

MINUTES FOR **COGNISANCE**

The following minutes are distributed for cognisance:

- 10.1** Minutes of an Ordinary Mayoral Committee meeting held on Monday, 22 July 2024.
- 10.2** Minutes of an Ordinary meeting of the Municipal Public Accounts Committee held on Monday, 05 August 2024.

MAYORAL COMMITTEE MEETING MINUTES



**MINUTES OF THE MAYORAL COMMITTEE MEETING
HELD ON MONDAY, 22 JULY 2024 AT 14:15 IN THE
COUNCIL CHAMBERS, RHENIUS STREET,
SWELLENDAM.**

**PLEASE RETAIN THIS DOCUMENT FOR RECORD
PURPOSES AS IT WILL NOT BE CIRCULATED AGAIN.**

Yours sincerely,

**H.F. DU RAND
EXECUTIVE MAYOR**

DATE

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MINUTES OF AN ORDINARY MEETING OF THE MAYORAL COMMITTEE OF SWELLENDAM MUNICIPALITY HELD ON MONDAY, 22 JULY 2024 AT 14:15 IN THE COUNCIL CHAMBERS, RHENIUS STREET, SWELLENDAM.

PRESENT:	Councillor	H.F. Du Rand	Executive Mayor
		E. Lamprecht	Member
		F. Kees	Member

IN ATTENDANCE:	A. Vorster	(Municipal Manager) (from 14:18)
	E. Wassermann	(Director: Financial Services)
	K. Stuurman	(Director: Community Services)
	E. Delport	(Acting Director: Infrastructure Services)
	J. Etzebeth	(Manager: Administrative Support Services)
	R. Brunings	(Manager: Town Planning & Building Control)

SECRETARIAT:

K. Opperman

RECORDING OFFICER:

K. Opperman

ALSO PRESENT

M. van Bosch (PA: Executive Mayor)

1. OPENING AND WELCOME

At 14:15 the Executive Mayor, Councillor H.F. Du Rand welcomed everyone at the Mayoral Committee meeting and declared the meeting duly constituted with a quorum present. The Director Community Services, Mr K. Stuurman rendered an opening prayer.

2. ELECTION OF CHAIRPERSON, IF NECESSARY

None

3. APPLICATION FOR LEAVE OF ABSENCE
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None

4. SPEECHES AND SUBMISSIONS

None

5. CONFIRMATION OF MINUTES

RESOLVED:

- 5.1 that the minutes of an ordinary meeting of the Mayoral Committee held on Tuesday, 20 May 2024 copies of which were circulated prior to the meeting, be taken as read and be hereby confirmed.

6. MATTERS ARISING FROM THE MINUTES OF THE PREVIOUS MEETING

- 6.1 Matters arising from the minutes of the Mayoral Committee meeting held on Monday, 20 May 2024:

Sun Exchange and Utility Consulting Solutions: p.5:

The Executive Mayor, Councillor H.F. Du Rand said that as the Energy Committee has been established, the municipality should indicate what it wanted because the Western Cape Government would continue to try everything in its power to be less dependent on Eskom. He shared that there was a private organisation sponsoring the EIA at own risk on the identified land between Eskom's and the municipality's substation.

Decrease of electrical capacity from 20 to 10 Amp for new housing project: p.5:

The Executive Mayor shared that the meeting with regards to the 20 to 10 Amps was held with the beneficiaries who were satisfied with the decision by Council to decrease the capacity to accommodate the project. He said that it was shared with the beneficiaries that 90 houses would be made available for the catchment areas of Buffeljagsrivier, Suurbraak and Barrydale and no comments were received.

Deceased Estate Accounts: p.7:

The Director of Financial Services Ms E. Wassermann indicated that a final meeting would have to be scheduled with the municipality's attorney and would give feedback by end September 2024 on the matter.

STS Conversion: p.7:

Ms Wassermann said that she had an urgent meeting with Syntell who gave notice of a problem with the programming and that all converted meters were now nul and void and the process would have to be started from scratch. She said that the new programme would have to be tested and the new process would be presented to Council.

7 STATEMENTS AND COMMUNICATIONS BY THE EXECUTIVE MAYOR

None

8 DISCLOSURE OF INTERESTS BY COUNCILLORS

None

9 FINANCIAL REPORTING

9.1 Section 71 Report for May and June 2024.

RESOLVED

9.1.1 that cognisance be taken of the Section 71 Report for May and June 2024.

The Director of Financial Services reported that the 63.8% expenditure on the capital budget was not a final estimate and that the underspending was due to the three projects from own funding that were underspent which was the Russel Street project that was over R3 million, Van Riebeeck Street project that was over R2 million together with the Silo Pumpstation project.

She said that on the Disaster Management Grant for the gabions an amount of R1.1 million would have to be rolled over as it was not spent on 30 June 2024. She added that the roll-over amount for housing have been submitted to Province on 15 July 2024. She said that if the amounts were not rolled over, all capital projects would have to be put on hold in order to accomodate those projects where tender commitments have already been made.

Ms Wassermann shared that the payment rate increased to 97.1%. She said that her department was in process to finalise all the accounting transations which would mean that the revenue operational expenditure percentage would increase. She added that due to no loadshedding, the electricity purchases also increased.

In response to a question by the Executive Mayor with regard to procurement for the new financial year, Ms Wassermann shared that the refuse compactor with the digger loader has been ordered. She said that the Russel Street tender also started and one objection has been received on the tender for Railton roads which would take about 14 days to finalise before the project could commence. Councillor F. Kees shared that the Van Riebeeck Street tender has also started.

10.1 Items submitted by officials of the Council

10.1.1

Item number A82. 22.07.2024

RESUBMISSION: SANPARKS' PROPERTY PROPOSAL: BONTEBOK PARK VIS-À-VIS SWELLENDAM INDUSTRIAL AREA

Report by	L. Baransky
Department	Corporate Services
Section	Property Management
File number	7/2/1/2

PURPOSE OF REPORT

To table two valuation reports to determine the purchase price for the proposed Erf 8485 (Portion 2) and proposed Erf 8486 (Portion 1), Swellendam.

FACTS AND BACKGROUND

On 24 February 2022 Council resolved as follows:

UNANIMOUSLY RESOLVED

Item A26/24/02/2022

1. "that the contents of the report on SANParks' property proposal: Bontebok Park Vis-à-vis Swellendam Industrial area, be noted.
2. that SANParks' proposal to purchase proposed Erf 8485 (Portion 2) and proposed Erf 8486 (Portion 1) be approved in-principle subject to: (i) SANParks submitting a proposal with set time frames regarding appropriate development options to create a presence on the proposed land be submitted to Council (ii) Council's intention being advertised for public comment prior to a final decision being taken, (iii) and once Portion 1 is purchased by SANParks, the portion be consolidated with erf 5338.
3. that proposed Erf 8484 (Portion 3) be sold by way of a competitive bidding process.
4. that proposed Portion 7, which comprises a small wetland area and an area of "High Sensitivity" vegetation measuring ± 1.5 ha in extent, as denoted in the botanist's report, be alienated and consolidated into the Bontebok National Park (Erf 5338), at no cost to SANParks other than the transfer and registration fee, and the moving of the fence to where the municipality indicate.
5. that an agreement be drawn up between the Municipality and SANParks with regard to the rehabilitation, alien clearing and maintenance of Area "A", which would remain in place until such time as the area is negotiated for sale to a third party for development purposes, at which point the status quo in terms of its future ownership can be reconsidered."

On 31 October 2023 Council resolved as follows:

UNANIMOUSLY RESOLVED

Item A116/31/10/2023

1. "that the content of the report on SANParks's property proposal: Bontebok Park vis-à-vis Swellendam Industrial Area be noted.
2. that it be confirmed that portion 1 (proposed Erf 8486) and Portion 2 (proposed Erf 8485) are not needed for the provision of a minimum level of basic municipal services, in terms of Section 14 of the Municipal Finance Management Act, 2003 (Act No.56 of 2003).
3. that Council's intention to alienate Portion 1 (proposed Erf 8486) and Portion 2 (proposed Erf 8485) to SANParks, and for the use as proposed, be advertised for public comment prior to a final decision being taken.
4. that a reserve price for each erf based on the findings of 2 independent valuation reports be determined and that the cost of the valuation reports be for the applicant's account.
5. that the alienation of Portion 1 (proposed Erf 8486) and Portion 2 (proposed Erf 8485) to SANParks be subject to the completion of requirements in terms of the Swellendam By-Law on Municipal Land Use Planning, 2020, more specifically: Portion 1 (proposed Erf 8486) and Portion 2 (proposed Erf 8485), be rezoned to Natural Environment Zone (Nature Area) and simultaneously consolidated with Erf 5338 for the applicant's (SANPark's) account. Portion 1 (proposed Erf 8486) to also have Consent Use for "Tourist Facilities" as per the concept land use proposed.
6. that points 3 to 5 of Council's resolution dated 24 February 2022 be proceeded with."

