



KAAP AGULHAS MUNISIPALITEIT  
CAPE AGULHAS MUNICIPALITY  
U MASIPALA WASECAPE AGULHAS

**NOTULE VAN 'N SPESIALE RAADSVERGADERING GEHOU OM 10:00 OP VRYDAG  
22 JUNIE 2018 IN DIE MUNISIPALE RAADSAAL TE BREDASDORP**

**MINUTES OF A SPECIAL COUNCIL MEETING HELD ON FRIDAY, 22 JUNE 2018 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	
ME	E C MARTHINUS	
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 K Mrali	Direkteur: Bestuursdienste
Mnr A Jacobs	Direkteur: Infrastruktuurdienste
Mnr B Swart	Interne Ouditeur
Mnr G M Moelich	Bestuurder: Admin Ondersteuning
Mnr B Hayward	Bestuurder: Stads- en Streeksbeplanning

1. **OPENING**

- (i) Die Speaker heet die teenwoordiges welkom met spesiale verwelkoming aan die nuwe Direkteur: Infrastruktuurdienste, mnr Abdul Aziz Jacobs. Raadslid Swart open daarna die vergadering met gebed.
- (ii) Raadslid Burger en die Munisipale Bestuurder oorhandig verdienslikheidsertifikate aan werknemers wat akademiese kwalifikasies in 2017 verwerf het.

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

Me T Stone                      Afdelingshoof: Strategiese Dienste

### 3. PROCESS FOR THE APPOINTMENT OF SENIOR MANAGER - DIRECTOR: MANAGEMENT SERVICES

#### PURPOSE OF REPORT

To obtain approval from Council for the advertisement of the above-mentioned post and the establishment of a selection panel.

#### BACKGROUND

The senior manager post of Director: Management Services will become vacant from 01 August 2018, when the employment contract of the mr K Mrali expires on 31 July 2018. The Local Government: Regulation on the Appointment and Conditions of Employment of Senior Managers, 2014 (Regulations) regulates the procedures for the appointment of senior managers in Local Government.

#### **Regulation 7 of the Regulations reads as follow:**

*"7(i) When the post of senior manager becomes vacant, or is due to become vacant, the Mayor, in the case of the municipal manager, or the municipal manager, or the municipal manager, in the case of a manager directly accountable to the municipal manager, upon receipt of official notification that the post of a senior manager will become vacant, obtain approval from the municipal council for the filling of such a post in its next council meeting or as soon as it is reasonably possible to do so."*

Regulation 10 then states that the municipal manager must, within 14 days of receipt of approval referred to in regulation 7, ensure that the post is advertised. The post must be advertised in a newspaper circulating nationally and in the province where the municipality is situated.

In terms of regulation 12, a municipal council must appoint a selection panel to make recommendations for the appointment of candidates to vacant senior manager posts. In deciding who to appoint to a selection panel, the nature of the post, gender balance of the panel and the skills, expertise, experience and availability of the persons to be involved, must be considered.

#### **The selection panel for the appointment of a manager directly accountable to a municipal manager must consist of at least three and not more than five members, constituted as follows:**

- The Municipal Manager, who will be the chairperson;
- A member of the mayoral committee or a councillor who is the portfolio head of the relevant portfolio; and
- At least one other person, who is not a councillor or a staff member of the municipality, and who has expertise and experience in the area of the advertised post.

Experience has also shown that since the inception of a myriad of regulations from the Department of Cooperative Government and Traditional Affairs, were specifically those on the remuneration levels of senior managers, it has become very difficult to attract experienced and competent managers in this environment. It is therefore advised that council considers the term of appointment of a director management services to be then years.

#### LEGAL REQUIREMENTS

1. Local Government: Municipal Systems Act, 32 of 2000.
2. Local Government: Regulations on the Appointment of Conditions of Employment of Senior Managers, 2014.

**FINANCIAL IMPLICATIONS**

The financial implications for the advertising phase would be that of the appointment of a recruitment service provider and the cost of advertising in the national papers. A conservative estimation of the costs for this phase would be R150 000,00.

**MANAGEMENT RECOMMENDATION**

- (i) That council approves the filling of the vacant post of Director: Management Services, in line with all legislation.
- (ii) That council appoints Councillor Tonisi and the municipal manager of the ODM to serve on the selection panel, with the municipal manager of CAM as chairperson.
- (iii) That Council approves that the post can be advertised for a fixed term of 10 years.

***Raadsdame Marthinus stel voor dat die aansoek dieselfde hanteer word as die poste van Munisipale Bestuurder en Direkteur: Finansies, deur net bestaande kontrakte te verleng.***

Na die uitbring van stemme word die volgende besluit geneem:

**RESOLUTION 74/2018**

- (i) That the management recommendation be accepted as a resolution of Council.
- (ii) That Council apply to the MEC for the existing director to act in the post for not more than 3 months.

***(Die volgende persone teken hulle teenstem aan: Rdd Marthinus, Rdl Baker, Rdl Europa en Rdh Jantjies)***

4. **APPROVAL OF THE MEMORANDUM OF UNDERSTANDING BETWEEN THE DEPARTMENT OF SOCIAL DEVELOPMENT AND CAPE AGULHAS MUNICIPALITY**

**PURPOSE OF REPORT**

To request council to approve the Memorandum of Understand between the Department of Social Development and Cape Agulhas municipality for a partnership for the implementation of collective community development programmes/ projects in support of the B.E.A. N.S. youth hub.

