

PORTFOLIO COMMITTEE :

COMMUNITY SERVICES

Chairperson :

Cllr G Cohen

Committee Members :

**Cllrs J Orban, C May,
V Pungupungu & S Kalolo**

PORTEFEULJEKOMITEE :

GEMEENSKAPSDIENSTE

Voorsitter :

Rdl G Cohen

Komiteelede :

**Rdle J Orban, C May,
V Pungupungu & S Kalolo**

COMMUNITY SERVICES PORTFOLIO COMMITTEE

GEMEENSKAPSDIENSTE PORTEFEULJEKOMITEE

18 June 2019

I N D E X

ITEM

**PAGE
NUMBER**

APPLICATIONS FOR LEAVE OF ABSENCE

**STATEMENTS AND COMMUNICATIONS BROUGHT FORWARD BY THE
CHAIRPERSON**

- | | | |
|-----------|---|----------|
| 1. | TRANSFER: OVERSTRAND MUNICIPALITY TO MS ZOLEKA VICTORIA
MNTUYEDWA: ERF 332, ZWELIHLE | 1 |
|-----------|---|----------|

**AGENDA of the
Portfolio Committee: Community Services
18 June 2019
(Also the agenda for the Mayoral Committee Meeting: 26 June 2019)**

**1.
TRANSFER: OVERSTRAND MUNICIPALITY TO MS ZOLEKA VICTORIA
MNTUYEDWA: ERF 332, ZWELIHLE**

17/5/4/1

FW Frans

(028) 313 8144

Hermanus Administration

28 May 2019

1. Executive Summary

The purpose of the report is to request Council to grant permission for the transfer of Erf 332, Zwelihle to Ms Zoleka Victoria Mntyedwa.

2. Service Delivery and Budget Implementation Plan - IGNITE

Community Services
Housing Administration

3. Compliance with Strategic Priorities

Provision of democratic and accountable governance
Provision and maintenance of municipal services
Creation and maintenance of a safe and healthy environment

4. Delegated Authority

None

5. Legal Requirements

Constitution of the Republic of South Africa, 1996
Housing Act 107 of 1997
National Housing Code, 2009

6. Background/Discussion/Evaluation/Conclusion

Background

In terms of the disestablished Municipality of Hermanus, a policy to confiscate properties in arrears with municipal services accounts and sold on auction was followed.

During 2000, the Municipality instituted legal proceedings against some of the owners of low cost houses. The result of the aforementioned proceedings was that the municipality confiscated the properties and bought it on execution sale for R10,00 each. The original owners and/or dependants were however never

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18 June 2019
(Also the agenda for the Mayoral Committee Meeting: 26 June 2019)**

evicted and are still occupying the properties and are still paying the municipal accounts related to the properties.

Discussion

The property, erf 332 Zwelihle, that was registered in the name of Mr Amos Runeli, was one of the properties sold in execution in March 1992, due to an outstanding municipal services account. The property was re-registered in the name of Overstrand Municipality in September 2000. The Housing Department subsequently allocated the property to Ms Zoleka Victoria Mntyedwa in March 2001, who has been residing there ever since.

7. Financial Implications

Sales price	:	R 10.00
Less Subsidy amount	:	R 10.00
Balance payable	:	R 0.00
Municipal services account	:	R 178.76

8. Staff Implications

None

9. Comments from other Departments, Divisions and Administrations

Senior Manager: Expenditure and Assets, Mr H Vorster – (028) 313 8046.

The property under consideration does not constitute a Municipal Asset and as such the proposed transfer will not impact on the Municipal Fixed Asset Register.

10. Annexures:

- Annexure A: Affidavit by Ms Zoleka Victoria Mntyedwa
- Annexure B: Copy of municipal services account
- Annexure C: Zwelihle: Proposed transfer of properties to original owners who lost it through an execution sale

RECOMMENDATION TO THE COUNCIL:

1. that permission be granted to transfer erf 332, Zwelihle to Ms Zoleka Victoria Mntyedwa (ID Number 6710130576083); and
2. that the aforementioned approval furthermore be subject to Ms Zoleka Victoria Mntyedwa (ID Number 6710130576083) accepting full responsibility for the outstanding municipal services account in respect of Erf 332, Zwelihle.

