



NOTULES VAN DIE / MINUTES OF THE

RAADSVERGADERING VAN DIE CEDERBERG MUNISIPALITEIT SOOS GEHOU OP

31 JANUARIE / JANUARY 2017

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COUNCIL MEETING OF THE CEDERBERG MUNICIPALITY, HELD ON

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**MINUTES OF THE COUNCIL MEETING OF THE CEDERBERG MUNICIPALITY HELD ON
31 JANUARY 2017 IN THE COUNCIL CHAMBER AT 2A VOORTREKKER STREET,
CLANWILLIAM.**

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PRESENT AND IN ATTENDANCE:

As per the attendance registers copied into the minutes after the final item:

ABSENT WITHOUT APOLOGY:

1. OPENING

Rules of Order for Internal Arrangement

PART 3: MEETINGS

4. Commencement of meetings of Council

- 4.1 The meeting must commence precisely at a time it is convened for.
- 4.2 The Speaker must assume the chair provided that a quorum is constituted.
- 4.3 The business of the meeting must be outlined at the onset.

5. Quorum

- 5.1 The presence of a majority of the members constitutes a quorum.
- 5.2 In the event that no quorum is present at the time at which the meeting was convened, the commencement of the meeting may be delayed for no longer than 30 minutes on the basis that no quorum exists.
 - 5.2.1 Should a quorum exist within this period, the Speaker must assume the chair immediately upon establishing that the quorum exists.
 - 5.2.2 Should no quorum continue to exist at the end of this period, the meeting must be adjourned by the Speaker to an alternate date, time and if applicable venue at his/her discretion., In this instance, the names of members present must be recorded.
- 5.3 In the event that there is no quorum and the Speaker is absent, the commencement of the meeting must be delayed for no more than 30 minutes and if there is no quorum at the end of this period, the meeting shall be cancelled. In this instance, the municipal manager must record the names of the members present.
- 5.4 A quorum is to be sustained during the course of proceedings of a meeting. Should there be a lack of quorum subsequent to the commencement of the meeting, the Speaker must suspend the proceedings until a quorum is again present, provided that if after 10 minutes there is still no quorum the speaker must adjourn the meeting.
- 5.5 In any instance when a meeting is adjourned as a result of the absence of a quorum, the time of such adjournment, as well as the names of the members present, must be recorded in the minutes.
- 5.6 Names of absentee members are to be recorded and provided by the Speaker to the committee established in terms of section 6 for the purposes of an investigation of a breach of these rules.

The Chairperson, Cllr. W Farmer called the meeting to order and welcomed all present. Mr. A Titus opened the meeting with a prayer.

1.1 Announcement of Councillors birthdays

On behalf of Council and the Administration, Cllr. R Pretorius and Mr. N Mercuur congratulated Cllr. B Zass on his birthday and wished him well.

The Speaker asked for a minute and of silence for the passing of 2 young men of Elands Bay who was involved in an accident the previous day and the Executive Mayor continued with a prayer.

2. ELECTION OF (ACTING) SPEAKER, IF NECESSARY
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N/A

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3. APPLICATIONS FOR LEAVE OF ABSENCE

Rules of Order for Internal Arrangement

Part 3

7. Leave of absence

- 7.1 Leave of absence may be obtained from Municipal Council by a member who wishes to absent himself or herself from meetings. Should a member be prevented from obtaining leave of absence based on special circumstances, the Speaker has the discretion to on grant such leave.
- 7.2 A written application for leave of absence from a meeting of the Municipal Council or a Committee must be addressed to the Speaker by the Member applying for leave.
- 7.3 Written applications include emails sent to the Speaker.
- 7.4 In certain instances, the granting of applications for leave is deemed. These instance include:
 - 7.4.1 the Member is acting on behalf of the Municipal Council on other matters elsewhere based on instructions of Council or the Mayor.
 - 7.4.2 the Member is required to remove himself/herself from a meeting by the Municipal Council, Mayor or Committee in circumstances envisaged in item 3(b) of Schedule 1 to the Systems Act, or the member recuses him/herself.
- 7.5 The Speaker may also grant leave of absence to a member for the following reasons:
 - 7.5.1 illness or any other valid reasonable reason making it impossible for the member to attend;
 - 7.5.2 business, personal commitments, or personal circumstances of the member.
 - 7.5.3 The failure to deliver notice of a meeting or the delivery of notice less than 72 hours prior to commencement provided that this does not relate to an ordinary meeting of the Council or Committees or changes of addresses of members.
 - 7.5.4 The lack of informing the Municipal Manager of a revised address for the service of documentation at least 7 days before the relevant meeting;
 - 7.5.5 Where circumstances envisaged in item 3(b) of the Code of Conduct for Councillors in Schedule 1 to the Systems Act occur which prevent the Member from attendance;
 - 7.5.6 Other circumstances where the member is prevented from attending the meeting.

3.1 A blank Application for Leave of Absence form is enclosed

- Cllr. J Meyer
- Mr. GF Matthyse (Municipal Manager)

3.2 The Attendance Registers will be available at the meeting

Rules of Order for Internal Arrangement

Part 3

6. Attendance at meetings

- 6.1 An attendance register must be kept in relation to all meetings. Such register is to be signed by every member that attends the meeting/s.
- 6.2 Instances when a member may be absent from a meeting include the following:
 - 6.2.1 upon leave of absence being granted in terms of rule 7; and
 - 6.2.2 upon withdrawal on the basis of a legal requirement.

4. INTERVIEWS WITH OR PRESENTATIONS BY DEPUTATIONS

Rules of Order for Internal Arrangement

Part 6

6. Deputations

Should deputations seek an interview with council, the municipal manager must be provided with ten working days written notice of the intent of the deputation with details of the representations that are to be made as well as its source. The notice must be submitted to the Speaker by the Municipal Manager with recommendations and comments. The Speaker has the discretion to then grant the interview and instate conditions.

Geen / None

5. CONFIRMATION OF MINUTES

Rules of Order for Internal Arrangement By-Law 2013 (Provincial Gazette 7118 dated 12 April 2013)

Part Four

1. Minutes

- 1.1 Minutes of the proceedings of meetings must be recorded in writing in a minute book;
- 1.2 Such minutes shall be compiled in printed form and be confirmed by the council at the following meeting of Municipal Council and signed by the speaker.
- 1.3 The minutes shall be deemed to have been read for the purpose of confirmation provided a copy thereof was sent to each member within a reasonable period prior to the following meeting.
- 1.4 Discussions or motions in relation to the accuracy of minutes shall be entertained. No further discussion or motions in relation to any other matters forming part of the minutes shall occur.
- 1.5 Minutes shall consist of recordings of all business discussed as well as the names of members that were in attendance, absent, and granted leave of absence.
- 1.6 Should any member have requested that there dissent, abstention or support be recorded during voting, these are to be recorded in the minutes.
- 1.7 Audio recordings of all meetings of Municipal Council must be kept for a period of three years for administrative purposes.

5.1 RESOLVED

That in respect of the

CONFIRMATION OF MINUTES

discussed by Council at the Council Meeting held on 31 January 2017:

as the Minutes of the Council Meetings held on 10 November 2016, 08 December 2016, 13 December 2016 and 28 December 2016 were sent to each Councillor, at least 48 hours prior to the meeting, the Minutes of the Council Meetings held on 10 November 2016, 08 December 2016, 13 December 2016 and 28 December 2016 be taken as Read and Confirmed;

Proposed: Cllr. B Zass

Seconded: Cllr. J Barnard

6. STATEMENTS AND COMMUNICATIONS BY THE SPEAKER

The Speaker informed the Meeting that the following agenda points will not be handled:

- 9.1.7 Determination of Upper Limits for Councillors
- 9.1.11 Vervreemding van Grond: Ubuntu Kinder Ontwikkeling Sentrum
- 9.1.17 Organisation Review for Cederberg Municipality

7. STATEMENTS AND COMMUNICATION BY THE EXECUTIVE MAYOR

Geen / None

<p>8. REPORT BY THE EXECUTIVE MAYOR ON DECISIONS TAKEN BY THE EXECUTIVE MAYOR, THE EXECUTIVE MAYOR TOGETHER WITH THE DEPUTY EXECUTIVE MAYOR AND THE EXECUTIVE MAYOR TOGETHER WITH THE MAYORAL COMMITTEE</p>
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Rules of Order for Internal Arrangement

Part 5

9. REPORTS OF THE MAYOR

- 9.2 Debate must be allowed by the Speaker in accordance with the rules relating to debate contained herein. Decisions made by the Mayor by way of delegated authority and those made by the Mayor and Mayoral Committee may be debated upon should consent be granted by the Mayor to the Speaker. A member shall request in writing such debate at least 24 (twenty four) hours prior to the meeting. Such request must be issued to the Speaker. The business of meetings of the Council will appear in the following order on the agenda.

