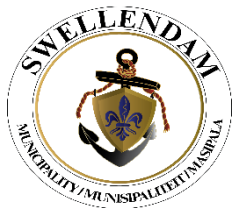


SPECIAL COUNCIL MEETING AGENDA



To: Councillors:

J.R. van Schalkwyk	(Speaker)
H.F. Du Rand	(Executive Mayor)
E. J. Lamprecht	
F. Kees	
G. Libazi	
M.T.A. Swart	
J.A. Matthysen	
D.J. Julius	
A. Bokwana	
D. Julius	
I.H. Ferguson	

Ex Officio:

A. Vorster	(Municipal Manager)
E. Wassermann	(Director: Financial Services)
K. Stuurman	(Director: Community Services)
J. Bester	(Acting Director: Infrastructure Services)

AGENDA FOR A SPECIAL COUNCIL MEETING

Notice is hereby given that a **special meeting** of the Municipal Council of Swellendam Municipality will be held on **Thursday, 27 June 2024** at **10:00** in the Council Chambers, Rhenius Street, Swellendam to consider the items attached hereto.

J.R. VAN SCHALKWYK

SPEAKER

DATE

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1. OPENING AND WELCOME

Rules of Order regulating the conduct of Meetings of the Council of the Municipality of Swellendam (Provincial Gazette 6347 dated 3 March 2006)

PART 3: MEETINGS

4. Commencement of Meeting

The speaker must take the chair precisely at the time for which the meeting is convened and must proceed immediately with the business of the meeting subject to section 14.

14. Quorum

- (1) A majority of the members constitutes the quorum.
- (2) If there is no quorum at the time for which the meeting is scheduled, the speaker must take the chair as soon as a quorum is present.
- (3) Whenever there is no quorum, the start of the meeting must be delayed for no longer than 30 minutes and if at the end of the period, there is no quorum, the speaker must adjourn the meeting to another time, date and venue at his or her discretion and record the names of those members present.
- (4) Whenever the speaker is not present and there is no quorum, the municipal manager must act in accordance with the procedure prescribed in terms of subsection 14(3).
- (5) Whenever during a meeting there is no quorum, the speaker must suspend the proceedings until a quorum is again present or adjourn the meeting if a longer time has passed than the speaker has allowed and there is still no quorum.
- (6) Whenever a meeting is adjourned owing to the absence of a quorum, the speaker must convene a meeting within seven (7) days where the rest of the matters on the agenda must be dealt with.

2. ELECTION OF ACTING SPEAKER, IF NECESSARY

Local Government: Municipal Structures Act, 1998 (Act 117 of 1998)

41. Acting speakers

If the speaker of a municipal council is absent or not available to perform the functions of speaker, or during a vacancy, the council must elect another councillor to act as speaker.

3. APPLICATION FOR LEAVE OF ABSENCE

Rules of Order regulating the conduct of Meetings of the Council of the Municipality of Swellendam (Provincial Gazette 6347 dated 3 March 2006)

PART 3: MEETINGS

11. Leave of Absence

A member who wishes to absent himself or herself from meetings must act in accordance with the rules relating to the leave of absence from the council as determined by council.

Item A2481: Council meeting of 21 November 2013:

PROPOSED AMENDMENTS – ITEM A2446 OF 7 OCTOBER 2013: RULES OF ORDER AND PROCEDURES WITH REGARDS TO ALLEGED TRANSGRESSION OF THE CODE OF CONDUCT FOR COUNCILLORS

1. That the following procedures be reconfirmed by means of which councillors may apply for leave of absence from 'n council meeting:

LEAVE OF ABSENCE

1. Application for leave of absence from a meeting of the Council must be addressed to the Speaker of Council in writing and signed by the member who is applying for such leave.
2. The Speaker of Council may only consider applications for leave of absence which are in writing. Applications for leave of absence which are not in writing may not be considered.
3. Notwithstanding Section 2 above, applications for leave of absence from a meeting are deemed to have been granted if:
 - 3.1 the Council or Mayor delegated the relevant member to act elsewhere on behalf of the Council in a matter; or
 - 3.2 if the Council requests the member to leave the relevant meeting in circumstances envisaged in Item 3(b) of the code of conduct of Schedule 1 to the Systems Act, or the member recuses him/herself.

4. The Speaker may, subject to Sections 2 and 3 above, grant leave of absence to a member for the following reasons:
 - 4.1 illness of the member a medical certificate must be handed to the office of the Speaker in this regard within 5 working days after the Council meeting, for which leave of absence was applied by the member as proof of illness.
 - 4.2 essential business or personal commitments, or personal circumstances of the member.
 - 4.3 When the member is not permitted to attend the meeting due to circumstances envisaged in item 3(b) of the Code of Conduct for Councillors in Schedule 1 to the Systems Act;
 - 4.4 Any other circumstances where the member is prevented from attending the meeting.
2. That the following revised fines are imposed in respect of situations where councilors fail to remain in attendance of council meetings:

FINES IN TERMS OF PARAGRAPH 4(2)(b) OF THE CODE OF CONDUCT FOR COUNCILLORS

In the case where the accused councillor was convicted that he or she failed to remain in attendance at a meeting of the Council, the Council may impose the following penalties:

 - a. 1st transgression, 10 % of the Councillor's monthly remuneration;
 - b. 2nd transgression, 15 % of the Councillor's monthly remuneration;
 - c. 3rd transgression, 20 % of the Councillor's monthly remuneration;
 - d. 4th transgression, 25%of the Councillor's monthly remuneration; and
 - e. 25% for each subsequent transgression.
3. That the disciplinary committee, as established, handles complaints against councilors who are guilty of paragraph 4(2)(b) of the code of conduct Councillors as per schedule 1 of Municipal Systems Act, 2000 (Act 32 of 2000).

3.1 A blank application for leave of absence form is enclosed

3.2 The attendance registers will be available at the meeting

Rules of Order regulating the conduct of Meetings of the Council of the Municipality of Swellendam (Provincial Gazette 6347 dated 3 March 2006)

PART 3: MEETINGS

10. Attendance of meetings

- (1) Every member attending a meeting of the council must sign his or her name in the attendance register kept for such purpose.
- (2) A member must attend each meeting except when-
 - (a) leave of absence is granted in terms of section 11; or
 - (b) the member is required to withdraw in terms of the law.

4. DISCLOSURE OF INTERESTS BY COUNCILLORS
--

Local Government: Municipal Structures Act, 1998 (Act 117 of 1998)

5. Disclosure of interests

- (1) A councillor must-
 - (a) disclose to the municipal council, or to any committee of which that councillor is a member, any direct or indirect personal or private business interest that that councillor, or any spouse, partner or business associate of that councillor may have in any matter before the council or the committee; and
 - (b) withdraw from the proceedings of the council or committee when that matter is considered by the council or committee, unless the council or committee decides that the councillor's direct or indirect interest in the matter is trivial or irrelevant.
- (2) A councillor who, or whose spouse, partner, business associate or close family member, acquired or stands to acquire any direct benefit from a contract concluded with the municipality, must disclose full particulars of the benefit of which the councillor is aware at the first meeting of the municipal council at which it is possible for the councillor to make the disclosure.
- (3) This section does not apply to an interest or benefit that a councillor, or a spouse, partner, business associate or close family member, has or acquires in common with other residents of the municipality.

5. SPEECHES AND SUBMISSION

6. MATTERS FOR CONSIDERATION

Rules of Order regulating the conduct of Meetings of the Council of the Municipality of Swellendam (Provincial Gazette 6347 dated 3 March 2006)

PART 4: DECISION

15. Unopposed Matters

Whenever council is called upon to consider a matter before it and there is no opposition from any member, a unanimous vote will be recorded in the minutes.

16. Opposed Matters

- (1) After attempts to reach consensus on certain matters have failed, the speaker must put the matter under discussion to the vote. Motions must be moved and seconded by members. Hereafter the speaker must call upon the members to indicate by a show of hands whether they are for such motions or against it, whereupon he or she declare the result of such vote.
- (2) Upon the speaker's declaration of the result of a vote, a member may demand for his or her vote to be recorded against the decision concerned and the municipal manager shall ensure that such vote is recorded in the minutes.
- (3) If there is an equality of votes in respect of a matter on which voting takes place, the speaker must exercise his or her casting vote, in addition to his or her deliberative vote, provided that the speaker may not exercise a casting vote in terms of any matter set out in section 160(2) of the Constitution.

PART 7: RULES OF DEBATE

23. Member to address the chair

A member who speaks at a meeting must address the chair and may do so in any one of the three official languages of the Province of the Western Cape.

24. Order or priority

When a member wishes to address the council, he or she must first have the permission of the speaker.

25. Precedence of speaker

Whenever the speaker addresses the meeting, all members must be silent so that the speaker may be heard without any interruption.

26. Relevance

- (1) A member who speaks must direct his speech strictly to the subject or matter under discussion or to an explanation or to a point of order.
- (2) No discussion may be permitted-
 - (a) which will anticipate any matter on the agenda;
 - (b) on any matter in respect of which a decision by a judicial or quasi-judicial body or a commission of enquiry is pending.

27. Right to speak

A member or non-member may speak on any matter before the council as determined by the speaker, provided that speeches of all members and non-members are allocated in a fair manner.

28. Length of speeches

The speaker determines the length of speeches.

31. Speaker's ruling on points of order and explanation

- (1) The ruling of the speaker on a point of order or an explanation shall be final and not open to discussion.
- (2) The ruling of the speaker on any point of order required as to the interpretation of these rules must be entered in the minutes.

6.1 Items submitted by officials of Council:

6.1.1

Item number A81. 27.06.2024

SUPPLY CHAIN MANAGEMENT MONTHLY REPORT – MAY 2024

Report by the Director Financial Services:

Ms. E Wassermann

Department

Financial Services

Section

Supply Chain Management

File number

9/2/1/5

PURPOSE OF REPORT

The SCM monthly report is prepared to inform Council on key SCM monthly activities and adhere to the reporting requirements in terms of the Legislative Framework.

FACTS AND BACKGROUND

In terms of section 6 of the Supply Chain Management Regulations, Council has a responsibility to maintain oversight over the implementation of the Supply Chain Management Policy.

Section 36(2) of the Supply Chain Management Regulation requires that the accounting officer must record the reasons for any deviation from the procurement process and report it to the next council meeting.

DISCUSSION

The SCM monthly report for May 2024 is **attached as Annexure A** to enable the council to fulfil its oversight role. The report informs on the following matters:

- Procurement Statistics for the month
- Awards made above R 100 000 which was reported to National Treasury
- SCM deviations

There are no material problems with the implementation of SCM policy.

LEGAL IMPLICATIONS

- Municipal Finance Management Act, 2003
- Municipal Supply Chain Management Regulation, 2005
- Municipal Supply Chain Management Policy, 2022

FINANCIAL IMPLICATIONS

None

PERSONNEL IMPLICATIONS

None

COMMUNICATION IMPLICATIONS

None

COMMENTS FROM DEPARTMENTS

Director: Corporate Services

None

Director: Community Services

None

Director: Financial Services

None

Director: Infrastructure Services

None

Municipal Manager

None

This item served on the Corporate and Financial Services Portfolio meeting held on Wednesday, 12 June 2024.

