected term;
- is drafted and reviewed annually in consultation with the local community as well as interested organs of state and other role players;
- guides and informs all planning and development, and all decisions with regard to planning, management and development; and
- forms the framework and basis for the municipality's medium term expenditure framework, annual budgets and performance management system.

Because the local government elections took place in November 2021, there was not sufficient time for the newly elected council to follow the full IDP compilation process as envisaged in Sections 25(1), 28 and 29 of the Municipal Systems Act 32 of 2000 (MSA) before end of June 2022.

On 26 May 2022 the new Council therefore adopted the IDP of its predecessor in terms of Section 25(3)(a) of the MSA.

However, on 25 August 2022 Council approved a Process Plan for the drafting of this totally transformed and rewritten IDP. It was the start of a process of compiling a full fifth generation IDP in terms of the MSA.

2. INPUTS AND COMMENTS

Inputs were obtained in the following ways and from the following role-players between September 2022 and March 2023:

- An online needs survey that was done by means of Google Forms.
- Meetings per area with community representatives. Representatives included inter alia community leaders, NGO's in the area concerned, sector representatives, representatives of vulnerable groups and SMME's. Five meetings were held, one in each of the following areas: northern area (Moorreesburg and Koringberg), eastern area (Riebeek West and Riebeek Kasteel), western area (Darling and Yzerfontein), southern area (Riverlands, Chatsworth, Kalbaskraal and Abbotsdale) and central area (Malmesbury, Wesbank and Ilinge Lethu).
- Meetings per focus group with specific key role-players. The focus groups involved were Safety, Health, Education, Agriculture, Business, Tourism, Religion and Sport.
- A meeting with the big businesses in the Swartland.
- Meetings with each of the 12 municipal ward committees. Ward committees were asked to prioritise all community in respect of their wards.
- Open days were held in all the Swartland areas between 30 January 2023 and 8 February 2023.

3. STRATEGY WORKSHOP WITH COUNCIL AND MANAGEMENT

A Strategy Workshop with Council and management was held on 23 to 25 November 2022.

The goal of the 3-day session was to develop a new vision and strategic goals for the Municipality.

At the end of day 3, the participant groups gave feedback on their dreams, from which a vision and strategic goals for the new Integrated Development Plan were formulated.

4. LEGISLATION

The main act that regulates integrated development planning is the Municipal Systems Act (Act 32 of 2000) and more specifically Chapter 5. The sections that deals with the IDP are the following:

25. Adoption of integrated development plans
26. Core components of integrated development plans
27. Framework for integrated development planning
28. Adoption of process
29. Process to be followed
30. Management of drafting process
31. Provincial monitoring and support
32. Copy of integrated development plan to be submitted to MEC for local government
33. Ad hoc committees
34. Annual review and amendment of integrated development plan
35. Status of integrated development plan
36. Municipality to give effect to integrated development plan

5. ALIGNMENT TO THE IDP

Not applicable

6. FINANCIAL IMPLICATION

None.

7. AANBEVELING / RECOMMENDATION

- (a) Dat die konsep Geïntegreerde Ontwikkelingsplan (GOP) vir die Swartland munisipale gebied in beginsel aanvaar word in terme van Hoofstuk 5 van die Wet op Munisipale Stelsels Nr 32 van 2000 vir die doeleindes van die verkryging van publieke insette en kommentaar;
 - (b) dat die konsep GOP geadverteer word vir publieke insette en kommentaar gedurende April 2023;
 - (c) dat die konsep GOP by Plaaslike Bestuur, Provinsiale Tesourie, Nasionale Tesourie en die Weskus Distriksmunisipaliteit ingedien word;
 - (d) dat die GOP op 17 Mei 2023 aan die Burgemeesterskomitee vir 'n aanbeveling en op 25 Mei 2023 aan die Raad vir finale goedkeuring voorgelê word; en
 - (e) dat die hersiening van die areaplanne goedgekeur word.
-
- (a) *That the draft Integrated Development Plan (IDP) for the Swartland municipal area be accepted in principle in terms of Chapter 5 of the Municipal Systems Act No 32 of 2000 for the purposes of obtaining public inputs and comments;*
 - (b) *that the draft IDP be advertised for public inputs and comments during April 2023;*
 - (c) *that the draft IDP be submitted to Local Government, Provincial Treasury, National Treasury and the West Coast District Municipality;*
 - (d) *that the IDP be submitted to the Mayoral Committee on 17 May 2023 for a recommendation and to Council on 25 May 2023 for final approval; and*
 - (e) *that the revision of the area plans be approved.*

(get) J J Scholtz

MUNISIPALE BESTUURDER
MUNICIPAL MANAGER

DATUM: 22 Maart 2023

DATE: 22 March 2023



Verslag ♦ Ingxelo ♦ Report

Office of the Director: Financial Services
17 March 2023

5/1/1/1 – 2022/23

5/1/1/2 – 2022/23

5/1/4

ITEM 7.3 VAN DIE AGENDA VAN 'N RAADSVERGADERING WAT GEHOUSAL WORD OP 22 MAART 2023

ONDERWERP: A: BEGROTINGSBEHEERKOMITEE TEGNIESE AANBEVELINGS VIR DIE KONSEP MEERJARIGE KAPITAAL EN BEDRYFSBEGROTINGS, GEWYSIGDE BEGROTINGS BEGROTINGS EN VERWANTE BELEIDE, EIENDOMSBELASTING, TARIEWE EN ANDER HEFFINGS VIR 2023/2024; 2024/2025 EN 2025/2026 VIR DOELEINDES VAN DIE PUBLIEKE DEELNAME PROSES

SUBJECT: A: BUDGET STEERING COMMITTEE TECHNICAL RECOMMENDATIONS FOR THE DRAFT MULTI YEAR CAPITAL AND OPERATING BUDGETS, AMENDED BUDGET AND RELATED POLICIES, PROPERTY RATES, TARIFFS AND OTHER CHARGES FOR 2023/2024; 2024/2025 AND 2025/2026 FOR SPECIFIC PURPOSES OF GIVING EFFECT TO PUBLIC PARTICIPATION

1. BACKGROUND

Prior to the tabling of the Draft budget, comprehensive workshops and engagements took place with the various directorates to ensure that effect is given to organisation wide quality sustainable service delivery in a bid to ensure value for money to all of Swartland Municipality's citizens. The objective in the main was to ensure efficiencies in directorates and to more importantly give effect to sound expenditure management and cost containment. This proved very challenging given the limitations placed on tariff increases compared to the MTREF's operational expenditure requirements and the fact that very little scope exists for additional savings given the municipality's proven corporate culture in respect of cost containment. It is becoming increasingly challenging to fund community and other services by way of the municipality's basket of basic services and revenue generated through municipal property taxes. Our historical approach to budgets required serious re-invention and consideration given the prevailing economic conditions.

The budget steering committee had an engagement on 16 March 2023 to consolidate and consider all the input and to provide an opportunity for the Chief Financial Officer to workshop the Draft 2023/2024 MTREF.

The following were highlighted in National Treasury Budget Circulars 122 and 123 (dated 9 December 2022 and 3 March 2023) to inform the Draft 2023-2024 MTREF

The South African economy and inflation targets

The National Treasury forecasts real economic growth of 1.9 per cent in 2022, compared with 2.1 per cent projected in the 2022 Budget Review, in response to global and domestic shocks. Growth is projected to average 1.6 per cent from 2023 to 2025. Implementing structural reforms, especially in the energy sector, remains crucial to improve the economy's productive capacity and competitiveness. The recovery in economic activity that began in 2021 was driven by a strong rebound in global economic activity, high commodity prices and easing COVID-19 restrictions. The scarring impact of the pandemic on employment and investment decisions will likely weigh on the recovery over the medium term. Investment remains well below pre-pandemic levels.

The economy grew by 1.4 per cent in the first half of 2022 compared with the first half of 2021. Real GDP grew more than expected in the first quarter of 2022, with output returning to pre-pandemic levels. However, a deteriorating global environment, flooding in KwaZulu-Natal and the Eastern Cape, industrial action in the electricity and mining sectors, and prolonged and intense power cuts resulted in a broad-based contraction across most sectors during the second quarter. The third quarter was marked by frequent and prolonged power cuts, which significantly disrupted economic activity.

GDP is expected to grow by 0.9 per cent in real terms in 2023, compared with an estimate of 1.4 per cent at the time of the medium-term budget policy statement (MTBPS), recovering slowly to 1.8 per cent in 2025. The economic outlook faces a range of risks, including weaker-than-expected global growth, further disruptions to global supply chains and renewed inflationary pressures from the war in Ukraine, continued power cuts and a deterioration in port and rail infrastructure, widespread criminal activity, and any deterioration of the fiscal outlook. Government is taking urgent measures to reduce load-shedding in the short term and transform the sector through market reforms to achieve long-term energy security. Several reforms are under way to improve the performance of the transport sector, specifically freight rail and to improve the capability of the state.

The Macro-economic forecasts as illustrated below:

Table 1: Macroeconomic performance and projections, 2021 - 2026					
Fiscal year	2021/22	2022/23	2023/24	2024/25	2025/26
	Actual	Estimate	Forecast		
CPI Inflation	4.9%	6.9%	5.3%	4.9%	4.7%

Key focus areas for the 2023/24 budget process

- Over the 2023 MTREF period, transfers to local government will increase by a total of R14.3 billion, made up of R8.1 billion in the local government equitable share and R6.2 billion in direct conditional grants. This takes the total direct allocation to R521.7 billion over the same period. These allocations alleviate some of the financial pressures, particularly in basic services, where the costs of providing services are rising.

The local government equitable share and related allocations increases at an annual average rate of 7.8 per cent and municipal conditional grants increase by 3.5 per cent over the 2023 MTREF period. The local government equitable share formula has been updated to account for projected household growth, inflation and estimated increases in bulk water and electricity costs over the 2023 MTREF period. It also includes allocations for the operational and maintenance costs associated with the provision of free basic services.

- Changes to the INEP conditional grant frameworks** - As part of government's efforts to accelerate access to electricity thereby addressing the energy crisis, Eskom and municipal INEP grants will begin funding alternative energy technologies such as rooftop solar and energy-saving devices. Due process must be followed to access funding for these new technologies. As a result, both Eskom and municipalities will need to conform to the set requirements by submitting business plans by 31 October 2023. These business plans, will need to be approved by the Department of Mineral Resources and Energy (DMRE) before they can be implemented. Priority should be given to new connections, i.e., non-grid technology should be targeted at households that do not have access to electricity.
- Similar to the rest of government, **municipalities face a difficult fiscal environment**. The **weak economic growth** has put **pressure on consumers' ability to pay for services**, while transfers from national government are growing more slowly than in the past. Some municipalities have managed these challenges well, but others have fallen into financial distress and face liquidity problems. These include municipalities that are unable to meet their payment obligations to Eskom, Water Boards and other creditors. There is a need for municipalities to focus on collecting revenues owed to them and eliminate wasteful and non-core spending.

Municipalities must ensure that they render basic services, maintain their assets and clean environment. Furthermore, there must be continuous communication with the community and other stakeholders to improve the municipality's reputation. This will assist in attracting investment in the local economy which may result in reduced unemployment. Some municipalities are experiencing serious liquidity challenges.

- National Treasury encourages municipalities to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other consumers while ensuring the financial sustainability of the municipality. The Consumer Price Index (CPI) inflation **is forecasted to be within the 3 to 6 per cent target band**; therefore, municipalities are required to **justify all increases in excess of the projected inflation target for 2023/24 MTREF** in their budget narratives and pay careful attention to tariff increases across all consumer groups. In addition, municipalities should include a detailed account of their revenue growth assumptions for the different service charges in the budget narrative
- **Bulk Account Payments and Concessions** - During 2018/19, intense work was undertaken to resolve systemic and structural issues pertaining to the electricity function in municipalities. Core to this work was addressing the escalating Eskom debt that threatened the sustainability of Eskom as well as that of municipalities. During the process, Eskom agreed to provide relieve in certain areas. Municipalities are reminded of the following concessions that remain in place:
 - The interest rate charged on overdue municipal bulk accounts were reduced from prime plus 5 per cent to prime plus 2.5 per cent;
 - Payment terms were extended from 15 days to 30 days for municipal bulk accounts; and
 - Eskom allocation of municipality payments to capital first and then to interest.

These concessions align to the MFMA and are meant to curb municipal growing debt levels by allowing a more conducive payment regime than what was previously employed. In addition, municipalities are urged to budget for and ring-fence their payment of bulk services. Bulk current account payments must be honoured religiously to avoid stringent application of the bulk suppliers' credit control policy.

- **Critical Notice Affecting STS Meters** - As highlighted in previous MFMA Circular No. 115 (dated 06 December 2022) municipalities are once again alerted that there is still a pending business risk to the prepayment metering industry that requires urgency of action. The token identifiers (TID) used to identify each credit token will run out of available numbers in November 2024, at which point all STS meters will stop accepting credit tokens. The remedy is to visit each meter and enter a special set of key change tokens in order to reset the meter memory. Municipalities are advised that the National Treasury, through the Office of the Chief Procurement Officer (OCPO), will soon facilitate a transversal contract for the provision of auditing, re-calibration and re-configuration services for standard transfer specification compliant prepayment meters that align to minimum and critical technical specifications for local government. In this respect the development of the transversal contract for smart prepaid meters as per NRS 049 (per latest approved version) is at an advanced stage and should be issued shortly by National Treasury.

If your municipality or municipality entity is currently in the process of procuring for a solution or is planning to, you are cautioned:

- Against proceeding prior to the OCPO having issued and awarded the transversal contract for the provision of inter alia auditing, re-calibration and re-configuration services for standard transfer specification compliant prepayment meters Terms of Reference (ToR); and
- That, with immediate effect, you must obtain the National Treasury's input prior to proceeding with any current procurement or proposed procurement for this purpose or any related solution or similar. This is to prevent unnecessary and wasteful expenditure on such solutions.

In this regard, municipalities will have two options to choose from:

- Firstly, to pursue the route of auditing, re-calibrating and re-configuring services for standard transfer specification compliant prepayment meters; and/ or
- Secondly, to replace the old meter with a new smart prepaid meter.

For both options, the municipality will have to budget accordingly as no additional funding will be available through the national fiscus.

- **Loadshedding not only affects the electricity service but also some municipalities' ability to pump water, thereby negatively impacting the stability of water supplies and the related functioning of the wastewater reticulation network.** The loadshedding crisis has been declared a state of disaster and will require tough budgeting choices for municipalities to make sure that basic municipal services are sustained. The regulations published in the Government Gazette No. 48152 on 27 February 2023 in terms of the Disaster Management Act, 2002 (Act 57 of 2002) require municipalities to "ensure continuous operation of water infrastructure and other specified essential infrastructure, including by installing alternative energy sources or other measures to provide an uninterrupted power supply." Municipalities are also required to "mobilise available resources" and "provide funds for this purpose, subject to affordability." As an immediate interim solution back-up electricity to pump water should be prioritised while being mindful of its affordability within the municipality's available funding sources and other critical priorities. The municipality need to adequately plan and prioritise funding in its 2023/24 MTREF for this purpose.
- **The National Energy Regulator of South Africa (NERSA)** is responsible for the price determination of the bulk costs of electricity. In January 2023, NERSA approved tariff increases of 18.7 per cent in 2023/24 and 12.7 per cent increase in 2024/25. For purposes of calculating the free basic energy subsidy in the local government equitable share formula, the National Treasury has added 2 per cent to these increases. This is in anticipation of higher increases than those published in January, for municipalities, due to the difference in the financial years of Eskom customers and municipalities meaning that Eskom only has nine months to collect the allowable revenue from municipalities. R1.1 billion is added to the free basic energy subcomponent of the free basic services component of the local government equitable share formula to fund these higher tariff increases. To this end, the free basic electricity subsidy in the local government equitable share is calculated based on a 20.7 per cent tariff increase in 2023/24 and a 14.7 per cent increase in 2024/25. In the absence of an approved tariff increase in the outer year of the MTREF period, the formula assumes an increase of 17.7 per cent in 2025/26. This is the average of the estimated increases for the first two years of the MTREF period. **The draft increase for bulk purchases is 20.7% plus the potential Eskom claw-back shortfall and an increase of around 20% for electricity reselling.**
- **The emphasis is on municipalities** to comply with Section 18 of the MFMA and ensure that they **fund their 2023/24 MTREF budgets from realistically anticipated revenues** to be collected. Municipalities are cautioned against assuming collection rates that are unrealistic and unattainable as this is a fundamental reason for municipalities not attaining their desired collection rates. The purpose of the above mentioned MFMA Circulars is to ensure that the municipalities are using their entire revenue base as the basis for the revenue budget. It is **essential that municipalities reconcile their most recent consolidated valuation roll data to that of the current billing system data** to ensure that **revenue anticipated from property rates is realistic**. The municipalities should implement a data management strategy and develop internal capacity to perform these reconciliations and investigations to improve completeness of billing.
- **The Salary and Wage Collective Agreement** for the period 01 July 2021 to 30 June 2024 dated 15 September 2021 through the agreement that was approved by the Bargaining Committee of the Central Council in terms of Clause 17.3 of the Constitution should be used when budgeting for employee related costs for the 2023/24 MTREF. In terms of the agreement, all employees covered by this agreement shall receive with effect from 01 July 2023 and 01 July 2024 **an increase based on the projected average CPI** percentages for 2023 (5.4 per cent according to the Reserve Bank's Monetary Committee Statement for January 2023) and 2024 (4.8 per cent according to the Reserve Bank's Monetary Committee Statement for January 2023). The forecasts of the Reserve Bank, in terms of the January 2023 and January 2024, shall be used to determine the projected average CPI. Municipalities are encouraged to perform an annual head count and payroll verification process by undertaking a once-a-year manual salary disbursement, to root out ghost employees. According to the 2021 State of Local Government Finance Report, there are about 165 municipalities that are in financial distress. These municipalities need to ensure that they seek an early exemption from this dispensation of this salary agreement. Municipalities should also avoid paying out leave in cash while having major financial challenges.

- *Municipalities are advised to budget for the **actual costs approved in accordance with the Government Gazette on the Remuneration of Public Office Bearers Act: Determination of Upper Limits** of Salaries, Allowances and Benefits of different members of municipal councils published annually between December and January by the Department of Cooperative Governance. It is anticipated that this salary determination will also take into account the fiscal constraints. Municipalities should also consider guidance provided above on salary increases for municipal officials during this process. Any overpayment to councilors contrary to the upper limits as published by the Minister of Cooperative Governance and Traditional Affairs will be irregular expenditure in terms of Section 167 of the MFMA and must be recovered from councilor(s) concerned.*

Funding choices and management issues

Municipalities are under pressure to generate revenue as a result of the economic landscape, the uncertainty of on-going loadshedding, weak tariff setting and increases in key cost drivers to provide basic municipal services. The ability of customers to pay for services is declining and this means that less revenue will be collected. Therefore, municipalities must consider the following when compiling their 2023/24 MTREF budgets:

- Improving the effectiveness of revenue management processes and procedures;
- Cost containment measures to, amongst other things, control unnecessary spending on nice-to-have items and non-essential activities as highlighted in the Municipal Cost Containment Regulations read with MFMA Circular No. 82;
- Ensuring value for money through the procurement process;
- The affordability of providing free basic services to all households;
- Not taking on unfunded mandates;
- Strictly control the use of costly water tankers and fix the water infrastructure to enable the sustainable provision of water;
- Automate business services where possible to increase efficiencies and lower customer costs;
- Prioritise the filling of critical vacant posts, especially linked to the delivery of basic services;
- Curbing the consumption of water and electricity by indigent consumers to ensure that they do not exceed their allocation; and
- Ensuring sustainable capital infrastructure investment with emphasis on the impact on the operating account.

2. LEGISLATIVE RESPONSIBILITIES

2.1 Section 16(2) : MFMA

"... the Mayor of the municipality must table the annual budget at a **Council meeting** at least 90 days before the start of the financial year."

Artikel 16(2) : MFMA

"... die Burgemeester van die munisipaliteit moet die jaarlikse begroting ten minste **90 dae** voor die aanvang van die begrotingsjaar by 'n **raadsvergadering** ter tafel lê."

2.2 Section 24(1) : MFMA

"The municipal Council must at least **30 days** before the start of the budget year consider approval of the annual budget."

Artikel 24(1) : MFMA

"Die raad van 'n munisipaliteit moet ten minste **30 dae** voor die aanvang van die begrotingsjaar goedkeuring van die jaarlikse begroting oorweeg."

2.3 Section 160(2)(b) (c): Constitution

"The following functions may not be delegated by a Municipal Council:
... the approval of budgets and tariffs."

Artikel 160(2)(b)(c): Grondwet

"Die volgende funksies mag nie deur die Munisipale Raad gedelegeer word nie:
... die goedkeuring van begrotings en tariewe."

- 2.4 Section 160(3)(a) Constitution
 “A majority of the members of a Municipal Council must be present before a vote may be taken on any matter.”
- Artikel 160(3)(a) Grondwet
 “Dat die meerderheid Munisipale Raadslede teenwoordig moet wees voordat stemming geneem word oor enige saak.”
- 2.5 Section 19: MFMA
 “A municipality may spend money on a capital project only if the money for the project, excluding the cost of feasibility studies conducted by or on behalf of the municipality has been appropriated in the capital budget; section 33 has been complied with and the sources of funding are available and have not been committed”
- Artikel 19: MFMA
 “’n Munisipaliteit kan geld aan ’n kapitaalprojek bestee, slegs indien die geld vir die projek, uitgesonderd die koste van uitvoerbaarheidstudies deur of namens die munisipaliteit gedoen in die kapitaalbegroting is; artikel 33 aan voldoen is en die befondsingsbronne beskikbaar is en nie vir ander doeleindes geoormerk is nie”
- 2.6 Section 33: MFMA
 “A municipality may enter into a contract which will impose financial obligations on the municipality beyond a financial year, but if the contract will impose financial obligations on the municipality beyond the three years covered in the annual budget for that financial year, it may do so only if.....”
- Artikel 33: MFMA
 “’n Munisipaliteit kan ’n kontrak sluit wat die finansiële verpligtinge op die munisipaliteit sal lê na die einde van ’n finansiële jaar, maar indien die kontrak finansiële verpligtinge op die munisipaliteit sal lê na die einde van die drie jaar wat die jaarlikse begroting vir daardie finansiële jaar gedek word, kan die munisipaliteit so kontrak sluit deur die slegs indien.....”

3. DOCUMENTATION

- 3.1 Attached hereto (**Annexure A: 2023/24 – 2025/26 Draft Budget and Tariff File**) find the **Draft** Capital and Operating budget for 2023/2024 as prepared by the Chief Financial Officer, and the multi-year operating and capital budgets for 2024/2025 and 2025/2026.
- 3.2 Attached hereto (**Annexure B: 2023/24 – 2025/26 Capital Projects i.t.o Sec 19**) find the **Draft** individual capital projects over the threshold envisaged i.t.o Sec 19 having cognisance of Sec 33 of the MFMA.
- 3.3 **BUDGETS AND MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK 2023/2024 REFORMS**
 Attached hereto (**Annexure C: Budget Report and A-Schedules 2023/24 – 2025/26**), find the prescribed budget reforms as per MFMA Circulars No.122 and No.123 in accordance with the regulations.
- 3.4 **OUTSTANDING DEBTORS**
 (**Annexure A: 2023/24 – 2025/26 Draft Budget and Tariff File**) contains the outstanding debtors as at 31 January 2023.
- 3.5 **INVESTMENTS & EXTERNAL LOAN REGISTER**
 (**Annexure A: 2023/24– 2025/26 Draft Budget and Tariff File**) contains the Investments and External loan register as at 28 February 2023.
- 3.6 **BUDGET RELATED POLICIES**
 Also attached hereto (**Annexure D: Draft Amendments to Budget & Related Policies 2023/2024**), find the draft amended budget and related policies for 2023/24.

Below is a list of the budget and related policies and by-laws, indicating whether amendments by way of track changes were effected, for **draft** approval by Council:

No.	Policy/Plan Name	Reviewed (Yes / No)	Amended (Yes / No)
1.	Tariff Policy	Yes	Yes
2.	Property Rates Policy (only property tax rates revised)	Yes	No
3	Property Rates By-law	Yes	No
4.	Credit Control and Debt Collection Policy Schedule and By-Law	Yes	No
5.	Indigent Policy	Yes	Yes
6.	Cash Management and Investment Policy	Yes	Yes
7.	Asset Management Policy	Yes	Yes
8.	Fleet Management Policy	Yes	Yes
9.	Supply Chain Management Policy (effective since 16 January 2023)	Yes	No
10.	Budget Implementation Policy	Yes	No
11.	Funding and Reserves Policy	Yes	No
12.	Debt and Borrowing Policy	Yes	No
13.	Virement Policy	Yes	Yes
14.	Travel and Subsistence Policy	Yes	Yes
15.	Cost Containment Policy	Yes	No
16.	Unauthorised, Irregular, Fruitless and Wasteful Expenditure Policy	Yes	No
17.	Insurance Policy	New	

Note: The amendments to the Supply Chain Management Policy is effective since 16 January 2023 and for the 2023-24 financial year.

4. AREAS COVERED DURING THE BUDGET STEERING COMMITTEE MEETINGS:

- Struggling South African Economy (Local and international economy – recessions)
- **Conservative budgeting w.r.t the revenue budget and therefore the amounts in years 2 and 3 of the MTREF are indicative only and not fixed, mainly to mitigate the risks given the global and local poor economic conditions. In this regard expenditure will have to be curbed with careful monitoring of budget performance and payment rates**
- Key focus risk areas for the 2023/24 Budget process
- Extensive revenue modelling informing tariff increases to ensure services are delivered **sustainably and cost reflective** over the longer term with emphasis on the impact of increases on disposable income levels given the dire state of the economy
- Electricity supply constraints leading to diminishing Electricity demand
- Expenditure and Revenue Consolidation and audited basis informing growth from 2022-23 to 2023-24
- Revenue streams from trading and economic services insufficient, given the impact of Capital budget programs and Indigents on the Operating account
- Future operational cost of 2 800 and 2 839 housing opportunities, Landfill sites cost of compliance and Rehabilitation, ± R52.6mil capital & R26.9mil operating
- Limiting future CAPEX to a maximum of 16.5% of OPEX to relieve pressure on tariffs.

To ensure compliance with the Budget and Reporting Regulations, the Budget Steering Committee gave effect to their technical advisory role in strengthening local government finances at a meeting that was held on the 16th of March 2023.

5. HIGH-LEVEL DISCUSSION / MOTIVATION

That the Executive Mayoral Committee recommends the approval of the draft capital, operating and balance sheet budgets, amendments to the budget and related policies, property tax rates, tariffs and other charges for the 2023/2024; 2024/2025 and 2025/2026 financial years ***to council for draft approval.***

5.1 CAPITAL BUDGET

The total draft Capital budget for 2023/2024 amounts to **R 206 438** million with around **R 99 051** million invested from Council's own funds in year 1 and the total application of capital investment over the three fiscal years amounting to **R 634 631** million. An increase of **R 105 210** million from the previous approved adjusted MTREF of **R 529 420** million. The ongoing investment in revenue generating and other bulk infrastructure is important as an economic stimulant given the multiplier effect that infrastructure investment has on the local economy and more-over now than ever before. The leveraging of these investments in creating jobs remains a key consideration bearing in mind the impact the capital budget have on the operating account.

HOUSING PROJECTS

Note: The allocations in the provincial gazette for housing projects in year 2 and 3 are indicative at this stage because of **provincial commitments not yet guaranteed.**

CAPITAL PROJECTS ABOVE THE THRESHOLD AS ENVISAGED BY SECTION 19 OF THE MFMA

SECTION 19 (1) requires that council consider the operational costs over the MTREF and beyond prior to approving these capital projects:

- (1) "A municipality may spend money on a capital project only if-
- (a) the money for the project, excluding the cost of feasibility studies conducted by or on behalf of the municipality, has been appropriated in the capital budget referred to in section 17 (2);
 - (b) the project, including the total cost, has been approved by the council;
 - (c) section 33 has been complied with, to the extent that this section may be applicable to the project; and
 - (d) the sources of funding have been considered, are available and have not been committed for other purposes."

FINANCING SOURCES	Draft Budget 2023/2024	Draft Budget 2024/2025	Draft Budget 2025/2026
Capital Replacement Reserve (CRR)	R 99 051 292	R 103 813 866	R 117 124 689
Municipal Infrastructure Grant (MIG)	R 24 708 000	R 25 664 000	R 26 660 000
Dept. Human Settlements	R 55 314 000	R 64 890 000	R 30 000 000
Integrated National Electrification Programme (INEP)	R 23 658 000	R 25 000 000	R 35 000 000
RSEP	R 500 000	-	-
Contributions / Donations	R 1 224 943	-	-
Dept. Cultural Affairs and Sport	R 1 016 000	-	-
Community Safety Grant	R 40 000	R 40 000	-
Fire Service Capacity Building Grant	R 926 000	-	-
GRAND TOTAL	R 206 438 235	R 219 407 866	R 208 784 689

SECTION 19 (2) requires the following:

- (2) “Before approving a capital project in terms of subsection (1) (b), the council of a municipality must consider-
- (a) the projected cost covering all financial years until the project is operational; and
 - (e) the future operational costs and revenue on the project, including municipal tax and tariff implications.”