**AGENDA of the
Portfolio Committee: Community Services
18 June 2019
(Also the agenda for the Mayoral Committee Meeting: 26 June 2019)**

RESPONSIBLE OFFICIAL :

FW FRANS

TARGET DATE FOR IMPLEMENTATION :

IN PROGRESS

**AGENDA of the
Portfolio Committee: Community Services
18 June 2019
(Also the agenda for the Mayoral Committee Meeting: 26 June 2019)**

**1.
TRANSFER: OVERSTRAND MUNICIPALITY TO MS ZOLEKA VICTORIA
MNTUYEDWA: ERF 332, ZWELIHLE**

17/5/4/1

**FW Frans
28 May 2019**

(028) 313 8144

Hermanus Administration

**THIS MATTER SERVED BEFORE THE JOINT PORTFOLIO COMMITTEE ON
18 JUNE 2019, WHICH COMMITTEE RECOMMENDED AS FOLLOWS:**

RECOMMENDATION TO THE COUNCIL:

1. that permission be granted to transfer erf 332, Zwelihle to Ms Zoleka Victoria Mntyedwa (ID Number 6710130576083); and
2. that the aforementioned approval furthermore be subject to Ms Zoleka Victoria Mntyedwa (ID Number 6710130576083) accepting full responsibility for the outstanding municipal services account in respect of Erf 332, Zwelihle.

RESPONSIBLE OFFICIAL:

FW FRANS

TARGET DATE FOR IMPLEMENTATION:

IN PROGRESS

**AFFIDAVIT IN RESPECT OF RESIDENCE AT ERF 332 LANDA STREET
ZWELIHLE**

I, Zoleka Victoria Mntuyedwa, ID number 6710130576083, declare the following statement to be a true reflection of events:

The abovementioned property was previously owned by Mr Amos Runeli, who is now deceased. I moved onto the property in 2001. At that time it had no services, electricity or water. In 2002 I paid the municipality to provide these services and requested to buy the property from Mr Runeli, who was by now deceased. I was told by the municipality that this was not possible because they had repossessed the property from Mr Runeli.

From that time to now, I have paid for the services provided by the municipality every month and have on several occasions requested to buy the property in order to build a permanent home for my family as we live in a shack. On one occasion I was told that this would not be possible unless I located the heir of Mr Runeli's estate and got his permission. This I duly did and found his brother, Mr Matofo Runeli, who came to Hermanus and signed a letter giving permission for me to have the property. However, when he came here, we were told that I could still not buy the property as it was in fact owned by the municipality. I have continued to try to buy the property up to today, having, together with my employer, Mrs Beverley Edkins, had several meetings with the municipality in this regard, but we have to date had no luck. I have in fact been trying now for 16 years.

Z. V. Mntuyedwa
Signature of Affiant

2018-10-17

Date

<p>dat oorspronklike verklaaring deur my ... is en dat verklaarder erken dat vertroude is met die inhoud van hierdie ver- klaring en di begryp. Hierdie verklaring is voer my bevestig/bevestiging en verklarings se handtekening/monstruimafdruk is in my teen- woordigheid daarop aangebring.</p>	<p>I certify that the above statement was by me and that the deponent has acknow- ledged that he/she knows and understands the contents of the statement. This statement was sworn to/affirmed before me and deponent's signature/mark/thumbprint was placed thereon in my presence.</p>
<p>te <u>Hermanus</u> op <u>2018-10-17</u> om <u>09 25</u> at <u>71882835</u></p>	
<p><u>[Signature]</u> (HANDTEKENING) KOMMISSARIS VAN EDE (SIGNATURE) COMMISSIONER OF OATHS</p>	
<p><u>SIGMAN GARDNER</u> VOLLE VOORNAAM EN VAN IN DIT BLOKSKRIEF FULL FIRST NAMES AND SURNAME IN BLOCK LETTERS</p>	
<p><u>61 MAIN ROAD</u> BESIGHEIDSAADRES (STRAATAADRES) BUSINESS ADDRESS (STREET ADDRESS)</p>	
<p><u>Hermanus</u></p>	
<p><u>CONSERABLE</u> RANG/RANK</p>	
<p>SA POLISIEDIEN SA POLICE</p>	



B1/1

COPY TAX INVOICE: 6864989

FOR ALL ACCOUNT QUERIES PLEASE CONTACT YOUR LOCAL ADMINISTRATION OFFICE

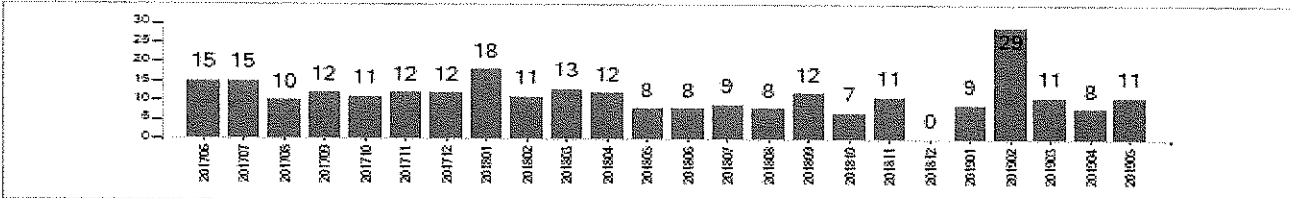
ZV MNTUYEDWA
332 LANDA
ZWELIHLE
HERMANUS

CLR:	VALERIE PUNGUPUNGU	ERF:	332
DEP: ELECT:	-163	SUBURB:	HZW
DEP: WATER:	0		
DEP: OTHER:	0		

ACCOUNT NUMBER: 201003320007

COPY TAX INVOICE FOR: May 2019

WATER GRAPH



METER READINGS

SERVICE	METER No	PERIOD	PREVIOUS	PRESENT	CONSUMP.	AVGERAGE
W	CCKP6969	08/04 - 09/05	48	59	11	0.354
PREPAID	04149066047		0	0	0	0

TRANSACTION DETAILS

DESCRIPTION	CONSUMP.	AMOUNT	VAT	AMOUNT INC.VAT
BALANCE BROUGHT FORWARD				115.37
PAYMENTS - THANK YOU				
COUNTER REC: A:RMC26 40 REF/VERW:0000004467				-116.00
SUBTOTAL				-0.63
RATES RES	1	0.00	0.00	0.00
	0	0.00	0.00	0.00
WATER BASIC/BASIES	1	129.14	19.37	148.51
WATER EQUIT SHARE	1	-129.14	-19.37	-148.51
WATER 0 - 6 KL	6.115	30.69	4.60	35.29
WATER 7 - 18 KL	4.884	68.92	10.34	79.26
WATER FREE/GRATIS	-6.115	-30.69	-4.60	-35.29
ELECT/ELEK INFRASTR	1	16.65	2.50	19.15
ELECT/ELEK BASIC/BASIES	1	291.60	43.74	335.34
ELECT/ELEK EQUIT SHARE	1	-291.60	-43.74	-335.34
REFUSE/VULLIS MONTH/MAAND	1	164.35	24.65	189.00
REFUSE/VULLIS EQUIT SHARE	1	-164.35	-24.65	-189.00
SEWER/RIOOL MONTH/MAAND	1	77.54	11.63	89.17
SEWER/RIOOL EQUIT SHARE	1	-77.54	-11.63	-89.17
SEWER/RIOOL INFRASTR1	1	9.60	1.44	11.04
SEWER/RIOOL INFRASTR2	1	3.43	0.51	3.94
SEWER/RIOOL EQUIT INFSTR2	1	-3.43	-0.51	-3.94
SEWER/RIOOL CONSP/VERBR	0	0.00	0.00	0.00
SEWER/RIOOL EQUIT SHARE	0	0.00	0.00	0.00
SEWER/RIOOL CONSP/VERBR	7.7	99.79	14.97	114.76
SEWER/RIOOL EQUIT SHARE	4.2	-54.43	-8.16	-62.59
SUBS	0	0.00	0.00	0.00
WATER INFRASTR1	1	15.45	2.32	17.77
WATER INFRASTR2	1	8.41	1.26	9.67
WATER EQUIT INFSTR2	1	-8.41	-1.26	-9.67
SUBTOTAL			23.41	179.39
TOTAL				178.76

CREDIT	90 DAYS +	90 DAYS	60 DAYS	30 DAYS	CURRENT
0.00	0.00	0.00	0.00	0.00	178.76

TOTAL AMOUNT DUE 178.76

CURRENT ACCOUNT PAYABLE ON OR BEFORE 20/6/2019

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Portfolio Committee : Community Services
21 August 2018
(Also the agenda for the Mayoral Committee Meeting : 29 August 2018)**

**2.
ZWELIHLE: PROPOSED TRANSFER OF PROPERTIES TO ORIGINAL OWNERS
WHO LOST IT THROUGH AN EXECUTION SALE**

17/5/4/1

FW Frans

25 May 2018

(028) 313 8144

Hermanus Administration

1. Executive Summary

This report is to request the Council to, in terms of its delegated authority, approve the transfer of low cost housing properties to the original owners who initially obtained the properties as low cost housing and subsequently lost the properties when it had been attached by the Overstrand Municipality through a sale in execution and to inform Council on the legal position with regard to the repossession of government subsidised housing in general.

