

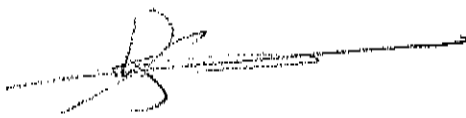


**Raadslede van die Raad van die
Langeberg Munisipaliteit**

Kennis geskied hiermee van 'n Raadsvergadering
van die Raad van Langeberg Munisipaliteit wat gehou sal word op
25 FEBRUARIE 2020 om 10H00
in die Raadsaal, Munisipale Kantore, Kerkstraat, Robertson
om oorweging te verleen aan die items op die aangehegte agenda.

**Councillors of the Council of the
Langeberg Municipality**

Notice is hereby given of a Council Meeting
of the Municipal Council of the Langeberg Municipality to be held on
25 FEBRUARY 2020 at 10H00
in the Council Chamber, Municipal Offices,
Church Street, Robertson to discuss the items on the appended agenda.



RDH / ALD S.W. VAN EEDEN
SPEAKER

BIRTHDAY LIST 2020

JANUARY	
04	Cllr Bulenlani Nteta
05	Mr Maynard Johnson
15	Cllr Esther Bosjan
17	Cllr Kobus DF van Zyl
FEBRUARY	
09	Mr Dave van Schalkwyk
09	Cllr Lettesia M Swanepoel
24	Mr Theuns Carstens
26	Mr Mike Mgajo
MARCH	
01	Cllr Wilma Strauss
11	Mr Neil Albertyn
APRIL	
07	Mr Mava Shude
27	Mrs Celeste Matthys
MAY	
12	Mrs Suzette Kotzé
20	Mr Anton Everson
28	Cllr JJ Januarie
30	Ald Kosie D Burger
JUNE	
05	Mr Bradley Brown
16	Cllr Hetta F Mangenengene
19	Cllr Gideon Joubert
24	Ald Schalk van Eeden
30	Mr Kobus Brand

JULY	
AUGUST	
11	Cllr Mark van der Merwe
14	Mr Glenn Slingers
19	Mr Eugene Jooste
SEPTEMBER	
05	Ald Henry Jansen
07	Mr Zamuxolo Qhangisa
10	Mr Corné Franken
19	Cllr Dendeline B Janse
19	Cllr Samuel du Plessis
22	Cllr Daughwan Kuhn
24	Cllr Judy Mafilika
OCTOBER	
05	Cllr Eric MJ Scheffers
17	Cllr Pauline Hess
NOVEMBER	
02	Cllr Nicky Beginsel
09	Mr Chris Vorster
18	Cllr Jacques Kriel
27	Mr Soyisile A Mokweni
DECEMBER	
05	Mr Sabelo Ngongolo
09	Mr Johan Coetzee
10	Cllr Andile Shibili
26	Cllr Christopher J Grootboom

AGENDA

~ 25 FEBRUARY 2020 ~

1. Opening / Opening
2. Attendance / Bywoning
3. Applications for leave of Absence / Aansoeke vir verlof tot afwesigheid
4. Approval of Minutes / Goedkeuring van Notule

- 4.1 Confirmation of the Minutes of an Ordinary Meeting of Council of the Langeberg Municipality held on 28 January 2020 at 10h00 in the Council Chambers Municipal Offices, Church Street, Robertson

05 - 14

Bekräftiging van die Notule van 'n Gewone Vergadering van die Raad van die Langeberg Munisipaliteit wat gehou was op 28 Januarie 2020 om 10h00 in die Raadsaal, Munisipale Kantore, Kerkstraat, Robertson.

5. Statements & Announcements by the Speaker / Verklarings & Mededelings deur die Speaker
6. Interviews with Delegations / Onderhoude met Afvaardigings
None / Geen
7. Statements & Announcements by the Mayor / Verklarings & Mededelings deur die Burgemeester
8. Urgent Matters & Reports, Statements & Announcements submitted by the Municipal Manager
Dringende Aangeleenthede & Verslae, Verklarings & Mededelings voorgelê deur die Munisipale Bestuurder

- 8.1 Matters which must be handled in terms of Section 30(5) of the Local Government: Municipal Structures Act, 1998 (Act No 117 of 1998), as amended. Aforesaid stipulation reads as follows: (5) Before a municipal council takes a decision on any of the following matters it must first require its executive committee or executive mayor, if it has such a committee or mayor, to submit to it a report and recommendation on the matter: (1) any matter mentioned in Section 160(2) of the Constitution; (2) the approval of an integrated development plan for the municipality, and any amendment to that plan; and (3) the appointment and conditions of service of the municipal manager and a head of a department of the municipality. *Sake wat hanteer moet word in terme van Artikel 30(5) van die Wet op Plaaslike Regering: Munisipale Strukture, 1998 (Wet No 117 van 1998), soos gewysig. Voormelde bepaling lees as volg: (5) Alvorens 'n munisipale raad 'n besluit oor enige van die volgende aangeleenthede neem, moet hy eers sy uitvoerende komitee of uitvoerende burgemeester, indien hy so 'n komitee of burgemeester het, versoek om 'n verslag en aanbeveling oor die aangeleentheid aan hom voor te lê: (1) enige aangeleentheid genoem in Artikel 160(2) van die Grondwet; (2) die goedkeuring van 'n geïntegreerde ontwikkelingsplan vir die munisipaliteit, en enige wysigings van daardie plan; (3) die aanstelling en diensvoorwaardes van die munisipale bestuurder en 'n hoof van 'n departement van die munisipaliteit.*

8.2 Matters which must be handled in terms of Section 32(1) and (2) of the Local Government: Municipal Structures Act, 1998 (Act No 117 of 1998) as amended, and approved per Council Resolution A82 of 19 March 2001. / *Sake wat hanteer moet word in terme van die delegasies toegestaan ingevolge Artikel 32(1) en (2) van die Wet op Plaaslike Regering: Munisipale Strukture, 1998 (Wet No 117 van 1998), soos gewysig en aanvaar per Raadsbesluit A82 van 19 Maart 2001.*

8.3 Report on matters of concern by representatives at the Cape Winelands District Municipality. / *Rapportering aangaande sake van belang deur verteenwoordigers by die Kaapse Wynland Distrikmunisipaliteit.*

8.4 Other Matters / Ander Sake

9. Consideration of Notice of Motions / *Oorweging van Kennisgewing van Mosies*
None / Geen
10. Consideration of Notice of Questions / *Oorweging van Kennisgewing van Vrae*
None / Geen
11. Consideration of Urgent Motions / *Oorweging van Dringende Mosies*
None / Geen
12. Consideration of Reports / *Oorweging van Verslae*

12.1	Reports submitted to Council for consideration (A Items) Verslae voorgelê aan die Raad vir oorweging (A Items)	16
12.2	Reports submitted to Council for consideration (AA Items) Verslae voorgelê aan die Raad vir oorweging (AA-Items)	113
12.3	Reports dealt with in terms of the delegated powers by the Mayoral Committee (B & BB Items) Verslae afgehandel deur die Burgemeesterskomitee in terme van gedelegeerde bevoegdhede (B & BB-Items)	122

MINUTES OF AN ORDINARY MEETING OF COUNCIL OF THE LANGEBERG MUNICIPALITY
HELD ON 28 JANUARY 2020 AT 10H00 IN THE COUNCIL CHAMBERS
MUNICIPAL OFFICES, CHURCH STREET, ROBERTSON

1. Opening

The Speaker welcomed the Executive Mayor, the Deputy Executive Mayor, Councillors and the Administration to the meeting. Pastor Ursula van Eck of The River Congregation in Robertson opened the meeting with a reading from the Book of Numbers 23:19 and a message about the timelessness of God's Word.

2. Attendance

Ald Van Eeden, SW	Speaker
Ald Jansen, HM	Executive Mayor
Cllr Joubert, GD	Deputy Executive Mayor
Ald Burger, JD	Councillor (Member of the Mayco)
Cllr Janse, DB	Councillor (Member of the Mayco)
Cllr Scheffers, EMJ	Councillor (Member of the Mayco)
Cllr Strauss, SW	Councillor (Member of the Mayco)
Cllr Beginsel, NJ	Councillor
Cllr Bosjan, E	Councillor
Cllr Du Plessis, S	Councillor
Cllr Grootboom, CJ	Councillor
Cllr Hess, P	Councillor
Cllr Januarie, JJ	Councillor
Cllr Kriel, J	Councillor
Cllr Kuhn, DJW	Councillor
Cllr Mafilika, JS	Councillor
Cllr Mangenengene, HF	Councillor
Cllr Nteta, BH	Councillor
Cllr Shibili, AJ	Councillor
Cllr Simpson, OC	Councillor
Cllr Swanepoel, LM	Councillor
Cllr Van der Merwe, TM	Councillor
Cllr Van Zyl, JDF	Councillor
Mr Mokweni, SA	Municipal Manager
Mr Brown, B	Director Finance (until
Mr Everson, AWJ	Director Corporate Services
Mr Johnson, M	Director Engineering Services
Ms Matthys, CO	Director Strategy & Social Development
Mr Mgajo, M	Director Community Services
Ms Kotzé, S	Manager Administrative Support
Ms Burger, E	Chief Clerk General Administration
Mr Qhanqisa, ST	Translator

3. 3.1 Applications for leave of absence / Aansoek om verlof tot afwesigheid

None / Geen

3.2 Absent without leave / Afwesig sonder verlof

None / Geen

4. Goedkeuring van Notule / Approval of Minutes:

- 4.1 That the Minutes of an Ordinary Meeting of Council of the Langeberg Municipality held on 04 December 2019 at 10h00 in the Council Chambers, Municipal Offices, Church Street, Robertson be approved and confirmed.

Dat die Notule van 'n Gewone Vergadering van die Raad van die Langeberg Munisipaliteit wat gehou was op 04 Desember 2019 om 10h00 in die Raadsaal, Munisipale Kantore, Kerkstraat, Robertson goedgekeur en bekragtig word.

5. Verklarings en Mededelings deur die Speaker / Statements and Announcements by the Speaker

The Speaker welcomed the Council back after a well-deserved holiday break. He said there is a long year ahead for each one and that everyone should work hard. About the new laptops, he informed Councillors that a workshop will be held so that all can acquaint themselves with the software.

Cllrs BH Nteta, E Bosjan, JDF van Zyl and CJ Grootboom as well as Mr M Johnson were congratulated with their birthdays. He wished them all the best for 2020 and God's grace.

6. Onderhoude met Afvaardigings / Interviews with Delegations

None / Geen

7. Verklarings en Mededelings deur die Burgemeester / Statements and Announcements by the Mayor.

Die Uitvoerende Burgemeester het die Raadslede voorspoed toegewens vir 2020. Hy het die hoop uitgespreek dat almal uitgerus is en glo dat hulle die jaar met volle drif sal aanpak.

Die Burgemeester het die Raad se innige simpatie uitgespreek aan diegene wat familieledede gedurende die vakansieseisoen aan die dood afgestaan het op paaie en as gevolg van siekte. Verlede Saterdag is 'n tienerjarige meisie ook grusaam vermoor. Die Raad het 'n oomblik van stilte gehandhaaf as blyk van respek vir die families in hul tyd van rou.

The Mayor announced that the *Standing Committee on Human Settlements* will have a meeting in Nkqubela on 06 February 2020 at 10h00. All Councillors are invited to attend.

8. Dringende Aangeleenthede en Verslae, Verklarings & Mededelings voorgelê deur die Munisipale Bestuurder.
Urgent Matters and Reports, Statements & Announcements submitted by the Municipal Manager.

None / Geen

9. Consideration of Notice of Motions / Oorweging van Kennisgewing van Mosies

None / Geen

10. Oorweging van Kennisgewing van Vrae / Consideration of Notice of Questions

None / Geen

11. Oorweging van Dringende Mosies / Consideration of Urgent Motions

Cllr S du Plessis brought it to Council's attention that there was an incident between Xhosas and Sotho's when shacks were burnt down and a person killed. Racial tensions were running high. A large number of dagga plants were also destroyed. Calm has since been restored.

12. Oorweging van Verslae / Consideration of Reports:

12.1 Reports submitted to Council for consideration (A Items)
Verslae voorgelê aan die Raad vir oorweging (A-Items)

BAPTIST COMMUNITY CHURCH MCGREGOR: APPLICATION FOR THE PURCHASE OF ERF 1931, MCGREGOR FOR CHURCH PURPOSES (7/2/3/2/3) (PRINCIPAL CLERK: PROPERTY ADMINISTRATION)

Cllr S du Plessis said that always when a church applies for land, the application is not approved and the land is alienated by way of public tender. He would like Council to rethink how decisions are made with regards to applications such as these. Cllr JJ January said that he has also previously requested the same thing and Cllr CJ Grootboom requested the possibility that a workshop be held about the alienation of municipal land. This would enable Councillors to be clear in future about issues such as these.

This item served before an Ordinary Meeting of Council on 28 January 2020

Hierdie item het gedien voor 'n Gewone Vergadering van die Raad op 28 Januarie 2020

Eenparig Besluit / Unanimously Resolved

1. That it be confirmed that the portion of land is not needed for the provision of the minimum level of basic municipal services. (S14 of the MFMA 2003, Act 56 of 2003)

Dat dit bevestig word dat die gedeelte grond nie benodig word vir die verskaffing van die minimum vlak van basiese munisipale dienste nie. (S14 of the MFMA 2003, Wet 56 van 2003)

2. That the application received from Pastor P Wessels on behalf of Baptist Community Church, McGregor for the purpose of erf 1931, McGregor for church purposes not be approved.

Dat die aansoek vanaf Pastoor P Wessels namens Baptist Community Church vir die koop van erf 1931, McGregor vir kerk doeleindes nie goedgekeur word nie.

3. That the municipal land situated on erf 1931, McGregor be alienated by way of public tender for church purposes subject to the following conditions:

Dat die munisipale grond geleë te erf 1931, McGregor vervreem by wyse van 'n publieke tender vir kerk doeleindes vervreem word onderhewig aan die volgende voorwaardes:

- 3.1 That the erf be alienated at a market related price.

Dat die erf verkoop word teen 'n markverwante prys.

- 3.2 That a deposit of 10% be payable with the signing of the deed of sale and that the remainder of the purchase price be payable with registration.

Dat 'n deposito van 10% betaalbaar sal wees met ondertekening van die koopvooreenoms en dat die restant van die koopsom betaalbaar is by registrasie.

- 3.3 That the buyer be responsible for all the connection fees for municipal services rendered to the property.

Dat die koper verantwoordelik sal wees vir alle aansluitingsfoole vir munisipale dienste gelewer aan die perseel.

- 3.4 That the erven only be utilized for the purposes as prescribed in the applicable town- planning scheme.

Dat die persele slegs aangewend word vir die doeleindes soos voorgeskryf in die toepaslike Dorpaanlegskema.

- 3.5 That the buyer be responsible for all costs regarding the property in his/ her name.

Dat die koper verantwoordelik sal wees vir alle kostes met betrekking tot die eiendom in sy/haar naam.

- 3.6 That the purchaser be responsible for all Town Planning cost involved which may include rezoning, subdivision, consolidation, surveying, registration of servitudes where applicable.

Dat die koper verantwoordelik sal wees vir alle Stadsbeplannings koste wat mag insluit hersonering, onderverdeling, konsolidasie, landmeter, registrasie van die servitute waar van toepassing.

- 3.7 That the purchase deal be finalized within a period of 8 months after allocation of the property, failing which the offer will expire irrevocably.

Dat die kooptransaksie binne 'n periode van 8 maande vanaf datum van toekenning van die erf afgehandel word, by versuim waarvan, die aanbod onherroeplik verval.

- 3.8 That a revisionary clause be included in the deed of sale that if a church is not erected within 2 years after transfer took place, the buyer must transfer the erf back to the Municipality at the original selling price, at the cost of the buyer.

Dat 'n terugval klousule in die titelakte ingevoeg word dat indien 'n kerk nie binne die volgende 2 jaar na registrasie opgerig is, die koper die erf moet terug transporteer na die Munisipaliteit teen die oorspronklike koopprys vir die rekening van die koper.

A3930 MONTHLY REPORTING FROM THE LOCAL TOURISM ASSOCIATIONS – OCTOBER 2019 (12/2/3/3) MANAGER: SOCIAL DEVELOPMENT

This item served before an Ordinary Meeting of Council on 28 January 2020

Hierdie item het gedien voor 'n Gewone Vergadering van die Raad op 28 Januarie 2020

Eenparig Besluit / Unanimously Resolved

That the reports from the Local Tourism Associations for October 2019 be noted.

A3931 SUBMISSION OF THE AUDITED FINANCIAL STATEMENTS AS RECEIVED FROM THE LOCAL TOURISM ASSOCIATIONS, FOR THE PERIOD 1 JULY 2018 TO 30 JUNE 2019 (12/2/3/3) (MANAGER: SOCIAL DEVELOPMENT)

This item served before an Ordinary Meeting of Council on 28 January 2020

Hierdie item het gedien voor 'n Gewone Vergadering van die Raad op 28 Januarie 2020

Eenparig Besluit / Unanimously Resolved

That the Audited Financial Statements as received from the Local Tourism Associations for the period 1 July 2018 to 30 June 2019, be accepted.

A3932 DEMARCATION OF INFORMAL TRADING AREA: KANTOOR STREET, MCGREGOR

This item served before an Ordinary Meeting of Council on 28 January 2020

Hierdie item het gedien voor 'n Gewone Vergadering van die Raad op 28 Januarie 2020

Eenparig Besluit / Unanimously Resolved

1. That a portion of Erf 330 Kantoor Street McGregorr, adjacent to Erf 140 and Erf 143, as depicted on Plan MCGSmous-LBM-PIC which is currently zoned *Public Street and Transport I*, be demarcated as an area in terms of Section 7 (1) of the Langeberg Municipal Informal Trading By-Law, 2019 on which to conduct informal trading.
2. That the establishment of a demarcated area to conduct informal trading in McGregor be deemed as an amendment (A) of this By-Law.
3. That the approval be subject to the requirements as stipulated in the Informal Trading By- law and requirements by the relevant user departments.

- A3933** **QUARTERLY REPORTING: LOCAL TOURISM ASSOCIATIONS – TOURISM PROJECTS & SMME DEVELOPMENT IN PRECEDING FINANCIAL QUARTER - 1 OCTOBER 2019 TO 31 DECEMBER 2019. (12/2/3/3) (MANAGER: SOCIAL DEVELOPMENT)**

This item served before an Ordinary Meeting of Council on 28 January 2020
Hierdie item het gedien voor 'n Gewone Vergadering van die Raad op 28 Januarie 2020
Eenparig Besluit / Unanimously Resolved

That Council notes the feedback presented by the Local Tourism Offices on the last quarter (October, November and December 2019) and the next quarter (January, February and March 2020).

- A3934** **QUARTERLY REPORT ON THE TOURISM RELATED EVENTS IN THE LANGEBERG MUNICIPAL AREA – 01 OCTOBER TO 31 DECEMBER 2019 (12/2/3/3) (MANAGER: SOCIAL DEVELOPMENT)**

Cllr S du Plessis said that the tourism official of Montagu should not report on the Montagu Herb Festival as the event was organized and financed by Montagu Museum, not by the Tourism Office.

This item served before an Ordinary Meeting of Council on 28 January 2020
Hierdie item het gedien voor 'n Gewone Vergadering van die Raad op 28 Januarie 2020
Eenparig Besluit / Unanimously Resolved

That the contents of the report be noted.

- A3935** **PROGRESS REPORT ON ASLA - ALLOCATED HUMAN SETTLEMENTS PROJECTS WITHIN LANGEBERG MUNICIPALITY**

This item served before an Ordinary Meeting of Council on 28 January 2020
Hierdie item het gedien voor 'n Gewone Vergadering van die Raad op 28 Januarie 2020
Eenparig Besluit / Unanimously Resolved

That Council takes cognisance of the current progress housing pipeline report for the Langeberg Municipality, as attached.

- A3936** **MONTHLY REPORTING FROM THE LOCAL TOURISM ASSOCIATIONS – NOVEMBER 2019 (12/2/3/3) MANAGER: SOCIAL DEVELOPMENT**

This item served before an Ordinary Meeting of Council on 28 January 2020
Hierdie item het gedien voor 'n Gewone Vergadering van die Raad op 28 Januarie 2020
Eenparig Besluit / Unanimously Resolved

That the reports from the Local Tourism Associations for November 2019 be noted.

- A3937** **PROGRESS REPORT ON JOB OPPORTUNITIES CREATED FOR THE PERIOD OCTOBER-DECEMBER 2019 (LED DEPARTMENT) (9/2/1/9)**

A discussion took place about the length of contracts and whether it could possibly be 6 months instead of 3 months. The Director Strategy & Social Development will discuss the matter with the SMT Committee. The allocation of workers and whether the process is fair, was also discussed.

This item served before an Ordinary Meeting of Council on 28 January 2020
Hierdie item het gedien voor 'n Gewone Vergadering van die Raad op 28 Januarie 2020
Eenparig Besluit / Unanimously Resolved

That Council notes the contents of the progress report on job opportunities for the period October - December 2019.

A3938 FINANCIAL REPORTING IN TERMS OF SECTION 71 OF THE LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, 2003 – NOVEMBER 2019 (9/2/1/3) (CHIEF FINANCIAL OFFICER)

This item served before an Ordinary Meeting of Council on 28 January 2020
Hierdie item het gedien voor 'n Gewone Vergadering van die Raad op 28 Januarie 2020
Eenparig Besluit / Unanimously Resolved

That the content of the report be noted.

Dat kennis geneem word van die inhoud van die verslag.

A3939 RESUBMISSION: DRAFT LANGEBERG MUNICIPALITY: EVENTS BY-LAW (12/2/3/3) MANAGER: SOCIAL DEVELOPMENT

This item served before an Ordinary Meeting of Council on 28 January 2020
Hierdie item het gedien voor 'n Gewone Vergadering van die Raad op 28 Januarie 2020
Eenparig Besluit / Unanimously Resolved

1. That the public participation process to date be approved.
2. That the proposed Offences & Penalties be approved.
3. That the amendments, as received via the public participation process and internally, be approved
4. That the Langeberg Municipality: Events By-law be approved.

A3940 QUARTERLY REPORT: LOCAL ECONOMIC DEVELOPMENT: OCTOBER – DECEMBER 2019 (9/2/1/9), (DIRECTOR STRATEGY & SOCIAL DEVELOPMENT)

This item served before an Ordinary Meeting of Council on 28 January 2020
Hierdie item het gedien voor 'n Gewone Vergadering van die Raad op 28 Januarie 2020
Eenparig Besluit / Unanimously Resolved

That Council notes the contents of the report for the period October to December 2019.

A3942 RESUBMISSION: ESTABLISHMENT OF A VALUATION APPEAL BOARD: FILLING OF VACANCIES (4/3R) (MANAGER: TOWN PLANNING)

Cllr S du Plessis asked why there is no person of colour on the Appeal Board. The Municipal Manager said that in the first instance a person of colour must apply for a position on the Board and then his qualifications must meet the required standards.

This item served before an Ordinary Meeting of Council on 28 January 2020
Hierdie item het gedien voor 'n Gewone Vergadering van die Raad op 28 Januarie 2020
Eenparig Besluit / Unanimously Resolved

That the following existing members be recommended to the MEC for Local Government & Housing to be re-appointed to the Valuation Appeal Board Langeberg Municipal for a further term of office:

Chairperson: Mr B Estherhuyse

Valuers: Mr E Marais
Mr PA Gerber
Mr H Wiggins

Other Members: Ms F du Toit

A3943 FINANCIAL REPORTING IN TERMS OF SECTION 71 - MONTHLY BUDGET STATEMENT & SECTION 52 (D) FOR THE QUARTERLY BUDGET ASSESSMENT STATEMENT - DECEMBER 2019 (9/2/1/3) (CHIEF FINANCIAL OFFICER)

The Mayor shall present the Executive Summary at item A3948.

This item served before an Ordinary Meeting of Council on 28 January 2020
Hierdie item het gedien voor 'n Gewone Vergadering van die Raad op 28 Januarie 2020
Eenparig Besluit / Unanimously Resolved

That the content of the report be noted.

Dat kennis geneem word van die inhoud van die verslag.

A3944 REQUEST TO WRITE OFF EXCESS WATER CHARGES – L GOOLD, BONNIEVALE (5/12/5) (CHIEF FINANCIAL OFFICER)

Cllr JJ January said that normally residents are informed that when a pipe break is on their erf, they are responsible to fix the leak. Was the pipe break caused by Haw & Inglis (H&I) outside the erf or was the break on the erf? The Director Engineering Services answered the break was behind the meter on the consumer's side. It is unknown who was responsible for the break. The Speaker requested the CFO to explain why the recommendation is for the amount to be written off. The CFO gave a brief background of the situation: The owner of the property is currently residing in Saudi Arabia. The water meter could not be read for a period of 9 months as H&I was doing construction work on the main road and dumped soil on the meter. During that time a temporary meter reader read the water meters and as the reading device did not pick up a water meter, he did an estimate each month. When the soil was eventually removed from the meter, the meter could once again be read and an actual reading be obtained. When Mrs Goold received this account with the actual water consumed, she immediately raised the issue with the Municipality. An investigation was done and the break was detected. Mrs Goold was informed and she had the pipe break fixed immediately. It was also found that the leaked water ran directly into the storm water pipeline and no dampness showed above ground that could have raised the alarm earlier. Cllr Januarie said that the meter reader should have reported that the water meter was inaccessible. He also did not think it is fair that the account just be written off, but think that the owner should be held liable for the account as the pipe break was on her erf.

Cllr S du Plessis asked what measures the Municipality has in place if a meter cannot be read for 3 months. He also said that if this was 'Mrs Khumalo', the recommendation would have been that she must pay or make arrangements.

Cllr CJ Grootboom said if we write the amount off, we create a precedent for similar cases in future. If we do *not* write the amount off, the investigation should continue to identify the persons responsible for the negligence, even if it is H&I.

Cllr J Kriel said that he thinks the relevant policy states that a meter may be estimated 3 times and this meter was estimated 8 times. This makes the Municipality one of the guilty parties because we ignored our own policy. If we take H&I to court it will cost the Municipality a lot of money. He is of the opinion that the best course of action is to write off the money.

Cllr JJ January said that listening to all the opinions expressed, he thinks that a further investigation should be done as the first investigation determined what caused the high water charges. This second investigation should determine the persons that were negligent in their duties and ultimately responsible for the financial loss.

The Municipal Manager gave clarity and said that the meter reader could not obtain a reading as there was a large amount of soil on top of the meter. If the meter was read, the leak would have been picked up immediately. Putting the blame on H&I means putting the blame at the door of Provincial Government as they are the employer of H&I. So, do we ask H&I / Provincial Government to pay R120 000 for the water loss, knowing that they have already exempted the Municipality for the construction of that road by R6 million. This is one of the rationales we looked at when formulating a recommendation. Also think about how much it would cost to institute a lawsuit against H&I. And finally, it is not the first time we have done this – we have done it in instances where there are plausible reasons that can be explained and motivated.

Cllr BH Nteta proposed that Administration be given the opportunity to do an investigation as to what happened, who did what etc. where after an informed decision can be taken. The proposal was seconded by Cllr JJ January.

This item served before an Ordinary Meeting of Council on 28 January 2020
Hierdie item het gedien voor 'n Gewone Vergadering van die Raad op 28 Januarie 2020
Eenparig Besluit / Unanimously Resolved

That the report be referred back so that a thorough investigation be conducted to determine the persons that were negligent in their duties and therefore responsible for the financial loss.

A3945 EXPENDITURE OF THE 2019 / 2020 BUDGET MEASURED BY THE TOP LEVEL SDBIP FOR THE SECOND QUARTER (MID-YEAR) (5/1/3) (DIRECTOR: STRATEGY AND SOCIAL DEVELOPMENT)

This item served before an Ordinary Meeting of Council on 28 January 2020
Hierdie item het gedien voor 'n Gewone Vergadering van die Raad op 28 Januarie 2020
Eenparig Besluit / Unanimously Resolved

That Council notes the contents of the report

Dat die Raad kennis neem van die inhoud van die verslag

A3946 FEEDBACK TO COUNCIL: EXECUTION OF COUNCIL RESOLUTIONS: OCTOBER – DECEMBER 2019 (3/2/1/3) (MUNICIPAL MANAGER)

This item served before an Ordinary Meeting of Council on 28 January 2020
Hierdie item het gedien voor 'n Gewone Vergadering van die Raad op 28 Januarie 2020
Eenparig Besluit / Unanimously Resolved

That the contents of the report be noted.

Dat kennis geneem word van die inhoud van die verslag.

A3947 COMPILING OF THE 2019 / 2020 ADJUSTMENT BUDGET DUE TO UNFORESEEABLE / UNAVOIDABLE EXPENDITURE (5/1/1 - 2019/2020) (CHIEF FINANCIAL OFFICER)

After the Municipal Manager gave the background to the report, a discussion took place. Questions were asked and answered, in particular about the Memorandum of Agreement. The Municipal Manager said that the document will be distributed to Councillors.

This item served before an Ordinary Meeting of Council on 28 January 2020
Hierdie item het gedien voor 'n Gewone Vergadering van die Raad op 28 Januarie 2020
Eenparig Besluit / Unanimously Resolved

Dat die Aansuiweringsbegroting vir 2019 / 2020 soos voorgelê, goedgekeur word.

That the Adjustment budget for 2019 / 2020 as submitted, be approved.

A3948 MID-YEAR PERFORMANCE ASSESSMENT IN TERMS OF SECTION 72 (1) OF THE MFMA FOR 01 JULY 2019 TO 31 DECEMBER 2019 (CHIEF FINANCIAL OFFICER)

The Executive Mayor presented the Executive Summary to Council. Cllr CJ Grootboom asked the Mayor what his opinion is of the spending of the capital budget to date as it is not even a quarter of the total amount. The Mayor said that they cannot find any problems with the spending amount for this quarter. Cllr Grootboom said that is a mid-year report and that the Municipality is in the middle of its financial year, but has not even spend a quarter of the total budget. And the Mayor is saying that it does not bother him. Cllr Grootboom said that it does most certainly bother him.

The Mayor asked the CFO to respond to Cllr Grootboom's question however, the Municipal Manager reacted. He said that Cllr Grootboom's question was important. He said that most of the current projects are electrical projects and most of the components were ordered from abroad. This delayed the implementation, but most of the invoices are coming through now as evidenced at yesterday's SMT meeting. The other issues were with the MIG funding. Contractors have now been appointed, they are on-site and have started with the work. The March / April report should therefore show a better spending pattern coming through.

Cllr J Kriel said that he shared Cllr Grootboom's concerns but accepts that Administration is aware of the backlog. The Financial Services Committee will monitor the situation on a monthly basis. Come March however, we should not only look at the percentage, but also look at Planning – *How are we going to spend the funds to reach as close to 100% as possible. What is in the pipeline, what are the plans if the 100% goal looks unattainable?*

Cllr JDF van Zyl said the adjustment budget in February is also very important because it affords the opportunity to transfers funds to any projects that would not be completed in time.

This item served before an Ordinary Meeting of Council on 28 January 2020

Hierdie item het gedien voor 'n Gewone Vergadering van die Raad op 28 Januarie 2020

Eenparig Besluit / Unanimously Resolved

That the contents of the report in terms of section 72(1) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) be noted.

A4949 AMENDMENT OF MIG DETAILED PROJECT IMPLEMENTATION PLAN - 2019 / 2020, 2020 / 2021 AND 2021 / 2022 (17/8/3/5/3) (MANAGER PROJECT MANAGEMENT)

This item served before an Ordinary Meeting of Council on 28 January 2020

Hierdie item het gedien voor 'n Gewone Vergadering van die Raad op 28 Januarie 2020

Eenparig Besluit / Unanimously Resolved

That the *Project* budget of the MIG DPIP for 2019 / 2020 be amended as below:

PROJECT	2019 / 2020
Upgrading of Roads & Stormwater - Montagu: Ashbury	R8 329 390.91
Upgrading of Roads & Stormwater - Ashton: Zolani & Cogmanskloof	R5 508 329.00
Upgrading of Roads & Stormwater - Bonnievale: Happy Valley & Mountain View	R6 584 819.10
Upgrading of Roads & Stormwater Robertson	R 1 560 461.00
2019 / 2020 MIG BUDGET	R21 983 000.01
ROLL OVER 2018/2019	R1 269 202.01
TOTAL	R23 252 202.02

A3950 PERMISSION RECEIVED FROM NATIONAL TREASURY TO PROCEED WITH IMPLEMENTATION PLANNING OF PROJECTS; SMALL TOWN INITIATIVE PROGRAMME IN ROBERTSON (10/3/2) (MUNICIPAL MANAGER)

This item served before an Ordinary Meeting of Council on 28 January 2020

Hierdie item het gedien voor 'n Gewone Vergadering van die Raad op 28 Januarie 2020

Eenparig Besluit / Unanimously Resolved

That Council notes the contents of the report.

Dat die Raad kennis neem van die inhoud van die verslag.

12.2 Reports submitted to Council for consideration (AA Items)
Verslae voorgelê aan die Raad vir oorweging (AA-Items)

None / Geen

12.3

Reports dealt with in terms of the delegated powers by the Mayoral Committee (B & BB Items)
Verslae afgehandel deur die Burgemeesterskomitee in terme van gedelegeerde bevoegdhede (B & BB-items)

These items served before an Ordinary Meeting of Council on 28 January 2020
Hierdie items het gedien voor 'n Gewone Vergadering van die Raad op 28 Januarie 2020
Eenparig Besluit / Unanimously Resolved

That Council notes the B and BB reports that were dealt with by the Executive Mayoral Committee in terms of the delegated powers.

Dat die Raad kennis neem van die B en BB verslae wat deur die Uitvoerende Burgemeesterkomitee in terme van gedelegeerde bevoegdhede hanteer is.

The meeting ended at 11h35

SPEAKER

DATE

A ITEMS

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**COMPILING OF THE 2018 / 2019 ADJUSTMENT BUDGET ~ UNAUTHORISED EXPENDITURE AND APPROVAL
IRREGULAR OF FRUITLESS AND WASTEFUL EXPENDITURE (- 2018/2019) (CHIEF FINANCIAL OFFICER)**

Purpose of Report

The purpose of the report is to submit an adjustment budget for 2018 / 2019 to Council for consideration and for Council to write off irregular expenditure.

Background

As some votes on the 2018 / 2019 budget need to be adjusted as a result of overspending of votes (unauthorised expenditure) with the finalization of the 2018 / 2019 financial statements, the Adjustment Budget that was attached, has been compiled and are submitted to Council for consideration.

Legal Framework

Section 28 of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) stipulates as follows:

Municipal adjustments budgets

28. (1) A municipality may revise an approved annual budget through an adjustments budget.
- (2) An adjustments budget —
- (a) must adjust the revenue and expenditure estimates downwards if there is material under-collection of revenue during the budget year;
 - (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;
 - (c) may, within a prescribed framework, authorise unforeseeable and unavoidable expenditure recommended by the mayor of the municipality;
 - (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 financial year preceding the budget year, where the under-spending could not reasonably have been foreseen at the time when the annual budget for the budget year was approved by the council;
 - (f) may correct any errors in the annual budget; and
 - (g) **may provide for any other expenditure within a prescribed framework.**

Section 32(2)(a)(i) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) stipulates as follows:

A municipality must recover unauthorised expenditure, irregular or fruitless and wasteful expenditure from the person liable for that expenditure unless the expenditure -

- (a) In the case of unauthorised expenditure, is –
- (i) authorised in an adjustments budget; or
 - (ii) certified by the municipal council, after investigation by a council committee, as irrecoverable and written off by the council; and
- (b) In the case of irregular or fruitless or fruitless and wasteful expenditure, is, after investigation by a council committee, certified by the council as irrecoverable and written off by council.

Section 23(6) of the Municipal Budget and Reporting Regulations read as follows:

"An adjustment budget contemplated in section 28(2) (g) of the Act may only authorise unauthorised expenditure as anticipated by section 32(2)(a)(i) of the Act, and must be -

- (a) *dealt with as part of the adjustments budget contemplated in sub regulation (1); and*
- (b) *a special adjustments budget tabled in the municipal council when the mayor tables the annual report in terms of section 127(2) of the Act, which may only deal with unauthorised expenditure from the previous financial year which the council is being requested to authorise in terms of section 32(2)(a)(i) of the Act.*

Comments

Unauthorised Expenditure

Unauthorised operational expenditure of R 10 055 780 has been disclosed in the 2018 / 2019 financial statements. The over expenditure on the operating budget of Corporate Services is attributable to the following non-cash items:

- Bad Debts written off on traffic Fines
- Contribution to debt impairment on traffic fines

The unauthorised operating expenditure is mainly due to the application of IGRAP 1 relating to traffic fines. The provision for bad debt on traffic fines budgeted was not sufficient due to the fact that the information on fines was only available in July 2019 and could not be foreseen with the compilation of the 2018 / 2019 adjustments budget.

It is therefore proposed that the unauthorised expenditure be authorised and that the 2018 / 2019 adjustment budget for increasing the budgeted amounts of R5 479 999 be approved. The difference of R 4 575 781 relates to internal charges and recoveries that are not included in the budgeted figures as contained in the budget schedules.

Irregular Expenditure

During the regulatory audit of 2018 / 2019 the Auditor-General of South Africa (AGSA) identified the following instances of Irregular Expenditure for the 2018 / 2019 financial year:

Irregular expenditure current year

Mubeko	3 385 989,59
Red Ants	1 500 709,32
Local Content	1 393 812,65
Fraud Cashier	35 724,62
	6 316 236,18

The tenders for Mubesko and Red Ants were secured under Organs of State as per table below:

	Other organ of state	Award number	Contract start & end date	Supplier name	Award value	Expenditure incurred in 2018-19 at Langeberg Municipality (R)
1	Bitou Municipality	SCM/75/2016	01/07/2016 – 30/06/2019	Mubesko Africa (Pty)Ltd	Rate based	3 385 989,59
2	Overstrand Municipality	SC 1786/2017	01/07/2016 – 30/06/2019	Red Ant Security Relocation & Eviction Services (Pty)Ltd	Rate based	1 500 709,32
	Total					4 886 698,91

The query raised by the AGSA is based on the judgement in two court cases relating to the application of regulation 32 in a procurement process. This judgement effectively means that the accounting officer of the original contracting organ of state is willing to forfeit a portion of its contract, in terms of contract value and quantity that has not already been utilised, to the accounting officer who is requesting to procure under that contract. It must be noted that the two tenders were rate based and the Municipality responded to the AGSA that it cannot apply the same principles in the judgement as it is rate based tenders. The finding was raised at all the municipalities.

The AGSA further indicated that any expenditure, from inception of the contract, incurred on the above contracts, or on any other similar contracts on which expenditure was incurred during the 2018-19 financial year, and which is not incurred on a portion forfeited by the other organ of state, meets the definition of irregular expenditure detailed in section 1 of the MFMA. The amount for the previous year on these contracts is R4 966 587.

The AGSA further raised a finding during the review of compliance, specifically for local content requirements, that the below mentioned invitation for tenders did not specify the minimum threshold for local content production.

Tender 40/2018	Amount (R)
Original Tender	698 706,65
Extension	695 106,00
Total	1 393 812,65
Payments made against the award	1 373 457,65

On 12 August 2019 the Municipality became aware of possible fraudulent activities at one of its cashier points. The matter is currently under investigation and the matter has been reported to SAPS. The preliminary amount is estimated at R 35 724,62; this amount is also disclosed under irregular expenditure.

The total irregular expenditure disclosed in the AFS is as follows:

2019
R

54.3 Irregular expenditure

Reconciliation of irregular expenditure:

Opening balance	836,508
Irregular expenditure current year	6,316,236
Irregular expenditure identified in current year relating to previous years	4,966,587
Expenditure authorised i.t.o. Section 32 of MFMA	-
Write-offs supported by council	(836,508)
Transfer to receivables for recovery - not written off	-
Irregular expenditure awaiting further action	11,282,823

Recommendation

1. That the unauthorised expenditure of R 5 479 999 be authorised in terms of Section 32(2)(a)(i) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) and that the amount of R 5 479 999 in the 2018 / 2019 adjustment budget be approved in terms of Section 23(6) of the Municipal Budget and Reporting Regulations.
2. That the irregular expenditure amount of R 11 247 099 in terms of Section 32 (2)(b) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), after investigation by a council committee, be certified by Council as irrecoverable and be written off by Council.

NOTE: The annexure was distributed as part of the agenda for the MPAC Committee meeting of 15 January 2020 (pg. 13 – 61)

This item served before the Municipal Public Accounts Committee (MPAC) on 15 January 2020

Die item het voor die Munisipale Openbare Rekeninge Komitee (MORK) gedien op 15 Januarie 2020

Recommendation / Aanbeveling

1. That the unauthorised expenditure of R 5 479 999 be authorised in terms of Section 32(2)(a)(i) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) and that the amount of R 5 479 999 in the 2018 / 2019 adjustment budget be approved in terms of Section 23(6) of the Municipal Budget and Reporting Regulations.
2. That the irregular expenditure amount of R 11 247 099 in terms of Section 32 (2)(b) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), after investigation by a council committee, be certified by Council as irrecoverable and be written off by Council.

This item served before the Executive Mayoral Committee on 22 January 2020

Hierdie item het voor die Uitvoerende Burgemeesterskomitee gedien op 22 Januarie 2020

Recommendation / Aanbeveling

1. That the unauthorised expenditure of R 5 479 999 be authorised in terms of Section 32(2)(a)(i) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) and that the amount of R 5 479 999 in the 2018 / 2019 adjustment budget be approved in terms of Section 23(6) of the Municipal Budget and Reporting Regulations.
2. That the irregular expenditure amount of R 11 247 099 in terms of Section 32 (2)(b) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), after investigation by a council committee, be certified by Council as irrecoverable and be written off by Council.

MONTHLY REPORTING FROM THE LOCAL TOURISM ASSOCIATIONS – DECEMBER 2019 (12/2/3/3)
MANAGER: SOCIAL DEVELOPMENT

Purpose of the Report

To submit the monthly reports to the Strategy and Social Development Portfolio Committee for notification purposes.

Background

In accordance with the amended Memoranda of Agreement between the Local Tourism Associations and Langeberg Municipality, for the period 1 July 2019 to 30 June 2020, the Local Tourism Associations must submit a monthly report by the 10th of each month. A template was compiled and provided for this purpose.

Comments

The monthly reports for the period December 2019, as received from the Local Tourism Associations, was attached to this report.

Recommendations

That the reports from the Local Tourism Associations for December 2019 be noted.

NOTE: The annexure was distributed as part of the agenda for the Strategy & Social Development Portfolio Committee meeting of 12 February 2020 (pg. 10 - 32)

This item served before the Strategy & Social Development Portfolio Committee on 12 February 2020.
Hierdie item het gedien by die Strategiese & Sosiale Ontwikkeling Portefeulje Komitee op 12 Februarie 2020
Aanbeveling / Recommendation

That the reports from the Local Tourism Associations for December 2019 be noted.

This item served before the Executive Mayoral Committee on 18 February 2020
Hierdie item het voor die Uitvoerende Burgemeesterskomitee gedien op 18 Februarie 2020
Aanbeveling / Recommendation

That the reports from the Local Tourism Associations for December 2019 be noted.

RESUBMISSION - APPLICATION TO TRANSFER RENTAL SCHEME HOUSE: ERF 2360, 17 WILHELM THYS AVENUE, MONTAGU - FROM FRANSCINA HOUTSAMER (PHILANDER) TO BERENICE LYZANNE PHILANDER (17/5/6/4/1) (DIRECTOR: COMMUNITY SERVICES)

PURPOSE OF REPORT

To resubmit the report to Council in order to consider this matter.

BACKGROUND

This item served before the Executive Mayoral Committee on 22 January 2020 who decided to uphold Council's original resolution B4097 of 20 November 2012. However, the Mayoral Committee does not have the delegated authority to change or confirm this decision of Council. The report is therefore being resubmitted for consideration.

The concerned house forms part of the Montagu, Ou Dorp, Scheme 1, Rental houses of which Francis Houtsamer (Philander) is the legal tenant. The house can be sold for the amount of R3517.15 in terms of the enhanced extended discount benefit scheme (EEDBS). Registered owner of the property is Langeberg Municipality.

Find attached, reports for detailed information:

1. **B4097** – item that served before the Executive Mayoral Committee meeting of 20 November 2012.
2. **A3260** – resubmission of urgent motion which served before the Executive Mayoral Committee meeting of 10 June 2016.
3. **B5191** – under comments: An affidavit was obtained where she (Berenice Philander) states how she was evicted from the property that was officially allocated to her and where she also states that she was still interested in the house, but that her mother (who is not the owner of the property) took out an interdict against her to not come closer to the house.
4. **B5221** – item that served before the Community Services Portfolio Committee meeting of 08 May 2017.
5. **B5310** – item served before Community Services Portfolio Committee of 08 May and the Executive Mayoral Committee meeting of 06 June 2017.

Based on various reports submitted to the portfolio committee, mayoral committee meeting and engagement by officials and councillors with the affected families, where in all these instances no solution could be found due to family disputes.

The following people are currently staying at erf 2360, 17 Wilhelm Thys Avenue:

Ilse Philander & Kids – Daughter of Francina Houtsamer
Piet Philander – Brother of Francina Houtsamer
Malcolm Philander – (Francina's sister child)
Charmin Fluks – (Daughter of Berenice Philander).

Any consideration of evictions should be very last resort to act upon due to its disastrous effect on the life of families and the fibre of society in general.

Kindly note the following judgement regarding the implementation of Council's resolutions.

In the case of *Manana v Sabata Dalindyebo Municipality 345/09(2010) ZASCA 14 November 2010*, it was held that "No doubt a municipal council is entitled to rescind or alter its resolutions. And no doubt an interested party is entitled to challenge its validity on review. But once a resolution is adopted in my view its officials are bound to execute it, whatever view they might have on the merit of the resolution, in law or otherwise, until such time as it is either rescinded or set aside on review".

RECOMMENDATIONS

1. Based on all of the above, council to consider rescind its decision of allocating the above-mentioned house to Berenice Philander
2. The house to remain with the legal tenant, Francina Houtsamer until family dispute is resolved.
3. Note be taken that, subsidies houses are generally regarded as family houses, hence any solution to family dispute should be resolved by the family not the municipality.

NOTE: The annexure was distributed as part of the agenda for the Community Services Portfolio Committee meeting of 15 January 2020 (pg. 58 – 120)

This item served before the Community Services Portfolio Committee on 15 January 2020

Hierdie item het gedien by die Gemeenskapsdienste Portefeulje Komitee op 15 Januarie 2020

Recommendation / Aanbeveling

That Council upholds its original resolution B4097 of 20 November 2012, i.e.

That the municipal rental scheme house situated on erf 2360, 17 Wilhelm Thys Avenue, Montagu be allocated to Berenice Lyzanne Philander on the following conditions.

Dat die Munisipale huurskema-woning geleë tde erf 2360, Wilhelm Thyslaan 17, Montagu op die volgende voorwaardes aan Berenice Lyzanne Philander oorgedra word.

1. That Berenice Lyzanne Philander pays a consumer deposit of R470.00 in advance. (There's no existing deposit)

Dat Bernice Lyzanne Philander 'n verbruikersdeposito van R470.00 vooruit betaal. (Daar is geen bestaande deposito nie).

2. That Berenice Lyzanne Philander be responsible for the payment of all outstanding as well as future municipal charges in respect of erf 2360, 17 Wilhelm Thys Avenue, Montagu.

Dat Berenice Lyzanne Philander aanspreeklik is vir die betaling van alle uitstaande sowel as toekomstige munisipale heffings met betrekking tot erf 2360, Wilhelm Thyslaan 17, Montagu.

3. That the property on erf 2360 Montagu be sold to Berenice Lyzanne Philander for the amount of R3 517.15 in terms of the Enhanced Extended Discount Benefit Scheme (EEDBS)

Dat die woing te erf 2360 Montagu vir die bedrag van R3 517.15 aan Berenice Lyzanne Philander vervreem word in terme van die Verbeterde Uitgebreide Afslag Voordeelskema (EEDBS)

4. That Berenice Lyzanne Philander be responsible for the payment of the transfer costs in respect of the registration of the property into her name.

Dat Berenice Lyzanne Philander aanspreeklik is vir die betaling van die oordragkoste met betrekking tot die registrasie van die eiendom in haar naam.

5. That Berenice Lyzanne Philander enter into a Lease Agreement with the municipality until her subsidy for discount (EEDBS) is approved by the Department of Human Settlements, whereafter she will enter into a Deed of Sale with the municipality.

Dat Berenice Lyzanne Philander 'n huurkontrak sluit met die munisipaliteit totdat haar subsidie vir die verbeterde afslag (EEDBS) deur die Departement Menslike Nedersettings goedgekeur is waarna 'n koopkontrak tussen haarself en die munisipaliteit gesluit sal word.

This item served before the Executive Mayoral Committee on 22 January 2020

Hierdie item het voor die Uitvoerende Burgemeesterskomitee gedien op 22 Januarie 2020

Eenparig Besluit / Unanimously Resolved

That Council upholds its original resolution B4097 of 20 November 2012, i.e.

That the municipal rental scheme house situated on erf 2360, 17 Wilhelm Thys Avenue, Montagu be allocated to Berenice Lyzanne Philander on the following conditions.

Dat die Munisipale huurskema woning geleë tde erf 2360, Wilhelm Thyslaan 17, Montagu op die volgende voorwaardes aan Berenice Lyzanne Philander oorgedra word.

1. That Berenice Lyzanne Philander pays a consumer deposit of R470.00 in advance. (There's no existing deposit)

Dat Bernice Lyzanne Philander 'n verbruikersdeposito van R470.00 vooruit betaal. (Daar is geen bestaande deposito nie).

2. That Berenice Lyzanne Philander be responsible for the payment of all outstanding as well as future municipal charges in respect of erf 2360, 17 Wilhelm Thys Avenue, Montagu.

Dat Berenice Lyzanne Philander aanspreeklik is vir die betaling van alle uitstaande sowel as toekomstige munisipale heffings met betrekking tot erf 2360, Wilhelm Thyslaan 17, Montagu.

3. That the property on erf 2360 Montagu be sold to Berenice Lyzanne Philander for the amount of R3 517.15 in terms of the Enhanced Extended Discount Benefit Scheme (EEDBS)

Dat die woing te erf 2360 Montagu vir die bedrag van R3 517.15 aan Berenice Lyzanne Philander vervreem word in terme van die Verbeterde Uitgebreide Afslag Voordeelskema (EEDBS)

4. That Berenice Lyzanne Philander be responsible for the payment of the transfer costs in respect of the registration of the property into her name.

Dat Berenice Lyzanne Philander aanspreeklik is vir die betaling van die oordragkoste met betrekking tot die registrasie van die eiendom in haar naam.

5. That Berenice Lyzanne Philander enter into a Lease Agreement with the municipality until her subsidy for discount (EEDBS) is approved by the Department of Human Settlements, whereafter she will enter into a Deed of Sale with the municipality.

Dat Berenice Lyzanne Philander 'n huurkontrak sluit met die munisipaliteit totdat haar subsidie vir die verbeterde afslag (EEDBS) deur die Departement Menslike Nedersettings goedgekeur is waarna 'n koopkontrak tussen haarself en die munisipaliteit gesluit sal word

Resubmitted for consideration

APPLICATION TO PURCHASE A PORTION OF PAVEMENT (±175M²) SITUATED IN FRONT OF ERF 2081, MONTAGU (7/2/3/2/4) (PRINCIPAL CLERK: PROPERTY ADMINISTRATION)

Purpose of report

To submit a report to the Mayoral Committee for consideration regarding an application received from Ms B Marx.

Background

The following letter was received from Ms B Marx

"We are looking at the possibility of landscaping and improving the garden of my property, 1 Amandel St, Montagu, 6720, ERF no 2081.

If possible, this would entail that we also make use of the land in front of the property, and possibly move the front fence a few metres forward. We undertake to maintain the whole area in front of our property at our own expense.

I hereby request permission to do so and would appreciate it if you could favourably consider this request. We understand that certain conditions might apply, so please let me know what that would entail.

I indicated on the attached picture in red the line that the pavement forms w.r.t. the road. The blue line indicates the fence we would like to put up. Material will be wire mesh and wooden poles, similar to what it is now.

The area is about 150 square metres. On the northern side the fence will be extended about 8 m. On the southern side, 12 m. The width of the extension will be about 15m, as the driveway will not be part of the extension. We would like to extend our fence forward and beautify the space. We undertake to beautify and maintain that area at our own expense.

Please let me know if you have any questions. Thank you kindly"

Comments:

A location map was attached to this report.

The Directors and relevant Managers were requested to comment not later than 06 December 2019. The following comments were received:

Comments: Manager: Town Planning

The application is supported.

The relevant portion as indicated by the applicant is situated on the Remainder of Erf 877, Montagu and is currently zoned Transport zone II, with primary use right of Public street. It is suggested that the portion of about 175m² as indicated in yellow on the diagram below be alienated. This portion does not serve any function as a road, sidewalk or public open space.

The alienation and transfer of the land should be subject to the applicant first applying and obtaining approval for the following:

- closure of a Public Place over the Remainder of Erf 877, Montagu;
- the subdivision of the Remainder of erf 877, Montagu into two portions, namely a portion of ±175m² and the remainder;
- the rezoning of the relevant portion of about 175m² from Transport zone II to Single Residential zone I; and,
- the consolidation of the said portion with erf 2081, Montagu.



Comments: Director: Civil Engineering Services

Geen siviele word geraak deur die aansoek nie. Siviël het geen beswaar teen die aansoek nie.

Comments: Director: Community Services

No objection.

Comments: Chief Financial Officer

Alienation of any capital asset takes place in compliance with Section 14 of the Municipal Finance Management Act, 2004. The Act states that the municipality may not alienate any capital asset required to provide a minimum level of service. The municipality may alienate any other capital asset, provided the Council has considered the fair market value and the economic and community value to be received in exchange for the asset. In the event of alienation or leasing it must take place in accordance with Section 14 of the MFMA as the asset must not be used to provide a minimum level of service. The process must be fair, open, competitive, transparent and market related rates must be used.

Comments: Manager: Electrical Engineering Services

The electrical department has no objection to the application.

Comments: Director: Strategy & Social Development

I am not sure if there are any municipal services running there.
If it is permissible, the lease should be considered at a market related price.

Comments: Cllr Kriel

Ek het geen beswaar teen die aansoek nie. Die area lê onbenut en gaar vullis op. Die persoon is bereid om op eie kostes die area te verfraai.

Comments: Manager: Administrative Support

Clause 44 of the Administration of Immoveable Property Policy determines as follows:

Closed streets and lanes, public open spaces and odd lots of land which can be of no practical use to any other person may be sold / leased out of hand to adjoining property owners, provided that –

- (1) written notice has been served on all adjoining property owners; and*
- (2) the selling price/rental shall be at fair market value, provided that the Municipality shall determine the rental of land for garden purposes.*

Taking the aforementioned as well as the comments received into consideration, the application is supported.

Recommendation/ Aanbeveling

1. That it be confirmed that the portion of pavement ($\pm 175\text{m}^2$) in front of erf 2081, Montagu is not needed for the provision of the minimum level of basic municipal services (S14 of the MFMA 2003, Act 56 of 2003).

Dat dit bevestig word dat die gedeelte sygaardjie ($\pm 175\text{m}^2$) voor erf 2081, Montagu nie benodig word vir die verskaffing van die minimum vlak van basiese munisipale dienste nie (S14 van die MFMA 2003, /wet 56 van 2003).

2. That the application received from Ms B Marx to purchase a portion of pavement ($\pm 175\text{m}^2$) situated in front of erf 2081, Montagu for garden purposes be approved subject to the following conditions:

Dat die aansoek vanaf Me B Marx vir die koop van 'n gedeelte sygaardjie ($\pm 175\text{m}^2$) geleë voor erf 2081, Montagu vir tuinmaak doeleindes goedgekeur word onderhewig aan die volgende voorwaardes:

- 2.1 That written notices have been served on all adjoining property owners.

Dat geskrewe kennisgewings aan al die aanliggende eienaars bedien word.

- 2.2 That a portion of municipal pavement in front of erf 2081, Montagu for garden purposes be alienated at a market related price. The buyer will be responsible for the cost of the market related certificate.

Dat 'n gedeelte van die sygaardjie voor erf 2081, Montagu vir tuinmaak doeleindes verkoop word teen 'n markverwante prys. Die Koper sal verantwoordelik wees vir die koste verbonde aan die verkryging van die billike markwaarde sertifikaat.

- 2.3 That a deposit of 10% be payable with the signing of the deed of sale and that the remainder of the purchase price be payable with registration.

Dat 'n deposito van 10% betaalbaar sal wees met ondertekening van die koop-ooreenkoms en dat die restant van die koopsom betaalbaar is by registrasie.

- 2.4 That the purchaser be responsible for the cost involved for rezoning, subdivision, consolidation, surveying, road closure, registration of servitudes and registration of the property in his/her name.

Dat die koper verantwoordelik sal wees vir alle kostes van hersonering, onderverdeling, konsolidasie, landmeter, sluit van pad, registrasie van die servitute en registrasie van die eiendom in sy/haar naam.

- 2.5 That the purchase deal be finalized within a period of 6 months after allocation of the property, failing which the offer will expire irrevocably.

Dat die kooptransaksie binne 'n periode van 6 maande vanaf datum van toekenning van die erf afgehandel word, by versuim waarvan, die aanbod onherroeplik verval.

NOTE: The annexure was distributed as part of the agenda for the Corporate Services Portfolio Committee meeting of 12 February 2020 (pg. 26 - 27)

This item served before the Corporate Services Portfolio Committee on 12 February 2020
Hierdie item het gedien by die Korporatiewe Dienste Portefeulje Komitee op 12 Februarie 2020
Recommendation / Aanbeveling

1. That it be confirmed that the portion of pavement ($\pm 175\text{m}^2$) in front of erf 2081, Montagu is not needed for the provision of the minimum level of basic municipal services (S14 of the MFMA 2003, Act 56 of 2003).

Dat dit bevestig word dat die gedeelte sygaardjie ($\pm 175\text{m}^2$) voor erf 2081, Montagu nie nodig word vir die verskaffing van die minimum vlak van basiese munisipale dienste nie (S14 van die MFMA 2003, /wet 56 van 2003).

2. That the application received from Ms B Marx to purchase a portion of pavement ($\pm 175\text{m}^2$) situated in front of erf 2081, Montagu for garden purposes be approved subject to the following conditions:

Dat die aansoek vanaf Me B Marx vir die koop van 'n gedeelte sygaardjie ($\pm 175\text{m}^2$) geleë voor erf 2081, Montagu vir tuinmaak doeleindes goedgekeur word onderhewig aan die volgende voorwaardes:

- 2.2 That written notices have been served on all adjoining property owners.

Dat geskrewe kennisgewings aan al die aanliggende eienaars badien word.

- 2.2 That a portion of municipal pavement in front of erf 2081, Montagu for garden purposes be alienated at a market related price. The buyer will be responsible for the cost of the market related certificate.

Dat 'n gedeelte van die sygaardjie voor erf 2081, Montagu vir tuinmaak doeleindes verkoop word teen 'n markverwante prys. Die Koper sal verantwoordelik wees vir die koste verbonde aan die verkryging van die billike markwaarde sertifikaat.

- 2.3 That a deposit of 10% be payable with the signing of the deed of sale and that the remainder of the purchase price be payable with registration.

Dat 'n deposito van 10% betaalbaar sal wees met ondertekening van die koop-ooreenkoms en dat die restant van die koopsom betaalbaar is by registrasie.

- 2.4 That the purchaser be responsible for the cost involved for rezoning, subdivision, consolidation, surveying, road closure, registration of servitudes and registration of the property in his/her name.

Dat die koper verantwoordelik sal wees vir alle kostes van hersonering, onderverdeling, konsolidasie, landmeter, sluit van pad, registrasie van die servitude en registrasie van die eiendom in sy/haar naam.

- 2.5 That the purchase deal be finalized within a period of 6 months after allocation of the property, failing which the offer will expire irrevocably.

Dat die kooptransaksie binne 'n periode van 6 maande vanaf datum van toekenning van die erf afgehandel word, by versuim waarvan, die aanbod onherroeplik verval.

This item served before the Executive Mayoral Committee on 18 February 2020
Hierdie item het voor die Uitvoerende Burgemeesterskomitee gedien op 18 Februarie 2020
Aanbeveling / Recommendation

1. That it be confirmed that the portion of pavement ($\pm 175\text{m}^2$) in front of erf 2081, Montagu is not needed for the provision of the minimum level of basic municipal services (S14 of the MFMA 2003, Act 56 of 2003).

Dat dit bevestig word dat die gedeelte sygaardjie ($\pm 175\text{m}^2$) voor erf 2081, Montagu nie nodig word vir die verskaffing van die minimum vlak van basiese munisipale dienste nie (S14 van die MFMA 2003, /wet 56 van 2003).

2. That the application received from Ms B Marx to purchase a portion of pavement ($\pm 175\text{m}^2$) situated in front of erf 2081, Montagu for garden purposes be approved subject to the following conditions:

Dat die aansoek vanaf Me B Marx vir die koop van 'n gedeelte sypaadjie ($\pm 175\text{m}^2$) geleë voor erf 2081, Montagu vir tuinmaak doeleindes goedgekeur word onderhewig aan die volgende voorwaardes:

- 2.1 That written notices have been served on all adjoining property owners.

