



**Bitou Local Municipality
Bitou Plaaslike Munisipaliteit
Umasipala WeBitou**

Agenda

SPECIAL MUNICIPAL COUNCIL MEETING

**Venue: Council Chambers, Municipal Offices,
Sewell Street, Plettenberg Bay**

DATE: 4 OCTOBER 2013

Time: 11H00

BITOU LOCAL MUNICIPALITY

2 October 2013

**The Executive Mayor
Councillors
Municipal Manager and Heads of Department**

SPECIAL COUNCIL MEETING: FRIDAY, 4 OCTOBER 2013

NOTICE is hereby given that a Special Municipal Council Meeting will be held in the Council Chamber, Municipal Offices, Plettenberg Bay on **FRIDAY, 4 OCTOBER 2013 AT 11H00** to discuss the business set forth in the Agenda.

Yours faithfully



AR Olivier
Speaker

Constitution of the Council:

The Speaker, Councillor AR Olivier
The Executive Mayor, Councillor M Booysen
The Deputy Executive Mayor, Councillor A B Van Rhyner
Member of the Mayoral Committee, Councillor N M de Waal
Member of the Mayoral Committee, Councillor E E Paulse

Councillor S Besana
Councillor W R Craig
Councillor S E Gcabayi
Councillor M M Mbali
Councillor H Plaatjies
Councillor N Ndayi
Councillor L M Seyisi
Councillor J J N Stuurman

IMPORTANT NOTICE

**PLEASE REFER TO THE SPECIAL MAYORAL COMMITTEE
AGENDA OF EVEN DATE FOR THE ANNEXURES TO THE
REPORTS ON THE ITEMS AS LISTED**

Bitou Local Municipality

Special Council Agenda: 4 October 2013

Time: 11h00

Order of Business

1. OPENING

2. ATTENDANCE

The Attendance Registers of members of the Municipal Council, Officials and Public will be circulated for signature.

3. APPLICATION FOR LEAVE OF ABSENCE

Application for leave of absence, if necessary, will be considered.

4. STATEMENTS AND COMMUNICATIONS BY:

4.1 The Executive Mayor

4.2 The Speaker

5. CONSIDERATION OF REPORTS

Schedule of Items attached

6. URGENT MATTERS SUBMITTED BY THE MUNICIPAL MANAGER

None received

7. CONSIDERATION OF NOTICES OF MOTION

None received

8. CONSIDERATION OF MOTIONS OF QUESTION

None received

Order of business: Special Council Meeting: 4 October 2013

9. **CONSIDERATION OF MOTIONS OF EXIGENCY**

None received

10. **IN-COMMITTEE MATTERS**

None received

11. **RECORDING OF COUNCILLORS PRESENT**

12. **CLOSURE**

PORTFOLIO INDEX**5: CONSIDERATION OF REPORTS: (OPEN)****SPECIAL COUNCIL MEETING AGENDA****4 OCTOBER 2013****(The dates & page numbers of the MayCo Agendas are listed for ease of reference)****SECTION 1: OFFICE OF THE MUNICIPAL MANAGER**

ITEM NO	SUBJECT	FILE REF	MAYCO AGENDA PAGE NO	COUNCIL AGENDA PAGE NO	DATE OF MEETING
C/1/82/10/13	REQUEST BY ELECTORAL COMMISSION WESTERN CAPE FOR RELAXATION OF BY-LAWS REGARDING THE DISPLAY OF POSTERS	3/1/8/1	1 - 5	1 - 2	04-Oct-13

SECTION 2: FINANCE

ITEM NO	SUBJECT	FILE REF	MAYCO AGENDA PAGE NO	COUNCIL AGENDA PAGE NO	DATE OF MEETING
	No items for consideration				

SECTION 3: CORPORATE SERVICES

ITEM NO	SUBJECT	FILE REF	MAYCO AGENDA PAGE NO	COUNCIL AGENDA PAGE NO	DATE OF MEETING
	No items for consideration				

SECTION 4: COMMUNITY SERVICES

ITEM NO	SUBJECT	FILE REF	MAYCO AGENDA PAGE NO	COUNCIL AGENDA PAGE NO	DATE OF MEETING
	No Items for consideration				