SECTION 19 (3) requires the following:

- (3) “A municipal council may in terms of subsection (1) (b) approve capital projects below a prescribed value either individually or as part of a consolidated capital programme.”

5.2 OPERATING BUDGET

The operating expenditure budget will increase from **R 1 025 576** million to **R 1 104 200** million resulting in approximate growth of **7.7%**. The operating revenue budget will increase from **R 1 087 073** million to **R 1 227 698** million (including operating and capital grant allocations) resulting in year on year growth of **12.9%**. The relationship between the growth in realistically generated revenue compared to the growth in expenditure is however becoming increasingly more problematic over the medium to longer term and much will have to be done to curb expenditure and grow other revenue sources to ensure longer term financial sustainability. The extent of capital investment has a huge impact on the operating account over the medium to long term.

The total salary budget is envisaged to increase from **R 309 926** million to **R 340 097** million (9.73% increase) to make provision for nationally determined annual adjustments in salaries, other benefits such as medical aid and pension contributions. No provision for critical posts were possible, given the tight resource envelope.

TRAINING BUDGET

A concerted effort was again made to limit this expenditure in an attempt to keep tariffs within the limits of the reduced realistically anticipated revenue streams, with an amount of **R 1 968 095** budgeted for training in the 2023/24 operating budget, which constitutes 0.60% of the Municipality's salary budget (excluding councillor remuneration) and will be limited to around 0.50% to 0.60% for the outer MTREF financial years. This budget is considered more than sufficient to provide for training needs within the Municipality given the historic and ongoing training programmes already covered, **but more-over the necessitated curbing of expenditure given the worsening disposable income levels of the paying public during this severe economic downturn.**

SALARY BUDGET

That Council takes note of the increases of the Directors that are contractually linked to the other personnel, which is negotiated and determined at a national level:

- In respect of all personnel, an increase of **5.3%** for 2023/2024; **5%** for 2024/2025 and **5%** for the 2025/2026 financial years, excluding the increase in other benefits that are applicable and the annual 2.5% notch increase where applicable;
- All salary adjustments are adequately budgeted for;
- Provision has been made for a **3%** increase for political office bearers which is within the mid band of the inflation targets set by the South African Reserve Bank (SARB).

It further be noted that due to a lack of sufficiently generated internal funds, no provision could be made for the redemption shortage in respect of the overlapping of the redemption of loans to external banks and the life span of assets.

PROPERTY TAXES AND TARIFFS OF TRADINGS SERVICES

The average draft increases in property taxes and tariffs for the 2023/2024 financial year are as follows:

Property Rates	-	5.9% (detail of main property categories per recommendation (i) for the property tax rate:- cent in the Rand)
	-	6.9% All other properties (excluding agricultural properties used for bona fide agricultural activities and vacant land)
Electricity	-	20.7% (NERSA in the process of developing guidelines- please refer to the detailed electricity tariffs found in the 2023-2024 Tariff listing)
Refuse Removal	-	9.9% due to the service being rendered at a loss compounded by the running cost of fuel
Sewerage	-	5.9%
Water	-	Average of 7.8% for the first 15kls – thereafter 5.9% for residential consumers. 4.9% increase for all businesses, sport clubs and 5.9% for government institutions, please consult the tariff listing for the detail.

5.3 PROPERTY RATES AND SERVICE CHARGES ASSUMPTIONS

The objective with the exercise of tariff determination was to ensure that trade and economic services show surpluses over the next three to five years in order to sustain quality service delivery to which our consumers in the Swartland area have become accustomed to, but more importantly to finance some other community services and the refurbishment/ renewal of council's bulk infrastructure. The objective alluded to above was however not possible with refuse removal which is rendered at a loss.

Every effort was made during the extensive income modelling exercise to apply the principles of zero based budgeting where appropriate. Items such as fuel, tyres, and bulk purchases inclusive of post-retirement benefits were repeatedly verified against past performance and the implementation of improved practices in a bid to realise potential further reductions and savings especially with the increasing fuel prices. Cost of providing services increased exponentially, especially those that is fuel and energy dependent.

Property Rates

The draft proposed property rates increases for the 2023/2024 financial year is **5.9%** for residential properties and **6.9%** for business and state owned properties. Increases over the remaining MTREF period, is limited to **4.9%** for residential properties and **6.5%** for business and state owned properties. Over the MTREF additional streams were factored in as a result of the implementation of the new general valuation envisaged for the 2024/25 financial year. Limited growth is forecasted for the years beyond the MTREF.

Electricity Tariffs

At this stage, the draft increase for the purchase of electricity is based on **20.7%** and the increase for selling of electricity is around **20%**. The proposed tariff increases of the municipal tariffs are preliminary and subject to revision upon receipt of the tariff benchmark guidelines from NERSA. **Please consult the detailed tariff listing for the proposed draft increases.**

The municipality will need to take up an external loan to partly finance the 132/11kV Eskom Schoonspruit Substation capital project of which the loan amount will be determined after the quantum of grant funding is clarified. This substantial investment will create capacity, which in the main is needed to support the delivery of low cost housing in the Swartland area.

That Council for now abide with the electricity tariffs that are submitted, bearing in mind that it is still subject to NERSA's final approval.

Water Tariffs

The draft water tariff increases are :- **average increase of 7.8%** for the first 15kls thereafter a **5.9%** increase for the higher residential consumptive blocks, a **4.9%** increase for all businesses and sport clubs and **5.9%** for government institutions. The draft tariff increases which are above the estimated headline inflation rate, are needed given the extent of water infrastructure investment required over the MTREF compounded by illegal connections and an increase in consumption to the south towards Cape Town.

Bulk water purchases from the WCDM increase to around R 7.02 from 1 July 2023 due to higher operational costs, increases to the Department of Water Affairs and the compounding cost on water provision occasions by load shedding. Usage from 0 – 20KL will increase on average by 7.36% for domestic consumers.

Refuse Removal

The draft tariff increase of **9.9%**, which is above the headline inflation rate, is needed to deliver the service effectively and to eventually phase out the deficit over the longer term due to the current economic conditions. The additional percentage of 4.6% above headline inflation is equal to R6.89 per month and needed to ensure that the cost of providing the service is fully funded over the longer term as the service is currently rendered at a loss. Over the remaining MTREF period, the tariff will increase to 11% to phase out the deficit over the longer term as a result of the Landfill sites cost of compliance and Rehabilitation amounting to R52.6 million in the 2023/24 MTREF budget which will require the taking up of an external loan in year two of around R20 million.

The public must also note that the costs associated with cleaning public open spaces due to illegal dumping and littering place a huge financial burden on the municipality and therefore the public are requested to please report illegal dumping.

Sanitation

The draft tariff increase of **5.9%** that is aligned to estimated headline inflation rate is needed to deliver the service effectively and to prevent that the service does not operate at a deficit beyond the new 2023/2024 MTREF. This will further support critical upgrades of the wastewater treatment works in Moorreesburg and Darling due for completion in 2023/24 without the need to take-up a capital loan.

6. **POTENTIAL AND REAL RISKS IMPACTING FINANCIAL PLANNING OVER THE MTREF AND ULTIMATELY THE REVENUE MODELLING EXERCISE FORMING THE BASIS FOR THE MTREF:**

- Pressure on supply and demand as a result of the Ukraine and Russia conflict, compounding local inflation in the form of Food and Fuel increases which could potential see the SARB increasing the REPO rate;
- Load shedding leading to diminishing electricity demand;
- Fuel price increases and its impact on disposable income levels;
- Cost of fuel on the municipal operations;
- Slower recovery of the economy;
- Ability to collect revenue in challenging environments;
- The upward pressure and multiplier effect of increases in staff salaries.

RECOMMENDATIONS

1. **The following recommendations by the Executive Mayoral Committee held on 22 March 2023, for consideration by Council on 30 March 2023 for purposes of public participation. Final approval shall only take place on 25 May 2023.**
 - (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: 2023/2024 – 2025/2026 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: 2023/2024 – 2025/2026 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 deemed it appropriate to consider the entire capital program excluding the 3 contractually combined projects above R50 million as the aforementioned capital program's operational cost, inclusive of future costs will be covered by the rates regime and the normal cost centres found in the operational budget;
 - (d) That the future capital budgets from year 3 be limited to 16.5% of the operating budget (based on NT's norm for *Capital Expenditure to Total Expenditure* that is between 10% to 20%) because of the upward pressure it has on the operating budget and the affordability of tariffs;
 - (e) 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;

FINANCING SOURCES	Draft Budget 2023/2024	Draft Budget 2024/2025	Draft Budget 2025/2026
Capital Replacement Reserve (CRR)	R 99 051 292	R 103 813 866	R 117 124 689
Municipal Infrastructure Grant (MIG)	R 24 708 000	R 25 664 000	R 26 660 000
Dept. Human Settlements	R 55 314 000	R 64 890 000	R 30 000 000
Integrated National Electrification Programme (INEP)	R 23 658 000	R 25 000 000	R 35 000 000
RSEP	R 500 000	-	-
Contributions / Donations	R 1 224 943	-	-
Dept. Cultural Affairs and Sport	R 1 016 000	-	-
Community Safety Grant	R 40 000	R 40 000	-
Fire Service Capacity Building Grant	R 926 000	-	-
GRAND TOTAL	R 206 438 235	R 219 407 866	R 208 784 689

- (f) That council approves the capital projects as part of its consolidated capital program as per **(Annexure A: 2023/2024 – 2025/2026 Draft Budget and Tariff File)**;
- (g) That council in-principle approves the raising of an external loan to the amount of R50 million in year 2 of the new 2023/24 MTREF for the partial financing of the following capital projects: 132/11kV Eskom Schoonspruit Substation (R30 million) and the Development of Highlands New Landfill site Cell (R20 million), by means of testing the market as envisaged by MFMA section 46, requesting tenders from the financial institutions;
- (h) That the draft high-level multi-year Capital and Operating budgets in respect of the **2023/2024 – 2025/2026** financial years, be approved as draft, in accordance with sections 16, 17 and 19 of the MFMA to allow for public participation;

	Original Budget 2022/23	Mid-Year Adj Budget 2022/23	Draft Budget 2023/24	Draft Budget 2024/25	Draft Budget 2024/25
Capital budget	191 095 805	167 894 804	206 438 235	219 407 866	208 784 689
Operating Expenditure	1 029 331 855	1 025 575 992	1 104 199 609	1 214 888 188	1 421 514 611
Operating Revenue	1 093 983 961	1 087 072 579	1 227 697 725	1 341 922 499	1 525 223 633
Budgeted (Surplus)/ Deficit	(64 652 106)	(61 496 587)	(123 498 116)	(127 034 311)	(103 709 022)
Less: Capital Grants & Contributions	77 109 000	67 945 510	107 386 943	115 594 000	91 660 000
(Surplus)/ Deficit	12 456 894	6 448 923	(16 111 173)	(11 440 311)	(12 049 022)

- (i) That council approves the notice given in terms of section 14(1) and (2) of the Local Government: Municipal Property Rates Act, 2004, to levy the draft property tax rates, exemptions and rebates on property reflected in the schedule below and in the property rates policy for the 2023/24 financial year with effect from 1 July 2023, for purposes of allowing for public participation;

Category of property	Rate ratio	(c/R) rate determined for the relevant property category
Residential properties	1: 1	0,5956
Business and Commercial properties	1: 1,4586	0,8769
Industrial properties	1: 1,4586	0,8769
Agricultural properties	1: 0,25	0,1489

Mining properties	1: 1,4586	0,8769
Public Service Infrastructure	1: 0,25	0,1489
Properties owned by an organ of state and used for public service purposes	1: 1,4586	0,8769
Public Benefit Organizations	1: 0	0,0000
Vacant properties	1: 1,3470	0,8022
Municipal properties	1: 0	0,0000
Conservation Areas	1: 0	0,0000
Protected Areas	1: 0	0,0000
National Monuments	1: 0	0,0000
Informal Settlements	1: 0	0,0000

Exemptions and Reductions

- **Residential Properties:** For all residential properties, the municipality will not levy a rate on the first R15 000 of the property's market value. The R15 000 is the statutory impermissible rate as per section 17(1)(h) of the Municipal Property Rates Act.

Rebates in respect of a category of owners of property are as follows:

- **Indigent owners:** 100 per cent rebate will be granted to registered indigents in terms of the Indigent Policy to a maximum valuation of R105 000;
- **Qualifying senior citizens and disabled persons:** 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.

NB: Please refer to the municipality's property rates policy in respect of all rebates offered.

- (j) That council approve the draft tariff structures and charges for water, refuse removal, sewerage and other sundry charges as set out in **(Annexure A: 2023/2024 – 2025/2026 Draft Budget and Tariff File)** for purposes of allowing for public participation;
- (k) That council approve the electricity tariffs as draft for the 2023/2024 financial year, **bearing in mind that it is still subject to NERSA's final approval;**
- (l) 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 2023/2024–2025/2026);**
- (m) That the **amendments** to the budget and related policies as set out in **(Annexure D: Draft Amendments to Budget & Related Policies 2023/2024)** hereto, be approved for purposes of soliciting the views and comment from the public;
- (n) That the training budget limited to **0,60%** of the salary budget in the amount of **R1 968 095** for the 2023/2024 financial year be approved as draft;
- (o) That Council takes note of the increases of the Directors that are contractually linked to the other personnel, which is negotiated and determined at a national level:
 - In respect of all personnel, an increase of **5.3%** for 2023/2024; **5%** for 2024/2025 and **5%** for the 2025/2026 financial years, excluding the increase in other benefits that are applicable and the annual 2.5% notch increase where applicable;
 - All salary adjustments are adequately budgeted for;
 - Provision has been made for a **3%** increase for political office bearers which is within the mid band of the inflation targets set by the South African Reserve Bank (SARB).

- (p) That Council takes note of the budgeted operating surpluses and that the budget is “cash-funded” as a result of cash reserves in table A8, the total expenditure growth of **7.7%** from the current to the new financial year and the revenue streams with growth in revenue of **12.9% (9.9% excluding capital grant income)** for the MTREF period as well as the cash flow statement as per **(A-schedule A7)** for the next three financial years;
- the budgeted risk factor for cash coverage for operating expenses are **9.4 months** for 2023/24, **8.9 months** for 2024/25 and **7.6 months** for the 2025/26 financial year (this can materially be impacted but not possible to determine scientifically at this stage);
 - over the next three financial years the planning is such that operating net surpluses are envisaged for 2023/24 to an amount of **R 16 111 173**, for 2024/25 an amount of **R 11 440 311** and for 2025/26 an amount of **R 12 049 022 (excluding capital grant income)**, which is well below the NT norm of at least a surplus of 10%.
- (q) 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;
- (r) That Council take note that the budget was prepared in the new mSCOA Version 6.7 as required by National Treasury;
- (s) That the process of soliciting public input, views or comments into the draft budget, **revised** budget and related policies (limited to the revisions from the previous year) and budget documents, inclusive of the property taxes and tariffs to close at 12 midday on **28 April 2023**.

for purposes of completeness and implementation the English version of the recommendations will be relied upon.

AANBEVELINGS

1. **Die volgende aanbevelings deur die Uitvoerende Burgemeesterskomitee gehou op 22 Maart 2023, vir oorweging deur die Raad op 30 Maart 2023 vir doeleindes van publieke deelname. Finale goedkeuring sal eers plaasvind op 25 Mei 2023.**
 - (a) Dat die Raad kennis neem dat die koste soos beoog deur Artikel 19 (2)(a)(b) verkry is na konsultasie met die onderskeie direkteur(e) wie die koste bevestig het soos per **(Annexure A: 2023/2024 – 2025/2026 Draft Budget and Tariff File)** en oorweeg dieselfde;
 - (b) Dat die Raad voor die goedkeuring van die kapitaal projekte bo R50 miljoen soos gelys in **(Annexure B: 2023/2024 – 2025/2026 Capital Projects ito Sec 19)**, eers die geprojekteerde koste wat alle finansiële jare dek totdat die projek in werking is; en die toekomstige bedryfskoste en inkomste op die projek, met inbegrip van belasting- en tarief-implikasies oorweeg;
 - (c) Dat die Raad dit toepaslik geag het om die totale kapitaalprogram te oorweeg, uitgesluit die 3 individuele projekte bo R50 miljoen aangesien die voorgenoemde kapitaalprogram se operasionele koste, insluitend die toekomstige koste wat gedek sal word deur belasting en die normale kostesentrums soos in die bedryfsbegroting;
 - (d) Dat die toekomstige kapitaalebegrotings vanaf jaar 3 beperk word tot 16.5% van die bedryfsbegroting (gebaseer op NT se norm van tussen 10% en 20% vir Kapitaalbesteding tot Totale Bedryfsbesteding) as gevolg van die opwaartse druk wat dit het op die bedryfsbegroting en die bekostigbaarheid van tariewe;
 - (e) Dat die Raad die befondsingsbronne oorweeg wat verband hou met die raad se kapitaalprogram en daarop let dat die befondsingsbronne beskikbaar is en nie vir ander doeleindes geoormerk is nie;

FINANCING SOURCES	Draft Budget 2023/2024	Draft Budget 2024/2025	Draft Budget 2025/2026
Capital Replacement Reserve (CRR)	R 99 051 292	R 103 813 866	R 117 124 689
Municipal Infrastructure Grant (MIG)	R 24 708 000	R 25 664 000	R 26 660 000
Dept. Human Settlements	R 55 314 000	R 64 890 000	R 30 000 000
Integrated National Electrification Programme (INEP)	R 23 658 000	R 25 000 000	R 35 000 000
RSEP	R 500 000	-	-
Contributions / Donations	R 1 224 943	-	-
Dept. Cultural Affairs and Sport	R 1 016 000	-	-
Community Safety Grant	R 40 000	R 40 000	-
Fire Service Capacity Building Grant	R 926 000	-	-
GRAND TOTAL	R 206 438 235	R 219 407 866	R 208 784 689

- (f) Dat die Raad die kapitaalprojekte as deel van die gekonsolideerde kapitaalprogram goedkeur soos per **(Annexure A: 2023/2024 – 2025/2026 Draft Budget and Tariff File)**;
- (g) Dat die Raad in beginsel goedkeuring verleen vir die opneem van 'n eksterne lening tot 'n bedrag van R50 miljoen vir jaar 2 van die 2023/24 MTREF, vir die gedeeltelike finansiering van die volgende kapitaalprojekte: 132/11kV Eskom Schoonspruit Substation (R30 miljoen) en die Development of Highlands New Landfill Cell (R20 miljoen), deur die mark te toets by wyse van die inwin van tenders vanaf die finansiële instellings soos beoog in artikel 46 van die MFMA;
- (h) Dat die konsep hoë-vlak meerjarige Kapitaal- en Bedryfsbegrotings ten opsigte van die **2023/2024– 2025/2026** finansiële jare goedgekeur word as konsep, in ooreenstemming met artikel 16, 17 en 19 van die MFMA om publieke deelname toe te laat;

	Oorspronklike Begroting 2022/23	Half-Jaarlikse Aansuiwerings begroting 2022/23	Konsep Begroting 2023/24	Konsep Begroting 2024/25	Konsep Begroting 2024/25
Kapitaalebegroting	191 095 805	167 894 804	206 438 235	219 407 866	208 784 689
Bedryfsuitgawes	1 029 331 855	1 025 575 992	1 104 199 609	1 214 888 188	1 421 514 611
Bedryfsinkomste	1 093 983 961	1 087 072 579	1 227 697 725	1 341 922 499	1 525 223 633
Begrote (Surplus)/ Tekort	(64 652 106)	(61 496 587)	(123 498 116)	(127 034 311)	(103 709 022)
Minus: Kapitaal Toekennings & Donasies	77 109 000	67 945 510	107 386 943	115 594 000	91 660 000
(Surplus)/ Tekort	12 456 894	6 448 923	(16 111 173)	(11 440 311)	(12 049 022)

- (i) Dat daar inbeginsel goedkeuring verleen word vir die kennisgewing ingevolge artikel 14(1) en (2) van die Plaaslike Regering: Wet op Munisipale Eiendomsbelasting, 2004 ten opsigte van die heffing van konsep eiendomsbelastingkoerse, vrystellings en afslag op eiendomme soos gespesifiseer in die onderstaande skedule en in die eiendomsbelastingbeleid vir die 2023/2024 finansiële jaar, vir doeleindes van die publieke deelnameproses;

Category of property	Rate ratio	(c/R) rate determined for the relevant property category
Residential properties	1: 1	0,5956
Business and Commercial properties	1: 1,4586	0,8769
Industrial properties	1: 1,4586	0,8769

Agricultural properties	1: 0,25	0,1489
Mining properties	1: 1,4586	0,8769
Public Service Infrastructure	1: 0,25	0,1489
Properties owned by an organ of state and used for public service purposes	1: 1,4586	0,8769
Public Benefit Organisations	1: 0	0,0000
Vacant properties	1: 1,3470	0,8022
Municipal properties	1: 0	0,0000
Conservation Areas	1: 0	0,0000
Protected Areas	1: 0	0,0000
National Monuments	1: 0	0,0000
Informal Settlements	1: 0	0,0000

Exemptions and Reductions

- **Residential Properties:** For all residential properties, the municipality will not levy a rate on the first R15 000 of the property's market value. The R15 000 is the statutory impermissible rate as per section 17(1)(h) of the Municipal Property Rates Act.

Rebates in respect of a category of owners of property are as follows:

- **Indigent owners:** 100 per cent rebate will be granted to registered indigents in terms of the Indigent Policy to a maximum valuation of R105 000;
- **Qualifying senior citizens and disabled persons:** 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.

NB: Please refer to the municipality's property rates policy in respect of all rebates offered.

- (j) Dat die Raad die konsep tariefstrukture en heffings vir water, vullisverwydering, riool en ander diverse heffings soos uiteengesit in **(Annexure A: 2023/2024 – 2025/2026 Draft Budget and Tariff File)** goedkeur met die doel om publieke deelname toe te laat;
- (k) Dat die Raad die voorgestelde elektrisiteitstariewe as konsep goedkeur vir die 2023/2024 finansiële jaar, met inagneming dat dit onderhewig is aan finale goedkeuring deur NERSA;
- (l) Dat die jaarlikse begrotingstabelle soos vereis deur die Begrotings- en Rapporteringsregulasies en uiteengesit is in **(Annexure C: Budget Report and A-Schedules 2023/2024 – 2025/2026)** goedgekeur word;
- (m) Dat die **wysigings** aan die begrotings- en verwante beleide soos vervat in **(Annexure D: Draft Amendments to Budget & Related Policies 2023/2024)**, goedgekeur word met die doel vir die publiek se menings en kommentaar;
- (n) Dat die opleidingsbegroting beperk is tot **0,60%** van die salarisbegroting ten bedrae van **R 1 968 095** vir die 2023/2024 finansiële jaar as konsep goedgekeur word;
- (o) Dat die Raad kennis neem dat die verhogings vir die Direkteure kontraktueel gekoppel is aan die ander personeel wat op nasionale vlak onderhandel en bepaal word:
 - Ten opsigte van alle personeel, 'n verhoging van **5.3%** vir 2023/2024; **5%** vir die 2024/2025 en **5%** vir 2025/2026 finansiële jare, uitgesluit die toename in ander voordele wat van toepassing is en die jaarlikse 2,5% kerkverhoging waar van toepassing;
 - Daar is voldoende begroot vir alle salarisaanpassings;

- Voorsiening is gemaak vir 'n **3%** verhoging vir politieke ampsbeksleers wat val binne die middelband van die inflasietekens soos bepaal deur die Suid-Afrikaanse Reserwebank (SARB).
- (p) Dat die Raad kennis neem van die begrote bedryfssurplusse en dat die begroting “kontant gefinansier” word as gevolg van die kontantreserwes in tabel A8, die totale groei in uitgawes van **7.7%** vanaf die huidige na die nuwe finansiële jaar en die inkomstebronne met 'n groei in inkomste van **12.9% (9.9% kapitale toekennings uitgesluit)** vir die MTREF periode, sowel as die kontantvloei-staat soos per **(A-schedule: A7)** vir die volgende drie finansiële jare;
- die risikofaktor vir kontantdekking vir bedryfsuitgawes is **9.4 maande** vir 2023/24, **8.9 maande** vir 2024/25 en **7.5 maande** vir die 2025/26 finansiële jaar (dit kan wesenlik beïnvloed word, maar op hierdie stadium is dit nie moontlik om wetenskaplik te bepaal nie);
 - oor die volgende drie finansiële jare is die beplanning van so 'n aard dat netto bedryfsurplusse verwag word vir 2023/24, 'n bedrag van **R 16 111 173**, vir 2024/25 'n bedrag van **R 11 440 311** en vir 2025/26, 'n bedrag van **R 12 049 022 (kapitale toekennings uitgesluit)**, wat ver onder die NT-norm is van minstens 'n 10% surplus.
- (q) Dat die Direkteur: Finansiële Dienste voldoen aan die vereistes van die Begrotingsomsendbriewe en –formate in die konteks van die verslagdoeningsvereistes aan Provinsiale en Nasionale Tesourie;
- (r) Dat die Raad kennis neem dat die begroting opgestel is in die nuwe mSCOA Weergawe 6.7 soos vereis deur Nasionale Tesourie;
- (s) Dat die proses van publieke insette, of kommentaar op die konsep begroting, **herziende** begroting en verwante beleide (beperk tot die hersienings van die vorige jaar) en begrotingsdokumente, belasting koerse op eiendomme en tariewe op **28 April 2023** sluit.

vir die volledigheid en implementering sal op die Engelse weergawe van die aanbevelings staat gemaak word.

(get) M Bolton

DIREKTEUR: FINANSIËLE DIENSTE

ITEM 7.4 OF THE AGENDA OF AN EXECUTIVE MAYORAL COMMITTEE MEETING TO BE HELD ON 22 MARCH 2023

ONDERWERP: KONSEP 2023/2024 DIENSLEWERING- EN BEGROTINGIMPLEMENTERINGS-PLAN (SDBIP)

SUBJECT: DRAFT 2023/2024 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP)

1. BACKGROUND / DISCUSSION

Section 1 of the Municipal Finance Management Act (Act 56 of 2003) (MFMA) defines service delivery and budget implementation plan (SDBIP) as a detailed plan for implementing the municipality's delivery of municipal services and its annual budget, and which must indicate -

- (a) projections for each month of -
 - (i) revenue to be collected, by source; and
 - (ii) operational and capital expenditure, by vote;
- (b) service delivery targets and performance indicators for each quarter.

The purpose of the SDBIP is to support the Municipality's management to achieve service delivery targets as well as the spending of the capital budget within given timeframes.

2. LEGISLATION

The following regulations of the Municipal Budget and Reporting Regulations (GN 393 of 17 April 2009) apply-

Regulation 14

- (2) When complying with section 68 of the MFMA, the municipal manager must submit the draft municipal **service delivery and budget implementation plan** to the mayor together with the annual budget to be considered by the mayor for **tabling** in terms of section 16(2) of the MFMA.
- (3) For effective planning and implementation of the annual budget, the draft municipal **service delivery and budget implementation plan** may form part of the budget documentation and be **tabled** in the municipal council if so recommended by the Budget Steering Committee.

Regulation 15

- (3) When submitting the annual budget to the National Treasury and the relevant provincial treasury in terms of section 22(b)(i) of the MFMA, the municipal manager must also submit to the National Treasury and the relevant provincial treasury, in both printed and electronic form
 - (b) the **draft service delivery and budget implementation plan**.

MFMA Section 16(2): In order for a municipality to comply with subsection (1), the mayor of the municipality must **table** the annual budget at a council meeting at least 90 days before the start of the budget year.

3. ALIGNMENT TO THE IDP

The IDP and the SDBIP are linked through Chapter 5 of the IDP which is also included in the SDBIP as well as the annual budget which is included in both documents. The budget is informed by the strategy and objectives of the IDP.

4. FINANCIAL IMPLICATION

None

AANBEVELING / RECOMMENDATION

- (a) Dat die Uitvoerende Burgemeesterskomitee kennis neem van die aangehegte konsep 2023/2024 Dienslewering- en Begrotingimplementeringsplan (SDBIP) ten einde dit by die Raadsvergadering ter tafel te lê in terme van regulasie 14 van die Munisipale Begroting en Rapportering Regulasies; en
- (b) dat die SDBIP in terme van regulasie 15 van die Munisipale Begroting en Rapportering Regulasies aan Nasionale Tesourie en Provinsiale Tesourie voorgelê word.
- (a) *That the Executive Mayoral Committee take cognisance of the attached draft 2023/2024 Service Delivery and Budget Implementation Plan (SDBIP) in order to table it at the Council meeting in terms of regulation 14 of the Municipal Budget and Reporting Regulations; and*
- (b) *that the SDBIP be submitted to National Treasury and Provincial Treasury in terms of regulation 15 of the Municipal Budget and Reporting Regulations.*

(get) J J Scholtz

MUNISIPALE BESTUURDER / MUNICIPAL MANAGER



Verslag ♦ Ingxelo ♦ Report

Office of the Director: Civil Engineering Services
22 February 2023

5/2/1
WYK: NVT

ITEM 7.5 OF THE AGENDA OF AN EXECUTIVE MAYORAL COMMITTEE MEETING WHICH SHALL BE HELD ON 22 MARCH 2023

SUBJECT:	<i>CONTRACTS HAVING FUTURE BUDGETARY IMPLICATIONS: ENTERING INTO A WATER SUPPLY AGREEMENT WITH THE DEPARTMENT OF WATER AND SANITATION: EXECUTION OF SECTION 33 OF THE MFMA</i>
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1. INTRODUCTION

Swartland Municipality has already expressed interest to partake in the Berg River Voëlvlei Augmentation Scheme (BVRAS) which is currently being implemented by Trans Caledon Tunnel Authority (TCTA) on behalf of national Department of Water and Sanitation (DWS). Further details of the BRVAS is provided in paragraph 2.