Dat geskrewe kennisgewings aan al die aanliggende eienaars bedien word.

- 2.2 That a portion of municipal pavement in front of erf 2081, Montagu for garden purposes be alienated at a market related price. The buyer will be responsible for the cost of the market related certificate.

Dat 'n gedeelte van die sypaadjie voor erf 2081, Montagu vir tuinmaak doeleindes verkoop word teen 'n markverwante prys. Die Koper sal verantwoordelik wees vir die koste verbonde aan die verkryging van die billike markwaarde sertifikaat.

- 2.3 That a deposit of 10% be payable with the signing of the deed of sale and that the remainder of the purchase price be payable with registration.

Dat 'n deposito van 10% betaalbaar sal wees met ondertekening van die koopoorreënkoms en dat die restant van die koopsom betaalbaar is by registrasie.

- 2.4 That the purchaser be responsible for the cost involved for rezoning, subdivision, consolidation, surveying, road closure, registration of servitudes and registration of the property in his/her name.

Dat die koper verantwoordelik sal wees vir alle kostes van hersonering, onderverdeling, konsolidasie, landmeter, sluit van pad, registrasie van die servitute en registrasie van die eiendom in sy/haar naam.

- 2.5 That the purchase deal be finalized within a period of 6 months after allocation of the property, failing which the offer will expire irrevocably.

Dat die kooptransaksie binne 'n periode van 6 maande vanaf datum van toekenning van die erf afgehandel word, by versuim waarvan, die aanbod onherroeplik verval.

PROGRESS REPORT ON ASLA ALLOCATED HUMAN SETTLEMENTS PROJECTS WITHIN LANGEBERG MUNICIPALITY – JANUARY 2020 (DIRECTOR COMMUNITY SERVICES)

PURPOSE

To update Council of developments on the Langeberg Municipal housing pipeline.

BACKGROUND

Council has approved a housing pipeline for the 2016 – 2021 IDP term and beyond to guide planning and implementation in collaboration with the Department of Human Settlements in the province of the Western Cape. ASLA appointed as the implementing agent for the projects as reflected in the housing pipeline below.

The priority of the housing projects on the current housing pipeline may be adapted due to restriction on funds from the Department of Human Settlements, project readiness and also the providing of bulk services.

PROJECT READINESS: ASLA PROJECTS

IMPLEMENTATION PLAN OF LANGEBERG PROJECTS	PROGRAMME	2019/2020		2020/2021		2021/2022		COMMENTS
		SITES SERVICED	HOUSES BUILT	SITES SERVICED	HOUSES BUILT	SITES SERVICED	HOUSES BUILT	
McGregor	IRDP		15		53			Site hand over was 06/12/2019 and construction has commenced
Robertson Heights	IRDP			189			188	<ul style="list-style-type: none"> - Bulk Confirmation Received 9-12-2019 from municipality - IX Engineers Appointed to do design for PIRR Application. - ASLA to submit the PIRR Application by MAY 2020. - DoHS approve funds and the implementation of civil construction by June 2020. - Commencement of Tops from April 2021 - ASLA to submit the PIRR Tops once the PIRR Civils are approved
Robertson Nkqubela Erf 136 (177)	IRDP				172			<ul style="list-style-type: none"> - DoHS to approve the house plans and SDP submitted on 03/12/2019 - Mun submitted the PIRR Tops but DoHS has not approved to date - House construction can proceed from March 2020
Bonnievale Boekenhouts-kloof (224)	UISP	100		124				<ul style="list-style-type: none"> - The EA Approval, 24G is pending and approval expected in April 2020 - The PIRR Civils must be submitted in June 2020 - Construction can commence in July 2020

Montagu Mandela Square (173)	UISP			173				<ul style="list-style-type: none"> - Planning has commenced but PID application has not been approved by DoHS - ASLA to prepare and submit the PFR & PIRR Applications - PFR submission planned for March 2020 - Construction to commence from 2021
ISSP MANDELA SQUARE AND BOEKENHOUTSKLOOF NGO SURVEY								
ASLA DOES NOT HAVE A CONTRACT FOR THESE PROJECTS								
Bonnivale Uitsig (68)	IRDP:TOPS							Planned for 2022/2023
Montagu Strydom Street (14)	IRDP:TOPS							Site visit by Engineering & Housing 23 Jan 2020. Eng to generate report for council & Minister's consideration.

RECOMMENDATION

That Council takes cognisance of the January 2020 progress report on project readiness for the Langeberg Municipality.

This item served before the Community Services Portfolio Committee on 12 February 2020

Hierdie item het gedien by die Gemeenskapsdienste Portefeulje Komitee op 12 Februarie 2020

Recommendation / Aanbeveling

That Council takes cognisance of the January 2020 progress report on project readiness for the Langeberg Municipality.

This item served before the Executive Mayoral Committee on 18 February 2020

Hierdie item het voor die Uitvoerende Burgemeesterskomitee gedien op 18 Februarie 2020

Aanbeveling / Recommendation

That Council takes cognisance of the January 2020 progress report on project readiness for the Langeberg Municipality.

VERENIGDE GEREFORMEERDE KERK IN SUIDER-AFRIKA: APPLICATION FOR THE REGISTRATION OF ERF 690, ASHTON FOR CHURCH PURPOSES (7/2/3/2/1) (PRINCIPAL CLERK: PROPERTY ADMINISTRATION)

Purpose of report

To submit a report to the Mayoral Committee for consideration regarding an application received from Ms R Wiese on behalf of Verenigde Gereformeerde Kerk in Suider-Afrika.

Background

The following letter was received from Ms R Wiese:

"Graag rig ek hierdie skrywe aan u namens die Kerkraad en Leraar van bogenoemde.

Ons het by verskeie geleenthede probeer om aansoek te doen by die Munisipaliteit dat van die Kerk se skuld afgeskryf word. (Ek sluit alle korrespondensie in by hierdie epos). Ons kon hulle egter nie van akte voorsien nie. Ons het navraag gedoen by die vorige Kerkraad asook vorige Leraars, maar niemand kan sê of daar wel 'n akte was of nie. Ds Dirk Heyneman wat Leraar was toe die nuwe Kerk gebou is, kon ook nie veel sê nie.

Op Dinsdag 6 Augustus 2019 het ons 'n afspraak gehad met Mnr Peter Albanie, om navraag te doen oor al die Eiendom wat aan die Kerk behoort, en tot die skok ontdekking gekom dat die Kerk self, erf nr 690000 te Gardeniastraat 50, Ashton nooit in die Kerk VGK Ashton, of soos dit destyds bekend gestaan het as NGKerk, se naam geregistreer is nie. Dat dit nog steeds die Munisipaliteit se Eiendom is. Al die ander eiendom is wel geregistreer in die Kerk se naam.

Sy aanbeveling aan ons was dan dat ons onmiddellike aan u 'n skrywe rig, wat ons dus nou doen. Ons versoek u dus graag vriendelik, dog dringend om so spoedig moontlik binne twee weke terug te kom na ons. Ons wil graag spoedig werk maak van hierdie aangeleentheid."

Comments

A location map was attached to the report.

Comments: Manager: Administrative Support

Erf 690, Ashton is the property of the Municipality and is 4427m² in extent. No documentation could be found with regards to the alienation of the property to the VGK church.

The Directors and relevant Managers were requested to comment not later than 27 November 2019. The following comments were received:

Comments: Director: Civil Engineering Services

The existing services will remain as it is and no additional services will be needed. The civil department support the application.

Comments: Director: Strategy & Social Development

If there is no proof of them purchasing the piece of land I believe it should be alienated to them.

I am not sure if it should be market related as It would only be them that has use for the land

Comments: Chief Financial Officer

Alienation of any capital asset takes place in compliance with Section 14 of the Municipal Finance Management Act, 2004. The Act states that the municipality may not alienate any capital asset required to provide a minimum level of service. The municipality may alienate any other capital asset, provided the Council has considered the fair market

value and the economic and community value to be received in exchange for the asset. In the event of alienation or leasing it must take place in accordance with Section 14 of the MFMA as the asset must not be used to provide a minimum level of service. The process must be fair, open, competitive, transparent and market related rates must be used and

If the lease agreement was done through the SCM process, Section 116 (3) of the MFMA is applicable which states:

- (3) A contract or agreement procured through the supply chain management policy of the municipality or municipal entity may be amended by the parties, but only after—
 - (a) the reasons for the proposed amendment have been tabled in the council of the municipality or, in the case of a municipal entity, in the council of its parent municipality; and
 - (b) the local community—
 - (i) has been given reasonable notice of the intention to amend the contract or agreement; and
 - (ii) has been invited to submit representations to the municipality or municipal entity.

Comments: Manager: Electrical Engineering Services

The Electrical Department has no objection to the application.

Comments: Manager: Town Planning

The zoning of erf 690 is Community zone 11 with primary use "place of worship"

Comments: Director: Community Services

No objection.

Comments: Cllr Beginsel

Ek het geen beswaar teen die registrasie nie ek ondersteun dit

Comments: Manager: Administrative Support

Taking into consideration that no documentation could be found in our records and the applicant could also not provide any documentation with regards to the alienation and/or payment done of erf 690, Ashton, is it recommended that erf 690, Ashton be alienated to the VGK Church at a market related price subject to the normal conditions applicable for the alienation of municipal property.

Recommendation/Aanbeveling

1. That it be confirmed that the portion of land is not needed for the provision of the minimum level of basic municipal services. (S14 of the MFMA 2003, Act 56 of 2003)
Dat dit bevestig word dat die gedeelte grond nie benodig word vir die verskaffing van die minimum vlak van basiese munisipale dienste nie. (S14 of the MFMA 2003, Wet 56 van 2003)
2. That the application received from Ms R Wiese on behalf of Verenigde Gereformeerde Kerk in Suider-Afrika for the registration of erf 690, Ashton for church purposes be approved subject to the following conditions:
Dat die aansoek vanaf Me R Wiese namens die Verenigde Gereformeerde Kerk in Suider-Afrika vir die registrasie van erf 690, Ashton vir kerk doeleindes goedgekeur word onderhewig aan die volgende voorwaardes:
 - 2.1 That erf 690, Ashton be alienated to the VGK Church at a market related price. The buyer will be responsible for the cost of the market related certificate.
Dat erf 690, Ashton vervreem word aan die VGK Kerk teen 'n markverwante prys. Die Koper sal verantwoordelik wees vir die koste verbonde aan die verkryging van die billike markwaarde sertifikaat.

- 2.2 That a deposit of 10% be payable with the signing of the deed of sale and that the remainder of the purchase price be payable with registration.

Dat 'n deposito van 10% betaalbaar sal wees met ondertekening van die koop-ooreenkoms en dat die resant van die koopsom betaalbaar is by registrasie.

- 2.3 That the buyer be responsible for all the connection fees for municipal services rendered to the property.

Dat die koper verantwoordelik sal wees vir alle aansluitingsfooe vir munisipale dienste gelewer aan die perseel.

- 2.4 That erf 690, Ashton only be utilized for the purposes as prescribed in the applicable town-planning scheme.

Dat erf 690, Ashton slegs aangewend word vir die doeleindes soos voorgeskryf in die toepaslike Dorpaanlegskema.

- 2.5 That the buyer be responsible for all costs regarding the transfer of the property in his/ her name.

Dat die koper verantwoordelik sal wees vir alle kostes met betrekking tot die oordrag van die eiendom in sy/haar naam.

- 2.6 That the purchase deal be finalized within a period of 6 months after allocation of the property, failing which the offer will expire irrevocably.

Dat die kooptransaksie binne 'n periode van 6 maande vanaf datum van toekenning van die erf afgehandel word, by versuim waarvan, die aanbod onherroeplik verval.

NOTE: The annexure was distributed as part of the agenda for the Corporate Services Portfolio Committee meeting of 12 February 2020 (pg. 31)

This item served before the Corporate Services Portfolio Committee on 12 February 2020

Hierdie item het gedien by die Korporatiewe Dienste Portefeulje Komitee op 12 Februarie 2020

Recommendation / Aanbeveling

1. That it be confirmed that the portion of land is not needed for the provision of the minimum level of basic municipal services. (S14 of the MFMA 2003, Act 56 of 2003)

Dat dit bevestig word dat die gedeelte grond nie benodig word vir die verskaffing van die minimum vlak van basiese munisipale dienste nie. (S14 of the MFMA 2003, Wet 56 van 2003)

2. That the application received from Ms R Wiese on behalf of Verenigde Gereformeerde Kerk in Suider-Afrika for the registration of erf 690, Ashton for church purposes be approved subject to the following conditions:

Dat die aansoek vanaf Me R Wiese namens die Verenigde Gereformeerde Kerk in Suider-Afrika vir die registrasie van erf 690, Ashton vir kerk doeleindes goedgekeur word onderhewig aan die volgende voorwaardes:

- 2.1 That erf 690, Ashton be alienated to the VGK Church at a market related price. The buyer will be responsible for the cost of the market related certificate.

Dat erf 690, Ashton vervreem word aan die VGK Kerk teen 'n markverwante prys. Die Koper sal verantwoordelik wees vir die koste verbonde aan die verkryging van die billike markwaarde sertifikaat.

- 2.2 That a deposit of 10% be payable with the signing of the deed of sale and that the remainder of the purchase price be payable with registration.

Dat 'n deposito van 10% betaalbaar sal wees met ondertekening van die koop-ooreenkoms en dat die resant van die koopsom betaalbaar is by registrasie.

- 2.3 That the buyer be responsible for all the connection fees for municipal services rendered to the property.

Dat die koper verantwoordelik sal wees vir alle aansluitingsfooe vir munisipale dienste gelewer aan die perseel.

- 2.4 That erf 690, Ashton only be utilized for the purposes as prescribed in the applicable town-planning scheme.

Dat erf 690, Ashton slegs aangewend word vir die doeleindes soos voorgeskryf in die toepaslike Dorpaanlegskema.

- 2.5 That the buyer be responsible for all costs regarding the transfer of the property in his/ her name.

Dat die koper verantwoordelik sal wees vir alle kostes met betrekking tot die oordrag van die eiendom in sy/haar naam.

- 2.6 That the purchase deal be finalized within a period of 6 months after allocation of the property, failing which the offer will expire irrevocably.

Dat die kooptransaksie binne 'n periode van 6 maande vanaf datum van toekenning van die erf afgehandel word, by versuim waarvan, die aanbod onherroeplik verval.

This item served before the Executive Mayoral Committee on 18 February 2020

Hierdie item het voor die Uitvoerende Burgemeesterskomitee gedien op 18 Februarie 2020

Aanbeveling / Recommendation

1. That it be confirmed that the portion of land is not needed for the provision of the minimum level of basic municipal services. (S14 of the MFMA 2003, Act 56 of 2003)

Dat dit bevestig word dat die gedeelte grond nie benodig word vir die verskaffing van die minimum vlak van basiese munisipale dienste nie. (S14 of the MFMA 2003, Wet 56 van 2003)

2. That the application received from Ms R Wiese on behalf of Verenigde Gereformeerde Kerk in Suider-Afrika for the registration of erf 690, Ashton for church purposes be approved subject to the following conditions:

Dat die aansoek vanaf Me R Wiese namens die Verenigde Gereformeerde Kerk in Suider-Afrika vir die registrasie van erf 690, Ashton vir kerk doeleindes goedgekeur word onderhewig aan die volgende voorwaardes:

- 2.1 That erf 690, Ashton be alienated to the VGK Church at a market related price. The buyer will be responsible for the cost of the market related certificate.

Dat erf 690, Ashton vervreem word aan die VGK Kerk teen 'n markverwante prys. Die Koper sal verantwoordelik wees vir die koste verbonde aan die verkryging van die billike markwaarde sertifikaat.

- 2.2 That a deposit of 10% be payable with the signing of the deed of sale and that the remainder of the purchase price be payable with registration.

Dat 'n deposito van 10% betaalbaar sal wees met ondertekening van die koop-ooreenkoms en dat die resant van die koopsom betaalbaar is by registrasie.

- 2.3 That the buyer be responsible for all the connection fees for municipal services rendered to the property.

Dat die koper verantwoordelik sal wees vir alle aansluitingsfooie vir munisipale dienste gelever aan die perseel.

- 2.4 That erf 690, Ashton only be utilized for the purposes as prescribed in the applicable town-planning scheme.

Dat erf 690, Ashton slegs aangewend word vir die doeleindes soos voorgeskryf in die toepaslike Dorpaanlegskema.

- 2.5 That the buyer be responsible for all costs regarding the transfer of the property in his/ her name.

Dat die koper verantwoordelik sal wees vir alle kostes met betrekking tot die oordrag van die eiendom in sy/haar naam.

- 2.6 That the purchase deal be finalized within a period of 6 months after allocation of the property, failing which the offer will expire irrevocably.

Dat die kooptransaksie binne 'n periode van 6 maande vanaf datum van toekenning van die erf afgehandel word, by versuim waarvan, die aanbod onherroeplik verval.

RESUBMISSION: AFRICAN MISSION CHURCH: APPLICATION FOR THE LEASE OR PURCHASE OF MUNICIPAL LAND SITUATED ON ERF 254, NKQUBELA, ROBERTSON (7/2/3/1/5: 7/2/3/2/5) (PRINCIPAL CLERK: PROPERTY ADMINISTRATION)

Purpose of report

To resubmit a report to the Mayoral Committee for consideration regarding an application received from Mr LG Sibara on behalf of the African Mission Church.

Background

The following letter was received from Mr LG Sibara on behalf of the African Mission Church:

"I am writing this letter concerned about the land in erf no 254, we have been on that zone for more than 20 years practising our religious activity. Since we were practising our religious activity for all these years we have never thought of purchasing any zone except the above mentioned.

Many community development programs and outreach were possible to do in that specific zone, because our church is situated around slums areas. Our youth and Sunday school children are part of the project called keep the Nkqubela clean. We have community base programs like helping the homeless, community clean – up, community cook-up we had used the church property as a place to host a community event that everyone will love-one that has food.

We hosted a bring-your-own dish event, which we thought it's a great way to get to know people in the community that are in need of help. Our church had offered free practical help by engaging community people to volunteer their talents and abilities to help others. We had a fun day event for children which aimed to keep children out of street.

In that event we fed the poor by offering free drinks, bread and food parcels. Not only our church will benefit but and the community as whole. We expect your kind consideration for our request."

Comments:

Erf 254, Nkqubela, Robertson is 850m² in extent.

A location map was attached to this report.

The Directors and relevant Managers were requested to comment not later than 12 April 2019. The following comments were received:

Comments: Director: Community Services

The directorate has no objection subject to all requirements complied with.

Comments: Manager: Electrical Engineering Services

The Electrical Department has no objection to the application in terms of the request to lease or purchase the property.

The applicant is responsible for the following costs whether they lease or purchase erf 254 Nkqubela:

- Installing an Electrical Connection to erf 254 Nkqubela.
- Any changes or upgrading of the existing network if necessary.

Comments: Manager: Town Planning

There is no objection to the lease/sale of erf 254 Nkqubela for continued use as a "Place of worship"

Comments: Manager: Civil Engineering Services

The Civil Engineering department does not have any objections regarding the application for the lease or purchase of erf 254 Nkqubela. Water- and sewer network is available. Access to erf 254 is from Hanistreet.

Comments: Chief Financial Officer

Alienation of any capital asset takes place in compliance with Section 14 of the Municipal Finance Management Act, 2004. The Act states that the municipality may not alienate any capital asset required to provide a minimum level of service. The municipality may alienate any other capital asset, provided the Council has considered the fair market value and the economic and community value to be received in exchange for the asset. In the event of alienation or leasing it must take place in accordance with Section 14 of the MFMA as the asset must not be used to provide a minimum level of service. The process must be fair, open, competitive, transparent and market related rates must be used and

If the lease agreement was done through the SCM process, Section 116 (3) of the MFMA is applicable which states:

- (3) A contract or agreement procured through the supply chain management policy of the municipality or municipal entity may be amended by the parties, but only after—
 - (a) the reasons for the proposed amendment have been tabled in the council of the municipality or, in the case of a municipal entity, in the council of its parent municipality; and
 - (b) the local community—
 - (i) has been given reasonable notice of the intention to amend the contract or agreement; and
 - (ii) has been invited to submit representations to the municipality or municipal entity.

Comments: Director: Strategy & Social Development

No objection to the lease condition it should be a market related price.
If there is no need for the land it could be sold via public tender process

Comments: Cllr Shibili

The application is supported for both on lease and purchase on the basis that it will not affect the pre - school.

Comments: Manager: Administrative Support

There is no legal lease agreement in place to utilize this portion of land and is the usage thereof illegal. It is recommended that the portion of land be alienated by way of public tender.

Recommendation/Aanbeveling

1. That it be confirmed that the portion of land is not needed for the provision of the minimum level of basic municipal services. (S14 of the MFMA 2003, Act 56 of 2003)

Dat dit bevestig word dat die gedeelte grond nie benodig word vir die verskaffing van die minimum vlak van basiese munisipale dienste nie. (S14 of the MFMA 2003, Wet 56 van 2003)

2. That the application received from Mr LG Sibara on behalf of African Mission Church for the lease of municipal land situated on erf 254, Nkqubela, Robertson for church purposes not be approved seeing that this is not an application for a renewal as no legal lease agreement is in place.

Dat die aansoek vanaf Mr LG Sibara on behalf of African Mission Church vir die huur van munisipale grond geleë te erf 254 Nkqubela, Robertson vir kerk doeleindes nie goedgekeur word nie aangesien voormelde nie 'n aansoek om hernuwing is nie aangesien geen wettige huurooreenkoms in plek is.

3. That the municipal land situated on erf 254, Nkqubela, Robertson be alienated by way of public tender for church purposes subject to the following conditions:

Dat die munisipale grond geleë te erf 254 Nkqubela, Robertson vervreem by wyse van 'n publieke tender vir kerk doeleindes vervreem word onderhewig aan die volgende voorwaardes:

- 3.1 That the erf be alienated at a market related price.

Dat die erf verkoop word teen 'n markverwante prys.

- 3.2 That a deposit of 10% be payable with the signing of the deed of sale and that the remainder of the purchase price be payable with registration.

Dat 'n deposito van 10% betaalbaar sal wees met ondertekening van die koop-ooreenkoms en dat die resant van die koopsom betaalbaar is by registrasie.

- 3.3 That the buyer be responsible for all the connection fees for municipal services rendered to the property.

Dat die koper verantwoordelik sal wees vir alle aansluitingsfooe vir munisipale dienste gelewer aan die perseel.

- 3.4 That the erven only be utilized for the purposes as prescribed in the applicable town- planning scheme.

Dat die persele slegs aangewend word vir die doeleindes soos voorgeskryf in die toepaslike Dorpaanlegskema.

- 3.5 That the buyer be responsible for all costs regarding the property in his/ her name.

Dat die koper verantwoordelik sal wees vir alle kostes met betrekking tot die eiendom in sy/haar naam.

- 3.6 That the purchaser be responsible for all Town Planning cost involved which may include rezoning, subdivision, consolidation, surveying, registration of servitudes where applicable.

Dat die koper verantwoordelik sal wees vir alle Stadsbeplannings koste wat mag insluit hersonering, onderverdeling, konsolidasie, landmeter, registrasie van die servitute waar van toepassing.

- 3.7 That the purchase deal be finalized within a period of 6 months after allocation of the property, failing which the offer will expire irrevocably.

Dat die kooptransaksie binne 'n periode van 6 maande vanaf datum van toekenning van die erf afgehandel word, by versuim waarvan, die aanbod onherroeplik verval.

4. That a revisionary clause be included in the deed of sale that if a church is not erected within 2 years after transfer took place, the buyer must transfer the erf back to the Municipality at the original selling price, at the cost of the buyer.

Dat 'n terugval klousule in die titelakte ingevoeg word dat indien 'n kerk nie binne die volgende 2 jaar na registrasie opgerig is, die koper die erf moet terug transporteer na die Munisipaliteit teen die oorspronklike koopprys vir die rekening van die koper.

This item served before the Executive Mayoral Committee on 21 May 2019 under Item A3810 when the following decision taken:

That the report referred back for reconsideration taking into account that the African Mission Church has used this erf 254, Nkqubela, Robertson for 20 years.

Additional comments: Manager: Administrative Support

The Municipal Manager requested that the report be referred back seeing that the church has used this erf for more than 20 years.

Recommendation by SMT

1. That it be confirmed that the portion of land is not needed for the provision of the minimum level of basic municipal services. (S14 of the MFMA 2003, Act 56 of 2003)

Dat dit bevestig word dat die gedeelte grond nie benodig word vir die verskaffing van die minimum vlak van basiese munisipale dienste nie. (S14 of the MFMA 2003, Wet 56 van 2003)

2. That the application received from Mr LG Sibara on behalf of African Mission Church for the lease of municipal land situated on erf 254, Nkqubela, Robertson for church purposes not be approved seeing that this is not an application for a renewal as no legal lease agreement is in place.

Dat die aansoek vanaf Mr LG Sibara on behalf of African Mission Church vir die huur van munisipale grond geleë te erf 254 Nkqubela, Robertson vir kerk doeleindes nie goedgekeur word nie aangesien voormelde nie 'n aansoek om hernuwing is nie aangesien geen wettige huurooreenkoms in plek is.

3. That the municipal land situated on erf 254, Nkqubela, Robertson be alienated to African Mission Church for church purposes be approved in principle and the intention of the Municipality to alienate the property be advertised for comments.

Dat die munisipale grond geleë te erf 254 Nkqubela, Robertson vervreem word aan African Mission Church vir kerk doeleindes in beginsel goedgekeur word en dat die voorneme van die Munisipaliteit om die eiendom te vervreem geadverteer word vir kommentaar.

4. That after the period for comments has lapsed and if no objections were received, the intention of the Municipality to alienate the property be communicated to National Treasury and if no written views or objections were received, alienation be proceeded with, subject to the following conditions:

Dat na die tydperk vir kommentare verstryk het geen besware ontvang is nie, die voorneme van die Munisipaliteit om die eiendom te vervreem aan Nasionale Tesourie gekommunikeer word en indien geen geskrewe opinies en besware ontvang word nie, daar voort gegaan word met die vervreemding, onderworpe aan die volgende voorwaardes:

- 4.1 That the erf be alienated at a market related price.

Dat die erf verkoop word teen 'n markverwante prys.

- 4.2 That a deposit of 10% be payable with the signing of the deed of sale and that the remainder of the purchase price be payable with registration.

Dat 'n deposito van 10% betaalbaar sal wees met ondertekening van die koopoooreenkoms en dat die restant van die koopsom betaalbaar is by registrasie.

- 4.3 That the buyer be responsible for all the connection fees for municipal services rendered to the property.

Dat die koper verantwoordelik sal wees vir alle aansluitingsfooie vir munisipale dienste gelewer aan die perseel.

- 4.4 That the erven only be utilized for the purposes as prescribed in the applicable town planning scheme.

Dat die persele slegs aangewend word vir die doeleindes soos voorgeskryf in die toepaslike Dorpaanlegskema.

- 4.5 That the buyer be responsible for all costs regarding the property in his / her name.

Dat die koper verantwoordelik sal wees vir alle kostes met betrekking tot die eiendom in sy/haar naam.

- 4.6 That the purchaser be responsible for all Town Planning cost involved which may include rezoning, subdivision, consolidation, surveying, registration of servitudes where applicable.

Dat die koper verantwoordelik sal wees vir alle Stadsbeplanningskoste wat mag insluit hersonering, onderverdeling, konsolidasie, landmeter, registrasie van die servitute waar van toepassing.

- 4.7 That the purchase deal be finalized within a period of 6 months after allocation of the property, failing which the offer will expire irrevocably.

Dat die kooptransaksie binne 'n periode van 6 maande vanaf datum van toekenning van die erf afgehandel word, by versuim waarvan, die aanbod onherroeplik verval.

5. That a revisionary clause be included in the deed of sale that if a church is not erected within 2 years after transfer took place, the buyer must transfer the erf back to the Municipality at the original selling price, at the cost of the buyer.

Dat 'n terugval klousule in die titelakte ingevoeg word dat indien 'n kerk nie binne die volgende 2 jaar na registrasie opgerig is, die koper die erf moet terug transporteer na die Munisipaliteit teen die oorspronklike koopprys vir die rekening van die koper.

NOTE: The annexure was distributed as part of the agenda for the Corporate Services Portfolio Committee meeting of 12 February 2020 (pg. 37 - 38)

This item served before the Corporate Services Portfolio Committee on 12 February 2020

Hierdie item het gedien by die Korporatiewe Dienste Portefeulje Komitee op 12 Februarie 2020

Recommendation / Aanbeveling

1. That it be confirmed that the portion of land is not needed for the provision of the minimum level of basic municipal services. (S14 of the MFMA 2003, Act 56 of 2003)

Dat dit bevestig word dat die gedeelte grond nie benodig word vir die verskaffing van die minimum vlak van basiese munisipale dienste nie. (S14 of the MFMA 2003, Wet 56 van 2003)

2. That the application received from Mr LG Sibara on behalf of African Mission Church for the lease of municipal land situated on erf 254, Nkqubela, Robertson for church purposes not be approved seeing that this is not an application for a renewal as no legal lease agreement is in place.

Dat die aansoek vanaf Mr LG Sibara on behalf of African Mission Church vir die huur van munisipale grond geleë te erf 254 Nkqubela, Robertson vir kerk doeleindes nie goedgekeur word nie aangesien voormelde nie 'n aansoek om hernuwing is nie aangesien geen wettige huurooreenkoms in plek is.

3. That the municipal land situated on erf 254, Nkqubela, Robertson be alienated to African Mission Church for church purposes be approved in principle and the intention of the Municipality to alienate the property be advertised for comments.

Dat die munisipale grond geleë te erf 254 Nkqubela, Robertson vervreem word aan African Mission Church vir kerk doeleindes in beginsel goedgekeur word en dat die voorneme van die Munisipaliteit om die eiendom te vervreem geadverteer word vir kommentaar.

4. That after the period for comments has lapsed and if no objections were received, the intention of the Municipality to alienate the property be communicated to National Treasury and if no written views or objections were received, alienation be proceeded with, subject to the following conditions:

Dat na die tydperk vir kommentare verstryk het geen basware ontvang is nie, die voorneme van die Munisipaliteit om die eiendom te vervreem aan Nasionale Tesourie gekommunikeer word en indien geen

geskrewe opinies en besware ontvang word nie, daar voort gegaan word met die vervreemding, onderworpe aan die volgende voorwaardes:

- 4.1 That the erf be alienated at a market related price.

Dat die erf verkoop word teen 'n markverwante prys.

- 4.2 That a deposit of 10% be payable with the signing of the deed of sale and that the remainder of the purchase price be payable with registration.

Dat 'n deposito van 10% betaalbaar sal wees met ondertekening van die koop-ooreenkoms en dat die restant van die koopsom betaalbaar is by registrasie.

