



KAAP AGULHAS MUNISIPALITEIT  
CAPE AGULHAS MUNICIPALITY  
U MASIPALA WASECAPE AGULHAS

**NOTULE VAN 'N ALGEMENE RAADSVERGADERING GEHOU OM 14:00 OP DINSDAG  
29 MEI 2018 IN DIE MUNISIPALE RAADSAAL TE BREDASDORP**

**MINUTES OF A GENERAL COUNCIL MEETING HELD ON TUESDAY, 29 MAY 2018 AT  
14:00 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 Dienste
Mnr K Mrali	Direkteur: Bestuursdienste
Mnr B Swart	Interne Ouditeur
Mnr B Hayward	Bestuurder: Stads- en Streeksbeplanning
Mnr F du Toit	Bestuurder: Boubeheer
Mnr M Dennis	Bestuurder: Menslike Nedersettings
Mnr S Stanley	Bestuurder: Finansies en Tesourie
Me N Mhlali-Musewe	Divisional Head: HR Services & Organisational Development
Me T Stone	Afdelingshoof: Strategiese Dienste
Me A Jonker	Snr Admin Beampte: Komiteedienste

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1. **OPENING**

Die Speaker heet die teenwoordiges welkom en Raadslid Swart open die vergadering met gebed.

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

Raadslid E Marthinus

3. **ONDERHOUDE MET AFGEVAARDIGDES EN/OF ANDER BESOEKE**

Geen.

4. **NOTULES VAN VORIGE VERGADERINGS VOORGELê VIR BEKRAGTING**

4.1 **NOTULE VAN ALGEMENE RAADSVERGADERING GEHOU OP:**

18 April 2018

**BESLUIT 54/2018**

Die Notule word as korrek en volledig bekragtig.

5. **NOTULES VAN DIE UITVOERENDE BURGEMEESTERSKOMITEE VERGADERINGS OOR BESLUIE DEUR HOM GENEEM SAAM MET DIE BURGEMEESTERSKOMITEE**

5.1 **NOTULE VAN UBK VERGADERING GEHOU OP:**

17 April 2018

**BESLUIT 55/2018**

Die Raad neem kennis van bogenoemde UBK Notule.

6. **NOTULES VAN KOMITEE VERGADERINGS VIR BESPREKING / KENNISNAME**

6.1 **VOORGELê VIR BESPREKING : WYKSKOMITEE VERGADERINGS GEHOU OP**

- WYK 1 : 10 April 2018
- WYK 2 : 12 April 2018
- WYK 3 : 11 April 2018
- WYK 4 : 10 April 2018
- WYK 5 : 14 Maart 2018 en 25 April 2018
- WYK 6 : 12 April 2018

**BESLUIT 56/2018**

(i) Die Raad neem kennis van bogenoemde Wykskomitee Notules.

(ii) Dat die Raad kennis neem van die volgende aangeleentheid:

1. Raadslid Europa doen navraag oor die fondse wat wyke ontvang vir die hou van jaareind-funksies in die verskillende wyke. Sy wyk se geld was gedeponeer in die "COS" rekening, maar omrede die rekening nie meer bestaan nie, was die gelde terug gedeponeer in KAM se rekening. Wyk 6 het egter nooit 'n jaareind-funksie in Desember 2017 gehad nie. Hulle wil egter nou so 'n funksie reël, maar is Raadslid Europa deur die Direkteur: Finansies meegedeel dat, aangesien die tyd uitgeloop het, hulle nie meer die gelde kan ontvang nie.

Die Speaker meld dat daar Donderdag 'n vergadering met die Burgemeester sal wees rondom die fondse wat nog in die bemerkings- en sosio-ekonomiese fonds beskikbaar is en sal na afloop terugvoering aan hom gee. Die Burgemeester versoek ook dat Raadslid Europa 'n uiteensetting gee van wat hy wil aanbied en hoe die fondse spandeer sal word.

2. Raadslid Baker meld dat "Kallies Pub" aansoek gedoen het om verandering van sy dranklisensie na "off sales". Die Wykskomitee het dit bespreek en het in beginsel nie 'n probleem daarmee nie, aangesien sy perseel reg geleë is en hy nogsteeds die nodige prosesse volg vir die aansoek.
3. Na aanleiding van die aangeleentheid op wyk 6 se notule aangaande lede wat nie gereeld die vergaderings bywoon nie, verneem Raadslid Jacobs hoe dit hanteer en aangespreek gaan word.

Die Speaker meld dat die Wyksraadslid dit onder die Speaker se aandag moet bring. Daarna moet hy bewys lewer dat die spesifieke lid drie vergaderings, sonder verskoning nie bygewoon het nie. Indien hierdie persoon 'n organisasie verteenwoordig, word die organisasie versoek om iemand anders te nomineer. Hulle rig dan 'n aansoek vir die aanstel van 'n nuwe lid en word die vorige lid se betaling gekanselleer en die nuwe persoon dien dan op die komitee. Dieselfde prosedure geld ook vir wanneer 'n persoon uit 'n organisasie bedank.

4. Raadslid Jacobs spreek sy bekommernis uit oor die feit dat die GOP nie by die verskillende wykskomitee vergaderings bespreek was nie. Hy voel dat hierdie aangeleentheid nie net tydens imbizo's bespreek moet word nie, maar ook tydens wykskomitee vergaderings.

Die Speaker meld dat alle wykskomitee lede na imbizo's genooi word en die geleentheid kry om hulle besware, versoeke en insette in te dien en word dit dan ook in ag geneem by die opstel van die finale GOP dokument.

## 6.2 VOORGELê VIR KENNISNAME : ICT STEERING COMMITTEE GEHOU OP

19 April 2018

### **BESLUIT 57/2018**

Die Raad neem kennis van bogenoemde ICT Steering Committee Notule.

## 7. SAKE VOORTSPRUITEND UIT NOTULES

Geen.

## 8. VERKLARINGS EN/OF MEDEDELINGS DEUR DIE VOORSITTER

### 8.1 BRIEWE VAN DANK

Aangeheg op bladsy 1 van die bylaes.

### 8.2 FUNKSIES VIR DIE MAAND

- (i) Die Burgemeester meld dat die opening van 'n biblioteek program, "praat saam" vroeër die oggend op Elim plaasgevind het.
- (ii) Die amptelike oorhandiging van die rioolwerke in Struisbaai vind op Donderdag, 31 Mei 2018 om 10:00 plaas.

### 8.3 AANWYS VAN AFGEVAARDIGDES

Geen.

**8.4 DRINGENDE SAKE DEUR DIE SPEAKER VOORGELê**

Geen.

**8.5 ALGEMEEN**

- (i) Die Speaker wens alle Raadslede en amptenare geluk wat gedurende Meimaand verjaar het.
- (ii) Die Speaker meld dat hy die skedule van vergaderings met amptenare en die UBK lede bespreek het. 'n Paar veranderinge sal aangebring word sodat amptenare genoegsame tyd gegun word om items voor te berei. 'n Skrywe in dié verband sal deur die loop van volgende week uitgegee word.

**9. TERUGVOERING VANAF RAADSLEDE OOR VERGADERINGS BYGEWOON**

Die Speaker meld dat hy reeds aan Raadslede die terugvoering gegee het rondom die Distriks-gesondheidsraad vergadering wat hy bygewoon het.

**10. VERKLARINGS EN/OF MEDEDELINGS DEUR DIE UITVOERENDE BURGEMEESTER**

Die Burgemeester lê die begroting aan die Raad voor:

**10.1 APPROVAL OF THE ANNUAL BUDGET IN RESPECT OF THE 2018/19 FINANCIAL YEAR****PURPOSE OF REPORT**

To submit the annual budget for the 2018/19 financial year for approval by Council as prescribed in the Municipal Finance Management Act (MFMA) and in terms of guidelines received from National Treasury per MFMA circular no. 89 & 91.

In terms of the Municipal Finance Management Act (MFMA), section 24, the municipal council must at least 30 days before the start of the budget year consider approval of the annual budget.

Subsequent to the tabling of the draft annual budget to Council on 27 March 2018 and in compliance with section 23 of the MFMA, the following consultation processes and meetings were held with community and identified stakeholders on the contents of the budget in respect of the 2018/19 budget year:

- Strategic Session (Councillors & Managers) 13 - 14 November 2017
- Distribution of Budget Preparation Documentation 5 December 2017
- Revised Budget guide document 18 December 2017
- Budget & IDP Information Session 9 January 2018
- Budget Steering Committee 22 January 2018
- Compilation of 1<sup>st</sup> Draft Budget 8 March 2018
- Budget Steering Committee: Workshop with Councillors 15 March 2018
- Submission Draft IDP / Budget to Council 27 March 2018
- National Treasury and Provincial Treasury 27 March 2018
- Budget consultative meeting with community:
  - Ward 1 : Napier Community Hall (19h00) 12 April 2018
  - Ward 1 : Elim 25 April 2018
  - Ward 2 : Thusong Centrel (19h00) 9 April 2018
  - Ward 2 : Klipdale Community Hall 18 April 2018

- Ward 3 : Nelson Mandela Hall (19h00) 10 April 2018
  - Ward 4 : Glaskasteel Sports Complex (19h00) 4 April 2018
  - Ward 4 : Proteem Community Hall 5 April 2018
  - Ward 5 : Suiderlig Service Centre (15h00) 11 April 2018
  - Ward 5 : Struisbay North Community Hall (19h00) 11 April 2018
  - Ward 5 : Business Chamber 2 May 2018
  - Ward 6 : Arniston Community Hall (19h00) 17 April 2018
  - Ward 6 : Christen Gemeente Kerk (19h00) 16 April 2018
- Budget Assessment visit by Provincial Treasury 3 May 2018
  - Budget Workshop with HOD's / Managers – Inputs received / Amendments 10 May 2018
  - Budget Workshop with Mayor, HOD's / Managers – Inputs received 16 May 2018
  - Budget Steering Committee: Draft Budget Amendments / Budget Input 22 May 2018

**In terms of section 23(1) of the MFMA the Mayor must consider any views of -**

- a) the local community; and
- b) the National Treasury, the relevant Provincial Treasury and any organs of state or municipalities which made submissions on the budget.

The inputs and comments made by the community during the budget consultation process as well as the following written inputs received, have been considered by the Executive Mayor as prescribe in terms of the above-mentioned legislation:

	<b>INPUTS / COMMENTS</b>
Wim de Klerk	
Alwyn Tredoux	
Tinus Erasmus	Objection and proposals i.r.o the proposed Duikerstreet Johann Bronkhorst capital programme / development
Sydney Carstens	
Wessels Crafford	
Patrick Seeton	A number of budget related issues raised through a general letter i.r.o free basic water consumption (6kl); SMART City concept; refuse removal - Wheely Bins; Councillor remuneration & benefits; workforce relating to Traffic department; Vacant position of Director Corporate services; workforce of the HR department and vacant position in the building devision.
Cllr. Eve Marthinus	<ul style="list-style-type: none"> <li>● Free basic water consumption (6kl) to remain and punitive tariffs to large consumers as well as the increase of water storage capacity;</li> <li>● Include a tariff for the renting of Arniston Community Hall and provision not to charge councillors to hold meetings with their respective constituencies;</li> <li>● Social contribution to Safe House - Heavenly Promise to decrease and a contribution also to Liefdesnessie;</li> <li>● Socio economic fund of the Executive Mayor should be ward based;</li> <li>● SMART City project not justifiable;</li> <li>● Sidewalks and board walks between Struisbaai / L'Agulhas;</li> <li>● Tidal pool upgrade;</li> <li>● Coumunity Hall for Ward 6 – Bredasdorp;</li> <li>● Salary budget to address vacancies not to be filled and salary provision for Municipal Manager &amp; Senior Managers aligned with the legislation prescripts;</li> <li>● Contracted services for refuse removal.</li> </ul>
Johan Hickman	<ul style="list-style-type: none"> <li>● Budget for the maintenance of the Suiderstrand road;</li> <li>● Appointment of contractor for the repairs &amp; maintenance on the Suiderstrand road;</li> <li>● How much work i.r.o. the engineering service will be spent on contrators and did the SCM processes been followed;</li> </ul>

	<ul style="list-style-type: none"> <li>• Suiderstrand ablution facility;</li> <li>• Dedicated Infrastructure Master Plan for Suiderstrand;</li> <li>• To address the huge water losses at 34% at Suiderstrand.</li> </ul>
Cllr. Raymond Baker	<ul style="list-style-type: none"> <li>• Upgrade and lighting to the Zwelitsha Sport Facility;</li> <li>• Tar of roads in Simuye and Zwelitsha;</li> <li>• Upgrade of the Nelson Mandela community hall.</li> </ul>
Cllr D Europa	<ul style="list-style-type: none"> <li>• All-purpose community hall for Ward 6 – Bredasdorp</li> <li>• Soup Kitchen to be extended to include Ward 6;</li> <li>• Increase of the contribution to the Vissersunie to R240 000;</li> <li>• Safety and Security service (24 Hours) to be extended to Ariniston area;</li> <li>• Free basic service (6kl) to be maintained</li> </ul>
Adrian Penny: WARA Comm.	<ul style="list-style-type: none"> <li>• Upgrade stormwater &amp; roads in order to address problems during floods;</li> <li>• Budget for sewer connection to all properties in Arniston.</li> </ul>
ACVV Elderly Home	Support with regard to the monthly municipal account and maintenance on the building.
Pierre Massyn	<ul style="list-style-type: none"> <li>• Inputs relating to the Tidal pools upgrade / repairs;</li> <li>• Contribution for Fire Service to the district municipality;</li> <li>• Maintenance i.r.o Suiderstrand road;</li> <li>• Proposed purchase of “Chipper”;</li> <li>• Anblution facility Suiderstrand parking area.</li> </ul>
Provincial Treasury	<ul style="list-style-type: none"> <li>• Unfunded budget submission over the MTREF period with reference to the two outers years (2019/20 &amp; 2020/21);</li> <li>• Cash Reserves and tariff increases;</li> <li>• Grant allocations not in balance with DoRA;</li> <li>• Completeness of the “A Schedule” budget forms.</li> </ul>

The Budget Steering Committee briefly discussed the budget inputs received from various role players on Tuesday, 22 May 2018 for consideration and amendment to the draft budget 2018/19 and they will be informed on the outcome by the office of the Executive Mayor on approval of the final budget. Recommendations made by Provincial Treasury during its assessment visit in respect of the draft 2018/19 budget have been addressed and incorporated where applicable. The final budget to be submitted for consideration and approval have been amended with reference to the outer years to be funded as per legislative requirement. .

National Treasury through its regular MFMA Circulars provided guidance on the content and format for municipal budget documentation in respect of the 2017/18 Medium Term Revenue and Expenditure Framework. All municipalities are required to adhere to the prescribed format with regard to the content and format of budget documentation. The required table of content as provided by National Treasury is as follows:

- **Mayoral Budget Speech:** *High-level summary of the budget that draws on executive summary and highlights key deliverables during the coming years.*
- **Budget Related Resolutions:** *Draft resolutions must be included with the budget documentation tabled to full council.*
- **Budget:** *- The budget includes the executive summary; budget schedules – operating & capital to be approved by council; budget related charts and explanatory notes to the budget.*
- **Supporting Documentation:** *Budget process overview; Alignment of budget with IDP; Budget related policies – overview and amendments; Budget assumptions; Funding the budget; Disclosure on allocations made by municipality; Disclosure of salaries, allowances and benefits; Monthly cash flows by source; Measurable performance objectives and disclosure on implementation of MFMA as well as other legislation.*

The operating and capital budget for the 2018/19 financial year is attached as annexure for consideration and approval by Council.” **(Bound separately)**

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

**MANAGEMENT RECOMMENDATION**

- (i) Council resolves that the annual budget of the municipality for the financial year 2018/19 as per Budget Related Resolutions of the budget document and indicative for the projected outer years 2019/20 and 2020/21 be approved as set out in 1.8 Annual Budget Tables (**Page 46-62**) in respect of the following schedules:
- 1.1 Executive summary of revenue & expenditure - Table A1;
  - 1.2 Budgeted Financial Performance (Revenue and Expenditure by standard Classification) - Table A2;
  - 1.3 Budgeted Financial Performance (revenue and expenditure by municipal vote) A - Table A3;
  - 1.4 Budgeted Financial Performance (revenue and expenditure) - Table A4;
  - 1.5 Budgeted Capital Expenditure by vote, standard classification and funding - Table A5;
  - 1.6 Budgeted Financial Position - Table A6;
  - 1.7 Budgeted Cash Flows Table A7;
  - 1.8 Cash backed reserves/accumulated surplus reconciliation - Table A8;
  - 1.9 Asset Management - Table A9;
  - 1.10 Basic service delivery measurement table A10;
  - 1.11 Council notes Part 2 - Other related Supporting Documentation completed where applicable from Table SA1 to SA38.
- (ii) Council approves and adopts the draft tariffs listing for services as per Appendix A with effect 1 July 2018.
- (iii) Council approves and adopt the Draft SDBIP in respect of the 2018/19 budget year per Appendix B.
- (iv) Council notes the Service Level Standards (2018/19) to be submitted as required in terms of National Treasury Budget Circular 86 dated 7 March 2016 attached as Appendix C.
- (v) Council notes that financial related policies have been reviewed in respect of the 2018/19 budget year and any amended policies be submitted as a separate item before the start of the new budget year.

**RESOLUTION 58/2018**

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

***(Raadsheer Jantjies teken sy teenstem aan spesifiek met betrekking tot die weglating van die Duikerstraat projek.)***

***(Raadslede Baker, Europa en Jacobs teken hulle teenstem aan.)***

		<u>Bladsy</u>	
		<u>Notule</u>	<u>Bylaes</u>
11.	<b><u>ITEMS NA DIE RAAD VERWYS VIR OORWEGING</u></b>		
11.1	<b><u>MUNISIPALE BESTUURDER</u></b>		
11.1.1	Approval: First revision (2018/19) of the 2017/18 - 2021/22 IDP	9	Apart
11.1.2	Recommendations: Audit Committee for quarter 31 March 2018	10 - 11	-
11.1.3	Cape Agulhas Tourism: Future Management	11 - 14	2 - 4
11.2	<b><u>STRATEGIESE BEPLANNING EN ADMINISTRASIE</u></b>		
11.2.1	Internal Health and Safety Risk Audit	14 - 15	Apart
11.2.2	Verlenging: Huurooreenkoms - Heavenly Promise 48	15 - 16	5 - 20

	<u>Notule</u>	<u>Bladsy</u> <u>Bylaes</u>
11.3	<b><u>FINANSIES- EN IT DIENSTE</u></b>	
11.3.1	Oudit Aksieplan 2016/17: Maandelikse vordering - Mei 2018	16 - 17                      21 - 28
12.	<b><u>ADDISIONELE ITEMS DEUR DIE RAAD HANTEER</u></b>	
12.1	Proposed long-term debt application	17 - 18
12.2	Unsolicited bid: Bredasdorp waste treatment works	18 - 21
12.3	Approval: MOU between Department of Safety and CAM	21 - 22
12.4	Verslag: Wheelie Bins	23 - 24
12.5	Uitleg van wonings: Area F, Bredasdorp	24
13.	<b><u>DRINGENDE SAKE DEUR DIE MUNISIPALE BESTUURDER</u></b>	
	Geen.	
14.	<b><u>OORWEGING VAN KENNISGEWING VAN MOSIES</u></b>	
	Geen.	
15.	<b><u>OORWEGING VAN KENNISGEWING VAN VRAE</u></b>	
	Geen.	
16.	<b><u>OORWEGING VAN DRINGENDE MOSIES</u></b>	
	Geen.	
17.	<b><u>VERSLAG DEUR MUNISIPALE BESTUURDER OOR DIE UITVOERING VAN RAADSBESLUIE</u></b>	
	Lys van onafgehandelde Raadsbesluite verskyn op <b><i>bladsy 25</i></b> .	
18.	<b><u>IN-KOMITEE VERSLAE</u></b>	
	Die In-Komitee items word vertroulik hanteer.	
19.	<b><u>SLUITING</u></b>	
	Die vergadering verdaag om 15:55	

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## 11. ITEMS NA DIE RAAD VERWYS VIR OORWEGING

### 11.1 MUNISIPALE BESTUURDER / MUNICIPAL MANAGER

#### 11.1.1 APPROVAL OF THE FIRST REVISION (2018/19) OF THE 2017/18 - 2021/22 INTEGRATED DEVELOPMENT PLAN

##### REPORT BY THE MANAGER STRATEGIC SERVICES

##### PURPOSE OF REPORT

To present the first Integrated Development Plan (IDP) Review for 2018/19 to the Council for approval.

##### LEGAL FRAMEWORK

Integrated Development Planning is regulated by Chapter 5 of the Local Government Municipal Systems Act, Act 32 of 2000 read together with the Municipal Finance Management Act, Act 56 of 2003. In terms of section 25(1) of the Municipal Systems Act, each Municipal Council must adopt a single, inclusive and strategic plan for the development of the Municipality within a prescribed period after the start of its elected term. The Municipality adopted its 2012 /13-2016/17 IDP in May 2012.

Section 34 of the Municipal Systems Act, requires Municipalities to review their Integrated Development Plans annually in accordance with an assessment of its performance and to the extent that changing circumstances demand. Amendments to the IDP must be done in accordance with the prescribed process.

Section 21 of the MFMA requires the mayor of a municipality to co-ordinate the processes for preparing the annual budget and for reviewing the municipality's integrated development plan and budget-related policies to ensure that the tabled budget and any revisions of the integrated development plan and budget-related policies are mutually consistent and credible.

Section 53(1) (b) of the MFMA provides that the mayor of a municipality must co-ordinate the annual revision of the integrated development plan in terms of section 34 of the Municipal Systems Act and the preparation of the annual budget, and determine how the integrated development plan is to be taken into account or revised for the purposes of the budget.

##### DISCUSSION

This IDP review aims to evaluate the performance of the Municipality in terms of its strategic objectives and reflect on the updated priorities of the various communities in the Cape Agulhas Municipal Area.

The Draft IDP Review for 2018/19 was tabled together with the Draft MTREF Budget on 27 March 2018. The Draft IDP and Budget were then made public and a series of Mayoral Imbizo's took place during April to solicit the Communities comments. The closing date for public comment was 4 May 2017. The public input received on the Draft IDP Review and Budget were considered by the Budget Steering Committee.

The main comments received on the Draft IDP were from the Province via the LGMTECH process. These recommendations were implemented insofar as was possible.

##### MANAGEMENT RECOMMENDATION

That the first revision (2018/19) of the 2017/18 -2021/2022 Integrated Development Plan of the Cape Agulhas Municipality be approved in terms of Section 34 of the Local Government: Municipal Systems Act (Act 32 of 2000).

##### RESOLUTION 59/2018

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

*(Raadslid Jacobs teken sy teenstem aan spesifiek teen die afwesigheid van visie en leiding wat die dokument nie aanspreek nie.)*

## 11.1.2 REPORT TO COUNCIL ON THE RECOMMENDATIONS MADE BY THE AUDIT COMMITTEE IN THEIR REPORT FOR QUARTER ENDED 31 MARCH 2018

### BACKGROUND

During the Council meeting held on 18 April 2018 the Audit Committee's quarterly report for the quarter ended 31 March 2018 was tabled and discussed. After discussion the Council referred the recommendations made in par. 6 of the report to the Finance- and IT Services Committee for further consideration and report-back to Council.

