

**AGENDA of the
Portfolio Committee : Infrastructure & Planning
22 October 2019
(Also the agenda for the Mayoral Committee Meeting : 30 October 2019)**

10.

HERMANUS, ROOM 4 AT THE MOUNT PLEASANT HOSTELS ON A PORTION OF THE REMAINDER OF ERF 243 HERMANUS: DEVIATION FROM PARAGRAPH 5.2.1.2 OF THE MUNICIPAL RESIDENCE POLICY OF 2012 ALLOWING THE MUNICIPALITY TO ENTER INTO A LEASE AGREEMENT WITH MR MC POTGIETER

7/2/3/1

M Erasmus
9 September 2019

(028) 316-3724

Hermanus Administration

1. Executive Summary

To obtain approval from Council for the deviation from paragraph 5.2.1.2 of the Municipal Residence Policy of 2012 allowing the Municipality to enter into a lease agreement with Mr MC Potgieter in respect of room no. 4 on a portion of the remainder of Erf 243 Hermanus at the Mount Pleasant Hostels for residential purposes.

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
Promotion of tourism, economic and social development

4. Delegated Authority

None

5. Legal Requirements

- Municipal Residence Policy (2012)

6. Background/Discussion/Evaluation/Conclusion

Background

The Municipality has 2 Hostel buildings on a portion of the remainder of Erf 243 Hermanus situated in upper Mount Pleasant which is only leased to Municipal employees working specifically in the Operational Department. The Hostel building north of Katjiepiering Street has single rooms and it is the intention of the Director: Community Services to have the single rooms

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converted into double rooms by merging two rooms as and when the single rooms become vacated. For this reason it was requested that the single rooms not be allocated to an employee once they are vacated.

The rooms in the building to the south of Katjeepering Street consist of a room, bathroom and living area and is more spacious than the single rooms.

Room no. 4 at the building south of Katjeepering Street was recently vacated. Mr Potgieter, who, together with his family, is currently living in room no. 100, being a single room, applied to lease room no. 4 at the lower hostel building.

Discussion

The main reason for Mr Potgieter's application to lease the bigger room is the fact that the single room is too small for himself, his wife and their three children.

There have been no problems nor any complaints received regarding the lease of the single room to Mr Potgieter. The rental is also deducted from his salary monthly and is thus received every month.

Evaluation

The following paragraphs of the Municipal Residence Policy are applicable:

Paragraph 3.2: *“Under the circumstances listed in clauses 3.2.1 - 3.2.4 below, the Municipality may make official accommodation available from time to time as the need arises for accommodation of Employees, based on functional necessity as assessed by the Director of the applicable service unit or her/his delegate in terms of this policy:*

.....

3.2.4. *The Employee who renders an operational service or has standby duty may be accommodated in the Mount Pleasant Hostels, which Hostels shall be used for operational purposes only.”*

In this case it is confirmed that Mr Potgieter renders an operational service as painter in the Operational Department under the Streets and Stormwater section. Accompanying the application to lease room no. 4 was a motivation from the Director: Community Services confirming his support for the reallocation of Mr Potgieter from the single room to room no. 4 in the lower building.

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Paragraph 5.2. “Allocation in terms of temporary occupation by Employees as an operational requirement shall be effected according to the following guidelines:

5.2.1. The Mount Pleasant Hostels:

5.2.1.1. shall be allocated to Employees of the Overstrand Municipality only;

5.2.1.2. shall be allocated to Employees with a Task level 5 and below, in the case of the Employee being promoted above a post Task level 5 he/she no longer qualifies for the official accommodation and must evacuate the dwelling within three months after official date of promotion”

As Mr Potgieter is now at a Task level 6 a deviation from this paragraph is requested in order to enter into a lease agreement with Mr Potgieter. A Task level 6 is quite low and it will be difficult to obtain alternative housing at his salary taking into account that he has a family consisting of a wife and three children that he is caring for. It must also be noted that it is the intention to have the Municipal Residence Policy revisited and updated as it was compiled and adopted by Council in 2012.

Paragraph 24: “In the case of an Employee staying in a Mount Pleasant Hostel because of standby for his post the rental amount for the two room Mount Pleasant hostels shall be 3% of the Employee’s basic monthly salary and the rent for the single room Mount Pleasant hostels shall be 1.5% of the Employee’s basic monthly salary. Preference shall be given to officials who fulfil in standby duties.”

As Mr Potgieter is currently occupying a single room hostel he is paying 1,5% of his basic monthly salary but should the deviation be approved that Mr Potgieter may lease room no. 4 he will pay 3% of his basic monthly salary. Mr Potgieter is well aware of this.

Conclusion

Taking the above into consideration, it is recommended that Council approves the deviation from paragraph 5.2.1.2 of the Municipal Residence Policy of 2012 in order for the Municipality to enter into a new lease agreement with Mr Potgieter for room no. 4 at the Mount Pleasant Hostels on a portion of the remainder of Erf 243 Hermanus.

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7. Financial Implications

The Municipality stands to gain a rental amount equal to 3% of Mr Potgieter's basic monthly salary. As this report will become a public document and as Mr Potgieter's salary is privileged, the rental amount cannot be disclosed.

8. Staff Implications

None

9. Comments from other Departments, Divisions and Administrations

Senior Manager: Expenditure and Assets, Mr J Vorster - (028) 313 8046

As this is an income generating proposal with no intention to dispose of the asset, there is no objection to the report.

10. Annexures

Annexure A: Locality Map of the Mount Pleasant Hostels on a portion of the remainder of Erf 243 Hermanus.

RECOMMENDATION TO THE COUNCIL:

that the deviation from paragraph 5.2.1.2 of the Municipal Residence Policy in order to enter into a lease agreement with Mr MC Potgieter in respect of room no. 4 at the Mount Pleasant Hostels on a portion of the remainder of Erf 243 Hermanus for residential purposes, **be approved.**

RESPONSIBLE OFFICIAL :	M ERASMUS
TARGET DATE FOR IMPLEMENTATION :	30 NOVEMBER 2019
TARGET DATE TO INFORM APPLICANT :	19 NOVEMBER 2019
TARGET DATE TO INFORM OBJECTOR :	N/A

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**M Erasmus
9 September 2019**

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THIS MATTER SERVED BEFORE THE JOINT PORTFOLIO COMMITTEE ON 22 OCTOBER 2019, WHICH COMMITTEE RECOMMENDED AS FOLLOWS:

RECOMMENDATION TO THE COUNCIL:

that the deviation from paragraph 5.2.1.2 of the Municipal Residence Policy in order to enter into a lease agreement with Mr MC Potgieter in respect of room no. 4 at the Mount Pleasant Hostels on a portion of the remainder of Erf 243 Hermanus for residential purposes, **be approved.**

RESPONSIBLE OFFICIAL :

M ERASMUS

TARGET DATE FOR IMPLEMENTATION :

30 NOVEMBER 2019

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