



**JOINT PORTFOLIO COMMITTEE MEETING /
GESAMENTLIKE PORTEFEULJEKOMITEE VERGADERING:**

- **Finance / Finansies**
- **Management Services / Bestuursdienste**
- **Protection Services, Economic Development & Tourism /
Beskermingsdienste, Ekonomiese Ontwikkeling & Toerisme**
- **Community Services / Gemeenskapsdienste**
- **Infrastructure & Planning / Infrastruktuur & Beplanning**

INTLANGANISO YEKOMITI ZAMASEBE AHLANGENEYO:

- **EleZemali**
- **liNkonzo zoLawulo**
- **liNkonzo zoKhuselo, Uphuhliso lweZoqoqosho &
Nezokhenketho**
- **liNkonzo zoLuntu**
- **UbuXhakaxhaka & UCwangciso**

A G E N D A / I-AJENDA

DATE / DATUM / UMHLA : 22 MAY / MEI / MEYI 2018
VENUE / PLEK / INDAWO : BANQUETING HALL / BANKETSAAL
CIVIC CENTRE / BURGERSENTRUM / IZIKO LOLUNTU
HERMANUS
TIME / TYD / IXESHA : 10:00

MUNISIPALITEIT OVERSTRAND MUNICIPALITY

Office of the Municipal
Manager
Municipal Offices
HERMANUS

9 May 2018

NOTICE TO ALL ALDERMEN / COUNCILLORS

NOTICE IS HEREBY GIVEN that an **ORDINARY MEETING** of the **JOINT PORTFOLIO COMMITTEE** will be held in the **Banqueting Hall, Civic Centre, HERMANUS**, on **TUESDAY, 22 MAY 2018 AT 10:00**, to consider the items set out in the attached agenda.

**C GROENEWALD
MUNICIPAL MANAGER**

9 Mei 2018

KENNISGEWING AAN ALLE RAADSHERE / RAADSLEDE

KENNIS WORD HIERMEE GEGEE dat 'n **GEWONE VERGADERING** van die **GESAMENTLIKE PORTEFEULJEKOMITEE** gehou sal word in die **Banketsaal, Burgersentrum, HERMANUS**, op **DINSDAG, 22 MEI 2018 OM 10:00**, vir oorweging van die items op die meegaande agenda.

**C GROENEWALD
MUNISIPALE BESTUURDER**

9 Meyi 2018

ISAZISO ESIYA KUBO BONKE OOCEBAKHULU NOOCEBA

OKU KUKWAZISA ukuba **INTLANGANISO YESIQHELO YEKOMITI ZAMASEBE AHLANGENEYO** ebhunga iza kuba se **Banqueting Hall, kwiZiko LoLUNTU, eHERMANUS, ngoLWESIBINI**, umhla, we **22 MEYI 2018 ngeye-10:00** ukuqwalasela imicimbi ekule ajenda iqhotyoshelwe apha.

**C GROENEWALD
UMPHATHI KAMASIPALA**

AGENDA/...

PORTFOLIO COMMITTEE :

FINANCE

Chairperson :

Cllr R de Coning

Committee Members :

**Cllrs L Ntsabo, G Cohen,
S Tebele, X Msweli and B Molefe**

PORTEFEULJEKOMITEE :

FINANSIES

Voorsitter :

Rdl R de Coning

Komiteelede :

**Rdle L Ntsabo, G Cohen,
S Tebele, X Msweli and B Molefe**

FINANCE PORTFOLIO COMMITTEE
FINANSIES PORTEFEULJEKOMITEE

22 May 2018

I N D E X

ITEM

PAGE
NUMBER

OPENING

APPLICATIONS FOR LEAVE OF ABSENCE

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

1. WRITING OFF OF IRRECOVERABLE DEBT

1

**AGENDA of the
Portfolio Committee: Finance
22 May 2018
(Also the agenda for the Mayoral Committee Meeting: 30 May 2018)**

**1.
WRITING OFF OF IRRECOVERABLE DEBT**

5/17/1

**EM Hooneberg
20 May 2018**

(028) 313 8149

Corporate Head Office

1. Executive Summary

The purpose of the report is to request Council to approve the writing off of debt that has become irrecoverable.

2. Service Delivery and Budget Implementation Plan - IGNITE

Directorate Finance
Department Revenue

3. Compliance with Strategic Priorities

Provision of democratic, accountable and ethical governance
Provision and maintenance of municipal services

4. Delegated Authority

None

5. Legal Requirements

Local Government: Municipal Systems Act, Act 32 of 2000
Customer Care, Credit Control & Debt Collection Policy
Indigent Policy

6. Background/Discussion/Evaluation/Conclusion

6.1 Background

According to the Customer Care, Credit Control & Debt Collection Policy (CC,CC,DC P):

- Section 8.7 states that debt will only be considered as irrecoverable if it complies with specific criteria as set out in the policy.
- Section 8.7.2 states that all debtors who qualify and are registered as indigent, will have their arrears written off once during ownership of the property.