**BACKGROUND**

The Department of Social Development (DSD) launched the B.E.A.N.S. youth hub on 11 May 2018 at the Albert Myburgh hostel. This programme will be rolled out in all the towns within Cape Agulhas and needs the support of various stakeholders.

The purpose of the Memorandum of Understanding between the Department of Social Development and the Cape Agulhas Municipality is to build and strengthen strategic partnerships at Provincial level. Through this partnership agreement and sharing of resources and information, the community development programme for the youth hub can enhanced to ensure effective implementation of programmes.

**Cape Agulhas municipality will support within its available resources, the following initiatives in building sustainable communities being:**

1. Prevention of substance abuse
2. Family support services
3. Early childhood development
4. Youth development

5. Child protection
6. Services to persons with disability
7. HIV/AIDS
8. Older persons
9. Social crime prevention
10. Humanitarian response to Disasters

### **FINANCIAL IMPLICATIONS**

The municipality will make provision in its social budget to fund the cost of its programmes that fall within its functional areas.

### **STAFF IMPLICATION**

The Human Development staff will support the implementation of initiatives as the programme requests.

### **MANAGEMENT RECOMMENDATION**

- (i) That council adopts the Memorandum of Understanding for the implementation of projects and initiatives in support of the B.E.A.N.S. youth hub.
- (ii) The municipal manager be authorised to sign the MOU on behalf of the municipality.

### **RESOLUTION 75/2018**

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

## 5. **IMPLEMENTATION OF FEEDING SCHEMES**

### **PURPOSE OF REPORT**

To request council to approve the implementation of the feeding scheme for the 2018/2019 financial year.

### **BACKGROUND**

The Social Services department has budget R157 800.00 for the implementation of the feeding schemes in Bredasdorp, Struisbaai, Napier, Elim, Waenhuiskrans, Klipdale and Proteem for the 2018/2019 financial year.

### **DISCUSSION**

The implementation of the feeding scheme projects is subject to effective, efficient and transparent financial management and internal control systems of organizations as per section 67 of the Local Government: Municipal Finance Management Act, 2003. The beneficiaries are also obliged to provide the Municipality with a copy of it's most recent audited financial statements as per the Municipality's assessment process.

**The audited financial statements were received from the following organizations:**

<b>ORGANIZATION</b>	<b>TOWN</b>	<b>WARD</b>
Geluksoord	Elim	1
Nuwerus Nasorg	Napier	1
Meals on Wheels	Struisbaai	5

Bredasdorp Nutrition and Development Centre	Bredasdorp	3,2 and 6
Council of Stakeholders	Arniston	6
Bredasdorp Nutrition Centre	Kipdale and Proteem	2 and 4

The Arniston "Vissersunie" indicated that they do not have the capacity to manage the soup kitchen in future and that is the reason why the project is implemented by the Council of Stakeholders.

#### Expenses for the Feeding Schemes:

<b>BREDASDORP</b>	
<b>ITEM</b>	<b>EXPENSES FOR 3 MONTHS</b>
Food Products	R24 600.00
Transport	R 3000.00
Electricity	R 1500.00
Gas	R 3300.00
Stipends for 4 cooks	R 6000.00
<b>Total</b>	<b>R38 400.00</b>

<b>WAENHUISKRANS</b>	
<b>ITEM</b>	<b>EXPENSES FOR 3 MONTHS</b>
Food Products	R13 100.00
Transport	R 2 400.00
Electricity	R 1 650.00
Gas	R 3 000.00
Stipends for 3 Cooks	R 4 500.00
<b>Total</b>	<b>R 24 650.00</b>

<b>STRUISBAAI</b>	
<b>ITEM</b>	<b>EXPENSES FOR 3 MONTHS</b>
Food Products	R13 100.00
Transport	R 2 400.00
Electricity	R 1 650.00
Gas	R 3 000.00
Stipends for 3 cooks	R 4 500.00
<b>Total</b>	<b>R24 650.00</b>

<b>ELIM</b>	
<b>ITEM</b>	<b>EXPENSES FOR 3 MONTHS</b>
Food Products	R13 100.00
Transport	R 2 400.00
Electricity	R 1 650.00

Gas	R 3 000.00
Stipends for 3 cooks	R 4 500.00
<b>Total</b>	<b>R24 650.00</b>

<b>NAPIER</b>	
<b>ITEM</b>	<b>EXPENSES FOR 3 MONTHS</b>
Food Products	R13 100.00
Transport	R 2 400.00
Electricity	R 1 650.00
Gas	R 3 000.00
Stipends for 3 cooks	R 4 500.00
<b>Total</b>	<b>R24 650.00</b>

<b>KLIPDALE</b>	
<b>ITEM</b>	<b>EXPENSES FOR 3 MONTHS</b>
Food Products	R 4 000.00
Transport	R 1 900.00
Electricity	R 1 500.00
Stipends for 2 cooks	R 3 000.00
<b>Total</b>	<b>R10 400.00</b>

<b>PROTEM</b>	
<b>ITEM</b>	<b>EXPENSES FOR 3 MONTHS</b>
Food Products	R 4 000.00
Transport	R 1 900.00
Electricity	R 1 500.00
Stipends for 2 cooks	R 3 000.00
<b>Total</b>	<b>R10 400.00</b>

The total cost for the implementation of the feeding schemes amounts to R157 800.00 over a period of three months.

### **PERSONNEL IMPLICATIONS**

The Social Services department staff is only involved in the monitoring process of the project.

### **MANAGEMENT RECOMMENDATION**

- (i) Council to approve the funding allocation to the organizations based on their recent financial statement.
- (ii) That council grant permission that the feeding schemes to be accommodated at the Waenhuiskrans community hall for the duration of the project.
- (iii) That a Memorandum of Understanding to be signed between CAM and the organizations for the implementation of the feeding schemes.

- (iv) Organizations are responsible for the purchasing of goods, gas, electricity and transportation of goods.
- (v) Monthly reports regarding the operations and financial management of the project to be submitted to the Supervisor of the Social Development department of CAM.
- (vi) That council appoints the following service providers for the implementation of the feeding scheme projects:
  1. Bredasdorp Nutrition and Development Centre
  2. Council of Stakeholders
  3. Struisbaai Meals on Wheels
  4. Nuwerus "Nasorg" centre
  5. Geluksoord vir bejaardes

***Raadsheer Jantjies stel voor dat daar in die aanvullende begroting addisionele fondse beskikbaar gestel word om die diensleweringstydperk te verleng.***

Na die uitbring van stemme word soos volg besluit:

#### **RESOLUTION 76/2018**

- (i) That the management recommendation be accepted as a resolution of Council.
- (ii) That Council only pays two months of the allocated funding to the service providers for services from mid July to mid September 2018.
- (iii) That Council only pays the third instalment for services rendered for June 2019 in the last month of the 2018/19 financial year.

## **6. APPROVAL OF REVIEWED YOUTH DEVELOPMENT STRATEGY**

### **PURPOSE OF REPORT**

For council to approve the reviewed Youth Development Strategy.

### **BACKGROUND**

The Cape Agulhas youth strategy is subject to annual review. The strategy is concerned with youth development in the Cape Agulhas area. This strategy is aimed at informing decisions around youth development as well as the types of interventions designed to facilitate youth development in the Social development department. The strategy has been informed by extracted data from various sources as well as dialogues with youth.

### **DISCUSSION**

Five key strategic directions were developed to inform the implementation plan for youth development and include the following:

1. Sector coordination, support, advocacy and facilitation.
2. Engagement and partnerships.
3. Celebrate youth culture through arts and culture sport and recreation.
4. Building Capacity.
5. Acceleration of youth development through sport and recreation and other youth activities.

The above strategic directions is stipulated in the attached Youth Development Strategy on **page 1 to 23**. No new amendments were made.

### **LEGAL IMPLICATIONS**

1. The Constitution of South Africa 1996
2. The National Youth Policy (NYP) 2009 - 2014
3. Integrated Youth Strategy of South Africa July 2011
4. Municipal Financial Management Act

### **FINANCIAL IMPLICATIONS**

The social development budget will be allocated for the youth development programmes.

### **PERSONNEL IMPLICATIONS**

The Human development staff will facilitate the youth programmes.

### **MANAGEMENT RECOMMENDATION**

- (i) That Council note that the annual revision did not effect any changes to the approved youth strategy.
- (ii) That Council notes the capacity shortage in the division.

### **RESOLUTION 77/2018**

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

## 7. **CORRECTION TO AMENDMENTS TO THE PROPOSED BY-LAW ON MUNICIPAL LAND USE PLANNING (15/5/R - MTRP) (ALL WARDS)**

### **PURPOSE OF REPORT**

To obtain a Council resolution in respect of the correction to the amendments to the municipality's By-law on municipal land use planning, proposed by Councillor Derick Burger as provided for in terms of Section 12(1) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) (MSA).

### **BACKGROUND**

Recent amendments to the land use planning legislative regime with the introduction of the Spatial Planning and Land Act, 2013 (SPLUMA) and the Western Cape Land Use Planning Act, 2014 (LUPA) prompted for by-laws on municipal land use planning.

The Council has adopted the current By-laws (by-laws) on Municipal Land Use Planning, which have been in operation since it was advertised in the Provincial Gazette on 15 July 2015. These by-laws are modelled on a proposed standard draft by-law on municipal land use planning (PSDB), as drafted and provided to the municipality, by the Western Cape Government, Department of Environmental Affairs and Development Planning (DEA & DP). This was based on the best available knowledge at the time and also informed by the outcome of the public participation processes followed by all Western Cape Municipalities (municipalities) and DEA & DP.

These by-laws have been in operation for almost two years now and DEA&DP has effected a number of changes to the PSDB mainly as a result of -

- collective experience of municipalities in implementation of their by-laws, shared on various platforms and fora;
- enquiries received from municipalities, the Registrar of Deeds, the Surveyor-General, planning consultants, land surveyors and conveyancing attorneys which indicated areas for improvement or additional clarity; and
- DEA & DP's improved understanding of the legislative regime, as well as legal opinions.



The changes in the PSDB are partly to improve content, provision of additional clarity, improvement of grammar and in some cases cross referencing and in some instances to remove some ambiguities and to improve ease of use and lastly to improve alignment with SPLUMA and LUPA.

DEA & DP has further developed the PSDB and provided the municipality with an updated version of the PSDB, which includes all suggested amendments, as well as a version in which it can clearly be seen where and how the amendments are to be effected in the text thereof, as background.

DEA & DP has now suggested and requested that the municipalities consider the PSDB for adoption, with or without amendments in order to further improve the local authority's regulation of municipal land use planning.

It needs to be noted that the development and further refinement of the by-laws (and PSDB) is still an ongoing process as the new legislative regime settles, but it needs to be recognised that as amendments to SPLUMA and LUPA may still occur, future adjustments to the by-laws may be required.

### **COUNCIL DECISION: 27 MARCH 2018**

On 27 March 2018 Council took the following decision (18/2018):

- (i) That the contents of the report be noted.
- (ii) That in terms of section 12(2) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) amendments to the by-law on municipal land use planning be made.
- (iii) That in terms of section 12(3)(b) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) the proposed amendments to the by-law on municipal land use planning be published for public comments.
- (iv) That the proposed amended by-law on municipal land use planning and any comments received, be submitted to Council for consideration after publication thereof.

### **CORRECTION TO AMENDMENTS**

On 24 May 2018 Council received the following e-mail from the Department of Environmental Affairs and Development Planning:

Dear Mayors, Municipal Managers and Municipal Planning Heads,

During September 2017, the Department has provided municipalities with an updated & amended version of the proposed Standard Draft By-laws on Municipal Land Use Planning. Municipalities are in varying stages of consideration and adoption of the said by-laws.

Whilst great care is exercised with the drafting and amending of the said by-laws, it recently came to our attention that a rather unfortunate typing oversight has found its way in the version of the by-laws provided. This communique serves to alert you to this oversight and to advise you to modify your version of the by-laws in time. The details of the oversight in section 34(2)(c) of Version 1 of 2017 provided are as set out below:- *(the text highlighted in yellow is incorrect)*

- (2) The Registrar of Deeds may require proof of the removal, suspension or amendment of a restrictive condition from the applicant, including the submission of the following to the Registrar of Deeds:
  - (a) a copy of the approval;
  - (b) the original title deed; and
  - (c) a copy of the notice contemplated in section **Change to be accepted. Correction of referencing** as published in the *Provincial Gazette*.

Since becoming aware of this, the Department has effected a correction as reflected in the comparison and final versions of the by-laws attached as By-laws VERSION - 1A OF 2017 and COMPARISON VERSION - 2015 WITH 1A OF 2017. The effected section should thus be amended to read as set out below.

- (2) The Registrar of Deeds may require proof of the removal, suspension or amendment of a restrictive condition from the applicant, including the submission of the following to the Registrar of Deeds:
- (a) a copy of the approval;
  - (b) the original title deed; and
  - (c) a copy of the notice contemplated in section ~~Change to be accepted: Correction-33(6)~~ as published in the *Provincial Gazette*.

In order to prevent this oversight to find its way in the by-laws which you eventually promulgate, one of the following actions are to be considered:

- Modify the wording of section34(2)(c) before the updated & amended version of the by-laws is published for public participation.
- Modify the wording of section34(2)(c) before the updated & amended version of the by-laws is considered and adopted by Council if public participation has already been done.
- If you have not already noticed and corrected the oversight and the Council has already adopted the updated & amended version of the by-laws, then revert back to Council for a decision to modify the wording of section34(2)(c) before promulgating your by-law.
- If you have not noticed the oversight and the Council has already adopted and promulgated the updated & amended version of the by-laws, then a correction notice needs to be placed in the *Gazette*, preceded by Council decision to modify the wording of section34(2)(c).

As the modification is not regarded material, since it only corrects the documentation to be submitted to the Registrar of Deeds after the approval of an application concerning the removal, suspension or amendment of a restrictive condition of title, it should not require a redo of the public participation process if you have already done it. It would however be advisable to effect the modification prior to publication for public participation.

Whilst the drafting and amendment of the proposed Standard Draft By-law on Municipal Land Use Planning is handled with great care, it is unfortunate that this "typo" has occurred and I sincerely apologise for any inconvenience it may cause you and your municipality.

Your cooperation with considering and amending your individual by-laws will be appreciated.

#### **MANAGEMENT RECOMMENDATION**

- (i) That the contents of the report be noted.
- (ii) That the wording of section34(2)(c) be modified before the updated and amended version of the by-laws be published for public participation.
- (iii) That in terms of section 12(2) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) amendments to the by-law on municipal land use planning be made.
- (iv) That in terms of section 12(3)(b) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) the proposed amendments to the by-law on municipal land use planning be published for public comments.
- (v) That the proposed amended by-law on municipal land use planning and any comments received, be submitted to Council for consideration after publication thereof.

#### **RESOLUTION 78/2018**

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

8. **MICRO STRUCTURE 2018/2019****PURPOSE OF REPORT**

For Council to note the changes to the approved micro-structure effected by the 2018/19 budget as well as post name changes (see **page 24 to 34**).

**BACKGROUND**

The current micro-structure was approved by council at a special council meeting held on 7 December 2017. Due to budgetary constraints as well as the austerity measures contemplated by council regarding the limitation of increases on the salary budget, it was proposed that the current unfunded posts on the structure be removed, but also as part of the same exercise, include the posts that have been approved with the budget, and to allow for changes that was effected due to new post names, new reporting lines as well as the improvement and placement of posts where functions were amalgamated.

The table below reflects the posts that were removed or abolished in consultation with the relevant director or manager and was also tabled at the Local Labour Forum held on 07 June 2018. The second table shows vacant posts that were budgeted for on the approved structure but also include those who have been identified and budgeted for as part of the budgeting process for the next financial year.

<b>ABOLISHED POSITIONS</b>				
<b>Department/Section</b>	<b>Post title</b>	<b>Org. Ref. No Ref:</b>	<b>Name</b>	<b>Comments</b>
<b>Revenue Management</b>	Office Assistant - Client Services: SB	FD 695	Vacant Not Budgeted	Abolished
<b>Director: Management Services</b>	Snr Clerk; Client Services	MS426	Vacant Not Budgeted	Abolished
<b>Management Services</b>	Snr Librarian	MS304	Vacant and Budgeted	Abolished
<b>Refuse services</b>	Admin Support / EPWP Support	IS 998	Vacant Not Budgeted	Abolished
<b>Refuse services</b>	EPWP Cleansing / Landfill Assistant	IS 997	Vacant Not Budgeted	Abolished
<b>Water services</b>	Worker	IS 514	Vacant Not Budgeted	Abolished
<b>Water services</b>	Foreman	IS 612	Vacant Not Budgeted	Abolished (was never budgeted for more than 5 years)
<b>Water services</b>	TLB Operator	IS 613	Vacant Not Budgeted	Abolished (was never been budgeted for more than 5 years)
<b>Water services</b>	Worker	IS 670	Vacant Not Budgeted	Abolished (was never been budgeted for more than 5 years)
<b>Water services</b>	Artisan / Bricklayer	IS 671	Vacant Not Budgeted	Abolished (was never been budgeted for more than 5 years)
<b>Refuse services</b>	Worker	IS 464	Vacant Not Budgeted	Abolished (was never been budgeted for more than 5 years)
<b>Refuse services</b>	Worker	IS 487	Vacant Not Budgeted	Abolished (was never been budgeted for more than 5 years)
<b>Refuse services</b>	Worker	IS 468	Vacant Not Budgeted	Abolished (was never been budgeted for more than 5 years)
<b>Streets and Storm water</b>	Worker	IS 377	Vacant Not Budgeted	Abolished (was never been budgeted for more than 5 years)

<b>BUDGETED POSITIONS 2018/19</b>					
<b>Department/Section</b>	<b>Post title</b>	<b>Org. No</b>	<b>Ref.</b>	<b>Name</b>	<b>Comments</b>
<b>Audit Committee</b>	Senior Internal Auditor	MB102		Vacant and Budgeted	Review process of post: TBD
<b>Socio-Economic Development</b>	Administrator Tourism Product Development	SED106		Vacant and Budgeted	Review process of post: TBD
<b>Socio-Economic Development</b>	Tourism official	SED107		Vacant and Budgeted	Review process of post: TBD
<b>Risk Services</b>	Risk Officer	SR302		Vacant and Budgeted	Post Broad Back
<b>Solid Waste</b>	Team Leader Driver	IS470		Vacant and Budgeted	Evaluated
<b>Solid Waste</b>	Worker	IS472		Vacant and Budgeted	Evaluated
<b>Solid Waste</b>	Worker	IS474		Vacant and Budgeted	Evaluated
<b>Electro-Technical Services</b>	Senior Technical Support Officer	IS103		Vacant and Budgeted	Review process of post: TBD
<b>Income Services</b>	Credit Controller	FD416		Vacant and Budgeted	Evaluated
<b>RE-ARRANGEMENTS FOR ORGANIZATIONAL EFFECTIVENESS AND EFFICIENCY</b>					
<b>Department/Section</b>	<b>Post title</b>	<b>Org. No</b>	<b>Ref.</b>	<b>Name</b>	<b>Comments</b>
<b>ICT</b>	Senior Specialist: Financial Systems	FD122		Incumbent part of the workforce	Re-arrange to ICT
<b>Budget and Treasury</b>	Officer Budget and Data processing	FD123		Incumbent part of the workforce	Re-arrange within department with Budget Data Processing
<b>Budget and Treasury</b>	Assistant Account: Asset and Insurance	FD112		Incumbent part of the workforce	Re-arrange the integration between the Budget and Treasury Department and Expenditure Department

### **FINANCIAL IMPLICATIONS**

No financial implications - All vacant posts are already fully funded within the approved salary budget.

### **LEGISLATIVE REQUIREMENTS**

- Municipal Systems Act, No 32. of 2000
- Task Policy-SALGA
- Cape Agulhas Municipality Remuneration Policy
- Municipal Finance Management Act, Act No 56 of 2003
- Main Collective Agreement, SALGBC

### **MANAGEMENT RECOMMENDATION**

That Council approve the changes to the structure as reflected in the above report.

***Raadsdame Marthinus spreek haar kommer uit dat die laer-vlak poste uit die struktuur verwyder word om voorsiening te maak vir kantoor personeel en dit mag 'n negatiewe uitwerking op dienslewering op grondvlak hê.***

Na die uitbring van stemme word die volgende besluit geneem:

### **RESOLUTION 79/2018**

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

***(Die volgende persone teken hulle teenstem aan: Rdd Marthinus, Rdl Baker, Rdl Europa)***

9. **CAPE AGULHAS MUNICIPALITY LOCAL ECONOMIC DEVELOPMENT STRATEGY REVISION (2018)**

**REPORT BY THE MUNICIPAL MANAGER**

**PURPOSE OF REPORT**

To present a revision of the Local Economic Development Strategy to Council for approval. The revised strategy is *provided as a separate document*.

**DISCUSSION**

The LED Strategy was reviewed in 2016 and again in 2018. The challenge with the strategy was that it contained multiple initiatives but lacked a credible implementation plan. A further challenge is that our institutional arrangements do not reflect mainstreaming of LED.

Dr G Davids was appointed to revise the LED Strategy, with specific emphasis on implementation and institutional arrangements.

**MANAGEMENT RECOMMENDATION**

That Council approve the Cape Agulhas Municipality Local Economic Development Strategy Revision (2018).

**RESOLUTION 80/2018**

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

10. **SMART CITY STRATEGIC PLAN**

**PURPOSE OF REPORT**

To table the Smart City Strategic Plan for Council's consideration (*document provided separately*).

**BACKGROUND**

The Smart City Strategy is a long- term strategy aligned to the ITC Strategy of the Municipality as well as the current Integrated Development Plan (2017/18 - 2021/22) and beyond.

During the beginning of 2018 workshops and engagements with various stakeholders in the Municipality were held in order to draft an inclusive Smart City Strategy, that relate to the various goals, needs and strategies of the Cape Agulhas Municipal area. Using smart thinking, smart practices and smart measurement to address the municipality's institutional challenges and the most critical development needs of the Municipality as identified by the community.

The foundation of the strategy is the development of an agile network and integrated digital platform, which has multiple purposes, now and into the future. It is a futuristic and ambitious project and even though we realise that full implementation may take some time, it is structured in such a way that every individual initiative will show benefits, whether implemented in the short, medium or long term.

**This strategy comprises five initiatives namely:**

- Smart infrastructure
- Smart safety
- Smart Environment
- Smart Governance
- Smart economy

Each initiative is divided into a number of projects or business cases, which can be implemented and funded individually. This was done to enable us to apply for funding for individual projects and assign responsibility for their management to specific individuals. There is however a strong link and interrelatedness between many of the projects.

The next step will be the development of a business plan for each initiative in order applications can be submitted for funding.

### **FINANCIAL IMPLICATIONS**

To be determined, but none in terms of approving this strategy.

### **LEGISLATIVE REQUIREMENTS**

1. Municipal Finance Management Act, Act No. 56 of 2003.
2. Minimum Interoperability Standards (MIOS) for Government Information **Systems**, 2011.

**The following standards and strategies were leveraged in the development of this strategy:**

1. Western Cape Municipal Information and Communication Technology Governance Policy Framework, 2014.
2. COBIT, 2012.
3. ITIL, 2011.
4. International Organization for Standardization (ISO 38500 - Governance of IT), 2015.
5. King IV Report, 2016.
6. Cape Agulhas Municipality IDP 2017/18 - 2021/22
7. Cape Agulhas Municipality ICT Strategy 2017/18 - 2021/22
8. Cape Agulhas Municipality revenue enhancement strategy

### **MANAGEMENT RECOMMENDATION**

- (i) That Council consider the approval of the Smart City Strategy Plan and that this document will be noted formally and officially as a strategy, which will be set in place for a period of twenty (20) years.
- (ii) That Council on approval of this document, understand that this is a strategic document only and separate business cases with detailed implementation plans will be tabled to Council before or during the budgetary process of Council related to the applicable initiatives identified in this strategy.

### **RESOLUTION 81/2018**

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

## 11. **REVIEWED AND AMENDED BUDGET-RELATED POLICIES**

### **PURPOSE OF REPORT**

To obtain Council's approval in respect of the following reviewed and amended budget-related policies:

- Property Rates Policy (page 35 to 58)
- Subsistence and Travelling Policy (page 59 to 70)

In terms of section 17(3)(e) of the MFMA any proposed amendments to budget-related policies of the municipality must accompanied the tabled budget when submitted to council for final approval each year.

Due to ongoing changes in processes, procedures, risks and legislation that impacted on the existing policies, it is suggested to amend the listed policies with an effective date of 1<sup>st</sup> July 2018 which is attached as Annexure "A" to this document.

The amendment to the *Property Rates Policy* is mainly to define the definitions in terms of the applicable and add one new category - Public Service Purposes (Item 2.28)

The current *Subsistence and Travelling Policy* was outdated and not applied equally to all representatives with specific reference to the travel allowance tariff if travelling outside the municipal area.

The Municipal Manager in consultation with the Chief Financial Officer recommends as follows:

### **MANAGEMENT RECOMMENDATION**

Council consider approval of the following amended budget-related policies with the effective date 1<sup>st</sup> July 2018:

- Property Rates Policy
- Subsistence and Travelling Policy

### **RESOLUTION 82/2018**

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

## 12. **SPECIAL ADJUSTMENTS BUDGET IN RESPECT OF THE 2017/18 FINANCIAL YEAR**

### **The Director: Finance reports as follows:**

In terms of section 28 of the MFMA and guidelines received from National Treasury the municipality is allowed to revise its approved annual budget through an adjustments budget based on the following criteria:

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

However, section 23(2) of the Municipal Budget & Reporting Regulations prescribe that only one adjustment budget be tabled in council during a financial year except when additional revenues become available from National / Provincial governments and / or unforeseeable and avoidable expenditure has been incurred.

Circular 68 provides clarity on the procedures to be followed when dealing with unauthorized, irregular or fruitless and wasteful expenditure as defined in section 1 of the MFMA.

The circular further provides guideline information on what process to follow when council may authorize unauthorized expenditure in an adjustment budget. An adjustment budget can be addressed in the following three different adjustments budgets:

- **Adjustments budget for unforeseen and unavoidable expenditure:** It allows council to provide *ex post* authorization for unforeseen and unavoidable expenditure that was authorized by the Executive Mayor in terms of section 29 of the MFMA and which must be tabled in council at the “first available opportunity” or within 60 days after the expenditure was incurred.
- **Main adjustments budget:** In terms of regulation 23(6)(a) of the Municipal Budget and Reporting Regulations a council may authorize unauthorized expenditure in the adjustments budget occurred in the first half budget which may be tabled in council for approval at any time after the mid-year budget and performance assessment but not later than 28 February of the current year.
- **Special adjustments budget to authorize unauthorized expenditure:** In terms of regulation 23(6)(b) of the Municipal Budget and Reporting Regulations, council may authorize unauthorized expenditure in a special adjustments budget which only deals with unauthorized expenditure from the previous financial year such as:
  - Unauthorized expenditure that occurred in the first half of the previous financial year that was not included in the main adjustments budget;
  - Unauthorized expenditure that occurred in the second half of the previous financial year; and
  - Any unauthorized expenditure identified by the Auditor-General during the annual audit process.

In order to avoid any unauthorized expenditure as prescribed in terms of section 15 of the MFMA it is suggested that council considers the special adjustment budget based on allocations received from the Provincial Treasury to address “Revenue Enhancement”, the Department of Cooperative Governance, Human Settlements & Traditional Affairs allocation towards housing and other unforeseeable expenditure incurred and / or approved after finalization of the mid-year financial and performance assessment when the main adjustments budget was approved by council during January 2018. The second adjustment budget is attached as **Annexure on page 71 to 89** for council’s consideration and approval.

**The unforeseen adjustment mainly refers to:**

- Application of virement above the 10% ratio prescribed in terms of the Budget & Virement policy;
- Additional grant allocations in respect of capital as well as operating expenditure for example Housing; Water & Sanitation; Disaster Management, etc.
- Reallocation of capital projects due to savings; and
- Provision in respect of Landfill Site and Post Service Employee Benefits.

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

**MANAGEMENT RECOMMENDATION**

- (i) Council considers the approval of the special adjustment budget as per recommended resolution tabled.
- (ii) Council resolves that the special adjustment budget of Cape Agulhas Municipality for the financial year 2017/2018, and indicative for the projected outer years 2018/2019 and 2019/2020 be approved as set out in the following schedules:
  1. Adjustment Budget Summary - Table B1;
  2. Budgeted Financial Performance (Revenue and Expenditure by standard Classification) -Table B2;
  3. Budgeted Financial Performance (Revenue and Expenditure by standard Classification) - B - Table B2;
  4. Budgeted Financial Performance (revenue and expenditure by municipal vote) Table B3;
  5. Budgeted Financial Performance (revenue and expenditure by municipal vote) - B -Table B3;
  6. Budgeted Financial Performance (revenue and expenditure) - Table B4;
  7. Budgeted Capital Expenditure by vote and funding - Table B5;
  8. Budgeted Financial Position - Table B6;
  9. Budgeted Cash Flows Table B7;



10. Cash backed reserves/accumulated surplus reconciliation - Table B8;
  11. Asset Management - Table B9; and
  12. Basic service delivery measurement table B10
- (iii) Council resolves that the other related SA supporting documentation to the approved budget be updated according to the adjustments made.
  - (iv) Council resolves that a hard and electronic copy of the complete special adjustment budget be submitted to National- and Provincial Treasury respectively for information.

### **RESOLUTION 83/2018**

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

## 13. **RECOVERING OF AND / OR WRITING OFF FRUITLESS AND WASTEFUL EXPENDITURE FOR 2017/18 FINANCIAL YEARS**

### **PURPOSE OF REPORT**

For council to investigate any fruitless and wasteful expenditure that have been incurred for the period July 2017 to June 2018 for approval and / or to be written off.

### **BACKGROUND**

In terms of section 32(1) of the MFMA any political office-bearer or official of a municipality is liable for unauthorized expenditure if -

- An office-bearer knowingly or after having been advised by the accounting officer that the expenditure is likely to result in unauthorized expenditure, instructed an official of the municipality to incur the expenditure;
- The accounting officer deliberately or negligently incurred unauthorized expenditure, subject to subsection (3) whereby the accounting officer has informed the Council in writing that the expenditure is likely to be unauthorized, irregular or fruitless and wasteful expenditure;
- Any political office-bearer or official deliberately or negligently committed, made or authorized an irregular expenditure; or
- Any political office-bearer or official deliberately or negligently made or authorized a fruitless and wasteful expenditure.

Furthermore section 32(2) of the MFMA prescribes that a municipality must recover unauthorized, irregular or fruitless and wasteful expenditure from the person liable for that expenditure unless the expenditure -

- (a) in the case of unauthorized expenditure, is -
  - (i) authorized in an adjustment budget; or
  - (ii) certified by the municipal council, after investigation by a council committee, as irrecoverable and written off by the council; and
- (b) in the case of irregular or fruitless and wasteful expenditure, is, after investigation by a council committee, certified by the council as irrecoverable and written off by the council.

As part of the financial year end process fruitless and wasteful expenditure have been identified for further investigation by council / MPAC in order to either recover or certify as irrecoverable and write off as prescribed in terms of the above mentioned legislation and in terms of the municipality's approved policy in this regard. Attached as **Annexure A on page 90** the register in respect unauthorized, irregular, fruitless and wasteful expenditure for the period July 2017 to June 2018 for Council's investigation and / or verification.

The fruitless and wasteful expenditure refers to an incorrect EPWP payment to somebody with the same initials / name, interest due to incorrect allocation Eskom account payment and training not completed in respect of Coaching & Mentoring.

The first two incidents mainly have reference to the implementation of the new Vesta system which resulted in the incorrect payment due to an administrative error. In respect of the training investigate the possibility to negotiate with the service provider to allow for a last opportunity maybe to submit the assignment due for completion of the training course.

### **LEGAL IMPLICATION**

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

### **FINANCIAL IMPLICATION**

In terms of the prescribed legislation a Council must recover any unauthorized, irregular or fruitless and wasteful expenditure deliberately or negligently incurred by a political office-bearer or official of the municipality for which he / she will be held liable after a thorough investigation been completed.

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

### **MANAGEMENT RECOMMENDATION**

- (i) Council considers the report on unauthorized, irregular, fruitless and wasteful expenditure for the period from July 2017 to June 2018 as per Annexure "A" for recovery or certification as irrecoverable and written off.
- (ii) Council promptly informs the MEC for local government and Auditor-General in writing of the unauthorized, irregular, fruitless and wasteful expenditure incurred by the municipality for the periods under review inclusive of the council resolution on the outcome of finding.

### **RESOLUTION 84/2018**

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

## 14. **AFSKRYF VAN ONINBARE SKULDE: DIENSTE REKENINGE**

### **DOEL VAN VERSLAG**

Vir die Raad om oorweging te skenk vir die afskryf van oninbare dienste rekeninge ten bedrae van R296 514,19 ten opsigte van oorhandigings / reëlings van uitstaande skulde.

### **AGTERGROND**

Met die oorskakeling van die SAMRAS finansiële stelsel na VESTA gedurende Julie 2017 is 'n geraamde totaal van een duisend ses honderd ou uitstaande debiteure rekeninge opgelaaï na die nuwe finansiële stelsel wat as oninbaar beskou kon word en grotendeels aangepas was deur regskoste betaal en rente wat teen die debiteure rekeing opgelooï het. Die gemiddelde uitstaande bedrag per debiteur beloop R185,79 wat dit nie lonend maak om enige kostes verder aan te gaan ter invordering van lank uitstaande debiteure.

As deel van die data skoonmaak proses en probleme insake die hantering van die debiteure rekeninge op die nuwe stelsel uit te skakel, word aanbeveel dat die Raad oorweging sal skenk ter afskrywing van die oninbare gelde in stede van terugplasing op die huidige rekeninge van die onderskeie debiteure. Die lys van uitstaande dienste rekeninge word apart (*vertroulik*) aangeheg vir die Raad se kennisname.

### **WETLIKE IMPLIKASIE**

Geen.

### **FINANSIËLE IMPLIKASIE**

Oorweging vir die afskryf van oninbare skulde ten bedrae van R296 514,19.

Die Munisipale Bestuurder, in konsultasie met die Direkteur Finansies, beveel as volg aan:

**BESTUURSAANBEVELING**

Dat die Raad goedkeuring verleen dat oninbare skulde ten opsigte van uitsaande dienste rekeninge afgeskryf word ten bedrae van R296 514,19.

**BESLUIT 85/2018**

Dat die Bestuursaanbeveling as besluit van die Raad aanvaar word.

15. **AFSKRYWING VAN UITGEDIENDE VOORRAAD**

**DOEL VAN VERSLAG**

Om goedkeuring te verkry aangaande die afskrywing van uitgediende voorraad soos op 31 Mei 2018.

**AGTERGROND**

Verklaring van die voorraad is as volg:

Stock item number	Stock item description	Balance - value	Balance - quantity	Balance - unit price
14439	CASHIER RECEIPTS (4000 PER BOX)	R21 000,00	30	R700,00

Weens die verandering in finansiële stelsel word die voorafgedrukte kwitansies nie meer gebruik nie en word aanbeveel dat dit afgeskryf word.

**WETLIKE IMPLIKASIE**

Ingevolge Wet 56 van 2003 (MFMA), artikel 125(d)(iii) moet die Raad enige verliese verhaal of afgeskryf, openbaar.

**FINANSIËLE IMPLIKASIE**

R21 000,00

**BESTUURSAANBEVELING**

Dat die gelysde kwitansies ter waarde van R21 000,00 van Stoor A Bredasdorp, afgeskryf word.

**BESLUIT 86/2018**

Dat die Bestuursaanbeveling as besluit van die Raad aanvaar word.

Die vergadering verdaag om 11:10

BEKRAGTIG op hierdie

dag van

\_\_\_\_\_  
SPEAKER

DATUM: