



ORDINARY MEETING OF THE COUNCIL

GEWONE VERGADERING VAN DIE RAAD

INTLANGANISO YESIQHELO YEBHUNGA

MINUTES / NOTULE /

IMIZUZU

DATE / DATUM / UMHLA : 26 MAY / MEI / MEYI 2021

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 26 MAY 2021, AT 11:00

PRESENT: Councillors were present as per attached attendance register.

OFFICIALS PRESENT: Mr D O'Neill, 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 & Tourism
Mr S Müller, Director : Infrastructure & Planning
Mr C Le Roux, Deputy Director : Finance
Mr A Wyngaard, Senior Manager : Hermanus Administration
Mr F Myburgh, Senior Manager : Gansbaai Administration
Mr D Lakey, Senior Manager : Kleinmond Administration
Mr B King, Senior Manager : Financial Services
Ms R Louw, Senior Manager : Strategic Services
Mr R Kuchar, Senior Manager : Town & Spatial Planning
Mr H Blignaut, Deputy Director : Engineering Services
Mr X Kosi, Manager : LED
Ms F Lloyd, Manager : Tourism
Ms H van Tonder, Manager : Council Support Services
Ms N Zweni, Manager : Communication
Ms R Steenekamp, Media & Social Media Liaison Officer
Ms G Bucchianeri, Manager : Budget Office
Mr R Fraser, Chief : Traffic/Licences
Mr G Smit, Manager : Social Development
Ms A Le Roux, Manager : Property Administration
Ms B Plaatjies, Manager : Hermanus Administration
Ms G Erasmus, Clerk : Auditorium
Ms S Swart, Administrative Officer : Council Support Services

ALSO PRESENT: Members of the Public
Mr J Swarts from the Office of the Auditor-General

MINUTES/....

ATTENDANCE REGISTER

COUNCIL MEETING
26 MAY 2021

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	✓
MAY, C	✓
MHANA, M	✓
MOLEFE, B	ABSENT WITH LEAVE
MORGAN, H	✓
MSWELI, X	✓
NTSABO, L	✓
NUTT, R	✓
ORBAN, J	✓
PUNGUPUNGU, V	✓
RESANDT, C	✓
SAPEPA, NM	✓
TAFU-NWONKWO, CC	✓
TEBELE, S	✓



A. COETZEE

1. OPENING

The Municipal Manager, Mr D O'Neill, read the notice convening the meeting. The Speaker, Ald A Coetsee, allowed 30 seconds of silence.

2. APPLICATIONS FOR LEAVE OF ABSENCE

Cllr B Molefe

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, 28 April 2021 at 11:00****RESOLVED:**

that the Minutes of an **Ordinary Meeting** of the Overstrand Municipal **Council** held on **Wednesday, 28 April 2021 at 11:00, be confirmed, subject to the following amendment:**

Item 5.10 (page 12) : paragraph 2 of the resolution should read:

“that **cognisance be taken** that no recommendations or representations were received from the local community by closing date, 26 March 2021; and ...”

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

Cllr S Kalolo brought a motion that the sequence of items in the Council agenda should be changed. The Speaker, Ald A Coetsee, ruled that the agenda will stay as it is.

The Speaker, Ald A Coetsee, informed the meeting that Item 5.3 will be removed, as it was referred back at the Mayoral Committee meeting.

The Executive Mayor, Ald D Coetzee, made an announcement regarding an impending shortfall on the budget, due to the approval of unforeseen and unavoidable expenditure. Refer to Annexure A to these minutes.

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

WRITING OFF OF IRRECOVERABLE DEBT

(ITEM 1, PAGE 1 : FINANCE PORTFOLIO - MAYORAL COMMITTEE MEETING : 26 MAY 2021)

RESOLVED (SUPPORTED BY 24 COUNCILLORS):

that the irrecoverable debt to the value of R515 785.32 as listed below, be written off as bad debt:

A	First time write off – Indigent Households	R 57 864.40
B	Indigent water leakages irrecoverable	R 430 456.20
C	Final accounts equal or less than R1 500.00	R 3 070.24
D	Other Write offs	R 24 394.48
	TOTAL	<u>R 515 785.32</u>

RESPONSIBLE OFFICIAL :

EM HOONEBERG

TARGET DATE FOR IMPLEMENTATION :

31 MAY 2021

5.2

TRANSFER OF MUNICIPAL OWNED ERVEN 3661 AND 3662 BETTY'S BAY (SITUATED IN MYRICA ROAD, BETTY'S BAY) TO JC KANNEMEYER IN EXCHANGE FOR ERF 4013 BETTY'S BAY (SITUATED IN DISA CIRCLE, BETTY'S BAY)

(ITEM 6, PAGE 182 : INFRASTRUCTURE & PLANNING PORTFOLIO - MAYORAL COMMITTEE MEETING : 26 MAY 2021)

RESOLVED (SUPPORTED BY 24 COUNCILLORS):

1. that the transfer of Erven 3661 and 3662, Betty's Bay (respectively 840m² and 1044m² in extent), situated in Myrica Road, Betty's Bay, to Mr James Charles Kannemeyer in exchange for the transfer of Erf 4013 Betty's Bay (17772m² in extent), situated in Disa Circle, Betty's Bay from Mr James Charles Kannemeyer to Overstrand Municipality, **be approved**;
2. that the estimated costs related to the transaction in the amount of R78 292.50 (SEVENTY EIGHT THOUSAND TWO HUNDRED AND NINETY TWO RAND FIFTY CENTS) be borne by the Municipality;
3. that it be noted that the requested deviation and direct alienation are only considered as the proposal is to exchange properties of similar value in order not to affect the cash flow of the Municipality in budgeting for the purchase price for Erf 4013 Betty's Bay, which amount is higher than the combined value for Erven 3661 and 3662 Betty's Bay;
4. that Erven 3661 and 3662 Betty's Bay may only be used for Single Residential purposes as defined by the relevant legislation, which condition must be registered against the title deed of these two properties;
5. that Council be informed should the comments of National and Provincial Treasury not be in support of the transaction; and
6. that it be noted that the municipal properties herewith envisaged to be transferred are 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:**R KUCHAR****TARGET DATE FOR IMPLEMENTATION:****9 JUNE 2021****TARGET DATE TO INFORM APPLICANT:****9 JUNE 2021**

5.3

THE ITEM WAS REMOVED

5.4**APPOINTMENT OF VALUATION APPEAL BOARD****(ITEM 6, PAGE 23 : MAYORAL COMMITTEE MEETING : 26 MAY 2021)****RESOLVED (SUPPORTED BY 24 COUNCILLORS):**

that Council accept and approve the recommendation of the Directorate Municipal Support and Capacity Building, Department of Local Government, Western Cape to enter into a joint venture where the Valuation Appeal Board of Theewaterskloof Municipality will also serve as the Valuation Appeal Board of Overstrand Municipality for a term of four years.

RESPONSIBLE OFFICIAL :**EM HOONEBERG****TARGET DATE FOR IMPLEMENTATION :****10 JUNE 2021**

5.5**PROPOSED REALIGNMENT OF THE HERMANUS REGIONAL ROUTE CONNECTOR (R43)****(ITEM 7, PAGE 33 : MAYORAL COMMITTEE MEETING : 26 MAY 2021)****RESOLVED (SUPPORTED BY 24 COUNCILLORS):**

1. that dealing with traffic passing through Hermanus should only be considered once the traffic congestion into and out of Hermanus has been resolved;
2. that, once the external traffic congestion has been resolved, all possibilities for dealing with traffic through Hermanus should have been considered, including the possibility of introducing public transport; and
3. that, should the preferred option require a biodiversity offset, the maintenance of this offset will also need to be addressed.

RESPONSIBLE OFFICIAL :**S MULLER****TARGET DATE FOR IMPLEMENTATION :****1 JUNE 2021**

5.6

MONTHLY REPORT TO COUNCIL ON SUPPLY CHAIN MANAGEMENT (SCM) POLICY: PARAGRAPH 36, 16(1)(b) AND 17(1)(c) AND PARAGRAPH 6(7)(4)(F) OF THE DIRECTIONS OF THE DISASTER MANAGEMENT ACT, APRIL 2021

(ITEM 8, PAGE 35 : MAYORAL COMMITTEE MEETING : 26 MAY 2021)

RESOLVED (SUPPORTED BY 24 COUNCILLORS):

1. that the deviations from the procurement processes, approved in terms of the delegated authority for April 2021, **be noted**;
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 2021, **be noted**; and
3. that the awards made through the Bid Committee system, and formal written price quotations in excess of R30 000 and all price quotations below R30 000 for April 2021, **be noted**.

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

5.7**FINAL INTEGRATED DEVELOPMENT PLAN (IDP) REVIEW FOR 2021/22****(ITEM 9, PAGE 58 : MAYORAL COMMITTEE MEETING : 26 MAY 2021)****THE AFRICAN NATIONAL CONGRESS REQUESTED A CAUCUS AT 11:43****THE MEETING RESUMED AT 11:55****RESOLVED (SUPPORTED BY 17 COUNCILLORS):**that the final IDP review for 2021/22 **be approved.****CLLRS S KALOLO, T NQINATA, ALD M SAPEPA, CLLRS V PUNGUPUNGU, C TAFU-NWONKWO, X MSWELI AND S TEBELE REQUESTED THAT THEIR OPPOSITION AGAINST THE RESOLUTION BE MINUTED.****RESPONSIBLE OFFICIAL :****RG LOUW****TARGET DATE FOR IMPLEMENTATION :****1 JULY 2021**

5.8**WATER SERVICES DEVELOPMENT PLAN FOR 2021/22****(ITEM 10, PAGE 83 : MAYORAL COMMITTEE MEETING : 26 MAY 2021)****RESOLVED (SUPPORTED BY 24 COUNCILLORS):**that the Water Services Development Plan for 2021/22 **be approved.****RESPONSIBLE OFFICIAL :****H BLIGNAUT****TARGET DATE FOR IMPLEMENTATION :****1 JULY 2021****TARGET DATE TO INFORM APPLICANT :****NOT APPLICABLE****TARGET DATE TO INFORM OBJECTOR :****NOT APPLICABLE**

5.9**REVISION OF ALL BUDGET RELATED POLICIES OF THE OVERSTRAND MUNICIPALITY****(ITEM 11, PAGE 88 : MAYORAL COMMITTEE MEETING : 26 MAY 2021)****RESOLVED (SUPPORTED BY 24 COUNCILLORS):**

that the budget related policies amended as indicated in the report, **be approved** and implemented with effect from 1 July 2021.

RESPONSIBLE OFFICIAL :**S REYNEKE-NAUDE****TARGET DATE FOR IMPLEMENTATION :****1 JULY 2021**

5.10

FINAL BUDGET FOR OVERSTRAND MUNICIPALITY : 2021/2022 MTREF

(ITEM 12, PAGE 261 : MAYORAL COMMITTEE MEETING : 26 MAY 2021)

THE SPEAKER, ALD A COETSEE, REQUESTED THAT IT BE MINUTED THAT HE AFFORDED THE EXECUTIVE MAYOR, ALD D COETZEE, TIME TO DELIVER HIS BUDGET SPEECH. THE EXECUTIVE MAYOR DELIVERED HIS BUDGET SPEECH, A COPY OF WHICH IS ATTACHED AS ANNEXURE B TO THESE MINUTES.

THE MEETING STOOD DOWN AT 12:16

THE MEETING RECONVENED AT 12:20

RESOLVED (SUPPORTED BY 17 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 2021/2022 to 2023/2024 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 **be imposed** for the budget year 2021/2022;
3. that tariffs and charges **be approved** for the budget year 2021/2022;
4. that the Municipal Manager be authorised to sign all the necessary agreements and documents to give effect to the 1st draw down of the proposed three year borrowing programme for external loans amounting to R50 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; and

7. that **cognisance be taken** of the 2021/2022 Budget Report.

CLLRS S KALOLO, T NQINATA, ALD M SAPEPA, CLLRS V PUNGUPUNGU, C TAFU-NWONKWO, X MSWELI AND S TEBELE REQUESTED THAT THEIR OPPOSITION AGAINST THE RESOLUTION BE MINUTED.

RESPONSIBLE OFFICIALS:

**S REYNEKE-NAUDE
BA KING**

TARGET DATE FOR IMPLEMENTATION:

1 JULY 2021

5.11

REPORT ON THE PROPOSED 4TH ADJUSTMENTS BUDGET FOR 2020/2021**(ITEM 13, PAGE 329 : MAYORAL COMMITTEE MEETING : 26 MAY 2021)****RESOLVED (SUPPORTED BY 24 COUNCILLORS):**

1. that, in terms of section 29 of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003), the 4th Adjustments Budget for 2020/2021 **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-year capital appropriations by standard classification (vote) and associated 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 following schedules be noted:

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

Schedule 10: Budgeted capital appropriations by municipal vote

RESPONSIBLE OFFICIAL :**BA KING****TARGET DATE FOR IMPLEMENTATION :****1 JUNE 2021**

5.12

**REVISED SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP)
FOR 2020/21**

**(ITEM 14, PAGE 415 : MAYORAL COMMITTEE MEETING : 26 MAY
2021)**

RESOLVED (SUPPORTED BY 24 COUNCILLORS):

1. that the revised SDBIP for 2020/21 **be approved**;
2. that the revised SDBIP for 2020/21 **be made public**.

RESPONSIBLE OFFICIAL :

RG LOUW

TARGET DATE FOR IMPLEMENTATION :

TO BE NOTED

5.13**CONSIDERATION OF THE 2019/20 ANNUAL REPORT AND ADOPTION OF AN OVERSIGHT REPORT****(ITEM 15, PAGE 466 : MAYORAL COMMITTEE MEETING : 26 MAY 2021)****THE SPEAKER, IN TERMS OF SECTION 130(2) OF THE MFMA, ALLOWED MR J SWARTS FROM THE OFFICE OF THE AUDITOR-GENERAL TO SPEAK. MR B VAN STADEN FROM JAPAC WAS ALSO AFFORDED AN OPPORTUNITY TO SPEAK, BUT WAS NOT PRESENT AT THE MEETING****RESOLVED (SUPPORTED BY 24 COUNCILLORS):**

that, in terms of Section 129 of the Local Government : Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA) and having duly considered the 2019/20 Annual Report of the Overstrand Municipality and the content of this item, the said report **be approved** without reservation.

RESPONSIBLE OFFICIAL :**R LOUW****TARGET DATE FOR IMPLEMENTATION :****NOT APPLICABLE**

6. CONSIDERATION OF REPORTS**6.1****RECESS : JULY 2021****3/2/1/4****H van Tonder****Manager : Council Support Services****20 May 2021****(028) 313 8037**

EXECUTIVE SUMMARY

The purpose of the report is to obtain confirmation of Council's recess from 30 June 2021 (**immediately after conclusion of the Council Meeting**) to 18 July 2021 and related matters.

RESOLVED (SUPPORTED BY 24 COUNCILLORS):

1. **that the proposed period of recess, i.e. 30 June 2021** (immediately after conclusion of the Council Meeting) **to 18 July 2021** (the latter included) **be approved;**
2. that, during the period of recess, all urgent matters/emergency situations be dealt with by the Executive Mayor (or acting) in consultation with the Municipal Manager (or acting), except those reserved by law for full Council; and
3. that **cognisance be taken** that a **Special Council Meeting** will take place on **Wednesday, 28 July 2021.**

RESPONSIBLE OFFICIAL :**H VAN TONDER****TARGET DATE FOR IMPLEMENTATION :****NOT APPLICABLE**

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

None

8. CONSIDERATION OF NOTICES OF MOTIONS / QUESTIONS

None

9. CONSIDERATION OF MOTIONS OF EXIGENCY (IF ANY)

None

The meeting adjourned at 12:32

DATE

THE SPEAKER – A COETSEE

EXECUTIVE MAYOR ANNOUNCEMENT

APPROVAL OF UNFORESEEN AND UNAVOIDABLE EXPENDITURE DUE TO

INCREASED DEMAND FOR SERVICES, RESULTING IN AN IMPENDING

SHORTFALL ON THE BUDGET

26 MAY 2021, COUNCIL MEETING

Mr Speaker,

In my report at the tabling of the Draft Budget for the 2020/2021 year, which was tabled in Council on 25 March 2020, I stated the following:

“President Cyril Ramaphosa declared a national state of disaster on 15 March 2020 and announced stringent measures to contain the spread of Covid-19, such as travel restrictions, a ban on mass gatherings of more than 100 people, and the closure of schools. According to the President, the cabinet anticipated that the pandemic would have a “significant and potentially lasting” impact on the economy and was finalising a package of measures to mitigate its impact. Reference was made to a dramatic decline in economic activity in our trading partners, a sudden drop in tourism and severe instability across global markets.

The impact of the Covid-19 pandemic had far reaching consequences for the country, resulting in an economic, health, and humanitarian crisis.

The negative impact of the temporary closure of businesses, and the reduced consumption of water & electricity was considered by the Budget Steering Committee in April 2020.

The monthly review of revenue and expenditure at the end of April 2021 indicated that the revenue and expenditure relating to electricity is on the increase. This can be attributed to increased household occupancy due to an increase of non-permanent residents and a change in the way that business is conducted, such as working from home.

This has resulted in an increased demand for services such as electricity which gave rise to a shortfall in the budget for the purchase of electricity. It is imperative to render this services and thus additional budget funding, is required to partly service the Eskom accounts for the month of June 2021. This increased bulk purchase of electricity will be fully offset by increased electricity sales revenue.

The projected impact is an additional budget requirement for bulk electricity purchases amounting to R32m. The projected additional revenue amounts to R47m.

This additional expenditure of R32m is above the total allowable limit, which is capped at R15m in terms of the framework for unforeseen and unavoidable expenditure in terms of section 72(c) of the Municipal Budgeting and Reporting Regulations. The balance of R17m will be funded from projected savings identified across all directorates in the form of salary

savings of R12m, interest on external loan repayments of R2,5m and savings generated in the Finance directorate amounting to R2,5m.

Apart from having to make the following announcement now at this meeting of Council in terms of section 29 of the Local Government: Municipal Finance Management, Act 56 of 2003 (MFMA). I will also provide the information to the Provincial Ministers of Finance and of Local Government, Environmental Affairs and Development Planning:

Mr Speaker,

In terms of the provisions of section 29 of the MFMA I need to inform you that I have on request from the Municipal Manager, authorised unforeseen and unavoidable expenditure for which no provision was made in the 2020 / 2021 Budget of the Municipality.

As mentioned, this was as a result of an increased demand for electricity leading to a shortfall on the budget in this regard.

This item is included on the agenda of this Council meeting.

I thank you

26 May 2021

BUDGET APPROVED - BUDGET SPEECH BY OVERSTRAND MAYOR

Overstrand Municipality's Budget, the IDP Review, Water Services Development Plan and SDBIP for the financial year of 2021/2022 as well as the audited Annual Report for 2019/20 was approved by Council.

The following speech was delivered by Executive Mayor Dudley Coetzee at a virtual council meeting today, 26 May 2021:

Today the fourth review of our 5-year Integrated Development Plan (IDP) and 2021/2022 Budget will serve before Council.

For 2021/2022 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 2021/2022 financial year. You will recall that the Municipal Budget funds the delivery of the IDP.

In looking back at the past 14 months, we had to adjust without prior notice to a national lockdown at the end of March 2020, as a result of the COVID-19 pandemic, and the various regulations promulgated by National Government under the National State of Disaster. We also had to adjust to and accommodate the devastating effect on the economy of South Africa and the impact on the Overstrand and our communities.

The announcement of stringent measures on a national level, to contain the spread of Covid-19, such as travel restrictions on foreigners, a ban on mass gatherings of people, and the closure of schools, are still impacting on the national economy. The unforeseen and almost disastrous impact of the afore mentioned on the local economy is a reality.

Adjusted lockdown level 3 was introduced from 29 December 2020 to 28 February 2021, with an adjusted lockdown level 1 effective from 1 March 2021.

The Department Health issued a statement during April 2021, confirming that more than 3 338 vaccination sites had been identified by provinces. The government also announced that it has secured all the vaccines needed.

Of concern however is the current upsurge of infections in various provinces, and the slow rate of vaccinations. Senior citizens are encouraged to register on the Electronic Vaccination Data System (EVDS), and we should all assist senior citizens to register on the EVDS portal at vaccine.enroll.health.gov.za.

At provincial level, there are signs of an economic recovery and we can expect economic growth to increase by an estimated 4.6% in 2021 in the Western Cape. There are, however, significant risks,

including, the third wave of Covid-19, a shortage of electricity and a rise in inflation, all of which could compromise economic recovery.

The one real difference we can all make to economic recovery is ensuring that as many people as possible are vaccinated as soon as possible.

From a municipal finance perspective, the negative impact on cashflows in the event of a 3rd wave of the Covid-19 pandemic on the ability of consumers to maintain monthly payments of municipal accounts remains a threat.

Under the current circumstances revenue projections are based on an increase of 4% for property rates and other municipal services (excluding electricity) and includes sundry tariffs. The first 6kl of water consumed will also only increase by 4%.

We are aware of the fact that our communities share our concern with regard to the steep electricity price increases granted to Eskom by the National Energy Regulator of South Africa. NERSA approved an increase of 17.8% on the monthly account for bulk electricity purchased by the Municipality from Eskom. The Municipal tariff increase guideline for electricity purchased by consumers, from the Municipality, has been set at 14,59%.

Comments received from the public on the 2021/2022 Draft Budget are amongst others, affordability, roads and stormwater, and the threat of fires. The Budget Steering committee considered all comments received from our communities in finalising the 2021/2022 IDP and 2021/22 Budget.

With 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.

In order to present a balanced budget to Council, the respective municipal directorates were requested to cut back on initial expenditure budget requests.

The two Special Rating Areas approved in March 2020 for Onrus-Vermont and Kleinmond, with implementation postponed will also now implement their respective business plans as from 1 July 2021. The rate requested for these areas varies per area and is also included in the list of tariffs.

As in the past, an amount R7m or R500 000 per ward, has been budgeted for ward specific projects, with a focus on infrastructure related projects. In order to contribute to reducing expenditure, no budget is provided for the Mayoral Fund nor is funding provided for Grants-in-Aid.

A contribution of R300 000 towards festivals has been included in the 2021/2022 budget, as a stimulus to attract visitors to the Overstrand and boost the local economy.

Residents who qualify for an indigent grant will be assisted with the following increased limits as from 1 July 2021, allowing more households to qualify for this support –

- An increase in the average monthly purchase of electricity over the previous 6 months, from 400kwh to 500kwh per month.
- An increase in the average monthly consumption of water over the previous 6 months, from 18kℓ to 20kℓ per month.

The South African Local Government Bargaining Council (SALGBC) Salary and Wage Collective Agreement for municipalities for the period 01 July 2018 to 31 June 2020 has come to an end and a new agreement is under consideration, which we trust will take into account the current fiscal constraints faced by government.

The proposed increase in the salary budget is 4.5%, and notch increases, which average 1.9% have also been budgeted for in view of the fact that annual salary adjustments are still to be negotiated between the employer organization (SALGA) and the respective unions.

No budget provision has been made for salary increases for Councillors and no new staff positions were considered for 2021/2022, in a further attempt to contain costs.

The Driver's Licence testing centre planned for Gansbaai, and subsequently post-phoned, will now be operational in 2021/2022 after completion of the facility.

To assist in rebuilding the economy of the Overstrand and to help creating jobs for our residents R15.9m has been provided for temporary positions, including EPWP workers and seasonal staff.

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 system projects and storm water projects.

The following provisions have been made for these projects in the 2021/2022 Capital Budget:

Water Reticulation and Treatment	R51,9m
Sewerage System Upgrades	R40,8m
Stormwater Systems	R 6,5m
Sport and Recreation	R 7,7m
Roads	R11,5m
Zwelihle Library	R 4,37m
Public Safety	R 7,89m

In summary the proposed tariff increases for a household for the coming financial year (2021/2022) is as follows:

Property rates and Municipal Services all increase by 4% and Electricity by 14.59%.

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 Ward Committee members for their contribution to the budget. My sincere thanks also to the Municipal administrative staff for the hours of work that they have put into preparing this budget over many months and at times under very challenging conditions.

END/EINDE