RECOMMENDED

1. that Council takes cognisance of the Supply Chain Management Report for May 2024 attached **as Annexure A.**

6.1.2

Item number A85. 27.06.2024

OUTCOME OF THE PUBLIC PARTICIPATION PROCESS ON THE PROPOSED RENEWAL OF THE SLA WITH THE LOWER BREEDE RIVER CONSERVANCY TRUST

Report of the Municipal Manager: Mrs. A. Vorster

Department Municipal Manager

Section Municipal Manager

File number 12/2/3/43

PURPOSE OF THE REPORT

To inform the committee of the outcome of the public participation meeting on the proposed renewal of the agreement for two years from 1 July 2024 to 30 June 2026 of the current tri-party service level agreement with the Lower Breede River Conservancy Trust.

BACKGROUND AND DISCUSSION

The Lower Breede River Conservancy Trust (LBRCT) manages the lower Breede River estuary in terms of a Service Level Agreement concluded between them and the Municipalities of Swellendam and Hessequa. The agreement terminates on 30 June 2024.

Before agreeing to the current contract Hessequa and Swellendam municipalities did a cost analysis of what it would entail if the local authorities were to provide the same type of service. The conclusion was that the only viable option is to develop the same type of model as encapsulated by the LBRCT, only difference will be the implementing agent being the municipalities. Swellendam nor Hessequa Municipality have the relevant resources to undertake this type of project as a specialized unit need to be established who should be able to implement other statutes applicable to the estuary, such as the MLRA (Act No. 18 of 1998). The Breede River Stakeholders Association (BRSA) and their affiliated Centre for Estuarine Research and Conservation (CERC) were also engaged to determine whether they can be an alternative to the LBRCT. Unfortunately, they proposed to appoint CapeNature as the enforcement component and their proposal did not meet all the required needs of the municipalities nor the estuary itself as such the LBRCT is recommended for re-appointment.

The Municipality's intention to extend the LBRCT's contract for two years was advertised and public comment/input was invited. A public meeting was held at Witsand and Malagas to solicit comments. As a result, a public meeting was held in Witsand on the 16th of May 2024 where both the LBRCT and CERC were requested to present their various business models and approaches (Agenda and Minutes attached). Swellendam Municipality did a similar exercise on the 30th of May 2024 at the Malgas Hotel. Both presentations are attached.

Comments were received in favour of an extension as well as against the extension.

Those against the extension favoured Cape Nature or CERC to take over the function and raised concerns about the high boating tariffs and river by-law enforcement.

Written inputs received are **attached as Annexures B.1- B.2.**

Stemming from these public engagements are the following:

1. Staff: The LBRCT are in a better position to implement the municipal by-laws having sufficient staff who are appointed peace officers by both local authorities.
2. Resources: CERC though CapeNature at this stage have one vehicle, one boat and an office. 2 X rangers (of which one position is currently vacant) and 1 x Manager.

LBRCT have 2 X vehicles and 2 X boats, office and ample storage specifically dedicated to the LBRCT. They also have the following staff component - 1 x Manager and 4 permanent rangers.
3. Experience (by-law implementation and law enforcement): CERC – None, LBRCT – 27 years. It should be noted that the conservation duties as performed by CERC are limited to the lower reaches of the estuary which is more Hessequa domain.
4. Ratepayer support:
 - Ratepayers on the Swellendam municipal side of the estuary are keen for the reappointment of the LBRCT and are objecting to the appointment of CERC.
 - Witsand Port Beaufort Ratepayers supports the appointment of CERC/CapeNature. Reasons: *"The community is concerned about LBRCT's minimal night-time patrolling (outside normal 8am to 5pm working hours) their communication strategies, their involvement in municipal decision making and participation with the community regarding boat tariffs, and their vague performance indicators."*

Note: Hessequa Municipal database reflects that there are **873** properties in Witsand, 634 of them built-up properties and 149 vacant erven.

The WRPA have **158** ratepayers on their WhatsApp group with only 78 voting on the appointment of a service provider.

Of the **78** people, 79% voted for the appointment of CERC/CapeNature which totals to 62 people and 16 (21%) voted for the reappointment of the LBRCT.

Do take cognisance that **62** people from the **873** properties (Witsand) voted for the appointment of CERC which is **7.10%** of the property owners (assuming that each one owns a property and it is not 2 or more individuals per property that voted) and **92.90%** either not voting or not having the opportunity to vote.

CapeNature: As a parastatal of the Western Cape Government, CapeNature faced serious budget cuts and resource limitations over the past few years leading to restructuring with associated retrenchments. It is a noteworthy **concern** of this department that the model as proposed by CERC will in all likelihood not be sustainable especially with the various variables involved, which includes a dependency on an institution (CapeNature) which post Covid-19 have been under enormous financial pressure. One other variable is CERC's dependency on financial support from the community especially considering the economic climate we find ourselves in.

Beforementioned considered, this department acknowledge that there are various functions that need to be performed on and adjacent to the estuary for which various government institutions are mandated and responsible for. As such, there is a role for both CERC and the LBRCT, one being conservation services and monitoring and the other being local authority by-law enforcement, however the Hessequa Municipality and Swellendam Municipality are **only mandated to develop and implement municipal by-laws**. This mandate can be performed by means of the appointment of a dedicated service provider, which in this case is the preferred option. If CERC were to be appointed as service provider their role will be to act as an **intermediary** between the two municipalities and CapeNature who will be the implementation agent for the municipal by-laws. The legalities surrounding this type of appointment will still need to be tested.

The Department: Environmental Management proposes that the LBRCT's contract be renewed for two years for the implementation of the municipal by-laws with limited conservation and environmental education services. Their focus should primarily be the enforcement of by-laws with the following associated KPI's:

1. Review of the boat licence tariff structure in consultation with the stakeholders on both estuary banks.
2. Input and assist with the updating of the relevant river by-law.
3. Provide or improve their communication structures with the applicable communities.
4. Improve their registration and licensing of boats structures.

LEGAL IMPLICATIONS

MFMA, Act 53 of 2003
NEMA
River Management By-Law

FINANCIAL IMPLICATIONS

None

PERSONNEL IMPLICATIONS

None

COMMUNICATION IMPLICATIONS

None

COMMENTS FROM DEPARTMENTS

Director: Community Services

None

Director: Financial Services

None

Director: Infrastructure Services

None

Municipal Manager

Swellendam Municipality's administration supports the renewal of the Service Level Agreement with the Conservancy Trust. Funding for the LBRCT is not a new item on the Hessequa Municipality: Operational Budget and a budget for next financial year has been submitted during the budgeting process for consideration. No input on high boating tariffs were received by Swellendam Municipality during the public participation process. The continuation of the LBRCT

will ensure continued service delivery as none of the municipalities at this stage has the capacity to manage the estuary with current staff and resources.

The concerns raised by the public, must not be ignored and it is suggested that a specific engagement on boating licenses and fees be held by December 2024 to inform the budget, that the river by-law be reviewed and that Cape Nature be approached for more collaboration and co-operation. It should be noted that estuary management is not the function of the B-municipalities.

This item served on the Corporate and Financial Services Portfolio meeting held on Wednesday, 12 June 2024.

RECOMMENDED

1. that the Committee supports and endorses that:
 - 1.1 Swellendam Municipality can continue with the current tri-party Service Level Agreement with the Lower Breede River Conservancy Trust and the municipalities of Swellendam and Hessequa, subject to the following conditions, which should be concluded within the validity period of the said agreement:
 - 1.1.1 Review of the boat licence tariff structure in consultation with the stakeholders on both estuary banks.
 - 1.1.2 Input and assist with the updating of the relevant river by-law.
 - 1.1.3 Provide or improve their communication structures with the applicable communities.
 - 1.1.4 Improve their registration and licensing of boats structures.
 - 1.2 the continuation of the transfer payment arrangement and the related contractual requirements as per the current service level agreement be confirmed.
 - 1.3 the abovementioned tri-party service level agreement be renewed for 2 years from 1 July 2024.
 - 1.4 the item be referred to Council for approval.
2. that the tri-party service level agreement be made public upon conclusion.
3. Swellendam Municipality be willing and available to enter into agreement with other institutions such as the Breede River Estuary Advisory Committee, Centre for Estuarine Research and Conservation as well as Breede River Stakeholders Association for the support of the performance of their mandates. This excludes any financial support.

6.1.3

Item number A86. 27.06.2023

LONG-TERM FINANCIAL PLAN 2024

Report of the Director: Financial Services:

Ms. E. Wassermann

Department:

Financial Services

Section:

Financial Services

File number:

5/15/1/2/R

PURPOSE OF THE REPORT

The report aims to inform the Council of the update on the Long-Term Financial Plan for 2024.

FACTS AND BACKGROUND

INCA Portfolio Managers have been given the responsibility of revising the Long-Term Financial Plan for the municipality. The plan aims to propose strategies and policies that will improve the municipality's long-term financial sustainability. This includes forecasting future cash flows and manageable capital expenditures based on the municipalities historic performance and the environment in which it operates.

The updated Long Term Financial Plan for 2024 is **attached as Annexure C**.

LEGAL IMPLICATIONS

Municipal Finance Management Act, No 56 of 2003

FINANCIAL IMPLICATIONS

None

PERSONNEL IMPLICATIONS

None

COMMUNICATION IMPLICATIONS

None

COMMENTS FROM DEPARTMENTS

Director: Corporate Services

None

Director: Community Services

None

Director: Financial Services

The highlights as contained in the report are:

- Swellendam's financial position for the year ended on June 30, 2023, saw significant improvement, with a 98% collection rate and effective management of working capital, particularly in relation to creditors. The liquidity ratio increased to 2.04:1 from 1.65:1 compared to the previous year. The municipality's cash position saw an improvement of R8.4 million during the year, with a total cash and cash equivalents balance of R121.8 million, which was enough to cover the minimum liquidity requirement of R82.5 million. Swellendam has consistently posted cash surpluses above the minimum liquidity requirement since FY2017/18.
- There were notable changes in current liabilities, including a R6.1 million increase in unspent conditional grants and R21.1 million reduction in creditors, leading to an overall decrease of R10.0 million in current liabilities for the year.
- The operating surplus (exclusive of capital grants) slightly improved to R4.5 million from R3.2 million in the previous year after two consecutive years of operating deficits (FY2019/20 & FY2020/21). The revenue from electricity services decreased by 3%, reflecting the impact of load shedding, although it remained the main source of income, accounting for 30% of revenue in FY2022/23. Meanwhile, staff costs remained the largest expenditure item, constituting 29% of operating expenditure, supplemented by contracted services, which accounted for 9% of operating expenditure in FY2022/23.
- There was a marginal increase in electricity distribution losses from 8.58% to 8.95%, while water distribution losses decreased to 28.46% from the previous year's 34.68%.
- The gearing and debt service to total operating expenditure ratios were 8.82% and 1.99% respectively, indicating a manageable debt profile. The total capital outlay amounted to R270.1 million over the review period, with R60.0 million spent in FY2022/23. The 5-year average capital budget implementation indicator stood at a reasonably low 76%.
- Repairs and maintenance expenditure as a percentage of PPE & IP was 5.0% in FY2022/23.

From the report, it can be concluded that the operating deficits will not easily be reduced and will remain beyond 2030/31. Revenue increases (Tariffs) will remain under pressure. There is room for increased borrowings but it will impact tariffs and expenditure increases.

The municipality's cash position depends on maintaining an average payment rate of 98%.

Although the municipality's financial position improves, the MTREF forecast poses future financial risks which needs to be managed carefully.

