



MUNISIPALITEIT THEEWATERSKLOOF MUNICIPALITY

[25 FEBRUARIE / FEBRUARY 2025]

RAADSVERGADERING / COUNCIL MEETING

NOTULE / MINUTES

25 FEBRUARIE / FEBRUARY 2025

MUNISIPALITEIT THEEWATERSKLOOF MUNICIPALITY
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THEEWATERSKLOOF MUNISIPALITEIT/ MUNICIPALITY

NOTULE VAN 'N RAADSVERGADERING GEHOU OP 25 FEBRUARIE 2025 OM 10:00 IN DIE RAADSAAL, MUNISIPALE KANTORE, CALEDON.

MINUTES OF A COUNCIL MEETING HELD ON 25 FEBRUARY 2025 2025 AT 10:00 IN THE COUNCIL CHAMBERS, MUNICIPAL OFFICES, CALEDON.

A. OPENING EN VERWELKOMING

Die Voorsitter, Speaker Raadslid WH Wells, verwelkom almal teenwoordig en open die vergadering.

OPENING AND WELCOME

The Chairperson, Speaker Councillor WH Wells, welcomed all present and opened the meeting with a prayer.

B. VERKIESING VAN WNDE SPEAKER (INDIEN NODIG)/ ELECTION OF ACTING SPEAKER (IF NECESSARY)

Nie van toepassing nie / Not applicable.

C. BYWONINGSREGISTER/ATTENDANCE REGISTER

C.1 Teenwoordig/Present Raadslede/Councillors

Raadsheer/Alderman LM de Bruyn
Raadsheer/Alderman CC Clayton
Raadslid/Councillor WH Wells
Raadsheer/Alderman DA Appel
Raadslid/Councillor CA Benjamin
Raadslid/Councillor M Botes
Raadslid/Councillor CT Cloete
Raadsheer/Alderman S Fredericks
Raadslid/Councillor M Gana
Raadslid/Councillor DA Jacobs
Raadslid/Councillor D Jooste
Raadslid/Councillor H Linnerts
Raadslid/Councillor JD Lekhori
Raadslid/Councillor TP Lemina
Raadslid/Councillor RL Mienies
Raadsheer/Alderman BB Mkhwibiso
Raadslid/Councillor M Mpambani
Raadslid/Councillor MA Nomkoko
Raadsheer/Alderman MR Nongxaza
Raadslid/Councillor V Papier

Raadsheer/Alderman M Plato-Mentoor
 Raadslid/Councillor MS Shale
 Raadslid/Councillor J Smit
 Raadslid/Councillor PJ Stander
 Raadslid/Councillor H Syster
 Raadslid/Councillor YM van Tonder
 Raadslid/Councillor TB Zimmermann

Amptenare / Officials

Mnr./Mr W Hendricks	(Wnde Munisipale Bestuurder) (Acting Municipal Manager)
Mnr./Mr GW Hermanus	(Direkteur: Korporatiewe Dienste) (Director: Corporate Services)
Mnr./Mr. P Mabhena	(Direkteur: Finansies) (Director: Finance)
Mnr./Mr WSE Solomons-Johannes	(Direkteur: Gemeenskapsdienste) (Director: Community Services)
Mnr./Mr H Mathee	Wnde Direkteur: Tegniese- en Infrastruktuur Implementeringsdienste) (Acting Director: Technical- and Infrastructure Implementation Services)
Me./Ms N Baliso	(Wnde Direkteur: Ekonomiese Ontwikkeling en Beplanning) (Acting Director: Economic Development and Planning)
Mnr./Mr A Opperman	(Hoof Uitvoerende Ouditeur) (Chief Audit Executive)
Mnr./Mr V Arendse	(Bestuurder: GOP) (Manager: IDP)
Me./Ms M Faul	(Bestuurder: Korporatiewe Dienste) (Manager: Corporate Services)
Me./Ms L Kilowan	(Snr Admin Beampte: Raadslidondersteuning) (Snr Admin Officer: Councillor Support)
Me./Ms T Habelgaarn	(Kommunikasie Beampte) (Communication Officer)
Me./Ms S Baron	(Sekretariaatdienste) (Secretariat Services)
Me./Ms. F Ngxowa	(Assistent Vertaler) (Assistant Translator)
Mnr./Mr N Parnell	(Sekuriteit Administrateur: IKT) (Security Administrator: ICT)
Me./Ms L Absalom	(Tydelike Nakomingsbeampte GOP en Prestasiebestuur) (Temporary Compliance officer IDP and Performance Management)

C.2 Aansoek(e) om verlof tot afwesigheid:
Application(s) for leave of absence:

Geen / None

D. NOTULES EN/OF VERSLAE VAN DIE UBK VIR KENNISNAME VAN DIE RAAD / MINUTES AND/OR REPORTS OF THE EMC FOR COGNIZANCE OF COUNCIL

D.1 Notule van UBK Vergadering: 14 Januarie 2025

Die Raad neem kennis van die Notule van die Spesiale vergadering van die Uitvoerende Burgemeester en sy Komitee gehou op 14 Januarie 2025, op voorstel van Raadsheer M Plato-Mentoor en gesekondeer deur Raadsheer S Fredericks.

Minutes of EMC Meeting: 14 January 2025

Council takes cognizance of the Minutes of a Special meeting of the Executive Mayor and his Committee held on 14 January 2025, on a proposal by Alderman M Plato-Mentoor and seconded by Alderman S Fredericks.

E. BEKRAGTIGING VAN NOTULES EN/OF VERSLAE VAN DIE RAAD
CONFIRMATION OF MINUTES AND/OR REPORTS OF COUNCIL

E.1 Notule van Raadsvergadering: 23 Januarie 2025

BESLUIT :

Om op voorstel van Raadslid P Stander gesekondeer deur Raadsheer C Clayton die Notule van die Raadsvergadering van 23 Januarie 2025 hiermee goed te keur, te bekragtig en te laat onderteken as prima facie bewys van die juistheid daarvan.

Minutes of Council Meeting: 23 January 2025

RESOLVED:

To, on proposal by Councillor P Stander, seconded by Alderman C Clayton, hereby approve, confirm and have signed the Minutes of the Council Meeting of 23 January 2025 as prima facie evidence of its correctness.

F VERKLARINGS EN MEDEDELINGS DEUR DIE SPEAKER /
STATEMENTS AND COMMUNICATIONS BY THE SPEAKER

Aangeheg as aanhangsel tot die notule / Attached as annexure to the minutes.

SPEAKER Opening Statement: Cllr Wells

Full Council Meeting: 25 February 2025

Subject: Report on Ward Councillors' Community Feedback Meetings for Quarter 3

Good morning, Councillors, - Acting Municipal Manager, - Officials and Members of the Public

Let us acknowledge that the administration is working hard to ensure that the advice and guidance for a Financial Recovery Plan that was presented in this council is adhered to.

I am hopeful that the desired outcome will manifest into a stability – but most importantly on a sustainable financial route.

The AGENDA for today is packed with important issues to discuss constructively – and debate with solutions and proposals that are addressable. This chamber is to discuss, debate, disagree, agree or to reach consensus on proposals through constructive engagements.

Council- As I said in the previous council meeting...

I will report and give feedback on the implementation of Council decisions that was taken by this council. My feedback will also include the Oversight Function of the Office of the Speaker.

Today, The Office of The Speaker will report on the performance and functioning of the Ward Councillors Feedback meetings for Quarter 3. These meetings were scheduled to convene in January and February for the 2024/2025 financial year.

As per the established schedule, these meetings were to engage with residents and provide them with valuable updates on ward based and municipal affairs. These quarterly meetings aimed to foster open dialogue between council, the administration and the communities we are accountable to. These meetings are intended to allow residents to voice their concerns, ask questions, and offer suggestions on WARD BASED programmes and projects that directly have an impact their daily lives.

Allow me to briefly summarise the key takeaways from these meetings that took place

The primary goal of all these scheduled meetings was to keep our communities informed on the projects and programmes for WARDS.

These ITEMS are raised in Ward Committee Meetings to be formally tabled to become legitimate part of council decision making.

Also, the **Ward Based Business Plans** for each ward must be implemented by the respective Town Managers and be monitored by our Ward Committees as part of their Oversight function.

The Office of the Speaker will monitor the implementation of Ward Action Plans to ensure that we don't obliterate the voices of the TWK citizens.

Throughout the various meetings, a number of functioning issues was identified and repeated as priority challenges.

These issues need urgent attention from our Town Managers

Some of the priority issues with recommendations includes;

1. Transport plans and arrangements for committee members
2. Transport plans for Community Members to attend and participate
3. Alternate meeting venues – or rotating venues. We can follow the example of Ward 2 where meetings are scheduled in each VD to ensure public participation.
4. We can book meeting venues closer to the majority of residence to take TWK to the people.
5. The distance to and from host venues must be addressed
6. Another issue is the fixed 7pm time that needs to be addressed – “Why can’t we have meetings during daytime in wards where the majority of people is available.
7. Lastly, WARD Exco Membership can be adjusted to align with Sectors relevant to economic and social profiles of the WARD.

Council, these concerns were expressed across both urban and rural wards.

This highlights the importance to implement our Ward Based Business Plans.

I am pleased to report that - for the most part, our Ward Councillors have done a commendable job in engaging with their communities through feedback meetings.

They facilitated productive discussions, responded to concerns, and made valuable notes for future action.

In most cases, attendance was reasonable, reflecting the active interest of our residents.

Issues were raised by residents with the expectation to be discussed at the next participating platforms.

8 out of the 14 WARDS are functioning

6 out of the 14 WARDS are not functioning

Out of the 6 non-functional wards, 1 ward did not convene to constitute a Ward Committee

5 of the 8 Functioning WARDS have no Ward Committee Vacancies

3 of the 8 Functioning WARDS have 6 Vacancies

There are 14 Vacancies in constituted non-functional Wards

Reporting these statistics, I am worried, and we must acknowledge that there are challenges.

Some meetings did not take place as planned due to various reasons.

Some of the reasons include low attendance in certain Wards due to unforeseen circumstances.

The most notable are;

1. Communication to residents pre and on scheduled meeting dates,
2. Lack awareness initiatives,
3. Lack of outreach programmes

These gaps must be addressed.

Moving forward we must ensure that every ward benefits from active engagements by participating on these enabling platforms.

The Office of the Speaker will try its best to improve attendance.

Public participation is crucial - not only to address issues, - but also to ensure that we are transparent in following up on the outcomes and feedback from these meetings.

The concerns of our residents should not just be heard; THEY must see result and outcomes that improves the quality of life their family, neighbours and friends.

I want to emphasise the importance of continued dialogue between council and the communities we represent.

We have committed Ward Committee Members – that are committed.

They have laid the groundwork for meaningful engagements.

But they also depend on our collective responsibility to respond with actions that show we value these interactions and are committed to making a difference.

In conclusion, I want to encourage all Cllrs – that includes WARD and PR Councillors to study the WARD REPORTS and see what each of us as Cllrs can do to improve meeting attendance – and do our part to foster a culture of accountability to address issues raised in public participation meetings

Thank you.

G. VERKLARINGS EN MEDEDELINGS DEUR DIE UITVOERENDE BURGEMEESTER /

Ons het verlede week 'n sessie gehou oor die stand van sake van die munisipaliteit. Ons is almal bewus gemaak van die toestand waarin Theewaterskloof Munisipaliteit verkeer. As Raadslede moet ons aandag skenk aan die uitdagings wat ons ervaar en die aanbieders het oplossings voorgestel. Ons moet almal seker maak dat hierdie munisipaliteit weer begin funksioneer.

Dit is ons plig as Raadslede, en nie net die koalisies nie, om hierdie munisipaliteit te laat werk. Ons verteenwoordig almal ons gemeenskappe en kan dit saam as 'n span bereik. Ons het dit as saamgestelde koalisie geërf en ons sal dit bestuur. Laat ons enige verskille tussen ons opsy skuif.

STATEMENTS AND COMMUNICATIONS BY THE EXECUTIVE MAYOR

Last week we had the Session regarding the State of Affairs of the municipality. We were all made aware of the state of which Theewaterskloof municipality is. It is for us as Councillors to address the challenges that we have and the presenters did come up with solutions. All of us must ensure that this Municipality become functional again.

It is our duty as Councillors, not only the coalitions, to make this municipality work. We are all representing our communities and as a team we can achieve it. We as the joined coalition inherited it and we will manage it. Let us put our differences aside.

H. VOORLEGGINGS / PRESENTATIONS

H.1 *Mr S Kenyon regarding the section 139(5) intervention*

(The presentation will not be presented at the council meeting)

I. VERSLAE VOORGELê DEUR KANTOOR VAN DIE MUNISIPALE BESTUURDER
REPORTS PRESENTED BY OFFICE OF THE MUNICIPAL MANAGER

ITEM TITLE

**C24/2025 OFFICE OF THE MUNICIPAL MANAGER: ACTING APPOINTMENT
OF DIRECTOR: ECONOMIC DEVELOPMENT AND PLANNING AND
DIRECTOR: TECHNICAL AND INFRASTRUCTURE
IMPLEMENTATION SERVICES**

[English version of the report is the original]

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

Council resolved that the agenda-item be discussed In-Committee.

ITEM TITLE

C25/2025 OFFICE OF THE MUNICIPAL MANAGER: MANDATE: COLLECTIVE AGREEMENT ON CONDITIONS OF SERVICE FOR THE WESTERN CAPE DIVISION OF THE SALGBC

[English version of the report is the original]

FILE NUMBER

4/B

PURPOSE OF REPORT

To submit a report and recommendation to the Municipal Council in respect of obtaining a mandate on certain sections in the draft collective agreement on Conditions of Service for the Western Cape Division of the SALGBC.

BACKGROUND

The Collective Agreement on Conditions of Service for the Western Cape Division of the SALGBC came into operation for a second period on 1 April 2016 and expired on 30 June 2019. The parties in the Division resolved to extend the Agreement on various occasions. The Agreement has now been extended to 30 June 2025.

DISCUSSION

The parties in the Bargaining Committee, SALGA, IMATU and SAMWU, reached consensus on changes to the Collective Agreement, the majority of which are procedural issues. However, SALGA indicated that it must obtain a mandate from its members on two issues.

Therefore, municipalities are requested to specifically consider the following two proposals regarding Clause 11.3 and Clause 12.6 of the Agreement, and to indicate their support or opposition thereto:

Clause 11.3

"In the event that an employee retires at the age of 65 and does not meet the long service threshold depicted in par 11.1, a pro rata long service benefit will be applicable. This will only apply from 20 years long service and onwards.

To demonstrate:

- *Employee has 33 years' service at retirement date.*
- *The employee should then receive 3/5 of 35 working days. i.e., 21 working days pro rata long service at his retirement date".*

Clause 12.6

"Employees above the threshold who receive time off in lieu of overtime worked subject to Section 12.4 and who cannot take the time off within 12 months of accrual of such time due to operational requirements, shall be afforded the opportunity to encash such leave at the rate of accrual. The operational requirements must be confirmed in writing by the delegated authority which should include an application to take the leave and refusal."

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

None

LEGAL RESPONSIBILITIES

Collective Agreement: Conditions of Service on Conditions of Service for the Western Cape Division of the SALGBC

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

None

RECOMMENDATION BY ITEM AUTHOR TO COUNCIL:

It is recommended:

- 1. That Council notes the content of the report.**
- 2. That Council agrees to the amendments in respect of the draft agreement as highlighted in the circular.**

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman MR Nongxaza and seconded by Alderman BB Mkhwibiso, it was resolved as follows:

- 1. Council noted the content of the report.**
- 2. Council agrees to the amendments in respect of the draft agreement as highlighted in the circular.**

For finalization by the Senior Manager: Human Resources, Mr J Amansure.

ITEM TITLE

**C26/2025 OFFICE OF THE MUNICIPAL MANAGER: DEPARTMENT INTERNAL
AUDIT: PERFORMANCE- AND AUDIT COMMITTEE REPORT: 1
OCTOBER 2024 – 31 DECEMBER 2024**

[English version of the report is the original]

FILE NUMBER

5/14/1/2

PURPOSE OF REPORT

The purpose of the report is to report to Council on the functions of the Performance- and Audit Committee (PAC) performed for the period 1 October 2024 – 31 December 2024.

BACKGROUND

According to the MFMA (Municipal Financial Management Act) No.56 of 2003, Section 166 (2):

- (2) An audit committee is an independent advisory body which must-
- (a) advise the municipal council, the political office-bearers, the accounting officer and the management staff of the municipality, or the board of directors, the accounting officer and the management staff of the municipal entity, on matters relating to-
 - i. internal financial control and internal audits;
 - ii. risk management;
 - iii. accounting policies;
 - iv. the adequacy, reliability and accuracy of financial reporting and information;
 - v. performance management;
 - vi. effective governance;
 - vii. compliance with this Act, the annual Division of Revenue Act and any other applicable legislation;
 - viii. performance evaluation; and
 - ix. any other issues referred to it by the municipality or municipal entity;

DISCUSSION

The revised Performance- and Audit Committee Charter was approved by Council on 30 April 2024.

Paragraph 4.1 of the Charter states: It is required from the PAC to quarterly, update the Council about committee activities and make appropriate recommendations where needed.

The quarterly PAC report for the period 1 October 2024 – 31 December 2024 is attached to this item.

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

None

LEGAL IMPLICATIONS (ITEM AUTHOR)

Municipal Financial Management Act, No.56 of 2003, Section 166(2)

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

None

RECOMMENDATION BY ITEM AUTHOR TO COUNCIL:

It is recommended that Council takes note of the Performance- and Audit Committee Report for the period 1 October 2024 – 31 December 2024.

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, it was unanimously resolved as follows:

Council noted the Performance- and Audit Committee Report for the period 1 October 2024 – 31 December 2024.

For finalization by the Chief Audit Executive, Mr A Opperman.

ITEM HEADING

C27/2025 DIRECTORATE TECHNICAL SERVICES: SECTION 78
INVESTIGATION – PHASE 2 – OVERBERG WATER BOARD

[English version of the report is the original]

FILE NUMBER

16/1/13/B

PURPOSE / AIM OF REPORT

To present Phase 2 of the Section 78 Investigation and to inform Council of the results, conclusions and recommendations made in providing sustainable solutions to ensure clean and safe water delivery to the Caledon / Myddleton Communities and the intention to launch the 3 phase (Final) of the Section 78 Assessment.

BACKGROUND

Water, sanitation and refuse services are the responsibility of the Theewaterskloof (TWK) Municipality's Directorate of Community and Technical Services with its centralised management situated in Caledon. This is excluding the supply of potable water to Caledon and approximately 350 farms within the TWK boundary, which is the responsibility of Overberg Water (OW) which acts as an external Water Services Provider (WSP), via the DWAF's Rûensveld West Water Supply Scheme (RWWSS).

The current agreement between TWK and OW is set to expire in 2030, and as such, a Section 78 (S78) Assessment was triggered according to the Municipal Systems Act (MSA), Act No 32 of 2000.

Engineering Advice & Services Western Cape (Pty) Ltd (EAS) was appointed under contract: TECH 01/2022/23: Appointment of Consultants for Various Engineering and Groundwater Projects for a Three-Year Period From 01 July 2022 to 30 June 2025 in the Theewaterskloof Municipal Area. Subsequent to this appointment, EAS was awarded a work package to carry out the S78 for Purified Water Provision to Caledon. The scope of works for this project includes all three phases of the S78 study as defined in Section 2 of the report.

DISCUSSION

The process is defined in three distinct phases, of which this report highlights the outcomes of Phase 2:

Phase 1

During Phase 1 the following are assessed:

The direct and indirect costs and benefits if the service is to be provided through an internal mechanism, including the expected effect on the environment and on human health, well-being and safety.

The municipality's capacity and potential future capacity to furnish the skills, expertise and resources necessary for an internal mechanism.

The extent to which the re-organisation of the municipality's administration and the development of its human resource capacity could be used to provide the service through an internal mechanism.

The likely impact on development, job creation and employment patterns in the municipality.

The views of organised labour.

Any developing trends in the sustainable provision of municipal services.

Based on the findings of Phase 1, the municipality must decide whether an internal mechanism is feasible to provide the service or whether external mechanisms need to be assessed

Phase 2

In the event that a decision is taken to explore external mechanisms, the municipality is obliged to give notice to the local community of this decision, and then to assess the various service delivery options, as described in Section 76 (b) of the MSA, in terms of similar criteria to those used in Phase 1 of the process. Following the review of external options, the municipality must decide on an appropriate internal or external mechanism. The municipality's decision should take into account the criteria outlined in Section 73 of the MSA.

Phase 3

In the event that the municipality opts for an internal mechanism, it is obliged to allocate sufficient human, financial and other resources necessary for the proper provision of the service and to transform the provision of that service in accordance with the requirements of the MSA. Should the municipality elect to utilise an external mechanism it is obliged to establish a consultation mechanism, with which to consult with the community during the process of finalising the service delivery agreement between the municipality and the selected service provider. The nature of this process will vary depending on the nature of the selected service provider.

Organised Labour

The views of organised labour forums within TWK Municipality, as per the meeting held, are that an internal mechanism is unfeasible for the municipality at this stage and would have a negative effect on the employees and community in the area. It was noted that the existing agreement should be renewed with additional clauses that ensure OW upholds its responsibilities in providing effective and compliant service delivery.

COMMENTS FROM THE OFFICE OF THE MUNICIPAL MANAGER

The listed recommendations are supported.

COMMENTS FROM THE DIRECTORATE FINANCE

Finance is in support however on Phase 3 the cost of appointment of the external service provider needs to be determined to ensure sufficient budgetary provisions are made.

COMMENTS FROM THE DIRECTORATE TECHNICAL AND INFRASTRUCTURE IMPLEMENTATION SERVICES

Content of the report is noted.

The appointment for the current service provider is all inclusive of all the phases therefore the study needs to be concluded in FY 24/25 that the Municipality can obtain the comments from the external stake holders at their own cost.

COMMENTS FROM THE DIRECTORATE COMMUNITY SERVICES (OPERATIONAL)

Supported.

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

A costing and economic analysis of the different options was conducted and is summarized in the Phase 2 Report.

LEGISLATIVE IMPLICATION (ITEM AUTHOR)

By assessing potential service delivery mechanism to provide sustainable, quality potable water to our consumers, Theewaterskloof Municipality will comply with the following legislation:

- Constitution of South Africa
- National Water Act
- Local Government: Municipal Systems Act (Act No 32 of 2000)
- Non-compliance can lead to fines or imprisonment

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

The OWB Contract is coming to an end in 2030. To provide Sustainable quality drinking water to the communities of TWK, the Section 78 process needs to be conducted and completed before the end of the Contract.

RECOMMENDATION BY ITEM AUTHOR:

Based on the Phase 1 and 2 Investigation of the Section 78 it is recommended:

- 1. That note be taken of the Draft Phase 2 Report of the Section 78 and its conclusions and recommendations**
- 2. That note be taken of the Recommended Adjustments to the Current Contract under Clause 5 of the Section 78 Phase 2 Report.**
- 3. It is thus recommended that the Overberg Water Board be utilised as the external mechanism to supply potable water to the town of Caledon beyond the 2030 agreement.**
- 4. In addition, it is recommended that the changes identified in this report be implemented to strengthen the current agreement and increase quality and reliability of the system, if managed correctly by both parties.**
- 5. That Council approves the commencement of Phase 3, based on the recommendations, where the Municipality must establish a programme for community consultation and information dissemination regarding the appointment of the external service provider and the contents of the service delivery agreement. The contents of a service delivery agreement must be communicated to the local community through the media.**

RECOMMENDATION BY MANAGEMENT TO THE TECHNICAL- AND INFRASTRUCTURE IMPLEMENTATION SERVICES COMMITTEE: 09 JANUARY 2025

Based on the Phase 1 and 2 Investigation of the Section 78 it is recommended:

- 1. That note be taken of the Draft Phase 2 Report of the Section 78 and its conclusions and recommendations**
- 2. That note be taken of the Recommended Adjustments to the Current Contract under Clause 5 of the Section 78 Phase 2 Report.**
- 3. It is thus recommended that the Overberg Water Board be utilised as the external mechanism to supply potable water to the town of Caledon beyond the 2030 agreement.**
- 4. In addition, it is recommended that the changes identified in this report be implemented to strengthen the current agreement and increase quality and reliability of the system, if managed correctly by both parties.**
- 5. That Council approves the commencement of Phase 3, based on the recommendations, where the Municipality must establish a programme for community consultation and information dissemination regarding the appointment of the external service provider and the contents of the service delivery agreement. The contents of a service delivery agreement must be communicated to the local community through the media.**

RECOMMENDATION BY THE TECHNICAL- AND INFRASTRUCTURE IMPLEMENTATION SERVICES COMMITTEE TO THE EMC: 04 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, it was unanimously recommended as follows:

Based on the Phase 1 and 2 Investigation of the Section 78 it is recommended:

1. That note be taken of the Draft Phase 2 Report of the Section 78 and its conclusions and recommendations
2. That note be taken of the Recommended Adjustments to the Current Contract under Clause 5 of the Section 78 Phase 2 Report.
3. It is thus recommended that the Overberg Water Board be utilised as the external mechanism to supply potable water to the town of Caledon beyond the 2030 agreement.
4. In addition, it is recommended that the changes identified in this report be implemented to strengthen the current agreement and increase quality and reliability of the system, if managed correctly by both parties.
5. That Council approves the commencement of Phase 3, based on the recommendations, where the Municipality must establish a programme for community consultation and information dissemination regarding the appointment of the external service provider and the contents of the service delivery agreement. The contents of a service delivery agreement must be communicated to the local community through the media.

RECOMMENDATION BY THE EMC TO COUNCIL: 17 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman M Plato-Mentoor and seconded by Alderman C Clayton, it was recommended as follows:

Based on the Phase 1 and 2 Investigation of the Section 78 it is recommended:

1. That note be taken of the Draft Phase 2 Report of the Section 78 and its conclusions and recommendations
2. That note be taken of the Recommended Adjustments to the Current Contract under Clause 5 of the Section 78 Phase 2 Report.
3. It is thus recommended that the Overberg Water Board be utilised as the external mechanism to supply potable water to the town of Caledon beyond the 2030 agreement.
4. In addition, it is recommended that the changes identified in this report be implemented to strengthen the current agreement and increase quality and reliability of the system, if managed correctly by both parties.

5. That Council approves the commencement of Phase 3, based on the recommendations, where the Municipality must establish a programme for community consultation and information dissemination regarding the appointment of the external service provider and the contents of the service delivery agreement. The contents of a service delivery agreement must be communicated to the local community through the media.

RECOMMENDATION TO COUNCIL:

Based on the Phase 1 and 2 Investigation of the Section 78 it is recommended:

1. That note be taken of the Draft Phase 2 Report of the Section 78 and its conclusions and recommendations
2. That note be taken of the Recommended Adjustments to the Current Contract under Clause 5 of the Section 78 Phase 2 Report.
3. It is thus recommended that the Overberg Water Board be utilised as the external mechanism to supply potable water to the town of Caledon beyond the 2030 agreement.
4. In addition, it is recommended that the changes identified in this report be implemented to strengthen the current agreement and increase quality and reliability of the system, if managed correctly by both parties.
5. That Council approves the commencement of Phase 3, based on the recommendations, where the Municipality must establish a programme for community consultation and information dissemination regarding the appointment of the external service provider and the contents of the service delivery agreement. The contents of a service delivery agreement must be communicated to the local community through the media.

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman M Plato-Mentoor and seconded by Alderman DA Appel, it was resolved as follows:

Based on the Phase 1 and 2 Investigation of the Section 78 it is resolved:

1. Council noted the Draft Phase 2 Report of the Section 78 and its conclusions and recommendations
2. Council noted the Recommended Adjustments to the Current Contract under Clause 5 of the Section 78 Phase 2 Report.
3. That the Overberg Water Board be utilised as the external mechanism to supply potable water to the town of Caledon beyond the 2030 agreement.

4. That the changes identified in this report be implemented to strengthen the current agreement and increase quality and reliability of the system, if managed correctly by both parties.
5. Council approves the commencement of Phase 3, based on the recommendations, where the Municipality must establish a programme for community consultation and information dissemination regarding the appointment of the external service provider and the contents of the service delivery agreement. The contents of a service delivery agreement must be communicated to the local community through the media.

For finalization by the Acting Director: Technical Infrastructure and Implementation Services, Mr H Marthinus.

ITEM TITLE

**C28/2025 DIRECTORATE ECONOMIC DEVELOPMENT AND PLANNING:
DEPARTMENT TOWN PLANNING AND BUILDING CONTROL:
TELECOMMUNICATION INFRASTRUCTURE POLICY**

[English version of the report is the original]

FILE NUMBER

17/19/B

PURPOSE OF REPORT

The purpose of the report is to obtain Council's approval for a Telecommunication Infrastructure Policy for the Theewaterskloof Municipality.

BACKGROUND

Rapid expansion of the telecommunications industry in recent years has resulted in an increasing demand for radio telecommunication services, and new technologies in the cellular phone industry. The location, siting, and development of telecommunication mast infrastructure (TMI) continues to be an issue of particular interest to both local communities and local government alike, with debate focusing on adequate availability of connectivity, visual amenity, and public health.

With the nature of technology, it must be accepted that the future need for TMI sites will increase in the short to medium term. There are significant economic benefits of good TMI, but this must be balanced with the fact that Theewaterskloof depends on its scenic resources for tourism. The resources therefore also have an economic value, which could be negatively affected by unsightly or inappropriate structures.

Masts provide a radio signal which is dependent on line of sight for good reception. The signal becomes weaker with distance or obstructions. Landlords, topography, and demand tend to dictate the location of masts. For example, mountainous areas often require high masts due to topography. Due to improvements in mobile devices (smartphones), the coverage that each mast can provide has shrunk. Thus, there is continual need to provide more masts as coverage is lost. The distance between the masts is therefore reducing.

The draft Policy was workshopped at Council, and approved for circulation through the public participation process. There were no comments received on the draft policy during the public participation process.

