



ORDINARY MEETING OF THE COUNCIL

GEWONE VERGADERING VAN DIE RAAD

INTLANGANISO YESIQHELO YEBHUNGA

MINUTES / NOTULE /

IMIZUZU

DATE / DATUM / UMHLA : 27 MAY / MEI / MEYI 2020

VENUE / PLEK / INDAWO : VIRTUAL

TIME / TYD / IXESHA: 11:00

OVERSTRAND

MUNICIPALITY / MUNISIPALITEIT / U-MASIPALA

MINUTES OF THE COUNCIL MEETING HELD BY MEANS OF A VIRTUAL PLATFORM ON 27 MAY 2020, AT 11:00

PRESENT:

Councillors were present as per attached attendance register.





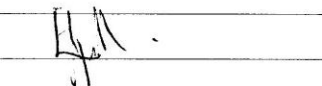


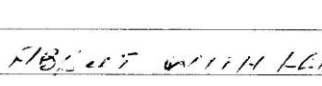
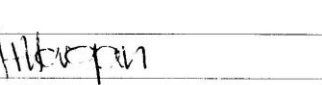
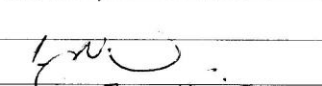




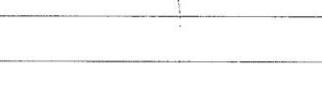

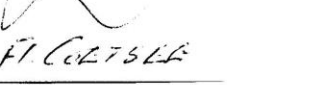




OFFICIALS PRESENT:

Mr C Groenewald, Municipal Manager
Ms D Arrison, Director : Management Services
Ms S Reyneke-Naudé, Director : Finance
Mr R Williams, Director : Community Services
Mr N Michaels, Director : Protection Services
Mr S Madikane, Director : Economic Development
Mr S Müller, Director : Infrastructure & Planning
Mr T Steenberg, Deputy Director : Community Services
Mr R Kuchar, Senior Manager : Town Planning
Mr C Mitchell, Manager : Solid Waste
Ms R Louw, Senior Manager : Strategic Planning
Mr A Wyngaard, Senior Manager : Hermanus Administration
Mr F Myburgh, Senior Manager : Gansbaai Administration
Mr D Lakey, Senior Manager : Kleinmond Administration
Ms B Plaatjies, Manager : Hermanus Administration
Ms H van Tonder, Manager : Council Support Services
Mr B King, Senior Manager : Financial Services
Ms G Bucchianeri, Manager : Budget Office
Mr R Fraser, Chief : Traffic/Licences
Mr L Smith, Chief : Fire & Rescue and Disaster Management
Mr F Frans, Manager : Housing
Ms N Zweni, Manager : Communication
Ms A Le Roux, Manager : Property
Ms R Steenekamp, Media & Social Media Liaison Officer
Ms S Swart: Administrative Officer : Council Support Services
ICT
Ms G Erasmus, Clerk : Auditorium

MINUTES .../

OVERSTRAND MUNICIPALITY
ATTENDANCE REGISTER

COUNCIL MEETING
27 MAY 2020


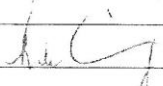
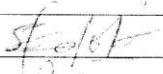
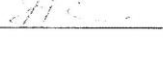
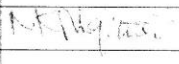

| ALDERMAN/COUNCILLORS | SIGNATURE |
|----------------------|---|
| AFRICA, F |  |
| BOTHA, D |  |
| BRICE, KD |  |
| COETSEE, A |  |
| COETZEE, DP |  |
| COHEN, G |  |
| DE CONING, CA |  |
| GILLION, E |  |
| KALOLO, SV |  |
| KOMANI, AS |  |
| KRIGE, F |  |
| NQINATA, NNT |  |
| MACOTHA, VC |  |
| MAY, C | ABSENT WITH LEAVE  |
| MOLEFE, B |  |
| MORGAN, H |  |
| MSWELI, X |  |
| NTSABO, L |  |
| NUTT, R |  |
| ORBAN, J |  |
| PUNGUPUNGU, V |  |
| RESANDT, C | |
| SAPEPA, NM | |
| TAFU-NWONKWO, CC | |
| TEBELE, S | |