Swartland Municipality has received an initial allocation of 0.66 million m³/annum from the BRVAS. An application was submitted to the DWS for an increase in the allocation to 2 million m³/annum in pursuance of a resolution of the Executive Mayoral Council on 20 May 2020. The DWS has since responded in their letter dated 21 October 2022 and increased the allocation for Swartland Municipality to 1.66 million m³/annum. A copy of the allocation letter is attached as Annexure A.3.

In order for a Swartland Municipality to secure an allocation from the BVRAS the DWS requires that a Water Supply Agreement (WSA) be concluded between the DWS and the water user. However, entering into a WSA with the DWS would constitute a contract with future budgetary implications beyond the approved 2022/2023 MTREF budget. In this regard Section 33 of the Financial Management Act (MFMA) becomes applicable.

This report aims to provide a brief overview of the BRVAS, the Section 33 process and discuss the implications of the WSA.

2. BRVAS

The Western Cape Water Supply System (WCWSS) Reconciliation Strategy was updated in 2015 by the national DWS. The study identified that the next water augmentation scheme to be implemented to supplement supply to the WCWSS should be the BRVAS.

During the drought, on 18 May 2017, the Minister of DWS issued a directive to the Trans Caledon Tunnel Association (TCTA), in terms of Sections 74 and 103(2) of the National Water Act, to secure off-budget funding; manage the resulting debt until it is fully repaid, and implement the BRVAS project on a fast-tracked basis to assist in securing an additional source of water for the water users within the WCWSS to help alleviate drought impacts.

The project involves the abstraction of surplus winter water, after provision for the Environmental Water Requirements and downstream users, from the Berg River to increase the yield of the Voëlvlei Dam by approximately 23 million m³/annum. The scheme comprises the following:

- A low-level weir, abstraction works and pump station on the Berg River at Sonquas Drift; and
- A 6.3 km long pipeline to deliver the water into Voëlvlei dam.

The estimated implementation cost is R900 million but the final implementation costs will only be known once it has been commissioned which is estimated to be in the 2025/2026 financial year.

3. WATER RESOURCE AUGMENTATION OPTIONS FOR SWARTLAND

Over the past two decades, a number of water resource augmentation studies were completed by the DWS for the WCWSS, by the West Coast District Municipality for the West Coast Region and by Swartland Municipality for the towns in their Management Area. The DWS also completed the All Towns Reconciliation Strategies for the towns in Swartland Municipality's Management Area. A desktop overview of all the relevant studies was recently conducted and a report summarising the findings and potential future augmentation options was considered by the Executive Mayoral Committee under item 7.9 of the agenda of a meeting that was held on 15 June 2021.

The report noted that augmentation of bulk water sources should be considered as the current licensed allocation from the WCSS of 9.47 million m³/annum would be reached at around 2032. The report further noted that the unit rand value (URV) of the BRVAS estimated at R4.269/kl when commissioned in 2024/2025 is favourable for Swartland Municipality. Other identified resource augmentation options such as ground water development has a URV of R25-39/m³. A copy of the report is attached as an Annexure A.1.

Swartland Municipality has limited options to augment water resources and will most likely remain dependant on the WCWSS in the future. Considering this and the favourable URV it would be advisable for Swartland Municipality to secure an allocation from the BRVAS.

4. WATER SUPPLY AGREEMENT

The current water users from the Western Cape Water Supply System interested in securing a water allocation from the scheme include, the City of Cape Town, Saldanha Bay Municipality, Swartland Municipality, Drakenstein Municipality, Stellenbosch Municipality and Water Boards representing commercial farmers.

In order for users from the WCWSS to receive an allocation from the BRVAS the DWS requires that a WSA be concluded between the DWS and the water user. In terms of the WSA the water user agrees to take up its allocation from the BRVAS and to make payments for the capital unit charge and the operation and maintenance costs. A copy of the WSA is attached as Annexure A.2.

5. SECTION 33 OF THE MUNICIPAL FINANCIAL MANAGEMENT ACT

The WSA will be concluded well before the completion and commissioning of the BRVAS and will impose a financial obligation for the 20-year repayment term. The final implementation costs for the BRVAS will only be known once it has been commissioned which is estimated to be in the 2024/2025 financial year. The indicative capital unit charge is R4.269/m³ for a 20-year repayment period. This amounts to an annual repayment. Entering into the WSA will therefore impose financial obligations on the Municipality beyond the approved 2022/2023 multi-year budget. In this regard Section 33 of the Municipal Finance Management Act, 2003 (MFMA) becomes applicable and determines – in section 33(1)(a) – that the municipal manager, at least 60 days before the meeting of the Municipal Council at which the contract is to be approved, must:

Section 33(1)(a)(i)(aa) and (bb)	<i>Make public the intention and invite the local community and other interested persons to submit comments or representations</i>
Section 33(1)(a)(ii)(aa) and (bb)	<i>Solicit the views and recommendations of National and Provincial Treasury, the national department of local government</i>

Section 33(1)(b)(iii) and (iv)	<i>Consider the comments or representations received from the local community, interested persons or state departments</i>
Section 33(1)(b)(i)(ii)	<i>Council to take into account the financial obligations for each financial year covered by the contract and impact on future municipal tariffs and revenue</i>

6. ALIGNMENT WITH THE IDP

By complying with the legal prescripts pertaining to contractual obligations beyond the multi-year budget, the Municipality is exercising –

- *Sound long-term financial planning (in terms of **Strategic Objective 4.7**); and*
- *Sound financial management, budgeting and expenditure control (in terms of **Strategic Objective 4.8**) as per **Strategic Goal 4**: Caring, competent and responsive institutions, organisations and business.*

9. RECOMMENDATION/AANBEVELING

- That cognisance be taken of the increased allocation from the BRVAS from the initial 0.66 million m³/annum to 1.66 million m³/annum;
- That it be noted further that in order to secure the allocation a Water Supply Agreement must be concluded with the DWS;
- That it be noted further that the conclusion of the Water Supply Agreement will impose future financial obligations outside the the approved multi year budget estimated at R7,088,000 per year at current year prices; and
- That it be noted further that the process as stipulated by Section 33 of the MFMA will be followed.

–

- Dat kennis geneem word van die verhoogde allokasie vanuit die beoogde Bergrivier Voëlvele Aanvullingskema vanaf die aanvanklike 0.66 miljoen m³/jaar tot 1.66 miljoen m³/jaar;*
- Dat verder kennis geneem word dat ten einde die allokasie op te neem 'n Watervoorsieningsooreenkoms met die Departement van Water en Sanitasie gesluit moet word;*
- Dat verder kennis geneem word dat die sluiting van die Watervoorsieningsooreenkoms toekomstige begrotingsimplikasies inhou buite die goedgekeurde meerjarige begroting wat bereken is op R7,088,000 per jaar teen huidige jaar kostes; en*
- Dat verder kennis geneem word dat die proses soos bepaal word deur Artikel 33 van die Wet op die Bestuur van Munisipale Finansiële Gevolg sal word.*

(get) L D Zikmann

MUNISIPALE BESTUURDER
LDZ/ma

ANNEXURE A.1
WATER RESOURCE AUGMENTATION STUDY REPORT



Verslag ♦ Ingxelo ♦ Report

Kantoor van die Direkteur: Siviele Ingenieursdienste
29 May 2021

16/1/1/B

ITEM 7.9 FOR AGENDA OF EXECUTIVE MAYORAL COMMITTEE TO BE HELD ON
15 JUNE 2021

SUBJECT: WATER RESOURCE AUGMENTATION STUDY

1. INTRODUCTION

The 2017-2022 IDP of Swarthland Municipality identifies the securing of sufficient long-term bulk water provision as a strategic objective with the linked strategic initiative to conduct an alternative water source study.

Over the past two decades a number of water resource augmentation studies were completed by the Department of Water and Sanitation (DWS) for the Western Cape Water Supply System (WCWSS), by the West Coast District Municipality (WDM) for the West Coast Region and by Swarthland Municipality (SM) for the towns in their Management Area. The DWS also completed the All Towns Reconciliation Strategies for the towns in Swarthland Municipality's Management Area.

To give effect to the strategic initiative a desktop overview of all the relevant studies was conducted. The purpose of this report is to summarize the findings of the different studies and to identify potential future augmentation options available to Swarthland Municipality.

2. WATER RESOURCE AUGMENTATION STUDIES

The following resource augmentation studies/investigations relevant to the Swarthland Municipal area were previously completed:

- Pre-Feasibility Study of Potential Water Sources for the Area served by the West Coast District Municipality (DWS, 2007);
- Investigation into alternative water sources for the towns in the West Coast District Municipality (West Coast District Municipality, 2009-2010);
- All Towns Reconciliation Strategies for Swarthland Municipality (DWS, 2015);
- Geohydrological Assessments and Borehole Sitings for the Various Towns (Swarthland Municipality, 2018); and
- Desktop Feasibility Study into water supply to Yzerfontein from the Grootwater Aquifer (Swarthland Municipality, May 2019).

2.1 Pre-Feasibility Study of Potential Water Sources for the Area Served by the West Coast District Municipality (DWS, 2007)

The DWS commissioned the study in collaboration with the WDM to address the growing demand for water by the consumers served by the West Coast District Municipality. The process followed was to investigate, through a screening process (Phase 1), which potential water resources are available that can be utilised in the future to meet the growing demand

of the West Coast District Municipality. Six options were identified and investigated during the study.

The study area included the area supplied with water by the West Coast District Municipality, through the former known Saldanha Berg River and Swartland Berg River supply schemes. The feasible options relevant to the service area of Swartland Municipality that were further investigated at pre-feasibility level under Phase 2 are listed below:

- Alien Vegetation Clearing
- Twenty Four River Canal Scheme
- Michell's Pass Diversion

The study concluded that future abstraction requirements for the Swartland Water Treat Works should be addressed by:

- purchasing water from schemes intended for use mainly by the CCT, such as the BRD and VAS, or Michells pass diversion;
- highly effective WDM programme(s); or
- pursuing additional resources such as the Twenty Four Rivers Augmentation.

2.2 Investigation into Alternative Water Sources for the West Coast District Municipality (West Coast District Municipality, 2009-2010)

The investigation was commissioned by the WDM and identified eight alternative arrangements for bulk water provision by the WDM. An optimisation process was followed which concluded that the following preferred arrangement be implemented in a phased approach:

- **Phase 1:** To be implemented immediately.
Construction of 8.5 Ml/d Seawater Desalination plant at Saldanha Bay. Estimated capital layout required R188 million. Unit Water Cost: 100% Capex (R11.20/m³), 50% Capex (7.86/m³) and 0% Capex (R4.52/m³).
- **Phase 2:** To be implemented in 2017.
Construct a further 8.5 Ml/d Seawater Desalination plant at Saldanha Bay.
- **Phase 3:** To be implemented in 2026.
Construct a further 8.5 Ml/d Seawater Desalination plant at Saldanha Bay.
- That surplus that would be released in the licensed allocation from the WCWSS should be utilised to supplement the anticipated shortfall at Swartland and in the Berg River Municipality.

2.3 All Towns Reconciliation Strategies for Swartland Municipality (DWS, 2015)

The All Towns Reconciliation Strategies focused on existing water resources and supply schemes for towns and villages, considered both current and expected future water requirements, along with the potential water resources available to meet these requirements. Strategies have aimed to reconcile water requirements with availability, with the overall objective being to keep towns and village clusters always with a positive water balance, at least for the planning horizon of 20 years (up to 2035). The recommendations and findings for each town in Swartland is summarised below:

Korinberg:

The current water sources do not have adequate supply to cater for the projected future water requirements. The following sources are identified as potential sources to augment the water supply:

- Continue with the full implementation of the existing WC/WDM Strategy.
- Increase the allocation from the Berg River for the Withoogte Regional Water Supply Scheme
- Groundwater development.

Riebeek Wes and Ongeqond:

The current water sources do not have adequate supply to cater for the current and longer-term future water requirements. The following sources are identified as potential sources to augment the water supply:

- Continue with the implementation of the existing WC/WDM Strategy in order to reduce water losses and NRW and achieve savings in water consumption.
- Increase the allocation from the Voëlvlei Dam for the Swartland Regional Water Supply Scheme.
- Groundwater development.

Riebeek Kasteel:

The current water sources do not have adequate yields available to cater for the current and longer-term future water requirements. The following sources are identified as potential sources to augment the water supply:

- Continue with the implementation of the existing WC/WDM Strategy.
- Increased allocation for the Swartland Regional Water Supply Scheme from the Voëlvlei Dam (WC WSS).
- Groundwater development.
- Re-use of water.
- Rainwater harvesting.

Yzerfontein

The current water sources do not have adequate supply to cater for the current and longer-term future water requirements. The following sources are identified as potential sources to augment the water supply:

- Continue with the implementation of the existing WC/WDM Strategy.
- Increased allocation for the Swartland Regional Water Supply Scheme from the Voëlvlei Dam (WC WSS).
- Desalination of seawater for Saldanha and environs to make more water available for Yzerfontein from the Voëlvlei Dam.

Darling

The current water sources do not have adequate supply to cater for the projected future water requirements of Darling. The following sources are identified as potential sources to augment the water supply:

- Continue with the implementation of the existing WC/WDM Strategy.
- Increased allocation for the Swartland Regional Water Supply Scheme from the Voëlvlei Dam (WC WSS).
- Consider re-use of water.
- Groundwater development.

Moorreesburg

The current water sources do not have adequate supply to cater for the longer-term future water requirements. The following sources are identified as potential sources to augment the water supply:

- Continue with the implementation of the existing WC/WDM Strategy.
- An increased allocation from the Berg River for the Withoogte Regional Water Supply Scheme.
- Groundwater development.
- Re-use of water.

- Rainwater harvesting.

Malmesbury, Abbotsdale, Kalbaskraal, Riverlands and Chatsworth

The current water sources do not have adequate supply to cater for the current and longer-term future water requirements. The following sources are identified as potential sources to augment the water supply:

- Continue with the full implementation of the existing WC/WDM Strategy in order to keep the water losses and NRW as low as possible and achieve savings in water consumption.
- Increased allocation for the Swartland Regional Water Supply Scheme from the Voëlvlei Dam (WC WSS).
- Water re-use.
- Groundwater development for smaller communities.

2.4 Geohydrological Assessments and Borehole Sitings for the Various Towns (Swartland Municipality, 2018).

GEOSS was appointed by Swartland Municipality to complete geohydrological assessments for various areas in Swartland Municipality's Management Area during the 201/2018 financial year. The aim of the studies were to determine the aquifer potential and to locate potential drilling sites for water supply from boreholes. Following the geohydrological assessments, 12 boreholes were drilled and the potential yields and water quality is discussed below:

Malmesbury

- The yield of the borehole is 0.3 l/s and the recommended abstraction duration is 12 hours. The possible volume that can be abstracted per day is estimated at 11.172 Kl.
- The groundwater from the borehole is of dangerous quality in terms of dissolved mineral concentrations. Treatment or blending options will have to be considered.

Riverlands

- The yield of borehole Riv Bh 1 is 1.4 l/s and the recommended abstraction duration is 12 hours. The possible volume that can be abstracted per day is estimated at 61.677 Kl.
- The yield of borehole Riv Bh 4 is 2.5 l/s and the recommended abstraction duration is 12 hours. The possible volume that can be abstracted per day is estimated at 106.393 Kl.
- The groundwater from the borehole is of good quality in terms of dissolved mineral concentrations. Treatment or blending options will have to be considered due to slightly elevated iron and manganese concentration.

Riebeek West

- The yield of the borehole is 4.9 l/s and the recommended abstraction duration is 12 hours. The possible volume that can be abstracted per day is estimated at 212.507 Kl.
- The groundwater from the borehole is of marginal quality in terms of turbidity and good in terms of dissolved mineral concentrations. Turbidity should be treated, although it is expected to improve with sustained periods of pumping.

Konringberg

- The yield of the borehole is 2.5 l/s and the recommended abstraction duration is 12 hours. The possible volume that can be abstracted per day is estimated at 124.417 Kl.
- The groundwater from the borehole is of dangerous quality in terms of dissolved mineral concentrations.

Moorreesburg

- The yield of borehole RF Bh 1 is 0.5 l/s and the recommended abstraction duration is 10 hours. The possible volume that can be abstracted per day is estimated at 17.460 Kl.
- The yield of borehole RF Bh 2 is 0.7 l/s and the recommended abstraction duration is 12 hours. The possible volume that can be abstracted per day is estimated at 29.953 Kl.
- The yield of borehole GL Bh 3 is 6.5 l/s and the recommended abstraction duration is 12 hours. The possible volume that can be abstracted per day is estimated at 279.202 Kl.
- The yield of borehole GL Bh 4 is 4.2 l/s and the recommended abstraction duration is 12 hours. The possible volume that can be abstracted per day is estimated at 181.240 Kl.
- The yield of borehole GL Bh 5 is 4.5 l/s and the recommended abstraction duration is 12 hours. The possible volume that can be abstracted per day is estimated at 196.445 Kl.
- The groundwater from the borehole is of a poor to dangerous quality in terms of dissolved mineral concentrations.

2.5 Desktop Feasibility Study into Water Supply to Yzerfontein from the Grootwater Aquifer (Swartland Municipality, May 2019).

The primary objective of the study was to investigate the viability of developing the Grootwater Aquifer as alternative water resource to augment or replace the conventional water supply to Yzerfontein and Darling. The study included the following conclusions:

Conclusions:

- The long-term yield of the Grootwater Aquifer is 3.36 million m³/a.
- The EC of the groundwater from the Grootwater Aquifer ranges from 300 mS/m to 1 000 mS/m characterising the groundwater as "low" to "moderately" brackish. The TH characterises the groundwater as "moderately hard" to "very hard".
- Considering the number, spacing and configuration of the boreholes required for Yzerfontein, and the impact of the statutory buffer zone on the targeted high yielding sub-basins of the Grootwater Aquifer, it will not be viable to also supply the town of Darling with drinking water from the Grootwater Aquifer.
- The total cost for a water supply scheme to Yzerfontein from the Grootwater Aquifer for the 2029 SDD, was estimated to be R107.96 million (excluding VAT).
- Based on a LCC and economic analysis the water unit cost for a water supply scheme to Yzerfontein from the Grootwater Aquifer was calculated to be R25.39 /kl (excluding VAT) for a 25-year amortization period.
- The proposed water supply scheme to Yzerfontein from the Grootwater Aquifer should be economically viable on the basis of cross subsidising this scheme by incorporating this cost into the total annual bulk water purchase from the Swartland WTW.

3. AUGMENTATION OPTIONS AVAILABLE FOR SWARTLAND MUNICIPALITY

3.1 WCWSS Augmentation

The DWS is the owner and operator of the WCWSS and has previously identified several options to increase the yield of the system. The only option to be implemented in the short to medium term is the Berg River Voëlvllei Augmentation (BRVAS) with definite programme for the implementation of the remaining options. Although the yield of the BRVAS is very small and the indicative allocation for Swartland is one 0.66 Mm³/a the unit reference value (URV) is favourable at R4.29/m³.

3.2 Supply from the City of Cape Town at their bulk tariff

One of the augmentation options available to Swartland Municipality is to purchase treated water from the CoCT. The CoCT is implementing several resource augmentation projects

and purchasing water from the CoCT would effectively result in Swartland buying into these projects for supply to Chartsworth and Riverlands. The June 2020 Water Master Plan of Swartland Municipality identifies a 5 260m pipeline of 355mm dia. for potable water supply from Atlantis to Chartsworth and Riverlands. The estimated cost of the pipeline is R15.320 million. The CoCT's current bulk purchase tariff for other Municipalities is R8.13/m³.

3.3 Surface Water

Surface water sources in Swartland Municipality's Management Area are very limited. The Paardenberg Dam is the only additional surface water source utilised by Swartland Municipality for supply to Abbotsdale, Kalbaskraal, Riverlands and Chartsworth. It is not possible to increase the yield of the Paardenberg Dam. Further augmentation of water supply to Swartland through the development of new surface water sources by Swartland Municipality is not considered achievable.

3.4 Groundwater

Moorreesburg, Koringberg and Riebeeck Wes are the only towns where the yields of the newly drilled boreholes are adequate to provide a reasonable percentage of the town's existing demand. The groundwater will however require additional treatment and blending options will need to be considered.

The Desktop Feasibility Study into water supply to Yzerfontein from the Grootwater Aquifer indicated a URV of R25-39/kl for a groundwater supply scheme for Yzerfontein for water supply from the Grootwater Aquifer. The Study also indicated that a separate investigation has to be carried out into the Colenso Fault Zone close to Darling, based on boreholes with depths of between 100m and 150m, if the Municipality considers supplying Darling with groundwater.

3.5 Water reuse

Adequate treated effluent needs to be available for any water reuse scheme to be sustainable. The effluent quality from the WWTWs and the design of the necessary barriers to ensure the health and safety of the public are some of the most important considerations.

53.3% Of the total treated effluent discharged from the WWTW's is already reused by end-users for irrigation and agricultural purposes. Therefore there is limited scope for additional reuse options to be implemented at the Darling-, Moorreesburg-, Riebeeck Valley- and the Malmesbury WWTW. Swartland Municipality will continue to reuse treated effluent from the four main WWTWs for irrigation purposes and options of "indirect use" and "direct use" are only seen as long-term possible interventions.

3.6 Desalination

Yzerfontein is the only town in Swartland Municipality's Management Area where desalination is an option for future water supply. The town's 2019/2020 PDD was 1.552 MI/d and it is expected to increase to a PDD of 1.887 MI/d by 2029. The estimated capital cost for a desalination plant at Yzerfontein, with the marine infrastructure included, is roughly R35 million/MI. It will also be very difficult to obtain environmental authorisation for the construction of a desalination plant at Yzerfontein due to the sensitivity of the coastal area.

3.7 Water Conservation and Water Demand Management

The Withoogte and Swartland Voëlvei bulk water distribution systems are already well managed with regard to reducing treatment losses and bulk water distribution losses. The scope to make additional water available through the implementation of specific WC/WDM measures is very limited. Swartland Municipality's NRW and Water Losses for their internal distribution systems (towns) for 2019/2020 was 15.93% and 15.73% respectively, which is

also very low. A comprehensive WC/WDM Strategy is in place for Swartland and the estimated volume of water saved on System Input Volume for the next five and ten years, with the implementation of the additional WC/WDM measures, is 342.098 Ml/a for 2024 and 441.191 Ml/a for 2029 respectively.

4. DEPARTMENTAL COMMENTS

The overall water requirements of the towns in Swartland Municipality in 2015/2016 was 5 483 Ml/a (15.025 Ml/d), which came down to a low of 3 442 Ml/a (9.431 Ml/d) in 2017/2018, due to the drought and the water restrictions and WC/WDM measures implemented by the Municipality. This is a reduction of 37.2% over a two year period. There was a steady increase in water requirements again over the period 2018/2019 and 2019/2020. The likely "bounce back" after the drought is uncertain, but it is estimated that it would probably take about four to six years after 2017/2018 to reach the same water requirements as the period before the drought (2015/2016).

The future water requirements for the Swartland Voëlvlei and the Swartland Withoogte (Only Moorreesburg and Koringberg) bulk water distribution systems are expected to increase to 5 945 Ml/a and 1 180 Ml/a (High growth) by 2029. These volumes are still less than the new licence volumes of 7 900 Ml/a and 1 573.6 Ml/a that were issued in 2017.

Reliability of Supply from the WCWSS: The towns in Swartland Municipality nearly ran out of water in 2018, due to the limited supply from the WCWSS and the low levels of the Voëlvlei dam. A combined effort by the Municipality, residents, business and government helped avoid a potential catastrophe through dramatic reduction of water use. Exclusive reliance on rainfall fed dams (WCWSS) is no longer wise over the longer term and Swartland Municipality must adopt a precautionary approach to water resource management in dealing with climate uncertainty and the future supply from the system.

WCWSS Augmentation Options: Various studies for the augmentation of the WCWSS were completed by the DWS over the last number of years. The BRVAS was identified as the next surface water scheme in 2015 by the National DWS. It will form an integral part of the WCWSS and is being implemented by the TCTA. The URV of the proposed scheme is estimated at R4.30/kl when commissioned in 2024/2025. The growth in the Swartland's water demand could be supplied from the BRVAS. The URV of the scheme is favourable and Swartland should therefore make effort to secure a reasonable allocation from the BRVAS.

Supply from the CCT at their Bulk Tariff: One of the augmentation options available to Swartland Municipality is to purchase treated water from the CCT, for supply from Atlantis to Chatsworth and Riverlands. The estimated cost of a pipeline from Atlantis to Chatsworth and Riverlands is R15.320 million and the annual purchase cost of the potable water will be roughly R1.5 million per year, against the current bulk purchase tariff of R8-13/kl of the CCT.

One of the CCT's current resource augmentation projects is the Atlantis Managed Aquifer Recharge Scheme Refurbishment project, with which the City is currently busy, and this scheme will therefore be independent from the WCWSS. The benefits of supplying Chatsworth and Riverlands with potable water from Atlantis are as follows:

- The Atlantis scheme is a groundwater scheme and the risk associated with surface water sources and the impact of less rainfall on the yield of the system (WCWSS) will therefore not be applicable for the supply to Chatsworth and Riverlands.
- More water will be available for Swartland Municipality's other towns, that are still dependent on supply from the WCWSS, if Chatsworth and Riverlands are supplied from the CCT.
- It will not be necessary to supply potable water from Kalbaskraal to Chatsworth and Riverlands anymore.

Groundwater Options: The Pre-Feasibility Study of Potential Water Sources for the Area Served by the West Coast District Municipality Phase 1: Assessment of Development Potential of Groundwater Resources of the DWS identified various target areas that can be investigated further by Swartland Municipality for possible groundwater augmentation schemes and should be further investigated.

Koringberg, Riebeek West and Moorreesburg are the only other towns where the yields of the newly drilled boreholes are adequate to provide a reasonable percentage of the town's existing demand. The groundwater will however require additional treatment similar to desalination at an estimated URV similar to the Grootwater Aquifer of R25.39/Kl.

Water reuse Options: Treated effluent from the WWTW's is already reused at 53% for irrigation purposes by the Municipality, various sport clubs, schools and the agricultural sector. Therefore there is limited scope for additional reuse options to be implemented at the Darling-, Moorreesburg-, Riebeek Valley- and Malmesbury WWTW without a significant disruption to the existing users. Options for the development of direct reuse should therefore only be seen as a possible long-term intervention.

Desalination Options: Yzerfontein is the only town in Swartland Municipality's Management Area where desalination is an option for future water supply. The town's 2019/2020 peak daily demand was 1.552 Ml/d and it is expected to increase to 1.887 Ml/d by 2029. Development of a desalination plant for Yzerfontein is estimated roughly at R35 million/Ml. This is at the higher end due to the unfavourable economy of scale and will not make a significant contribution to the water requirements of Swartland Municipality. Desalination is therefore not considered to be an appropriate alternative water resource in the medium to long term.

5. LINKING TO THE IDP

The desktop feasibility study links to *STRATEGIC GOAL 5: SUFFICIENT, AFFORDABLE AND WELL RUN SERVICES* of the IDP.

6. RECCOMENDATION

The report is tabled for cognizance and it is recommended that the Executive Mayoral Committee acknowledges and take note of the contents of the report.

BESLUIT

Dat kennis geneem word van die inhoud van die verslag insake die augmentasie studie insake die beskikbare waterbronne vir die Swartland munisipale gebied.

AFSKRIFTE:

DS – vir kennisname

ANNEXURE A.2
WATER SUPPLY AGREEMENT



DRAFT FOR DISCUSSION PURPOSES ONLY

WATER SUPPLY AGREEMENT

entered into between:

**THE DEPARTMENT OF WATER AND SANITATION
("DWS")**

and

[.....]