DISCUSSION

The policy aims to:

1. Give clarity and certainty to the industry and to the general public with regard to acceptable locations and positioning of TMI;
2. Provide a comprehensive set of policy guidelines;
3. Improve the quality and efficiency of decision making;
4. Improve consistency of decision making throughout the whole municipal area and in the setting of conditions for planning applications;
5. Improve awareness and quicker response to changes in TMI and its related industry; and
6. Protect the visual character and aesthetics of Theewaterskloof as far as possible.

COMMENTS FROM THE DEPARTMENT ELECTRICAL SERVICES

Availability of electricity on high sites are always a challenge. Normal application process to be followed

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

There no financial implications that will be incurred with the approval and implementation of the policy.

LEGAL IMPLICATIONS (ITEM AUTHOR)

In terms of Section 65 of the Theewaterskloof Municipality Bylaw on Municipal Land Use Planning, 2022, when the Municipality considers an application, it must have regard to the applicable policies of the Municipality that guide decision making. The policy will therefore be considered and implemented with every telecommunication infrastructure application following the adoption of the policy.

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

There are no risks envisaged currently, but these may be identified in the course of policy implementation. If and when these are identified at application stage, they will be dealt with through the policy review and amendment process.

COMMENTS FROM LEGAL SERVICES

The recommendation is supported.

RECOMMENDATION BY ITEM AUTHOR:

It is recommended:

1. That Council notes that the policy underwent a public participation process and no comments were received.
2. That Council approves the attached draft policy.

RESOLVED BY MANAGEMENT: 29 JANUARY 2024

Management resolves that the agenda-item be referred back and that the rates be included in the policy.

1. *Agenda-item referred back.*
2. *For finalization by the Acting Deputy Director: Economic Development and Planning, Ms N Baliso.*

COMMENTS BY DIRECTORATE:

Rates (tariffs) are already being received when land use applications are submitted to the Municipality for approval.

RECOMMENDATION BY ITEM AUTHOR:

It is recommended:

1. That Council notes that the policy underwent a public participation process and no comments were received.
2. That Council approves the attached draft policy.

RECOMMENDATION BY MANAGEMENT TO A COUNCIL WORKSHOP: 12 JULY 2024

It is recommended:

1. That Council notes that the policy underwent a public participation process and no comments were received.
2. That Council approves the attached draft policy.

RECOMMENDATION BY WORKSHOP TO COUNCIL: 22 JANUARY 2025

It is recommended:

1. That Council notes that the policy underwent a public participation process and no comments were received.
2. That Council approves the attached draft policy.

RECOMMENDATION TO COUNCIL:

It is recommended:

1. That Council notes that the policy underwent a public participation process and no comments were received.
2. That Council approves the attached draft policy.

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman DA Appel and seconded by Alderman S Fredericks, it was resolved as follows:

- 1. Council noted that the policy underwent a public participation process and no comments were received.**
- 2. Council approves the Telecommunication Infrastructure policy.**

For finalization by the Acting Director: Economic Development and Planning, Mr E Shortles.

ITEM TITLE

**C29/2025 DIRECTORATE ECONOMIC DEVELOPMENT AND PLANNING:
DEPARTMENT TOWN PLANNING AND BUILDING CONTROL:
QUARTERLY REPORTING OF PERFORMANCE OF CONTRACTORS**

[English version of the report is the original]

FILE NUMBER

8/2/3/5/6

PURPOSE OF REPORT

To present a report to the Accounting Officer in terms of the contract and performance management of the Directorate: Economic Development and Planning Contractors (Town Planning) for the quarter October to December 2024.

BACKGROUND

Section 116(2) of the Municipal Finance Management Act, 2003 (Act 56 of 2003) states that the accounting officer of a municipality or municipal entity must:

1. Take all reasonable steps to ensure that a contract or agreement procured through the Supply Chain Management Policy of the municipality or municipal entity is properly enforced;
2. Monitor on a monthly basis the performance of the contract under the contract agreement;
3. Establish capacity in the administration of the municipality or municipal entity-
 - a. To assist the accounting officer in carrying out the duties set out in paragraphs(a) and (b); and
 - b. To oversee the day to day management of the contract agreement; and
4. Regularly report to Council of the municipality or the board of directors of the entity, as may be appropriate, on the management of the contract or agreement and the performance of the contract.

DISCUSSION

The following reporting Town Planning template of contracts are attached to this document:

- a. ESRI South Africa

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

The ineffective management of contracts can jeopardize the expenditure pattern of the organization and also create a scenario where the municipality does not get value for money.

LEGAL IMPLICATIONS (ITEM AUTHOR)

As per contract agreement

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

No blockages

RECOMMENDATION BY ITEM AUTHOR:

It is recommended that Council takes cognisance of the report.

RECOMMENDATION BY HUMAN SETTLEMENTS AND PLANNING COMMITTEE TO THE EMC: 05 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor P Stander, and seconded by Councillor H Syter, it was recommended as follows:

That Council takes cognisance of the report.

RECOMMENDATION BY THE EMC TO COUNCIL: 17 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor H Linnerts and seconded by Alderman S Fredericks, it was recommended as follows:

That Council takes cognisance of the report.

RECOMMENDATION TO COUNCIL:

It is recommended that Council takes cognisance of the report.

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman MR Nongxaza and seconded by Councillor PJ Stander, it was resolved as follows:

Council noted of the report.

For finalization by the Acting Director: Economic Development and Planning Mr E Shortles.

ITEM HEADING**C30/2025 DIRECTORATE ECONOMIC DEVELOPMENT AND PLANNING:
DEPARTMENT LOCAL ECONOMIC DEVELOPMENT AND TOURISM:
QUARTERLY REPORTING OF PERFORMANCE OF CONTRACTORS**

[English version of the report is the original]

FILE NUMBER

8/2/3/5/6

PURPOSE / AIM OF REPORT

To present a report to the Accounting Officer in terms of the contract and performance management of the Directorate: Economic Development and Planning Contractors (Local Economic Development and Tourism) for the quarter July – September and the Quarter October to December 2024.

BACKGROUND

Section 116(2) of the Municipal Finance Management Act, 2003 (Act 56 of 2003) states that the accounting officer of a municipality or municipal entity must:

1. Take all reasonable steps to ensure that a contract or agreement procured through the Supply Chain Management Policy of the municipality or municipal entity is properly enforced;
2. Monitor on a monthly basis the performance of the contract under the contract agreement;
3. Establish capacity in the administration of the municipality or municipal entity-
 - a) To assist the accounting officer in carrying out the duties set out in paragraphs(a) and (b); and
 - b) To oversee the day to day management of the contract agreement; and
4. Regularly report to Council of the municipality or the board of directors of the entity, as may be appropriate, on the management of the contract or agreement and the performance of the contract.

DISCUSSION

The following reporting templates of contracts are attached to this document:

Urban – Econ Development Economist (PTY) LTD

- July to September
- October to December

Neil Lyners and Assoications (RF) (Pty) LTD

- October to December

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

The ineffective management of contracts can jeopardize the expenditure pattern of the organization and also create a scenario where the municipality does not get value for money.

LEGAL IMPLICATIONS (ITEM AUTHOR)

Not applicable.

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

Not applicable.

RECOMMENDATION BY ITEM AUTHOR:

It is recommended that Council takes cognisance of the report.

**RECOMMENDATION FROM ECONOMIC DEVELOPMENT COMMITTEE TO EMC:
05 FEBRUARY 2025**

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, it was unanimously recommended as follows:

That Council takes cognisance of the report.

RECOMMENDATION BY THE EMC TO COUNCIL: 17 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor H Linnerts and seconded by Alderman S Fredericks, it was recommended as follows:

That Council takes cognisance of the report.

RECOMMENDATION TO COUNCIL:

It is recommended that Council takes cognisance of the report.

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman MR Nongxaza and seconded by Councillor PJ Stander, it was resolved as follows:

Council noted the report.

For finalization by the Acting Director: Economic Development and Planning Mr E Shortles.

ITEM TITLE

**C31/2025 DIRECTORATE: ECONOMIC DEVELOPMENT AND PLANNING:
DEPARTMENT HUMAN SETTLEMENTS: QUARTERLY REPORTING
OF PERFORMANCE OF CONTRACTORS**

[English version of the report is the original]

FILE NUMBER

8/2/3/5/6

PURPOSE OF REPORT

To present a report to the Human Settlements and Planning Committee in terms of the contract and performance management of the Directorate: Economic Development and Planning Contractors (Human Settlements) for the quarter October to December 2024.

BACKGROUND

Section 116(2) of the Municipal Finance Management Act, 2003 (Act 56 of 2003) states that the accounting officer of a municipality or municipal entity must:

1. Take all reasonable steps to ensure that a contract or agreement procured through the Supply Chain Management Policy of the municipality or municipal entity is properly enforced;
2. Monitor on a monthly basis the performance of the contract under the contract agreement;
3. Establish capacity in the administration of the municipality or municipal entity-
 - (i) To assist the accounting officer in carrying out the duties set out in paragraphs(a) and (b); and
 - (ii) To oversee the day to day management of the contract agreement; and
4. Regularly report to Council of the municipality or the board of directors of the entity, as may be appropriate, on the management of the contract or agreement and the performance of the contract.

DISCUSSION

1. The following reporting templates of contracts are attached to this document:
 - 3.1.1 Asla Construction (Bergendal)
 - 3.1.2 Asla Construction (Destiny Farm)
 - 3.1.3 Engineering Advice and Services Western Cape (Pty) Ltd (Riemvasmaak)
 - 3.1.4 Engineering Advice and Services Western Cape (Pty) Ltd (Greater Grabouw)

- 3.1.5 Neil Lyners and Associates (Pty) Ltd
- 3.1.6 Rhandzo Projects (Pty) Ltd
- 3.1.7 Safe Working Practice
- 3.1.8 Batsini (Pty) Ltd
- 3.1.9 PHP Building Supplies (October 2024)
- 3.1.10 IX Engineers (Pty) Ltd (Greyton – Erf 595)
- 3.1.11 IX Engineers (Pty) Ltd (Botriver - Beaumont)
- 3.1.12 Moreki Distributors
- 3.1.13 Kruger & Blignaut

2. The templates indicates where blockages occurred with regards to the above contracts as well as proposed actions associated with these blockages.

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

The ineffective management of contracts can jeopardize the expenditure pattern of the organization and also create a scenario where the municipality does not get value for money.

LEGAL IMPLICATIONS (ITEM AUTHOR)

As per contract agreements

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

Blockages as per attached templates

RECOMMENDATION BY ITEM AUTHOR:

It is recommended that Council takes cognisance of the report.

RECOMMENDATION BY HUMAN SETTLEMENTS AND PLANNING COMMITTEE TO THE EMC: 05 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor P Stander, and seconded by Councillor H Syster, it was recommended as follows:

That Council takes cognisance of the report.

RECOMMENDATION BY THE EMC TO COUNCIL: 17 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, it was unanimously recommended as follows:

That Council takes cognisance of the report.

RECOMMENDATION TO COUNCIL:

It is recommended that Council takes cognisance of the report.

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman MR Nongxaza and seconded by Councillor PJ Stander, it was resolved as follows:

Council noted the report.

For finalization by the Acting Director: Economic Development and Planning Mr E Shortles.

ITEM TITLE

**C32/2025 DIRECTORATE ECONOMIC DEVELOPMENT AND PLANNING:
DEPARTMENT HUMAN- AND INFORMAL SETTLEMENTS:
QUARTERLY REPORT GREATER GRABOUW: QUARTER 2: PERIOD
OCTOBER – DECEMBER 2024**

[English version of the report is the original]

FILE NUMBER

17/7/4

PURPOSE OF REPORT

To present to council a progress status report for the on the Greater Grabouw project for the first quarter for the period from 01 October 2024 – 31 December 2024.

BACKGROUND

Greater Grabouw Project consist of +-7000 opportunities and funding for the pre-planning of the project was approved in 2017 by the Provincial Department of Human Settlements.

The approximate 7000 opportunities have been split into 10 land portions

New Housing Developments (A grade services)	In-situ / Interim Services
Gypsy Queen Erf 8078	Lost City Erf R/5175
Farm R/9/313	Beverley Hills Erf 4233
Roodakke Farm 4/301	Waterworks Erf RE/793
Erf 1314	Erf RE/505
	Roodakke Farm 1/292
	Siyanyanzela Farm 295

The 10 identified land parcels are split into 3 workable pockets namely:

1. Grabouw East consisting of :

- 1.1. Gypsy Queen Erf 8078 (15.5 ha)
- 1.2. FARM R/9/313 (5,4 ha)
- 1.3. Lost City ERF R/5175 (2,5 ha)
- 1.4. Beverley Hills ERF 4233(14,4 ha)
- 1.5. Waterworks Erf RE/793(7.2 ha)
- 1.6. Erf RE/505(1.1 ha)

2. Grabouw North West consisting:

- 2.1. Rooidakke Farm 4/301(44.2 ha)
- 2.2. Erf 1314(0.6 ha)
- 2.3. Rooidakke Farm 1/292(85.3 ha)

3. Grabouw South West consisting:

- 3.1. Siyanyanzela FARM 295 (67.5 ha) Super blocking

DISCUSSION

Project Overview Analysis: Eastern Corridor

Erf Number & Description	Size of Pocket (ha)	Developable area (ha)	Current Status	Proposed Services	Estimated Total Units Developable	Proposed Services	Bulk Infrastructure Costs (excl VAT)	Total Cost (excl VAT)
Farm R/9/313	5.4	3.21	Unoccupied land	Full Services	166	R10 233 878	R2 598 400	R12 832 278
Erf R/5175 Lost City	2.5	0.25	Invaded land	Toilet & tap per unit	11	R234 444	R0	R234 444
Erf 4233 Beverley Hills	14.4	3.60	Partially invaded	Toilet & tap per unit	162	R3 452 716	R1 981 952	R5 434 668
Erf 8078 Gypsy Queen	15.5	7.60	Unoccupied land	Full Services	369	R23 514 786	R12 264 112	R35 778 898
Erf Re/793 Waterworks	7.2	6.12	Invaded land	Toilet & tap per unit	275	R5 861 092	R480 704	R6 341 796
Erf Re/505	1.1	0.77	Invaded land	Full Services	40	R2 465 995	R0	R2 465 995
TOTAL					1 023	R45 762 910	R17 325 168	R63 088 078

Project Overview Analysis: Western Corridor

Erf Number & Description	Size of Pocket (ha)	Developable area (ha)	Current Status	Proposed Services	Estimated Total Units Developable	Development Cost (excl VAT)	Bulk Infrastructure Costs (excl VAT)	Total Cost (excl VAT)
Farm 295 Siyanyanzela	67.5	33.08	Invaded land	In-Situ Services	1489	R94 887 578	R15 151 136	R110 038 714
Farm 1/292 Rooidakke	85.3	59.71	Invaded land	In-Situ Services	2687	R165 653 194	R40 100 032	R205 753 226
Farm 4/301 Rooidakke	44.2	30.94	Partially invaded	Full Services	1504	R92 721 401	R17 733 184	R110 454 585
Erf 1314	0.6	0.42	Unoccupied land	Full Services	42	R2 440 924	R0	R2 440 924
TOTAL					5722	R355 703 097	R72 984 352	R428 687 449

v Tables are based on available baseline information in order to calculate estimations and projections.

CURRENT STATUS AND CHALLENGES

Eastern Side

Erf Number & Description	Current Status	Challenges
Farm R/9/313	Environmental studies are in progress in this parcel of land and geotechnical investigation has been done, conceptual layout completed. The Preliminary Engineering services design is completed. Project feasibility Report to be submitted to Department of Infrastructure by March 2025.	Bulk infrastructure upgrade currently a challenge as MIG has no sufficient funds.
Erf R/5175 Lost City	Parcel of land categorized as non-developable due to rock out crop.	Land Invasion and rock outcrop
Erf 4233 Beverly Hills	Parcel of land categorized as non-developable due to rock out crop.	Land Invasion and rock outcrop
Erf 8078 Gypsy Queen	Geotechnical Investigation completed. Constraints layout completed. Environmental sensitive areas identified. Conceptual Layout completed. Preliminary Civil Engineering Services	Bulk Infrastructure is a challenge, although MIG approved the

	<p>have been completed will be work shopped with the Theewaterskloof internal departments.</p> <p>The Environmental Authorisation has been approved.</p> <p>Land Use Planning Application still outstanding approval.</p> <p>Project Implementation Readiness Report to be submitted in April 2025.</p>	funding implementation is greatly delayed.
Erf Re/793 Waterworks	Environmental studies are in progress in this parcel of land and geotechnical investigation will be executed in February 2023	No Challenges
Erf Re/505	Environmental studies are in progress in this parcel of land and geotechnical investigation will be executed in February 2023	Land Invasion

Western Side

Erf Number & Description	Current Status	Challenges
Farm 295 Siyanyanzela	Environmental studies are in progress in this parcel. The geotechnical Investigation has been done. The Preliminary Engineering services have been completed and are circulating for internal comment.	Land Invasion and funding for bulk infrastructure upgrade.
Farm 1/292 Rooidakke	Environmental studies are in progress in this parcel. The geotechnical Investigation has been done. The Preliminary Engineering services have been completed and are circulating for internal comment.	Land Invasion
Farm 4/301 Rooidakke	Environmental studies are in progress in this parcel. The geotechnical Investigation has been done. The Preliminary Engineering services have been completed and are circulating for internal comment.	Land Invasion

Erf 1314	Environmental studies are in progress in this parcel. The geotechnical Investigation has been done. The Preliminary Engineering services have been completed and are circulating for internal comment.	Land Invasion
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FINANCIAL IMPLICATIONS (ITEM AUTHOR)

Human Settlements Development Grant

LEGAL IMPLICATIONS (ITEM AUTHOR)

National Housing Code
The Constitution of the Republic of South Africa

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

Not applicable

RECOMMENDATION BY ITEM AUTHOR:

It is recommended that Council takes cognizance of the third quarter report on the Greater Grabouw project.

RECOMMENDATION BY HUMAN SETTLEMENTS AND PLANNING COMMITTEE TO THE EMC: 05 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor H Syster, and seconded by Councillor P Stander, it was recommended as follows:

That Council takes cognizance of the third quarter report on the Greater Grabouw project.

RECOMMENDATION BY THE EMC TO COUNCIL: 17 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, it was unanimously recommended as follows:

That Council takes cognizance of the third quarter report on the Greater Grabouw project.

RECOMMENDATION TO COUNCIL:

It is recommended that Council takes cognizance of the third quarter report on the Greater Grabouw project.

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman MR Nongxaza and seconded by Councillor PJ Stander, it was resolved as follows:

Council noted the third quarter report on the Greater Grabouw project.

For finalization by the Acting Director: Economic Development and Planning Mr E Shortles.

ITEM TITLE

33

C33/2025 DIRECTORATE COMMUNITY SERVICES: REPORTING ON PERFORMANCE OF CONTRACTORS - 1st QUARTER REPORT (JULY TO SEPTEMBER 2024)

[English version of the report is the original]

FILE NUMBER

8/2/3/5/4

PURPOSE OF REPORT

To present a report to Council in terms of the contract and performance management of the contractors of Community Services department for the **1st Quarter (July - September 2024)**. This serves to ensure the municipality receives value for money and the contracts are completed on time and within the approved budget.

BACKGROUND

S116 (2) of the Municipal Finance management Act (No.56 of 2003) states that:

The accounting officer of a municipality or municipal entity must:

1. Take all reasonable steps to ensure that a contract or agreement procured through the supply chain management policy of the municipality of municipal entity is properly enforced;
2. Monitor on a monthly basis the performance of the contract under the contract or agreement;
3. Establish capacity in the administration of the municipality or municipal entity:
 - (i) to assist the accounting officer in carrying out the duties set out in paragraphs (a) and (b); and
 - ii) to oversee the day-to-day management of the contract or agreement; and
4. regularly report to Council of the municipality or the board of directors of the entity, as may be appropriate, on the management of the contract or agreement and the performance of the contracts

DISCUSSION

Reporting pattern of the Directorate Community Services:

DEPARTMENTS/ TOWN OFFICES	July 2024	August 2024	September 2024
GRABOUW TOWN OFFICE	No Contracts to Report on for this period	No Contracts to Report on for this period	No Contracts to Report on for this period
BOTRIVIER TOWN OFFICE	No Contracts to Report on for this period	Submitted	No Contracts to Report on for this period
RSE TOWN OFFICE	No Contracts to Report on for this period	Submitted	Submitted
VILLIERSDORP TOWN OFFICE	No Contracts to Report on for this period	Submitted	Submitted
CALEDON TOWN OFFICE	No Contracts to Report on for this period	Submitted	Submitted
GREYTON GENADENDAL	No Contracts to Report on for this period	Submitted	Submitted
SUSTAINABLE DEVELOPMENT	No Contracts to Report on for this period	No Contracts to Report on for this period	No Contracts to Report on for this period
FLEET MANAGEMENT	No Contracts to Report on for this period	No Contracts to Report on for this period	No Contracts to Report on for this period
PUBLIC SAFETY	Submitted	Submitted	Submitted
ENVIRONMENT AND DISASTER MANAGEMENT	No Contracts to Report on for this period	No Contracts to Report on for this period	No Contracts to Report on for this period
OFFICE OF DEPUTY DIRECTOR	No Contracts to Report on for this period	No Contracts to Report on for this period	No Contracts to Report on for this period

**COMMENTS FROM THE DIRECTORATE COMMUNITY SERVICES
(OPERATIONAL)**

Report for noting and comments.

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

Can be found in checklists attached as Annexures. It can be costly to the municipality if reporting is not done correctly.

LEGAL IMPLICATIONS (ITEM AUTHOR)

Chapter 8 Municipal Finance Management Act. 56 of 2003

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

None

RECOMMENDATION BY ITEM AUTHOR:

It is recommended that the Council takes cognisance of the report.

RECOMMENDATION BY THE COMMUNITY SERVICES COMMITTEE TO THE EMC: 04 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor D Jacobs and seconded by Councillor H Linnerts, it was recommended as follows:

That Council takes cognisance of the report.

RECOMMENDATION BY THE EMC TO COUNCIL: 17 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman S Fredericks and seconded by Councillor YM van Tonder, it was recommended as follows:

That Council takes cognisance of the report.

RECOMMENDATION TO COUNCIL:

It is recommended that the Council takes cognisance of the report.

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman MR Nongxaza and seconded by Councillor PJ Stander, it was resolved as follows:

Council noted the report.

For finalization by the Director: Community Services Mr WSE Solomons-Johannes.

ITEM TITLE

C34/2025 DIRECTORATE COMMUNITY SERVICES: REPORTING ON PERFORMANCE OF THREE YEAR TENDER CONTRACTORS - 1st QUARTER REPORT (JULY TO SEPTEMBER 2024)

[English version of the report is the original]

FILE NUMBER

8/2/3/5/4

PURPOSE OF REPORT

To present a report to Council in terms of the contract and performance management of the Directorate: Community Services Three Year Tender Contracts for the 1st Quarter - July - September 2024; to ensure the municipality receives value for money and that contracts are completed on time and within the approved budget.

BACKGROUND

S116 (2) of the Municipal Finance management Act (No.56 of 2003) states that: The accounting officer of a municipality or municipal entity must:

1. Take all reasonable steps to ensure that a contract or agreement procured through the supply chain management policy of the municipality of municipal entity is properly enforced;
2. Monitor on a monthly basis the performance of the contract under the contract or agreement;
3. Establish capacity in the administration of the municipality or municipal entity:
 - (i) to assist the accounting officer in carrying out the duties set out in paragraphs (a) and (b); and
 - ii) to oversee the day-to-day management of the contract or agreement; and
4. regularly report to Council of the municipality or the board of directors of the entity, as may be appropriate, on the management of the contract or agreement and the performance of the contracts

DISCUSSION**REPORTING PATTERN**

TENDER NUMBER AND SERVICE PROVIDER	DESCRIPTION	July 2024	August 2024	September 2024
TCS 06/2023/24 TOTAL COMPUTER SERVICES (PTY) LTD	SUPPLY, IMPLEMENTATION AND MANAGEMENT OF A COMPUTERIZED TRAFFIC CONTRAVENTION MANAGEMENT SYSTEM (TCMSC) WITH CALL CENTRE MODULE FOR THE PROCESSING OF TRAFFIC – AND LAW ENFORCEMENT OFFENCES AND THE PROVISION OF OPERATIONAL SUPPORT AND MAINTENANCE FROM THE DATE OF APPOINTMENT 01 FEBRUARY 2024 TO 30 JUNE 2026	SUBMITTED	SUBMITTED	SUBMITTED
OPE 02/2022/23 TJH PROPERTY INVESTMENTS	SUPPLY AND DELIVERY OF CONSTRUCTION MATERIAL: KERBS, STORM WATER PIPES, COVER SLABS, PAVING BRICKS, CLAY BRICKS	SUBMITTED	SUBMITTED	SUBMITTED
OPE 02/2022/23 YBT & ASSOCIATES	SUPPLY AND DELIVERY OF CONSTRUCTION MATERIAL: KERBS	SUBMITTED	SUBMITTED	SUBMITTED
OPE 02/2022/23 AFRIMAT AGGREGATES OPERATIONS	SUPPLY AND DELIVERY OF CONSTRUCTION MATERIAL:	SUBMITTED	SUBMITTED	SUBMITTED

	CONCRETE STONE, CRUSHER DUST, GRAVEL			
OPE 02/2022/23 FG JACOBS TRANSPORT	SUPPLY AND DELIVERY OF CONSTRUCTION MATERIAL: ROAD STONE, SAND, TOP SOIL	SUBMITTED	SUBMITTED	SUBMITTED
OPE 05/2022/23 AWV PROJECT MANAGEMENT	SUPPLY AND DELIVERY OF BLACK AND CLEAR BAGS	SUBMITTED	SUBMITTED	SUBMITTED
OPE 07/2022/23 KEMANZI	SUPPLY AND DELIVERY OF CHEMICALS: ALUMINIUM SULPHATE , SODIUM ALUMINATE	SUBMITTED	SUBMITTED	SUBMITTED
OPE 07/2022/23 METSU CHEM	SUPPLY AND DELIVERY OF CHEMICALS: CHLORINE GAS, FERRIC SULFATE, SODIUM BENTONITE, PURE SALT, SULFURIC ACID, CALCIUM HYPOCHLORITE	SUBMITTED	SUBMITTED	SUBMITTED
OPE 07/2022/23 CHLORCAPE	SUPPLY AND DELIVERY OF CHEMICALS: BLEND OF ALUMINIUM CHLOROHYDRATE AND POLYDADMAC	SUBMITTED	SUBMITTED	SUBMITTED
OPE 07/2022/23 LEAFIX	SUPPLY AND DELIVERY OF CHEMICALS: GLYCINE, PESTICIDE, HERBICIDE, ACETIC ACID, GLYPHOSATE, PICLORAM, IMAZAPYR, INSECTIDE, FUNGICIDE	SUBMITTED	SUBMITTED	SUBMITTED

OPE 07/2022/23 2ACS SERVICES	SUPPLY AND DELIVERY OF CHEMICALS: CALCIUM HYDROXIDE, SODIUM HYPOCHLORIDE	SUBMITTED	SUBMITTED	SUBMITTED
OPE 07/2022/23 IMPROCHEM T/A EACI WATER	SUPPLY AND DELIVERY OF CHEMICALS: POLYCRYLAMIDE EMULSION, CATIONIC POLYMER	SUBMITTED	SUBMITTED	SUBMITTED
COMM 01/2023/24 PIENAAR BROTHERS PTY LTD	SUPPLY AND DELIVERY OF PERSONAL PROTECTIVE CLOTHING AND EQUIPMENT	SUBMITTED	SUBMITTED	SUBMITTED
COMM 01/2023/24 TJH PROPERTY INVESTMENTS	SUPPLY AND DELIVERY OF PERSONAL PROTECTIVE CLOTHING AND EQUIPMENT	SUBMITTED	SUBMITTED	SUBMITTED
TCS 10/2022/23 REALM TRACK CC	Supply And Installation Of Vehicle Tracking System And Monitoring For The Period From Date Of Appointment Until 30 June 2026	SUBMITTED	SUBMITTED	SUBMITTED

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

Can be found in checklists attached as Annexures. It can be costly to the municipality if reporting is not done correctly.

LEGAL IMPLICATIONS (ITEM AUTHOR)

Chapter 8 Municipal Finance Management Act. 56 of 2003

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

None

RECOMMENDATION BY ITEM AUTHOR:

45

It is recommended that Council takes cognizance of the report.

RECOMMENDATION BY THE COMMUNITY SERVICES COMMITTEE TO THE EMC: 04 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor D Jacobs and seconded by Councillor H Linnerts, it was recommended as follows:

That Council takes cognisance of the report.

RECOMMENDATION BY THE EMC TO COUNCIL: 17 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman S Fredericks and seconded by Councillor YM van Tonder, it was recommended as follows:

That Council takes cognisance of the report.

RECOMMENDATION TO COUNCIL:

It is recommended that the Council takes cognisance of the report.

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman MR Nongxaza and seconded by Councillor PJ Stander, it was resolved as follows:

Council noted the report.

For finalization by the Director: Community Services Mr WSE Solomons-Johannes.

ITEM TITLE

C35/2025 DIRECTORATE COMMUNITY SERVICES: REPORTING ON PERFORMANCE OF CONTRACTORS - 2nd QUARTER REPORT (OCTOBER - DECEMBER 2024)

[English version of the report is the original]

FILE NUMBER

8/2/3/5/4

PURPOSE OF REPORT

To present a report to Council in terms of the contract and performance management of the contractors of Community Services department for the 2nd Quarter (October - December 2024). This serves to ensure the municipality receives value for money and the contracts are completed on time and within the approved budget.

BACKGROUND

S116 (2) of the Municipal Finance management Act (No.56 of 2003) states that: The accounting officer of a municipality or municipal entity must:

1. Take all reasonable steps to ensure that a contract or agreement procured through the supply chain management policy of the municipality of municipal entity is properly enforced;
2. Monitor on a monthly basis the performance of the contract under the contract or agreement;
3. Establish capacity in the administration of the municipality or municipal entity:
 - (i) to assist the accounting officer in carrying out the duties set out in paragraphs (a) and (b); and
 - ii) to oversee the day-to-day management of the contract or agreement; and
4. regularly report to Council of the municipality or the board of directors of the entity, as may be appropriate, on the management of the contract or agreement and the performance of the contracts.

DISCUSSION

Reporting pattern of the Directorate Community Services:

DEPARTMENTS/ TOWN OFFICES	October 2024	November 2024	December 2024
GRABOUW TOWN OFFICE	Submitted	Submitted	Submitted
BOTRIVIER TOWN OFFICE	No Contracts to report on for this period	No Contracts to report on for this period	No Contracts to report on for this period
RSE TOWN OFFICE	Submitted	Submitted	Submitted
VILLIERSDORP TOWN OFFICE	Submitted	Submitted	Submitted
CALEDON TOWN OFFICE	No Contracts to report on for this period	No Contracts to report on for this period	No Contracts to report on for this period
GREYTON GENADENDAL	Submitted	Submitted	Submitted
SUSTAINABLE DEVELOPMENT	No Contracts to Report on for this period	No Contracts to Report on for this period	No Contracts to Report on for this period
FLEET MANAGEMENT	Submitted	Submitted	Submitted
PUBLIC SAFETY	Submitted	Submitted	Submitted
ENVIRONMENT AND DISASTER MANAGEMENT	No Contracts to Report on for this period	No Contracts to Report on for this period	No Contracts to Report on for this period

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

Can be found in checklists attached as Annexures. It can be costly to the municipality if reporting is not done correctly.

LEGAL IMPLICATIONS (ITEM AUTHOR)

Chapter 8 Municipal Finance Management Act. 56 of 2003.

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

None.

RECOMMENDATION BY ITEM AUTHOR:

It is recommended that the Council takes cognisance of the report.

RECOMMENDATION BY THE COMMUNITY SERVICES COMMITTEE TO THE EMC: 04 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor D Jacobs and seconded by Councillor H Linnerts, it was recommended as follows:

That Council takes cognisance of the report.

RECOMMENDATION BY THE EMC TO COUNCIL: 17 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman S Fredericks and seconded by Councillor YM van Tonder, it was recommended as follows:

That Council takes cognisance of the report.

RECOMMENDATION TO COUNCIL:

It is recommended that the Council takes cognisance of the report.

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman MR Nongxaza and seconded by Councillor PJ Stander, it was resolved as follows:

Council noted the report.

For finalization by the Director: Community Services Mr. WSE Solomons-Johannes.

ITEM TITLE**C36/2025 DIRECTORATE COMMUNITY SERVICES: REPORTING ON PERFORMANCE OF THREE YEAR TENDER CONTRACTORS - 2nd QUARTER REPORT (OCTOBER TO DECEMBER 2024)**

[English version of the report is the original]

FILE NUMBER

8/2/3/5/4

PURPOSE OF REPORT

To present a report to Council in terms of the contract and performance management of the Directorate: Community Services Three Year Tender Contracts for the 2nd Quarter - October - December 2024; to ensure the municipality receives value for money and that contracts are completed on time and within the approved budget.

BACKGROUND

S116 (2) of the Municipal Finance management Act (No.56 of 2003) states that:

The accounting officer of a municipality or municipal entity must:

1. Take all reasonable steps to ensure that a contract or agreement procured through the supply chain management policy of the municipality of municipal entity is properly enforced;
2. Monitor on a monthly basis the performance of the contract under the contract or agreement;
3. Establish capacity in the administration of the municipality or municipal entity:
 - (i) to assist the accounting officer in carrying out the duties set out in paragraphs (a) and (b); and
 - ii) to oversee the day-to-day management of the contract or agreement; and
4. regularly report to Council of the municipality or the board of directors of the entity, as may be appropriate, on the management of the contract or agreement and the performance of the contracts

DISCUSSION**REPORTING PATTERN**

TENDER NUMBER AND SERVICE PROVIDER	DESCRIPTION	October 2024	November 2024	December 2024
TCS 06/2023/24 TOTAL COMPUTER SERVICES (PTY) LTD	SUPPLY, IMPLEMENTATION AND MANAGEMENT OF A COMPUTERIZED TRAFFIC CONTRAVENTION MANAGEMENT SYSTEM (TCMSC) WITH CALL CENTRE MODULE FOR THE PROCESSING OF TRAFFIC – AND LAW ENFORCEMENT OFFENCES AND THE PROVISION OF OPERATIONAL SUPPORT AND MAINTENANCE FROM THE DATE OF APPOINTMENT 01 FEBRUARY 2024 TO 30 JUNE 2026	SUBMITTED	SUBMITTED	SUBMITTED
OPE 02/2022/23 TJH PROPERTY INVESTMENTS	SUPPLY AND DELIVERY OF CONSTRUCTION MATERIAL: KERBS, STORM WATER PIPES, COVER SLABS, PAVING BRICKS, CLAY BRICKS	SUBMITTED	SUBMITTED	SUBMITTED
OPE 02/2022/23 YBT & ASSOCIATES	SUPPLY AND DELIVERY OF CONSTRUCTION MATERIAL: KERBS	SUBMITTED	SUBMITTED	SUBMITTED
OPE 02/2022/23 AFRIMAT AGGREGATES OPERATIONS	SUPPLY AND DELIVERY OF CONSTRUCTION MATERIAL: CONCRETE STONE, CRUSHER DUST, GRAVEL	SUBMITTED	SUBMITTED	SUBMITTED

OPE 02/2022/23 FG JACOBS TRANSPORT	SUPPLY AND DELIVERY OF CONSTRUCTION MATERIAL: ROAD STONE, SAND, TOP SOIL	SUBMITTED	SUBMITTED	SUBMITTED
OPE 05/2022/23 AWV PROJECT MANAGEMENT	SUPPLY AND DELIVERY OF BLACK AND CLEAR BAGS	SUBMITTED	SUBMITTED	SUBMITTED
OPE 07/2022/23 KEMANZI	SUPPLY AND DELIVERY OF CHEMICALS: ALUMINIUM SULPHATE , SODIUM ALUMINATE	SUBMITTED	SUBMITTED	SUBMITTED
OPE 07/2022/23 METSU CHEM	SUPPLY AND DELIVERY OF CHEMICALS: CHLORINE GAS, FERRIC SULFATE, SODIUM BENTONITE, PURE SALT, SULFURIC ACID, CALCIUM HYPOCHLORITE	SUBMITTED	SUBMITTED	SUBMITTED
OPE 07/2022/23 CHLORCAPE	SUPPLY AND DELIVERY OF CHEMICALS: BLEND OF ALUMINIUM CHLOROHYDRATE AND POLYDADMAC	SUBMITTED	SUBMITTED	SUBMITTED
OPE 07/2022/23 LEAFIX	SUPPLY AND DELIVERY OF CHEMICALS: GLYCINE, PESTICIDE, HERBICIDE, ACETIC ACID, GLYPHOSATE, PICLORAM, IMAZAPYR, INSECTIDE, FUNGICIDE	SUBMITTED	SUBMITTED	SUBMITTED
OPE 07/2022/23 2ACS SERVICES	SUPPLY AND DELIVERY OF CHEMICALS: CALCIUM HYDROXIDE, SODIUM HYPOCHLORIDE	SUBMITTED	SUBMITTED	SUBMITTED

OPE 07/2022/23 IMPROCHEM T/A EACI WATER	SUPPLY AND DELIVERY OF CHEMICALS: POLYCRYLAMIDE EMULSION, CATIONIC POLYMER	SUBMITTED	SUBMITTED	SUBMITTED
COMM 01/2023/24 PIENAAR BROTHERS PTY LTD	SUPPLY AND DELIVERY OF PERSONAL PROTECTIVE CLOTHING AND EQUIPMENT	SUBMITTED	SUBMITTED	SUBMITTED
COMM 01/2023/24 TJH PROPERTY INVESTMENTS	SUPPLY AND DELIVERY OF PERSONAL PROTECTIVE CLOTHING AND EQUIPMENT	SUBMITTED	SUBMITTED	SUBMITTED
TCS 10/2022/23 REALM TRACK CC	SUPPLY AND INSTALLATION OF VEHICLE TRACKING SYSTEM AND MONITORING FOR THE PERIOD FROM DATE OF APPOINTMENT UNTIL 30 JUNE			

**COMMENTS FROM THE DIRECTORATE COMMUNITY SERVICES
(OPERATIONAL)**

Note the comments and concerns by the Director: Community Services regarding the supply chain management process and the corrective action required.

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

Can be found in checklists attached as Annexures. It can be costly to the municipality if reporting is not done correctly.

LEGAL IMPLICATIONS (ITEM AUTHOR)

Chapter 8 Municipal Finance Management Act. 56 of 2003.

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

None

RECOMMENDATION BY ITEM AUTHOR:

It is recommended that Council takes note of the report.

RECOMMENDATION BY THE COMMUNITY SERVICES COMMITTEE TO THE EMC: 04 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor D Jacobs and seconded by Councillor H Linnerts, it was recommended as follows:

That Council takes cognisance of the report.

RECOMMENDATION BY THE EMC TO COUNCIL: 17 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman S Fredericks and seconded by Councillor YM van Tonder, it was recommended as follows:

That Council takes cognisance of the report.

RECOMMENDATION TO COUNCIL:

It is recommended that the Council takes cognisance of the report.

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman MR Nongxaza and seconded by Councillor PJ Stander, it was resolved as follows:

Council noted the report.

For finalization by the Director: Community Services Mr. WSE Solomons-Johannes.

ITEM HEADING**C37/2025 DIRECTORATE CORPORATE SERVICES: OFFICE OF DIRECTOR:
REPORTING ON PERFORMANCE OF CONTRACTORS: OCTOBER
2024 TILL DECEMBER 2024**

[English version of the report is the original]

FILE NUMBER

8/2/3/5/2

PURPOSE / AIM OF REPORT

To present a report to Council in terms of the contract and performance management of the Directorate Corporate Services contractors for the period from October 2024 to December 2024 to ensure the municipality receives value for money and that contracts are completed on time and within the approved budget.

BACKGROUND

S116 (2) of the Municipal Finance management Act (No.56 of 2003) states that:

The accounting officer of a municipality or municipal entity must –

1. take all reasonable steps to ensure that a contract or agreement procured through the supply chain management policy of the municipality of municipal entity is properly enforced;
2. monitor on a monthly basis the performance of the contract under the contract or agreement;
3. establish capacity in the administration of the municipality or municipal entity –
 - (i) to assist the accounting officer in carrying out the duties set out in paragraphs (a) and (b); and
 - (ii) to oversee the day-to-day management of the contract or agreement; and
4. regularly report to Council of the municipality or the board of directors of the entity, as may be appropriate, on the management of the contract or agreement and the performance of the contract.

DISCUSSION

Report pattern of the Directorate Corporate Services:

Department:	October 2024	November 2024	December 2024
Corporate Services	Submitted	Submitted	Submitted

Find attached checklists consisting of the summaries done for the Directorate Corporate Services.

No blockages occurred.

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

Can be found in checklists attached as Annexures. It can be costly to the municipality if reporting is not done correctly.

LEGAL IMPLICATIONS (ITEM AUTHOR)

Chapter 8 Municipal Finance Management Act. 56 of 2003.

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

Not applicable.

RECOMMENDATION BY ITEM AUTHOR:

It is recommended that Council takes cognisance of the report.

RECOMMENDATION BY THE CORPORATE SERVICES COMMITTEE TO THE EMC: 04 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor M Botes, and seconded by Councillor J Smit, it was recommended as follows:

That Council takes cognisance of the report.

RECOMMENDATION BY THE EMC TO COUNCIL: 17 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman S Fredericks and seconded by Councillor Y van Tonder, it was recommended as follows:

That Council takes cognisance of the report.

RECOMMENDATION TO COUNCIL:

It is recommended that the Council takes cognisance of the report.

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman MR Nongxaza and seconded by Councillor PJ Stander, it was resolved as follows:

Council noted the report.

For finalization by the Director: Corporate Services Mr. GW Hermanus.

ITEM TITLE

C38/2025 DIRECTORATE CORPORATE SERVICES: DEPARTMENT HUMAN RESOURCES: DETERMINATION AND APPROVAL OF UPPER LIMITS OF SALARIES, ALLOWANCES AND BENEFITS OF COUNCILLORS WITH EFFECT FROM 01 JULY 2023

[English version of the report is the original]

FILE NUMBER

3/3/7/R

PURPOSE / AIM OF REPORT

The purpose of this item is:

1. for Council to review the grade of the municipal council and
2. to report to Council on the financial implications affordability as well as budgetary provisions and
3. to obtain approval to implement the Upper Limits for Councilors' Remuneration with effect from 01 July 2023, which was promulgated by the Minister for Cooperative Governance and Traditional Affairs on 17 October 2024 per Government Gazette No. 51407.

BACKGROUND AND LEGAL REQUIREMENT

Amendment of determination of Upper Limits of the Salaries, Allowances and Benefits of different members of municipal councils are annually done in terms of the Remuneration of Public Office Bearers Act, 1998 (Act No. 20 of 1998).

DISCUSSION

Attached hereto please find as Annexure "A" a copy of Government Gazette No.51407, dated 17 October 2024.

Some key features of the above-mentioned Gazette and Circular are as follows:

1. The determination of the upper limits is effected retrospectively from 1 July 2023.
2. The definition of "total municipal income" means gross income in respect of a metropolitan, local or district municipality based on actual income received as stated in the audited financial statements of that municipality for the 2022/2023 financial year.
3. Motor vehicle and travel allowance:
 - 3.1 A councillor listed in item 5 and 8 of this Notice may, in line with applicable legislation, structure his or her basic salary to provide for motor vehicle allowance.

- 3.2 If a councillor structures a vehicle allowance, the councillor must provide proof of ownership of a private vehicle to the municipality and have the vehicle available for official duties.
 - 3.3 A councillor who uses a privately-owned vehicle for execution of official duties on behalf of the municipality, may be reimbursed for official kilometres travelled, in addition to the total remuneration package of a councillor as determined in terms of items 5 and 8 of the Notice, not exceeding the applicable tariffs as prescribed by the national department responsible for transport and in terms of the municipal council's policy.
 - 3.4 A councillor who utilises a privately-owned vehicle for official purposes must, for purpose of claiming kilometres travelled, keep a travel logbook containing the following information relating to actual official and private kilometres travelled per month as may be determined from time to time by the South African Revenue Service: (i) Date of travel; (ii) Kilometres travelled; and (iii) Travel details (i.e. reason for the trip, duration of trip and place from and place to).
4. Out of pocket expenses
A councillor may, in addition to the total remuneration package, be reimbursed for reasonable and actual out of pocket expenses incurred during the execution of official or ceremonial duties, in accordance with the applicable municipal council policy.
 5. Cell phone allowances:
A councillor may, in addition to the annual remuneration packages provided for in terms the regulation, be paid a cell phone allowance not exceeding R3600.00 per month in accordance with the applicable municipal policy.
 6. Data bundles
A councillor may, in addition to the annual remuneration packages provided for in terms the regulation, be paid an allowance on the use of data bundles not exceeding R317.00 per month.
 7. Pension Fund: In terms of S13(1)(a)
A councillor may participate in a pension fund duly established in terms of law.13(1)(b) If a councillor elects to participate in a pension fund, the municipal council must deduct from that councillor's salary, the monthly contribution and to pay the contributions to a pension fund to which a councillor is a member in accordance with the rules of such pension fund. The contributions by the municipal council and the councillor are included in the remuneration package as a total cost to the municipality.
 8. Medical Aid Scheme: S13(2)(a) reads as follows – A councillor may participate in a medical aid scheme duly established in terms of a law and such councillor shall be entitled to receive such medical aid benefits from the medical aid scheme to which the councillor contributes as may be determined by the rules of such medical aid scheme. The contributions by the municipal council and the councillor are included in the remuneration package as a total cost to the municipality.(b) If a councillor elects to participate in a medical aid scheme, the municipality shall pay from his/her monthly salary, councillors own contributions and council

contributions charged against and paid from the budget of the municipality to the medical aid scheme to which the councillor is a member.

9. Tools of the trade

Grading:

The grading of Theewaterskloof Municipality for the purpose of determining the Upper Limits of Councillors' Remuneration is a Grade 4 and was determined as follows:

Requirement	Amount / Points
Total Municipal Income 2022/2023	R 596 850 825
Number of Points according to Government Notice	33,33
Total population	139 563
Number of Points according to Government Notice	25
Total points allocated	58,33
50.01 to 66.67 points according to Government Notice No. 51407 = Grade 4	

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

The Projected Actual Expenditure of the Salaries, Allowances and Benefits of the different members of the Theewaterskloof Municipal Council based on the approved new upper limits for the 2024/2025 financial year will be R 13 844 792.00 against a budgeted amount of R 14 303 144,00.

PROJECTED ACTUAL COUNCILLOR REMUNERATION 2024/25

PARTICULARS	EXECUTIVE MAYOR	DEPUTY EXECUTIVE MAYOR	SPEAKER	MEMBER OF MAYORAL COMMITTEE	MPAC CHAIR	PARTTIME COUNCILLOR	GRAND TOTAL
Total Remuneration Package	984320	787454	787454	3692855	716583	5607018	12575684
Cellular Phone	43200	43200	43200	216000	43200	777600	1166400
Mobile data Card	3804	3804	3804	19020	3804	68472	102708
Total Annual Package	1031324	834458	834458	3927875	763587	6453090	13844792
Number	1	1	1	5	1	18	27

Budget 2024/25: R 14 303 144.00
Remuneration Package: R 13 844 792.00
Surplus: R 458 352.00

LEGAL RESPONSIBILITIES

Remuneration of Public Office Bearers Act, 1998 (Act No. 20 of 1998).

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

None

RECOMMENDATION BY ITEM AUTHOR TO COUNCIL:

It is recommended:

- 1. That Council takes cognisance that the grading of the Theewaterskloof Municipality remains on a grade 4, for determining the upper limits of Councillors Remuneration.**
- 2. That Council resolves that the maximum upper limits as promulgated in Government Gazette No. 51407 dated 17 October 2024 be approved and paid to Councilors with retrospective effect from 01 July 2023.**
- 3. That Council takes cognisance that sufficient provision was made in the 2024/2025 Budget to cover the actual increase.**
- 4. That Council declares the increase in Councilors' Remuneration affordable, and authorize the Municipal Manager to issue the affordability verification certificate.**
- 5. That Council authorize the Executive Mayor to submit the prescribed application to and obtain the concurrence of the MEC for Local Government in the Western Cape, before implementing the new Upper Limits of Salaries, Allowances and Benefits of Councilors.**

**RECOMMENDATION BY COUNCIL TO FEBRUARY 2025 COUNCIL MEETING:
28 NOVEMBER 2024**

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman LM de Bruyn and seconded by Alderman S Fredericks, it was resolved as follows:

That the agenda-item stands over until February 2025 and be resubmitted for the February 2025 Council Meeting for consideration.

RECOMMENDATION BY ITEM AUTHOR TO COUNCIL:

It is recommended:

- 1. That Council takes cognisance that the grading of the Theewaterskloof Municipality remains on a grade 4, for determining the upper limits of Councillors Remuneration.**

2. That Council resolves that the maximum upper limits as promulgated in Government Gazette No. 51407 dated 17 October 2024 be approved and paid to Councilors with retrospective effect from 01 July 2023.
3. That Council takes cognisance that sufficient provision was made in the 2024/2025 Budget to cover the actual increase.
4. That Council declares the increase in Councilors' Remuneration affordable, and authorize the Municipal Manager to issue the affordability verification certificate.
5. That Council authorize the Executive Mayor to submit the prescribed application to and obtain the concurrence of the MEC for Local Government in the Western Cape, before implementing the new Upper Limits of Salaries, Allowances and Benefits of Councilors.

DISCUSSION DURING THE MEETING:

Alderman DA Appel proposed the following recommendation:

1. *That Council approves that the upper limits be paid to the Councillors.*
2. *That the Executive Mayor submit the prescribed application to and obtain the concurrence of the MEC for Local Government in the Western Cape, before implementing the new Upper Limits of Salaries, Allowances and Benefits of Councilors.*
3. *That the payout of the upper limits to Councillors be done when the financial position of the Municipality has improved.*

Proposal was seconded by Alderman MR Nongxaza.

The Executive Mayor Alderman LM de Bruyn request a 10-minute caucus break which were granted by the Speaker.

After the caucus break the Executive Mayor proposed the following counter-proposal:

That this agenda-item becomes a standing item on the agenda of future Council Meetings until our finances improve and then a decision can be taken.

The following counter-proposal was submitted by Alderman S Fredericks:

The voting process started and each councillor indicate whether they vote for 1. Proposal by Alderman DA Appel and seconded by Alderman MR Nongxaza or 2. Counter-proposal by Alderman LM de Bruyn seconded by Alderman S Fredericks.

The result of the voting process is as follows:

Proposal by Alderman DA Appel and seconded by Alderman MR Nongxaza = 11 votes.

Counter Proposal by Alderman LM de Bruyn and seconded by Alderman S Fredericks = 15 votes.

Councillor TB Zimmermann abstain from the voting process.

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman LM de Bruyn and seconded by Alderman S Fredericks, it was resolved as follows.

That this agenda-item becomes a standing item on the agenda of future Council Meetings until our finances improve and then a decision can be taken.

ITEM HEADING

C39/2025 DIRECTORATE CORPORATE SERVICES: DEPARTMENT HUMAN RESOURCES: DRAFT TOOLS OF THE TRADE POLICY FOR COUNCILLORS

[English version of the report is the original]

FILE NUMBER

3/3/7/R

PURPOSE OF REPORT

To submit a draft policy on the tools of trade for Councillors to Council.

BACKGROUND

The Remuneration of Public Office Bearers Act 20 of 1998 which is renewed annually by the Minister of Cooperative Governance and Traditional Affairs through the publication of the Upper Limits Regulations provides a framework for the tools of trade for Councillors.

In terms of section 13(3) of the Municipal Cost Containment Regulations of 2019, expenditure on tools of trade for political office bearers must be limited to the upper limits as approved and published by the Cabinet member responsible for local government in terms of the Remuneration of Public Office Bearers Act, 1998.

DISCUSSION

Currently a municipal council may provide tools of trade to a councillor in terms of Section 15(a) of the Act, taking into account Section 15(b) of the Act, that *"where a municipal council makes available tools of trade in terms of paragraph (a) above, such a municipal council must take into account accessibility, affordability and cost control; equity; flexibility; simplicity; transparency and accountability and value of tools of trade."*

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

None

LEGAL IMPLICATIONS (ITEM AUTHOR)

- Remuneration of Public Office Bearers Act 20 of 1998
- Cost Containment Policy
- Upper Limits Regulations for Councillors

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

None

RECOMMENDATION BY ITEM AUTHOR:

It is recommended that the attached draft policy on tools of the trade be placed on the agenda of Council Workshop for discussion.

RECOMMENDATION BY MANAGEMENT TO A COUNCIL WORKSHOP: 24 OCTOBER 2024

1. Management resolved that the draft tools of trade policy must be read together with the following policies: (a) Transport policy for Councillors, (b) the use of council vehicles by councillors and (c) the VIP protection for the executive and other councillors
2. The draft tools of trade policy must be in line with the new regulations dated 17 October 2024 per Government Gazette No. 51407.
3. It is recommended that the draft tools of trade policy be referred to the next Council Policy Workshop for discussion.

RECOMMENDATION FROM WORKSHOP TO COUNCIL: 22 JANUARY 2025

It is recommended that Council approves the draft tools of trade policy for Councillors.

RECOMMENDATION TO COUNCIL:

It is recommended that Council approves the draft tools of trade policy for Councillors.

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman MR Nongxaza and seconded by Councillor H Linnerts, it was resolved as follows.

Council approves the draft tools of trade policy for Councillors.

For finalization by the Senior Manager: Human Resources, Mr J Amansure.

ITEM TITLE

C40/2025 OFFICE OF THE SPEAKER / DIRECTORATE CORPORATE SERVICES: DEPARTMENT ADMINISTRATION: APPLICATION TO UNDERTAKE OTHER PAID WORK AS A FULL-TIME COUNCILLOR: COUNCILLOR H LINNERTS

[English version of the report is the original]

FILE NUMBER

3/3/1

PURPOSE / AIM OF REPORT

To consider the application submitted by Councillor H Linnerts to undertake paid work as a full-time Councillor and as an employee of the Food and Allied Workers Union (FAWU).

BACKGROUND

The Executive Mayor, Alderman LM de Bruyn, announced the Members of the Executive Mayoral Committee on 19 November 2024 and Councillor H Linnerts was appointed as a Member of the EMC and Portfolio Chairperson for Corporate Services.

On 04 November 2024, Councillor H Linnerts declared in his declaration of interest that he is an employee of the Food and Allied Workers Union (FAWU).

DISCUSSION

Councillor Linnerts submits an application to the Speaker requesting the consent of the Theewaterskloof Municipal Council to continue to be an employee of FAWU on a part-time basis while he is an elected full-time Councillor.

A copy of letter received from Councillor H Linnerts is attached as annexure to this agenda-item.

FINANCIAL IMPLICATION

None

LEGAL IMPLICATION

Local Government: Municipal Structures Act 117 of 1998, as amended by Schedule 7 of Act No. 3 of 2021 (Code of Conduct for Councillors), stipulates as follows in Section 9 in terms of full-time councillors:

"A councillor who is a full-time councillor may not undertake any other paid work, except with the consent of a municipal council, which consent shall not unreasonably be withheld."

RISK MANAGEMENT IMPLICATION

None

RECOMMENDATION TO COUNCIL:

It is recommended:

- 1. That Council takes cognisance of the request for consent by Council to perform other paid work as full-time Councillor, received from the EMC Member, Councillor H Linnerts.**
- 2. That Council grants approval to Councillor H Linnerts to perform other paid work as full-time Councillor and as an employee for FAWU.**
- 3. That the said approval be valid for the remainder of the current term of Council until 2026/27.**

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman MR Nongxaza and seconded by Alderman DA Appel, it was resolved as follows.

- 1. Council noted the request for consent by Council to perform other paid work as full-time Councillor, received from the EMC Member, Councillor H Linnerts.**
- 2. Council grants approval to Councillor H Linnerts to perform other paid work as full-time Councillor and as an employee for FAWU.**
- 3. That the said approval be valid for the remainder of the current term of Council until 2026/27.**

For finalization by the Manager: Corporate Services, Ms M Faul.

ITEM TITLE

66

C41/2025 OFFICE OF THE SPEAKER / DIRECTORATE CORPORATE SERVICES: DEPARTMENT ADMINISTRATION: APPLICATION TO UNDERTAKE OTHER PAID WORK AS A FULL-TIME COUNCILLOR: ALDERMAN S FREDERICKS

[English version of the report is the original]

FILE NUMBER

3/3/1

PURPOSE / AIM OF REPORT

To consider the application submitted by Alderman S Fredericks to undertake paid work as a full-time Councillor and as an organiser of the trade union Afriwu.

BACKGROUND

The Executive Mayor, Alderman LM de Bruyn, announced the Members of the Executive Mayoral Committee on 19 November 2024 and Alderman S Fredericks was appointed as a Member of the EMC and Portfolio Chairperson for Human Settlements and Planning.

DISCUSSION

Alderman Fredericks submits an application to the Speaker requesting the consent of the Theewaterskloof Municipal Council to continue to be an organizer for the trade union Afriwu on a part-time basis while he is an elected full-time Councillor.

A copy of letter received from Alderman S Fredericks is attached as annexure to this agenda-item.

FINANCIAL IMPLICATION

None

LEGAL IMPLICATION

Local Government: Municipal Structures Act 117 of 1998, as amended by Schedule 7 of Act No. 3 of 2021 (Code of Conduct for Councillors), stipulates as follows in Section 9 in terms of full-time councillors:

“A councillor who is a full-time councillor may not undertake any other paid work, except with the consent of a municipal council, which consent shall not unreasonably be withheld.”

RISK MANAGEMENT IMPLICATION

None

RECOMMENDATION TO COUNCIL:

It is recommended:

- 1. That Council takes cognisance of the request for consent by Council to perform other paid work as full-time Councillor, received from the EMC Member, Alderman S Fredericks.**
- 2. That Council grants approval to Alderman S Fredericks to perform other paid work as full-time Councillor and as an organiser of the trade union Afriwu.**
- 3. That the said approval be valid for the remainder of the current term of Council until 2026/27.**

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman LM de Bruyn and seconded by Councillor PJ Stander, it was resolved as follows.

- 1. Council noted the request for consent by Council to perform other paid work as full-time Councillor, received from the EMC Member, Alderman S Fredericks.**
- 2. Council grants approval to Alderman S Fredericks to perform other paid work as full-time Councillor and as an organiser of the trade union Afriwu.**
- 3. That the said approval be valid for the remainder of the current term of Council until 2026/27.**

For finalization by the Manager: Corporate Services, Ms M Faul.

ITEM HEADING

63

C42/2025 DIRECTORATE CORPORATE SERVICES: DEPARTMENT ADMINISTRATION: APPOINTMENT OF MEMBERS TO SERVE ON THE SECTION 80 COMMITTEES TO ASSIST THE EXECUTIVE MAYOR IN PERFORMING FUNCTIONS AND DUTIES

[English version of the report is the original]

FILE NUMBER

3/1/2

AIM/PURPOSE OF REPORT

For Council to appoint members to serve on the Section 80 Committees to assist the Executive Mayor in performing his functions and duties.

BACKGROUND

The Local Government: Municipal Structures Act, 1998 (Act 117 of 1998) provides for the establishment of Section 80 Committees by Council.

Section 80 Committees (committees to assist executive committee or executive mayor)

1. If a municipal council has an executive committee or executive mayor, it may in terms of section 79 appoint committees of councillors to assist the executive committee or executive mayor.
2. Such committees may not in number exceed the number of members of the executive committee or mayoral committee.
3. The executive committee or executive mayor –
 - (a) appoints a chairperson for each committee from the executive committee or mayoral committee;
 - (b) may delegate any of the powers and duties of the executive committee or executive mayor to the committee;
 - (c) is not divested of the responsibility concerning the exercise of the power or the performance of the duty; and
 - (d) may vary or revoke any decision taken by the committee subject to any vested rights.
4. Such a committee must report to the executive committee or executive mayor in accordance with the directives of the executive committee or executive mayor.