2. Service Delivery and Budget Implementation Plan - IGNITE

Community Services
Housing Administration

3. Compliance with Strategic Priorities

Provision of democratic, accountable and ethical governance
Provision and maintenance of municipal services
Creation and maintenance of a safe and healthy environment

4. Delegated Authority

None

5. Legal Requirements

Constitution of South Africa, 1996
Housing Act 107 of 1997
Local Government: Municipal Finance Management Act No 56 of 2003
Municipal Asset Transfer Regulations, 2008

6. Background/Discussion/Evaluation/Conclusion

Background

In terms of the disestablished municipality of Hermanus, policy to confiscate properties in arrears with municipal services accounts and sold it on execution was followed. During 2000, the municipality instituted legal proceedings against

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some owners of low cost houses. The result of the aforementioned proceedings was that the municipality confiscated the properties and bought it on an execution sale for R10,00 each. The original owners and/or dependants were however never evicted and are still occupying the properties and are still paying the municipal accounts related to the properties.

Due to the abovementioned, it can be inferred that it never was intended to evict the occupiers as that they stayed in occupation of the properties, despite no contract in place, hence the properties still being classified as low cost housing.

Current Status of Properties:

The properties in question form part of projects developed in the old dispensation (pre 1994) and also during the new dispensation (post 1994).

A number of 18 properties located in Zwelihle are affected by the sale in execution is currently occupied by the following:

- 460 sites 7 original owners and 9 third parties (pre 1994).
- 233 project (white city) 1 original owners and 1 third parties (post 1994).

The 460 sites transferred in 1992, and 233 housing units, developed between 1995 and 1996. The original owners were not evicted and are still occupying the properties. The terms of the option to buy was that the purchaser must pay the purchase price, the legal cost and all outstanding amounts due to the municipality at the time.

Pre-emptive Rights:

No pre-emptive right existed other than the possible pre-conditions set in the contracts/sale agreements. In the case of the 460 sites, the original property agreements were based on leaseholds and the agreements could subsequently be endorsed as freehold after 1994 (thus they formally obtained ownership after 1994). With request to the 233 housing project, no pre-emptive right was included in the sale agreements.

Discussion

It is recommended that the number of 8 properties occupied by the original owners be transferred to them, taking the following into account:

- the owner remains liable for the outstanding municipal services account; and
- assist the beneficiaries with the conveyancing fees, as Council also subsidises the conveyancing cost of other low cost housing properties.

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As the properties were allocated to beneficiaries in terms of specific criteria and as housing, the necessary processes and criteria were applied. It is recommended transactions be dealt with similar to the current transfers of low cost housing in order to restore their rights based on the following reasons;

- original owners received housing subsidies (233 erven project) or were granted freehold in respect of leased properties (460 sites).
- A number of 8 properties are still occupied by original owners.

This will entail the signature of a deed of sale by both parties with a value coupled to that, but with the proviso that they originally benefitted from the allocation. This value will be the current municipal valuation of the property.

In the event of properties occupied by third parties, cases will be assessed individually and tabled before Council for consideration after a public participation process is followed. The last mentioned actions are consistent with current practices to deal with properties where the original owners are no longer occupying the properties and it's therefore recommended that the property(ies) be transferred to an alternative beneficiary(ies).

The eight (8) year pre-emptive right as stipulated in the Housing Act of 1997, as amended, clearly stipulates that such right be registered in favour of the Provincial Department of Human Settlements (DOHS). During this period, no properties may be transferred to third parties unless permission is granted by DOHS. The initial transfers to original owners were effected between 2000 and 2001 and therefore no pre-emptive right should be considered.

A report was tabled before the Executive Council on 28 January 2003 by the Department of Finance for consideration of the resale of properties to original owners (refer Annexure A). *It was recommended that:*

1. *That every endeavour be made to determine the financial position of the proposed buyer and that, if affordable, the houses that were confiscated and bought on an execution sale by the municipality, be put on offer to the present occupants at a purchase price equal to the outstanding debt.*
2. *That a bond be registered in favour of the municipality for the full outstanding purchase price.*

However, the resolutions by Council set out below, are out-dated due to:

- no proof of a report for the write-off of the bad debts on the affected properties and
- the enactment of the Municipal Finance Management Act that forbids the granting of loans/bonds by the municipality.