("THE USER")

**IN RESPECT OF
THE BERG RIVER-VOËLVLEI AUGMENTATION SCHEME
("BRVAS" / "THE PROJECT")**

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PART 1: INTRODUCTION

1. DEFINITIONS

In this Agreement and the annexures hereto, unless the context indicates otherwise, the words and expressions set out below shall bear the meanings assigned to them and cognate words and expressions shall have a corresponding meaning:

1.1	"Agreement"	means this agreement duly signed by the Parties and all annexures hereto which form an integral part of the Agreement between the Parties;
1.2	"Assurance of Supply"	means the probability, expressed as a percentage of years, that water may be available for supply to the User in the long term from the WCWSS, as set out in Annexure C hereto;
1.3	"BRVAS" or "Project"	means the Berg River-Voëlrvlei Augmentation Scheme;
1.4	"BRVAS Administration Costs"	means the aggregate of all costs of an administrative nature, not forming part of the BRVAS Capital Costs and the BRVAS Funding Costs, reasonably and necessarily incurred or to be incurred for or in connection with the Implementation and Debt management of the BRVAS, being the costs of setting up of loan facilities for the BRVAS, all fees incurred in connection with the BRVAS, all costs incurred in the procurement of funding for the BRVAS, the cost of obtaining credit ratings for the Project and all operational costs of an administrative nature including the costs of any insurances placed by TCTA up to Operational Declaration, incurred by DWS and/or TCTA in connection with the BRVAS, and such other post-completion costs and expenditure as may be regarded by DWS in its reasonable discretion to be costs of an administrative nature;
1.5	"BRVAS B&R Tariff"	means the betterment and refurbishment tariff applicable to the BRVAS as determined in terms of the Pricing Strategy and paid by each User as applicable, as set out in this Agreement and Annexure D hereto;

1.6	“BRVAS Capital Costs”	means the aggregate of all costs of a capital nature not forming part of the BRVAS Funding Costs and BRVAS Administration Costs, reasonably and necessarily incurred or to be incurred to Implement the BRVAS, including all design and construction related professional fees, land acquisition and related registration costs, and such other post-completion costs and expenditure as may be regarded by DWS in its reasonable discretion to be costs of a capital nature;
1.7	“BRVAS Capital Unit Charge (“CUC”)	means the aggregate of the BRVAS Project Costs over the Debt Repayment Period divided by the total licensed volume of water out of the BRVAS (23 million m ³ /a) over the same period to represent the relevant Debt of all Users, as set out in this Agreement and Annexure D hereto (otherwise referred to as a Scheme Tariff);
1.8	“BRVAS Funding Costs”	means the aggregate of all costs of a funding nature, not forming part of the BRVAS Administration Costs and the BRVAS Capital Costs, being all costs relating to interest, expenses, banking charges (including breakage costs where applicable) and the like, reasonably and necessarily incurred or to be incurred in connection with the raising of capital and to maintain such capital in force, to fund the Implementation of the BRVAS;
1.9	“BRVAS O&M Tariff”	means the operations and maintenance tariff applicable to the BRVAS as determined in terms of the Pricing Strategy, to be paid by each User, as set out in this Agreement and Annexure D hereto;
1.10	“BRVAS Project Costs/Debt”	means the aggregate of the BRVAS Capital Costs, the BRVAS Funding Costs and the BRVAS Administration Costs constituting the debt to be repaid by the User/s to DWS in accordance with this Agreement and as set out in Annexure D hereto;
1.11	“BRVAS CUC Payment”	means the total annual BRVAS payment to be made by each User calculated by multiplying the annual BRVAS CUC, as determined in terms of 1.7 above, by the annual

	licensed volume of water per User from the BRVAS, as set out in this Agreement and Annexure D hereto;
1.12 “BRVAS Third Party Charge	means the third party capital unit charge that will be charged by DWS to all other users, other than the Users contemplated under the BRVAS, being CCT,;;.....;
1.13 “Bulk Water Supply Agreement/s”	means the bulk water supply agreement/s to be entered into between the User and its customers [NOTE: DWS & USERS TO ADVISE IF BULK WATER SUPPLY AGREEMENTS ARE ALREADY IN PLACE IN TERMS OF THE WATER SERVICES ACT; THIS APPLIES TO CCT AND THE MUNICIPALITIES IT SUPPLIES]
1.14 “Business Day”	means any day other than a Saturday, Sunday or gazetted national public holiday in the RSA;
1.15 “Construction Contracts”	means any contract/s entered into by TCTA in respect of the construction of the BRVAS infrastructure, which contracts shall be based on the terms and conditions contained in the Federation Internationale des Ingenieurs-Conseils (“FIDIC”) Model Agreements;
1.16 “CPI”	means the Consumer Price Index (for all urban areas), as published by Statistics South Africa (Statistical Release P0141), or any replacement thereof, from time to time;
1.17 “Debt”	means the aggregate of the BRVAS Capital Costs, the BRVAS Funding Costs and the BRVAS Administration Costs constituting the debt to be repaid by the User/s to DWS in accordance with this Agreement and as set out in Annexure D hereto;
1.18 “Debt Repayment Period”	means a period of 20 (twenty) years following Operational Declaration or for so long as any portion of the Debt, remains outstanding whichever is the later or, such shorter period if the Debt is repaid within the 20 (twenty) year period;

1.19 "Delegated Authority"	means anyone to whom the Minister delegates a power and/or duty vested in the Minister, pursuant to the Minister's authority to do so in terms of section 63 of the NW Act or otherwise;
1.20 "Directive"	means the directive issued by the Minister on 18 May 2017 to TCTA and, where applicable, read together with all subsequent directives issued by the Minister in respect of the Project;
1.21 "DWS"	means the Department of Water and Sanitation or any successor in title in the Government;
1.22 "Estimated CPI"	means the forecast statistics of the year-on-year CPI (headline) as published annually by the Bureau of Economic Research attached to the University of Stellenbosch ("BER") or any similar reputable institution, if statistics from BER are not available;
1.23 "Force Majeure"	means any relevant event, occurrence, circumstance or condition, excluding drought, beyond the control of the Parties which could not have been reasonably foreseen when this Agreement was entered into and which, despite the exercise of diligent efforts, could not have been prevented, limited or minimised and which results in either of the Parties not being able to fulfil its duties and obligations in terms of this Agreement;
1.24 "Funders"	means all the funders who will provide the funding for the BRVAS to TCTA;
1.25 "Government"	means the National Government of the RSA;
1.26 "Implement"	means, in relation to the Project or where applicable, any phase thereof, the entire process of planning, designing, land acquisition and registration, contract management, constructing, commissioning, project close-out, supervising and the finalisation of each of these aspects of the aforesaid processes of the BRVAS as a government waterworks in accordance with the provisions of the NW

	Act, and all other relevant legislation or administrative actions, and the terms “Implemented” and “Implementation” shall have corresponding meanings;
1.27 “Implementation Agreement”	means the implementation agreement to be concluded between DWS and TCTA to regulate the relationship between them in respect of the funding and implementation of the Project;
1.28 “Licence”	means the section 21(a) licence/s for water use to be granted or already granted in terms of Chapter 4 of the NW Act to each User taking water from a resource within the Project Area and conveyed through the Project;
1.29 “Minister”	means the Minister of Human Settlements, Water and Sanitation, in the Government;
1.30 “NWRS”	means the National Water Resource Strategy, as amended from time to time and published in accordance with sections 5, 6 and 7 of the NW Act;
1.31 “NW Act”	means the National Water Act 36, 1998;
1.32 “Operational Declaration”	the date on which DWS declares in writing the BRVAS to be operational, once the BRVAS is capable of performing the function for which it was designed;
1.33 “Parties”	means DWS and the User, and the term “Party”, shall mean either of DWS or the User as the case may be;
1.34 “PFMA”	means the Public Finance Management Act 1, 1999;
1.35 “Pricing Strategy”	means the Pricing Strategy for Raw Water Use Charges within the framework of relevant Government policy, established by the Minister in concurrence with the Minister of Finance and published pursuant to section 56(1) of the NW Act, from time to time;
1.36 “Project” or “BRVAS”	means the Berg River-Voëlvllei Augmentation Scheme;

1.37 "Project Area"	means the project area as set out in Annexure A hereto;
1.38 "RSA"	means the Republic of South Africa, comprising the nine provinces identified in section 103 of the Constitution of the Republic of South Africa, 1996;
1.39 "Signature Date"	means the date of signature of this Agreement by the last signing Party hereto;
1.40 "Statutory Interest Rate"	means a rate determined from time to time by the Minister, with the concurrence of the Minister of Finance, by notice in the Government Gazette under the Prescribed Rate of Interest Act 55, 1975, as provided for in section 59(3)(a) of the NW Act which shall be charged by DWS to a water user for late payment;
1.41 "TCTA"	means the Trans-Caledon Tunnel Authority, established by Notice No. 2631 published in Government Gazette No. 10545 dated 12 December 1986, as amended by Notice No. 277 published in Government Gazette No. 21017 dated 24 March 2000, a major public entity listed in Schedule 2 of the PFMA and a water management institution in terms of the NW Act, operating in the water sector <i>inter alia</i> , in the funding and implementing of bulk raw water infrastructure development projects, as directed by the Minister from time to time;
1.42 "User"	means each user authorised to take water from the Project;
1.43 "VAT"	means value-added tax levied at the then prevailing rate in accordance with the Value-Added Tax Act 89, 1991;
1.44 "Water Use Charges"	means all charges relating to the BRVAS levied by DWS in accordance with the Pricing Strategy and/or in terms of statutory requirements, but excluding any charges provided for under the BRVAS-CUC or the BRVAS O&M or the BRVAS B&R Tariff;

1.45 “Water Supply Agreement/s”	means the BRVAS Water Supply Agreement/s concluded between DWS and each User;
1.46 “WCWSS”	means the Western Cape Water Supply System as described in Annexure A ;
1.47 “Yield”	means the volume of water that can be abstracted annually at a specific assurance of supply.

2. INTERPRETATION

In this Agreement:

- 2.1 any reference to an enactment is to the relevant enactment as at the date of signature hereof, as amended or re-enacted from time to time;
- 2.2 if any provision in a definition is a substantive provision conferring rights or imposing obligations on any Party, notwithstanding that it is contained in the Definitions clause, effect shall be given to it as if it is a substantive provision in the body of the Agreement;
- 2.3 when any number of days is prescribed in this Agreement, same shall be reckoned exclusively of the first and inclusively of the last day, unless the last day falls on a Saturday, Sunday or public holiday, in which case the last day shall be the next succeeding day which is not a Saturday, Sunday or public holiday;
- 2.4 where figures are referred to in numerals and in words, and should there be a conflict between the two, then the words shall prevail;
- 2.5 words importing any one gender shall include the other gender and the singular shall include the plural and vice versa;
- 2.6 a reference to natural persons shall include created entities (incorporated and unincorporated) and vice versa;
- 2.7 expressions defined in the Definitions clause shall bear the same meanings in all annexures to this Agreement which do not themselves contain their own definitions;
- 2.8 where any term is defined within the context of any particular clause in this Agreement, the term so defined, unless it is clear from the clause in question that the term so defined has limited application to the relevant clause, shall bear the meaning ascribed to it for all purposes in terms of this Agreement, notwithstanding that the term has not been defined in the Definitions clause;
- 2.9 the headings have been inserted for convenience only and shall not be used for nor assist in nor affect its interpretation;
- 2.10 where any conflict arises between the provisions of the Agreement and the provisions of any annexure hereto, then the provisions of this Agreement will prevail;
- 2.11 where any references to any amount is made it shall mean that such amount is exclusive of VAT, unless the amount expressly includes VAT; and
- 2.12 the rule of construction that an agreement shall be interpreted against the Party responsible for the drafting or the preparation thereof shall not apply.

3. PREAMBLE

- 3.1 The WCWSS is an integrated and collectively managed system of dams, pump stations, pipelines and tunnels. In addition to servicing the City of Cape Town, the WCWSS supplies water to towns in the Overberg, West Coast and Cape Winelands District Municipalities as well as providing irrigation water for agriculture. The integrated system helps optimise the use of water resources by allowing water transfers between dams and catchment systems.
- 3.2 The major dams in the WCWSS, includes the Theewaterskloof Dam in the Breede River catchment and the Voëlvlei, Berg River and Wemmershoek Dams in the Berg River catchment, and the Steenbras Upper and Lower Dams in the Steenbras River.
- 3.3 The smaller dams and weirs in the WCWSS, includes DWS's Kogelberg and Rockview Dams which service Eskom's Palmiet Pumped Storage Scheme and the water transfer scheme to the Upper Steenbras and Kleinplaas Dams on the delivery route of the Riviersonderend-Berg River Tunnel System in the Eerste River and Misverstand Weir on the lower Berg River.
- 3.4 The Western Cape Reconciliation Strategy Study identified the need for the augmentation of the WCWSS by 2019. In July 2008, DWS appointed the Western Cape Water Consultants Joint Venture to undertake pre-feasibility level investigations into six potential surface water development options. The BRVAS Project was found to be the most favourable surface water intervention option and recommended for implementation. It involves:
- 3.4.1 the pumped abstraction of water in winter from the Berg River to increase the yield of the Voëlvlei Dam by approximately 23 million cubic metres per annum;
 - 3.4.2 a low-level weir and pump station are proposed to be located at the Lorelei site on the Berg River; and
 - 3.4.3 a 6.3 km long pipeline to deliver the water into the dam. The pipeline will be designed for reverse operation during summer so that releases can be made from the Voëlvlei Dam to the downstream users, including meeting ecological water requirements of the estuary.
- 3.5 The BRVAS project is a commercially viable project to be funded in accordance with the provisions of the Pricing Strategy which gives requires that such projects be funded off-budget using private sector funding and be repaid from revenue received from water tariffs to be paid by Users, so that the full financial cost of funding and implementing the BRVAS is recovered from all users thereof.
- 3.6 The Minister issued a directive to TCTA in May 2017 to fund and implement the BRVAS project on an off-budget basis and to facilitate the establishment of the institutional arrangements and the participation of Users through its governance structures.
- 3.7 The Parties now wish to enter into this Agreement, to record and regulate the rights and obligations of each of them, in respect of the funding, Implementation and water supply arrangements in respect of the BRVAS.

PART 2: WATER SUPPLY FROM BRVAS

4. COMMENCEMENT AND DURATION

This Agreement shall come into effect on the Signature Date and remain of full force for a period of 20 (twenty) years following the date of Operational Declaration or for so long as the Debt applicable to the User remains outstanding, provided that once the full amount of the Debt has been repaid, the User will cease to be liable for payment of the BRVAS-CUC.

5. ASSURANCE OF SUPPLY

- 5.1 The Assurance of Supply for the User shall be as set out in its relevant water use license.
- 5.2 Neither Party shall wilfully or negligently do anything to negatively influence the Assurance of Supply.

6. RESTRICTIONS TO SUPPLY

- 6.1 If on reasonable grounds it is believed that a water shortage exists or is imminent, restrictions may be applied in terms of the NW Act or any other applicable legislation, on the water supply to the User and other users as may be appropriate at that time.
- 6.2 DWS will use all reasonable endeavours to consult the User directly in the event of the likelihood of the imposition of water restrictions.

7. INTERRUPTIONS TO SUPPLY

- 7.1 DWS shall give the User at least 3 (three) months' written notice of any scheduled interruptions or restrictions on supplies of water from the BRVAS, for purposes of testing, renewing, examining, repairing or maintaining any part of the BRVAS infrastructure.
- 7.2 Should a Party become aware of any relevant event which has or may have a material adverse impact on the supply of water, then that Party shall immediately inform the other.
- 7.3 In cases of emergencies or unscheduled interruptions, DWS shall endeavour to give at least 12 (twelve) hours' notice to the User telephonically and/or by means of a telefax or electronic mail, subject to DWS' right in its sole discretion to interrupt water supplies or to lock the point/s of supply where necessary without prior notification. Notwithstanding that there may be circumstances where no prior notification has been given to the User of an interruption in water supplies or locking of point/s of supply, DWS shall notify the User of such circumstances and the steps to be taken to restore water supplies as soon as possible after such event.
- 7.4 The User shall provide sufficient piping and storage facilities as may be required by it,

at its sole cost, to take water from the relevant point of supply, and store such water, to mitigate the effects of any interruptions in supply.

8. CONDITIONS OF SUPPLY

- 8.1 DWS shall supply all water in accordance with the terms and conditions of this Agreement and the relevant Licence/s to be issued to the User, and subject to such statutory requirements as may be applicable from time to time.
- 8.2 Save and except for the connecting infrastructure to be installed in terms of the BRVAS Operating Rules by the User, no other water supply system, water services works, pipeline, connection, installation or other equipment shall be connected by the User, or any other party acting on its behalf, to any part of the BRVAS infrastructure unless expressly authorized in writing by DWS to do so and subject to such terms and/or conditions as DWS may impose.

9. WATER QUALITY

- 9.1 DWS shall use its reasonable endeavours to monitor the quality of water supplied according to its monitoring programs, it being agreed that DWS does not and will not guarantee the quality of water supplied nor its fitness or suitability for any purpose whatsoever. DWS undertakes to provide such monitoring results to the User as and when requested to do so.
- 9.2 The User shall be responsible for treating all water supplied to it by DWS, to such standards as may be necessary for any usage requiring treated water.

10. MEASUREMENT OF WATER SUPPLY

- 10.1 DWS, its Delegated Authority and their authorised officers, employees and agents shall be entitled to unrestricted access to any component of the supply or abstraction control mechanisms, abstraction meters, control meters, point(s) of supply or any other works as may be required in the performance of their duties within the User's property or servitude area, including but not limited to the reading and checking of meters and taking of water quality samples. All such access shall be in accordance with applicable legislation.
- 10.2 The supply of water to the Users shall be measured by DWS in terms of the metering procedures set out in **Annexure F** hereto and such measurements shall be used by DWS to verify the quantity of water actually drawn by the Users so as to reconcile actual use against the Licenced volume allocated to the User on an annual basis, taking account of water restrictions when enforced under the NW Act; and
- 10.3 The meter readings shall be taken by DWS on the nearest Business Day to the 20th (twentieth) day of each calendar month as provided for in **Annexure F** hereto.
- 10.4 The User hereby agrees and undertakes to indemnify and hold harmless each of DWS and/or any Delegated Authority against any and all claims, suits, losses, damages,

which may be claimed, brought or threatened against either of them in the event of, and to the extent that, either of DWS or a Delegated Authority is unable to meet its Assurance of Supply levels to any other User/s arising as a direct result of the User taking more water, as calculated annually, than it is authorised to take.

11. INTEGRATED WATER SUPPLY PLANNING AND OTHER SYSTEM RELATED ISSUES

The Parties record that system planning or operating issues pertaining to the reduction in the yield of the WCWSS and its over-allocation, the reduced City of Cape Town allocation from the Berg Water Project and other compulsory licence discrepancies will be addressed expeditiously.

PART 3: THE BRVAS INFRASTRUCTURE

12. THE BERG RIVER-VOËLVLEI AUGMENTATION SCHEME

The Parties acknowledge and record that:

- 12.1 the BRVAS involves the Implementation of the Project within the Project Area, as described in **Annexure A** hereto;
- 12.2 the water infrastructure of the BRVAS shall be developed, operated, utilised and managed with the objective of benefiting, directly or indirectly, all users in the BRVAS project area, in the context the WCWSS;
- 12.3 the Minister issued the Directive to TCTA directing it to fund and Implement the BRVAS. As part of TCTA's Implementation program, a Project Implementation plan and a Project charter will be compiled after consultation with the relevant Users for approval by TCTA;
- 12.4 the BRVAS Project charter will set out inter alia, the mandate, description, governance structure, scope, implementation strategies for funding, public relations, engineering, environmental, health and safety, land acquisition processes, project management, procurement, strategies that support government goals, key risks, resource plans, milestones and budget, including contingency amounts related thereto; and
- 12.5 the Project Implementation plan will set out inter alia, timelines for the tender processes for pre-qualification (if required) and appointment of design engineers, approvals of designs (including optimisation measures), tender processes for pre-qualification and appointment of construction contractors, land acquisition processes, appointment of relevant panels of experts for social, business, environmental and engineering matters, commissioning dates, handover dates and water delivery dates.

13. REVIEW OF WATER AVAILABILITY FROM THE BRVAS

In terms of section 49 of the NW Act, the Minister is entitled to undertake periodical reviews of the Total Water Availability and Capacity Allocated, based on information obtained from the WCWSS Model and hydrological studies undertaken from time to

time, and where necessary, adjustments to the licensed volume of water to each User may be made in terms of the NW Act, as considered appropriate by the Minister after consultation with the User.

14. ACCESS TO THE BRVAS

Both during and after the Implementation of BRVAS:

- 14.1 the User and its authorised officers, employees and agents may request DWS or a designated official at a Delegated Authority, for reasonable access to any component of the BRVAS and any works associated with the supply of water from the BRVAS including without being limited to, any relevant documentation; and
- 14.2 any request to gain access to any documentation, shall be directed by the User to DWS or to a designated official at a Delegated Authority in writing, provided that neither DWS nor a Delegated Authority shall be obliged to disclose any document to the User which it is not obliged to disclose in terms of the Promotion of Access to Information Act, 2000.

15. OPERATION AND MAINTENANCE

- 15.1 Notwithstanding that DWS shall be responsible for the operation and maintenance of the Project according to relevant best practice, standards and guidelines in an integrated, cost effective, consultative and efficient manner, taking into consideration all relevant Users, DWS may sub-contract its operations and maintenance obligations to any third party and conclude an appropriate operations and maintenance agreement with it, to record the terms and conditions entailed in such arrangements.
- 15.2 The BRVAS operations and maintenance costs will be charged by DWS as provided for in terms of the Pricing Strategy.

16. BETTERMENTS AND REFURBISHMENTS

- 16.1 DWS shall be responsible for the betterment and refurbishment of the Project infrastructure or any component thereof and shall recover the costs associated with the betterment and refurbishment of the Project infrastructure, in terms of the Pricing Strategy.
- 16.2 The Project's betterment and refurbishment costs will be charged as provided for in terms of **Annexure D** and the Pricing Strategy and invoiced as provided for in this Agreement. Such costs, in the case of:
 - 16.2.1 betterments, may relate to costs of any improvement to the Project's infrastructure or any component thereof, which would result in an increase in its capacity and/or functionality beyond its original standard of performance, costs incurred to increase the yield of the Project or meet safety, statutory and/or best practice requirements; and
 - 16.2.2 refurbishments, may relate to any costs incurred to restore the capacity and/or

functionality of the Project, to extend the useful economic life of the Project's infrastructure or any component thereof, arising from the potential loss of capacity or assurance of supply and/or functionality arising due to age, wear and tear, decay, inadequacy and obsolescence.

PART 4: OBLIGATIONS AND INSTITUTIONAL ARRANGEMENTS

17. OBLIGATIONS OF DWS

DWS undertakes:

- 17.1 to assume responsibility for the preparation of all relevant applications for the obtaining of all necessary environmental authorisations, required to Implement the BRVAS;
- 17.2 to ensure the Implementation of the Project using engineering principles, philosophies, procedures and standards employed by governments and water utilities, in accordance with prevailing international standards under comparable circumstances, from time to time;
- 17.3 the Project shall be Implemented by TCTA in a consultative manner with the participation of all relevant stakeholders as far as may be reasonably practicable.
- 17.4 to consider and where appropriate, recommend to the Minister, its approval for the grant of a Licence to the User, with due regard to the requirements of the NW Act;
- 17.5 to confirm the Operational Declaration within 60 (sixty) days of receipt of the taking-over certificate from TCTA.

18. OBLIGATIONS OF THE USER

The User undertakes:

- 18.1 to take up its licensed/allocated volume of water from the BRVAS;
- 18.2 to accept and make payment of the BRVAS-CUC set out in this Agreement and **Annexure D** hereto, and all Water Use Charges as may be levied from time to time in terms of the Pricing Strategy;
- 18.3 to take water from any alternative water source (where applicable) identified by the Minister in her sole discretion after consultation with the Users, in terms of the Licence issued to it;
- 18.4 to provide a certified copy of the relevant extract of the authorising resolution passed by its council or board of directors or chairman of a water board/water user association approving the entry into this Agreement in specific terms, and authorising the nominated signatory hereof to conclude this Agreement on behalf of the User, and shall provide DWS with such certified copy thereof, to evidence its authority to enter into this Agreement and be bound to the terms and conditions hereof, nothing at all excepted.

19. BRVAS INSTITUTIONAL ARRANGEMENTS

The Parties record that the following agreements will be concluded as part of the institutional and contractual arrangements under the Project:

- 19.1 an Implementation Agreement between the DWS and TCTA to record and regulate the funding and Implementation of the Project;
- 19.2 a Water Supply Agreement between DWS and each User, in terms of which DWS will supply bulk raw water from the BRVAS to the User, which will take such water and pay to DWS, the BRVAS-CUC and Water Use Charges in respect thereof;
- 19.3 one or more Bulk Water Supply Agreements between the User and its customers **[ONLY REQUIRED IF THERE ARE NO EXISTING AGREEMENTS]**; and
- 19.4 such other agreements as may be necessary to give effect to the Project.

PART 5: BRVAS-FUNDING SOURCES, BRVAS-CUC, WATER USE CHARGES,
INVOICING AND PAYMENT

20. BRVAS-FUNDING SOURCES

- 20.1 DWS shall annually obtain and provide to TCTA the project preparatory funding in line with the Implementation programme determined by TCTA, as required in the Directive.
- 20.2 TCTA shall raise the off-budget funding for the Implementation of the BRVAS Project.

21. THE BRVAS-CUC

- 21.1 This Agreement makes provision for the BRVAS-CUC to be charged by DWS on all the Users taking water from the BRVAS.
- 21.2 The User will commence paying the BRVAS-CUC applicable to it as provided for in **Annexure D**, on Operational Declaration. Such repayments will continue for as long as any portion of the Debt remains outstanding by the User.
- 21.3 Adjustments to the BRVAS-CUC from time to time shall be undertaken as provided for in this Agreement, **Annexure D** hereto and the Pricing Strategy.

22. WATER USE CHARGES

- 22.1 DWS is entitled to levy various Water Use Charges on Users in terms of the Pricing Strategy and such charges will be deemed to include any charges, levies or costs as may be contained in relevant statutory requirements.
- 22.2 The Water Use Charges will be charged to the Users on a monthly basis (or annually, if and where applicable) separately from the BRVAS-CUC and will be determined in terms of the prevailing Pricing Strategy and/or other statutory requirements in force at the time and will be applicable both during and after the period of repayment of the Debt.

23. INVOICING AND PAYMENT PROCEDURES

- 23.1 DWS shall at the end of each month in which the meter readings are taken, in accordance with clause 10 above, send a copy tax invoice to the User. Such copy tax invoice will contain details of the date, applicable amount payable under the BRVAS-CUC, applicable amount payable for the Water Use Charges, VAT, VAT registration

number, due date for payment, bank account details of DWS and such other details required in terms of applicable legislation.

- 23.2 DWS shall ensure that the original tax invoice is posted (or otherwise delivered) to the User by not later than the end of the month in which the meter readings are taken to ensure that the User receives the tax invoice by not later than the 15th (fifteenth) calendar day of the month following the month in which such meter readings are taken as set out in sub-clause 10.3 above. The User will make payment of the full amount of each tax invoice by the due date reflected on each tax invoice, provided that such due date shall not be less than 30 (thirty) days after the invoice date reflected on such tax invoice, into a bank account nominated in writing by DWS from time to time.
- 23.3 Any delay in the rendering of a tax invoice will not relieve the User of its obligation to make payment to DWS for all amounts outstanding. In the event of the User not receiving any tax invoices timeously or at all, the User undertakes to notify DWS thereof in writing by no later than 5 (five) Business Days after the 15th (fifteenth) calendar day referred to in sub-clause 23.2 above. In such event payment will be made within 30 (thirty) days after receipt of a tax invoice from DWS, provided that where such notification has been given to DWS, it shall not be entitled to charge any interest on such late payment.
- 23.4 Each User will be invoiced monthly by DWS for:
- 23.4.1 the BRVAS-CUC calculated on the basis set out in **Annexure D** hereto;
 - 23.4.2 any other BRVAS Water Tariffs such as BRVAS O&M Tariff and BRVAS B&R Tariff as applicable in terms of the Pricing Strategy; and
 - 23.4.3 any Water Use Charges as payable in terms of the Pricing Strategy.
- 23.5 In the event of the User failing to make payment of the BRVAS-CUC or Water Use Charges in accordance with clause 21 and clause 22 above, then in addition to all other remedies available to it in terms of the NW Act, DWS shall be entitled:
- 23.5.1 on notice, to suspend or withdraw a water use entitlement, provided that the User has been directed to take specific steps to rectify the failure within a specified period, in terms of section 54(3) of the NW Act and the User has had an opportunity to make representations within a reasonable period in terms of section 54(4) thereof; and/or
 - 23.5.2 on notice, to restrict or suspend the supply of water to the User from this government waterworks until such charges together with interest in respect of the default period have been paid, provided that DWS has given the User an opportunity to make representations within a reasonable period on any proposed restrictions or suspensions in terms of section 59(4) of the NW Act; and/or
 - 23.5.3 to charge interest at the prescribed Statutory Interest Rate on all outstanding amounts, such interest to be calculated from the due date for payment until the date that payment is actually made.