DISCUSSION

Section 80(2) of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998) provides as follows –

“2. Such committees may not in number exceed the number of members of the executive committee or mayoral committee”.

“During a Council Meeting held on 09 December 2021 per Council Resolution C183/2021, Section 80 Committees were established which are constituted as follows:

- a. Finance Committee (7 members) with the Chairperson as full-time Councillor and 6 members
- b. Corporate Services Committee (7 members) with the Chairperson as full-time Councillor and 6 members
- c. Technical- and Infrastructure Implementation Services Committee (7 members) with the Chairperson as full-time Councillor and 6 members
- d. Community Services Committee (7 members) with the Chairperson as full-time Councillor and 6 members
- e. Economic Development Committee (7 members) with the Chairperson as full-time Councillor and 6 members
- f. Human Settlements and Planning Committee (7 members) with the Chairperson as full-time Councillor and 6 members”

Council needs to appoint members to these Section 80 Committees in order for these committees to continue performing their functions and duties.

FINANCIAL IMPLICATIONS

None

LEGISLATIVE IMPLICATIONS

None

RISK MANAGEMENT IMPLICATION

None

RECOMMENDATION TO COUNCIL:

It is recommended:

- 1. That Council resolution SC43/2024 – Special Council Meeting of 13 September 2024 (point 2 – appointment of Members on Section 80 Committees), be repealed.**
- 2. That Council appoints the following Councillors to serve as Members on the Section 80 Committees:**

Finance Committee (7 members)

Councillor CT Cloete - Chairperson – full-time Councillor

Aldm/ Cllr

Aldm/ Cllr

Aldm/ Cllr

Aldm/ Cllr

Aldm/ Cllr

Aldm/ Cllr

Corporate Services Committee (7 members)

Councillor H Linnert - Chairperson – full-time Councillor

Aldm/ Cllr

Aldm/ Cllr

Aldm/ Cllr

Aldm/ Cllr

Aldm/ Cllr

Aldm/ Cllr

**Technical- and Infrastructure Implementation Services Committee
(7 members)**

Alderman M Plato-Mentoor - Chairperson – full-time Councillor

Aldm/ Cllr

Aldm/ Cllr

Aldm/ Cllr

Aldm/ Cllr

Aldm/ Cllr

Aldm/ Cllr

Community Services Committee (7 members)

Councillor Y van Tonder - Chairperson – full-time Councillor

Aldm/ Cllr

Aldm/ Cllr

Aldm/ Cllr

Aldm/ Cllr

Aldm/ Cllr

Aldm/ Cllr

Economic Development Committee (7 members)

Alderman C Clayton - Chairperson – full-time Councillor

Aldm/ Cllr

Aldm/ Cllr

Aldm/ Cllr

Aldm/ Cllr

Aldm/ Cllr

Aldm/ Cllr

Human Settlements and Planning Committee (7 members)

Alderman S Fredericks - Chairperson – full-time Councillor

Aldm/ Cllr

Aldm/ Cllr

Aldm/ Cllr

Aldm/ Cllr

Aldm/ Cllr

Aldm/ Cllr

RECOMMENDATION BY COUNCIL: 28 NOVEMBER 2024

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman LM de Bruyn and seconded by Alderman S Fredericks, it was recommended as follows:

- 1. Council resolution SC43/2024 – Special Council Meeting of 13 September 2024 (point 2 – appointment of Members on Section 80 Committees), be repealed.**
- 2. Council appoints the following Councillors to serve as Members on the Section 80 Committees:**

Finance Committee (5 members)

Councillor CT Cloete - Chairperson – full-time Councillor
Councillor CA Benjamin
Councillor H Linnerts

Aldm/ Cllr

Aldm/ Cllr

Secundi: Councillor J Smit

Secundi: Aldm/ Cllr

Corporate Services Committee (5 members)

Councillor H Linnerts - Chairperson – full-time Councillor
Councillor M Botes
Councillor J Smit

Aldm/ Cllr

Aldm/ Cllr

Secundi: Councillor D Jacobs

Secundi: Aldm/ Cllr

**Technical- and Infrastructure Implementation Services Committee
(5 members)**

Alderman M Plato-Mentoor - Chairperson – full-time Councillor
Councillor D Jooste
Alderman CC Clayton

Aldm/ Cllr

Aldm/ Cllr

Secundi: Councillor PJ Stander

Secundi: Aldm/ Cllr

Community Services Committee (5 members)

Councillor Y van Tonder - Chairperson – full-time Councillor
Councillor D Jacobs
Councillor H Linnerts

Aldm/ Cllr

Aldm/ Cllr

Secundi: Councillor M Gana

Secundi: Aldm/ Cllr

Economic Development Committee (5 members)

Alderman C Clayton - Chairperson – full-time Councillor
Councillor PJ Stander
Councillor CA Benjamin

Aldm/ Cllr

Aldm/ Cllr

Secundi: Councillor J Smit

Secundi: Aldm/ Cllr

Human Settlements and Planning Committee (5 members)

Alderman S Fredericks - Chairperson – full-time Councillor
Councillor PJ Stander
Alderman CC Clayton

Aldm/ Cllr

Aldm/ Cllr

Secundi: Councillor D Jooste

Secundi: Aldm/ Cllr

RECOMMENDATION BY COUNCIL: 23 JANUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, it was unanimously recommended as follows:

1. **Council approves the appointment of Councillor T Zimmermann as a member of Corporate Services Committee.**
2. **Council noted that the other Opposition Parties (ANC/PA/EFF) will submit the names of the members to be appointed on the Section 80 Committees, by Monday 27 January 2025.**

NOTE: *During the Council Meeting of 03 February 2025, the Speaker announced that nominations have been received from the Patriotic Alliance Councillors for representation as follows:*

1. *Technical- and Infrastructure Implementation Services Committee, Councillor V Papier*
2. *Community Services Committee, Councillor H Syster.*
3. *Economic Development Committee, Councillor V Papier*
4. *Human Settlements and Planning Committee, Councillor H Syster*
5. *Financial Services Committee, Councillor V Papier*

NOTE: *On 14 February 2025, Councillor JD Lekhori submit his name as a representative on the Corporate Services Committee to the Speaker.*

RECOMMENDATION TO COUNCIL:

It is recommended that the ANC Councillors nominates the following Councillors as Members and/or Secundi's to the Section 80 Committees - vacancies indicated below:

Finance Committee (5 members)

Councillor CT Cloete - Chairperson – full-time Councillor
Councillor CA Benjamin
Councillor H Linnerts
Councillor V Papier

Aldm/ Cllr

Secundi: Councillor J Smit

Secundi: Aldm/ Cllr

Corporate Services Committee (5 members)

Councillor H Linnerts - Chairperson – full-time Councillor
Councillor M Botes
Councillor J Smit
Councillor T Zimmermann

Councillor JD Lekhori

Secundi: Councillor D Jacobs

Secundi: Aldm/ Cllr

**Technical- and Infrastructure Implementation Services Committee
(5 members)**

Alderman M Plato-Mentoor - Chairperson – full-time Councillor

Councillor D Jooste

Alderman CC Clayton

Councillor V Papier

Aldm/ Cllr

Secundi: Councillor PJ Stander

Secundi: Aldm/ Cllr

Community Services Committee (5 members)

Councillor Y van Tonder - Chairperson – full-time Councillor

Councillor D Jacobs

Councillor H Linnerts

Councillor H Syster

Aldm/ Cllr

Secundi: Councillor M Gana

Secundi: Aldm/ Cllr

Economic Development Committee (5 members)

Alderman C Clayton - Chairperson – full-time Councillor

Councillor PJ Stander

Councillor CA Benjamin

Councillor V Papier

Aldm/ Cllr

Secundi: Councillor J Smit

Secundi: Aldm/ Cllr

Human Settlements and Planning Committee (5 members)

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Alderman S Fredericks - Chairperson – full-time Councillor
Councillor PJ Stander
Alderman CC Clayton
Councillor H Syster

Aldm/ Cllr

Secundi: Councillor D Jooste

Secundi: Aldm/ Cllr

NOTE: *Alderman MR Nongxaza mentioned that is unfair to get only one seat and we are 8 councillors. The ANC will nominate 2 Councillors as representatives per Committee otherwise the ANC will withdraw from all Committee Meetings and will only attend Council meetings.*

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman LM de Bruyn and seconded by Councillor PJ Stander, it was resolved as follows:

1. **Council noted that the status quo will remains and that the Section 80 Committees will consist out of 5 members.**
2. **Council also noted the response from the ANC that if they cannot nominate 2 Councillors as representatives per Committee, the ANC will withdraw from all the Committee Meetings.**

For finalization by the Manager: Corporate Services, Ms M Faul.

ITEM TITLE

**C43/2025 DIRECTORATE CORPORATE SERVICES: DEPARTMENT
ADMINISTRATION: APPOINTMENT OF MEMBERS TO SERVE ON
THE STATUTORY COMMITTEES WITHIN THEEWATERSKLOOF
MUNICIPALITY**

[English version of the report is the original]

FILE NUMBER

3/1/2

AIM/PURPOSE OF REPORT

To appoint members to serve on the statutory committees within Theewaterskloof Municipality.

BACKGROUND

Section 33 of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998) provides the guidelines for the establishment of committees.

A municipality may establish a committee provided for in the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998) if –

- a. *the municipality is of a type that is empowered in terms of this Act to establish a committee of the desired kind;*
- b. *the establishment of the committee is necessary, taking into account –*
 - i. *the extent of the functions and powers of the municipality;*
 - ii. *the need for the delegation of these functions and powers in order to ensure efficiency and effectiveness in their performance; and*
 - iii. *the financial and administrative resources of the municipality to support the proposed committee.*

DISCUSSION

“During a Council Meeting held on 09 December 2021 per Council Resolution C184/2021, Statutory Committees were established which are constituted as follows (point 1 of the resolution):

Local Labour Forum with 20 members
Employment Equity Committee with 16 members”

Council needs to appoint members to these statutory committees in order for these committees to continue performing their functions and duties.

FINANCIAL IMPLICATION

None

LEGISLATIVE IMPLICATION

In the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998) it is stated in several sections that municipal councils may establish committees to assist councils in the performance of duties and exercising of powers. As soon as names have been allocated to the committees, they can function according to legislation.

RISK MANAGEMENT IMPLICATION

None

RECOMMENDATION TO COUNCIL:

It is recommended:

1. That Council resolution SC44/2024 – Special Council Meeting of 13 September 2024 (point 2 – appointment of Members to Statutory Committees), be repealed.
2. That Council appoints the following Councillors to serve as Members on the Statutory Committees:

Local Labour Forum (20 members)**Councillors**

1.Aldm/ Cllr

2.Aldm/ Cllr

3.Aldm/ Cllr

4.Aldm/ Cllr

5.Aldm/ Cllr

Secundi 1: Aldm/ Cllr

Secundi 2: Aldm/ Cllr

Management members x 5

Trade Union members x 10

Employment Equity Committee (16 members)

Councillors

1.Aldm/ Cllr

2.Aldm/ Cllr

3.Aldm/ Cllr

Secundi 1: Aldm/ Cllr

Secundi 2: Aldm/ Cllr

Management members x 5

Trade Union members x 8

RECOMMENDATION BY COUNCIL: 28 NOVEMBER 2028

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman M Plato-Mentoor and seconded by Alderman S Fredericks, it was recommended as follows:

1. **Council resolution SC44/2024 – Special Council Meeting of 13 September 2024 (point 2 – appointment of Members to Statutory Committees), be repealed.**
2. **Council appoints the following Councillors to serve as Members on the Statutory Committees:**

Local Labour Forum (20 members)

Councillors

1. Councillor H Linnerts

2. Councillor M Botes

3. Councillor J Smit

4. Aldm/ Cllr

5. Aldm/ Cllr

Secundi 1: Councillor CA Benjamin

Secundi 2: Aldm/ Cllr

Management members x 5

Trade Union members x 10

Employment Equity Committee (16 members)

Councillors

1. Councillor H Linnerts
2. Councillor M Botes
3. Ald/Cllr

Secundi 1: Councillor D Jacobs

Secundi 2: Aldm/ Cllr

Management members x 5

Trade Union members x 8

RECOMMENDATION BY COUNCIL: 23 JANUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, it was unanimously recommended as follows:

1. **Council approves the appointment of Councillor T Zimmermann as a member of the Local Labour Forum.**
2. **Council noted that the other Opposition Parties (ANC/PA/EFF) will submit the names of the members to be appointed as Members on the Statutory Committees, by Monday 27 January 2025.**

NOTE: *Councillor JD Lekhori submits his list of Committee representation to the Speaker on the 14th of February 2025 which do not include the Local Labour Forum or the Employment Equity Committee.*

RECOMMENDATION TO COUNCIL:

It is recommended that the ANC Councillors submit the names of their representatives for the Local Labour Forum and Employment Equity Committee to be appointed as Members and Secundi's - vacancies indicated below):

Local Labour Forum (20 members)

Councillors

1. Councillor H Linnerts
2. Councillor M Botes
3. Councillor J Smit
4. Councillor TB Zimmermann

5. Aldm/ Cllr

Secundi 1: Councillor CA Benjamin

Secundi 2: Aldm/ Cllr

Management members x 5
Trade Union members x 10

Employment Equity Committee (16 members)

Councillors

1. Councillor H Linnerts

2. Councillor M Botes

3. Ald/Cllr

Secundi 1: Councillor D Jacobs

Secundi 2: Aldm/ Cllr

Management members x 5
Trade Union members x 8

NOTE: Alderman MR Nongxaza mentioned that is unfair to get only one seat and we are 8 councillors. The ANC will nominate 2 councillors as representatives per Section 80 Committee otherwise the ANC will withdraw from all Committee Meetings and will only attend Council meetings.

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman LM de Bruyn and seconded by Councillor PJ Stander, it was resolved as follows.

Council noted the response from the ANC that if they cannot nominate 2 Councillors as representatives per Section 80 Committee, the ANC will withdraw from all the Committee Meetings.

For finalization by the Manager: Corporate Services, Ms M Faul.

ITEM TITLE

**C44/2025 DIRECTORATE CORPORATE SERVICES: DEPARTMENT
ADMINISTRATION: APPOINTMENT OF COUNCILLOR
REPRESENTATIVES AND SECUNDI'S ON THE SUB-COMMITTEES
OF THE LOCAL LABOUR FORUM AS PART OF THE EMPLOYER
COMPONENT**

[English version of the report is the original]

FILE NUMBER

3/3/6

PURPOSE OF REPORT

To appoint the Councillor Representatives and Secundi's who will serve on the Sub-Committees of the Local Labour Forum as part of the Employer component.

BACKGROUND

The Local Labour Forum established the following Sub-Committees for purposes of preparatory consultation provided that it may not negotiate on any matter, which has been reserved for exclusive bargaining in the Council or Division.

DISCUSSION

The following Sub-Committees is currently in place:

1. Health and Safety Committee
2. HR Policy Working Group

Council needs to appoint representatives and secundi's who will serve on these Sub-Committees.

FINANCIAL IMPLICATIONS

None

LEGAL RESPONSIBILITIES

None

RISK MANAGEMENT IMPLICATIONS

None

RECOMMENDATION TO COUNCIL:

It is recommended:

1. That Council Resolution SC45/2024 – Special Council Meeting of 13 September 2024 (point 2 – appointment of Councillors to serve on the Sub-Committees of the Local Labour Forum), be repealed.
2. That Council appoints the following Councillors to serve on the following Sub-Committees of the Local Labour Forum as part of the Employer component:

Health and Safety Committee:

1. Aldm/ Cllr

2. Aldm/ Cllr

3. Aldm/ Cllr

Secundi 1: Aldm/ Cllr

Secundi 2: Aldm/ Cllr

HR Policy Working Group:

1. Aldm/ Cllr

2. Aldm/ Cllr

3. Aldm/ Cllr

Secundi 1: Aldm/ Cllr

Secundi 2: Aldm/ Cllr

RECOMMENDATION BY COUNCIL: 28 NOVEMBER 2028

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman M Plato-Mentoor and seconded by Alderman S Fredericks, it was recommended as follows:

1. Council Resolution SC45/2024 – Special Council Meeting of 13 September 2024 (point 2 – appointment of Councillors to serve on the Sub-Committees of the Local Labour Forum), be repealed.
2. Council appoints the following Councillors to serve on the following Sub-Committees of the Local Labour Forum as part of the Employer component:

Health and Safety Committee:

1. Alderman CC Clayton
2. Councillor DA Jacobs
3. Aldm/ Cllr

Secundi 1: Councillor M Botes

Secundi 2: Aldm/ Cllr

HR Policy Working Group:

1. Councillor H Linnerts
2. Councillor M Botes
3. Aldm/ Cllr

Secundi 1: Councillor DA Jacobs

Secundi 2: Aldm/ Cllr

RECOMMENDATION BY COUNCIL: 23 JANUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, it was unanimously recommended as follows:

1. **Council approves the appointment of Councillor T Zimmermann as a member of the HR Policy Working Group.**
2. **Council noted that the other Opposition Parties (ANC/PA/EFF) will submit the names of the members to be appointed on the Sub-Committees of the Local Labour Forum as part of the Employer Component, by Monday 27 January 2025.**

NOTE: *Councillor JD Lekhori submits his list of Committee representation to the Speaker on the 14th of February 2025 which do not include the Sub-Committees of the Local Labour Forum.*

RECOMMENDATION TO COUNCIL:

It is recommended that the ANC Councillors submit the names of the Members and Secundi's to be appointed on the Sub-Committees of the Local Labour Forum as part of the Employer Component - (vacancies indicated below):

Health and Safety Committee:

1. Alderman CC Clayton
2. Councillor DA Jacobs
3. Aldm/ Cllr

Secundi 1: Councillor M Botes

Secundi 2: Aldm/ Cllr

HR Policy Working Group:

1. Councillor H Linnerts
2. Councillor M Botes
3. Councillor TB Zimmermann

Secundi 1: Councillor DA Jacobs

Secundi 2: Aldm/ Cllr

NOTE: *Alderman MR Nongxaza mentioned that is unfair to get only one seat and we are 8 councillors. The ANC will nominate 2 Councillors as representatives on the Section 80 Committees otherwise the ANC will withdraw from all Committee Meetings and will only attend Council meetings.*

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman LM de Bruyn and seconded by Councillor PJ Stander, it was resolved as follows.

Council noted the response from the ANC that if they cannot nominate 2 Councillors as representatives per Section 80 Committee, the ANC will withdraw from all the Committee Meetings.

For finalization by the Manager: Corporate Services, Ms M Faul.

ITEM TITLE

**C45/2025 DIRECTORATE CORPORATE SERVICES: DEPARTMENT
ADMINISTRATION: APPOINTMENT OF MEMBERS ON THE
DISCIPLINARY COMMITTEE OF THEEWATERSKLOOF
MUNICIPALITY**

[English version of the report is the original]

FILE NUMBER

3/2/6/R

PURPOSE OF REPORT

To appoint members on the Disciplinary Committee of Theewaterskloof Municipality.

BACKGROUND

Item 16(1)(b) of the Code of Conduct for Councillors (Schedule 7 of the Local Government: Municipal Structures Amendment Act, 2021 (Act 3 of 2021)) makes provision for the establishment of a special committee to investigate breaches of the Code of Conduct and to make findings on any alleged breach of this code and make appropriate recommendations to the Council.

DISCUSSION

"During a Council Meeting held on 07 December 2021 per Council Resolution C185/2021, the Disciplinary Committee of Theewaterskloof Municipality was established."

Council needs to appoint members to the Disciplinary Committee in order for the committee to continue performing their functions and duties.

FINANCIAL IMPLICATIONS

None

LEGISLATIVE IMPLICATIONS

Local Government: Municipal Structures Amendment Act, 2021 (Act 3 of 2021) (Schedule 7).

RISK MANAGEMENT IMPLICATIONS

None

RECOMMENDATION TO COUNCIL:**It is recommended:**

1. **That Council resolution SC46/2024 – Special Council Meeting of 13 September 2024 (point 2 and point 3 – appointment of Members to the Disciplinary Committee, be repealed.**
2. **That the following members be appointed by Council on the Disciplinary Committee of Theewaterskloof Municipality:**

Aldm/ Cllr [Chairperson]

Aldm/Cllr [Prosecutor]

Aldm/ Cllr [Member of the Committee]

Aldm/ Cllr [Member of the Committee]

Aldm/ Cllr [Member of the Committee]

3. **That Council appoints the following members as secundi for the members of the Disciplinary Committee of Theewaterskloof Municipality:**

Aldm/ Cllr [Secundi for Chairman]

Aldm/Cllr [Secundi for Prosecutor]

Aldm/ Cllr [Secundi for Member of the Committee]

Aldm/ Cllr [Secundi for Member of the Committee]

RECOMMENDATION BY COUNCIL: 28 NOVEMBER 2028

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman M Plato-Mentoor and seconded by Alderman S Fredericks, it was recommended as follows:

1. **Council resolution SC46/2024 – Special Council Meeting of 13 September 2024 (point 2 and point 3 – appointment of Members to the Disciplinary Committee, be repealed.**
2. **That the following members be appointed by Council on the Disciplinary Committee of Theewaterskloof Municipality:**

Councillor PJ Stander [Chairperson]

Alderman S Fredericks [Prosecutor]

Councillor H Linnerts [Member of the Committee]

Aldm/ Cllr [Member of the Committee]

Aldm/ Cllr [Member of the Committee]

3. That Council appoints the following members as secundi for the members of the Disciplinary Committee of Theewaterskloof Municipality:

Councillor J Smit [Secundi for Chairman]
 Councillor J Smit [Secundi for Prosecutor]
 Councillor J Smit [Secundi for Member of the Committee]

Aldm/ Cllr [Secundi for Member of the Committee]

RECOMMENDATION BY COUNCIL: 23 JANUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, it was unanimously recommended as follows:

- 1. Council approves the appointment of Councillor T Zimmermann as a member of the Disciplinary Committee.**
- 2. Council noted that the other Opposition Parties (ANC/PA/EFF) will submit the names of the members and secundi's to be appointed on the Disciplinary Committee of Theewaterskloof Municipality, by Monday 27 January 2025.**

NOTE: *During the Council Meeting of 03 February 2025, the Speaker announced that nominations have been received from the Patriotic Alliance Councillors for representation as follows:*

- 1. Member of the Disciplinary Committee - Councillor H Syster.*

NOTE: *Councillor JD Lekhori submits his list of Committee representation to the Speaker on the 14th of February 2025 which do not include the Disciplinary Committee.*

RECOMMENDATION TO COUNCIL:

It is recommended that the ANC Councillors nominate a Secundi for the Opposition Parties Members to the Disciplinary Committee:

- 1. That Council notes that the following members have been appointed by Council on the Disciplinary Committee of Theewaterskloof Municipality:**

Councillor PJ Stander [Chairperson]
 Alderman S Fredericks [Prosecutor]
 Councillor H Linnerts [Member of the Committee]
 Councillor T Zimmermann [Member of the Committee]
 Councillor H Syster [Member of the Committee]

2. That Council appoints the following members as secundi for the members of the Disciplinary Committee of Theewaterskloof Municipality:

Councillor J Smit [Secundi for Chairman]

Councillor J Smit [Secundi for Prosecutor]

Councillor J Smit [Secundi for Member of the Committee]

Aldm/ Cllr [Secundi for Member of the Committee]

NOTE: Alderman MR Nongxaza mentioned that is unfair to get only one seat and we are 8 councillors. The ANC will nominate 2 Councillors to be Members of the Section 80 Committees of Theewaterskloof Municipality otherwise the ANC will withdraw from all Committee Meetings and will only attend Council meetings.

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman LM de Bruyn and seconded by Councillor PJ Stander, it was resolved as follows.

Council noted the response from the ANC that if they cannot nominate 2 Councillors as representatives per Section 80 Committees, the ANC will withdraw from all the Committee Meetings.

For finalization by the Manager: Corporate Services, Ms M Faul.

ITEM TITLE

**C46/2025 DIRECTORATE CORPORATE SERVICES: DEPARTMENT
ADMINISTRATION: REVIEWED WARD COMMITTEE POLICY**

[English version of the report is the original]

FILE NUMBER

3/4/B

PURPOSE/AIM OF REPORT

The purpose of the report is to revoke the Policy for the establishment and functioning of Ward Committees within Theewaterskloof Municipality as approved per Council Resolution C92/2016 of 28 July 2016 and to adopt the reviewed Ward Committee Policy for Theewaterskloof Municipality.

BACKGROUND

The Policy for the establishment and functioning of Ward Committees within Theewaterskloof Municipality was approved by Council during a Council Meeting of 28 July 2016 per Council Resolution C92/2016 and was implemented thereafter.

DISCUSSION

This policy was due for revision and a discussion was held with Officials of the Department of Local Government: Directorate Public Participation and a draft Ward Committee Policy was provided to Theewaterskloof Municipality to amend as per the requirements of the Municipality.

After the policy was amended, it was submitted to the Department Local Government: Directorate Public Participation for their comments. It was indicated that they are satisfied with the amended policy with only one legislative addition for inclusion in the policy.

The Ward Committee Policy seeks to provide guidelines on the establishment and operation of Ward Committees, within the jurisdiction of Theewaterskloof Municipality.

The Reviewed Ward Committee Policy is attached as annexure to the agenda-item.

FINANCIAL IMPLICATIONS

None

LEGISLATIVE REQUIREMENTS

- Constitution of the Republic of South Africa (Act 108 of 1996)
- White Paper on Local Government (1998)
- Municipal Structures Act (Act 117 of 1998)

- Municipal Structures Amendment Act (Act 3 of 2021)
- Municipal Systems Act (Act 32 of 2000)
- Municipal System Amendment Act (Act 3 of 2022)
- National Policy Framework for Public Participation (2007)

RISK MANAGEMENT IMPLICATIONS

None

RECOMMENDATION BY ITEM AUTHOR TO COUNCIL:

It is recommended:

- 1. That Council Resolution C92/2016 of 28 July 2016 (approval of the Policy for the establishment and functioning of Ward Committees) be revoked.**
- 2. That Council approves the Reviewed Ward Committee Policy.**
- 3. That the Reviewed Ward Committee Policy be presented to the Ward Committees for their cognizance, after Council approval.**

RESOLVED DURING THE WORKSHOP: 22 JANUARY 2025

It is resolved:

- 1. That the Ward Committee Policy be amended to include the following:**
 - 1.1. That 9.2.5 be included which reads as follows:**

T hat virtual Ward Committee Meetings be considered as an option if the Ward Committee Members agree.
 - 1.2. That 11.1 – Normal Activities – Function Area 4 be amended to read as follows: Submitting of items to be placed on the Ward Committee Agenda – limited to 2 agenda-items per Ward Committee Member per meeting and the agenda-items must not include operational matters which can be addressed by the Town Offices.**
 - 1.3. That 16.5 be included which reads as follows:**

That the provision of tools of trade e.g. book/pen/file, etc. to Ward Committee Members be considered, if funding is available.
- 2. That clarity be obtained regarding the status of the PR Councillors at Ward Committee Meetings and feedback be provided to all the Councillors in this regard.**
- 3. That the Ward Committee Policy be presented to Council for approval after the amendments as per point 1.**

1. *Policy be amended.*
2. *For finalization by the Manager: Corporate Services, Ms M Faul.*

COMMENTS FROM ITEM AUTHOR:

Ward Committee Policy amended as per Workshop Resolution point 1. Amended policy attached for approval by Council.

Regarding point 2 of the Workshop Resolution which reads as follows:

2. **That clarity be obtained regarding the status of the PR Councillors at Ward Committee Meetings and feedback be provided to all the Councillors in this regard.**

Comments were requested from the Directorate Local Government and the following response was received from Mr Mario Baatjes:

Section 73 (2) of the Structures Act reads as follows:

"a ward committee consists of-

- a. The councilor representing the ward in the council, who must also be the chairperson of the committee; and
- b. Not more than 10 other persons.

I checked the legislation and could not find a definition for membership, however upon a search through the internet the following definition appears:

"Members are by definition full members, with full voting rights.". This has always been our view as well as being a member allows you to not only speak during meetings, as everyone else has that right as well, but the crux is the fact that only members can vote on any matter before it. Based on a literal interpretation of the definition as alluded to above, only the ward councilor and the 10 members will have voting rights in such meetings, due to the fact that they are legitimate members of the committee. Item 4(1) of the Code of Conduct prescribes that "a councilor must attend each meeting of the municipal council and of a committee of which that councilor is a member..." This means that a councilor cannot be regarded as being absent from a committee meeting where the councilor is not a member of such committee i.e. ward committee meeting in the case of a PR councilor.

There is no mention of the word "observer" in the legislative and policy framework governing ward committees. It is our interpretation that an observers rights in a meeting are restricted to observing; they can attend the meeting and listen to the conversation, but they are not expected to actively participate in the discussion and cannot vote or otherwise officially take part in the decision making.

We must be cognisant that the legislation will not deal with each and every eventuality and that in certain circumstances we need to read certain things in that is not defined but where some other piece of legislation provide clarity. It is thus our view that notwithstanding that 'observer' is not defined, the definition relating to members of a committee provides ample clarity.

RECOMMENDATION BY ITEM AUTHOR TO COUNCIL:

It is recommended:

- 1. That Council Resolution C92/2016 of 28 July 2016 (approval of the Policy for the establishment and functioning of Ward Committees) be revoked.**
- 2. That Council approves the Reviewed Ward Committee Policy.**
- 3. That the Reviewed Ward Committee Policy be presented to the Ward Committees for their cognizance, after Council approval.**
- 4. That Council notes the clarification provided by the Department of Local Government regarding the status of PR Councillors at Ward Committee Meetings.**

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman S Fredericks and seconded by Alderman LM de Bruyn, it was resolved as follows.

- 1. Council Resolution C92/2016 of 28 July 2016 (approval of the Policy for the establishment and functioning of Ward Committees) be revoked.**
- 2. Council approves the Reviewed Ward Committee Policy.**
- 3. That the Reviewed Ward Committee Policy be Workshopped with the Ward Committee Members and the Ward Councillors together.**
- 4. Council noted the clarification provided by the Department of Local Government regarding the status of PR Councillors at Ward Committee Meetings.**

For finalization by the Manager: Corporate Services, Ms M Faul.