- 4.3 That the buyer be responsible for all the connection fees for municipal services rendered to the property.

Dat die koper verantwoordelik sal wees vir alle aansluitingsfooie vir munisipale dienste gelewer aan die perseel.

- 4.4 That the erven only be utilized for the purposes as prescribed in the applicable town planning scheme.

Dat die persele slegs aangewend word vir die doeleindes soos voorgeskryf in die toepaslike Dorpaanlegskema.

- 4.5 That the buyer be responsible for all costs regarding the property in his / her name.

Dat die koper verantwoordelik sal wees vir alle kostes met betrekking tot die eiendom in sy/haar naam.

- 4.6 That the purchaser be responsible for all Town Planning cost involved which may include rezoning, subdivision, consolidation, surveying, registration of servitudes where applicable.

Dat die koper verantwoordelik sal wees vir alle Stadsbeplanningskoste wat mag insluit hersonering, onderverdeling, konsolidasie, landmeter, registrasie van die servitude waar van toepassing.

- 4.7 That the purchase deal be finalized within a period of 6 months after allocation of the property, failing which the offer will expire irrevocably.

Dat die kooptransaksie binne 'n periode van 6 maande vanaf datum van toekenning van die erf afgehandel word, by versuim waarvan, die aanbod onherroeplik verval.

5. That a revisionary clause be included in the deed of sale that if a church is not erected within 2 years after transfer took place, the buyer must transfer the erf back to the Municipality at the original selling price, at the cost of the buyer.

Dat 'n terugval klousule in die titelakte ingevoeg word dat indien 'n kerk nie binne die volgende 2 jaar na registrasie opgerig is, die koper die erf moet terug transporteer na die Munisipaliteit teen die oorspronklike koopprys vir die rekening van die koper.

This item served before the Executive Mayoral Committee on 18 February 2020

Hierdie item het voor die Uitvoerende Burgemeesterskomitee gediens op 18 Februarie 2020

Aanbeveling / Recommendation

1. That it be confirmed that the portion of land is not needed for the provision of the minimum level of basic municipal services. (S14 of the MFMA 2003, Act 56 of 2003)

Dat dit bevestig word dat die gedeelte grond nie benodig word vir die verskaffing van die minimum vlak van basiese munisipale dienste nie. (S14 of the MFMA 2003, Wet 56 van 2003)

2. That the application received from Mr LG Sibara on behalf of African Mission Church for the lease of municipal land situated on erf 254, Nkqubela, Robertson for church purposes not be approved seeing that this is not an application for a renewal as no legal lease agreement is in place.

Dat die aansoek vanaf Mr LG Sibara on behalf of African Mission Church vir die huur van munisipale grond geleë te erf 254 Nkqubela, Robertson vir kerk doeleindes nie goedgekeur word nie aangesien voormelde nie 'n aansoek om hernuwing is nie aangesien geen wettige huurooreenkoms in plek is.
3. That the municipal land situated on erf 254, Nkqubela, Robertson be alienated to African Mission Church for church purposes be approved in principle and the intention of the Municipality to alienate the property be advertised for comments.

Dat die munisipale grond geleë te erf 254 Nkqubela, Robertson vervreem word aan African Mission Church vir kerk doeleindes in beginsel goedgekeur word en dat die voorneme van die Munisipaliteit om die eiendom te vervreem geadverteer word vir kommentaar.
4. That after the period for comments has lapsed and if no objections were received, the intention of the Municipality to alienate the property be communicated to National Treasury and if no written views or objections were received, alienation be proceeded with, subject to the following conditions:

Dat na die tydperk vir kommentare verstryk het geen besware ontvang is nie, die voorneme van die Munisipaliteit om die eiendom te vervreem aan Nasionale Tesourie gekommunikeer word en indien geen geskrewe opinies en besware ontvang word nie, daar voort gegaan word met die vervreemding, onderworpe aan die volgende voorwaardes:
 - 4.1 That the erf be alienated at a market related price.

Dat die erf verkoop word teen 'n markverwante prys.
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Dat 'n deposito van 10% betaalbaar sal wees met ondertekening van die koopoooreenkoms en dat die restant van die koopsom betaalbaar is by registrasie.
 - 4.3 That the buyer be responsible for all the connection fees for municipal services rendered to the property.

Dat die koper verantwoordelik sal wees vir alle aansluitingsfooie vir munisipale dienste gelewer aan die perseel.
 - 4.4 That the erven only be utilized for the purposes as prescribed in the applicable town planning scheme.

Dat die persele slegs aangewend word vir die doeleindes soos voorgeskryf in die toepaslike Dorpaanlegskema.
 - 4.5 That the buyer be responsible for all costs regarding the property in his / her name.

Dat die koper verantwoordelik sal wees vir alle kostes met betrekking tot die eiendom in sy/haar naam.
 - 4.6 That the purchaser be responsible for all Town Planning cost involved which may include rezoning, subdivision, consolidation, surveying, registration of servitudes where applicable.

Dat die koper verantwoordelik sal wees vir alle Stadsbeplanningskoste wat mag insluit heronering, onderverdeling, konsolidasie, landmeter, registrasie van die servitute waar van toepassing.
 - 4.7 That the purchase deal be finalized within a period of 6 months after allocation of the property, failing which the offer will expire irrevocably.

Dat die kooptransaksie binne 'n periode van 6 maande vanaf datum van toekenning van die erf afgehandel word, by versuim waarvan, die aanbod onherroeplik verval.

5. That a revisionary clause be included in the deed of sale that if a church is not erected within 2 years after transfer took place, the buyer must transfer the erf back to the Municipality at the original selling price, at the cost of the buyer.

Dat 'n terugval klousule in die titelakte ingevoeg word dat indien 'n kerk nie binne die volgende 2 jaar na registrasie opgerig is, die koper die erf moet terug transporteer na die Munisipaliteit teen die oorspronklike koopprys vir die rekening van die koper.

**OVERSIGHT REPORT IN RESPECT OF 2018 / 2019 ANNUAL REPORT FOR THE LANGEBERG MUNICIPALITY
(DIRECTOR STRATEGY AND SOCIAL DEVELOPMENT)**

1. PURPOSE OF THE REPORT

To enable the Committee to execute its oversight responsibility in considering the Langeberg Municipality's Annual Report in terms of Section 129 of the Local Government: Municipal Finance Management Act (Act 56 of 2003) (MFMA)

2. BACKGROUND

The draft Annual Report for 2018 / 2019 is available as a drop box link to all councillors:

<https://www.dropbox.com/s/zcwljj6emqbszi1/Final%20Annual%20Report%202018%202019%20with%20Council%20res.pdf?dl=0>

STRATEGIC INTENT

Organisational Transformation and Good Corporate Governance

3. LEGAL IMPLICATIONS

- 3.1 Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003)
- 3.2 Local Government: Municipal System Act ,2000 (Act 32 of 2000) Chapter 6, as read with the Local Government: Municipal Systems Amendment Act, 2003 (Act 44 of 2003)
- 3.3 Local Government: Municipal Structures Act, 1998 (Act 117 of 1998)

4. FOR DECISION

Council

5. EXECUTIVE SUMMARY

- 5.1 The Municipality's Annual Report process has been prepared according to Section **121** (1) of the MFMA, which prescribes that, every municipality must for each financial year prepare an annual report. The council of a municipality must within nine months after the end of a financial year deal with the annual report of the municipality in accordance with section 129
- 5.2 **In terms of Section 129 of the MFMA**, the council must consider the annual report of the municipality, and by no later than two months from the date which the annual report was tabled in the council, adopt an oversight report containing the council's comments on the annual report, which must include a statement whether the council-
 - (a) Has approved the annual report with or without reservations
 - (b) Has reject ted the annual report; or
 - (c) Has referred the annual report back for revision of those components that can be revised.
- 5.3 MFMA Circular number 32 recommends the establishment of an oversight committee for the detailed analysis and review of the annual report (s), following their tabling in Council, receiving and reviewing representations made by the public, inputs from other councillors and Council Portfolio Committees and then drafting and oversight report that may take to full Council for discussion.
- 5.4 In terms of the MFMA Circular Number 32, in order to approve the Annual Report without reservations, Council should be able to agree that the information contained in the reports is a fair and reasonable record of the

performance of the municipality in the financial year reported upon. Approval means that the executive and administration have discharged in full, their accountability for decisions and actions and that their performance meets the criteria set by performance objectives and measures and is also acceptable in the community.

5.5 Auditor-General (Annexure A)

The Annual report was electronically submitted to the Auditor General on 05 December 2019:

Good day All

Please find attached Adjustment Budget 2019/2020 and Tabling of the Draft Annual Report 2018/2019, that served before Council on the 04th of December 2019. Also find attached Council Resolutions A 3924 and A 3920. Also find below links to the Adjustment Budget 2019/2020 and Draft Annual Report 2018/2019 and attached submissions on the lift server as well as on g-mail, due to size limits of the documents.

Also find below links on our website: The Draft Annual Report 2018/2019 is open for public comments until 31 January 2020

<https://www.langeberg.gov.za/langeberg-documents-and-notice/publications/annual-report/annual-report-2018-2019>

5.6 National and Provincial Treasury

5.6.1 The Annual Report was submitted to National and Provincial Treasury office on 05 December 2019.

From: Malcolm Booysen [<mailto:Malcolm.Booyesen@westerncape.gov.za>]

Sent: Wednesday, 05 February 2020 14:09

To: Celeste Matthys <CMatthys@langeberg.gov.za>

Cc: Soyisile Mokweni <smokweni@langeberg.gov.za>; Tembela Nabe <Tembela.Nabe@westerncape.gov.za>

Subject: RE: Inputs on annual report

Dear Celeste,

Thank you for affording Provincial Treasury the opportunity to comment on the tabled 2018/19 Annual Report. I hope that the comments are helpful to improve the Annual Report going forward, specifically for next cycle (2019/20).

Kind regards, Malcolm



Dr Nabe
Local Government Budget Office
Email: Tembela.nabe@westerncape.gov.za
tel: +27 021 483 4824 fax: +27 21 483 4680

Reference: PTR/12/2/17/4

The Municipal Manager
Langeberg Municipality
Private Bag X2
ASHTON
6715

PROVINCIAL TREASURY COMMENTS ON THE TABLED 2018/19 ANNUAL REPORT

1. INTRODUCTION

- a. MFMA section 121(1) states that every municipality and every municipal entity must for each financial year prepare an annual report. The council of a municipality must within nine months after the end of the financial year deal with the annual report of the municipality and of any municipal entity under the municipality's sole or shared control in accordance with section 129.
- b. MFMA sections 121(3) and (4) sets out the framework relating to the content of the annual reports for both municipalities and municipal entities.
- c. National Treasury has further introduced the new annual report template and MFMA Circular No. 63 on 26 September 2012. MFMA Circular 63 aims to provide guidance to municipalities and municipal entities on the Annual Report format and its contents.
- d. The municipal council is then obliged to consider any views of the local community; the National Treasury, the relevant provincial treasury and any provincial or national organs of state or municipalities which made submissions on the Annual Report.

2. LEGISLATIVE COMPLIANCE

2.1 Conformance

The conformance assessment highlights compliance by Langeberg Municipality with the MFMA and Annual report MFMA Circular 63 is as follows:

- a. The Municipality submitted the draft 2018/19 Annual Report together with the AFS's to the Auditor General by 31 August 2019.
- b. The Annual report was tabled to Council on 4 December 2019 which is within 7 months after the end of the financial year in accordance to MFMA section 121(1).
- c. The draft Annual report was placed on the website on the 5 December 2019 which is within in accordance to section 75 of the MFMA.
- d. The Annual report was submitted to PT on 6 December 2019.
- e. The Annual report was made public and the public was invited to comment on the Annual report on 5 December 2019. This in accordance with section 127(5) of the MFMA via the website and municipal offices.
- f. An advert was placed on the municipal website on the 5th of December 2019 inviting public comments with a deadline of 31 January 2020.

2.2 Format of the Annual Report as per MFMA Circular 63

- a. The Annual Report partially complies with the Annual Report Template as described by MFMA Circular 63 as it did not include all of the required appendices or the components of chapter 3.
- b. The Mayor's Foreword has been included and is broadly in line with MFMA Circular 63.
- c. The Municipal Manager's Foreword is included and is broadly in line with the MFMA Circular 63. It is however advised that the Municipal Manager include information related to the revenue trend by source, including borrowings undertaken by the municipality. If there were any management changes within the financial year then these should be included here as well.
- d. The annual report provides comprehensive overview of the demographics, population, economic sector performance, employment growth per sector, basic service levels access and basic service delivery challenges, economic growth and development structure of the municipal area. These should however also be expanded on within Chapter 3 where it is currently not present. See MFMA Circular 63 for an indication of the components to be included in Chapter 3.
- e. The Auditor-General awarded the Municipality a clean audit for the 2018/2019 financial year.

3. Chapter 3: Service Delivery Information and Performance

High Level Summary – Key Performance Areas

2018/19	Facilitate integrated human settlements & improved living conditions of all households SO1	Provide and maintain infrastructure to provide basic services to all citizens SO2	Promote an enabling environment for economic growth and decent employment. SO3	A responsive and accountable administration SO4	Adherence to all laws and regulations applicable to LG SO5
SDBIP Target Set (No of total KPI's)	3	42	1	18	23
Number of targets achieved	0	8	1	14	17
Percentage target achieved	0%	19%	100%	77.8%	73.9%
Number of targets not achieved	3	34	0	4	6

Comments on Service Delivery

In terms of service delivery, the Annual report reflects that 45.9 per cent (40 of 87) of the top levels KPIs were achieved in the 2018/19 financial year. This reflects a variance of 54.1 per cent between actual and planned performance for 2018/19. The variance falls outside of the PT MGAP threshold. Note however that the majority of unachieved KPI's were very close to the target.

The 47 targets not achieved are related to the following strategic objectives: Provision and maintenance of infrastructure to provide basic services to all citizens and to facilitate

integrated human settlement and improved living conditions of households within the Langeberg municipal area. The underperformance for the above Strategic Objectives is concerning considering the basic service backlogs within the Langeberg municipal area. Langeberg has provided explanations and corrective measures around the missed targets, which indicates they have /are being addressed.

Access to basic services for indigent households has increased in the 2018/19 financial year and while funding still remains a challenge, most targets set for provision of services to indigent households have been achieved. The municipality provided free basic services to 6 954 indigent households. To improve service delivery within the Langeberg municipal area, the municipality implemented the following capital projects:

- Upgraded the roads and storm water system in Robertson;
- Upgraded the electricity infrastructure by replacing 11Kv Switch gear at Ashton substation and Bonnievale main station;
- Upgraded the water supply system with the installation of bulk services;
- Installed bulk services of electrification, roads and water supply to the new informal housing development Kenana, Robertson and
- Build a new state of the art sport ground in Nkqubela, Robertson.

With respect to service delivery performance, the 2018/19 Annual report indicate that the municipality has infrastructure plans in place to prioritise and address existing service backlogs through government funding. The 2018/19 Annual report indicate that the municipality was crowned the Mbeki Awards winner of the Best Integrated Residential Development Programme Project (IRDP) for the McGregor Housing project. These awards are an annual event which recognises outstanding performance in the delivery of housing projects.

Comments on Local Economic Development Initiatives

As noted within the Annual Report, Langeberg has one of the smallest economies within the Western Cape and relatively high levels of employment and poverty. LED initiatives are therefore essential in this regard. The municipality has overachieved and created 447 jobs via its EPWP programme vs the 400 targeted jobs. Infrastructure projects and engagements with tourism and LED bodies also assist in this regard. In the Municipal managers forward there is an indication that Langeberg Municipality is assisting small business in order to promote LED. It may be beneficial to further elaborate on these initiatives within the document.

Comments on the Audit Opinion

The Municipality is commended for improving its audit opinion from an unqualified audit opinion in 2017/18 to a clean audit opinion in 2018/19. The improved governance measures are noted.

Comments on the Personnel Expenditure

While the personnel to total operating expenditure ratio is within the norm at 29.6%, there has however been a steady increase over the last 5 years. The personnel expenditure should be noted when the budgeted and unbudgeted vacancies are filled.

CONCLUSION AND RECOMMENDATIONS

Langeberg Municipality has complied with the legislation regarding the tabling, publishing document for comments, submission to Provincial Treasury and placement on the website within the time frames prescribed in the MFMA section 21. The Municipality has produced a comprehensive report 2018/19 Annual Report reflecting detailed information pertaining to the Municipality's performance during the year under review.

Only partial compliance to the prescribed format of the report is achieved as the draft 2018/19 Annual Report did not include any of the recommended appendices or the components within Chapter 3 or the MM foreword as detailed in the MFMA Circular 63. The municipality should take this in consideration for the 2019/20 draft Annual Report.

The municipality is advised to be cognisant of growing personnel and indigent expenditure in light of economic and financial challenges facing the municipality.

The municipality is commended for its excellent governance practices and clean audit opinion achieved.

For any further enquiries, please do not hesitate to contact Dr Nabe as per above details.

Kind regards

Kind regards



MR M BOOYSEN

DIRECTOR: LOCAL GOVERNMENT BUDGET OFFICE

DATE: 5 February 2020

Comments: Director Strategy & Social Development


“The comments received from the Province will be considered for the next annual report preparation. It remains however, a challenge to fully comply with the Regulations.”

1.1 Public Participation

- 1.1.1 Municipal website: **No comments were received** (Tabling of Draft Annual Report 18/19 was uploaded on 04 December 2019 and were downloaded 89 times)

The screenshot shows the Langeberg Municipality website. The header includes the Langeberg Municipality logo and navigation links: Home, About Us, Public Notices, Municipal Documents, Resident Services, Tourism, and Contact Us. A large banner image of a mountainous landscape is displayed. On the left, a sidebar menu lists various categories, with 'Annual Report' expanded to show a list of reports from 2009/2010 to 2018/2019. The 'Annual Report 2018/2019' is highlighted. The main content area is titled 'Annual Report 2018/2019' and features a 'Documents' section. This section contains two document cards. The first card is titled 'Notice: Draft Annual Report open for public comments', published on 04 December 2019, with 59 downloads. It includes a 'View' button (pdf, 197 KB). The second card is titled 'Draft Annual Report 2018/2019 open for public comments', published on 04 December 2019, with 89 downloads. It also includes a 'View' button (pdf, 12.46 MB). The bottom of the page shows a taskbar with icons for Chrome, Firefox, and other applications.


- 1.1.1 Advert placed in the Breederiver Gazette on 10 December 2019
- 1.1.2 Hard copies were delivered to the Municipal offices and libraries on 5 December 2019
- 1.1.3 Facebook: **No comments were received**


Langeberg Municipality
January 15 at 8:22 AM · 🌐


LANGEBERG MUNICIPAL NOTICE:

Members of the public and communities within the Langeberg Municipality, Government Institutions, the private sector and organs of the civil society, are hereby invited to comment on the Draft Annual Report for the 2018/2019 financial year.

The report can be accessed on the municipal website:
www.langeberg.gov.za ... [See More](#)



LANGEBERG.GOV.ZA
Annual Report 2018/2019
Langeberg Municipality - Municipal services and information for Robertson, Bonnievale, Ashton, Montagu and McGregor


Get More Likes, Comments and Shares
Boost this post for ZAR150 to reach up to 6,000 people.

1,031
People Reached

45
Engagements

Boost Post


3

2 Shares

Like

Comment

Share



Performance for Your Post

1,031 People Reached

5 Likes, Comments & Shares ⓘ

3 Likes	3 On Post	0 On Shares
0 Comments	0 On Post	0 On Shares
2 Shares	2 On Post	0 On Shares

40 Post Clicks

0 Photo Views	15 Link Clicks	25 Other Clicks ⓘ
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NEGATIVE FEEDBACK

0 Hide Post	0 Hide All Posts
0 Report as Spam	0 Unlike Page

Reported stats may be delayed from what appears on posts

1.1.4 Twitter: *No comments were received*

Langeberg Municipality @Langeberg_Muni

LANGEBERG MUNICIPAL NOTICE: Members of the public and communities within the Langeberg Municipality, Government Institutions, the private sector and organs of the civil society, are hereby invited to comment on the Draft Annual Report for the 2018/2019 financial year.

Impressions

times people saw this Tweet on Twitter

183

Total engagements

times people interacted with this Tweet

2

Replies

replies to this Tweet

1

Likes

times people liked this Tweet

1

Langeberg Municipality @Langeberg_Muni

The report can be accessed here: <https://www.langeberg.gov.za/langeberg-documents-and-notices/publications/annual-report/annual-report-2018-2019> ...

Hard copies are also available for comments and viewing at the Municipal offices and libraries.

Impressions

times people saw this Tweet on Twitter

102

Total engagements

times people interacted with this Tweet

1

Langeberg Municipality @Langeberg_Muni

Closing date for the submission of comments and representations is 31 January 2020.
Written comments may be addressed to: The Municipal Manager, Private Bag X2,
Ashton, 6715 or be hand-delivered to any of the Municipal Offices listed above.

Impressions

times people saw this Tweet on Twitter

112

1.1.5 Through the municipal Administration Archive system: *No comments were received*

From: Joliza Swanepoel
Sent: Monday, 03 February 2020 14:36
To: Melissa Jones <mjones@langeberg.gov.za>
Cc: Willy-John Gordon <wgordon@langeberg.gov.za>
Subject: RE: Annual Report inputs from public

Hi, Melissa

Jammer, niks waarvan ek weet nie.

Die uwe

Joliza Swanepoel

Uitvoerende Persoonlike Assistent (MB)
Langeberg Munisipaliteit • Langeberg Municipality

From: Charlene Eyssen
Sent: Tuesday, 04 February 2020 08:40
To: Melissa Jones <mjones@langeberg.gov.za>
Cc: Johan Coetzee <JCoetzee@langeberg.gov.za>

Subject: RE: Annual Report comments

Good Morning Melissa

No comments received on the 2018/2019 Annual Report via the administration document system.

Regards, **Charlene**

RECOMMENDATIONS: Municipal Public Accounts Committee (MPAC) / OVERSIGHT COMMITTEE

That the Annual Report for 2018 / 2019 be considered and adopted by Council without reservations.
Dat die Jaarverslag vir 2018 / 2019 oorweeg word en sonder voorbehoud aanvaar word deur die Raad.

This item served before the Municipal Public Accounts Committee (MPAC) on 12 February 2020
Die item het voor die Munisipale Openbare Rekeninge Komitee (MORK) gedien op 12 Februarie 2020
Recommendation / Aanbeveling

That the Annual Report for 2018 / 2019 be considered and adopted by Council without reservations.
Dat die Jaarverslag vir 2018 / 2019 oorweeg word en sonder voorbehoud aanvaar word deur die Raad.

This item served before the Executive Mayoral Committee on 18 February 2020
Hierdie item het voor die Uitvoerende Burgemeesterskomitee gedien op 18 Februarie 2020
Aanbeveling / Recommendation

That the Annual Report for 2018 / 2019 be considered and adopted by Council without reservations.

Dat die Jaarverslag vir 2018 / 2019 oorweeg word en sonder voorbehoud aanvaar word deur die Raad.

REVIEW OF SPORT & RECREATION POLICY (17/8/R - DIRECTOR: COMMUNITY SERVICES)

PURPOSE

Council to consider reviewing the Sport & Recreation Policy and replacing it with the draft Sport & Recreation Framework that was attached.

BACKGROUND

This item served before the Service Integration Portfolio Committee on 20 May 2013

Recommendation

1. That the Draft Sport & Active Recreation Policy Framework in principle be adopted;
2. That structured consultation takes place with the sporting fraternity in the Langeberg municipal area as well as internal departments such as Social Development; and
3. That the inputs be integrated into the document for submission to Council for consideration of the final adoption of the policy framework.

This item served before the Mayoral Committee on 10 June 2013

Recommendation

1. That the Draft Sport & Active Recreation Policy Framework in principle be adopted;
2. That structured consultation takes place with the sporting fraternity (all sporting codes) in the Langeberg municipal area as well as internal departments such as Social Development; and
3. That the inputs be integrated into the document for submission to Council for consideration of the final adoption of the policy framework.

Hierdie verslag het voor die Raad gedien op 20 Junie 2013

Unanimously Resolved

1. That the Draft Sport and Active Recreation Policy Framework in principle be adopted;
2. That structured consultation takes place with the sporting fraternity (all sporting codes) in the Langeberg municipal area as well as internal departments such as Social Development; and
3. That the inputs be integrated into the document for submission to Council for consideration of the final adoption of the policy framework.

ADDITIONAL COMMENTS

Find attached the Sport & Recreation Policy approved in principle by Council on 20 June 2013 (Annexure B), as well as the Draft Sport & Recreation Framework (Annexure A) as prepared by the Department for replacing the approved Policy. These can be used for discussions and comments during consultation with stakeholders.

The already-approved Policy is too generic and it contains more information about the national Sports Plan instead of our Langeberg-specific situation.

The annexures were attached to the report.

RECOMMENDATION

That Council approves the draft Sport & Recreation Framework for consultation with stakeholders, where after the Sport & Recreation Framework be resubmitted to Council for consideration and approval and that the approved Sport & Recreation Framework then replace the Sport & Recreation Policy.

NOTE: The annexure was distributed as part of the agenda for the Community Services Portfolio Committee meeting of 12 February 2020 (pg. 12 - 28)

This item served before the Community Services Portfolio Committee on 12 February 2020

Hierdie item het gedien by die Gemeenskapsdienste Portefeulje Komitee op 12 Februarie 2020

Recommendation / Aanbeveling

1. That the "*Institutional Framework for Sport & Recreation within the Langeberg Municipality*" as contained on page 10 of the approved Sport & Recreation Policy be included in the draft Sport & Recreation Framework.
2. That Council approves the Sport & Recreation Policy for consultation with stakeholders, where after the Sport & Recreation Framework be resubmitted to Council for consideration and approval and that the approved Sport & Recreation Framework then replace the Sport & Recreation Policy.

This item served before the Executive Mayoral Committee on 18 February 2020

Hierdie item het voor die Uitvoerende Burgemeesterskomitee gedien op 18 Februarie 2020

Aanbeveling / Recommendation

1. That the "*Institutional Framework for Sport & Recreation within the Langeberg Municipality*" as contained on page 10 of the approved Sport & Recreation Policy be included in the draft Sport & Recreation Framework.
2. That Council approves the Sport & Recreation Policy for consultation with stakeholders, where after the Sport & Recreation Framework be resubmitted to Council for consideration and approval and that the approved Sport & Recreation Framework then replace the Sport & Recreation Policy.

EFFECTIVE DATE OF GENERAL VALUATION ~ 2021 TO 2026 ~ IN TERMS OF THE MUNICIPAL PROPERTY RATES ACT, 2004 (ACT 6 OF 2004) (DIRECTOR: FINANCIAL SERVICES)

Purpose of Report

To submit a report to Council for consideration regarding the execution of the General Valuation.

Background

Council took a decision as contained in report A3820 that 02 July 2019 (attached to this report) is the date of the 2020 General Valuation. Due to the delay in the awarding of the tender, a report was tabled to the Municipal Council requesting permission to write a letter to the MEC of Local Government, Minister Bredell, requesting the extension of the current valuation roll of the Municipality. Council granted this permission as contained in report A3883 (attached to this report).

The application lodged with the MEC was approved (see the attached letter of approval) that the current valuation roll is extended with one year and is valid until 30 June 2021 and that the new General Valuation will be implemented on 01 July 2021.

The implementation date of the previous General Valuation was 1 July 2015 and the preparation for the next General Valuation must be performed in order to be implemented on 01 July 2021.

With the permission of the MEC and in terms of the Municipal Property Rates Act (MPRA), the determination / fixing of the date of the General Valuation of 02 July 2020 must be approved by Council in order to implement the General Valuation on 1 July 2021.

In terms of section 31(1) of the Act, the date of the General Valuation (02 July 2020) may not be more than 12 months before the general valuation comes into operation.

Comments

In order to comply with the Local Government: Municipal Property Rates Act, 2004 (Act 6 of 2004) and to timeously start the process of the General Valuation, it is proposed that the date of the General Valuation be determined as 02 July 2020.

Relevant documentation was attached to this report.

Recommendation

That 02 July 2020 be determined as the date of the 2021 General Valuation, as required in terms of sections 31(1) of the Local Government: Municipal Property Rates Act, 2004 (Act 6 of 2004).

NOTE: The annexure was distributed as part of the agenda for the Finance Portfolio Committee meeting of 19 February 2020 (pg. 06 - 22)

This item served before the Finance Portfolio Committee on 19 February 2020

Hierdie item het gedien voor die Finansies Portefeulje Komitee op 19 Februarie 2020

Recommendation / Aanbeveling

That 02 July 2020 be determined as the date of the 2021 General Valuation, as required in terms of sections 31(1) of the Local Government: Municipal Property Rates Act, 2004 (Act 6 of 2004).

COMPILING OF THE 2019 / 2020 ADJUSTMENT BUDGET (5/1/1 - 2018/2019) (CHIEF FINANCIAL OFFICER)

Purpose of Report

The purpose of the report is to submit an Adjustment Budget for 2019 / 2020 to Council for consideration.

Background

As some votes on the 2019 / 2020 budget need to be adjusted as a result of operating requirements, an Adjustment Budget has been compiled and is submitted to Council for consideration.

The *Medium Term Revenue & Expenditure Framework* (MTREF) report, which is compiled in terms of the Municipal Budgeting and Reporting Regulations (MBRR), **will be distributed to Council at least three days before the meeting of 25 February 2020.**

Legal Framework

Section 28 of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) stipulates as follows:

Municipal adjustments budgets

28. (1) A municipality may revise an approved annual budget through an adjustments budget.
- (2) An adjustments budget —
- (a) must adjust the revenue and expenditure estimates downwards if there is material under-collection of revenue during the budget year;
 - (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;
 - (c) may, within a prescribed framework, authorise unforeseeable and unavoidable expenditure recommended by the mayor of the municipality;
 - (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 financial year preceding the budget year, where the under-spending could not reasonably have been foreseen at the time when the annual budget for the budget year was approved by the council;
 - (f) may correct any errors in the annual budget; and
 - (g) may provide for any other expenditure within a prescribed framework.

Comments

OPERATING BUDGET

TRANSFERS

The transfer of funds between municipal votes that are proposed, (transfer within departments are not listed as it is a delegated function.) will be included as Schedule B 3 in *The Medium Term Revenue & Expenditure Framework* (MTREF) report, which is compiled in terms of the MBRR, will be distributed to Council at least three days before the meeting of 25 February 2020. Section 28 (2) (d) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) is applicable.

The transfer of funds between revenue and expenditure lines that are proposed, (transfer within departments are not listed as it is a delegated function.) will be included as Schedule B 4 in *The Medium Term Revenue & Expenditure Framework* (MTREF) report, which is compiled in terms of the MBRR, will be distributed to Council at least three days before the meeting of 25 February 2020. Section 28 (2) (d) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) is applicable.