Director: Infrastructure Services

None

Municipal Manager

None

RECOMMENDED

1. that Council takes note of the 2024 Long-Term Financial Plan.

This item served on the Corporate and Financial Services Portfolio meeting held on Wednesday, 12 June 2024.

RECOMMENDED TO MAYCO

1. that Council takes note of the 2024 Long-Term Financial Plan.

6.1.4

Item number A87. 27.06.2024

AUDIT ACTION PLAN FOR THE 2022/2023 AUDIT OUTCOME – JUNE 2023

Report of the Director: Financial Services:

Ms. E. Wassermann

Department:

Financial Services

Section:

Financial Services

File number:

5/15/1/1

PURPOSE OF THE REPORT

The report aims to inform the Council of the Audit Action Plan based on the audit findings received during the 2022/2023 audit outcome.

FACTS AND BACKGROUND

A snapshot of the audit outcome is presented below:

OVERALL AUDIT OUTCOMES

6. The overall audit outcome of the municipality is unqualified with findings. This is a regression from the previous year's audit outcome.

Audit results per outcome area

Outcome area	Movement	2022-23	2021-22	2020-21
Financial statements				
Annual performance report				
Objective 4 – to enhance access to basic services and address maintenance backlogs				
Compliance with legislation				
Annual Financial statements, performance reports and annual reports				
Expenditure management				
Utilisation of conditional grants				
Consequence management				
Strategic planning and performance management				
Revenue management				
Asset management				
Human resource management				
Procurement and contract management				

	Unqualified / No material findings		Qualified		Adverse		Disclaimed		Material findings		Not audited
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	Improvement		Regression		Unchanged
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During the 2022/2023 audit, the Auditor-General issued fifty-nine (59) communication of audit findings which contains 65 issues. The detailed audit findings are classified as follows:

- a) Matters affecting the audit report – These matters should be addressed as a matter of urgency;
- b) Other important matters – These matters should be addressed to prevent material misstatements in the financial statements or material findings on the annual performance report and compliance with legislation in future; also includes matters that significantly affected auditee performance;
- c) Administrative matters – Matters that do not directly impact the audit outcome or significantly impact auditee performance, but were communicated to assist with improving processes and mitigating risks.

A summary of the detailed audit findings is as follows:

Classification	Description	Number of Findings	Outstanding Actions	Completed Actions
A) Matters affecting the audit report	Financial Statements	8	3	5
	Pre-determined Objectives (AoPO)	1	1	0
B) Other Important Matters	Financial Statements	31	5	26
	Pre-determined Objectives (AoPO)	4	0	4
	Procurement and Contract Management	2	2	0
	Compliance	1	0	1
	Water and Sanitation	1	1	0
	Use of Consultants	2	2	0
	Information Systems	10	9	1
C) Administrative Matters	Financial Systems	4	1	3
	Governance	1	1	0
	Total	65	25	40

The updated Audit Action Plan for the 2022/2023 audit is **attached as Annexure D**.

LEGAL IMPLICATIONS

Municipal Finance Management Act, No 56 of 2003

FINANCIAL IMPLICATIONS

The financial implications must be determined depending on the actions to be taken. Especially on important ICT matters, financial implications will be referred to the 2024/2025 budget.

PERSONNEL IMPLICATIONS

None

COMMUNICATION IMPLICATIONS

None

COMMENTS FROM DEPARTMENTS

Director: Corporate Services

None

Director: Community Services

None

Director: Financial Services

The audit was completed on 12 March 2024, and the budget processes followed soon after. The finance department immediately began addressing the actions identified in the report, even though the report will only be submitted to the council in June 2024. Most of the findings from the audit have been addressed and corrected during the audit.

Progress on the 2022/2023 audit findings and the audit action plan is reported to the Council and other stakeholders, including the National and Provincial Treasury, the Audit and MPAC committee, and Management meetings bi-monthly.

The only outstanding finding from the 2021/2022 financial year is the ICT Disaster Recovery, which was also a repeat finding for the 2022/2023 financial year. This outstanding finding will be included in the 2022/2023 audit action plan going forward.

The finance department is currently in the process of preparing interim financial statements to ensure:

- Correctness of template
- Roll-over of Opening Balances
- Correction of any misstatements as per the overs and unders schedule for 2022/2023.

It is proposed that the Council take note of the updated audit action plan for the 2022/2023 audit.

Director: Infrastructure Services

None

Municipal Manager

None

This item served on the Corporate and Financial Services Portfolio meeting held on Wednesday, 12 June 2024.

RECOMMENDED TO MAYCO

1. that Council takes note of the 2022/2023 Audit Action Plan based on the audit findings.
2. that Council notes the progress made on the 2022/2023 Audit Action Plan for 2022/2023.
3. that the progress on the Audit Action Plan be reported to the Council bi-monthly.

6.1.5

Item number A88. 27.06.2024

COMMUNITY SERVICES: HOUSING DEVELOPMENT: SWELLENDAM, RAILTON 950 UNITS: BENEFICIARY SELECTION: PHASE 3 OF THE PROJECT

Report of the Manager: Human Settlements: J. Engel

Department Community Services

Section Housing

File number 17/4/2/3/25/1

PURPOSE OF THE REPORT

To inform Council regarding the Swellendam, Railton Housing Development, the available erven and the beneficiary selection for Phase 3 of the project.

FACTS AND BACKGROUND

The Swellendam Municipality identified a portion of Erf 1 Swellendam for human settlement development in response to the current housing backlog, to assist in alleviating the shortage of housing for the growing population. The development is a direct response to the existing housing need within the Swellendam Municipal area. This development will facilitate 950 additional residential opportunities within Railton, Swellendam. The prospective beneficiaries of the human settlement development are residents within the municipal area.

Asla Construction (Pty) Ltd. has been appointed as Implementing Agent for housing projects in terms of the Turnkey Contracting Strategy as set out in the National Housing Code. The design layout of the residential component was planned as a residential neighbourhood, comprising of the following land uses, namely: residential erven 950, education erven 1, business erven 5 and community/institution erven 2, utility erven 5 and public open spaces erven 4.

Residential and Non-Residential erven

The development will include 950 single residential erven. The housing typologies for the development will include free-standing single-storey houses, semi-detached single-storey row units and semi-detached duplex row units. The duplex units are situated along the main access routes, whereas the remainder of the site will be free-standing or semi-detached single-storey units.

The housing typologies for the development (15.82 ha) are as follows:

Residential Typologies	Total erven	Total Extent (m ²)
Free- Standing Single Storey erven	88	± 150 m ²
Semi- Detached Single Storey Row Houses (3 row)	234	± 109 m ² - 83m ²

Semi- Detached Duplex Houses	16	± 105 m ²
Semi- Detached Duplex Row Houses (4 row)	612	± 96 m ² - 54 m ²
Education erven	1	2976m ²
Business erven	5	885m ² - 1019m ²
Community/ Institution erven	2	600m ² – 888m ²
Utility erven	5	45m ² – 90m ²

The Municipal Planning Tribunal (MPT) approved the layout application on 18 October 2019 for the subdivision and consolidation of Erf1 in total 25,36ha.

During October 2020, the Municipality received correspondence from the Western Cape Department of Human Settlements stating that, in future, housing projects will only be supported by the National Department of Human Settlement if the layout is densified and contributes to medium to high-density development (Walk-ups) and promotes integrated development.

Subsequent to the above-mentioned approval and National Department of Human Settlement's new directives in human settlement projects, the Municipality undertook to revise the layout to increase the density. The increased densification is in line with the new directive of semi-detached and row housing typologies (single-storey and walk-ups) (Council approved the densification of the layout as per Item A125 dated 28 January 2021).

The density, however, was increased to a smaller development footprint of 15.82ha (**layout attached as Annexure E**). The balance of the original site is to be developed later, as phases of serviced sites, with all relevant Environmental and Town Planning authorisations to be obtained prior to construction.

In terms of the Municipality's Housing Pipeline and the Provincial Department of Human Settlements' delivery plan, the project has been allocated for the 2021/2022 to 2025/2026 financial years. Planning funding was approved by the Department of Human Settlements. The installation of civil engineering services was completed in the 2022/2023 financial year. The application for funding for the construction of the Top Structures was approved, and construction commenced in the 2023/2024 financial year. The 234 Semi- Detached Single Storey Row Houses (3 rows) will be commenced with first, to accommodate the first phase of beneficiary approvals while the other typologies will be commenced thereafter (during the 2024/25 and 2025/26 financial years). The typology drawings for the Semi- Detached Single Storey Row Houses (3 rows), as well as preliminary drawings for the remaining typologies are **attached as Annexure E**.

Swellendam Spatial Development Framework

The Swellendam Spatial Development Framework (SDF) of 2020, approved in terms of the Municipal Systems Act, 2000 (Act 32 of 2000) also earmarked the proposed development area as part of new housing development. The proposed development is, therefore, an appropriate fit

within the future land use planning context and current land use context. The development is, therefore, deemed to be consistent with the Swellendam Spatial Development Framework (SDF).

NATIONAL HOUSING CODE, 2009: SUMMARY OF MAIN CRITERIA FOR ELIGIBILITY:

The following main criteria need to be fulfilled in order for a person to be eligible to apply for a subsidy.

A person only qualifies for a housing subsidy if he or she is:

1. Citizenship: Lawful resident in South Africa
2. Competent to contract. At least 18 years of age and of sound mind
3. Has not yet benefited from a government housing subsidy scheme
4. Has not yet owned any fixed residential property.
5. Has not yet previously owned any fixed residential property
6. Married or cohabiting; or single with financial dependants.
7. Monthly household income: Gross monthly household income does not exceed R3 500,00
8. Persons classified as military veterans
9. Persons classified as aged
10. Persons classified as disabled

HOUSING SELECTION POLICY:

The Housing Selection Policy of 2016 stipulates as follows:

Registration date ordering

Registration date ordering is the process in respect of which all database entries considered are ordered from the earliest to the latest registration date.

Registered on the Database for at least 3 years prior to selection for ownership-based opportunity.

Age – based prioritization in selection

Municipalities must ensure that the selection of beneficiaries occurs in a manner that focuses on the elderly and middle-aged individuals, or households headed by elderly or middle-aged persons, in registration date order. (Circular CIO of 2015)

Selection is subject to meeting a 3-year minimum registration period

All households selected for ownership-based opportunities must have been registered on the Municipality's database for at least 3 years prior to selection, except in cases indicated in this Policy.

Channel for queries about the preliminary selection

After the Municipality has undertaken pre-screening of the preliminary list and before the successful entries on the list are sent to the Department for approval, the Municipality must advertise the list for public viewing and comment. The details of the selected beneficiaries must also appear on the Provincial Department of Human Settlement's Housing Demand Database (of which Swellendam Municipality's waiting list is a sub-set).

The list must be available for public inspection for a minimum period of two weeks. The Municipality has three weeks to reply to queries from the public.