ITEM TITLE**C47/2025 OFFICE OF THE MUNICIPAL MANAGER: DEPARTMENT INTERNAL
AUDIT: REVISION OF MUNICIPAL PUBLIC ACCOUNTS COMMITTEE
TERMS OF REFERENCE**

[English version of the report is the original]

FILE NUMBER

3/2/17/2

PURPOSE OF REPORT

The Council is requested to approve the revised Municipal Public Accounts Committee Terms of Reference.

BACKGROUND

The Municipal Public Accounts Committee (MPAC) Terms of Reference was approved by Council on 23 March 2023.

Paragraph 8 of the MPAC Terms of reference states: The MPAC charter must be annually reviewed by the CAE.

The MPAC Terms of Reference was sent to Management, the MPAC Chairperson, MPAC Members and the Speaker for comments on 29 January 2024.

DISCUSSION

The Revised MPAC Terms of Reference is attached to this item.

The following amendments were made to the MPAC Terms of reference:

Paragraph	Approved Terms of Reference	Reviewed Terms of Reference
3.3	The MPAC shall comprise of three councillors excluding any councillor who is serving as Executive Mayor, Deputy Executive Mayor, Speaker or any other member of the Executive Committee, or any political party Whips or municipal officials.	The MPAC shall comprise of <u>no less than</u> three councillors excluding any councillor who is serving as Executive Mayor, Deputy Executive Mayor, Speaker or any other member of the Executive Committee, or any political party Whips or municipal officials.
6.5	Two members will form a quorum.	Two members will form a quorum <u>(one member & Chairperson or two members)</u>

LEGAL RESPONSIBILITY

Section 79 of the Municipal Structures Act 1998

(2) The municipal council –

- must determine the functions of a committee:
- may delegate duties and powers to it in terms of Section 32:
- May determine a committee's procedure.

Section 79A of the Municipal Structures Amendment Act 2021

- c. The municipal council must determine the functions of the municipal public accounts committee, which must include the following:
- (a) review the Auditor-General's reports and comments of the management committee and the audit committee and make recommendations to the municipal council;
 - (b) review internal audit reports together with comments from the management committee and the audit committee and make recommendations to the municipal council;
 - (c) initiate and develop the oversight report on annual reports contemplated in section 129 of the Local Government: Municipal Finance Management Act;
 - (d) attend to and make recommendations to the municipal council on any matter referred to it by the municipal council, executive committee, a committee of the council, a member of this committee, a councillor and the municipal manager; and
 - (e) on its own initiative, subject to the direction of the municipal council, investigate and report to the municipal council on any matter affecting the municipality.

FINANCIAL IMPLICATIONS

Not applicable.

RISK MANAGEMENT IMPLICATION

Not applicable.

RECOMMENDATION BY MANAGEMENT TO MPAC: 26 FEBRUARY 2024

1. Management takes cognisance of the draft revised Municipal Public Accounts Committee Terms of Reference.

It is recommended:

2. That the Municipal Public Accounts Committee takes cognisance of the draft revised MPAC Terms of Reference.
3. That Council approves the revised Municipal Public Accounts Committee Terms of Reference.

RECOMMENDATION BY MPAC TO COUNCIL: 15 JANUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor P Stander, and seconded by Councillor J Smit it was recommended as follows:

1. The Municipal Public Accounts Committee takes cognisance of the draft revised MPAC Terms of Reference.
2. That Council approves the revised Municipal Public Accounts Committee Terms of Reference.
3. That Council grants approval that a 4th Councillor be appointed as a MPAC Member.

RECOMMENDATION TO COUNCIL:

It is recommended:

1. That Council approves the revised Municipal Public Accounts Committee Terms of Reference.
2. That Council grants approval that a 4th Councillor be appointed as a MPAC Member.

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor PJ Stander and seconded by Councillor J Smit, it was resolved as follows.

1. Council approves the revised Municipal Public Accounts Committee Terms of Reference.

2. **Council resolved that the status quo will remains and that the Municipal Public Accounts Committee will consists out of 3 Members.**

For finalization by the Chief Audit Executive, Mr A Opperman.

ITEM TITLE

**C48/2025 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: DIRECTORATE
COMMUNITY SERVICES: CAN MARKETING AND SOLUTION (PTY)
- R165 000.00**

[English version of the report is the original]

FILE NUMBER

6/3/1/5/1

PURPOSE OF REPORT

The purpose of the report is to inform the Municipal Public Accounts Committee of the possible irregular expenses that incurred by CAN Marketing and Solutions to the amount of R 165 000.00 during the procurement of services in Botrivier and that the committee considers the report with an explanatory template for the irregular expenditure in terms of Section 32 of the MFMA.

The Committee can in terms of its mandate:

- a. Investigate the irregular expenditure,
- b. Make recommendations to the Council as to who, if any is liable for the irregular expenditure,
- c. Recommend to the Council whether the irregular expenditure must be certified as irrecoverable and be written off,
- d. Make recommendations if necessary for the implementation of measures to prevent future irregular expenditure and,
- e. To report to Council on the effective functioning of processes and procedures/controls surrounding the prevention of unauthorized, irregular, fruitless and wasteful expenditure currently.

BACKGROUND

The services of CAN Marketing and Solutions were obtained through a deviation process, to provide container toilets to the Botrivier sports field. During the Auditor General audit process of 2022/2023, the AG performs an audit of compliance with legislation, and identified instances of non-compliance. The municipality deviated from the SCM processes to procure services for sports field toilets from CAN Marketing and Solutions, however based on corroborative evidence received from the municipality, there was no valid reason for the deviation, as the sports field did not have working sanitation facilities for some time. The AG found that the municipality have enough time to follow the proper quotation processes.

DISCUSSION

On the 25th of August 2022 the Municipal Manager along with his senior management visited Botrivier. It was found that the current toilet facilities were not sufficient according to Boland Rugby standards. The club house also has structural damages to its roof, and additional toilets were required. With the Accelerated Service Delivery Program, it was decided to urgently provide toilets to accommodate the Botrivier sport field and all its sport codes.

The toilets at the club house cannot accommodate all the sport codes. Constant vandalism and sabotage at the "rugby club house" effected in the facility to be unavailable. The municipality does not have a facility on the sport field to cater their needs of proper sanitation. The hiring of municipal facilities such as sport fields has a mandate to provide sanitation to all its users. At the time, there are no sufficient toilets to accommodate all the sport codes.

The AG found that the non-compliance by not following the SCM quotation process, result to irregular expenditure of R 165 000.00. The finding of the AG is now reported to MPAC, to be considered.

INTERNAL AUDIT IMPLICATIONS (DEPARTMENTAL)

An emergency will realise if sanitation facilities are not working on the day of an event and should the municipality rather have cancelled or moved the gatherings. It is not clear why a quotation process was not followed in time to cater for the event. This finding was raised by the Office of the Auditor General.

LEGAL RESPONSIBILITIES

Legal department

LEGAL IMPLICATIONS (DEPARTMENTAL)

In terms of section 62 of the Municipal Finance Management Act No 56 of 2003 the accounting officer is responsible for managing the financial affairs of the municipality and he/she must for this purpose ,inter alia :

1. Take all reasonable steps to ensure that unauthorized, irregular, fruitless and wasteful expenditure and other losses are prevented; and
2. Ensure that disciplinary or where appropriate, criminal proceedings are instituted against any official or councillor who has allegedly committed an act of financial misconduct or an offence in terms of Chapter 15 of the MFMA.

FINANCIAL IMPLICATIONS

The amount written off as irregular in view of the explanation and reason explained in the report is R 165 000.00

FINANCIAL IMPLICATION (DEPARTMENTAL)

Financial write off of R165 000.00

RISK MANAGEMENT IMPLICATIONS

Failing to manage irregular expenses in accordance with the MFMA could result into Council losing money and not receive value for money. However, in this case, Council did not suffer any losses or damages, and received value for money.

RECOMMENDATION BY ITEM AUTHOR:

It is therefore recommended that the following expenditure, in the view of the fact that there is no reason to suspect fraud, Council has received value for money and did not suffer any loss. As there are no grounds for a claim against any official, it is recommended that the irregular amount of R165 000.00 for the financial year 2022/2023 be written off as irrecoverable.

RECOMMENDATION BY MANAGEMENT TO MPAC: 21 MAY 2024

It is therefore recommended that the following expenditure, in the view of the fact that there is no reason to suspect fraud, Council has received value for money and did not suffer any loss. As there are no grounds for a claim against any official, it is recommended that the irregular amount of R165 000.00 for the financial year 2022/2023 be written off as irrecoverable.

RECOMMENDATION BY MPAC TO COUNCIL: 15 JANUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor P Stander, and seconded by Councillor J Smit it was recommended as follows:

The Municipal Public Accounts Committee recommends to Council that the expenditure be investigated and that the irregular amount of R165 000.00 be recovered.

RECOMMENDATION TO COUNCIL:

The Municipal Public Accounts Committee recommends to Council that the expenditure be investigated and that the irregular amount of R165 000.00 be recovered.

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman MR Nongxaza, and seconded by Alderman LM de Bruyn it was resolved as follows:

That the agenda-item be referred back and that the officials submit a detailed report with all the relevant information.

1. *Agenda-item be referred back.*
2. *For finalization by the Director: Community Services, Mr WSE Solomons-Johannes.*

ITEM TITLE**C49/2025 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: DIRECTORATE
COMMUNITY SERVICES: IRREGULAR EXPENDITURE - ZWH
PROJECTS AND DEVELOPMENT**

[English version of the report is the original]

FILE NUMBER

6/3/1/5/1

PURPOSE OF REPORT

The purpose of the report is to inform the Municipal Public Accounts Committee of the possible irregular expenses incurred during payment of an amount of R 29 680 126.18 to ZWH Projects and Development for the provision of generators and R 1 420 973.00 for the supply and delivery of Personal Protective Equipment (PPE) to the municipality during the 2022/2023 financial year, as and when the need arose, and that the Committee consider the report with explanatory template for the irregular expenditure in terms of Section 32 of the MFMA.

The Committee can in terms of its mandate:

- a. Investigate the irregular expenditure,
- b. Make recommendations to the Council as to who, if any is liable for the irregular expenditure,
- c. Recommend to the Council whether the irregular expenditure must be certified as irrecoverable and be written off,
- d. Make recommendations if necessary for the implementation of measures to prevent future irregular expenditure and,
- e. To report to Council on the effective functioning of processes and procedures/controls surrounding the prevention of unauthorized, irregular, fruitless and wasteful expenditure currently.

BACKGROUND

At its Council Meeting on the 29th of June 2023, Council resolved as follows:

"RESOLVED BY COUNCIL: 29 JUNE 2023

After the Chairperson had given the Councilors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor RL Mienies and seconded by Councillor TP Lesesa it was resolved as follows:

In view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages. As there are no grounds for a claim against any official, it is resolved that the irregular expense in the amount of R 1 842 913,70 for the financial year 2022/2023 be approved and accepted.

During the audit process conducted by the Auditor General of South Africa (AGSA), it was determined that a further amount of R 29 680 126.18 for the provision of generators and R 1 420 973.00 for the provision of Personal Protective Equipment (PPE) to the municipality be referred to the Municipal Public Accounts Committee (MPAC) as it was considered irregular.

Generators:

The irregular expenditure incurred was for the provision of generators during the peak of loadshedding where higher levels of loadshedding was implemented, to ensure that service delivery through the provision of water and treatment of wastewater is not adversely affected.

The AGSA found that the deviation for the appointment of ZWH Projects was not justifiable because the original deviation entered was already regarded as irregular.

PPE:

The second service rendered by the supplier, for which payment invoices was deemed as irregular expenditure by AGSA, was for the supply and delivery for PPE for the total amount of R 1 420 973.00.

After an unsuccessful PPE tender process, the municipality agreed to deviate from the SCM processes for the procurement of protective clothing and use ZWH Projects and Development (Pty) Ltd as they have proven themselves in numerous occasions that they can deliver. The auditors did not find any proof that this service provider has provided these services to the municipality in the past, therefore the reason for using them as the service provider was not justified.

Furthermore, the deviation was classified as an emergency, but the amount of protective clothing purchased is of high volume and does not seem to be for the immediate need. The non-compliance is not individually material, but it is material in aggregate.

It needs to be mentioned that before the appointment of ZWH Projects, the employer could not provide the employees with the necessary PPE, as the previous tender process were unsuccessful. At that time the employer did not have any PPE in stock, and the employer was at risk by transgressing the Occupational Health and Safety legislation, expecting from the employees to work without the necessary PPE. The employees threaten to stop working, and it put the employer under pressure to find a way to appoint a service provider that were in a position to provide PPE as a matter of urgency.

The municipality had some challenges during the period to award a tender for the supply and delivery of PPE due to not having a full senior management complement. This meant that the Bid Adjudication Committee could not sit to award tenders.

DISCUSSION

The generators are required to ensure that despite loadshedding the water and wastewater treatment works as well as the offices of the municipality can continue deliver service uninterruptedly. Similarly with the procurement of Personal Protective Equipment (PPE), it is critically important that the general workers are equipped with Occupational Health and Safety-compliant clothing and equipment in the execution of their duties.

It should be noted by the Committee that Council received value for money and did not suffer any financial loss or damages. And there are no grounds for a claim against any official.

COMMENTS: OFFICE OF THE MUNICIPAL MANAGER

The municipality is in the process of advertising a tender for the provision, repairs, servicing and rent of back up generators, COMM 01/2024/2025.

INTERNAL AUDIT IMPLICATIONS (DEPARTMENTAL)

No comments.

LEGAL RESPONSIBILITIES

Section 32 of the MFMA states that any official of a municipality who deliberately or negligently committed, made or authorized an irregular expenditure is liable for that expenditure.

A municipality must recover such expenditure from the person liable for that expenditure, unless the irregular expenditure is certified by Council as irrecoverable, after the Municipal Public Accounts Committee has investigated and recommended it.

Irregular expenditure for the purpose of this item means expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of the Supply Chain Management policy of the municipality and which has not been condoned in terms of such policy.

The Supply Chain Management (SCM) processes was not followed. The urgency and prevailing emergency circumstances warranted the emergency dispensation in terms of Clause 36 of the Theewaterskloof SCM Policy.

The incurring of emergency expenditure for the generators was authorised by the Executive Mayor in accordance with Section 29 of the MFMA, whereafter the matter was reported to Council in terms of Section 29 of the MFMA and consequently Section 28 Adjustment Budget approval vide Council Resolution C181/2022 dated 27 October 2022 in light of the unforeseen and unavoidable expenditure.

LEGAL IMPLICATIONS (DEPARTMENTAL)

In terms of section 62 of the Municipal Finance Management Act the accounting officer is responsible for managing the financial affairs of the municipality and he/she must for this purposes; take all reasonable steps to ensure that unauthorized, irregular, fruitless and wasteful expenditure and other losses are prevented ensure that disciplinary or, when appropriate, criminal proceedings are instituted against any official or councillor who has allegedly committed financial misconduct or an offence in terms of chapter 15 of the MFMA. Proper planning must be done so as to avoid recurrence.

FINANCIAL IMPLICATIONS

The amount written off as irregular in view of the explanation and reason explained in the report.

FINANCIAL IMPLICATION (DEPARTMENTAL)

Financial expenditure of R25.3m incurred.

RISK MANAGEMENT IMPLICATIONS

Failing to manage irregular expenses in accordance with the MFMA could result into Council losing money and not receive value for money. However, in this case, Council did not suffer any losses or damages, and received value for money.

RECOMMENDATION BY ITEM AUTHOR:

In view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages. As there are no grounds for a claim against any official, it is recommended that the irregular expense in the amount of R 29 680 126.18 for the hiring of generators, and R 1 420 973.00 for the provision of PPE for the financial year 2022/2023 be approved and accepted.

RECOMMENDATION BY MANAGEMENT TO MPAC: 21 MAY 2024

In view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages. As there are no grounds for a claim against any official, it is recommended that the irregular expense in the amount of R 29 680 126.18 for the hiring of generators, and R 1 420 973.00 for the provision of PPE for the financial year 2022/2023 be approved and accepted.

RECOMMENDATION BY MPAC TO COUNCIL: 15 JANUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor P Stander, and seconded by Councillor J Smit it was recommended as follows:

The Municipal Public Accounts Committee recommends to Council:

1. That the expenditure regarding the generators be investigated and that a part of the irregular amount of R29 680 126.18 be recovered for the Municipality.
2. That the price difference with reference to the procurement of the PPE until the contract is in place, be investigated.

RECOMMENDATION TO COUNCIL:**The Municipal Public Accounts Committee recommends to Council:**

1. That the expenditure regarding the generators be investigated and that a part of the irregular amount of R29 680 126.18 be recovered for the Municipality.
2. That the price difference with reference to the procurement of the PPE until the contract is in place, be investigated.

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman MR Nongxaza, and seconded by Alderman LM de Bruyn it was resolved as follows:

That the agenda-item be referred back and that the officials submit a detailed report with all the relevant information.

1. *Agenda-item be referred back.*
2. *For finalization by the Director: Community Services, Mr WSE Solomons-Johannes.*

ITEM TITLE

**C50/2025 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: DIRECTORATE
COMMUNITY SERVICES: IRREGULAR EXPENDITURE -
SPECIALISED AGRI PROTECTION SERVICES**

[English version of the report is the original]

FILE NUMBER

6/3/1/5/1

PURPOSE OF REPORT

The purpose of the report is to inform the Municipal Public Accounts Committee of the possible irregular expenses incurred during payments of the value of R32 668.00 to Specialised Agri Protection Services for the provision of security services to Grabouw Town Office during the 2022/2023 financial year, and that the Committee consider the report with explanatory template for the irregular expenditure in terms of Section 32 of the MFMA.

The Committee can in terms of its mandate:

- a. Investigate the irregular expenditure,
- b. Make recommendations to the Council as to who, if any is liable for the irregular expenditure,
- c. Recommend to the Council whether the irregular expenditure must be certified as irrecoverable and be written off,
- d. Make recommendations if necessary for the implementation of measures to prevent future irregular expenditure and,
- e. To report to Council on the effective functioning of processes and procedures/controls surrounding the prevention of unauthorized, irregular, fruitless and wasteful expenditure currently.

BACKGROUND

The tender for the provision of monitoring and armed response at various offices of the municipality came to an end in June 2022. The Community Services Directorate went out on a TWK 2 to procure these services and found out that the cost would be too astronomical. It was then decided that a tender process would then be followed. In the meantime, after consultation with the acting CFO and acting SCM Manager, it was decided that a security company would be appointed on a month-to-month basis to provide security services, until the tender process will be completed.

In performing an audit of compliance with legislation for the 2022/2023 financial year, the Auditor General identify instances of non-compliance. The AG find that the official procurement process to appoint Specialized Agri Protection Services (SAPS) through a deviation process, and approved on 8 October 2022, that the deviation process for the appointment of SAPS was not justifiable. The normal SCM process could have been followed because the end user was aware that the current contract ended 30 June 2022. The non-compliance result in an irregular expenditure of R32 668.00.

However, during the auditing process of the Auditor General of South Africa (AGSA) it was determined that an amount of R 32 668.00 was irregular and needed to be declared to MPAC and Council.

DISCUSSION

In recent times there has been a large increase in theft and vandalism against municipal buildings and facilities. It is therefore of critical importance that monitoring and armed response is alert to protect municipal buildings and facilities.

It should be noted by the Committee that Council received value for money and did not suffer any financial loss or damages. And there are no grounds for a claim against any official.

COMMENTS: OFFICE OF THE MUNICIPAL MANAGER

Safeguarding and protection of municipal facility/(ies) to prevent theft, burglaries and vandalism. The process is underway to advertise/adjudicate a tender/s for a framework contract of panels for the provision of security services under Tender COMM03-2023/2024: Provision of Security Services Theewaterskloof Municipality from date of appointment until 30 June 2026.

INTERNAL AUDIT IMPLICATIONS (DEPARTMENTAL)

None.

LEGAL RESPONSIBILITIES

Section 32 of the MFMA states that any official of a municipality who deliberately or negligently committed, made or authorized an irregular expenditure is liable for that expenditure.

A municipality must recover such expenditure from the person liable for that expenditure, unless the irregular expenditure is certified by Council as irrecoverable, after the Municipal Public Accounts Committee has investigated and recommended it.

Irregular expenditure for the purpose of this item means expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of the Supply Chain Management policy of the municipality and which has not been condoned in terms of such policy.

LEGAL IMPLICATIONS (DEPARTMENTAL)

The recommendation is supported.

FINANCIAL IMPLICATIONS

The amount written off as irregular in view of the explanation and reason explained in the report.

FINANCIAL IMPLICATION (DEPARTMENTAL)

Financial expenditure of R32 668.05 incurred.

RISK MANAGEMENT IMPLICATIONS

Failing to manage irregular expenses in accordance with the MFMA could result into Council losing money and not receive value for money. However, in this case, Council did not suffer any losses or damages, and received value for money.

RECOMMENDATION BY ITEM AUTHOR:

It is therefore recommended that the following expenditure, in view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages. As there are no grounds for a claim against any official, it is recommended that the irregular expense in the amount of R 32 668.00 for the financial year 2022/2023 be written off as irrecoverable.

RECOMMENDATION BY MANAGEMENT TO MPAC: 20 MAY 2024

It is therefore recommended that the following expenditure, in view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages. As there are no grounds for a claim against any official, it is recommended that the irregular expense in the amount of R 32 668.00 for the financial year 2022/2023 be written off as irrecoverable.

RECOMMENDATION BY MPAC TO COUNCIL: 15 JANUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor P Stander, and seconded by Councillor J Smit it was recommended as follows:

That the following irregular expenditure, in view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages. As there are no grounds for a claim against any official, in the amount of R32 668.00 for the financial year 2022/2023 be written off as irrecoverable.

RECOMMENDATION TO COUNCIL:

It is therefore recommended that the following expenditure, in view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages. As there are no grounds for a claim against any official, it is recommended that the irregular expense in the amount of R 32 668.00 for the financial year 2022/2023 be written off as irrecoverable.

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman MR Nongxaza, and seconded by Alderman LM de Bruyn it was resolved as follows:

That the agenda-item be referred back and that the officials submit a detailed report with all the relevant information.

1. *Agenda-item be referred back.*
 2. *For finalization by the Director: Community Services, Mr WSE Solomons-Johannes.*
- .

ITEM TITLE

111

C51/2025 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: DIRECTORATE COMMUNITY SERVICES: IRREGULAR EXPENDITURE - WB TIPPER TRUCK AND PLANT HIRE

[English version of the report is the original]

FILE NUMBER

6/3/1/5/1

PURPOSE OF REPORT

The purpose of the report is to inform the Municipal Public Accounts Committee of the possible irregular expenses incurred during payments of the value of R 8 743 392.50, R 3 238 210,25 and R 3 131 289.00 (total value R 15 112 891.80) to WB Tipper Truck and Plant Hire for the hiring of water tanker trucks, graders, digger loaders and rollers and cost associated therewith in various towns in the municipal area, and R 1 523 957.00 for the clean-up of Grabouw, and that the Committee consider the report with explanatory template for the irregular expenditure in terms of Section 32 of the MFMA.

The Committee can in terms of its mandate:

- a. Investigate the irregular expenditure,
- b. Make recommendations to the Council as to who, if any is liable for the irregular expenditure,
- c. Recommend to the Council whether the irregular expenditure must be certified as irrecoverable and be written off,
- d. Make recommendations if necessary for the implementation of measures to prevent future irregular expenditure and,
- e. To report to Council on the effective functioning of processes and procedures/controls surrounding the prevention of unauthorized, irregular, fruitless and wasteful expenditure currently.

BACKGROUND

Deviation - Cleaning of towns – WB Tipper Truck and Plant Hire:

At the Council Strategic Session of October 2022 Council resolved that one of the strategic objectives would be the cleaning of towns. Further to that, the late Executive Mayor, Alderman K Papier, at a Special Council Meeting on 09 November 2022 mandated the Municipal Manager at the time to present a plan to ensure the three biggest towns are clean and green ahead of the tourism and fire seasons.

As an identified mayoral project, WB Tipper Trucks and Plant Hire submit a proposal for the cleaning of Grabouw over the festive season of December 2022. WB Tipper Trucks were appointed through a deviation process for the clean-up project in Grabouw.

During the audit of compliance of the 2022/2023 financial year statements by the AG, the AG found that the reasons for not following the official procurement process for the appointment of WB Tipper Trucks, was not justifiable as prescribed in the SCM Regulations, Reg 36 (Deviation from and ratification of minor breaches of procurement processes). The non-compliance result in an irregular expenditure of R 1 523 957.00.

Irregular expenditure – Hiring of water tanker trucks:

A report was submitted to MPAC on 22 June 2023, to inform the committee of possible irregular expenses that incurred during the 2022/2023 year for the provision of water tanker trucks by WB Tipper Trucks and Plant Hire to the amount of R 995 394,00. The reasons for this, were problems of water provision in various towns that was unable to supply water to communities, caused by continuous power failures up to stage 6 by ESKOM. Additional water tanker trucks were needed to keep up with the water supply demand and to supply water to those towns who were run out of water supply. The report was presented to Council on 29 June 2023, and the irregular expenditure were resolved.

The item regarding the write-off of this transaction served before Council and it was resolved as follows:

"RESOLVED BY COUNCIL: 29 JUNE 2023

After the Chairperson had given the Councilors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor RL Mienies and seconded by Councillor TP Lesesa it was resolved as follows:

In view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages. As there are no grounds for a claim against any official, it is resolved that the irregular expense in the amount of R 995 394,00 for the financial year 2022/2023 be approved and accepted.

However, during the audit process of irregular expenditure by the AG, it was noted by the AG that an additional amount of irregular expenditure of R 15 112 891.80 was not disclosed and recorded in the Section 32 Register, for irregular expenditure that was incurred by WB Tipper Trucks and Plant Hire and need to be declared.

The explanation for the irregular expenditure was a continuation of services delivered by WB Tipper Trucks and Plant Hire for the hiring of water tanker trucks and other plant, as explained in the report of 29 June 2023, that served before Council and has been resolved. The amount of R 15 112 891.80 was for additional payments that was not included at the time when the report was submitted to Council and was already found as irregular by the AG.

DISCUSSION

The municipality has to do more to implement the strategic objectives of Council. There has to be a strategic alignment between the Integrated Development Plan (IDP), Service Delivery and Budget Implementation Plan (SDBIP) and Budget to implement the strategic objectives of Council.

It should be noted by the Committee that Council received value for money and **did** not suffer any financial loss or damages. And there are no grounds for a claim against any official.

INTERNAL AUDIT IMPLICATIONS (DEPARTMENTAL)

No comments.

LEGAL RESPONSIBILITIES

Section 32 of the MFMA states that any official of a municipality who deliberately or negligently committed, made or authorized an irregular expenditure is liable for that expenditure. A municipality must recover such expenditure from the person liable for that expenditure, unless the irregular expenditure is certified by Council as irrecoverable, after the Municipal Public Accounts Committee has investigated and recommended it.

Irregular expenditure for the purpose of this item means expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of the Supply Chain Management policy of the municipality and which has not been condoned in terms of such policy.

LEGAL IMPLICATIONS (DEPARTMENTAL)

Section 62 of the Municipal Finance Management Act the accounting officer is responsible for managing the financial affairs of the municipality, by:

- 1) taking all reasonable steps to ensure that unauthorised, irregular, fruitless and wasteful expenditure and other losses are prevented.
- 2) Ensuring that disciplinary or when appropriate, criminal proceedings are instituted against any official or councillor who has allegedly committed an act of financial misconduct or an offence in terms of Chapter 15 of the MFMA.

FINANCIAL IMPLICATIONS

The amount written off as irregular in view of the explanation and reason explained in the report.

FINANCIAL IMPLICATION (DEPARTMENTAL)

Financial expenditure of R 15 112 891.80 incurred for the hiring of water tanker trucks and other plant, and R 1 523 957.00 for the clean-up of Grabouw.

RISK MANAGEMENT IMPLICATIONS

Failing to manage irregular expenses in accordance with the MFMA could result into Council losing money and not receive value for money. However, in this case, Council did not suffer any losses or damages, and received value for money.

RECOMMENDATION BY ITEM AUTHOR:

In view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages. As there are no grounds for a claim against any official, it is recommended that the irregular expense in the amount of R 15 112 891.80 incurred for the hiring of water tanker trucks and other plant, and R 1 523 957.00 for the clean-up of Grabouw for the financial year 2022/2023 be written off as irrecoverable.

RECOMMENDATION BY MANAGEMENT TO MPAC: 21 MAY 2024

In view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages. As there are no grounds for a claim against any official, it is recommended that the irregular expense in the amount of R 15 112 891.80 incurred for the hiring of water tanker trucks and other plant, and R 1 523 957.00 for the clean-up of Grabouw for the financial year 2022/2023 be written off as irrecoverable.

RECOMMENDATION BY MPAC TO COUNCIL: 15 JANUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor P Stander, and seconded by Councillor J Smit it was recommended as follows:

The Municipal Public Accounts Committee recommends to Council that the expenditure be investigated and that the irregular amount of R15 112 891.80 (hiring of water tanker trucks and other plants) and R1 523 957.00 (clean-up of Grabouw) be recovered.

RECOMMENDATION TO COUNCIL:

The Municipal Public Accounts Committee recommends to Council that the expenditure be investigated and that the irregular amount of R15 112 891.80 (hiring of water tanker trucks and other plants) and R1 523 957.00 (clean-up of Grabouw) be recovered.

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman MR Nongxaza, and seconded by Alderman LM de Bruyn it was resolved as follows:

That the agenda-item be referred back and that the officials submit a detailed report with all the relevant information.

1. *Agenda-item be referred back.*
2. *For finalization by the Director: Community Services, Mr WSE Solomons-Johannes.*

ITEM TITLE**C52/2025 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: DIRECTORATE
COMMUNITY SERVICES: IRREGULAR EXPENDITURE - TRAIL'S
END**

[English version of the report is the original]

FILE NUMBER

6/3/1/5/1

PURPOSE OF REPORT

The purpose of the report is to inform the Municipal Public Accounts Committee of the possible irregular expenses incurred during payments of the value of R 7 458.00 to Trail's End for the provision of conference facilities to the municipality on 16 November 2022, and that the Committee consider the report with explanatory template for the irregular expenditure in terms of Section 32 of the MFMA.