The primary objective was that the affected properties remain part of the housing stock and to be re-allocated to the original owners and third parties occupying the properties.

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Processing of applications

Potential beneficiaries will be formally invited by the Housing Department to complete subsidy application forms. It is recommended that in the event of no response after the first written notice of 30 days, a second and final written notice of 7 days be issued.

Conclusion

Taking the above into consideration, it is recommended that the properties identified be transferred back to the:

- original owners who initially lost ownership as a result of the sale in execution on the same terms and conditions the current housing is being dealt with, since they still occupy the particular properties respectively allocated to them.
- third parties who currently occupy the properties, which cases will be assessed and tabled before Council individually for consideration after a public participation process is followed.

7. Financial Implications

Source of Funding eg. Operating Budget Provisions for transfer costs

Unique Key	: 20170525078285
Cost Account	: 12900201150000
Item Description	: Legal Cost
Budget Provision 2018/2019	: R258,250.00
Expenditure	: R 77,000.00
Balance Available	: R181,250.00

8. Staff Implications

None

9. Comments from other Departments, Divisions and Administrations

Manager: Property Administration, Ms A Le Roux - (028) 316 3724

Chapter 2 of the Municipal Asset Transfer Regulations, 2008, (Regulations to the Municipal Finance Management Act, no. 56 of 2003) deals with the transfer of permanent disposal of non-exempted capital assets (the latter including land and buildings) and stipulates the processes to be followed. However, regulation 4(3)(b) clearly stipulates that the procedures for the transfer or disposal of non-exempted capital assets as stipulated in the said chapter are "not applicable to the transfer of housing on municipal land and the transfer of

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municipal land for the poor to beneficiaries of such housing". This means that where Housing legislation and criteria is applicable to the transfer of the property, it is not necessary to follow a competitive process.

The properties mentioned in this report was not recognized on the Fixed Asset Register (Land and Buildings) of the Municipality but rather recognized as Inventory (Low Cost Housing) due to the status of the properties at the stage it was bought back by the Municipality. With the updating of the Fixed Asset Register every subsequent year it could not be transferred from Inventory (Housing stock) to Property, Plant and Equipment (PPE) / Investment Property (IP) as it did not qualify in terms of the recognition requirements as set in the Generally Recognised Accounting Practices ("GRAP") and more specifically GRAP 16 and GRAP 17. The main reasons for it not qualifying to be recognized as PPE/IP were the fact that it was still occupied by beneficiaries and third parties without valid contracts and due to the fact that it seemed as if the Municipality never intended to evict the occupants.

As Council has already approved that the properties be offered to the occupants thereof in 2003 under the legislation applicable at that time, Council can proceed with the direct transfer of the properties as requested in this report.

Senior Manager : Legal Services Mr L. Wallace (028) 313 5031

It is evident that the effect of a sale in execution was that the original beneficiaries lost their right of ownership over the property, whilst possession and occupation remained vested for 18 years. Due to the time lapse from the sale in execution it will be very difficult to consider whether the deprivation of property was arbitrary. The fact that a sale in execution took place by way of a court order does create a strong presumption that the sale and transfer of the respective properties in the name of the Municipality were procedurally fair and not arbitrary.

The key consideration is that since the date of execution until now nothing has transpired, to give effect to the previous council resolution, and the recovery of the outstanding debt. The Municipality is thus faced with a conundrum that it has right of ownership over the respective properties, but no control or possession over these properties due to the continuing occupation and possession thereof by the original beneficiaries and tenants for a period of 18 years. The result as emphasized by the Manager: Property Administration was that the referred properties are not recognized in the fixed property register, and thus not transferable to Property Plant and Equipment, due to the current status of being occupied by beneficiaries and third parties without any valid contracts.

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10. Annexures

- Annexure A: Council resolution dated 28 January 2003
- Annexure B: Certificate of registered grant of leasehold
- Annexure C: Consolidation subsidy programme
- Annexure D: List of original owners, properties and values

RECOMMENDATION TO THE COUNCIL:

1. that Council approval dated 28 January 2003 with regard to the confiscation of houses **be amended** to read as follows: "that the houses that were confiscated and bought on an execution sale by the municipality, be transferred back to the present occupants at a value equal to the municipal value of properties, in the following manner:
 - 1.1 that transfers be effected to original property owners currently occupying properties, namely erf numbers: 337, 350, 356, 361, 371, 403, 644 and 1509, Zwelihle;
 - 1.2 that, in the absence of the original owners, the housing opportunity be considered for immediate family members, and other third parties on a case by case bases, to be considered by the Executive Mayor, namely erf numbers 332, 336, 358, 396, 440, 477, 524, 530, 642 and 1480, Zwelihle;
2. that the respective beneficiaries remain responsible for outstanding municipal services accounts, subject to council's consent to transfer the properties;
3. that recommendation number two (2) of Council approval dated 28 January 2003 that reads as follows : "That a bond be registered in favour of the municipality for the full outstanding purchase price" **be rescinded**;
4. that the payment of conveyancing fees by Council for the transfer of the mentioned properties **be approved**;
5. that the list of original owners and current occupants of the properties sold on auction **be noted**; and
6. that the discussion of the pre-emptive right with regard to the possible repossession of low cost housing properties, **be noted**.

RESPONSIBLE OFFICIAL :

FW FRANS

TARGET DATE FOR IMPLEMENTATION :

01 JULY 2018

EXECUTIVE COMMITTEE MEETING:

28 JANUARY 2003

8. ANVELIHILE: CONFISCATION OF HOUSES – OUTSTANDING DEBT

5/17/1

(F.P. Stapelberg
Gansbaai
(028)313 8062
10 December 2002

1. EXECUTIVE SUMMARY/BESTUURSOPSOMMING
(Purpose of the Report)

To report to the situation to the Executive Committee, and to propose a possible solution for the problem

Om 'n situasie aan die Uitvoerende Komitee te rapporteer en 'n moontlike oplossing voor te stel

2. REFERENCE TO PROJECT/PROCESS FRAMEWORK – IF APPLICABLE (SEE IDP)

None

3. COMPLIANCE WITH STRATEGIC OBJECTIVE

This report complies with the priorities set out in Council's Vision Statement, namely

- 1) Provision of democratic and accountable governance
- 2) Provision and maintenance of municipal services

4. DELEGATED AUTHORITY

The Executive Committee has the authority to resolve on this matter

5. LEGAL REQUIREMENTS

Local Government Transformation Act

6. BACKGROUND/INTRODUCTION

The disestablished municipality of Hermanus had a policy to confiscate houses and to buy them when they are sold on an execution sale. The municipality instituted legal proceedings against some owners of low cost houses during 2000. The result of those proceedings was that the municipality confiscated the houses

EXECUTIVE COMMITTEE MEETING:

28 JANUARY 2003

and bought it on an execution sale for R10,00 per house. The original owners were not evicted and are still occupying the houses.

These occupants have no lease agreement with the council, and no rent was determined.

7. DISCUSSION/MOTIVATION/PROPOSAL/EVALUATION/ASSESSMENT

The terms of the sale was that the purchaser must pay the purchase price, the legal cost and all outstanding money due to the municipality.

The following table gives the detail:

Efi	Suburb	Legal Cost	Outstanding Account	Date of Transfer	Outstanding on Account on Transfer
351	Lawdon	10 188.00	15 862.18	02/07/02	18 742.87
7082	Mount Pleasant	5 659.85	17 234.65	28/11/02	
1482	Zwelihle	3 478.07	3 385.64	18/08/02	
357	Zwelihle	3 855.83	14 271.67	28/05/02	20 748.32
440	Zwelihle	5 032.51	12 459.88	15/02/02	18 552.45
371	Zwelihle	3 681.13	37 669.23	08/12/01	60 650.17
358	Zwelihle	3 739.70	18 808.63	27/08/02	23 123.15
1503	Zwelihle	3 586.67	3 497.89	05/07/02	2 765.18
644	Zwelihle	3 527.20	1 421.45	25/08/02	1 319.80
477	Zwelihle	3 791.23	4 485.33	28/08/02	4 412.89
842	Zwelihle	4 521.47	6 836.31	02/04/02	3 298.51
530	Zwelihle	3 230.63	3 588.18	08/11/01	3 610.80
336	Zwelihle	4 004.72	18 128.59	02/07/02	21 729.39
380	Zwelihle	3 614.54	7 856.11	26/05/02	10 239.65
356	Zwelihle	4 057.54	8 577.60	02/07/02	11 360.27
403	Zwelihle	5 318.48	16 688.70	25/08/02	13 487.78
		R 71 556.83	R 184 252.22		R 204 977.97

* These amounts were written off.

In all but two of these cases the outstanding accounts were not paid by the municipality on transfer, and are still reflected on the accounts of the original owners. This action shall now be performed.

The problem facing these tenants are that they could not pay their municipal accounts as it were, and now they have to pay the rent for the houses as well.