SECTION 5: MUNICIPAL SERVICES & INFRASTRUCTURE DEVELOPMENT

ITEM NO	SUBJECT	FILE REF	MAYCO AGENDA PAGE NO	COUNCIL AGENDA PAGE NO	DATE OF MEETING
C/5/38/10/13	BITOU ORGANIZATIONAL STRUCTURE: ADDITIONAL POSITION OF RELIEF MANAGER: TECHNICAL SERVICES ON A CONTRACT BASIS	2/1/8	6 - 8	3 - 4	04-Oct-13

SECTION 6: STRATEGIC SERVICES

ITEM NO	SUBJECT	FILE REF	MAYCO AGENDA PAGE NO	COUNCIL AGENDA PAGE NO	DATE OF MEETING
C/6/194/10/13	KRANSHOEK KLEUTERSKOOL – WAIVING OF AUGMENTATION FEES AND GRANT IN AID TOWARDS COST OF CONNECTION FEES (PORTION 9 OF FARM NR. 432)	18/9/432	9 - 25	5 - 9	04-Oct-13

Section 1

Office of the Municipal Manager

ITEM C/1/82/10/13

Council Meeting

REQUEST BY ELECTORAL COMMISSION WESTERN CAPE FOR RELAXATION OF BY-LAWS REGARDING THE DISPLAY OF POSTERS

Department: Office of the Municipal Manager Demarcation: All Wards

File Ref: 3/1/8/1

- Attachments:**
- 1. Annexure "A" - Letter dated 1 October 2013 received from the Provincial Electoral Officer, Electoral Commission of SA: Western Cape**
 - 2. Annexure "B"- Schedule 11: Temporary Posters, Banners and Flags on public roads and public places, of the Bitou Municipality, Outdoor Advertising and signage By-Law**
 - 3. Annexure "C" - Extract from the Tariff Schedule of the Bitou Municipality Municipal Budget 2013 -2014**

Report from: Head: Corporate Services

Date: 2 October 2013

Purpose of the report

The purpose of the report is for Council to consider the request by the Electoral Commission to relax the Bitou Municipality Outdoor Advertising and signage by-Law relating to the hanging of posters, as per the attached letter.

Background

In terms of the Bitou Municipality, Outdoor Advertising and signage By-Law, schedule 11, item 15, organisations or persons who obtained approval to display posters or flags must pay a deposit as determined by the municipality.

Discussion

The request from the Electoral Commission seems to be reasonable in the circumstances. However, we have to be cautious of setting precedents that would impact negatively on our future relationships with other organisations, when we insist that the provisions of the by-laws must be complied with at all times.

Section 1: Office of the Municipal Manager

Council should consider this as a special request granted under special circumstances, given that the reason is in the best interest of the community.

It is however not recommended that political parties also be exempted, as this will create administrative problems after the elections, to have the posters removed.

Recommended by the Municipal Manager

1. That the request by the Electoral Commission, for itself, to display posters without payment of the required fees be approved, subject to all other provisions of the by-law, e.g. display periods, prohibited areas, maximum size, etc., be adhered to.
2. That political parties not be exempted from the relevant deposits, as this will create administrative problems in enforcing the removal of political posters after an election.

Section 5

Department: Municipal Services & Infrastructure Development

Section 5: Municipal Services & Infrastructure Development

ITEM C/5/38/10/13

Council Meeting

BITOU ORGANIZATIONAL STRUCTURE: ADDITIONAL POSITION OF RELIEF MANAGER: TECHNICAL SERVICES ON A CONTRACT BASIS

Department: Municipal Services & Infrastructure Development **Demarcation:** All Wards

File Ref: 2/1/8

Attachments: Annexure A: Proposed Amendments to approved structure

Report from: Head Municipal Services & Infrastructure Development

Date: 1 October 2013

Purpose of the Report

To seek Council approval to affect the necessary additions or changes to include a post to realign functionalities and improve performance within the MSID department

Background

Due to operational reasons and performance, the department would like to propose the addition of Relief Manager: Engineering/Technical Services, on the organogram, on a fixed term contract basis as and when needed within the MSID department:

The Manager: Roads, Storm-water and Fleet is responsible for all roads, storm-water and fleet management functions. Currently he has also been assisting at the Community Services department in Waste Management section, which consumes too much of his time as well. This arrangement for assistance was in support of the Community Services department due to inadequate operational capacity experienced in that department. This has led to the roads section suffering as well due to capacity, management and controls challenges.