The Committee can in terms of its mandate:

- a. Investigate the irregular expenditure,
- b. Make recommendations to the Council as to who, if any is liable for the irregular expenditure,
- c. Recommend to the Council whether the irregular expenditure must be certified as irrecoverable and be written off,
- d. Make recommendations if necessary for the implementation of measures to prevent future irregular expenditure and,
- e. To report to Council on the effective functioning of processes and procedures/controls surrounding the prevention of unauthorized, irregular, fruitless and wasteful expenditure currently.

BACKGROUND

The Theewaterskloof Municipality, National Department of Public Works and Infrastructure and Royal Leadership of Knoflokskraal, situated between Botrivier and Grabouw met on the 16th of November 2022 at the Trail's End Bike Hotel. The municipality used the conference facilities of Trail's End to host the meeting due to the fact that it was big enough to host a delegation of approximately 57 persons.

An item regarding the irregular did serve before Council to write-off the transaction and it was resolved as follows:

"RESOLVED BY COUNCIL: 29 JUNE 2023

After the Chairperson had given the Councilors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor RL Mienies and seconded by Councillor TP Lesesa it was resolved as follows:

In view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages. As there are no grounds for a claim against any official, it is resolved that the irregular expense in the amount of R 8 250.00 for the financial year 2022/2023 be approved and accepted.

However, during the auditing process of the Auditor General of South Africa (AGSA) it was determined that an amount R 7 458.00 must be declared as part of the irregular expenditure incurred on this transaction. EFT Payment Package (R 7 458.00) was not declared at the time.

DISCUSSION

The Knoflokskraal Community poses significant risks on the infrastructure and operationalisation of the municipality. Security risks can also be identified. It is therefore important for the municipality to maintain cooperative and cordial relations with the DPWI and the Knoflokskraal Community to ensure that their constitutional rights are not infringed and to protect the municipality from any security risks posed by the community.

INTERNAL AUDIT IMPLICATIONS (DEPARTMENTAL)

None.

LEGAL RESPONSIBILITIES

Section 32 of the MFMA states that any official of a municipality who deliberately or negligently committed, made or authorized an irregular expenditure is liable for that expenditure. A municipality must recover such expenditure from the person liable for that expenditure, unless the irregular expenditure is certified by Council as irrecoverable, after the Municipal Public Accounts Committee has investigated and recommended it.

Irregular expenditure for the purpose of this item means expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of the Supply Chain Management policy of the municipality and which has not been condoned in terms of such policy.

LEGAL IMPLICATIONS (DEPARTMENTAL)

The recommendation is supported.

FINANCIAL IMPLICATIONS

The amount written off as irregular in view of the explanation and reason explained in the report.

FINANCIAL IMPLICATION (DEPARTMENTAL)

None

RISK MANAGEMENT IMPLICATIONS

Failing to manage irregular expenses in accordance with the MFMA could result into Council losing money and not receive value for money. However, in this case, Council did not suffer any losses or damages, and received value for money.

RECOMMENDATION BY ITEM AUTHOR:

In view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages. As there are no grounds for a claim against any official, it is recommended that the irregular expense in the amount of R 7 458.00 for the financial year 2022/2023 be written off as irrecoverable.

RECOMMENDATION BY MANAGEMENT TO MPAC: 20 MAY 2024

In view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages. As there are no grounds for a claim against any official, it is recommended that the irregular expense in the amount of R 7 458.00 for the financial year 2022/2023 be written off as irrecoverable.

RECOMMENDATION BY MPAC TO COUNCIL: 15 JANUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor P Stander, and seconded by Councillor J Smit it was recommended as follows:

That the following irregular expenditure, in view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages. As there are no grounds for a claim against any official, in the amount of R7 458.00 for the financial year 2022/2023 be written off as irrecoverable.

RECOMMENDATION TO COUNCIL:

In view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages. As there are no grounds for a claim against any official, it is recommended that the irregular expense in the amount of R 7 458.00 for the financial year 2022/2023 be written off as irrecoverable.

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman MR Nongxaza, and seconded by Alderman LM de Bruyn it was resolved as follows:

That the agenda-item be referred back and that the officials submit a detailed report with all the relevant information.

1. *Agenda-item be referred back.*
2. *For finalization by the Director: Community Services, Mr WSE Solomons-Johannes.*

ITEM TITLE**C53/2025 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: DIRECTORATE
COMMUNITY SERVICES: BLUE FALCON**

[English version of the report is the original]

FILE NUMBER

6/3/1/5/1

PURPOSE OF REPORT

The purpose of the report is to inform the Municipal Public Accounts Committee of the possible irregular expenses incurred during a payment with a value of R 1 999 999,00 to Blue Falcon (PTY) LTD for the provision of security services to the municipality, and that the Committee consider the report with explanatory template for the irregular expenditure in terms of Section 32 of the MFMA.

The Committee can in terms of its mandate:

- a. Investigate the irregular expenditure,
- b. Make recommendations to the Council as to who, if any is liable for the irregular expenditure,
- c. Recommend to the Council whether the irregular expenditure must be certified as irrecoverable and be written off,
- d. Make recommendations if necessary for the implementation of measures to prevent future irregular expenditure and,
- e. To report to Council on the effective functioning of processes and procedures/controls surrounding the prevention of unauthorized, irregular, fruitless and wasteful expenditure currently.

BACKGROUND

Blue Falcon Security Services was appointed by the municipality to provide security services at various municipal buildings.

DISCUSSION

TWK has experienced growth in the number of informal structures erected in the various informal settlements. The Municipality recently encountered various attempts of illegal occupation and invasion of land in all towns and had to appoint security companies to safeguard land earmarked for future human settlement projects.

The municipality is in the process of planning and implementing various human settlements projects in the various towns. During the planning phase of human settlements project the land earmarked for green-field BNG developments remain unoccupied and vulnerable to illegal occupation and invasion.

The municipality must pro-actively implement risk mitigation strategies to ensure that the illegal invasion and occupation of land earmarked for human settlements is protected.

Villiersdorp Destiny Farm & Other informal areas

The destiny farm project is the flagship project to address the housing demand backlog in the town of Villiersdorp. The Department is in the process of approving funding for the implementation of the installation of civil engineering service of the project hence the numerous attempts to encroach and into the site. Through is early detection and informal settlements scouting initiatives the department also detected the rapid growth in the construction of new structure in the informal settlements of Villiersdorp which required immediate intervention. However, the Local Labour Forum resolved that no municipal official must break down any illegal structures. Faced with this challenge the Director, with the permission of the accounting officer immediately intervened by deploying Blue Falcon for the prevention of illegal invasion of Destiny Farm and the demolition of all new informal structure in the informal settlements. The department opted for the service of Blue Falcon as it was previously deployed to the town and delivered excellent results and was the only service provider that could respond within the required response time, with proper capacity, equipment required to deliver value for money to the municipality.

The Auditor General of South Africa (AGSA) in its audit for the 2022/2023 financial year determined that an amount of R 1 999 999.99 in respect of an invoice paid out to Blue Falcon Security for the provision of security services.

COMMENTS: OFFICE OF THE MUNICIPAL MANAGER

Safeguarding and protection of municipal facility/(ies) to prevent theft, burglaries and vandalism. The process is underway to advertise/adjudicate a tender/s for a framework contract of panels for the provision of security services under Tender COMM03-2023/2024: Provision of Security Services Theewaterskloof Municipality from date of appointment until 30 June 2026.

INTERNAL AUDIT IMPLICATIONS (DEPARTMENTAL)

No comments.

LEGAL RESPONSIBILITIES

Section 32 of the MFMA states that any official of a municipality who deliberately or negligently committed, made or authorized an irregular expenditure is liable for that expenditure. A municipality must recover such expenditure from the person liable for that expenditure, unless the irregular expenditure is certified by Council as irrecoverable, after the Municipal Public Accounts Committee has investigated and recommended it.

Irregular expenditure for the purpose of this item means expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of the Supply Chain Management policy of the municipality and which has not been condoned in terms of such policy.

LEGAL IMPLICATIONS (DEPARTMENTAL)

In terms of section 62 of the Municipal Finance Management Act the accounting officer is responsible for managing the financial affairs of the municipality and he/she must for this purpose:

- take all reasonable steps to ensure that unauthorised, irregular, fruitless and wasteful expenditure and other losses are prevented; and
- ensure that disciplinary or, when appropriate, criminal proceedings are instituted against any official or councillor who has allegedly committed financial misconduct or an offence in terms of chapter 15 of the MFMA.

Proper planning must be done so as to avoid recurrence.

FINANCIAL IMPLICATIONS

The financial obligations for rendering the service amounts to R 1 999 999.99.

RISK MANAGEMENT IMPLICATIONS

The pockets of land targeted for invasion and illegal occupation is earmarked for the provision of affordable and low-cost housing in all towns to address the human settlements backlog within Theewaterskloof. The invasion of municipal land places a massive burden on municipal infrastructure as the areas invaded are not necessarily aligned with bulk infrastructure planning and funding. Land invasions triggers service delivery protest as invaders when settled, demand access to basic services and through protest action, municipal property is targeted and damaged.

RECOMMENDATION BY ITEM AUTHOR:

It is therefore recommended that the following expenditure, in view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages. As there are no grounds for a claim against any official, it is recommended that the irregular expense in the amount of R 1 999 999.99 for the financial year 2022/2023 be written off as irrecoverable.

RECOMMENDATION BY MANAGEMENT TO MPAC: 21 MAY 2024

It is therefore recommended that the following expenditure, in view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages. As there are no grounds for a claim against any official, it is recommended that the irregular expense in the amount of R 1 999 999.99 for the financial year 2022/2023 be written off as irrecoverable.

RECOMMENDATION BY MPAC TO COUNCIL: 15 JANUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor P Stander, and seconded by Councillor J Smit it was recommended as follows:

That the following irregular expenditure, in view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages. As there are no grounds for a claim against any official, in the amount of R1 999 999.99 for the financial year 2022/2023 be written off as irrecoverable.

RECOMMENDATION TO COUNCIL:

It is therefore recommended that the following expenditure, in view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages. As there are no grounds for a claim against any official, it is recommended that the irregular expense in the amount of R 1 999 999.99 for the financial year 2022/2023 be written off as irrecoverable.

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman MR Nongxaza, and seconded by Alderman LM de Bruyn it was resolved as follows:

That the agenda-item be referred back and that the officials submit a detailed report with all the relevant information.

1. *Agenda-item be referred back.*
2. *For finalization by the Director: Community Services, Mr WSE Solomons-Johannes.*

ITEM TITLE**C54/2025 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: DIRECTORATE
COMMUNITY SERVICES: ISIDINGO SECURITY**

[English version of the report is the original]

FILE NUMBER

6/3/5/1

PURPOSE OF REPORT

The purpose of the report is to inform the Municipal Public Accounts Committee of the possible irregular expenses incurred during payment of an amount of R 217 036.84 to Isidingo Security for the provision of security services to the municipality during the 2022/2023 financial year, as and when the need arose, and that the Committee consider the report with explanatory template for the irregular expenditure in terms of Section 32 of the MFMA.

The Committee can in terms of its mandate:

- a. Investigate the irregular expenditure,
- b. Make recommendations to the Council as to who, if any is liable for the irregular expenditure,
- c. Recommend to the Council whether the irregular expenditure must be certified as irrecoverable and be written off,
- d. Make recommendations if necessary for the implementation of measures to prevent future irregular expenditure and,
- e. To report to Council on the effective functioning of processes and procedures/controls surrounding the prevention of unauthorized, irregular, fruitless and wasteful expenditure currently.

BACKGROUND

Isidingo Security was appointed to safeguard Council assets during the high levels of loadshedding experienced from 2022. The appointment process of Isidingo Security was deemed irregular, and the irregular expenditure was reported to MPAC and Council for condonation. The report serves on 30 May 2023 at Council, and it was resolved by Council that the irregular expenditure in the amount of R 5 925 408.66 for the 2022/2023 be approved and accepted.

The Auditor General of South Africa (AGSA) found the payment of another invoice of Isidingo Security to be irregular and as such it must be reported to MPAC and Council.

DISCUSSION

An item to condone the irregular expenditure incurred during the payment of the invoices of Isidingo Security Services was tabled before the Municipal Public Accounts Committee and subsequently Council on the 30th of May 2023. This transaction forms part of that process.

In performing the audit of the financial statements, the Auditor General identified misstatements that need to be corrected. During the audit of irregular expenditure, it was noted by the AG that the irregular expenditure of R 217 036.84 incurred by Isidingo Security, was not disclosed, and recorded in the Section 32 Register. This expenditure was an ongoing expense of security services that was delivered by Isidingo Security, that was already reported to Council on 30 May 2023, but did not disclose the additional amount of irregular expenditure of R 217 036.84.

It should be noted by the Committee that Council received value for money and did not suffer any financial loss or damages. And there are no grounds for a claim against any official.

COMMENTS: OFFICE OF THE MUNICIPAL MANAGER

Safeguarding and protection of municipal facility/(ies) to prevent theft, burglaries and vandalism. The process is underway to advertise/adjudicate a tender/s for a framework contract of panels for the provision of security services under Tender COMM03-2023/2024: Provision of Security Services Theewaterskloof Municipality from date of appointment until 30 June 2026

INTERNAL AUDIT IMPLICATIONS (DEPARTMENTAL)

No comments.

LEGAL RESPONSIBILITIES

Section 32 of the MFMA states that any official of a municipality who deliberately or negligently committed, made or authorized an irregular expenditure is liable for that expenditure. A municipality must recover such expenditure from the person liable for that expenditure, unless the irregular expenditure is certified by Council as irrecoverable, after the Municipal Public Accounts Committee has investigated and recommended it.

Irregular expenditure for the purpose of this item means expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of the Supply Chain Management policy of the municipality and which has not been condoned in terms of such policy.

FINANCIAL IMPLICATIONS

The amount written off as irregular in view of the explanation and reason explained in the report.

RISK MANAGEMENT IMPLICATIONS

Failing to manage irregular expenses in accordance with the MFMA could result into Council losing money and not receive value for money. However, in this case, Council did not suffer any losses or damages, and received value for money.

RECOMMENDATION BY ITEM AUTHOR:

In view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages. As there are no grounds for a claim against any official, it is resolved that the irregular expense in the amount of R 217 036.84 for the financial year 2022/2023 be written off as irrecoverable.

RECOMMENDATION BY MANAGEMENT TO MPAC: 21 MAY 2024

In view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages. As there are no grounds for a claim against any official, it is resolved that the irregular expense in the amount of R 217 036.84 for the financial year 2022/2023 written off as irrecoverable.

RECOMMENDATION BY MPAC TO COUNCIL: 15 JANUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor P Stander, and seconded by Councillor J Smit it was recommended as follows:

That the following irregular expenditure, in view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages. As there are no grounds for a claim against any official, in the amount of R217 036.84 for the financial year 2022/2023 be written off as irrecoverable.

RECOMMENDATION TO COUNCIL:

In view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages. As there are no grounds for a claim against any official, it is resolved that the irregular expense in the amount of R 217 036.84 for the financial year 2022/2023 be written off as irrecoverable.

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman MR Nongxaza, and seconded by Alderman LM de Bruyn it was resolved as follows:

That the agenda-item be referred back and that the officials submit a detailed report with all the relevant information.

1. *Agenda-item be referred back.*
2. *For finalization by the Director: Community Services, Mr WSE Solomons-Johannes.*

ITEM TITLE**C55/2025 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: DIRECTORATE
COMMUNITY SERVICES: SECURITY CONSORTIUM SA**

[English version of the report is the original]

FILE NUMBER

6/3/1/5/1

PURPOSE OF REPORT

The purpose of the report is to inform the Municipal Public Accounts Committee of the possible irregular expenses incurred during payment of an amount of R 2 717 910.00 to Security Consortium SA for the provision of security services: stabilisation monitoring units to the municipality during the 2022/2023 financial year, as and when the need arose, and that the Committee consider the report with explanatory template for the irregular expenditure in terms of Section 32 of the MFMA.

The Committee can in terms of its mandate:

- a. Investigate the irregular expenditure,
- b. Make recommendations to the Council as to who, if any is liable for the irregular expenditure,
- c. Recommend to the Council whether the irregular expenditure must be certified as irrecoverable and be written off,
- d. Make recommendations if necessary for the implementation of measures to prevent future irregular expenditure and,
- e. To report to Council on the effective functioning of processes and procedures/controls surrounding the prevention of unauthorized, irregular, fruitless and wasteful expenditure currently.

BACKGROUND

The municipality appointed Security Consortium SA in 2022 during an emergency procurement process as part of a range of mitigation interventions against stage six (6) loadshedding rolled out by ESKOM as well as the security risk posed to councilors who received death threats. The transactions and subsequent payment of invoices during the 2022/2023 financial years were deemed irregular by the Auditor-General of South Africa (AGSA) during its audit. The majority of invoices of Security Consortium SA was paid out during the 2022/2023 financial year and was reported to MPAC and Council and approved on 30 May 2023 as irregular expenditure to Security Consortium SA to the amount of R 9 426 407.00.

During the 2022/23 audit process by the Audit General of South Africa, they audit the Section 32 Register of the irregular expenditure that was disclosed and found that an amount of R 2 717 910.00 for Security Consortium SA was not disclosed and recorded in the Register.

The last invoice received on the 28th of March 2023 for the value of R 2 717 910.00, was only paid out the 20th of June 2023 and hence the AGSA finding picked it up and it has been declared irregular.

The irregular expenditure in relation to Security Consortium SA was reported to the Municipal Public Accounts Committee and Council on 30 May 2023. The reporting of the amount of R 2 717 910.00 forms part of the additional irregular expenditure that was not reported in the 30 May 2023 report.

DISCUSSION

Security Consortium SA was appointed by the municipality to provide security services for the safeguarding of back-up generators at various places in Grabouw, as well as security services at the Grabouw Town Office. The transaction was deemed irregular by AGSA and the municipality has been directed to report it to MPAC and Council to investigate if any financial loss or damages were suffered.

The irregular expenditure that was occurred, was a continuation of existing services that was already explained in the report of 30 May 2023, within the same terms that Security Consortium SA was appointed. Refer to the attached report of 30 May 2023.

It should be noted by the Committee that Council received value for money and did not suffer any financial loss or damages. And there are no grounds for a claim against any official.

COMMENTS: OFFICE OF THE MUNICIPAL MANAGER

Safeguarding and protection of municipal facility/(ies) to prevent theft, burglaries and vandalism. The process is underway to advertise/adjudicate a tender/s for a framework contract of panels for the provision of security services under Tender COMM03-2023/2024: Provision of Security Services Theewaterskloof Municipality from date of appointment until 30 June 2026.

INTERNAL AUDIT IMPLICATIONS (DEPARTMENTAL)

No comments.

LEGAL RESPONSIBILITIES

Section 32 of the MFMA states that any official of a municipality who deliberately or negligently committed, made or authorized an irregular expenditure is liable for that expenditure. A municipality must recover such expenditure from the person liable for that expenditure, unless the irregular expenditure is certified by Council as irrecoverable, after the Municipal Public Accounts Committee has investigated and recommended it.

Irregular expenditure for the purpose of this item means expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of the Supply Chain Management policy of the municipality and which has not been condoned in terms of such policy.

FINANCIAL IMPLICATIONS

The amount written off as irregular in view of the explanation and reason explained in the report.

RISK MANAGEMENT IMPLICATIONS

Failing to manage irregular expenses in accordance with the MFMA could result into Council losing money and not receive value for money. However, in this case, Council did not suffer any losses or damages, and received value for money.

RECOMMENDATION BY ITEM AUTHOR:

In view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages. As there are no grounds for a claim against any official, it is recommended that the irregular expense in the amount of R 2 717 910.00 for the financial year 2022/2023 be written off as irrecoverable.

RECOMMENDATION BY MANAGEMENT TO MPAC: 21 MAY 2024

In view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages. As there are no grounds for a claim against any official, it is recommended that the irregular expense in the amount of R 2 717 910.00 for the financial year 2022/2023 be written off as irrecoverable.

RECOMMENDATION BY MPAC TO COUNCIL: 15 JANUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor P Stander, and seconded by Councillor J Smit it was recommended as follows:

That the following irregular expenditure, in view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages. As there are no grounds for a claim against any official, in the amount of R2 717 910.00 for the financial year 2022/2023 be written off as irrecoverable.

RECOMMENDATION TO COUNCIL:

In view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages. As there are no grounds for a claim against any official, it is recommended that the irregular expense in the amount of R 2 717 910.00 for the financial year 2022/2023 be written off as irrecoverable.

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

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After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman MR Nongxaza, and seconded by Alderman LM de Bruyn it was resolved as follows:

That the agenda-item be referred back and that the officials submit a detailed report with all the relevant information.

1. *Agenda-item be referred back.*
2. *For finalization by the Director: Community Services, Mr WSE Solomons-Johannes.*

ITEM TITLE

**C56/2025 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: DIRECTORATE
FINANCE: IRREGULAR EXPENDITURE – PREFERENTIAL
PROCUREMENT REGULATIONS, 2022**

[English version of the report is the original]

FILE NUMBER

6/3/1/5/1

PURPOSE OF REPORT

The purpose of this report is to inform the MPAC committee on the irregular expenditure with regards to the Preferential Procurement Regulations 2022.

BACKGROUND

During the audit of Supply Chain Management it was identified that the preferential points system was not applied to all written quotations below R30 000 (VAT included) from 16 January 2023 till 30 June 2023. This was corroborated based on the sample tested, where all items sampled falling within the above criteria did not follow the preferential points system.

DISCUSSION

Section 2(1)(a) of the Preferential Procurement Policy Framework Act (PPPFA) states that; *"An organ of state must determine its preferential procurement policy and implement it within the following framework:*

a. A Preference point system must be followed."

Regulation 3(1) of the Preferential Procurement Regulations, (PPR) 2022: state that *"An organ of state must, in the tender documents, stipulate— (a) the applicable preference point system as envisaged in regulations 4, 5, 6 or 7"*

Regulation 4(1) of the PPR 2022:

"The following formula must be used to calculate the points out of 80 for price in respect of an invitation for a tender with a Rand value equal to or below R50 million, inclusive of all applicable taxes"

$$Ps = 80 \left(1 - \frac{Pt - Pmin}{Pmin} \right)$$

Where:

Ps = Points scored for price of tender under consideration

Pt = Price of tender under consideration and

Pmin = Price of lowest acceptable tender.

Regulation 1 of the PPR 2022 defines a tender as follows:

“tender” means a written offer in the form determined by an organ of state in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation”

Part B of the Municipality's Supply Chain Management Policy (2022/23) Paragraph 6 states the following:

'80/20 preference point system for acquisition of goods or services for Rand value equal to or above R30 000 and up to R50 million

1)The following formula must be used to calculate the points out of 80 for price in respect of a tender (including price quotations) with a Rand value equal to, or above R 30 000 and up to a Rand value of R50 million inclusive of all applicable taxes:

$$P_s = 80 \left(1 - \frac{P_t - P_{min}}{P_{min}} \right)$$

Where;

P_s = Points scored for price of tender under consideration;

P_t = Price of tender under consideration; and

P_{min} = Price of lowest acceptable tender.

As required by S2(1)(a) of the PPPFA, a preference point system must be followed. Regulation 4(1) of the PPR 2022 further states that the 80/20 preference point system must be used in the calculation in respect of an invitation for tender with a rand value equal to or below R50 million, inclusive of all the applicable taxes.

The PPR 2022 defines a tender as a written offer in response to an invitation to provide goods and services through price quotations, competitive tendering processes or other.

Paragraph 12(1)c of the municipality's SCM policy further indicates that written and verbal quotations will be obtained for procurement of goods or services exceeding the threshold of R2 000 up to R30 000 (VAT included). Paragraphs 16(1)(f) and 17 of the municipality's SCM policy further provides the conditions for procurement via written price quotations and indicates that providers must submit quotations in writing in response to the request to quote form.

Based the application of the definitions and regulations contained in PPR 2022, read with paragraph 12 of the municipality's SCM policy, the 80/20 preference point system must be applied to the written quotes received by the municipality above the petty cash threshold and up to R30 000 (VAT inclusive). Please see attached sheets.

The results in irregular expenditure of R 3 841 970.02

INTERNAL AUDIT IMPLICATIONS (DEPARTMENTAL)

As it was not general practice, Internal Audit will audit accordingly in terms of the Risk Based Audit Plan and report to the Performance and Audit Committee.

LEGAL RESPONSIBILITIES

MPAC of the MFMA states that any official of a municipality who deliberately or negligently committed, made or authorized an irregular expenditure is liable for that expenditure. A municipality must recover such expenditure from the person liable for that expenditure, unless Council certifies the irregular expenditure as irrecoverable, after the MPAC Committee has investigated and recommended it. Irregular expenditure for the purpose of this item means expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of the supply chain management policy of the municipality and which has not been condoned in terms of such policy.

LEGAL IMPLICATIONS (DEPARTMENTAL)

The recommendation is supported.

FINANCIAL IMPLICATIONS

The irregular expenditure of R 3 841 970.02 has been recorded in 2022/2023 financial statements. Management should ensure that reoccurrence are prevented.

FINANCIAL IMPLICATION (DEPARTMENTAL)

None

RISK MANAGEMENT IMPLICATIONS

Failing to manage irregular expenses in accordance with the MFMA could result in Council Losing money and not receiving value for money. However, in this case Council did not suffer any losses or damages and received value for money.

RECOMMENDATION BY ITEM AUTHOR:

It is therefore recommended that, in the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, the irregular expenditure in the amount of R 3 841 970.02 be written off as irrecoverable for the financial year 2022/2023.

RECOMMENDATION BY MANAGEMENT TO MPAC: 09 APRIL 2024

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1. Management noted that the Auditor-General did a universal finding on all the Municipalities as per COMAF 17.
2. It is therefore recommended that, in the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, the irregular expenditure in the amount of R 3 841 970.02 be written off as irrecoverable for the financial year 2022/2023.

RECOMMENDATION BY MPAC TO COUNCIL: 15 JANUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor P Stander, and seconded by Councillor J Smit it was recommended as follows:

That the following irregular expenditure, in view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages. As there are no grounds for a claim against any official, in the amount of R3 841 970.02 for the financial year 2022/2023 be written off as irrecoverable.

RECOMMENDATION TO COUNCIL:

It is therefore recommended that, in the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, the irregular expenditure in the amount of R 3 841 970.02 be written off as irrecoverable for the financial year 2022/2023.

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman MR Nongxaza, and seconded by Alderman LM de Bruyn it was resolved as follows:

That the agenda-item be referred back and that the officials submit a detailed report with all the relevant information.

1. *Agenda-item be referred back.*
2. *For finalization by the Director: Finance, Mr P Mabhena.*

ITEM TITLE

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C57/2025 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: DIRECTORATE FINANCE: IRREGULAR EXPENDITURE 2022/2023 – PROCUREMENT AND CONTRACT MANAGEMENT IN ACCORDANCE WITH REGULATION 17 OF THE SUPPLY CHAIN MANAGEMENT POLICY

[English version of the report is the original]

FILE NUMBER

6/3/1/5/1

PURPOSE OF REPORT

The purpose of this report is to inform the Municipal Public Accounts Committee on the irregular expenditure regarding the Procurement and contract management which lead to the reasons that Regulation 17 Formal Written Price Quotations were not approved by the CFO or official designated by the chief financial officer where the written prices quotations were not obtained from at least three prospective suppliers.

BACKGROUND

During the audit of procurement and contract management, it was noted that written price quotations were not obtained from at least three different prospective suppliers for procurement with a transaction value over R10 000 up to R200 000 for the following procurement of the good/services and reasons documented were not approved by the chief financial officer or an official designated by the chief financial officer

DISCUSSION

In terms of Regulation 17(1)(a) of the Municipal Supply Chain Management Regulations of 2005;

“A supply chain management policy must stipulate the conditions for the procurement of goods or services through formal written price quotations, which must include conditions stating that quotations must be obtained in writing from at least three different providers whose names appear on the list of accredited prospective providers of the municipality or municipal entity”

In terms of Regulation 17(1)(c) of the Municipal Supply Chain Management Regulations of 2005;

“A supply chain management policy must stipulate the conditions for the procurement of goods or services through formal written price quotations, which must include conditions stating that quotations that if it is not possible to obtain at least three quotations, the reasons must be recorded and approved by the chief financial officer or an official designated by the chief financial officer”

In terms of paragraph 17(1)(a) of the Municipal Supply Chain Policy;

"The conditions for the procurement of goods or services through formal written price quotations are as follows:

a) quotations must be obtained in writing from at least three different providers whose names appear on the list of accredited prospective providers of the Theewaterskloof Municipality;

c) if it is not possible to obtain at least three quotations, the reasons must be recorded and approved by the chief financial officer or an official designated by the chief financial officer"

In terms of 62 (1)(d) of the Municipal Financial Management Act No 56 of 2003;

"The accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure that unauthorised, irregular or fruitless and wasteful expenditure and other losses are prevented"

Please see below table.

No.	RFQ number	Supplier Name	Detail	Amount	Evaluation Date
1	AW 03/2022/23	K2021386688 T/A CHEMCAPE	Supply and Delivery of Chemicals Products to Riviersonderend	154 100	29-Jul-22
2	CB 01/2023/24	Wispernet Pty Ltd	Supply and Install of 200MBPS Fibre internet business line	139 610	08-Jun-23
3	EM 02/2022/23	Overberg Dierehospitaal Inc.	Administering Euthanize S6 Pentobarbitone to Sick Animals, Animals in Emergency Cases within the Theewaterskloof Municipal Area from Date of Appointment until 30 June 2023	40 000	29-Aug-22
4	LC 03/2022/23	Emmerencia Construction (Pty) Ltd	Supply and Deliver of six (6) 12000 BTU portable aircons heating, cooling to Caledon Vehicle testing centre, at 13 Cemetery road Caledon	42 049	08-Mar-23

375 759

INTERNAL AUDIT IMPLICATIONS (DEPARTMENTAL)

It is not clear in the item if any administrative/ disciplinary investigations were done to inform MPAC if any official deliberately or negligently caused the authorized an irregular expenditure or not. Value for money refers to economy, effectiveness and efficiency. If value for money is claimed, it is recommended that the item should be motivated according to these criteria to understand the recommendation to MPAC.

