

**AGENDA of the
Portfolio Committee: Infrastructure & Planning
23 March 2021
(Also the agenda for the Mayoral Committee Meeting: 31 March 2021)**

7.

**ERF 5768 KLEINMOND (SITUATED AT 119 10th AVENUE, KLEINMOND):
CESSION OF LEASE AGREEMENT FROM CHILD WELFARE SOUTH AFRICA
(KLEINMOND) TO KIDSCAN! AFTER SCHOOL CARE AND LEARNING CENTRE**

7/2/3/1

A Le Roux

Manager: Property Administration

22 February 2021

(028) 316 - 5623

1. Executive Summary

To obtain approval to cede the lease agreement between Overstrand Municipality and Child Welfare South Africa (Kleinmond) to Kidscan! After School Care and Learning Centre (hereinafter referred to as “the Applicant”) for the remainder of the initial lease period of 3 (THREE) years in respect of municipal property, Erf 5768 Kleinmond (737m² in extent), situated at 119 10th Avenue, Kleinmond (hereinafter referred to as “the Property”), for the purposes of managing an ECD Centre, an Aftercare facility and related activities”. See the locality map attached hereto marked “Annexure A”.

2. Service Delivery and Budget Implementation Plan - IGNITE

Infrastructure and Planning
Property Administration

3. Compliance with Strategic Priorities

Provision of democratic, accountable and ethical governance
Creation and maintenance of a safe and healthy environment
Promotion of tourism, economic and social development

4. Delegated Authority

Executive Mayor

5. Legal Requirements

- Municipal Asset Transfer Regulations (R. 878 of 2008)
- Administration of Immovable Property Policy of the Overstrand Municipality (2015)

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6. Background/Discussion/Evaluation/Conclusion

Background/Discussion

Child Welfare South Africa (Kleinmond), hereinafter referred to as "Child Welfare", oversees and assists most of the ECD's in the Kleinmond area. The Municipality has lease agreements with Child Welfare for various municipal properties in Kleinmond for which they are responsible. Each of these ECD's are individually managed by separate management bodies. Therefore, Child Welfare only plays a supervising- and assisting role for all these ECD's.

Child Welfare has successfully leased the Property since 1999. The latest lease agreement for the Property was entered into, after the Executive Mayor's approval, between Overstrand Municipality and Child Welfare for a period of 3 (THREE) years which commenced on 1 May 2019 and will expire on 30 April 2022. The Executive Mayor at a Mayoral Committee Meeting held on 25 September 2019 resolved as follows:

- “1. *that the lease of municipal property, being Erf 5768 Kleinmond (737m2 in extent) to Child Welfare South Africa (Kleinmond) for the purpose of the management of an Early Childhood Development Centre, an Aftercare Facility and related activities as from 1 May 2019 at the rental amount of R 140.00 (ONE HUNDRED AND FOURTHY RAND) (VAT excluded) per month for the period of 1 May 2019 to 30 June 2019 and a rental amount of R147.83 (ONE HUNDRED AND FORTY SEVEN RAND AND EIGHTY THREE CENT) (VAT excluded) per month for the 2019/2020 financial year (from 1 July 2019) for a period of 3 (THREE) years in terms of the Administration of Immovable Property Policy of the Overstrand Municipality, **be approved**; and*
2. *that the rental amount mentioned in 1 above escalate every year on the 1st of July in accordance with the tariffs stipulated in the Annual Budget as approved by Council, the next escalation to be on 1 July 2020.”*

The Applicant has been registered as a non-profit organisation as from 15 May 2019 with the Department of Social Development. The Applicant now wishes to function as an independent organisation, separate from Child Welfare, and requested that the lease agreement be ceded to them. Although the municipal account for this lease is in the name of Child Welfare, the accounts are paid monthly by the Applicant. The lease deposit was however paid by Child Welfare and will be dealt with if approval for the cession is obtained and a new municipal account is opened for the Applicant. This is proof that the Applicant will be able to function independently from Child Welfare.

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Child Welfare consented to the cession of the lease from Child Welfare to the Applicant. The consent to cede is attached hereto marked as "Annexure B".

Conclusion

With reference to the above discussion it is recommended that the application to cede the lease agreement for the Property to the Applicant be approved for the remainder of the initial lease period of 3 (THREE) years, which will expire on 30 April 2022.

7. Financial Implications

None

8. Staff Implications

None

10. Annexures

Annexure A: Locality Map

Annexure B: Child Welfare's consent to cede.

RECOMMENDATION:

that the cession of the lease agreement for municipal property, being Erf 5768 Kleinmond, (737m² in extent), from Child Welfare South Africa (Kleinmond) to KidsCan! After School Care and Learning Centre, **be approved.**

RESPONSIBLE OFFICIAL:	N LIEBENBERG
TARGET DATE FOR IMPLEMENTATION:	16 APRIL 2021
TARGET DATE TO INFORM APPLICANT:	9 APRIL 2021
TARGET DATE TO INFORM OBJECTOR:	N/A

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THIS MATTER SERVED BEFORE THE JOINT PORTFOLIO COMMITTEE ON 23 MARCH 2021, WHICH COMMITTEE SUPPORTED THE RECOMMENDATION

RESPONSIBLE OFFICIAL:

N LIEBENBERG

TARGET DATE FOR IMPLEMENTATION:

16 APRIL 2021

TARGET DATE TO INFORM APPLICANT:

9 APRIL 2021

TARGET DATE TO INFORM OBJECTOR:

N/A

ANNEXURE A



ANNEXURE B

From: Boyshome <boyshome@absamail.co.za>
Sent: Friday, 08 January 2021 09:37
To: M Erasmus
Subject: RE: KKM 5768 - Child Welfare / Kids Can

Dear Madeleine,

The Management of Child Welfare has met via zoom.

Please proceed to compile a cession agreement between CWSA Kleinmond, KidsCan and Overstrand Municipality.

Regards

Theresa