**AGENDA of the
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6.2 Discussion

6.2.1 Annexure A – First Time Write Off Indigent Households R36 826.73
(Section 8.7.2 of the CC,CC,DC P)

This list consists of accounts where the owners have qualified for the indigent grant and are currently receiving it but the arrear amounts have not yet been written off.

All these debtors are newly registered indigents and thus part of the write off list for the first time.

6.2.2 Annexure B – Indigent water leakages irrecoverable: R187 450.67

This list consists of accounts where the owners are registered as Indigent Households and incurred water losses due to leakages. These consumers have repaired the leakages.

Close monitoring of monthly water consumption takes place to ensure timeous reporting of water leaks and installation of flow limiter water meters as far as possible to reduce water losses and to limit outstanding debits.

6.2.3 Annexure C – Final accounts equal or less than R1,500.00: R534.58
(Section 8.7.1 (b) of the CC,CC,DC P)

Final accounts, where amounts are equal to or less than R1 500.00, are in terms of the policy considered too small, after having followed due processes, to recover such amounts cost effectively through legal processes.

As a preventative tool the consumer deposits are adjusted to two times average consumption during the preceding 12 months, on an annual basis.

6.2.4 Annexure D – Other irrecoverable debt: R68 541.67

6.2.4.1 P Zongwana, Erf 3285, Masakhane, Gansbaai.

Stall contract expired. Full debt collection process was followed. No valuable-report (Nulla Bona) receipted from Sheriff. We cannot proceed because this is a Municipal property.

6.2.4.2 M Ntsibantisiba, Erf 14, Unit 11F, Hostel, Zwelilhe

Housing rental agreement was not renewed. Two tampers on this account was never paid. Cannot proceed because this is a Municipal property. New tenant signed agreement.

**AGENDA of the
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6.2.4.3 Little Swift Investment 211, Erf 2210, Vermont.

Final account and company liquidated. Property sold to new owner.

6.2.4.4 BP&SJ Hurling, Erf 559, Hawston.

Rates clearance was issued as per Section 118(1) of the Local Government Systems Act. Property Auctioned, new owner.

7. Financial Implications

Business - Key	Cost Account	Item Description
20170525140613	4 02 0630 002 1	Impair Rates: Bus & Commercial Prop
20170525140633	4 02 0630 012 1	Impair Rates: Residential Prop Develop
20170525140643	4 02 0630 014 1	Impair Residential Property Vacant
20170525140653	4 02 0630 022 1	Impair State Owned PT
20170525140663	4 02 0630 024 1	Impair Electricity
20170525140673	4 02 0630 026 1	Impair Property Rental Debtors
20170525140683	4 02 0630 028 1	Impair Service Charges
20170525140693	4 02 0630 030 1	Impair Waste Management
20170525140703	4 02 0630 032 1	Impair Waste Water Management
20170525140713	4 02 0630 034 1	Impair Water

Provision 2017/2018	:	R22 185 073.36
Spent to Date / Committed	:	R511 216.02
Balance Available	:	R21 673 857.34
Funding Required	:	R293 353.65

8. Staff Implications

N/A

9. Comments from other Departments, Divisions and Administrations

N/A

10. Annexures

- Annexure A: First time write off – Indigent Households
- Annexure B: Indigent water leakages irrecoverable
- Annexure C: Final accounts equal or less than R1500.00
- Annexure D: Other irrecoverable Debt

**AGENDA of the
Portfolio Committee: Finance
22 May 2018
(Also the agenda for the Mayoral Committee Meeting: 30 May 2018)**

RECOMMENDATION TO THE COUNCIL:

that the irrecoverable debt to the value of R293 353.65 as listed below, be written off as bad debt:

A	First time write off – Indigent Households	R 36 826.73
B	Indigent water leakages irrecoverable	R187 450.67
C	Final accounts equal or less than R1,500.00	R 534.58
D	Other irrecoverable Debt	R 68 541.67
	TOTAL	<u>R293 353.65</u>

RESPONSIBLE OFFICIAL :

EM HOONEBERG

TARGET DATE FOR IMPLEMENTATION :

08 JUNE 2018

**AGENDA of the
Portfolio Committee: Finance
22 May 2018
(Also the agenda for the Mayoral Committee Meeting: 30 May 2018)**

**1.
WRITING OFF OF IRRECOVERABLE DEBT**

5/17/1

**EM Hooneberg
20 May 2018**

(028) 313 8149

Corporate Head Office

**THIS MATTER SERVED BEFORE THE JOINT PORTFOLIO COMMITTEE ON
22 MAY 2018, WHICH COMMITTEE RECOMMENDED AS FOLLOWS:**

RECOMMENDATION TO THE COUNCIL:

that the irrecoverable debt to the value of R293 353.65 as listed below, be written off as bad debt:

A	First time write off – Indigent Households	R 36 826.73
B	Indigent water leakages irrecoverable	R187 450.67
C	Final accounts equal or less than R1,500.00	R 534.58
D	Other irrecoverable Debt	R 68 541.67
	TOTAL	<u>R293 353.65</u>

RESPONSIBLE OFFICIAL :

EM HOONEBERG

TARGET DATE FOR IMPLEMENTATION :

08 JUNE 2018

OVERSTRAND MUNICIPALITY: First Time Writ Off Indigent Households**ANNEXURE A**

Account	Suburb	Debtor		Total
201000230921	HZW	GWETA	K	7 348.82
317587610031	KPR	LAKAY LL & DEMAS VZ		13 074.42
900000285189	HSB	MILLS	DS	16 403.49
TOTAL				36 826.73

OVERSTRAND MUNICIPALITY: Indigent Water Leakages Irrecoverable

ANNEXURE B

Account	Erf	Suburb	Debtor		Total
312650208001	6502	Kleinmond	JAKOBS	JJ&JM	1 269.58
312651008000	6510	Pringle Bay	AUGUST	A&JJ	3 920.84
312691080008	6910	Kleinmond	MTSEWU	G	31 129.44
318544608003	5466	Kleinmond	BONTHUYS	M	3 574.40
451000104409	1044	Stanford	SLINGERS	JM	1 430.16
451000143507	1435	Stanford	SIKOLAKE	G	2 388.60
451000146108	1461	Stanford	BOOYSEN	E&JA	6 410.87
451000147109	1471	Stanford	DAMON & BOOYSENS	JJ&EK	1 393.24
451000148313	1483	Stanford	ROBYN	JJ &	2 479.77
451000151803	1518	Stanford	HOOGBAARD & BAREND S J&SDJ		5 444.95
451000218708	2187	Stanford	XAKANA	EN	919.95
900000489462	394	Pearly Beach	PEPPER	JPR&J	236.42
900000492969	1791	Zwelihle	MAKAPELA	M	3 011.79
900000492983	2070	Hawston	PEKEUR	WJ	2 455.22
900000492990	386	Zwelihle	PONOANE	ME	10 455.79
900000493001	9004	Zwelihle	MASETI	T	9 225.67
900000493018	596	Zwelihle	NKASAW E	GL	2 598.69
900000493025	729	Zwelihle	MPALWENI	NC	4 633.93
900000493032	6530	Mount Pleasant	BENJAMIN	MC	3 129.08
900000493049	9324	Zwelihle	MAYILE	M&TN	5 210.88
900000493056	176	Zwelihle	MAKHAP E L A	J	993.84
900000493063	288	Zwelihle	MCINJANA	T	7 381.15
900000493087	467	Zwelihle	MATSIYANA	S	7 017.32
900000493128	605	Zwelihle	MNYANZELI	N	1 615.90
900000493135	283	Zwelihle	MTOMILE	M	1 033.11
900000493142	9035	Zwelihle	YAYASE (MUN)	T	3 990.29
900000493173	1286	Hawston	BAILEY	BM&EJ	753.31
900000493207	111	Hawston	FISHER	CJ	4 301.12
900000493915	814	Stanford	ASSUR	MD&RR	1 518.44
900000499588	1991	Masakhane	MAPHASA	G	2 101.70
900000500190	930	Blompark	DAMON (MUN)	D	2 863.84
900000505762	9111	Zwelihle	QHISHE	ME	276.06
900000505779	7929	Mount Pleasant	DAVIDS	P & SM	2 496.33
900000505786	8739	Zwelihle	FOKAZI	NS	2 735.79
900000505793	9112	Zwelihle	FORTEWU	HX	12 431.62
900000505810	6497	Mount Pleasant	WELSTROOM	RRE	9 487.02
900000505827	706	Zwelihle	MWANDA	NA	1 163.77
900000505834	9519	Zwelihle	PONWANA & WANA	EP&SM	493.10
900000505841	8734	Zwelihle	TSHIBHILE	M	1 275.48
900000505858	9366	Zwelihle	NCOMBO	GN	8 686.39
900000505865	855	Hawston	KOSANI (2 ANDERE)	JJ	1 581.83
900000505889	842	Hawston	MICHEALS	JP & B	1 898.80
900000505896	9165	Zwelihle	SHUMANE	B	5 575.36
900000506165	483	Hawston	FISHER	WJ	3 024.19
900000506392	1554	Mount Pleasant	PONOANE	PS	1 435.64
Total					187 450.67

OVERSTRAND MUNICIPALITY: Final Accounts equal or less than R1 500.00**ANNEXURE C**

Account number	Suburb	Debtor's Name	Initials	Total
203001550109	HSB	BARDAVID	R	36.69
900000004560	HHW	LAMONT	Y&D	497.89
			Total	534.58

OVERSTRAND MUNICIPALITY: OTHER

Account	Suburb	Debtor	Total	Comments
149032850075	GMAS	ZONGWANA P	14 391.67	Final account - Nulla Bona - Municipal property
201000293423	HZW	NTSIBANTSIBA M	24 791.73	Final account - Municipal Property; New tenant
900000432848	HVM	LITTLE SWIFT INVESTMENT 211	2 766.31	Company liquidated; Property sold
900000273281	HHW	HURLING BP&SJ	26 591.96	Final account; Property auctioned; new owner
			68 541.67	