New Directive to Top Structure Subsidies

This was included in the draft amended 2022 Housing Selection Policy that served on the Housing Portfolio Committee and the approved amended Housing Selection Policy 2023 is pending)

The Municipal Policy Template for Human Settlements Beneficiary Selection in Ownership – Based Subsidy Projects (Circular NO: C3 of 2023 dated 27 March 2023)

The National Department of Human Settlements (NDHS) Directive indicates that top structure projects are intended to benefit households from a limited set of priority groups and that the supply of top structure subsidies by Provinces and Municipalities should be scaled back. The priority groups referred to are using terminology defined by the Department in past circulars on beneficiary selection as follows:

- a) Households headed by persons who are 60 years of age or older (see Circular C2 of 2021);
- b) Households affected by permanent disability (see Circulars C2 of 2021); and
- c) Households headed by a military veteran deemed by the Department of Military Veterans and the Department to be eligible for the Military Veterans Housing Programme (see Circulars C2 of 2021).

Should the Municipality's housing demand database no longer contain households with at least one non-dependant adult being 60 years or older within the catchment areas prescribed for the project, the Municipality should select, in registration date order, households with at least one non-dependant adult from successively younger cohorts registered on the database in 5-year increments, descending from 60 years of age) from the catchment areas prescribed for the project.

Council unanimously resolved per item A 179, dated 13 October 2022, the selection of beneficiaries for phase 1 as follows, namely

UNANIMOUSLY RESOLVED

Item A179/13/10/2022

1. that in phase 1 of the top structure construction, approximately 250 names of potential beneficiaries from the housing database, be provided to the Western Cape Department of Human Settlements for consideration, based on the following selection criteria:
 - 1.1 Households headed by persons who are 60 years of age or older (see Circular C2 of 2021)
 - 1.2 Households affected by permanent disability (see Circulars C2 of 2021).
 - 1.3 Households headed by a military veteran deemed by the Department of Military Veterans and the Department to be eligible for the Military Veterans Housing Programme (see Circulars C2 of 2021)

Council unanimously resolved per item A 95, dated 29 June 2023, the selection of beneficiaries for phase 2 as follows, namely

UNANIMOUSLY RESOLVED

Item A95/29/06/2023

1. that phase 2 of the top structure construction selection should be, in registration date order, households with at least one non-dependent adult from successively younger cohorts

registered on the database in 5-year increments, descending from 60 years of age as follows: 59 until 55; 54 until 50; and 49 until 45; for the project based on the following selection criteria, namely:

- 1.1 Citizenship: Lawful resident in South Africa
- 1.2 Competent to contract. At least 18 years of age and of sound mind
- 1.3 Not yet benefitted from a government housing subsidy scheme
- 1.4 Not yet owned any fixed residential property.
- 1.5 Not yet previously owned any fixed residential property
- 1.6 Married or cohabiting; or single with financial dependents
- 1.7 Monthly household income: Gross monthly household income does not exceed R3 500,00
- 1.8 Persons classified as military veterans
- 1.9 Persons classified as aged
- 1.10 Persons classified as disabled

- 2 that proof of current address, and proof of having been a current resident in Swellendam Municipal area, from the application date, for the last seven (7) years and longer for ages 59 to 55; nine (9) years or longer for ages 54 to 50 and eleven (11) years or longer for ages 49 to 45 years, be provided.
- 3 that the applicant must be registered on the database for at least seven (7) years or longer for ages 59 to 55; nine (9) years or longer for ages 54 to 50 and eleven (11) years or longer for ages 49 to 45, prior to selection for ownership-based opportunity.
- 4 that after completion of the pre-screening of the preliminary list and before the successful entries on the list are sent to the Department of Human Settlements for approval, the list must be circulated for public comment for a period of four (4) weeks (1 month).
- 5 that all applicants must provide consent to the municipality to verify all information required by the application and that they acknowledge that the municipality may use external bodies to do so and that no affidavit from the police station stating proof of residence for the number of years will be regarded as adequate.
- 6 that the list and all required supporting documentation must be made available to the Community Services and Housing Portfolio Committee for verification before it was circulated to the Provincial Government and go out for public comment.

LEGAL IMPLICATIONS

The Constitution. Section 26
Housing Act (No 107 of 1997)
National Housing Code, 2009

FINANCIAL IMPLICATIONS

Funding: Department of Human Settlement Development Grant (HSDG)

PERSONNEL IMPLICATIONS

None

COMMUNICATION IMPLICATIONS

None

COMMENTS FROM DEPARTMENTS

Director: Community Services

None

Director: Corporate Services

None

Director: Financial Services

None

Director: Infrastructure Services

None

Municipal Manager

None

This item served on the Community Services and Housing Portfolio Committee meeting held on Monday, 10 June 2024.

RECOMMENDED

1. that phase 3 of the top structure construction selection should be, in registration date order, households with at least one non-dependant adult from successively younger cohorts registered on the database in 5-year increments, descending from age as follows: 44 until 40; 39 until 35; and 34 until 30 for the project based on the following selection criteria, namely:
 - 1.1 Citizenship: Lawful resident in South Africa
 - 1.2 Competent to contract. At least 18 years of age and of sound mind
 - 1.3 Not yet benefitted from a government housing subsidy scheme
 - 1.4 Not yet owned any fixed residential property.
 - 1.5 Not yet previously owned any fixed residential property
 - 1.6 Married or cohabiting; or single with financial dependants
 - 1.7 Monthly household income: Gross monthly household income does not exceed R3 500,00
 - 1.8 Persons classified as military veterans
 - 1.9 Persons classified as aged
 - 1.10 Persons classified as disabled
2. that proof of current address, and proof of having been a current resident in Swellendam municipal area, from the application date, for the last seven (7) years and longer for ages 44 to 40; nine (9) years or longer for ages 39 to 35 and eleven (11) years or longer for ages 34 to 30 years, be provided.

- 3 that the applicant must be registered on the database for at least seven (7) years or longer for ages 44 to 40; nine (9) years or longer for ages 39 to 35 and eleven (11) years or longer for ages 34 to 30, prior to selection for ownership-based opportunity.
- 4 that after completion of the pre-screening of the preliminary list and before the successful entries on the list are sent to the Department of Human Settlements for approval, the list must be circulated for public comment for a period of four (4) weeks (1 month).
- 5 that all applicants must provide consent to the municipality to verify all information required by the application and that they acknowledge that the municipality may use external bodies to do so.
- 6 that the list and all required supporting documentation must be made available to the Community Services and Housing Portfolio Committee for verification before it is circulated to the Provincial Government of approval.
- 7 that applicants residing in the catchment areas of Barrydale, Suurbraak and Buffeljagsrivier, and are willing to relocate themselves to Swellendam, should be selected in the project component and 10% of the opportunities will therefore be divided across the catchment areas, based on the following selection criteria:
 - 7.1 Households headed by persons who are 60 years of age or older (see Circular C2 of 2021)
 - 7.2 Households affected by permanent disability (see Circular C2 of 2021).
 - 7.3 Households headed by military veterans deemed by the Department of Military Veterans and the Department of Human Settlements to be eligible for the Military Veterans Housing Programme (see Circulars C2 of 2021)

6.1.6

Item number A89. 27.06.2024

COMMUNITY SERVICES: SWELLEDAM RAILTON HOUSING PROJECT, 950 SITES: TOP STRUCTURE PHASE OF HOUSES: CHALLENGES REGARDING ELECTRICITY SUPPLY CONSTRAINTS

Department Community Services

Section Housing

File number 17/4/1

PURPOSE OF THE REPORT

To inform the committee regarding the electrical supply constraints, and challenges for the Swellendam, Railton Housing Project, 950 sites (Top structure phase).

FACTS AND BACKGROUND

The Western Cape Department of Infrastructure's provincial norms and standards for electrical connections makes provision for a single phase, 230 Volt nominal voltage with a 20 Ampere or 40 Ampere connection, unless a higher capacity is required.

The Western Cape Department of Infrastructure allocated funding for 350 top structures in the 2024/25 financial year, following the allocation for 241 top structures allocated during the 2023/24 financial year.

In addition, Asset Finance Reserve (AFR) funding has been provided, by the Western Cape Department of Infrastructure, for the provision of solar geysers, the installation of the electrical network for the first 350 erven, and R16m for increasing the Notified Maximum Demand (NMD) with Eskom.

While the planning for the NMD upgrade continues, we propose and request that a temporary limit of 10Amp be applied for each erf connection. This will allow the balance of the project to continue, until the Eskom upgrades are completed. Once the NMD has been increased, the limit of the erf connections would be reset to 20A.

A letter was sent to the Western Cape Department of Infrastructure (**Annexure F**), describing the facts stated above.

Comment, Western Cape Department of Infrastructure, Mr Sam Matshisi

With reference to the attached letter, my understanding is that the houses are built in accordance with the minimum standards i.e. 20Amp supply rating, however the challenge is that Municipality currently does not have sufficient capacity to adhere to the 20Amp supply. If my understanding is correct, then the Municipality does not require approval from Department, as this is not a deviation from the norms and standards, but a temporary electricity supply issue.

Comment: Mr Salman Herbst / Mr J.S de Villiers, Clinkscapes Maughan- Brown Electrical Engineers.

We are of the opinion that the temporarily supply of 10Amp would be sufficient if the following energy saving measures be adhered to:

1. The electrical supply of the geyser be controlled via a load control switch.
2. Each house owner be mindful of his/her electrical devices, i.e. ensure that only one appliance, i.e. kettle, heater, etc. is switched on at a time.
3. Ensure the installation of energy efficient LED light fittings.
4. Switch off light fittings when not in the room.
5. Unplug electronics (TV, radio and cell phone chargers) when not in use.

Eskom upgrade implementation: R 16 000 000,00

(Need to upgrade the Notified Maximum Demand (NMD) with 3 MVA at Eskom substation).

After the capacitor banks have been installed on their network, the Notified Demand to Swellendam can be increased. The Municipality is still awaiting the final programme from Eskom.

In light of the above the supply to each house at the new Railton development can then be increased from 10A to 20A. It is to be noted that load control switches would need to be installed in each house to ensure that the load of the geysers do not trip the main breaker in the house. A funding request has been submitted to the Western Cape Department of Infrastructure for consideration.

LEGAL IMPLICATIONS

The Constitution of South Africa (Section 26)

National Housing Code 2009

Housing Act (no 107 of 1997)

Norms and Standards for Subsidised Houses

FINANCIAL IMPLICATIONS

Funding: Human Settlements Development Grant (HSDG) and Informal Settlements Upgrade Partnership Grant (ISUPG)

PERSONNEL IMPLICATIONS

None

COMMUNICATION IMPLICATIONS

None

COMMENTS FROM DEPARTMENTS

Director: Community Services

This decision is crucial for the continuation of the project. Should it not be approved the project must be halted completely until the NMD can be upgraded by ESKOM. We will then have to inform the department of Human Settlements that the project is halted due to the insufficient NMD. The

funding allocation will then have to be rerouted to other municipalities. We have no guarantee from ESKOM when the necessary NMD will be upgraded.

Director: Corporate Services

None

Director: Financial Services

None

Director: Infrastructure Services

I do agree with the information in the Council Item.

Municipal Manager

None

This item served on the Community Services and Housing Portfolio Committee meeting held on Monday, 10 June 2024.

RECOMMENDED

that Council considers reducing the standard electrical capacity of 20 Amps per household as prescribed by Province to 10 Amps in order to accommodate the entire 950 housing project going forward until ESKOM provides the necessary maximum capacity.

61.7

Item number A90. 27.06.2024

REQUEST FOR APPROVAL TO WRITE OFF BAD DEBTS: 2023

Report of the Director: Financial Services: Ms. E Wassermann.

Department Financial Services

Section Financial Services

File Number 5/8/R

PURPOSE OF REPORT

To obtain approval from the Council for the writing-off of the following category of irrecoverable debt:

(i) Indigents R 835 773.16

FACTS AND BACKGROUND

In terms of the Indigent Policy the outstanding debt of successful applicants may be written off (once) against Council's provision for bad debt.

DISCUSSION

The table below provides a summary for 144 new Indigents where the debt was not previously written off:

List	Amount	Penalty	VAT	Total
Indigents	R 641 780.23	R111 546.85	R82 446.08	R835 773.16

In accordance with the proposal, it is recommended that the outstanding debt on the mentioned accounts be written off for the sum of R 835,773.16, along with any additional interest incurred after the debt is approved for write-off by Council.

LEGAL IMPLICATIONS

Municipal Finance Management Act

Municipal Systems Act

Bad Debt Write-off Policy, 2022

Customer Care Credit Control and Debt Collection Policy, 2022

FINANCIAL IMPLICATIONS

The write-off of the outstanding debt to the amount of R835 773.16 as on 30 June 2024.

PERSONNEL IMPLICATIONS

None

COMMUNICATION IMPLICATIONS

None

COMMENTS FROM DEPARTMENTS

Director: Corporate Services

None

Director: Community Services

None

Director: Financial Services

As per the report.

Director: Infrastructure Services

None

Municipal Manager

RECOMMENDED:

1. that approval be granted that the irrecoverable debt to the amount of R 835 773.16 as reflected above be written off.
2. that any further interest to be charged on the accounts listed in 1 above after writing off the amounts, also be written off.

6.1.8

Item number A91. 27.06.2024

2023/24 3rd QUARTER AUDIT AND PERFORMANCE AUDIT COMMITTEE (APAC) CHAIRPERSON REPORT FOR THE PERIOD ENDED 31 MARCH 2024 AND THE MINUTES OF THE APAC MEETING HELD ON 16 APRIL 2024.

Report of the Senior Internal Auditor: Mr. A Petersen

Department

Municipal Manager

Section

Internal Audit

File number

3/3/3/16

PURPOSE OF THE REPORT

The purpose of the report is to submit the 3rd Quarter Audit and Performance Audit Committee Chairperson Report and the minutes of the committee meeting held on 16 April 2024 to the Council for cognizance.

FACTS AND BACKGROUND

In terms of National Treasury's Circular 65 of 2003, the committee must quarterly report to the Council on the performance of their functions and duties, as well as the functions of the internal audit department. This circular was amended in 2012, to adapt to the latest developments and expectations regarding internal audit and risk management.

DISCUSSION

Based on this Circular, the committee drafted its 3rd quarterly report for the period ending 31 March 2024 which is now being submitted to the Council for discussion and consideration.

Annexures attached as Annexure G.1 – G.2:

1. 2023/24 3rd Quarter Audit and Performance Audit Committee Chairperson Report for the period ended 31 March 2024; and
2. Minutes of the Audit and Performance Audit Committee Meeting held on 16 April 2024.

LEGAL IMPLICATIONS

Section 166 of the Municipal Finance Management Act No. 56 of 2003, requires every Municipality to establish and maintain an Audit Committee, as an independent appraisal function.

In terms of National Treasury's Circular 65 of 2003, the committee must quarterly report to the Council on the performance of their functions and duties and the functions of the internal audit department.

FINANCIAL IMPLICATIONS

None

PERSONNEL IMPLICATIONS

None

COMMUNICATION IMPLICATIONS

None

COMMENTS FROM DEPARTMENTS**Director: Corporate Services**

None

Director: Community Services

None

Director: Financial Services

None

Director: Infrastructure Services

None

Municipal Manager

None

This item served on the MPAC meeting held on Tuesday, 7 May 2024.

RECOMMENDED

1. that cognizance be taken of the 2023/24 3rd Quarter Audit and Performance Audit Committee Chairperson Report for the period ended 31 March 2024; and
2. that cognizance be taken of the minutes of the Audit and Performance Audit Committee meeting held on 16 April 2024.

6.1.9

Item number A92. 27.06.2024

2023/24 INTERNAL AUDIT REPORTS FOR THE PERIOD 01 JANUARY 2024 – 31 MARCH 2024

Report of the Senior Internal Auditor: Mr. A Petersen

Department Municipal Manager

Section Internal Audit

Proposed File number 3/3/3/16

PURPOSE OF THE REPORT

The purpose of the report is to submit the 2023/24 Internal Audit Reports for the period 01 January 2024 – 31 March 2024 to Council for cognizance.

FACTS AND BACKGROUND

None

DISCUSSION

The 2023/24 internal audit reports for the period 01 January 2024 – 31 March 2024 is tabled to Council as follows:

Annexures attached as Annexure H.1 – H5:

3. 2023/24 Internal Audit Reports for the period 01 January 2024 – 31 March 2024. The following reports was submitted to the Audit and Performance Audit Committee and Council on a quarterly basis:
 - 2023/24 Ageing and Inadequate Roads and Stormwater Report
 - 2023/24 Risk Management Report
 - 2023/24 Adhoc Request: Duplicate Order Collection
 - 2023/24 3rd Quarter Follow-up Report
 - 2023/24 3rd Chief Audit Executive Progress Report

LEGAL IMPLICATIONS

Section 166 of the Municipal Finance Management Act No. 56 of 2003, requires every Municipality to establish and maintain an Audit Committee, as an independent appraisal function.

In terms of National Treasury's Circular 65 of 2003, the committee must quarterly report to the Council on the performance of their functions and duties and the functions of the internal audit department.

FINANCIAL IMPLICATIONS

None

PERSONNEL IMPLICATIONS

None

COMMUNICATION IMPLICATIONS

None

COMMENTS FROM DEPARTMENTS**Director: Corporate Services**

None

Director: Community Services

None

Director: Financial Services

None

Director: Infrastructure Services

None

Municipal Manager

None

This item served on the MPAC meeting held on Tuesday, 7 May 2024.

RECOMMENDED

1. that cognizance be taken of the 2023/24 Internal Audit Reports for the period 01 January 2024 – 31 March 2024.

6.1.10

Item number A93. 27.06.2024

MONTHLY REPORT OF MUNICIPAL MANAGER: MAY AND JUNE 2024

COOPER STREET, SWELLENDAM

Several premises in Cooper Street Swellendam is zoned as residential, but where people keep livestock as far as we can remember. This activity is against the zoning scheme and nuisance by law and we have received one complaint from someone who purchased property in the area some years ago.

The Municipality issued notices informing the relevant residents of the transgression and requesting them to comply. The Municipality will consult with the residents and it is recommended that a block rezoning be done to accommodate the practice. This process will take some time to finalise.

FARM MAJORKA 619 RIGHT OF WAY SERVITUDE

In 2013-2014 Swellendam Municipality caused the construction of a pipeline, leading from the then newly established sewer works, across several farm properties, to the Breede River. The pipeline is denoted on the SG approved Servitude Diagram No 1212/2015, across multiple properties (including the Farm Majorka NO 619, Swellendam, in favour of the Swellendam Municipality.

In 2021 a servitude right-of-way was facilitated by a property owner across several farm properties to the Breede River. The servitude right-of-way is denoted on SG approved diagram No 625/2021, across multiple properties (including the Farm Mjorka No 619, Swellendam in favour of the Swellendam Municipality and others).

Neither the pipeline servitude nor the servitude right-of-way has yet been registered, for various reasons, although both have been implemented, several years ago.

Notwithstanding, the registration of the pipeline servitude and the servitude right-of-way over the Farm Majorka No 619 in favour of the Municipality, is now required, as it is to occur simultaneously with the registration of the consolidation (by Jublitrust) of the Farm Majorka No 619 with portion 1 of farm no 672, to thereby create farm Majorka A No 738, as indicated on Consolidation Diagram No 823/2021.

Registration of these two servitudes over the Farm Majorka No 619 is required urgently by both the Municipality and by Jublitrust (owner of farm Majorka No 619), as Jublitrust has purchased portion 1 of farm no 672 (as indicated on diagram no 822/2021) from Profarm Investments Pty Ltd, the transfer of which is now due for registration. This transaction must be registered simultaneously (by Jublitrust) with the registration of the Certificate of Consolidated Title and the two abovementioned servitudes (by Jublitrust) in favour of the Municipality. The Municipality is satisfied that the balance of the two servitudes, which also run across other properties (other than Farm Majorka No 619) in favour of the Municipality, may be registered at a later stage, when the owners of said other properties are willing and ready to have the servitudes registered.

There is no provision in the Deeds Registries Act No 40 of 1947, or any other legislation, prohibiting the piecemeal registration of these servitudes.

The Registrar of Deeds was therefore requested to permit the piecemeal registration of these two servitudes.

ERF 1083 SW (ADJACENT TO VOORTREK ST): USE FOR PARKING PURPOSES

A request was received from Chas Everitt to upgrade a portion of the surface of Erf 1083 Swellendam for parking purposes. Erf 1083 is owned by the State, the Municipality is therefore not legally positioned to consider the request. A process is currently underway with the National Department of Public Works to issue the Municipality a Deed of Grant to transfer the property into its name, but this will take some time to conclude. In the interim, Council has no objection to a private entity initiating the proposed paving project. However, given its location within the Conservation Overlay Zone, and the fact that it will ultimately have to integrate with the broader parking area, the entity wishing to upgrade the area is to provide a sketch plan of the location, the extent of the project and what it would look like – for the Administration's consideration. In essence, the surface is likely to have to comprise black, square cobble paving. It will also have to be laid to municipal technical specifications. Finally, the project ought to secure buy-in from other users before commencement. No on-site works may commence without agreement on a construction schedule with the Directorate Infrastructure Services. Given the current legal status of the land, the project will have to be done entirely at the private entity's own risk. Importantly, it is to be understood that by initiating this project the private entity does not secure any land use or exclusive usage rights over the property - the area is to remain for the free and open use by the general public. Undertaking the upgrade does also not establish any direct or inferred right of compensation. No demarcated parking areas may be reserved and any that exists, should be removed.

OCCUPATIONAL HEALTH AND SAFETY PROGRAM

OCHSA training was scheduled for Friday 21 June 2024 by Safetech. The training is aimed at safety representatives to ensure that they are equipped to ensure good practices in terms of Occupational Health and Safety.

WAGE AND SALARY INCREASES

The Executive Mayor and Municipal Manager attended the SALGA mandate meeting on 20 June 2024 on wage and salary increase negotiations. The demand from the unions is as follows:

THE DEMANDS AS RECEIVED FROM IMATU AND SAMWU



IMATU Demands

1. An across-the-board salary increase of 10% or R1 800.00, whichever is the greater.
2. The minimum wage to be increased to R11 331.00 per month.
3. The housing allowance to be increased to R2 000.00 per month.
4. Re-introduction of the GAP Market allowance at the same rate as the housing allowance - R2 000.00 per month. The upper limit of the Gap Market allowance threshold (to qualify for the allowance) to be set at R22 000.00.
5. In respect of the Medical Aid Subsidy, the maximum employer contribution (currently at R5 277.38) to be increased by 10% to R5 805.12, at the current employer / employee contribution rate (60/40).

SAWMWU Demands

1. A 15% or R4000 across the board salary increase, whichever is greater.
2. A sectoral minimum wage of R15 000
3. A R3000 housing allowance for all municipal workers
4. Provision of serviced stands for municipal workers to build their own homes.
5. A 70/30% medical aid subsidy, with the employer contributing 70% and employees contributing 30%.



Swellendam Municipality provided a mandate of 4.9%. SALGA is encouraged to look for a 3-5 year multi-year agreement to allow for future planning. It is proposed that municipalities in financial distress must be exempted from the wage negotiations.

MEDICAL AID CONTRIBUTIONS

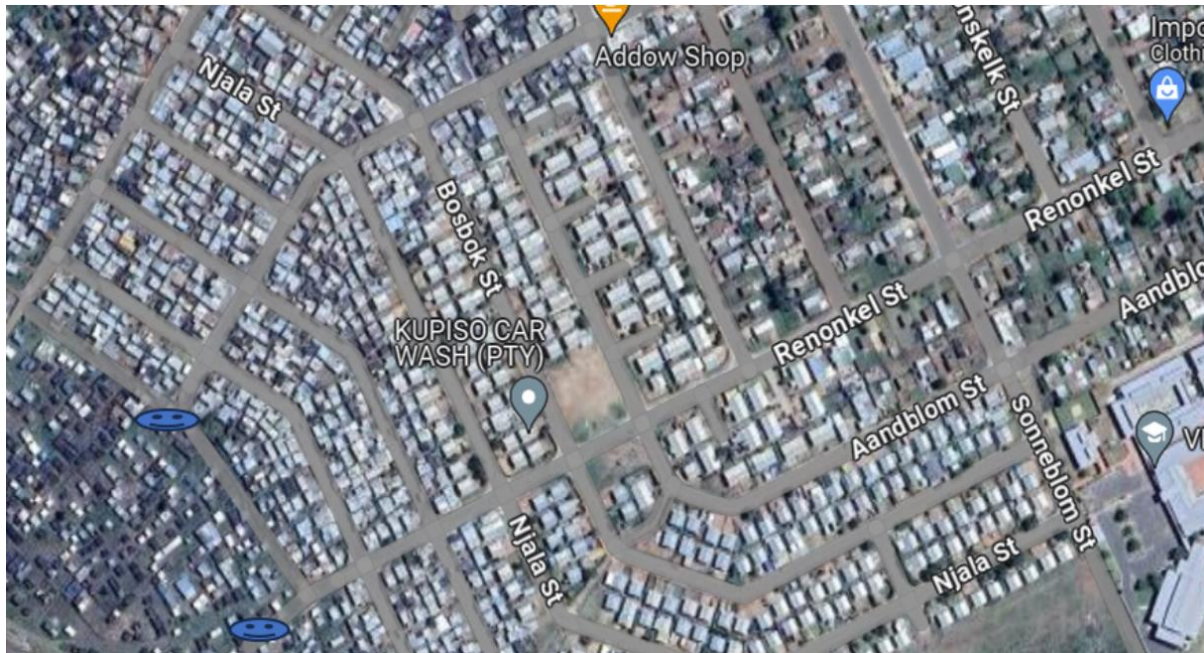
Swellendam Municipality is the only municipality in the Western Cape that have obligatory medical aid participation as a service condition for all workers. This is a decision by Council and may be changed in cases where participation to a medical aid is not legally prescribed. The unions have requested that this service condition be recalled by Council thus allowing workers to have a choice on medical aid participation. This would mean that workers that do not have the ability to pay for private doctors will have to use clinic services, taking them out of the work force for an extended time. This can be addressed by allowing the worker to use his sick leave and when the sick leave is depleted, the time off will be seen as unpaid. As senior management team it is supported that the decision to participate in a medical scheme or not, where not legally prescribed, must be the choice of the employee.

TECHNICAL DEPARTMENT

HIGH MAST LIGHTING IN INFORMAL SETTLEMENT, SWELLENDAM

The tender for the High Mast Lighting in the Informal Settlement, Swellendam was awarded on 21 May 2024. The delivery period is estimated at 4 weeks, with an on-site construction period of up to three months. The tender was awarded to Adenco Construction (Pty) Ltd. The delivery progress is monitored weekly by the Manager of Electricity and Fleet Management.

The proposed placement of the high mast lights is as follows:



RAILTON PUMP STATION (WATER)

There is a leak at the Railton pump station that provides potable water to Railton. The leak is at the shaft, but cannot be sealed on site. The pump will have to be removed and sent for repair. There is no funding in the current budget. Repairwork will have to be undertaken in July.

STORMSVLEI HUMAN RIGHTS DISPUTE

Swellendam Municipality was approached by the Human Rights Commission to provide services on a private farm in Stormsvlei. The property owner does not provide services. The Municipality had several engagements on the matter. The Human Rights Commission base their demand for service delivery on section 152 of the Constitution. The Constitution also, however, states that the Municipality must provide services within their capacity. If no one pays for the service, the Municipality cannot on a continuous basis provide services. The Municipality did engage the Department of Human Settlements for assistance on the farm, but they could not assist. The Municipality indicated that they will have three tanks that can be installed at the houses on the farm as a compromise, but the property owner will have to take responsibility for the dwellers on his property. The Municipality cannot provide services if no one is paying for it.

FINANCE

STOCK TAKE

Please note that the annual stock take at the Municipal Stores will take place on **Thursday, 27 June 2024** continuing on **Friday, 28 June 2024**.

The Stores will be **closed** on these days and no stock will be available for issue, except in cases of emergency.

TID ROLLOVER

The TID rollover is still continuing. The list of properties that still needs to be rolled over was supplied to the ward councillor concerned and ward councillors are urged to engage with the residents that have not yet done the TID rollover. The Municipal Manager is reporting on the progress made, to SALGA national, on a weekly basis. The Municipality will move to a soft block on accounts to encourage residents to participate in the rollover.

YEAR END

The Municipality is preparing for year-end activities and is doing the preliminary work to draft the Annual Financial Statements.

SYNTELL INCIDENT

On Saturday, May 11, 2024, at 8:50 AM, Syntell's Hosting facility notified all clients that Teraco CT1 would be conducting major emergency electrical maintenance on their A-Power distribution feed. By 9:00 AM, alerts indicating system downtime were observed. This downtime was particularly unusual, as all services went offline immediately after the maintenance window began. At 9:10 AM, the Syntell teams were notified that the hosting facility had experienced a severe power surge and outage, with the cause at that stage being unknown. This outage significantly impacted all critical Syntell services at the Teraco CT1 Data Centre. Further investigation revealed that the surge at the hosting facility had caused physical damage to the Syntell server hardware, including switches, firewalls, and related components. The ICT team undertook troubleshooting, attempting restarts and ultimately reboots of servers and infrastructure to resolve the outage, only to discover that multiple components had failed. Faulty hardware was promptly replaced and configured for production usage. However, the hot standby powered-on equipment also suffered a surge and failed, necessitating Syntell to revert to standby hardware to restore site functionality. As a consequence of the power surge, the hosting facility had no internet breakout available.

9:00 AM: Monitoring was initiated, but this was hampered by complete system failure on the part of the hosting facility. 9:30 AM: Teams were immediately dispatched onsite to investigate the severity of the situation. 9:50 AM: Attempted to reboot and start up all services, however, this endeavor failed due to faulty hardware. 10:30 AM: Replacement of the faulty hardware was undertaken. 2:00 PM: Systems were rebooted, but this attempt was unsuccessful due to configuration issues with the replacement hardware. 9:00 PM: Biztalk switching services became operational from the DR (Disaster Recovery) Site. This operation was successful, as Biztalk switching services were available from the DR site, and vending services were restored for S3 customers and Switching Partners. 6:03 AM (Sunday, May 12, 2024): Smartworks services were finally restored.

COMMUNITY SERVICES

MATJOKS FIRE

A fire destroyed about 35 informal structures in Matjoks on 26 May 2024. As all municipal halls were reserved for the National and Provincial elections, the Municipality could not host affected residents within the community halls. The cost of providing a starter pack to all affected residents would have been about R420 000. The Municipality has no budget provision to provide this

service. The Municipal Manager asked the community for assistance and due to the support of the community the Municipality could provide food relief, food parcels, clothes and blankets to the affected residents. Support was also provided with poles, some corrugated iron boards, poles and wood off-cuts.

The Department of Home Affairs assisted the residents with obtaining ID and birth documentation that was destroyed in the fire,

The Municipality restored all electricity meters at no cost to these houses. It is important to note that this event was seen as a disaster situation and therefore the decision to carry the cost of replacement of meters was taken. When an individual or small number of structures burn down, the affected resident will have to pay for the installment of the meters.

The Municipal Manager is launching a campaign to better organize private support networks in disaster or emergency situations.

PUBLIC ABLUTION FACILITIES

Excellerate Real Estate Services (Pty) Ltd t/a JHI that manages the Swellenmark Business complex where Checkers resides requested that they be allowed to attach a gate to their public toilets and to levy a fee for access. They indicated that they will not deny anyone access that do not have money to gain entrance. They motivate that this is necessary to protect the safety of their clients and to discourage vandalism.

With the approval of the development the public toilets at Swellenmark are seen as public facilities. Excellerate Real Estate Services (Pty) Ltd t/a JHI motivates that if this is indeed the case, the Municipality needs to help cover the cost of their operations.

There was a condition set at the approval of the building plan for the development that the toilets will be seen as public toilets and it must remain open and free during operating hours.

Council may make a decision to change the decision of the Building Inspector.

VATMAAR SERVICES

An engagement with the ward councillor and three community members of Suurbraak on services to Vatmaar took place on 19 June 2024. The Director Community Services will provide a full report, but in short, the community is demanding municipal services and that more people be allowed to reside in Vatmaar and Nuwe Dorp. This will require the formalization of Nuwe Dorp. It must be noted that Vatmaar is part of the TRANCAA land deal and not municipal land. It will thus be similar to Nuwe Dorp where the municipality is expected to provide municipal services on private land. The impact for expected service delivery on private farms must also be considered. It is suggested that the Department of Human Settlement be approached to hold a workshop with councillors on informal settlements and the legal requirements and financial impact around that.

A Vorster

MUNICIPAL MANAGER

6.1.11

Item number A94. 27.06.2024

MICRO ORGANISATIONAL STRUCTURE

Report of the Human Resources Department

Department Corporate Services

Section Human Resources

File number 4/8/R

PURPOSE OF REPORT

To seek Council's approval for the enabling measures to be implemented during the transitional phase from the old to the new organizational structure.

PURPOSE AND BACKGROUND

EXTRACT COUNCIL MINUTES: 27 MARCH 2024

UNANIMOUSLY RESOLVED

that Council approve the draft proposed micro-structure with accompanying documentation for further consultation.

DISCUSSION

In terms of Council decision, item A46 dated 27/03/2024, it was decided to adopt the new organizational structure based on a phased-in approach with an accompanying financial implementation plan. The new organizational structure was devised by Agitominds after a one-year period of consultation with the relevant stakeholders, including senior management, middle management, staff, trade unions, HR and Council.

In order to accommodate the full Council resolution that indicates further consultation and therefore a possible time-delay, certain enabling measures are required to ensure the efficient and effective functioning of the current municipal organizational structure during this transitional period until the full staff complement is placed on the new structure.

In the light of the above and to meet regulatory requirements and/or practical process considerations, certain work practices, reporting lines and post titles were already amended and brought in line with the new organizational structure.

HR identified all these mentioned areas and advised Senior Management accordingly at the Restructuring Committee meeting that was convened on Monday, 10 June 2024 at the Council Chambers where both unions, SAMWU and IMATU were present.

At this meeting, HR identified as per the attached agenda (Annexure A), the areas to be addressed and the meeting unanimously made recommendations as per the attached minutes of the Restructuring Committee Meeting **(Annexure I)**.

RECOMMENDED

that Council accepts the recommendations made by the Restructuring Committee as outlined in Annexure I and that these enabling measures be implemented with immediate effect.

6.1.12

Item number A95. 27.06.2024

REPORT ON OCCUPATIONAL HEALTH AND SAFETY ACTIVITIES 2023/2024

Report by the Manager Human Resources: Mr P. Le Roux

Department Municipal Manager

Section Human Resources

File number 3/3/3/3

PURPOSE OF THE REPORT

The purpose of the report is to inform Council about the current activities in respect of Occupational Health and Safety for the 2023/2024 financial year.

Introduction

Occupational Health and Safety is a function of the Human Resources Section within the Office of the Municipal Manager. The function is managed by the Senior HR Practitioner who is also responsible for Employee Wellness and Labour Relations and is assisted by a Human Resources Administrator. Swellendam Municipality does not have a dedicated Occupational Health and Safety Officer on the staff establishment.

FACTS AND BACKGROUND

Current Activities within Occupational Health and Safety

Occupational Health and Safety Induction

All newly appointed staff and EPWP workers receive induction on this subject and current staff on a continuous basis. The induction entails the Occupational Health & Safety Policy of Swellendam Municipality, Injuries on Duty and Responsibilities of the different role players and the issuing and use of PPE.

Injuries on Duty

All Injuries on Duty must be reported immediately at HR. HR issues the staff member with a WCL2 form that confirms the staff member is an employee of the Municipality and confirms that the injury took place in the workplace. HR receives the medical reports from the hospital and process it on the website of the Department of Labour to ensure payments of accounts and keeps record of all further treatment, medical records and monitor the leave due to IOD. Statistics of all injuries on duty from July 2023 until June 2024 are attached as **Annexure J** with this report. Statistics indicate a low percentage of injuries on duty and are an indication of good OH&S practices. All injuries on duty must be registered on the Compeasy System and must be reported within 7 days.

Election, Training and Induction of Occupational Health and Safety Representatives

HR ensures that all sections of the municipality elect an OH&S representative who assist with the monitoring and reporting of OH&S activities in the workplace. Training is provided to the OH&S representatives so they can have a clear understanding as to what their duties and functions are. Training that was provided include Health and Safety Representative Training for 25 employees on 21 June 2024 by service provider Safetech. Working at Heights and Fall Arrest Training for 30 Employees and Cherry Picker New License for 13 Employees and Flagman Training for 12 was facilitated during the 2023/2024 financial year.

Quarterly Occupational Health & Safety Meetings and Reports

Scheduled quarterly OH&S meetings with the workplace representatives and managers of sections are coordinated by HR and the meetings are currently chaired by the Senior HR Practitioner. The workplace representatives quarterly completes OH&S inspection reports and submit this to HR for discussion at the quarterly meetings for further reporting and control. Quarterly meetings took place on 22 September 2023, 29 November 2023, 20 March 2024 and 19 June 2024.

Reporting at Local Labour Forum / Reporting to Municipal Manager

Local Labour Forum Meetings take place on a monthly basis and HR reports on all OH&S activities and challenges and further reports to the Municipal Manager on items that need her attention and / or intervention.

Fire Prevention Equipment

HR is responsible to ensure adequate fire control equipment at all municipal buildings and to ensure that the appointed service provider service all the equipment regularly for safe use when needed. Fire Extinguishers and Fire Hoses are serviced on an annual basis. All fire equipment's service dates are up to date and safe to use in the case of a fire. Service provider Firewire System Solutions, is appointed on a 3-year tender to service all fire extinguishing equipment of Swellendam Municipality. The whole of Swellendam Municipality's fire extinguishing equipment was serviced during March 2024. Fire Fighting Level 2 Training for 25 employees is planned to take place in July 2024 and will be arranged through the new Supply Chain Requisition process.

First Aid

HR is responsible to ensure first aid points are available to all staff in the various municipal buildings and that first aiders are trained. First Aid boxes in municipal buildings and vehicles are filled up and purchased on a regular basis as the need arises. First Aid Level 3 Training for 25 employees is planned to take place in July 2024 and will be arranged through the new Supply Chain Requisition process.

Decontamination and Sanitizing of buildings in cases of diseases

A Service provider was appointed for the decontamination of buildings in the case of diseases. The service provider decontaminates buildings when the need arises.

Pest Control

HR is responsible for pest control at all buildings of the municipality. All reports of possible pest outbreaks are reported to HR who then arrange with the new service provider, Bidvest Steiner for the necessary pest control treatment. Buildings that were treated for pests are the Traffic Department Building in December 2023, Wolfaardt Trust Building in December 2023, Swellendam Stores and Yard, Buffeljagsrivier Office and Library, Infrastructure Office and Barrydale Office, Library and Yard in February 2024, The Swellendam Caravan Park and Human Resources Building in April 2024 and Suurbraak Stores and Yard in May 2024.

Substance Dependence

Cases of substance dependence are reported to HR for further action / treatment as it involves a safety risk in the workplace. HR refers some cases to Social Auxiliary workers or support groups for assistance. HR also assists employees who indicate that they need help with substance dependence with the application to be admitted into a rehabilitation centre.

Mental Health

Swellendam Municipality noted that Mental Health issues became a challenge in the workplace due to financial constraints and other social challenges outside of the workplace. A Mental Health Awareness Introduction and Presentation session will be arranged in the Swellendam Town Hall for employees to promote better mental health management. HR was allocated a budget for employee wellness for the 2024/2025 financial year for assistance to facilitate employee wellness interventions. Five employees in the Human Resources section attended a virtual Basic Counselling Skills 1 Course during September 2023 to learn skills and techniques to provide basic counselling to employees who come forward and request for help from the employer.

Hepatitis B Vaccination (Twinrix)

All staff who are at risk due to the nature of their work receive the Hepatitis B vaccination. HR is responsible to see that the relevant staff receives the vaccination and keep record thereof. Twinrix Vaccines are administered to employees who work with and are exposed to hazardous substances (Water and Sewerage), including employees in the Community Services Section (Parks, Waste Management).

Hazardous Chemical Training

As per the Regulations: Hazardous Chemical Agents 3(1), the employer must provide information, instruction and training on hazardous chemical agents to all employees who are exposed to any hazardous chemical agents.

Medical Surveillance

Medical surveillance means a planned programme of periodic examination of employees by an Occupational Health Practitioner or, in prescribed cases, by Occupational Medicine Practitioner. This

process must be done annually. In terms of Occupational Health and Safety Act, Act 85 of 1993, the Municipality must conduct Medical Surveillance to employees who are working at risk to avoid contracting occupational diseases or occupational injuries. Medical Surveillance will include Audiometric Screening, Lung Function Screening, Visual Screening, General Health, Urine Analysis, Spirometry Testing and TB Testing. Dr. Badenhorst was appointed as the service provider to conduct medical surveillance for Swellendam Municipality's employees. Employees in the Water and Sewerage section will undergo medical surveillance during July 2024.

Remedial Repairs to Buildings

Municipal Buildings that need attention and / or repairs are referred to the Project Management and Maintenance Unit for attention and defects are repaired depending on budget availability.

Upgrading of Plants

Water and Sewerages Plants were upgraded and HR must ensure that Health and Safety measures are in place to protect our staff from injuries. HR must ensure that fire extinguishing equipment is available and in good working order and warning and safety signs are put up to indicate whether it is safe to enter and work on the plant and to make sure that all regulations are met as per Department of Labour guidelines.

Dumping Site Building

Upgrades and repairs to the landfill site must be put on the planned building maintenance schedule and should be done as soon as the budget allow it. Facilities like toilets and eating room for security staff who work day shift and night shift must be in place as per regulations of the Department of Labour.

Damaging of Municipal Infrastructure by members of the Public

During August 2023 the Municipal Head Office Building and Thusong Centre Building was set alight and damaged by members of the community and Swellendam Municipality suffered a great loss. Swellendam Municipality is currently renting the Wolfaardt Trust Building and occupying other Municipal Buildings to accommodate employees who do not have office space as a result of the fire damage. Office space remains a challenge and some employees have to work from home until alternative arrangements have been put in place.

Occupational Health and Safety Policy

The Occupational Health and Safety Policy will be reviewed. The draft policy with changes will be tabled at the next OH&S quarterly meeting that will take place in September 2024 and then will be tabled to the LLF before approval by Council.

DISCUSSION

None

LEGAL IMPLICATIONS

None

FINANCIAL IMPLICATIONS

None

PERSONNEL IMPLICATIONS

None

COMMUNICATION IMPLICATIONS

None

COMMENTS FROM DEPARTMENTS

Director: Corporate Services

None

Director: Community Services

None

Director: Financial Services

None

Director: Infrastructure Services

None

Municipal Manager

None

RECOMMENDED

1. that cognizance be taken of the report on the Occupational Health and Safety activities for the period 1 July 2023 to 30 June 2024.

6.1.13

Item number A96. 27.06.2024

PLACEMENT POLICY

Report by the Municipal Manager

Name: Mrs. A. Vorster

Department

Municipal Manager

Section

Human Resources

File Number

4/1

PURPOSE OF REPORT

To obtain approval for a Placement Policy in Swellendam Municipality.

FACTS AND BACKGROUND

Arising from the need to review the organizational structure of the municipality according to the functions of the municipality and to enhance effective and efficient service delivery, the re-organisation of existing staffing structures (including geographic re-deployment) may be necessary to meet operational objectives of the municipality.

DISCUSSION

Swellendam Municipality shall take steps to ensure that all organisational management initiatives are aligned to the overall values of performance excellence, integrity, transparency, community centeredness and co-operative governance of the municipality.

The placement of staff shall be done in a manner that is consistent with any existing Employment Equity and Skills Development Plan and / or the objectives of the Employment Equity Act and the Skills Development Act.

This policy was drafted by the Policy Committee and was accepted for approval by the Local Labour Forum of 13 June 2024.

The Policy is attached **as Annexure K**.

LEGAL IMPLICATIONS

The Constitution of the Republic of South Africa, 1996

Local Government: Municipal Structures Act, (Act No. 117 of 1998)

Local Government: Municipal Staff Regulations No. 890 of 20 September 2021

Local Government: Guidelines for the Implementation of the Municipal Staff Regulations No. 891 of 20 September 2021

Labour Relations Act (Act No. 66 of 1995)

Skills Development Act (Act No. 97 of 1998)

Local Government: Municipal Systems Act (Act No. 32 of 2000)

Basic Conditions of Employment Act (Act No. 75 of 1997)

FINANCIAL IMPLICATIONS

None

PERSONNEL IMPLICATIONS

None

COMMUNICATION IMPLICATIONS

None

COMMENTS FROM DEPARTMENTS**Director: Community Services**

None

Director: Financial Services

None

Director: Infrastructure Services

None

Municipal Manager

None

RECOMMENDED

that the Placement Policy for Swellendam Municipality be approved by Council

6.1.14

Item number A97. 27.06.2024

COMMUNITY SERVICES: HUMAN SETTLEMENTS: VATMAAR AND NUWE TARIEF

Report of the Director:	K.D. Stuurman
Department	Community Services
Section	Human Settlement
File number	17/4/1/3/34/2

PURPOSE OF THE REPORT

To inform Council of the situation in Vatmaar – Suurbraak and the request by the Ward Councillor and the Vatmaar Committee.

FACTS AND BACKGROUND

Suurbraak -Nuwe Tarief was established in 1958

The original families who lived here were given permission to remain on the land by the landowner (Suurbraak Bestuursraad) in 1958. In 2013 the municipality installed 13 toilets for the community and in April 2016 the municipality installed electricity and street lights through funding by the Provincial Department.

This community was serviced by the Swellendam Municipality with informal streets water connections, sewage and electricity.

During the uprising in Suurbraak in 2016 some members of the community took land and erected informal structures. Both these settlements are outside the urban edge and on CPA land. Suurbraak is a TRANCRAA area and all commonage land is owned by the community.

The area of Vatmaar grew to the current total of 24 Structures where families reside with no water, sewerage or electricity. These structures are occupied by 73 people of which 37 are children and 36 grownups.

DISCUSSION

A meeting was held with the Ward Councillor on 19 June 2024 and a few community members and the Municipal Manager, Director Community Services and the Acting Director Technical Services about services for the Vatmaar community who do not have any access to water, sewerage and electrical services. There is currently no formal town establishment and design. The community has a committee who controls the extension of the area. Vatmaar is adjacent to Nuwe Tarief and the area could actually be seen as one.

In the case of Nuwe Tarief the then Suurbraak Council gave permission for the 13 families to stay on the property and the Municipality of Swellendam applied for funding from the Department of Human Settlement to service the community with water, sewerage and electricity connections, which was implemented in 2013.

LEGAL IMPLICATIONS

Suurbraak is part of the TRANCRAA legislation (Transformation of Certain Rural Areas Act 94 of 1998) which implies that all the commonage land which is not privately owned belongs to the historical community of Suurbraak.

The land is still registered in the name of Swellendam Municipality but all decision and action with the land must be in consultation with the land owner and or the Minister of the Department of Rural Development and Land Reform.

FINANCIAL IMPLICATIONS

Cost to deliver and implement services should council so desire

PERSONNEL IMPLICATIONS

None

COMMUNICATIONS IMPLICATIONS

None

COMMENTS FROM DEPARTMENTS

Corporate Services (Town planning)

Support the recommendation.

Director: Community Services

None

Director: Financial Services

None

Director: Infrastructure Services

None

Municipal Manager

The poor and low-income people in SA continue to live in informal settlements or slums and suggest that the government's housing programmes are failing to address the growing challenges posed by informal settlements.

Informal settlements in South Africa are characterised by profound inequalities in access to basic services such as water, sanitation, and electricity. According to the report, the Vatmaar settlement has been in existence since 2016 without any services.

According to the report, the Vatmaar settlement was established in 2016. No eviction notices or efforts from the Municipality's side up to date to remove the occupiers may imply silent consent of the settlement. There is no establishment in terms of land use for this settlement, which is in contravention of land use legislation. This land is supposed to be transferred to the CPA, but during 2016 was managed by Swellendam Municipality.

Local governments (municipalities) have the sole mandate as water services authorities to provide access to, at least, the minimum level of services to all of the people living within their municipal area. Municipalities aim to provide one water tap for every 25 families within a 200m radius, one toilet for every five families, and weekly refuse removal.

Council should indicate if they wish the Municipality to remove and relocate this settlement, which may be difficult as there are permanent constructions on the area, or engage with the CPA (now registered) to include the Vatmaar area into the Nuwe Tarief informal settlement.

Due to the fact that since 2016 there was no effort to remove the illegal occupants, it is my suggestion that after an engagement with CPA, and with the latter's permission, Vatmaar be incorporated into Nuwe Tarief and the necessary baseline services be supplied. A formal land use process will be needed in this respect.

Should Council choose to not incorporate Vatmaar into Nuwe Tarief or if CPA does not concur that Vatmaar be incorporated into Nuwe Tarief, an eviction order must be obtained to remove the illegal squatters.

RECOMMENDED

1. Council must indicate if they wish to procure an eviction order to remove the residents of Vatmaar or if an engagement be set up with CPA to provide the affected area to Swellendam Municipality so that the Vatmaar settlement can be incorporated into Nuwe Tarief.
2. Should Council resolve to incorporate Vatmaar into Nuwe Tarief, the Municipality provide two toilets to Vatmaar and one water point, while refuse removal be incorporated on a weekly schedule for removal.
3. Should Council resolve to incorporate Vatmaar into Nuwe Tarief, the necessary land use processes be followed.
4. Should Council resolve to obtain an eviction notice, the eviction notice be obtained and land identified to alternatively host the squatters.

6.1.15

Item number A98. 27.06.2024

TENDER NO: TENDER NO: SMT33/17/18 – AMENDMENT OF AGREEMENT_PROVISION OF ICT SERVICES

Report by the Director Financial Services: Ms. E. Wassermann

Department	Financial Services
Section	Supply Chain Management
File number	8/3/R

PURPOSE OF REPORT

To inform Council in terms of a proposed amendment of the existing agreement between Swellendam Municipality and ICT Wize Group (Pty) Ltd.

FACTS AND BACKGROUND

ICT Wize Group (Pty) Ltd was appointed through a competitive bidding process as Service Provider to assist the Municipality with the development, support and maintenance of Municipality's IT-equipment and systems for the period from 01 July 2018 to 30 June 2021. The agreement was amended in terms of Section 116 (3) of the Local Government: Municipal Finance Management Act, (Act 56 of 2003) for the period from 01 July 2021 to 30 June 2024.

A request was received from the user department to amend the agreement for a further 2-year period from 01 July 2024 to 30 June 2026.

MOTIVATION FOR AMENDMENT

- Due to the complexity and cost of IT Infrastructure, extending the contract will be more cost effective.
- Due to the burning down of the Municipal head office, which housed servers and other network infrastructure, all ICT services had to be moved to a remote server. Therefore, continuation in services is required to prevent interruptions to the municipal information systems.
- The current service provider renders a good and sound service.

LEGAL IMPLICATIONS

In terms of section 116(3) of the Municipal Finance Management Act the following needs to be followed when amending a contract which was procured through a supply chain management policy:

A contract or agreement procured through the supply chain management policy of the municipality or municipal entity may be amended by the parties, but only after—

(a) the reasons for the proposed amendment have been tabled in the council of the municipality or, in the case of a municipal entity, in the council of its parent municipality; and

(b) the local community—

(i) has been given reasonable notice of the intention to amend the contract or agreement; and

(ii) has been invited to submit representations to the municipality or municipal entity.

Notices about the proposed amendment was placed in the Langeberg Bulletin and on the municipal website on Thursday, 23 May 2024. No representations were received on the closing date and time **Friday, 14 June 2024 at 11:00.**

FINANCIAL IMPLICATIONS

The total estimated cost for this amendment is R6 000 000 (Incl. VAT).

COMMUNICATIONS IMPLICATIONS

None

COMMENTS FROM DEPARTMENTS

Director: Corporate Services

None

Director: Community Services

None

Director: Financial Services

None

Director: Infrastructure Services

None

Municipal Manager

None

RECOMMENDED

1. that the proposed amendment of the agreement between Swellendam Municipality and ICT Wize Group (Pty) Ltd for the Provision of ICT Services to the estimated amount of R6 000 000 (Incl. VAT) for the period from 01 July 2024 to 30 June 2026, be noted by Council.

6.1.16

Item number A99. 27.06.2024

PUBLIC PARTICIPATION POLICY

Report of the Municipal Manager

Department Municipal Manager

Section Public Participation

File number 3/3/3/15

PURPOSE OF REPORT

Consideration of a proposed Public Participation Policy.

FACTS AND BACKGROUND

The National Policy Framework on Public Participation of 2007 defines public participation as "an open, accountable process through which individuals and groups within selected communities can exchange views and influence decision making. It is further defined as a democratic process of engaging people, deciding, planning and playing an active part in the development and operation of services that affect their lives".

Swellendam Municipality is committed to the development of a culture of municipal governance that complements formal representative government with a system of participatory governance. Through this policy, the Swellendam Municipality commits itself to establish appropriate mechanisms, processes and procedures to enable the local community to participate in the affairs of the municipality in terms of the provisions of the Local Government: Municipal Systems Act, Act No 32 of 2000.

The Constitution of the Republic of South Africa, 1996, sets two standards for local government:

Provide democratic and accountable government for local communities

Encourage the involvement of communities and community organisations in matters of local government.

A policy has been developed to guide public participation in Swellendam Municipality.

DISCUSSION

It has never been as important that the relationship between municipalities and their residents be maintained on a good footing as presently. There is a need to build relationships between local communities and their municipalities and also emphasized is the principle of accountability by Municipal Councils. The White Paper on Local Government 1998 introduced the concept of Batho Pele in the Public Service. Batho Pele means "People First" and it was launched to ensure that our people are being served properly and that all staff work to their full capacity and treat state resources with respect.

Other underlying principles, which are also underscored by the Batho Pele Principles, include the following:

7.1 Inclusivity: Embracing all views and opinions in the process of public participation.

7.2 Diversity: Embracing all race, gender, religion, ethnicity, language, age, economic status and sexual orientation.

7.3 Building Community Orientation: Keeping the public well on board, informed and knowledgeable through capacity building and to have a clear understanding of the purpose and the role that they are required to play.

7.4 Transparency: Promoting openness, sincerity and honesty among all the role players in a public participation process

7.5 Flexibility: Being flexible in terms of time, language and approaches to public meetings and processes.

7.6 Accessibility: Municipality should ensure that public participation is accessible and open to all role-players in the public participation processes.

7.7 Accountability: All Stakeholders involved should be committed to implement and abide by communicating all measures and decisions in the course of the public participation process.

7.8 Trust, Commitment and Respect: Municipality should build trust, confidence, honesty, integrity, respect in the community so that they believe that their views will be heard, respected and considered when decisions are taken at the Municipality.

7.9 Integration: Municipality should ensure that public participation processes are integrated into the planning and decision-making processes such as Integrated Development Plan (IDP), service delivery issues, Budget Implementation and Performance Management System.

The attached policy for public participation to enable the building of participatory is attached **as Annexure L** for Council's consideration.

LEGAL IMPLICATIONS

Constitution, 1996

White Paper on Local Government of 1998

Municipal Structures Act 117 of 1998

Local Government: Municipal Systems Act, 2000 (Act 32 of 2000)

Municipal Finance Management Act

Municipal Property Rates Act of 2004

POPI Act

Promotion of Administrative Justice Act

Promotion of Access to Information Act

FINANCIAL IMPLICATIONS

As per budget

PERSONNEL IMPLICATIONS

None

RECOMMENDED

that Council considers the Public Participation Policy attached as Annexure L.

7. CLOSURE

8. BLANK APPLICATION FOR LEAVE OF ABSENCE FORM

SWELLEDAM MUNICIPALITY



APPLICATION FOR LEAVE OF ABSENCE FROM MEETING

(Note: To be submitted to the Chairperson before the start of the meeting)

Name of Councillor

Herewith I apply for leave of absence from the following meeting(s):

MEETING	DATE
Council Meeting	
Special Council Meeting	
Executive Mayoral Committee Meeting	
Any other Committee/Forum/Workshop (Please specify)	
Reason for absence	

SIGNATURE

DATE