LEGAL RESPONSIBILITIES

Section 32 of the MFMA states that any official of a municipality who deliberately or negligently committed, made or authorized an irregular expenditure is liable for that expenditure. A municipality must recover such expenditure from the person liable for that expenditure, unless Council certifies the irregular expenditure as irrecoverable, after the Municipal Public Accounts Committee has investigated and recommended it. Irregular expenditure for the purpose of this item means expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of the supply chain management policy of the municipality and which has not been condoned in terms of such policy.

LEGAL IMPLICATIONS (DEPARTMENTAL)

In terms of section 62 of the Municipal Finance Management Act, the accounting officer is responsible for managing the financial affairs of the municipality and he/she must for this purpose inter alia; and

1. Take all reasonable steps to ensure that unauthorised, irregular, fruitless and wasteful expenditure and other losses are prevented; and
2. Ensure that disciplinary or when appropriate, criminal proceedings are instituted against any official or councilor who has allegedly committed an act of financial misconduct or an offence in terms of Chapter 15 of the MFMA.

FINANCIAL IMPLICATIONS

The irregular expenditure of R 375 759.00 has been recorded in 2022/2023 financial statements. Management should ensure that reoccurrence are prevented.

FINANCIAL IMPLICATION (DEPARTMENTAL)

Financial expenditure incurred of R375 759.00

RISK MANAGEMENT IMPLICATIONS

Failing to manage irregular expenses in accordance with the MFMA could result in Council Losing money and not receiving value for money. However, in this case Council did not suffer any losses or damages and received value for money.

RECOMMENDATION BY ITEM AUTHOR:

It is therefore recommended that, in the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, the irregular expenditure in the amount of R 375 759.00 be condoned for the financial year 2022/2023.

RESOLVED BY MANAGEMENT: 09 APRIL 2024

It is resolved:

1. That the agenda-item be deferred.
2. That the Acting Manager: SCM, Ms A Martin, provides all die documentation regarding no's 1 – 4 to the total amount of R375 759, to the Municipal Manager.
3. That the departmental comments from Internal Audit be addressed in the recommendation.
 1. *Agenda-item be deferred.*
 2. *For finalization by the Acting Manager: SCM, Ms. A Martin.*

COMMENTS BY DIRECTORATE:

SCM submitted the documents to the Municipal Manager Office to Mr Windvogel.

The following was the AG comments:

Internal control deficiency**Leadership**

Develop and monitor the implementation of action plans to address internal control deficiencies.

The Action Plan developed to address the previous year findings was not adequately monitored to avoid repeat findings. The review and monitoring processes of compliance with applicable laws and regulations were not adequate to ensure that reasons are documented and approved by the chief financial officer or an official designated by the chief financial officer where written price quotations were not obtained from at least three different prospective suppliers for procurement with a transaction value over R10 000 up to R200 000. This is in contravention of by SCM Regulation 17(1)(a) and (c).

The leadership should strengthen their monitoring of the action plans to ensure that the findings raised are not repeated. Review and monitoring processes of compliance with Municipal Supply Chain Regulations should be strengthened to ensure that reasons are documented and approved by the chief financial officer or an official designated by the chief financial officer where written price quotations were not obtained from at least three different prospective suppliers for procurement with a transaction value over R10 000 up to R200 000.

RECOMMENDATION BY ITEM AUTHOR:

It is therefore recommended that, in the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, the irregular expenditure in the amount of R 375 759.00 be written off as irrecoverable for the financial year 2022/2023.

RECOMMENDATION BY MANAGEMENT TO MPAC: 20 MAY 2024

It is therefore recommended that, in the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, the irregular expenditure in the amount of R 375 759.00 be written off as irrecoverable for the financial year 2022/2023.

RECOMMENDATION BY MPAC TO COUNCIL: 15 JANUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor P Stander, and seconded by Councillor J Smit it was recommended as follows:

That the following irregular expenditure, in view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages. As there are no grounds for a claim against any official, in the amount of R375 759.00 for the financial year 2022/2023 be written off as irrecoverable.

RECOMMENDATION TO COUNCIL:

It is therefore recommended that, in the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, the irregular expenditure in the amount of R 375 759.00 be written off as irrecoverable for the financial year 2022/2023.

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman MR Nongxaza, and seconded by Alderman LM de Bruyn it was resolved as follows:

That the agenda-item be referred back and that the officials submit a detailed report with all the relevant information.

1. *Agenda-item be referred back.*
2. *For finalization by the Director: Finance, Mr P Mabhena.*

ITEM TITLE

**C58/2025 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: FINANCE
DEPARTMENT: IRREGULAR EXPENDITURE – DESIGNATED
SECTOR TENDER NOT ADVERTISED AND EVALUATED FOR
LOCAL CONTENT AND PRODUCTION**

[English version of the report is the original]

FILE NUMBER

6/3/1/5/1

PURPOSE OF REPORT

The purpose of this report is to inform the Municipal Public Accounts Committee on the irregular expenditure with regards to the designated sector tender not advertised and evaluated for local content and production.

BACKGROUND

During the testing of procurement and contract management, it was noted that the following tender which met the local content and production requirements was not advertised or evaluated for local content and production:

- ELEC01/2022/23 – MDL Engineering Company (Pty) Ltd for R8 182 769 - Supply, delivery and installation of new high mast lighting in Grabouw. The actual expenditure for this tender during the 2022/23 financial year amounted to R8 051 095.

DISCUSSION

The irregular expenditure misstatement is material and will result in the modification of the audit report if it is not corrected.

The results in irregular expenditure of R 1 075 989.57

INTERNAL AUDIT IMPLICATIONS (DEPARTMENTAL)

The administration should indicate if there was an investigation into possible misconduct in order for MPAC to understand if the actions were deliberately or negligently committed.

LEGAL RESPONSIBILITIES

Section 32 of the MFMA states that any official of a municipality who deliberately or negligently committed, made or authorized an irregular expenditure is liable for that expenditure.

A municipality must recover such expenditure from the person liable for that expenditure, unless Council certifies the irregular expenditure as irrecoverable, after the Municipal Public Accounts Committee has investigated and recommended it. Irregular expenditure for the purpose of this item means expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of the supply chain management policy of the municipality and which has not been condoned in terms of such policy.

LEGAL IMPLICATIONS (DEPARTMENTAL)

In terms of section 62 of the Municipal Finance Management Act the accounting officer is responsible for managing the financial affairs of the municipality and he/she must for this purposes ;

take all reasonable steps to ensure that unauthorised, irregular, fruitless and wasteful expenditure and other losses are prevented;

ensure that disciplinary or, when appropriate, criminal proceedings are instituted against any official or councillor who has allegedly committed financial misconduct or an offence in terms of chapter 15 of the MFMA.

Proper planning must be done so as to avoid recurrence.

FINANCIAL IMPLICATIONS

The irregular expenditure of R 1 075 989.75 has been recorded in 2022/2023 financial statements. Management should ensure that reoccurrence is prevented.

FINANCIAL IMPLICATION (DEPARTMENTAL)

The irregular expenditure of R 1 075 989.75 has been recorded in 2022/2023 financial statements. User department should ensure that reoccurrence is prevented

RISK MANAGEMENT IMPLICATIONS

Failing to manage irregular expenses in accordance with the MFMA could result in Council Losing money and not receiving value for money. However, in this case Council did not suffer any losses or damages and received value for money.

RECOMMENDATION BY ITEM AUTHOR:

It is therefore recommended that, in the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, the irregular expenditure in the amount of R1 075 989.57 be written off as irrecoverable for the financial year 2022/2023.

RECOMMENDATION BY MANAGEMENT TO MPAC: 20 MAY 2024

It is therefore recommended that, in the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, the irregular expenditure in the amount of R1 075 989.57 be written off as irrecoverable for the financial year 2022/2023.

RECOMMENDATION BY MPAC TO COUNCIL: 15 JANUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor P Stander, and seconded by Councillor J Smit it was recommended as follows:

That the following irregular expenditure, in view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages. As there are no grounds for a claim against any official, in the amount of R1 075 989.57 for the financial year 2022/2023 be written off as irrecoverable.

RECOMMENDATION TO COUNCIL:

It is therefore recommended that, in the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, the irregular expenditure in the amount of R1 075 989.57 be written off as irrecoverable for the financial year 2022/2023.

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman MR Nongxaza, and seconded by Alderman LM de Bruyn it was resolved as follows:

That the agenda-item be referred back and that the officials submit a detailed report with all the relevant information.

1. *Agenda-item be referred back.*
2. *For finalization by the Director: Finance, Mr P Mabhena.*

ITEM TITLE

C59/2025 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: DIRECTORATE ECONOMIC DEVELOPMENT AND PLANNING: DEPARTMENT HUMAN SETTLEMENTS: IRREGULAR EXPENDITURE – ASLA CONSTRUCTION (PTY) LTD

[English version of the report is the original]

FILE NUMBER

6/3/1/5/1

PURPOSE OF REPORT

The purpose of this report is to inform the Section 32 committee on the irregular expenditure incurred with regards to the Implementing Agent Agreement entered into between Theewaterskloof Municipality and Asla Construction (Pty) Ltd.

BACKGROUND

Theewaterskloof Municipality entered in to an agreement with ASLA Construction (DEV 06/2012/13 in December 2012. Due to various to AGSA finding on this contract the then CFO introduced SOP 02/2018/19, dated 19 March 2019 to put mechanisms in place in dealing with addendums to this agreement.

The initial agreement DEV 06/2012/13 between Asla and TWK was cancelled by mutual consent as agreed by Asla on the 19th of April 2022 due to various legal opinions and AG findings regarding the validity of the contract. The municipality proceeded to appoint Asla in terms of a deviation as contained in the Municipal Supply Chain Management Regulations (36) dated 12 May 2022. A Memorandum of Agreement (MOA), deriving from the Deviation appointment was entered into between TWK and Asla on the 9th of June 2022. During the 2023/24 audit the AG indicated that I do not agree with the reasons stated in the Deviation to re-appoint Asla hence render the MOA between TWK and ASLA invalid and deemed all expenditure relating to this MOA as irregular. The AG further indicated the municipality must continue with this arrangement until the completion of the scope but must report all expenditure as irregular for condonement by Council.

DISCUSSION

As per extract from COMAF 14 (Attached) findings of the AG reads as follows:

“On 19 April 2022 the municipality cancelled the contract with ASLA and deviated from the supply chain management processes on 11 May 2022. A new contract was then signed on 9 June 2022 for the same project, but the scope was reduced. The reason used by the municipality for the deviation was “any other exceptional case where it is impractical or impossible to follow the official procurement processes” because of the planning and work already done by ASLA on the project.

We found the deviation from the supply chain management processes not to be justifiable because by following a deviation process management attempted to regularize the expenditure, but the original contract for this project was already irregular.

Therefore, this is a non-compliance to SCM regulation 36(1)(a)(v), as the auditor determined that the deviation is not valid and the expenditure should remain irregular as in prior years until ASLA Construction (Pty) (Ltd) completes the planned projects".

As per the above the non-compliance will result in irregular expenditure of R20 666 001.65.

INTERNAL AUDIT IMPLICATIONS (DEPARTMENTAL)

No comments.

LEGAL RESPONSIBILITIES

Section 32 of the MFMA states that any official of a municipality who deliberately or negligently committed, made or authorized an irregular expenditure is liable for that expenditure. A municipality must recover such expenditure from the person liable for that expenditure, unless Council certifies the irregular expenditure as irrecoverable, after the Municipal Public Accounts Committee has investigated and recommended it. Irregular expenditure for the purpose of this item means expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of the supply chain management policy of the municipality and which has not been condoned in terms of such policy.

LEGAL IMPLICATIONS (DEPARTMENTAL)

In terms of section 62 of the Municipal Finance Management Act the accounting officer is responsible for managing the financial affairs of the municipality and he/she must for this purpose:

- take all reasonable steps to ensure that unauthorised, irregular, fruitless and wasteful expenditure and other losses are prevented; and
- ensure that disciplinary or, when appropriate, criminal proceedings are instituted against any official or councillor who has allegedly committed financial misconduct or an offence in terms of chapter 15 of the MFMA.

Proper planning must be done so as to avoid recurrence.

FINANCIAL IMPLICATIONS

R 20 666 001.75 irregular expenditure.

FINANCIAL IMPLICATION (DEPARTMENTAL)

I would advise the committee to make an assessment per item and investigate.

RISK MANAGEMENT IMPLICATIONS

147

Non Conformance to AG Findings regards AFS.

RECOMMENDATION BY ITEM AUTHOR:

It is therefore recommended that, in the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, the irregular expenditure in the amount of R20 666 001.75 be written off as irrecoverable.

RECOMMENDATION BY MANAGEMENT TO MPAC: 09 APRIL 2024

It is therefore recommended that, in the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, the irregular expenditure in the amount of R20 666 001.75 be written off as irrecoverable.

RECOMMENDATION BY MPAC TO COUNCIL: 15 JANUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor P Stander, and seconded by Councillor J Smit it was recommended as follows:

That the following irregular expenditure, in view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss. As there are no grounds for a claim against any official, in the amount of R20 666 001.75 be written off as irrecoverable.

RECOMMENDATION TO COUNCIL:

It is therefore recommended that, in the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, the irregular expenditure in the amount of R20 666 001.75 be written off as irrecoverable.

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman MR Nongxaza, and seconded by Alderman LM de Bruyn it was resolved as follows:

That the agenda-item be referred back and that the officials submit a detailed report with all the relevant information.

1. *Agenda-item be referred back.*
2. *For finalization by the Acting Director: Economic Development and Planning, Mr E Shortles.*

ITEM HEADING

142

**C60/2025 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: DIRECTORATE
ECONOMIC DEVELOPMENT AND PLANNING: DEPARTMENT
HUMAN SETTLEMENTS: IRREGULAR EXPENDITURE – K2C
CONSTRUCTION (PTY) LTD**

[English version of the report is the original]

FILE NUMBER

6/3/1/5/1

PURPOSE / AIM OF REPORT

The purpose of this report is to inform the Section 32 committee on the irregular expenditure that could be incurred with regards to the rental of chemical toilets for the Siyayanzela and Lost City informal settlements located in Grabouw.

BACKGROUND

The previous appointment of K2C was extended via a deviation from June to August 2022 to allow for a competitive bidding process to be followed by the end of September 2022 (WM 03/2022/23). Upon the receipt of the offers it was found that no bidder was deemed responsive, and no award made hence the expense incurred for September 2022 was deemed irregular.

During this period the department advertised on the 9th of September 2022 (WM 03/2022/23) but no acceptable offers were received and the process was cancelled, with cancellation letters disbursed to the potential bidders on the 13th of October 2022. Tender (Dev 01/2022/23) was advertised 21st of October 2022 and closed on the 11th of November 2022 but the award was pending the evaluation and appeals period. During this period the service still had to be rendered to the community who threaten to harm the employees of the service provider if they remove the toilets should the municipality fail to immediately replace the removed toilets hence the request to deviate from a period of 01 November 2022 to 28 February 2023 to allow the department to finalise tender (DEV 01/2022/23) and rendering an essential service to the community unabated. As per the above the department was making all effort to follow a formal procurement process but could not, due to circumstances out of its control.

DISCUSSION

As per extract from COMAF 15 (Attached) findings of the AG reads as follows:

“The deviation was made as a result of the contract that ended whilst the services were still needed by the municipality. The old contract expiry date was the 31st of August 2022, the replacement bid was advertised on 9 September 2022, which was later cancelled as there were no suitable suppliers.

The deviation could have been avoided should the municipality advertised the tender before the expiry of the old contract (not properly planned). Therefore, the deviation is unsubstantiated, and the auditors do not agree to the deviation reasoning."

As per the above the expenditure was deemed as irregular expenditure Auditor General in the amount of R181 056.00

LEGAL RESPONSIBILITIES

Irregular expenditure for the purpose of this item means expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of the supply chain management policy of the municipality and which has not been condoned in terms of such policy.

FINANCIAL IMPLICATIONS

R 181 056.00

RISK MANAGEMENT IMPLICATION

The community threatened that should the current toilets be removed without replacing them that they would embark on mass protest action. This would result in the possible closure of the N2 which will again result in the damaging of private, municipal property and infrastructure.

RISK MANAGEMENT IMPLICATIONS (DEPARTMENTAL)

Financial loss

Delays in Service delivery.

Municipality's reputation will be tarnished.

RECOMMENDATION BY ITEM AUTHOR:

It is therefore recommended that, in the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, the irregular expenditure in the amount of R 181 056.00 be written off as irrecoverable.

RECOMMENDATION BY MANAGEMENT TO MPAC: 03 JUNE 2024

It is therefore recommended that, in the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, the irregular expenditure in the amount of R 181 056.00 be written off as irrecoverable.

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor P Stander, and seconded by Councillor J Smit it was recommended as follows:

That the following irregular expenditure, in view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages. As there are no grounds for a claim against any official, in the amount of R181 056.00 be written off as irrecoverable.

RECOMMENDATION TO COUNCIL:

It is therefore recommended that, in the view of the fact that there is no reason to suspect fraud, Council has received value for money, Council did not suffer any loss and as there are no grounds for a claim against any official, the irregular expenditure in the amount of R 181 056.00 be written off as irrecoverable.

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman MR Nongxaza, and seconded by Alderman LM de Bruyn it was resolved as follows:

That the agenda-item be referred back and that the officials submit a detailed report with all the relevant information.

1. *Agenda-item be referred back.*
2. *For finalization by the Acting Director: Economic Development and Planning, Mr E Shortles.*

ITEM HEADING

152

**C61/2025 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: DIRECTORATE
ECONOMIC DEVELOPMENT & PLANNING: DEPARTMENT LOCAL
ECONOMIC DEVELOPMENT: IRREGULAR EXPENDITURE –
FESTIVAL OF LIGHTS**

[English version of the report is the original]

FILE NUMBER

6/3/1/5/1

PURPOSE / AIM OF REPORT

The purpose of the report is to inform the Section 32 Committee of the possible/alleged irregular expenses occurred to an amount of R436.47.

BACKGROUND

As per the Auditor-General's Report dated 20 October 2023, reference: Communication No 06 of 2023, on the findings identified during the Audit for year ending 30 June 2023, the following finding was made in terms of the Christmas Lights Festival:

SUPPLIER AND PAYMENT NUMBERS	ACTUAL EXPENDITURE 2022/2023	IRREGULAR EXPENDITURE AS PER THE SECTION 32 REGISTER AND NOTE 53,3 OF THE AFS	DIFFERENCE
Caledon Informal Traders Association (CITA)	250 420.00	179 458,53	70 961,41

DISCUSSION

In terms of the Auditor General Report Finding of the 2022/2023 financial year, there was an immaterial variance (COMAF 6) of R 436,47 for the Festival of Lights. Referencing Item, C115/2023, the item to the Municipal Public Account Committee (Attached hereto Annexure A) and the Council Minutes of 30 May 2023 (Item Ref: C115/2023) Council resolved that:

It is recommended:

1. That the expenditure, in view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages.
2. That the irregular expense in the amount of R 179 458.53 for the financial year 2022/2023 be approved and accepted.

RECOMMENDATION BY MPAC TO COUNCIL: 11 MAY 2023

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman BB Mkhwibiso, and seconded by Councillor MA Nomkoko it was recommended as follows:

In view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages, that the irregular expense in the amount of R 179 458.53 for the financial year 2022/2023 be approved and accepted.

RECOMMENDATION TO COUNCIL:

It is therefore recommended that in view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages, that the irregular expense in the amount of R 179 458.53 for the financial year 2022/2023 be approved and accepted.

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RESOLVED BY COUNCIL: 30 MAY 2023

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor MR Nongxaza and seconded by Alderman BB Mkhwibiso, it was resolved as follows:

In view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages and as there are no grounds for a claim against any official, it is resolved that the irregular expenditure in the amount of R 179 458.53 be approved and accepted.

For finalization by the Acting Director: Economic Development and Planning, Mr HM Gxoyiya.

The immaterial difference (COMAF 6) of R436.47 refers to the bank charges incurred by the service provider as per bank statement. When the Section 32 Report was drafted for the MPAC for 11 May 2023, a typing error was made whereby it was reported that R 70 961.61 be paid back, instead of the R70 525.00. As per attached Annexure A, all the reporting requirements were met, as well as compliance with the service level agreement signed i.e., the municipality was reimbursed for the correct amount of R70 525.00. As per attaching supporting documents including the bank statements, the R436.47 is the bank charges incurred by the service provider.

LEGAL RESPONSIBILITIES

Failing to manage irregular expenses in accordance with the MFMA could result into Council losing money and not receive value for money. However, in this case, Council did not suffer any losses or damages, and received value for money.

FINANCIAL IMPLICATIONS

None, due to the typing error in the initial report and that the supporting documents i.e., feedback report from the service provider, with the bank statement reflects the bank charges which amounts to R436.47.

FINANCIAL IMPLICATIONS (DEPARTMENTAL)

Reduction of Irregular by amounts to R436.47 which was initially reported i.e R 70 961.61 be paid back, instead of the R70 525.00.

RISK MANAGEMENT IMPLICATION

Not applicable.

RISK MANAGEMENT IMPLICATIONS (DEPARTMENTAL)

Noted the content of the item.

RECOMMENDATION BY ITEM AUTHOR:

In view of that the fact there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages and as there are no grounds for a claim against any official, it is recommended that the immaterial variance in the amount of R436.47 be written off as irrecoverable.

RECOMMENDATION BY MANAGEMENT TO MPAC: 03 JUNE 2024

In view of that the fact there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages and as there are no grounds for a claim against any official, it is recommended that the immaterial variance in the amount of R436.47 be written off as irrecoverable.

RECOMMENDATION BY MPAC TO COUNCIL: 15 JANUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor P Stander, and seconded by Councillor J Smit it was recommended as follows:

That the following immaterial variance, in view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages. As there are no grounds for a claim against any official, in the amount of R436.47 be written off as irrecoverable.

RECOMMENDATION BY ITEM AUTHOR:

In view of that the fact there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages and as there are no grounds for a claim against any official, it is recommended that the immaterial variance in the amount of R436.47 be written off as irrecoverable.

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman MR Nongxaza, and seconded by Alderman LM de Bruyn it was resolved as follows:

That the agenda-item be referred back and that the officials submit a detailed report with all the relevant information.

1. *Agenda-item be referred back.*
2. *For finalization by the Acting Director: Economic Development and Planning, Mr E Shortles.*

ITEM TITLE

**C62/2025 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: DIRECTORATE
CORPORATE SERVICES: DEPARTMENT HUMAN RESOURCES:
PAYMENT OF CEDAR PSYCHOLOGICAL SERVICES**

[English version of the report is the original]

FILE NUMBER

6/3/1/5/1

PURPOSE / AIM OF REPORT

The purpose of the report is to inform MPAC of the reasons why only one quotation was used in the SCM process and in the payment of an account of an employee who was referred for psychological assessment in terms of Council's Employee Assistance Policy. The amount of R4140,00 is for psychological services rendered.

The Committee can in terms of its mandate;

- a. Investigate the irregular expenditure
- b. Make recommendations to Council as to who, if any is liable for the irregular expenditure
- c. Recommend to Council whether the irregular expenditure must be certified as irrecoverable and be written off
- d. Make recommendations if necessary for the implementation of measures to prevent future irregular expenditure and
- e. To report to Council on the effective functioning of processes and procedures/controls surrounding the prevention of unauthorized, irregular, fruitless and wasteful expenditure currently.

BACKGROUND

One of our staff members had a breakdown in the workplace and was required to consult a psychologist for a psychological assessment and to provide a report to the employer.

DISCUSSION

Five quotations were requested from the following service providers, but only one responded:

- Dr G Hunt
- Dr JC Kruger
- Dr C Cheree
- Dr Annandale
- Dr C Maritz

Only one responded, namely Dr Annandale from Cedar Psychology.

As was reported to the Management Meeting, this service provider is one of those who refuses to complete the forms required to register on the database.

Management on 13 November 2023 resolved as follows:

"RESOLVED BY MANAGEMENT: 13 NOVEMBER 2023

1. **Management noted the reluctance of Medical Doctors and Specialists to register on the Municipality's data base as Services Providers.**
2. **Management grants approval to deviate from the normal Supply Chain Management process for the referral of employees to medical doctors and specialists, for the interim until the framework tender for the appointment of a panel of service providers, is sorted out."**

It should be noted that Council received value for money and that there is no reason to suspect that fraud occurred or that grounds for a claim against any official exists.

FINANCIAL RESPONSIBILITIES

Amounts written off as irrecoverable should be included in the annual financial statements.

LEGAL RESPONSIBILITIES

Section 32 of the MFMA states that any official of a municipality who deliberately or negligently committed, made or authorized an irregular expenditure is liable for that expenditure. A municipality must recover such expenditure from the person liable for that expenditure, unless the irregular expenditure is certified by Council as irrecoverable, after the Section 32 Committee has investigated and recommended it.

Irregular expenditure for the purpose of this item means expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of the supply chain management policy of the municipality and which has not been condoned in terms of such policy.

COMMENTS FROM INTERNAL AUDIT

The recommendation is supported.

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

Not applicable.

RECOMMENDATION BY ITEM AUTHOR:

It is therefore recommended that in the view of the fact that no reason to suspect fraud, Council has received value for money and did not suffer any loss. As there are no grounds for a claim against any official, it is recommended that the irregular amount of R4 140.00 be written off as irrecoverable.

RECOMMENDATION BY MANAGEMENT TO MPAC: 13 NOVEMBER 2024

That in the view of the fact that there is no reason to suspect fraud, Council has received value for money and did not suffer any loss. As there are no grounds for a claim against any official, it is recommended that the irregular amount of R4 140.00 be written off as irrecoverable.

RECOMMENDATION BY MPAC TO COUNCIL: 15 JANUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor P Stander, and seconded by Councillor J Smit it was recommended as follows:

That the following irregular expenditure, in view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages. As there are no grounds for a claim against any official, in the amount of R4 140.00 be written off as irrecoverable.

RECOMMENDATION TO COUNCIL:

It is therefore recommended that in the view of the fact that no reason to suspect fraud, Council has received value for money and did not suffer any loss. As there are no grounds for a claim against any official, it is recommended that the irregular amount of R4 140.00 be written off as irrecoverable.

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman MR Nongxaza, and seconded by Alderman LM de Bruyn it was resolved as follows:

That the agenda-item be referred back and that the officials submit a detailed report with all the relevant information.

1. *Agenda-item be referred back.*
2. *For finalization by the Senior Manager: Human Resources, Mr J Amansure.*

ITEM TITLE

**C63/2025 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE: DIRECTORATE
CORPORATE SERVICES: DEPARTMENT HUMAN RESOURCES:
PAYMENT OF BOWL ADDICTION TREATMENT SERVICE**

[English version of the report is the original]

FILE NUMBER

6/3/1/5/1

PURPOSE / AIM OF REPORT

The purpose of the report is to inform MPAC of the reasons why the SCM process could not be followed in the payment of an account of two employees who were referred for addiction treatment in terms of Council's Employee Assistance Policy. The amount of R10 500,00 is for the services rendered.

The Committee can in terms of its mandate;

- a. Investigate the irregular expenditure
- b. Make recommendations to Council as to who, if any is liable for the irregular expenditure
- c. Recommend to Council whether the irregular expenditure must be certified as irrecoverable and be written off
- d. Make recommendations if necessary for the implementation of measures to prevent future irregular expenditure and
- e. To report to Council on the effective functioning of processes and procedures/controls surrounding the prevention of unauthorized, irregular, fruitless and wasteful expenditure currently.

BACKGROUND

Two of our staff members approached the employer for assistance in terms of the Employee Assistance Policy as it relates to substance abuse.

The two staff members were referred to the social workers of BADISA who did an assessment and referred them to Bowl Addiction Treatment Services whereafter the Municipality were issued with an account for the services rendered. The services that BADISA renders are free as the social workers are employed by the Dept of Social Development (WC). Bowl Addiction Treatment Services is a service provider appointed by BADISA to deal with such instances and the Municipality was not requested nor could we follow our internal SCM processes to test the market.

DISCUSSION

As was reported to the Management Meeting, this service provider is one of those who refuses to complete the forms required to register on the database.

Management on 13 November 2023 resolved as follows:

"RESOLVED BY MANAGEMENT: 13 NOVEMBER 2023

1. **Management noted the reluctance of Medical Doctors and Specialists to register on the Municipality's data base as Services Providers.**
2. **Management grants approval to deviate from the normal Supply Chain Management process for the referral of employees to medical doctors and specialists, for the interim until the framework tender for the appointment of a panel of service providers, is sorted out."**

It should be noted that Council received value for money and that there is no reason to suspect that fraud occurred or that grounds for a claim against any official exists.

FINANCIAL RESPONSIBILITIES

Amounts written off as irrecoverable should be included in the annual financial statements.

LEGAL RESPONSIBILITIES

Section 32 of the MFMA states that any official of a municipality who deliberately or negligently committed, made or authorized an irregular expenditure is liable for that expenditure. A municipality must recover such expenditure from the person liable for that expenditure, unless the irregular expenditure is certified by Council as irrecoverable, after the Section 32 Committee has investigated and recommended it.

Irregular expenditure for the purpose of this item means expenditure incurred by a municipality in contravention of, or that is not in accordance with, a requirement of the supply chain management policy of the municipality and which has not been condoned in terms of such policy.

COMMENTS FROM INTERNAL AUDIT

The recommendation is supported.

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

Not applicable.

RECOMMENDATION BY ITEM AUTHOR:

It is therefore recommended that in the view of the fact that no reason to suspect fraud, Council has received value for money and did not suffer any loss. As there are no grounds for a claim against any official, it is recommended that the irregular amount of R10 500.00 be written off as irrecoverable.