**24. ASSIGNMENT OF RIGHTS TO REVENUE FROM THE BRVAS-CUC [& BRVAS
THIRD PARTY CHARGE IF APPLICABLE] BY DWS TO TCTA**

In consideration of the Debt to be incurred by TCTA, in the funding and Implementation of the BRVAS, and the revenue to be collected by DWS from the User under the BRVAS-CUC, the Parties hereby agree as follows:

- 24.1 DWS will assign to TCTA, its rights to receive payment of the BRVAS-CUC directly from the User, in terms of the Deed of Assignment attached as **ANNEXURE E** hereto;
- 24.2 the User hereby consents to the assignment of rights contemplated in sub-clause 24.1 above;
- 24.3 in consideration of the assignment of rights as contemplated above, TCTA shall apply all such revenue received by it from the User under the BRVAS-CUC, in reduction of the Debt applicable to it;
- 24.4 DWS undertakes to incorporate the assignment of rights contemplated under this clause in all Water Supply Agreements concluded in future with the users under the BRVAS;
- 24.5 For the avoidance of doubt, DWS shall continue to receive payment of the Water Use Charges as may be applicable, directly from the User;
- 24.6 the assignment of rights contemplated under this clause does not affect or detract from any of DWS' remaining rights and obligations under the Agreement, all of which continue in full force and effect, nothing at all excepted.

PART 6: LIABILITY, BREACH AND FORCE MAJEURE

25. LIABILITY

- 25.1 Neither Party shall be liable nor assume liability under any circumstances whatsoever for any special, indirect or consequential loss or damages of whatsoever nature and howsoever arising whether in contract, delict or otherwise, suffered as a result of any Party's actions or omissions, arising either in terms of this Agreement or being a delictual claim or action, whether foreseen or unforeseen and/or having been reasonably foreseeable, which includes any claim, indirect, extrinsic, special, penal, exemplary or consequential loss or damage pertaining to a loss of profits, a loss of operational time, any loss of information or for claims for losses or damages based on contracts with third parties.
- 25.2 The liability of each Party to the other in all instances shall be limited to all direct loss or damage as may be sustained or incurred by a Party and which is directly attributable to the wilful or negligent actions and/or omissions of the other Party, its employees and agents.
- 25.3 DWS shall under no circumstances whatsoever be liable nor assume liability:
 - 25.3.1 for any loss or damage of whatsoever nature and howsoever arising, suffered or claimed, to any property or injury to any person whomsoever resulting either

directly or indirectly, consequentially or otherwise from any emergencies or unscheduled interruptions, including variations or deficiencies in the water supply;

25.3.2 for any loss or damage to the User arising out of any water supply system or water services works or connection or installation connected with or made to any waterworks of DWS by the User;

25.3.3 for any loss or damage of whatsoever nature and howsoever arising, suffered or claimed, to any property or injury to any person whomsoever or for the loss of production or the loss of income or profit resulting either directly or indirectly, consequentially or otherwise, from the quality of water supplied.

26. BREACH

26.1 In the event of any breach of any of the terms or conditions of this Agreement by either Party hereto, including any failure to comply with any of the material terms and/or conditions of this Agreement and/or the drawing of water by the User in excess of the Licenced annual volumes which it is authorised to take, but excluding those material breaches specifically identified in sub-clause 26.3 below, then the aggrieved Party may either claim specific performance or cancel the Agreement, provided that:

26.2 time has been made of the essence by the aggrieved Party to the defaulting Party by the giving of written notice detailing the nature of the alleged breach by the defaulting Party and demanding that such breach be remedied within a period of 14 (fourteen) Business Days of date of such initial written notice to the defaulting Party;

26.2.1 if the defaulting Party fails to remedy such breach within the 14 (fourteen) day notice period, then the aggrieved Party shall determine a date, after expiry of the 14 (fourteen) day notice period, for purposes of a meeting to be held between the aggrieved Party and the defaulting Party and shall give written notice of the date and place of such meeting to be held. The purpose of such meeting shall be for the Parties to meet in good faith and discuss ways and means to remedy such breach and/or to mitigate the extent of the loss or damage suffered and/or to be suffered by the aggrieved Party and/or to identify an acceptable solution in the best interests of the Parties, without having to resort to cancellation;

26.2.2 if within 7 (seven) Business Days of the holding of the meeting, either the defaulting Party fails to remedy the breach or within such time as may be agreed during the said meeting, or if no agreement is reached between the defaulting Party and the aggrieved Party during the meeting referred to in sub-clause 26.2.1 above on the remedying of such breach, then the aggrieved Party shall give a final written notice to the defaulting Party, demanding that the breach be remedied within a further period of 14 (fourteen) Business Days of date of such written notice, failing which the aggrieved Party shall be entitled

at its election, to either:

- 26.2.2.1 claim specific performance from the defaulting Party, with or without a claim for damages as set out in clause 25 above; or
- 26.2.2.2 cancel the Agreement forthwith by giving written notice to that effect to the defaulting Party, provided that where the aggrieved Party is DWS, it will not have the right to cancel the Agreement where there is a dispute pending between the Parties and the User has paid and continues to pay all charges or other amounts due and payable under this Agreement to DWS.

26.3 The following events of default shall be regarded as material breaches of contract on the part of the User and in the event of any such breach, DWS shall be entitled to cancel the Agreement by giving written notice to that effect to the User:

- 26.3.1 the failure of the User to pay any amount due under the BRVAS-CUC and/or the Water Use Charges on due date and such failure is not remedied by payment of the amount due within 14 (fourteen) Business Days after date of a written notice from DWS demanding payment thereof from the User;
- 26.3.2 the winding up or placing under liquidation (whether provisionally or finally), or the placing under judicial management or under administration, of the User;
- 26.3.3 any attempt by the User to compromise or enter into a scheme of compromise, composition or arrangement with any of its creditors.

26.4 Any cancellation of this Agreement shall be without prejudice to any right of the aggrieved Party to recover, *inter alia*, any direct loss or damage suffered, subject to clause 24 above.

27. CONSEQUENCES OF CANCELLATION

Upon cancellation of this Agreement due to a breach by the User, prior to full repayment of the BRVAS Project Costs, the User shall be obliged to:

- 27.1 make payment to DWS of the full amount outstanding in respect of the Debt applicable to it arising under the BRVAS-CUC;
- 27.2 make payment to DWS of all amounts outstanding in respect of the Water Use Charges applicable to it, calculated up to the date on which it ceased to take water from the BRVAS;
- 27.3 forthwith cease taking water from the BRVAS, until and unless all outstanding amounts have been paid in full to DWS in terms of sub-clause 27.1 and sub-clause 27.2 above (for the avoidance of doubt such water will thereafter be taken in terms of the Users' Licence); and
- 27.4 at its sole cost forthwith disconnect all connections, installations or other equipment owned by it and which has been connected to the BRVAS infrastructure, until and unless it has complied with sub-clauses 27.1, 27.2 and 27.3 above and the Agreement

has been reinstated.

28. RISK AND INSURANCE

The Parties record that:

- 28.1 no Party will bear any risks which have been allocated to the other Party in terms of this Agreement and each of them shall be entitled to take out and maintain in force such insurance policies as it may deem appropriate to cover any risks to be borne by it under this Agreement;
- 28.2 DWS will assume the risk of loss or damage to the Project as a government waterworks, with effect from Operational Declaration, and may elect to bear such risk itself on a self-insurance basis or insure against such risk with insurers appointed by it;
- 28.3 the costs of any insurance policies taken out by DWS and/or TCTA before Operational Declaration will form part of the BRVAS Project Costs and the costs of any insurance policies taken out after Operational Declaration by DWS and/or TCTA will form part of the operations and maintenance costs;
- 28.4 the proceeds of claims made under the relevant insurance policy will be applied to repair the damage to the BRVAS infrastructure;
- 28.5 subject to the institutional framework applicable to the Parties from time to time, the Parties may agree on such additional insurance requirements as may be required from time to time.

29. DISPUTE RESOLUTION

- 29.1 During the Implementation phase, the dispute resolution provisions set out in **Annexure B** hereto will be applicable, except for disputes relating to the interpretation of this Agreement which will be dealt with in terms of this clause. With effect from Operational Declaration, all disputes will be dealt with in terms of this clause.
- 29.2 The Parties shall endeavour to resolve any dispute arising out of this Agreement amicably through good faith negotiations to be held between them by senior representatives of the Parties.
- 29.3 In the event that the Parties are unable to resolve such dispute or difference as provided for in 29.2 above, then either party shall be free to utilise the mechanisms set out in the Intergovernmental Relations Framework Act 13 of 2005 to facilitate settlement of the dispute and matters connected therewith, in accordance with the procedures set out thereunder.
- 29.4 In the event that the Parties are unable to resolve the dispute between them within 6 (six) months of a referral in terms of the Intergovernmental Relations Framework Act 13 of 2005, then either of the Parties shall be free to refer the matter to arbitration in accordance with the Rules of the Arbitration Foundation of Southern Africa ("AFSA").
- 29.5 The arbitration shall be conducted subject to the following provisions:
 - 29.5.1 the arbitration shall be held in a summary manner before a single arbitrator

- with a view to it being completed as soon as possible;
- 29.5.2 the decision of the arbitrator shall be final and binding on the Parties and of immediate effect;
- 29.5.3 either Party shall be entitled to apply to the High Court of South Africa to make such decision an order of court;
- 29.5.4 the cost of the arbitration proceedings shall be borne by the Parties as determined by the arbitrator, provided that where the arbitrator's decision is silent as to costs, the Parties shall each bear their own costs;
- 29.5.5 nothing contained in this clause shall preclude any Party from applying to any court of competent jurisdiction for a temporary interdict or other relief of an urgent nature, pending the award of the arbitrator; and
- 29.5.6 throughout the period between the declaration of a dispute and the making of a final ruling by the arbitrator, none of the obligations of the Parties shall be suspended and all obligations shall continue to be discharged in accordance with their tenor, as if such arbitration proceedings had not been initiated.
- 29.6 Notwithstanding termination of the Agreement for whatsoever reason, this dispute resolution provision will survive such termination and may be invoked by either of the Parties.

PART 7: GENERAL

30. CONFIDENTIALITY

- 30.1 Each Party shall keep confidential and not disclose any trade secrets, confidential documentation, proprietary information, technical know-how and data, systems, methods, commercial, financial and technical information which may be disclosed to it by the other Party to this Agreement, to any other party, other than to persons employed by them and/or authorised by them and who are required to have such information for purposes of fulfilling their respective obligations under this Agreement.
- 30.2 Each Party hereby acknowledges that the confidential documentation and/or information is of substantial value and each Party undertakes not to disclose any confidential information to any other party, except for the purposes contemplated under this Agreement.
- 30.3 The confidentiality obligations will not apply to information which:
- 30.3.1 is public knowledge, or becomes public knowledge at any time through no fault of the Party receiving such confidential information; or
- 30.3.2 is disclosed to any of the Parties by a third party with the lawful right to make such disclosure and which did not obtain such information directly or indirectly from the disclosing Party; or
- 30.3.3 was known to the receiving Party prior to the date of disclosure by the disclosing Party as it is able to prove through documentary material in its possession; or

30.3.4 is disclosed by the receiving Party with the consent of the disclosing Party; or
30.3.5 is required to be disclosed in terms of an order of court, law, regulation or any forum or regulatory authority (including without limitation, a stock exchange body).

30.4 The Parties record that the confidentiality obligations set out herein shall remain in force indefinitely notwithstanding termination of this Agreement.

31. DOMICILIUM CITANDI ET EXECUTANDI

31.1 The Parties choose as their *domicilia citandi et executandi* for all purposes under this Agreement, whether in respect of court process, notices or other documents or communications of whatsoever nature, the following addresses:

31.1.1 DWS: Sedibeng Building

185 Francis Baard Street

Pretoria

0002

Fax No: (012) 336-7309

e-mail:

Attention: Deputy Director-General: National Water Resource Infrastructure

31.1.2 The User:

Fax No:

e-mail:

Attention:

31.2 Any notice or communication required or permitted to be given in terms of this Agreement shall be valid and effective if reduced to writing and sent to the other Party.

31.3 Any notice to a Party:

31.3.1 sent by pre-paid registered post in a correctly addressed envelope to it at its domicilium address shall be deemed to have been received on the 5th (fifth) Business Day after posting;

31.3.2 delivered by hand to a responsible person during ordinary business hours at its domicilium address shall be deemed to have been received on the day of delivery; or

31.3.3 sent by telefax to its chosen telefax numbers as stipulated above, during normal business hours, shall be deemed to have been received on the date of dispatch.

31.4 Notwithstanding anything to the contrary herein contained, a written notice or communication actually received by a Party shall be adequate written notice or communication to it, notwithstanding that it was not sent to or delivered at its chosen *domicilium citandi et executandi*.

32. GENERAL

- 32.1 This agreement constitutes the whole of the Agreement between the Parties relating to the matters dealt with herein.
- 32.2 No prior representations, warranties, undertakings or other terms and conditions of whatever nature shall be valid and binding unless recorded herein and signed by the Parties.
- 32.3 No amendment or addition to, deletion from or consensual cancellation of this Agreement or any provision hereof or of any other Agreement shall be valid and binding unless recorded in writing and signed by the Parties.
- 32.4 Any extension of time or waiver or relaxation of any of the terms or conditions of this Agreement which either Party may grant to the other shall not prejudice such Party in respect of its rights under this Agreement nor preclude such Party thereafter from exercising its rights strictly in accordance with this Agreement. Any such extension, waiver or relaxation so given shall be construed as relating strictly to the matter for which it was given.
- 32.5 Nothing in this Agreement shall fetter, or be deemed to fetter, the Minister's discretion as provided for in the NW Act or any other applicable legislation, including but not limited to the grant of Licences to any parties wishing to take water from the BRVAS.
- 32.6 Where it is specified in this Agreement that certain matters are to be agreed between the Parties, any failure to reach agreement in respect of such matter will not affect the validity and enforceability of the remaining provisions of this Agreement.
- 32.7 Any provision in this Agreement which is or may become illegal, invalid or unenforceable in any jurisdiction affected by this Agreement shall, as to such jurisdiction, be ineffective to the extent of such prohibition or un-enforceability and shall be treated as *pro non scripto* and severed from this Agreement, without invalidating the remaining provisions of this Agreement which will remain of full force and effect. In such cases, the Parties undertake to negotiate with each other in good faith and shall use all reasonable endeavours to redraft the void provisions to render such provisions enforceable.
- 32.8 This Agreement shall be binding on any successor in title of DWS and any successor in title of the User.
- 32.9 Should any functions relevant to this Agreement be assigned by DWS to a water management institution in terms of the NW Act, DWS undertakes to incorporate the relevant provisions of this Agreement in any such assignment so as to bind such institution as a successor in title.
- 32.10 This Agreement will at all times be governed by, interpreted and construed in accordance with the laws of the Republic of South Africa.
- 32.11 Each Party shall be liable for its own costs in respect of the preparation, drafting, negotiation and settling of this Agreement.

32.12 THE SIGNATORIES HEREUNDER WARRANT THEIR AUTHORITY TO SO SIGN:

THUS DONE AND SIGNED AT _____ ON THIS _____ DAY OF _____ 2020

AS WITNESSES:

1. _____

2. _____

FOR AND ON BEHALF OF:
THE DEPARTMENT OF WATER AND
SANITATION
NAME:
CAPACITY:

THUS DONE AND SIGNED AT _____ ON THIS _____ DAY OF _____ 2020

AS WITNESSES:

1. _____

2. _____

FOR AND ON BEHALF OF:
[USER DETAILS.....]
NAME:
CAPACITY:

ANNEXURE A.3
SWARTALND MUNICIPLATY'S ALLOCATION FROM THE BRVAS



water & sanitation

Department:
Water and Sanitation
REPUBLIC OF SOUTH AFRICA

WESTERN CAPE PROVINCIAL OPERATIONS

Private Bag X 16, Sanlamhof, 7532 / 52 Voortrekker Road, Bellville 7530
Tel #: (021) 941 6000

Enquiries : D Daniels
Tel # : (021) 941 6189
Email : danielsd@dws.gov.za
Reference : 27/2/1

The Municipal Manager
Swartland Local Municipality
Private Bag X52
MALMESBURY
7299

PER EMAIL: swartlandmun@swartland.org.za

Attention: Mr Joggie Scholtz

Dear Sir

BERG RIVER VOËLVLEI AUGMENTATION SCHEME (BRVAS): ADJUSTMENT OF THE SWARTLAND LOCAL MUNICIPALITY'S ALLOCATION

Reference is made the Swartland Local Municipality's allocation from the planned Berg River Voëlvlei Augmentation Scheme (BRVAS) and your request, for an additional allocation, made to the National Minister of the Department of Water and Sanitation in November 2021.

Herewith to inform you that the request has been considered and an allocation adjustment was approved. Your **initial allocation of 0,66 M m³/a** has been adjusted with an **additional 1M m³/a from the BRVAS** giving the **Swartland Local Municipality a total allocation of 1,66 M m³/annum** from the planned scheme.

As a result of market vulnerability and other factors influencing cost associated to projects (future), the current cost (tariff) estimations for BRVAS are set as follow in Table 1:

Table 1: Cost estimates

Scenario	Estimated tariff (R/m ³)
April 2021	4.27
July 2022	4.60
2022 worst-case	6.26

Please note that the Directive issued by the National Minister of the Department of Water & Sanitation to TCTA in May 2017, directs TCTA to implement this project on an off-budget basis. Furthermore, the Directive instructs TCTA to: "...assist the DWS identify the water users benefitting from the BRVAS project and from whom costs must be recovered, prepare a funding strategy to recover project costs from such users and assist in the negotiations and drafting of relevant off-taker agreements between DWS and such users". Please ensure that your Water Supply Agreement reaches the Department and TCTA as soon as possible. As agreed, you will be forwarding a letter of commitment to the Department prior to signing the agreement.

For more information on this communication, feel free to contact the Department at any stage.

Yours faithfully

PROVINCIAL HEAD: WESTERN CAPE
Signed by: D DANIELS
Designation: Deputy Director
Date: 21 October 2022



NATIONAL DEVELOPMENT PLAN
Our Future - make it work

ITEM 7.6 VAN DIE AGENDA VAN 'N UITVOERENDE BURGEMEESTERSKOMITEE VERGADERING WAT GEHOU SAL WORD OP 22 MAART 2023

ONDERWERP: HERSIENING VAN DIE RAMPBESTUUR PLAN VIR SWARTLAND

**SUBJECT: REVIEW OF THE CORE MUNICIPAL DISASTER MANAGEMENT PLAN OF
SWARTLAND**

1. AGTERGROND/BEREDENERING / BACKGROUND/DISCUSSION

Die Raad het 'n goedgekeurde rampbestuursplan vir die Swartland munisipale gebied en is die vereiste dat genoemde plan jaarliks hersien en op datum gebring word met enige veranderinge indien nodig.

The Council approved a disaster management plan for the Swartland municipal area and requires that the said plan be reviewed yearly and updated with any changes if necessary.

The top risks identified for Swartland in the disaster risk assessment that are still relevant are:

- Drought
- Alien invasive species
- Water supply disruption
- Floods
- Seismic activity
- Wild fires
- Animal diseases
- Service delivery protests
- Covid-19 (new risk)
- Load Shedding

*Attached is the reviewed **2023 Core Municipal Disaster Management Plan** for perusal. On page 4 & 5 is a summary of all the changes.*

The risk reduction and preparedness plans form part of this core disaster management plan.

*The focus of every municipal department should be to take disaster management principles into account when doing their work. The municipality as a whole should seek to **mitigate or reduce the risk of disasters** occurring in vulnerable communities.*

*This core municipal disaster management plan seeks to achieve the following **key outcomes**:*

- Integration of disaster risk management into the strategic and operational planning and project implementation of all line functions and role players within the Municipality.
- Integration of disaster management mitigation strategies and projects within this plan.
- An integrated, fast and efficient response to emergencies and disaster by all role players.

2. WETGEWING / LEGISLATION

*The **Disaster Management Act, Act 57 of 2002** is mandatory to every municipality to prepare a disaster management plan for its area and to review such plan regularly.*

3. KOPPELING AAN DIE GOP / ALIGNMENT TO THE IDP

Section 53(2)(a) of the Disaster Management Act, 2002 states that the disaster management plan must form an integral part of the Integrated Development Plan (IDP) of the municipality.

Within the current IDP this Disaster Management Plan is aligned to:

Strategic goal 1: Improved quality of life for citizens

4. FINANSIËLE IMPLIKASIE / FINANCIAL IMPLICATION

Die plan is intern opgestel en hersien met die hulp en kommentaar van al die Direkorate. Daar is dus geen finansiële implikasie.

The plan has been drafted internally and reviewed with the help and comments of all Directorates. There is no financial implication.

5. AANBEVELINGS

- 5.1. Dat kennis geneem word van die inhoud van die 2023 hersiende rampbestuursplan asook die instemming van al die departemente om as deel van hul daaglikse take aandag te gee aan ramprisiko vermindering.
- 5.2. Dat die Burgemeesterskomitee die 2023 hersiende Rampbestuursplan vir die Swartland Munisipale area goedkeur met die onderneming dat die plan jaarliks hersien sal word om sodoende seker te maak dat die inhoud altyd relevant en op datum is.
- 5.3. Dat, soos deur die Rampbestuurswet voorgeskryf, 'n afskrif van die goedgekeurde hersiende plan voorsien word aan die Weskus Rampbestuursentrum, Provinsiale Rampbestuursentrum asook die Nasionale Rampbestuursentrum.

5. RECOMMENDATIONS

- 5.1. That the content of the 2023 reviewed disaster management plan be noted as well as the agreement of all departments to pay attention to risk reduction as part of their daily tasks.
- 5.2. That the Mayoral Committee approves the 2023 reviewed Disaster Management Plan for the Swartland Municipal Area with the undertaking that the plan will be reviewed annually to ensure that the content is always relevant and up to date.
- 5.3. As prescribed by the Disaster Management Act, a copy of the approved reviewed plan is provided to the West Coast Disaster Management Centre, Provincial Disaster Management Centre as well as the National Disaster Management Centre.

(get) P A C Humphreys

MUNISIPALE BESTUURDER
MUNICIPAL MANAGER
PACH/ch



Verslag Φ Ingxelo Φ Report

Office of the Municipal Manager:
Internal Audit Division

6 March 2023
5/15/1/3

ITEM 7.7 ON THE AGENDA OF THE EXECUTIVE MAYORAL COMMITTEE MEETING WHICH WILL BE HELD ON 22 MARCH 2023

SUBJECT: MINUTES OF THE MUNICIPAL PERFORMANCE AND RISK AUDIT COMMITTEE MEETING HELD ON 29 NOVEMBER 2022 AS WELL AS THEIR BI-ANNUAL REPORT FOR THE PERIOD ENDING 31 DECEMBER 2022

1. BACKGROUND

The minutes of the Municipality's Performance, Risk and Audit Committee held on 29 November 2022 as well as the bi-annual report for the period 1 July to 31 December 2022 are hereby tabled. In accordance with the approved Performance, Risk and Audit Committee mandate the said minutes, or a summary thereof, and the bi-annual report must be submitted to the Council to be dealt with at its next ensuing meeting.

The Audit Committee serves as an independent advisory body appointed by Council and fulfills its function in terms of the provisions of section 166 of the Municipal Finance Management Act of 2003.

In terms of the above mandate, the Committee mainly makes recommendations to the Council for consideration and decision-making. There are no recommendations by the Performance and Risk Audit Committee, arising from their meeting held on 29 November 2022 or from the bi-annual report for the period ending 31 December 2022, for which a Council decision is required. The Committee is pleased with the continuing progress made by the Municipality in improving the control environment. However, management should pay special attention to the implementation of outstanding internal audit findings.

2. RECOMMENDATION

Dat kennis geneem word van die notule van die Munisipale Prestasie en Risiko Ouditkomitee se vergadering van 29 November 2022 asook die halfjaarlikse verslag van die Ouditkomitee vir die tydperk geëindig 31 Desember 2022.

That cognizance be taken of the minutes of the meeting of the Municipality's Performance, Risk and Audit Committee of 29 November 2022 as well as the Audit Committee's bi-annual report for the period ending 31 December 2022.

(get) J J Scholtz

MUNICIPAL MANAGER



MINUTES OF THE MEETING OF THE PERFORMANCE AND RISK AUDIT COMMITTEE OF SWARTLAND MUNICIPALITY HELD ON TUESDAY, 29 NOVEMBER 2022 AT 09:30

PRESENT

AUDIT COMMITTEE

Chairperson : Mr C De Jager (CDJ)
Members : Ms R Gani (RG)
Mr B Gouws (BG)

OFFICIALS : Municipal Manager: Mr J Scholtz (JS)
Director, Financial Services: Mr M Bolton (MB)
Director, Corporate Services: Ms M Terblanche (MT)
Director, Civil Engineering Services: Mr L Zikmann (LZ)
Director, Electrical Engineering Services: Mr T Möller (TM)
Director, Development Services: Ms J Krieger (JK)
Senior Manager, Strategic Services: Ms O Fransman (OF)
IDP/LED-officer: Mr L Fourie (LF)
Senior Manager, Internal Audit: Ms J Erasmus (JE)
Internal Auditor: Msizi Mseleni (MM)
Intern Risk Management: Ms T Howburg (TH)
Committee Officer: Ms S Willemse (SW)

1. OPENING

1.1 Welcome

The Chairperson of the Audit Committee, CDJ bade everyone welcome.

Apologies

Director, Protection Services: Mr P Humphreys (PH)

2. DECLARATION OF INTEREST BY MEMBERS OF THE AUDIT COMMITTEE

The Chairperson declared that he is also a member of the Disciplinary Committee of the municipality and a member of the MPAC.

No interests declared by other members.

3. DECLARATION OF INDEPENDENCE OF THE INTERNAL AUDIT COMPONENT

The independence of the Internal Audit Component was confirmed.

4. ADDITIONS TO THE AGENDA

None

5. COMMUNICATIONS BY THE CHAIRPERSON

The Chairperson informed the members of his intention to discuss the King IV principles related to good corporate governance. There are 17 principles in total and going forward, at least one principle will be discussed at every meeting of the PRAC.

6. COMMUNICATIONS BY THE MUNICIPAL MANAGER

None

7. MINUTES OF THE MEETING OF THE AUDIT COMMITTEE HELD ON 23 AUGUST 2022 & 29 AUGUST 2022

RESOLUTION

That the minutes of the previous meeting held on Thursday 23 August 2022 & 29 August 2022 be approved.

8. MATTERS ARISING FROM MINUTES

8.1 Implementation of the Performance and Risk Audit Committee resolutions taken on 23 August 2022 & 29 August 2022

The purpose of the report is to keep track of the resolutions that were taken in the previous meetings.

RESOLUTION

That the Performance and Risk Audit Committee take note of the resolutions that were implemented.

9. PERFORMANCE MANAGEMENT

9.1 Quarterly Section 52 report (July 2022 to September 2022) 1st Quarter

Refer to item 11.1

10. MSCOA – MUNICIPAL STANDARD CHART OF ACCOUNTS

None

11. FINANCIALS – IN – YEAR REPORTING

11.1 Section 52 report – Quarterly

The purpose of this report is to comply with the requirements of Section 52 (d) of the Municipal Finance Management Act, No. 56 of 2003, which prescribes the general responsibilities of the Mayor to table to council the financial position as well as the financial progress of the municipality, measured against the approved budget for the 1st quarter as at 30 September 2022.

This report also includes the non-financial information in the form of the municipality's performance measured against the targets set out in the Top Level Service Delivery and Budget Implementation Plan 2022/2023.

The members went through the report in detail and discussed the Quarterly Section 52 report.

RESOLUTION

That the Performance and Risk Audit Committee take note of the Section 52 report – Quarterly.

12. RISK MANAGEMENT

12.1 Risk Management Feedback for the quarter

The purpose of this item is to monitor and discuss matters related to the municipality's risk management processes to ensure effectiveness.

RESOLUTION

That the Performance and Risk Audit Committee take note of the Risk Management feedback report as at 31 October 2022.

12.2 Operational Risk Registers

BG stated that on the operational risk registers some controls are indicated as ineffective but no action plan was created. JE mentioned that those controls will be followed up with the relevant department heads and where possible, an action plan will be created.

RESOLUTION

That the Performance and Risk Audit Committee take note of the Operational Risk Registers.

12.3 Strategic Risk Registers

The members went through the registers and questions from the committee members were answered by the Directors.

RESOLUTION

That the Performance and Risk Audit Committee take note of the Strategic Risk Registers.

12.4 Risk Management Strategic Plan 2022-23

Swartland Municipality has undertaken to embed a culture of Enterprise Risk Management (ERM) within the municipality and to identify, assess, manage, monitor and report risks to ensure the achievement of objectives as identified in the IDP.

A risk management strategy provides a structured approach to identifying, assessing and managing risk. This strategy sets out all risk management activities planned for the 2020/21 financial year. This document also provides insight as to how the municipality will manage risk management going forward.

RESOLUTION

That the Performance and Risk Audit Committee take note of the Risk Management Strategic Plan 2022-23.

13. AUDITOR GENERAL / EXTERNAL AUDIT

13.1 Final Management Report and Audit Report

The purpose of the management report is to communicate audit findings and other key audit observations to the accounting officer and to provide a summary of the material irregularities and suspected material irregularities of which the accounting officer was notified.

The management report includes audit findings arising from the audit of the financial statements, performance information and compliance with legislation for the year ended 30 June 2022.

The Chairperson requested that the draft Annual Report be made available to the PRAC members once it becomes available.