For operational reasons and effective performance of the department, and in order to minimize the backlog on the maintenance of roads, it is therefore proposed, as an assistance performance measure, that the amendment be effected in the management of the roads section in the interim, for effective performance of the department to assist in eradicating the backlogs currently faced and that has accumulated with roads maintenance.

The other concern as well is that, the holiday season is quickly approaching, and the conditions of our roads has not improved. Bitou is a tourist destination which seeks to

Section 5: Municipal Services & Infrastructure Development

always attract visitors into town. Maintaining the roads to acceptable standards will assist in keeping the town attractive.

This position will as well assist in other sections as and when a need arises within the department for additional capacity needed.

Financial Implication

The remuneration cost will be realized from savings from the Project Manager position which has not been filled yet.

Relevant Legislation

Municipal Structures Act
Constitution
Labour Relations Act

Comments: Acting Chief Financial Officer

No budget is available for the Relief Manager position and therefore the savings of the Project Manager position should be used to fund same.

The post of Project Manager was budgeted for R341 166.96 as per 2013/14 financial year, being for the annual basic salaries.

Comments: Acting Head: Corporate Services

The Relief Manager is a new position and to remain within the total staff complement, the General Worker position vacant under Stormwater Section must be compromised to effect the necessary changes.

Comments: Head: Community Services

The recommendation by the Municipal Manager is supported.

Comments: Head: Municipal Services & Infrastructure Development

The recommendation by the Municipal Manager is supported.

Comments: Head: Strategic Services

The recommendation by the Municipal Manager is supported.

Recommended by the Municipal Manager

That the Municipal Council approves the amendments to the organogram of the Municipal Services and Infrastructure Development Department of the Bitou Local Municipality.

Section 6

Department: Strategic Services

ITEM C/6/194/10/13

Council Meeting

KRANSHOEK KLEUTERSKOOI – WAIVING OF AUGMENTATION FEES AND GRANT IN AID TOWARDS COST OF CONNECTION FEES (PORTION 9 OF FARM NR. 432)

Department: Strategic Services **Demarcation:** Ward 7

File Ref: 18/9/432

Attachments:

1. Annexure “A” - Locality Plan
2. Annexure “B”- Letters from Gill Brown on behalf of the Kranshoek Kleuterskool
3. Annexure “C”- Letter from Mr P Dietzsch to Kranshoek Kleuterskool

Report from: Town Planner (A. Stander)

Date: 2 October 2013

1. Purpose of the Report

- a) To inform the Council of a request by Kranshoek Kleuterskool to waive augmentation levies due to their lack of funds.
- b) To enable the Council to make a decision regarding the waiving of augmentation levies for the Kranshoek Kleuterskool.

2. Background/Discussion

2.1 Council Meeting – 26 September 2013

This report was recommended for approval by the Mayoral Committee on 26 September 2013. The report served before Council but was however referred back due to queries about the possible sale of the land in question.

The owner of the property has undertaken to donate the land that the school is located upon, and the land owner and Kranshoek Kleuterskool are currently working towards transferring the land. In the unlikely event that this does not take place and the land is sold to a private person or entity, or the contract between the school and the land owner comes to an end or is cancelled, the current owner shall become responsible for payment of the augmentation levies and other fees based on the 2013/14 approved tariffs. Please refer to Condition of Approval 4.a below.

2.2 Discussion

The Kranshoek Kleuterskool (hereafter “the school” was founded in January 2012 by two Kranshoek community members who recognised that the two existing crèches in Kranshoek would

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not be able to accommodate the numbers of children between the ages of 3 and 6 years living in the community. The new housing project in Kranshoek that is nearing completion will place further pressure on the existing crèches in Kranshoek. The school does not only provide more than 40 children with education and day care, but also with breakfast, a mid-morning snack and a cooked lunch. Three ladies from the Kranshoek community volunteer at the school on week days from 07:00 in the morning until 17:00 in the afternoon. They receive no compensation for their time whatsoever.