RECOMMENDATION BY MANAGEMENT TO MPAC: 13 NOVEMBER 2024

That in the view of the fact that there is no reason to suspect fraud, Council has received value for money and did not suffer any loss. As there are no grounds for a claim against any official, it is recommended that the irregular amount of R10 500.00 be written off as irrecoverable.

RECOMMENDATION BY MPAC TO COUNCIL: 15 JANUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor P Stander, and seconded by Councillor J Smit it was recommended as follows:

That the following irregular expenditure, in view of the fact that there is no reason to suspect fraud, and that Council has received value for money and did not suffer any financial loss or damages. As there are no grounds for a claim against any official, in the amount of R10 500.00 be written off as irrecoverable.

RECOMMENDATION BY ITEM AUTHOR:

It is therefore recommended that in the view of the fact that no reason to suspect fraud, Council has received value for money and did not suffer any loss. As there are no grounds for a claim against any official, it is recommended that the irregular amount of R10 500.00 be written off as irrecoverable.

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman MR Nongxaza, and seconded by Alderman LM de Bruyn it was resolved as follows:

That the agenda-item be referred back and that the officials submit a detailed report with all the relevant information.

1. *Agenda-item be referred back.*
2. *For finalization by the Senior Manager: Human Resources, Mr J Amansure.*

ITEM TITLE

**C64/2025 DIRECTORATE FINANCE: DEPARTMENT SUPPLY CHAIN
MANAGEMENT: REPORTING ON PERFORMANCE OF
CONTRACTORS: 2ND QUARTER - OCTOBER, NOVEMBER AND
DECEMBER 2024**

[English version of the report is the original]

FILE NUMBER

8/2/3/5/3

PURPOSE OF REPORT

To present a report to Council in terms of the contract and performance management of the Financial Departments contractors for the period from October to December 2024.

BACKGROUND

S116 (2) of the Municipal Finance management Act (No.56 of 2003) states that: The accounting officer of a municipality or municipal entity must —

1. take all reasonable steps to ensure that a contract or agreement procured through" the supply chain management policy of the municipality of municipal entity is properly enforced;
2. monitor on a monthly basis the performance of the contract under the contract or agreement;
3. establish capacity in the administration of the municipality or municipal entity —
 - (i) to assist the accounting officer in carrying out the duties set out in paragraphs (a) and (b); and
 - (ii) to oversee the day-to-day management of the contract or agreement; and
4. regularly report to Council of the municipality or the board of directors of the entity, as may be appropriate, on the management of the contract or agreement and the performance of the contract.

DISCUSSION

Reporting pattern of the Financial Department:

Department :	October 24	November 24	December 24
Financial Services	Submitted	Submitted	Submitted

- Please note that blockages occurred on one (1) contract during this quarter and the work was unsatisfactory.

Find attached checklists consisting of the summaries done for the various departments.

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

Can be found in checklists attached as Annexure A. It can be costly to the municipality if reporting is not done correct.

LEGAL IMPLICATIONS (ITEM AUTHOR)

Chapter 8 Municipal Finance Management Act. 56 of 2003.

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

Not applicable

RECOMMENDATION BY ITEM AUTHOR:

It is recommended that Council takes cognisance of the report.

RECOMMENDATION BY THE FINANCE COMMITTEE TO EMC: 17 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor CA Benjamin and seconded by Councillor H Linnerts it was recommended as follows:

That Council takes cognisance of the report.

RECOMMENDATION BY THE EMC TO COUNCIL: 17 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor YM van Tonder and seconded by Councillor CT Cloete it was recommended as follows:

That Council takes cognisance of the report.

RECOMMENDATION BY ITEM AUTHOR:

It is recommended that Council takes cognisance of the report.

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor CT Cloete, and seconded by Alderman DA Appel it was resolved as follows:

Council noted the report.

For finalization by the Director: Finance, Mr P Mabhena.

ITEM TITLE

**C65/2025 DIRECTORATE FINANCE: DEPARTMENT SUPPLY CHAIN
MANAGEMENT: 2ND QUARTER STORE REPORT – JANUARY 2025**

[English version of the report is the original]

FILE NUMBER

6/1/1/1

PURPOSE OF REPORT

To present the stock take report on all stores for the period from 01 July 2024 to 10 January 2025 of the 2024/25 financial year.

BACKGROUND

With reference to Clause 39 of the Supply Chain Management Policy:

39. LOGISTICS MANAGEMENT

- (1) The Accounting Officer must establish and implement an effective system of logistics management, which must include -
 - a) the monitoring of spending patterns on types or classes of goods and services incorporating, where practical, the coding of items to ensure that each item has a unique number;
 - b) the setting of inventory levels that includes minimum and maximum levels and lead times wherever goods are placed in stock;
 - c) the placing of manual or electronic orders for all acquisitions other than those from petty cash;
 - d) before payment is approved, certification by the responsible officer that the goods and services are received or rendered on time and is in accordance with the order, the general conditions of contract and specifications where applicable and that the price charged is as quoted in terms of a contract;
 - e) appropriate standards of internal control and warehouse management to ensure that goods placed in stores are secure and only used for the purpose for which they were purchased;
 - f) regular checking to ensure that all assets including official vehicles are properly managed, appropriately maintained and only used for official purposes; and
 - g) monitoring and review of the supply vendor performance to ensure compliance with specifications and contract conditions for particular goods or services.

With reference to Section 63 of the Municipal Finance Management Act (No. 56 of 2003):

S63. ASSET AND LIABILITY MANAGEMENT

- (1) The accounting officer of a municipality is responsible for the management of-
- a) the assets of the municipality, including the safeguarding and the maintenance of those assets; and
 - b) the liabilities of the municipality.
- (2) The accounting officer must for the purposes of subsection (1) take all reasonable steps to ensure-
- a) that the municipality has and maintains a management, accounting and information system that accounts for the assets and liabilities of the municipality;
 - b) that the municipality's assets and liabilities are valued in accordance with standards of generally recognized accounting practice; and
 - c) that the municipality has and maintains a system of internal control of assets and liabilities, including an asset and liabilities register, as may be prescribed.

DISCUSSION

An audit was conducted at all the respective stores in the Theewaterskloof Municipality by the SCM unit in conjunction with the store keepers. The 2nd quarter stock counts took place on 08, 09 and 10 January 2025, for the various stores in the Theewaterskloof Municipal Area. The process followed when conducting the audit was the external audit process. The findings can be found attached to the Annexures and below is the summary of the audit:

The physical count sheets on all stores can be found attached to Annexure A and the summary of the audit findings for the 1st quarter for the 2024/25 financial year follows hereto:

Summary per Store 10 January 2025:

Description	Total Surplus "R"	Total Loss "R"
Caledon Electrical Store	-	1.
Grabouw General Store	-	R 5 464.64
Grabouw Water Store	-	• R 3474.22
Villiersdorp General Store	R 1 365.96	• R 3 815.50
Villiersdorp Electrical Store	R 2 630.07	• R 3 094.77
Villiersdorp Water Store	R 1 231.84	• R 13 289.32
Riviersonderend General Store	R 368.79	• R 1 621.41
Riviersonderend Water Store	R 310.69	• R 2 286.26
Genadendal General	-	x.

Store		
Genadendal Water Store	-	• R 734.81
TOTAL	R 5 907.35	• R 33 780.93

The above results indicate that the stores have a surplus of R 5 907.35 and a loss of (R 33 780.93) for the 2nd quarter stock take.

Reconciliation between General Ledger and Stores:

Description	General Ledger Total "R"	Store Total "R"	Difference "R"
TOTAL	R 8 582 596.35	R 8 582 596.36	0.01

Proof of counts and variances can be found attached.

FINANCIAL IMPLICATIONS

As Shown out.

LEGISLATIVE REQUIREMENTS

Regulation 39 of the Supply Chain Management Policy.

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

Not applicable.

RECOMMENDATION BY ITEM AUTHOR:

It is recommended:

1. That the Finance Portfolio Committee, EMC and Council takes cognisance of the report.
2. That SCM conduct an investigation into the variances at the stores and to rectify it.

RECOMMENDATION BY THE FINANCE COMMITTEE TO EMC: 17 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor CT Cloete and seconded by Councillor CA Benjamin it was recommended as follows:

1. The Finance Portfolio Committee noted the report.
2. That SCM conduct an investigation into the variances at the stores and to rectify it.

3. It is recommended that the EMC and Council takes cognizance of the report.

RECOMMENDATION BY THE EMC TO COUNCIL: 17 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor YM van Tonder and seconded by Councillor CT Cloete it was recommended as follows:

- 1 The EMC noted the report.
2. That Council takes cognisance of the report.

RECOMMENDATION TO COUNCIL:

It is recommended that Council takes cognisance of the report.

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor CT Cloete, and seconded by Alderman DA Appel it was resolved as follows:

Council noted the report.

For finalization by the Director: Finance, Mr P Mabhena.

ITEM TITLE

162

C66/2025 DIRECTORATE FINANCE: DEPARTMENT SUPPLY CHAIN MANAGEMENT: DEVIATION REPORT FOR DECEMBER 2024

[English version of the report is the original]

FILE NUMBER

6/3/3/6

PURPOSE OF REPORT

To present a report to Council consisting of the reasons for deviating in terms of subparagraphs 36(1)(a) and (b) of the SCM Policy for the month of December 2024.

BACKGROUND

(1) The Accounting Officer may –

- a) dispense with the official procurement processes established by this Policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only –
 - (i) in an emergency; (An emergency is an unforeseeable sudden event with harmful or potential harmful consequences for the municipality which requires urgent action to address.)

Circumstances that warrant emergency dispensation, includes but are not limited to –

- a) the possibility of human injury or death,
- b) the prevalence of human suffering or deprivation of rights,
- c) the possibility of damage to property, or suffering and death of livestock and animals, the interruption of essential services, including transportation and communication facilities or support services critical to the effective functioning of the municipality as a whole, the possibility of serious damage occurring to the natural environment,
- d) the possibility that failure to take necessary action may result in the municipality not being able to render an essential community service,
- e) the possibility that the security of the state could be compromised.

The prevailing situation, or imminent danger, should be of such a scale and nature that it could not readily be alleviated by interim measures, in order to allow time for the formal tender process.

- (i) if such goods or services are produced or available from a single source or sole provider only (as per definition);

- (ii) for the acquisition of special works of art or historical objects where specifications are difficult to compile;
 - (iii) acquisition of animals for zoos and/or nature and game reserves; or
 - (iv) in any other exceptional case where it is impractical or impossible to follow the official procurement processes;
 - (v) ad-hoc repairs to plant and equipment where it is not possible to ascertain the nature or extent of the work required in order to call for bids; and
- b) ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.

DISCUSSION

The report in terms of subparagraph 36(1)(a) can be found attached. Also note that the Accounting Officer did not ratify minor breaches of the procurement process in terms of subparagraph 36(1)(b).

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

As per attachment.

LEGAL IMPLICATIONS (ITEM AUTHOR)

Regulation 36 of the Supply Chain Management Policy.

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

Not applicable.

RECOMMENDATION BY ITEM AUTHOR:

It is recommended that Council takes cognisance of the report.

RECOMMENDATION BY THE FINANCE COMMITTEE TO EMC: 17 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor H Linnerts and seconded by Councillor CA Benjamin it was recommended as follows:

That Council takes cognisance of the report.

RECOMMENDATION BY THE EMC TO COUNCIL: 17 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, it was unanimously recommended as follows:

That Council takes cognisance of the report.

RECOMMENDATION TO COUNCIL:

It is recommended that Council takes cognisance of the report.

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor CT Cloete, and seconded by Alderman DA Appel it was resolved as follows:

Council noted the report.

For finalization by the Director: Finance, Mr P Mabhena

ITEM TITLE

**C67/2025 DIRECTORATE FINANCE: DEPARTMENT SUPPLY CHAIN
MANAGEMENT: DEVIATION REPORT FOR JANUARY 2025**

[English version of the report is the original]

FILE NUMBER

6/3/3/6

PURPOSE OF REPORT

To present a report to Council consisting of the reasons for deviating in terms of subparagraphs 36(1)(a) and (b) of the SCM Policy for the month of January 2025.

BACKGROUND

(1) The Accounting Officer may –

- a) dispense with the official procurement processes established by this Policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only –
 - (i) in an emergency; (An emergency is an unforeseeable sudden event with harmful or potential harmful consequences for the municipality which requires urgent action to address.)

Circumstances that warrant emergency dispensation, includes but are not limited to –

- a) the possibility of human injury or death,
- b) the prevalence of human suffering or deprivation of rights,
- c) the possibility of damage to property, or suffering and death of livestock and animals, the interruption of essential services, including transportation and communication facilities or support services critical to the effective functioning of the municipality as a whole, the possibility of serious damage occurring to the natural environment,
- d) the possibility that failure to take necessary action may result in the municipality not being able to render an essential community service,
- e) the possibility that the security of the state could be compromised.

The prevailing situation, or imminent danger, should be of such a scale and nature that it could not readily be alleviated by interim measures, in order to allow time for the formal tender process.

- (i) if such goods or services are produced or available from a single source or sole provider only (as per definition);

- (ii) for the acquisition of special works of art or historical objects where specifications are difficult to compile;
 - (iii) acquisition of animals for zoos and/or nature and game reserves; or
 - (iv) in any other exceptional case where it is impractical or impossible to follow the official procurement processes;
 - (v) ad-hoc repairs to plant and equipment where it is not possible to ascertain the nature or extent of the work required in order to call for bids; and
- b) ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.

DISCUSSION

The report in terms of subparagraph 36(1)(a) can be found attached. Also note that the Accounting Officer did not ratify minor breaches of the procurement process in terms of subparagraph 36(1)(b).

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

As per attachment

LEGAL IMPLICATIONS (ITEM AUTHOR)

Regulation 36 of the Supply Chain Management Policy.

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

Not applicable

RECOMMENDATION BY ITEM AUTHOR:

It is recommended that Council takes cognisance of the report.

RECOMMENDATION BY THE FINANCE COMMITTEE TO EMC: 17 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor H Linnerts and seconded by Councillor CA Benjamin it was recommended as follows:

That Council takes cognisance of the report.

RECOMMENDATION BY THE EMC TO COUNCIL: 14 JANUARY 2025

174

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman S Fredericks and seconded by Councillor H Linnerts it was recommended as follows:

That Council takes cognisance of the report.

RECOMMENDATION TO COUNCIL:

It is recommended that Council takes cognisance of the report.

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor CT Cloete, and seconded by Alderman DA Appel it was resolved as follows:

Council noted the report.

For finalization by the Director: Finance, Mr P Mabhena

ITEM HEADING**C68/2025 DIRECTORATE FINANCE: TERMS OF REFERENCE OF CASH FLOW COMMITTEE**

[English version of the report is the original]

FILE NUMBER

5/R

PURPOSE / AIM OF REPORT

That Council considers the approval of the Terms of Reference for the Financial Recovery Plan as recommended by Provincial and National Treasury.

BACKGROUND

The municipality is currently experiencing serious cash flow challenges.

The purpose of the Terms of Reference is to outline the committee's responsibilities and accountability of the Committee in terms of the execution of the Cashflow management strategic objectives.

This includes meeting procedures and its composition. The terms of reference are to be periodically reviewed and modified to ensure that they are effective. The committee must minute the approvals and ensure it is distributed to all key stakeholders.

The Committee will be directly accountable to the Mayor and it is the responsibility of the Mayor to provide a political leadership, monitoring and oversight on the execution of the strategy to be implemented to achieve the cashflow management strategic objective.

DISCUSSION

Terms of Reference is to outline the committee's responsibilities and accountability of the Committee in terms of the execution of the Cashflow management strategic objectives.

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

As per requirements of the Financial Recovery Plan and recommended by Provincial and National Treasury.

LEGAL IMPLICATIONS (ITEM AUTHOR)

As per requirements of the Financial Recovery Plan and recommended by Provincial and National Treasury.

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

As per requirements of the Financial recovery plan and recommended by Provincial and National Treasury.

RECOMMENDATION BY ITEM AUTHOR TO COUNCIL:

It is recommended that Council approves the Terms of Reference for the Financial Recovery Plan Committee as recommended by Provincial and National Treasury.

DISCUSSION DURING THE MEETING:

Councillor C Cloete proposed the recommendation as per the agenda-item.

Proposal was seconded by Councillor H Linnerts.

The following counter-proposal was submitted by Alderman DA Appel:

That no Councillor must serve on this committee. The chairperson of the Finance Committee, Councillor CT Cloete, must be removed as co-opted member of the committee. The committee will report to the Executive Mayor.

Counter-proposal was seconded by Alderman MR Nongxaza.

The voting process started and each councillor indicate whether they vote for 1. Proposal by Councillor CT Cloete and seconded by Councillor H Linnerts or 2. Counter-proposal by Alderman DA Appel seconded by Alderman MR Nongxaza.

The result of the voting process is as follows:

*Proposal by Councillor CT Cloete and seconded by Councillor H Linnerts = 15 votes.
Counter Proposal by Alderman DA Appel and seconded by Alderman MR Nongxaza = 12 votes.*

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Councillor CT Cloete, and seconded by Councillor H Linnerts it was resolved as follows:

Council approves the Terms of Reference for the Financial Recovery Plan Committee as recommended by Provincial and National Treasury.

For finalization by the Director: Finance, Mr P Mabhena

ITEM HEADING

177

**C69/2025 DIRECTORATE ECONOMIC DEVELOPMENT AND PLANNING:
DEPARTMENT HUMAN SETTLEMENTS: RELOCATION OF MADIBA
PARK TO A PORTION OF ERF 595 GREYTON - REQUEST TO
RESCIND COUNCIL RESOLUTION NO 168/2024 DATED 22 AUGUST
2024**

[English version of the report is the original]

FILE NUMBER

17/7/3/30

PURPOSE / AIM OF REPORT

The purpose of this memorandum is to request Council review and rescind Council decision C/168/2024 dated August 2024, pertaining to the relocation of informal settlement dwellers residing in Madiba Park informal Settlement to a portion of Erf 595 in Greyton.

BACKGROUND

The informal settlement in Greyton known as Madiba Park, is located on land that is of under the custodianship of the Minister of the Department of Agriculture, Land Reform and Rural Development (DALRRD) as provided for in the Rural Areas Act 1994 and is part of the TRANCRAA Transformation process, commonly referred to as Farm 39. The portion of land in question has been occupied since 2017 and the occupants were provided with interim basic services with permission of the landowner.

The Municipality initiated a subsidised housing development on a portion of Erf 595 Greyton, in order to provide for the housing need in Ward 2, which includes the residents of Madiba Park.

DISCUSSION

The submission to Council dated 22 August 2024 (**attached as Annexure 1**), stated various factors for requesting immediate intervention. However, there are several other reasons that necessitate Council to reconsider those recommendations, and these include the following:

1. The initial memorandum that was submitted to Council omitted to mention that Erf 595 is currently on the final planning stages for formal housing construction. As of 12 February 2025, the Municipality received positive comments from Cape Nature and the Department of Environmental Affairs and Development Planning, on the Municipality's draft Basic Assessment Report of the Environmental Impact Assessment (EIA) (attached here to as **Annexure 2A and 2B**). The final approval is expected by end of June 2025 after which the process of tender compilation starts, with the estimated construction date of August 2025. Provision for funding

has been made on the Western Cape: Department of Infrastructure Business Plan, which will be Gazetted in March 2025.

2. Relocating Madiba Park residents at this juncture would necessitate that the entire EIA/Town Planning process is started afresh which is currently at an advanced stage leading to fruitless and wasteful expenditure. This would delay the formal implementation of project by additional years; with additional costs incurred by the Municipality.
3. A request was previously made by the Municipality to the Department of Environmental Affairs and Development Planning, for exemption from the normal EIA and Land Use Planning process (LUPA), considering the emergency of the Madiba Park residents. This request was however denied by the Provincial Minister of Environmental Affairs and Development Planning, which dictated that the Municipality undergo the full EIA and LUPA processes and detailed in 1 above. (Application and Response Attached as **Annexure 3A and 3B**).
4. A scoping assessment was performed on residents of Madiba Park, and it was found that not all of them would qualify for the housing proposed on Erf 595, as some had already qualified for housing opportunities elsewhere. In the event of relocating Madiba Park residents, it would have inevitably delayed the housing project implementation process as alternative land would needed to be identified and serviced out of municipal funds as this relocation was not part of the funding approval obtained from the Department of Infrastructure. Madiba Park resident would have to be relocated twice which would also prove very costly for the Municipality, especially in the light of the current financial constraints.
5. The Council Resolution only refers to Madiba Park residents, but it is all qualifying beneficiaries of Ward 2 that would be allocated houses when the housing construction is finalised. The expected yield as per the current draft town planning layout consists of 333 residential sites. (Final Draft Town Planning Layout Attached hereto as Annexure 4A).
6. The submission did not consider the costs implications of the exercise to relocate Madiba Park residents. A proper costing analysis should have been done to advise Council on how feasible relocation will be, including the installation of temporary basic services, and procurement of emergency housing material (starter kits) needed to assist residents re-construct their informal structures.

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

None

LEGAL IMPLICATIONS (ITEM AUTHOR)

None

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

The expectation created by the approval of the previous resolution might trigger possible protest action. This will be mitigated by informing the residents of the progress and timelines of the construction.

RECOMMENDATION BY ITEM AUTHOR TO COUNCIL:

It is recommended that Council review and rescind Council decision C/168/2024 dated August 2024, pertaining to the relocation of informal settlement dwellers residing in Madiba Park informal Settlement to a portion of Erf 595 in Greyton.

RESOLVED BY COUNCIL: 25 FEBRUARY 2025

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman S Fredericks, and seconded by Councillor CT Cloete it was resolved as follows:

1. That the Department Human Settlements must engage with the affected communities and explain to them the development plans for Erf 595, Greyton.
2. That the agenda-item be withdrawn.
 1. *Agenda-item be withdrawn.*
 2. *For finalization by the Acting Director: Economic Development and Planning, Mr E Shortles.*

C70/2025 DIRECTORATE FINANCE: CONSIDERATION AND APPROVAL OF THE ADJUSTMENT BUDGET 2024/2025 AND INDICATIVE FOR THE PROJECTED TWO OUTER YEARS 2025/2026 AND 2026/2027

[English version of the report is the original]

FILE NUMBER

5/1/1-2024/2025; 5/1/1-2025/2026; 5/1/1-2026/2027

PURPOSE / AIM OF REPORT

This report serves to submit the 2024/2025 and indicative two outer years annual adjustment budget for approval.

BACKGROUND

Section 28 of the Municipal Finance Management Act. No 56 of 2003 states:

6. *A municipality may revise an approved annual budget through and adjustments budget.*
7. *An adjustments budget –*
 - (b) may appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for;*
 - (d) may authorise the utilisation of projected savings in one vote towards spending under another vote;*
 - (e) may authorise the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by the council;*
 - (f) may correct any errors in the annual budget;*
 - (g) may provide for any other expenditure within the prescribed framework.*

In accordance with section 23 (1) of the Municipal Budget and Reporting Regulation:

- (1) An adjustments budget referred to in section 28(2)(b), (d) and (f) of the Act may be tabled in the municipal council at any time after the mid-year budget and performance assessment has been tabled in the council, but not later than 28 February of the current year.*

DISCUSSION

As contained in the detail report.

FINANCIAL IMPLICATIONS (ITEM AUTHOR)

As contained in the detail report.

LEGAL IMPLICATIONS (ITEM AUTHOR)

Section 28 of the Municipal Finance Management Act, 56 of 2003 and section 23 of the Municipal Budget and Reporting Regulations.

RISK MANAGEMENT IMPLICATION (ITEM AUTHOR)

None

RECOMMENDATION BY ITEM AUTHOR TO COUNCIL:

It is recommended:

- A. That the adjustments budget, inclusive of changes in terms of section 28(2) of the MFMA, of Theewaterskloof Municipality for the financial year 2024/2025; and indicative for the two projected years 2025/26 and 2026/27, as set-out in the schedules contained in Section 4, be approved:
 - 1.1 Table B1: Budget Summary
 - 1.2 Table B2: Budgeted Financial Performance (expenditure by standard classification)
 - 1.3 Table B3: Budgeted Financial Performance (expenditure by municipal vote)
 - 1.4 Table B4: Budgeted Financial Performance (revenue by source)
 - 1.5 Table B5: Budgeted Capital Expenditure for both multi-year and single year by vote, standard classification and funding.
 - 1.6 Table B6: Budgeted Financial Position
 - 1.7 Table B7: Budgeted Cash Flow
 - 1.8 Table B8: Cash backed reserves/Accumulated surplus reconciliation
 - 1.9 Table B9: Asset Management
 - 1.10 Table B10: Basic service delivery measurement
- B. That the performance objectives, as contained in the SDBIP be amended in accordance with the adjustment report.
- C. That it be noted that there are no changes to any budget related policies.
- D. That Council approves the implementation of a Budget Funding Plan over the next MTREF period.
- E. That Council approves the amendments to the Procurement Plan.

After the Chairperson had given the Councillors an opportunity, and the item had been thoroughly discussed, on a proposal by Alderman DA Appel, and seconded by Alderman BB Mkhwibiso it was resolved as follows:

- A. Council approves the adjustments budget, inclusive of changes in terms of section 28(2) of the MFMA, of Theewaterskloof Municipality for the financial year 2024/2025; and indicative for the two projected years 2025/26 and 2026/27, as set-out in the schedules contained in Section 4,:**
 - 1.1 Table B1: Budget Summary**
 - 1.2 Table B2: Budgeted Financial Performance (expenditure by standard classification)**
 - 1.3 Table B3: Budgeted Financial Performance (expenditure by municipal vote)**
 - 1.4 Table B4: Budgeted Financial Performance (revenue by source)**
 - 1.5 Table B5: Budgeted Capital Expenditure for both multi-year and single year by vote, standard classification and funding.**
 - 1.6 Table B6: Budgeted Financial Position**
 - 1.7 Table B7: Budgeted Cash Flow**
 - 1.8 Table B8: Cash backed reserves/Accumulated surplus reconciliation**
 - 1.9 Table B9: Asset Management**
 - 1.10 Table B10: Basic service delivery measurement**
- B. Council notes that the performance objectives, as contained in the SDBIP be amended in accordance with the adjustment report.**
- C. Council noted that there are no changes to any budget related policies.**
- D. Council approves the implementation of a Budget Funding Plan over the next MTREF period.**
- E. Council approves the amendments to the Procurement Plan.**

For finalization by the Director: Finance, Mr P Mabhena.

R. OORWEGING VAN KENNISGEWINGS EN VRAE
CONSIDERATION OF NOTICES OF MOTIONS

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- R.1 Motion for forensic investigation submitted by Alderman LM de Bruyn dated 11 February 2025

Alderman LM de Bruyn withdraw the motion.

- R.2 Motion for the removal of Interim Mayor Alderman LM de Bruyn and election of an Executive Mayor for Theewaterskloof Municipality submitted by Alderman D Appel dated 12 February 2025

Alderman DA Appel withdraw the motion.

S. IN-KOMITEEVERGADERING AGENDA-ITEMS VIR BESPREKING
IN-COMMITTEE MEETING AGENDA-ITEMS FOR DISCUSSION

Minuted and distributed as a separate Minutes of the Meeting.

U. VERDAGING / ADJOURNMENT

Die vergadering verdaag om 17:32.
The meeting adjourned at 17:32.

NOTULE BEKRAGTIG OP DIE DAG VAN
..... AS PRIMA FACIE BEWYS VAN DIE
JUISTHEID DAARVAN.

MINUTES CONFIRMED ON THE DAY OF
..... AS PRIMA FACIE EVIDENCE OF
IT'S CORRECTNESS.

.....
SPEAKER

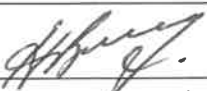












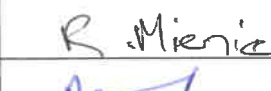

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DATUM/DATE


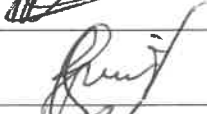


OPGESTEL EN BYGEHOU DEUR:
COMPILED AND RECORDED BY:


.....
S BARON
SEKRETARIAATDIENSTE
SECRETARIAT SERVICES

RAADSVERGADERING
COUNCIL MEETING

25 FEBRUARIE / FEBRUARY 2025

NAAM EN VAN / NAME AND SURNAME	HANDTEKENING / SIGNATURE
<u>Raadslede / Councillors :</u>	
Raadsheer/Alderman LM de Bruyn	
Raadsheer/Alderman CC Clayton	
Raadslid/Councillor WH Wells	
Raadsheer/Alderman DA Appel	
Raadslid/Councillor CA Benjamin	
Raadslid/Councillor M Botes	
Raadslid/Councillor CT Cloete	
Raadsheer/Alderman S Fredericks	
Raadslid/Councillor M Gana	
Raadslid/Councillor DA Jacobs	
Raadslid/Councillor D Jooste	
Raadslid/Councillor H Linnerts	
Raadslid/Councillor JD Lekhori	
Raadslid/Councillor TP Lemina	
Raadslid/Councillor RL Mienies	R. Mienies
Raadsheer/Alderman BB Mkhwibiso	
Raadslid/Councillor M Mpambani	M. Mpambani
Raadslid/Councillor MA Nomkoko	M.A. Nomkoko

Raadsheer/Alderman MR Nongxaza	
Raadslid/Councillor V Papier	
Raadsheer/Alderman M Plato-Mentoor	
Raadslid/Councillor MS Shale	
Raadslid/Councillor J Smit	
Raadslid/Councillor PJ Stander	
Raadslid/Councillor H Syster	
Raadslid/Councillor YM van Tonder	
Raadslid/Councillor TB Zimmermann	
<u>Amptenare/Officials:</u>	
Mnr/Mr W Hendricks	
Mnr/Mr GW Hermanus	
Mnr/Mr P Mabhena	
Mnr./Mr WSE Solomons-Johannes	
Mnr H Matthee	
Me./Ms N Baliso	
Mnr./Mr A Opperman	
Mnr/Mr H Gxoyiya	
Me./Ms M Faul	
Me./Ms S Baron	
Me./Ms F Ngxowa	
Mnr. /Mr N Parnell	
Mrs. L. Kilar	

V. Arendse



T. Habelgærn