RESOLUTION

That the Performance and Risk Audit Committee take note of the Final Management Report and Audit Report for the 2021/2022 financial year.

That the the draft Annual Report be made available to the PRAC members once it becomes available.

14. COMBINED ASSURANCE / OTHER EXTERNAL AUDITS

14.1 Eunomia report on compliance

Members made no comments.

RESOLUTION

That the Performance and Risk Audit Committee take note of the Eunomia report on compliance for the period ending 31 October 2022.

14.2 Litigation

Members made no comments.

RESOLUTION

That the Performance and Risk Audit Committee take note of the quarterly litigation report as at 15 November 2022.

15. INTERNAL AUDIT

15.1 Report on the activities of IAA for the period Aug to Oct'22

The purpose of these reports are to inform the Performance and Risk Audit Committee regarding the activities of the Internal Audit department for the period 01 Aug 2022 to 31 October 2022.

RESOLUTION

That the Performance and Risk Audit Committee take note of the Report on the activities of IAA for the period Aug to Oct'22.

15.2 Outstanding Internal Audit findings

The Chairperson stated that a discussion took place regarding the ongoing process of overtime management in the pre-meeting.

RESOLUTION

That the Performance and Risk Audit Committee take note of the Outstanding Internal Audit findings.

15.3 Progress w.r.t. the Annual Internal Audit Plan 2022-23

Members made no comments.

RESOLUTION

That the Performance and Risk Audit Committee take note of the Progress w.r.t. the Annual Internal Audit Plan 2022-23.

15.4 External Quality Review Implementation report

JE reported on the items that are still in-progress on the implementation report with specific reference to combined assurance. JE stated that Drakenstein municipality is the pilot site with regards to the implementation of combined assurance and the rest of the municipalities are waiting on their feedback for guidance.

The committee discussed the Internal Audit unit's training needs based on a skills gap analysis taking into account the budget constraints related to training and development.

RESOLUTION

That the Performance and Risk Audit Committee take note of the External Quality Review Implementation report.

16. PERFORMANCE AND RISK AUDIT COMMITTEE MANDATE

16.1 PRAC Annual Work Programme 2022-23 – progress

The purpose of this item is to ensure that the Performance and Risk Audit Committee complies with all their legal responsibilities.

RESOLUTION

That the progress on the annual work programme of the Performance and Risk Audit Committee be noted.

17. GENERAL – REVIEW OF POLICIES

17.1 SM Risk Management Policy

The purpose of this policy is to establish a process for the Municipality to identify and mitigate the risks that threaten the attainment of service delivery and other objectives, and optimise opportunities that enhance institutional performance.

It serves as a source of reference and intended to ensure that Swartland Municipality is committed to the optimal management of risk in order to protect its values, achieve its vision, objectives and deliver on its core business.

RESOLUTION

That the Performance and Risk Audit Committee reviewed the SM Risk Management Policy for the 2022/2023 financial year.

That the policy be submitted to Council for approval.

17.2 Anti- Fraud and Corruption Policy

Swartland Municipality subscribes to the principles of good corporate governance, which requires the conducting of business in an honest and transparent fashion. Consequently Swartland Municipality is committed to fighting fraudulent behaviour at all levels within the organisation.

The Strategy is premised on the organisations core ethical values driving the business of Swartland, the development of its systems, policies and procedures, interactions with

ratepayers, the public and other stakeholders, and even decision-making by individual managers representing the organisation.

RESOLUTION

That the Performance and Risk Audit Committee reviewed the Anti- Fraud and Corruption Policy for the 2022/2023 financial year.

That the policy be submitted to Council for approval.

18 NEXT MEETING

COGNISANCE TAKEN that the next formal AC meetings will be on:

- Tuesday, 21 February 2023 at 09:30
- Tuesday, 23 May 2023 at 09:30
- Tuesday, 22 August 2023 at 09:30
- Tuesday, 29 August 2023 at 09:30
- Tuesday, 28 November 2023 at 09:30

The meeting adjourned at 12:16.

SWARTLAND MUNICIPALITY

REPORT TO COUNCIL

1. SUBJECT

REPORT OF THE SWARTLAND MUNICIPALITY PERFORMANCE, RISK AND AUDIT COMMITTEE FOR THE PERIOD 01 JULY 2022 TO 31 DECEMBER 2022.

2. MEMBERS OF THE PERFORMANCE, RISK AND AUDIT COMMITTEE:

Chairperson: Mr C De Jager

Members: Ms R Gani
Mr B Gouws

3. DATES OF MEETINGS HELD

23 August 2022

29 August 2022 (Financial Statements Overview)

29 November 2022

4. REFERENCE NUMBER: 1 – 2022/23

5. PURPOSE

The Performance, Risk and Audit Committee ("PRAC") is appointed by Council, in terms of Section 166 of the Local Government: Municipal Finance Management Act (MFMA), and satisfies the requirements as stipulated in this section. Within the scope and in accordance with the Audit Committee's Terms of Reference, it seeks to provide Council with an update of the last six months activities.

The members of the Committee declared their independence at every meeting.

The report also includes reference to the Performance, Risk and Audit Committee's assessment of the Municipality's Performance Management System for the period 01 July 2022 to 31 December 2022 as required by Regulation 14 of the Municipal Planning and Performance Management Regulations.

6. FOR DECISION BY

Regulation 14 of the Municipal Planning and Performance Management Regulations require the Performance, Risk and Audit Committee to report to Council at least twice per annum on their assessment of the Municipality's Performance Management System.

7. EXECUTIVE SUMMARY

The Performance, Risk and Audit Committee as part of its role and responsibilities completed the following activities for the six months under review:

- Completed the annual Performance, Risk and Audit Committee (PRAC) Report for the 2021/22 financial year;
- Completed a self-evaluation of performance of the Performance, Risk and Audit Committee;
- Reviewed financial in-year reports;
- Reviewed and provided input to risk management and related documents, as detailed in paragraph 9 below;
- Monitored the implementation of Auditor-General's recommendations for 2021/2022 financial year audit;
- Reviewed the Annual Financial Statements for the 2021/22 financial year prior to the hand-over to the Auditor-General;
- Attended the Auditor-General's Audit Strategy meeting on 26 September 2022 and gave input in respect of the scope and budget of the 2021/22 audit;
- Attended the discussion of the Auditor-General's Draft Management Report and Draft Audit Report on 24 November 2022;
- Monitored the development and implementation of Combined Assurance;
- Reviewed and provided input to Swartland's Municipality's Business Continuity and Disaster Recovery Plan;
- Reviewed the Eunomia Reports on compliance;
- Reviewed and monitored the implementation of the recommendations in respect of the 5-yearly External Quality Review of the Internal Audit Activity;
- Studied Internal Audit Reports:
 - Performance Management – 4th Quarter 2021/22
 - Performance Management -1st Quarter 2022/2023
 - Performance Management- 2ND Quarter 2022/2023
 - Stock Count Year-end - June 2022
 - Annual Financial Statements review notes
 - Review of Annual Performance Report 2021/22
 - Human Resource: Overtime Management
 - POPIA Compliance
 - Human Resources Time and Attendance
 - Proclaimed Main Roads Review
 - T43/21/22: Execution of a General and Supplementary Valuations of all properties in the area of jurisdiction of Swartland Municipality
 - T41/21/22: Construction of non-motorised transport facilities (pedestrian sidewalks and pathways) and recreational park in Malmesbury

- T16/22/23: Provision of Arboriculture and Tree Preservation and Gardening and Horticulture Learnerships training for the period 01 January 2023 to December 2023.
- Monitored the implementation of Internal Audit recommendations;
- Reviewed progress against the PRAC working programme;
- Reviewed progress against Internal Audit Plan;
- Approved the Risk Based Internal Audit Annual audit plan for 2022/23;
- Approved the three-year rolling Risk Based Internal Plan.
- Reviewed the Internal Audit and the Performance & Risk Audit Committee Charters;
- Reviewed and gave input to the IA Strategy & Work Procedures, Fraud Prevention & Anti-Corruption Strategy and
- Performed an evaluation on Internal Audit performance.
- Noted the new Staffing Regulations Implementation Plan Action drafted on key matters as stipulated by Regulations 890 and 891.

In terms of Regulation 14 of the Municipal Planning and Performance Management Regulations, the Performance, Risk and Audit Committee should review the quarterly reports submitted by the internal auditors, review the municipality's performance management system and make recommendations to Council in a report at least twice per annum. The Audit Committee complied with the requirements.

8. PERFORMANCE MANAGEMENT

In terms of Regulation 14 of the Municipal Planning and Performance Management Regulations, a municipality must appoint a Performance Audit Committee. The municipality may utilise any audit committee established in terms of other applicable legislation, as the Performance Audit Committee. The municipality has elected to use the combined Performance, Risk and Audit Committee to perform the functions of the Performance Audit Committee.

The municipality's internal auditors must:

- (a) On a continuous basis, audit the performance measurements of the municipality; and
- (b) Submit quarterly reports on their audits to the municipal manager and the audit committee.

The audits conducted must include assessments of:

- (a) The functionality of the municipality's performance management system;
- (b) Whether the municipality's performance management system complies with the Act (Municipal Finance Management Act);
- (c) The extent to which the municipality's performance measurements are reliable in measuring performance of municipalities on performance indicators.

The Performance, Risk and Audit Committee must:

- (a) Review the quarterly reports submitted by internal auditors;
- (b) Review the municipality's performance management system and make recommendations in this regard to Council and at least twice during a financial year submit a report to Council.

The Performance, Risk and Audit Committee has reviewed the municipality's performance at the committee meetings, which are held on a quarterly basis and have specifically focused on the indicators showing negative variances. Senior Management of the municipality is required to provide explanations and corrective actions for variances between planned and actual performance.

The Performance, Risk and Audit Committee emphasises the need to maintain appropriate evidence to substantiate performance information.

The Performance, Risk and Audit Committee considered the feedback provided by internal audit at the audit committee meetings.

The Performance, Risk and Audit Committee will continue to monitor management's actions to ensure an effective Municipality Performance Management System.

9. RISK MANAGEMENT

The Performance, Risk and Audit Committee reviewed the municipality's Operational Risk Registers and Strategic Risk Register. They also reviewed the implementation of the approved Risk Management Strategic Plan and progress made. During November 2022 the committee reviewed the municipality's Risk Management policy before it was tabled for approval by the Executive Mayoral Committee on 14 December 2022.

During the reporting period West Coast District Municipality reviewed the municipality's risk management processes, and their report was reviewed by the Performance, Risk and Audit Committee

10. RECOMMENDED

That Council note the Performance, Risk and Audit Committee's report for the period 01 July 2022 to 31 December 2022 and the recommendations that:

- (a) Management continue to enhance the risk management process;
- (b) Management continue to enhance the compliance management process;
- (c) Management continue to enhance the control environment and internal controls;
- (d) Management continue to implement recommendations by the Auditor-General;
- (e) The audit committee reviews quarterly performance reports specifically focusing on the indicators showing negative variances;
- (f) The audit committee reviews quarterly financial reports;
- (g) Management implement the necessary controls in the Financial and Performance Management Systems to ensure the accuracy of the documentary evidence which

supports the municipality's financial and performance results and that the necessary supervisory controls are exercised to verify the integrity of financial and performance information reported to Council; and

- (h) Management should pay special attention to the implementation of long outstanding internal audit findings.

11. CONGRATULATIONS

The Performance, Risk and Audit Committee congratulates Council and Management on obtaining once again a clean audit for the financial year 2021/2022.

CB de Jager

Chairperson of the Performance, Risk and Audit Committee

Date: 28 February 2023



Verslag ♦ Ingxelo ♦ Report

Kantoor van die Direkteur: Ontwikkelingsdienste
2 March 2023

17/2/2

ITEM 7.8 FOR THE AGENDA OF AN EXECUTIVE MAYORAL COMMITTEE MEETING TO BE HELD ON 22 MARCH 2023

SUBJECT: WESTERN CAPE RENTAL HOUSING TRIBUNAL REQUEST

1. BACKGROUND

A meeting was held on 27 February 2023 between the Swartland Municipality and the Western Cape Rental Housing Tribunal (RHT) where the RHT discuss the purpose of the meeting as follows:

- To introduce the WC Rental Housing Tribunal (WCRHT) as an institution.
- To sensitize the municipality to the imminent and mandatory establishment of the Rental Housing Information Offices (RHIO's) at every local municipality.
- To commence discussions between the RHT and the Municipality on the establishment of RHIO.
- To map out and agree on a process to be followed that will culminate in the establishment of the RHIO in the Municipality.

The Rental Housing Tribunal (RHT) is a body established by Provincial Member of the Executive Council (MEC) responsible for Human Settlements and established in each of the provinces, in terms of Section 7 of the Rental Housing Act (Act no 50 of 1999) (RSA, 1999).

It is a free service for Tenants and Landlords. The RHT sits at provincial level and the National government sets norms and standards. It provides mechanisms to resolve disputes & build positive relationships between Tenants and Landlords.

For several reasons, there is a big focus on the provision of ownership as the preferred form of tenure for housing provision, but rental housing has always been the default tenure option, particularly during periods of economic hardship, for people who cannot obtain ownership of their abode.

For this reason, the legislature has realized the need for a set of rules and mechanisms to facilitate sound relationships between tenants and landlords. By providing the rules of engagement and mechanisms to resolve the conflict between parties in the form of the Rental Housing Act, 1999 (the Act), the objective is to make rental housing a more acceptable and desired tenure option.

The objectives of the Rental Housing Tribunal (RHT) is to promote stability in the rental housing sector; Create mechanisms to deal with disputes in the rental housing sector; facilitate, investigate, mediate, and conduct hearings to resolve disputes and to inform landlords and tenants of their rights and obligations should an unfair and unlawful act occur that contravenes any legislation.

The Rental Housing Tribunal (RHT) handle complaints namely, unlawful notice to vacate, unlawful eviction/lockout, unlawful entry; unlawful seizure of possessions, unilateral change in

the agreement, failure to do maintenance, failure to provide municipal services, failure to accept notice, failure to furnish receipt, exorbitant increase in rental, failure to pay rental, claim for remission in rental, claim for damages and failure to refund deposit.

The purpose of the setting up of Rental Housing Information offices is to educate; provide information and advice to tenants and landowners about their rights and obligations in relation to dwellings within its area of jurisdiction; provide advice to disputing parties on reaching solutions to problems relating to dwellings, refer parties to tribunal, Comply with any request of the tribunal, keep records of enquiries received by the office and submit reports in relation thereto to the Tribunal on a quarterly basis

In the abovementioned meeting dated 27 February 2023, it was resolved, as a way forward:

- That the establishment of the Rental Housing Information Offices (RHIO) matter will be further discussed by the municipality.
- That the municipality will partner in the promotions of access to Tribunal services.
- That the municipality will provide feedback after their discussion on the same.

2. DISCUSSION

Schedule 4 of our Constitution stipulates what functions each sphere of government is responsible for. It states that housing is a function of our National and Provincial Governments. But in reality, although the finance for housing development is provided by National Government, through Provincial Government, the management of the implementation of housing projects has become the responsibility of Municipalities. Because of the resources required to take on this responsibility, this is often referred to as an under-funded or unfunded mandate, which are mandates or responsibilities where a sphere of government performs certain functions or activities for which they do not have any clear source of funds.

Municipalities have thus become the implementing agency for the roll-out of housing projects, and the housing program is an under-funded mandate which creates additional burdens and challenges on the strained resources of a municipality.

Swartland Municipality with a Housing waiting list of approximately 16 000 accross 11 towns, 152 rental units and the high amount of informal settlement households and backyard dwellers successfully implemented housing projects to the amount of R 50 million per annum. Unfortunately the Municipal Housing department consist only of a manager and 2 housing officials which have to deliver on the human settlement targets and it will therefore be impossible for these two officials to implement the additional rental housing service.

3. LEGISLATION

- Section 14 Rental Housing Amendment Act 35/2014 now provides the following:

Every local municipality may (must) establish a Rental Housing Information Office to advise tenants and landlords with regards to their rights and obligations in relation to dwellings within its area of jurisdiction: Provided that local municipalities may combine the functions of the Rental Housing Information Office with an existing office.

Every local municipality may, subject to the laws governing the appointment of local government officials, appoint or designate officials to carry out any duties pertaining to such Rental Housing Information Office."

4. ALIGNMENT TO THE IDP

The proposed project can be linked to Strategic goal 1: -Improved quality of life for citizens as per Council's Intrgrated Development Plan 2017-2022.

5. FINANCIAL IMPLICATION

It is not necessary for the local municipality to set up a separate information office. Each municipality may have to determine their cost implications. The municipality is not obliged to appoint someone independently for this role. It can be an additional task and responsibility for someone already in the specific municipality. Provincial government has a responsibility to assist and support all local municipalities to make RHIO functional.

6. RECOMMENDATION

- (a) *That cognizance been taken of the request by the Western Cape Housing Tribunal (WCRHT) to establish a Rental Housing Information Office (RHIO) at the Municipality.*
- (b) That due to capacity constraints the Municipality is not able to establish a Rental Housing Information Office to advise tenants and landlords with regards to their rights and obligations in relations to dwellings within its area of jurisdiction
- (c) In decentralization of the Western Cape Rental Housing Tribunal (WCRHT) services to our municipal area the municipality will make venues available when the need arise
- (d) The Municipality will assist the Western Cape Rental Housing Tribunal (WCRHT) to provide information to Landlords and tenants of the roles and objectives of the Rental Housing Tribunal through our Thusong Mobile Outreaches in communities

(get) J. Krieger

DIRECTOR: DEVELOPMENT SERVICES



Verslag • Ingxelo • Report

Office of the Director: Civil Engineering Services
07 March 2023

17/9/1/3

ITEM 7.9 FOR THE AGENDA OF AN EXECUTIVE MAYORAL COMMITTEE MEETING WHICH SHALL BE HELD ON 22 MARCH 2023

SUBJECT: APPROVAL OF NETBALL VIEWING CENTRES FOR NETBALL WORLD CUP

1. BACKGROUND

The Netball World Cup will take place in Cape Town from 26 July 2023 to 06 August 2023. As part of the tournament, the Western Cape Department of Cultural Affairs and Sport has identified a number of viewing centres in the Western Cape. Three locations have been identified in the service area of Swartland Municipality. The proposed viewing centres are located at the following facilities:

Darling: Community Hall
Moorreesburg: Community Hall
Malmesbury: Indoor Sport Centre

This report aims to recommend that the Executive Mayoral Committee approves that the three facilities be made available for this purpose.

2. DISCUSSION

The proposed viewing centres are ideal as they are well located, accessible and provide shelter given that the tournament is taking place during winter. The viewing centres however must be equipped with the necessary audio/visual equipment, which include satellite dishes, data projectors and screens. The Department has made funding on a 50/50 basis available for the purchase of the said equipment up to a maximum of R50 000 per viewing centre. Upon completion of the tournament, the equipment will remain the property of the Municipality. There may also be other operational expenses such as personnel costs and overtime for cleaning and supervision. The duration of the tournament however is only 12 days and given the 50/50 funding arrangement, these expenses is expected to will be small.

3. ALIGNMENT TO THE IDP

The proposed project can be linked to Strategic Goal 5 (Sufficient, affordable and well-run services), as per Council's Integrated Development Plan 2017-2022.

4. RECOMMENDATION

- 4.1 That the Executive Mayoral Committee approves that the following venues as identified by the Western Cape Department of Cultural Affairs and Sport be made available as viewing centres for the upcoming Netball World Cup that will take place in Cape Town from 26 July 2023 to 06 August 2023:

Darling: Community Hall
Moorreesburg: Community Hall
Malmesbury: Indoor Sport Centre

- 4.2 That the Executive Mayoral Committee notes the funding of R50 000 per viewing centre from Western Cape Department of Cultural Affairs and Sport for operational expenses and the purchasing of audio/visual equipment.
- 4.3 That the Executive Mayoral Committee further notes that the above mentioned funding is available only on a 50/50 contribution basis;
- 4.4 That sufficient funding in support of 4.3 above has been provided for in council's new MREF.

(get) L D Zikmann

DIRECTOR: CIVIL ENGINEERING SERVICES

LDZ/ldz



Verslag ♦ Ingxelo ♦ Report

Kantoor van die Direkteur: Korporatiewe Dienste

7 Maart 2023

12/1/3/1-8/2
WYKE: 8, 9 & 11

ITEM 7.10 VAN DIE AGENDA VAN 'N UITVOERENDE BURGEMEESTERSKOMITEE-VERGADERING WAT GEHOU SAL WORD OP 22 MAART 2023

ONDERWERP: BENUTTING VAN VOORMALIGE DANCKERTVILLE-POSKANTOOR SUBJECT: USE OF FORMER DANCKERTVILLE POST OFFICE
--

1. AGTERGROND/BEREDENERING / BACKGROUND/DISCUSSION

Erf 7516, geleë te Jakarandastraat, Malmesbury, is vir etlike jare verhuur aan die SA Poskantoor.

Omdat die Poskantoor sy dienste aan die betrokke gemeenskap gestaak het, is die verbeterings daarop, synde 'n doelmatige skeepsvraghouer, aan die Munisipaliteit geskenk.

Gedurende Januarie vanjaar is daar in samewerking met van die raadslede aan die poskantoor-gebou besoek gebring, en is daar in beginsel ooreengekom dat die kantoor aan die SAPD beskikbaar gestel moet word as satelliet-polisiestasie; alternatiewelik, dat dit in 'n betaalpunt omskep moet word.

The issue was subsequently raised in operational discussions with the SAPS, in response to which the attached application was received from the Malmesbury Community Policing Forum (CPF), in conjunction with the local Police station, whereby the offer is accepted to utilize the building as a satellite police station, but also for the activities of the CPF and local neighbourhood watch.

2. WETGEWING & KOPPELING AAN DIE GOP / LEGISLATION AND ALIGNMENT TO THE IDP

The recommendation is for the building to be made available out-of-hand to the SAPS, at no costs, as a contribution by the Municipality to promote a safer environment for the community concerned, as per the legal mandate of local government to promote a safer environment in terms of section 152 of the Constitution.

The project furthermore aligns with Strategic Goal 3 (Quality and Sustainable Living Environment) as per Council's Integrated Development Plan 2017-2022, more specifically Strategic Objective 3.6, namely to enhance safe, healthy, liveable and sustainable communities and neighbourhoods (i.e. to provide for adequate social infrastructure to support communities).

3. FINANSIËLE IMPLIKASIE / FINANCIAL IMPLICATION

As bydrae tot dienslewering aan die gemeenskap, word aan die hand gedoen dat die fasiliteite kosteloos aan die SAPD beskikbaar gestel word, en dat alle diensteverbruik en onderhoud aan die gebou ook vir die rekening van die Munisipaliteit wees. Alle regte en verpligtinge van die partye sal by wyse van 'n gebruiksooreenkoms neergelê word, om te verseker dat die fasiliteite vir die ooreengekome doel benut en nie op enige wyse misbruik word nie.

5. AANBEVELING / RECOMMENDATION

- (a) Dat goedkeuring verleen word dat erf 7516, Malmesbury met huidige verbeterings aan die Suid-Afrikaanse Polisie diens beskikbaar gestel word, om vir die werksaamhede van die Polisie, die Gemeenskapspolisieringsforum en die Plaaslike Buurtwag benut te word tot voordeel van die plaaslike gemeenskap;
- (a) *That approval be granted for erf 7516, Malmesbury with existing improvements to be made available to the South African Police Services, to be utilized for the activities of the Police, the Community Policy Forum and the Local Neighbourhood Watch to be used for the benefit of the local community;*

5./...

- (b) Dat 'n memorandum van ooreenkoms met toepaslike voorwaardes met die SAPD gesluit word rakende die gebruik van die fasiliteite gesluit word, om van tyd tot tyd hersien en geëvalueer te word;
- (b) *That a memorandum of agreement with relevant conditions be entered into with the SAPS regarding the use of the facilities, to be reviewed and assessed from time to time.*

(get) M S Terblanche

MUNISIPALE BESTUURDER

Mst/raadsitems, SM5/Maart 2023/Benutting van voormalige Danckertville Poskantoor



24 February 2023

To:

Swartland Municipality

RE: UTILIZING OF POST OFFICE BUILDING (ILLINGULETHU) – SAPS & CPF

Good day

Malmesbury Community Policing Forum and Malmesbury South African Police Station hereby gratefully accept the utilization of the post office building in Illingulethu.

The post office building in Illingulethu will be utilized by SAPS in collaboration with the Community Policing Forum. The goal of the aforementioned is to bring SAPS Services closer to the community, improve service delivery and aid in the fight against Gender Based violence.

The South African Police Service of Malmesbury will permanently deploy officers and a vehicle at the post office building. This building will enable SAPS to assist the community with the certification of documents and also be able to provide quick response in times of need. This additional SAPS satellite station will help the community and surrounding areas by being available right on their doorstep instead of traveling all the way to Malmesbury Police Station.

The CPF of Malmesbury and local Neighbourhood Watch will also be at the post office building for community and SAPS support.

You are most welcome to contact our Chairperson, Mr. Uys van der Westhuijzen at 083 321 9356 for any inquiries.

Kind Regards

Uys Van Der Westhuijzen

Chairperson

Community Policing Forum

Malmesbury & Surrounding

ITEM 7.11 VAN DIE AGENDA VAN 'N UITVOERENDE BURGEMEESTERSKOMITEEVERGADERING WAT GEHOU SAL WORD OP 22 MAART 2023

ONDERWERP: KANTOORAKKOMMODASIE: SINETHEMBA
SUBJECT: OFFICE ACCOMMODATION: SINETHEMBA

1. AGTERGROND / BACKGROUND

- 1.1 Die Raad verhuur, met ingang 1 Maart 2021, 'n gedeelte van die gebou geleë te erf 1217, Abbotsdale, aan Sinethemba vir die aanbod van gemeenskapsgebaseerde gesondheidsdienste.
- 1.2 The rental payable is R120.00, plus VAT, per annum.
- 1.3 The above lease agreement expired on 28 February 2023.
- 1.4 Sinethemba has expressed its desire to renew the current lease agreement for a further period of one (1) year.

2. WETGEWING

Die Raad se Verordening insake die Oordrag van Munisipale Kapitale Bates, PK 7394 van 2015, asook die beleid daarkragtens, magtig die munisipaliteit om – in ooreenstemming met sy operasionele behoeftes en strategiese doelwitte – onder andere –

- kapitale bates te verhuur op lang- of korttermyn by wyse van onderhandeling of openbare mededinging;
- onderhewig aan die bepalings van die MATR (Municipal Asset Transfer Regulations) gesubsidieerde verkooppryse of huurtariewe ten opsigte van kapitale bates te bepaal [Artikel 4(d) en (e) van verordening].

Die beleid self bepaal dat onroerende eiendom slegs teen markverwante pryse verhuur word, tensy die lot van die armes, die openbare belang asook die operasionele en strategiese doelwitte van die munisipaliteit anders bepaal. Meer spesifiek vind hierdie projek beslag in die strategiese doelwitte van die munisipaliteit, soos toegelig in paragraaf 3.

3. KOPPELING AAN DIE GEÏNTEGREERDE ONTWIKKELINGSPLAN

Hierdie projek vind in die Geïntegreerde Ontwikkelingsplan 2017-2022 indirek aansluiting by

- Strategic Goal 1: Improved quality of life for citizens, en
- Strategic Goal 3: Quality and sustainable living environment

4. FINANSIËLE IMPLIKASIE

Geen uitgawes vir die munisipaliteit. Huurgeld van R120.00 plus BTW word per jaar gevorder.

5. RECOMMENDATION

- (a) That a lease agreement be entered into with Sinethemba for the lease of a portion of the building on Erf 1217, Abbotsdale for the purpose of rendering community based healthcare services;
- (b) That a lease tariff of R120.00 per annum, plus VAT, be approved;
- (c) That the current conditions of lease remain applicable.

AANBEVELING

- (a) Dat 'n huurooreenkoms gesluit word met Sinethemba vir die huur van 'n gedeelte van die gebou op Erf 1217, Abbotsdale vir doeleindes van die lewering van gemeenskaps-gebaseerde gesondheidsdienste;
- (b) Dat 'n huurtarief van R120.00 per jaar, plus BTW, goedgekeur word;
- (c) Dat die huidige huurvoorwaardes van krag bly.

(get) M S Terblance

MUNISIPALE BESTUURDER
GS/



Verslag ♦ Ingxelo ♦ Report

Kantoor van die Direkteur: Korporatiewe Dienste

16 Maart 2023

17/9/2/R

ITEM 7.12 VAN DIE AGENDA VAN 'N UITVOERENDE BURGEMEESTERSKOMITEE-VERGADERING WAT GEHOU SAL WORD OP 22 MAART 2023

ONDERWERP: SUBJECT:	HUUROOREENKOMS: LITTLE DARLINGS CRÈCHE LEASE AGREEMENT: LITTLE DARLINGS CRÈCHE
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1. AGTERGROND/BACKGROUND

- 1.1 Little Darlings Crèche het a.g.v. stewige groei in hul leerdertal 'n versoek in 2018 aan Swartland Munisipaliteit gerig vir die verkryging van erf 4048, Darling, ten einde hul huidige tydelike struktuur te kan verlaat en 'n permanente struktuur te betrek.
- 1.2 *Swartland Municipality subsequently entered into a three year lease agreement with Little Darlings w.e.f. 1 March 2018, which agreement was thereafter renewed on two occasions, for a period of one year in both instances.*
- 1.3 *Little Darlings has now indicated that due to financial constraints they were not able able to fulfill their ambition of constructing an Early Childhood Development Centre during the lease period, but have however made good progress in this regard, as explained in the attached annexure. They therefore request that the lease be extended for a further period.*

2. WETGEWING

Die Raad se Verordening insake die Oordrag van Munisipale Kapitale Bates, PK 7394 van 2015, asook die beleid daarkragtens, magtig die munisipaliteit om – in ooreenstemming met sy operasionele behoeftes en strategiese doelwitte – onder andere –

- kapitale bates te verhuur op lang- of korttermyn by wyse van onderhandeling of openbare mededinging;
- onderhewig aan die bepalinge van die MATR (Municipal Asset Transfer Regulations) gesubsidieerde verkooppryse of huurtariewe ten opsigte van kapitale bates te bepaal [Artikel 4(d) en (e) van verordening].

Die beleid self bepaal dat onroerende eiendom slegs teen markverwante pryse verhuur word, tensy die lot van die armes, die openbare belang asook die operasionele en strategiese doelwitte van die munisipaliteit anders bepaal. Meer spesifiek vind hierdie projek beslag in die strategiese doelwitte van die munisipaliteit, soos toegelig in paragraaf 3.

3. KOPPELING AAN DIE GEÏNTEGREERDE ONTWIKKELINGSPLAN

Hierdie projek vind in die Geïntegreerde Ontwikkelingsplan 2017-2022 indirek aansluiting by

- Strategic Goal 1: Improved quality of life for citizens, en
- Strategic Goal 3: Quality and sustainable living environment

4. FINANSIËLE IMPLIKASIE

Daar is geen finansiële uitgawes vir die munisipaliteit verbonde aan die verhuring van die fasiliteite nie.

5. AANBEVELING

- (a) Dat 'n een (1) jaar huurooreenkoms met Little Darlings Crèche m.i.v. 1 Maart 2023 aangegaan word vir die huur van erf 4048, Darling vir gebruik vir doeleindes van 'n Vroeë Kinder-ontwikkelingsentrum;
- (b) Dat die huurgeld vasgestel word op R120.00 per jaar plus BTW;
- (c) Dat indien Little Darlings Crèche homself as behore finansiël volhoubaar bewys, oorweging geskenk sal word aan die vervreemding van die betrokke erf aan genoemde instelling in die toekoms.

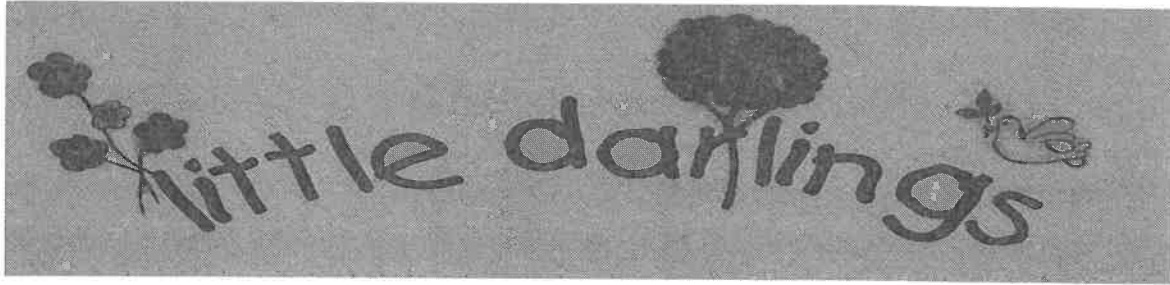
RECOMMENDATION

- (a) *That a one (1) year lease agreement be entered into with Little Darlings Crèche with effect from 1 March 2023 for the lease of erf 4048, Darling, for utilization for purposes of an Early Childhood Development Centre;*
- (b) *That the rental amount be established at R120.00 per annum plus VAT;*
- (c) *That should Little Darlings Crèche prove itself as a financially sustainable enterprise, consideration be given in future to the alienation of erf 4048, Darling, to said institution.*

MUNISIPALE BESTUURDER

GS/

"Annexure A"



Contact details

Reg. No. 133-054 NPO

Principal Josephine: 0847112882
email: littledarlingsecd1@gmail.com

8th Avenue 140
Darling
7345

Date: 22 February 2023

The Municipal Manager
Swartland Municipality
1 Church Street
Malmesbury
7300

Dear Mr. Joggie Scholtz

RE: Lease Agreement extension request

I trust that this letter finds you well. The Little Darlings ECD hereby humbly want to put in this motivation letter to extend the current lease agreement for Erven 4048.

Erven 4048 was allocated to Little Darlings in the year 2018 with a three year lease agreement for the purpose of erecting an Early Childhood Development facility, east side of Darling. During the COVID Pandemic, it was difficult for us to secure donations and do any developments. We are grateful towards the Swartland Municipality who acknowledged our difficulties and had empathy towards the challenges we have encountered. We can humbly confirm that our vision and mission for this Community Centre is still the same even though we are still facing huge difficulties.

Further as motivation we would like to express that we have secured funding and donations and is strongly on our way to have the foundation of the building completed. Up to date we have successfully secured the following:

- a Building plan to the value of R20 000 architect fees from Mr. Mornay Erasmus Architects
- Project management fees to the value of R20 000 from Mr. Juan Britz
- Sand and stone to the approximate value R30 000 from Kirsten Vervoer
- Erf marking pens to the value of R4500 from CK Rumboll & Vennote
- Steel structure to the value of R25 000 from Dormell
- Building bricks to the value of R14 000 from W & J. Hector
- R8 000 donation towards the registration of the building plan from HM King Cardi: Khoi-Khoi Zan Kingdom

The building plans been submitted to Swartland Municipality, Department Building Control for the approval and has been approved. We can safely confirm that we are able to start with the foundation, which will be the first phase of the project for completion. We are currently busy with securing donations for the second phase of the project, once we demonstrate that the first phase of the project was successfully completed.

We humbly request that the Swartland Municipality grants us more time for renewal of the lease agreement in order to achieve our vision and mission. We have discovered that there are even more children left at home in Darling due to unemployment and financial difficulties. Our primary goal is to reach these children and with the help of the Department of Social Development and the Department of Education to provide a safe place where they can learn through play and provided with two meals per day. This remains the primary vision and mission for the centre.

We appreciate your time and consideration and look forward to a positive response.

If any additional enquiries, please do not hesitate to contact the Principal Mrs. Josephine Hector on 0847112882.

Your Sincerely,
Mrs. Josephine Hector

Verslag Φ Ingxelo Φ Report

Kantoor van die Direkteur: Korporatiewe Dienste
16 Maart 2023

12/1/2-6/2

ITEM 7.13 VAN DIE AGENDA VAN 'N UITVOERENDE BURGEMEESTERSKOMITEEVERGADERING WAT GEHOU SAL WORD OP 22 MAART 2023

ONDERWERP: HUUR VAN STOORRUIMTE TE MALMESBURY SUBJECT : RENTAL OF STORAGE SPACE AT MALMESBURY
--

1. AGTERGROND/BACKGROUND

- 1.1 Die Raad huur tans stoorruimte te Malmesbury van die Bester Familietrust vir 'n termyn van een jaar teen 'n tarief van R1 235.00 per maand, BTW ingesluit. Die huurtermyn verstryk op 31 Maart 2023.
- 1.2 *The Department of Financial Services recommended that the lease of the storage space be extended for a further term of 12 months.*
- 1.3 *The lessor is willing to lease the premises at R1 320.00 per month, VAT included.*
- 1.4 *The facility is utilized as a storage space for municipal refuse bags and water meters.*

2. FINANSIËLE IMPLIKASIE

Huurgeld sal 'n bedrag van R1 320.00, BTW ingesluit, per maand beloop vir die huurtermyn van een jaar, waar Swartland Munisipaliteit die opsie behou om die huurooreenkoms met een maand kennisgewingstydperk te beëindig.

3. AANBEVELING

- (a) Dat 'n huurooreenkoms met die Bester Familietrust aangegaan word vir 'n verdere termyn van 12 maande vir die huur van stoorruimte te Malmesbury, met ingang vanaf 1 April 2023;
- (b) Dat die huurgeld ten bedrae van R1 320.00, BTW ingesluit, per maand betaal word vanuit posnommer 9/241-369-3007 (aankoop van vullissakke);
- (c) Dat die huidige huurvoorwaardes van krag bly.

RECOMMENDATION

- (a) That a rental agreement be entered into with the Bester Family Trust for the use of storage space in Malmesbury, for a further term of 12 months as from 1 April 2023;
- (b) That the rental tariff of R1b320.00, VAT included, per month be paid from voting number 9/241-369-3007 (purchase of refuse bags);\
- (c) That the existing conditions of lease remain unchanged.

(get) M S Terblanche

MUNISIPALE BESTUURDER
GS/

ITEM 7.14 ON THE AGENDA OF THE EXECUTIVE MAYORAL COMMITTEE WHICH WILL BE HELD ON 22 MARCH 2023

ONDERWERP: UITSTAANDE DEBITEURE – FEBRUARIE 2023
SUBJECT: OUTSTANDING DEBT – FEBRUARY 2023

1. AGTERGROND/BEREDENERING / BACKGROUND/DISCUSSION

Die bylae hierby aangeheg reflekteer die besonderhede van Swartland Munisipaliteit se uitstaande debiteure vir die tydperk Februarie 2023 en is saamgestel uit die volgende verslae:-

The schedule attached hereto reflects the particulars of Swartland Municipality's outstanding debt for the period February 2023 and is composed of the following reports.

- a) Outstanding debt (before levy) Residential / Business / Government / Personnel / Council Members
- b) Outstanding debt (before levy) 150 days and older
- c) Outstanding debt (before levy) 150 days and older - Legal Suite
- d) Outstanding debt (before levy) 150 days and older - Collab
- e) Statistics Cut-Off List

2. WETGEWING / LEGISLATION

- 2.1 Wet op Plaaslike Regering: Munisipale Stelsels Wet 32 van 2000
- 2.2 Local Government: Municipal Finance Management Act 56 of 2003

3. KOPPELING AAN DIE GOP / ALIGNMENT TO THE IDP

For purposes of Revenue Protection with reference to Strategic Outcome 1: A Financial Sustainable Municipality with well Maintained Assets in terms of Chapter 7 of the IDP, more specifically Output 1.1.2 – Maintain and Improve on Debt Collection.

4. FINANSIËLE IMPLIKASIE / FINANCIAL IMPLICATION

- 4.1 Die uitstaande debiteure vir Januarie 2022 het R37 014,702.08 beloop terwyl die uitstaande debiteure vir Februarie 2022 R34 074,037.20 beloop het en was 'n vermindering van R2 940,664.88
- 4.2 Die uitstaande debiteure vir Januarie 2023 het R43 191,181.14 beloop terwyl die uitstaande debiteure vir Februarie 2023 R39 936,467.35 beloop - 'n vermindering van R3 254,713.79.
- 4.3 Die uitstaande debiteure vir Februarie 2022 het R34 074,037.20 beloop terwyl die uitstaande debiteure vir Februarie 2023 R39 936,467.35 beloop - 'n vermeerdering van R5 862,430.15 in uitstaande debiteure.
- 4.4 Die uitstaande debiteure vir Februarie 2023 is 5.60% van die inkomste uit dienste voor die nuwe maand se heffing terwyl die uitstaande debiteure vir Februarie 2022 5.18% was van die inkomste uit dienste voor die nuwe maand se heffing.

5. **AANBEVELING / RECOMMENDATION**

Dat die Raad kennis neem van die verslag aangaande die stand van Swartland Munisipaliteit se uitstaande debiteure vir Februarie 2023.

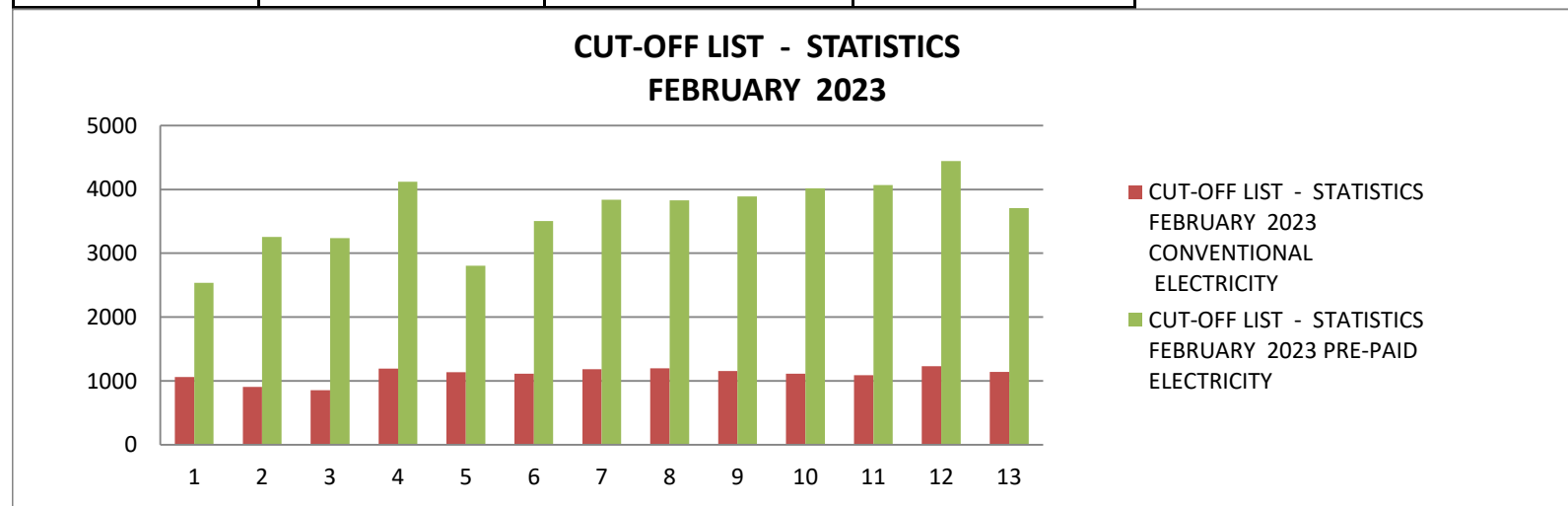
That Council takes cognizance of the report with reference to the state of the outstanding debtors of Swartland Municipality for February 2023.

(get) M Bolton

M BOLTON
DIREKTEUR: Finansiële Dienste

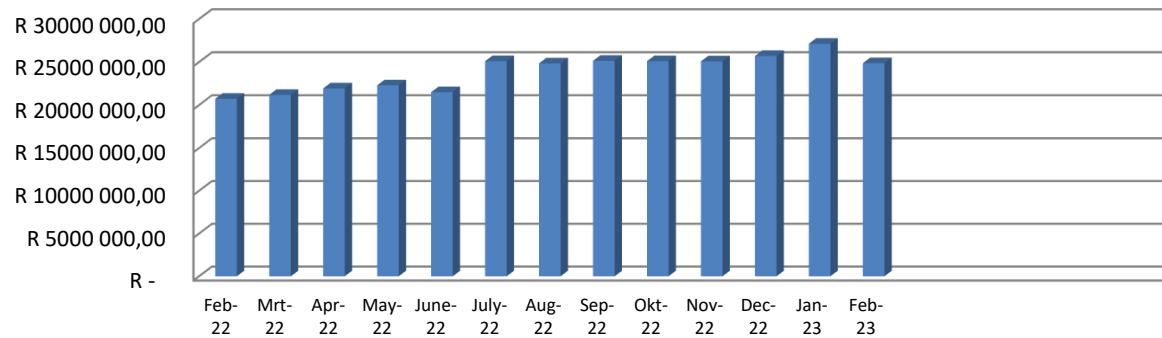
OUTSTANDING DEBTORS (FUTURE EXCLUDED) MONTH END RESIDENTIAL - BUSINESS - GOVERNMENT STAFF - COUNCILLORS FEBRUARY 2023									2022/2023 OUTSTANDING DEBTORS AS % OF TOTAL BUDGETED SERVICE CHARGES	2021/2022 OUTSTANDING DEBTORS AS % OF TOTAL BUDGETED SERVICE CHARGES	2020/2021 OUTSTANDING DEBTORS AS % OF TOTAL BUDGETED SERVICE CHARGES
Months	Deviation same month of corresponding months of the previous year. (-) is a positive number	Total Debt	Residential	Business	Government	Staff	Councillors	Comments			
									R 713 057 993	R 658 069 842	R 573 330 277
Sept-22	R 6 110 359	R 38 178 465	R 33 553 572	R 4 406 314	R 217 814	R 765	R -	EFT payments day after month end received amounted to R1 581,839,65 (OTM account) and R0.00 (Sundries account) The businesses outstanding amounted to R4 406,314,32 Staff outstanding in the amount of R764,71 - TWO(2) Staff members have outstanding accounts - 2 x Pre-Paid electricity) The Government outstanding amounted to R217 813,61 as a result of annual rates. The amount of R1 639,357,70 is added to the outstanding debtors because of property rates that changed on request from monthly to annually whose future has been cancelled.	5,35%	4,87%	6,07%
Oct-22	R 7 252 410	R 44 174 896	R 34 268 074	R 8 445 514	R 1 456 494	R 4 815	R -	EFT payments day after month end received amounted to R2 845,709,51 (OTM account) and R0.00 (Sundries account) The businesses outstanding amounted to R8 445,513,81 Staff outstanding in the amount of R4814,55 - FIVE (5) Staff members have outstanding accounts - 4 x Pre-Paid electricity and 1x Conventional Electricity) The Government outstanding amounted to R1 456,493,54 as a result of annual rates. The amount of R24 696,72 is added to the outstanding debtors because of property rates that changed on request from monthly to annually whose future has been cancelled.	6,20%	5,61%	6,69%
Nov-22	R 5 075 303	R 37 064 946	R 34 171 479	R 2 682 516	R 205 643	R 5 307	R -	EFT payments day after month end received amounted to R1 074,717,53 (OTM account) and R0.00 (Sundries account) The businesses outstanding amounted to R2 682,516,10 Staff outstanding in the amount of R5306,96 - Three (3) Staff members have outstanding accounts - 1 x Pre-Paid electricity and 2x Conventional Electricity) The Government outstanding amounted to R205 643,46 as a result of annual rates. The amount of R93 121,52 is added to the outstanding debtors because of property rates that changed on request from monthly to annually whose future has been cancelled.	5,20%	4,86%	6,96%
Dec-22	R 5 226 468	R 39 485 381	R 36 093 639	R 2 606 214	R 778 313	R 7 215	R -	EFT payments day after month end received amounted to R1 416,720,47 (OTM account) and R0.00 (Sundries account) The businesses outstanding amounted to R2 606,213,92 Staff outstanding in the amount of R7214,70 - Six (6) Staff members have outstanding accounts - 3 x Pre-Paid electricity and 3 x Conventional Electricity) The Government outstanding amounted to R778 313,41 as a result of annual rates. The amount of R3600,66 is added to the outstanding debtors because of property rates that changed on request from monthly to annually whose future has been cancelled.	5,54%	5,21%	6,30%
Jan-23	R 6 176 479	R 43 191 181	R 38 862 263	R 3 114 314	R 1 204 761	R 9 844	R -	EFT payments day after month end received amounted to R1 906,828,80 (OTM account) and R0.00 (Sundries account) The businesses outstanding amounted to R3 114,313,72 Staff outstanding in the amount of R9843,90 - Eight (8) Staff members have outstanding accounts - 3 x Pre-Paid electricity , 4 x Conventional Electricity and 1 x Eskom electricity) The Government outstanding amounted to R1 204,760,88 as a result of annual rates. The amount of R40 541,34 is added to the outstanding debtors because of property rates that changed on request from monthly to annually whose future has been cancelled.	6,06%	5,62%	7,00%
Feb-23	R 5 862 430	R 39 936 467	R 34 458 175	R 3 900 765	R 1 573 766	R 3 761	R -	EFT payments day after month end received amounted to R2 236,898,47 (OTM account) and R0.00 (Sundries account) The businesses outstanding amounted to R3 900,765,27 Staff outstanding in the amount of R3761,21 - Three (3) Staff members have outstanding accounts - 2 x Pre-Paid electricity and 1 x Conventional Electricity) The Government outstanding amounted to R1 573,765,54 as a result of annual rates. The amount of R53 610,35 is added to the outstanding debtors because of property rates that changed on request from monthly to annually whose future has been cancelled.	5,60%	5,18%	7,74%

CUT-OFF LIST - STATISTICS FEBRUARY 2023			
MONTHS	CONVENTIONAL ELECTRICITY	PRE-PAID ELECTRICITY	COMMENCEMENT DATE PHYSICAL CUT-OFF
Feb-22	1062	2539	9 Maart 2022
Mar-22	907	3257	11 April 2022
Apr-22	853	3237	9 May 2022
May-22	1195	4120	8 May 2022
June-22	1136	2804	11 July 2022
July-22	1115	3504	10 August 2022
Aug-22	1185	3837	12 September 2022
Sept-22	1198	3830	10 October 2022
Oct-22	1153	3888	8 November 2022
Nov-22	1113	4017	7 December 2022
Dec-22	1091	4068	11 December 2022
Jan-23	1230	4443	8 Februarie 2023
Feb-23	1141	3705	8 Maart 2023



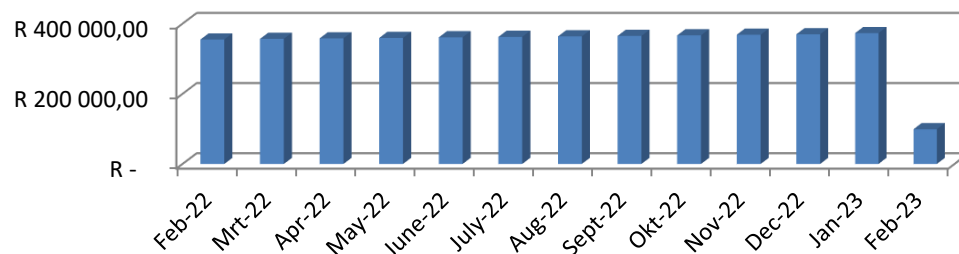
OUTSTANDING DEBT 150 DAYS & OLDER Before Levy (MONTH END) FEBRUARY 2023			Comparative Period 2022- 2023	
Month	Before Levy			
Feb-22	R	20 726 613,85	R	-1 438 747,40
Mrt-22	R	21 183 174,94	R	-1 731 362,35
Apr-22	R	21 937 941,09	R	-1 965 168,19
May-22	R	22 291 862,23	R	4 020 577,16
June-22	R	21 490 622,35	R	4 836 753,58
July-22	R	25 101 162,41	R	4 177 361,65
Aug-22	R	24 842 160,04	R	4 875 586,56
Sep-22	R	25 143 461,10	R	5 234 802,91
Okt-22	R	25 097 612,66	R	5 243 626,65
Nov-22	R	25 077 433,18	R	4 992 933,58
Dec-22	R	25 701 324,52	R	4 834 860,43
Jan-23	R	27 131 582,63	R	5 213 788,39
Feb-23	R	24 867 724,84	R	4 141 110,99

**OUTSTANDING DEBT
150 DAYS & OLDER
Before Levy(MONTH END)
FEBRUARY 2023**



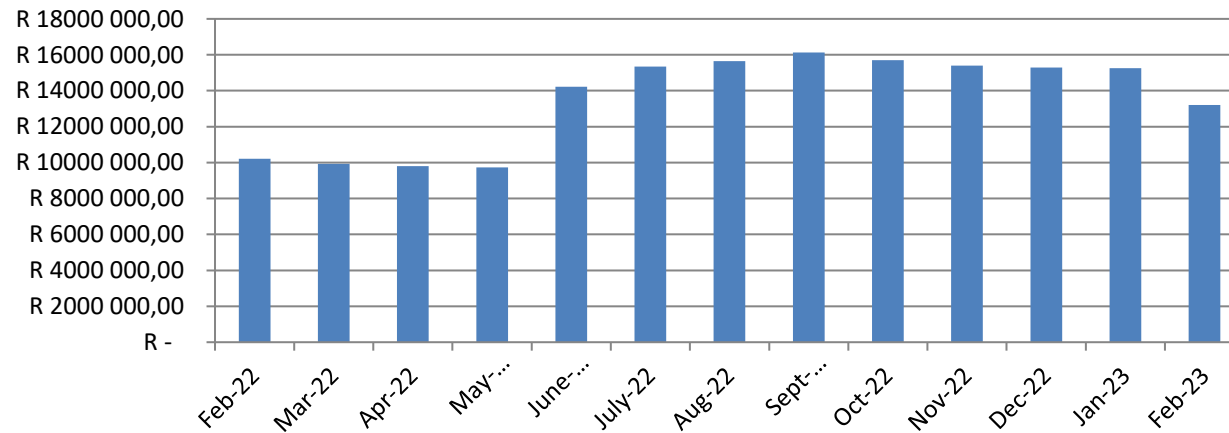
OUTSTANDING DEBT 150 DAYS & OLDER Before Levy (MONTH END) - Legal Suite FEBRUARY 2023		Comparative Period 2022-2023	
Month	Before Levy		
Feb-22	R 354 951,12	R	-184 233,53
Mrt-22	R 356 799,06	R	-194 152,44
Apr-22	R 358 156,35	R	-200 465,69
May-22	R 359 422,48	R	22 188,26
June-22	R 361 211,91	R	19 082,67
July-22	R 362 518,56	R	19 187,97
Aug-22	R 363 868,39	R	19 294,29
Sept-22	R 365 218,42	R	18 111,90
Okt-22	R 366 793,17	R	18 443,23
Nov-22	R 368 452,84	R	18 850,24
Dec-22	R 369 923,48	R	17 661,64
Jan-23	R 373 184,55	R	19 670,53
Feb-23	R 99 034,15	R	-255 916,97

**OUTSTANDING DEBT
150 DAYS & OLDER
Before Levy(MONTH END)
- Legal Suite
FEBRUARY 2023**



OUTSTANDING DEBT 150 DAYS & OLDER Before Levy (Month End) Collab FEBRUARY 2023		Comparative Period 2022 - 2023
Month	Before levy	
Feb-22	R 10 211 399,53	R -611 603,56
Mar-22	R 9 921 086,49	R -464 947,57
Apr-22	R 9 798 783,55	R -292 258,55
May-22	R 9 724 119,16	R 1 928 434,58
June-22	R 14 220 633,79	R 3 754 674,73
July-22	R 15 350 180,25	R 3 589 362,69
Aug-22	R 15 648 685,84	R 3 432 976,72
Sept-22	R 16 136 044,50	R 3 572 923,89
Oct-22	R 15 704 063,21	R 3 709 032,71
Nov-22	R 15 402 686,66	R 3 836 650,67
Dec-22	R 15 293 496,78	R 3 786 277,01
Jan-23	R 15 249 372,12	R 4 098 898,58
Feb-23	R 13 212 635,59	R 3 001 236,06

OUTSTANDING DEBT 150 DAYS & OLDER Before Levy (Month End) Collab February 2023



ITEM: 7.15 ON THE AGENDA OF THE EXECUTIVE MAYORAL COMMITTEE WHICH WILL BE HELD ON 22 MARCH 2023.

ONDERWERP:	VORDERING MET UITSTAANDE VERSEKERINGSEISE
SUBJECT:	OUTSTANDING INSURANCE CLAIMS PROGRESS

1. AGTERGROND/BEREDENERING / BACKGROUND/DISCUSSION

Effective and sound asset management is critical to any business environment whether in the private or public sector. Asset safekeeping in the main, involves, whilst not limited to the latter, the protection and safeguarding of assets against potential damage, theft, and safety risks, whilst insurance cover provides selected and limited coverage for the accidental loss of the asset value.

2. WETGEWING / LEGISLATION

Section 63 of the Local Government: Municipal Finance Management Act, 2003 (Act no. 56 of 2003)

3. KOPPELING AAN DIE GOP / ALIGNMENT TO THE IDP

Verwys na 1.4.1 van die GOP/ Refer to 1.4.1 of the IDP

"Maintain and utilise assets effectively and efficiently- Implement an asset register that complies with Generally recognised Accounting Practice (GRAP) standards. In an effort to establish an asset management programme, compile a maintenance plan linked to the asset register, calculate escalated replacement cost of assets, and establish operating costs of assets and compare to standard."

4. FINANSIËLE IMPLIKASIE / FINANCIAL IMPLICATION

Excess	1 July 2022 – 28 February 2023	:R 257 461.59 (paid)
Excess	Outstanding claims	:R 79 000.00 (outstanding)

5. AANBEVELING / RECOMMENDATION

Voorgelê vir u kennisname/
Tabled for cognisance

.....
(Get) M BOLTON
DIREKTEUR: Finansiële Dienste

OUTSTANDING CLAIMS: COUNCIL

Reference Number	Claim number	Directorate	Date of Incident	Date of Claim Registered	Nature of Damage/ Loss	Amount of Claim	Excess Payment	Comments
2022/62	CLGRMUM-865648	Civil Services: Water	30/05/2022	01/06/2022	Property Loss: Burst Geyser, Multipurpose Centre	9 312,01	1 000,00	The plumber confirmed that the burst geyser was due to high water pressure. The geyser has been replaced. Excess payment outstanding due to the fact that the supplier used by insurance is not registered on the CSD. According to CSD the company's Tax Status is non-compliant. We referred the matter to the insurers and the excess amount will then be paid to Guard Risk. We are awaiting invoice from Guardrisk.
2023/01	CLGRMUM-867252	Traffic Department	15/06/2022	04/07/2022	Motor Damaged, CK41293	10 500,00	No excess payment involved	SASRIA claim was submitted after the vehicle was damage during a protest. The latest feedback was that SASRIA is still processing the claim.
2023/06	SWA2021-22/SW/60/M	Traffic Department	16/06/2022	21/07/2022	Motor Damaged: CK44780	31 855,62	No excess payment involved	SASRIA claim was submitted after the vehicle was damage during a protest. Opulentia to give feedback on progress of claim. Confirmation from the insurer to repair CK44780 was received on 14 November 2022. The invoice is still outstanding.
2023/29	SWA2021-22/SW/26/T	Civil: Parks & Recreation	22/11/2022	25/11/2022	Property Loss: Wesbank Sports Ground	20 000,00	Outstanding	On the 23 November 2022 it was discovered that cables had been stolen at the Wesbank Sports Ground. The insurer is still processing the matter.
2023/30	CLGRMUM-874436	Financial Services: Meter reading	18/11/2022	15/12/2022	Motor Damaged: CK22454	13 763,52	5 000,00	An employee reversed the vehicle and damaged vehicle against a pole. Confirmation from the insurer to repair CK22454 was received on 22 February 2023.
2023/37	CLGRMUM-874743	Civil Services: Maintenance	18/12/2022	24/01/2023	Motor Damaged: CK20066	14 971,03	5 000,00	A municipal vehicle (bakkie) and trailer was parked at a working site. Shortly after being parked, the vehicle started rolling down-hill due to the weight of the trailer. It collided with a tree. An Assessor was appointed to assess the claim. Confirmation from insurer to repair CK20066 was received on 10 February 2023.
2023/38	CLGRMUM-875224	Civil Services: Water	25/01/2023	10/02/2023	Motor Damaged: CK10564	16 972,87	5 000,00	On the 25 January 2023 the door of CK10564 was damaged due to strong winds when opening the door. The door handle slipped when the door was opened. An Assessor was appointed on 14 February 2023. Confirmation from insurer to repair CK10564 was received on 23 February 2023.
2023/39	CLGRMUM-875496	Civil: Parks & Recreation	12/02/2023	17/02/2023	Property Loss: Kalbaskraal Pump station	230 467,85	25 000,00	On the 12 February 2023 it was discovered that cables had been stolen at the Kalbaskraal Pump station. An assessor was appointed on 23 February 2023 and such assessment report is outstanding to date.
2023/40	SWA2022-23/SW/36/C	Civil: Parks & Recreation	22/01/2023	17/02/2023	Property Loss: Wesbank Sports Ground	44 100,00	10 000,00	On 22 January 2023 the responsible official discovered that there was a break-in at the Wesbank Sportsground Clubhouse. We are awaiting confirmation from insurers as to whether the claim will be approved.
2023/41		Traffic Department	09/02/2023	20/02/2023	Property Loss: Geyser Traffic Department		1 000,00	The plumber confirmed that the burst geyser was due to high water pressure. We are awaiting confirmation from insurers as to whether the claim will be approved.
2023/42		Municipal Property	09/02/2023	20/02/2023	Property Loss: Geyser Moorreesburg Hall		1 000,00	The plumber confirmed that the burst geyser was due to high water pressure. We are awaiting confirmation from insurers as to whether the claim will be approved.
2023/43		Development Services	09/02/2023	20/02/2023	Property Loss: Geyser Thusong Centre		1 000,00	The plumber confirmed that the burst geyser was due to high water pressure. We are awaiting confirmation from insurers as to whether the claim will be approved.
2023/44	SWA2022-23/SW/37/C	Civil: Parks & Recreation	27/11/2022	21/02/2023	Property Loss: Wesbank Sports Ground	121 125,00	25 000,00	On the 27 November 2022 it was discovered that fencing had been stolen at Wesbank Sportsground. We are awaiting confirmation from insurers as to whether the claim will be approved.
						513 067,90	79 000,00	

FINALISED CLAIMS

Number	Claim number	Directorate	Incident	Registered	Nature of Damage/ Loss	Amount of Claim	Excess Payment	Comments
2023/17	CLGRMUM-872062	Civil: Parks & Recreation	21/09/2022	29/09/2022	Property Loss: Kalbaskraal Pump station	51 865,00	25 000,00	EFT Payment received on 28/02/2023. Receipt number 053852 . Amount received R26 865,00
						51 865,00	25 000,00	

REPUDIATE

Reference Number	Claim number	Directorate	Date of Incident	Date of Claim Registered	Nature of Damage/ Loss	Amount of Claim	Excess Payment	Comments
2023/36	CLGRMUM-874099	Municipal Property	16/01/2023	17/01/2023	Property Loss, Wesbank Community Hall	9 740,00	10 000,00	Damaged fence and gate caused by third party. Claim rejected on 17 February 2023 because the damages falls within the excess of R10 000,00.
						9 740,00	10 000,00	



Verslag Φ Ingxelo Φ Report

Office of the Directorate: Financial Services
28 Februarie 2023

8/1/B/2

ITEM 7.16 FOR AGENDA OF EXECUTIVE MAYORAL COMMITTEE MEETING TO BE HELD ON 22 MARCH 2023

SUBJECT: DEVIATION FROM PRESCRIBED PROCUREMENT PROCEDURES: PAYMENT OF ANNUAL LICENSE FEE

1. BACKGROUND

The Municipality utilises specialised software in order to prepare the annual financial statements in a format that is appropriate as per the latest audit requirements. The software used (Caseware) is only licensed to AdaptIT which is therefore the sole supplier as distributor of the software in South Africa.

The Supply Chain Management Policy states that for the procurement of goods and services for any amount higher than R30,000.00 (including VAT), an informal tender process must be followed. However the Municipal Manager has approved that the software license may be purchased from AdaptIT.

2. LEGISLATION

The Supply Chain Management Policy under paragraph 36(1)(a) allows the Accounting Officer to dispense with the official procurement processes for any required goods or services through any convenient process, which may include direct negotiations, but only –

- 2.1 in an emergency;
- 2.2 if such goods or services are produced or available from a single provider only;
- 2.3 for the acquisition of special works of art or historical objects where specifications are difficult to compile;
- 2.4 acquisition of animals for zoos and/or botanical specimens for nature and game reserves; or
- 2.5 in any other exceptional case where it is impractical or impossible to follow the official procurement processes;

The accounting officer must record the reasons for any deviations in terms of sub regulation (1)(a) and (b) and report them to the next meeting of the council, or board of directors in the case of a municipal entity, and include as a note to the annual financial statements.”

3. FINANCIAL IMPLICATIONS

The expenditure was allocated to vote number 9/216-655-1925 and there is sufficient funding available for the quoted amount.

4. ALIGNMENT WITH THE 2022-2026 INTEGRATED DEVELOPMENT FRAMEWORK

The purchasing of hand sanitizer aligns with Strategic Goal 4: Caring, competent and responsive institutions, organisations and business.

5. RECOMMENDATION

- 5.1 That it be noted and the action of the Municipal Manager be condoned with regards to the payment of the annual license fee to AdaptIT to the amount of R 92,669.65.
- 5.2 That the reason for the deviation from the prescribed procurement process be recorded as follows:
- AdaptIT is the sole distributor of the software in South Africa.
- 5.3 That it be noted that the expenditure was allocated to vote 9/216-655-1925 and that there is sufficient funding available for the quoted amount of R 92,669.65 (Excluding VAT).
- 5.4 That the Manager: Financial Statements and Control be instructed to include the above reason as a note to the financial statements, when same are compiled.


DIREKTEUR FINANSIES
M BOLTON

DIRECTOR: FINANCIAL SERVICES
RA



February 5, 2023

TO WHOM IT MAY CONCERN

Caseware Africa, a division of Adapt IT (Pty) Ltd is the sole distributor of Caseware software products in South Africa.

As part of our distribution arrangement, they are responsible for the localization of the following aspects of the software:

- Marketing and selling
- Template development and template content update
- Implementation
- Support
- Training

Specific information regarding the business, such as profit margins is not disclosed.

Please do not hesitate to contact me if you require any additional information.

Yours truly,
Davis Jackson

DocuSigned by:

F488BD64014F4BD...

Chief Commercial Officer
Caseware International Inc.



- MEMORANDUM -

Departement van die Direkteur Finansiële Dienste
Riaan Alberts
28 Februarie 2023

5/1/2

AAN: MUNISIPALE BESTUURDER

GOEDKEURING VIR AFWYKING VAN VOORGESKREWE VERKRYGINGSPROSEDURES: JAARLIKSE INSKRYWINGSFOOI OP DIE SAGTEWARE VIR DIE OPSTEL VAN DIE JAARLIKSE FINANSIËLE STATE

Meegaande item vir die Uitvoerende Burgemeesterskomitee Vergadering wat gehou sal word op 22 Maart 2023 verwys.

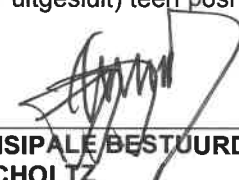
U kan asseblief oorweging gee aan die verduideliking in die verslag.

Met u goedkeuring kan die sagteware ter gebruik vir die opstel van die jaarlikse finansiële state voor 30 April betaal word ten bedrag van R 92,669.65 (BTW uitgesluit).



**SNR BESTUURDER: FINANSIËLE STATE & BATES
RA**

Hiermee verleen ek, die ondergetekende, goedkeuring vir die afwyking van die voorgeskrewe verkrygingsproses vir die betaling vir die jaarlikse lisensiegeld aan AdaptIT ten bedrae van R 92,669.65 (BTW uitgesluit) teen posnommer 9/216-655-1925.



**MUNISIPALE BESTUURDER
JJ SCHOLTZ**



DATUM



**DIREKTEUR: FINANSIËLE DIENSTE
MAC BOLTON**



DATUM



Verslag Φ Ingxelo Φ Report

Office of Directorate: Civil Engineering
16 January 2023

8/1/B/2

ITEM 7.17 FOR AGENDA OF EXECUTIVE MAYORAL COMMITTEE TO BE HELD ON 22 MARCH 2023

SUBJECT: DEVIATION FROM PRESCRIBED PROCUREMENT PROCEDURES: URGENT REPAIR WORK TO THE GEARBOX OF A MIXER AT THE RIEBEEK KASTEEL WASTE WATER TREATMENT WORKS

1. BACKGROUND

The treatment process at the Riebeek Kasteel WWTW comprises various stages. The system is equipped with several components of mechanical equipment to enable the treatment process and to transport partially treated sewage between different zones of the treatment works. The gearbox of a mixer with the function to keep the sludge mass in suspension in the de-aeration zone failed. If left out of service for an extended period of time the consequence would be inevitable failure of the treatment process and further damages to other mechanical components.

GW Trautman prepared a quotation for the repairs, which amounts to R 53,929.50 (excluding VAT).

The Supply Chain Management Policy states that for the procurement of goods and services for any amount higher than R30,000.00 (including VAT) a formal tender process must be followed. However the Municipal Manager has approved that the repairs to the gearbox be handled as an emergency due to the inevitable failure of the treatment process and damages to other mechanical components, should the mixer be out of service for an extended period of time.

2. LEGISLATION

The Supply Chain Management Policy under paragraph 36(1)(a) allows the Accounting Officer to dispense with the official procurement processes for any required goods or services through any convenient process, which may include direct negotiations, but only –

- 2.1 in an emergency;
- 2.2 if such goods or services are produced or available from a single provider only;
- 2.3 for the acquisition of special works of art or historical objects where specifications are difficult to compile;
- 2.4 acquisition of animals for zoos and/or botanical specimens for nature and game reserves; or
- 2.5 in any other exceptional case where it is impractical or impossible to follow the official procurement processes;

The accounting officer must record the reasons for any deviations in terms of sub regulation (1)(a) and (b) and report them to the next meeting of the council, or board of directors in the case of a municipal entity, and include as a note to the annual financial statements.”

3. FINANCIAL IMPLICATIONS

The expenditure was allocated to vote number 9/239-851-689 and there is sufficient funding available for the quoted amount.

4. ALIGNMENT WITH THE 2017-2022 INTEGRATED DEVELOPMENT FRAMEWORK

The operation of waste water treatment works aligns with Strategic Goal 5: Sufficient, affordable and well-run services.

5. RECOMMENDATION

- 5.1 That cognisance be taken of the deviation from the prescribed procurement procedures in terms of Section 36 of the Supply Chain Management Policy.
- 5.2 That cognisance be taken of the action of the Municipal Manager to approve repairs the repairs of the gearbox of a mixer in the de-aeration zone at the Riebeek Kasteel WWTW by GW Trautman for the amount of R 53,929.50 excluding VAT.
- 5.3 That the reason for the deviation from the prescribed procurement process be recorded as follows:
- The mixer would have been left out of service for an extended period of time following due process;
 - This would have had the consequence of treatment process failure and further damages to other mechanical components.
 - The repair work to the gearbox therefore had to be handled as an emergency.
- 5.3 That it be noted that the expenditure was allocated mSCOA Code: 9/239-851-689 and that there is sufficient funding available for the quoted amount of R 53,929.50 excluding VAT.
- 5.4 That the Manager: Financial Statements and Control be instructed to include the above reason as a note to the financial statements, when same are compiled.

(get) L D Zikmann

DIRECTOR: CIVIL ENGINEERING SERVICES

JB/ma



Verslag Φ Ingxelo Φ Report

Office of Directorate: Civil Engineering
24 February 2023

8/1/B/2

ITEM 7.18 FOR AGENDA OF EXECUTIVE MAYORAL COMMITTEE TO BE HELD ON 22 MARCH 2023

SUBJECT: DEVIATION FROM PRESCRIBED PROCUREMENT PROCEDURES: REPAIR OF WEIGHBRIDGE AT HIGHLANDS LANDFILL

1. BACKGROUND

The Highlands landfill is equipped with a weighbridge from the Avery Weigh-tronix manufacture. The weighbridge measures the weight of waste disposed of by vehicles and the data collected is used for invoicing and reporting purposes.

The digital display indicator started to register error messages. The local service and support agents of the original manufacturer, Weighcomm Cape (Pty) Ltd, was requested assess the required repairs and to prepare a quotation. They reported that the load-cell was faulty and needed to be replaced together with reparations to the exit ramp. The quotation received amounts to R 64,636.80 (excluding VAT).

The Supply Chain Management Policy states that for the procurement of goods and services for any amount higher than R30,000.00 (including VAT), a formal procurement process must be followed.

However, the Municipal Manager has allowed forgoing with the formal procurement process as the service can only be obtained from the local service and support agent of the original manufacturer.

2. LEGISLATION

The Supply Chain Management Policy under paragraph 36(1)(a) allows the Accounting Officer to dispense with the official procurement processes for any required goods or services through any convenient process, which may include direct negotiations, but only –

- 2.1 in an emergency;
- 2.2 if such goods or services are produced or available from a single provider only;
- 2.3 for the acquisition of special works of art or historical objects where specifications are difficult to compile;
- 2.4 acquisition of animals for zoos and/or botanical specimens for nature and game reserves; or
- 2.5 in any other exceptional case where it is impractical or impossible to follow the official procurement processes;

The accounting officer must record the reasons for any deviations in terms of sub regulation (1)(a) and (b) and report them to the next meeting of the council, or board of directors in the case of a municipal entity, and include as a note to the annual financial statements.”

3. FINANCIAL IMPLICATIONS

The expenditure was allocated to vote number 9/244-419-695 and there is sufficient funding available for the quoted amount.

4. ALIGNMENT WITH THE 2017-2022 INTEGRATED DEVELOPMENT FRAMEWORK

The delivery of waste removal services align with Strategic Goal 5: Sufficient, affordable and well-run services.

5. RECOMMENDATION

- 5.1 That cognisance be taken of the deviation from the prescribed procurement procedures in terms of Section 36 of the Supply Chain Management Policy.
- 5.2 That cognisance be taken of the action of the Municipal Manager to approve repairs to the Avery Weigh-tronix weighbridge at the Highlands landfill site by Weighcomm Cape (Pty) Ltd.
- 5.3 That the reason for the deviation from the prescribed procurement process be recorded as follows:
 - Weighcomm Cape (Pty) Ltd is the original manufacturer's local service and support agent and the service can therefore only be obtained from this single service provider.
- 5.4 That it be noted that the expenditure was allocated to mSCOA Code: 9/244-419-695 and that there is sufficient funding available for the quoted amount of R64,636.80 (excluding VAT).
- 5.5 That the Manager: Financial Statements and Control be instructed to include the above reason as a note to the financial statements when compiled.

(get) L D Zikmann

DIRECTOR: CIVIL ENGINEERING SERVICES

PSM/psm



Verslag Φ Ingxelo Φ Report

Office of Directorate: Civil Engineering
14 February 2023

8/1/B/2

ITEM 7.19 FOR AGENDA OF EXECUTIVE MAYORAL COMMITTEE MEETING TO BE HELD ON 22 MARCH 2023

SUBJECT: DEVIATION FROM PRESCRIBED PROCUREMENT PROCEDURES : URGENT REPLACEMENT OF THE BERMAID PRESSURE SUSTAINING VALVE AT THE MOORREESBURG WATER PUMP STATION.

1. BACKGROUND

Bulk water is supplied to Moorreesburg from the Withoogte Water Treatment Works through a bulk pipe and a booster pump station. The booster pump station is equipped with three multistage centrifugal pump sets and a pressure sustaining valve. The pressure sustaining valve regulates flow through the pump station and is critical component in continuous water supply to Moorreesburg. The pressure sustaining valve suffered mechanical failure and to the extent that repairs is not economical.

Quotations for the replacement of the pressure sustaining valve were obtained on an urgent basis from three reputable service providers. The quotations are indicated in the table below:

Company Name	Amount (INCL VAT)
Macsteel	R 152,921.25
Tricom Africa	R 158,543.52
GW Trautman	R 160,742.61

The Supply Chain Management Policy states that for any amount higher than R30 000 (including VAT), a formal tender process must be followed. However, the pump station would have been left out of service for an extended period following due process and would have resulted in a failure in bulk water supply to Moorreesburg. The Municipal Manager has therefore approved the replacement of the pressure sustaining valve by Macsteel as an emergency.

2. LEGISLATION

The Supply Chain Management Policy under paragraph 36(1)(a) allows the Accounting Officer to dispense with the official procurement processes for any required goods or services through any convenient process, which may include direct negotiations, but only –

- 2.1 in an emergency;
- 2.2 if such goods or services are produced or available from a single provider only;
- 2.3 for the acquisition of special works of art or historical objects where specifications are difficult to compile;
- 2.4 acquisition of animals for zoos and/or botanical specimens for nature and game reserves;
or
- 2.5 in any other exceptional case where it is impractical or impossible to follow the official procurement processes;

The accounting officer must record the reasons for any deviations in terms of sub regulation (1)(a) and (b) and report them to the next meeting of the council, or board of directors in the case of a municipal entity, and include as a note to the annual financial statements.”

3. FINANCIAL IMPLICATIONS

The expenditure was allocated to vote number 9/249-679-259 and there is sufficient funding available for the quoted amount.

4. ALIGNMENT WITH THE 2017-2022 INTEGRATED DEVELOPMENT FRAMEWORK

Goal 5: Sufficient, affordable and well-run services.

5. RECOMMENDATION

- 5.1 That cognisance be taken of the deviation from the prescribed procurement procedures in terms of Section 36 of the Supply Chain Management Policy.
- 5.2 That cognisance be taken of the action of the Municipal Manager to approve the replacement of the pressure sustaining valve at the Moorreesburg booster pump station by Macsteel.
- 5.3 That the reason for the deviation from the prescribed procurement process be recorded as follows:
 - The water booster pump station would have been left out of service for an extended period of time while following due process.
 - This would have resulted in a failure of bulk water supply to Moorreesburg ultimately resulting in a prolonged interruption of water supply throughout the whole town.
 - The replacement of the pressure sustaining valve therefore had to be handled as an emergency.
- 5.3 That it be noted that the expenditure was allocated mSCOA Code: 9/249-679-259 and that there is sufficient funding available for the quoted amount of R 152,921.25 (including VAT).
- 5.4 That the Manager: Financial Statements and Control be instructed to include the above reason as a note to the financial statements, when same are compiled.

(get) L D Zikmann

DIRECTOR: CIVIL ENGINEERING SERVICES
LDZ/ma



Verslag Φ Ingxelo Φ Report

Office of Directorate: Civil Engineering
06 March 2023

8/1/B/2

ITEM 7.20 FOR AGENDA OF EXECUTIVE MAYORAL COMMITTEE TO BE HELD ON 22 MARCH 2023

SUBJECT: DEVIATION FROM PRESCRIBED PROCUREMENT PROCEDURES: REPAIR WORK TO THE DEZZI MOTORGRADER

1. BACKGROUND

The municipality deploys a Dezzi motorgrader in Darling for the maintenance of gravel roads. It was noted during normal operations that the engine of the machine was running at high temperatures. The original equipment supplier and service agent for Dezzi equipment in the Western Cape, Cape Diggers, was requested to inspect and prepare a quotation for the required repairs. In order to do so considerable work had to be done as major components of the machine had to be stripped and removed to their workshop. The quotation was received which amounts to R30,936.00 (excluding VAT).

Considering the extent of work Cape Diggers has done to strip and inspect the faulty components in order to prepare the quotation and moreover the fact that they are the authorised service agents it would be impractical to follow the official procurement processes.

The Municipal Manager has therefore allowed forgoing with the official procurement process and allowed for the repairs to be done by Cape Diggers.

2. LEGISLATION

The Supply Chain Management Policy under paragraph 36(1)(a) allows the Accounting Officer to dispense with the official procurement processes for any required goods or services through any convenient process, which may include direct negotiations, but only –

- 2.1 in an emergency;
- 2.2 if such goods or services are produced or available from a single provider only;
- 2.3 for the acquisition of special works of art or historical objects where specifications are difficult to compile;
- 2.4 acquisition of animals for zoos and/or botanical specimens for nature and game reserves; or
- 2.5 in any other exceptional case where it is impractical or impossible to follow the official procurement processes;

The accounting officer must record the reasons for any deviations in terms of sub regulation (1)(a) and (b) and report them to the next meeting of the council, or board of directors in the case of a municipal entity, and include as a note to the annual financial statements."

3. FINANCIAL IMPLICATIONS

The expenditure was allocated to vote number 9/7-22-5 and there is sufficient funding available for the quoted amount.

4. ALIGNMENT WITH THE 2017-2022 INTEGRATED DEVELOPMENT FRAMEWORK

The continues maintenance of gravel roads aligns with Strategic Goal 5: Sufficient, affordable and well-run services.

5. RECOMMENDATION

- 5.1 That cognisance be taken of the deviation from the prescribed procurement procedures in terms of Section 36 of the Supply Chain Management Policy.
- 5.2 That cognisance be taken of the action of the Municipal Manager to approve repairs to the Dezzi motorgrader by Cape Diggers.
- 5.3 That the reason for the deviation from the prescribed procurement process be recorded as follows:
- The extent of work Cape Diggers has done on the machine to be able to inspect the faulty components and prepare a quotation;
 - It would be impractical to follow the official procurement processes as it would require re-assembly and re-fitting of the faulty components; and
 - The fact that Cape Diggers is the authorised service agent for Dezzi equipment in the Western Cape.
- 5.3 That it be noted that the expenditure was allocated to mSCOA Code: 9/7-22-5 and that there is sufficient funding available for the quoted amount of R30,936.00 (excluding VAT).
- 5.4 That the Manager: Financial Statements and Control be instructed to include the above reason as a note to the financial statements, when same are compiled.

(get) L D Zikmann

DIRECTOR: CIVIL ENGINEERING SERVICES

JB/jb



Verslag Φ Ingxelo Φ Report

Kantoor van die Munisipale Bestuurder:
13 Maart 2023

P.1000546
4/8/3

ITEM 7.21 VAN DIE AGENDA VAN 'N UITVOERENDE BURGEMEESTERSKOMITEE-VERGADERING WAT GEHOU SAL WORD OP 22 MAART 2023

ONDERWERP:	AANSOEK OM SIEKVERLOF DEUR MUNISIPALE BESTUURDER EN AANWYS VAN WAARNEMENDE MUNISIPALE BESTUURDER
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1. AGTERGROND

- 1.1 Die Munisipale Bestuurder moet by die Uitvoerende Burgemeesterskomitee aansoek doen om verlof.
- 1.2 Die Munisipale Bestuurder ondergaan 'n mediese prosedure (knievervanging) wat hom maksimum 16 werksdae op siekverlof sal plaas, ongeveer van 4 April 2023 tot 28 April 2023.

2. AANWYS VAN 'N WAARNEMENDE MUNISIPALE BESTUURDER INGEVOLGE SWARTLAND SE WAARNEMINGSBELEID

- 2.1 Artikel 3.1.1 van voormelde beleid bepaal dat die aanwys van 'n waarnemende Munisipale Bestuurder vir minder as 30 werksdae, met inbegrip van publieke vakansiedae – sonder die betaling van enige waarnemingstoelaag, deur die Munisipale Bestuurder gedoen kan word.
- 2.2 Indien die periode meer is as 30 opeenvolgende werksdae beloop, is daar 'n waarnemingstoelaag beskikbaar, maar moet die aanwys van die waarnemende Munisipale Bestuurder in oorleg met die Uitvoerende Burgemeester gedoen word. Laasgenoemde is egter in die lig van die bo-perk kennisgewings nie in praktyk van toepassing nie.

3. KOMMENTAAR: MUNISIPALE BESTUURDER

- 3.1 Aangesien daar weens die mediese prosedure nie presies bepaal (voorspel) kan word hoe lank die Munisipale Bestuurder op siekverlof gaan wees nie, en weens sy begeerigheid om so spoedig moontlik terug te keer werk toe of om virtueel vanaf die huis te werk, word die aanwys van die waarnemende Munisipale Bestuurder in oorleg met die Uitvoerende Burgemeester en Uitvoerende Burgemeesterskomitee gedoen.
- 3.2 Die Uitvoerende Burgemeester en Munisipale Bestuurder het konsensus dat enige beskikbare Direkteur as Munisipale Bestuurder kan waarneem.

3.3 Dit word verder geboekstaaf dat alle Direkteure oor die nodige ondervinding beskik en dat hulle die “MFMA minimum competencies” suksesvol voltooi het. Dit is net die Direkteur: Elektriese Ingenieursdienste wat tans daarmee besig is.

4. DOKUMENTASIE

4.1 Hierby aangeheg vind u ‘n bevestiging van dr Van Huyssteen se spreekkamer wat siekverlof aandui vanaf 4 April 2023, vir 5 tot 7 weke na die operasie.

4.1(a) Gebaseer op voormelde bevestiging word daar voorlopig aansoek gedoen vir siekverlof vanaf 4 April 2023 tot 28 April 2023, maar is die verwagting dat dit minder as die betrokke tydperk sal wees.

AANBEVELING

(a) Dat daar kennis geneem word van die Munisipale Bestuurder se siekverlof met ingang van 4 April 2023.

(b) Dat daar kennis geneem word dat die Direkteur: na oorlegpleging tussen die Uitvoerende Burgemeester en Munisipale Bestuurder versoek is om as Munisipale Bestuurder waar te neem.

(c) Dat daar kennis geneem word dat Direkteur: oor die nodige ondervinding, kwalifikasies en minimum vereistes beskik om as Munisipale Bestuurder waar te neem.

(d) Dat daar kennis geneem word dat die Munisipale Bestuurder se presiese siekverlofdae teen die middel van April 2023 gefinaliseer sal word op die verlofstelsel, na gelang van die werklike hoeveelheid, siekverlof geneem.

(get) J J Scholtz

MUNISIPALE BESTUURDER

Dr. Adriaan van Huyssteen

MBChB(UCT) FRCS(Eng) FCOth(SA)

email:
admin@hipandknee.co.za

113 Panorama Medi-Clinic
Rothschild Boulevard, PANORAMA 7500

Tel: 021 930 8714
Tel: 021 930 3314

Orthopaedic Hip and Knee Surgeon

13/03/2023

To whom it may concern:

PROVISIONAL MEDICAL CERTIFICATE

Re.: Mr Joachim Scholtz (ID no: 6209025118085)

Dear Sir/Madam,

This patient is booked for a right total knee replacement on 04/04/2023. He will be admitted to hospital on 04/04/2023 @ 06h00am.

He will be off from work for 5 - 7 weeks after the surgery depending on recovery and mobilisation.

A medical certificate indicating the specific dates that the patient is going to be off from work due to the surgery will be given to the patient after surgery.

Should you require any further information, please do not hesitate to contact me.

Kind regards,

DICATED AND CHECKED

Dr. A.L. Van Huyssteen