CAPITAL BUDGET

TRANSFERS DUE TO SAVINGS

The Capital Budget (Annexure A), that was attached, proposes the transfer of funds between departments. Section 28 (2) (d) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) is applicable.

VIREMENTS

Please refer to the Medium Term Revenue & Expenditure Framework (MTREF) report, which is compiled in terms of the Municipal Budgeting & Reporting Regulations (MBRR) and which will be distributed to Council at least three days before the meeting of 25 February 2020.

Aanbeveling / Recommendation

That the Adjustments Budget for 2019 / 2020 as submitted, be approved.

Dat die Aansuiweringsbegroting vir 2019 / 2020 soos voorgelê, goedgekeur word.

NOTE: The annexure was distributed as part of the agenda for the Finance Portfolio Committee meeting of 19 February 2020 (pg. 25 - 28)

This item served before the Finance Portfolio Committee on 19 February 2020

Hierdie item het gedien voor die Finansies Portefeulje Komitee op 19 Februarie 2020

Recommendation / Aanbeveling

That the Adjustments Budget for 2019 / 2020 as submitted, be approved.

Dat die Aansuiweringsbegroting vir 2019 / 2020 soos voorgelê, goedgekeur word.

FINANCIAL REPORTING IN TERMS OF SECTION 71 OF THE LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, 2003 – JANUARY 2020 (9/2/1/3) (CHIEF FINANCIAL OFFICER)

Purpose of report

To submit a report in terms of the Monthly Budget Statement of the Local Government: Municipal Finance Management Act, 2003 to Council for information.

Comments

The report, as submitted to the Executive Mayor, National Treasury and Provincial Treasury, was attached to this report.

Aanbeveling / Recommendation

That the contents of the report be noted.

Dat kennis geneem word van die inhoud van die verslag.

NOTE: The annexure was distributed as part of the agenda for the Finance Portfolio Committee meeting of 19 February 2020 (pg. 30 - 81)

This item served before the Finance Portfolio Committee on 19 February 2020

Hierdie item het gedien voor die Finansies Portefeulje Komitee op 19 Februarie 2020

Recommendation / Aanbeveling

That the contents of the report be noted.

Dat kennis geneem word van die inhoud van die verslag.

KEY PERFORMANCE INDICATORS TO BE INCLUDED / REMOVED - THE TOP LAYER SDBIP (2019 / 2020) & DEPARTMENTAL SDBIP (2019 / 2020) (DIRECTOR: STRATEGY & SOCIAL DEVELOPMENT)

Purpose of the Report

To submit a report to Council to consider the inclusion / removal of KPI's to the 2019/ 2020 Top Layer SDBIP and Departmental SDBIP (Service Delivery Budget Implementation Plan).

Background

The adjustment budget will be compiled and submitted to Council on for consideration.

Legal Framework

Section 28 of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) stipulates as follows:

Municipal adjustments budgets

28. (1) A municipality may revise an approved annual budget through an adjustments budget.
- (2) An adjustments budget ---
- (a) must adjust the revenue and expenditure estimates downwards if there is material under-collection of revenue during the budget year;
 - (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;
 - (c) may, within a prescribed framework, authorise unforeseeable and unavoidable expenditure recommended by the mayor of the municipality;
 - (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 financial year preceding the budget year, where the under-spending could not reasonably have been foreseen at the time when the annual budget for the budget year was approved by the council;
 - (f) may correct any errors in the annual budget; and
 - (g) may provide for any other expenditure within a prescribed framework.

S54 "Budgetary Control and early identification of financial problems"

On receipt of a statement or report submitted by the Accounting Officer of the municipality in terms of S71 and 72 the Mayor must: -

- (a) Consider the report;
- (b) Check whether the municipality's approved budget is implemented in accordance with the service delivery and budget implementation plan;
- (c) Consider and, if necessary, make any revisions to the service delivery and budget implementation plan, provided that revisions to the service delivery targets and performance indicators in the plan may only be made with the approval of the council following approval of an adjustments budget;
- (d) Issue any appropriate instructions to the accounting officer to ensure-
 - (i) That the budget is implemented in accordance with the service delivery and budget implementation plan; and
 - (ii) That spending of funds and revenue collection proceed in accordance with the budget;

Comments

The 2019/20 TOP LAYER SDBIP was approved by the Executive Mayor on 07 June 2019. There are KPI's that must be included / removed and Council's approval is requested for the changes to KPI's in the Top Layer and departmental SDBIP for 2019 / 2020.

KPI'S TO BE REMOVED ON THE TOP LAYER SDBIP

KPI Ref.	Directorate	Sub directorate	KPI	Unit of Measurement	Reason for Removal
TL 10	Strategy & Social Development	LED	Spend 95% of the total amount budgeted for the Neighbourhood development Partnership (Business Hub) by June 2020 $\{(Actual\ expenditure / approved\ budget\ allocation) \times 100\}$	% of budget spent by 30 June 2020	KPI to be split into two different sections as part of the adjustment budget amendments. This KPI is a roll over that will also be part of the 20/21
TL 25	Engineering Services	Civil Engineering Services	Spend 95% of the total amount budgeted for the upgrading of filters in Montagu WTW by 30 June 2020 $\{(Total\ actual\ expenditure\ for\ the\ project / Total\ amount\ budgeted\ for\ the\ project) \times 100\}$	% of budget spent	Part of the February adjustment budget. Will be a KPI in 20/21 budget
TL 38	Engineering Services	Electricity	Spend 95% of the total amount budgeted to replace the 66Kv Transformers at Robertson Main Substation by 30 June 2020 $\{(Total\ actual\ expenditure\ for\ the\ project / Total\ amount\ budgeted\ for\ the\ project) \times 100\}$	% of budget spent	Part of the February adjustment budget. Delivery to only take place during 20/21 financial year
TL 42	Engineering Services	Project Management	Spend 95% of the total amount budgeted for the installation of basic services (water) for informal settlements by 30 June 2020 $\{(Total\ actual\ expenditure\ for\ the\ project / Total\ amount\ budgeted\ for\ the\ project) \times 100\}$	% of budget spent	Part of the February adjustment budget
TL 43	Engineering Services	Project Management	Spend 95% of the total amount budgeted for the installation of bulk services for housing projects by 30 June 2020 $\{(Total\ actual\ expenditure\ for\ the\ project / Total\ amount\ budgeted\ for\ the\ project) \times 100\}$	% of budget spent	Roll Over. Shall be included in the SDBIP 20/21
	Engineering Services	Civil Engineering Services	Spend 95% of the total amount budgeted for the reconstruction of the Bonnievale Stores by 30 June 2020 $\{(Total\ actual\ expenditure\ for\ the\ projects / Total\ amount\ budgeted\ for\ the\ projects) \times 100\}$	% of budget spent	Part of the February adjustment budget

KPI'S TO BE INCLUDED ON THE TOP LAYER SDBIP

KPI Ref.	Directorate	Sub directorate	KPI	Unit of Measurement	Reason for inclusion
New	Strategy & Social Development	Director	Spend 95% of the total amount budgeted for the Reconstruction of Wolhuter Street in Nkqubela by June 2020 {(Actual expenditure /approved budget allocation) x 100}	% of budget spent by 30 June 2020	Part 1 of the Neighbourhood development KPI (current TL10)
New	Strategy & Social Development	Director	Spend 95% of the total amount budgeted for the Upgrading of the bus route (August Street) in Nkqubela by June 2020 {(Actual expenditure /approved budget allocation) x 100}	% of budget spent by 30 June 2020	Part 2 of the Neighbourhood development KPI (current TL10)
New	Strategy & Social Development	ICT	Spend 95% of the total amount budgeted for the purchase of machinery and equipment by June 2020 {(Actual expenditure /approved budget allocation) x 100}	% of budget spent by 30 June 2020	To purchase machinery and equipment to combat loadshedding and ensure service delivery
New	Engineering Services	Civil Engineering Services	Spend 95% of the total amount budgeted for the upgrading of the roads and stormwater in Robertson Nkqubela by 30 June 2020 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% of budget spent by 30 June 2020	Part of the February adjustment budget

KPI'S TO BE REMOVED ON THE DEPARTMENTAL SDBIP

KPI Ref.	Directorate	Sub directorate	KPI	Unit of Measurement	Reason for Removal
D 12	Executive & Council	Municipal Manager's Office	Spend 95% of the total amount budgeted for Vehicles by June 2020 {(Actual expenditure / by approved budget allocation) x 100}	% of budget spent by 30 June 2020	Part of the February adjustment budget

KPI'S TO BE INCLUDED ON THE DEPARTMENTAL SDBIP

KPI Ref.	Directorate	Sub directorate	KPI	Unit of Measurement	Reason for Removal
New	Strategy & Social Development	ICT	Spend 95% of the total amount budgeted for a Vehicle by June 2020 {(Actual expenditure / by approved budget allocation) x 100}	% of budget spent by 30 June 2020	Part of the February adjustment budget
New	Corporate Services	Director	Spend 95% of the total amount budgeted for a Vehicle by June 2020 {(Actual expenditure / by approved budget allocation) x 100}	% of budget spent by 30 June 2020	Part of the February adjustment budget
New	Engineering Services	Civil Engineering Services	Spend 95% of the total amount budgeted for the purchase of flowmeter by 30 June 2020 {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% of budget spent by 30 June 2020	Part of the February adjustment budget

Recommendation / Aanbeveling

That Council approve the inclusion / removal of the KPI's on the Top layer and Departmental SDBIP's for 2019 / 2020, as reflected in the report.

AUDIT & PERFORMANCE COMMITTEE: QUARTERLY REPORT Q2 OF 2019 / 2020 & PERFORMANCE SELF-EVALUATIONS 2018 / 2019 OF THE COMMITTEE (5/14/R) (AUDIT & PERFORMANCE COMMITTEE CHAIRPERSON)

Purpose of report

To submit to Council for noting, the Quarterly Report and the Performance Self-evaluation Report of the Audit & Performance Committee

Background

In terms of Circular 65 of the Municipal Finance Management Act (MFMA) (Act No. 56 of 2003), the chairperson of the Audit & Performance Committee will report on a quarterly basis, or more frequently if required, to the municipal council on the operations of the Internal Audit & Risk Management Unit and the Audit & Performance Committee. The report should include:

- A summary of the work performed by the Internal Audit & Risk Management Unit and the Audit & Performance Committee against the annual work plan;
- Effectiveness of internal controls and additional measures that must be implemented to address identified risks;
- A summary of key issues dealt with such as significant internal and external audit findings, recommendations and updated status thereof;
- Progress with any investigations and its outcomes;
- Details of meetings and the number of meetings attended by each member; and
- Other matters requested of the Internal Audit & Risk Management Unit and Audit & Performance Committee.

In terms of Circular 65 of the MFMA, the Audit & Performance Committee should assess its performance and achievements against its charter on an annual basis.

The findings of the self-assessment should be presented by the Chairperson of the Committee to the Accounting Officer and Municipal Council.

Comments

This Quarterly Report details the operations of the Internal Audit Unit and Audit & Performance Committee for the second quarter of 2019 / 2020 financial year.

The Performance Self-evaluation Report presents the findings of the self-assessment conducted by the Audit & Performance Committee in assessing its performance and achievements against its charter for the 2018 / 2019 financial year.

The assessment covered the performance of the individual members as part of the overall Audit & Performance Committee with reference to the particular skills the members have brought to the Audit & Performance Committee as a whole.

The Quarterly Report and performance self-evaluation of the Audit & Performance Committee are submitted for noting by Council and are attached to this report.

Relevant documentation is attached to this report.

Recommendation

That Council takes note of the following reports:

1. Audit & Performance Committee Quarterly Report Q2 of 2019 / 2020
2. Performance Self-Evaluations of the Langeberg Municipality's Audit & Performance Committee 2018 / 2019.



KANTOOR VAN DIE MUNISIPALE BESTUURDER
OFFICE OF THE MUNICIPAL MANAGER

INTERNAL AUDIT DEPARTMENT
INTERNE OUDITAFDELING

Private Bag X2, ASHTON 6715
28 Main Road, ASHTON 6715
T +27 23 615 8000 F +27 23 615 1563
E admin@langeberg.gov.za www.langeberg.gov.za

Ons verw nr / Our Ref No
Isalathiso Sethu

A&PC 7

Navrae / Enquiries
Internal Audit

17 February 2020

Langeberg Municipal Council

Mr. SA Mokweni
Municipal Manager: Langeberg Municipality

Performance Self-Evaluations of the Langeberg Municipality's Audit and Performance Committee 2018/19.

Purpose

The purpose of this report is to present the results of the performance self-evaluation for the 2018/19 financial year conducted by the Audit and Performance Committee(A&PC).

Background

In terms of Circular 65 of the Municipal Finance Management Act (Act No. 56 of 2003), the Audit and Performance Committee should assess its performance and achievements against its charter on an annual basis. The assessment would cover the performance of the individual member as part of the overall Audit and Performance Committee with reference to the particular skills the member has brought to the Audit and Performance Committee as a whole. The aim of the self-assessment is to ensure that the Audit and Performance Committee is meeting its objectives efficiently and effectively. The findings of the self-assessment should be presented by the Chairperson of the Committee to the Accounting officer and Municipal Council. Where the self-assessment highlights a need for enhancements to the role, operations, processes or membership of the committee, the Chairperson should take action to ensure that such enhancements are implemented. The Chairperson may need to consult with the Accounting officer and Municipal Council to obtain appropriate support to ensure all enhancements are implemented.

The Langeberg Municipality's Audit and Performance Committee members conducted a performance evaluation and completed a self-assessment regarding the effectiveness of the Committee in the 2018/19 financial year. The results of this performance evaluation and self-assessment are highlighted below.

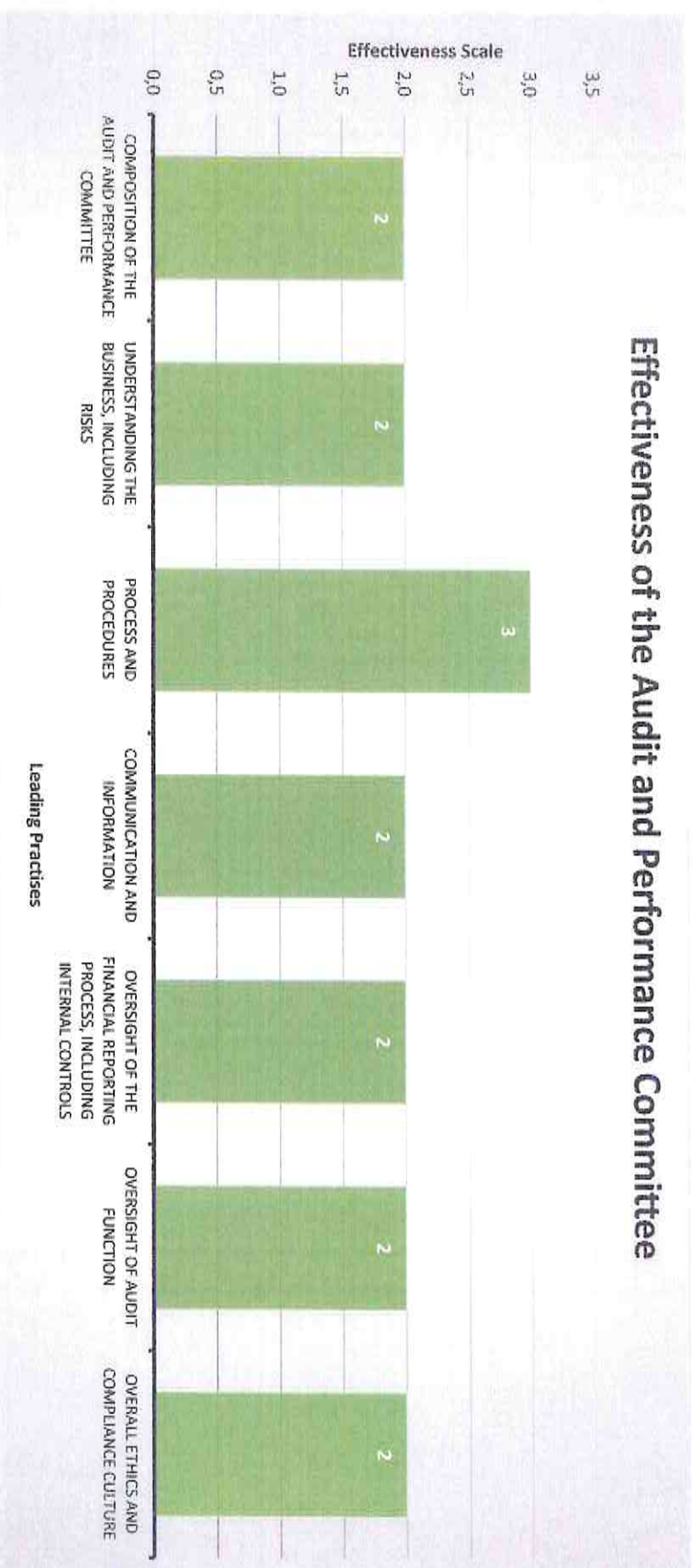
Structure and content of the questionnaire for the self-assessment

The questionnaire designed for this assessment was divided into 8 main sections and a general comments section.

- i. Section A: This section consisted of ten questions, which focused on the composition of the committee members.
- ii. Section B: This section comprised three questions, which focused on the A&PC's understanding of the business, including risks.
- iii. Section C: This section comprised eleven questions, with the purpose of determining the extent to which the audit committee understood their processes and procedures regarding the committees' proceedings
- iv. Section D: This section consisted of two questions that focused on communication and information between the A&PC with relevant parties.
- v. Section E: This section consisted of nine questions focusing on the A&PC's oversight of the financial reporting process, including internal controls
- vi. Section F: This section consisted of ten questions that focused on the A&PC's oversight of the audit function
- vii. Section G: This section consisted of three questions that sought to determine the effectiveness of the A&PC with regards to overall ethics and compliance culture of the Municipality.
- viii. Overall Evaluation: This section consisted of one question that required the members to rate the overall evaluation of the A&PC's performance.

Effectiveness results of Self- Assessment Questionnaire for A&PC members

Figure 1: Average scores depicting the effectiveness results of the Audit and Performance Committee as assessed by the members



Effectiveness Rating

Strongly Agree-3

Partially Agree-2

Strongly Disagree-1

Not enough Information to rank-0

COMPOSITION OF THE AUDIT AND PERFORMANCE COMMITTEE

All A&PC members strongly agree with the following statements:

- Qualifications are considered when potential members are identified;
- That the members have appropriate skills to meet the objectives of the committee;
- That members demonstrate integrity, credibility and trustworthiness and have appropriate knowledge of the municipality;
- That members meet all applicable independence requirements and have participated in a continuing development program as well as an orientation to educate themselves on the business of the municipality;
- The members all agree that the leadership of the Chairperson is fair; and
- That members review the Committee's charter annually to determine whether its responsibilities are adequately described and recommending any changes to Council for approval. One member indicated that they did not have enough information to rate the statement.

The A&PC partially agree with the following statements:

- Members having differing perspectives due to a diversity of experience and backgrounds. The results indicate that two (2) members strongly agreed with the statement and another two (2) partially agreed. One (1) member indicated that they did not have enough information to rate the statement;
- Members demonstrating appropriate knowledge of the municipality. Three (3) members strongly agreed with the statement and one (1) member partially agreed indicating that the new members need to be brought to speed as soon as possible. One (1) member indicated that they did not have enough information to rate the statement; and
- New Audit and Performance Committee members are provided with an orientation program to educate them on the business of the Municipality, their responsibilities and the Municipality's financial reporting. Three (3) of the members strongly agreed with the statement and one (1) member strongly disagreed indicating that all members need to be provided with an orientation. One (1) member indicated that they did not have enough information to rate the statement.

The A&PC Strongly disagree with the following statement:

- The Audit and Performance Committee has participated in a continuing education program to enhance its members' understanding of relevant auditing, accounting, regulatory and operational issues. Three (3) of the members partially agreed with the statement and one (1) member strongly disagreed indicating that more is requested to upskill all members to enhance further understanding of regulations etc. One member indicated that they did not have enough information to rate the statement.

UNDERSTANDING THE BUSINESS, INCLUDING RISKS

The A&PC partially agree with the following statements:

- The Audit and Performance Committee considers the significant risks faced by the Langeberg Municipality and that it understands and approves the process implemented by management to effectively identify, assess, and respond to the municipality's key risks. Two (2) of the members strongly agreed with the statement whilst another two (2) partially agreed. One (1) of the members who partially agrees with the statement indicated that the Committee needs to consider the appetite and mitigation. One (1) member indicated that they did not have enough information to rate the statement; and
- The A&PC understands and approves management's fraud risk assessment and has an understanding of identified fraud risks. One (1) the member strongly agreed with the statement whilst two (2) other members partially agreed. One (1) of the members strongly disagreed with the statement indicating that this area needs attention. One (1) member indicated that they did not have enough information to rate the statement.

PROCESSES AND PROCEDURES

A&PC members strongly agree with the following statements:

- That the Committee have the option to influence their meeting agendas in order to address emerging issues. Four (4) of the members strongly agreed with the statement. One (1) member indicated that they did not have enough information to rate the statement;
- Meetings are conducted in an effective manner, with time being spent primarily on significant issues. Four (4) of the members strongly agreed with the statement. One member indicated that they did not have enough information to rate the statement;
- That the Chairperson encourages input on the meeting agenda from the Committee, management, Internal Audit and the Auditor General;
- That related information (e.g. prior meeting minutes, financial statements, etc.) are circulated in advance of meetings to allow Audit and Performance Committee members sufficient time to study and understand the information. Four (4) of the members strongly agreed with the statement. One (1) member indicated that performance related to this action is not quite there yet;
- That meetings are held at least quarterly;
- That the Committee maintains adequate minutes of each meeting;
- The Committee respects the line between oversight and management of the financial reporting process; and
- The members come to meetings well prepared.

The A&PC partially agree with the following statements:

- The Committee dedicates appropriate time and resources to execute its responsibilities. Three (3) of the members strongly agreed with the statement with one member partially agreeing to the statement. One (1) of the members strongly disagreed with the statement indicating that the Committee could do better. One (1) member indicated that they did not have enough information to rate the statement; and

- That the written materials provided to Audit and Performance Committee members are appropriately balanced (i.e. relevant and concise). Two (2) of the members strongly agreed with the statement and another two (2) members partially agreed with the statement. One (1) member strongly disagreed with the statement indicating that performance must be separated to be compliant.

The A&PC Strongly disagree with the following statement:

- The Audit and Performance Committee reports its proceedings and recommendations to Council after each committee meeting. One (1) of the members strongly agreed with the statement whilst another two (2) members partially agreed with the statement. Another two (2) of the members indicated that they did not have enough information to rate the statement and indicated that they are not aware if this does occur.

COMMUNICATION AND INFORMATION

A&PC members strongly agree with the following statements:

- The level of openness between the Audit and Performance Committee and relevant parties (management, Internal Audit, and the Auditor General) is appropriate. Three (3) of the members strongly agreed with the statement with another two (2) members partially agreeing indicating that it is difficult at year end.

The A&PC partially agree with the following statement:

- For matters that require specialized expertise, the Audit and Performance Committee is allowed to engage with external parties as appropriate. Three (3) of the members strongly agreed with the statement with another member partially agreeing with the statement. One (1) member indicated that they did not have enough information to rate the statement.

OVERSIGHT OF THE FINANCIAL REPORTING PROCESS, INCLUDING INTERNAL CONTROLS

A&PC members strongly agree with the following statements:

- The Committee considers the quality and appropriateness of financial accounting and reporting;
- The Audit and Performance Committee reviews the recommendations from the Audit reports written by the auditors (external and internal) and monitors the process to determine that all significant matters raised are addressed. Four (4) of the members strongly agreed with the statement with one (1) member partially agreeing;
- The Audit and Performance Committee ensures that management takes action to achieve resolution when there are instances of repeat comments from auditors, particularly for those related to internal controls. Four (4) of the members strongly agreed with the statement with one (1) member partially agreeing; and
- Adjustments to the financial statements that resulted from the audit process are reviewed by the Audit and Performance Committee, regardless of whether they were recorded by management, as the financial statements were initially authorized by AC for submission to the Auditor General for audit. Three (3) of the members strongly agreed with the statement and the other two (2) partially agreed with the statement.

The A&PC partially agree with the following statement:

- The Committee reviews the Langeberg Municipality's significant accounting policies. Three (3) of the members strongly agreed with the statement with one (1) other member partially agreeing with the statement. One (1) member indicated that they did not have enough information to rate the statement;
- The Committee receives sufficient information to assess and understand management's process to evaluate the Municipality's system of internal controls. Three (3) of the members strongly agreed with the statement with one (1) other member partially agreeing with the statement. One (1) member indicated that they did not have enough information to rate the statement;
- The Audit and Performance Committee understands and gives appropriate consideration to the internal control testing conducted by management, Internal Audit and the Auditor General to assess the process of detecting internal control issues or fraud. Three (3) of the members strongly agreed with the statement with one (1) other member partially agreeing with the statement. The members indicated that they strongly agree with the statement regarding Internal Audit and Auditor General. However, Management assurance needs to improve. One (1) member indicated that they did not have enough information to rate the statement;
- When management's assessment of internal controls results in the identification of significant deficiencies or material weaknesses, plans to address these issues are reviewed, evaluated and monitored by the Audit and Performance Committee. Three (3) of the members strongly agreed with the statement with one (1) other member partially agreeing with the statement. One (1) member indicated that they did not have enough information to rate the statement; and
- The Committee makes enquiries of the appropriate parties (Auditor-General, Internal Audit and Management) on the depth of experience and sufficiency of the municipality's accounting and finance staff. Two (2) of the members strongly agreed with the statement and another two (2) members partially agreed and indicated that this need probing as there are weaknesses. One (1) member indicated that they did not have enough information to rate the statement

OVERSIGHT OF AUDIT FUNCTION

A&PC members strongly agree with the following statements:

- The Committee understands the co-ordination of work between the auditors (external and internal). Four (4) of the members strongly agree with the statement and one (1) member indicated that they did not have enough information to rate the statement;
- The Committee regularly reviews the adequacy of the internal audit function (e.g. The charter, audit plan, budget, compliance, and number, quality and continuity of staff). Four (4) of the members strongly agree with the statement and one (1) member indicated that they did not have enough information to rate the statement;
- The internal audit reporting lines established with the Audit and Performance Committee promote an atmosphere where significant issues that might involve management will be brought to the attention of the Audit and Performance Committee; and
- The Committee appropriately considers internal audit reports, management's responses, and improvement actions.

The A&PC partially agree with the following statements:

- The Committee provides feedback to the CAE on his performance at least annually. Three (3) of the members strongly agreed with the statement with one (1) other member partially agreeing with the statement. One (1) member indicated that they did not have enough information to rate the statement;
- The Committee considers the external audit plan and provides recommendations as appropriate. Two (2) of the members strongly agreed with the statement with one (1) member partially agreeing with the statement. One (1) member strongly disagreed with this statement indicating that the Committee has not seen the 2018/19 plan and that it needs to be provided to the Committee annually before 31 August. One (1) member indicated that they did not have enough information to rate the statement;
- The Committee reviews the appropriateness of the audit fees paid to the Auditor General. Two (2) of the members strongly agreed with the statement with one (1) member partially agreeing with the statement. One (1) member strongly disagreed with this statement and one member indicated that they did not have enough information to rate the statement;
- The Audit and Performance Committee comprehensively reviews management's response to the Auditor General' Audit Report (including making enquiries about any difficulties obtaining the responses). Three (3) of the members strongly agreed with the statement with one (1) other member partially agreeing with the statement. One (1) member indicated that they did not have enough information to rate the statement;
- The Audit and Performance Committee has an effective process to evaluate the Auditor General's performance on an annual basis. Two (2) of the members strongly agreed with the statement with one (1) member partially agreeing with the statement. One (1) member strongly disagreed with the statement indicating that they are not aware of a formal process and another member indicated that they did not have enough information to rate the statement; and

- The Committee has private sessions with Executive Management, Internal Audit and Auditor General, which result in candid discussion of pertinent issues. One (1) member strongly agreed with the statement with two (2) other members partially agreeing with the statement. One (1) of the members strongly disagreed with the statement indicating that the committee needs to allocate time in the agenda for private sessions with the Municipal Manager and Internal Audit before or after the meeting. One (1) member indicated that they did not have enough information to rate the statement.

OVERALL ETHICS AND COMPLIANCE CULTURE OF THE AUDIT AND PERFORMANCE COMMITTEE.

The A&PC strongly agrees that:

- Committee members are notified of communications received from agencies (e.g. governmental or regulatory) relating to areas of alleged violations or areas of non-compliance. The results indicate that three (3) of the A&PC members strongly agree with this statements whilst the other two (2) partially agree with this statement; and
- The Committee oversees the process in place to address the risks of non-compliance with applicable regulations; and conflicts of interest. The results indicate that two (2) of the A&PC members strongly agree with this statement whilst the other two (2) members partially agree with this statement.

The A&PC partially agree with the following statements

- The committee oversees management's procedures for enforcing the municipality's Code of Conduct. The results indicate that two (2) of the A&PC members strongly agree with this statement whilst the other two (2) members partially agree with this statement and indicated that this must be made a focus and that a presentation of the Municipality's Code of Conduct and ethics must be made to the Committee. One (1) member indicated that they did not have enough information to rate this statement.

Overall performance of the Audit and Performance Committee

Overall Performance of the Audit & Performance Committee

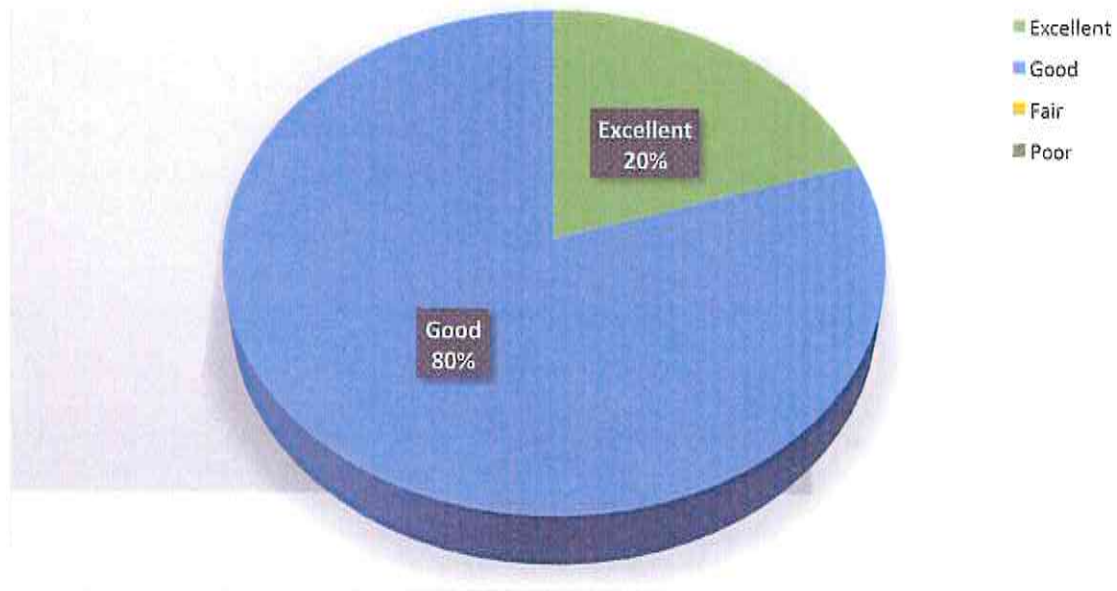


Figure 2: Overall Performance of the Audit and Performance Committee as assessed by members

The members of the Audit and Performance Committee also provided an overall evaluation of the Committee's performance. The results indicate that one (1) member of the A&PC rated the overall performance as excellent whilst the other four (4) members rated it as good.