DISCUSSION

Notice V2/2024 was advertised for public comments, closing on 29 April 2024. No feedback was received.

The following valuation reports were received in July 2023:

Description	Per square metres (excluding VAT)		Average, per square metres, (excluding VAT)
	C.L. van Wyk	M.L. Heyns	
Erf 8485 (7.938 sqm)	R117.00	R120.00	R118.50
Erf 8486 (16.548 sqm)	R110.00	R120.00	R115.00

Find attached the valuation reports attached **as Annexure A**.

SANPARKS obtained their own valuation as per attached **Annexure A** and requested that this valuation be used.

LEGAL IMPLICATIONS

The following legislation regulates the management of municipal property:

- The provisions of Section 14 of the Municipal Finance Management Act, 2003 (Act 56 of 2003).
- The By-law relating to the Management and Administration of Immovable Property, 2018.
- The Municipal Asset Transfer Regulations, 2008.
- Municipal Policy in relation to the Management, Administration and Alienation of Immovable Property, 2014.
- Municipal Land Disposal Policy, 2018

FINANCIAL IMPLICATIONS

None

PERSONNEL IMPLICATIONS

None

COMMUNICATIONS IMPLICATIONS

None

COMMENTS FROM DEPARTMENTS

Town Planning and Building Control:

Noted, no further comments.

Director: Community Services

None

Director: Financial Services

None

Acting Director: Infrastructure Service

None

Municipal Manager

SANPARKS submitted a request for a lower purchase price as per their obtained valuation. This is very valuable property and as there was interest in these properties from other entities, a lowering of the purchase price is not recommended.

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

RECOMMENDED

1. that Council confirms that the valuation and purchase price for Erf 8485 Swellendam, (7 938m²) is set at R118.50 and Erf 8486 Swellendam (16 548m²) is set at R115.00.
2. that SANPARKS be informed that the Municipality cannot agree to a reduced purchase price.
3. that the sale of Portion 1 (proposed Erf 8486) and Portion 2 (proposed Erf 8485) to SANParks be confirmed subject to the completion of requirements in terms of the Swellendam By-Law on Municipal Land Use Planning, 2020, more specifically: Portion 1 (proposed Erf 8486) and Portion 2 (proposed Erf 8485), be rezoned to Natural Environment Zone (Nature Area) and simultaneously consolidated with Erf 5338 for the applicant's (SANPark's) account. Portion 1 (proposed Erf 8486) to also have Consent Use for "Tourist Facilities" as per the concept land use proposed.

DISCUSSION

The Municipal Manager, Mrs A. Vorster suggested that the recommendation be amended to read as follows:

1. *that Council confirms that the valuation and purchase price for Erf 8485 Swellendam, (7 938m²) is set at R118.50 and Erf 8486 Swellendam (16 548m²) is set at R115.00.*
2. *that SANPARKS be informed that the Municipality wants to engage with SANParks to consider a reduced purchase price.*
3. *that the sale of Portion 1 (proposed Erf 8486) and Portion 2 (proposed Erf 8485) to SANParks be confirmed subject to the completion of requirements in terms of the Swellendam By-Law on Municipal Land Use Planning, 2020, more specifically: Portion 1 (proposed Erf 8486) and Portion 2 (proposed Erf 8485), be rezoned to Natural Environment Zone (Nature Area) and simultaneously consolidated with Erf 5338 for the applicant's (SANPark's) account. Portion 1 (proposed Erf 8486) to also have Consent Use for "Tourist Facilities" as per the concept land use proposed.*

Ms Wassermann said that the Committee should be aware that once the property was transferred to SANParks, no property tax could be raised as SANParks receives automatic exemption from property tax.

The Executive Mayor confirmed that the amendment to point 2 of the recommendation was supported by the committee.

RECOMMENDED TO COUNCIL

1. that Council confirms that the valuation and purchase price for Erf 8485 Swellendam, (7 938m²) is set at R118.50 and Erf 8486 Swellendam (16 548m²) is set at R115.00.
2. that SANPARKS be informed that the Municipality wants to engage with SANParks to consider a reduced purchase price.
3. that the sale of Portion 1 (proposed Erf 8486) and Portion 2 (proposed Erf 8485) to SANParks be confirmed subject to the completion of requirements in terms of the Swellendam By-Law on Municipal Land Use Planning, 2020, more specifically: Portion 1 (proposed Erf 8486) and Portion 2 (proposed Erf 8485), be rezoned to Natural Environment Zone (Nature Area) and simultaneously

consolidated with Erf 5338 for the applicant's (SANPark's) account. Portion 1 (proposed Erf 8486) to also have Consent Use for "Tourist Facilities" as per the concept land use proposed.

10.1.2

Item number A83.

REVIEW OF THE BUILDING CLAUSE FOR ERF 8530, RAILTON (RAILTON FOUNDATION)

Report of	L Baransky
Department	Municipal Manager
Section	Property Management
Proposed File Number	5/13/4 – 15/4/R

PURPOSE OF REPORT

To consider reviewing the building clause for Erf 8530, Railton. **(See Annexure B)**

See Annexure C attached.

FACTS AND BACKGROUND

The following extract from Council minutes of 28 September 2017:

RESOLVED BY MAJORITY VOTE

Item A159/28/09/2017

1. *"that paragraph 4 of the Council Resolution as per Item A59 of 26 April 2017 be revised to read as follows:*

that a building clause be included in the Agreement of Sale stipulating that as from one year after the transfer of the property has been finalized, rates will be payable on the property based on a value of R3,000,000.00. (As if there is a building on the property for the value of R3, 000,000.00).
2. *that Council Resolution as per Item A119/31/08/2017 on 31 August 2017 reflected below, be rescinded."*

DISCUSSION

Condition 1 of Council resolution A159/28/09/2017 and Planning Condition 19 of their Transfer agreement stipulates that if a building is not erected on Erf 8530, within a one-year period after registration, the building clause can be implemented.

A letter was sent to the Railton Foundation informing them that the one-year period expired at the end of March 2024 and that our Financial Department will amend the property rates for Erf 8530 from 1 April 2024, as if there were a building erected on the property for the value of R3 000 000.00.

The following letter was received from the Railton Foundation:

"With reference to the content of Ms Baransky's email communication dated 22 April 2024 in the above regard, I hereby wish to inform you that the Board of the Railton Foundation Swellendam, at its meeting

held on 10 May 2024, expressed the intent to submit a request to the municipality to consider a review of the building clause 19 of the deed of sale for the following reasons:

- i. The Foundation is in the process of fundraising to appoint an architect to draw up building plans for submission of approval.
- ii. Engagements with potential donors/funders are ongoing to obtain the cost or material to fence the property prior to any structures being erected.
- iii. As soon as the funds/donations are secured to fence the property, the municipal service connections will be paid.
- iv. The Foundation, as an organization not for profit gain, currently has a financial challenge for the foreseeable future, to pay the monthly rates of R3175, due to a limited operational budget.

In view of the aforesaid, the board hereby wishes to request that the municipality gives consideration to review the building clause by reducing the proposed value of R3 000 000.00 in order to affect a more affordable rates levy until such time that the Foundation secured sufficient funds for this matter.

Yours faithfully

Chairperson: Railton Foundation Swellendam"

LEGAL IMPLICATIONS

The following legislation regulates property management:

- The stipulations of Section 14 of the Municipal Finance Management Act, 2003, (Act 56 of 2003) (MFMA);
- The By-Law relating to the Management and Administration of Immovable Property, 2018.
- The Asset Transfer Regulations, 2008.
- Land Disposal Policy, 2018

FINANCIAL IMPLICATIONS

None

PERSONNEL IMPLICATIONS

None

COMMUNICATION IMPLICATIONS

None

COMMENTS FROM DEPARTMENTS

Corporate Services

Town Planning & Building Control – Mr R. Brunings

Whilst aware of the Railton Foundation's role and valuable input into the community, I feel strongly that the clause should not be amended, and more particularly as there is not much that can be built today for R3mill, specifically a Community Hall etc. It is noted too that Erf 8530 was specifically created for the Railton Foundation, as part of the Railton Hub re-development (size etc) and sold on the strength of its vehement argument that it would be constructing a Community Hall etc on the property as soon as possible - even though the Administration had conveyed its doubt about it at the time. The Foundation was aware of the clauses from the beginning. Also, if we lift the clause there is no ongoing motivation to actually establish a structure on the property, which was the purpose of the initial transaction. Finally, given its excellent, central location the Administration could easily have sold the property in the interim, or used it for other purposes.

Director: Community Services

I am of the opinion that there should be a building clause, but that this phased in must be over 3 years, to a maximum of R3 000 000.00. This is a community organization that has a big impact on the community.

Director: Financial Services

No comments received.

Acting Director: Infrastructure Services

No comments.

Municipal Manager

Council should carefully consider if they want to lift this requirement as the whole purpose of the condition is to prevent land from staying unutilised and not fulfilling the purpose for which the land was sold for. Cancelling the condition is not supported.

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

RECOMMENDED

1. that the request received from the Railton Foundation that the building clause of R3 million in respect of Erf 8530, Railton be reduced, be noted.
2. that the request be not granted as building clauses are specifically introduced to ensure that the land is used for the intended purposes and not left undeveloped for years and the Railton Foundation be advised accordingly.
3. that the possibility if a property rebate in terms of the Property Rates should rather be granted in this instance, provided that Railton Foundation is a registered NGO, be investigated by the

Director Financial Services and that the information be available when the matter is considered by Council.

DISCUSSION

The Executive Mayor indicated that he agreed that the amount could not be reduced as Railton Foundation had a period of 7 years to develop the property and to this day nothing has been done with no indication of any future plans on the property.

Ms E. Wassermann, Director Financial Services shared that if Railton Foundation was a registered NGO, they would not be liable to pay property tax. She said that it should be determined whether their registration documentation was in place and if they are a registered NGO, they would have to apply to the municipality to be exempt from paying property tax.

In response to a question raised by the Executive Mayor, with regard to how the municipality would ensure that the property was being developed by Railton Foundation because if they were registered the building clause would be null and void, the Municipal Manager, Mrs A. Vorster indicated that the municipality would have to engage in discussions with Railton Foundation and that 19.3 of the purchase agreement be emphasized stating that "The use of property is restricted to Subdivisional Area for Community and institutional zone and the requirements in terms of the Swellendam Integrated Zoning Scheme must be adhered to". She said that if they do not adhere to the purchase agreement, Railton Foundation would be guilty of breach of contract. The Executive Mayor added that 1 year and 7 months were left before the 3-year period for development lapsed.

The Municipal Manager, Mrs A. Vorster suggested that point 3 of the recommendation be amended as follows:

- 1. that the request received from the Railton Foundation that the building clause of R3 million in respect of Erf 8530, Railton be reduced, be noted.*
- 2. that the request be not granted as building clauses are specifically introduced to ensure that the land is used for the intended purposes and not left undeveloped for years and the Railton Foundation be advised accordingly.*
- 3. that it be noted that in terms of the Property Rates Act NGO's are exempted from property rates and that the Railton Foundation be advised accordingly.*
- 4. that the municipality engages with Railton Foundation to secure an implementation plan in compliance with Section 19.5 of the Deed of Sale.*

RECOMMENDED TO COUNCIL

1. that the request received from the Railton Foundation that the building clause of R3 million in respect of Erf 8530, Railton be reduced, be noted.
2. that the request be not granted as building clauses are specifically introduced to ensure that the land is used for the intended purposes and not left undeveloped for years and the Railton Foundation be advised accordingly.

3. that it be noted that in terms of the Property Rates Act NGOs are exempted from property rates and that the Railton Foundation be advised accordingly.
4. that the municipality engages with Railton Foundation to secure an implementation plan in compliance with Section 19.5 of the Deed of Sale.

10.1.3

Item number A84.

STATUS OF ERF 420, SUURBRAAK (LIBRARY/MUNICIPAL OFFICES/POST OFFICE/CLINIC)

Report of	L. Baransky
Department	Corporate Services
Section	Property Management
File Number	7/1/2

PURPOSE OF REPORT

To inform Council of the status of Erf 420 in Suurbraak.

FACTS AND BACKGROUND

In 2010/2011 all clinic buildings were transferred from local government to the provincial sphere of government, more particularly the Western Cape Department of Public Works.

Erf 420, Suurbraak, consisting of the Municipal Offices, Library, Clinic and Post Office (*at that stage*) was also part of the process, and was transferred in 2011. According to our records, only the clinic component of the property had to be subdivided off of Erf 420, with the balance being transferred back to the Municipality - this never happened. Therefore, the whole of Erf 420, including the structures which the Municipality utilizes and / or leases out, is currently still registered in the name of the Provincial Government of the Western Cape.

Various correspondence has been sent to the applicable Department over the years, with a view to finalizing the land processes and to transfer the municipal portion of the property back to the Municipality, with no tangible progress.

Find the applicable documents attached **as Annexure C**.

DISCUSSION

In light of the impasse, it was finally agreed with the Department that the Municipality would undertake the requisite land use process and subdivision – based on a Power of Attorney. This has been completed. The Administration is now awaiting the approved SG diagram from the land surveyor, whereafter the transfer and registration process can be initiated.

Provision will need to be made to separate the electricity and water service connections between the two newly created erven. The cost of this will need to be borne by the Provincial Department of Public Works.

LEGAL IMPLICATIONS

The following legislation regulates property management:

- The provisions of Section 14 of the Municipal Finance Management Act, 2003, (Act 56 of 2003);

- The By-Law relating to the Management and Administration of Immovable Property, 2018.
- The Asset Transfer Regulations, 2008.
- Land Disposal Policy, 2018

FINANCIAL IMPLICATIONS

None

PERSONNEL IMPLICATIONS

None

COMMUNICATION IMPLICATIONS

None

COMMENTS FROM DEPARTMENTS

Town Planning & Building Control – Mr R. Brunings

The land use process and surveying has been completed. Once the approved SG Diagram has been received, the transfer and registration process can proceed.

Director: Financial Services

N/A

Acting Director: Infrastructure Services

N/A

Municipal Manager

Concur with the report.

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

RECOMMENDED TO MAYCO

1. that the content of the report on the status of Erf 420 in Suurbraak, be noted.

RECOMMENDED TO COUNCIL

1. that the content of the report on the status of Erf 420 in Suurbraak, be noted.

10.1.4

Item number A100. 22.07.2024

2023/24 2nd QUARTER AUDIT AND PERFORMANCE AUDIT COMMITTEE (APAC) CHAIRPERSON REPORT FOR THE PERIOD ENDED 31 DECEMBER 2023 AND THE MINUTES OF THE APAC MEETING HELD ON 11 DECEMBER 2023.

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 2nd Quarter Audit and Performance Audit Committee Chairperson Report for the 2023/2024 financial year and the Minutes of the Committee meeting held on 11 December 2023 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 2nd quarterly report for the period ending 31 December 2023 which is now being submitted to the Council for discussion and consideration. Council should take cognisance that this report was submitted to the Administrative Support Office on 13 December 2023 and due to the considerable lapse of time was accidentally not included in the January 2024 scheduled meetings and this oversight was only discovered recently.

Annexures are attached as Annexure D.1 – D.2:

1. 2023/24 2nd Quarter Audit and Performance Audit Committee Chairperson Report for the period ended 31 December 2023; and
2. Minutes of the Audit and Performance Audit Committee Meeting held on 11 December 2023.

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

RECOMMENDED

1. that cognizance be taken of the 2023/24 2nd Quarter Audit and Performance Audit Committee Chairperson Report for the period ended 31 December 2023; and
2. that cognizance be taken of the minutes of the Audit and Performance Audit Committee Meeting held on 11 December 2023.

RECOMMENDED TO COUNCIL

1. that cognizance be taken of the 2023/24 2nd Quarter Audit and Performance Audit Committee Chairperson Report for the period ended 31 December 2023; and
2. that cognizance be taken of the minutes of the Audit and Performance Audit Committee Meeting held on 11 December 2023.

10.1.5

Item number A101. 24.07.2024

2023/24 4th QUARTER AUDIT AND PERFORMANCE AUDIT COMMITTEE (APAC) CHAIRPERSON REPORT FOR THE PERIOD ENDED 30 JUNE 2024 AND THE MINUTES OF THE APAC MEETING HELD ON 26 JUNE 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 4th Quarter Audit and Performance Audit Committee Chairperson Report and the minutes of the committee meeting held on 26 June 2024 to the Council for cognizance.

FACTS AND BACKGROUND

In terms of National Treasury's Circular 65 of 2003, the Audit and Performance Audit 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.

DISCUSSION

Based on this Circular, the Audit and Performance Audit Committee drafted its quarterly report for the period ending 30 June 2024 which is now being submitted to the Council for discussion and consideration.

Annexures attached as Annexure E.1 - E.2:

1. 2023/24 4th Quarter Audit and Performance Audit Committee Chairperson Report for the period ended 30 June 2024; and
2. Minutes of the Audit and Performance Audit Committee Meeting held on 26 June 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

RECOMMENDED

1. that cognizance be taken of the 2023/24 4th Quarter Audit and Performance Audit Committee Chairperson Report for the period ended 30 June 2024; and
2. that cognizance be taken of the minutes of the Audit and Performance Audit Committee Meeting held on 26 June 2024.

RECOMMENDED TO COUNCIL

1. that cognizance be taken of the 2023/24 4th Quarter Audit and Performance Audit Committee Chairperson Report for the period ended 30 June 2024; and
2. that cognizance be taken of the minutes of the Audit and Performance Audit Committee Meeting held on 26 June 2024.

10.1.6

Item number A102. 24.07.2024

2024/2025 REVISED AUDIT AND PERFORMANCE AUDIT COMMITTEE CHARTER

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 Revised Audit and Performance Audit Committee Charter for the 2024/2025 financial year to Council for consideration and approval.

FACTS AND BACKGROUND

The Audit and Performance Audit Committee (APAC) operates as a committee of the Council. The Audit and Performance Audit Committee performs the responsibilities assigned to it by the MFMA (sections 165 and 166), and the corporate governance responsibilities delegated to it under its charter by the Council. A charter is the written terms of reference approved by the Council which outlines the mandate of the audit committee. The charter becomes the policy of the audit committee which then informs the contracts of the Audit and Performance Audit Committee members.

A charter should be used to guide the activities of an Audit and Performance Audit Committee on an ongoing basis. A clear, well written charter should set out the objectives, roles and responsibilities, composition, structure and membership requirements, relationships with other stakeholders, authority for the Audit and Performance Audit Committee to conduct enquiries and access municipality and municipal entity's records and personnel, outlines procedures for meetings, addresses the confidentiality and independence of Audit and Performance Audit Committee members, and provides for ethical conduct and reporting.

Following approval, the Audit and Performance Audit Committee charter should be published on the municipal website to promote awareness to all stakeholders. The charter should be reviewed annually and updated to ensure relevance and consistency with the MFMA, Municipal Systems Act (No 32 of 2000) and other related regulations, guides and best practice.

The charter should be used as a basis for:

- Preparing the Audit and Performance Audit Committee annual work plan;
- Setting the agenda for meetings;

- Requesting skills and expertise;
- Making recommendations to the accounting officer and municipal council;
- Assessing the Audit and Performance Audit Committee performance by its members, municipal council, management, Auditor-General and internal auditors; and
- Contributions and participation at meetings.

DISCUSSION

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. Experience has shown that a properly constituted Audit and Performance Audit Committee can make an effective and valuable contribution to the process by which an organization is directed and controlled.

The Swellendam Audit and Performance Audit Committee is well established and functioning as required. All the members of the Audit and Performance Audit Committee are also members of the Performance Audit Committee.

The Revised Audit and Performance Audit Committee Charter for the 2024/2025 financial year was tabled to the Audit and Performance Audit Committee on 26 June 2024 for review and inputs. The Audit and Performance Audit Committee accepted the Charter, with the amendments as highlighted in track changes.

The Revised Audit and Performance Audit Committee Charter is hereby tabled for adoption.

Annexures attaches as Annexure F:

1. The Revised Audit and Performance Audit Committee Charter is attached for the 2024/25 financial year.

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.

FINANCIAL IMPLICATIONS

None

PERSONNEL IMPLICATIONS

None

COMMUNICATION IMPLICATIONS

The charter should be published on the municipal website to promote awareness for all stakeholders.

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 Revised Audit and Performance Audit Committee Charter for the 2024/2025 financial year be adopted by Council.

RECOMMENDED TO COUNCIL

1. that the Revised Audit and Performance Audit Committee Charter for the 2024/2025 financial year be adopted by Council.

10.1.7

Item number A103. 22.07.2024

PREVENTION AND ELIMINATION OF HARASSMENT IN THE WORKPLACE POLICY

Report by Municipal Manager

Name: Mrs. A. Vorster

Department

Municipal Manager

Section

Human Resources

File Number

4/1/1/B

PURPOSE OF REPORT

To obtain approval for a Prevention and Elimination of Harassment in the Workplace Policy in Swellendam Municipality.

FACTS AND BACKGROUND

Swellendam Municipality regards all forms of harassment as a form of unfair discrimination that constitutes a barrier to equity and equality in the workplace. Therefore, all forms of harassment such as sexual harassment, gender-based violence and harassment, bullying and racial, ethnic, or social origin harassment must be eliminated.

Harassment is generally understood to be unwanted conduct, which impairs dignity and which creates a hostile or intimidating work environment for one or more employees. Harassment also includes the use of physical force or power, threatened or actual, against another person, a group or a community, which either results in, or has a high likelihood of resulting in social injustice, economic harm, injury, death, physical and psychological harm, mal-development or deprivation.

DISCUSSION

Section 6 (3) of The Employment Equity Act states that "Harassment of an employee is a form of unfair discrimination and is prohibited on any one or a combination of grounds of unfair discrimination in section 6(1) of the Employment Equity Act, 55 of 1989. The Minister of Employment and Labour did promulgate The Code of Good Practice on The Prevention and Elimination of Harassment as Law in the Government Gazette 11409 dated 18 March 2022.

Subsequently a Prevention and Elimination of Harassment in the Workplace Policy were drafted by the Policy Committee and were accepted for approval by the Local Labour Forum on 15 April 2024.

The policy applies to the employer, councillors and employees of Swellendam Municipality, as provided for in the Employment Equity Act, Act 55 of 1998.

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

LEGAL IMPLICATIONS

Employment Equity Act, 55 of 1998

Code of Good Practice: Prevention and Elimination of Harassment in the Workplace
Labour Relations Act, 85 of 1995
Promotion of Equality and Prevention of Unfair Discrimination Act, 4 of 2000

FINANCIAL IMPLICATIONS

None

PERSONNEL IMPLICATIONS

Applicable to all personnel

COMMUNICATION IMPLICATIONS

Awareness workshops to be attended by all personnel

COMMENTS FROM DEPARTMENTS

Director: Community Services

None

Director: Financial Services

None

Director: Infrastructure Services

None

Municipal Manager

RECOMMENDED

that the Prevention and Elimination of Harassment in the Workplace Policy be approved by Council.

RECOMMENDED TO COUNCIL

that the Prevention and Elimination of Harassment in the Workplace Policy, be approved by Council.

10.1.8

Item number A104. 22.07.2024

REPORT ON: POLICY TO MANAGE REQUESTS FOR NOTCH INCREASES AND ONCE-OFF CASH COMPENSATION FOR UNRELATED AND ADDITIONAL DUTIES AND FUNCTIONS

Report of the Municipal Manager: Mrs. A. Vorster

Department

Municipal Manager

Section

Human Resources

File number

4/1/1/B

PURPOSE OF REPORT

To obtain approval for a Policy to Manage Requests for Notch Increases and Once-Off Cash Compensation for Unrelated and Additional Duties and Functions in Swellendam Municipality to attract, retain, motivate and reward high-calibre employees and aims to encourage high levels of performance that are sustainable and aligned with the strategic direction and specific value drivers of the municipality.

FACTS AND BACKGROUND

This policy is drafted for the organisational needs of Swellendam Municipality and it should be noted that the remuneration arrangements of collective bargaining processes at the South African Local Government Bargaining Council (SALGBC) are not governed by this policy.

The Municipal Manager as the Accounting Officer is in terms of the Local Government Municipal Systems Act responsible for the development of the staff establishment of the municipality. The municipal manager, in terms of his legislative mandate, must submit the organogram to council, after all the internal processes have been followed, for consideration and approval.

DISCUSSION

Currently there is no mechanism that allows the Accounting Officer, Senior Management to consider additional notch increases and / or any other form of additional compensation.

The purpose of this policy is:

- To consider notch increases and once-off cash payments over and above the remuneration to employees as determined by collective bargaining processes at the South African Local Government Bargaining Council (SALGBC)
- To consider compensation for employees who perform work unrelated and distinctly separate from their primary job focus and purpose.
- To determine the process the municipal manager / senior management must adhere to in order to consider notch increases and / or compensation,
- To facilitate the implementation of such notch increase / compensation outcomes.

This policy was drafted by the Policy Committee and was accepted for approval by the Local Labour Forum of 14 March 2023. At the Local Labour Forum of 13 June 2024, it was accepted that this policy should be sent to Council to reconsider the approval thereof.