As is the case in many instances in Zwelihle, it is not certain who lives in the RDP-house at present as houses are sold informally and the municipality are unaware of detail of these informal arrangements.

EXECUTIVE COMMITTEE MEETING:

26 JANUARY 2003

To resolve this problem the houses must be sold to the present occupiers of these houses at a price that covers the outstanding debt after the original debt has been written off. A bond must be registered in favour of the municipality.

If the occupants are not interested to purchase the house a rent will be determined and levied monthly.

6. FINANCIAL IMPLICATIONS

There are no further financial implications.

9. STAFF IMPLICATIONS

None

10. COMMENTS FROM OTHER DIVISIONS

The Housing Department is in agreement with this.

11. ANNEXURES

Addendum A Notice of Sale in Execution

12. RECOMMENDATION/AANBEVELING

That the houses that was confiscated and bought on an execution sale by the municipality, be put on offer to the present occupants at a purchase price equal to the outstanding debt.
That a bond be registered in favour of the municipality for the outstanding purchase prices.

Dat die huise wat gekonfiskeer was en op eksekusie veiling gekoop was aan die huidige eieners te koop aangebied word teen 'n prys gelykstaande aan die uitstaande skuld.
Dat 'n verband ten gunste van die munisipaliteit geregistreer word vir die uitstaande koopprys.

EXECUTIVE COMMITTEE MEETING:

26 JANUARY 2003

THIS MATTER WAS CONSIDERED BY THE PORTFOLIO COMMITTEE FOR FINANCE AND HUMAN RESOURCES ON 14 JANUARY 2003, WHICH COMMITTEE

RECOMMENDED:

1. That every endeavour be made to determine the financial position of the proposed buyer and that, if affordable, the houses that were confiscated and bought on an execution sale by the municipality, be put on offer to the present occupants at a purchase price equal to the outstanding debt.
2. That a bond be registered in favour of the municipality for the full outstanding purchase price.

A 5/6

IN THE MAGISTRATE'S COURT FOR THE DISTRICT OF HERMANUS
FIELD AT HERMANUS

CASE NO. 2749/89

In the matter between:

GREATER HERMANUS TRANSITIONAL COUNCIL

Judgment Creditor

and

D A BALA

Judgment Debtor

NOTICE OF SALE IN EXECUTION

In pursuance of a judgment granted by the Magistrate's Court of HERMANUS on 5 January 2000 and a warrant of execution issued pursuant thereto on 26 January 2001 the immovable property known as:

ERF : 337 Zwelinde, situate in the area of the Greater Hermanus Transitional Local Council, Division of Caledon, Province of the Western Cape

IN EXTENT : 224 Square Metres

SITUATED : Plot 337, Zwelinde, 7200

HELD by Deed of Transfer No. T118562/1982

will be sold in execution on Friday, 26 January 2001 at 09:00 at the Sheriff's office at 11-B Avon Street, Industrial Area, Hermanus on terms and conditions which will be read at the time of the sale and which may ~~in the meantime, be inspected at the~~ offices of the undersigned. The salient terms and conditions of the sale are as follows:

- 1 The purchaser will pay 10% of the purchase price immediately after the sale and shall furnish a bank or building society guarantee acceptable to the

A 6/6

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Judgment creditor's attorneys securing the balance purchase price plus the interest referred to below within 14 (FOURTEEN) days from the sale.

2. In addition to the purchase price the purchaser shall pay to the judgment creditor all Council costs, all arrear rates and penalties and collection charges, if any, thereon and interest on the capital amount at the rate of 15.50% per annum calculated from 1 September 2000 to date of registration of transfer, both days inclusive.
3. The sale shall be subject to the terms and conditions of the Magistrate's Court Act and the Rules promulgated thereunder.
4. The property is improved as follows: Single dwelling.

DATED at HERMANUS on 21 November 2000.

.....
J P VAN ROOYEN
GUTHRIE & THERON
Attorneys for Judgment
Creditor
77 Main Road
HERMANUS
7200

TO: THE SHERIFF
P O BOX 177
HERMANUS
7200

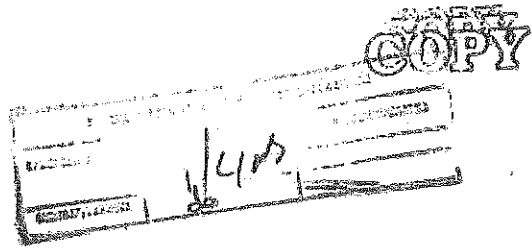
62

Annexure B 1/2

Prepared by me

[Handwritten Signature]

CONVEYANCER
PRETORIUS, J.P.