✓ = CARS PRESENT


F. COETZEE

OVERSTRAND MUNICIPALITY
ATTENDANCE REGISTER

COUNCIL MEETING
27 MAY 2020

| ALDERMAN/COUNCILLORS | SIGNATURE |
|----------------------|---|
| AFRICA, F | |
| BQTHA, D | |
| BRICE, KD | |
| COETSEE, A | |
| COETZEE, DP |  |
| COHEN, G | |
| DE CONING, CA |  |
| GILLION, E | |
| KALOLO, SV |  |
| KOMANI, AS |  |
| KRIGE, F | |
| NQINATA, NNT |  |
| MACOTHA, VC | |
| MAY, C | |
| MOLEFE, B | |
| MORGAN, H | |
| MSWELI, X |  |
| NTSABO, L | |
| NUTT, R | |
| ORBAN, J | |
| PUNGUPUNGU, V | |
| RESANDT, C | |
| SAPEPA, NM | |
| TAFU-NWONKWO, CC | |
| TEBELE, S | |

1. OPENING

The Municipal Manager, Mr C Groenewald, read the notice convening the meeting.

2. APPLICATIONS FOR LEAVE OF ABSENCE

Cllr C May

RESOLVED

that the above-mentioned application for leave of absence, **be granted.**

3. CONFIRMATION OF MINUTES**3.1 Minutes of an Ordinary Meeting of the Council held on Wednesday, 25 March 2020 at 11:00**

RESOLVED:

that the Minutes of an **Ordinary Meeting** of the Overstrand Municipal **Council** held on **Wednesday, 25 March 2020 at 11:00, be confirmed.**

4. STATEMENTS AND COMMUNICATIONS BROUGHT FORWARD BY THE SPEAKER / EXECUTIVE MAYOR

The Speaker, Ald A Coetsee, mentioned that this is a first for Council to hold a virtual meeting and that, in his discretion in terms of Rule 7(c), adopted the rules of meetings on an electronic platform.

The Speaker, Ald A Coetsee, reported that items 5.5 and 5.6 have been removed from the Council agenda, as it was referred back during the Mayoral Committee meeting.

5. CONSIDERATION OF RECOMMENDATIONS MADE BY THE EXECUTIVE MAYOR TO COUNCIL, IN TERMS OF SECTION 160(2) OF THE CONSTITUTION, 1996, AND SECTION 59(1)(a) OF THE LOCAL GOVERNMENT: MUNICIPAL SYSTEMS ACT 2000 (ACT 32 OF 2000)

5.1

IN PRINCIPLE APPROVAL FOR THE DIRECT ALIENATION OF A PORTION OF ERF 2423 BETTY'S BAY ADJACENT TO ERF 2674 BETTY'S BAY (199 PORTER DRIVE, BETTY'S BAY) TO AFRICA PRO CURE CC

(ITEM 5, PAGE 1 : MAYORAL COMMITTEE MEETING : 27 MAY 2020)

RESOLVED (SUPPORTED BY 24 COUNCILLORS):

1. that the direct alienation of a portion of Erf 2423 Betty's Bay (adjacent to Erf 2674 Betty's Bay), $\pm 53\text{m}^2$ in extent, to the owner of the adjoining Erf 2674 Betty's Bay, Africa Pro Cure CC, at an amount of R150.00/m² (ONE HUNDRED AND FIFTY RAND PER SQUARE METRE) (VAT excluded) be **approved in principle**;
2. that it be noted that the direct alienation is possible as the said portion of Erf 2423 Betty's Bay can be classified as a non-viable property;
3. that, subject to the approval in 1 above, a public participation process be followed at the cost of the applicant/purchaser;
4. that it be noted that a condition for the alienation will be that the said portion of Erf 2423 Betty's Bay must be consolidated with the adjoining property of Africa Pro Cure CC, being Erf 2674 Betty's Bay;
5. that no structures of any kind (excluding a boundary wall or fence) may be erected on the said portion of Erf 2423 Betty's Bay, which condition must be registered against the title deed of the consolidated property;
6. that the alienation of said portion of Erf 2423 Betty's Bay be subject to obtaining the necessary Town Planning approvals;
7. that all the costs pertaining to the transaction, e.g. application cost, valuation cost, closure of a portion of public road, subdivision and consolidation, rezoning, Section 14 advertisement and transfer and related costs (including the transfer of Erf 2423 Betty's Bay to the Overstrand Municipality), etc. be paid by the applicant/purchaser, Africa Pro Cure CC; and

8. that it be noted that the municipal property herewith envisaged to be alienated is not required for the provision of basic municipal services in terms of the provisions of paragraph 5 of Council's Administration of Immovable Property Policy and Section 14 of the Local Government: Municipal Finance Management Act (Act 56 of 2003).

| | |
|---|---------------------|
| RESPONSIBLE OFFICIAL: | N LIEBENBERG |
| TARGET DATE FOR IMPLEMENTATION: | 19 JUNE 2020 |
| TARGET DATE TO INFORM APPLICANT: | 30 JUNE 2020 |
| TARGET DATE TO INFORM OBJECTOR: | N/A |