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

LEGAL IMPLICATIONS

Basic Conditions of Employment Act (BCEA)
Labour Relations Act (LRA)

FINANCIAL IMPLICATIONS

Additional employee remuneration budget

PERSONNEL IMPLICATIONS

COMMUNICATION IMPLICATIONS

COMMENTS FROM DEPARTMENTS

Director: Community Services

None

Director: Financial Services

None

Director: Infrastructure Services

None

Municipal Manager

None

RECOMMENDED

that Council considers the approval of a Policy to Manage Requests for Notch Increases and Once-Off Cash Compensation for Unrelated and Additional Duties and Functions in Swellendam Municipality.

DISCUSSION

The Municipal Manager, Mrs A. Vorster indicated that there were changes she would like to make to the policy that would have to be reviewed.

The Executive Mayor, Councillor H.F. Du Rand proposed that the item be withdrawn to be reviewed for submission to the next Portfolio, Mayco and Council meetings.

RESOLVED

Item A104/22/07/2024

that the item be **WITHDRAWN** to be reviewed for submission at the next ensuing Portfolio, Mayco and Council meetings in August 2024.

10.1.9

Item number A105. 22.07.2024

PROPOSAL FOR THE INTRODUCTION AND INSTALLATION OF PERMANENT BANNERS: THE SWELLENDAM FAMILY CREST PROJECT – VOORTREK STREET, SWELLENDAM

Report by Manager Town Planning and Building Control: Mr R. Brunings

Department	Corporate Services
Section	Town Planning & Building Control
File number	10/2/1/1

PURPOSE OF REPORT

To table a report on the request for the extension of the Family Crest Project – the installation of permanent banners bearing family crests on municipal lamp poles located along a section of Voortrek Street – received from the Swellendam Heritage Association, as finalized by the Executive Mayor in terms of his delegated authority.

FACTS AND BACKGROUND

On 22 August 2018 the Swellendam Heritage Association made a presentation to the Mayoral Committee in relation to a proposed Family Crest Project in Swellendam. The town of Steytlerville in the Eastern Cape was used as a point of reference, where a similar initiative was launched some time ago. Following the presentation, the Heritage Association made a formal proposal to the Mayoral Committee on 17 October 2018. The mayoral Committee resolved:

Item B30/17/10/2018 -

1. *"that the proposal lodged by the Swellendam Heritage Association in relation to the Family Crest Project be noted and the initial pilot project be approved, for a trial period of 12 months, subject to the following:*
 - 1.1 *The installation of the proposed banners be limited to identified municipal lamp poles along Voortrek Road, in the vicinity of erf 2599;*
 - 1.2 *The number of banners be limited to 6, meaning 2 banners per pole (3 poles) and further consideration by the Mayoral Committee after a trial period of 12 months.*
 - 1.3 *The public awarded the opportunity during the trial period to make comments and or lodge objections to be considered by the Mayoral Committee;*
 - 1.4 *The applicant takes cognisance of the comment of the Aesthetics Committee, acting in its advisory role to the Municipality.*
 - 1.5 *Waiver of the relevant conditions set out in the Municipal By-Law on Outdoor Advertising and Signage, subject to the applicable road, traffic and technical safety considerations required by the Director Infrastructure Services and the Director Community Services.*
 - 1.6 *Each banner to measure some 1.5m² in extent (615mm by 2450mm) and the Applicant to select the type of material for the structure – final specifications to be considered and approved by the Director Infrastructure Services prior to installation.*
 - 1.7 *Council to assist with the physical installation of the banners, to the satisfaction of the Director Infrastructure Services.*

- 1.8 *The Mayoral Committee to retain the right to review its decision at any time within the 12-month period, and to remove any of the banners without notice, should this be necessary for lamp pole maintenance, relocation and / or safety considerations.*
- 1.9 *The Applicant, or mandated representative, to be responsible for the maintenance of the banners in a good order and to a standard commensurate with such high visibility installations, in consultation with the Director Infrastructure Services.*
- 1.10 *that a Memorandum of Agreement be drawn up between the Swellendam Heritage Society and the Swellendam Municipality with regard to the respective roles and responsibilities for the installation, to be signed by the Municipal Manager in terms his delegations."*

DISCUSSION

The pilot project was launched on 6 July 2019. No comments or objections have been received from the public. No official advertisements were placed. However, the Swellendam Heritage Association published a preview of the first Swellendam Crests on their Facebook page on 16 July 2019 and an article in the Zuid Courant.

A letter dated 9 September 2019 was received from the Swellendam Heritage Association requesting formal approval for the project. The twelve (12) month trial period has not been exhausted at that stage, but considering the fact that no input has been received from the community, it was decided that the matter could be considered for final approval.

The request was tabled to the Executive Mayor for consideration in terms of his delegated authority and he resolved as follows:

"This is considered a Heritage Project.

Permission granted to expand project along lower end of Voortrek Street (between Bethelsaal and Ashton intersection until further notice"

In October 2019 Council resolved as follows:

EXTRACT COUNCIL MINUTES: 23 OCTOBER 2019

RESOLVED

Item B20/23/10/2019

that it be noted that the Executive Mayor has resolved as follows in terms of his delegated authority:

1. that permission be granted to the Swellendam Heritage Association to expand the Family Crest Project along the lower end of Voortrek Street (between Bethelsaal and the Ashton intersection) until further notice.

The request is now to extend the project further in Voortrek Street, Swellendam.

LEGAL IMPLICATIONS

The Swellendam Municipal By-Law relating to Outdoor Advertising and Signage.

FINANCIAL IMPLICATIONS

None.

PERSONNEL IMPLICATIONS

None.

COMMUNICATION IMPLICATIONS

Placement of the public advertisement in the local media and on the municipal website.

COMMENTS FROM DEPARTMENTS

Director: Corporate Services

Concur with the recommendation.

Director: Community Services

No comments received.

Director: Financial Services

No comments.

Director: Infrastructure Services

No comments.

MUNICIPAL MANAGER

No comments.

RECOMMENDED

1. that permission be granted to the Swellendam Heritage Association to expand the Family Crest Project along the whole of Voortrek Street, Swellendam.

RECOMMENDED TO COUNCIL

1. that permission be granted to the Swellendam Heritage Association to expand the Family Crest Project along the whole of Voortrek Street, Swellendam.

10.1.10

Item number A106. 24.07.2024

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

Report of the Director Community Services K. Stuurman

Department	Community Services
Section	Housing
File number	17/4/2/3/25/1

PURPOSE OF THE REPORT

To review Council Item A88 dated 27 June 2024 regarding the Swellendam, Railton Housing Development, the available erven and the beneficiary selection for Phase 3 of the project.

FACTS AND BACKGROUND

The undermentioned council resolution paragraph 1, 2 and 3 must be amended because of the incorrect aged categories

UNANIMOUSLY RESOLVED

Item A88/27/06/2024

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: 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 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 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.
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% or 90 houses allocated to the catchment areas, equally divided to 30 houses per town, 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 with three years on waiting list and three years proof of residence, first preference be given to farmworkers, and the remainder of the allocation reverting back to Swellendam, Railton should there be not enough beneficiaries in this category. (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)

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 I**). 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 I**.

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 Settlements' 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

The decision in the Item refers to the ages of the beneficiaries that was already approved by Council in phase 2. This Item seeks to address the ages for phase 3 which should be from 44 to 30 years. The Council decision must therefore reflect this age group.

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, Council meeting 27 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% or 90 houses allocated to the catchment areas, equally divided to 30 houses per town, 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 with three years on waiting list and three years proof of residence, first preference be given to farmworkers, and the remainder of the allocation reverting back to Swellendam, Railton should there be not enough beneficiaries in this category. (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)

DISCUSSION

The Executive Mayor, Councillor H.F. Du Rand indicated points 2 and 3 of the recommendation suggested that the younger beneficiaries must comply with the same timeframe such as the older group in the previous phase and asked whether the process would be fair if done in this manner.

He proposed that the item be withdrawn to be discussed further by the Mayoral Committee and Senior Management to make sure that the process was fair in terms of the time frame for the younger age groups as it would have a significant impact on the families in need within the municipality.

RESOLVED

Item A106/22/07/2024

that the item be **WITHDRAWN** for further discussion between the Mayoral Committee and Senior Management on the time frame of beneficiaries' residency for the age groups within phase 3 of the 950-housing project whereafter the item be tabled to the Portfolio, Mayco and Council meetings next ensuing.

10.1.11

Item number A107. 22.07.2024

MONTHLY REPORT OF MUNICIPAL MANAGER: JULY 2024

The following report on activities for June and July 2024 is presented:

SKILLS AUDIT

In summary the status of the skills audit process at Swellendam Municipality is as follows:

- Several skills audits were done in the past and information was captured on the Gapskill system.
- The last skills audit was done manually after the system became inaccessible /unavailable.

Agitominds, the consultant appointed by the Local Government (WC Province), had as part of their mandate the obligation to complete a skills audit in line with the MSR.
- Due to unavailability of the system and lack of progress. Agitominds could not perform the skills audit to date.

COGTA confirmed that the updated SKILLS reporting system is not accessible and available to Municipalities yet, with the first phase to commence from 1 July 2024 to **30 October 2024** for the following departments (Financial services, corporate services, administrative support staff in the offices of public office bearers (office of the MM, office of the Mayor). The second phase will commence from 1 November 2024 to **30 June 2025** for the following departments (Community services, Development and Town Planning Services; Public Works and Basic Services (Technical Services). Swellendam Municipality is currently in the process of sourcing capacity to adhere to these time -frames and awaits the promised training sessions as mentioned in the presentation.

The intention to use staff e-mails as an access link to the system is a concern because approximately 70% of staff members do not have work e-mails, computers /laptops, or the level of computer literacy to update their profiles.

ACTING DIRECTOR: TECHNICAL SERVICES

The Acting Director: Technical Services took office on 1 July 2024. One of the candidates for the filling of the vacancy withdrew. It is recommended that the position be re-advertised. A report will be tabled to Council.

TRANSNET PROPERTY

The Municipality paid the purchase price to the transferring attorneys. The bank guarantee is thus in the process of cancellation. The Municipality is engaging the transferring attorneys on the Notarial Deed transfer.

The Municipality is struggling to obtain feedback from an appropriate person on the future development of the procured funding. The Department of Local Government: Western Cape was approached to help to establish contact.

Waste to Energy Tender

Stage 1 of the W2E tender is currently being evaluated by:

1. Johan van Niekerk
2. Sam du Preez (MISA - advisors)
3. Willem Treurnicht
4. Bartho Burger
5. Randall Theodore

Peter Silbernagl opted out of the process. Stage 1 should be complete by mid-August. Stage 2 will take 180 days, so the tender will then be finalised by [February 2025](#).

With preliminary scrutiny in phase 1, it was decided to recommend that all five tenderers move to stage 2, during which more detailed presentations will be made and an external expert will be appointed to evaluate the submissions.

The W2E project has the potential to generate between 2 and 12 MW, depending on which of our neighbouring municipalities join us.

SOLAR MAST LIGHTING MATJOKS

The two solar highmast lights were successfully erected in Matjoks as part of service delivery improvement that will contribute to a safer environment. The solar lighting highmast solution for outdoor open areas and rural applications provides a high-performing, robust option for off-grid solar lighting requirements.

REVIEW OF RIVER BY-LAW

The Swellendam and Hessequa Municipalities use the same By-Law which dates back to 1998, but was re-worked in 2012 / 2013.

Langeberg Municipality was approached and agreed to collaborate with Swellendam and Hessequa Municipalities on the review of the river by-law. Swellendam Municipality will drive this process. The river by-law will affect the management of the Breede River, with implications for day-to-day management and operations. Swellendam, in conjunction with the Hessequa Municipality, initiated the process to update/tweak the existing By-Law for the lower section of the use of rivers, specifically as applicable to the Breede River, and the BR estuary to the sea. Consultation will take place with all stakeholders, including the Lower Breede Conservation Trust

OVERBERG WATER ENGAGEMENT

Overberg Water's Chief Executive Officer, Dr Buthelezi, and Technical Director, visited Swellendam Municipality and met with the Municipal Manager, Technical Director, the Snr Manager Technical Services, and the Manager Water Services. During the meeting, the services provided by Overberg Water as a Water Service Provider, within the Water Service Authority of Swellendam Municipality's area was discussed. Overberg Water provides water to Stormsvlei, a portion of Malagas, Rietkuil and farmers. The farmers in the region complain about disruption to service, short notice of disruptions, poor water pressure, and poor maintenance. Overberg Water indicated that they are installing mechanisms to restrict water extraction along their network to allow for only the allocated amount to be extracted so that the water supply can be shared equitably. This project should be completed in November of this year.

Swellendam Municipality requested that Overberg Water become part of the discussions led by the Human Rights Commission in Stormsvlei on the supply of water to a private farm. The CEO indicated that he was unaware of these discussions. The information was shared with him by the Municipal Manager. Swellendam Municipality further requested that it should be explored if water from Overberg

Water could be supplied directly to Nuwe Tarief, Malagas, and requested that everything possible must be done to ensure that Rietkuil has sufficient water during the summer months. A request was made that Overberg Water continues to engage with the farming communities and associations to ensure that service provision challenges are addressed timeously.

SUURBRAAK CPA

The Municipal Manager, Director Community Services, and the Senior Manager: Technical Services engaged with representatives of the CPA in Suurbraak on 18 July 2024 around Vatmaar, Rietkuil, and Oorkant die Rivier. Clarifications on ownership of property and right of way were sought and discussed. It was emphasized that there was no formal town establishment at Rietkuil and that this was just a sub-divided area. The upgrade to the water infrastructure at Rietkuil, undertaken by the Municipality, will take place on the existing footprint. There are no registered roads in the Rietkuil area and access to properties is guided by established right of way.

Property sales on Oorkant die Rivier are guided by property rights established in the Constitution. No development restriction prohibits building that complies with the National Building Act, in this area.

It was noted that the CPA does not support the extension of Vatmaar.

The CPA as well as the Municipality do not receive any feedback from the Department of Rural Development and it was agreed that the Municipal Manager approach the Department of Local Government to facilitate open communication with the relevant Department.

ASLA CSI CONTRIBUTION

A meeting was held with ASLA on their Corporate Social Investment contribution in terms of the current housing project. ASLA shared that they established a social trust to manage their contribution and that they appointed a person to liaise with the Municipality on the CSI project contained in the Integrated Development Plan. The establishment of a Place of Safety was identified as the primary project. Further discussions with the active Place of Safety in Bredasdorp will take place.

The possibility to contribute expertise or other support to the re-establishment of the Thusong Centre, was also discussed and will be followed up, closer to the implementation of the project.

SALGA PEC AT ARNISTON

The Executive Mayor, Municipal Manager, and Director: Community Services attended the SALGA Overberg PEC meeting at Arniston on 17 July 2024 where a presentation was done on backyard dwellers. Input on land invasion, unlawful land occupation, landfill sites, solid waste, and the impact of load shedding on finances, was also provided. The PEC requested that attendance of workshops improve and that relevant mandates must be provided to those who attend the necessary workshops.

ASSET COUNT

The Internal Audit Unit undertook an asset count for the Office of the Auditor General on 27 and 28 June 2024. This was a physical inventory count, with the necessary supporting documentation provided.

PIE AND ESTA WORKSHOP ON 27 JUNE 2024

SALGA held a PIE and ESTA workshop on 27 June that could not be attended by officials due to the attendance of the Council meeting. The Municipal Manager followed up with SALGA on the content of the meeting and it was confirmed that there have been incoherencies, misinterpretations, and intended misconceptions of the PIE Act. In interpreting and applying the PIE Act the Courts in their

judgments appeared to have exercised the discretions towards interpreting the legislation to be inclusive of certain categories to which it was not intended. The Minister of Human Settlements has been requested by Minister of Home Affairs to amend the act as it impacts issues of citizenship and rights.

The Department has set up a steering committee to assist in this regard. The committee is comprised of COGTA, SALGA, Provinces, Metros, DARDLR, DHA and Entities. The Department through its legal and policy services unit is appointing a service provider to assist in crafting the amendments. The Department had in the past crafted a policy framework that has the following key principles that should be used when crafting the amendments:

- 1.1.1. **Defaulting Mortgagors Cannot Be Sheltered Under the PIE Act:** Mortgagors are protected primarily by the terms and conditions of the signed credit agreement. Furthermore, they are comprehensively protected by the National Credit Act, 2005, Consumer Protection Act, 2009; the Financial Advisory and Intermediary Services Act, 2002, Housing Consumer Protection Measures Act of 1998 and Office of the Banking Ombudsman. Furthermore, for distressed homeowners, the big four banks have mechanisms to assist heavily indebted mortgage account holders to evade foreclosures and their devastating effects. ABSA has 'Help You Sell', First National Bank has the 'Quick Sell'; Nedbank has the 'Assisted Sales Programme' and Standard Bank offers 'Easy Sell' intervention.
- 1.1.2. **Defaulting Tenants Cannot be Subjected to PIE Act:** Principles for Protection Tenants with terminated lease contracts cannot be protected by the provision of the PIE Act but through pertinent legislative instruments and rental housing mechanisms Lease contracts and terminated lease contracts are primarily between Lessor and Lessee and disputes arising should be subjected to the Rental Housing Act of 1999; the Consumer Protection Act, 2009; the Rental Housing Tribunals, etc.
- 1.1.3. **The owner of land and landed properties must take reasonable measures to protect the land or property from unlawful occupation:** The policy principle is further underlined by the land and property owner's application of reasonable measures to protect the land or property from unlawful occupation. The land and property owner must take all reasonable steps to secure land, buildings and structures to prevent invasion or unlawful occupation. Thus, the government cannot be held liable if the land owner failed to take all reasonable steps to prevent unlawful occupation except in cases where law and order measures have when legally mobilised failed to execute their functions.
- 1.1.4. **Metros submissions on alternative accommodation versus resources as well as norms and standards are not merited:** The Courts have enjoined provinces and municipalities in respect of the provision of alternative accommodation. The protection can be carried through the provision of alternative accommodation. The Emergency housing assistance does provide the required relief. The assistance does not have to be equivalent to applicable national norms and building standards. From a policy practice perspective, any contrary submissions by provincial and local governments on alternative accommodation versus availability of resources are not merited. The overarching principle is that the Constitutional Court in some of its rulings (viz. Isak Baron and Others Versus Claytile (Pty) Limited and City of Cape Town) also recognised that the right to adequate housing is limited by the availability of resources at national, provincial and local government level. This means that illegal occupiers cannot avoid eviction simply by claiming that the alternative accommodation is unsuitable.
- 1.1.5. **The national, provincial, and local must promote meaningful engagements and participation as an intermediary mechanism** The first point of pursuit should rather be to promote the concept of meaningful engagement and participation in evictions by all parties involved to find one another. This principle carries an undertaking that before

- carrying out any evictions, and particularly those involving large groups all feasible alternatives should be explored in consultation with the affected persons.
- 1.2. The Department has crafted a White Paper for human settlements. In the White Paper the Department commits to ensure the prevention of homelessness.
 - 1.2.1. It will ensure adequate emergency responsiveness with well-managed temporary facilities.
 - 1.2.2. Municipalities will develop Integrated Spatial Human Settlement Plans that prioritise the establishment of Emergency Housing provisions to cater to the marginalised and vulnerable. Further, this plan will ensure that gender-specific considerations in terms of demand/need, as well as for people with disabilities, the aged, the homeless, and the displaced are made.
 - 1.2.3. The White Paper includes the addressing record of rights, land audit and development of asset registers for land landed properties and creation of the transitional housing programme which will have its norms and rules.
 - 1.3. The Department is also reviewing the Housing Code. An emergency housing programme review is in process. It started a few years back. The guidelines for dealing with evictions have been crafted. The work on norms and standards now includes the use of alternative technologies. The programme of accreditation of municipalities to deliver housing was considered by MinMec in September 2023 and does not include the assignment of housing functions to local authorities. Municipalities must work together with Provinces. The work of powers and function will be done by COGTA.

It will assist the Department in engaging around existing jurisprudence and their implementation over the years, get details of how municipalities have responded (as best practice case studies), and perhaps set up a platform of the institution for coordinating the response to evictions with the Department of Rural Development, set a system of recording evictions, conducting an implementation evaluation on EHAP and discussions on plans to look at the resources e.g. land and budget. There is a limit to available government funding and there has to be prioritisation.

SMALL TOWN REGENERATION:

Swellendam was selected as a pilot project for the small-town regeneration project. A kick-off meeting with four other towns will take place on 25 July where information will be shared on what to expect over the next six months. Ron Brunings will be the project manager for this project. Training sessions will take place from 1 August onwards.

COOPER STREET MEETING

A meeting was held with residents of Cooper Street on 11 July to engage on the keeping of livestock in contravention of the zoning requirements. The meeting was well attended. It was decided that the five properties that are keeping livestock will apply to the Municipality to continue with the keeping of the livestock, after which a public participation process will be followed to solicit input on the matter. All inputs will be collated and presented to Council for a resolution.

PUBLIC EDUCATION SESSIONS

The public education session scheduled for Matjoks and Infanta was cancelled due to the extreme weather. These meetings will take place in August.

DISASTER MANAGEMENT: EXTREME WEATHER OCCURRENCES

July saw severe weather occurrences with cold, rain, and wind. Swellendam partook in the Disaster Management meetings. During the extreme weather occurrences, the situation was monitored.

Damage was limited to blown-off roofs and some stormwater challenges. Warnings were shared on the rising river levels. Malagas was adversely affected with several houses flooded.

TID TURN OVER

Syntell informed Management of challenges experienced with the TID changeover. Syntell will make a presentation directly to Council on this matter.

The above is a summary of activities for June/July 2024.

A Vorster
MUNICIPAL MANAGER

DISCUSSION

The Municipal Manager, Ms A. Vorster gave an overview of the report of the Municipal Manager for July 2024.

RECOMMENDED TO COUNCIL

that Council takes note of the monthly report of the Municipal Manager for July 2024.

10.1.12

Item number A108.

22.07.2024

ICT POLICIES 2024

Report of the Director Financial Services: Ms E. Wasserman

Department

Financial Services

Section

Expenditure

File number

6/1/B

PURPOSE OF REPORT

The purpose of the report is to consider the review and new internal ICT policies to address the audit findings on ICT during the 2022/2023 audits. The policies are attached as **Annexure J.1 – J.9** and major changes are indicated in red.

FACTS AND BACKGROUND

The ICT policies were last reviewed and approved in June 2024. The ICT policies must be annually reviewed.

DISCUSSION

The following policies were reviewed:

- 1) ICT Backup and Recovery Policy
- 2) ICT Network Access and Monitoring Policy
- 3) ICT Patch Management Policy
- 4) ICT Security Controls Policy
- 5) ICT Steering Committee Terms of Reference
- 6) ICT Strategic Plan
- 7) ICT Governance Policy
- 8) ICT Firewall Rules Policy (New)
- 9) ICT Disaster Recovery Policy

The ICT Strategic Plan was reviewed and improved to include the following matters identified:

- a) Upgrade Municipal Website;
- b) New Server Building in Swellendam.

The ICT Security Controls Policy was reviewed to address the following AG Findings:

- a) By amending par 20.4 to "every 42 days"
- b) By amending par 21.2 to "three invalid"
- c) By adding par 21.3 on screen timeout.
- d) By adding par 24.7 and 24.8 to include reporting and management of security incidents.
- e) By adding par 26.1 to 26.2.6 to include handling of forensic evidence.

The ICT Firewall Rules Policy was reviewed to address the following AG findings:

- a) By adding under par 8, firewall rule management the reporting requirements;
The other policies have remained unchanged.

The draft policies were submitted to a special ICT steering meeting for consideration.

Following the meetings minor changes were made and the policies are submitted for council consideration. Because this is internal policy it does not need to be submitted for public participation.

LEGAL IMPLICATIONS

- 1) Municipal Finance Management Act No, 56 of 2003
- 2) Western Cape Municipal Information and Communication Technology Governance Policy Framework, 2014;
- 3) Control Objectives for Information Technology (COBIT) 5, 2012
- 4) ISO 27002:2013 Information technology — Security techniques — Code of practice for information security controls
- 5) King Code of Governance Principles IV, 2009

FINANCIAL IMPLICATIONS

None

PERSONNEL IMPLICATIONS

None

COMMUNICATION IMPLICATIONS

None

COMMENTS FROM DEPARTMENTS

Director: Corporate Services

Director: Community Services

None

Director: Financial Services

None

Director: Infrastructure Services

None

Municipal Manager

None

RECOMMENDED

1. that Council approves the reviewed internal ICT policies attached **as Annexure J.1 – J.9** to be implemented from 1 July 2024.
2. that the ICT policies be reviewed annually to align with the latest developments in the municipal ICT environment.

RECOMMENDED TO COUNCIL

1. that Council approves the reviewed internal ICT policies attached **as Annexure J.1 – J.9** to be implemented from 1 July 2024.
2. that the ICT policies be reviewed annually to align with the latest developments in the municipal ICT environment.

10.2 Consideration of matters which require non-disclosure

None

10.3 Consideration of urgent matters

None

11 MINUTES OF THE PORTFOLIO COMMITTEES

RESOLVED:

that cognisance be taken of the following minutes:

11.1 Minutes of a Community Services and Housing Portfolio Committee meeting held on Wednesday, 08 May 2024.

11.2 Minutes of a Corporate and Financial Services Portfolio Committee meeting held on Wednesday, 15 May 2024.

11.3 Minutes of an Infrastructure Services Portfolio Committee meeting as held on Wednesday, 15 May 2024.

12 GENERAL

None

13 CLOSURE

The Executive Mayor thanked everybody for their time and commitment to attend the meeting.

The meeting adjourned at 15:24.

MPAC MEETING MINUTES



**MINUTES OF AN MPAC MEETING OF
SWELLENDAM MUNICIPALITY HELD ON TUESDAY,
MONDAY, 05 AUGUST 2024 AT 10:00 IN THE
COUNCIL CHAMBERS, RHENIUS STREET,
SWELLENDAM.**

**PLEASE RETAIN THIS DOCUMENT FOR RECORD
PURPOSES AS IT WILL NOT BE CIRCULATED
AGAIN.**

Yours sincerely.

**J.A. MATTHYSEN
CHAIRPERSON**

DATE

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MINUTES OF A MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC) MEETING OF SWELLENDAM MUNICIPALITY HELD ON MONDAY, 05 AUGUST 2024 AT 10:00 IN THE COUNCIL CHAMBERS, RHENIUS STREET, SWELLENDAM.

PRESENT:	Councillor	J.A. Matthysen	(Chairperson)
	Councillor	A. Bokwana	(Deputy Chairperson)
	Councillor	D. Julius	(Member of Committee)

IN ATTENDANCE:	A. Vorster	(Municipal Manager)
	E. Wasserman	(Director: Financial Services)
	E. Delport	(Acting Director: Infrastructure Services)
	K. Stuurman	(Director: Community Services)
	J. Etzebeth	(Manager: Administrative Support)

SECRETARIAT:

K. Opperman

RECORDING OFFICER:

L. van Rooi

ALSO PRESENT

Councillor G. Libazi (Alternate Member)

1. OPENING AND WELCOMING

At 10:00 the Chairperson, Councillor J.A. Matthysen welcomed everybody to the MPAC meeting and declared the meeting duly constituted with a quorum present. Councillor D. Julius rendered an opening prayer.

2. APPLICATION FOR LEAVE OF ABSENCE
--

None

3. CONFIRMATION OF MINUTES

Proposer:	Councillor A. Bokwana
Seconder:	Councillor D. Julius

RESOLVED:

- 3.1 that the minutes of the Municipal Public Accounts Committee (MPAC) meeting, held on Tuesday, 07 May 2024, copies of which were sent to all members within a reasonable time before the meeting, be taken as read and be hereby confirmed.

4 MATTERS ARISING FROM THE MINUTES OF THE PREVIOUS MEETING

4.1 **Matters arising from the minutes: p.5: Security Tender:**

In response to a question raised by the Chairperson, with regard to the security tender the Municipal Manager, Mrs A. Vorster shared that the tender closed and a few tenders were recieved which were now being evaluated.

5. SPEECHES AND SUBMISSIONS

None

6. MATTERS FOR CONSIDERATION

- 6.1 Items tabled by officials are reflected as follows:

6.1.1

Item number MPAC 7.

05.08.2024

2023/24 INTERNAL AUDIT REPORTS FOR THE PERIOD 01 APRIL 2024 – 30 JUNE 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 2023/24 Internal Audit Reports for the period 01 April 2024 – 30 June 2024 to the MPAC for cognizance and comments.

FACTS AND BACKGROUND

None

DISCUSSION

The 2023/24 Internal Audit reports for the period 01 April 2024 – 30 June 2024 to MPAC.

Annexures on Annexure A.1 to A.5:

1. 2023/24 Internal Audit Reports for the period 01 April 2024 – 30 June 2024. The following reports was submitted to the Audit and Performance Audit Committee on 26 June 2024:
 - Internal Quality Assurance and Improvement Program Review
 - 2023/24 3rd Quarter Performance Management Review
 - 2023/24 Supply Chain Management Procurement and Compliance Review
 - 2023/24 4th Quarter Follow-up Report
 - 2023/24 4th 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 function.

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 TO MPAC

1. that cognizance be taken of the 2023/24 Internal Audit Reports for the period 01 April 2024 – 30 June 2024.

DISCUSSION

The Municipal Manager, Mrs A. Vorster shared that Annexure A.1 was the 2023/2024 Internal Audit Quality Assurance Assessment completed by the Internal Audit Division to evaluate the the adequacy and effectiveness of the control activity, relating to compliance with Section 165 of the MFMA. She added that the report refers to the functionality of the Internal Audit Division and its ongoing activities relating to compliance with Part 2 of MFMA Circular 65: Internal Audit.

She said that the Chief Audit Executive position remained vacant but the function was being outsourced on a shared service basis whereby Mr F. Coetzee (ODM) acted in the position of CAE.

She added that the risk based audits was previously being managed by the Internal Audit Division but was moved to the Performance and Compliance Officer to monitor and control.

She shared that the Internal Audit Division was an independent function within the municipality who may not be subjected to interference it its processes by the administration.

The Municipal Manager also gave an overview of Annexure A.2 referring to the 3rd Quarter Performance Management Review and said that 49 KPI's had to be met for the 3rd quarter

but only 23 have been met of which reasons have been provided and tabled to Council. She added that corrective measures would be included in the final Annual Report to be tabled with the Audit Report to Council.

The Municipal Manager shared that Performance Management remained a concern, however, the Performance Management Officer was in the process to finalise the process with all the Departments and Directors. She said that the process should be finalised within the next two weeks.

In response to a question by the Chairperson with regard to page 6 of the 3rd Quarter Performance Management Review, referring to the third quarter actual performance, the Municipal Manager explained that the chart summarised the results of the 23 prescribed KPI's that had to be met for the quarter of which 9 (39.1%) was met and 14 (60.9%) was not met. She added that the past year was a challenging year for the municipality after the riots in August 2023 and all projects had to be put on hold which had a negative impact on capital spending.

With regard to the Supply Chain Procurement and Compliance report, Councillor A. Bokwana suggested that management had regular meetings to ensure that all relevant managers/directors approved documentation by going through it together and signing it as required.

In response to a question by the Chairperson regarding the awarding of tenders, the Municipal Manager explained that tenders would not always be awarded to the lowest bidder as the municipality would not only look at the price of the tender but also the functionality of the tender as all provided information would be evaluated.

With regard to the 3rd Quarter Follow-Up Report, the Chairperson raised a question as to why the ICT Steercom meetings were not consistently held in 2023 according to the ICT Steercom Terms of Reference whereby the Municipal Manager shared that the reason for the few meetings was due to the workload of the officials involved but the next meeting would be scheduled for the next quarter.

The Municipal Manager shared that the Internal Audit Division had a vacant position for an internship and the municipality was searching for a competent individual to fill this vacancy. She said that the CAE remained a shared service with Overberg District Municipality and that the recording of minutes of the Internal Audit Division would be performed by the Administrative Support Service division going forward.

With regard to the illegal land invasion, the Municipal Manager shared that 4 Law Enforcement Officers and 1 Supervisor has been assigned to Matjoks on a permanent basis to monitor the erection of illegal structures for it to be removed in time. She added that high mast lighting has been installed in Matjoks for safety purposes. She said that the Internal Audit Report on all the Informal Settlements and illegal land invasions will be reported to Council by end of August 2024. She added that the municipality was in process to implement the block development in Matjoks and arranged a meeting with the Department of Environmental Affairs to discuss any matters that might hinder the project.

The Municipal Manager also reported on the breakage at the N2 pumpstation and said that the service provider was on site to replace the pump as it was under guarantee and that the situation was under control.

RESOLVED

MPAC7/05/08/2024

1. that cognizance be taken of the 2023/24 Internal Audit Reports for the period 01 April 2024 – 30 June 2024

Minutes WCAMPAC Meeting

See Annexure B.

The Chairperson, Councillor J.A. Matthysen shared that the importance of the Municipal Public Accounts Committee was emphasised by Ms S. Kallen from the Office of the Auditor General SA where she explained the following: "The role of MPAC is to perform an oversight function on behalf of Council without interference in the administration and to assist Council with the promotion of good governance, transparency, and accountability in using the relevant tools provided [Annual reports, Auditor-General's report, etc].

In doing so MPAC focus on areas to review reports, engage the accounting officer with recommendations to Council, implement and monitor, and investigate and monitor "...Ensure that any investigations that have not been instituted, MPAC should ensure to institute investigations to avoid carry over from a previous year. Deal with matters immediately when it becomes known. Also ensure that you receive the feedback / results of any investigation reports and any consequence management actions taken"

Councillor Matthysen shared that feedback by the MEC for Local Government with regard to the full-time Councillor status of MPAC Chairpersons was expected at a meeting of the WCA MPAC scheduled for 6 August 2024.

7. GENERAL

8. CLOSURE

The meeting adjourned at 10:54.