General comment provided by the members was the following:

- Reporting upwards to Mayor/Council needs attention as the Audit and Performance Committee has a full responsibility to them. The members have never met with the Council.

Conclusion

In light of the above results the Audit and Performance Committee Chairperson takes note that the Committee members are in agreement with regards to the performance of the committee and effectiveness thereof. Where there are significant differences in the evaluation the matters were discussed amongst the members and a way forward to address them was formulated.

The assessment does not highlight a need for enhancements to the role, operations, processes or membership of the Committee.

The Committee will continuously evaluate its performance in order to ensure it remains effective in executing its duties.

Yours Sincerely



Chairperson: Audit & Performance Committee

Annexure 2



**KANTOOR VAN DIE MUNISIPALE BESTUURDER
OFFICE OF THE MUNICIPAL MANAGER**

**INTERNAL AUDIT DEPARTMENT
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A&PC 9

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Internal Audit

17 February 2020

Langeberg Municipal Council

AUDIT & PERFORMANCE COMMITTEE QUARTERLY REPORT (Q2) – 2019/20

Background

In terms of section 166 of the Municipal Finance Management Act, No. 56 of 2003, an Audit Committee is an independent advisory which must:

- (a) Advise the municipal council, the political office-bearers, the accounting officer and the management staff of the municipality on matters relating to:
- (i) internal financial controls 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.

Purpose

As per the MFMA Circular 65, the Chairperson of the Audit and Performance Committee will report on a quarterly basis, or more frequently if required, to the municipal council on the operations of the internal audit unit and the audit & performance committee. The report should include:

- A summary of the work performed by the internal audit and the audit & performance committee against the annual work plan;
- Effectiveness of internal controls and additional measures that must be implemented to address identified risks;
- A summary of key issues dealt with, such as significant internal and external audit findings, recommendations and updated status thereof;
- Progress with any investigations and their outcomes;
- Details of meetings and the number of meetings attended by each member; and
- Other matters requested of the internal audit and audit & performance committee.

Scope

In terms of the legislative requirements and the Audit & Performance Committee Charter, an Audit & Performance Committee meeting was held on 11 February 2020 and the following were discussed.

Summary on progress of Risk-based Internal Audit Plan:

Below is a summary of the progress against the Risk-based Internal Audit Plan, outlining the audit areas covered and an assessment on the effectiveness of the control environment. Where applicable, additional measures were recommended by the Audit & Performance Committee that must be implemented to address key risks or areas.

The Risk-based Internal Audit Plan for the 2019/20 financial year was approved on 25 June 2019 and an amended plan was approved on 31 October 2019 and outlines the audits to be covered for each quarter, and also makes provision for ad hoc audits and other activities Internal Audit is responsible for. This report is a summary to Council on the progress on the implementation of the Internal Audit Plan as at December 2020, that is quarter two (2) of the 2019/20 financial year.

Progress Status

The table below provides the status on the progress of the audits scheduled as per the Risk-based Internal Audit plan for the 2019/20 financial year.

PERIOD	AUDIT AREA	RISKS COVERED	PROPOSED SCOPE OF AUDIT	AUDIT RECOMMENDATIONS	PROGRESS STATUS	ADEQUACY	EFFECTIVENESS
Quarter 1	Finance: Grants (DORA)	Non-compliance with the Division of revenue Act	Completion of the 2018/19 audit on grants (inclusion of quarter 4 information) Determine whether an adequate management system is in place to ensure compliance with laws and regulations and grants information reported is substantiated with sufficient appropriate evidence.	1. It is recommended that the Director: Finance should ensure that all the conditions in the DORA Framework are reviewed for all grants allocated to the municipality for understanding to ensure compliance with the conditions of the grants and reporting requirements. 2. It is recommended that a retention plan be developed to ensure that the municipality complies with the DORA Framework and that the municipality also retains the skills developed	Completed	Yes	Yes

PERIOD	AUDIT AREA	RISKS COVERED	PROPOSED SCOPE OF AUDIT	AUDIT RECOMMENDATIONS	PROGRESS STATUS	ADEQUACY	EFFECTIVENESS
				<p>through the Financial Management Internship Programme.</p> <p>3. Management should make use of the grants register and in-year monthly reporting to identify grants with material underspending and the reasons for underspending. Action plans should be developed and put in place to rectify the root cause for underspending.</p>			
	<p>Strategy and Social Development: Performance Management - Performance Management (Cyclical Audit) – Quarter 4 (2018/19)</p>	Incorrect performance reporting monthly on the Ignite system	<p>Verify whether the Key Performance Indicators are SMART and that performance reporting is substantiated with sufficient appropriate evidence. Evaluate usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework</p>	<p>1. It is recommended that the reported figure be amended to reflect 72 EPWP opportunities created for the fourth quarter of 2018/19 financial year and resubmitted for audit verification.</p> <p>2. It is recommended that each contract be reported as one (1) job opportunity unless the contract clearly states that it is an extension of the original contract.</p> <p>3. It is recommended that Management ensures that performance is updated on the performance management system as the actions become due. Management must</p>	Completed	Yes	Yes

PERIOD	AUDIT AREA	RISKS COVERED	PROPOSED SCOPE OF AUDIT	AUDIT RECOMMENDATIONS	PROGRESS STATUS	ADEQUACY	EFFECTIVENESS
				<p>request an activity log from those tasked with updating of performance on the system and confirm that the reported performance is accurate and is supported by relevant evidence.</p> <p>4. It is recommended that the whole population be revisited and physical verifications be performed to ensure that properties reported as formal residential properties are indeed formal residential properties.</p> <p>5. Listings indicating the verified formal residential properties that received basic services from the municipality should be created by extracting them from the Mun837 report generated from Promun.</p> <p>6. It is recommended that the Sr. Clerk: Housing Administration, develops listings of the properties registered by the attorneys monthly. The listings should be uploaded on a monthly basis on the performance management system to support the reported performance.</p>			

PERIOD	AUDIT AREA	RISKS COVERED	PROPOSED SCOPE OF AUDIT	AUDIT RECOMMENDATIONS	PROGRESS STATUS	ADEQUACY	EFFECTIVENESS
	Engineering Services: Solid Waste Management Services - Ashton Landfill Site	The risk is that the municipality is approaching a shortage of airspace at the Ashton landfill site	Proposed that a consulting engagement be performed. Engagement will focus on assisting management in problem solving activities, achieving the municipality's objectives and adding value to line and senior management.	<ol style="list-style-type: none"> 1. It is recommended that the municipality commences with a formal process to enter into a formal written agreement with one of the neighbouring municipalities that have a valid permit, to allow for the disposal of domestic waste at another landfill site. 2. It is recommended that the municipality ensures that all households in the Langeberg area are provided with a clear bag for recyclables and educated adequately on the use of the bag. 3. The municipality should increase the capacity at the MRF to be in a position to also recover recyclables from domestic waste disposed in the wheellie bins and black refuse bags. This will not only assist in reducing the speed of which the remaining airspace at the Ashton landfill site is depleted but also to decrease costs, in the event that Langeberg Municipality uses a landfill site outside its municipal area. 4. It is recommended that the municipality commences with a formal process to enter into a formal written agreement with the Breede Valley Municipality to allow for the disposal of 	Completed	No	No

PERIOD	AUDIT AREA	RISKS COVERED	PROPOSED SCORE OF AUDIT	AUDIT RECOMMENDATIONS	PROGRESS STATUS	ADEQUACY	EFFECTIVENESS
	Finance: Supply Chain Management	The risk is non-compliance with Supply chain management regulations	Verify the effectiveness of the procurement and contract management processes and adequacy of controls to ensure compliance with all supply chain management regulations and supply chain management policy.	1. It is recommended that for all transactions below R30 000, it is recommended that a supplier rotation register be developed 2. It is recommended that the contract registered be reviewed on a monthly basis. 3. The SCM Manager and contract managers should agree on a process to collate evidence from the line managers (contract managers) to the SCM unit (contract administrators) to ensure that the contract register is updated and reviewed on a monthly basis 4. <u>Extension/expansion of Contracts</u> It is recommended that the minutes of the Council meeting where Council approved the proposals to expand/extend contracts should be made a required document to be submitted to the Bid Adjudication Committee prior to the committee considering the extension or expansion. 5. The Bid-Adjudication Committee should not recommend expansions/extensions to contracts when minutes of the Council meeting	Completed	No	No
				domestic waste at the Breede Valley Municipality's landfill site.			

PERIOD	AUDIT AREA	RISKS COVERED	PROPOSED SCOPE OF AUDIT	AUDIT RECOMMENDATIONS	PROGRESS STATUS	ADEQUACY	EFFECTIVENESS
				<p>are not submitted and when Council did not approve the extensions/expansions.</p> <p>6. It is recommended that contracts should be extended for up to a maximum period equal to the original contract period and in the case of expansions only up to a maximum amount equal to the original value of the contract.</p> <p>7. The Bid Adjudication Committee should not consider amended contracts that exceed the original contract period and amount.</p> <p>8. All documents pertaining to the extension/expansion of contracts should be kept in a file by the contract register administrator to support amendments made on the contract register.</p> <p>9. It is recommended that evidence be filed properly to ensure that it is readily available for auditing purposes.</p> <p>10. It is also recommended that the Regulation 17(1)(c) Reports on quotations be submitted to the CFO for approval within three (3) days after month end.</p>			

PERIOD	AUDIT AREA	RISKS COVERED	PROPOSED SCOPE OF AUDIT	AUDIT RECOMMENDATIONS	PROGRESS STATUS	ADEQUACY	EFFECTIVENESS
Quarter 2	Finance: Income Services	The risk is that the municipality may have an inadequate recovery of outstanding debtors and that the indigent allocation system may not be credible.	Determine the adequacy and effectiveness of the controls in the recovery of outstanding debt process. (Audit will include the age of debtors, arrangements and approvals, collection) and verify the adequacy and effectiveness of the indigent allocation system(Policies, qualification criteria, arrangements and approvals)	<ol style="list-style-type: none"> 1. It is recommended that the Credit Control and Debt Collection Policy for 2019/20 should be reviewed to amend the policy to make provision for realistic targets consistent with general recognized accounting practice and collection ratios as required by section 97(1)(d)(i) of Municipal System Act. 2. It is also recommended that the Credit Control and Debt Collection Policy should be reviewed to include the terms and conditions for the maximum debt payment period not exceeding sixty (60) monthly instalments. 3. Debtors with payment arrangements must pay the current account plus the arrangement amount including interest on a monthly basis. 4. It is recommended that electricity usage should be monitored on a monthly basis after services have been terminated due to non-payment of service accounts to ensure that there are no illegal electricity connections and that the electricity infrastructure network is not bypassed by consumers. 5. It is recommended that the Credit Control Unit should inspect the service accounts of all existing municipal officials on a monthly basis to and identify all accounts in arrears for municipal debt. 6. The outstanding debt of municipal officials should then be deducted from the salaries of 	Completed	No	No

PERIOD	AUDIT AREA	RISKS COVERED	PROPOSED SCOPE OF AUDIT	AUDIT RECOMMENDATIONS	PROGRESS STATUS	ADEQUACY	EFFECTIVENESS
				<p>officials in terms of the Credit Control and Debt Collection Policy.</p> <p>7. It is also recommended that the Credit Control Unit should generate a monthly report containing all new appointees in that month from Promun.</p> <p>8. The service accounts of new appointees should be inspected for outstanding debt and the debt should then be recovered from the salaries of officials in terms of the Credit Control and Debt Collection Policy.</p> <p>9. It is recommended that bank statements of all residence on indigent properties be submitted bi-annually to the Senior Clerks: Credit Control in each town. The Senior Clerks: Credit Control in each town should then compare the total income amount per household to the income amount that the municipality have on record to confirm that the financial status of indigents have not changed and that consumers with indigent subsidies are still eligible indigents.</p> <p>10. It is also recommended that the service accounts of debtors with frequent outstanding debt on their municipal accounts be investigated to confirm whether these debtors are not eligible for indigent subsidies.</p> <p>The action plans to address the following instances of non-compliance will be tracked on a monthly basis:</p>			
	Engineering Services: Solid	The risk is non-compliance with the conditions of the waste management licence	To verify the municipality's compliance with conditions of	The action plans to address the following instances of non-compliance will be tracked on a monthly basis:	Completed	Yes	Yes

PERIOD	AUDIT AREA	RISKS COVERED	PROPOSED SCOPE OF AUDIT	AUDIT RECOMMENDATIONS	PROGRESS STATUS	ADEQUACY	EFFECTIVENESS
	Waste Management Services		the waste management licenses or permits.	<ul style="list-style-type: none"> • Informal settlements within the buffer zone in the Ashton waste disposal facility and Bonnievale waste disposal facility; • Topographical land survey was not done for the Montagu waste disposal facility; • Inadequate storm water diversion system and lack of runoff water collection system. The waste disposal facilities only have an external storm water trench with no runoff water collection system; • The Ashton waste disposal facility only two boreholes established and maintained instead of the three required in the licence; • There are no boreholes established at the Montagu, Bonnievale, Robertson and McGregor waste disposal facilities; • Waste reclamation taking place on the waste body of the Ashton waste disposal facility. The fencing around the Ashton waste disposal facility was completely damaged and does not offer any security resulting in unauthorised access to waste pickers and pigs roaming the facility; • The new license numbers are not affixed on the boards for the Ashton waste disposal 			

PERIOD	AUDIT AREA	RISKS COVERED	PROPOSED SCOPE OF AUDIT	AUDIT RECOMMENDATIONS	PROGRESS STATUS	ADEQUACY	EFFECTIVENESS
	Strategy and Social Development: Performance Management - Performance Management (Cyclical Audit) – Quarter 1 (2019/20)	Incorrect performance reporting monthly on the Ignite system	Verify whether the Key Performance Indicators are SMART and that performance reporting is substantiated with sufficient appropriate evidence. Evaluate usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework.	<ul style="list-style-type: none"> facility, Bonnievale disposal facility and Montagu waste disposal facility; Copies of the environmental management programme, operational plans, specified construction drawings and emergency plans were not kept at the site offices of all the waste disposal facilities as required by the licences/permits. Only the copies of the permits/licences were kept at the site offices; and There is no monitoring committee established for all the waste disposal facilities as required by the permits/licences. <ol style="list-style-type: none"> 1. It is recommended that management should amend the presentation of the SDBIP report to present all KPIs reported per strategic objective. 2. It is also recommended that management should ensure there is/are key performance indicators reported under strategic objective 06 in the Top Layer SDBIP report. 3. The amended SDBIP report should be submitted to internal audit for verification purposes. 4. It is recommended that on a quarterly basis when the Senior Clerk: Performance Management verifies the reported figures that he should ensure that all corrective measures are obtained and included in the SDBIP prior to reporting to Council. 	Completed	Yes	Yes

PERIOD	AUDIT AREA	RISKS COVERED	PROPOSED SCOPE OF AUDIT	AUDIT RECOMMENDATIONS	PROGRESS STATUS	ADEQUACY	EFFECTIVENESS
Quarter 3	Strategy and Social Development: Information and Communication Technology	<p>The risks as per the municipal risk register:</p> <ul style="list-style-type: none"> is that unauthorized changes could be made to the financial system, because vendors do not provide the municipality with a report/ audit trail of changes made when they access the system and this means that the changes they make on the system are not tracked / monitored. The risk is that the municipality might lose critical data. <p>And the risk of vulnerabilities to system failures and cyber-attacks. The risk is that the management of user accounts for Promun and Syntell is inadequate.</p>	Verify the adequacy and effectiveness of ICT governance, general controls and applications controls		In progress	N/A	N/A
	Finance: Income Services	<p>The financial viability is put under strain by the additional influx of people in the area that do not contribute to the</p>	<p>Proposed that a consulting engagement be performed. Engagement will focus on assising management in</p>		Not Started		

PERIOD	AUDIT AREA	RISKS COVERED	PROPOSED SCOPE OF AUDIT	AUDIT RECOMMENDATIONS	PROGRESS STATUS	ADEQUACY	EFFECTIVENESS
		revenue stream, but for which services are provided.	problem solving activities, achieving the municipality's objectives and adding value to line and senior management.				
	Strategy and Social Development: Performance Management - Performance Management (Cyclical Audit) – Quarter 2 (2019/20)	Incorrect performance reporting monthly on the Ignite system	Verify whether the Key Performance Indicators are SMART and that performance reporting is substantiated with sufficient appropriate evidence. Evaluate usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework.		Not Started		
	Engineering Services: Solid Waste Management Services	The risk is non-compliance with the conditions of the waste management licence	To verify the municipality's compliance with conditions of the waste management licenses or permits.		Not Started		
	Engineering Services: Town Planning-Land Use	The risk is that there may be unlawful land use in the Municipal jurisdiction.	Verify the adequacy and effectiveness of the municipal land use process. Physical verifications will be performed.		Not Started		
Quarter 4	Strategy and Social Development: Performance	Incorrect performance reporting monthly on the Ignite system	Verify whether the Key Performance Indicators are SMART and that performance		Not Started		

PERIOD	AUDIT AREA	RISKS COVERED	PROPOSED SCOPE OF AUDIT	AUDIT RECOMMENDATIONS	PROGRESS STATUS	ADEQUACY	EFFECTIVENESS
	Management - Performance Management (Cyclical Audit) – Quarter 2 (2019/20)		reporting is substantiated with sufficient appropriate evidence. Evaluate usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework.				
	Finance: Grants (GORA)	Non-compliance with the Division of revenue Act	Determine whether an adequate and effective grants management system is in place to ensure compliance with laws and regulations and grants information reported is substantiated with sufficient appropriate evidence.		Not Started		
	Engineering Services: Solid Waste Management Services	The risk is non-compliance with the conditions of the waste management licence	To verify the municipality's compliance with conditions of the waste management licenses or permits.		Not Started		

Internal Audit has completed all of the four (4) engagements planned for in the second quarter of the 2019/20 year as per the approved risk based internal audit plan. Internal Audit is currently in progress with quarter 3 audits.

Details of Meetings for 2019/20:

The following table provides details of the quarterly Audit and Performance Committee meetings held as well as attendance of members.

A&PC Meetings		Members Present
Quarter 1	23 August 2019	Mr. E Abrahams (Chairperson) Mr. O Valley Ms. K Talmakkies Mr. RG Nicholls (Absent) Mr. A Njeza (Absent)
	31 October 2019	Mr. E Abrahams (Chairperson) Mr. RG Nicholls Mr. O Valley Mr. A Njeza Ms. K Talmakkies (Absent)
Quarter 2	22 November 2019	Mr. E Abrahams (Chairperson) Mr. RG Nicholls Mr. O Valley Mr. A Njeza(Absent) Ms. K Talmakkies
	11 February 2020	Mr. E Abrahams (Chairperson) Mr. RG Nicholls Mr. O Valley Mr. A Njeza(Absent) Ms. K Talmakkies
Quarter 3	30 April 2020	Still to be held
	25 June 2020	Still to be held
Quarter 4		

Risk Management

As per the approved Audit and Performance Committee charter the Committee should carry out amongst others the following responsibilities:

- Setting strategic direction with regards to the establishment of Risk Management Strategy;
- Evaluate whether management is setting the right tone to ensure that all employees and councilors have an understanding of their roles and responsibilities with regard to risk management;
- Provide an independent and objective view of the effectiveness of the municipality's risk management processes and
- Provide feedback to the Municipal Manager and Council on the adequacy of risk management in the Municipality.

The municipality has a functioning Risk Management Committee(RMC) with appropriate skills, knowledge and expertise. The committee meets every quarter as approved in the Risk Management Committee charter. The municipality also has an effective risk management unit.

To provide for proper oversight and monitoring of risk management activities all the risk management documents are presented/submitted to the RMC, Municipal Manager, A&PC and Council. The municipality has an adequate risk management framework in place and the A&PC discusses risk management practices with management on a quarterly basis. The A&PC takes note of the deliberate effort made by management to set the right risk culture and integrate risk management into the day to day activities to ensure that all employees and councilors have an understanding of their roles and responsibilities with regards to risk management.

Based on the above mentioned the A&PC assessed the risk management processes of the municipality as adequate.

Investigations

Not applicable, as no investigations were conducted during the second quarter of the 2019/20 financial year.

Other Matters:

Not applicable, no other matters to report.

Yours Sincerely

A handwritten signature in black ink, appearing to be 'J. L. ...', written over a horizontal line.

Chairperson: Audit & Performance Committee

**RISK MANAGEMENT COMMITTEE - REPORT FOR QUARTER 2 : RISK REGISTER & COMBINED ASSURANCE
FRAMEWORK – 2019 / 2020 (5/14/R) (CHIEF AUDIT EXECUTIVE)**

Purpose of report

To submit the Risk Management Committee report for Quarter 2 of 2019/20 and the updated Risk Register to Council for noting and to submit the Combined Assurance Framework to Council for approval.

Background

Section 62 (1) (c) (i) of the MFMA states that:

- "(1) the municipal manager of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all responsible steps to ensure –*
- (c) that the municipality have and maintain effective, efficient and transparent systems –*
- (i) of financial and **risk management** and internal control".*

Furthermore, it is also stated in the *Risk Management Policy* that:

"Council takes an interest in risk management to the extent necessary to obtain comfort that properly established and functioning systems of risk management are in place to protect the Langeberg Municipality against significant risks".

Comments

The Risk Management Committee (RMC) report for Quarter 2 of 2019 / 2020 and the updated Risk Register were submitted and presented to the Audit & Performance Committee on 11 February 2020.

The Combined Assurance Framework was accepted by the Risk Management Committee and the Audit & Performance Committee and are recommended to Council for approval.

The Risk Management Committee Report for Quarter 2 of 2019 / 2020, the updated Risk Register, and the Combined Assurance Framework **are attached to this report.**

Recommendation

1. That the contents of the Risk Management Committee Report for Quarter 2 of 2019 / 2020 and the updated Risk Register be noted by Council.
2. That the Combined Assurance Framework be approved by Council and that the document remain effective until a reviewed / updated one is approved.

Ons verw nr / Our Ref No
Isalathiso Sethu

RMC Q2 - 2019/20

Navrae / Enquiries
Internal Audit

29 January 2019

Mr SA Mokweni
Municipal Manager

RISK MANAGEMENT COMMITTEE QUARTERLY REPORT – QUARTER 2 OF 2019/20

In terms of the approved Risk Management Committee Charter and Risk Management Operational Plan, a Risk Management Committee (RMC) meeting was held on 23 January 2020. The meeting was attended by the following RMC members and delegates:

Mr. RG Nicholls	Chairperson
Mr. A Everson	Member
Mrs. C Matthys	Member
Mr. M Mgajo	Member
Mr. B Brown	Member
Mr. M Johnson	Member
Mr. C Franken	Risk Champion: Financial Services
Mr. D Lakey	Risk Champion: Strategy & Social Development
Mrs. L April	Risk Champion: Community Services
Mrs. S Kotzé	Risk Champion: Corporate Services
Mr. Z Prins	Manager: Information & Communication Technology

Standing Invitees:

Mr. M Shude	Chief Audit Executive (Internal Audit & Risk Management)
Mr. A Mati	Senior Internal Auditor (Internal Audit & Risk Management)
Mr. D Engelbrecht	Internal Auditor (Internal Audit & Risk Management)
Mr. M Nyewuza	Internal Audit Intern (Internal Audit & Risk Management)

BACKGROUND

The Municipality's objectives and the environment in which we operate are constantly evolving and as a result the risks we face are continuously changing.

S62(1) of the MFMA states that *"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—*

(c) that the municipality has and maintains effective, efficient and transparent systems— (i) of financial and risk management and internal control;"

The above is further supported by other sections of the MFMA namely, Section 165 (2) (a); (2) (b)(iv) and Section 166 (2)(a)(ii).

PURPOSE

The purpose of this report is to present to the Municipal Manager (MM), the Audit and Performance Committee (A&PC) and Council an overview on progress of the risk management processes and the evaluation of the adequacy of the internal controls and to identify any improvement opportunities.

SCOPE

The RMC reviews the risk register on a quarterly basis and re-assesses the risks per directorate. Risk champions are required to provide any proposed amendments to the risk registers for their respective directorates to the Internal Audit & Risk Management unit before each RMC meeting. Sessions with risk champions are also held when necessary to perform assessments on emerging risks and risks identified previously. The risk register is also updated with assessments made during internal audits performed. In addition to the aforementioned, a rigorous process of strategic risk identification was performed by using all the departmental KPI's in the SDBIP as the foundation to developed risk identification templates. These templates were completed by each directorate's Risk Champion in conjunction with the Managers and Directors. The Internal Audit & Risk Management Unit then conducted a risk assessment workshop with each department to assess the identified risks for inclusion in the municipality's risk register. New risks that were added to the operational risk register and key changes made during the second quarter and reported to the RMC are detailed below.

The Internal Audit & Risk Management Unit is also required to provide feedback on the progress of the approved Risk Management Operational Plan to enable the RMC to fulfill its responsibility in terms of monitoring. Also included in this report is a summary of the progress against the Risk Management Operational Plan.

KEY CHANGES TO RISK REGISTERS

Strategic risk register

1. Financial Services:

The following risks were identified by Finance and recommended to be included in the strategic risk register. These risks will be assessed during a risk assessment session with the Risk Champion and/or Director and documented in the risk register:

- The contract between the Municipality and Debt collection agency was terminated that might have an impact on the Revenue and Receivables.
- Provincial and Municipal traffic fines selected from the duplicate fine books might not be recorded in the fine listing for the year.

2. Community Services:

Risk No.	Risk Description	Amendments on Risk Register
1.	The risk is that community facilities may be vandalized.	Current Control Processes: EPWP officials are used at two additional sports fields (Nkqubela & Zolani) to serve as security officials. Also included under current controls is the fact that community & stakeholder involvement is undertaken frequently and that additional EPWP security officials are appointed at the swimming pool over weekends and public holidays. Action Plans: <i>Point 2</i> – "Budgeting and implementation of a professional security system at facilities" changed to "Budgeting and implementation of a EPWP securities at facilities". <i>Point 3 & 5</i> – These actions relate to the installation of PVC fencing at community halls and access control at facilities and it was indicated that these actions be implemented as funding is made available. <i>Point 6</i> – Previously it was "Assessment on community facilities for physical damage to budget for repairs or replacement of damaged parts" and now it is "Continuous maintenance of facilities".

Risk No.	Risk Description	Amendments on Risk Register
2.	The risk is that the municipality is approaching a shortage of cemetery space in all towns.	Action Plans: <i>The following were removed from action plans:</i> "Develop Communication plan to promote reburials and cremation by end June 2019 (update). Investigate recycling of cemetery spaces. Implement partnerships with churches". Status of Progress Made: Added to the status is that the term of appointment of the consultant has expired, however work is still done with their involvement.
3.	Signed offer to purchase contracts not signed timeously by beneficiaries.	Action Plans: Added Housing officials to visit families to get updates on issues that delay the signing of purchase contracts.
4.	The risk is that the public is not complying with the municipal by-laws with reference to small farmers.	Current Control Processes: Control processes was expanded to not only include the signing of SLA with the SPCA but also other organisations that are involved with care of animals. Action Plans: Action plan was accordingly amended to reflect the appointment of organisations involved in animal welfare and SLA to be signed and also the continuous monitoring of SLA and performance. Status of Progress Made: SLA signed with organisations involved with animal welfare.
5.	The risk that capital projects (upgrading of ablution facilities at Van Zyl Street Sports field, construction of a pavilion at McGregor Sports field, and replacement of Sand Filter System at Dirkie Uys Swimming Pool) might not be completed at 30 June 2020	Status of Progress Made: Progress updated to reflect building plans completed for Van Zyl sport field and also tenders are underway for awarding and eventually construction.
6.	Lack of a properly reviewed and updated Disaster Management Plan.	Current Control Processes: Included as current control is the newly appointed station officer currently performing the function. Action Plans: Added that Cape Winelands is in the process to fill the vacancy of the intern that was appointed to assist with the purpose of updating the Disaster Management Plan.

Operational risk register

1. Financial Services:

Risk No.	Risk Description	Amendments on Risk Register
1.	There is a risk that consumers may be charged incorrectly.	Status of Progress Made: Updated to reflect that with the valuation tender each and every property must be visited to determine what the properties are used for and compared to the zoning schemes.

Risk No.	Risk Description	Amendments on Risk Register
2.	The risk is that the indigent allocation system may not be credible.	Action Plans: Added to action plans that each incident will be investigated as raised by the AGSA in Comaf 19 CAATS.

NEW RISKS ADDED TO OPERATIONAL RISK REGISTER

1. Strategy & Social Development:

Risk No.	Risk Description	Amendments on Risk Register
2.	The risk that documents may be placed after the legislative date on the municipal website and/or these documents may contain incorrect information.	New risk that was added during the operational risk assessment sessions. Root cause(s): The approval for placement on website is not always attached and therefore no evidence that reviews were conducted. No formalised process in place for approval and placement of documents on municipal website. Current Control Processes: Submission of documents to be placed on municipal website takes place via an email from user departments. Action Plans: Developing standardised templates which also makes provision for approval of the relevant Director. Approval to be submitted together with the document(s) to be placed on municipal website. Documents should be submitted only in PDF format to Communications.

2. Community Services:

Risk No.	Risk Description	Amendments on Risk Register
1.	Increased maintenance costs on community halls and swimming pool.	New risk that was added during the operational risk assessment sessions. Root cause(s): Caretakers not performing inspections properly or at all. Standardised checklists are completed inaccurately. Superintendent positions not being filled. Damages to community halls and swimming pool not detected timeously or at all. Current Control Processes: Submission of daily inspections on a weekly basis to supervisors and Community Facilities Admin. Pre usage and post usage inspections linked to overtime approval. Action Plans: Supervisors to follow up on incidents as per inspection lists. Filling of vacant Superintendent Positions.
2.	The risk that operational projects (Purchase of Equipment for Community Halls, Fencing of community halls (Happy Valley & Willem Thys in Montagu), Ablution facilities in Zolani	New risk that was added during the operational risk assessment sessions. Root cause(s): SCM process delays. Part of Tender 40/2019, Shortfall identified with Tender Project of R181 000.00, BAC referred Tender back to BEC. Service provider appointed to upgrade ablution facilities in Zolani sport facilities are unable to complete the work and within set time frames. SCM process delays as to tender award process. Current Control Processes: Regular follow up as to SCM current status of Equipment purchased.

Risk No.	Risk Description	Amendments on Risk Register
	sport facility and Boundary walls & gates at Bonnievale sport facility) might not be completed by 30 June 2020.	PMU to provide report to BEC/BAC regards to local content form completed by prospective services providers. Action Plans: Continuous monitoring of progress on SCM processes to identify and address any delays timely.
3.	Safety risk to users of play parks and loss or damage to equipment.	New risk that was added during the operational risk assessment sessions. Root cause(s): Damages to play parks, irrigation systems and cemetery premises due to vandalism. Inspection checklists not completed consistently by the Parks supervisor. Current Control Processes: When the Parks Senior Clerk collates the monthly reports from the various towns, she checks that all checklists have been done. Replacements and disabling of the apparatus when damaged or stolen.
4.	Negative media coverage due to delayed response from the municipality.	New risk that was added during the operational risk assessment sessions. Root cause(s): Not all current managers reporting to the Director have a laptop. Information required to respond to media enquiries can therefore sometimes only be provided when respective manager is back in office. Current Control Processes: Alternative mechanisms utilised by managers to communicate and submit information to the Director when managers are not in office, use of cellphone. Action Plans: Budget and procure laptops for each Manager.

PROGRESS ON IMPLEMENTATION OF RISK MANAGEMENT OPERATIONAL PLAN

The table below provides the status for the second quarter on the implementation of activities as per the Risk Management Operational Plan approved for 2019/20.

Sections	Activities	Timelines	Status of implementation	Reason for missing deadline
Awareness and Training	Perform surveys in terms of the risk management process for other officials (New approach to reach all levels).	31-Jul-19	Completed	N/A
	Act on issues arising from survey i.e. risk management presentation.	31-Oct-19	In progress	Identified actions are of such a nature that it should be implemented on a continuous basis and not only once-off.
	Identify and facilitate training for risk champions and risk action owners.	30-Sep-19	Completed	N/A
	Facilitate orientation and training for new municipal staff by conducting risk management presentations during induction sessions.	30-Jun-20	In progress	N/A

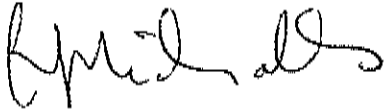
Sections	Activities	Timelines	Status of implementation	Reason for missing deadline
Risk Register	Alignment of strategic / operational risks with objectives in revised IDP and SDBIP. Proactively researching and communicating key strategic and operational issues to management and other stakeholders and make recommendations. Continuously updating of risk register by identifying changes in the environment that impact the municipality. Document progress made by the individual risk owners against their treatment action plans. Prompt risk owners for emerging risks for inclusion in the risk register.	30-Jun-20	In progress	N/A
Annual Strategic Risk Assessment	Preparing risk identification and assessment template for each directorate to identify and assess risks impacting the Key Performance Indicators as per the 2019/20 Top Layer SDBIP.	31-Jul-19	Completed	N/A
	Facilitate strategic risk identification and assessment workshops and generate an annual strategic risk report to be submitted to the RMC for considering the inclusion of these risks in the municipality's strategic risk register.	30-Sep-19	Completed	N/A
Annual Operational Risk Assessment	Preparing risk identification and assessment templates for each department to identify and assess risks impacting the Key Performance Indicators as per the 2019/20 Departmental SDBIP.	30-Sep-19	Completed	N/A
	Facilitate operational / departmental risk identification and assessment workshops and generate an annual operational risk report to be submitted to the RMC for considering the inclusion of these risks in the municipality's operational risk register.	30-Nov-19	In progress	Completed risk identification templates were not provided for Engineering Services and partially provided for Finance.
Strategic Session	Develop risk management annual operational plan.	30-Apr-20	Not started	N/A
	Compile budget for risk management unit for submission to CAE/Senior Internal Auditor.	31-Mar-20	Not started	N/A
	Review the following documentation:			
Strategic Documentation	1. Risk Management Policy; ensure it contains the minimum content as detailed in the NT Risk Management Framework.	31-May-20	Not started	N/A
	2. Risk Management Strategy; ensure it focusses on recommended areas as	31-May-20	Not started	N/A

Sections	Activities	Timelines	Status of implementation	Reason for missing deadline
	per the best practice documents circulated.			
	3. Ensure risk management strategy is supported by an action plan to implement and improve risk management.	31-May-20	Not started	N/A
	4. Fraud Prevention Policy & Strategy	31-May-20	Not started	N/A
	5. Risk Management Charter	31-May-20	Not started	N/A
	6. Fraud Prevention Implementation Plan	31-May-20	Not started	N/A
	7. Risk identification and assessment methodology	31-May-20	Not started	N/A
Combined Assurance	Develop a Combined assurance policy framework for the municipality.	14-Dec-19	Completed	N/A
Business Continuity Model / Disaster Recovery Plan	Arrange for first engagements of Business Continuity Structures.	30-Sep-19	Completed. BCC meeting took place on 28/11/2019.	N/A
	Monitor on a continuous basis that controls in the BCM and DR Plan are working as intended, i.e. conduct drills	30-Jun-20	In progress. 3 Areas, namely Water, Sewerage and Fire Services have been prioritised and task teams have been appointed to assist with the business continuity activities.	N/A
Fraud prevention & response plan	Implementation of activities in the Fraud Prevention and Response plan.	30-Jun-20	Not started	N/A
COSO framework	Monitor the implementation of the COSO framework via the COSO implementation plan	30-Jun-20	Not started	N/A
MFMA Compliance Monitoring	Monitoring and reporting monthly on compliance by the municipality as per Treasury circular No. 33 of 2013.	30-Jun-20	In progress	N/A
ICT Review	Quarterly reviews performed for the activities performed by the Manager: Information and Communication Technology.	30-Jun-20	In progress	N/A
District CRO Forum	Attend 4 CRO Forum meetings held by Cape Winelands District Municipality	30-Jun-20	Not started	N/A
Provincial CRO Forum	Attend 2 CRO Forum meetings held by provincial treasury	30-Jun-20	In progress	N/A
MGRO	Complete the MGRO assessments that are conducted by PT	31-Dec-19	Completed	N/A
Performance evaluation of RMC	Facilitate the performance evaluation of the RMC for the period 2019/2020	30-Jun-20	Not started	N/A

OTHER MATTERS

- Amendments to the Risk Management Handover Plan were made and accepted by the RMC. The Plan will be submitted to the A&PC to obtain further input.
- A Combined Assurance Framework was developed to serve as a guide that informs the development of the annual Combined Assurance Plan for the municipality.
- The design of the risk register should change and the risks be presented in three (3) tiers, namely Strategic / Municipal Manager level, Transversal risks and Core service delivery risks.

Yours Sincerely



RG Nicholls

Chairperson: Risk Management Committee



COMBINED ASSURANCE FRAMEWORK

DATE EFFECTIVE: 2020

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Langeberg_Muni



Langeberg Municipality



Langeberg, Muni

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1. Introduction

The Combined Assurance Model aims to inform, in a simpler manner, on the effectiveness of assurance providers and to create confidence in the assurance provided over key organizational risks.

2. Purpose

A framework is defined as a conceptual structure intended to serve as a guide for the building of something that expands the structure into something useful. The Combined Assurance Framework is a guide that informs the development of the annual Combined Assurance Plan for the Langeberg Municipality. The purpose of this framework is to give effect to the Municipality's commitment to the implementation of Combined Assurance as part of good governance outlined in the King IV Report on Corporate Governance for South Africa, 2016 (King IV).

3. Definition of Combined Assurance

Combined Assurance means the integration and aligning of assurance processes in the Municipality to maximise risk and governance oversight and control efficiencies, thereby optimising overall assurance to Council, the A&PC, RMC and Management, taking into account the Municipality's risk tolerance level.

4. Definition of a Combined Assurance Model

A Combined Assurance Model aims to incorporate and optimize all assurance services and functions so that, taken as a whole, these enable an effective control environment; support the integrity of information used for internal decision-making by management, the governing body and its committees.

5. Background

The International Standards for Professional Practice of Internal Auditing (Standard 2050) prescribes that the Chief Audit Executive should share information, coordinate activities, and consider relying upon the work of other internal and external assurance and consulting service providers to ensure proper coverage and minimize duplication of efforts.

The concept of combined assurance is supported by the King Report (King IV) which recommends that the audit committee should ensure that a combined assurance model is applied to provide a coordinated approach to all assurance activities. Audit committees in the public sector are required to review coordination between internal and external audit, reports of significant investigations, as well as management responses to specific recommendations.

6. Benefits of Combined Assurance

- Coordinated and relevant assurance efforts are directed to the risks that matter most.
- Commitment to enhance controls is demonstrated.
- Dashboards that provide an integrated, insightful view.
- Assurance activities produce valuable, integrated data, based on collaboration and not silos.
- Reduction in assurance costs through elimination of duplication and better resource allocation.
- Resources are not wasted on unnecessary duplication.
- A reduction in the repetition of reports by different committees, resulting in improved and more efficient reporting.
- A comprehensive and prioritised approach in tracking of remedial actions on identified opportunities/weaknesses.
- Clarity on risk and audit.

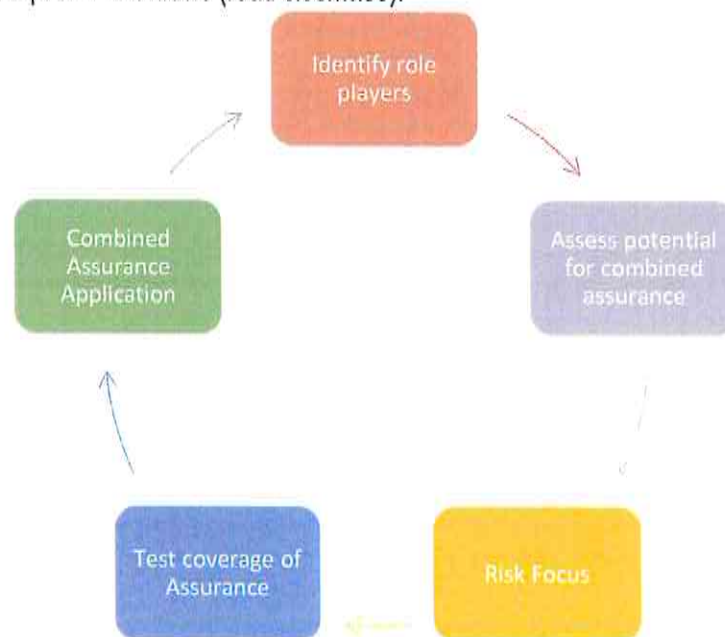
7. Role players in Combined Assurance

Some of the role players in combined assurance include the following:

- Risk Management Committee (RMC)
- Audit and Performance Committee
- Internal Audit & Risk Management Unit
- External Auditor / Auditor-General
- Performance Management Unit
- Information and Communication Technology Function
- Management
- Government departments, entities and regulators
- Municipal Council

8. Process

A five-stage process should be employed in ensuring the success of a combined assurance model. This process is depicted as follows (read clockwise):



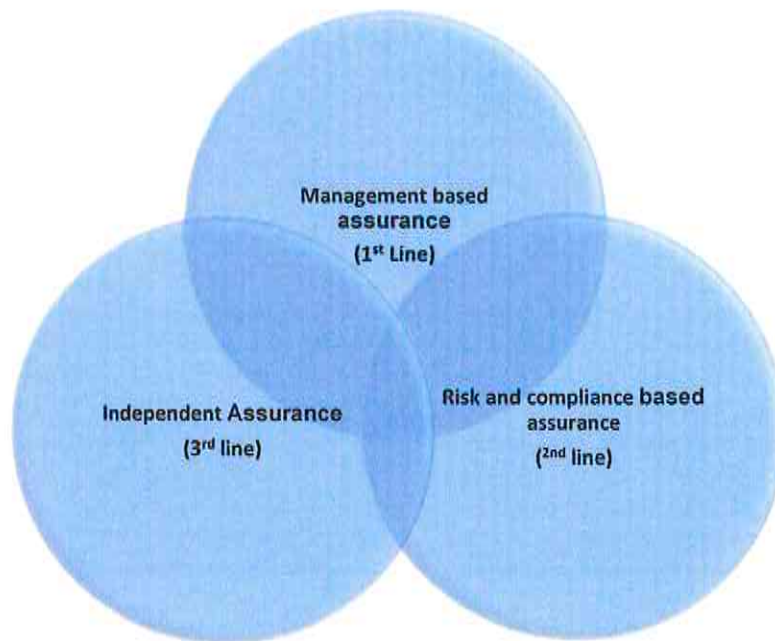
8.1. Stage 1: Identifying Role Players

Stage 1 entails the Municipal Manager identifying and appointing a combined assurance champion and an executive sponsor.

The champion will coordinate the process and ensure process continuity. The executive sponsor must be appointed to provide the authority, oversee the process and ensure that cooperation is provided throughout the initiative.

8.2. Stage 2: Assess potential for combined assurance

The second stage entails establishing a high level understanding of who the assurance providers are for the risk exposures facing the municipality. Combined Assurance in Langeberg Municipality will be based on a three lines of defence approach. That is assurance providers are separated in terms of first, second and third line of defence i.e. management-based assurance, risk and compliance-based assurance and independent assurance respectively.



The three lines of defence are elaborated as follows:

8.2.1. The first line of defence (Management based assurance):

Managers, the risk owners are responsible for ensuring the managing of the risk and are termed the "first line" assurance providers. The first line of defence is best suited to offer broader assurance coverage.

Management is ultimately responsible and accountable for establishing, maintaining and ensuring proper control, risk management and governance processes. Management must assess risk and, determine how much risk is acceptable and strive to maintain risks within those levels using various management tools including self-assessments. A key element of Management's responsibility is the extent of Management reviews and the actions that follow. Management reports and associated representations should offer the various role players reasonable assurance.

Reporting lines: Strategic Management Team

8.2.2. The second line of defence (Risk and compliance based assurance):

The second line of defence comprises corporate functions such as Risk Management, and Compliance Units. It is recommended that the Chief Audit Executive whom is heading the Internal Audit & Risk Management Unit be selected as the combined assurance champion.

Reporting lines: Risk Management Committee

8.2.3. The third line of defence (Independent Assurance):

The third line of defence may be categorized in terms of Audit and Oversight. Internal Audit and Auditor-General are examples of independent assurance providers that form the third line of defence.

Reporting lines: Audit and Performance Committee

8.2.4. Key Role Players to Combined Assurance

The Municipality has identified the following key role players with specific roles and responsibilities regarding the implementation of the Combined Assurance in the Municipality.

The table below summarizes the roles and responsibilities as discussed throughout the framework:

Role	Responsibility
Accounting Officer	Appoint the champion and executive sponsor
Management	Management will always be the first line of defence. They must determine which activities need to be included in the Combined Assurance Plan, taking responsibility for identifying and confirming assurance providers and agreeing with them on the objective, scope and timing of assurance required.
Champion	It is recommended that the Chief Audit Executive be selected to champion combined assurance in Langeberg Municipality. Obtain annual input from assurance providers. Complete the template in terms of risks facing the municipality and identifying the assurance providers.
Internal Audit	Verify the capability of the assurance providers. Test for under or over assurance coverage. Recommend the adjustment of coverage.
Auditor-General	Provide Independent assurance, monitor compliance, provide independent assurance and oversight and, obtain agreement on plan and scope to prevent duplication of costs.
Audit and Performance Committee	Ensure and monitor the application of combined assurance and report to Council. Approve the Combined Assurance Plan on an annual basis.
Risk Management Committee	Ensure and monitor the application of combined assurance and report to the Accounting Officer and/or Council. Review and approve the Combined Assurance Framework on an annual basis.

8.3. Stage 3: Stage Risk Focus

In the third stage a full understanding is established of what assurance is currently being provided and what needs to be provided based on the strategic and operational risk profiles of the organisation. This step will allow a detailed gap analysis to be developed and to inform the next stage in the process.

Here the different lines of defence will be mapped to the identified risks and detail work actually performed and the expected assurance.

It becomes important for the risk profile to be relevant to the business that is managed on a consistent basis. Risk information should be regularly and centrally maintained.

It is not feasible to consider all identified risks in the Combined Assurance Model. It is recommended that the limit is set in terms of risk severity. The risk rating will therefore be the criteria for incorporation in the Combined Assurance Model. This approach will simultaneously ensure that the assurance is worth the cost.

8.4. Stage 4: Test Coverage of Assurance

The fourth stage in the process is to test the coverage of assurance provided through interaction with recipients and assessment of reports to establish what is being done and for what reasons. This test will ensure coordination of efforts and eradicate duplication.

The IIA Standard 2110 states that the Internal Audit Activity must coordinate the activities of and communicate information among the board, external and internal auditors and management. Accordingly, the fourth stage in the process should be assigned to the Internal Audit Activity.

8.5. Stage 5: Combined Assurance Application

The final stage requires stakeholder acceptance of the approach and respective responsibilities through identifying and recommending the areas of assurance and articulating the nature of the assurance activities.

The detailed gap analysis should highlight areas of extensive assurance, adequate assurance, inadequate assurance and no assurance.

Assurance coverage is defined as follows:

Coverage	Definition
Extensive Assurance	All lines of defence are responding to the risk to the extent that coverage is duplicated.
Adequate Assurance	There is a balance between risk severity and assurance coverage.
Inadequate Assurance	The assurance coverage is insufficient to ensure effective risk management.
No Assurance	The risk has eluded all lines of defence and action is needed to respond to the risk.

Extensive assurance, inadequate assurance, and No assurance coverage must be addressed either by reducing or increasing the assurance coverage. This should be done by the Combined Assurance Champion in conjunction with the Executive Sponsor.

The third line of defence will then be responsible for reporting on the adequacy of assurance provided by the implementation of combined assurance.

Lastly, the assurance provided must be credible. It is recommended that Management and Council ensure that both internal and external assurance providers are appropriately skilled and experienced to follow an adequate approach. The independence, objectivity, conflicts of interest, skills, experience and qualifications of the assurance provider must be considered holistically to determine whether the assurance provided is credible.

The following assessment criteria will apply:

Category	Minimum requirements
Independence/objectivity	Independent reporting lines, no recent involvement and/or work done in the areas/aspects to be audited
Conflict of interest	In the areas/aspects which assurance is to be provided there should not be any conflict of interest
Skill and experience	The assurance provider should have the appropriate skills and experience to effectively conduct the assignment
Qualification	The assurance provider should hold appropriate qualifications
Assurance methodology	A sound audit/review methodology should be adopted by the assurance provider. Ideally a risk based approach should be followed. The reported findings and opinions should be supported by adequately documented working papers/audit trails
Accreditation body/registration	Ideally, the assurance provider should be accredited or registered with a recognised accreditation body for the areas/aspects over which he/she is providing assurance

9. Conclusion

The aforementioned process can be documented and reflected in a Combined Assurance Plan. The Combined Assurance Plan details the three lines of defence which is mapped to the risk profile of Langeberg Municipality. The cross reference will then detail the assurance coverage. Judgement can be made on over and under assurance and adjustments may be made accordingly. The Combined Assurance Plan can also be used for reporting processes. An annual process must be developed to evaluate and report to management on the adequacy, effectiveness and efficiency of the development and implementation of the combined assurance framework. The Combined Assurance Plan should be recommended for approval by the Risk Management Committee and approved by the Audit and Performance Committee on an annual basis. The approved Combined Assurance Plan should be also submitted to Council for noting.

10. Glossary

Framework	A conceptual structure intended to serve as a guide for the building of something that expands the structure into something useful.
Assurance	A declaration that inspires or is intended to inspire confidence.
Combine Assurance Champion	The individual appointed to coordinate the combined assurance process and ensure process continuity.
Executive Sponsor	The senior individual appointed to provide authority, oversee the combined assurance process and ensure cooperation throughout the initiative.
First line of defence	"Risk owners" responsible for ensuring the management of the risk. This line of defence has direct involvement, as the executing leg and will therefore offer broader assurance coverage.
Second line of defence	Internal assurance functions (internal risk and compliance units) such as Enterprise Risk Management, Health and Safety, Legal services etc.
Third line of defence	Independent (external or not line function) oversight activities/functions such as Internal Audit, and Auditor General.

11. Review of the Combined Assurance Framework

The Combined Assurance Framework will be reviewed by the Risk Management Committee and approved by the Audit & Performance Committee at least every 3 years, or shorter should significant changes be required. This document will remain effective until a new one is approved.

Acknowledgement of Approval

Accepted and Recommended by the Risk Management Committee

Position:
Name in print:
Signature:
Date:

Chairperson

R. NICHOLLS
[Signature]
17/02/2020

Approved by the Audit & Performance Committee

Position:
Name in print:
Signature:
Date:

Chairperson

Ebrahim Abrahams

[Signature]
19 February 2020

No	Link to Strategic Objective	KPI	Risk Description	Root causes	Impact	Likelihood	Inherent Risk	Current control processes	Control Process Effectiveness	Residual risk	Risk Owner	Action Plans	Action Owner	Risk Response	Status of Progress Made	Due Date			
OFFICE OF THE MUNICIPAL MANAGER																			
1	SO4: A Responsive & Accountable Administration		There is a risk of reputational damage to the Municipality.	Unfounded allegations made by disgruntled ex-employees and Councillors Leakage of sensitive information used for ulterior motives	Serious	3	Likely	4	12	Compliance with all laws and regulations applicable to local government and monitoring thereof. Established and transparent policies in place to ensure a clean, corrupt free and well-managed administration	Unsatisfactory	20%	9,6	Municipal Manager	Risk Management and ICT to research for available auditing software which could prevent and/or detect the leakage of information, and also the cost implication thereof. The software should have attributes such as preventing to copy information from computers.	Municipal Manager	Mitigate	Risk Management and ICT is still in the process of conducting the research.	30-Jun-20
FINANCE DIRECTORATE																			
1	SO5: Sound Financial management	D340: Submit the Annual Financial Statements to the Auditor-General before 31 August	The risk is that the Municipality may have difficulties with implementing Municipal Standard Chart of Accounts (mSCOA), the new financial-reporting regulatory reform	The mSCOA is a new business development and a new financial reporting regulatory reform and it is the first time that Langeberg Municipality is implementing mSCOA.	Critical	4	Almost certain	5	20	The budget manager is available on a regular basis telephonically to assist in the allocation of items in the new standard chart of accounts. Legic was built into the vote numbers to ensure that the correct vote numbers are being used (e.g. expense item, departmental code and 7 segments) SCM officials verify requisitions against budget book to identify whether if the correct votes are transacted against. Old vote numbers and old vote descriptions included in the budget book with MSCOA vote number and description for verification.	Unsatisfactory	20%	10	Director: Financial Services(CFO)	1. Implementation of segregation of duties for creation of mSCOA short codes. 2. All the MSCOA short codes should be reviewed to reflect the accurate vote structure and the detail on Promun should be able to reflect the accurate naming of the short code. 3. SOP's should be developed to guide officials on the implementation of mSCOA as well as all business processes within the Finance Directorate. 4. Intensive training should be provided by the Manager: Budget to the personnel processing requisitions on Collaborator and SCM order clerks. 5. All mSCOA short codes be revised and amended to reflect the correct segment GUIDS linked to each tariff code. All incorrect transactions should be reversed and proper checks should be done to ensure that Promun rectifies the errors. 6. All conditional grant short codes be reviewed and corrected to reflect the correct segments and all incorrect transactions should be reversed and proper checks should be done to ensure that Promun rectifies the errors. 7. Ensure that the financial system utilized by the municipality provides for full seamless integration between the core financial system representing the GL, and any third party system with a direct impact on the GL. The system should include the IDP module. Budget module to allow the municipality to implement the minimum business process. 8. It is recommended that critical positions should be budgeted for so that these positions can be filled with suitable personnel.	Manager: Budget and Support Services	Mitigate	Short codes/ old votes have been included next to the new MSCOA votes	31-Aug-19
2	SO1: Facilitate integrated human settlements and improved living conditions of all households	TL74: Submit 200 completed signed offer to purchase contracts to the attorneys for registration of title deeds by 30 June 2019. TL75: Submit 30 completed signed offer to purchase contracts for pre 1994 rental housing stock to the attorneys for registration of title deeds by 30 June 2019	There may be unregistered properties in the municipal area	Registration process not properly coordinated Lack of monitoring on registrations of RDP houses to be done by the Lawyers appointed Damages to the RDP houses previously constructed resulting in reluctance of occupants to accept ownership of the houses Inadequate monitoring of property registrations with the deeds office	Serious	3	Likely	4	12	Housing Department and deeds office liaise regularly and preparation of a reconciliation is prepared between the municipality's records and the deeds office. A list of all unregistered RDP houses are compiled. Lawyers appointed via tender to perform registrations of houses	Unsatisfactory	20%	0,6	Director: Financial Services(CFO)	The following recommendations were made by Internal Audit: 1) There should be monthly reconciliations performed by the housing clerks to reconcile the municipality's property registration register and the reports from the deeds records. The reconciliations should be reviewed by a senior official in the housing department. 2) There should be a monthly reconciliation performed by the rates section of the revenue services department on registered and unregistered private and state owned properties between the PROMUN system and deeds office to ensure that all properties are being billed for property rates. The reconciliations should be documented and reviewed by a senior official for audit verification. 3) There should be standard operating procedures (SOPs) developed to guide the process of identifying, recording and monitoring unregistered properties. The SOP should cover all the role players involved with the registration of properties including town planning, property administration, housing projects and income services for registration of properties on the PROMUN system (refer to Internal Audit report for more detail)	CFO	Mitigate	SOP was developed to guide the process of identifying, recording and monitoring unregistered properties.	Ongoing
3	SO5: Adherence to all laws and regulations applicable to LG	Number of formal residential properties that receive piped water that is connected to the municipal water infrastructure network and which are billed for water or have pre paid meters as at 30 June 2020. Number of formal residential properties connected to the municipal electrical infrastructure network and which are billed for electricity or have pre paid meters as (Excluding Eskom areas) as at 30 June 2020 Number of formal residential properties connected to the municipal waste water sanitation/sewerage network for sewerage service, irrespective of the number of water closets (toilets) and which are billed for sanitation/sewerage as at 30 June 2020 Number of formal residential properties for which refuse is removed once per week and which are billed for refuse removal as at 30 June 2020	Incorrect registration of properties on the Promun financial system could cause incorrect performance reporting on basic services to formal residential properties	No physical verification counts performed to ensure that properties are registered correctly on the financial system as either residential or business properties.	Serious	3	Possible	3	9	Some of the properties are visited and with all the new accounts that we create on the account we create it with correct information, e.g. if it is business we create it as such	Unsatisfactory	20%	7,2	Director: Financial Services	Physical verifications as part of the meter reading process.	Manager: Revenue Services	Mitigate		31-Dec-19
4	SO4: A Responsive & Accountable Administration		Fraud is an inherent risk through an intentional act by one or more individuals among management, those charged with governance, employees, or third parties, involving the use of deception to obtain an unjust or illegal advantage (ISA 240)	Fraud risk may realize through fraudulent financial reporting, misappropriation of assets, and/or corruption	Critical	4	Possible	3	12	Fraud Prevention Plan and Strategy: National and Provincial Hotlines	Satisfactory	65%	4,2	Director: Financial Services(CFO)	Develop Fraud prevention implementation plan. Increase awareness on the reporting methods of fraud as per fraud prevention plan	CFO	Mitigate	Fraud Prevention and Response Plan developed and approved by Council	Ongoing
5	SO5: Sound Financial management	Financial viability measured in terms of the municipality's ability to meet it's service debt obligations as at 30 June ((Short term borrowing + Bank overdraft + Short term lease + Long term borrowing + Long term lease) / Total Operating Revenue - Operating Conditional Grant)	The financial viability is put under strain by the additional influx of people in the area that do not contribute to the revenue stream, but for which services are provided	The influx of people is caused by the seasonal job opportunities created within the Langeberg area. These people do not contribute to the revenue stream of the municipality because they live in informal settlements. Inadequate law enforcement to protect municipal property against land invasion / land grabs.	Critical	4	Possible	3	12	The financial situation of the municipality is monitored on a daily basis. Reports indicating the liquidity ratios are generated and monitored to ensure that the municipality is financially viable. Appointment of Red Ant Security Relocation and Eviction Services to assist with illegal land invasion.	Satisfactory	65%	4,2	Director: Financial Services(CFO)	Prepaid water meters to be installed. Establishment of a committee for these areas where installations for basic services will be done. This committee will be responsible for the distribution of the accounts (Actions due by 28 Feb 2019)	Manager: Revenue Services	Mitigate	Meetings were held with Committees in informal settlements to discuss the billing process for informal settlements. Persons were nominated to collate the information about the statistics in the informal settlements	Ongoing
6	SO5: Sound Financial management	D352: 100% of deviations adhere to the requirements for deviation as indicated in the SCM policy	There is a risk of non-compliance with Supply Chain Management laws and regulations	The municipality has no effective mechanism in place to evaluate supplier declarations. Ineffective contract management Deviations not meeting the definition of a definition of a deviation. Minimum threshold for local production and content Bid specifications	Serious	3	Possible	3	9	Declaration forms to be completed by prospective bidders. SCM utilises the Central Supplier Database (CSD) and Searchwork to identify whether suppliers are in the service of the state. The municipality use a list of suppliers that have been identified by the AGSA that have in prior years submitted false declarations to prevent such awards from re-occurring. Implementation of approved SCM policy. Bid specifications, Bid evaluation and Bid Adjudication Committees in place. Monthly monitoring of contracts through a contract register. Requisition workflow has been amended on the collaborator system to allow the SCM Manager to include a comment before approval / disapproval by the MM	Satisfactory	65%	3,15	Director: Financial Services(CFO)	The municipality to use the Central Supplier Database (CSD) and encourage local suppliers to register on the CSD. SCM practitioner serving on the BSC to ensure that specifications are compiled in terms of SCM Policy and Regulation 27(2)(a) This form part of BSC check list. Responsible manager from the user department will ensure that all the necessary documentation and SLA are completed within time. This has been included as part of their performance score card. Each service provider to submit a monthly report to the project manager (manager user dept) on a monthly basis in order to monitor the progress in accordance to the conditions as stipulated in the tender and SLA. Contract managers to provide all deliverables as specified in the tender / contract in order to be included in the contract file and contract register. Commitment and Contract register to be updated on a monthly bases by getting the payment progress report from the creditors section to ensure accuracy and completeness. SCM Practitioner serving on the BSC also to include the local content as part of their specification check list.	Manager: SCM	Mitigate	Action plans of utilising the CSD and list of suppliers previously defaulted are implemented and therefore included under current control processes. Monthly report are submitted by the supplier and the user dept. monitor the progress on a monthly basis and provide all the sufficient PoB to be included in the contract register. BSC checklist updated to include requirements such as local content	Ongoing
STRATEGY AND SOCIAL DEVELOPMENT																			
1	SO4: A Responsive & Accountable Administration		The risk is that unauthorized changes could be made to the financial system, because vendors do not provide the municipality with a report/ audit trail of changes made when they access the system and this means that the changes they make on the system are not tracked / monitored	There are a formal processes in place to monitor and address work that was performed by IT external service providers (Promun & Syntell) for all vendors. Finance department fail to complete and report on a regular basis (at least quarterly).	Critical	4	Possible	3	12	Vendors must complete an access form to get access to the production environment. After a developer has accessed the production environment, the Finance department must sign off a report to confirm that only authorised changes were made by the vendor and that the vendor has only been granted access to production when support / maintenance is required.	Weak	40%	7,2	Director: Financial Services(CFO)	The Municipality is in the process of acquiring an integrated system for the effective implementation of mSCOA.	CFO	Mitigate	A meeting was held with RData and Syntell and it was resolved that a change management report will be issued by the relevant service providers. The review of work done must be signed off by Finance	30-Jun-20
2	SO4: An Efficient, Effective, Responsive & Accountable Administration		The risk is that the municipality may not be able to continue with service delivery during a disaster	The fact the municipality does not have a computer lab at the Disaster Recovery site.	Significant	2	Possible	3	6	The Disaster Recovery Site is tested monthly by IT Department and Annually by user departments	Unsatisfactory	20%	4,8	Director: Strategy and Social Development	Liaise with Corporate Services to identify office space. Installation of ICT infrastructure to ensure readiness to continue with critical services in the event of a disaster.	Senior Network Administrator: Z Prins			30-Jun-20
3	SO4: A responsive and accountable administration		The risk is that the municipality might lose critical data	Users do not save information on share drives and back-ups can only be made from the share drives.	Critical	5	Possible	3	15	We have implemented an automated pre-configured backup strategy, with notifications of Successful backups, Warnings or Failed backups	Good	80%	3	Director: Strategy and Social Development	Management ensure daily, weekly and Monthly backups. Awareness to be conducted to alert users to ensure that information is saved on the share drives.	Senior Network Administrator: Z Prins	Mitigate		Ongoing

No	Link to Strategic Objective	KPI	Risk Description	Root causes	Impact		Likelihood		Inherent Risk	Current control processes	Control Process Effectiveness		Residual risk	Risk Owner	Action Plans	Action Owner	Risk Response	Status of Progress Made	Due Date
4	SO5: Adherence to all laws and regulations applicable to LG	D70: Spend 100% of the total amount budgeted for general ICT needs by June 2020 ((Actual expenditure / by approved budget allocation) x 100) TL12: Spend 100% of the total amount budgeted for the upgrade of ICT infrastructure by June 2020 ((Actual expenditure / by approved budget allocation) x 100)	The risk of vulnerabilities to system failures and cyber-attacks	Outdated IT infrastructure can hamper services delivery of the municipality.	Critical	4	Possible	3	12	Implementation and monitoring of Hardware and Software upgrades	Good	80%	2.4	Director, Strategy and Social Development	Management to ensure effective Planning and Implementation by evaluating the ICT infrastructure against the ICT needs	Senior Network Administrator, Z. Prins	Mitigate		30-Jun-20
5	SO5: Sound Financial management	D70: Back-up all systems and databases on a regular basis to ensure that municipal data is secured.	The risk is that the management of user accounts for Promun and Syntell is inadequate	• User account management procedures had not been documented or approved. • User access reviews were not performed to determine whether access was in line with users' job roles and responsibilities. • The activities of system administrators were not monitored.	Critical	4	Possible	3	12	SOP's were developed for the fire wall. Annual review of the user access as per ICT security policy. Monthly reports on the super user activities for Promun, Syntell and ignite are reviewed. Segregation of duties. Changes made are authorised by the relevant manager. Audit trails are kept of changes made to systems and the Senior Network Administrator reviews the system activities of the IT personnel.	Good	80%	2.4	Director, Strategy and Social Development	Management should ensure that the audit trails of users who have access to maintain creditor banking details are monitored on a periodic basis. Evidence of this should be maintained for audit purposes. In addition management should consider investigating whether the vendor is able to address the inadequate management of changes made to creditor banking details through the development and implementation of a built in automated approval function. Internal Audit to perform a quarterly review on the activities of the Senior Network Administrator on Promun & Syntell systems. When it is impractical to request via email from the Senior Network Administrator to perform activities on Syntell, the Senior Network Administrator should send a notification email to the electrician. The electrician should then acknowledge receipt of such emails which would serve as the supporting evidence.	Senior Network Administrator, Z. Prins	Mitigate	User access reviewed for Promun & Syntell S3	Quarterly
6	SO3: Promote an enabling environment for economic growth and decent employment	Create job opportunities through the Expanded Public Works Programme (EPWP) by 30 June 2020	The risk is that EPWP employee contracts might not be duly signed.	User departments that are responsible to ensure that EPWP employment contracts are duly signed by the appointed EPWP officials before commencing with work at the municipality do not always ensure that employee contracts are duly signed.	Significant	2	Likely	4	8	Contracts are verified by the PMS officer	Good	80%	1.6	Director, Strategy & Social Development	Human Resources should ensure that EPWP employee contracts are duly signed before EPWP officials commence with work at the municipality. Human Resources should notify EPWP Clerk of any new contracts or resignations on a weekly basis.	EPWP Clerk	Mitigate		31-Dec-19
ENGINEERING DIRECTORATE																			
1	SO2: Basic Service Delivery	Strategic Objective: Basic service delivery	The risk is that there may be illegal electricity connections	Influx into informal settlements Backlog in Housing	Critical	4	Almost certain	5	39	The municipality sends out notices for the disconnection of electricity supply to households identified of providing electricity to other households by means of illegal connections.	Unsatisfactory	0%	39	Director Engineering Services	1. Credit Control to monitor on a monthly basis and report any abnormal high usage of electricity to the Electricity Department for further investigation of possible illegal electricity connections. 2. A hotline to be established and communicated for reporting of illegal electricity connections.	Manager Electrical Engineering Services	Accept	Council accepted the risk until an alternative solution is found.	N/A
2	SO2: Basic Service Delivery	D212: Maintain roads and stormwater in terms of the maintenance budget spent	The risk is that Storm Water may cause Flood Damage due to the inadequate storm water systems	Inadequate storm water systems Lack of funding for implementation of Master Plans	Critical	4	Almost certain	5	20	Storm water master plans were developed and updated for all towns, except McGregor. Cleaning of storm water systems in the municipal area. The municipality uses a high pressure pipe cleaning machine to clean the channels.	Unsatisfactory	20%	16	Director Engineering Services	Development and implementation of stormwater masterplan for McGregor. Obtain funding for implementation of Master Plans. Development, approval and implementation of Stormwater Management Policy. Compilation of rotational plan for the High Pressure Pipe Cleaning machine. Implementing litter traps/silt traps/grit traps in channels before culverts where practically possible. Management should ensure that all complaints received are attended by performing a reconciliation on complaints received and job cards for each complaint attended to.	Director Engineering Services	Mitigate	A stormwater master plan is in place.	30-Jun-20
3	SO2: Basic Service Delivery	TL34: Spend 100% of the total amount budgeted for the upgrade/rehabilitation of roads in the Robertson area by 30 June 2019 ((Total actual expenditure for the project/Total amount budgeted for the project)x100) TL36: Spend 100% of the total amount budgeted for the upgrade/rehabilitation of roads in the Central Business District of Robertson by 30 June 2019 ((Total actual expenditure for the project/Total amount budgeted for the project)x100)	The risk is that the streets network may be dissipated	Lack of funding for implementation of PMS in one financial year PMS plan not indicating set targets for specific periods Inadequate monitoring and reporting on the implementation of PMS/road maintenance	Critical	4	Almost Certain	5	20	A Pavement Management System (PMS) plan providing an overview on the conditions of roads and recommendations was developed and approved. Council approved that funds from the Capital Replacement Reserve (CRR) be utilised for repairs on roads in the CBD area. Repairs on the roads in the CBD area has commenced through utilisation of funds from the CRR. Master plans are also in place and funding has been allocated for maintaining the roads.	Weak	40%	12	Director Engineering Services	Develop a road maintenance plan with set targets on the repairs and maintenance for specific roads for each financial year (the plan should make provision for planned and unplanned repairs/maintenance). Road maintenance plan should be approved, implemented and progress must be monitored regularly. Funding to be made available continuously for repairs and maintenance on roads in the municipal area.	Director Engineering Services Manager Civil Engineering Services	Mitigate	Master plans are also in place and funding has been allocated for maintaining the roads.	30-Jun-20
4	SO4: A Responsive and accountable administration	% Critical posts vacant	The risk is that service delivery to the public may be unsatisfactory.	1. Lack of competent personnel in critical posts at the engineering department. 2. No succession planning	Serious	3	Almost certain	5	16	Review of organisational structure to reflect actual operational processes	Unsatisfactory	20%	12	Director Engineering Services	Adopting of a scarce skills policy. Succession planning and career pathing. Individual performance management system. Implementing of providing external bursaries (refer to follow up tool for more details)	Manager Solid Waste Management (All manager - Engineering Services)	Mitigate	Position advertised for Senior Technician - Electrical Services	30-Jun-20
5	SO2: Provision of Basic Service Delivery	TL21: Recycle 1200 tons of domestic waste by 30 June 2019	The risk is that the municipality is approaching a shortage of airspace at the Ashton landfill site.	Delay in development of Regional Landfill Site (RLS) by Cape Winelands District Municipality (CWD) due to pending court case	Serious	3	Almost certain	5	19	Application for increased height of cells at Ashton Landfill Site, recycling	Weak	40%	9	Director Engineering Services	Continuous engagements with CWD and Department of Environmental Affairs and Development Planning (DEA&DP) on progress of court case (scheduled for March 2019). Agreement with Breede Valley Municipality to use their landfill site in emergency	Manager Solid Waste Management	Mitigate		31-Oct-19
6	SO4: A Responsive and Accountable Administration	Limit unaccounted water to less than 15% as at 30 June 2020 ((Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold (incl free basic water) / Number of Kilolitres Water Purchased or Purified _ 100)	Risk of water losses	Vandalism and theft to electrical and water infrastructure	Serious	3	Almost certain	5	16	Cameras were placed at the Ashbury lower and Zolani pump stations, and reservoirs at Cogmanskloof. Alarm system installed at the Zolani pump station which includes security patrols by the Secunet security company.	Weak	40%	9	Director Engineering Services	Investigate possible security measures.	Manager Civil Engineering Services	Mitigate		30-Jun-19
7	SO2: Provide and maintain Infrastructure to provide basic services to all citizens	Complete the reconstruction of the Bonnievale stores by 30 June 2020	Inadequate space at Bonnievale stores resulting in occupational healthy and safety hazards	Insufficient funds to fully reconstruct the stores in the 2019/20 financial year.	Significant	2	Almost certain	5	10	No control	Unsatisfactory	20%	8	Director Engineering Services	Allocation of funding for the project in the next financial year's (2020/21) budget.	Manager Civil Engineering Services	Mitigate	Tender advertisement closed on 11 Oct 2019	30-Jun-21
8	SO2: Basic Service Delivery	TL25: Limit unaccounted water to less than 15% as at 30 June 2019 ((Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold (incl free basic water) / Number of Kilolitres Water Purchased or Purified _ 100) TL53: Install two monitoring boreholes at the Ashton landfill site by 30 June 2019. TL81: Spend 100% of the amount budgeted for the Establishment of boreholes by 30 June 2019	The risk is that water may not be sufficiently available	Drought Conditions Existing sources of raw water becoming under pressure due to increase in normal population growth	Catastrophic	5	Unlikely	2	10	The municipality charges block tariffs to consumers based on their water consumption. Implementation of "War on Leaks" programme to repair water leaks in poor households. Unaccounted water losses are minimised through implementation of a quick response time to attend to water leakages. Water restrictions and penalties are imposed during drought conditions.	Weak	40%	6	Director Engineering Services	Minimise unaccounted water by having a quick response time to attend to leakages to save water. Development of new raw water sources - currently being done. Imposing of water restrictions during drought conditions.	Manager Civil Engineering Services	Mitigate	Development of new raw water sources commenced.	As soon as funding is available/ On going

No	Link to Strategic Objective	KPI	Risk Description	Root causes	Impact	Likelihood	Inherent Risk	Current control processes	Control Process Effectiveness	Residual risk	Risk Owner	Action Plans	Action Owner	Risk Response	Status of Progress Made	Due Date			
9	SO2: Basic Service Delivery	TL23: 95% of water samples comply with SANS241 micro biological indicators ((Number of water samples that comply with SANS241 indicators/Number of water samples tested)x100) TL31: 80% of effluent samples comply with permit values ((Number of effluent samples that comply with permit values/Number of effluent samples tested)x100)	The risk is that the municipality may not be complying with water and wastewater treatment standards	Non optimal management and operation of water and wastewater plants (low blue drop and green drop scores) Insufficient capacities of plants due to increase in demand Lack of dedicated water and wastewater treatment skills Aging infrastructure and safeguarding of treatment works Lack of continuation of plants in the event of power disruptions	Catastrophic	5	Possible	3	18	Expansion of existing water and sanitation master plans to include analysis of water and wastewater treatment plants management, processes, capacities and compilation of comprehensive operation manuals. Water & wastewater treatment training programmes included annually in the workplace skills plan (WSP). For monitoring in terms of the WSP, reporting is done to the Training Committee on a quarterly basis. Improvement of Blue and Green Drop scores through regulatory compliance (WSDP, WSP, W2RAP, Blue and Green Drop Audits etc.) Internal monitoring done at the treatment works to ensure compliance with the SANS standards. Safeguarding of water and wastewater treatment works by means of attendants at treatment works and fencing. The Montagu wastewater treatment works was upgraded. The SANS standards are displayed at all treatment works for ease of reference when performing testing on water and wastewater samples	Satisfactory	65%	9,25	Director Engineering Services	Assessing treatment works' annually against the population growth to identify possible needs for upgrading timeously.	Manager: Civil Engineering Services	Mitigate	Montagu Waste Water Treatment work project was completed	30-Jun-20
10	SO5: Adherence to all laws and regulations applicable to LG	80% of effluent samples comply with permit values ((Number of effluent samples that comply with permit values/Number of effluent samples tested)x100)	Pollution of Breede river due to untreated waste water	Robertson WWTW is reaching maximum capacity	Significant	2	Likely	4	8	Renovating and repairing existing infrastructure to improve functionality	Weak	40%	4,8	Director Engineering Services	Decision taken by Council that for the 2021/22, 2022/23 financial years the full MIG funding be utilised on wastewater treatment works	Manager: Civil Engineering Services	Mitigate		30-Jun-22
11	SO4: An Efficient, Effective, Responsive & Accountable Administration	TL30: Complete the review of the SDF and submit to Council for approval by 31 May 2019	The risk is that there may be unlawful land use in the Municipal jurisdiction	Lack of law enforcement capacity to implement legal action against transgressors	Serious	3	Almost certain	5	15	Implementation of law enforcement unit to apply applicable legislation/bylaws Availing of legal capacity to implement legal action against transgressors	Good	80%	3	Director Engineering Services	Filling of vacant positions in Town Planning Department	Manager: Town Planning	Mitigate	Vacant positions in the Town Planning were advertised	30-Jun-20
12	SO2: Basic Service Delivery	% Compliance with relevant standards	Ineffective water services delivery in the municipality as a result of vulnerabilities in key service areas/business attributes (Results used from Municipal Strategic Self-Assessment(MSSA))	As per the MuSSA the following is the top areas of vulnerability to the municipality: - Staff skills level (Technical) - Infrastructure asset management - Financial asset management	Serious	3	Unlikely	2	6	Implementation of Water Services Development Plan (WSDP)	Satisfactory	65%	3,1	Director Engineering Services	Adoption of a "start-to-finish management approach" (i.e. a "Plan-Do-Check-Act" Framework) and following the structured Municipal Priority Action Planning (MPAP) process comprising of the following four parts: Step 1: Analyse the current situation via the MuSSA, whereby both the Water Services Authority (WSA) and Regional Department Water and Sanitation (DWS) jointly prioritise where the WSA needs to improve and set associated targets	Manager: Civil Engineering Services	Mitigate		30-Jun-20
COMMUNITY SERVICES																			
1	SO4: A Responsive & Accountable Administration	D444: Inspect all community facilities on a monthly basis as per maintenance plan	The risk is that community facilities may be vandalized	Lack of security personnel and alarm systems. Non-Monitoring of sports fields after hours. Lack of Boundary fencing. Libraries are public spaces visited by lots of people on a daily basis- buildings are not fully protected against incidents that may occur.	Critical	4	Likely	4	16	EPWP as security officials have been appointed at the Van Zyl, Cogmanskloof, Happy Valley, King Edward, Zolani, Nkubela sports fields. Community & Stakeholder involvement is undertaken frequently. Additional EPWP security are appointed for Dirkie Uys swimming pool, sports fields and public	Unsatisfactory	20%	12,8	Director: Community Services	1. Daily inspections of community facilities and recording of incidents to be reported to Supervisors / Manager. 2. Budgeting and implementation of a EPWP security at facilities. 3. Installation of PVC fencing at community facilities as funding made available. 4. Law enforcement to assist at swimming pool during busy seasons. 5. Access control to be implemented at facilities as funding made available. 6. Continuous maintenance of facilities	Managers: Community Facilities	Mitigate	Check sheets are established to determine when/ where vandalism took place. Instances of vandalism reported on a monthly reports to the director, community services	30-Jun-20
2	SO2: Provision of Basic Service Delivery	TL78: Purchase a Digger loader for the Cemeteries Division by 31 March 2019	The risk is that the municipality is approaching a shortage of Cemetery space in all towns	Some of the cemeteries are full, there are delays in developments to extend and the identification of cemetery sites is difficult as there is no appropriate municipal land available	Critical	4	Almost certain	5	20	Consultant was appointed to identify possible sites for cemetery space.	Weak	40%	12	Director: Community Services	Report drafted in conjunction with the consultants (CK Rumbold) will be submitted to the Portfolio committee and subsequently to Council. (Phase one done; phase 2 in process) SMT to discuss proposed amendments to cemeteries by-law	Manager: Parks & Cemeteries	Mitigate	On going process and options/ directions will be discussed with SMT. Term of appointment of the consultant has expired, however work is still done with their involvement.	On-going
3	SO1: Facilitate integrated human settlements and improved living conditions of all households	Submit 200 completed signed offer to purchase contracts to the attorneys for registration of title deeds by 30 June 2020. Submit 30 completed signed offer to purchase contracts for pre 1994 rental housing stock to the attorneys for registration of title deeds by 30 June 2020.	Signed offer to purchase contracts not signed timeously by beneficiaries.	Original beneficiaries are difficult to trace, passed away, are divorced, never stayed in their houses and sublet it, some refuse to sign because of structural defects on houses, and outstanding subsidy approvals at Department of Human Settlements. Family disputes involved. Litigation involved.	Serious	3	Almost certain	5	15	DOHS approved a policy for the identification and confirmation of housing subsidy beneficiaries on 01.10.2018 to enable transfer of ownership in subsidy financed housing scheme: 1994 - 2014. We also submit a report to Council to take a decision on outstanding transfers of historic subsidized human settlements development.	Unsatisfactory	20%	12	Director: Community Services	Get the support from Council, DOHS and the involved communities to assist us in implementing the policy. Housing officials visiting families for updates.	Manager: Housing Administration	Mitigate		On-going
4	SO4: A Responsive & Accountable Administration	D499: Respond to resident's queries within 7 days from when the complaint has been received	The risk is that the public is not complying with the municipal by-laws with reference to small farmers	There are free roaming live stock. The public is also keeping live stock in residential areas	Serious	3	Likely	4	12	Development of a stray animals by law will be submitted to Council. Signing a SLA with the organisations that are involvement with care of animals.	Satisfactory	85%	4,2	Director: Community Services	Appointment of organisations involved in animal welfare and SLA signed. Continuous monitoring of SLA and performance.	All Directors	Mitigate	SLA signed with organisations involved with animal welfare.	On-going
5	SO2: Provide and maintain infrastructure to provide basic services to all citizens	Spend 100% of the total amount budgeted for the upgrade of the ablution facilities at Van Zyl Street Sports field by 30 June 2020. ((Total actual expenditure for the projects/Total amount budgeted for the projects)x100) Spend 100% of the total amount budgeted for the construction of a pavilion at McGregor Sports field by 30 June 2020. ((Total actual expenditure for the projects/Total amount budgeted for the projects)x100) Spend 100% of the total amount budgeted for the replacement of Sand Filter System at Dirkie Uys Swimming Pool by 30 June 2020. ((Total actual expenditure for the projects/Total amount budgeted for the projects)x100)	The risk that capital projects (upgrading of ablution facilities at Van Zyl Street Sports field, construction of a pavilion at McGregor Sports field, and replacement of Sand Filter System at Dirkie Uys Swimming Pool) might not be completed at 30 June 2020	Procurement process delays. Contractor not delivering on time. No building plans available of area of pavilion and plans to be drawn up first of the area where work to be completed, as advised by Building section. Current pump system unable to sustain new sand filter.	Serious	3	Possible	3	9	Bid Specification Committee Meeting set up for August 2019, PMU in process of concluding specifications. Applicable to swimming pool. Bid Specification Committee sat on 26/06/2019, advertisement following shortly. Complete all administration with regards to SCM and get supplier appointed. Determination the duration of the sand filter replacement works.	Satisfactory	65%	3,15	Director: Community Services	Building plans to be drawn up by service provider appointed via SCM process. Closing the Swimming pool during season.	Manager: Community Facilities		Building plans drawn for Van Zyl sport field are completed. Tenders are underway for possible awarding and eventually construction.	30-Jun-20
6	SO4: A responsive and accountable administration	Review the Disaster Management Plan and submit for assessment to the District by 31 May 2020	Lack of a properly reviewed and updated Disaster Management Plan	Vacancy of the Chief Fire & Disaster Management position resulting in not having a qualified employee, to do a proper review on Disaster Management Plan	Significant	2	Possible	3	6	Newly appointed station officer currently performing the function.	Good	80%	1,2	Director: Community Services	Appointment of Chief Fire & Disaster Management. Cape Winelands in the process to fill the vacancy of intern that was appointed for this purpose.	Director: Community Services	Mitigate		30-Jun-20

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B & BB ITEMS

B5582	THANDANANI SERVICE CENTRE: APPLICATION FOR THE LEASE OF THE MUNICIPAL BUILDING KNOWN AS THE "YELLOW DOOR" SITUATED ON ERF 248, ZOLANI ASHTON (7/1/4/1/1) (PRINCIPAL CLERK: PROPERTY ADMINISTRATION)	122
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B & BB ITEMS

B5582 THANDANANI SERVICE CENTRE: APPLICATION FOR THE LEASE OF THE MUNICIPAL BUILDING KNOWN AS THE "YELLOW DOOR" SITUATED ON ERF 248, ZOLANI ASHTON (7/1/4/1/1) (PRINCIPAL CLERK: PROPERTY ADMINISTRATION)

This item served before the Executive Mayoral Committee on 18 February 2020

Hierdie item het voor die Uitvoerende Burgemeesterskomitee gedien op 18 Februarie 2020

Eenparig Besluit / Unanimously Resolved

1. That it be confirmed that the municipal property situated on erf 248, Zolani known as "Yellow Door" is not needed for the provision of the minimum level of basic municipal services.

Dat dit bevestig word dat die munisipale eiendom geleë te erf 248, Zolani, Ashton bekend as "Yellow Door" nie benodig word vir die verskaffing van die minimum vlak van basiese munisipale dienste nie.

2. That the municipal property situated on erf 248, Zolani known as "Yellow Door" be lease to Thandani Service Centre for a period of 3 years, at a market related rental, subject to the following conditions:

Dat die munisipale eiendom geleë te erf 248, Zolani bekend as die "Yellow Door" verhuur word aan Thandani Service Centre vir 'n tydperk van 3 jaar, teen 'n markverwante huur, onderhewig aan die volgende voorwaardes:

- 2.1 That the amount in arrears (R 516.15) been paid in full before finalizing the lease agreement.

Dat die agterstellige bedrag (R516.15) ten volle vereffen word voordat die huurooreenoms finaliseer word.

- 2.2 The rental amount for the municipal property situated on erf 248, Zolani known as "Yellow Door" will escalate annually with a percentage that will be determined by the yearly CPIX and the Lessee is responsible for the payment of the insurance of the building.

Dat die huurbedrag vir die munisipale eiendom geleë te erf 248, Zolani bekend as die „Yellow Door“ jaarliks eskaleer met 'n persentasie wat bepaal word deur die VPI en dat die Huurder verantwoordelik is vir die betaling van die versekering op die gebou.

- 2.3 That the Lessee be responsible for maintenance, repairs and upgrading work to be done to the building.

Dat die Huurder verantwoordelik sal wees vir instandhouding, herstelwerk en opgraderingswerk van die gebou.

- 2.4 That no alterations may be done to the building without the written consent from the Municipality.

Dat geen veranderinge aan die gebou gemaak mag word sonder die skriftelike toestemming van die Munisipaliteit nie.

- 2.5 That the lessee be responsible for the payment of all services rendered to the facility.

Dat die huurder verantwoordelik is vir die betaling van alle dienste na die perseel.

- 2.6 That the lessee complies with all the conditions as contained in the Health By-laws and further conditions set by the Cape Winelands District Municipality and relevant provincial departments from time to time.

Dat die huurder voldoen aan al die vereistes soos vervat in die Gesondheidsverordeninge en verdere vereistes wat van tyd tot tyd deur die Kaapse Wynland Distriksmunisipaliteit en ander relevante provinsiale departemente gestel word.

- 2.7 That the Lessee complies with all the conditions as contained in the Health By- laws, National Building

Regulations and Standards, fire emergency requirements and any other conditions applicable for the usage of this building for its own account.

Dat die Huurder voldoen aan al die vereistes soos vervat in die Gesondheidsverordeninge, Nasionale Bouregulasies en Bou Standaarde, nood brand vereistes enige ander vereiste van toepassing vir die gebruik van hierdie gebou vir sy eie rekening.

- 2.8 That the Lessee shows proof of the facility registration issues by the Department of Social Development before the lease agreement is signed by the Municipal Manager.

Dat die Huurder bewys lewer van registrasie vir die fasiliteit soos uitgereik deur die Departement van Sosiale Ontwikkeling voordat die huurooreenkoms deur die Munisipale Bestuurder onderteken word.

- 2.9 That the Lessee shows proof of the Facilities Certificate of Acceptability issued by the Cape Winelands District Municipality as meals are prepared, served and consumed on the premises before the lease agreement is signed by the Municipal Manager.

Dat die Huurder bewys lewer van die "Facilities Certificate of Acceptability" soos uitgereik deur die Kaapse Wynland Distriks Munisipaliteit aangesien etes voorberei, bedien en verbruik word op die perseel, alvorens die huurooreenkoms deur die Munisipale Bestuurder onderteken word.

B5583 DEVIATIONS FROM THE NORMAL PROCUREMENT PROCESSES FOR JANUARY 2020 – DIRECTORATE: COMMUNITY SERVICES (9/2/1) (CHIEF FINANCIAL OFFICER)

This item served before the Executive Mayoral Committee on 18 February 2020
Hierdie item het voor die Uitvoerende Burgemeesterskomitee gedien op 18 Februarie 2020
Eenparig Besluit / Unanimously Resolved

That the contents of the report of deviations from the procurement processes be noted.

Dat kennis geneem word van die inhoud van die verslag in verband met afwykings van die verkrygingsprosesse.

B5584 DEVIATIONS FROM THE NORMAL PROCUREMENT PROCESSES FOR JANUARY 2020 – DIRECTORATE: ENGINEERING SERVICES (9/2/1) (CHIEF FINANCIAL OFFICER)

This item served before the Executive Mayoral Committee on 18 February 2020
Hierdie item het voor die Uitvoerende Burgemeesterskomitee gedien op 18 Februarie 2020
Eenparig Besluit / Unanimously Resolved

That the contents of the report of deviations from the procurement processes be noted.

Dat kennis geneem word van die inhoud van die verslag in verband met afwykings van die verkrygingsprosesse.

B5585 DEVIATIONS FROM THE NORMAL PROCUREMENT PROCESSES FOR JANUARY 2020 - (9/2/1) CHIEF FINANCIAL OFFICER

This item served before the Executive Mayoral Committee on 18 February 2020
Hierdie item het voor die Uitvoerende Burgemeesterskomitee gedien op 18 Februarie 2020
Eenparig Besluit / Unanimously Resolved

That the contents of the report of deviations from the procurement processes be noted.

Dat kennis geneem word van die inhoud van die verslag in verband met afwykings van die verkrygingsprosesse.

B5586 RESUBMISSION: APPLICATION FOR THE PURCHASE OF A PORTION OF MUNICIPAL PAVEMENT SITUATED IN FRONT OF ERF 1671, ROBERTSON (7/2/R) (PRINCIPAL CLERK: PROPERTY ADMINISTRATION)

This item served before the Executive Mayoral Committee on 18 February 2020
Hierdie item het voor die Uitvoerende Burgemeesterskomitee gedien op 18 Februarie 2020

Eenparig Besluit / Unanimously Resolved

That the application received from Mr AB van Niekerk to purchase a portion of the pavement situated in front of erf 1671, Robertson not be approved seeing that the irrigation channel that also serves as a storm water channel will then fall within the property boundaries which will cause the Municipality to not have access to the channel for maintenance and unblocking of blockages. Furthermore, approval of this application will set a precedent.

Dat die aansoek ontvang van Mnr AB van Niekerk om 'n gedeelte van die sypaadjie voor erf 1671, Robertson te koop nie goedgekeur word nie aangesien die leiwater sloot wat ook as 'n stormwater kanaal dien, binne die grense van die eiendom val wat sal veroorsaak dat die Munisipaliteit nie toegang tot die kanaal sal hê vir instandhouding en oopmaak van verstoppings nie. Verder sal die goedkeuring van hierdie aansoek 'n presedent skep.

BB713 REPORTING ON LITIGATION – DECEMBER 2019 TO FEBRUARY 2020 (7/1/R + 7/2/R) (DIRECTOR CORPORATE SERVICES)

This item served before the Executive Mayoral Committee on 18 February 2020

Hierdie item het voor die Uitvoerende Burgemeesterskomitee gedien op 18 Februarie 2020

Eenparig Besluit / Unanimously Resolved

That the contents of the Report on Litigation - December 2019 to February 2020 be noted.

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