The school makes use of two dwelling houses which is situated on Portion 9 of Farm Nr.432. The property is registered in the name of Stella Winifred Olivier, and the dwelling houses are leased from the owner on a five year lease agreement.

At present the school is funded and completely dependent on private donations and registered as a Non-Profit Organisation. Each house (classrooms and kitchen) uses a water tank and a 'bucket system' toilet. In order for the school to be registered with The Department of Social Development and receive funding, the school has to comply with the stipulated health requirements which necessitate the school to have running water and flushing toilet facilities. Mr Dietzsch from the Municipal Services and Infrastructure Department indicated that it is possible to connect the school to water and sewage, but that the municipal augmentation fees should be paid before connection can take place, as is the normal practise.

The 2013/14 Tariff Policy and tariffs as approved in the budget does not provide for levies on schools, churches and other institutional buildings and uses. Moreover, the ECD centre is located on an agricultural holding on a temporary departure. Thus, the crèche would/ could relocate within five years, in which case all levies would have been paid for no use.

During the 2011/12 financial year Mr Dietzsch calculated that the augmentation levies and connection as follows (VAT Excluded):

- Water connection charge: R2521.99
- Augmentation fee for water: R34 400
- Basic monthly charge for water: R265.81
- Sewerage augmentation fees: R8820
- Sewerage connection charges: R5492
- Basic charge for sewerage: R4623

The total for basic sewerage charges, augmentation and connection fees amounts to R55 856.99 (R57084 in 2013/14 financial year) + R7819.99 which amounts to a total of R63 676.98. The amount is completely unattainable for a non-profit community crèche that is completely dependent on the goodwill of the greater Plettenberg Bay community.

Considering that the school is completely dependent on private donations, the amount stated above is completely unrealistic in terms of their current means. The future operation of the school is dependent on the Department of Social Development, and without the running water and toilets they will not be able to keep their doors open. The Department of Social Development has given the school their last extension to register, which lapses in four months. The matter of waiving the augmentation levies and connection fees is therefore a matter of utmost urgency.

Relevant Legislation

Local Government Municipal Finance Management Act (56/2003)

Comments: Chief Financial Officer

It is clear from the calculations that the municipality would be waiving an amount of R57084 (Excluding VAT) for the installation of the services. This would result in council having to bear the cost of installation of the service from our own operational budget which is not a good business practice and should therefore be allowed only in exceptional circumstances and cases of merit. The expenditure relating to the installation of the services should be regarded as a grant in aid and defrayed from the mayoral interventions vote Grants in aid: vote number 10112705

It also needs to be pointed out that the monthly services fees as well as rates will be payable on the property, and relief in this regard can only be provided if the Nursery School is registered as a public benefit organization as contemplated in the 9th schedule of the Income Tax Act, 1962.

Comments: Head Corporate Services

As per Municipal Manager Recommendation

Comments: Head Community Services

As per Municipal Manager Recommendation

Comments: Head Municipal Services & Infrastructure Development

The owner will have to make provision for the appointing a Consulting Engineer for the design of the sewer and installation thereof.

The connection fee and augmentation fee for the 2012/13 financial year will be as follows:

- Water connection charge: R2807.00 (VAT excluded)
- Augmentation fee for water: R38287.00 (VAT excluded)
- Sewerage augmentation fees: R9854.00(VAT excluded)
- Sewerage connection charges: R6136.00(VAT excluded)

The total for augmentation and connection fees amounts to R57084.00.

The tariff and charges for rural consumers are:

- Basic monthly charge for water: R327.40(VAT excluded)
- Monthly consumption :

0-20kl	free
21-30kl	R 5.91/kl (VAT excluded)
31-40kl	R 10.05/kl (VAT excluded)
Above -40kl	R 32.54/kl (VAT excluded)
- Basic charge for sewerage per annum : R5716.00(VAT excluded)

Comments: Senior Planner

The Kranshoek community has identified a need within the community for an additional crèche in the area, and have taken initiative to establish this much needed community facility, and should be applauded for it. The long term viability and sustainability is now however in danger due the municipal sewerage and water connection and augmentation tariffs. The Bitou Council has the

Section 6: Strategic Services

mandate to waive these tariffs, and to do so will be in the long term interest of the community and specifically the children in the community. The official registration of the school with the Department of Social Development will endow the school with funding and the ladies who teach at present will be able to earn a salary for the first time since the school opened.

It is possible that the contract between the school and the owner of the land (Ms Olivier) will come to an end in the future. In this instance Ms Olivier or the registered owner will become responsible for the payment of the fees waived in accordance with the 2013/14 financial year.

In view of the above it is recommended that the basic monthly charge for water, the yearly basic charge for sewerage, and augmentation and connection fees for water and sewerage be waived in full by the Bitou Municipal Council.

Financial Implications

See comments by Chief Financial Officer

Comments: HOD – Strategic Services

The augmentation levies relate to capacity provision, i.e an estimated amount for the creation of an asset. It does not cover actual, recent or envisaged expenditure. Thus, the discounting of the levies will have no direct financial implication for the Municipality.

Recommended by the Municipal Manager

1. That the Municipal Council take cognisance of the work that the Kranshoek Kleuterskool is doing in the Kranshoek Community.
2. That the water augmentation fee (as per the approved 2013/14 financial year) is waived in full for the Kranshoek Kleuterskool situated on Portion 9 of Farm Nr. 439.
3. That the sewerage augmentation fee (as per the approved 2013/14 financial year) is waived in full for the Kranshoek Kleuterskool situated on Portion 9 of Farm Nr. 439.
4. That the following conditions are imposed on Portion 9 of the Farm Nr. 439:
 - (a) If the contract between the Kranshoek Kleuterskool and the registered owner of Portion 9 of the Farm Nr. 439 comes to an end, the registered owner of Portion 9 of the Farm Nr. 439 shall become responsible for payment of the fees mentioned in 2 – 6 above based on the 2013/14 approved tariffs if the property is used for any purpose other than an ECD centre.
 - (b) That the Kranshoek Kleuterskool submits the relevant land use application for the land on which the school is situated in terms of the Land Use Planning Ordinance (Ordinance 15 of 1985).
 - (c) That the Kranshoek Kleuterskool will be financially responsible for monthly water consumption charges.
 - (d) That the cost of installation of the services be defrayed from Vote number 10112705 Mayoral Intervention: Grants in aid.

Section 6: Strategic Services

- (e) That the owner will have to make provision for the appointing of a Consulting Engineer for the design of the sewer and installation thereof for approval by the Head: Municipal Services & Infrastructure Development.

ITEM C/1/82/10/13

Council Meeting

REQUEST BY ELECTORAL COMMISSION WESTERN CAPE FOR RELAXATION OF BY-LAWS REGARDING THE DISPLAY OF POSTERS

Department: Office of the Municipal Manager Demarcation: All Wards

File Ref: 3/1/8/1

- Attachments:**
- 1. Annexure "A" - Letter dated 1 October 2013 received from the Provincial Electoral Officer, Electoral Commission of SA: Western Cape**
 - 2. Annexure "B"- Schedule 11: Temporary Posters, Banners and Flags on public roads and public places, of the Bitou Municipality, Outdoor Advertising and signage By-Law**
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Report from: Head: Corporate Services

Date: 2 October 2013

Purpose of the report

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Section 1: Office of the Municipal Manager

Council should consider this as a special request granted under special circumstances, given that the reason is in the best interest of the community.

It is however not recommended that political parties also be exempted, as this will create administrative problems after the elections, to have the posters removed.

Recommended by the Municipal Manager

1. That the request by the Electoral Commission, for itself, to display posters without payment of the required fees be approved, subject to all other provisions of the by-law, e.g. display periods, prohibited areas, maximum size, etc., be adhered to.
2. That political parties not be exempted from the relevant deposits, as this will create administrative problems in enforcing the removal of political posters after an election.

Section 5: Municipal Services & Infrastructure Development

ITEM C/5/38/10/13

Council Meeting

BITOU ORGANIZATIONAL STRUCTURE: ADDITIONAL POSITION OF RELIEF MANAGER: TECHNICAL SERVICES ON A CONTRACT BASIS

Department: Municipal Services & Infrastructure Development **Demarcation:** All Wards

File Ref: 2/1/8

Attachments: Annexure A: Proposed Amendments to approved structure

Report from: Head Municipal Services & Infrastructure Development

Date: 1 October 2013

Purpose of the Report

To seek Council approval to affect the necessary additions or changes to include a post to realign functionalities and improve performance within the MSID department

Background

Due to operational reasons and performance, the department would like to propose the addition of Relief Manager: Engineering/Technical Services, on the organogram, on a fixed term contract basis as and when needed within the MSID department:

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The other concern as well is that, the holiday season is quickly approaching, and the conditions of our roads has not improved. Bitou is a tourist destination which seeks to

Section 5: Municipal Services & Infrastructure Development

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This position will as well assist in other sections as and when a need arises within the department for additional capacity needed.

Financial Implication

The remuneration cost will be realized from savings from the Project Manager position which has not been filled yet.

Relevant Legislation

Municipal Structures Act
Constitution
Labour Relations Act

Comments: Acting Chief Financial Officer

No budget is available for the Relief Manager position and therefore the savings of the Project Manager position should be used to fund same.

The post of Project Manager was budgeted for R341 166.96 as per 2013/14 financial year, being for the annual basic salaries.

Comments: Acting Head: Corporate Services

The Relief Manager is a new position and to remain within the total staff complement, the General Worker position vacant under Stormwater Section must be compromised to effect the necessary changes.

Comments: Head: Community Services

The recommendation by the Municipal Manager is supported.

Comments: Head: Municipal Services & Infrastructure Development

The recommendation by the Municipal Manager is supported.

Comments: Head: Strategic Services

The recommendation by the Municipal Manager is supported.

Recommended by the Municipal Manager

That the Municipal Council approves the amendments to the organogram of the Municipal Services and Infrastructure Development Department of the Bitou Local Municipality.

ITEM C/6/194/10/13

Council Meeting

KRANSHOEK KLEUTERSKOOOL – WAIVING OF AUGMENTATION FEES AND GRANT IN AID TOWARDS COST OF CONNECTION FEES (PORTION 9 OF FARM NR. 432)

Department: Strategic Services **Demarcation:** Ward 7

File Ref: 18/9/432

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Date: 2 October 2013

1. Purpose of the Report

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2.2 Discussion

The Kranshoek Kleuterskool (hereafter “the school” was founded in January 2012 by two Kranshoek community members who recognised that the two existing crèches in Kranshoek would

Section 6: Strategic Services

not be able to accommodate the numbers of children between the ages of 3 and 6 years living in the community. The new housing project in Kranshoek that is nearing completion will place further pressure on the existing crèches in Kranshoek. The school does not only provide more than 40 children with education and day care, but also with breakfast, a mid-morning snack and a cooked lunch. Three ladies from the Kranshoek community volunteer at the school on week days from 07:00 in the morning until 17:00 in the afternoon. They receive no compensation for their time whatsoever.

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At present the school is funded and completely dependent on private donations and registered as a Non-Profit Organisation. Each house (classrooms and kitchen) uses a water tank and a 'bucket system' toilet. In order for the school to be registered with The Department of Social Development and receive funding, the school has to comply with the stipulated health requirements which necessitate the school to have running water and flushing toilet facilities. Mr Dietzsch from the Municipal Services and Infrastructure Department indicated that it is possible to connect the school to water and sewage, but that the municipal augmentation fees should be paid before connection can take place, as is the normal practise.

The 2013/14 Tariff Policy and tariffs as approved in the budget does not provide for levies on schools, churches and other institutional buildings and uses. Moreover, the ECD centre is located on an agricultural holding on a temporary departure. Thus, the crèche would/ could relocate within five years, in which case all levies would have been paid for no use.

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Considering that the school is completely dependent on private donations, the amount stated above is completely unrealistic in terms of their current means. The future operation of the school is dependent on the Department of Social Development, and without the running water and toilets they will not be able to keep their doors open. The Department of Social Development has given the school their last extension to register, which lapses in four months. The matter of waiving the augmentation levies and connection fees is therefore a matter of utmost urgency.

Relevant Legislation

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Comments: Chief Financial Officer

It is clear from the calculations that the municipality would be waiving an amount of R57084 (Excluding VAT) for the installation of the services. This would result in council having to bear the cost of installation of the service from our own operational budget which is not a good business practice and should therefore be allowed only in exceptional circumstances and cases of merit. The expenditure relating to the installation of the services should be regarded as a grant in aid and defrayed from the mayoral interventions vote Grants in aid: vote number 10112705

It also needs to be pointed out that the monthly services fees as well as rates will be payable on the property, and relief in this regard can only be provided if the Nursery School is registered as a public benefit organization as contemplated in the 9th schedule of the Income Tax Act, 1962.

Comments: Head Corporate Services

As per Municipal Manager Recommendation

Comments: Head Community Services

As per Municipal Manager Recommendation

Comments: Head Municipal Services & Infrastructure Development

The owner will have to make provision for the appointing a Consulting Engineer for the design of the sewer and installation thereof.

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- Basic charge for sewerage per annum : R5716.00(VAT excluded)

Comments: Senior Planner

The Kranshoek community has identified a need within the community for an additional crèche in the area, and have taken initiative to establish this much needed community facility, and should be applauded for it. The long term viability and sustainability is now however in danger due the municipal sewerage and water connection and augmentation tariffs. The Bitou Council has the

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mandate to waive these tariffs, and to do so will be in the long term interest of the community and specifically the children in the community. The official registration of the school with the Department of Social Development will endow the school with funding and the ladies who teach at present will be able to earn a salary for the first time since the school opened.

It is possible that the contract between the school and the owner of the land (Ms Olivier) will come to an end in the future. In this instance Ms Olivier or the registered owner will become responsible for the payment of the fees waived in accordance with the 2013/14 financial year.

In view of the above it is recommended that the basic monthly charge for water, the yearly basic charge for sewerage, and augmentation and connection fees for water and sewerage be waived in full by the Bitou Municipal Council.

Financial Implications

See comments by Chief Financial Officer

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The augmentation levies relate to capacity provision, i.e an estimated amount for the creation of an asset. It does not cover actual, recent or envisaged expenditure. Thus, the discounting of the levies will have no direct financial implication for the Municipality.

Recommended by the Municipal Manager

1. That the Municipal Council take cognisance of the work that the Kranshoek Kleuterskool is doing in the Kranshoek Community.
2. That the water augmentation fee (as per the approved 2013/14 financial year) is waived in full for the Kranshoek Kleuterskool situated on Portion 9 of Farm Nr. 439.
3. That the sewerage augmentation fee (as per the approved 2013/14 financial year) is waived in full for the Kranshoek Kleuterskool situated on Portion 9 of Farm Nr. 439.
4. That the following conditions are imposed on Portion 9 of the Farm Nr. 439:
 - (a) If the contract between the Kranshoek Kleuterskool and the registered owner of Portion 9 of the Farm Nr. 439 comes to an end, the registered owner of Portion 9 of the Farm Nr. 439 shall become responsible for payment of the fees mentioned in 2 – 6 above based on the 2013/14 approved tariffs if the property is used for any purpose other than an ECD centre.
 - (b) That the Kranshoek Kleuterskool submits the relevant land use application for the land on which the school is situated in terms of the Land Use Planning Ordinance (Ordinance 15 of 1985).
 - (c) That the Kranshoek Kleuterskool will be financially responsible for monthly water consumption charges.
 - (d) That the cost of installation of the services be defrayed from Vote number 10112705 Mayoral Intervention: Grants in aid.

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- (e) That the owner will have to make provision for the appointing of a Consulting Engineer for the design of the sewer and installation thereof for approval by the Head: Municipal Services & Infrastructure Development.