TL. 18415192

CERTIFICATE OF REGISTERED GRANT OF LEASEHOLD

(Regulation 13)

CERTIFICATE NO :

I. IT IS HEREBY CERTIFIED,

that the right of leasehold in respect of ^{Site} ~~Site~~ 332 Zwellhle, in the Area of the Town Council of Zwellhle, Administrative District of Caledon, in extent 224 (Two Hundred and Twenty Four) square metres and as referred to in General Plan No. 10274/91

has been granted to

AMOS RUIJELI
Identity Number: 480610 5313 08 4
Unmarried

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- 2 -

Annexure B 2/2

BY : TOWN COUNCIL OF ZWELIMLE

2. SUBJECT to the following condition imposed in terms of Section 57(B) of Act 4 of 1984 :-

This erf shall be used solely for the purpose indicated in the town planning scheme of the local authority and subject to the conditions and restrictions stipulated by the town planning scheme.

Registration office at Cape Town

Date : 27 March 1992


.....
Registrar of Deeds

ANNEXURE C-1 TO THE NATIONAL HOUSING COORDINATION ACT (PART I) OF THE HOUSING ACTS (1997)

10 CONSOLIDATION SUBSIDY PROGRAMME

10.1 WHAT IS THE PROGRAMME ABOUT?

Before the introduction of the White Paper on a New Housing Policy and Strategy for South Africa in December 1994, a substantial number of households had received serviced sites in terms of state housing schemes instituted pre-1994.

In order to enable such households to access adequate housing, a consolidation subsidy has been introduced which provides for the completion of houses on the serviced sites. Therefore beneficiaries of such stands may apply under this Programme for further assistance to construct a house on their stands or to upgrade / complete their house they may have constructed from their own resources.

10.2 WHO WILL BE ASSISTED?

The Programme will assist persons who are:

- Legally competent to contract (i.e. over 18 years of age or legally married or legally divorced or declared competent by a court of law and sound of mind); and
- Who are owners of state financed vacant serviced stands. Neither the applicant nor his or her spouse may own any other property.

In addition to the above requirements, any applicant must comply with the provisions of the Programme funding schedule as annually announced and the general criteria, as linked to the benefits of the Programme.

10.3 IMPORTANT CONSIDERATIONS

The subsidy amount shall be used to cover the following:

- The costs pertaining to facilitation assistance to complete a project application;
- The costs pertaining to the registration of the beneficiary for subsidy purposes;
- The cost of project management and technical advice; and
- Construction cost of a house or the upgrading of an existing house.

10.4 HOW TO ACCESS THE PROGRAMME?

The developer being a municipality or a provincial department is responsible for the implementation of the consolidation project with the full participation of the beneficiaries. The process includes Stakeholder negotiations, the identification of

Annexure C 2/2

ANNEXURE C TO THE NATIONAL HOUSING CODE (PART I OF THE HOUSING CODE) (FEB)

beneficiaries through interviews and assisting beneficiary communities to register. A written project application is then to be submitted to the MEC and after approval an agreement is entered into between the developer and the MEC. Construction and building material is then purchased with a certificate of completion issued and payment of the subsidy.

10.5 WHO ARE THE ROLE-PLAYERS AND DECISION-MAKERS?

The developer is a municipality or provincial department. The MEC receives and adjudicates applications for consolidation subsidies.

The MEC may in specific circumstances and at his/her discretion grant exceptions to the eligibility criteria to beneficiaries applying for consolidation subsidies.

The developer is responsible for the overall implementation of the project, attends to the completion and submission of the application forms, administers subsidy payments and identifies the beneficiary community.

The developer may apply to the MEC for facilitation assistance.

Annexure D

OVERSEAS MUNICIPALITY											
PROPERTIES ON AUCTION (2008-2009)											
Sl. No.	MORTGAGE NAME	SPP AND	MORTGAGE SCHEME IN RESPECT OF	TITLE DEEDS	ACQUISITION BY ORIGINAL OWNERS	TEND PARTIES	DATE OF REGISTRATION	TITLE DEEDS	MUNICIPAL OFFICE ACCT	REMARKS	TOTAL PAID
1	✓
2	✓
3	✓
4	✓
5	✓
6	✓
7	✓
8	✓
9	✓
10	✓
11	✓
12	✓
13	✓
14	✓
15	✓
16	✓
17	✓
18	✓
19	✓
20	✓
TOTAL											...