5.2**HERMANUS: IN PRINCIPLE APPROVAL FOR THE ALIENATION OF ERF 7373 HERMANUS (SITUATED AT 84 ANGELIER STREET, MOUNT PLEASANT) BY MEANS OF A COMPETITIVE PROCESS****(ITEM 6, PAGE 9 : MAYORAL COMMITTEE MEETING : 27 MAY 2020)****RESOLVED (SUPPORTED BY 24 COUNCILLORS):**

1. that the alienation of Erf 7373 Hermanus (354m² in extent), for residential purposes by means of a competitive process at a market related price be **approved in principle**;
2. that all costs pertaining to the transaction, for example the transfer costs, water, sewer and electricity connections and the section 14 advertisement, but excluding the valuation costs, be paid by the successful bidder/purchaser;
3. that a condition be included in the Title Deed of the property that it may only be used for residential purposes; and
4. that it is hereby confirmed by Council that the municipal property herewith alienated is not required for the provision of basic municipal services in terms of paragraph 5 of the Administration of Immovable Property Policy approved by Council on 25 November 2015 and Section 14 of the Local Government: Municipal Finance Management Act (Act 56 of 2003).

RESPONSIBLE OFFICIAL :**R MARINUS****TARGET DATE FOR IMPLEMENTATION :****30 JUNE 2020****TARGET DATE TO INFORM APPLICANT :****N/A****TARGET DATE TO INFORM OBJECTOR :****N/A**

5.3**TRANSFER: OVERSTRAND MUNICIPALITY TO AMANDA LIFABA: ERF 440, ZWELIHLE****(ITEM 9, PAGE 29 : MAYORAL COMMITTEE MEETING : 27 MAY 2020)****RESOLVED (SUPPORTED BY 24 COUNCILLORS):**

1. that permission **be granted** to transfer erf 440, Zwelihle to Ms Amanda Lifaba (ID Number 8406091129081);
2. that Ms Amanda Lifaba be responsible for the payment of the sales price of R10,00;
3. that Ms Amanda Lifaba be responsible for the payment of the transfer costs associated with this transaction; and
4. that the aforementioned approval furthermore be subject to Ms Amanda Lifaba accepting responsibility for the outstanding municipal services account in respect of erf 440, Zwelihle.

RESPONSIBLE OFFICIAL :**FW FRANS****TARGET DATE FOR IMPLEMENTATION :****01 JUNE 2020**

5.4

TRANSFER: OVERSTRAND MUNICIPALITY TO MR JONATHAN MORNE STOFFELS: ERF 641, HAWSTON

(ITEM 10, PAGE 51 : MAYORAL COMMITTEE MEETING : 27 MAY 2020)

RESOLVED (SUPPORTED BY 24 COUNCILLORS):

1. that permission **be granted** to transfer erf 641, Hawston to Mr Jonathan Morne Stoffels (ID Number 770831 5085 085); and
2. that the aforementioned approval furthermore be subject to Mr Jonathan Morne Stoffels accepting responsibility for the outstanding municipal services account in respect of erf 641, Hawston.

RESPONSIBLE OFFICIAL :**FW FRANS****TARGET DATE FOR IMPLEMENTATION :****01 JUNE 2020**

**5.5
ITEM REMOVED**

5.6
ITEM REMOVED

5.7**NATIONAL BUILDING REGULATIONS AND BUILDING STANDARDS ACT NO. 103 OF 1977: APPOINTMENT OF A BUILDING CONTROL OFFICER****(ITEM 13, PAGE 623 : MAYORAL COMMITTEE MEETING : 27 MAY 2020)****RESOLVED (SUPPORTED BY 24 COUNCILLORS):**

that, in terms of Section 5 of the National Building Regulations and Building Standards Act (Act 103 of 1977), Mr JG Coetzee **be appointed** as the Building Control Officer for the Overstrand Municipal Area.

RESPONSIBLE OFFICIAL :**L COETZEE****TARGET DATE FOR IMPLEMENTATION :****1 JUNE 2020**

5.8

FRAUD AND RISK MANAGEMENT COMMITTEE TERMS OF REFERENCE

(ITEM 14, PAGE 627 : MAYORAL COMMITTEE MEETING : 27 MAY 2020)

RESOLVED (SUPPORTED BY 24 COUNCILLORS):

that the Risk Management Committee Terms of Reference **be approved.**

RESPONSIBLE OFFICIAL :

Z MAZUTHU

TARGET DATE FOR IMPLEMENTATION :

01 JULY 2020

**5.9
RISK MANAGEMENT STRATEGY AND POLICY**

(ITEM 15, PAGE 638 : MAYORAL COMMITTEE MEETING : 27 MAY 2020)

RESOLVED (SUPPORTED BY 24 COUNCILLORS):

1. that the Risk Management Strategy **be approved**; and
2. that the Risk Management Policy **be approved**.

RESPONSIBLE OFFICIAL :

Z MAZUTHU

TARGET DATE FOR IMPLEMENTATION :

1 JULY 2020

5.10**REMUNERATION OF PUBLIC OFFICE BEARERS ACT, 1998 (ACT 20 OF 1998):
DETERMINATION OF UPPER LIMITS OF SALARIES, ALLOWANCES AND
BENEFITS OF DIFFERENT MEMBERS OF MUNICIPAL COUNCILS****(ITEM 16, PAGE 688 : MAYORAL COMMITTEE MEETING : 27 MAY
2020)****RESOLVED (SUPPORTED BY 24 COUNCILLORS):**

1. that the salaries and allowances in respect of the different members of Council as provided for in Government Notice 475, dated 24 April 2020, **be approved** and be made applicable **with effect from 1 July 2019**, subject to the concurrence of same by the Provincial Minister of Local Government, Environmental Affairs and Development Planning;
2. that, in terms of Section 14 of the government notice mentioned in 1 above, Councillors provide the Municipality with either all the necessary details regarding the councillor's property and assets to be covered by the special risk insurance to provide for the loss of or damage to a councillor's property, assets, life or disability arising from any riot, civil unrest, strike or public disorder, or with written confirmation that such cover is in place as part of a personal insurance portfolio arrangement already made by themselves; and
3. that it be noted that there is no need to make any additional provision in the annual mid-year review and adjustment budget to accommodate the promulgated increase to the upper limits of the salaries, allowances and benefits of councillors.

RESPONSIBLE OFFICIAL :**J VORSTER
RETHA RUST****TARGET DATE OF IMPLEMENTATION :****25 JUNE 2020**

5.11**BUDGET REPORT FOR THE QUARTER ENDED MARCH 2020****(ITEM 17, PAGE 717 : MAYORAL COMMITTEE MEETING : 27 MAY 2020)****RESOLVED (SUPPORTED BY 24 COUNCILLORS):**

that the budget report for the quarter ended March 2020, prepared as part of the financial reporting obligations arising from the Local Government: Municipal Finance Management Act, 2003 and additional information, **be noted**.

RESPONSIBLE OFFICIAL :**BA KING****TARGET DATE FOR IMPLEMENTATION :****TO BE NOTED**

5.12**MONTHLY REPORT TO COUNCIL ON SUPPLY CHAIN MANAGEMENT (SCM)
POLICY: PARAGRAPH 36, 16(1)(b) AND 17(1)(c) FOR MARCH 2020****(ITEM 18, PAGE 771 : MAYORAL COMMITTEE MEETING : 27 MAY
2020)****RESOLVED (SUPPORTED BY 24 COUNCILLORS):**

1. that the deviations from the procurement processes, approved in terms of the delegated authority for March 2020, **be noted**; and
2. that the awards made in terms of Paragraph 16(1)(b) and 17(1)(c), approved in terms of the delegated authority for March 2020, **be noted**.

RESPONSIBLE OFFICIAL :**C LE ROUX****TARGET DATE FOR IMPLEMENTATION :****TO BE NOTED**

5.13**MONTHLY REPORT TO COUNCIL ON SUPPLY CHAIN MANAGEMENT (SCM)
POLICY: PARAGRAPH 36, 16(1)(b) AND 17(1)(c) FOR APRIL 2020****(ITEM 19, PAGE 777 : MAYORAL COMMITTEE MEETING : 27 MAY
2020)****RESOLVED (SUPPORTED BY 24 COUNCILLORS):**

1. that the deviations from the procurement processes, approved in terms of the delegated authority for April 2020, **be noted**; and
2. that the awards made in terms of Paragraph 16(1)(b) and 17(1)(c), approved in terms of the delegated authority for April 2020, **be noted**.

RESPONSIBLE OFFICIAL :**C LE ROUX****TARGET DATE FOR IMPLEMENTATION :****TO BE NOTED**

5.14**SUPPLY CHAIN MANAGEMENT IMPLEMENTATION REPORT – 2019/2020 :****3rd QUARTER: 01 JANUARY 2020 – 31 MARCH 2020****(ITEM 20, PAGE 782 : MAYORAL COMMITTEE MEETING : 27 MAY 2020)****RESOLVED (SUPPORTED BY 24 COUNCILLORS):**

that the activities undertaken and outcomes achieved in the implementation of the Overstrand Municipality's Supply Chain Management Policy for the 3rd Quarter of 2019/2020 **be noted**.

RESPONSIBLE OFFICIAL :**C LE ROUX****TARGET DATE FOR IMPLEMENTATION :****TO BE NOTED**

5.15**QUARTERLY BANK ACCOUNT WITHDRAWALS IN TERMS OF SECTION 11(4) OF THE LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, NO 56 OF 2003 FOR THE QUARTER ENDED MARCH 2020****(ITEM 21, PAGE 796 : MAYORAL COMMITTEE MEETING : 27 MAY 2020)****RESOLVED (SUPPORTED BY 24 COUNCILLORS):**

that the consolidated quarterly report in respect of Bank Account Withdrawals in terms of Section 11(4) of the Local Government: Municipal Finance Management Act, No 56 of 2003 for the quarter ended March 2020, **be noted**.

RESPONSIBLE OFFICIAL :**BA KING****TARGET DATE FOR IMPLEMENTATION :****TO BE NOTED**

5.16**EXTENSION OF VALIDITY PERIOD: MUNICIPAL VALUATION ROLL****(ITEM 22, PAGE 799 : MAYORAL COMMITTEE MEETING : 27 MAY 2020)****RESOLVED (SUPPORTED BY 24 COUNCILLORS):**

that, in terms of section 32(2)(a)(ii) of the Local Government Property Rates Act No 6 of 2004, an application for the extension for a period of two (2) years of the validity of the Overstrand Municipal Valuation Roll, be submitted to the Minister of Local Government.

RESPONSIBLE OFFICIAL :**S REYNEKE-NAUDE****TARGET DATE FOR IMPLEMENTATION :****1 JUNE 2020**

5.17**WRITING OFF OF IRRECOVERABLE DEBT****(ITEM 23, PAGE 802: MAYORAL COMMITTEE MEETING : 27 MAY 2020)****RESOLVED (SUPPORTED BY 24 COUNCILLORS):**

that the irrecoverable debt to the value of R220 196.62 as listed below, be written off as bad debt:

| | |
|--|---------------------------|
| First time write off – Indigent Households | R 4 315.26 |
| Indigent water leakages irrecoverable | R215 881.36 |
| TOTAL | <u>R220 196.62</u> |

RESPONSIBLE OFFICIAL :**EM HOONEBERG****TARGET DATE FOR IMPLEMENTATION :****05 JUNE 2020**

5.18

FINAL INTEGRATED DEVELOPMENT PLAN (IDP) REVIEW AND AMENDMENT FOR 2020/21

(ITEM 24, PAGE 806: MAYORAL COMMITTEE MEETING : 27 MAY 2020)

RESOLVED (SUPPORTED BY 24 COUNCILLORS):

that the final IDP review and amendment for 2020/21 **be approved.**

RESPONSIBLE OFFICIAL :

R LOUW

TARGET DATE FOR IMPLEMENTATION :

1 JULY 2020

5.19**INTEGRATED WASTE MANAGEMENT PLAN FOR 2020/21****(ITEM 25, PAGE 823: MAYORAL COMMITTEE MEETING : 27 MAY 2020)****RESOLVED (SUPPORTED BY 24 COUNCILLORS):**

that the Integrated Waste Management Plan for 2020/21 **be approved** and be submitted to the Provincial MEC for Environmental Affairs and Development Planning for endorsement.

RESPONSIBLE OFFICIAL :**C MITCHELL****TARGET DATE FOR IMPLEMENTATION :****1 JULY 2020****TARGET DATE TO INFORM APPLICANT :****NOT APPLICABLE****TARGET DATE TO INFORM OBJECTOR :****NOT APPLICABLE**

5.20**ADOPTION OF OVERSTRAND SPATIAL DEVELOPMENT FRAMEWORK:
OVERSTRAND MUNICIPALITY****(ITEM 26, PAGE 838: MAYORAL COMMITTEE MEETING : 27 MAY
2020)****RESOLVED (SUPPORTED BY 24 COUNCILLORS):**

1. that the following Council resolutions **be rescinded**:
 - 2006 (Council's resolution 27 October 2006), Overstrand Municipal Wide Spatial Development Framework;
 - 2011 (Council's resolution 26 January 2011) Overstrand Municipal Spatial Growth Management Strategy; and
 - 2014 (Council's resolution 25 June 2014) Integrated Development Framework together with detailed Sectoral Plans;
2. that the Overstrand Municipal Spatial Development Framework **be adopted** for the 2020/2021 financial year in terms of Section 20(1) of the Spatial Planning and Land Use Management Act, 2013; and
3. that the Overstrand Spatial Development Framework **be adopted** as part of Overstrand's IDP for the 2020/2021 financial year.

RESPONSIBLE OFFICIAL :**R KUCHAR****TARGET DATE FOR IMPLEMENTATION :****11 JUNE 2020****TARGET DATE TO INFORM APPLICANT :****N/A****TARGET DATE TO INFORM OBJECTOR :** **N/A**

5.21**REVISION OF ALL BUDGET RELATED POLICIES OF THE OVERSTRAND MUNICIPALITY****(ITEM 27, PAGE 944 : MAYORAL COMMITTEE MEETING : 27 MAY 2020)****RESOLVED (SUPPORTED BY 24 COUNCILLORS):**

that the budget related policies attached to the item and amended as indicated in the report, **be approved** and implemented with effect from 1 July 2020.

RESPONSIBLE OFFICIAL :**S REYNEKE-NAUDE****TARGET DATE FOR IMPLEMENTATION :****1 JULY 2020**

5.22

FINAL BUDGET FOR OVERSTRAND MUNICIPALITY : 2020/2021 MTREF

(ITEM 28, PAGE 1110 : MAYORAL COMMITTEE MEETING : 27 MAY 2020)

THE SPEAKER, ALD A COETSEE, AFFORDED THE EXECUTIVE MAYOR, ALD D COETZEE, TIME TO DELIVER HIS BUDGET SPEECH

THE EXECUTIVE MAYOR, ALD D COETZEE, DELIVERED HIS BUDGET SPEECH, A COPY OF WHICH IS ATTACHED AS ANNEXURE A TO THESE MINUTES

THE MEETING STOOD DOWN AT 12:11

THE MEETING RESUMED AT 12:20

RESOLVED (SUPPORTED BY 24 COUNCILLORS):

1. that, in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003), the annual budget of the Municipality for the 2020/2021 to 2022/2023 MTREF (Medium Term Revenue and Expenditure Framework) period **be approved** as set out in the following schedules:
 - Schedule 1:** Budgeted financial performance (revenue & expenditure by municipal vote)
 - Schedule 2:** Budgeted financial performance (revenue by source & expenditure by type)
 - Schedule 3:** Budgeted multi- and single year capital appropriations by standard classification (vote) and funding by source
 - Schedule 4:** Budgeted financial position
 - Schedule 5:** Budgeted cash flow
 - Schedule 6:** Cash backed reserves and acc. surplus reconciliation
 - Schedule 7:** Asset management
 - Schedule 8:** Basic service delivery measurement
2. that the property rates reflected in Annexure A to the item, **be imposed** for the budget year 2020/2021;
3. that tariffs and charges reflected in Annexure A to the item, **be approved** for the budget year 2020/2021;
4. that the Municipal Manager be authorised to sign all the necessary agreements and documents to give effect to the 3rd draw down of the proposed three year borrowing programme for external loans amounting to R54 million per year;

5. that the following schedules be noted:

Schedule 9: Budgeted financial performance (revenue & expenditure by standard classification)

Schedule 10: Budgeted capital appropriations by municipal vote

6. that **cognisance be taken** of the letters of comment received from the community and the SIME: LG MTEC Assessment Report by Provincial Treasury and the Provincial Department of Local Government, included in Annexures K and L respectively of the budget report; and

7. that **cognisance be taken** of the 2020/2021 Budget Report.

RESPONSIBLE OFFICIALS:

**S REYNEKE-NAUDE
BA KING**

TARGET DATE FOR IMPLEMENTATION:

1 JULY 2020

5.23**COVID-19 RELIEF:**

- **TEMPORARY AUTO CLASSIFICATION STATUS ADJUSTMENT FOR HOLIDAY ACCOMMODATION ESTABLISHMENTS - APPLICATION OF RESIDENTIAL RATES TARIFF**
- **EXTENDED PAYMENT ARRANGEMENTS**
- **LEASED PROPERTIES RENTAL EXEMPTION**

(ITEM 29, PAGE 1176 : MAYORAL COMMITTEE MEETING : 27 MAY 2020)**RESOLVED (SUPPORTED BY 24 COUNCILLORS):**

1. that the period for businesses who find themselves under financial stress and cannot pay their accounts due, be extended to include accounts for May 2020 and June 2020 respectively, and that they may enter into an extended term of payment agreement in terms of the Overstrand Customer Care, Credit Control and Debt Collection Policy in order for their payments of the said amounts to be done in equal payments over a six-month period without the payment of a deposit;
2. that the period for residential customers who find themselves under financial stress and cannot pay their accounts due, be extended to include accounts for May 2020 and June 2020 respectively, and that they may enter into an extended term of payment agreement in terms of the Overstrand Customer Care, Credit Control and Debt Collection Policy in order for their payments of the said amounts to be done over a period of 12 (twelve) months without the payment of a deposit;
3. that all tenants of the Overstrand Municipality who cannot make use of their leased premises such as but not limited to business premises, stalls, etc for the purpose of its lease, be exempted for the payment of their rental for a further period of one month, to include June 2020;
4. that a temporary auto *classification status adjustment* for holiday accommodation establishments to residential, be approved, in order to charge the residential rates tariff for the period of three (3) months, retrospectively from April to June 2020; and
5. that, in instances where a rebate for the difference between Business rate and Residential rate were already allowed under point 4 in accordance with lettable number of rooms, the calculated difference in rate be adjusted for these amounts already granted.

RESPONSIBLE OFFICIAL :

**S REYNEKE-NAUDE
E HOONEBERG**

TARGET DATE FOR IMPLEMENTATION :

30 JUNE 2020

5.24**SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) :****THIRD QUARTERLY REPORT: JANUARY- MARCH 2020****(ITEM 30, PAGE 1181: MAYORAL COMMITTEE MEETING : 27 MAY 2020)****RESOLVED (SUPPORTED BY 24 COUNCILLORS):**

1. that the content of the report for the third quarter of the 2019/20 financial year on the top level Service Delivery and Budget Implementation Plan **be noted**; and
2. that the approved Departmental KPI amendment list of March 2020 **be noted**.

RESPONSIBLE OFFICIAL :**R LOUW****TARGET DATE FOR IMPLEMENTATION :****TO BE NOTED**

6. URGENT MATTERS SUBMITTED BY THE MUNICIPAL MANAGER (IF ANY)

The Municipal Manager, Mr C Groenewald, informed Councillors that a Special Council Meeting will be held on Friday, 12 June 2020 at 11:00.

7. CONSIDERATION OF NOTICES OF MOTIONS / QUESTIONS

None

8. CONSIDERATION OF MOTIONS OF EXIGENCY (IF ANY)

None

The meeting adjourned at 12:55

DATE

THE SPEAKER – A COETSEE

BUDGET SPEECH – 27 MAY 2020**EXECUTIVE MAYOR: ALD DUDLEY COETZEE**

Thank you Speaker

Today the third review of our 5 year Integrated Development Plan (IDP) and 2020/2021 Budget will serve before Council.

For 2020/2021 our strategic direction set in the 5 year IDP remains unchanged. The IDP review articulates the development needs of our communities and the Municipality whilst also stating the specific initiatives for the 2020/2021 financial year. You will recall that the Municipal Budget funds the delivery of the IDP.

The national lockdown, imposed as a result of the COVID-19 virus, and the various regulations promulgated by National Government under the National State of Disaster, has unfortunately had a devastating effect on the economy of South Africa and Overstrand is no exception.

The tourism industry which forms the backbone of the Overstrand economy came to an abrupt halt on 26 March this year. This has had an adverse effect on many of our businesses, particularly smaller businesses as well as our ratepayers.

Comments received from the public on the 2020/2021 Draft Budget mostly concerned the effect that COVID-19 has, and is having on our economy.

Considering the effects that the COVID-19 Lockdown is having on our economy as well as the comments received from the public, the Draft Budget could not, as in the past, simply be adjusted the entire budget had to be revised.

In this Budget we have considered the impact that COVID-19 has had on our ratepayers as well as on the ability of the Municipality to continue to operate and provide infrastructure and a high level of services that are only fully used during relatively short holiday seasons.

Following a number of reductions in the interest rate, the Reserve Bank has forecast an inflation rate for the 2020/2021 financial year of 4,7%.

Given the current challenges that our ratepayers and the Municipality face, the increase in all Municipal tariffs with the exception of electricity will be reduced from the proposed 5,9% in the Draft Budget to 4,5%. This includes the first 6kl of water consumed. The cost of electricity from ESKOM to the Municipality will increase by 6,9% and in terms of the directive from NERSA the electricity tariff to Municipal consumers, will increase by 6,22% a decrease from 15% that was included in the Draft Budget.

The increase in Property Rates will also be reduced from 6,9% proposed in the Draft Budget to 4,5% for all categories of Property.

Special Rating Areas have been approved for Hermanus, Onrus-Vermont and Kleinmond. The rate requested varies per area and is included in the list of tariffs. I wish to thank the chairpersons and

members of the three steering committees for their work and dedication in finalizing these SRA's on behalf of their respective communities.

As in the past, an amount R6,5m or R500 000 per ward, has been budgeted for ward specific projects that are infrastructure related. To contribute to reducing expenditure, no budget is provided for the Mayoral Fund nor is funding provided for grants-in-aid or contributions towards festivals.

In March Council approved that businesses and residential ratepayers who found themselves under financial stress may enter into an extended term payment agreement with the Municipality for their March and April Municipal accounts. Today I will ask Council to extend this concession to include the May and June accounts as well. For tenants who cannot use the property rented from the Municipality, for the purpose for which it was intended, I will also ask Council to extend the exemption from paying rent until the end of June.

As mentioned earlier the tourism industry has been particularly hard hit by the lockdown regulations. Consequently I will ask Council to approve a temporary adjustment for all accommodation establishments to be charged the residential property rates tariff retrospectively from April through to June.

Given the uncertainty of how long the various lockdown regulations will remain in place the above concessions may well have to be extended in the new financial year.

The current three year collective SALGBC salary agreement for Municipal employees came into operation on 1 July 2018.

Municipalities must, in terms of section 71 of the Local Government: Municipal Systems Act, Act 32 of 2000 comply with collective agreements.

According to the principles of the agreement, salary increases were approved at 6,25 % for the 2020/21 financial year. This was based on the average inflation for the period February 2019 to January 2020, with a minimum of 5%, plus 1,25%. Salary notch adjustments of approximately 2% have also been included in the salary budget.

The remuneration of Councillors is determined by the Minister of Co-operative Governance and Traditional Affairs. The proclamation with regard to the 2019/2020 increases was only published during April 2020 and set salary increases at 4%.

No indication for 2020/21 has been received and therefore remuneration adjustments for councillors has been factored into the 2020/21 budget at the same rate as the 2019/2020 determination.

The 57 new permanent staff positions included in the Draft Budget have been withdrawn. This includes the additional Law Enforcement staff. The Law Enforcement Division will be reorganized to allow for the K9 units planned for Gansbaai and Kleinmond to be established.

The Driver's Licence testing centres planned for these two areas have been postponed.

To assist in rebuilding the economy of the Overstrand R15m has been provided for temporary positions to help in creating jobs for our residents.

All items of a Capital nature that can result in job creation for our people have also been included in the budget, particularly where this will address ageing water reticulation systems, as well as sewerage projects, and importantly also, storm water projects.

To this end the following items have been included in the Capital Budget:

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|--------------------------------|---------|
| Zwelihle Sewer Upgrade | R13,75m |
| Zwelihle Stormwater Upgrade | R 8,39m |
| Kleinmond Sewer Upgrade | R13,00m |
| Masakhane Stormwater | R 4,50m |
| Overhills Stormwater | R 2,2m |
| Betty's Bay Stormwater | R 3,31m |
| Hermanus Stormwater | R 2,60m |
| Hermanus Waste Recycling Plant | R17,96m |
| Hawston Sports Complex | R 9,44m |
| Hawston Business Hub | R 4,87m |
| Mt Pleasant Sports Field | R 2,46m |
| Hawston R43 intersection | R 2,19m |
| Hermanus Well fields | R10,5m |
| Pringle Bay Reservoir | R 6,13m |
| Gansbaai Reservoir | R 7,88m |
| Hermanus CBD Regeneration | R 7,10m |

Level 2 water restrictions in the Hermanus area introduced from 1 June 2018 are still applicable. The first level of water restriction tariffs is also still applicable in Hermanus.

In summary the proposed increases for a household for the coming financial year (2020/2021) are as follows:

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|-----------------------------|-------|
| Property rates: Residential | 4,5% |
| Electricity | 6,22% |
| Water | 4,5% |
| Sewerage tariffs | 4,5% |
| Refuse tariffs | 4,5% |

Property rates for business and undeveloped erven will also increase by 4,5%.

The average increase of a household Municipal account will be about 4,4% excluding electricity and 5,3% including electricity

I would like to take this opportunity of thanking the Public for their participation and input during the IDP Review - and Budget preparation process.

I also wish to extend my sincere appreciation to the Councillors and the Administration who contributed to compiling the 2020/2021 Operating and Capital Budgets. Particularly those who literally worked night and day to complete the total revision of the Draft Budget and so enable us to table the 2020/2021 Budget today.

Speaker I thank you.

Alderman Dudley Coetzee
Executive Mayor: Overstrand
27 May 2020