The Executive Mayoral Committee resolved on 08 December 2015 as follows:

1. The Executive Mayor reports to the municipal council on all decisions taken by the Executive Mayor (excluding Special Council Meetings).
2. The reports of the Executive Mayor shall be for information and nothing by council and no debate, question, motions, points for information, clarity or points of order on the report shall be allowed save where motions or questions are raised in compliance with the provisions of the Council's Rules of Order.

N/A

9. MATTERS FOR CONSIDERATION

Rules of Order for Internal Arrangement

Part Four:

2. DECISIONS AND VOTING

- 2.1 In the event that the Speaker enquires from the attendees at a meeting if they are in agreement with recommendation/s and there is no opposition by any member present, recommendations are adopted.
- 2.2 The Speaker must put every apposed motion to the vote by calling upon the members to indicate by a raising of hands unless otherwise prescribed by law, whether they are in favour of or against such motion. The result of the vote must thereafter be declared by the Speaker.
- 2.3 The number of members voting in favour of or against an item, is to be recorded in the minutes. Members may abstain from voting without leaving the meeting and may request that his/her abstention be recorded in the minutes of that meeting. Consequently, subsequent to the speaker's declaration of the result, a member may demand that his or her opposition or support of a decision be recorded in the minutes and the Municipal Manager must accordingly arrange for the same.
- 2.4 All decisions must be taken by a supporting vote of the majority of the members present at any meeting of the Council.
- 2.5 The Municipal Council must reconsider a decision taken if the majority of members lodge a request in writing with the Municipal Manager. This shall apply unless such reconsideration adversely affects existing rights. Motions for the reconsideration of decision must be submitted in terms of Rule 5 of the Rules of Order.
- 2.6 Notwithstanding the provision of this Rule, the Council may at any time following a recommendation by the Mayor, rescind or amend any resolution passed by it.

Part 5

4. Councillor to address chair

A member who speaks at a meeting must address the chair.

Part 5

16. Order of priority

- 16.1 The Speaker must ensure that there is maintenance of order. To this end, the Speaker may, if he / she deems it necessary, at any time in a meeting direct an officer to remove or cause the removal of any person, excluding a member, from the Council Chamber. The Speaker may also direct that the public gallery be vacated.
- 16.2 The removal of any person or persons who refuse to carry out any reasonable instruction given by the Speaker or obstructs the carrying out of such instruction may be ordered by the Speaker.

Part 5

3. Precedence of the Speaker

Silence must be observed by all present in meeting when the Speaker addresses meetings in order for the Speaker to be heard without interruption. Whenever the speaker addresses the meeting, all members must be silent so that the speaker may be heard without any interruption. Council must be addressed by members through the Speaker.

13. Relevance

Speeches by members must address the subject or matter under discussion or to an explanation or to a point of order. In this regard, no discussion shall be tolerated in relation to the anticipation of any matter on the agenda or in respect of any matter in respect of which a decision by a judicial or quasi-judicial body or a commission of inquiry, whether instituted in terms of legislation or not, is pending, provided that such matter may be considered with the permission of Council.

Part 5

5. Right to speak

A member is provided with an opportunity to speak with the permission of the Speaker only once for no longer than 5 (five) minutes on a matter before the meeting unless authorised by the Chairperson.

A member is entitled to speak once on any recommendation, motion or proposal, provided that the Mayor or Member may reply to conclude a debate and shall restrict himself/herself to answering previous speakers rather than the introduction of new matters.

Prior to the consideration of any item contained in the report of the mayor in reply to a specific question or during discussion of the same, the Speaker shall permit the Mayor, MMC or Chairperson of the Committee in terms of section 79 and 80 of the Local Government Municipal Structures Act 117 of 1998 who made the proposal in terms of rule 9 or rule 14 of part 5 of these Rules to make an explanatory statement.

6. Length of speeches

- 6.1 A member may (unless authorised otherwise by the Speaker) only speak once to-
 - 6.1.1 the matter and any amendments to that matter that is before the council;
 - 6.1.2 any motion before the council;
 - 6.1.3 to a matter or an amendment proposed or to be proposed by himself or herself;
 - 6.1.4 a point of order or a question of privilege, unless authorised by the speaker or as provided for in terms of these rules.
- 6.2 No new matters may be introduced by a mover that speaks to a motion and replies to previous speakers in a debate. The right of reply shall not extend to the mover of an amendment which, having been carried, has become substantive motion.

9.1 Items submitted by Officials of Council

9.1.1 OVERSIGHT REVIEW OF ANNUAL REPORT 2015-2016

Ref.: 9/1/1/1

Municipal Manager: G.F. Matthyse

PURPOSE

For Council to adopt the final Annual Report for 2015/2016 as well as the Oversight Report on the Annual Report as required in terms of Section 129 of the MFMA.

BACKGROUND

In terms of the Municipal Finance Management Act, 56 of 2003, section 127(2), the Mayor of a municipality must, within seven months after the end of a financial year, table in the municipal Council the Annual Report of the municipality.

Section 129(1) of the MFMA prescribes that the Council of a municipality must consider the Annual Report (as tabled) and by no later than two months from the date to which the Annual Report was tabled, adopt an oversight report containing the Council's comments on the Annual Report. In the event that a municipality chose to table the Annual Report earlier, the adoption moves forward by two months from the date of tabling the Annual Report in Council.

We have therefor drafted the said document with relevant submissions received from our respective departments in accordance to the applicable legal prescripts. The said draft document was advertised for community inputs.

FINANCIAL IMPLICATIONS

Compilation of the Annual Report;
Quality review on the Annual Financial Statements;
Oversight from the Municipal Public Accounts Committee; and
Audit fee for the said period 2015-2016 financial year.

PERSONNEL IMPLICATIONS

None

LEGISLATIVE IMPLICATIONS

Municipal Systems Act, 32 of 2000 (as amended)
Municipal Finance Management Act, 2003 (No 56 of 2003),
MFMA Circular 11 (Annual Report Guidelines – 14 January 2005);
MFMA Circular 32 (The Oversight Report – 15 March 2006);
MFMA Circular 68 (Unauthorised, irregular, fruitless and wasteful expenditure); and
Local Government, National Treasury & Salga's Guidelines on the functioning of MPAC.

Comment of Directorates / Departments concerned:

Municipal Manager:

Director: Corporate and Strategic Services:	Recommendation Supported
Director: Financial Services:	Recommendation Supported
Director: Engineering and Planning Services:	Recommendation Supported
Director: Community Development Services:	Recommendation Supported

RECOMMENDATION

That in respect of:

OVERSIGHT REVIEW OF ANNUAL REPORT 2015-2016

discussed by Council at the Council meeting held on 31 January 2017:

1. That Council, having fully considered the Oversight Report on the Annual Report 2015/2016 of Cederberg Municipality, adopts the Oversight Report.
2. That Council, having fully considered the Final Annual Report 2015/2016, attached hereto, adopts the Annual Report 2015/2016 without any reservations;
3. That the Oversight Report 2015/2016 be made public in accordance with Section 129(3) of the MFMA, and;
4. That the Oversight Report on the Annual Report 2015/2016 be submitted to the Provincial Legislature in accordance with Section 132(2) of the MFMA.

RESOLVED

That in respect of:

OVERSIGHT REVIEW OF ANNUAL REPORT 2015-2016

discussed by Council at the Council meeting held on 31 January 2017:

1. That Council, having fully considered the Oversight Report on the Annual Report 2015/2016 of Cederberg Municipality, adopts the Oversight Report.

2. That Council, having fully considered the Final Annual Report 2015/2016, attached hereto, adopts the Annual Report 2015/2016 without any reservations;
3. That the Oversight Report 2015/2016 be made public in accordance with Section 129(3) of the MFMA, and;
4. That the Oversight Report on the Annual Report 2015/2016 be submitted to the Provincial Legislature in accordance with Section 132(2) of the MFMA.

Proposed: Cllr. J Barnard

Seconded: Cllr. B Zass

9.1.2 QUARTERLY BUDGET AND SUPPLY CHAIN MANAGEMENT REPORTS

REF.: 8/1/B

Chief Financial Officer: E Alfred

PURPOSE

Submission of the Budget and SCM Reports of the 2nd Quarter for the 2016/2017 Financial Year.

BACKGROUND

In terms of Section 52 of the Local Government Municipal Finance Management Act, 2003 (MFMA):

The mayor of a municipality—

- (a) must provide general political guidance over the fiscal and financial affairs of the municipality;
- (b) in providing such general political guidance, may monitor and, to the extent provided in this Act, oversee the exercise of responsibilities assigned in terms of this Act to the accounting officer and the chief financial officer, but may not interfere in the exercise of those responsibilities;
- (c) must take all reasonable steps to ensure that the municipality performs its constitutional and statutory functions within the limits of the municipality's approved budget;
- (d) must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality; and
- (e) must exercise the other powers and perform the other duties assigned to the mayor in terms of this Act or delegated by the council to the mayor.

In terms of Section 71 of the Local Government Municipal Finance Management Act, 2003 (MFMA):

- (1) The accounting officer of a municipality must by no later than 10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month:
 - (a) Actual revenue, per revenue source;
 - (b) Actual borrowings;

- (c) Actual expenditure, per vote;
 - (d) Actual capital expenditure, per vote;
 - (e) The amount of any allocations received;
 - (f) Actual expenditure on those allocations, excluding expenditure on—
 - (i) Its share of the local government equitable share; and
 - (ii) Allocations exempted by the annual Division of Revenue Act from compliance with this paragraph; and
 - (g) When necessary, an explanation of—
 - (i) Any material variances from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote;
 - (ii) Any material variances from the service delivery and budget implementation plan; and
 - (iii) Any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipality's approved budget.
- (2) The statement must include—
- (a) A projection of the relevant municipality's revenue and expenditure for the rest of the financial year, and any revisions from initial projections; and
 - (b) The prescribed information relating to the state of the budget of each municipal entity as provided to the municipality in terms of section 87(10).
- (3) The amounts reflected in the statement must in each case be compared with the corresponding amounts budgeted for in the municipality's approved budget.
- (4) The statement to the provincial treasury must be in the format of a signed document and in electronic format.
- (5) The accounting officer of a municipality which has received an allocation referred to in subsection (1)(e) during any particular month must, by no later than 10 working days after the end of that month, submit that part of the statement reflecting the particulars referred to in subsection (1)(e) and (f) to the national or provincial organ of state or municipality which transferred the allocation.
- (6) The provincial treasury must by no later than 22 working days after the end of each month submit to the National Treasury a consolidated statement in the prescribed format on the state of the municipalities' budgets, per municipality and per municipal entity.
- (7) The provincial treasury must, within 30 days after the end of each quarter, make public as may be prescribed, a consolidated statement in the prescribed format on the state of municipalities' budgets per municipality and per municipal entity. The MEC for finance

must submit such consolidated statement to the provincial legislature no later than 45 days after the end of each quarter.

According to the Municipal Supply Chain Management Regulations (2005), paragraph 6(3) – Oversight role of council of municipality or board of directors of the municipal entity:

“The accounting officer must within 10 days of the end of each quarter, submit a report on the implementation of the supply chain management policy to the mayor of the municipality or the board of directors of the municipal entity, as the case may be.”

FINANCIAL IMPLICATIONS

None

APPLICABLE LEGISLATION / COUNCIL POLICY

Section 52 and Section 71 of the Local Government Municipal Finance Management Act, 2003.

Municipal Supply Chain Management Regulations (2005).

Comment of Directorates / Departments concerned:

Municipal Manager:	Recommendation Supported
Director: Corporate and Strategic Services:	Recommendation Supported
Director: Financial Services:	Recommendation Supported
Director: Engineering and Planning Services:	Recommendation Supported
Director: Community Development Services:	Recommendation Supported

RECOMMENDATION

That in respect of

QUARTERLY BUDGET AND SCM REPORTS

As discussed by Council at the Council meeting held on 31 January 2017:

Council takes cognisance and approve the:

- (i) Quarterly Budget Statement,
- (ii) Virements Report and
- (iii) Supply Chain Management Report for the month of October 2016 – December 2016.

RESOLVED

That in respect of

QUARTERLY BUDGET AND SCM REPORTS

As discussed by Council at the Council meeting held on 31 January 2017:

- a) Council takes cognisance and approve the:
 - (I) Quarterly Budget Statement,
 - (II) Virements Report and
 - (III) Supply Chain Management Report for the month of October 2016 – December 2016.

Proposed: Cllr. R Pretorius

Seconded: Cllr. R Witbooi

9.1.3 DEVIATION FROM AND RATIFICATION OF MINOR BREACHES OF, PROCUREMENT PROCESSES

REF.: 8/1/B

Chief Financial Officer: E Alfred

BACKGROUND

(1) The accounting officer may-

- (a) dispense with the official procurement processes and to procure any required goods or services through any convenient process in terms of Section 36 of the SCM Regulations.

Discussion:

In terms of Government Notice no 27636 dated 30 May 2005 the Supply Chain Management Regulations states the following to section 36:

(1) A supply chain management policy may allow the accounting officer-

- (a) To dispense with the official procurement processes established by the policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only-
 - (i) in an emergency;
 - (ii) If such goods or services are produced or available from a single provider only;
 - (iii) For the acquisition of special works of art or historical objects where specifications are difficult to compile;
 - (iv) Acquisition of animals for zoos; or
 - (v) In any other exceptional case where it is impractical or impossible to follow the official procurement processes; and
- (b) To ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.

(2) The accounting officer must record the reasons for any deviations in terms of subregulation (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) Subregulation (2) does not apply to the procurement of goods and services contemplated in regulation 11(2).

APPLICABLE LEGISLATION

The Municipal Supply Chain Management Regulations (2005).

FINANCIAL IMPLICATIONS

The attached transaction amounts was processed for the month of November 2016 till December 2016, and are therefore tabled in terms of Sec .36 (2) of SCM policy before Council for information.

Comment of Directorates / Departments concerned:

Municipal Manager:

Noted

Line management must take note about the auditor-generals report pertaining to deviations ie. definitions and interpretation to ensure adherence .The supply chain unit must ensure that we implement our new deviation authorization form to regulate and govern the new deviation approval process ,thus minimizing any future non –compliance.

Acting Director: Corporate and Strategic Services:	Noted
Director: Financial Services:	Noted
Director: Engineering and Planning Services:	Noted
Director: Community Development Services:	Noted

RECOMMENDATION

That in respect of

DEVIATION FROM AND RATIFICATION OF MINOR BREACHES OF, PROCUREMENT PROCESSES

discussed by Council at the Council meeting held on 31 January 2017:

1. Council, in terms of section 36 of the Supply Chain Management Regulations, takes cognisance and approve the transactions for the month of November 2016 till December 2016.

RESOLVED

That in respect of

DEVIATION FROM AND RATIFICATION OF MINOR BREACHES OF, PROCUREMENT PROCESSES

discussed by Council at the Council meeting held on 31 January 2017:

1. Council, in terms of section 36 of the Supply Chain Management Regulations, takes cognisance and approve the transactions for the month of November 2016 till December 2016.

Proposed: Cllr. F Sokoyeka

Seconded: Cllr. J Barnard

9.1.4 WRITE-OFF OF IRRECOVERABLE ARREARS OR DEBT

REF.: Debtors and Data Cleansing

Chief Financial Officer: E Alfred

PURPOSE

To obtain approval for the write-off of long outstanding debtors and indigent arrears accounts.

BACKGROUND

Despite ongoing actions by the Credit Control unit and successes achieved with the monthly pay rate, it is the 'old debts' that accrues month on month on the financial system.

In terms GRAP (General Recognized Accounting Practice) debts older than 90 days is regarded as irrecoverable. The Policies of Council allows for the write off, of bad debts, as long as we can adequately prove that there were adequate processes followed to collect these debts. The write off is also part of our Data Cleansing exercise before we can progress to the new MSCOA implementation.

Council take note that the amount of R10 million has been budgeted for write offs in the 16/17 financial year.

The following categories of irrecoverable debtors and Data Cleansing were identified:

Cederberg Municipality Customer Care Credit Control and Debt Collection Policy.

Comment of Directorates / Departments concerned:

Municipal Manager:

Recommendation Supported with the following conditions:

1. Line management must follow due process to ensure that all monies due to the municipality is recovered as per relevant legislation and policy.
2. Management must monitor internal controls in place to ensure the system is not open for abuse.
3. Systemic challenges ie. access to network points for credit control staff in Elands bay must be resolved immediately.
4. The efficiency and effectiveness capacity deficits in the unit must be resolved.
5. Line management must attend ward committee meetings to address the community about their outstanding accounts.
6. The financial recovery plan must continue with specific focus on eth revenue enhancement and revenue protection initiatives ie. trading service lose reduction etc.

Director: Corporate and Strategic Services:	Recommendation Supported
Director: Financial Services:	Recommendation Supported
Director: Engineering and Planning Services:	Recommendation Supported
Director: Community Development Services:	Recommendation Supported

RECOMMENDATION

That in respect of

WRITE-OFF OF IRRECOVERABLE ARREARS OR DEBT

discussed by Council at the Council meeting held on 31 January 2017:

- a) That council approve the total write off of bad debts and data cleansing, totaling
R 7 291 597.53

RESOLVED

That in respect of

WRITE-OFF OF IRRECOVERABLE ARREARS OR DEBT

discussed by Council at the Council meeting held on 31 January 2017:

- a) That council approve the total write off of bad debts and data cleansing, totaling
R 7 291 597.53

Proposed: Cllr. R Pretorius

Seconded: Cllr. J Barnard

9.1.5 REPORT OF THE MPAC, REGARDING THE DEVIATIONS: JULY, AUGUST & SEPTEMBER 2016 AND WESTERN CAPE VAN RENTAL EXPENSES AND RELATED COST

Ref.: 5/1/3

Chief Financial Officer: E Alfred

PURPOSE

To obtain Council's approval for the recommendations made by the MPAC towards the Deviations for the months of July, August and September 2016 and the Western Cape VAN Rental expenses and related cost.

BACKGROUND

In terms of the Municipal Public Accounts Committee Charter:

6.1. The primary functions of the Municipal Public Accounts Committees are as follows:

- vi. To perform any other functions assigned to it through a resolution of council within its area of responsibility.

In terms of the above, the MPAC had the authority to analyse the deviations and the Western Cape VAN Rental expenses and related cost and report back to Council.

The MPAC interrogated and analysed the Deviations for the months of July, August and September 2016 the Western Cape VAN Rental expenses and related cost during the MPAC meeting held on 09 January 2017.

FINANCIAL IMPLICATIONS

Deviations of July, August & September 2016: R 571 470.43

Western Cape VAN Rental Expenses and Related Cost: R 178 511.40

PERSONNEL IMPLICATIONS

None

LEGISLATIVE IMPLICATIONS

Municipal Finance Management Act, 2003 (No 56 of 2003),
Section 79 of the Municipal Structures Act, 1998 (No 171 of 1998)

MFMA Circular 68 (Unauthorised, irregular, fruitless and wasteful expenditure)

Comment of Directorates / Departments concerned:

Municipal Manager:

Recommendation noted:

Corporate services must ensure that they monitoring and control the fleet effectively ,without fear ,favor and prejudice .The internal audit unit must audit the fleet as part of our risk based audit plan.

Director: Corporate and Strategic Services: Recommendation Supported

Director: Financial Services: Recommendation Supported

Director: Engineering and Planning Services: Recommendation Supported

Director: Community Development Services: Recommendation Supported

RECOMMENDATION

That in respect of

REPORT OF THE MPAC, REGARDING THE DEVIATIONS: JULY, AUGUST & SEPTEMBER 2016 AND WESTERN CAPE VAN RENTAL EXPENSES AND RELATED COST

discussed by Council at the Council meeting held on 31 January 2017:

- 1) In terms of deviations for July 2016 till September 2016.
 - a) The deviations in deed meet the definition as per Section 36 of the Supply Chain Policy of the Municipality.
 - a) The internal controls of Council to be strengthen. "Strip and Quotes" to be formalized in terms of a tender process.
- 2) In terms of Western Cape Van Rental Expenses and Related Cost
 - a) Total cost of R 178 511.40
 - b) R 124 763.56 were condoned by the previous council and R 53 747.84 by the new Council.
 - c) The MPAC found the transactions not irregular as per definition as the transaction was followed by following Section 36 of the SCM Policy and condone by Council .

- d) Deviations and the reasons for the deviations from the Supply Chain Management policy were disclosed in detail in the annual financial statements as required by SCM Regulation 36(2) which were done, hence the expenditure cannot be irregular.
- e) The cost is also irrecoverable based on the above.

After the Speaker granted a 5minute caucus break to the ANC component it was:

RESOLVED

That in respect of

REPORT OF THE MPAC, REGARDING THE DEVIATIONS: JULY, AUGUST & SEPTEMBER 2016 AND WESTERN CAPE VAN RENTAL EXPENSES AND RELATED COST

discussed by Council at the Council meeting held on 31 January 2017:

- 1) In terms of deviations for July 2016 till September 2016.**
 - a) The deviations in deed meet the definition as per Section 36 of the Supply Chain Policy of the Municipality.
 - b) The internal controls of Council to be strengthened. "Strip and Quotes" to be formalized in terms of a tender process.
- 2) In terms of Western Cape Van Rental Expenses and Related Cost**
 - a) Total cost of R 178 511.40
 - b) R 124 763.56 were condoned by the previous council and R 53 747.84 by the new Council.
 - c) The MPAC found the transactions not irregular as per definition as the transaction was followed by following Section 36 of the SCM Policy and condone by Council .
 - d) Deviations and the reasons for the deviations from the Supply Chain Management policy were disclosed in detail in the annual financial statements as required by SCM Regulation 36(2) which were done, hence the expenditure cannot be irregular.
 - e) The cost is also irrecoverable based on the above.

Proposed: Cllr. R Pretorius

Seconded: Cllr. M Nel

9.1.6 REPORT OF THE MPAC, REGARDING UNAUTHORISED, FRUITLESS AND WASTEFUL AND IRREGULAR EXPENDITURE

REF.: 9/1/1/1

Chief Financial Officer: E Alfred

PURPOSE

To obtain Council's approval for the recommendations made by the MPAC towards unauthorised, fruitless and wasteful and irregular expenditure in accordance with prescribed legislation.

BACKGROUND

The MPAC is a committee of Council established under section 79 of the Municipal Structures Act 1998. Section 79 allows for the co-option of advisory members to a committee of Council, who are not members of the Council.

The MPAC must interrogate the following financial aspects addressed in the MFMA, 56 of 2003.

- Any unauthorised, irregular or fruitless and wasteful expenditure by the council, the executive mayor / mayor, executive committee or any political office bearer of the municipality must also be reported to the MPAC;
- The municipal manager must report to the MPAC on all steps taken to either authorize or certify the payment or to recover or write off the expenditure.

In terms of Council Resolution 51.9/19-08-2016 a MPAC was established and on 09 January 2017 they considered and recommended the following for the 2015/2016 financial year.

The MPAC considered the Section 32, of the MFMA Expenditure as per notes 45.1 to 45.2 in the Annual Financial Statements and resolved to recommend to Council.

Unauthorised Expenditure

Opening Balance: R 1 219 593.00

Current year : R 11 336 997.00

Total : R 12 556 589.00

The CFO briefed the Committee in detail and reasons for the unauthorised expenditure that occurred for the year under review and under intensive deliberations the Committee Resolved to consider the recommendations in regard.

Opening Balance: 2014/2015 R 1 219 593.00

The overspending relates to bulk electricity purchases. The reason for the overspending was due to the introduction of the repayment instalments on old outstanding debt. The repayment of the old outstanding debt was misinterpreted during the budget process and therefore the old debt was not accounted for in full when the budget for bulk electricity purchases was done.

Current Year: 2015/2016 R 11 336 997.00.

Financial Services: R 6 864 497.00

Overspending on Debt Impairment due to increase in fines issued. Debt Impairment increased from R 4 029 013 to R 10 421 226 year on year on fines.

Corporate and Strategic Services: R 469 000.00

In the past the depreciation relating to buildings was incorrectly allocated to other departments. In the current year this depreciation charge was correctly allocated to Corporate and Strategic Services resulting in the slight overspending on the budget.

Engineering and Planning Services: R 4 003 499.00

Depreciation was more than budgeted due to additional depreciation on landfill sites. When determining the cost to rehabilitate landfill sites, Management make use of a specialist waste management consultant to determine the rehabilitation costs at each respective year-end. This report is compiled on an annual basis and is issued to Management during July/August of each year. It was only when the current year's report was issued that Management became aware of the significant increase in depreciation on capital restoration costs.

Eskom provision for the last 15 days in June 2016 were budgeted lower as the actual usage.

Irregular Expenditure

Opening Balance: R 2 257 479.00

Current year :R 2 122 451.00

Total :R 4 379 930.00

Opening Balance: 2014/2015 R 2 257 479.00

R 483 901.00 Non Compliance with Supply Chain Regulations: Stop Orders Bypassing SCM processes. Nashua Mobile

Management disagreed with audit finding.

The listed transactions pertain to transactions where deviations were properly recorded and reported in terms of Regulations 36 SCM Regulations and/or an aggregate of awards for separate requirements. The expenditure listed is therefore not irregular.

R 1773 578.00 Property Sold for substantially less than market value

This transaction pertained to prior the MFMA and was a legal opinion obtained.

Current Year: R 1 791 816 Non Compliance with Supply Chain Regulations: Deviation - Reason not justifiable

Management disagreed with audit finding.

The MFMA provides the definition of irregular expenditure in relation to a municipality as expenditure incurred by a municipality or municipal entity in contravention of, or that is not in accordance with, a requirement of the supply chain management policy of the municipality or entity or any of the municipality's by-laws giving effect to such policy, and which has not been condoned in terms of such policy or by-law.

Since the SCM policy was followed and Section 36 used and condoned by Council the possible identified irregular expenditure by the AG will be in contravention with the definition of the act hence the expenditure cannot be irregular. The SCM policy was followed and the proposed irregular expenditure cannot be implemented based on the difference of interpretation of following Section 36 of the SCM Policy.

Deviations and the reasons for the deviations from the Supply Chain Management policy should be disclosed in detail in the annual financial statements as required by SCM Regulation 36(2) which were done, hence the expenditure cannot be irregular.

The auditor's averment on reason for deviations not reasonable or justifiable don't make the transactions irregular as per definition.

Executive Mayor Fictitious Travel Claims: R 7634.00

Council took a decision on 14 July 2016 to recover the expenses. A debtor was raised in this regards and the case was also registered at the SAPD (Case number CAS 15/8/2016). The money was recovered in the new financial year.

Municipal Manager's remuneration package exceeding upper limits: R 323 001.00

An employment contract was signed between the Municipal Manager and the previous Executive Mayor and are the contract a legal document between the parties. The Executive Mayor was mandated by Council to consult and negotiate package.

FINANCIAL IMPLICATIONS

Unauthorised Expenditure: R 12 556 589

Irregular Expenditure: R 4 379 930

APPLICABLE LEGISLATION

Municipal Systems Act, 32 of 2000 (as amended)

Municipal Finance Management Act, 2003 (No 56 of 2003),

MFMA Circular 11 (Annual Report Guidelines – 14 January 2005);

MFMA Circular 32 (The Oversight Report – 15 March 2006);

MFMA Circular 68 (Unauthorised, irregular, fruitless and wasteful expenditure); and

Local Government, National Treasury & Salga's Guidelines on the functioning of MPAC.

Comment of Directorates / Departments concerned:

Municipal Manager:

Director: Corporate and Strategic Services: Recommendation Supported

Director: Financial Services: Recommendation Supported

Director: Engineering and Planning Services: Recommendation Supported

Director: Community Development Services: Recommendation Supported

RECOMMENDATION

That in respect of

**REPORT OF THE MPAC, REGARDING UNAUTHORISED, FRUITLESS AND WASTEFUL
AND IRREGULAR EXPENDITURE**

discussed by Council at the Council meeting held on 31 January 2017:

It is herewith recommended to Council that the amounts be written off as a certified as irrecoverable, after investigation by the Municipal Public Accounts Committee in terms of section 32 (2) of the Local Government Municipal Finance Management Act:

- A) That under note 45.1 (unauthorised expenditure) the net amounts for R 12 556 589 for 2015/2016 to be written off.
- B) That under note 45.2 (irregular expenditure) the net amounts for R 4 379 930 for 2015/2016 to be written off.

RESOLVED

That in respect of

**REPORT OF THE MPAC, REGARDING UNAUTHORISED, FRUITLESS AND WASTEFUL
AND IRREGULAR EXPENDITURE**

discussed by Council at the Council meeting held on 31 January 2017:

It is herewith recommended to Council that the amounts be written off as a certified as irrecoverable, after investigation by the Municipal Public Accounts Committee in terms of section 32 (2) of the Local Government Municipal Finance Management Act:

- A) That under note 45.1 (unauthorised expenditure) the net amounts for R 12 556 589 for 2015/2016 to be written off.
- B) That under note 45.2 (irregular expenditure) the net amounts for R 4 379 930 for 2015/2016 to be written off.

Proposed: Cllr. R Witbooi

Seconded: Cllr. J Barnard

9.1.8 AMENDMENT OF THE MUNICIPAL SPATIAL DEVELOPMENT FRAMEWORK

REF.: 15/5/4

Director Infrastructure and Technical Services: P Majeni

Compiled: AJ Booysen

PURPOSE

To amend the Municipal Spatial Framework (SDF) and alignment with the Integrated Development Plan (IDP), as prescribed by legislation. It is of critical importance of ensuring that the SDF be approved together with the IDP, when the IDP is approved in May or June 2017. This is due to the fact that Section 26(e) of the Municipal Systems Act, 2000 (Act 32 of 2000) states that the SDF is a core component of the IDP.

BACKGROUND

1. The Cederberg Municipality: Land Use Planning By-law prescribes procedures to be followed to amend the municipal spatial development framework.

The by-law in terms of section 3(1) stipulates that Council must –

- (a) Establish an intergovernmental steering committee to compile or amend its municipal spatial development framework; or
- (b) Refer its draft municipal spatial development framework or draft amendment of its municipal spatial development framework to the Provincial Minister for comment.

The by-law in terms of section 3(2) stipulates the Municipality must –

- (a) Publish a notice in two of the official languages of the Province most spoken in the area in two newspapers circulating in the area concerned of-

- (i) The intention to compile or amend the municipal spatial development framework; and
 - (ii) The process to be followed, in accordance with section 28(3) and 29 of Municipal Systems Act;

- (b) Inform the Provincial Minister in writing of –

- (i) The intention to compile or amend the municipal spatial development framework
 - (ii) Its decision in terms of subsection (1)(a) or (b); and
 - (iii) The process to be followed to compile or amend the municipal spatial development framework, including the process contemplated in subsection (2)(a)(ii).
 - (c) Register relevant stakeholders, who must be invited to comment on the draft municipal spatial development framework or draft amendment of the municipal spatial development framework as part of the process contemplated in subsection (2)(a)(ii).

The by-law further in terms of section 4 refers to the establishment of a project committee.

The project committee must consist of the municipal manager or a municipal employee designated by the municipal manager and municipal employees appointed by the municipal manager from the following departments:

- Integrated Development Planning
- Spatial Planning
- Engineering
- Local Economic Development
- Housing

ALIGNMENT TO THE IDP

The amendment to the Spatial Development Framework of Cederberg Municipality is linked to strategic outcome 5: Sustainable development of municipal area.

It is furthermore also linked to:

Outcome 5.2: Sound management of the urban and rural environment

Outcome 5.3: Economic growth that benefits all.

RECOMMENDATION

- a) That Council approves the following steps for the amendment of municipal spatial development framework in terms of sections 3 and 4 of Cederberg Municipality : Land Use Planning By-law as such:
 1. Council refers its draft amendment of the municipal spatial development framework to the Provincial Minister for comment.
 2. Cederberg Municipality publishes a notice in two of the official languages of the Province most spoken in the area in two newspapers circulating in the area indicating their intention to amend the municipal spatial development framework and the process to be followed in accordance with section 28(3) and 29 of the Municipal Systems Act.
 3. Cederberg Municipality informs the Provincial Minister in writing of their intention to amend the municipal spatial development framework, that the draft amendment of our municipal spatial development be referred to the Provincial Minister for comments and that the process to be followed will be in accordance with section 28(3) and 29 of the Municipal Systems Act.
 4. Cederberg Municipality invites relevant stakeholders to register themselves to comment on the draft amendment of the municipal spatial development framework as part of the process as set out above.
 5. Cederberg Municipality establishes a project committee consisting of the following municipal employees from the relevant municipal departments namely :

Municipal Manager	:	GF Matthyse
IDP	:	Olivia Fransman
Spatial Planning	:	AJ Booysen
Engineering	:	P Majeni
		R Sauls
		J v Zyl
LED	:	N Mercuur
Housing	:	P Jantjies

RESOLVED

**That in respect of the
AMENDMENT OF THE MUNICIPAL SPATIAL DEVELOPMENT FRAMEWORK
discuss by Council at Council Meeting held on 31 January 2017:**

- a) That Council approves the following steps for the amendment of municipal spatial development framework in terms of sections 3 and 4 of Cederberg Municipality : Land Use Planning By-law as such:
1. Council refers its draft amendment of the municipal spatial development framework to the Provincial Minister for comment.
 2. Cederberg Municipality publishes a notice in two of the official languages of the Province most spoken in the area in two newspapers circulating in the area indicating their intention to amend the municipal spatial development framework and the process to be followed in accordance with section 28(3) and 29 of the Municipal Systems Act.
 3. Cederberg Municipality informs the Provincial Minister in writing of their intention to amend the municipal spatial development framework, that the draft amendment of our municipal spatial development be referred to the Provincial Minister for comments and that the process to be followed will be in accordance with section 28(3) and 29 of the Municipal Systems Act.
 4. Cederberg Municipality invites relevant stakeholders to register themselves to comment on the draft amendment of the municipal spatial development framework as part of the process as set out above.
 5. Cederberg Municipality establishes a project committee consisting of the following municipal employees from the relevant municipal departments namely :

Municipal Manager	:	GF Matthyse
IDP	:	Olivia Fransman
Spatial Planning	:	AJ Booysen
Engineering	:	P Majeni
		R Sauls
		J v Zyl
LED	:	N Mercuur
Housing	:	P Jantjies

Proposed: Cllr. J Barnard

Seconded: Cllr. R Pretorius

9.1.9 SPATIAL DEVELOPMENT FRAMEWORK PROCESS/ACTION PLAN

REF:15/5/4

Director Infrastructure and Technical Services: P Majeni

Compiled: AJ Booysen

PURPOSE

To table the SDF Process/Action Plan for the period 2017-2022 to Council for adoption, and the time schedule for 2016/17, this outlines the scheduled consultation sessions and intergovernmental platforms as attached, **APPENDIX A**

BACKGROUND

The Municipal Systems Act 32 of 2000; Chapter 5, Section 28 (1), a municipal Council must;

- (1) Adopt a process which set out in writing the planning, formulation, adoption and revision of the Spatial Development Framework as to align with the Integrated Development Plan.
- (2) This Procedure must:
 - Include a programme setting out the timeframes for the various planning phases;
 - Determine and describe sufficient mechanisms, processes and procedures for consultation of and participation by local communities, government bodies and other role-players in the formulation of the SDF;
 - Identify planning and planning requirements, which in terms of national and provincial legislation, are binding on the municipality concerned.

FINANCIAL IMPLICATIONS

- Updating of SDF – R 350 000 (Vat Excl.)
- Updating of Zoning Maps – R 125 000 (Vat Excl.)

LEGAL FRAMEWORK

-MSA- Local Government Municipal Systems Act, 2000(Act 32 of 2000)

-Section 20(2) Spatial Planning and Land Use Management Act, 2014 (Act 16 of 2013) (SPLUMA)

-Section 10(1) of the Western Cape Land Use Planning Act, 2014 (Act 3 of 2014) (LUPA)

- Section 3(1) of the By-Law on Municipal Land Use Planning for Cederberg Municipality
Nr. 7604 dated 15.04.2016

COMMENTS OF SECTION 57 MANAGERS

Municipal Manager:	Support Recommendation
Director Community Services:	Support Recommendation
Director Corporate and Strategic Services:	Support Recommendation
Director Financial Services:	Support Recommendation

RECOMMENDATION

**That in respect of the
SDF PROCESS/ACTION PLAN 2017 – 2022
discussed by Council at the Council Meeting held on 31 January 2017:**

1. That Council considers and approve the SDF Process/Action Plan as per APPENDIX A; and
2. That the approved SDF Process Plan be made available to the public.

RESOLVED

**That in respect of the
SDF PROCESS/ACTION PLAN 2017 – 2022
discussed by Council at the Council Meeting held on 31 January 2017:**

1. That Council considers and approve the SDF Process/Action Plan as per APPENDIX A; and
2. That the approved SDF Process Plan be made available to the public.

Proposed: Cllr. R Pretorius

Seconded: Cllr. R Witbooi

9.1.10

CUTTING OF TREES IN CEDERBERG

REF.: 17/6/5

Director Community Development Services: J

France

PURPOSE

To solicit Council Approval for the cutting of risky and/or dangerous trees in the Cederberg area

BACKGROUND

Councillors and the municipality has been inundated with request to cut trees that present some danger to buildings and the public in the Cederberg Area. Most of these trees are in private households, businesses and presents a challenge with budgets used on private households and businesses. It is that reason that it is important for Council to apply its mind and decide that in the light of the danger presented by these trees to buildings, families and the public, Council take responsibility to cut these trees or look at measures to prevent the potential danger. A service provider has to be sourced to cut the trees. Council will then take responsibility for the cost of cutting the trees while the service provider must take responsibility for the risk and insurance. The cutting of these trees will have to be in phased in, that is in this financial year and the next financial years to accommodate the enormity of the costs to be incurred. The administration will prioritize the cutting of trees in phases depending on the risks and danger they present. The affected and surrounding community members will be consulted about the cutting of the trees. The Directorate is exploring a Bylaw that deals with the planting, pruning, and cutting of trees as well tariffs relating to that.

The trees that needs to be cut or needs some intervention are as per the table below

	Street Address	Cost Estimate
Elandsbay	5@ Lang Street	R100 000.00
	1 @Perlemoen Street	
	3 @ Maribu Street	
	1 @ Protea Street	
	3 @Snip Street	
	1@Strand Street	
	1@Keerom Street	
	1 inside school ground	
	Street Address	Cost Estimate
Lambertsbay	2 @Boom Street	R150 000
	3@Fisher Street	
	1@Sand Street	

	1 @Bezuidenhoud Street	
Citrusdal	Street Address	Cost Estimate
	Vicky Zimiri MPC Hall	R100 000
	Botterblom Street	
	Denne Street	
Clanwilliam	Street Address	Cost Estimate
	Reservor Street	R310 000
	Voortrekker Street	
	Violtjie Street	
	Protea Street	
	Waboom Street	
	Sipres Avenue, opposite clinic	
	Graafwaterweg – Caltex Garage	
	Rolbaan – Saint Du Barries	
	Oranje Street	
	Jakaranda Street	
	Main Street, in in the middle of Clanwilliam Hotel and Standard Bank	
Graafwater	Street Address	Cost Estimated
	Lamberstbaai weg	R100 000
	Graafwater Primary School	
	Graafwater High School	
	Vanderstel Street	
	Stasie weg	
	Leipoldtville	
	Graafwater Sportsgrounds	
	Kerkstraat	
	Grand Total	R760 000

FINANCIAL IMPLICATIONS

The total cost to cut these trees is estimated at an amount of R600 000. The first phase will have to be in this financial year. The first phase will be budgeted for in the adjustment budget. The second batch can be in the next financial year that is in September 2017. The last batch of trees can be after the adjustment budget in February 2018.

LEGISLATIVE FRAMEWORK

The Constitution, Act 108 of 1996, stipulates the objectives of Local Government as that of providing democratic and accountable government for local communities; to ensure the provision of services in a sustainable manner; to promote social and economic development; to promote a safe and healthy environment; to encourage the involvement of communities and community organisations in the matters of local government. Local government Municipal Systems act, Act 32 of 2000, stipulates that the Council's Integrated Development Plan must reflect development priorities and objectives. The cutting of the tress does not necessarily reflect in the IDP, but because of the risk and danger it presents Council has to intervene for the benefit of the community. The Local government Municipal Finance

management act, act 56 of 2003 expects of what is prioritized in the IDP to be budgeted for. The MFMA, section 15, stipulates that any expenditure to be incurred must do so in terms of an approved budget and within the limits of the amounts appropriated for the different votes in the approved budget. The local government Municipal Systems act requires of Council to consult communities and community based organisations on matters affecting them.

Comments

Chief Financial Officer:	Noted
Director Corporate and Strategic Services:	Noted
Director Infrastructure and Technical Services:	Noted

RECOMMENDATION

- a. Council take note of the trees presenting risk and danger to the community
- b. Approves the cutting of trees in phases as tabulated
- c. Condone that the Administration proceed with the cutting of the trees in phases
- d. Administration budget for the first phase in the adjustment budget and budget for the remaining trees

RESOLVED

That in respect of the

CUTTING OF TREES IN CEDERBERG

discuss by Council at the Council Meeting held on 31 January 2017:

- a. Council take note of the trees presenting risk and danger to the community
- b. Approves the cutting of trees in phases as tabulated
- c. Condone that the Administration proceed with the cutting of the trees in phases
- d. Administration budget for the first phase in the adjustment budget and budget for the remaining trees
- e. That the owners will be liable for the cost relating to cutting of trees on private property; and
- f. A By-law be established, including all public participation processes administered by the Administration, to be used as a guideline pertaining to the cutting of trees.

9.1.12 REQUEST TO PURCHASE A PORTION OF ERF 52 ELANDS BAY AND TO BE CONSOLIDATED WITH ERF 10 IN ELANDS BAY

Ref: ERF 52 X ERF 10 ELANDS BAY
H Witbooi

Acting Director Corporate and Strategic Services:

Compile: C Sheldon

PURPOSE

To obtain an in principle decision from Council whether to alienate the portion of erf 52 to the applicant, Silver Moon Investment (Pty) Ltd, as requested by them.

BACKGROUND

The Municipality of Cederberg received a request from Silver Moon, the owner of erf 10 Elands Bay, to purchase a portion of erf 52, which belongs to the municipality. (See attachment of CK Rumboll & Partners). The portion of the subject piece of land (erf 52) that they wish to purchase is approximately 163m² and to be consolidated with erf 10. The consolidation of the erven are for parking purposes for the proposed development of flats on erf 10 (See attached Motivational Report).

FINANCIAL IMPLICATION

It should be noted that all applicable costs with regards to this transaction would be for the applicants' account. Councils' attention is drawn to the offer to purchase amount of R 98 000.00 as calculated by the applicant (See attached CK Rumboll report)

LEGAL IMPLICATION

When Council considers the alienation or lease of immovable property, the **following must be complied with:**

- i) Consider the determinations as envisaged in terms of Section 14(2) of the MFMA which must be made **in respect of alienation of land,**
- ii) **Take into account the issues as contained in Regulations 7 and 11 of the ATR in respect of the alienation of immovable property, and**
- iii) **Comply with the general procedures as laid down in Chapters 2 and 4 of the ATR.**

Any transfer of ownership of a capital asset must be fair, equitable, transparent, competitive and consistent with the SCM policy of Council. As a general principle, immovable property offered by council for sale or lease, shall be sold or leased by public competition. Council may however approve the direct lease or sale of property in circumstances set out above.

Immovable property will be sold or leased at a reasonable market value except when the public interest or the plight of the poor demands otherwise. Council may likewise determine subsidized selling prices or lease rates in respect of certain classes of property in order to promote Council's functions or goals as set out in the Constitution. **Should it be intended to transfer immovable property for less than its fair market value, the considerations listed under regulation 13(2) of the ATR, must be taken into account.**

Council will enjoy a right of pre-emption in the instance of purchasers applying to re-sell undeveloped immovable property purchased from Council. Immovable property may only be used for the purpose as approved by council and in accordance with the approved town planning scheme/s or spatial development framework.

No transactions shall be processed unless the applicant has confirmed in writing that the applicant will bear all applicable costs as set out above **and also confirmed that all other conditions imposed by the Municipality will be complied with.**

RECOMMENDATION

THAT

1. Council approves in principle the alienation of the identified portion of immovable land in terms of section 14 of the MFMA and the Asset Transfer Regulations as well as the Supply Chain Management Policy and any other related legislative requirements.
2. The administration to be mandated to commence with the disposal process.
3. Council to resolve that the asset on reasonable grounds are not needed to provide the minimum level of basic municipal services and
4. Council to consider the fair market value of the asset and the economic and community value to be received in exchange for the asset.

5. That the administration be mandated to go ahead with the alienation of the identified portion of immovable land as per the determined fair market value.

RESOLVED

That in respect of the

REQUEST TO PURCHASE A PORTION OF ERF 52 ELANDS BAY AND TO BE CONSOLIDATED WITH ERF 10 IN ELANDS BAY

discuss by Council at the Council Meeting held on 31 January 2017:

1. Council approves in principle the alienation of the identified portion of immovable land in terms of section 14 of the MFMA and the Asset Transfer Regulations as well as the Supply Chain Management Policy and any other related legislative requirements.
2. The administration to be mandated to commence with the disposal process.
3. Council to resolve that the asset on reasonable grounds are not needed to provide the minimum level of basic municipal services and
4. Council to consider the fair market value of the asset and the economic and community value to be received in exchange for the asset.
5. That the administration be mandated to go ahead with the alienation of the identified portion of immovable land as per the determined fair market value and taking section 37 into consideration when proceeding with this process.
6. After all administrative processes had been finalised, the item come back to Council for final approval.

Proposed: Cllr. F Sokoyeka

Seconded: Cllr. R Pretorius

9.1.13 DRAFT LOCAL ECONOMIC DEVELOPMENT STRATEGY FOR CEDERBERG MUNICIPALITY

REF.:5/6/1/4

Director Community Development Services: J France

Compiled: N Mercur

PURPOSE

The purpose of this report is to submit the draft Cederberg Municipality Local Economic Development Strategy for adoption.

BACKGROUND – Why LED

The importance of local economic development within a municipal context cannot be emphasised enough. Economic conditions countrywide are becoming increasingly difficult, and municipalities (especially low capacity municipalities like Cederberg Municipality) are under increasing pressure to deliver basic services with very little income.

Communities are very dependent on government support and jobs are in short supply. Municipalities are therefore compelled to give increasing priority to local economic development (LED), which entails the creation of favourable conditions within which business, entrepreneurship and economic growth can be achieved.

In order to give effect to local economic development there must be a strategic paradigm which states what council wishes to achieve, the sectors within which it will be achieved, and how all the stakeholders will work together to achieve it. The LED strategy is the roadmap that we will follow for the next 3-5 years.

Previous LED Strategies

An LED Strategy was developed in 2010 but was never approved by Council. In 2013 DEDAT embarked on a PACA (Participatory Appraisal of Competitive Advantage) process which culminated in a medium term LED Strategy. As one of our key sectors, the municipality also conducted a study which produced an Integrated Tourism Strategy in 2013.

The 2013 MTLEDS was a very theoretical document and, even though it was preceded by robust participation and consultation, the document does not provide a clear direction for LED. In December 2016 the Cederberg Municipality's LED unit reviewed the MTLEDS with the view to transform it into a proper LED strategy. The new LED Strategy also has a 3-5 year horizon, which makes it much more relevant within the local context. It is envisaged that the strategy must be reviewed every 3-5 years.

Sources Consulted

Department of Economic Development and Tourism (DEDAT)

Director: Community Services, Municipal Manager

Colleagues (LED Managers) from other Western Cape local authorities

LED Implementation Plan

This LED strategy will also be augmented by the development of an implementation plan, which will become the blueprint for economic development within Cederberg Municipality. The plan will also do a thorough analysis of the type and nature of interventions required in the particular key sectors of the Cederberg economy, including resource requirements, timeframes and project champions.

PERSONNEL IMPLICATIONS

None

FINANCIAL IMPLICATIONS

There are no financial implications in relation to the approval/adoption of the Cederberg Municipality LED Strategy. However, certain actions and project that will emanate from the strategy may have financial implications.

Comment by Municipal Manager

The strategy should also include some of the feedback from the 2016 LED Maturity Assessment.

Comment by director: Community Services

The report is supported.

RECOMMENDATION

That:

1. Council takes cognisance of the report.
2. Council approves the Draft Local Economic Development Strategy
3. The Strategy be workshopped with councillors and relevant stakeholders
4. Council must be consulted on the LED Implementation Plan

RESOLVED

That in respect of the

DRAFT LOCAL ECONOMIC DEVELOPMENT STRATEGY

Discuss by Council at the Council Meeting held on 31 January 2017:

1. Council takes cognisance of the report.
2. Council approves the Draft Local Economic Development Strategy
3. The Strategy be workshopped with councillors and relevant stakeholders
4. Council must be consulted on the LED Implementation Plan

Proposed: Cllr. J Barnard

Seconded: Cllr. B Zass

9.1.14 MID-YEAR BUDGET & PERFORMANCE REPORT (SECTION 72) 2016/2017

REF.: 15/5/1/1

Acting Director Corporate and Strategic Services: H Witbooi

Compile: O Fransman

PURPOSE

According to Section 72 of the MFMA the Accounting Officer of the municipality must assess the performance of the municipality for the first sixth months and submit such assessment to the Council.

APPLICABLE LEGISLATION:

- Section 72 of the MFMA: Mid-year budget and performance assessment
 - “(1) the accounting officer of a municipality must by 25 January of each year –
 - (a) Assess the performance of the municipality during the first half of the financial year, taking into account-
 - (i) The monthly statements referred to in section 71 for the first half of the financial year;
 - (ii) The municipality’s services delivery performance during the first half of the financial year, and the service delivery targets and performance indicators set in the service delivery and budget implementation plan;
 - (iii) The past year's annual report, and progress on resolving problems identified in the annual report; and
 - (iv) The performance of every municipal entity under the sole or shared control of the municipality, taking into account reports in terms of section 88 from any such entities; and
 - (b) Submit a report on such assessment to-
 - (i) The mayor of the municipality;
 - (ii) The National Treasury; and
 - (iii) The relevant provincial treasury.
 - (2) The statement referred to in section 71 (1) for the sixth month of a financial year may be incorporated into the report referred to in subsection (1) (b) of this section.
 - (3) The accounting officer must, as part of the review-
 - a) Make recommendations as to whether an adjustments budget is necessary; and
 - b) Recommend revised projections for revenue and expenditure to the extent that this may be necessary.”
- Municipal Budget and Reporting Regulations (GG 32141 of 17 April 2009)
 - Regulation 34 (1): Within five working days of 25 January each year (i.e. Tuesday, 1 February 2011) the municipal manager must make the mid-year budget and performance assessment public by placing it on the municipal website.
 - Regulation 34 (2): The municipal manager must make public any other information that the municipal council considers appropriate to facilitate public awareness of the mid-year budget and performance assessment, including-
 - a) Summaries in alternate languages predominant in the community; and
 - b) Information relevant to each ward in the municipality.

Regulation 35: The municipal manager must submit to the National Treasury and the relevant provincial treasury, in both printed and electronic form-

- a) The mid-year budget and performance assessment by 25 January of each year; and
 - b) Any other information relating to the mid-year budget and performance assessment as may be required by the National Treasury.
- o On the adjustment budget:
Regulation 23 (1) An adjustment budget referred to in section 28 (2) (b), (d) and (f) of the Act may be tabled in the municipal council at any time after the mid-year budget and performance assessment has been tabled in the council, but no later than 28 February of the current year.

PERSONNEL IMPLICATIONS

NONE

FINANCIAL IMPLICATIONS:

NONE

COMMENTS WITH SECTION 57 MANAGERS

Municipal Manager:	Support Recommendation
Acting Director Corporate Services	Support Recommendation
Director Community Services:	Support Recommendation
Director Financial Services:	Support Recommendation
Director Technical Services:	Support Recommendation

RECOMMENDATION:

- a. That Council take note of content of Section 72 Mid-Year budget and performance report for the first half of the 2016/2017 financial year;
- b. That the Municipal Manager and Executive Management compile an adjustment budget for 2016/2017.
- c. That the 2016/2017 Adjustment Budget be tabled to the Council by not later than 28 February 2017.

RESOLVED

That in respect of the

MID-YEAR BUDGET AND PERFORMANCE REPORT (SECTION 72) 2016/2017

- a. That Council take note of content of Section 72 Mid-Year budget and performance report for the first half of the 2016/2017 financial year;
- b. That the Municipal Manager and Executive Management compile an adjustment budget for 2016/2017.
- c. That the 2016/2017 Adjustment Budget be tabled to the Council by not later than 28 February 2017.

**9.1.15 TOP LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (SDBIP)
FOR THE SECOND QUARTER (01 OCTOBER – 31 DECEMBER 2016)**

REF: 15/5/1/1

Acting Director Corporate and Strategic Services: H Witbooi

Compile: O. Fransman

PURPOSE

Herewith to inform Council about the second quarter performance report (Top Layer SDBIP: October - December 2016) as part of the obligation arising from section 52 of the Local Government: Municipal Finance Management Act, 2003 (MFMA).

APPLICABLE LEGISLATION:

- Section 52 of the Local Government: Municipal Finance Management Act, 2003.

PERSONNEL IMPLICATIONS:

NONE

FINANCIAL IMPLICATIONS

NONE

COMMENTS WITH SECTION 57 MANAGERS

Municipal Manager:	Support Recommendation
Acting Director Corporate Services	Support Recommendation
Director Community Services:	Support Recommendation
Director Financial Services:	Support Recommendation
Director Technical Services:	Support Recommendation

RECOMMENDATION

- a) That Council take cognisance of the content of the SDBIP report for the second quarter.

RESOLVED

That in respect of the

**TOP LAYER SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (SDBIP) FOR
THE SECOND QUARTER (01 OCTOBER – 31 DECEMBER 2016)**

discuss by Council at the Council Meeting held on 31 January 2017:

- a) That Council take cognisance of the content of the SDBIP report for the second quarter.

**9.1.16 TABLING OF THE COUNCIL RESOLUTION REPORT FOR THE SECOND
QUARTER, 31 OCTOBER 2016 TO 31 DECEMBER 2016 BEFORE THE COUNCIL
FOR CONSIDERATION**

REF.: 3/3/2/2

Acting Director Corporate and Strategic Services: H. Witbooi

Compile: H Slimmert

PURPOSE

Council to consider the Council Resolution Report for the first quarter, 31 October 2016 to 31 December 2016

BACKGROUND

In terms of the SDBIP it is required that Council resolutions be distributed to all effected departments within 5 working days.

Directors of each department must report quarterly on the progress made in completion / finalisation of Council Resolutions to Council.

FINANCIAL IMPLICATION

None

RECOMMENDATION

- a) That Council take cognisance of the Council Resolution Report for the second quarter, 31 October 2016 until 31 December 2016.

RESOLVED

That in respect of the

**TABLING OF THE COUNCIL RESOLUTION REPORT FOR THE SECOND QUARTER, 31
OCTOBER 2016 TO 31 DECEMBER 2016 BEFORE THE COUNCIL FOR
CONSIDERATION**

discuss by Council at the Council Meeting held on 31 January 2017:

- a) That Council take cognisance of the Council Resolution Report for the second quarter, 31 October 2016 until 31 December 2016.

9.2 Urgent Matters submitted by the Municipal Manager

Geen / None

9.3 Matters for notification

Geen / None

9.4 Consideration of notices of motion

Geen / None

9.5 Consideration of notices of questions

Geen / None

9.6 Consideration of motions of exigency

Geen / None

10. CLOSURE

Meeting adjourned at 11h00.

VOORSITTER / CHAIRPERSON

DATUM / DATE