

**MINUTES OF THE COUNCIL MEETING OF WITZENBERG MUNICIPALITY, HELD IN THE COUNCIL CHAMBERS, MUNICIPAL OFFICES, 50 VOORTREKKER STREET, CERES ON MONDAY, 24 AUGUST 2015 AT 10:00**

**PRESENT**

Councillors

TT Godden (Speaker)  
JNED Klazen (Executive Mayor)  
K Adams (Deputy Executive Mayor)  
R Badela  
P Daniëls  
JJ du Plessis  
MC du Toit  
JP Fredericks  
WJ Hanekom  
BC Klaasen  
S Louw  
JS Mouton  
SM Ndwanya  
JT Phungula  
L Salmon  
EM Sidego  
RJ Simpson  
A Smit  
HJ Smit  
D Swart  
JJ Visagie

Officials

Mr D Nasson (Municipal Manager)  
Mr HJ Kritzinger (Director: Finance)  
Ms J Krieger (Director: Community Services)  
Mr A Raubenheimer (Deputy Director: Finance)  
Mr G Louw (Head: Internal Audit)  
Mr A Hofmeester (IDP Manager)  
Mr R Rhode (Acting Manager: Administration)  
Ms M Arendse (Principal Administrative Officer)  
Mr C Titus (Committee Clerk)  
Ms P Nombayeka (Interpreter)

Other representatives

Mr Neil Bettesworth (Ceres Business Initiative)

**1. OPENING AND WELCOME**

The Speaker requested Pastor P Swarts to open the meeting with prayer after which Councillor A Smit welcomed everyone present.

**NOTED.**

**2. CONSIDERATION OF APPLICATION FOR LEAVE OF ABSENCE, IF ANY**  
**(3/1/2/1)**

Applications for leave of absence from the meeting were received from Councillors B Chaaban and MI Saula.

Apologies for absence from the meeting were received from the Directors: Corporate Services and Technical Services.

**RESOLVED**

- (a) *That the applications for leave of absence from the meeting, received from Councillors B Chaaban and MI Saula be approved and accepted.*
- (b) *That cognisance be taken of the apologies for absence from the meeting, received from the Directors: Corporate Services and Technical Services.*

**3. STATEMENTS, ANNOUNCEMENTS OR MATTERS RAISED**

**3.1 Gratitude, Congratulations and Commiseration**  
**(11/4/3)**

The Speaker requested a minute of silence for the passing of a young rugby player, Mr F Arries, from the farm Wadrif in the Koue Bokkeveld.

Councillor P Daniëls conveyed Council's congratulations to the following spouses of councillors and an official on their birthdays:

- Mrs Anthea Klaasen                      4 August
- Mr M Mpeluza                              24 August
- Mrs Clara Smit                              29 August

Councillor J Phungula mentioned that an albino woman was murdered in Kwazulu-Natal and that all women, irrespective of race, must be respected and protected.

Councillor J Phungula requested that ward councillors please avail themselves when incidents occur in their wards.

The Speaker stated that women should be appreciated, especially during Women's Month.

Councillor MC du Toit mentioned that council resolutions are not adhered to as supplementary items are still being distributed after distribution of the agenda.

The Municipal Manager informed Council that the council agenda was placed on drop box timeously as resolved by Council.

**NOTED.**

**3.2 Matters raised by the Speaker  
(09/1/1)**

None.

**NOTED.**

**3.3 Matters raised by the Executive Mayor  
(09/1/1)**

None.

**NOTED.**

**4. MINUTES**

**4.1 Approval of minutes  
(3/1/2/3)**

The minutes of the council meeting, held on 28 July 2015, are attached as **annexure 4.1**.

**RESOLVED**

*That the minutes of the council meeting, held on 28 July 2015, be approved and signed by the Speaker.*

**5. MOSIES EN KENNISGEWINGS VAN VOORSTELLE**

Geen.

**AANGETEKEN.**

**6. INTERVIEWS WITH DELEGATIONS**

None.

**NOTED.**

**7. GEDELEGEERDE BEVOEGDHEDE / DELEGATED POWERS**

**7.1 Notules: Komiteevergaderings  
(03/3/2)**

Die verslae/notules van die volgende vergaderings word ingebind:

- (a) Performance, Risk and Audit Committee, held on 20 February 2015: **Annexure 7.1(a).**
- (b) Committee for Corporate and Financial Services, held on 22 May 2015: **Annexure 7.1(b).**
- (c) Executive Mayoral Committee, held on 25 May 2015: **Annexure 7.1(c).**
- (d) Komitee vir Behuisingsaangeleenthede, gehou op 12 Junie 2015: **Bylae 7.1(d).**
- (e) Komitee vir Gemeenskapsontwikkeling, gehou op 24 Junie 2015: **Bylae 7.1(e).**
- (f) Committee for Technical Services, held on 26 June 2015: **Annexure 7.1(f).**

**BESLUIT**

*Dat kennis geneem word van die notules van die komiteevergaderings.*

The Speaker ruled that item 8.1.5 be discussed before item 8.1.1.

The ANC requested a caucus break for five minutes. The meeting adjourned at 10:15 and resumed at 10:20.

**8. GERESERVEERDE BEVOEGDHEDE / RESERVED POWERS**

**8.1 Direktooraat Finansies / Directorate Finance**

**8.1.1 Monthly reports of the Department Finance: May and June 2015  
(9/1/2/2)**

The following items refer:

- (a) Item 7.1.1 of the Executive Mayoral Committee meeting, held on 27 July 2015.
- (b) Item 7.1 of the meeting of the Committee for Corporate and Financial Services, held on 4 August 2015.

The following monthly reports of the Department Finance are attached:

- (a) May 2015           **Annexure 8.1.1(a)**
- (b) June 2015       **Annexure 8.1.1(b)**

The Executive Mayoral Committee took cognisance of the monthly reports of the Department Finance for May and June 2015 on 27 July 2015.

The Committee for Corporate and Financial Services resolved on 4 August 2015 that cognisance be taken of the monthly reports of the Department Finance for May and June 2015 and same be accepted.

**RESOLVED**

*That cognisance be taken of the monthly reports of the Department Finance for May and June 2015 and same be accepted.*

**8.1.2 Monthly report: Service Delivery and Budget Implementation Plan: May 2015  
(05/1/5/7)**

Item 7.1.2 of the Executive Mayoral Committee meeting, held on 27 July 2015, refers.

The monthly report of the Service Delivery and Budget Implementation Plan for May 2015 is attached as **annexure 8.1.2**.

The Executive Mayoral Committee took cognisance of the monthly report of the Service Delivery and Budget Implementation Plan for May 2015 on 27 July 2015.

**RESOLVED**

*That cognisance be taken of the monthly report of the Service Delivery and Budget Implementation Plan for May 2015 and same be accepted.*

**8.1.3 Quarterly inventory count  
(6/1/1)**

Item 7.1.3 of the Executive Mayoral Committee meeting, held on 20 August 2015, refers.

A report from the Manager: Supply Chain, dated 2 July 2015, is attached as **annexure 8.1.3**.

The Executive Mayoral Committee resolved on 20 August 2015 to recommend to Council that approval be granted for the adjustment of shortages to the value of R1 302.00.

**RESOLVED**

*That approval be granted for the adjustment of shortages to the value of R1 302.00.*

**8.1.4 Finance: Quarterly Section 11 Report: 1 April to 30 June 2015  
(9/1/2/2)**

Item 7.1.4 of the Executive Mayoral Committee meeting, held on 20 August 2015, refers.

A report from the Director: Finance, dated 9 July 2015, is attached as **annexure 8.1.4**.

The Executive Mayoral Committee took cognisance of the Quarterly Section 11 Report for the period 1 April to 30 June 2015 on 20 August 2015.

**RESOLVED**

*That cognisance be taken of the Quarterly Section 11 Report for the period 1 April to 30 June 2015.*

**8.1.5 Finance: Adjustment budget 2015/2016  
(5/1/1/14)**

The following documents are attached:

- (a) Report from the Director: Finance, dated 14 August 2015: **Annexure 8.1.5(a)**.
- (b) Medium Term Revenue and Expenditure Framework: **Annexure 8.1.5(b)**.

**RESOLVED**

*That the adjustment budget of Witzenberg Municipality for the financial year 2015/2016 as set out in the budget documents be approved:*

- (i) Table B1 - Budget summary;
- (ii) Table B2 - Adjustments Budget Financial Performance (by standard classification).
- (iii) Table B3 - Budgeted Financial Performance (Revenue and Expenditure) by Vote.
- (iv) Table B4 - Adjustments Budget Financial Performance (revenue by source).
- (v) Table B5 - Budgeted Capital Expenditure by Vote, standard classification and funding.

**8.2      Direktoraat Tegniiese Dienste / Directorate Technical Services**

Geen.

**AANGETEKEN.**

---

**8.3      Direktoraat Gemeenskapsdienste / Directorate Community Services**

Geen.

**AANGETEKEN.**

---

**8.4      Direktoraat Korporatiewe Dienste / Directorate Corporate Services**

**8.4.1    Council's immovable property: Transfer and selling of land: Erf 90 Op-die-Berg in Witzenberg Municipality's name and selling unregistered erf 325, portion of erf 90 to Cape Agri (7/1/4/2)**

The following items refer:

- (a)      Item 7.2 of the Committee for Corporate and Financial Services meeting, held on 22 May 2015.
- (b)      Item 8.4.1 of the council meeting, held on 28 July 2015.

A memorandum from the Senior Officer: Properties, dated 29 April 2015, is attached as **annexure 8.4.1**.

The Committee for Corporate and Financial Services resolved on 22 May 2015 to recommend to Council:

- (a)      That erf 90, Op-die-Berg be transferred to the Witzenberg Municipality's name in terms of Ordinance 15 of 1985.
- (b)      That erf 90, as well as the unregistered erf 325, Op-die-Berg, is not required for a minimum level of basic municipal services.
- (c)      That unregistered erf 325, Op-die-Berg, (a Portion of Erf 90) be sold to Kaap Agri at market related value.
- (d)      That the Municipal Manager be mandated to sign all necessary documents on behalf of Council in order to effect the sale.
- (e)      That the intention to sell a portion of erf 90 (Unregistered erf 325), Op-die-Berg by Council to Kaap Agri be advertised in the local newspaper for comments and any objections in terms of the legislation for selling of immovable properties.

Councillor D Swart proposed that the matter be held in abeyance until the next meeting, and Councillor JNED Klazen seconded the proposal.

Council resolved on 28 July 2015 that the matter of the transfer of erf 90, Op-die-Berg and the selling of unregistered erf 325, portion of erf 90, be held in abeyance until the next council meeting.

**RESOLVED**

- (a) *That erf 90, Op-die-Berg be transferred to the Witzenberg Municipality's name in terms of Ordinance 15 of 1985.*
- (b) *That erf 90, as well as the unregistered erf 325, Op-die-Berg, is not required for a minimum level of basic municipal services.*
- (c) *That unregistered erf 325, Op-die-Berg be put on open tender and dealt with in terms of Council's supply chain process.*
- (d) *That the Municipal Manager be mandated to sign all necessary documents on behalf of Council in order to effect the sale.*
- (e) *That the intention to sell a portion of erf 90 (unregistered erf 325), Op-die-Berg by Council be advertised in the local newspaper for comments and any objections in terms of the legislation for selling of immovable properties.*

**8.4.2 Witzenberg Agri-Park  
(2/10 & 7/1/4/2)**

Item 7.4.1 of the Executive Mayoral Committee meeting, held on 20 August 2015, refers.

The following memorandum, dated 17 August 2015, was received from the Municipal Manager:

"Purpose

To inform Council that the Witzenberg Municipality has been selected by the Department of Rural Development and Land Reform as the municipality within the Cape Winelands District area to host an agri-park and to confirm the area and land identified for such purpose.

Background

The Honourable Minister of Rural Development, Minister Nkwinti, announced his department's intention to roll-out the agri-parks concept within all the 44 districts throughout South Africa. This is in line with the vision of the National Development Plan which provided for accelerating development so that food security can increase, unemployment and inequality be reduced and an inclusive society be created. This is also in line with the State of the Nation address of revitalising the agriculture and the agro-processing value chain. The Department of Rural Development and Land Reform had a selection process of which all of the municipalities within the Cape Winelands Region participated. The Witzenberg Municipality was elected and will receive funding of R40 million per year over a three year period to achieve the aims and goals of the Department Rural Development to establish these agri-parks. In a presentation by the Director Rural Development the agri-park is described as:



'a networked innovation system of agro-production, processing, logistics, marketing, training and extension services, located in district municipalities. As a network it enables a market-driven combination and integration of various agricultural activities and rural transformation services.'

A copy of the presentation setting out the framework and guiding principles of the agri-park concept is attached as **annexure 8.4.2(a)**. The agri-park concept has at its aim the benefit of the previously disadvantaged community on the 70/30 % principle (The 70 % for the previously disadvantaged and 30 % for the commercial farmer). The department has pointed out that this is not a hard and fast rule and that circumstances will dictate the percentage shareholding of the business in the park. The beneficiaries of any project will be approved by the Department of Rural Development in terms of a fix set of criteria. In meetings with the officials of the Department Rural Development we have been advised that the national budget of the department has been re-aligned to make provision for the implementation of the agri-parks. This led to financial cuts within the different divisions of the department, placing in jeopardy the roll-out of certain projects. In our own Witzenberg scenario we had to secure the funding of the electrical network project, completion of the Op-die-Berg roads as well as the upgrading of the Boerneef Road in the Schoonvlei industrial area. The urgency of the project meant that land needed to be made available which would not require long legislative compliance timeframes hence the recommendation that the Schoonvlei area be presented as a possible area for the implementation of the park. Initial indications are that no EIA's (Environmental Impact Assessments) and long legislative time delays will be applicable. A copy of the possible areas in Schoonvlei is mapped and attached hereto as **annexure 8.4.2(b)**. It must be pointed out that in terms of the guidelines the agri-park concept is not confined to one space and place. It however needs to meet the general criteria of the department with its underlying criteria of supporting the agri-sector, specifically where previous projects and programmes of the departments have been rolled out. The Koue Bokkeveld area has also been looked at as an extension of the agri-park in the outer financial years.

A Steering Committee consisting of officials from the Departments Agriculture, Rural Development and Land Reform as well as the district municipality has been established to assist with the roll-out of the agri-Park. The Department Rural Development has indicated that a specialist agricultural economist will be appointed to assist with the investigation and drafting of business plans for possible opportunities within this park.

#### Financial implications

There will be no financial implications for Council. The positive spin-off of the project is that if the Schoonvlei project is approved that the electrical network, worth R30 million as well as the upgrade of Boerneef Road (Schoonvlei industrial area) worth R15 million as well as the upgrading of roads in Op-die-Berg for R4.5 million. If the area is going to be developed it will lead to additional income for Council.

#### Legal implications

- (a) Council must endorse the agri-park concept.
- (b) Council must take a decision in terms of Section 14 of the Municipal Finance Management Act in that portions A, B, C, D, E, F, G, H and I, still to be subdivided and registered as erven, as per the attached annexure are not reasonably required to perform basic services."

The Executive Mayoral Committee resolved on 20 August 2015 to recommend to Council:

- (i) That Council endorses the agri-park concept.
- (ii) That the portions as indicated A, B, C, D, E, F, G, H and I per the attached annexure, be subdivided and registered as erven.
- (iii) That the portions A to I as per the attached annexure are not required for basic municipal services in terms of Section 14 of the Municipal Finance Management Act.

**RESOLVED**

- (a) *That Council endorses the agri-park concept.*
- (b) *That the portions as indicated A, B, C, D, E, F, G, H and I per the attached annexure, be subdivided and registered as erven.*
- (c) *That the portions A to I as per the attached annexure are not required for basic municipal services in terms of Section 14 of the Municipal Finance Management Act.*

**8.4.3 Witzenberg Rural Development Centre demands  
(2/R)**

Item 7.4.2 of the Executive Mayoral Committee meeting, held on 20 August 2015, refers.

The following report, dated 17 August 2015, was received from the Municipal Manager:

"A protest march took place on 12 August 2015 in terms whereof the municipality was requested to look at certain issues. A copy of the memorandum is attached as **annexure 8.4.3.**"

Councillor S Louw is of the opinion that social grants should be excluded when considering the criteria for qualifying as an indigent household.

The Municipal Manager noted Councillor Louw's concern and mentioned that in order for the municipality to consider the demands made by the Witzenberg Rural Development Centre, the income of the municipality has to be increased.

Councillor J Visagie reported that he was approached by a household that is headed by a minor regarding indigent grants. Many enquiries were made in this regard, but without any success. The Municipal Manager mentioned that enquiries of this nature should be addressed to the office of the Director: Finance.

The Municipal Manager mentioned that the amendments to the Credit Control and Debt Collection Policy with regard to minor headed households will be forwarded to all relevant officials for implementation.

The Executive Mayoral Committee resolved on 20 August 2015 to recommend to Council:

That the Witzenberg Rural Development Centre be invited to the Executive Mayoral Committee meeting to discuss the matters raised in their memorandum.

**RESOLVED**

*That the Witzenberg Rural Development Centre be invited to the Executive Mayoral Committee meeting to discuss the matters raised in their memorandum.*

---

**9. URGENT MATTERS SUBMITTED AFTER DISPATCHING OF THE AGENDA**

**9.1 Finance: Credit Control Procedures  
(5/12/4)**

Item 7.1.5 of the Executive Mayoral Committee, held on 20 August 2015, refers.

A report from the Director: Finance, dated 7 August 2015, is attached as **annexure 9.1**.

The following recommendation was tabled to the Executive Mayoral Committee:

To recommend to Council that the following proposed credit control procedures be approved:

- (a) Attachment of moveable property is possible
  - 2.9. No. 37 - Security under rule 38 to Sheriff (Instruction to sheriff to attach and remove moveable property and to sell the attached property).
  - 2.10. Advertisement in newspaper by municipality of intention to sell moveable property if outstanding debt is above R5 000.00. If outstanding debt is less than R5 000.00 advertisement placed by sheriff.
  - 2.11. Sale in execution of attached moveable property by sheriff.
- (b) Nulla Bona return issued by sheriff (no moveable property to attach)
  - 2.12. Report with Nulla Bona on municipal fixed property valued for less than R300 000.00 to Council for write off.
  - 2.13. Report with Nulla Bona on municipal fixed property value for more than R300 000.00, Section 66 application (municipality declare that all other possible credit control actions were followed to collect outstanding debt, and that all possible routes were exhausted) compiled by private external attorney and application to sell immovable property in a sale of execution, brought before court by private external attorney.
  - 2.14. Advertisement in newspaper by attorney of intention to sell immovable property in local newspaper as well as Government Gazette.
  - 2.15. Sale in execution of attached immovable property by sheriff.

The Executive Mayoral Committee resolved on 20 August 2015 to recommend to Council:

- (i) That the matter regarding credit control procedures be workshopped by Council.
- (ii) That the matter be held in abeyance until the workshop has taken place.

**RESOLVED**

- (a) *That the matter regarding credit control procedures be workshopped by Council.*
- (b) *That the matter be held in abeyance until the workshop has taken place.*

**9.2 Finance: Writing off of interest and arrear monies: Household debt and other irrecoverable outstanding amounts (5/12/1/3)**

Item 7.1.6 of the Executive Mayoral Committee meeting, held on 20 August 2015, refers.

The following report, dated 14 August 2015, was received from the Director: Finance:

"Purpose

The purpose of this report is for Council to consider the writing off of households' debt and other irrecoverable arrear debt.

Legislature framework

In terms of Section 96 of the Municipal Systems Act (Act 32 of 2000), Council must collect all money that is due and payable to it. Subject to the provisions of the Municipal Systems Act. It also allows the municipality to compile and adopt a policy to give effect to this power to collect.

Council adopted a credit Control and Debt Collection Policy on 28 May 2009 per item 8.1.2(c). Amendments to this policy were approved at subsequent council meetings.

The relevant portion is:

- 26.11 Whenever all the legal avenues and procedures listed above have been exhausted, or it becomes uneconomical to proceed further, the arrear amounts should be classified as irrecoverable and should be written off.
- 26.12 The Chief Financial Officer may forward a report to Council for the writing off of consumer, if such debts may be irrecoverable.
- 26.13 The Executive Committee, in terms of its delegated authority, may authorise the writing off of the debts wherein after a report will be forwarded to full Council for ratification.
- 26.14 The Chief Financial Officer shall as soon as possible after 30 June each year, or more regularly if requested by Council to do so, present to the Council a report indicating the amount of the arrears that have been written off during the financial year, together with the reasons for the write off.
- 26.15 The Chief Financial Officer may write off debts if he is satisfied that:
  - All reasonable steps have been taken to recover the debt and the debt is considered to be irrecoverable, or
  - He/she is convinced that recovery of the debt would be uneconomical.

- 26.16 Any debtors whose amounts are written off may be listed with the Credit Bureau and may not be permitted to enter into future service contracts with the Council.

Discussion

Council considered the writing off of the following debt at its meeting of 27 May 2015:

Closed Accounts: Accounts with all services closed and all avenues exhausted to collect the debt.	3 651 991.58
Indigents	14 276 112.28
Accounts with services where legal action has been instituted and all avenues exhausted to collect the debt	37 531 639.64
Prescribed Debt: Debt becomes prescribed if no movement took place for a period of three years.	13 990 829.77
Induplum Accounts: Where penalties charged is greater than the capital amount.	116 775.50
<b>TOTAL</b>	<b>69 567 348.77</b>

Council resolved:

- (a) That the prescribed debt in the amount of R13 990 829-77 be written off.
- (b) That a report be tabled by the Head: Internal Audit regarding the rest of the outstanding debt.'

A new analysis was done on the outstanding debt and it was found that prescribed debt was included in the other categories of debt such as:

- Closed Accounts
- Indigents
- Accounts with services where legal action has been instituted and all avenues exhausted to collect the debt.

The total prescribed debt is as follows:

Capital	26 420 710,35
Interest	14 349 075,13
Vat	<u>3 525 646,11</u>
<b>Total</b>	<b>44 295 431,59</b>

The Chief Financial Officer is convinced that the recovery of the debt would be uneconomical as stated in 26.15 of the Credit Control and Debt Collection Policy.

Financial implications

The current provision of bad debt excluding traffic fines is R130 333 327,93 at the end of June 2015. This provision will be debited with the amount of R946 356.46. The provision has already been created prior to this financial year and therefore the effect on the budget is zero."

The following recommendation was tabled to the Executive Mayoral Committee:

To recommend to Council that the irrecoverable arrears to the value of R44 295 431,59 be written off.

The Executive Mayoral Committee resolved on 20 August 2015 to recommend to Council:

- (i) That the matter regarding the writing off of interest and arrear monies be workshopped by Council.
- (ii) That the matter be held in abeyance until the workshop has taken place.

**RESOLVED**

- (a) *That the matter regarding the writing off of interest and arrear monies be workshopped by Council.*
- (b) *That the matter be held in abeyance until the workshop has taken place.*

**9.3 Application for Council's consent in terms of the supplementary Section 8 Scheme Regulations for the purposes of a wind farm facility (15/4/2/222)**

A memorandum from the Manager: Town Planning and Building Control, dated 18 August 2015, is attached as **annexure 9.3**.

**RESOLVED**

*That Council's consent be granted in terms of the supplementary Section 8 Scheme Regulations for the purposes of a wind farm facility consisting of thirty (30) turbines situated on the following farms:*

- (a) *Portion 64 of farm Kleineberg 208, Worcester*
- (b) *Portion 5 of farm De Liefde C334, Tulbagh*
- (c) *Remainder farm Vaal Vlei 324, Tulbagh*
- (d) *Remaining extent Portion 6 of farm De Liefde 323, Tulbagh*
- (e) *Portion 7 (portion of Portion 6) of farm De Liefde 323, Tulbagh*
- (f) *Remainder of farm De Liefde C334, Tulbagh*
- (g) *Remaining extent of farm Romans River 320, Tulbagh*
- (h) *Portion 22 of farm Romans River 320, Tulbagh*
- (i) *Remainder Portion 21 of farm Kleineberg 208, Worcester*

*subject to the following conditions, imposed in terms of Section 42(1) of the Land Use Planning Ordinance No. 15 of 1985:*

- (i) *For the purposes of these conditions "owner" means the leaseholder, and any successor in title.*
- (ii) *For the purposes of these conditions "landowner" means the person or entity in whose name that land is registered in a deeds registry, and any successor in title.*
- (iii) *The owner shall at his own cost decommission and remove the renewal energy structure and rehabilitate the site when the facility has reached the end of its productive life or when it has been abandoned or has been discontinued.*
- (iv) *The owner shall within thirty (30) days notify the local authority of the date operations ceased and submit a decommissioning plan for approval.*

- (v) *The owner shall remove the structure and all its parts within 150 days (or such extended period as approved by the local authority) in accordance with the approved decommissioning plan.*
- (vi) *Pursuant to condition (iii) the owner shall make the necessary financial provision to cover the cost of decommissioning and rehabilitation.*
- (vii) *The local authority shall have full access to the financial provision for the purposes of rehabilitation/removal of the facility in the event that the owner fails to fulfil his obligation in terms of condition (iii).*
- (viii) *Prior to the submission of building plans, the following conditions shall be met by the owner to the satisfaction of the local authority:*
  - (a) *The total sum required for decommissioning and rehabilitation purposes shall be determined independently by quantity surveyors and environmental impact practitioners to the satisfaction of the local authority for the cost of the owner.*
  - (b) *The quantity surveyors and environmental impact practitioners mentioned above shall declare in writing their independence to the satisfaction of the local authority.*
  - (c) *Surety shall be provided by the owner that the necessary financial provision is made to the satisfaction of the local authority.*
  - (d) *The form of financial provision shall not be in conflict with the Municipal Finance Management Act (Act 56 of 2003) to the satisfaction of the local authority.*
  - (e) *If applicable, the owner shall submit proof of registration of the lease areas in the Deeds Office.*
  - (f) *The owner shall submit to the local authority a copy of the lease agreement entered into with the landowner.*
  - (g) *The owner shall submit a SDP (Site Development Plan) showing compliance with the special provisions applying to renewable energy structures in terms of the regulations promulgated in the Western Cape Provincial Gazette No 7061 on 23 November 2012, and any other parameters as required by the relevant public institutions.*
- (ix) *The sum required for decommissioning and rehabilitation purposes shall be re-evaluated by the owner no later than twelve (12) months from date of commencement of construction activities, and thereafter annually, to the satisfaction of the Council in accordance within conditions (viii)(a) and (viii)(b) and*
  - (a) *Surety shall be provided for the re-evaluated amount to the satisfaction of the local authority.*
- (x) *The owner shall give the local authority seven (7) days' notice in writing before commencement of construction activities.*

- (xi) *That in the event that the lease agreements with the landowners are cancelled for whatever reason, the consent hereby approved to develop and operate a renewable energy structure shall also lapse, and the owner shall decommission the facility and rehabilitate the site within 150 days in accordance with conditions (iii), (iv) and (v).*
- (xii) *Changes to the lease agreement may not be in conflict with these conditions, and the owner shall submit such revised agreement to the local authority no later than thirty (30) days after it was concluded.*
- (xiii) *This consent only applies to the owner and cannot be transferred without the agreement of the local authority/*
- (xiv) *Construction may not commence prior to the approval of building plans.*
- (xv) *That the landowners may be liable for property tax in future as determined by the local authority in terms of the relevant legislation and policies.*
- (xvi) *Any complaints received by the local authority during construction or over the lifetime of the facility shall be referred to the owner whom shall be obliged to resolve the grievance within seven (7) days (or such as extended period as approved by the local authority).*
- (xvii) *The turbines and associated activities may not interfere with any public utilities, and in the event that any of the utilities are damaged, it shall be repaired at the appointed time at cost of the owner.*
- (xviii) *Hazardous waste shall only be dumped on a registered site and needs to be confirmed by the owner prior to dumping.*
- (ixx) *The owner shall furnish the landowners with a copy of these conditions.*
- (xx) *The owner shall take cognisance of the conditions of the following institutions:*
  - *DEADP environmental authorisation dated 11 June 2013*
  - *Transnet letter dated 15 January 2015*
  - *Eskom letter dated 10 December 2013*
  - *Road Network Management letter dated 13 December 2013*
  - *Land Use management letter dated 24 January 2013*
  - *Agriculture, Forestry & Fisheries letter dated 29 July 2013*
  - *Cape Nature letter dated 21 December 2012*
  - *BOCMA letter dated 31 January 2013*
  - *Waste Management letter dated 22 February 2013*
  - *Pollution Management letter dated 1 August 2012*
  - *Civil Aviation Authority letter dated 17 July 2013*
- (xxi) *The Councillor for Ward 2 shall serve as a trustee on the Local Communities Trust to be established by the owner under the economic development requirements of the Renewable Energy IPP Procurement Program.*



**9.4 Draft IDP and Budget Process Plan for 2016/2017  
(02/02/1)**

Item 8.1.5 of the council meeting, held on 27 May 2015, refers.

In terms of Section 28 of the Municipal Systems Act (Act 32 of 2000), Council must adopt an IDP and Budget Process Plan. The Municipal Finance Management Act (Act 56 of 2003) further stipulates that at least ten months before the start of the budget year, the Executive Mayor should table a time schedule outlining key deadlines in respect of the IDP/Budgetary process.

Section 29 of the Municipal Systems Act (Act 32 of 2000), specifies that such a Process Plan must include:

- Programs that set out timeframes for the different planning steps;
- Appropriate mechanisms, processes and procedures for consultation with:
  - Local communities, both in terms of needs and priorities as well as consultation during development;
  - Organs of state, traditional authorities, and other role-players in the drafting process; and
- Binding plans and planning requirements, i.e. policy and legislation.

National Treasury has provided further guidance by the issuing of MFMA Circular 10. That circular provides specific guidance with regard to six distinct steps in compilation of the IDP and the annual Budget. The table below highlights these steps, with a brief description of each step:

<b>Steps</b>		<b>Process</b>
<b>1</b>	<b>Planning</b>	Schedule dates, establish consultation forums, review previous processes
<b>2</b>	<b>Strategizing</b>	Review IDP, set service delivery objectives for next 3 years, consult on tariffs, indigents, credit control, free basic services etc., and consider local-, provincial- and national issues, the previous year's performance and current economic and demographic trends etc.
<b>3</b>	<b>Preparing</b>	Prepare Budget, revenue and expenditure projections; draft Budget policies; consult and consider local-, provincial- and national priorities
<b>4</b>	<b>Tabling</b>	Table draft Budget, draft IDP and Budget-related policies before council; consult and consider local-, provincial- and national inputs or responses
<b>5</b>	<b>Approving</b>	Council approves the IDP, the Budget and related policies
<b>6</b>	<b>Finalising</b>	Publish the IDP, Budget and approve the SDBIP and performance targets

In capturing the above steps, this IDP & Budget Process Plan seeks to address, *inter alia*, the:

- Identification of areas requiring additional attention in terms of legislative requirements, proper planning processes and sound financial management;
- Inclusion of the most current Census and own statistical data;
- Consideration and review of any other relevant and new information;
- Addressing comments received from the various role-players;
- Factor-in the shortcomings and weaknesses identified through self-assessment;
- Preparation and review of sector plans and its alignment with the IDP;
- Preparation and review of the Performance Management System (PMS);
- Updating of the 5-year Financial Plan; and
- Finalisation of the annual Budget and IDP in terms of the relevant legislation.

Pursuant to the above statutory requirements, a Draft Process Plan for the 2016/2017 IDP and Budget cycle is attached as **annexure 9.4**.

**RESOLVED**

- (a) *That the IDP and Budget Process Plan for 2016/2017 be approved.*
- (b) *That in the event of any changes with regard to the dates of the Process Plan, the Municipal Manager be mandated to change same after consultation with the Executive Mayor.*

**9.5 Representative and secundi: SALGA Community Development Working Group (3/1/15)**

Item 8.1 of the meeting of the Committee for Community Development, held on 19 August 2015, refers.

Council resolved per item 8.4.3 of 29 April 2015:

*"That Councillor J Fredericks replaces Councillor J Visagie as Council's representative on the SALGA Community Development Working Group."*

Councillor Mouton proposed that Councillor Badela be appointed by Council as secundi for Councillor Fredericks to attend all SALGA Community Development Working Group meetings.

The committee accepted the proposal and nominated Councillor Badela as secundi to attend all SALGA Community Development Working Group meetings on behalf of the Committee for Community Development.

The Committee for Community Development resolved on 19 August 2015 to recommend to Council that Councillor Badela be appointed as secundi for Councillor Fredericks to attend all SALGA Community Development Working Group meetings on behalf of the Committee for Community Development.

**RESOLVED**

*That Councillor R Badela be appointed as secundi for Councillor J Fredericks to attend all SALGA Community Development Working Group meetings on behalf of the Committee for Community Development.*

**10. FORMAL AND STATUTORY MATTERS**

None.

**NOTED.**

**11. QUESTIONS and/or MATTERS RAISED by COUNCILLORS**

None.

**NOTED.**

**12. COUNCIL-IN-COMMITTEE**