### CONSIDERATION OF RECOMMENDATIONS

During the Committee's meeting on 21 May 2018 the recommendations were considered in detail and the Committee reports back as follows:

<b>Audit Committee recommendations</b>	<b>Outcome</b>	<b>Portfolio Committee recommendation</b>
13 - 2017/18: In future, the Municipal Manager and all Directors must attend the Audit Committee meeting due to the high-level items on the agenda. Directors will only attend for the transversal items and other items that affect all Directors. The Municipal Manager should attend the whole meeting.	Due to the transversal nature of some of the items on the Audit Committee agendas, the Committee is in agreement with the recommendation. It is already standard practice that the Municipal Manager attends all meetings.	That the Speaker issue a mail to all Directors to attend all future Audit Committee meetings.
14 - 2017/18: In view of the current capacity issues at the Internal Audit section, it was decided that the Internal Audit assessment and reporting to the Chief Risk Officer on the combined assurance module will be done bi-annually.	This issue is being dealt with between the Internal Audit section and the shared risk management function and is noted.	No further recommendations.
15 - 2017/18: That the % hours spent on each audit item in the report be replaced with the actual hours worked.	This is a matter between the Audit Committee and Internal Audit and the recommendation is noted.	No further recommendations.
16 - 2017/18: That higher level interaction be instituted to ensure that compliance actions are updated and approved before due date.	It is noted that this matter is a standing item on the Municipal Manager's directors meeting agenda and there was some improvement in the April 2018 updates.	That the Municipal manager gives serious attention to the timeous updating of the system especially the approval of the actions.
17 - 2017/18: It was requested that, for future meetings, only the risks associated with ICT be tabled in the meetings.	It is noted that the recommendation has been implemented.	No further recommendations.
18 - 2017/18: Due to the current situation it is recommended that the risks associated with mSCOA and the new financial system be kept on the risk register until all issues has been resolved.	It is noted that the recommendation has been implemented.	No further recommendations.
19 - 2017/18: That the item regarding the leasing of municipal land be included in the Committee's quarterly report to Council for the period ending 31 March 2018.	The concerns of the Audit Committee was included in their report as par. 5(b)(iv). The Committee is also satisfied with the progress made with addressing the issues raised by Internal Audit.	No further recommendations.

Audit Committee recommendations	Outcome	Portfolio Committee recommendation
20 - 2017/18: That the vacant Audit Committee position be advertised.	The Committee was informed that the continuous head hunting efforts has produced two excellent from experts in their field and who has either holiday house in the area or has family in the area i.e. they have vested interest in the area. These cases will be presented by internal audit to the Audit Committee for consideration.	That the advertising of the vacant position be held back until the Audit Committee has considered the two candidates CV's and made their recommendations.
21 - 2017/18: That the Committee do not support the TWK decision that the head of the internal audit unit reports functionally directly to the Executive Mayor.	This matter does not affect this municipality and is noted.	No further recommendations.
22 - 2017/18: That the Committee supports the following: That the naming of the head of the internal audit position be changed to "Chief Audit Executive (Head of Internal Audit)" to be in line with all legislation and Circular 65. That the municipality's macro organogram be amended to indicate the Audit Committee as a separate Committee reporting directly to Council; the internal audit section reporting functionally to the audit Committee (solid line); and a dotted line from internal audit directly to the Municipal Manager to indicate internal audits administrative reporting line.	This matter is being dealt with between the Municipal Manager and HR.	No further recommendations.

### **MANAGEMENT RECOMMENDATION**

That the recommendations be approved by Council for implementation.

### **RESOLUTION 60/2018**

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

## 11.1.3 **CAPE AGULHAS TOURISM: FUTURE MANAGEMENT**

### **REPORT FROM THE OFFICE OF THE MUNICIPAL MANAGER**

#### **PURPOSE OF THE REPORT**

To obtain Councils approval on the manner in which tourism will be managed from 1 July 2018. This report is submitted in pursuance of Council Resolution 46/ 2018, which reads as follows:

- (i) *That Council note the financial position of Cape Agulhas Tourism.*
- (ii) *That Council note that the salaries of the CEO and tourism officer have been accommodated on the Municipality's salary structure for an interim period until 30 June 2018, and the cost implication of this is R159 493,60. Sufficient provision was made on the budget for this.*
- (iii) *That a comprehensive report be submitted on the future management of Tourism".*

The report that was submitted to Council is attached as Annexure on **page 2 and 3**.

### **LEGAL FRAMEWORK**

- Constitution
  - Section 152 (1) which requires municipalities to promote social and economic development;
  - Schedule 4B, which provides that Local Tourism is a municipality function
- MFMA (Various Sections)

### **BACKGROUND**

Tourism is a local government function, and the Municipality is obliged to render this service in co-operation with the district. The trend throughout the district was to fund an independent entity to manage the function on behalf of the municipalities. This is now changing with many of the Municipalities taking back the function and managing it as a line function.

Cape Agulhas Tourism (CAT), a registered NPO, has to date rendered an excellent service on behalf of the Municipality, but are experiencing challenges in terms of their financial sustainability. Their grant for the 2017/18 financial year was R R900 900. Furthermore, the independent functioning of tourism means that there is often a lack of alignment to the local economic goals of the Municipality. This was reiterated during the revision of the Municipality's LED Strategy.

The sustainability of Cape Agulhas Tourism and the manner in which tourism should be managed has been a discussion point since the beginning of the 2017/18 financial year, but no finality was reached, partially because of the uncertainty relating to the possible departure of the CEO. During the revision of the macro structure in May 2017, discussions also took place on the manner in which tourism should be managed in future and the revised organisational structure made provision for a Socio Economic Division, which would be headed by a Socio-Economic Manager, responsible for LED, Tourism and Human Development.

### **INTERIM ARRANGEMENTS**

CAT's financial position became critical at the end of February 2018, when they found themselves unable to meet their obligations. As reported to Council previously, it became necessary to intervene to ensure that the tourism function could be rendered. The following interim measures have already been implemented:

- **Salaries** - The salaries of the CEO and one tourism officer are being paid by the Municipality until 30 June 2018 per Resolution 46/2018. It has been clearly communicated to the employees that the Municipality has no obligation to offer them any employment beyond this date.
- **Phones and internet** – the Municipality is in process of taking over CAT's telephone numbers for continuity and the Bredasdorp VIC has been connected to our network.
- **Security** - CAT's security contract obligations to the value of R267.00 per month were accommodated under the Municipality's existing contract for the service.
- **Rental** - Arrangements were made with the lessor to cede the rental agreement to the Municipality with effect of 1 May 2018. The cession must still be signed.

### **PROPOSED FUTURE MANAGEMENT OF TOURISM**

The crux of this proposal is that the Municipality will manage the tourism function as a line function with effect from 1 July 2018.

**The implications of this are as follows:**

**1. Tourism offices visitor information centres (VIC's)**

CAT currently has two visitor information centres (VIC's), namely the VIC it leases in Bredasdorp (Church Street), through an agent and the VIC at the lighthouse in L'Agulhas, which belongs to SANPARKS. The lease of the Bredasdorp VIC is R6655 per month plus a portion of the municipal rates, which totals R7800 per month.

The lease agreement terminates in February 2019, but there is an option for renewal at a rental to be negotiated, which must be exercised by 30 November 2018. There is no lease for the lighthouse VIC, but a contribution of R700.00 per month is made to SANPARKS for services. This office will cease to operate at the end of May 2018, largely because of the proposed development of the lighthouse precinct which does make provision for a VIC.

It is proposed that the premises in Bredasdorp be retained for the rendering of the tourism function. It is centrally located and spacious enough to accommodate the Socio Economic Manager as well as the two LED Officers. This will entail a cession of the existing lease agreement, retrospective from 1 May 2018.

**2. Staff structure**

The CAT salary structure made provision for a CEO, two tourism officers in the Bredasdorp VIC, and a tourism officer and a relief worker at the lighthouse VIC. There is also a cleaner who works two days a week.

In order to manage the function as a line item, it will be necessary to build capacity within the Socio Economic Division and amend the organisational structure accordingly. In view of the aforementioned proposal to maintain, the Bredasdorp VIC, the revised organisational structure that will be submitted to Council proposes that a position be created for a Chief Tourism Development Officer and Tourism Aid. The Tourism Aid is a contract relief worker who will only work 2-3 days per week, as may be necessary. It must be borne in mind that the Bredasdorp VIC is also open on Saturdays, hence the need for an additional person. The Municipality has no obligation to appoint CAT personnel in any position and if approved the positions will be filled through the normal recruitment and selection process.

**3. Tourism budget**

Tourism has been accommodated as a separate section of the Socio Economic operational budget. The municipal provision for the TOURISM unit for the 2018/19 financial year is R766,600.00. The proposed operational budget is as follows (see **page 4**).

There is no capital expenditure at this stage, as the Bredasdorp VIC is fully furnished and equipped. This will be further addressed under the dissolution of CAT.

**4. Dissolution of CAT**

CAT is a registered NPO, and as such a legal entity in its own right. Although we have tried to assist the NPO as far as possible to ensure that tourism remains functional, the intention is not to take over the NPO as a running concern, and by implication any of its liabilities, but rather the tourism function.

CAT is regulated by its own constitution, which also sets out the procedure for dissolution and winding up, namely:

- “16.2 Subject to clauses 4.1 and 4.10, the dissolution of the Bureau shall only occur on the recommendation of a two-thirds majority of members attending a General Meeting and if the Local Government agrees thereto.
- 16.3 Upon winding-up or dissolution the assets of the Bureau remaining after all its liabilities have been met shall be transferred in the following manner:
- A similar organisation formed, incorporated or established in the Republic, which has been approved by the Commissioner as a PBO in terms of section 30 of the Act.
  - An organisation established by or under law which is exempt from tax in terms of section 10(1)(cA)(i) of the Act, whose sole or principal object is the carrying on of any approved PBA.
  - A department of state or administration in the national, provincial or local sphere of Government of SA.”

The Board of CAT have been advised that they should dissolve the NPO and transfer the assets to the Municipality. This is premised on the fact that the Municipality is believed to have funded their assets.

They have also been advised to deal with all bank accounts, creditors, debtors and staff matters. There is a members meeting on 28 May 2018, where it is trusted that they will deal with these issues.

#### **MANAGEMENT RECOMMENDATION**

- (i) That the Council note the interim arrangements that were put in place in order to maintain the tourism function until 30 June 2018.
- (ii) That the Municipality manage the tourism function as a line function of the Socio Economic Division with effect from 1 July 2018.
- (iii) That the Visitor Information Centre in Bredasdorp be retained for the rendering of the tourism function.
- (iv) That the Municipal Manager be authorized to conclude a cession in respect of the lease of the Bredasdorp Visitor Information Centre retrospective from 1 May 2018.
- (v) That it be noted that the revised organizational structure makes provision for a position for a Chief Tourism Development Officer and Tourism Aid (Contract Relief Worker).
- (vi) That it be noted that the operational expenditure relating to tourism has been accommodated as a separate section of the socio economic operational budget.

#### **RESOLUTION 61/2018**

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

## **11.2 STRATEGIESE BEPLANNING EN ADMINISTRASIE / STRATEGIC PLANNING AND ADMINISTRATION**

### **11.2.1 INTERNAL HEALTH AND SAFETY RISK AUDIT**

#### **PURPOSE OF REPORT**

Council sought a legal compliance opinion from the Health and Safety officer on the reasonably practicable adherence to and compliance with the requirements of the Occupational Health and Safety Act 85 of 1993 (as amended and hereinafter referred to as “the Act”). This service was delivered on November 2017.

#### **BACKGROUND**

OHS Officer conducted an internal risk audit report for Cape Agulhas Municipality for November 2017.

The internal health and safety risk audit was conducted by the OHS Officer on the following areas: Agulhas, Arniston, Bredasdorp, Napier and Struisbaai in November 2017.

**LEGAL IMPLICATIONS**

1. Health and Safety Act of 85 of 1993
2. Health and Safety Policy of Council

**PERSONNEL IMPLICATIONS**

None.

**FINANCIAL IMPLICATIONS**

Unknown.

**MANAGEMENT RECOMMENDATION**

That Council take note of the internal health and safety audit report for November 2017.

**RESOLUTION 62/2018**

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

11.2.2 **AANSOEK: VERLENGING VAN HUUROOREENKOMS - HEAVENLY PROMISE 48****DOEL VAN VERSLAG**

Om oorweging te skenk aan die versoek van Heavenly Promise 48, vir die verlenging van die bestaande huurooreenkoms (aangeheg op **bladsy 5 tot 19**).

**AGTERGROND**

'n Skriftelike versoek soos aangeheg op **bladsy 20** is van Heavenly Promise 48 ontvang vir die verlenging van die bestaande huurooreenkoms vir 'n verdere tydperk van 3 jaar.

**FINANSIËLE IMPLIKASIE**

Huurinkomste vir die Raad.

**WETLIKE IMPLIKASIES**

<b>Council policy</b>	<b>Alienation of land</b>
<b>MFMA</b>	<ol style="list-style-type: none"> <li>1. <b>Sect 14(2)(a)</b>: asset not required for minimum level of basic services.</li> <li>2. <b>Sect 14(2)(b)</b>: consider fair market value and economic and community value to be received in exchange for the asset.</li> <li>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).</li> <li>4. <b>Sect 33</b>: Contracts having long term financial implications.</li> </ol>
<b>MATR</b>	<ol style="list-style-type: none"> <li>1. <b>Definition of "high value asset"</b>: <i>"fair market value of the capital asset exceeds any of the following amounts:</i> <ol style="list-style-type: none"> <li>a) <i>R50 million;</i></li> <li>b) <i>One percent of the total value of the capital assets of the municipality....</i></li> <li>c) <i>An amount determined by resolution of the council of the municipality ..... which is less than (a) or (b).</i></li> </ol> </li> <li>2. <b>Definition of "realisable value"</b>: fair market value <u>less</u> estimated costs of completion.</li> <li>3. <b>Definition of "right to use, control or manage"</b>: when granting such rights do not amount to permanent transfer or disposal.</li> <li>4. <b>Regulation 5</b> (decision-making).</li> <li>5. <b>Regulation 6</b> (public participation)</li> </ol>

<b>SCM Regulations SCM Policy</b>	<b>Regulation 40: (Disposal Management)</b> Project for job creation, skills development, poverty alleviation and economic growth
<b>Systems Act</b> (public participation)	<b>Section 21A:</b> (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.
<b>Town Planning legislation</b>	All surrounding property owners be informed of the temporary use of the site.

**BESTUURSAANBEVELING**

Dat die bestaande huurooreenkoms vir 'n verdere 3 jaar verleng word, onder die bestaande voorwaardes.

**BESLUIT 63/2018**

Dat die Bestuursaanbeveling as besluit van die Raad aanvaar word.

*(Mnr O'Neill nie teenwoordig tydens bespreking van die aangeleentheid nie.)*

**11.3 FINANSIES- EN IT DIENSTE / FINANCE- AND IT SERVICES****11.3.1 ODUIT AKSIEPLAN 2016/17 (OPCAR): MAANDELIKSE VORDERING - MEI 2018****DOEL VAN VERSLAG**

Oorweging van die vordering met die goedgekeurde 2016/17 Oudit Bevindinge Aksieplan (OPCAR) soos op 14 Mei 2018.

**AGTERGROND**

Na aanleiding van die Ouditeur-Generaal se oudit van die 2016/17 finansiële jaar is daar sekere leemtes uitgewys wat aangespreek moet word. Hierdie bevindinge, soos aangeheg op **bladsy 21 tot 28** is in die Oudit Bevindinge Aksieplan opgeneem en bepaalde regstellende stappe is bepaal om die bevindinge aan te spreek. Die vordering word ook aan die Oudit- en Prestasieoudit Komitee voorgelê en word ook op 'n gereelde grondslag met die Ouditeur-Generaal bespreek. Die vordering met die plan word verder op 'n kwartaallikse grondslag aan die Wes-Kaapse Provinsiale Tesourie voorgelê.

**PERSONEEL IMPLIKASIES**

Geen.

**FINANSIËLE IMPLIKASIES**

Geen.

**WETLIKE IMPLIKASIES**

Geen.



**BESTUURSAANBEVELING**

Dat die Raad die vordering met die 2016/17 Ouditeur-Generaal aksieplan soos op 15 Mei 2018 oorweeg en aanvaar.

**BESLUIT 64/2018**

Dat die Bestuursaanbeveling as besluit van die Raad aanvaar word.

**12. ADDISIONELE ITEMS DEUR DIE RAAD HANTEER****12.1 PROPOSED LONG-TERM DEBT APPLICATION****PURPOSE OF THE REPORT**

The purpose of this report is for council to consider the proposed long-term debt application to the total amount of R15 million as approved by the bid adjudication committee on 26 April 2018.

In its consideration of the long-term debt application approved by the bid adjudication committee, it will be imperative for Council to take into account all inputs received from the public, National and Provincial Treasury as prescribed in terms of section 46 of the MFMA.

**BACKGROUND**

Tenders for long-term debt to the total amount of R15 million were invited from various banks and / or borrowing institutions to fund the municipality capital programme over the medium term budget period (2017/18 & two outer years) as per Council's budget approval dated 30 May 2017, as well as the borrowing terms, conditions and specifications approved by Council during March 2017.

**Particulars of the approved long term debt application are as follows:**

<b>Purpose of Borrowing</b>	<b>Type / Method of Borrowing</b>	<b>Service of External Loan</b>	<b>Repayment period / Interest Rate</b>	<b>Anticipated External Loan application</b>	<b>Anticipated Total Cost of External Loan</b>	<b>Average Anticipated Annual Installment</b>
Motor Vehicle Fleet	External Loan: Annuity Method	Half Yearly	5 Years at a fixed interest rate of 8.80%	R5,000,000	R772,913	R1,154,582
New and Upgrade Infrastructure Services	External Loan: Annuity Method	Half Yearly	5 Years at a fixed interest rate of 9.01%	R3,000,000	R745,139	R749,026
New and Upgrade Infrastructure Services	External Loan: Annuity Method	Half Yearly	10 Years at a fixed interest rate of 9,29%	R7,000,000	R3,419,509	R1,041,950
<b>Total Long-term Application:</b>				<b>R15,000,000</b>	<b>R4,937,561</b>	<b>R2,945,558</b>

In terms of section 46(3)(a)(ii) of the MFMA the public as well as National and Provincial Treasury were invited through publication in the two local news papers – Overberg Gazette / “Suidernuus”, notice boards and the municipal website . National and Provincial Treasury was also informed in a formal written letter 21 May 2018 together with supporting documentation as per National Treasury circular no 26 borrowing checklist requirements. (The feedback from National and Provincial Treasury, if any, is still awaiting as should there be any significant recommendations it will be reveal to council acordingly).

The municipality only received an enquiry from Mr Patrick Tompkins on 28 April 2018 requesting more detail relating to the purpose and the nature of capital goods to be funded from the proposed long term debt.

### **LEGAL IMPLICATION**

Non-compliance to prescribed legislation and external loan conditions.

### **FINANCIAL IMPLICATION**

The total estimated maximum borrowing cost in respect of the 2018/19 budget year amounts to R2,945,558 if the full borrowing amount be utilised effective from 1<sup>st</sup> July 2018. However, it is anticipated to be phased in aligned with the approved capital budget programme over the next three years.

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

### **MANAGEMENT RECOMMENDATION**

Council considers proceeding with the long term debt application to the total estimated amount of R15 million from Nedbank over the medium budget period (2017/18 & two outers) as approved by the bid adjudication committee based on the specifications and guidelines determined by Council during March 2017.

### **RESOLUTION 65/2018**

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

## 12.2 **UNSOLICITED BID FOR BREDASDORP WASTE TREATMENT WORKS**

### **PURPOSE OF REPORT**

To consider the unsolicited bids received from the following companies:

- (i) **Iminiyonke Holdings t/a Tswellopele Holdings Pty Ltd** for the Bredasdorp Water Sewerage Treatment Works; and
- (ii) **EcoSat Water Africa** for the Supply, installation and commissioning of Effluent Treatment Plant.

### **BACKGROUND**

The abovementioned companies submitted their proposals / unsolicited bids on 28 February 2018 and 12 March 2018. During May 2017, RVA Group also submitted an unsolicited bid CAM Integrated Waste Management Project.

In terms of the MFMA, section 113, SCM Regulation 37 and paragraph 18.17, the municipality is not obliged to consider unsolicited bids received outside a normal bidding process.

**If the Accounting Officer decides to consider an unsolicited quotation/bid, he or she may do so only if:**

- It is in compliance with section 113 of the MFMA and SCM TR 37.
- The product or service offered in terms of the quote/bid is a unique innovative concept that will be exceptionally beneficial to, or have exceptional cost advantages for the municipality.
- The person who made the offer is the sole provider of the product or service.
- The need for the product or service by the municipality has been established during its strategic planning and budgeting processes.

If the municipality decides to consider an unsolicited bid received outside a normal bidding process, it may do so only in accordance with this framework.

**This framework strictly regulates and limits the power of the municipality to approve unsolicited bids received outside their normal tendering or other bidding processes and it may only do so if:**

- The product or service offered in terms of the bid is a **demonstrably or proven unique concept**;
- The product or service will be **exceptionally beneficial** to, or have **exceptional cost advantages** for, the municipality or entity;
- The person who made the bid is the **sole supplier** of the product or service; and
- The reasons for not going through the normal bidding processes are found to be sound by the accounting officer.

**If the municipality decides to consider an unsolicited bid that complies with Municipal SCM regulation 37(2), the municipality must make its decision public in accordance with section 21 A of the Municipal Systems Act, together with:**

- Its reasons as to why the bid should not be open to other competitors;
- An explanation of the potential benefits for the municipality or entity were it to accept the unsolicited bid; and
- An invitation to the public or other potential suppliers to submit their comments within 30 days of the notice.

Written comments, including any responses from the unsolicited bidder, must be submitted to the National Treasury and the relevant provincial treasury for comment.

If any recommendations of the National Treasury or provincial treasury are rejected or not followed, the AO must submit to the Auditor General, the relevant provincial treasury and the National Treasury the reasons for rejecting or not following those recommendations.

Such submission must be made within seven days after the decision on the award of the unsolicited bid is taken, but no contract committing the municipality / municipal entity to the bid may be entered into or signed within 30 days of the submission.

## **COMMENTS**

### **1) Establish that the product or service is unique and innovative:**

- a. The Council should satisfy itself that the objectives, approach and scope of the proposed services to be rendered on the Municipal premises are in fact unique and innovative.
- b. However, due to the subjective nature of this requirement, it would be prudent for the Council to undertake the necessary examination to obtain sufficient information to satisfy the requirements of section 37 of the SCM Regulation.

### **2) Establish benefits and cost advantages:**

The Council should be satisfied about the costs and benefits by doing a full cost/benefit analysis of the proposed project. The Council should further be satisfied that all risk factors have been considered and that no hidden costs may have been left out such as special licensing fees or hidden maintenance costs etc.

### **3) Requirement that the bidder is a sole provider**

If the bidder is not a sole provider, it will pose, as risk since avoiding an open bidding process in this case could be uncompetitive and unfair to other service providers who might have the potential to offer similar products or services at more cost effective rates.

**4) Reasons not to follow an open bidding process**

- a. The Council should take cognisance of Section 217 of The Constitution in this regard and be sure to consider all the pillars of procurement.
- b. Not following an open process would mean that the competitiveness and potentially, cost effectiveness pillars are not being considered. It is therefore reasonably expected to test the market first, or conduct research in order to gain an understanding of this particular business environment.
- c. The Council is therefore expected to show that an open process will not be beneficial in this regard due the bidder being a sole provider for example, or due to the bidder having ownership to special patents or rights, which is the main factor for the uniqueness of the project.

**5) Public participation**

- a. To give effect to transparency and openness, the Council should make public its decision to consider the unsolicited bid in question.
- b. It is imperative that the Council make available all necessary information so that the public is well informed of the project, the operation thereof as well as all the costs and benefits.
- c. The Municipality/Council should further take into account the requirements of section 21A of the Municipal Systems Act, which clearly outlines the medium by which the public notifications should be carried out and furthermore how invitations for comments should be handled.

**6) Contracts having future budgetary implications (MFMA Section 33)**

- a. The Council must note that in the event where the proposed contract, if accepted, will impose financial obligations on the Municipality beyond the three (3) years covered in the annual budget for that financial year, the requirements of MFMA Section 33 (1) (b) of the Municipal Finance Management Act 56 of 2003 must be adhered to, which requires the Council to take the following into account:
  - (i) The projected financial obligations in terms of the proposed contract for each financial year;
  - (ii) The impact of those financial obligations on the Municipality's future municipal tariffs and revenue;
  - (iii) Any comments received from the local communities; and
  - (iv) Any written views and recommendations on the proposed contract by the National and Provincial Treasury.
- b. Paragraph 2 above is reiterated in this regard for the Council's consideration since it is the responsibility of the Municipality to ensure that the project / contract is adequately funded, managed and budgeted for.

**LEGISLATIVE FRAMEWORK**

Section 217 of the Constitution and Section 112 of the MFMA prescribe and addresses that the procurement of goods and services in the public service should be conducted through a system that is fair, equitable, transparent, competitive and cost-effective.

Section 113 of the Municipal Finance Management Act No. 56 of 2003 addresses the issue of considering an unsolicited bid outside the normal bidding process, however it should be done so within the prescribed legislative requirements.

### **LEGAL IMPLICATIONS**

1. Municipal Finance Management Act , section 113: Unsolicited Bid
2. SCM Regulation 37
3. Municipal Systems Act, section 21 A

### **CONCLUSION**

In view of the above requirements alluded to under the heading “comments” as well as all the outstanding information, it would be improper, if not irresponsible of council to even consider these bids. While no evidence of a unique concept can be detected, even the issue of a so-called sole provider is disputable as we received two bids for providing the same service, although there are differences as to the use of the final product.

Essentially council need to ensure that the service is provided and that the final water quality adheres to the acceptable standards. The service must also be cost-effective and affordable with the least impact on the tariffs. The view is held that with all the work that has already been done to the plant and the future planned work, it would still be the most cost-effective means of providing the service, thus making the need for an external service provider, unnecessary. Experience with the previous service provider has shown that, not only did the whole process resulted in huge costs that council needed bear, without any risk to the service provider, but the whole process amounted to nothing for exactly the same reasons mentioned above.

### **MANAGEMENT RECOMMENDATION**

That Council -

1. Notes the extensive legislative process required to be followed when considering an unsolicited bid.
2. Notes that the upgrading of the Bredasdorp sewerage works is currently in progress.
3. Resolve, that in the absence of a full cost/benefit analysis and that in effect more than one proposal was received, not to consider the unsolicited bids received for the upgrading of the Bredasdorp sewerage works.

### **RESOLUTION 66/2018**

That the matter be referred back to the Mayco for better clarity.

## 12.3 **REQUEST FOR APPROVAL OF MEMORANDAM OF UNDERSTANDING BETWEEN THE DEPARTMENT OF COMMUNITY SAFETY AND CAPE AGULHAS MUNICIPALITY**

### **PURPOSE OF REPORT**

To request Council to approve the Memorandum of Understanding between the Western Cape Government via its Department of Community Safety and Cape Agulhas Municipality to increase and contribute in partnerships towards community safety.

### **BACKGROUND**

- A. The Western Cape Government has made investments which aim to increase and contribute towards community safety;
- B. The Department is mandated to oversee the effectiveness and efficiency of the police service, to monitor policing conduct and to investigate complaints regarding police inefficiency or the breakdown of relations between police and communities;

- C. The Department is focused on creating safe environments and communities in which crime is less likely to happen by adopting a whole-of-society approach to improving safety within the Western Cape Province which includes promoting professional policing through systems of effective oversight, contributing towards the safety of all public buildings and spaces and the establishment of viable safety partnerships within communities;
- D. the Department has identified the means of creating such safe environments through regular inspections of police stations; expanding the Watching Brief Programme; considering public opinion and regular consultations at the Policing needs and Priorities meetings, building safety is enhanced through evaluating and reporting on the state of public buildings; establishing Safety Zones with priority areas and the establishment of extensive partnerships with the neighbourhood Watch Structures. Lastly by strengthening all 150 Community Police Forums within the Western Cape Province; maintaining a database of organisations who work towards ensuring safety within a particular community and mobilising the religious fraternity to increase their work with the Department, the Department aims to secure viable safety partnerships within all communities.
- E. The Department assists in providing and developing a basket of services to assist in ensuring safer communities within the Western Cape Province and may provide funding to ensure the realisation of such services;
- F. The Department wishes to revive, strengthen and better manage the implementation of projects within the Municipality and determine which Projects would best support the Municipality to expand and improve upon the quality of the Projects in the Western Cape;
- G. The Parties wish to enter into an Agreement in order to ensure a co-ordinated exercise of obligations and to regulate their relationship regarding the management and implementation of the Project.

**Cape Agulhas Municipality will support the initiatives / projects listed below and will identify which project would best suit the Municipality in building safer communities:**

1. Expanded Partnership Programmes (EPP)
2. Development of Police Cluster Safety Plans
3. Chrysalis Youth Development Programme
4. Youth Safety and Religious Partnership (YSRP) Programme
5. Safety Kiosk
6. Neighbourhood Watch Project
7. Safer Public Spaces

#### **FINANCIAL IMPLICATION**

The Department will donate those items which may be necessary and provide the funding for the Project in accordance with the Public Finance Management Act 1 of 1999.

The Department shall not incur any expenditure outside the parameters of the budget for the Project within a particular financial year.

#### **STAFF IMPLICATION**

The Protection Services Department and other Departments within Cape Agulhas Municipality who find the need to implement some of the Projects within the EPWP program.

#### **MANAGEMENT RECOMMENDATION**

- (i) That Council adopts the Memorandum of understanding for the implementation of projects and initiatives in support of safer communities for the twelve (12) months.
- (ii) That the Municipal Manager be authorised to sign the MOU.

#### **RESOLUTION 67/2018**

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

#### 12.4 **VERSLAG: "WHEELIE BINS" (16/5/R - DTD) (ALLE WYKE)**

##### **DOEL VAN VERSLAG**

Om die Raad in te lig rakende die verslag van JPCE Raadgewende Ingenieurs, soos aangeheg op **bladsy 28 tot 42**.

##### **AGTERGROND**

'n Verslag deur JPCE Raadgewende Ingenieurs is gedoen om die werkbaarheid/volhoubaarheid van vullisverwydering deur die gebruik van "wheelie bins" te ondersoek. Die verslag het die volgende areas ondersoek: personeel en voertuie benodig, finansiële opsies, areas/dorpe wat eerste met die dromme toegerus moet word en of die gebruik onwettige stortings sal verminder.

Tans voorsien KAM 60 swartsakke per huishouding waarin vullis geplaas word. Die sakke word weklíks verwyder in formele en informele areas. Sommige informele areas is nie toeganklik vir die trok nie en moet werkers sakke dra tot waar dit op die trok gelaai kan word.

'n 240 Liter "wheelie bin" behoort 3 vullissakke te hou. Indien meer as een huishouding per erf voorkom, sal erfeienaars die Raad in kennis moet stel sodat addisionele dromme voorsien kan word. Die toe (met deksel) dromme sal reuke verminder en diere sal nie toegang tot die vullis hê nie. (Areas waar bobbejane aktief is, sal die dromme met spesiale deksels eerder gebruik moet word.) Die dromme sal ook netjieser lyk as 'n hoop swartsakke wat wag om verwyder te word. Verder is die dromme lig, mobiel en maklik hanteerbaar. Beserings van personeel sal verminder aangesien skerp voorwerpe nie deur die wand kan steek nie.

Die leeftyd van 'n "wheelie bin" is tussen 7 tot 10 jaar indien dit korrek gebruik word. Persone is geneig om die dromme vir ander doeleindes, byvoorbeeld om items te verskuif, te gebruik. Inwoners sal ingelig moet word dat dromme teen vergoeding vervang sal word.

##### **Volgens die verslag word die volgende aanbeveel:**

1. Dat "wheelie bins" aangekoop word, hetsy op huurkoop of in geheel, en versprei word in residensiële areas.
2. Dat die bestaande vragmotors aangepas word om die dromme te kan hanteer.
3. Die aanbevole personeel per vragmotor is een drywer met 4 werkers.
4. Verkry addisionele dromme soos begroting toelaat vir areas wat nie toeganklik vir die vragmotor is nie.
5. Vullisverwydering op plase word nie aanbeveel nie weens hoë vervoerkostes.

##### **FINANSIËLE IMPLIKASIES**

Gebasseer op die raadgewende ingenieur se aanbeveling asook die beskerming van die Raad se kontantvloei, word aanbeveel dat 'n lening opgeneem word vir nagenoeg R5 000 000 en dat relevante tariewe dienooreenkomstig aangepas word.

##### **WETLIKE IMPLIKASIES**

Geen.

##### **PERSONEEL IMPLIKASIES**

Sien verslag se aanbeveling.

**BESTUURSAANBEVELING**

- (i) Dat die Raad die verslag van JPCE Raadgewende Ingenieurs oorweeg.
- (ii) Dat die Raad kennis neem dat addisionele kompakteerders in die toekoms aangekoop moet word.
- (iii) Dat 'n lening van R5 000 000 opgeneem word en dat relevante tariewe dienoreenkomstig aangepas word.
- (iv) Dat die infrastruktuurdienste departement 'n infaseringsplan saamstel en aan die Raad voorlê vir oorweging.

**AANBEVELING: INFRASTRUKTUURDIENSTE KOMITEE**

Dat die Bestuursaanbeveling aanvaar word.

**UBK BESLUIT: 29 MEI 2018**

- (i) Dat die aanbeveling van die Infrastruktuurdienste Komitee aanvaar word.
- (ii) Dat die aangeleentheid na die Raad verwys word vir oorweging.

**BESLUIT 68/2018**

Dat die Bestuursaanbeveling aanvaar word.

12.5 **APPROVAL OF SITE LAYOUT AND TYPOLOGIES FOR AREA F, BREDASDORP****PURPOSE OF REPORT****BACKGROUND**

As part as the compliance to get funding for top structures, Council has to approve the layout plan for area F, Bredasdorp and decide on the typologies to be constructed at Area F.

**OBJECTIVES**

To decide on the typologies for area F.

**LEGAL AND POLICY IMPLICATIONS**

Requirement by WDoHS for funding for top structures.

**FINANCIAL IMPLICATIONS**

None.

**MANAGEMENT RECOMMENDATION**

- (i) That Council approves the Site Layout Plan.
- (ii) That Council approves the following typologies as per addendum: • Single Type 1(a), Single Type 1(b), Single Type 1(r); • Semi-Detached 3 SS; • Duplex DS-4 and Duplex DS-6.

**RESOLUTION 69/2018**

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

*(Raadsheer Jantjies teken sy teenstem aan spesifiek teen die oprig van dupleks- en skakelhuisse.)*



17. ONAFGEHANDELDE RAADSBESLUIE

Besluit Nr	Onderwerp	Verkorte Besluit	Vordering	Verantwoordelike persoon
90/2016	Ouditeur-Generaal navraag insake erwe 563 en 937, Napier	<ul style="list-style-type: none"> <li>(i) Dat Erf 563, Napier so spoedig as moontlik deur die raad se oordragprokureurs aan KAM oorgedra word.</li> <li>(ii) Dat, sodra Erf 563, Napier in KAM se naam registreer is, dit per openbare tender vervreemd word.</li> <li>(iii) Dat alle uitstaande skuld ten bedrae van R35 256,83 op rekening 200 000 011 073 in die naam van N en S M Noor afgeskryf word.</li> <li>(iv) Dat Erf 937, Napier se uitstaande gelde so spoedig as moontlik deur die raad se Masakane proses gevorder word (binne 90 dae).</li> <li>(v) Indien alle uitstaande fooie nie binne 90 dae gevorder is nie, erf 937 per openbare tender vervreemd sal word om deel van die koste te delg.</li> <li>(vi) Dat die verskil in uitstaande fooie (balans min verkoopprijs) afgeskryf word.</li> </ul>	<i>In proses van afhandeling.</i>	DFD
237/2016	Parkering: Erf 264, Struisbaai	<p>Dat die randstene wel verwyder word, op voorwaarde dat -</p> <ul style="list-style-type: none"> <li>(i) Die eienaar in kennis gestel word dat sou hulle die parkeerarea wil vergroot tot by die voetpaadjie (in Hoofweg), die nodige grondgebruiksaansoek ingedien moet word vir oorweging.</li> <li>(ii) 'n Vergunningsooreenkoms vir die vergroting van die parkeerarea met die eienaar gesluit word.</li> </ul>	<i>Eienaar reageer nie op skrywe van prokureur nie.</i>	BSSB
238/2016	Council's further directions: Rezoning, Subdivision, Consolidation and letting of property in respect of the Vishuis Heritage Centre in Kassiesbaai, Arniston	<p>That Council approves the following: Amendment of Clause 12.2.4 of the attached Lease Agreement to read as follows: "The serving of refreshments including hot and cold beverages and snack foods (i.e. a portion of food, smaller than a regular meal, generally eaten between meals) shall be permitted, excluding regular meals."</p>	<i>In proses.</i>	BSSB
244/2016	Oordrag: Suiderstrand Pad	<ul style="list-style-type: none"> <li>(i) Dat beginsel-goedkeuring vir die oordrag van die Suiderstrand pad na Provinsie gegee word.</li> <li>(ii) Dat die Munisipale Bestuurder getaak word om die nodige prosesse van oordrag in werking te stel.</li> <li>(iii) Dat die Munisipale Bestuurder dringend 'n vergadering belê tussen die munisipaliteit, SANParke en die provinsiale departement van Paaie en Openbare Werke om die opgradering van die pad te bespreek.</li> </ul>		

Besluit Nr	Onderwerp	Verkorte Besluit	Vordering	Verantwoordelike persoon
17/2018	Fase 3 Area H Behuisingsontwikkeling in Bredasdorp	Dat die aangeleentheid terugverwys word vir die voorgestelde herontwikkeling van Fase 3 van Area H, Bredasdorp en gereed is vir ter tafellegging.		BSSB
27/2018	Valuation: Erf 857, Struisbaai	That the matter be referred back to Town Planning for further investigation.		BSSB

**BESTUURSAANBEVELING**

Dat die Raad kennis neem van die onafgehandelde Raadsbesluite.

**BESLUIT 70/2018**

Dat die bestuursaanbeveling as besluit van die Raad aanvaar word.

Hierna gaan die Raad In Komitee om sake van vertroulike aard te bespreek.

BEKRAGTIG op hierdie

dag van

2018

\_\_\_\_\_  
SPEAKER

DATUM: