



KAAP AGULHAS MUNISIPALITEIT
CAPE AGULHAS MUNICIPALITY
U MASIPALA WASECAPE AGULHAS

**NOTULE VAN 'N SPESIALE RAADSVERGADERING GEHOU OM 10:00 OP DINSDAG
29 OKTOBER 2019 IN DIE MUNISIPALE RAADSAAL TE BREDASDORP**

**MINUTES OF A SPECIAL COUNCIL MEETING HELD ON TUESDAY, 29 OCTOBER 2019 AT
10:00 IN THE MUNICIPAL COUNCIL CHAMBERS, BREDASDORP**

RAADSLEDE / COUNCILLORS

MNR	R J BAKER	
MNR	G D BURGER	
MNR	D J EUROPA	
MNR	C J JACOBS	
MNR	D JANTJIES	
MNR	J G A NIEUWOUDT	(Speaker)
ME	M OCTOBER	
ME	E L SAULS	
MNR	P J SWART	(Burgemeester)
ME	Z TONISI	(Onder-Burgemeester)

AMPTENARE / OFFICIALS

Mnr D O'Neill	Munisipale Bestuurder
Mnr H Van Biljon	Direkteur: Finansiële- en IT Dienste
Mnr H Kröhn	Direkteur: Bestuursdienste
Mnr A Jacobs	Direkteur: Infrastruktuurdienste
Mnr B Swart	Interne Ouditeur
Mnr G M Moelich	Bestuurder: Admin Ondersteuning
Me N Mhlati-Musewe	Divisional Head: HR and Organisational Development
Me T Stone	Afdelingshoof: Strategiese Dienste

1. **OPENING**

Die Speaker heet die teenwoordiges welkom en Raadsheer Jantjies open die vergadering met gebed.

2. **AANSOEKE OM VERLOF TOT AFWESIGHEID / APPLICATIONS FOR LEAVE**

Raadsdame E C Marthinus

3. **LOCKOUT OF PUBLIC FROM AGULHAS PUBLIC VIEWING AREA AND WWII RADAR MEMORABILITY (MTRP - 15/5/R) (WARD 5)**

PURPOSE OF REPORT

For Council to take a decision regarding the public road in L'Agulhas to the public viewing area.

BACKGROUND

Mr DSA Henning sent the following electronic mail to the Municipal Manager on 17 May 2019 regarding the "Lockout of Public from the Agulhas Public Viewing Area and WWII Radar Memorability":

The public viewing area at Agulhas has been freely accessible to the public for many years. It is a well-known landmark and is regularly visited by Cape Agulhas Municipality (CAM) residents, local and international tourists and holiday makers.

The viewing area just South of the road and parking area, is on municipal land (erf 601) and is maintained (refuse removal) and advertised as amenity by the CAM.

The road which gives access to the viewing area runs over private land and is the only accessible route to the municipal viewing area on Erf 601 and the WWII radar memorability. The road has been used for decades and fits the definition of a public road.

THE PROBLEM

The problem is that the public is being locked out from accessing the Agulhas public viewing area as well as the WWII memorability by one property owner in the CAM.

Initially the owner of the De Punt Estate closed the access road by means of a gate with no information or notice provided.

Only after enquiries by the public was it communicated that the access road has been closed due to the fact that the property has become a construction site and had to be managed accordingly. The mandatory construction signs were established after public request. Since then the owner has also put up a Private Property sign and a threat that Trespassers Will Be Prosecuted.

A recent petition indicates that close to a thousand people object to the road closure (a list of 943 petitioners) and would like to continue using the road as in the past.

Following public inquiries it has been suggested that every individual who wants to use the access road should contact the owner to ask permission for using the road. Given the number and variety of people who use the road, this is not only impractical but also irregular because it cannot be allowed that a property owner blocks or restricts the public's access to a public place. Even if it could somehow be justified that the public should ask permission to use the road and even if the owner grants permission to all of public; there is no guarantee that the current or future owners will continue to allow unobstructed access.

PROPOSED SOLLUTION

It is proposed that the existing access road is reserved as municipal servitude to allow unobstructed access to the Agulhas Public Viewing Area and WWII Radar memorability, now and into the future. The process for establishing road reserves is well known and often used by municipal authorities in situations like these.

Above proposed solution will not only eliminate the confirmed fears that the public can be locked out by present or future owners, but will also benefit the De Punt Estate Owner and Municipality:

- A municipal road will increase CAM property values which will benefit the CAM in the form of more rates and taxes which will be collectable.
- Secured access to the Agulhas Public Viewing Area and WWII Radar memorability will support the Cape Agulhas Spatial Development Framework Plan to continue serving as tourism and visitor amenity.
- Unobstructed access will make it easier to provide services such as refuse removal if the road is a municipal road.
- Any accident which may happen on the road will not be the De Punt Estate owner's responsibility.
- The municipality will have the mandate to regulate traffic and enforce the traffic laws if the road is a municipal road.
- The road maintenance will not be the responsibility of the De Punt Estate owner.
- A municipal road will better support the De Punt Estate owner's applications for other commercial endeavours such as a farm shop/stall, restaurant, guest accommodation, tourist facilities etc.
- Keeping the road accessible to all other CAM residents and the public will complement the CAM's vision which is "To render continuous, sustainable effective services to all inhabitants and visitors in the area in order to create a healthy and safer environment for happy communities"

REQUEST

Since it now has become evident that the public does not want to forfeit their right of access to the Agulhas Public Viewing Area and WWII radar memorability by means of the long used and only existing accessible road, the Cape Agulhas Municipal Council is hereby requested to consider the above facts, arguments and proposal, and pursue decisions and actions which will ensure continued public access to both the viewing area and WWII memorability, now and in the future.

CONCLUSION

It can be concluded that the access road to the Agulhas Public Viewing Area and WWII radar memorability is of great significance to a large group of people. It can also be concluded that the only inclusive and sustainable way to ensure that other CAM residents and members of the public will always be able to use the access road to the Agulhas Public Viewing Area and WWII radar memorability is to reserve the road as municipal servitude.

I trust that the CAM Council will be reasonable in considering the rights of the public so that an inclusive, sustainable solution is implemented which will ensure that the public is not deprived of their right of access and which will allow everyone to continue to fully enjoy our heritage and the beauty which Agulhas has to offer.

LEGAL OPINION

On 22 May 2019 the Municipal Manager requested that a legal opinion has to be obtained from our legal advisors. The following were received from Messrs Kruger and Blignaut Attorneys on 28 June 2019.

PUBLIC VIEW POINT: L'AGULHAS

We herewith confirm that we have been instructed to provide you with an opinion on the legal position of the access road and viewing point on L'Agulhas

DOCUMENTS

We have been provided with the following information / documents:

1. E-mail from Mr DSA Henning, with photos and petition.
2. Exchanged correspondence.
3. Google maps of area.
4. Deeds search of the properties.
5. Consultations with Messrs Hayward, Truter and Wasserman

BACKGROUND

It appears from the correspondence, that Mr Henning addressed a letter to the Municipal Manager on the 17th ultimo, wherein he alleges that a public viewing area is situated on erf 601 L'Agulhas (sic), which is only accessible by a road traversing property that is privately owned. The road services the public viewing point and also a site that has WWII radar memorabilia and buildings. Mr Henning suggests that the road is now closed to the general public by the owner of the private for construction purposes, whom will only grant access to the viewing point, by prior arrangement.

Mr Henning suggests that the Municipality registers a public servitude for a right of way over the private property, in order to secure unhindered access to both points for use by the general public.

After consultation with Mr Hayward of your offices, it appears that the properties in question are the following:

- The road leaves the L'Agulhas township area and traverses the remainder of Portion 55 of the Farm Paapekuil Fontein number 281, owned by Tigragraph (Pty) Ltd. The company took transfer of the property the 18th of April 2017. It appears as if the company name changed to De Punt Estate, of which Messrs W Meyer and NF Coetzee are the appointed Directors.
- The road then forks, with the left branch to give access to Erf 2265, which hosts the WWII radar site. Writer did not conduct an inspection *in loco*, but understand from Mr Truter that the WWII site is off limits to the general public and has some safety risks, in that the property hosts rusted fencing, gates and dilapidated structures. It also contained a notice of that access was prohibited, that has since disappeared. The registered owner of the property is The Republic of South Africa, thus state owned.
- The right-hand fork in the road then continues until it crosses onto Erf 1032, on which the lookout point is located. The registered owner of this property is L'Agulhas Natuurreservaat Huiseienaarsvereniging, an Association and likely to be a privately owned nature reserve.

According to Mr Hayward, the road is not situated within the urban edge of the L'Agulhas township area. In terms of the information gathered from Mr Truter, the road is not proclaimed and should any consideration of a servitude be considered, considering its location, such responsibility will vest in the Provincial Government.

Mr Wasserman indicated that the first 500m of the road is badly tarred. The Municipality does refuse removal at the lookout point, but does not maintain the road. The Municipal Officials use the road to gain access to the reservoir, albeit that another access point can be created. We also understand that MTN, Vodacom and the South African Police use the road for maintenance to transmission towers.

LEGAL POSITION

From the content of the letter submitted by Mr Henning, he alleges that the road has been in existence "for decades" and submits an aerial photograph from 1989 to substantiate the claim.

He therefore clearly relies on an acquisition of use by the public, through prescription, as envisioned by Section 6 of the Prescription Act 68 of 1969, that reads as follows:

"a person shall acquire a servitude by prescription if he has openly and as though he were entitled to do so, exercised the rights and powers which a person who has a right to such servitude is entitled to exercise, for an uninterrupted period of thirty years or, in the case of a praedial servitude, for a period which, together with any periods for which such rights and powers were so exercised by his predecessors in title, constitutes an uninterrupted period of thirty years."

From the aforesaid, one must therefore distinguish between a personal servitude and a praedial servitude. A praedial servitude is a servitude over one property, serving another property. *In casu*, the road is not a praedial servitude to serve a particular property, but could rather be viewed as a personal servitude, in favour of the general public.

In the Appeal Court decision of *Pezula Private Estate (Pty) Ltd v Neil Metelerkamp and Another* the learned Judge Theron specified such a servitude as follows:

"In terms of the Prescription Act 18 of 1943, the use of the property must have been nec vi nec clam nec precario for the period of thirty years. Nec precario, the absence of a grant on request, has been subsumed into sections 1 and 6 of the current Prescription Act by the requirement that the potential acquirer of the servitude must act as though he or she was entitled to exercise the servitudal right. It follows that either express or tacit consent would mean that the alleged acquirer did not act as if he or she was entitled to exercise the servitudal right. The notion of a precarium is based upon the application by one party for a concession which is granted by the other party; that other party reserving at all times the right to revoke that concession as against the grantee in terms of the particular conditions to which the grant is subject. Put differently, a precarium is a legal relationship which exists between parties when one party has the use of the property belonging to the other on sufferance, by leave and licence of the other."

He also refers to the obiter dictum by the learned Judge J Colman found in the matter of *Morkels Transport (Pty) Ltd v Melrose Foods (Pty) Ltd* where the learned judge explained:

'Without myself attempting a full definition (which is not necessary for the purposes of this case), I go so far as to say that no use, occupation or possession is adverse, for the purposes of the law of acquisitive prescription, unless the owner has a legal right to prevent it. The proposition, so stated, covers part (although not the whole) of the ambit of the maxim contra non valentem agere nulla currit praescriptio.'

See also *Gouritz Boot en Hengel Assosiasie v Silverspot Investments & ander* (Saak no 12997/2012), and *The Langebaan Ratepayers and Residents Association v Dormell Properties 391 (Pty) Ltd and Others* (Saak no 11859/2011)

It follows from the aforesaid that, should the general public have used the road in question with sufferance of the other party (i.e. by express or tacit consent), that was not prevented for a period of 30 years, one could well argue in favour of a public right of way that was established by acquisitive prescription, bearing in mind that the road traversed two privately owned properties and would thus run over both properties.

The registration of such servitude will however be the responsibility of the Western Cape Provincial Government, unless the Municipality registers such servitude to access its reservoir, reserving right of access for the general public.

RISKS

It stands to reason that the registration of a servitude in favour of the Municipality, with public access, would entail maintenance, road markings, safety railings and control. Any factor that falls within this *genre* that contributes to loss or damage to property or person, may render the Municipality liable.

MANAGEMENT RECOMMENDATION: 23 JULY 2019

- (i) That the Provincial Government be approached by the Director: Infrastructure Services to intervene and liaise with the petitioners, cell phone contractors and the SAPD.
- (ii) That, should the road be established, Province must maintain the road, which may also be used by the Municipality for access to the reservoir.
- (iii) That should the aforesaid be unsuccessful, consideration be given to establish a different road to the reservoir.

COUNCIL RESOLUTION 100/2019: 23 JULY 2019

- (i) That the management recommendation not be accepted as a resolution of Council.
- (ii) That the matter be referred to the ward committee for discussion and recommendation to Council.

AANBEVELING: WYK 5

- (i) Dat die saak na die Provinsiale Regering verwys word ten einde die nodige serwituu op die pad te registreer.
- (ii) Dit moet as 'n saak van dringendheid deur KAM hanteer word.
- (iii) Sou die Provinsiale Regering weier, moet KAM verantwoordelikheid neem om die nodige serwituu te registreer.
- (iv) Die eenaar kan ook versoek word om die pad, na afhandeling van konstruksie oop te stel tot tyd en wyl die saak uitgeklaar is.

RESOLUTION 171/2019

- (i) Management recommendation be accepted.
- (ii) That Council take note of the ward committee's recommendation.

4. VERVREEMDING (KOOP): GEDEELTE ERF 921, STRUISBAAI (BSSB - COLLAB: 274846) (WYK 5)**DOEL VAN VERSLAG**

Om finale goedkeuring te verleen aan die versoek van Alwil Development (Eiendoms) Beperk, eenaar van erf 1666, Struisbaai vir die vervreemding van gedeelte erf 921, Struisbaai ten einde dit te konsolideer met erf 1666 (nou erf 4226, Struisbaai).

ALGEMENE INLIGTING

Eenaars	:	KAM
Ligging	:	Gedeelte Erf 921, Struisbaai
Voorgestelde Grootte	:	± 148m ² x ± 5.6m ²

AGTERGROND

Op 13 Desember 2018 het die Raad die volgende besluit geneem (206/2018):

“Dat, aangesien die eiendom, ingevolge Art 14(2)(a) van die Plaaslike Regering: Munisipale Finansiële Bestuurswet nie vir die lewering van die minimum vlak van basiese dienste benodig word nie, in-beginsel-goedkeuring verleen word vir die verkoop van gedeelte erf 921, Struisbaai aan mnr Alwil Development (Eiendoms) Beperk, teen R1 372.80 per m² (R210 862,00).”

ADVERTERING

Op 20 September 2019 is die Raad se voorneme in die plaaslike koerante geplaas vir publieke kommentaar. Geen besware en/of kommentaar is ontvang voor of op 21 Oktober 2019.

'n Skrywe is ook op 20 September 2019 na die volgende Departemente gestuur, naamlik: Provinsiale- en Nasionale Tesourie.

BESTUURSAANBEVELING

Siende dat daar geen besware ontvang is nie, neem die Raad die volgende besluit:

Dat, aangesien die eiendom, ingevolge Art 14(2)(a) van die Plaaslike Regering: Munisipale Finansiële Bestuurswet nie vir die lewering van die minimum vlak van basiese dienste benodig word nie, goedkeuring verleen word vir die verkoop van gedeelte erf 921, Struisbaai aan mnr Alwil Development (Eiendoms) Beperk, teen R1 372,80 per m² (R210 862,00).

BESLUIT 172/2019

Dat die bestuursaanbeveling as 'n besluit van die Raad aanvaar word.

5. **VERVREEMDING (KOOP): GEDEELTE RONDOM ERF 305, L'AGULHAS (BSSB - L305) (COLLAB: 280722)**

DOEL VAN VERSLAG

Om 'n aansoek van mnr A Bruwer vir die vervreemding van 'n gedeelte grond ($\pm 137\text{m}^2$) rondom Erf 305, L'Agulhas, ten einde dit te konsolideer met Erf 305, L'Agulhas te finaliseer.

Liggingskaart:



ALGEMENE INLIGTING

Eienaar	:	KAM
Ligging	:	Gedeelte grond rondom Erf 305, Pandokstraat, L'Agulhas
Voorgestelde Grootte	:	$\pm 137\text{m}^2$
Aanvanklike grootte	:	$\pm 180\text{m}^2$

AGTERGROND

Op 23 Julie 2019 het die Raad die volgende besluit geneem (110/2019):

“That Council resolution 56/2019 be amended to read as follow:

- (i) *Council, in principle, approves the proposed extension of Erf 305 L'Agulhas as requested by the owner of Erf 305 L'Agulhas.*
- (ii) *The applicant be informed that all Town Planning and Land Surveying processes are to be submitted to Council for public notice and consideration by the Tribunal at the cost of Mr Bruwer.*
- (iii) *An environmental assessment be for the applicant's account, if necessary.*
- (iv) *A portion of land (Pandok Street) in terms of section 14(2)(a) of the Local Government: Municipal Finance Management Act is not required for the provision of the minimum level of basic services.*
- (v) *Council grants in-principle approval for the transfer of a portion of Pandok Street, L'Agulhas ($\pm 137\text{m}^2$) by development proposal to Mr Bruwer (OUT OF HAND SALE – for specific purpose) at an amount of **R300 000,00 [and not R1 071 428,00]** (VAT excl.) in terms of Section 11(a) and (d) of Asset Transfer Regulations of the Local Government: Municipal Finance Management Act:*

Conditional approval of transfer or disposal of non-exempted capital assets

11. An approval in principle in terms of regulation 5(1)(b)(ii) or 8(1)(b)(ii) that a non-exempted capital asset may be transferred or disposed of, may be given subject to any conditions, including conditions specifying¹² –

- (a) the way in which the capital asset is to be sold or disposed of;
- (b) a floor price or minimum compensation for the capital asset;
- (c) whether the capital asset may be transferred or disposed of for less than its fair market value, in which case the municipal council must first consider the criteria set out in regulation 13(2); and
- (d) a framework within which direct negotiations for the transfer or disposal of the capital asset must be conducted with another person, if transfer or disposal is subject to direct negotiations.

(vi) *That all legal requirements are met for disposal of land.*"

ADVERTERING

Op 2 Augustus 2019 is die aansoek in die plaaslike koerante geplaas vir publieke kommentaar.

Geen besware en/of kommentaar is ontvang voor of op 2 September 2019.

'n Skrywe is ook op 30 Julie 2019 na die volgende Departemente gestuur, naamlik: Provinsiale- en Nasionale Tesourie.

MANAGEMENT RECOMMENDATION

Seeing that there were no objections received with the public participation process,

- (i) Council approves the proposed extension of Erf 305 L'Agulhas as requested by the owner of Erf 305 L'Agulhas.
- (ii) The applicant be informed that all Town Planning and Land Surveying processes are to be submitted to Council for public notice and consideration by the Tribunal at the cost of Mr Bruwer.
- (iii) An environmental assessment be for the applicant's account, if necessary.
- (iv) A portion of land (Pondok Street) in terms of section 14(2)(a) of the Local Government: Municipal Finance Management Act is not required for the provision of the minimum level of basic services.
- (v) Council grants approval for the transfer of a portion of Pondok Street, L'Agulhas ($\pm 137\text{m}^2$) by development proposal to Mr Bruwer (OUT OF HAND SALE – for specific purpose) at an amount of **R300 000,00 [and not R1 071 428,00]** (VAT excl.) in terms of Section 11(a) and (d) of Asset Transfer Regulations of the Local Government: Municipal Finance Management Act:

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- (a) the way in which the capital asset is to be sold or disposed of;
- (b) a floor price or minimum compensation for the capital asset;
- (c) whether the capital asset may be transferred or disposed of for less than its fair market value, in which case the municipal council must first consider the criteria set out in regulation 13(2); and
- (d) a framework within which direct negotiations for the transfer or disposal of the capital asset must be conducted with another person, if transfer or disposal is subject to direct negotiations.

(vi) That all legal requirements are met for disposal of land.

RESOLUTION 173/2019

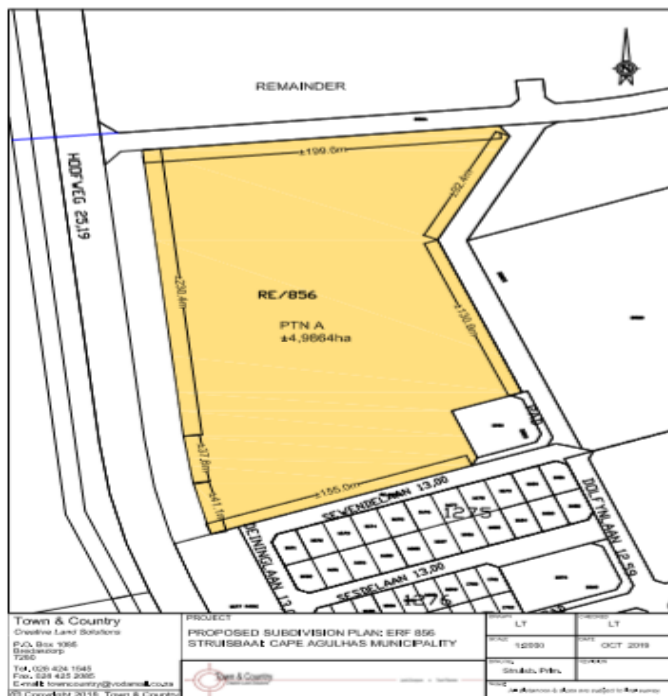
That the management recommendation be accepted as a resolution of Council.

6. GEDEELTE VAN ERF 856, STRUISBAAI (BSSB - 7/R) (WYK 5)DOEL VAN VERSLAG

Om oorweging te skenk aan die versoek van die Departement van Vervoer en Publieke Werke.

ALGEMENE INLIGTING

Bestaande sonering	:	Onbepaald
Bestaande grongebruik	:	Vakant
Bestaande oppervlakte	:	228.0319 Ha
Voorgestelde grongebruik	:	Skool
Voorgestelde grootte	:	±4.9 m ²

AGTERGROND

Op 30 April 2019 neem die Raad die volgende besluit (55/2019):

“Aangesien die eiendom nie ingevolge Art 14(2)(a) van die Plaaslike Regering: Munisipale Finansiële Bestuurswet vir die lewering van die minimum vlak van basiese dienste benodig word nie, die Raad in-beginsel-goedkeuring verleen vir die vervreemding van ‘n gedeelte van Erf 856 Struisbaai vir die gebruik daarvan vir skool doeleindes, op voorwaarde dat:

1. *Alle wetlike vereistes vir vervreemding, stadsbeplanning en boubehoer nagekom word.*
2. *Die aansoek na afhandeling van die stadsbeplanning en boubehoer prosesse weer na die Raad verwys word vir finale oorweging.*
3. *Oordrag sal plaasvind sodra alle wetlike prosesse afgehandel is.*
4. *Onderhandelings met Departement Openbare Werke in aanvang neem vir die rulling van Erf 913 en 1253, Struisbaai vir die betrokke aansoek-eiendom.”*

Op 29 September 2016 neem die Raad die volgende besluit (202/2016) ten opsigte van toekomstige ontwikkeling van die Polisiestasie in Struisbaai:

“Aangesien die eiendom nie ingevolge Art 14(2)(a) van die Plaaslike Regering: Munisipale Finansiële Bestuurswet vir die lewering van die minimum vlak van basiese dienste benodig word nie, die Raad in-beginsel-goedkeuring verleen vir die vervreemding van ‘n gedeelte van Erf 857 Struisbaai vir die gebruik daarvan vir polisiestasie doeleindes, op voorwaarde dat:

1. Alle wetlike vereistes vir vervreemding, stadsbeplanning en boubeheer nagekom word.
2. Die aansoek na afhandeling van die stadsbeplanning en boubeheer prosesse weer na die Raad verwys word vir finale oorweging.
3. Oordrag sal plaasvind sodra alle wetlike prosesse afgehandel is.
4. Die onderhandelings met Departement Openbare Werke in aanvang neem vir die ruiling van erf 1253, Struisbaai."

Op 23 Julie 2019 neem die Raad die volgende besluit (121/2019):

- (i) *Dat Raadsbesluit 55/2019 geneem op 30 April 2019 (voorwaarde 4) gedeeltelik as volg gewysig word:*

Onderhandelings met Wes-Kaap Regering in aanvang neem vir die ruiling van erf 913, Struisbaai vir die betrokke aansoekeiendom.

- (ii) *Dat voortgegaan word met die onderhandelings met Departement Openbare Werke (Republiek van Suid-Afrika) vir die ruiling van erf 1253, Struisbaai met die gedeelte van Erf 857, Struisbaai.*

Op 17 Oktober 2019 ontvang die Raad die volgende skrywe van Mnr Edwin Bath, Property Acquisitions, Department of Transport and Public Works, WESTERN CAPE GOVERNMENT:

APPLICATION TO ACQUIRE A PROPOSED PORTION OF ERF 856 STRUISBAAI FROM CAPE AGULHUS MUNICIPALITY

Our meeting on the 15th October 2019 at your offices has reference.

The Department hereby confirms its interest in acquiring a proposed Ptn of Erf 856 Struisbaai from Cape Agulhas Municipality for educational purposes.

The WCED has indicated that the current Struisbaai Primary School is due for replacement. In terms of the recommended norms for a primary school the current school site (Erf 913 Struisbaai) is considered unsuitable in terms of its extent. WCED have thus identified a proposed Portion of Erf 856 Struisbaai (approximately 4.9 Ha) as a suitable site for the replacement school to be constructed.

Considering the above the Department kindly requests that Cape Agulhas Municipality makes the proposed Portion of Erf 856 Struisbaai available for acquisition by the Provincial Government of the Western Cape for educational purposes.

We look forward to your favourable response.

WAARDASIE: GEDEELTE VAN ERF 856, STRUISBAAI

An open market value of R50 / m² is considered to be fair and realistic and will be applied to the subject property (Erf 856 Struisbaai) compounding to a value of R2 820 250, rounded to **R2 800 000 (TWO MILLION EIGHT HUNDRED THOUSAND RAND).**

9. VALUATION CERTIFICATE

VALUATION CERTIFICATE

Property description:
Erf 856 Struisbaai

I, Philip Eloff, hereby certify that I have inspected the subject property herein described, that I have no pecuniary interests in the property and that I have verified particulars contained herein, that I have valued the subject property to the best of my ability and knowledge and have found the market value of the subject property AS IS as at 26 July 2019 to be:

**R2 800 000 plus VAT
(TWO MILLION EIGHT HUNDRED THOUSAND RAND)**

WAARDASIE: ERF 913, STRUISBAAI

An open market value of R2 761 596 for the land only and R7 635 200 for the depreciated improvement value estimates are considered to be fair and realistic and will be applied to the subject property (Erf 913 Struisbaai) compounding to a value of R10 396 796, rounded to **R10 400 000 (TEN MILLION FOUR HUNDRED THOUSAND RAND).**

9. VALUATION CERTIFICATE

VALUATION CERTIFICATE

Property description:
Erf 913 Struisbaai

I, Philip Eloff, hereby certify that I have inspected the subject property herein described, that I have no pecuniary interests in the property and that I have verified particulars contained herein, that I have valued the subject property to the best of my ability and knowledge and have found the market value of the subject property AS IS as at 26 July 2019 to be:

**R10 400 000
(TEN MILLION FOUR HUNDRED THOUSAND RAND)**

FINANCIAL IMPLICATIONS

Land disposal of the site will have an income for Council.

LEGAL IMPLICATIONS

This asset of the Council is not required for the provision of the minimum level of basic services. However, the following legal requirements and community participation processes will have to be followed:

Council policy	Alienation of land
MFMA	1. Sect 14(2)(a): asset not required for minimum level of basic services. 2. Sect 14(2)(b): consider fair market value and economic and community value to be received in exchange for the asset. 3. Items in 1 and 2 only to be complied with if the asset to be transferred is a high value asset (see definition of MATR below). 4. Sect 33: Contracts having long term financial implications.
MATR	1. Definition of "high value asset": "fair market value of the capital asset exceeds any of the following amounts: a) R50 million; b) One percent of the total value of the capital assets of the municipality.... c) An amount determined by resolution of the council of the municipality which is less than (a) or (b). 2. Definition of "realisable value": fair market value less estimated costs of completion. 3. Definition of "right to use, control or manage": when granting such rights do not amount to permanent transfer or disposal. 4. Regulation 5 (decision-making). 5. Regulation 6 (public participation)
SCM Regulations SCM Policy	Regulation 40: (Disposal Management) Project for job creation, skills development, poverty alleviation and economic growth
Systems Act (public participation)	Section 21A: (1) All documents that must be made public by a municipality in terms of a requirement of this Act, the Municipal finance Management Act or other applicable legislation, must be conveyed to the local community: (a) by displaying the documents at the municipality's head and satellite offices and libraries; (b) by displaying the documents on the municipality's official website, if the municipality has a website as envisaged by section 21 B; and (c) by notifying the local community, in accordance with section 21, of the place, including website address, where detailed particulars concerning the documents can be obtained.

BESPREKING

Dit is onwaarskynlik dat die departement 'n ruiltransaksie gaan oorweeg weens die wesenlike verskil in die waardes van die eiendomme en daarom doen die departement nou aansoek vir die aankoop van 'n Gedeelte van Erf 856 Struisbaai sonder enige voorwaardes. Die moontlike gebruik van die huidige skoolerf kan later ondersoek word; of selfs om net die skoolsaal oor te neem as 'n gemeenskapsaal sou dit maklik vanaf die hoerf geskei kan word.

Dus word voorgestel dat die Departement 'n waardasie bekom. Daar moet in aggeneem word dat die erf nie vir kommersiele doeleindes gebruik gaan word nie, maar dat dit in gemeenskapsbelang deur die departement benut gaan word vir die bou van 'n nuwe laerskool.

BESTUURSAANBEVELING

- (i) Dat die Raad in beginsel geen beswaar het teen die vervreemding van 'n gedeelte van Erf 856, Struisbaai teen markverwante waardasie aan die Departement van Vervoer en Publieke Werke.
- (ii) Dat die Departement van Vervoer en Publieke Werke versoek word om van hul eie waardeerders gebruik te maak om die waardasie te bepaal.

BESLUIT 174/2019

- (i) Dat die bestuursaanbeveling as 'n besluit van die Raad aanvaar word.
- (ii) Dat, indien die waardasieprys van Departement Publieke Werke laer is as die munisipale waardasie, die aangeleentheid weer na die Raad verwys word.

7. **SITE DEVELOPMENT PLAN: ERF 848, STRUISBAAI (S848 - TRP) (WARD 5)****PURPOSE OF REPORT**

Council to consider the Site Development Plan for Erf 848, Struisbaai.

BACKGROUND

On 24 January 2018 the Authorised Official (Municipal Manager) took the following decision:

2. The Municipal Manager on 2018-01-24 approved, in whole, your application for **Rezoning of Erf 848 Struisbaai from Industry Zone to Special Zone** in terms of section 60 of the Cape Agulhas By-law on Municipal Land Use Planning, with the following development rules:

Primary use rights: Retail (restaurants and shops), hotel, flats and Parking.

Floor Factor: 1.21

Coverage: 71%

Building lines:

12.59 meter from northern seaward boundary

0 meter from southern street boundary

0 meter from eastern boundary

0 meter from western boundary

Parking:

4 bays for every 100m² of GLA (retail space)

0.8 bays per hotel room

0.8 bays per apartment (flat)

Height:

2 storeys and/or 8 meter above the highest natural ground level abutting the building.

Basement storeys are not permitted.

Rights in terms of Section 15 of the Cape Agulhas: By-Law on Municipal Land Use Planning, 2015 and Section 67 of the Cape Agulhas Integrated Zoning Scheme to use portion of the parking area south of Erf 848 Struisbaai to park vehicles required for the proposed development on Erf 848 Struisbaai.

Subject to *inter alia* the following conditions:

6. A Site Development Plan be submitted for consideration by Council and interested and affected parties for both sites (Erven 848 and 921 Struisbaai).

and

21. A service report be submitted to the Council of the Cape Agulhas Municipality. All extensions to the water and sewage networks to accommodate the proposed development will be required by the owner.

SITE DEVELOPMENT PLAN

Council received the following Site Development Plan for consideration:

ADVERTISEMENT

On 18 September 2019 the following proposal received from Messrs Abundance Trust was circulated to all interested and affected parties for comment:

Without Prejudice to our Existing Rights

SUBJECT: Renovation of ERF 848, Struisbaai

We are the new owners of ERF848, in the Struisbaai harbour precinct, where the Langezandt Quays development, has previously been approved. We have been in business a long time and have approximately 4000 supporting tour operators and facilitate over approximately 100 000 tourists a year. We are specialists in running tourism farms, game reserves, tourism information centres, tourism restaurants, tourism and hospitality businesses such as; brochure distribution businesses, tourism publications, audio visual marketing tv's in hotels and taxis, call centres, etc. We have many years experience in doing business with the largest tour operators in the world as well as with the tourism authorities such as Cape Town Tourism, Wesgro and South African Tourism and furthermore we are a strategic tourism partner to Cape Town Tourism and the City of Cape Town and influence the strategic marketing policy of tourism arrival growth with the city and its international key source markets and affiliates. We have researched the current Struisbaai and Cape Agulhas opportunities and have found that the problems facing the area and development are;

Tour operators cannot brochure the businesses because there are many guesthouses and no critical mass hotels. The average guesthouse facilitates 4-6 rooms and therefore cannot even accommodate a 7 seater Kombi bus. Nowadays tour operators use 14 seater Quantums or larger coaches needing to accommodate 44 pax.

Please note that unless the rooms are uniform in layout, quality and functionality, larger tour operators are reluctant to advertise them as they will receive complaints should one of their guests have a sea view and the other not. Furthermore, most tour operators will insist on products having at least double or triple the availability of a 44 seater coach as they spend a lot of money advertising their packages and they will not brochure an establishment that has barely enough space to sleep 44 pax, which results in them not being able to accommodate the tour operators should they have a room or 2 occupied by other guests. The second problem facing L'Agulhas is the lack of activities, which the tour operators need to make commission out of and justify their expensive marketing spend. We therefore believe that we are in an unique position to have an existing, unparalleled marketing infrastructure and client base, approved finance and that we are really in a position to create an immediate, critical mass hotel and many other associated businesses/attractions to the area such as; VIC (Visitor Information Centres) tourism, booking offices, fishing charters, boat charters, traditional "chucky" sunset cruises employing local skippers and staff, horseback and 4x4 safaris, quadbike sand dune safaris, curio shops, art galleries, wine farms, helicopters and fixed wing airplane charters, bike and beach buggy rentals, job creation rock and surf fishing guide service, etc. etc.

Our intentions are to provide facilities for the traditional, commercial, fishermen, the weekend and holiday fishermen as well as the club, boating and angling fishermen, which currently form a large amount of inbound tourism to the area. We are also planning to base approximately 4 new fishing competitions/events annually, which will be well marketed with huge incentives and prizes. This should also attract or quadruple existing, local tourism. Please note that our associated companies have been avid competitors in the annual Lilizela tourism awards.

Previous prestigious accolades included the 2015 and 2016 Provincial Award for Service Excellence, the 2014 National Imvelo Award winner for best economic impact by a large tourism establishment, as well as the 2015 National Lilizela award for sustainable development. During the 2017 and 2018 awards, we once again stood with pride as we walked away with the Provincial Lilizela award for Best Game Lodge - kicking dust in the eyes of our Western Cape counterparts. This world-renowned Western Cape Big 5 game reserve has been awarded the 2017 and 2018 Provincial Lilizela Award for Best Game Lodge. And in addition has been a finalist of the most prestigious Imvelo Responsible Tourism Awards, hosted by the National Department Of Tourism, for 3 consecutive years and winner in 2014 of the Lilizela Imvelo Award for "Best Economic Impact by a Large Tourism Establishment in South Africa: promoting the local economic development of communities for ensuring industry sustainability".

We believe we are in a unique position to put Struisbaai and L'Agulhas on the map as a tourist destination, which will bring value to all businesses and property in the area. We believe that our intention to stick to a fishing town/coastal traditional concept, should be well received by the community as opposed to an over-bulked modern concept.

We have identified several empowerment and job creation strategies to be implemented immediately and believe that our achievements, awards and track record to date, are proof of our credibility and commitment to same. The previously approved development, would have made use of the full bulk of the site, as the previous developer's intention was to build up to all four site boundaries, with an approximate bulk of 5000sqm utilizing the maximum floor factor of 1.21 over two floors, up to the maximum height allowed. In the interest of sustainable development that fits in with the scale of Struisbaai, a quaint coastal village, our vision for this site is on vastly reduced scale, with a much lower bulk figure. We first wish to renovate the existing building, which has historically been occupied by a restaurant, surf shop, and fish processing facility, and create a new restaurant, with indoor and outdoor dining areas and take away windows. We also want to add an upstairs deck, with a view over the harbour and ocean.

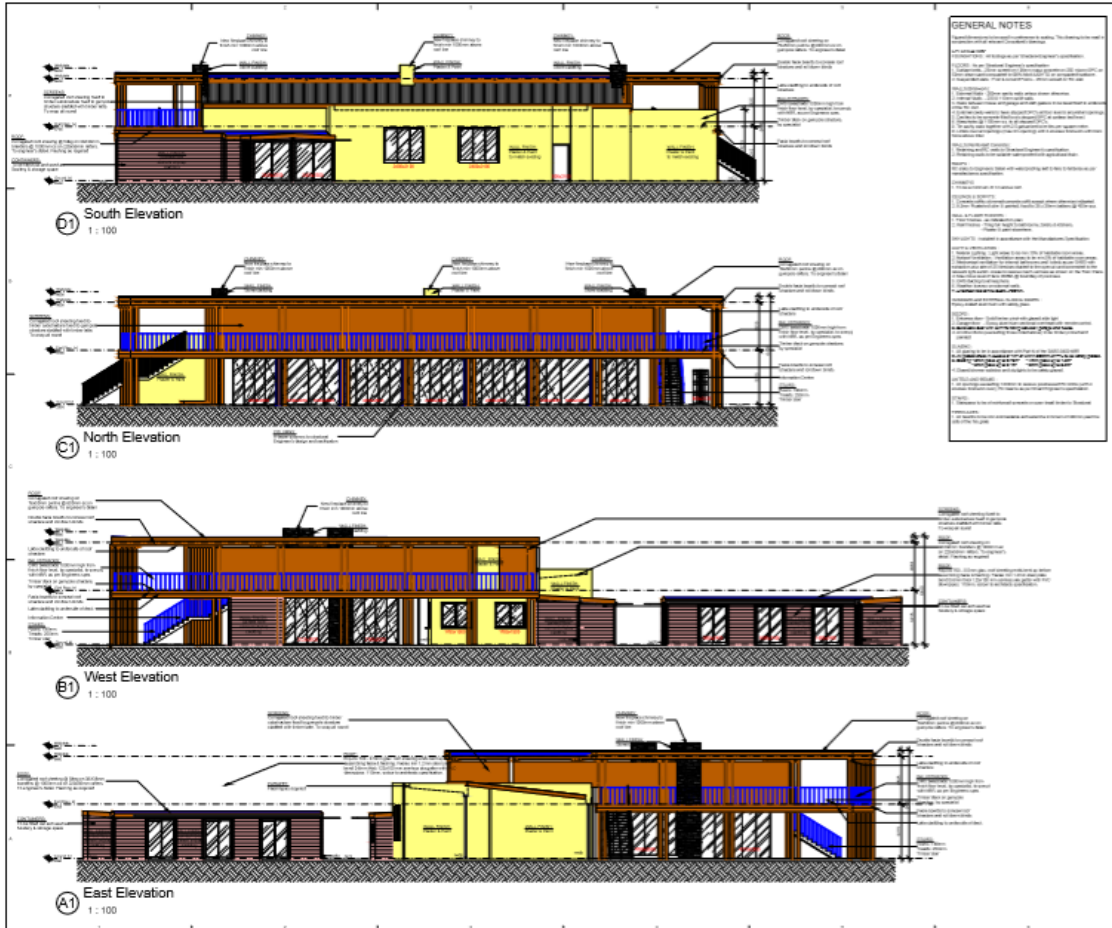
The renovation of the restaurant will result in a building with a footprint of 886sqm, an increase of 240 m² over the existing footprint of 646 m² and will be a scenic restaurant and major attraction to Struisbaai. Vertical cladded panels will be used to conceal the existing roof, as visual screening, which will improve the elevations of the building, and provide shelter from the prevailing winds. We also wish to establish a market as a tourist attraction which will empower local fishermen as well as create a much needed tourist attraction to keep the international visitor and their foreign currency spend in the area for longer, therefore creating jobs and opportunities for the local and previously disadvantaged community as well as all business owners in the area. The market will be created by placing repurposed shipping containers on site, which will be retrofitted internally to make them functional as buildings and externally with shiplap cladded elevations to render them aesthetically pleasing. During our initial renovation we only wish to install the first half of the market, which will house a fish shop, a retail shop, and a boutique wine shop as well as an ice sales area. The first half of the market will have an approximate footprint of 124 m².

The use of shipping containers is on the rise worldwide, as an eco-friendly alternative method of construction due to the low embodied energy values resulting from re-purposing used shipping containers and the speed of modular construction. It therefore avoids the noise, dust and prolonged construction period resulting from conventional brick and mortar construction thus allowing short-term as well as long-term sustainable jobs as soon as possible to capitalise on the summer season given that Struisbaai is dead in winter. The floor factor of the development once the renovation is complete and the market containers have been placed on site will be 0.34 (permissible 1.21), the coverage will be 25% (permissible 71%), we will make use of the existing municipal services, but we will be providing parking on ERF848, in order to comply with the stipulation of 0.8bays per 100m² of GLA, as it will not be possible to formalise the parking area on ERF921 before the festive season due to the time it will take to design and implement the civils required.

The design of the sewerage and bulk water infrastructure upgrades are under way, and our aim is to commence with the upgrades to the infrastructure and public parking area early in 2020. In the meantime, the existing services infrastructure will be used to accommodate the upgrades to the restaurant as well as the four shops, prior to the construction of the hotel due to start next year. Due to us having to utilise ERF848 to accommodate the requisite parking bays, before formalising the parking area on ERF921, we will be providing 52 bays on site as shown on the plans in order to comply with the approvals that have been granted. The renovation of the existing building will result in an increase in height, however this will be 3,1m below the maximum permissible height. A noise assessment report will be submitted to council. Our aim is to complete the renovation of the building and add the four container shops before December 2019.

Although it does not form part of this application, we would like to mention our ultimate vision for the site. The next part of the development, will see five more containerised shops added to the market, which will be available to rent by tenants, and the addition of a hotel. During the construction of the hotel, we will also be formalising the parking area to the south of the development, all of which will be included in the SDP for review at that time.

Due to the fact that we as the developers have to formalise the parking on ERF921 and extend the municipal service infrastructure, there is still much design required, thus making it unrealistic to complete the civils and construction works on both even before the end of this year. We will therefore be aiming to complete the hotel, and formalised public parking, early in 2020.





SIGNED UNDERTAKING BY MESSRS ABUNDANCE TRUST

26 September 2019

Without prejudice to our existing rights;

In terms of the Town Planning approval granted by the Cape Agulhas Municipality in favour of ERF848 on 24 January 2018 there are requirements contained in Annexure 1, which makes reference to, including but not limited to, the formalisation of the parking area and upgrading the public facilities on ERF921, and the upgrades required to the sewerage, and bulk water infrastructure.

Due to the extensive design work, consultation, the necessary negotiations with various stakeholders still required, and the public participation processes to be undertaken in order to realise the Municipal and Environmental requirements and stipulations, it will not be possible to complete the construction of the complete development on ERF848 and the formalisation of ERF921 before the festive season in 2019, which starts at the end of November.

We have submitted building plans on 6 September 2019 and on 23 September 2019, the former would allow us to expand the existing building, the latter will allow us to renovate the existing building on the current footprint, and if approved timeously the latter submission will allow us to trade over the festive season, in order to generate much needed revenue and secure the jobs of many staff that have been there in excess of 10 years.

As previously discussed, we as the new developers of ERF848 will utilize the approvals obtained by the previous developer, and in line with the conditions of approval, hereby undertake to formalise the parking area on ERF921, upgrade the bulk sewerage and water connections to the site and will do so as part of the larger development when we have plan approval for the hotel and buildings, during the same construction phase as the hotel and buildings. Before that can occur, the design work required, and the drafting of the service level agreement will continue, and all necessary engagements with various stakeholders will continue.

CIVIL SERVICE REPORT

Below the Civil Service Report prepared by Diaan Walters from Messrs FRAME:

1. INTRODUCTION

The owner of Erf 848 in Struisbaai appointed FRAME to assess the civil engineering services and subsequently compile a Civil Services Report for the proposed additions and alterations on the property.

This report is to be submitted as part of the Building plan for the proposed alterations.

This report provides an overview of the existing and planned civil services for the proposed upgrading of Erf 848, Struisbaai, Western Cape.

This report is based on the Site plan and Ground Floor layout as below.

- Drawing No. A_1101_rev 1 – Site plan
- Drawing No. A_1102_rev 1 – Ground Floor layout

2. DEVELOPMENT OVERVIEW

2.1. General

These buildings are located on Erf 848, Struisbaai, Western Cape. The area of the existing site is approximately 3 805 m² and consists of the following:

- Existing main Building
- Existing ablutions
- Existing brick structure
- Existing timber structure
- Existing tented structure
- Existing containers

The proposed upgrading will entail the following:

- Alterations to existing ablutions
- Alterations to existing main building

The existing main building will be utilized as a restaurant with a total GLA of 624 m².

2.1.1 Ground and subsoil conditions (Geology & Geo-hydrology)

A geotechnical investigation on Erf 848 has been undertaken by M. van Wieringen & Associates. The geotechnical report, titled Geotechnical Investigation of Erf 848 Struisbaai, is dated the 19 May 2009. This report confirms that Erf 848 is favourable for the proposed alterations. No rock was encountered during the excavation of the test pits. No geotechnical problems are foreseen for the proposed additions and alterations.

2.1.2 Vegetation: There is some vegetation on the South Western corner of the site. The proposed additions and alterations will require the removal of this vegetation to generate the necessary space for parking.

3. ENGINEERING SERVICES

3.1 Specifications and design guidelines: The local authority, Cape Agulhas Municipality, have special design requirements and criteria over-and-above that provided in the following guidelines:

- The “New Red Book” - Guidelines for Human Settlement Planning and Design.
- SABS/ SANS 1200 - South African Bureau of Standards/ South African National Standards for civil engineering construction management.
- Storm water Management - Storm water Management Planning and Design for New Developments.

3.2 Authority

The local authority is Cape Agulhas Municipality.

3.3 Existing/Proposed Bulk Services

3.3.1 Roads

The site is bounded by Hawe road along its Western Boundary and near Kus road, Beach road and Main road/R319.

The site will be accessed by vehicles from the Hawe road/Parking area to the Western side through the existing entrance. 25 New parking bays will be provided as indicated on the SDP.

3.3.2 Storm water

The site has a natural slope toward the North Western direction. Stormwater run-off flows overland over the site with no defined water course. Run-off exits the site along the Northern boundary onto the gravel parking area towards the sea.

There is no formal stormwater structure currently on the site. All building alterations are internal, and the parking area will be unsurfaced. As the proposed alterations will have negligible influence on stormwater run-off, no additional infrastructure should be required.

3.3.3 Water

The existing water connection is a 22m dia. from a 50mm water main. Domestic and Fire water design will be done in accordance with SANS:10252 utilizing the existing water connection and on-site water storage.

3.3.4 Sewer

There is currently a 5 kl conservancy tank for the ablution facilities on site and an 8 kl tank for the main building. The total ADWF is expected to be 8.0 kl/d. As such the conservancy tanks may need to be pumped on a daily basis during peak season.

3.3.5 Refuse Collection

Refuse collection with access from Hawe road to remain unchanged.

3.3.6 Development contributions

The proposed alterations will have an additional load on the existing bulk sewer infrastructure of the town. Contributions and levies will be calculated by the Cape Agulhas municipality.

COMMENTS RECEIVED

DEPARTMENT OF ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING

COMMENT: SITE DEVELOPMENT PLAN: ERF 848 STRUISBAAI

1. The abovementioned application dated 18 September 2019, refers.
2. This Directorate has no comment in respect of the Site Development Plan for the restaurant and shops on the property.
3. The above comment is based on the information provided. This Directorate reserves the right to amend its comment, should any additional or new information be obtained.

OVERBERG DISTRICT MUNICIPALITY

The Overberg District Municipality's department of Environmental Management Services have no objection towards to proposed development:

- The development falls within an existing development footprint for which approval was granted;
- The proposed development aligns with the Overberg District Municipality Regional Economic Development and Tourism Study (2018 – 2028)- Strategic objective 4; and
- The development is situated behind the long, medium, short term risk zone in terms of the Overberg Coastal Management Lines.

ENVIRONMENTAL SAFETY

Daar is geen beswaar teen die ontwikkeling uit 'n Munisipale gesondheids oogpunt nie.

Alle fisiese en strukturele gesondheidsvereistes soos deur die betrokke voedselwetgewing vir voedselpersele bepaal, moet steeds nagekom word.

Daar moet egter gelet word op die ontwikkeling van die parkeerarea op erf 921. Groot getalle bote parkeer op die betrokke area. Bote laai ook hulle vangste op die area af. Dit het tot gevolg dat bloedwater en oorblywende aas op die grond teenwoordig is. Voorgenoemde veroorsaak dan slegte reuke en die ontstaan van 'n gesondheidsoorlas vir veral omliggende eienaars.

In die lig van bogenoemde word daar versoek dat hierdie aspek in gedagte gehou word met die ontwikkeling van die parkeerarea (Helling vlakke na dreineringskanale, beskikbare water ens.)

DIRECTOR: INFRASTRUCTURE SERVICES

Site Development Plan noted.

A Service Level Agreement for installation of services needs to be concluded with the developers of ERF 848 before any work commences.

MANAGER: PUBLIC WORKS

SAL 'N AANWINS WEES.GEEN PROBLEEM NIE. PUBLIEKE ABLUSIE GERIEWE MOET BESKIKBAAR WEES.

MANAGER: ELECTRICAL SERVICES

The development will have to size the bulk supply required for the development and request such from the Municipality who will then ascertain availability of demand requirements and quote accordingly.

MANAGER: HUMAN SETTLEMENT

No comment.

DIRECTOR: FINANCIAL SERVICES

Ontwikkeling word ondersteun.

DIVISIONAL HEAD: STRATEGIC SERVICES

A trading area will most certainly benefit the local economy, but must be looked at holistically together with the current investigations of the Duiker Street Precinct and Struisbaai Square.

MANAGER: WATER AND SEWER

This development will put further strain on the already over utilized water infrastructure in the area. The water and sewer master plan must be consulted to evaluate if the current infrastructure can accommodate this development.

MANAGER: PROPERTY ADMINISTRATION

Ontwikkeling word ondersteun

DIRECTOR: MANAGEMENT SERVICES

See comments of Myburgh and Saptou

MANAGER: WASTE DISPOSAL

Huidiglik geen invloed op Vaste Afvalbestuur.

MANAGEMENT RECOMMENDATION

- (i) That the owner / developer of erf 848, Struisbaai adhere to all other rezoning conditions.
- (ii) That Council approves the Site Development Plan:

PROJ TITLE: ZA_CatchCook			
PROJ DESCRIP: Additional & Alterations			
ERF: 848			
LOCATION: Struisbaai			
CLIENT: Abundance Trust			
(LA Plan)_Site Plan			
DRAWING			
As indicated		08/20/19	
SCALE		DATE	
CB	WS		
DRAWN	CHECKED	SIGNED	
0001	LA	A_1101	1
PROJ. NO.	WKSTG	DRAWING NO.	REV

- (iii) That a Service Level Agreement for installation of services be signed with the developers of Erf 848 before any work commences.

RESOLUTION 175/2019

That the management recommendation be accepted as a resolution of Council.

8. **BOULYNE VIR HOP EN SUB-EKONOMIESE BEHUISING (15/5/R- BSSB) (ALLE WYKE)**

DOEL VAN VERSLAG

Dat die Raad die afwyking van boulyne vir lae- en sub ekonomiese behuising oorweeg.

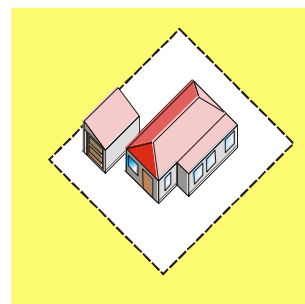
STATUS QUO

Die Kaap Agulhas Ge-integreerde Soneringskema maak voorsien vir die volgende grondgebruike vir Enkel Woonsone behuising:

SINGLE RESIDENTIAL

Designation

The Single Residential Zone may be referred to by the code “SR” and must be indicated on a zoning map in yellow.



Purpose of the zone

The purpose of the single residential zone is:

- (a) to ensure healthy, safe and pleasant living conditions for single families living in separate dwelling units, and
- (b) to allow for limited opportunities for home-based economic activity, provided that the general character and amenity of the zone is not adversely affected.

Policy guidelines

- (a) In considering applications for consent uses, the Municipality must refer to all approved Spatial Development Framework and other statutory plans, to ensure that these uses are appropriately located.
- (b) Informal housing is not permitted in this zone. Informal housing will be provided for in the Incremental Housing zone as well as an overlay zone to facilitate the rezoning of those areas to this zone once the informal housing complies with the parameters of formal housing.

Land use within zone

1. The following uses are allowed in this zone:

Primary uses	Consent uses
<ul style="list-style-type: none"> • Dwelling house • Occupational practice • Second dwelling unit • Urban agriculture 	<ul style="list-style-type: none"> • Day care centre • Guest accommodation • Double dwelling house • House shop • House tavern

2. The Municipality may allow the use of a dwelling house or dwelling unit for overnight accommodation for transient guests, provided that such use does not cause an undue disturbance to the neighbourhood. The continued use of the property for self-catering accommodation will be subject to the approval of the Municipality in the case of complaints being received by the Municipality about the manner in which these rights are exercised, and the Municipality may revoke such rights at its discretion, or alternatively, set conditions to control the use of the property for self-catering accommodation.

Development rules

1. The following development rules apply to buildings in this zone:

Net erf size	Maximum coverage	Maximum height	Street building line		Lateral building lines			Rear building lines
Less than or equal to 150m ²	80%	8m from highest point of the natural ground level immediately adjacent to the building provided that if the building is situated on a slope it may at no point exceed 10 m when measured from the natural ground level immediately adjacent to that point.	1,0m		Average width* of less than 13m: 1,0m from one lateral boundary and zero from the other	Average width of 13m – 20m: 1,5m	Average width of more than 20m: 2,0m	1,0m
Greater than 150m ² but not more than 250m ²	75%		2,0m					2,0m
Greater than 250m ² but not more than 500m ²	60%		2,5m					2,0m
Greater than 500m ²	50%		Average depth of less than 20m: 3,0m	Average depth of 20m or more: 4,0m				Average width of less than 20m: 1,5m

2. For outbuildings used for the storage of vehicles the lateral and rear building lines are 1,5m, where the provisions above are more restrictive.

Building line

Notwithstanding Regulation 0, a 5,0m street building line is required where the street boundary abuts a declared road.

Minimum subdivision area

A zoning map may designate areas within this zone within which subdivisions will not be permitted unless the net area of each land unit created by the subdivision and any remainder, to be zoned as Single Residential, is not less than a minimum size specified in the zoning map.

Maximum density

1. A zoning map may designate areas within this zone within which a maximum density is specified for a land unit, area or precinct and no development that will result in this maximum density being exceeded, will be authorised.
2. No land owner or occupier of land may exceed the maximum density specified in a zoning map.

Window and door placement

1. Any wall of a building which contains a window or door facing directly onto a lateral or rear boundary, shall be placed a distance of at least 1,0 m away from that boundary.
2. In addition to Sub-regulation (1), regulations related to fire protection as promulgated by the National Building Regulations and Building Standards Act, 1977 (Act 103 of 1997) as amended, will be applicable.

Rainwater harvesting

1. The Municipality may require a person who applies for land to be zoned or rezoned into this zone to undertake rainwater harvesting to the satisfaction of the Municipality.
2. If the Municipality imposes a condition in respect of rainwater harvesting, it:
 - (a) must approve the placement of the storage facility; and
 - (b) may require the screening of such facilities to its satisfaction.

* The average width of the property is calculated by adding the length of the street boundary and the rear boundary and dividing it by two.

Renewable energy

The Municipality may require a person who applies for land to be zoned or rezoned to this zone to use renewable energy sources in the development and use of the property, such as solar water heating, or to install devices designed to conserve energy in the use of the property to the satisfaction of the Municipality.

BESPREKING

Baie van die inwoners / eienaars van die lae- en sub ekonomiese behuising binne Kaap Agulhas Munisipale Area vind dit uiters moeilik om te voldoen aan die huidige skemaregulasies wanneer dit kom by die vergroting of aanbou van hul woonhuise; aangesien van die wonings meeste van die tyd alreeds binne die boulyne opgerig is. Die Raad word nou versoek om die vergroting van woonhuise in lae- en subekonomiese behuisingsareas te ondersteun binne bogenoemde grondgebruikriglyne, maar in die geval waar die woonhuis alreeds binne die boulyne is - dan daardie spesifieke boulyn te mag handhaaf.

BESTUURSAANBEVELING

Dat die Raad die afwyking van boulyne in lae- en sub ekonomiese behuisingsareas goedkeur binne die riglyne van die Kaap Agulhas Geïntegreerde Soneringskema en ook in lyn met die bestaande woonhuis, in die gevalle waar die woonhuis alreeds die grondgebruikriglyne oorskry.

BESLUIT 176/2019

- (i) Dat die bestuursaanbeveling as 'n besluit van die Raad aanvaar word.
- (ii) Dat die afwyking van boulyne slegs sal geld vir konvensionele boumetodes en nie vir tydelike-/houtstrukture nie.

9. **HERROEP VAN RAADSBESLUIT: VERVREEMDING - GEDEELTE ERF 513, NAPIER (BSSB - N513) (WYK 1)**

DOEL VAN VERSLAG

Dat Raadsbesluit 154/2019 herroep word.

AGTERGROND

Op 1 Oktober 2019 neem die Raad die volgende besluit (154/2019):

- (i) *Dat die Raad kennis neem dat die voornemende kooptransaksie gekanselleer is.*
- (ii) *Dat die vorige Raadsbesluit herroep word en die koopkontrak gekanselleer word.*
- (iii) *Dat die bedrag van R10 000,00 aan Nephzibah Assembly, Napier terug betaal word.*
- (iv) *Dat die genoemde erf per tender/publieke veiling verkoop word.*

Op 24 Oktober 2019 ontvang die Raad die volgende selfverduidelikende skrywe van Hephzibah Assembly Church

We as the Executive Council of Hephzibah Assembly Church would like to request Cape Agulhas Municipality for an urgent withdrawal of the cancellation of the Sale Agreement of ERF 513 Napier between Hephzibah Assembly Church and Cape Agulhas Municipality, for ease of reference see attached letter to LBF Attorneys.

This withdrawal of the cancellation will help the church to continue with the vision for Napier, e.g., assisting the community with their current drug problems in providing counselling and attending to the needs of the youth, children and elderly.

We appreciate your cooperation in this regard as well as assisting the church to improve and better our communities.

Skrywe van Hephzibah Assembly Church aan Mnre LBF Prokureurs

Mr/Ms.

We as the Executive Council of Hephzibah Assembly Church, hereby notify you as the Attorneys that Wilhelmina Adams ID No: (5009180066082) left the Church during 2017, and is no longer a member of the church as well as a Representative (Proxy) of the church in Napier.

The Representative replacing Mrs. Wilhelmina Adams (5009180066082) is Mrs. Felicity October (7009130162088), residing at 29 Joseph Street Napier 7270.

During the cancellation of the Sale of Agreement of ERF 513 in Napier between Hephzibah Assembly Church and the Cape Agulhas Municipality in Bredasdorp, the church never gave permission to Luttig, Badenhorst & Fourie Attorneys to cancel the Sale of Agreement of ERF 513 in Napier on behalf of the church.

So, henceforth, all communications, discussions as well as interaction concerning the church to be communicated to our Representative- Mrs. Felicity October (700913962088) or Mr. Eddie Potberg (060 485 8533).

Thanking you,
Yours Faithfully
Apostle Henry Moleling
073 414 0421

BESTUURSAANBEVELING

- (i) Dat Raadsbesluit 154/2019 geneem op 1 Oktober 2019 herroep word.
- (ii) Dat alle vorige besluite geneem is ten opsigte van die vervreemding van 'n Gedeelte van Erf 513, Napier aan Hephzibah Assembly Church herbekragtig word.

BESLUIT 177/2019

Dat die bestuursaanbeveling as 'n besluit van die Raad aanvaar word.

10. **VERSOEK OM KAAP AGULHAS MUNISIPALE KANTORE OP SEKERE DAE BINNE KERSSEISOEN TE SLUIT**

DOEL VAN VERSLAG

Om oorweging te skenk om Raadskantore op sekere dae binne die Kersseisoen te sluit.

AGTERGROND

Kaap Agulhas Munisipaliteit se kantore was die afgelope aantal jare slegs tot 13:00 op 24 Desember oop.

'n Versoek deur die Plaaslike Arbeidsforum word aan die Raad gerig om goedkeuring te verleen dat alle kantore binne Kaap Agulhas Munisipaliteit vanaf **Dinsdag, 24 Desember 2019 om 13:00 tot Vrydag 3 Januarie 2020** gesluit word.

Alle bystand personeel sal steeds op diens wees, asook alle nood-funksies. Telefoniese navrae sal steeds deur die Bystandpersoneel hanteer word. Voorafkennisgewings en ander kommunikasie metodes (SMS, Facebook, Twitter, Webtuiste) sal gebruik word om die publiek dienooreenkomstig in te lig.

Daar is verskeie betaalpunte wat vir die publiek beskikbaar sal wees waar rekeninge betaal kan word, naamlik:

- Bredasdorp: Checkers, Poskantoor, Spar
- Napier: OK
- Struisbaai: Oord
- L'Agulhas: Oord
- Waenhuiskrans: Oord
- Klipdale: Poskantoor
- Proteem: Poskantoor
- Internet en Direkte Bank Inbetalings

BESTUURSAANBEVELING

- (i) Dat alle kantore van Kaap Agulhas Munisipaliteit vanaf **Dinsdag 24 Desember 2019** om **13:00** tot **Vrydag 3 Januarie 2020** gesluit word (5 werksdae).
- (ii) Dat die Raad **2.5 dae** as erkenning aan die personeel toestaan en dat die personeel **2.5 dae** jaarlikse verlof insit.
- (iii) Dat alle kantore op **Maandag 6 Januarie 2020** oop sal wees vir die publiek.
- (iv) Dat vooraf kennisgewings en ander kommunikasie metodes (SMS, Facebook, Twitter, Webtuiste) gebruik sal word om die publiek dienooreenkomstig in te lig.
- (v) Dat alle buitendienste sal voortgaan soos geskeduleer.
- (vi) Dat telefoniese navrae steeds deur die Bystandpersoneel hanteer sal word.

BESLUIT 178/2019

Dat die bestuursaanbeveling as 'n besluit van die Raad aanvaar word.

11. **REVISED BUSINESS CONTINUITY FRAMEWORK 2019/2020**

REPORT BY THE DIVISION HEAD: STRATEGIC PLANNING AND ADMINISTRATION

PURPOSE OF REPORT

To submit the revised 2019/20 Business Continuity Framework to Council for approval. The Business Continuity Framework of the Cape Agulhas Municipality consists of four interrelated sections namely; the Business Continuity Committee, Business Impact Analysis, Business Continuity Plan, Quality Assurance and the Business Continuity Plan itself. The scope of this Business Continuity Plan is limited as detailed contingency plans are in place for various eventualities, such as the Disaster Management Plan, Departmental Plans and IT DR Plans etc.

Annexure A : Business Continuity Framework (*attached on page 1 to 27*)

LEGAL FRAMEWORK

Although not a legal requirement at this stage, Province expects of us to have a Business Continuity plan in place.

PERSONNEL IMPLICATIONS

The Business Continuity Plan will activate during and immediately after a major business disruption. All Municipal departments are expected to implement preventive measures whenever possible to minimise operational failure and to recover as rapidly as possible when a failure occurs. This framework must further be developed by the managers themselves to ensure its relevance to their departments and its eventual use in developing their department specific business continuity plans.

Proper response to a disruption for the Municipality requires teams to lead and support Business Continuity operations. Team members are selected from trained and experienced personnel who are knowledgeable about their responsibilities. The duties and responsibilities for each team are defined, including the team members and authority structure, the specific team tasks, members' roles and responsibilities, creation of contact lists and identifying alternate members.

FINANCIAL IMPLICATIONS

- Business Continuity Plan - Contingency Plans
- Business Continuity exercises and tests

DISCUSSION

The Business Continuity Framework was initially approved by council in May 2017. The Business Continuity Framework was revised and updated in April 2019 together with the ICT Business Impact Analysis. On the 3rd of October 2019, a workshop was conducted to revise the framework. One of the key aims of the revision was to make what was previously a more district based document more applicable to Cape Agulhas Municipality. The framework was then submitted to FARMCO on 12 October 2019 and the Audit Committee on 16 October 2019, who recommended that it be approved by Council.

The purpose of a Business Continuity Framework is to prepare the Municipality in the event of extended service outages caused by factors beyond our control (e.g. natural disasters, man-made events) and to restore services to the widest extent possible in a minimum time frame. Instead of focusing on resuming a business after critical operations have ceased, or recovering after a disaster, a business continuity framework endeavours to ensure that critical operations continue to be available.

MANAGEMENT RECOMMENDATION

That the 2019/20 Cape Agulhas Municipality Business Continuity Framework be approved.

RESOLUTION 179/2019

That the management recommendation be accepted as a resolution of Council.

12. **QUARTERLY PERFORMANCE REPORT FOR THE QUARTER 1 JULY 2019 TO 30 SEPTEMBER 2019**

PURPOSE

The purpose of this report is to present the quarterly performance report of the Municipality for the first quarter of the financial year (1 July 2019 - 30 September 2019). The report is attached as annexure on **page 28 to 54**.

LEGISLATIVE FRAMEWORK

This Performance Report is submitted in compliance with MFMA Circular 13 which requires the Municipality to report quarterly on its Service Delivery Budget Implementation Plan (SDBIP).

This report must be read in conjunction with the Quarterly Budget Report which is submitted to Council in terms of Section 52(d) of the Municipal Finance Management Act, which requires the Mayor to within 30 days of the end of each quarter; submit a report to Council on the implementation of the budget and the financial state of affairs of the Municipality.

PERFORMANCE FRAMEWORK AND MONITORING

The Executive Mayor approved the Top Layer SDBIP for 2019/20 on 21 June 2019. The SDBIP is a layered plan comprising a Top Layer SDBIP and Departmental SDBIPs.

Performance reporting on the top layer SDBIP is done to the Council on a quarterly, half yearly (Mid-year Budget and Performance Assessment Report) and annual basis (Annual Report).

Any amendments to the Top Layer SDBIP must be approved by Council following the submission of the Mid-year Budget and Performance Assessment Report and the approval of the adjustment budget.

MANAGEMENT RECOMMENDATION

- (i) That the quarterly performance report for the quarter (1 July 2019 to 30 September 2019) be noted.
- (ii) That this report be read in conjunction with the Quarterly Budget Report which is submitted to Council in terms of Section 52(d) of the Municipal Finance Management Act, Act 56 of 2003.

RESOLUTION 180/2019

That the management recommendation be accepted as a resolution of Council.

13. **VERSLAG: VOLHOUBAARHED VAN VAKANSIEOORDE BINNE KAAP AGULHAS MUNISIPALITEIT**

DOEL VAN VERSLAG

Om die Raad terugvoer te gee insake die finansiële volhoubaarheid van die vankansieoorde vir oorweging en kennisname.

AGTERGROND

'n Verslag was gedurende April 2019 aan die Raad voorgelê wat meerendeels gebaseer was op slegs een finansiële jaar se inligting en is versoek dat die verslag uitgebrei word ten einde die finansiële volhoubaarheid oor die afgelope aantal jare te kan evalueer, insluitende die okkupasie syfer oor 'n tydperk van een jaar met betrekking tot die onderskeie oorde in die Kaap Agulhas area. Die verslag deur Siyanda Business Solutions word hierby aangeheg vir die Raad se kennisname en oorweging.

Die Munisipale Bestuurder in konsultasie met die Direkteur Finansies die volgende aanbeveel:

BESTUURSAANBEVELING

Die Raad neem kennis van die verslag insake die finansiële volhoubaarheid van die vakansieoorde in die Kaap Agulhas area.

BESLUIT 181/2019

- (i) Dat die bestuursaanbeveling as 'n besluit van die Raad aanvaar word.
- (ii) Dat die verslag gewerkswinkel word as deel van die begrotingsproses vir 2020/21.

14. **UITSTAANDE ERFBELASTING: MORAWIESE KERK, ELIM**

DOEL VAN VERSLAG

Vir die Raad om oorweging te skenk vir goedkeuring van die Memorandum van Verstandhouding met die Elim Opsienersraad asook die bedrag vir afskrywing ten opsigte van erwe 237, Elim en 203, Spanjaardskloof.

'n Vergadering was belê met die Opsienersraad van Elim op 17 Oktober 2019 ten einde die raamwerk en beginsels vir die opstel van 'n Memorandum van Verstandhouding tussen die twee partye te bespreek vir finale voorlegging aan die Raad vir oorweging.

Die konsep Memorandum van Verstandhouding is beskikbaar gestel aan die Opsienersraad van Elim en is aangedui dat hul tevrede is met die bepalings / vereistes soos vervat in die memorandum. 'n Afskrif van die konsep memorandum van verstandhouding is aangeheg as bylaag tot hierdie verslag.

Die totale regstelling en gepaardgaande afskrywing van rentes / oorhandigingskoste met die herberekening van die erfbelasting ("Multi Purpose" beginsel) ten opsigte van erwe 237, Elim en 203, Spanjaardskloof sedert Julie 2012 bedrae as volg:

Erf 237, Elim	R 573 654,17
Erf 203, Spanjaardskloof	<u>R 631 027,22</u>

Totale bedrag vir afskrywing: R1 204 981,39

(Raadsheer Jantjies nie teenwoordig tydens bespreking van die aangeleentheid nie.)

Die Munisipale Bestuurder in konsultasie met die Direkteur: Finansies beveel die volgende aan:

BESTUURSAANBEVELING

- (i) Dat die Raad oorweging skenk aan die goedkeuring van die Memorandum van Verstandhouding met die Opsienersraad van Elim insake die afbetaling van herberekende erfbelasting sedert Julie 2012 asook die afskryf van rente op agterstallige rekening/oorhandigingskoste ten opsigte van Erf 237, Elim en Erf 203, Spanjaardskloof ten bedrae van R1 204 981,39.
- (ii) Die Raad oorweging skenk aan die versoek van die Opsienersraad vir die oorbetalings van die gratis dienste met effek 1 Julie 2019 in terme van die nuwe Deernisbeleid riglyne onderhewig aan voorwaardes soos vasgestel in die Memorandum van Verstandhouding.
- (iii) Onderhewig aan punt (i) en (ii), die addisionele bydraes aan Elim aangepas word met die aansuiweringsbegroting vir 2019/20 met 'n geraamde koste van R47 000,00 per maand.

BESLUIT 182/2019

- (i) Dat die bestuursaanbeveling as 'n besluit van die Raad aanvaar word.
- (ii) Dat die Munisipale Bestuurder gemagtig word om die Memorandum van Verstandhouding namens die Raad te onderteken.

15. **DRAFT BY-LAW RULES OF ORDER**

PURPOSE OF REPORT

For council to consider the draft by-law: Rules of Order for acceptance as a by-law for the municipality.

BACKGROUND

Attached as annexure find a draft by-law: Rules of Order for meetings of council and committees. The rules were developed by the Western Cape Department of Local Government on request from the majority of the municipalities within the province in an effort to ensure conformity and common implementation, emanating from a number of issues with rules and the implementation and interpretation thereof by the various councillors, including Speakers, in some councils.

DISCUSSION

The draft by-law does not differ much from the current by-law of council but it does give clarity and will assist greatly in maintaining order and decorum at council meetings and may also assist the Mayor and Chairpersons of Committees, as that, when it is accepted by council, it will also have to be observed and implemented in these platforms.

The draft is also quite clear on how to maintain discipline in council meetings and speaks to issues of points of order, motions of no confidence and specific sanctions which is silent in our current rules.

LEGAL IMPLICATIONS

Once the by-law has been accepted by council it needs to be advertised in the Provincial Gazette, afterwhich it will become enforceable as a law of Cape Agulhas Municipality.

FINANCIAL IMPLICATIONS

No direct financial implications except for the advertising costs which are fully budgeted for.

PERSONNEL IMPLICATIONS

No direct personnel implications.

MANAGEMENT RECOMMENDATION

- (i) That Council accepts the draft by-law.
- (ii) That a workshop be held with council before the final draft is published as required.

RESOLUTION 183/2019

That the management recommendation be accepted as a resolution of Council.

16. **OORWEGING VAN AANSOEKE OM DONASIES (5/18/1 - MB)**

DOEL VAN VERSLAG

Om die aansoeke om donasies wat in terme van die Donasiebeleid ontvang is te oorweeg.

AGTERGROND

Aansoeke om donasies in terme van die Raad se Donasiebeleid is soos per aangehegte skedule gedoen (volledige aansoeke is beskikbaar by mnr Dawid van Wyk).

Die voorwaardes en terme waaraan die aansoeker moet voldoen is as volg. Genoemde voorwaardes en termes het as kennisgewing gedien waarmee voornemende aansoekers uitgenooi was om aansoek te doen vir die donasies:

- (i) Alle donasies sal onderhewig wees aan die bepalings soos uiteengesit in Artikel 67 van die Munisipale Finansiële Bestuurswet (MFMA), Wet 56 van 2003.
- (ii) Die Raad bewillig jaarliks, binne sy finansiële vermoë, 'n globale bedrag vir die toekenning van donasies.
- (iii) Skriftelik gemotiveerde aansoeke vir donasies wat voldoen aan die voorskrifte soos bepaal in artikel 67 van die MFMA, moet jaarliks voor einde September van die betrokke boekjaar ingedien word.
- (iv) Alle aansoeke ontvang tot en met einde September van elke betrokke boekjaar, sal gelyktydig oorweeg word vir organisasies wie se doelstellings en aktiwiteite versoenbaar is met daardie magte wat aan die munisipaliteit verleen is.
- (v) Donasies sal binne die begrote bedrag en volgens die Raad se uitsluitlike diskresie, slegs aan nie-winsgewende organisasies/instellings (welsyns-, diens-, liefdadigheidsorganisasies en opvoedkundige instellings) gemaak word.
- (vi) Donasies sal slegs toegeken word aan organisasies/instellings wat binne die regsgebied van Munisipaliteit Kaap Agulhas opereer.

- (vii) Slegs monitêre donasies sal toegeken word ter wille van deursigtigheid en om te verhoed dat nie-finansiële donasies ongelyke behandeling tot gevolg het.
- (viii) 'n Afskrif van u organisasie se jongste finansiële jaarstate moet die Aansoek vergesel.

FINANSIËLE IMPLIKASIES

R130 000,00 is begroot vir die 2019/2020 boekjaar (01/2010/200/001). Daar is 33 instansies wat in terme van die Raad se Donasiebeleid kwalifiseer en wat elk dus R3 900,00 kan ontvang.

BESTUURSAANBEVELING

- (i) Dat die Raad die volgende aansoeke oorweeg:
 1. Kindersorg : Liefdesnessie Dienssentrum
 2. Kindersorg : Suiderster Bejaarde Klub
 3. Kindersorg : Bredasdorp
 4. Kindersorg : Nompumelelo
 5. Kindersorg : Lesedi Educare
 6. Kindersorg : Kaap Agulhas Tuisversorging
 7. Kindersorg : Kammaland Versorgingsoord
 8. Kindersorg : Emmanuel Dienssentrum
 9. Kindersorg ; Nuwerus Nasorg en Jeugsentrum
 10. Kindersorg : Napier
 11. Kindersorg : Haasbekkies
 12. ACVV
 13. ACVV : Ons Huis
 14. ACVV : Suideroord
 15. ACVV : Dienssentrum
 16. ACVV : Strandlopertjie Dienssentrum
 17. Bredasdorp Gesondheid en Welsynskomitee
 18. Huis Klippedrift
 19. Babbel en Krabbel
 20. Wieggel en Waggel
 21. Lions Klub Bredasdorp
 22. Bredasdorp Muurbalklub
 23. Bredasdorp Voeding en Ontwikkelingsentrum
 24. Arniston Philanthropists
 25. Otto du Plessis Fasiliteitraad
 26. Kaap Agulhas Noodspens (NG Kerk Bredasdorp)
 27. Bredasdorp Blomskool
 28. Hilltop
 29. Radio Overberg - Projek Omgee
 30. Napier Rolbalklub
 31. Bredasdorp Rangers Rugbyklub
 32. Struisbaai Community Veterinary Clinic
 33. Shiloam Ministries
- (ii) Dat die Raad moet kennis neem dat dit in die verlede praktyk was dat toekennings aan instansies gemaak is ongeag of hulle oor finansiële state beskik het al dan nie. Die voorlegging van 'n bankstaat was voldoende.
- (iii) Dat die Raad dit moet oorweeg om die Donasiebeleid te hersien ten einde instansies wat nie oor finansiële state beskik nie, wel te kan akkommodeer.
- (iv) Dat die Raad kennis neem dat kerke nie kwalifiseer vir donasies nie, maar dat Shiloam Ministries (no. 33) 'n geregistreerde NPO is en dat hulle verskeie gemeenskapsprojekte bedryf.

BESLUIT 184/2019

Dat die bestuursaanbeveling as 'n besluit van die Raad aanvaar word.

17. **VIREMENTS / ADJUSTMENT MOTOR VEHICLES BUDGET (VARIOUS DEPARTMENTS)****PURPOSE OF THE REPORT**

For Council to consider and approved the required Virement and Adjustments to the Capital Budget for vehicles to enable to the procurement of the capital items and the inclusion of these virements as part of the Adjustment budget report to Council in January 2020.

BACKGROUND INFORMATION

The municipal Council approved the Budget and virement policy with the approval of the Final budget during May 2019.

The Budget and Virement Policy section 10(k) - Budget transfers and virements reads as follows:

"Virement limits on the amount of funds that may be moved to and from votes and sub-votes may not exceed ten (10%) per cent of the budget unless approved by council and incorporated as part of the adjustment budget."

As per the municipal Service Delivery and Budget Implementation Plan (SDBIP) various capital items was budgeted for as part of the approved budget. The municipality approves the following capital items in terms of vehicles:

Table 1: Approved budget for vehicles 2019/20

COST CENTRE DESCRIPTION	mSCOA CONFIG	DESCRIPTION	FULL YEAR BUDGET
Protective Services	74020060101	Replacement LDV (Environmental Protection)	265 000,00
Protective Services	74021060102	Vehicles x1 Sedan Replacement (Traffic/Law Enforcement)	200 000,00
Water: Distribution	75020121012	Replacement LDV CS15640	270 000,00
Water: Distribution	75020121013	Replacement LDV CS15643	270 000,00
Water: Distribution	75020121014	Replacement LDV CS4580	270 000,00
Sewerage Services	75030060002	Sewerage Truck	1 500 000,00
			2 775 000,00

The administration hereby requested that the following virements be approved in order to ensure procuring of the budgeted items as per the municipal Supply chain policy and processes.

Proposed virements requested as follows:**Table 2:**

COST CENTRE DESCRIPTION	mSCOA CONFIG	DESCRIPTION	FULL YEAR BUDGET	Proposed virement	AMENDED BUDGET
Protective Services	74020060101	Replacement LDV (Environmental Protection)	265 000,00	- 22 000,00	243 000,00
Protective Services	74021060102	Vehicles x1 Sedan Replacement (Traffic/Law Enforcement)	200 000,00	22 000,00	222 000,00
Water: Distribution	75020121012	Replacement LDV CS15640	270 000,00	21 000,00	291 000,00
Water: Distribution	75020121013	Replacement LDV CS15643	270 000,00	21 000,00	291 000,00
Water: Distribution	75020121014	Replacement LDV CS4580	270 000,00	21 000,00	291 000,00
Sewerage Services	75030060002	Sewerage Truck	1 500 000,00	- 63 000,00	1 437 000,00
			2 775 000,00	-	2 775 000,00

LEGAL IMPLICATION

Non-compliance if not adhere to the prescripts as stipulated per above mentioned legislation.

FINANCIAL IMPLICATION

In terms of the proposed virements requested by the user department the municipality will utilized savings within the Capital votes to accommodate the shortfall of funds under other capital items. The financial impact of the virements will be **zero** on the overall Vehicles budgeted as well as the Capital budget.

The effect of not processing the above virements as requested can result in the municipality needed to implement a new SCM procurement process and this can also significantly impact on service delivery due to the operational requirements and needs of the capital items.

MANAGEMENT RECOMMENDATION

The Municipal Manager, in consultation with the Director: Finance, recommends as follows:

- (i) Council approves the virements as proposed in Table 2 as per above explanations.
- (ii) These changes in terms of the virements be processed on the financial system to enable procuring of the vehicles.
- (iii) These amendments be included as part of the Adjustment budget to be tabled to Council with the Mid-year budget review process in January 2020.

RESOLUTION 185/2019

That the management recommendation be accepted as a resolution of Council.

18. **RATINGS AFRICA: MUNICIPAL FINANCIAL SUSTAINABILITY INDEX REPORT**

PURPOSE OF REPORT

The municipality appointed Ratings Africa to evaluate a number of financial and related components of the municipality based on the Municipal Financial Sustainability Index (MFSI) model. The main purpose of this item is to provide the Council feedback for further intervention and discussion during the Strategic worksessions aligned with the Long Term Financial Plan recommendations.

BACKGROUND

The main objective of the analysis is to improve long-term financial sustainability which enable the municipality to increase its spending on infrastructure development and to expand service delivery. This report also enable the municipality to compare our municipality with its peers.

Some of the major benefits from the report can be summarise as follows:

1. It is an independent analysis of the municipalaity's financial sustainability and is unique in the South African context.
2. Reflects the financial capacity to invest in infrastructure required to improve and to expand service delivery.
3. An excellent benchmarking tool to compare with the municipality's peers on a stand-alone basis.
4. Assist municipalities in improving its position markedly even sometimes in difficult positions.
5. Provides oversight of the trend of financial sustainability over a five year period.
6. Sound risk management tool as it highlights the financial weaknesses and strengths.
7. Can be utilise as an independent external review of the municipality's strategies and performance over time.
8. The MFSI can be used as a budget-time gauge.
9. A high MFSI score can be use to attract new businesses to the area.
10. Municipalities find it cost-effective in negotiation of commercial contracts or to negotiate better pricing.

This analysis combined with the Long Term Financial Plan recommendations can definitely add additional value to the municipality as a way forward in order to improve the municipality's financial sustainability position. It is therefore suggested that the attached report form Ratings Africa as Annexure A be further interrogated during the upcoming budget strategic session in order to identify and address some of the concerns raised which might have an impact on the future decision on how to further strengthen the municipality's financial position.

The Municipal Manger, in consultation with the Director: Finance and Information Technology recommends as follows:

MANAGEMENT RECOMMENDATION

Council takes note of the content in respect of the financial sustainability analysis report prepared by Ratings Africa for further interrogation and discussion during the upcoming strategic session with regard to the 2020/21 budget preparation.

RESOLUTION 186/2019

- (i) That the management recommendation be accepted as a resolution of Council.
- (ii) That the report be workshopped as part of the 2020/21 budgetary process.

19. **ALGEMEEN**

- (i) Die Raad sal in reses wees vanaf 11 Desember 2019 tot 10 Januarie 2020.
- (ii) Elke Wykskomitee ontvang R8 000,00 vir die hou van jaareind funksies. Raadslede word versoek om alle voorsieningskanaalbeleid en -prosesse te volg.

Hierna verdaag die vergadering om 11:40

BEKRAGTIG op hierdie

dag van

2019

SPEAKER

DATUM: