



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

Agenda

SPECIAL MUNICIPAL COUNCIL MEETING

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

DATE: 27 FEBRUARY 2023

Time: 12h00

BITOU LOCAL MUNICIPALITY

22 February 2023

The Executive Mayor
Councillors
Municipal Manager and Directors

SPECIAL COUNCIL MEETING: MONDAY, 27 FEBRUARY 2023 AT 12H00

NOTICE is hereby given that a Special Council Meeting will be held in the Council Chambers, Municipal Offices, Plettenberg Bay on **MONDAY, 27 FEBRUARY 2023 AT 12H00** to discuss the business set forth in the Agenda.

Yours faithfully



C N J TERBLANCHE
SPEAKER OF COUNCIL

Constitution of the Council

The Speaker, Councillor C N J Terblanche
The Executive Mayor, Councillor D J Swart

Councillor M P Busakwe
Councillor S E Gcabayi
Councillor T S Harmse
Councillor J N Kamkam
Councillor N P Kolwapi
Councillor S A Mangxaba
Councillor T Mhlana
Councillor N Ndayi
Councillor W J Nel
Councillor A R Olivier
Councillor N T Seti



Bitou Local Municipality

Special Council Agenda:

27 February 2023

Time: 12h00

Order of Business

1. OPENING

2. ATTENDANCE

The attendance registers of members of the Municipal Council, Officials will be circulated for signature.

3. APPLICATION FOR LEAVE OF ABSENCE

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

4. DECLARATION OF INTERESTS

Disclosure of interest by Councillors

5. CONFIRMATION OF MINUTES FOR PREVIOUS MEETINGS(OPEN)

5.1. Minutes of the Ordinary Council meeting dated 31 January 2023

Circulated herewith

6. STATEMENTS AND COMMUNICATIONS BY:

6.1. The Executive Mayor

6.2. The Speaker

7. PRESENTATIONS

None



8. ITEMS FOR INFORMATION, WHICH HAVE BEEN DEALT WITH BY THE EXECUTIVE MAYOR IN TERMS OF DELEGATED AUTHORITY

None

9. NOTING OF OUTSTANDING / PARTIALLY IMPLEMENTED COUNCIL RESOLUTIONS

None

10. CONSIDERATION OF REPORTS (NON- DELEGATED MATTERS)

Items for consideration: Schedule of Items attached.

11. URGENT MATTERS SUBMITTED BY THE MUNICIPAL MANAGER

None received

12. CONSIDERATION OF NOTICES OF MOTION (CIRCULATED HERewith)

12.1 Notice of Motion dated 17 February 2023 received from Councillor S Mangxaba re:
CLOSING OF UNUSED AND HEALTH HAZARDOUS DAMS AND MAINTENANCE OF WATER TRENCHES AND STORMWATER CHANNELS IN WARD 5

12.2 Notice of Motion dated 17 February 2023 received from Councillor S Mangxaba re:
KWANOKUTHULA GRAVEYARD

13. CONSIDERATION OF NOTICES OF QUESTION (CIRCULATED HERewith)

13.1 Motion of questions dated 26 September 2022, received from Councillor T Mhlana re:
THE TERMINATION CONTRACT OF THE FORMER DIRECTOR CORPORATE SERVICES

13.2 Motion of questions dated 17 February 2023, received from Councillor S Mangxaba re:
APPOINTMENT OF MANAGER: PLANNING AND BUILDING CONTROL

13.3 Motion of questions dated 17 February 2023, received from Councillor S Mangxaba re:
PLETT TOURISM ASSOCIATION



14. CONSIDERATION OF MOTIONS OF EXIGENCY

None received

15. IN-COMMITTEE MATTERS

15.1 CONFIRMATION OF MINUTES: (IN-COMMITTEE)

15.1.1 Minutes of the Ordinary Council In-Committee meeting dated 31 January 2023

In-Committee Minutes circulated separately as part of the In-Committee Addendum.

15.2 CONSIDERATION OF IN-COMMITTEE REPORTS (NON- DELEGATED MATTERS)

Please refer to the In-Committee Addendum circulated separately.

16. RECORDING OF COUNCILLORS PRESENT

17. CLOSURE

5.CONFIRMATION OF MINUTES

MINUTES OF THE ORDINARY COUNCIL MEETING OF BITOU LOCAL MUNICIPALITY HELD IN THE COUNCIL CHAMBER, MUNICIPAL OFFICES, SEWELL STREET, PLETTENBERG BAY ON TUESDAY, 31 JANUARY 2023 9H00

1. OPENING

The Speaker, Councillor C N-J Terblanche welcomed everyone present at 9h00 and requested a moment for silent prayer.

2. ATTENDANCE

As per attached attendance register.

3. APPLICATION FOR LEAVE OF ABSENCE

No leave of absence received.

4. DECLARATION OF INTERESTS

None

5. CONFIRMATION OF MINUTES

5.1 Minutes of the Special Council Meeting dated 09 December 2022

That the minutes of the Special Council Meeting of 09 December 2022, be and are hereby **CONFIRMED AND SIGNED.**

Proposed: Councillor W J Nel

Seconded: Councillor M P Busakwe

6. STATEMENTS AND COMMUNICATIONS BY:

“Thank you Speaker

Welcome back to all councillors after the recess. I trust you had a restful break. Speaker, this is our first council meeting for 2023 and it is pleasing that we have just come out of a busy December holiday period.

We have seen the return of the annual Matric Rage after a 2-year absence and also the return of many holidaymakers that could not visit us because of Covid-19 Regulations.

While Covid-19 appears to be a thing of the past, let us remind ourselves that it is in fact still around. As of 29 January 2023, we have 7 people confirmed to have contracted this virus. This is in fact the highest number over the past few months.

At the end of every year Bitou Municipality presents a season plan on how we will manage the influx of visitors to ensure both resident and visitor safety. It is encouraging to have heard from

various sources that our municipal staff performed well this year and met and even exceeded public expectations.

Many accolades were received about the efficiency of our law enforcement and traffic officers, the timeous and efficient collection of waste, the efficiency of our support staff that cleaned our beaches and town areas. Despite the challenges of Eskom load-shedding water supply was well maintained to all areas and sewerage issues were at a minimum compared to previous years.

Overall, it was an excellent performance by our Bitou Municipal staff, and they really need to be complimented – those out in the field as well as those behind the scenes ensuring that the wheels kept turning.

Municipal Manager – our management team and staff really need to be thanked for a great job of work that was done.

An overview report will still come to council in March where we will receive a full report from all departments of their work and challenges during the holiday period. This will help us determine our needs for December 2023.

Auditor-General report – 2021/22 Financial year.

Items for noting in the council agenda is the tabling of the Draft 2021/2022 annual report and the retro-active approval of the Annual Budget for the 2021/2022 financial year.

While Bitou Municipality achieved another unqualified audit with findings as announced at the last council meeting it is evident that much work is needed in specific areas that have regressed, namely council oversight, Financial, and Performance Management.

Some of the root causes to be addressed are:

Financial controls have weakened again (specifically over the years from 2016-2021) resulting in BM not being able to prevent, detect and correct material misstatements identified.

Procurement management processes over the same period were not properly followed which led to non-compliance and irregular expenditure.

Many issues raised have been a concern of the AG for some years with only 8 of 22 findings of the previous 2020/21 year being addressed.

By far the more serious finding is that the 2021/22 budget was not approved by council. Despite warnings by the opposition Councillors from the DA and AUF at the time, the Deputy Mayor, who was acting mayor at the time, together with his Councillors, accounting officer, Director Corporate Services and CFO advised the MEC Local Government in writing that the budget had been approved.

This is very serious considering that the same people are entrusted to discharge their responsibility in a honest manner. This deliberate contravention of the MFMA cannot be left unattended.

It has now been confirmed by the AG that the records show that this was in fact not the case and that BM operated during the 2021/22 financial year without a council-approved budget. This has resulted in R805 million unauthorised expenditure by Bitou Municipality.

Thank you Speaker.”

6.2 The Speaker

Councillor C N-J Terblanche welcomed back all Councillors and informed the members that he will deliver his speech during the Ordinary Council In-Committee meeting of even date.

7. PRESENTATIONS

None

8. ITEMS FOR INFORMATION, WHICH HAVE BEEN DEALT WITH BY THE EXECUTIVE MAYOR IN TERMS OF DELEGATED AUTHORITY

Items for information: Resolution by the Mayoral Committee of its meeting held on 6 December 2022.

Resolved

That cognisance be taken of the resolutions taken by the Mayoral Committee on 6 December 2022.

FOR INFORMATION

The below communication was raised under point 9.

The Executive Mayor, Councillor D J Swart verbally reported to Council that he had to deal with the following two (2) items during Council recess and indicated that the posts were advertised.

1. Position of the Chief Financial Officer (*the appointee did not resume for duty on 3 January 2023 and gave notification that he will no longer join the Municipality*).
2. Position of the Director Economic Development and Planning (*the current incumbent resigned*).

FOR INFORMATION

9. NOTING OF OUTSTANDING / PARTIALLY IMPLEMENTED COUNCIL RESOLUTIONS

Resolved

1. That it be noted that an updated report dated 31 January 2023, was presented in the meeting.
2. That cognisance be taken of the Resolutions feedback report dated 31 January 2023, tabled before Council on even date.

FOR INFORMATION

10 CONSIDERATION OF REPORTS (OPEN)

Section 1: Office of the Municipal Manager

Resolution C/1/106/11/22

RESUBMISSION OF DRAFT POLICY: BURIAL OR CREMATION OF DESTITUTE PERSONS AND EXCEPTIONAL CASES RELATING TO THE DECEASED

Portfolio Comm: Office of the MM

File Ref: 16/6/P

Demarcation: All Wards

Delegation: Council

Resolved

1. That Council take note that Annexure C of Item C/1/95/10/22 that served before Council on 31 October 2022 did not contain the correct Annexure C i.e., draft Policy on the Burial or Cremation of destitute persons and exceptional cases relating to the deceased.
2. That resolution C/1/95/10/22, draft Policy on the Burial or Cremation of destitute persons and exceptional cases relating to the deceased be rescinded as a result of an administrative error.
3. That Council approves the Draft Policy on the Burial or Cremation of destitute persons and exceptional cases relating to the deceased.

Proposed: Councillor W J Nel

Seconded: Councillor A R Olivier

FOR EXECUTION:

cc.

Municipal Manager

Director Community Services, Manager: Facilities Management and Maintenance

Resolution C/1/118/01/23

TABLING OF THE DRAFT 2021/2022 ANNUAL REPORT

Portfolio Comm: Strategic Services Office of the MM

File Ref: 5/11/1/1 & 9/1/1

Demarcation: All Wards

Delegation: Council

Resolved

1. That cognisance be taken of the tabling of the 2021/2022 Draft Annual Report and the timeframes related to the adoption and publication thereof.
2. That the Annual Report be submitted to MPAC in order to consider and evaluate the 2021/2022 Draft Annual Report to provide a detailed analysis and review thereof, and to submit an Oversight Report to Council by 31 March 2023.

3. That the 2021/2022 Draft Annual Report be submitted to the Office of the Auditor General, Provincial Treasury and the relevant Provincial Department responsible for Local Government.
4. That the Accounting Officer publishes the 2021/2022 Draft Annual Report for public comments and recommendations.
5. That hardcopies of the Draft Annual Report be made available at all public domains.

Proposed: Councillor D J Swart
Seconded: Councillor N P Kolwapi

FOR EXECUTION: Senior Manager: Governance and Compliance
Cc: Municipal Manager

Resolution C/1/119/01/23

TABLING OF THE 2022/2023 MFMA SECTION 72 (MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT)

Portfolio Comm: Strategic Services Office of the MM
File Ref: 5/1/1/4
Demarcation: All Wards
Delegation: Council

Resolved

1. That it be noted that the Executive Mayor considered the 2022/2023 MFMA Section 72 (Mid-Year budget and performance assessment) report.
2. That **it be noted that** the report **was** tabled in Council for information.
3. That the report be submitted to National Treasury and Provincial Treasury.
4. That the report be placed on the municipal website within 5 days as contemplated by Section 75 (2) of the MFMA.
5. That the Adjustment Budget be submitted to Council by 28 February 2023.
6. That the **Municipal Manager submits a report to the next Council meeting on the challenges experienced to meet the capital expenditure targets and the corrective measures put in place to address same.**
7. That it be noted that an Adjustment Budget and procurement plan feedback workshop will be arranged with all Councillors.

Proposed: Councillor D J Swart
Seconded: Councillor J N Kamkam

FOR EXECUTION: Senior Manager: Governance and Compliance, Acting Director Financial Services, Municipal Manager

Resolution C/1/120/01/23**EXTENSION OF ACTING APPOINTMENT OF DIRECTOR FINANCIAL SERVICES
FOR THE PERIOD 01 JANUARY 2023 UNTIL 31 MARCH 2023**

Portfolio Comm: Strategic Services & Office of the MM
File Ref: 4/3/5/1/3

Demarcation: All Wards
Delegation: Council

Resolved

1. That Council notes that the newly appointed Director Financial Services, Mr. C Mapeyi did not report for duty on 3 January 2023.
2. That Council notes and condone the acting appointment of Mr. Felix Lötter as Director Financial Services for the period 3 January 2023 to 30 January 2023.
3. That Council further appoint Mr. Felix Lötter to act as Director Financial Services for the period 31 January 2023 until 31 March 2023.
4. That considering that the acting period has exceeded three months, that Council applies in writing to the MEC for Local Government to extend the period of acting appointment for Mr. FM Lötter with a further three months ending 31 March 2023.

Proposed: Councillor W J Nel
Seconded: Councillor J N Kamkam

FOR EXECUTION: Manager Human Resources Administration

Cc: Municipal Manager, Director Corporate Services & Senior Manager:
Human Resources Management Services

Resolution C/1/121/01/23**DECLARATION OF VACANCY, APPROVAL OF SELECTION AND RECRUITMENT
PROCESS FOR THE FILLING OF POSITION OF DIRECTOR FINANCIAL SERVICES**

Portfolio Comm: Strategic Services & Office of the MM
File Ref: 2/1/8

Demarcation: All Wards
Delegation: Council

Resolved

1. That Council takes cognizance that the position of Director Financial Services was re-advertised on Sunday, 15 January 2023.
2. That the following persons be approved by Council as the Selection and Interview Panel in terms of both Regulations 12 and 15 of Government Gazette No. (37245) respectively:

- (a) The Municipal Manager who will be the chairperson.
- (b) A member of the Mayoral Committee or Councillor who is the portfolio head of the relevant portfolio; Councillor J Kamkam
- (c) At least one other person; who is not a councillor or a staff member of the municipality, and who has the expertise or experience in the area of the advertised post.
- (d) *Two (2) Union Representatives, 1 union representative from IMATU and 1 Union Representative from SAMWU who will sit as an observers*

3. That Council approves the Recruitment and Selection processes hereunder, in line with the Local Government: *Regulations on Employment and Conditions of Employment of Senior Managers*, as promulgated on 17 January 2014.

ACTIVITY	DATE
Advertising for position of Director Financial Services (<i>minimum of 14 days from the date of advertisement appearing and not more than 30 days</i>)	15 January 2023
Closing Date	17 February 2023
Shortlisting (within 30 days of closing of advert)	7 March 2023
Screening and competency assessments (within 21 days of shortlisting)	14 – 15 March 2023
Interviews (within 21 days of screening)	22 March 2023
Outcome report tabled in Council	30 March 2023
Successful candidate report for duty	01 May 2023

- 6. That upon completion of the selection process, a report containing the proposed appointment be tabled to Council in order for Council to make the necessary appointment.
- 7. That upon Council approving the appointment, the Municipal Manager be mandated to negotiate an offer of employment with the preferred candidate within the parameters of the specific service conditions and budgetary guidelines relating to the position.

Proposed: Councillor J N Kamkam

Seconded: Councillor A R Olivier

FOR EXECUTION: Manager Human Resources Administration

Cc: Municipal Manager, Director Corporate Services & Senior Manager:
Human Resources Management Services

Resolution C/1/122/01/23

DECLARATION OF VACANCY, APPROVAL OF SELECTION AND RECRUITMENT PROCESS FOR THE FILLING OF POSITION OF DIRECTOR PLANNING AND DEVELOPMENT**Portfolio Comm:** Strategic Services & Office of the MM**File Ref:** 2/1/8**Demarcation:** All Wards**Delegation:** Council**Resolved**

1. That Council note that the post of Director Planning and Development will become vacant on 01 March 2023.
2. That Council approve and declare the vacancy of the post of Director Planning and Development with effect from 01 March 2023.
3. That the recruitment and selection processes be proceeded with to ensure that the vacancy is filled within the shortest possible turnaround time.
4. That the position be advertised as a Fixed Term Negotiable Contract for a maximum period of up to 10 years.
5. That the following persons be approved by Council as the Selection and Interview Panel in terms of both Regulations 12 and 15 of Government Gazette No. (37245) respectively:
 - (a) The Municipal Manager who will be the chairperson;
 - (b) A member of the mayoral committee or councillor who is the portfolio head of the relevant portfolio; Councillor WJ Nel
 - (c) At least one other person; who is not a councillor or a staff member of the municipality, and who has the expertise or experience in the area of the advertised post.
 - (d) Two (2) Union Representatives, 1 union presentative from IMATU and 1 Union Representative from SAMWU who will sit as an observers
6. That Council approves the Recruitment and Selection processes hereunder, in line with the Local Government: *Regulations on Employment and Conditions of Employment of Senior Managers*, as promulgated on 17 January 2014.

ACTIVITY	DATE
Advertising for position of Director Planning and Development (minimum of 14 days from the date of advertisement appearing and not more than 30 days)	15 January 2023
Closing Date	17 February 2023
Shortlisting (within 30 days of closing of advert)	7 March 2023
Screening and competency assessments (within 21 days of shortlisting)	14 – 15 March 2023
Interviews (within 21 days of screening)	23 March 2023
Outcome report tabled in Council	30 March 2023

7. That upon completion of the selection process a report containing the proposed appointment be tabled with Council in order for Council to make the necessary appointment.
8. That upon Council approving the appointment, the Municipal Manager be mandated to negotiate an offer of employment with the preferred candidate within the parameters of the specific service conditions and budgetary guidelines relating to the position.

Proposed: Councillor W J Nel
Seconded: Councillor A R Olivier

FOR EXECUTION: Manager Human Resources Administration

**Cc: Municipal Manager, Director Corporate Services & Senior Manager:
 Human Resources Management Services**

Resolution C/1/125/01/23

**DESIGNATION AS A FULL-TIME COUNCILLOR THE CHAIRPERSON OF A
 SECTION 79 COMMITTEE**

Portfolio Comm: Strategic Services & Office of the MM **Demarcation:** All Wards
File Ref: 5/15/5/1 **Delegation:** Council

The following proposal was received from Councillor W J Nel seconded by Councillor A R Olivier:

1. That Council authorises the Municipal Manager to request the MEC to make the changes to the Bitou Establishment notice.
2. That Council authorises the Municipal Manager to request the MEC to write to the Minister to make the necessary changes to the Policy Framework for the designation of full-time Councillors published in Proclamation Notice 63 of 2022.
3. That Council authorises the Municipal Manager to write to the MEC to obtain his support and approval whilst the processes is underway to amend the legislation as well as the notices.

A counterproposal was received from Councillor T Mhlana, seconded by Councillor S E Gcabayi that the recommendation by the Municipal Manager be accepted which is as follows:

1. That Council designate the Chairperson of the Municipal Public Accounts Committee as a full-time Councillor.
2. That Council authorises the Municipal Manager to request the MEC to make the changes to the Bitou Establishment notice.
3. That Council authorises the Municipal Manager to request the MEC to write to the Minister to make the necessary changes to the Policy Framework for the designation of full-time Councillors published in Proclamation Notice 63 of 2022.

4. That Council authorises the Municipal Manager to write to the MEC to obtain his support and approval that whilst the processes is underway to amend the legislation as well as the notices, the Chairperson of MPAC be regarded as a full-time Councillor.

The Speaker then put the proposals to the vote by show of hands.

The following councillors voted FOR the proposal of Councillor W J Nel

Councillor W J Nel, Councillor M P Busakwe, Councillors D J Swart, Councillor J N Kamkam, Councillor A R Olivier, Councillor N Ndayi, Councillor C N-J Terblanche

The following councillors voted AGAINST the proposal of Councillor W J Nel

Councillor T Mhlana, Councillor S E Gcabayi, Councillor S A Mangxaba, Councillor N T Seti

Abstained:

It is recorded that Councillor N P Kolwapi and Councillor T S Harmse abstained from voting.

Results of the vote:

FOR the proposal of Councillor W J Nel: 7

AGAINST the proposal of Councillor W J Nel: 4

The proposal by Councillor W J Nel therefore carries.

It was therefore;

Resolved

1. That Council authorises the Municipal Manager to request the MEC to make the changes to the Bitou Establishment notice.
2. That Council authorises the Municipal Manager to request the MEC to write to the Minister to make the necessary changes to the Policy Framework for the designation of full-time Councillors published in Proclamation Notice 63 of 2022.
3. That Council authorises the Municipal Manager to write to the MEC to obtain his support and approval whilst the processes is underway to amend the legislation as well as the notices.

Proposed: Councillor W J Nel

Seconded: Councillor A R Olivier

FOR EXECUTION: Municipal Manager

Resolution C/1/123/01/23**FAILURE TO APPROVE THE ANNUAL BUDGET BEFORE THE 2021-2022 FINANCIAL YEAR**

Portfolio Comm: Strategic Services & Office of the MM
File Ref: 5/1/1/17

Demarcation: All Wards
Delegation: Council

Resolved

1. That Council take note of the Auditor General finding COMAF 25.
2. That Council elect a Committee to investigate the conduct of Councillors in causing the unauthorised expenditure.
3. That Council refer to the Municipal Public Accounts Committee the conduct of officials in causing the unauthorised expenditure.

Proposed: Councillor A R Olivier
Seconded: Councillor N Ndayi

FOR EXECUTION: Municipal Manager

Section 2: Financial Services**Resolution C/2/81/11/22****FINANCIAL INFORMATION STATEMENT: LONG TERM DEBT TO THE AMOUNT OF R38,843,300**

Portfolio Comm: Finance and Corporate Services
File Ref: 5/13/3

Demarcation: All Wards
Delegation: Council

Resolved

1. That Council take note of the information statement associated with incurring the proposed long-term debt (as prescribed by Section 46 of the MFMA) associated with funding the approved MTREF Capital Budget.
2. That the capital projects and subsequent expenditure reflecting in Annexure A, circulated with the agenda, be noted in terms of the approved 2022/2023 capital program.

3. That given the current and forecasted increase in interest rates, the relevant budget amendments and provisions be made at the next adjustment budget process, in order to successfully conclude to borrowing process.

Proposed: Councillor J N Kamkam

Seconded: Councillor A R Olivier

FOR EXECUTION: Manager: Assets and Liabilities

Cc: Director Financial Services, Municipal Manager

Resolution C/2/85/01/23

REQUEST FOR AMENDMENT OF TERMS OF CONTRACT IN ACCORDANCE WITH SECTION 116(3) OF THE MFMA AND THE CONCLUSION OF A LONG-TERM CONTRACT IN TERMS OF SECTION 33 OF THE MFMA - IGNITE ADVISORY SERVICES PTY (LTD)

Portfolio Comm: Finance & Corporate Services

File Ref: 8/1/3

Demarcation: All Wards

Delegation: Council

Resolved

1. That the Council approve the amendment of the existing agreement with IGNITE Advisory Services (Pty) Ltd in accordance with Section 116(3) of the Municipal Finance Management Act, (Act 56 of 2003) by extending the contract to make provision for the additional service offerings contained in the table under financial implication of the report.
2. That the Council support the amendment of the existing agreement with IGNITE Advisory Services (Pty) Ltd in accordance with Section 116(3) of the Municipal Finance Management Act, (Act 56 of 2003) by extending the contract period to 30 June 2028.
3. That the Council take note of the cost associated with the rendering of the service for the next 5 years and that provision be made in the outer years of the MTREF for the expenditure.
4. That Council approve the Draft Service Level Agreement with IGNITE Advisory Services for the conclusion of a long-term contract in accordance with Section 33 of the Municipal Finance Management Act, Act 56 of 2003.
5. That Council take note of the fact that input was solicited from National Treasury (NT), the Provincial Treasury (PT) as well as COGTA and that no input was received.
6. That Council authorize the Municipal Manager to sign the attached agreement with IGNITE Advisory Services for the service offerings contained therein for the period ended 30 June 2028.

Proposed: Councillor J N Kamkam

Seconded: Councillor M P Busakwe

FOR EXECUTION: Director: Financial Services

Resolution C/2/86/01/23**REQUEST FOR AMENDMENT OF TERMS OF CONTRACT IN ACCORDANCE WITH SECTION 116(3) OF THE MFMA AND THE CONCLUSION OF A LONG-TERM CONTRACT IN TERMS OF SECTION 33 OF THE MFMA - STANDARD BANK GROUP LIMITED**

Portfolio Comm: Finance & Corporate Services
File Ref: 8/1/3

Demarcation: All Wards
Delegation: Council

Resolved

1. That the Council support the amendment of the existing agreement with Standard Bank Group Limited in accordance with Section 116(3) of the Municipal Finance Management Act, (Act 56 of 2003) by extending the contract to make provision for the additional two (2) years.
2. That the Council support the amendment of the existing agreement with Standard Bank Group Limited in accordance with Section 116(3) of the Municipal Finance Management Act, (Act 56 of 2003) by extending the contract period to 30 June 2025.
3. That the Council takes note of the annual bank related costs that are estimated to the total value of R522 016 until 30 June 2025.

Proposed: Councillor J N Kamkam
Seconded: Councillor M P Busakwe

FOR EXECUTION: Director: Financial Services

Resolution C/2/87/01/23**INSURANCE CLAIM STATUS REPORT AS AT 31 DECEMBER 2022**

Portfolio Comm: Finance and Corporate Services
File Ref: 5/13/3

Demarcation: All Wards
Delegation: Council

Resolved

That the Insurance Report for the period up until 31 December 2022, be noted.

Proposed: Councillor J N Kamkam
Seconded: Councillor A R Olivier

FOR INFORMATION: Manager: Assets and Liabilities

Resolution C/2/88/01/23**REPORT ON THE IMPLEMENTATION OF THE SUPPLY CHAIN MANAGEMENT POLICY FOR THE 2nd QUARTER 01 OCTOBER TO 31 DECEMBER 2022**

Portfolio Comm: Finance & Corporate Services
File Ref: 8/1/5/5/2

Demarcation: All Wards
Delegation: Council

Resolved

1. That Council notes the Supply Chain Management Implementation Report for the 2nd Quarter, 01 October 2022 to 30 September 2022, of the 2022/23 financial year in terms of Section 6(3) of the Municipal SCM Policy.
2. That Council recommends that the Potential Irregular Expenditure for the period 01 October to 31 December 2022, be referred to the Municipal Accounts Committee (MPAC) for further investigation and recommendation.
3. That the report be made public in accordance with Section 21A of the Municipal Systems Act.

Proposed: Councillor J N Kamkam
Seconded: Councillor A R Olivier

FOR EXECUTION: Manager: Supply Chain Management
Cc: Director: Financial Services, Senior Manager: SCM and Expenditure

Resolution C/2/89/01/23**REQUEST FOR AMENDMENT OF TERMS OF CONTRACT IN ACCORDANCE WITH SECTION 116(3) OF THE MFMA - DDP VALUERS (PTY) LTD**

Portfolio Comm: Finance and Corporate Services
File Ref:

Demarcation: All Wards
Delegation: Council

Resolved

1. That the Council support the amendment of the existing agreement with DDP Valuers (Pty) Ltd in accordance with Section 116(3) of the Municipal Finance Management Act, (Act 56 of 2003) by extending the contract period to 30 June 2025.
2. That the Council take note of the estimated cost associated with the rendering of the service for the next 2 years and that provision be made in the outer years of the MTREF for the expenditure.

3. That the Council support in-principle the conclusion of a long-term contract and that all legislative processes be followed in accordance with Section 33 of the Municipal Finance Management Act, Act 56 of 2003.

Proposed: Councillor J N Kamkam

Seconded: Councillor A R Olivier

FOR EXECUTION: Manager Revenue Services
cc. Director Financial Services

Resolution C/2/91/01/23

REPORT ON THE ACQUISITION OF SMART METERING DEVICES AND PROGRESS WITH THE INSTALLATION AND ACTIVATION THEREOF

Portfolio Comm: Finance & Corporate Services

File Ref: 5/5/2/3

Demarcation: All Wards

Delegation: Council

Resolved

1. That the Council note the content of the report.
2. That the Engineering Services Department, in consultation with the finance department, prepare a rollout plan for the meter installation and replacement program.
3. That appropriate budgetary provision be made from the 2023/2024 budget for the meter replacement program.
4. That the public participation process be finalised by 30 June 2023, thus before the commencement of the meter replacement program.

Proposed: Councillor J N Kamkam

Seconded: Councillor A R Olivier

FOR EXECUTION: Director: Financial Services
cc. Senior Manager: Electrical and Mechanical Engineering Services,
Director Engineering Services

Resolution C/2/94/01/23

REVIEW AND ADOPTION OF BITOU PREFERENTIAL PROCUREMENT POLICY

Portfolio Comm: Finance & Corporate Services
File Ref: 8/1/5/P

Demarcation: All Wards
Delegation: Council

Resolved

That Council approves the Bitou Preferential Procurement Policy circulated with the agenda, for 2022/23 until 30 June 2023.

Proposed: Councillor J N Kamkam
Seconded: Councillor A R Olivier

FOR EXECUTION: Senior Manager: SCM and Expenditure
cc. Director: Financial Services

Resolution C/2/95/01/23

SECTION 52(d) REPORT FOR THE QUARTER ENDING DECEMBER 2022

Directorate: Finance & Corporate Services
File Ref: 9/1/3/4

Demarcation: All Wards
Delegation: Council

Resolved

That the Section 52(d) report for the quarter ending 31 December 2022, be noted.

Proposed: Councillor D J Swart
Seconded: Councillor N Ndayi

FOR INFORMATION: Manager Budget and Reporting
Cc: Director: Financial Services

Resolution C/2/96/01/23

VIREMENT REPORT FOR THE FIRST QUARTER ENDED 31 DECEMBER 2022

Portfolio Comm: Finance & Engineering
File Ref: 9/1/3/4

Demarcation: All Wards
Delegation: Council

Resolved

That cognisance be taken of the virements that have been considered or processed during the second quarter of the 2022/2023 financial year.

Proposed: Councillor A R Olivier
Seconded: Councillor N Ndayi

FOR INFORMATION: Manager Budget and Reporting
Cc: Director: Financial Services

Resolution C/2/97/01/23

LIST OF WITHDRAWALS FROM MUNICIPAL BANK ACCOUNT FOR THE QUARTER ENDED 31 DECEMBER 2022

Portfolio Comm: Finance & Engineering
File Ref: 5/15/6

Demarcation: All Wards
Delegation: Council

Resolved

1. That the Municipal Council confirms the withdrawals that were made in terms of Section 11 (1) (b) to (j) of the Local Government: Municipal Financial Management Act, 2003 for the quarter October 2022 to December 2022.
2. That the report accordingly be presented to the Provincial Treasury: Western Cape and Auditor – General, as determined by Section 11(4) (b) of the Local Government: Municipal Finance Management Act, 2003.

Proposed: Councillor J N Kamkam
Seconded: Councillor A R Olivier

EXECUTION: Manager Budget and Reporting
Cc: Director: Financial Services

Resolution C/2/98/01/23

COST CONTAINMENT REPORT FOR THE QUARTER ENDING 31 DECEMBER 2022

Portfolio Comm: Finance & Engineering
File Ref : 9/1/3/4

Demarcation: All Wards
Delegation: Council

Resolved

That Cost Containment report for the quarter ending 31 December 2022, be noted

Proposed: Councillor J N Kamkam
Seconded: Councillor A R Olivier

FOR INFORMATION: Manager Budget and Reporting
Cc: Director: Financial Services

The Speaker adjourned the meeting at 11h07 for a short break and reconvened at 11h26.

Section 3: Corporate Services

No items for consideration

Section 4: Community Services

Resolution C/4/40/11/22

INTEGRATED HUMAN SETTLEMENTS PROGRESS REPORT FOR PERIOD ENDING OCTOBER 2022

Portfolio Comm: Engineering & Community Services
File Ref: 17/6/12

Demarcation: All Wards
Delegation: Portfolio

Resolved

1. That Council take cognizance of the Integrated Human Settlement report for the period ending October 2022.
2. That it be noted that proper planning take place to ensure that the Capital Budget is aligned with the infrastructure projects.

Proposed: Councillor T Mhlana
Seconded: Councillor M P Busakwe

FOR INFORMATION: Manager: Integrated Human Settlements
cc. Director Community Services

Resolution C/4/42/11/22

**EXPANDED PUBLIC WORKS PROGRAMME QUARTERLY REPORT FOR PERIOD
ENDING SEPTEMBER 2022**

Portfolio Comm: Engineering & Community Services
File Ref: 17/14/1/2

Demarcation: All
Delegation: Council

Resolved

1. That Council take note of the Expanded Public Works Programme Quarter 1 report for the period ending September 2022.
2. That Council take note of the shortfall on planned Work Opportunities against the Protocol Agreement targets.

Proposed: Councillor T Mhlana
Seconded: Councillor M P Busakwe

FOR INFORMATION: Manager: Integrated Human Settlements
cc. Director Community Services

Resolution C/4/45/01/23

BY-LAW RELATING TO COMMUNITY FIRE SAFETY

Portfolio Comm: Engineering & Community Services
File Ref: 1/3/1/41

Demarcation: All Wards
Delegation: Council

Resolved

1. That the Council notes the report and Draft By-law relating to Community Fire Safety.
2. That Council, in principle approves the adoption of the Draft By-law relating to Community Fire Safety.
3. That the Draft by-law relating to Community Fire Safety be published for public comment.
4. That the Draft By-law, together with comments or inputs received from the public and other stakeholders, be resubmitted to Council following the closure of the public participation process.

Proposed: Councillor M P Busakwe
Seconded: Councillor N P Kolwapi

FOR EXECUTION: Chief Fire Officer
cc. Director Community Services, Manager Legal Services

Resolution C/4/46/01/23

FIRE RESCUE 12 HOUR SHIFTS TO RENDER 24 HOUR SERVICES

Portfolio Comm: Engineering & Community Services

File Ref: 1/3/1

Demarcation: All Wards

Delegation: Council

Resolved

1. That Council approves in principle, the implementation of a 12-hour shift system to render 24-hour operations for fire services staff (firefighters).
2. That the implementation of a 12-hour shift system to render 24-hour operation be referred to the Local Labour Forum for consultation.
3. That HR facilitate staffing agreements to bring all members, Learner Fire Fighters and Fire Fighters to 6-day Workers.

Proposed: Councillor M P Busakwe

Seconded: Councillor N P Kolwapi

FOR EXECUTION:
cc.

**Chief Fire Officer, Manager: Manager: HR Administration
Director Community Services, Senior Manager: Human Resources
Management Services, Director Corporate Services**

Resolution C/4/48/01/23

DEVELOPMENT OF SHELL ULTRA CITY, ERF 4367, PLETTENBERG BAY

Portfolio Comm: Engineering & Community Services

File Ref: 18/4367/PB

Demarcation: Ward 2

Delegation: Council

Resolved

1. That Council support Social Housing strategy for the proposed development of Erf 4367, Plettenberg Bay (Shell Ultra City).
2. That Council support that Social Housing Regulatory Authority (SHRA) be engaged for purposes of assessing the project if it meets the criteria and for SHRA's assistance with the procurement of the implementing agent OR

3. That the Bitou Municipal's Community Services and Economic Development and Planning Departments be responsible for calling of proposals for the development of Erf 4367, Plettenberg Bay (Shell Ultra City).

Proposed: Councillor S E Gcabayi
Seconded: Councillor N P Kolwapi

FOR EXECUTION: Manager: Integrated Human Settlements
cc. Director Community Services

Resolution C/4/52/01/23

ADOPTION OF POLICY RELATING TO LEASE OF MUNICIPAL RESIDENTIAL ACCOMMODATION

Portfolio Comm: Engineering & Community Services
File Ref:

Demarcation: All Wards
Delegation: Council

Resolved

1. That the Leasing of Municipal Residential Accommodation Policy be approved by Council.
2. That market related rentals as determined by a valuer be determined.
3. That the market related rentals as in (2) above be implemented as of 1 March 2023
4. That all expired leases be renewed for a period not exceeding 24 months effective as from 1 March 2023.
5. That **it be noted that the policy was amended to make** provision for leasing municipal residential units to indigent households prior to the submission to Council.

Proposed: Councillor J N Kamkam
Seconded: Councillor N Ndayi

FOR EXECUTION: Manager: Facilities Management and Maintenance
cc. Director Community services

Resolution C/4/54/01/23**PLETT SHARKS SPOTTERS AND OTHER PROGRAMS IMPLEMENTED TO IMPROVE BATHER SAFETY****Portfolio Comm:** Engineering & Community Services**Demarcation:** All Wards**File Ref:****Delegation:** Council**Resolved**

That the Item be REFERRED BACK to the Portfolio Committee for proper engagements with Plett Shark Action Group and that a comprehensive report then be submitted to include the financial implications of their program.

Proposed: Councillor D J Swart**Seconded:** Councillor T S Harmse**FOR EXECUTION:****Manager: Facilities Management and Maintenance
Director Community services**

cc.

Resolution C/4/56/01/23**DISPOSAL OF MUNICIPAL PROPERTIES****Portfolio Comm:** Engineering & Community Services**Demarcation:** All Wards**File Ref:** 17/7/1/2**Delegation:** Council**Resolved**

- 1 That Council grants final approval for the disposal of the following municipal properties:
 - a. Erf 2324, 3 Parklane Drive,
 - b. 2 Oriental Avenue; Erf 2244,
 - c. Bitou Crescent, New Horizon,
 - d. Erf 226 Natures Valley,
 - e. Erf 3333, Beacon Flats, Saringa Road New Horizon
 - f. Units 1 & 2 Shoprite Building
- 2 That the properties set out in (1) above be disposed of at a price not less than the market values determined by the valuer.

Proposed: Councillor J N Kamkam**Seconded:** Councillor N Ndayi**FOR EXECUTION:****Manager: Facilities Management and Maintenance
Director Community services**

cc.

The Speaker adjourned the meeting at 11h59 for lunch and reconvened at 12h28.

Section 5: Engineering Services

Resolution C/5/43/11/22

STATUS UPDATE ON THE ELECTRICAL MASTERPLAN AND COST OF SUPPLY STUDY

Portfolio Comm: Engineering & Community Services
File Ref: 9/1/3/5/3

Demarcation: All Wards
Delegation: Council

Resolved

1. That the report on the status update of the Electrical Masterplan and cost of supply study be noted.
2. That a flyer be created for publication informing the public of Bitou's intention to investigate the augmentation of electricity from independent power producers (IPP's).
3. That it be noted that alternative sources of energy be explored, to ensure that the pump stations are operational during loadshedding to secure water supply to communities at all times.

Proposed: Councillor M P Busakwe
Seconded: Councillor A R Olivier

FOR EXECUTION: Senior Manager: Electrical & Mechanical Engineering Services
cc. Director: Engineering Services

Resolution C/5/44/11/22

CAPITAL PROJECTS IMPLEMENTATION PLAN (CPIP): PROGRESS REPORT FOR PERIOD ENDING SEPTEMBER 2022 (Q1)

Portfolio Comm: Engineering & Community Services
File Ref: 5/7/1/12

Demarcation: All wards
Delegation: Council

Resolved

That Council take cognizance of the Capital Projects Implementation Plan (CPIP) for the period ending September 2022.

Proposed: Councillor M P Busakwe
Seconded: Councillor N Ndayi

FOR INFORMATION: Manager: Programme Management
cc. Director: Engineering Services

Resolution C/5/45/01/23**2021/2022 ANNUAL WATER SERVICES DEVELOPMENT PLAN (WSDP)
PERFORMANCE- AND WATER SERVICES AUDIT REPORT FOR COUNCIL****Portfolio Comm:** Engineering & Community Services**Demarcation:** All Wards**File Ref:** 16/12/1/13**Delegation:** Council**Resolved**

That the 2021/2022 Annual Water Services Development Plan (WSDP) Performance Report - and Water Services Audit Report be approved.

Proposed: Councillor D J Swart**Seconded:** Councillor W J Nel

FOR EXECUTION:
cc.

Senior Manager: Water and Wastewater Services
Director: Engineering Services

Resolution C/5/46/01/23**MONTHLY AND QUARTERLY REPORT FOR ELECTRICAL AND MECHANICAL
FOR THE PERIOD OCT – DEC 2022****Portfolio Comm:** Engineering & Community Services**Demarcation:** All Wards**File Ref:** 9/1/3/5/3**Delegation:** Portfolio**Resolved**

That the monthly and quarterly report for Electrical and Mechanical Section for the period October - December 2022, be noted.

Proposed: Councillor T Mhlana**Seconded:** Councillor M P Busakwe

FOR INFORMATION: Senior Manager: Electrical & Mechanical Engineering Services

Resolution C/5/47/01/23**1st QUARTER VEHICLE MAINTENANCE COST REPORT 2022/2023****Portfolio Comm:** Engineering & Community Services**File Ref:** 6/2/1/8**Demarcation:** All Wards**Delegation:** Portfolio**Resolved**

That the Monthly and Quarterly report for the Fleet Management Section for the period July - September 2022, be noted.

Proposed: Councillor N Ndayi**Seconded:** Councillor N P Kolwapi**FOR INFORMATION:****Manager: Fleet Management Services****Resolution C/5/49/01/23****4th QUARTER VEHICLE MAINTENANCE COST REPORT 2021/2022****Portfolio Comm:** Engineering & Community Services**File Ref:** 6/2/1/8**Demarcation:** All Wards**Delegation:** Portfolio**Resolved**

That the Monthly and Quarterly report for the Fleet Management Section for the period April-June 2022, be noted.

Proposed: Councillor N Ndayi**Seconded:** Councillor N P Kolwapi**FOR INFORMATION:****Manager: Fleet Management Services**

Resolution C/5/50/01/23**IMPLEMENTATION OF LEVEL 1 WATER RESTRICTIONS****Portfolio Comm:** Engineering & Community Services**Demarcation:** All Wards**File Ref:** 16/1/1/6**Delegation:** Council**Resolved**

1. That Level 1 water restrictions be implemented with immediate effect upon approval by Council and advertisement on local media platforms.
2. That the following restrictions immediately be imposed;
 - a) Where own water other than municipal water e.g. borehole or grey water is used, an appropriate notice must be displayed on the property by the landowner eg “OWN WATER” or “BOREHOLE WATER IN USE”
 - b) Watering of gardens may only be undertaken for two hours per day between 08:00 and 10:00 two days per week.
 - c) At sports fields the watering of cricket pitches, golf greens and bowling greens is permitted for two hours per day, unless own sources of water are used, two days per week.
 - d) That the use of automated garden sprinkler system be prohibited.
 - e) No hosing of roofs and driveways and no washing of vehicles with a garden hose connected to municipal reticulation. This includes the use of a high-pressure jetting machine.
 - f) That all domestic households be limited to 20kl of water consumption per month.
3. That the following action be implemented in support of the water restrictions;
 - a) An effective public awareness campaign must be conducted and intensified.
 - b) Water restrictions must become effective immediately after being approved by Council and advertised on local media platforms.
 - c) Consumer accounts must be closely monitored and those identified who do not heed the request to save water and the imposed restrictions.
 - d) The Call Centre must be available on 044 5013174 / 75 and 0800212797 where contraventions can be reported and followed up immediately by Law Enforcement.
 - e) The use of automated garden sprinkler system be prohibited.

- f) Any person who contravenes these restrictions must be guilty of an offence and upon conviction, be liable for a fine.
- g) That businesses apply for a waiver in exceptional circumstances.

Proposed: Councillor D J Swart
Seconded: Councillor J N Kamkam

FOR EXECUTION: Senior Manager: Water and Wastewater Services
cc. Director: Engineering Services

Section 6: Economic Development & Planning

Resolution C/6/68/01/23

IDENTIFICATION OF MUNICIPAL-OWNED LAND FOR DEVELOPMENT PURPOSES

Portfolio Comm: Strategic Services and Office of the MM **Demarcation:** All Wards
File Ref: 15/1 **Delegation:** Council

Resolved

1. That it be determined that the following properties are not required by the Municipality for its own purposes or for the provision of a basic level of Municipal service:
 - (a) Portion of Erf 117, Kurland;
 - (b) Remainder of Portion 3 of the Farm Hillview No. 437.
2. That public comments be invited on the principle of the disposal or lease of the abovementioned properties for the purposes as outlined in the report.
3. That the Municipal Manager be delegated to call for proposals through a Supply Chain Management process.
4. That a report be submitted to Council for approval after consideration of the proposals.
5. That suitable land be identified for the development / establishment of a cemetery.
6. That the maintenance and management of cemeteries be brought to the attention of the Director Community Services.

Proposed: Councillor W J Nel
Seconded: Councillor J N Kamkam

FOR EXECUTION Spatial Planner
Cc Director: Economic Development & Planning

Resolution C/6/70/01/23**COMPILATION OF LADYWOOD LOCAL SPATIAL DEVELOPMENT FRAMEWORK (LSDF)**

Portfolio Comm: Strategic Services and Office of the MM **Demarcation:** All Wards
File Ref: 15/1/4 **Delegation:** Council

Resolved

That Council approves the Process Plan for the compilation of the Ladywood Local Spatial Development Framework (LSDF).

Proposed: Councillor W J Nel
Seconded: Councillor A R Olivier

FOR EXECUTION: Spatial Planner

Resolution C/6/71/01/23**ENVIRONMENTAL MANAGEMENT: QUARTERLY REPORT (OCTOBER - DECEMBER 2022)**

Portfolio Comm: Strategic Services and Office of the MM **Demarcation:** All Wards
File Ref: 9/1/3/7 **Delegation:** Council

Resolved

That the Quarterly Report of the Environmental Management Section for the period October – December 2022, be noted.

Proposed: Councillor W J Nel
Seconded: Councillor A R Olivier

FOR INFORMATION: Environmental Management Officer

Resolution C/6/72/01/23

LAND USE MANAGEMENT SECTION – QUARTERLY REPORT (OCT – DEC 2022)

Portfolio Comm: Strategic Services and Office of the MM**File Ref:** 9/1/3/7**Demarcation:** All wards**Delegation:** Portfolio Comm**Resolved**

That the Quarterly Report for the period October - December 2022 of the Section: Land Use Management, be noted.

Proposed: Councillor W J Nel**Seconded:** Councillor D J Swart**FOR INFORMATION:** Manager: Land Use Management**11. URGENT MATTERS SUBMITTED BY THE MUNICIPAL MANAGER**

None received

12. CONSIDERATION OF NOTICES OF MOTION

None received

13. CONSIDERATION OF NOTICES OF QUESTION

The Speaker, Councillor C N-J Terblanche read into the record an unsigned emailed copy of the Motion of Questions dated 22 September 2022, moved by Councillor T Mhlana (unsigned) and seconded Councillor S A Mangxaba (unsigned) and;

Resolved

1. That the unsigned copy of the Motion of Questions be **REFERRED BACK** and that a signed copy be submitted in terms of Rule 37 of the “*Bitou Local Municipality: By-Law Relating to the Rules of Order of the conduct of Meetings of the Council of Bitou Local Municipality*”.

The Speaker apologised for the delay in finalising the matter.

14. CONSIDERATION OF MOTIONS OF EXIGENCY

None received.

15. IN-COMMITTEE MATTERS

15.1 CONFIRMATION OF MINUTES:(IN-COMMITTEE)

15.1.1 None

15.2 CONSIDERATION OF IN-COMMITTEE REPORTS (NON-DELEGATED MATTERS)

Please refer to the In-Committee Minutes of even date.

16 RECORDING OF COUNCILLORS PRESENT

The Speaker, Councillor N-J Terblanche informed the meeting that Councillor T Mhlana requested to be recused earlier from the meeting due to family commitments and thereafter requested that Councillors verbally record their presence during the Ordinary Council In-Committee session in the following order;

Councillor D J Swart, Councillor M P Busakwe, Councillor D J Nel, Councillor J N Kamkam, Councillor A R Olivier, Councillor N Ndayi, Councillor T S Harmse, Councillor N P Kolwapi, Councillor N T Seti, Councillor S A Mangxaba, Councillor S E Gcabayi, Councillor C N-J Terblanche.

17 CLOSURE

The Speaker adjourned the Ordinary Council meeting where OPEN items were discussed at **13h21**.

CONFIRMED AND SIGNED

SIGNATURE:

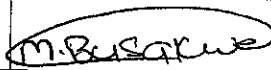

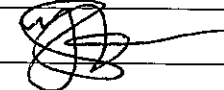
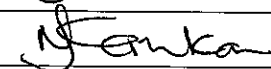
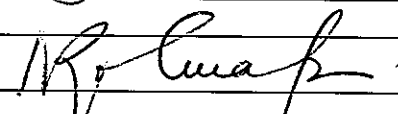
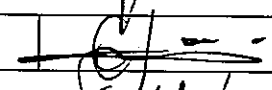
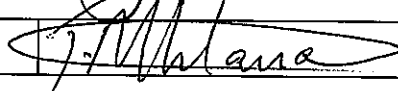
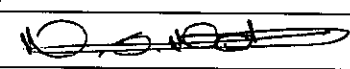

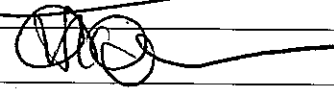
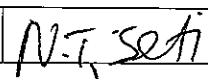


The Speaker, Councillor C N-J Terblanche

DATE:



ATTENDANCE REGISTER

**ORDINARY COUNCIL MEETING OF BITOU LOCAL MUNICIPALITY HELD
IN THE COUNCIL CHAMBER, MUNICIPAL OFFICES, SEWELL STREET,
PLETTENBERG BAY ON TUESDAY, 31 JANUARY 2023 AT 09H00**


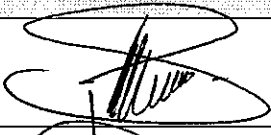

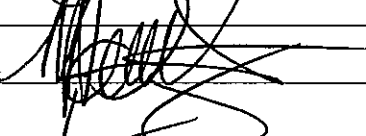
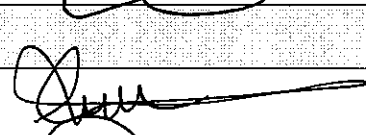
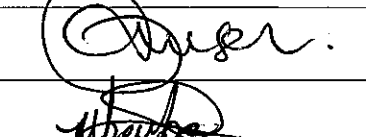
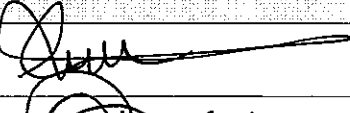
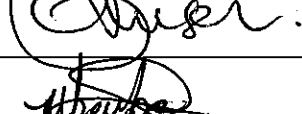
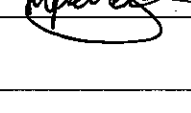
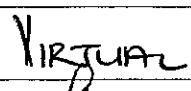

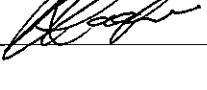
<u>NAME</u>	<u>SIGNATURE</u>
COUNCILLOR M P BUSAKWE (Deputy Executive Mayor)	
COUNCILLOR S E GCABAYI	
COUNCILLOR T S HARMSE	
COUNCILLOR J N KAMKAM	
COUNCILLOR N P KOLWAPI	
COUNCILLOR S A MANGXABA	
COUNCILLOR T MHLANA	
COUNCILLOR N NDAYI	
COUNCILLOR W J NEL	
COUNCILLOR A R OLIVIER	
COUNCILLOR N T SETI	
COUNCILLOR D J SWART (Executive Mayor)	
COUNCILLOR C N-J TERBLANCHE (Speaker)	

ATTENDANCE REGISTER

BITOU LOCAL MUNICIPALITY

ORDINARY COUNCIL MEETING HELD IN THE COUNCIL CHAMBER, MUNICIPAL OFFICES, SEWELL STREET, PLETTENBERG BAY ON TUESDAY, 31 JANUARY 2023 AT 09H00

OFFICIALS

<u>DESIGNATION</u>	<u>NAME</u>	<u>SIGNATURE</u>
Municipal Manager	Mr M Memani	
DIRECTORS		
Acting Director: Financial Services & Senior Manager: Governance and Compliance	Mr F Lötter	
Acting Director: Corporate Services & Manager Legal Services	Mr A Croutz	
Director: Economic Development and Planning	Mr. L Gericke	
Director: Community Services	Ms M Paulsen	
Director: Engineering Services	Mr V Felton	
MANAGERS		
Manager: Administration	Mrs. T Wildeman	
Principal Committee Officer	Ms J Jansen	
Committee Clerk	Ms T Mpembe	
Senior Manager: Expenditure & SCM	Mr N Maredi	
Manager: Revenue Services	Mr A Zindlu	
Manager: Executive Mayor	Mr H Nieuwoudt	
Manager: Deputy Executive Mayor	Mr M James	
Manager: Office of the Speaker	Mr R Plaatjies	
Senior Manager: Human Resources	Mr T Machelesi	
Senior Manager: Electrical & Mechanical	Mr J Cupido	

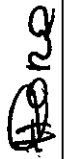

DESIGNATION	NAME	SIGNATURE
Acting Manager: Intergrated Human Settlements	Mr F Maki	Virtual
Manager: Assets and Liabilities	Mr W Beauzick	
Chief Fire Officer	Mr H Venter	
Senior Manager: Public Safety	Mr A Sakati	
Manager: Facilities Management and Maintenance	Mr J Sijama	
Manager: Water Services	Mr E Oosthuizen	
Manager: Fleet	Mr S Sunkar	
Spatial Planner	Mr M Minne	
Environmental Management Officer	Ms A Taljaard	
Manager: Town Planning & Development	Mr C Schliemann	
Manager: Project Management	Mr M Rhode	

Mr. Communications & Customer Rel. — Mr. A. Namutu. VIRTUAL
 IT technician — Mr. R. Kora VIRTUAL
 Chief Risk officer. — Mrs. C van Staden VIRTUAL
 Chief Audit Executive — Ms. H. Beste, Virtual

ATTENDANCE REGISTER

Interested members of the Public

Thank you for attending

Name	Contact number	Email address	Representing	Signature
H. MATHHELL	063 570 4082	heinco@scj.gov.za	NHPP.	
F. Jacobs.			AG.	VIRTUAC
S Mnyobe	0694711193	mnyobesiphoxeni138@gmail.com	PG Herald	

ORDINARY COUNCIL MEETING HELD IN THE COUNCIL CHAMBER, MUNICIPAL OFFICES, SEWELL STREET, PLETTENBERG BAY ON TUESDAY, 31 JANUARY 2023 AT 09H00

10. CONSIDERATION OF REPORTS (NON-DELEGATED MATTERS)

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SPECIAL COUNCIL MEETING
27 FEBRUARY 2023

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SECTION 1

**OFFICE OF THE MUNICIPAL
MANAGER**

Section 1: Office of the Municipal Manager

ITEM C/1/126/02/23

BITOU JUNIOR TOWN COUNCIL PROGRESS REPORT AND YEAR PLAN

Portfolio Comm: Strategic Services and Office of the MM
File Ref: 17/17/8

Demarcation: All Wards
Delegation: Council

Attachments Annexure “A” – (Year Plan 2023)

Report from: Office of the Speaker

Author: Manager: Office of the Speaker

Date: 06/ 01 / 2023

PURPOSE OF THE REPORT

To inform council on the progress and year plan of the Bitou Junior Town Council.

EXECUTIVE SUMMARY

Council at its meeting held on 31 August 2022 resolved per Resolution C/1/76/08/22 as follows:

- 1. That Council takes note of the report on the establishment of Junior Town Council for Bitou Municipality and the proposal.*
- 2. That Council mandates the Office of the Speaker to engage all the high schools and colleges in the Bitou area targeting the 16-20 years age group with the objective of formalizing the Bitou Town Council area with objective of establishing and formalizing the Junior Town Council.*
- 3. That Council mandates the office of Office of the Speaker to form a Bitou Junior Town Council Framework as per Annexure A and B (circulated with the agenda).*
- 4. That the Office of the Speaker reports back to Council in October 2022.”*

Council further resolved per Resolution C/1/103/10/22 during an Ordinary Council Meeting held on 31 October 2022, as follows:

- 1. That Council takes note of the progress report on the establishment of Junior Town Council for Bitou Municipality.*
- 2. That Council take note of the appeal for reconsideration of age range, submitted by the coordinating committee.*

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3. *That Council accept the proposal of the coordinating committee and amend council resolution C/1/76/08/22 resolution 2 to read:*
 - a. *That council mandates the office of the Speaker to engage all the high schools in the Bitou area targeting age group 16-18 years, grade 10 or grade 11 students.*
4. *That the office of the Speaker reports back to council in December 2022."*

Council further resolved per Resolution C/1/116/12/2022 during a Special Council meeting held on 9 December 2022, as follows:

1. *That Council takes note of the progress report on the establishment of Junior Town Council for Bitou Local Municipality.*
2. *That Council take note of the financial implications.*
3. *That Council be presented with the financial implications in January 2023 of the planned Orientation.*

BACKGROUND

The office of the Speaker was mandated by the Council on 31 August 2022 to establish a Bitou Junior Town Council. The Bitou Junior Town Council (BJTC) is officially established as of 9 December 2022.

A Coordinating committee have been established on 21 September 2022. The coordinating committee comprise of one educator from each high school. These educators are identified as coordinators who represent their relevant schools and have input to the framework and all processes involved in the establishment of the Junior Town Council. The coordinating committee during the first official meeting of 2023 have set a preliminary year plan for the Bitou Junior Town Council. The BTJC will add input to the year plan during their first inaugural meeting scheduled for 19 March 2023.

Council should take note that the office of the Speaker was mandated to establish the BJTC after the 2022/2023 financial year budget was approved. As a consequence the initial timeline for the orientation camp and inaugural meeting had to be rescheduled to dates later than originally scheduled for due to the unavailability of funds. Fortunately the period for the adjustment budget approached, request for provision of funds was submitted to the Acting Chief Financial Officer and Budget office.

See preliminary year plan for the BJTC 2023 (Annexure A).

FINANCIAL IMPLICATION

Uniform R30 000
Orientation Camp R50 000

RELEVANT LEGISLATION

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Constitution of the Republic of South Africa 1996.

Local Government: Structures Act 117, 1998 as amended and Regulations.

RECOMMENDED BY THE MUNICIPAL MANAGER

1. That Council take note of the report.
2. That Council take note of financial implication.



BITOU LOCAL MUNICIPALITY

OFFICE OF THE SPEAKER

BITOU JUNIOR TOWN COUNCIL PROPOSED YEAR PLAN 2023

DATE	PROPOSED ACTIVITY
21/22/23 February 2023	Meet and Greet: with COUNCILLORS
17 - 18 March 2023	Orientation Camp
19 March 2023	Inaugural meeting
3 April 2023	Municipal Orientation
15 April 2023	Project
13 May 2023	Quarterly BJTC Meeting
10 June 2023	Project
28 June 2023	Municipal Orientation
1 July – 30 August 2023	Bitou Junior Town Council Application Process 2024
12 August 2023	Quarterly BJTC Meeting
4 October 2023	Municipal Orientation
16 September 2023	Project
4 October 2023	Municipal Orientation
18 November 2023	Quarterly BJTC Meeting
9 December 2023	Project

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ITEM C/1/127/02/23

TABLING OF THE PROPOSED AMENDED 2022/2023 TOP-LAYER SDBIP (SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN)

Portfolio Comm: Strategic Services and Office of the MM
File Ref: 5/1/1/4
Demarcation: All Wards
Delegation: Council

Attachments: Annexure “A”: Amended 2022/2023 Top Layer SDBIP

Report from: Senior Manager Governance and Compliance

Date: 13 February 2023

PURPOSE OF THE REPORT

The purpose of the report is to table the proposed amendments to the 2022/2023 Top-Layer SDBIP (Service Delivery and Budget Implementation Plan) for consideration and approval.

BACKGROUND

MFMA Circular 13 provides the framework for the compilation and implementation of the SDBIP following the IDP and budget having been approved by Council.

Whilst the budget sets yearly service delivery targets (revenue and expenditure per vote), it is imperative that in-year mechanisms are able to measure performance and progress on a continuous basis. Hence, the end-of-year targets must be based on monthly and quarterly targets, and the Municipal Manager must ensure that the budget is built around monthly and quarterly information. Being a start-of-year planning and target tool, the SDBIP gives meaning to both in-year reporting in terms of Section 71 (monthly reporting), Section 72 (mid-year report) and end-of-year annual reports.

The SDBIP is essentially the management and implementation tool which sets in-year information, such as monthly budget targets and quarterly service delivery, and links each service delivery output to the budget of the municipality, this providing credible management information and a detailed plan for how the municipality will provide such services and the inputs and financial resources to be used. The SDBIP indicates the responsibilities and outputs for each of the Senior Managers in the top management team, the inputs to be used and the time deadlines for each output. The SDBIP will therefore determine the performance agreements of the Municipal Manager and Senior Managers, including the outputs and deadlines for which they will be held responsible.

The SDBIP should also provide all expenditure information (for capital projects and services) per municipal ward, so that each output can be broken down per ward, where this is possible, to support ward councillors with service delivery information.

The SDBIP is also a vital monitoring tool for the Mayor and Council to monitor in-year performance of the Municipality and for the Municipal Manager to monitor the performance of all managers in the

Section 1: Office of the Municipal Manager

municipality within the financial year. This enables the Mayor and Municipal Manager to be pro-active and take remedial steps in the event of poor performance. The SDBIP aims to ensure that managers are problem-solvers, who routinely look out for unanticipated problems and resolve them as soon as possible. The SDBIP also enables the Council to monitor the performance of the municipality against quarterly targets on service delivery.

Upon consideration of the mid-year adjustments budget it became clear that certain of the top level KPI's need a revision and therefore the attached draft amendments to the TLSDBIP are proposed.

Comments: Director Engineering Services

The recommendation by the Municipal Manager is supported.

Comments: acting Director Financial Services

The recommendation by the Municipal Manager is supported.

Comments: Director Economic Development and Planning

The recommendation by the Municipal Manager is supported.

Comments: Director Community Services

The recommendation by the Municipal Manager is supported.

Comments: acting Director Corporate Services

The recommendation by the Municipal Manager is supported.

RECOMMENDED BY THE MUNICIPAL MANAGER

1. That Council take note of the proposed amendments to the TLSDBIP (Lop- Layer Service Delivery and Budget Implementation Plan) for 2022/2023.
2. That the Council approves the amendments to the 2022/2023 Top-Layer SDBIP (Service Delivery and Budget Implementation Plan). as indicated in Annexure "A" to the report
3. That all the statutory processes be followed, for submission thereof to the relevant authorities.
4. That the amendments to the Top-Layer SDBIP be advertised in the local media and on the municipal website.

Bitou Municipality
2022-2023: Adjustment Top Layer KPI Report

Office of the Municipal Manager

KPI Ref	National KPA	Strategic Objective	KPI	Unit of Measurement	Region	Baseline	Q1 Target	Q2 Target	Q3 Target	Q4 Target	Annual Target	Comment
TL1	Good Governance and Public Participation	Build a capable, corruption-free administration that is able to deliver on developmental mandate	Submit the Risk Based Audit Plan (RBAP) for the 2023/24 financial year to the Audit Committee by 30 June 2023	Risk Based Audit Plan compiled and submitted to the Audit Committee	Whole Municipal Area: All	1	0	0	0	1	1	
TL2	Good Governance and Public Participation	Build a capable, corruption-free administration that is able to deliver on developmental mandate	Complete 90% of audits as scheduled in the RBAP applicable for 2022/23 by 30 June 2023 (Actual audits completed divided by the audits scheduled for the year) x100	% of audits completed	Whole Municipal Area: All	80%	0%	25,00%	45,00%	90%	90%	Quarterly targets changed as 0. % was placed in error infornt of number
TL3	Good Governance and Public Participation	Build a capable, corruption-free administration that is able to deliver on developmental mandate	Complete the annual risk assessment for 2023/24 and submit to the RMC by 30 June 2023	Risk assessment submitted to the RMC	Whole Municipal Area: All	1	0	0	0	1	1	The RMC meetings are planned to be aligned with the reporting cycle to APAC – quarterly – Sept / Dec / Mar / June. This then affords ample time to compile RMC report to IA for APAC agenda, which closes 4-5 weeks before its meeting. KPI should therefore read “by 30 June 2023”, so that the attendance register and minutes for RMC meeting in June can be submitted as POE.
TL4	Good Governance and Public Participation	An active and engaged citizenry, able to engage with and shape the municipality's programme	Review and submit the 5th generation IDP for the 2023/24 financial year to Council by 31 May 2023	Draft IDP compiled and submitted to Council	Whole Municipal Area: All	1	0	0	0	1	1	
TL5	Good Governance and Public Participation	Build a capable, corruption-free administration that is able to deliver on developmental mandate	Cascade Individual Performance Management to all appointed Managers excluding vacant positions reporting to Senior Managers by 30 October 2022	Percentage of agreements completed by 30 October 2022	Whole Municipal Area: All	0	0	100%	0	0	100%	KPI wording to be changed to exclude vacant positions as per Reg 890, calculation type changed to percentage as number can vary throughout the year depending on positions filled. Traget subsequently replaced with 100%

TL6	Good Governance and Public Participation	Build a capable, corruption-free administration that is able to deliver on developmental mandate	Conduct the Mid-year Performance Evaluations of the section 57's employees by 28 February 2023	Number of evaluations completed	Whole Municipal Area: All	0	0	1	0	0	1	New Top Layer KPI
New TL KPI	Good Governance and Public Participation	Build a capable, corruption-free administration that is able to deliver on developmental mandate	Conduct the Final Performance Evaluation of the section 57's employees for the 2021/2022 by 30 December 2022	Number of evaluations completed	Whole Municipal Area: All	0	0	1	0	0	1	New Top Layer KPI
TL7	Municipal Financial Viability and Management	Manage expenditure prudently, grow revenue base and build long term financial sustainability so as to invest in social and economic development	Spend 90% of the municipal capital budget on capital projects by 30 June 2023 {(Actual amount spent on projects /Total amount budgeted for capital projects)X100}	% budget spent	Whole Municipal Area: All	0%	10%	40%	60%	90%	90%	

Planning and Development

KPI Ref	National KPA	Strategic Objective	KPI	Unit of Measurement	Region	Baseline	Q1 Target	Q2 Target	Q3 Target	Q4 Target	Annual Target	Comment
TL48	Municipal Transformation and Institutional Development	Spatially integrate areas separated by apartheid, promote access for poor to work, recreational and commercial opportunities	Submit the reviewed Spatial Development Framework (SDF) to Council by 31 May 2023	Spatial Development Framework (SDF) submitted to Council	Whole Municipal Area: All	1	0	0	0	1	1	Target date for approval moved to 31 May 2023 to coincide with final IDP and Budget approval
TL49	Municipal Transformation and Institutional Development	Spatially integrate areas separated by apartheid, promote access for poor to work, recreational and commercial opportunities	Establish the Municipal Planning Tribunal and submit to Council for consideration by 28 February 2023	Municipal Planning Tribunal establishment item submitted to Council	Whole Municipal Area: All	0	0	0	1	0	1	
TL50	Municipal Transformation and Institutional Development	Spatially integrate areas separated by apartheid, promote access for poor to work, recreational and commercial opportunities	Review the Central Beach Launch Site Environmental Management Plan and submit to Council for consideration by 30 November 2022	Central Beach Launch Site Environmental Management Plan submitted to Council	Whole Municipal Area: All	0	0	1	0	0	1	
TL51	Local Economic Development	Grow local economy, create jobs, empower previously disadvantaged, transform ownership patterns 2. Economic development of local economy	Develop the LED Chapter (2023/24) and submit to Council for consideration by 31 May 2023	LED Chapter submitted to Council	Whole Municipal Area: All	0	0	0	0	1	1	Target date for approval moved to 31 May 2023 to coincide with final IDP and Budget approval

TL52	Local Economic Development	Grow local economy, create jobs, empower previously disadvantaged, transform ownership patterns 2. Economic development of local economy	Develop the LED Chapter Implementation Plan (2022/23) and submit to Council for consideration by 30 September 2022	LED Chapter Implementation Plan submitted to Council	Whole Municipal Area: All	0	1	0	0	0	1	
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Financial Services

KPI Ref	National KPA	Strategic Objective	KPI	Unit of Measurement	Region	Baseline	Q1 Target	Q2 Target	Q3 Target	Q4 Target	Annual Target	Comment
TL8	Basic Service Delivery	Provision of basic services	Provide subsidies for free basic services to indigent households as at 30 June 2023	Number of indigent households receiving subsidies for free basic services as per Financial System	Whole Municipal Area: All	3 404	3 930	3 930	3 930	3 404	3 404	Target changed to be more realistic considering the baseline and prior year result
TL9	Basic Service Delivery	Provision of basic services	Number of residential properties with piped water which are connected to the municipal water infrastructure network and billed for the service as at 30 June 2023	Number of residential properties billed for piped water	Whole Municipal Area: All	11 893	0	12 291	0	11 893	11 893	Target changed to the actual performance of the 2021/22 financial year
TL10	Basic Service Delivery	Provision of basic services	Number of residential properties with electricity which are connected to the municipal electrical infrastructure network (credit and prepaid electrical metering and excluding Eskom areas) and billed for the service as at 30 June 2023	Number of residential properties billed credit meter and prepaid meters connected to the network	Whole Municipal Area: All	12 474	0	12 672	0	12 500	12 500	Target changed to be more realistic considering the baseline and prior year result as well as rollout of housing and other developments
TL11	Basic Service Delivery	Provision of basic services	Number of residential properties with sanitation services to which are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets) as at 30 June 2023	Number of residential properties which are billed for sewerage	Whole Municipal Area: All	11 857	0	12 369	0	12 750	12 750	Target changed to be more realistic considering the baseline and prior year result as well as rollout of housing and other developments
TL12	Basic Service Delivery	Provision of basic services	Number of residential properties for which refuse is removed once per week and billed for the service as at 30 June 2023	Number of residential properties which are billed for refuse removal	Whole Municipal Area: All	11 798	0	13 385	0	12 500	12 500	Target changed to be more realistic considering the baseline and prior year result as well as rollout of housing and other developments
TL13	Municipal Financial Viability and Management	Manage expenditure prudently, grow revenue base and build long term financial sustainability so as to invest in social and economic development	Financial viability measured in terms of the municipality's ability to meet its service debt obligations as at 30 June 2023 (Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / (Total Operating Revenue - Operating Conditional Grant) x 100	% of debt to revenue	Whole Municipal Area: All	13%	0%	0%	0%	20%	20%	The wording in the unit of measurement was changed to accurately reflect the essence of the ratio. The target is adjusted to a more realistic figure considering current capital funding strategies

TL14	Municipal Financial Viability and Management	Manage expenditure prudently, grow revenue base and build long term financial sustainability so as to invest in social and economic development	Financial viability measured in terms of the outstanding service debtors as at 30 June 2023 ((Total outstanding service debtors/ revenue received for services)X100)	% of outstanding service debtors	Whole Municipal Area: All	7,72%	0%	0%	0%	11,80%	11,80%	
TL15	Municipal Financial Viability and Management	Manage expenditure prudently, grow revenue base and build long term financial sustainability so as to invest in social and economic development	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2023 ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets)) as per Circular 71	Number of months it takes to cover fix operating expenditure with available cash	Whole Municipal Area: All	0,75	0	0	0	0,75	0,75	Target change to reflect a more realistic target considering the current financial situation of the municipality as contained in mid year assessment report
TL16	Municipal Financial Viability and Management	Manage expenditure prudently, grow revenue base and build long term financial sustainability so as to invest in social and economic development	Achieve a debtor payment percentage of 90% by 30 June 2023 (Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance - Bad Debts Written Off)/Billed Revenue x 100	% debtor payment achieved	Whole Municipal Area: All	84%	0%	92%	0%	92% 90%	92%-90%	Target to be set at 90% to be in line with KPI wording and removed from mid-year and only evaluated with AFS
TL17	Municipal Financial Viability and Management	Manage expenditure prudently, grow revenue base and build long term financial sustainability so as to invest in social and economic development	Read 100% of water meters by the 15th of every month	% of water meters read	Whole Municipal Area: All	0%	100%	100%	100%	100%	100%	KPI to be removed from the Top Layer SDBIP to the Departmental SDBIP as this is an operations! KPI and change target to 90%
TL18	Municipal Financial Viability and Management	Manage expenditure prudently, grow revenue base and build long term financial sustainability so as to invest in social and economic development	Read 100% of conventional electrical meters by the 15th of every month	% of conventional electrical meters read	Whole Municipal Area: All	0%	100%	100%	100%	100%	100%	KPI to be removed from the Top Layer SDBIP to the Departmental SDBIP as this is an operations! KPI.

Corporate Services

KPI Ref	National KPA	Strategic Objective	KPI	Unit of Measurement	Region	Baseline	Q1	Q2	Q3	Q4	Annual	Comment
							Target	Target	Target	Target	Target	
TL21	Municipal Transformation and Institutional Development	Build a capable, corruption-free administration that is able to deliver on developmental mandate	Percentage of people from employment equity target groups employed in the three highest levels of management in compliance with the municipality's approved employment equity plan by 30 June 2023 ((Number of people from employment equity target groups	% of people employed	Whole Municipal Area: All	84%	0%	0%	0%	70%	70%	

TL22	Municipal Transformation and Institutional Development	Build a capable, corruption-free administration that is able to deliver on developmental mandate	Spend 0.10% of operational budget on training by 30 June 2023 {(Actual total training expenditure divided by total operational budget)x100}	% budget spent	Whole Municipal Area: All	0,20%	0%	0%	0%	0,10%	0,10%	
TL23	Municipal Transformation and Institutional Development	An active and engaged citizenry, able to engage with and shape the municipality's programme	Conduct a comprehensive customer survey in the Greater Plettenberg Bay area by 30 June 2023	Customer survey conducted	Whole Municipal Area: All	1	0	0	0	1	1	
TL24	Municipal Transformation and Institutional Development	Build a capable, corruption-free administration that is able to deliver on developmental mandate	Review 5 human resources policies in line with the budget and submit to Council by 30 June 2023	Number of human resource policies submitted to Council	Whole Municipal Area: All	20	0	0	0	5	5	
TL25	Municipal Transformation and Institutional Development	Build a capable, corruption-free administration that is able to deliver on developmental mandate	Review the "System of Operational Delegations" and submit to Council by 30 June 2023	System of operational delegations submitted to Council	Whole Municipal Area: All	1	0	0	0	1	1	
TL26	Municipal Transformation and Institutional Development	Build a capable, corruption-free administration that is able to deliver on developmental mandate	Review the Micro-Organisational Structure and submit to Council by 30 June 2023	Micro organisational structure submitted to Council	Whole Municipal Area: All	1	0	0	0	1	1	
TL27	Municipal Transformation and Institutional Development	Build a capable, corruption-free administration that is able to deliver on developmental mandate	Draft and submit a Regulation 890 and Guideline 891 Implementation Plan by 31 July 2022	Implementation Plan submitted to Council	Whole Municipal Area: All	0	1	0	0	0	1	

Engineering Services

KPI Ref	National KPA	Strategic Objective	KPI	Unit of Measurement	Region	Baseline	Q1 Target	Q2 Target	Q3 Target	Q4 Target	Annual Target	Comment
TL19	Municipal Financial Viability and Management	Manage expenditure prudently, grow revenue base and build long term financial sustainability so as to invest in social and economic development	Limit unaccounted for water to less than 30% by 30 June 2023 {(Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold) / Number of Kilolitres Water Purchased or Purified x 100}	% water losses	Whole Municipal Area: All	37,71%	30%	30%	30%	30%	30%	Target should be set for the 4th quarter as the evidence will be the Annual Financial Statements
TL20	Municipal Financial Viability and Management	Manage expenditure prudently, grow revenue base and build long term financial sustainability so as to invest in social and economic development	Limit unaccounted for electricity to less than 10% as at 30 June 2023 {(Number of units purchased - Number of units Sold (incl free basic electricity) / Number of units purchased) X100}	% unaccounted electricity	Whole Municipal Area: All	18,88%	10%	10%	10%	10%-12%	10% 12%	Target to be changed to agree with Circular 71 and set to the National norm of 12%

TL28	Basic Service Delivery	Provision of basic services	Spend 90% of the approved capital budget for Waste Water services by 30 June 2023 {(Total actual capital expenditure /Total capital amount budgeted)x100}(excluding Fleet)	% budget spent	Whole Municipal Area: All	89%	10%	40%	60%	90%	90%	
TL29	Basic Service Delivery	Provision of basic services	Spend 90% of the approved capital budget for Electrical & Mechanical services by 30 June 2023 {(Total actual capital expenditure /Total capital amount budgeted)x100}(excluding Fleet)	% budget spent	Whole Municipal Area: All	96%	10%	40%	60%	90%	90%	
TL30	Basic Service Delivery	Provision of basic services	Spend 90% of the approved capital budget for Water services by 30 June 2023 {(Total actual capital expenditure /Total capital amount budgeted)x100} (excluding Fleet)	% budget spent	Whole Municipal Area: All	86%	10%	40%	60%	90%	90%	
TL31	Basic Service Delivery	Provision of basic services	Spend 90% of the approved capital budget for Roads & Storm Water services by 30 June 2023 {(Total actual capital expenditure /Total capital amount budgeted)x100}(excluding Fleet)	% budget spent	Whole Municipal Area: All	113%	10%	40%	60%	90%	90%	
TL32	Basic Service Delivery	Provision of basic services	Spend 100% of MIG Funding allocation by 30 June 2023 {(Total actual MIG expenditure /Total MIG amount budgeted)x100}	% budget spent	Whole Municipal Area: All	88%	0%	40%	60%	90%	90%	
TL33	Basic Service Delivery	Provision of basic services	Conduct 700 potential electricity theft investigations annually 30 June 2023	Number of inspections conducted	Whole Municipal Area: All	984	175	175	175	175	700	
TL35	Basic Service Delivery	Provision of basic services	Spend 90% of the budget allocated for the construction of Ebenezer New Bulk Water (Portion 20) by 30 June 2023{(Total actual capital expenditure /Total capital amount budgeted)x100}	% budget spent	Whole Municipal Area: All	51%	10%	40%	60%	90%	90%	
TL36	Basic Service Delivery	Provision of basic services	Spend 90% of the budget allocated for the installation of 20MVA 66/ 11kv at Kwanokhutula substation (INEP) by 30 June 2023{(Total actual capital expenditure /Total capital amount budgeted)x100}	% budget spent	Whole Municipal Area: All	0%	10%	40%	60%	90%	90%	
TL37	Basic Service Delivery	Provision of basic services	Spend 90% of the budget allocated for the upgrade of the Kurland WTW (from 0.6ml to1.2ml) by 30 June 2023{(Total actual capital expenditure /Total capital amount budgeted)x100}	% budget spent	Whole Municipal Area: All	0%	10%	40%	60%	90%	90%	
TL38	Basic Service Delivery	Provision of basic services	Spend 95% of the budget allocated for the Plett WTW New Clear Water Pumpstation by 30 June 2023{(Total actual capital expenditure /Total capital amount budgeted)x100}	% budget spent	Whole Municipal Area: All	0%	0%	5%	69%	95%	95%	

TL39	Basic Service Delivery	Provision of basic services	Spend 90% of the budget allocated for the stormwater upgrades by 30 June 2023{(Total actual capital expenditure /Total capital amount budgeted)x100}	% budget spent	Whole Municipal Area: All	0%	0%	5%	60%	90%	90%	
TL40	Basic Service Delivery	Provision of basic services	Spend 95% of the budget allocated for the upgrade of the Bossiesgiff sports facility by 30 June 2023{(Total actual capital expenditure /Total capital amount budgeted)x100}	% budget spent	Whole Municipal Area: All	0%	0%	40%	60%	95%	95%	
TL41	Basic Service Delivery	Provision of basic services	Spend 90% of the budget allocated for the electrification of informal settlements(Bossiesgiff; Qolweni and Kurland) by 30 June 2023{(Total actual capital expenditure /Total capital amount budgeted)x100}	% budget spent	Whole Municipal Area: All	0%	20%	60%	90%	0%	90%	

Community Services

KPI Ref	National KPA	Strategic Objective	KPI	Unit of Measurement	Region	Baseline	Q1 Target	Q2 Target	Q3 Target	Q4 Target	Annual Target	Comment
TL34	Local Economic Development	Grow local economy, create jobs, empower previously disadvantaged, transform ownership patterns 2. Economic development of local economy	Create 200 job opportunities in terms of the EPWP by 30 September 2022	Number of job opportunities created	Whole Municipal Area: All	440	400	0	0	200	200	Annual target should be 200.
TL42	Basic Service Delivery	Provision of basic services	Compile and submit an establishment report for the budget expenditure and progress made in terms of the upgrade on the New Horizon Community Hall by 30 June 2023	Establishment report compiled and submitted to Council	Whole Municipal Area: All	0	0-1 0	0-4 0	0	1	1	Targets for Q1 and Q2 should be removed
TL43	Basic Service Delivery	Provision of basic services	Purchase a generator for the Community Services Offices by 30 June 2023	Generator purchased	Whole Municipal Area: All	0	0	0	0	1	1	KPI should be removed from the Top Layer SDBIP to the Departmental SDBIP under Manger Facilities
TL44	Basic Service Delivery	Spatially integrate areas separated by apartheid, promote access for poor to work, recreational and commercial opportunities	Review and submit the Housing pipeline to Council by 31 May 2023	Housing pipeline reviewed and submitted to Council	Whole Municipal Area: All	0	0	0	0	1	1	
TL45	Basic Service Delivery	Build a capable, corruption-free administration that is able to deliver on developmental mandate	Review and submit the Disaster Management Plan to Council by 31 May 2023	Disaster Management Plan reviewed and submitted to Council	Whole Municipal Area: All	1	0	0	0	1	1	

TL46	Basic Service Delivery	Provision of basic services	Spend 90% of the allocated capital budget for the purchase of 20 skip bins by 30 June 2023{(Total actual capital expenditure /Total capital amount budgeted)x100}	% of budget spent	Whole Municipal Area: All	0%	0%	0%	0%	90%	90%	
TL47	Basic Service Delivery	Build a capable, corruption-free administration that is able to deliver on developmental mandate	Conduct the external Waste Management audit by 30 March 2023	External Waste Management audit conducted	Whole Municipal Area: All	0	0	0	1	0	1	KPI should be removed due to no available budget

Section 1: Office of the Municipal Manager

ITEM C/1/128/02/23

APPOINTMENT OF ACTING DIRECTOR PLANNING AND DEVELOPMENT FOR THE PERIOD 01 MARCH 2023 UNTIL 30 APRIL 2023

Portfolio Comm: Strategic Services & Office of the MM **Demarcation:** All Wards
File Ref: 4/3/5/1/3 **Delegation:** Council

Attachments: **Annexure “A”:-** Resignation Letter dated 29 December 2022_L
Gericke (Director Planning and Development)

Annexure “B”:- Curriculum Vitae and Qualifications –
Mr. DJ Friedman *(for distribution/tabling at the meeting)*

Author: Manager HR Administration

Submitted by: Municipal Manager

Date: 10 February 2023

PURPOSE

The purpose of this report is to seek Council’s approval to appoint an official to act as Director Financial Services for the period 01 March 2023 until 30 April 2023.

LEGISLATIVE REQUIREMENTS

Municipal Systems Act, Act 32 of 2000
Labour Relations Act, Act 85 of 1993
Regulations 15(6) and 17 of the Regulations on the Appointment and
Conditions of Employment of Senior Managers
Employment Equity Act, Act

BACKGROUND

The Director Planning and Development, Mr. Ludolph Gericke has resigned from the said position and his last working day in the said position is Tuesday, 28 February 2023.

Section 56 (1)(a) of the Local Government Municipal Systems Act, 32 of 2000 states that a Municipal Council, after consultation with the Municipal Manager, appoint an acting Manager directly accountable to the Municipal Manager under circumstances and for a period as prescribed.

Section 56 (b) A person appointed in terms of paragraph (1) (a) must at least have the skills, expertise, competencies and qualifications as prescribed.

Section 56 (c) states that a person appointed in terms of paragraph (a) (ii) may not be appointed to act for a period that exceeds three months: Provided that a Municipal Council may, in special circumstances and on good cause shown, apply in writing to the MEC for local government to extend

Section 1: Office of the Municipal Manager

the period of appointment contemplated in paragraph (a), for a further period that does not exceed three months.

Herewith a summary of experience, qualification and minimum competency compliance of Mr. David Friedman who are being considered to be appointed in an acting capacity in the position of Director Planning and Development;

Qualification: Master Degree in Geomatics – (University of Cape Town)
Master Degree in Housing Development and Management
(University of Cape Town)

Experience: +/- 40 Years' Experience of which 29 years at Local Government;
as well as 17 years Senior Management Experience

RECOMMENDED BY THE MUNICIPAL MANAGER

1. That Council appoints Mr. David J Friedman as Acting Director Planning and Development with effect from 01 March 2023 until 30 April 2023.
2. That in the event that Council extends the Acting Appointment of Mr. Friedman, apply in writing to the MEC for concurrence of the extended period.

L Gericke

PLETTENBERG BAY

6600

29 December 2022

The Municipal Manager

Private Bag X1002


PLETTENBERG BAY

6600

Sir

RESIGNATION: DIRECTOR – ECONOMIC DEVELOPMENT AND PLANNING

I wish to hereby submit my resignation as Director: Economic Development & Planning. Thank you for the opportunity that was given to me in this regard during the last two and a half years. Please also convey my thanks to the Mayor and the Councillors.

A handwritten signature in black ink, appearing to read 'L. Gericke', written over a dotted line.

L GERICKE

SECTION 2

FINANCE

Section 2: Finance

ITEM C/2/103/02/23

INCURRING OF LONG-TERM DEBT TO THE AMOUNT OF R35 255 300,00 FOR THE 2022/2023 FINANCIAL YEAR

Portfolio Comm: Finance and Corporate Services
File Ref: 5/13/3

Demarcation: All Wards
Delegation: Council

Attachments:

- Annexure A – Council Item: Financial Information Statement
- Annexure B – Council Resolution Unconfirmed Minutes
- Annexure C – Signed Public Advertisement for Long Term Debt
- Annexure D – Letter to National Treasury: Solicitation of Comments
- Annexure E - Letter to Provincial Treasury: Solicitation of Comments
- Annexure F – Provincial Treasury Comments on the Long-Term Borrowing
- Annexure G – Long Term Debt/Borrowing Proposal Checklist
- Annexure H – Response to Public Comments and/or Objections

Report from: Director: Financial Services

Author: Manager: Assets and Liabilities

Date: 16 February 2023

PURPOSE OF THE REPORT

The purpose of the report is to submit to Council for consideration, and prior to the approval and incurring of the long-term debt, all supporting documents in compliance with the requirements of Section 46 of the MFMA. This include the written comments and/or representations received from applicable stakeholders following the publication of the Information Statement as acknowledged by Council on the 9th of December 2022, as well as the Bitou Municipality's response on all of the concerns raised. The report also presents the financial impact of the draft budgetary adjustments relating to projects to be funded by means of a loan, to be tabled during the 2022/2023 adjustment budget.

In order to give effect to the aforementioned, Section 46(3)(a) of the Municipal Finance Management Act (Act 56 of 2003) requires that “a Municipality may incur long-term debt only if the accounting officer of the municipality:

(a) has, in accordance with section 21A of the Municipal Systems Act –

(i) at least 21 days prior to the meeting of the council at which approval for the debt is to be considered, made public an information statement setting out particulars of the proposed debt, including the amount of the proposed debt, the purposes for which the debt is to be incurred and particulars of any security to be provided; and

(ii) invited the public, the National Treasury and the relevant provincial treasury to submit written comments or representations to the council in respect of the proposed debt; and

Section 2: Finance

- (b) has submitted a copy of the information statement to the municipal council at least 21 days prior to the meeting of the council, together with particulars of –*
- (i) the essential repayment terms, including the anticipated debt repayment schedule; and*
- (ii) the anticipated total cost in connection with such debt over the repayment period.”*

BACKGROUND /DISCUSSION

Following the submission of the Information Statement and acknowledgement thereof by Council on the 9th of December 2022, a copy of the aforementioned Information Statement was published on the Bitou Municipality’s website as well as other social media platform(s) on the 22nd of December 2022, inviting written comments to be submitted by the public by no later than 31 January 2023.

In addition to the compliance documents submitted to both National- and Provincial Treasuries (Refer Annexures D and E) on the 5th of January 2023, solicitation of written comments was also sought to be provided by no later than 31 January 2023.

A summary of the public comments received by the office of the Accounting Officer, were compiled and addressed by means of Annexure H “Response to Comments and/or Objections”. It is important to note that the majority of the public comments were based on the points of concern as highlighted by the Plett Ratepayers Society, and it was therefore deemed necessary to address this letter as a whole.

A Letter of response was also received from Provincial Treasury on the 6th of February 2023, which should be considered by Council prior to the approval of the debt. National Treasury omitted to provide comments for consideration at the time of report conclusion.

Upon deliberation of the assessments and concerns raised by both ratepayers and Provincial Treasury, management deemed it necessary to reconsider the approved capital budget (as approved on the 7th of June 2022 by means of Resolution Ref C/2/50/06/22), for amendment and inclusion in the 2022/2023 adjustment budget, to be tabled and adopted on 28 February 2023.

In order to give effect to the aforementioned, a subsequent meeting was necessitated and arranged with relevant project managers, in order to reprioritize projects and re allocate funding deemed to be surplus to the requirements of immediate loan funding. Consultation between Budget Office and the Supply Chain Management unit was also held in order to determine the status of projects already awarded, funding committed on the projects and actual expenditure to date. The aforementioned determinations would ultimately guide the Municipality to make informed decisions of which projects to continue funding and which to exclude/ re-prioritize.

This budgetary consultation ultimately resulted in the originally approved capital budget being decreased from R38,843,300.00 to R35,255,300.00, resulting in a reduction to the loaned amount of R3,588,000.00.

Section 2: Finance

Please refer to the below identified capital projects and proposed budgetary amendments:

PROJECT NAME	PROJECT DESCRIPTION	FUNDING SOURCE	ORIGINAL BUDGET 2022-23	PROPOSED ADJUSTMENTS 2022-2023	ADJUSTED BUDGET 2022-23
WITTEDRIF MAIN SPS	Upgrade of Main Sewer Pump Station	BORROWINGS	2 500 000,00	(380 000,00)	2 120 000,00
GANSEVALLEI WASTE WATER TREATMENT PLANT - SLUDGE DEWATERING	Sludge Management Project to meet legislative compliance by DWS - Greendrop programme	BORROWINGS	1 800 000,00	380 000,00	2 180 000,00
PLETT: NEW GENERATORS	Capital Spares: New Generators - Load Shedding response	BORROWINGS	1 000 000,00	(4 000,00)	996 000,00
REPLACE FAULTY MV METER UNIT	Replacing faulty metering units	BORROWINGS	565 000,00	(168 000,00)	397 000,00
NATURES VALLEY RESERVOIR	NATURES VALLEY RESERVOIR UPGRADE	BORROWINGS	3 000 000,00	(2 000 000,00)	1 000 000,00
PLETT DESALINATION PLANT	PLETT DESALINATION PLANT - CAPITAL REPLACEMENTS	BORROWINGS	600 000,00	(154 000,00)	446 000,00
LIFE GUARD TOWERS	8 Life Guard Towers	BORROWINGS	1 262 000,00	(1 262 000,00)	-
	TOTAL		10 727 000,00	(3 588 000,00)	7 139 000,00

FINANCIAL IMPLICATIONS

The financial implications pertaining to the initial proposed long term debt to fund the various capital projects were presented to and acknowledged by Council by means of the Information Statement (Please refer to Annexures A and B).

The below illustration represents the anticipated initial total cost over the period of the loan, as contained within the original information statement as presented to Council, for a loan amount of R38,843,300.00:

DRAFT LOAN REPAYMENT SCHEDULE: BITOU MUNICIPALITY 2022_2023

Loan amount	R38 843 300,00
Annual interest rate	12,50%
Loan period in years	10
Number of payments per year	2
Start date of loan	2023/06/30
Optional extra payments	R0,00

LOAN SUMMARY

Scheduled payment	R3 455 588,09
Scheduled number of payments	20
Actual number of payments	20
Total early payments	R0,00
Total interest	R30 268 461,90

PMT NO	PAYMENT DATE	BEGINNING BALANCE	SCHEDULED PAYMENT	EXTRA PAYMENT	TOTAL PAYMENT	PRINCIPAL	INTEREST	ENDING BALANCE	CUMULATIVE INTEREST
1	2023/12/31	R38 843 300,00	R3 455 588,09	R0,00	R3 455 588,09	R1 027 881,84	R2 427 706,25	R37 815 418,16	R2 427 706,25
2	2024/06/30	R37 815 418,16	R3 455 588,09	R0,00	R3 455 588,09	R1 092 124,46	R2 363 463,64	R36 723 293,71	R4 791 169,89
3	2024/12/31	R36 723 293,71	R3 455 588,09	R0,00	R3 455 588,09	R1 160 382,23	R2 295 205,86	R35 562 911,47	R7 086 375,74
4	2025/06/30	R35 562 911,47	R3 455 588,09	R0,00	R3 455 588,09	R1 232 906,12	R2 222 681,97	R34 330 005,35	R9 309 057,71
5	2025/12/31	R34 330 005,35	R3 455 588,09	R0,00	R3 455 588,09	R1 309 962,76	R2 145 625,33	R33 020 042,59	R11 454 683,04
6	2026/06/30	R33 020 042,59	R3 455 588,09	R0,00	R3 455 588,09	R1 391 835,43	R2 063 752,66	R31 628 207,16	R13 518 435,70
7	2026/12/31	R31 628 207,16	R3 455 588,09	R0,00	R3 455 588,09	R1 478 825,14	R1 976 762,95	R30 149 382,02	R15 495 198,65
8	2027/06/30	R30 149 382,02	R3 455 588,09	R0,00	R3 455 588,09	R1 571 251,71	R1 884 336,38	R28 578 130,31	R17 379 535,03
9	2027/12/31	R28 578 130,31	R3 455 588,09	R0,00	R3 455 588,09	R1 669 454,95	R1 786 133,14	R26 908 675,36	R19 165 668,17
10	2028/06/30	R26 908 675,36	R3 455 588,09	R0,00	R3 455 588,09	R1 773 795,88	R1 681 792,21	R25 134 879,48	R20 847 460,38
11	2028/12/31	R25 134 879,48	R3 455 588,09	R0,00	R3 455 588,09	R1 884 658,12	R1 570 929,97	R23 250 221,36	R22 418 390,35
12	2029/06/30	R23 250 221,36	R3 455 588,09	R0,00	R3 455 588,09	R2 002 449,25	R1 453 138,84	R21 247 772,11	R23 871 529,19
13	2029/12/31	R21 247 772,11	R3 455 588,09	R0,00	R3 455 588,09	R2 127 602,33	R1 327 985,76	R19 120 169,77	R25 199 514,94
14	2030/06/30	R19 120 169,77	R3 455 588,09	R0,00	R3 455 588,09	R2 260 577,48	R1 195 010,61	R16 859 592,29	R26 394 525,55
15	2030/12/31	R16 859 592,29	R3 455 588,09	R0,00	R3 455 588,09	R2 401 863,57	R1 053 724,52	R14 457 728,72	R27 448 250,07
16	2031/06/30	R14 457 728,72	R3 455 588,09	R0,00	R3 455 588,09	R2 551 980,04	R903 608,05	R11 905 748,68	R28 351 858,12
17	2031/12/31	R11 905 748,68	R3 455 588,09	R0,00	R3 455 588,09	R2 711 478,80	R744 109,29	R9 194 269,88	R29 095 967,41
18	2032/06/30	R9 194 269,88	R3 455 588,09	R0,00	R3 455 588,09	R2 880 946,22	R574 641,87	R6 313 323,66	R29 670 609,28
19	2032/12/31	R6 313 323,66	R3 455 588,09	R0,00	R3 455 588,09	R3 061 005,36	R394 582,73	R3 252 318,30	R30 065 192,01
20	2032/12/31	R3 252 318,30	R3 455 588,09	R0,00	R3 455 588,09	R3 252 318,30	R203 269,89	R0,00	R30 268 461,90

The amended capital budget to be funded by means of loans for 2022/2023 was reduced during the adjustment budget preparation to a capital amount of R35,255,300.00. This represents a reduction to the loaned amount of R3,588,000.00. By applying the same financial assumptions/ variables as with the original information statement (fixed interest rate at 12.50% over a 10 year period) the new anticipated loan reflects the following cost profile and potential savings to Council:

Section 2: Finance

DRAFT LOAN REPAYMENT SCHEDULE: BITOU MUNICIPALITY 2022_2023 ADJUSTMENT BUDGET

ENTER VALUES

Loan amount	R 35 255 300,00
Annual interest rate	12,50%
Loan period in years	10
Number of payments per year	2
Start date of loan	2023/06/30
Optional extra payments	R -

LOAN SUMMARY

Scheduled payment	R 3 136 391,47
Scheduled number of payments	20
Actual number of payments	20
Total early payments	
Total interest	R 27 472 529,45

PMT NO	PAYMENT DATE	BEGINNING BALANCE	SCHEDULED PAYMENT	EXTRA PAYMENT	TOTAL PAYMENT	PRINCIPAL	INTEREST	ENDING BALANCE	CUMULATIVE INTEREST
1	2023/12/31	R 35 255 300,00	R 3 136 391,47	R -	R 3 136 391,47	R 932 935,22	R 2 203 456,25	R 34 322 364,78	R 2 203 456,25
2	2024/06/30	R 34 322 364,78	R 3 136 391,47	R -	R 3 136 391,47	R 991 243,67	R 2 145 147,80	R 33 331 121,10	R 4 348 604,05
3	2024/12/31	R 33 331 121,10	R 3 136 391,47	R -	R 3 136 391,47	R 1 053 196,40	R 2 083 195,07	R 32 277 924,70	R 6 431 799,12
4	2025/06/30	R 32 277 924,70	R 3 136 391,47	R -	R 3 136 391,47	R 1 119 021,18	R 2 017 370,29	R 31 158 903,52	R 8 449 169,41
5	2025/12/31	R 31 158 903,52	R 3 136 391,47	R -	R 3 136 391,47	R 1 188 960,00	R 1 947 431,47	R 29 969 943,52	R 10 396 600,88
6	2026/06/30	R 29 969 943,52	R 3 136 391,47	R -	R 3 136 391,47	R 1 263 270,00	R 1 873 121,47	R 28 706 673,52	R 12 269 722,35
7	2026/12/31	R 28 706 673,52	R 3 136 391,47	R -	R 3 136 391,47	R 1 342 224,38	R 1 794 167,09	R 27 364 449,14	R 14 063 889,45
8	2027/06/30	R 27 364 449,14	R 3 136 391,47	R -	R 3 136 391,47	R 1 426 113,40	R 1 710 278,07	R 25 938 335,74	R 15 774 167,52
9	2027/12/31	R 25 938 335,74	R 3 136 391,47	R -	R 3 136 391,47	R 1 515 245,49	R 1 621 145,98	R 24 423 090,25	R 17 395 313,50
10	2028/06/30	R 24 423 090,25	R 3 136 391,47	R -	R 3 136 391,47	R 1 609 948,33	R 1 526 443,14	R 22 813 141,92	R 18 921 756,64
11	2028/12/31	R 22 813 141,92	R 3 136 391,47	R -	R 3 136 391,47	R 1 710 570,10	R 1 425 821,37	R 21 102 571,81	R 20 347 578,01
12	2029/06/30	R 21 102 571,81	R 3 136 391,47	R -	R 3 136 391,47	R 1 817 480,73	R 1 318 910,74	R 19 285 091,08	R 21 666 488,75
13	2029/12/31	R 19 285 091,08	R 3 136 391,47	R -	R 3 136 391,47	R 1 931 073,28	R 1 205 318,19	R 17 354 017,80	R 22 871 806,94
14	2030/06/30	R 17 354 017,80	R 3 136 391,47	R -	R 3 136 391,47	R 2 051 765,36	R 1 084 626,11	R 15 302 252,44	R 23 956 433,05
15	2030/12/31	R 15 302 252,44	R 3 136 391,47	R -	R 3 136 391,47	R 2 180 000,69	R 956 390,78	R 13 122 251,75	R 24 912 823,83
16	2031/06/30	R 13 122 251,75	R 3 136 391,47	R -	R 3 136 391,47	R 2 316 250,74	R 820 140,73	R 10 806 001,01	R 25 732 964,57
17	2031/12/31	R 10 806 001,01	R 3 136 391,47	R -	R 3 136 391,47	R 2 461 016,41	R 675 375,06	R 8 344 984,60	R 26 408 339,63
18	2032/06/30	R 8 344 984,60	R 3 136 391,47	R -	R 3 136 391,47	R 2 614 829,94	R 521 561,54	R 5 730 154,66	R 26 929 901,17
19	2032/12/31	R 5 730 154,66	R 3 136 391,47	R -	R 3 136 391,47	R 2 778 256,81	R 358 134,67	R 2 951 897,86	R 27 288 035,83
20	2032/12/31	R 2 951 897,86	R 3 136 391,47	R -	R 2 951 897,86	R 2 951 897,86	R 184 493,62	R -	R 27 472 529,45

The bi-annual instalment amounts will be reduced from R3 455 588,09 to R3,136,391.47. The total finance charges over the period of the loan term, will reduce from R30 268 461,90 to R27 472 529,45, resulting in a saving of R2,795,932.45 to Council over the period of the loan.

RELEVANT LEGISLATION

Section 46 of the MFMA

Comments: Acting Director Corporate Services

No Comment

Comments: Director Community Services

No Comment

Comments: Director Engineering Services

No Comment

Comments Manager: Legal Services

No Comment

Section 2: Finance

RECOMMENDED BY THE MUNICIPAL MANAGER

1. That Council, considering all of the information presented in this report, resolve to approve the incurring of the long-term debt pending the approval of the Adjustment Budget 2022/2023.
2. That the Revised Capital Budget to be funded from loans, be included in the 2022/2023 Adjustment Budget for submission to Council for approval.
3. That the capital projects and subsequent expenditure be implemented in terms of the approved 2022/2023 capital program.
4. That the Municipal Manager be delegated to sign all documents required in the execution of the above resolution (a)

Section 2: Finance

ITEM PC/ M or C/3/ /mm /yy

**FINANCIAL INFORMATION STATEMENT: LONG TERM DEBT TO THE
AMOUNT OF R38,843,300**

Portfolio Comm: Finance and Corporate Services
File Ref: 5/13/3

Demarcation: All Wards
Delegation: Council

Attachments: Annexure A – Capital Project Listing

Report from: Director: Financial Services

Author: Manager: Assets and Liabilities

Date:

PURPOSE OF THE REPORT

The purpose of this report is to submit to Council for consideration the contents of the Loan Information Statement, for the purpose of incurring long term debt for partially financing the Bitou Municipality's approved 2022/2023 MTREF capital budget program.

In order to give effect to the aforementioned, Section 46(3)(b) of the Municipal Finance Management Act (Act 56 of 2003) requires that such an Information Statement be submitted to the municipal council at least 21 days prior to the meeting of the council, where the final approval of the debt be considered. This Information Statement must contain particulars regarding:

1. The essential repayment terms, including the anticipated debt repayment schedule; and
2. The anticipated total cost in connection with such debt over the repayment period.

BACKGROUND /DISCUSSION

Council approved the final annual budget for the 2022/2023 to 2024/2025 financial years on the 7th of June 2022 (Resolution Ref C/2/50/06/22), together with the single and multi-year capital appropriations and funding sources. Council resolved to incur long term debt to the amount of R38,843,300 to finance various capital projects in relation to the 2022/2023 budget year. These capital projects and funding sources were also approved in the adopted IDP 2022 - 2025.

Please refer to **Annexure A** for the approved capital projects and budgets to be funded by borrowings/ long term debt.

Section 2: Finance

FINANCIAL IMPLICATIONS

The financial implications (information statement) pertaining to the proposed long term debt to fund the various capital projects as displayed within Annexure A, are illustrated by the below Loan Repayment schedule.

DRAFT LOAN REPAYMENT SCHEDULE: BITOU MUNICIPALITY 2022_2023

LOAN SUMMARY				
Loan amount	R38,843,300.00	Scheduled payment	R3,455,588.09	
Annual interest rate	12.50%	Scheduled number of payments	20	
Loan period in years	10	Actual number of payments	20	
Number of payments per year	2	Total early payments	R0.00	
Start date of loan	6/30/2023	Total interest	R30,268,461.90	
Optional extra payments	R0.00			

PMT NO	PAYMENT DATE	BEGINNING BALANCE	SCHEDULED PAYMENT	EXTRA PAYMENT	TOTAL PAYMENT	PRINCIPAL	INTEREST	ENDING BALANCE	CUMULATIVE INTEREST
1	12/31/2023	R38,843,300.00	R3,455,588.09	R0.00	R3,455,588.09	R1,027,881.84	R2,427,706.25	R37,815,418.16	R2,427,706.25
2	6/30/2024	R37,815,418.16	R3,455,588.09	R0.00	R3,455,588.09	R1,092,124.46	R2,363,463.64	R36,723,293.71	R4,791,169.89
3	12/31/2024	R36,723,293.71	R3,455,588.09	R0.00	R3,455,588.09	R1,160,382.23	R2,295,205.86	R35,562,911.47	R7,086,375.74
4	6/30/2025	R35,562,911.47	R3,455,588.09	R0.00	R3,455,588.09	R1,232,906.12	R2,222,681.97	R34,330,005.35	R9,309,057.71
5	12/31/2025	R34,330,005.35	R3,455,588.09	R0.00	R3,455,588.09	R1,309,962.76	R2,145,625.33	R33,020,042.59	R11,454,683.04
6	6/30/2026	R33,020,042.59	R3,455,588.09	R0.00	R3,455,588.09	R1,391,835.43	R2,063,752.66	R31,628,207.16	R13,518,435.70
7	12/31/2026	R31,628,207.16	R3,455,588.09	R0.00	R3,455,588.09	R1,478,825.14	R1,976,762.95	R30,149,382.02	R15,495,198.65
8	6/30/2027	R30,149,382.02	R3,455,588.09	R0.00	R3,455,588.09	R1,571,251.71	R1,884,336.38	R28,578,130.31	R17,379,535.03
9	12/31/2027	R28,578,130.31	R3,455,588.09	R0.00	R3,455,588.09	R1,669,454.95	R1,786,133.14	R26,908,675.36	R19,165,668.17
10	6/30/2028	R26,908,675.36	R3,455,588.09	R0.00	R3,455,588.09	R1,773,795.88	R1,681,792.21	R25,134,879.48	R20,847,460.38
11	12/31/2028	R25,134,879.48	R3,455,588.09	R0.00	R3,455,588.09	R1,884,658.12	R1,570,929.97	R23,250,221.36	R22,418,390.35
12	6/30/2029	R23,250,221.36	R3,455,588.09	R0.00	R3,455,588.09	R2,002,449.25	R1,453,138.84	R21,247,772.11	R23,871,529.19
13	12/31/2029	R21,247,772.11	R3,455,588.09	R0.00	R3,455,588.09	R2,127,002.33	R1,327,085.76	R19,120,169.77	R25,199,614.94
14	6/30/2030	R19,120,169.77	R3,455,588.09	R0.00	R3,455,588.09	R2,260,577.48	R1,195,010.61	R16,859,592.29	R26,394,525.55
15	12/31/2030	R16,859,592.29	R3,455,588.09	R0.00	R3,455,588.09	R2,401,863.57	R1,053,724.52	R14,457,728.72	R27,448,250.07
16	6/30/2031	R14,457,728.72	R3,455,588.09	R0.00	R3,455,588.09	R2,551,980.04	R903,608.05	R11,905,748.68	R28,351,858.12
17	12/31/2031	R11,905,748.68	R3,455,588.09	R0.00	R3,455,588.09	R2,711,478.80	R744,109.29	R9,194,269.88	R29,095,967.41
18	6/30/2032	R9,194,269.88	R3,455,588.09	R0.00	R3,455,588.09	R2,880,946.22	R574,641.87	R6,313,323.66	R29,670,609.28
19	12/31/2032	R6,313,323.66	R3,455,588.09	R0.00	R3,455,588.09	R3,061,005.36	R394,582.73	R3,252,318.30	R30,065,192.01
20	12/31/2032	R3,252,318.30	R3,455,588.09	R0.00	R3,455,588.09	R3,252,318.30	R203,269.89	R0.00	R30,268,461.90

The repayment structure of the proposed loan repayment schedule will amount to 20 instalments over the loan period, to the value of R3,455,588.09 each, totaling R69,111,761.90 over the loan period of 10 years. Finance charges would have contributed R30,268,461.90 to the total cost of the loan, subject to the interest rate at the time of award.

The current MTREF finance charges budget were based on a loan amount of R38,843,300.00 (based on the draft capital budget) and an indicative interest rate of 10.50%. The loan funded capital projects were subsequently approved and increased to R38,843,300.00, as contained within this information statement. Finance charges on the initial loan amount totaled R24,183,596.74 (repayable over 10 years), with the amendment amount totaling R30,268,461.90. This represents a R6,084,865.16 increase over the term of the loan, subject to final award. Due to the aforementioned, the necessary budgetary amendments and provisions will have to be made during the next adjustment budget process.

Key assumptions used in the determination of the repayment term, as well as the anticipated total cost in connection with servicing such debt over the repayment period, was an indicative interest rate of 12.50% (subject to various further interest rate announcements preceding award of the tender), as well as a total repayment period of 10 years redeemable bi-annually.

The South African Reserve bank raised the repo rate by 75 basis points to 6.25% during the previous monetary policy committee meeting held during September 2022, with the current outlook indicating further interest rate hikes to be expected due to local CPI exceeding the inflationary target framework of

Section 2: Finance

3% to 6%, together with global interest rate escalations. In light of the aforementioned expected short term interest rate hikes, together with the risk premium added by the financial institutions based on their deemed/perceived risk of potential default by Bitou Municipality on the evaluation of its financial position and cash flow adequacy, it can reasonably be forecasted that the All-In rate of the loan will be around 12.50%.

In the absence of the unbundled projects/assets, a high level assessment of the useful lives of the underlying assets were performed. It can be confirmed that all of the assets will have a minimum standard estimated useful life of 10 years or more.

RELEVANT LEGISLATION

- Section 46 of the MFMA

Comments: Acting Director Corporate Services

No Comment

Comments: Director Community Services

No Comment

Comments: Director Engineering Services

No Comment

Comments Manager: Legal Services

No Comment

RECOMMENDED BY THE MUNICIPAL MANAGER

1. That council take note of the information statement associated with incurring the proposed long term debt (as prescribed by Section 46 of the MFMA) associated with funding the approved MTREF capital budget;
2. The capital projects and subsequent expenditure reflecting in Annexure A be noted in terms of the approved 2022/2023 capital program.
3. That given the current and forecasted increase in interest rates, the relevant budget amendments and provisions be made at the next adjustment budget process, in order to successfully conclude to borrowing process.

EXTRACT FROM THE UNCONFIRMED MINUTES OF THE MAYORAL COMMITTEE MEETING OF BITOU LOCAL MUNICIPALITY HELD IN THE COUNCIL CHAMBER, MUNICIPAL OFFICES, SEWELL STREET, PLETTENBERG BAY ON TUESDAY, 06 NOVEMBER 2022 AT 9H05

“

Recommendation C/2/81/11/22

FINANCIAL INFORMATION STATEMENT: LONG TERM DEBT TO THE AMOUNT OF R38,843,300

Portfolio Comm: Finance & Corporate Services

File Ref: 5/13/3

Demarcation: All Wards

Delegation: Council

Recommended by the Executive Mayor

1. That Council take note of the information statement associated with incurring the proposed long-term debt (as prescribed by Section 46 of the MFMA) associated with funding the approved MTREF capital budget.
2. That the capital projects and subsequent expenditure reflecting in Annexure A, circulated with the agenda, be noted in terms of the approved 2022/2023 capital program.
3. That given the current and forecasted increase in interest rates, the relevant budget amendments and provisions be made at the next adjustment budget process, in order to successfully conclude to borrowing process.

Proposed: Councillor J N Kamkam

Seconded: Councillor W J Nel”



Mr. Mbulelo Memani
Municipal Manager
 Tel – 044 501 3000
 Bitou Local Municipality
 Private Bag X1002
 PLETTENBERG BAY, 6600
Municipal Notice No: 356/2022

BITOU MUNICIPALITY (WC047)
NOTICE NUMBER: 356/2022

PUBLIC INFORMATION STATEMENT: RAISING OF LONG-TERM DEBT TO THE AMOUNT OF R38,843,300.00

The public is herewith notified, in terms of the provision of Section 46 (3)(a)(i) of the Municipal Finance Management Act, Act 56 of 2003, of a Special Council Meeting of the Bitou Local Municipality to be held on 28 February 2023 at 09:00 in the Council Chamber in Plettenberg bay to give consideration to the raising of a long-term loan to give effect to the 2022/2023 capital budget as approved by Council on 07 June 2022.

It is the intention of the Bitou Local Municipality to finance the capital projects as per attached information statement, which sets out particulars, including the amount of the proposed debt and the purposes for which the debt is to be incurred. No security is to be provided.

The loan will be repaid bi-annually over a maximum period of 10 years at an estimated interest rate of 12.50%, with an estimated annual repayment of R 6,911,176.18 million. The total interest charges over the loan period will amount to R 30 268 461,90. The public is herewith invited to submit written comments or representations to Council in respect of the proposed debt, which written comments or representations must be submitted to the office of the Municipal Manager by no later than Tuesday 31 January 2023 before 12:00.

OPENBARE INLIGTINGSVERKLARING: VERHOOGING VAN LANGTERMYNSKULD TEN BEDRAE VAN R38,843,300.00

Die publiek word hiermee ingevolge die bepaling van Artikel 46 (3)(a)(i) van die Wet op Munisipale Finansiële Bestuur, Wet 56 van 2003, van 'n Spesiale Raadsvergadering van die Bitou Plaaslike Munisipaliteit wat op 28 Februarie 2023 om 09:00 in die Raadsaal in Plettenbergbaai gehou sal word om oorweging te skenk aan die verhoging van 'n langtermynlening om uitvoering te gee aan die 2022/2023 kapitaalbegroting soos goedgekeur deur die Raad op 07 Junie 2022.

Dit is die bedoeling van die Bitou Plaaslike Munisipaliteit om die kapitaalprojekte te finansier soos per aangehegte inligtingstaat, wat besonderhede uiteensit, insluitend die bedrag van die voorgestelde skuld en die doeleindes waarvoor die skuld aangegaan moet word. Geen sekuriteit mag verskaf word nie.

Die lening sal tweejaarlik oor 'n maksimum tydperk van 10 jaar terugbetaal word teen 'n geraamde rentekoers van 12,50%, met 'n beraamde jaarlikse terugbetaling van R 6,911,176,18 miljoen. Die totale rentekoste oor die leningstydperk sal R 30 268 461,90 beloop. Die publiek word hiermee uitgenooi na skriftelike kommentaar of vertoë by die Raad indien ten opsigte van die voorgestelde skuld, welke skriftelike kommentaar of vertoë teen nie later as Dinsdag 31 Januarie 2023 voor 12:00 by die kantoor van die Munisipale Bestuurder ingedien moet word.

INGCACISO YEENKCUKACHA ZIKARHULUMENTE: UKUNYUSWA KWETYALA ELIDE UKUYA KWISIXA ESIYI-R38, 843,300.00

Uluntu luyaziswa, ngokwemigaqo yeCandelo lama-46 (3)(a)(i) loMthetho woLawulo lweMali kaMasipala, uMthetho wama-56 ka-2003, ngeNtlanganiso eKhethekileyo yeBhunga likaMasipala weNgingqi yaseBitou eya kubanjwa ngomhla wama-28 NgoFebruwari 2023 ngentsimbi ye-09:00 kwindlu yeBhunga ePlettenberg bay ukunika ingqwalasela ekunyusweni kwemali mboleko yexesha elide ukuze kuphuyezwe uhlahlo lwabiwo-mali olukhulu luka-2022/2023 njengoko lwamkelwe liBhunga nge-07 Juni 2022.

Yinjongo kaMasipala weNgingqi waseBitou ukuxhasa ngemali iiprojekthi ezinkulu ngokwengxelo yolwazi eqhotyoshelweyo, echaza iinkcukacha, ukuquka isixa-mali setyala elicetywayo kunye neenjongo zokufunyanwa kwetyala. Akukho khuseleko luya kubonelelwa.

Imali-mboleko iya kuhlululwa kabini ngonyaka kwisithuba seminyaka eli-10 kumlinganiselo wenzala oqikelelwayo we-12.50%, kunye nembuyekazo yonyaka eqikelelwa kwi-R 6,911,176.18 yezigidi. Iyonke intlawulo yenzala ngexesha lemali-mboleko iya kuba yi-R 30 268 461, 90. Uluntu luyamenywa ukuba lungenise izimvo ezibhaliweyo okanye iinkcazo-ntetho kwiBhunga malunga netyala elicetywayo, ekufuneka izimvo ezibhaliweyo okanye iinkcazo-ntetho mazingeniswe kwi-ofisi yoMphathi kaMasipala ungadlulanga uLwesibini wama-31 kuJanuwari wama-2023 phambi kwentsimbi ye-12:00.

MR. MBULELO MEMANI
MUNICIPAL MANAGER
BITOU LOCAL MUNICIPALITY

mbulelo 8/12/2022



municipaliteit munisipala municipality

to be the best together

Private Bag X1002 Plettenberg Bay 6600
Tel +27 (0)44 501 3000 Fax +27(0)44 533 3485

Our Reference: External Loan 2022/2023

Date: 05/01/2023

Enquiries: F.M. Lotter
E-mail: flotter@plett.gov.za
Tel: (044) 501 3000 Fax: (086) 6096721**The Director-General**National Treasury
Private Bag X 115
PRETORIA
0001**Registered post**

e-mail: khensani.makaneta@treasury.gov.za

Sir/Madam,

LONG TERM BORROWING (DEBT): SOLICITATION OF COMMENTS IN TERMS OF THE MUNICIPAL FINANCE MANAGEMENT ACT, 2003 (MFMA), SECTION 46(3)(a)(ii)

The Bitou Local Municipality's tabled budget as approved on 7 June 2022 provides for the incurring of long-term debt to the amount of R38,843,300 to finance certain Capital projects in the 2022/2023 capital budget. Subsequently the Municipality have commenced with the relevant processes to incur the long term debt, as per Section 46 of the MFMA.

In order to give effect to the aforementioned, please find attached hereto the following:

- Copies of the information statement as required in terms of Section 46(3)(a)(ii) as advertised on the Bitou Municipality's Website on Thursday, the 22nd of December 2022. Please refer to the following link: <https://www.bitou.gov.za/raising-long-term-debt>
- A copy of the council resolution approving the budget, the approved capital budget and relevant supporting documentation;
- A copy of the Information Statement as submitted to and acknowledged by Council on the 9th of December 2022.
- Detailed schedules of the proposed loan repayment;
- A Schedule of External Loans as at 31 October 2022 and Q1 BM verification;
- Long Term Borrowing (Debt) Proposal and Certification for long term borrowing.

The loans will be repaid from revenue to be collected in the future budgets as per the supporting documentation (Budget summaries). It has been sufficiently provided for in the operating budget to service the interest and redemption on the additional loan and no security is to be provided.

Accordingly you are herewith requested to submit your written comments and/or representation in terms of Section 46(3)(a)(ii) of the MFMA by no later than Tuesday 31 January 2023 before 12:00.

Please confirm receipt of this notice.

Yours faithfully,

Mr. F.M. Lotter
Acting Chief Financial Officer



municipaliteit munisipala municipality
to be the best together

Private Bag X1002 Plettenberg Bay 6600
Tel+27 (0)44 501 3000 Fax +27(0)44 533 3485

Our Reference: External Loan 2022/2023

Date: 05/01/2023

Enquiries: F.M. Lotter
E-mail: flotter@plett.gov.za
Tel: (044) 501 3000 Fax: (086) 6096721

The Head Official: Provincial Treasury
Western Cape Government
3RD Floor
Room 321
7 Wale Street
CAPE TOWN
8000

Registered post

e-mail: wesley.baatjies@westerncape.gov.za

Sir/Madam,

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Please confirm receipt of this notice.

Yours faithfully,

Mr. F.M. Lotter
Acting Chief Financial Officer



**Western Cape
Government**

Provincial Treasury

Malcolm Booysen

Director: Fiscal Policy

malcolm.booyesen@westerncape.gov.za | Tel: 021 483 3386

Reference: PTR 16/1/25/1

Enquiries: Mr W Baatjies

Private Bag X9165

Cape Town, 8001

The Municipal Manager

Bitou Municipality

Private Bag X1002

PLETTENBERG BAY

6600

For attention: Mr M MEMANI

WESTERN CAPE PROVINCIAL TREASURY COMMENT ON THE LONG-TERM BORROWING PROPOSAL FOR THE BITOU MUNICIPALITY

Provincial Treasury (PT) has considered the long-term borrowing proposals of Bitou Municipality and herewith provides comments based on compliance with the legislative requirements in terms of the Local Government: Municipal Finance Management Act (Act No. 56 of 2003) (MFMA) as well as raising concerns on the affordability of the proposed long-term borrowing proposal. It is expected that the Provincial Treasury comments are tabled in the Municipal Council.

Compliance Assessment

1. The Municipality made public an information statement setting out particulars of the proposed external financing of its capital programme.
2. PT notes that the Municipality has submitted the required information as per MFMA Circulars 26, 42 and 115.
3. The Municipality has set its objectives in accordance with section 152 of the Constitution of South Africa (Act No. 108 of 1996) and ensured full compliance with the MFMA and Municipal Supply Chain Management Regulations.
4. Table 1 indicates the relevant sections in relation to the National Treasury Circulars which provide the necessary legislative guidelines and information required to make the needed comments as stated in section 46(3)(a) of the MFMA.

Table 1 Compliance with MFMA in relation to MFMA Treasury Circular 26,42 & 115 as issued by National & Provincial Treasury

MFMA/ Circulars	Treasury	Details	Compliance Yes/No
S46(3)(a)(i) and (ii)		The information statement and media advertisements were made public on the Facebook page as well as in libraries, on notice boards of the Municipality and the Municipal Website 22 December 2023.	Yes
S46(3)(b)(i) and (ii)		The loan funds will be sourced from financial institutions accredited in terms of the Banks Act.	Yes
S46(6), S17(2), S19		The long-term loan is consistent with its Capital budget as referred to in section 17(2) of the MFMA. The total loan amount is for R38.84 million.	Yes
S46(5)		This section is not applicable, because the borrowing (debt) purpose is not for refinancing existing long-term borrowing (debt).	N/A
S19(1)(d)		The sources of the funding have been considered, are available and have not been committed for other purposes.	Yes
MFMA Treasury No.26/2005	National Circular	A schedule of all long-term borrowing (debt) obligations in the format of the QBMR showing principal and interest payments for the life of all loans and any associated investments set up as sinking funds etc.	Yes
MFMA Treasury No. 42/2010	Provincial Circular	The Long-Term Debt Certification to be dated and signed by the Municipal Manager (Accounting Officer) and the Executive Mayor/Chairperson of the Board.	Yes
S 18 of MFMA, Reg 22 of MBRR & MFMA National Treasury Circular 115		The Annual Budget may only be funded by realistically anticipated revenues to be collected, cash-backed accumulated funds from previous years' surpluses not committed for other purposes, and borrowed funds, but only for capital budget referred to in section 17(2) of the MFMA. An adjustments budget of a municipality must be appropriately funded.	Yes

Affordability Assessment

5. The affordability assessment that follows is based on the Audited 2020/21 and Unaudited 2021/22 Annual Financial Statements (AFS); the In-year monitoring (IYM) operating and capital expenditure reports for the 2022/23 financial year as at 30 November 2022; Cash Flow Actual performance for the 2022/23 financial year as at 30 November 2022; as well as the Integrated Development Plan (IDP) 2022/23.
6. The purpose of the external loan is to raise R38.84 million with a financial institution over a period of 10-years to provide the necessary infrastructure to improve Council's service delivery to the community. The infrastructure appears to be a mix of some revenue-generating infrastructure and several social infrastructure projects. The interest rates applicable for the respective loans are both set at 12.50 per cent which are in line with the current market trends for borrowing. The finance charges would contribute R30.27 million to the total cost of the external loan.

7. The repayments will be made semi-annually with the first instalment to be paid on 31 December 2023 and last payment due on 31 December 2032
8. In considering the affordability of the proposed loans, a selected number of financial ratios (based on the Audited AFS of 2020/21 and Unaudited 2021/22) were considered and are depicted in Table 2 below.

Table 2: Ratio analysis

Ratio	National Treasury Norm or acceptable range	Comment	2020/21 (Audited)	2021/22 (Audited)	M05 November 2022 (In-year monitoring)
Current Ratio	1.5:1 to 2	Below NT norm	1.04:1	1.05:1	1.84:1
Debtors' collection period	30 days	Negatively above NT norm	33 days	33 days	62 days
Capital Cost (Interest paid and redemption to total operating expenditure)	6% - 8%	Below NT norm	4.5%	4.2%	0.15%
Total Liabilities to Total Assets	<50%	Within NT norm	24.5%	22.4%	17.72%
Cash and cash equivalents to Current liabilities	1:1	Below NT norm	0.5:1	0.3: 1	0.69
Debt (Total Borrowings) to Total Operating Revenue	45%	Within NT norm	15.6%	12.4%	27.18

9. The current ratio has increased from 1.04:1 in 2020/21 to 1.05 in the 2021/22 financial year and is below the NT's acceptable norm. The ratio indicates that the Municipality may not have sufficient cash and cash equivalents to meet its short-term obligations.
10. The net debtors collection remains constant at 33 days in 2020/21 and 2021/22. However, the ratio is not within the acceptable NT norm of 30 days. To increase cash flow from outstanding debt and align the debtor collection duration in with NT's norms, the Municipality should strengthen its present credit management and debtor collection policies and processes.
11. The interest paid and redemption to total operating expenditure ratio has decreased slightly from 4.5 per cent in 2020/21 to 4.2 per cent in 2021/22 and remains favourably below the NT norm of 6-8 per cent.
12. The total liabilities to total assets ratio decreased from 24.5 per cent in 2020/21 to 22.4 per cent in 2021/22 and remains within the NT norm. This ratio result indicates that the Municipality has sufficient assets to cover its liabilities when they are due.
13. The cash and cash equivalents to current liabilities ratio decreased to 0.5:1 in 2020/21 to 0.3:1 in 2021/22 financial year. The ratio is below the NT norm of 1:1, indicating that the Municipality holds insufficient liquid cash resources to cover its current liabilities. This ratio has remained below the norm for the period under review.
14. The debt to total operating revenue ratio improved from 15.6 per cent in 2020/21 to 12.4 per cent in the 2021/22 financial year and remains within the NT norm of 45 per cent, implying that the

Municipality has capacity to increase its borrowings. The municipality budgeted to borrow R38.84 million in the current financial year 2022/23. The ratio will increase to 39.44 per cent from 27 per cent including the current long-term borrowing proposal. In addition, should the Municipality decide to take on additional funding, all other cashflow projections need to be considered for affordability purposes and closely manage the drawdowns to remain within the debt to revenue ratio norm.

15. In addition to the financial ratios calculated from the 2020/21 audited and 2021/22 audited AFS, further analyses based on the 2022/23 IYM have been performed.
- a) The operating revenue amounted to R316.92 million or 38.5 per cent of the adjusted budget of R822.69 million while the actual operating expenditure is at R278.55 million or 34.00 per cent against the adjusted budget of R818.77 million as at 30 November 2022.
 - b) The Municipality's total debtors as at 30 November 2022 amounted to R296.62 million indicating an increase of R1.64 million from the R294.97 million reported in October 2022 and a year-on-year increase of 8 per cent when compared to the R273.98 million reported in November 2021.
 - c) In November 2022, the liquidity ratio increased to 0.69 times from 0.61 times compared to October 2022. The ratio is still below the National Treasury recommended norm of 1.1, indicating that the Municipality may not meet its short-term obligations and could struggle to settle its short-term obligations immediately.
 - d) In November 2022, the cost coverage ratio increases to 1.13 times from 0.61 times compared to October 2022, indicating the Municipality may have the ability to meet at least its monthly fixed operating commitments from cash and short-term investments without collecting any additional revenue.
 - e) The Municipality's collection rate exhibits a decreasing trend. The collection rate has decreased by 7 per cent from the collection rate of 87 per cent reported at the end of the first quarter to 80 per cent as reported at the end of the second quarter. This is a significant deterioration from the budgeted position of the municipality and raises questions about the ability of the municipality to afford its budgeted expenditure and borrowing.

Conclusion

16. After assessing the proposed long-term borrowing, Provincial Treasury draws the Municipality's attention to the following:
- a) The Municipality appears to have a weak financial position which may have a negative effect on the ability to service the loan.
 - b) Cash pressures may materialise if the collection rate continues to deteriorate and does not stabilise.
 - c) The weak liquidity position of the municipality raises the risk-profile of the municipality and is likely to result in a higher cost of borrowing.
 - d) The Municipality intends to take up an external loan during a period when interest rates are increasing, and the cost of borrowing is likely to increase further. This increased cost of borrowing may adversely affect the Municipality's ability to service the loan, and may require higher tariffs in future to cover the cost of the borrowings.

- e) Although the Municipality has capacity to take on additional borrowing in terms of its debt to operating revenue ratio, this loan should be considered within the broader context of the cash flow requirements and affordability parameters of the Municipality.
- f) The Municipality's work to improve its liquidity position and financial sustainability is noted and the Municipality is advised to continue with implementing aggressive and stringent credit control and debt collection measures.
- g) All factors considered, the WCPT advises the municipality to reconsider this loan. The Municipality is advised to prioritise stabilising its liquidity position and to structure a borrowing proposal that takes account of the weakened financial position of the municipality, as well as commitments already made.
- h) It is noted that the loan amount is in line with the adopted budget of the municipality and its capital funding mix. However, the loan amount could be reduced by adjusting the municipality's capital budget to delay loan-funded projects that have not yet begun implementation.
- i) PT therefore advises the municipality to consider PT's comments/ recommendations and reduce the amount of borrowing taken up in 2022/23.
- j) This letter should be presented to Council for review.

Kind regards,

**Steven
Kenyon**

Digitally signed by
Steven Kenyon
Date: 2023.02.06
14:40:04 +02'00'

**MR S KENYON
CHIEF DIRECTOR: LOCAL GOVERNMENT PUBLIC FINANCE
WESTERN CAPE PROVINCIAL TREASURY**

Long Term Borrowing (Debt) Proposal

Information to be supplied to National Treasury and Provincial Treasury Municipal Finance Management Act (No 56 of 2003)

The MFMA requires a municipality or municipal entity to invite the National Treasury, the relevant provincial treasury and the public to submit written comments or representations to the council / board of directors in respect to the raising of any proposed debt through borrowing or any other instrument (refer sections 46 & 108).

To expedite this process and to enable the National Treasury and relevant provincial treasury to provide informed comments, the municipality / municipal entity is requested to supply the following information and include the attached signed certification, along with the invitation for comment. Failure to provide this information may delay the process.

Information to be provided with respect to a long-term debt proposal

	Details	MFMA
1	A copy of the <i>information statement</i> required by section 46(3), containing particulars of the proposed borrowing (debt) instrument.	46(3)(a)(i)
2	If not already incorporated in the <i>information statement</i> , please ensure the following information is provided separately (note QBMR = Quarterly Borrowing Monitoring Return to NT, see over page for further information): <ul style="list-style-type: none"> • amount of debt to be raised through borrowing or other means • purposes for which the borrowing (debt) is to be incurred • interest rate(s) applicable (state whether fixed or variable etc) • planned start and end date (term of instrument) • detailed repayment schedule for the duration of the borrowing (debt) (showing dates and all payments of principal and interest, etc) • total estimated cost of the borrowing (debt) over the repayment period • type of instrument (select from QBMR) • security to be provided (select from QBMR) and provide details • source of loan funds (select from QBMR) 	46(3)(b)(i) and (ii)
3	A schedule of consultation undertaken, including: <ul style="list-style-type: none"> • date(s) when the <i>information statement</i> was made public • details of meetings, media adverts and other methods used to consult on the proposed long-term borrowing (debt) 	46(3)(a)(i), (ii)
4	A copy of the approved budget, and relevant documentation supporting the budget, highlighting the asset(s) to be funded by the proposed borrowing (debt) and the revenue to be received. It must be demonstrated that the proposed borrowing (debt) is consistent with the IDP, the capital budget and the revenue is shown accordingly.	46(6) 17(2) 19
5	If the borrowing (debt) is for the purpose of refinancing existing long-term borrowing (debt), the following information: <ul style="list-style-type: none"> • description of the asset(s) for which the original loan was required • the useful remaining life of the asset(s) • the net present value of the asset(s), including the discount rate used and any assumptions in the calculations • the net present value of projected future payments <u>before</u> refinancing, including the discount rate and assumptions used. • the net present value of projected future payments <u>after</u> refinancing, including the discount rate and assumptions used. 	46(5)

6	What source of funding will be used to repay the loan? Please specify the revenue stream(s) and whether this is existing revenue, or new revenue.	19(1)(d)
7	Schedule of <u>all</u> long-term borrowing (debt) obligations in the format of the QBMR showing principal and interest payments for the life of <u>all loans</u> and any associated investments set up as sinking funds etc.	
8	In the case of a municipal entity, details of any guarantee or other forms of security to be issued by the parent municipality(s) in respect to the entity's proposed borrowing (debt).	50
9	Please note: a copy of the council/board of directors' resolution approving the borrowing (debt) instrument should be forwarded once approved.	

Please forward this information, including the *certification* below, to:

National Treasury	Provincial Treasury
Mr T Pillay National Treasury Local Government Division Private bag X115 Pretoria 0001	MFMA Coordinator <i>See MFMA Circular No 20 for contact details of the MFMA Coordinator in your relevant provincial treasury (circular located on www.treasury.gov.za/mfma)</i>

Quarterly Borrowing Monitoring Return (QBMR)

It is necessary to review all existing borrowing (debt) obligations when commenting on proposed new borrowing (debt) instruments. This provides a long-term view of borrowing (debt) repayment obligations into the future.

Municipalities have been asked to complete quarterly returns on borrowing for the past two years. A new return was developed, in consultation with various municipalities, and provides an enhanced level of detail and graphical presentation for the benefit of the municipality. Municipalities will find this return useful for keeping track of and analysing borrowing (debt). National Treasury also uses this information to analyse the overall municipal borrowing market with a view to increasing access to capital for infrastructure projects.

The QBMR and guidelines for completion thereof can be downloaded from the National Treasury website www.treasury.gov.za/mfma located under "National Treasury Return Forms". A QBMR must be submitted electronically by all municipalities and municipal entities on the 15th day of the month following each quarter, i.e. by 15 October for the quarter ending September. Where there are no borrowings show "NIL" on the QBMR for the quarter.

Certification for long term borrowing (debt)

The certification for long-term borrowing (debt) on the following page must be completed, signed and included with the request for comment on the proposed long-term borrowing (debt). This ensures that the MM and Mayor approve the request.

Certification for long term borrowing (debt)

Name of municipality / entity: **Bitou Municipality**

Proposed borrowing (debt): **R 38 843 300.00**

We hereby certify that the proposed long-term borrowing (debt), as specified in the attached *information statement* and supplementary pages complies with sections 17(2), 19, 46 and 108 of the MFMA and will be used for the purposes of capital expenditure on property, plant or equipment:

- for the purpose of achieving the objects of local government as set out in section 152 of the Constitution;
- capital expenditure is appropriated in an approved multi-year capital budget;
- repayments for the duration of the loan are affordable and will be appropriated in future budgets; and
- if the loan is required to refinance existing long-term borrowing (debt), that the original borrowing (debt) was lawfully incurred and the refinancing does not extend the term of the borrowing (debt) beyond the life of the asset for which the money was originally borrowed.

A copy of the council/board of director's resolution approving the loan will be forwarded to the National Treasury and relevant provincial treasury within 7 days of approval.

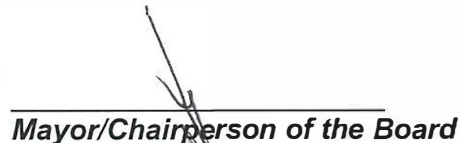
Signatures:



Accounting Officer

Name: **MBULELO MEMANI**

Date: **14/12/2022**


Mayor/Chairperson of the Board

Name: **D. J. Swart**

Date: **14/12/22**

RESPONSE TO COMMENTS AND OBJECTIONS RECEIVED IN RESPECT OF THE RAISING OF LONG-TERM DEBT IN THE AMOUNT OF R38,843,300

Various responses and objections were received against the raising of the long-term debt in the amount of R 38,843,300.00, from the content of the input received it is evident that the basis of the objections was the mail that was sent from the Plettenberg Bay Ratepayers Association (PRA) to its members which also included a response that was prepared by the PRA and sent out under the hand of the chairperson.

In order to address the concerns raised, it is necessary to provide context to the firstly the principles applied when funding considerations are done and secondly the rationale supporting the funding choice.

THE POWER TO BORROW AND LEGISLATIVE FRAMEWORK

Chapter 7 of the Constitution of the Republic of South Africa, 1996 gives a municipality the power to borrow funds for capital as well as operational funding, in this instance capital funding

The MFMA Section 46 prescribes the process to be followed upon the incurrence of long-term debt (borrowing)

The Municipal Borrowing policy as well as liquidity, funding and reserves policy sets out the guiding principles for borrowing.

National Treasury, Circular 71, sets out the financial ratio's that needs to be considered upon the raising of long-term debt.

The municipality has in all aspects complied with the legal framework in respect of the raising of the borrowing.

THE PROCESS

The process that leads to the decision to raise long-term debt for the funding of capital assets are set out hereunder.

1. The need for the investment in Property, Plant and Equipment (PPE) is identified through the IDP, ward committee, and other public participation processes coupled with the municipal operational requirements, master planning documents, asset replacement programs as well as departmental plans and strategies to improve service delivery.
2. The needs are consolidated, prioritised and included in the draft budget process.
3. The draft budget is tabled in Council by the Executive Mayor, these documents include a detailed capital program which indicates the funding source of all assets.
4. A public participation process is embarked upon to solicit the input from the communities on the tabled budget.
5. After the public participation the public input is considered, the municipal administration refines the budget document and in accordance with importance, priority and affordability a final draft capital program is prepared as part of the final draft budget submission to the Municipal Council.
6. The Municipal Council considers the final draft of the budget and if satisfied approves the budget, revenue raising measures as well as the detailed capital program.

7. After budget approval, the approved budget as well as tariffs are advertised to inform the public thereof.

The Bitou Municipal Council, in approving the budget on the 8th of June 2022, therefore regarded the detailed capital project list of being essential to improve and/or enhance service delivery and to protect and ensure the functioning of municipal assets, also approved the capital investment program as well as the funding sources associated with each project.

The Budget is implemented on 1 July each year and the procurement processes are followed to execute the budgeted capital program.

CONSIDERATIONS MADE

In considering the funding sources for capital investment, the following factors are taken into account.

1. The user-pays principle, this principle entails the setting of tariffs that are cost reflective as well as the collection thereof, the respective tariffs must therefore be determined to cover all aspects of the service as well as all funding requirements for capital investment/re-investment or refurbishment. These costs are divided between the total number of customers that make use of the services, thus those using it will have to pay for it, including the cost of borrowing to install and refurbish PPE associated with the particular service. This principle is also supported by both National and Provincial Treasury in financial documents, budget assessments and other engagements.

An individual could perhaps present the following argument: “there are already services available at my property and why should I pay for new infrastructure or PPE”, similarly others can argue the opposite being: “why must I already pay certain charges whereas I don’t have the equivalent level of services than what others have”.

In the current form of Local Government, it is common cause that all customers are entitled to similar levels of services and are required to, as a collective pay for those services, therefore the tariff associated with the service that cover the cost thereof is equally applied to everyone that make use or have access to a service to the same or similar extent.

To fund the PPE from surpluses means that those who have already paid for the service are giving the service or PPE free of charge to the current users to some extent.

2. Funding MIX principles – The funding mix principle is usually set out in the municipalities own long term financial plan or borrowing strategy, incorporating various consideration as made in the drafting of the strategy.

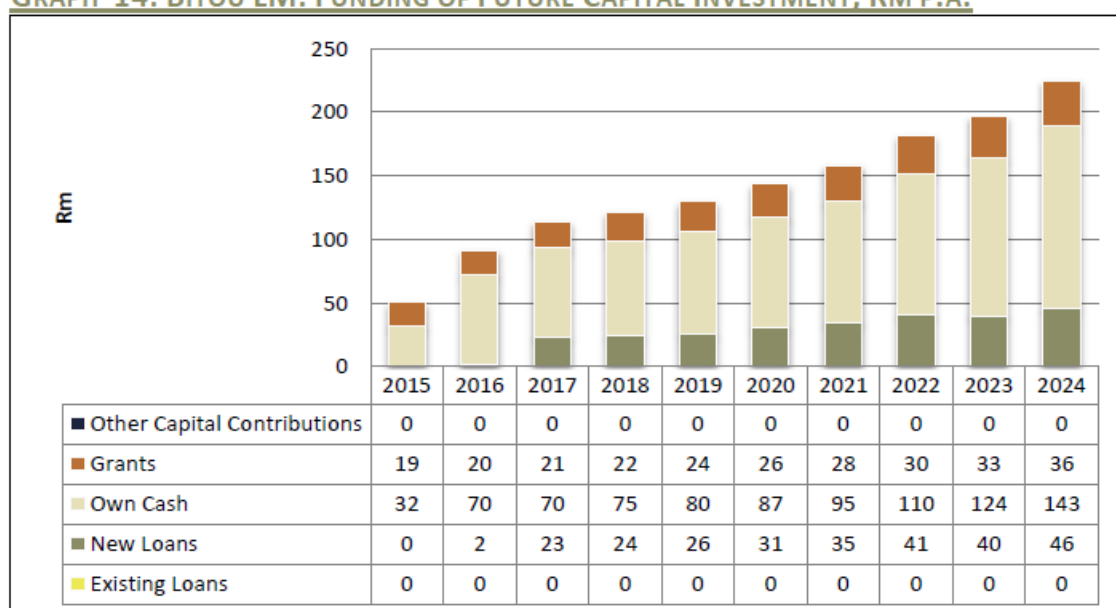
In accordance with the funding mix strategy, the following are considered:

- Current liquidity and affordability
- Current exposure (gearing ratio)
- Debt Service cost
- Impact on current and future tariffs
- Impact on the incidence of rating (the impact on the cost of providing a basket of municipal services to a single residential customer)
- Future liquidity requirements

- Future financial obligations and provisions
- Current economic circumstances, including financial and other economic indicators.
- Best practice ratios, norms and standards
- Benchmarking against other and best practice municipalities.

The table hereunder sets out the funding mix strategy for PPE that was adopted by Bitou Municipal Council in the 2014/2015 financial year, clearly illustrating the funding mix envisaged for the 10-year horizon.

GRAPH 14: BITOU LM: FUNDING OF FUTURE CAPITAL INVESTMENT, RM P.A.



Financial information already communicated to the Plett Ratepayers Association confirmed the fact that past capital funding since 2018/2019 did not include any borrowing, in fact an amount of R127 Million should have been borrowed in accordance with the Long-Term Financial Plan of the time, but never was.

The over reliance on internal funds and surpluses contributed significantly to the diminishing liquidity and the financial position that the municipality currently finds itself in. A concerted effort is therefore necessary to protect the liquidity position of the municipality and it can therefore not be further depleted by using limited own funds or surpluses for the purpose of essential and future capital financing.

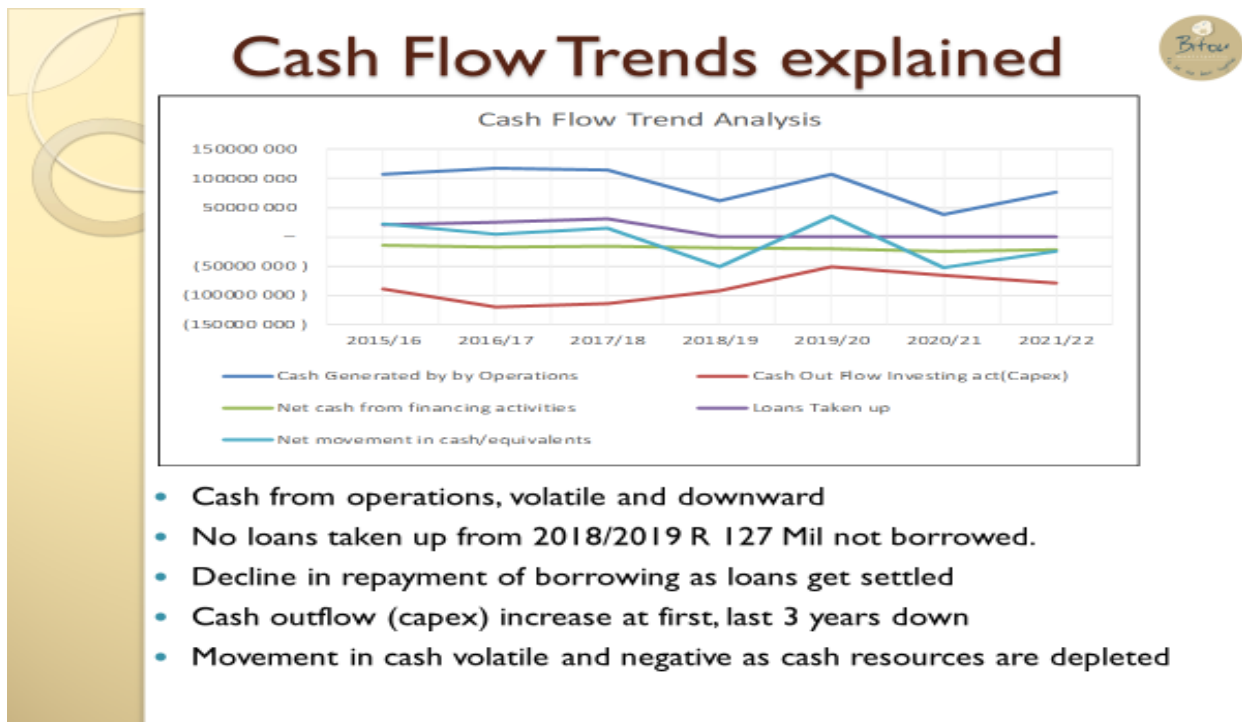
A balance of funding sources is of essence to improve the long-term financial results and ensure the financial sustainability of the municipality, sufficient liquid resources are necessary to fund operational requirements and current commitments and it is necessary to set aside sufficient funding for an operating reserve.

Grant funding as a funding source usually represent conditional grants prescribed in accordance with the Division of Revenue Act and in accordance with the specific grant frameworks, it is therefore only allocated to municipalities for specific purposes as per the grant framework. It usually allows for the following programs to be executed:

- Infrastructure in previously disadvantaged areas
- Infrastructure associated with human settlement programs
- Electrification of new housing projects
- Augmentation of water supply and bulk water
- Other specific purpose grants received from time to time.

It is common cause that the conditional as well as unconditional grants have diminished over time as the pressure on the national fiscus to fund a variety of SOE's, disasters as well as social and other priorities have increased. The reliance on grant funding as a source to fund all municipal PPE therefore remains limited.

Public contributions – These contributions are usually voluntary and for specific purposes as per the preferences of the grantors. The municipality cannot include these as funding sources unless a firm commitment is received in advance, from the grantor, prior to the finalization of the budget and included in the final budget submitted for approval by the Municipal Council.



The table above illustrates the planned borrowing which was not taken up.

AFFORDABILITY

National Treasury Circular 71, prescribes the norms and financial ratios to guide municipalities in their financial decisions, the following two ratios are of essence when considering the capacity to borrow funds:

Gearing ratio – This ratio is indicative of the exposure that the municipality has in respect of both long-term and short-term debt, it represents the total outstanding debt as a percentage of operational revenue. The maximum gearing ratio in accordance with the Circular should not exceed 45%. Bitou Municipality had a gearing ratio of 14% as at 20 June 2022, thus well below the maximum of 45% indicating that the municipality has sufficient capacity to borrow funds for capital investment.

Debt service cost – This ratio is indicative of the total cost of debt expressed as a percentage of total expenditure, the prescribed norm is between 6% and 8%. Bitou Municipality's debt service cost amounted to 5% as at 30 June 2022 indication that it is well within affordability levels.

Upon considering the exposure that the municipality has regarding long-term debt, consideration is also given in accordance with the municipal borrowing policy of the percentage that interest cost represents of total expenditure, in accordance with council policy this should not exceed 5%, the percentage is currently 1.07% and well within the limits set.

Part of the consideration made includes a consideration of current debt repayments, redemption and the effect that it will have on the ratios considering the additional borrowing, in this instance an amount of R21,804,344 is scheduled to be redeemed in the current effectively increasing the net borrowing by only R17,038,956 thus the gearing ratio from 14% to 16% for 2023/2024 (the year in which the first repayment is due) even with the new borrowing added, the gearing ratio as debt service cost remain very low and well within the prescribed norm.

RESPONDING TO THE QUESTIONS

Objections were received from 20 persons of which the majority based their input on the document prepared by the Plett Ratepayers Association which is annexed hereto.

A summary was made of all the objections/input received from the public and the input can be summarised as per the following main reasons:

1. Adverse financial impact on ratepayers and tariffs
2. Reprioritisation of existing fruitless/unnecessary expenditure trends and poor revenue collection
3. High cost of servicing the debt
4. Non-essential capital projects/reprioritisation to be considered.
5. Insolvency/Poor financial position of Council
6. Poor fiscal control
7. Inability of SCM division to perform required functions regarding proposed capital projects
8. Excess budget provisions can be cut in order to raise funding
9. Timing of capital expenditure

As the objections/input was very similar, a response is herewith provided on the correspondence from the Plett Ratepayers Association and supplemented where additional matters were raised.

The objection from the Plett Ratepayers Association is provided herein, point by point for ease of reference and an answer is provided for each point:

The Plett Ratepayers' Association strongly opposes the raising of this loan on the following grounds:

1. *It is obvious that very little if any thought and effort has gone into assessing the need and desirability of raising this loan at this time and for the proposed purposes.*

Answer. As alluded to above the contrary is in fact true, a lot of thought and consideration has gone into the matter and considering the current financial position of the municipality, the need for infrastructure development, the limited own financial resources plus the necessity to improve the liquidity position, the most desirable source of funding for the much-needed infrastructure would be the raising of long-term debt.

2. *The proposal fails to provide any indication as to where the R68 000 000 needed to repay the loan is to come from and it can only be surmised that it will be visited upon the residents in the form of increased rates, taxes and levies.*

Answer. The repayment of all borrowing is done from operational revenue generated by the municipality from the imposition of rates and service charges in accordance with the legislative mandate laid down in the Constitution of the Republic of South Africa, 1996, Section 160

3. *This is particularly inappropriate at this time in a shrinking economy that is seriously limiting the disposable income of the economically active and exacerbates the already high unemployment rate and all but completely prevents the poor from paying already exorbitantly high municipal tariffs*

Answer. The raising of the long-term debt is of essence for the municipality to deliver on its Constitutional mandate being the provision of municipal services to its communities, without the projects as listed in the annexure, with the exception of one or two, the service delivery requirements in the areas listed cannot be met and the not execution of the projects may have a detrimental effect repayment of all borrowing is done from operational revenue generated by the municipality from the imposition of rates and service charges in accordance with the legislative mandate laid down in the Constitution of the Republic of South Africa, 1996, Section 160

4. *The root cause of the lack of capital funds is obviously due to atrocious fiscal control on the part of the professional staff and a complete failure by council to discharge their duty to monitor spending and to take corrective measures where necessary.*

Answer. The root cause of the current financial position was explained in depth to the Plett Ratepayers Association in two meetings, it was illustrated that the cause stems from inappropriate financial decisions taken by political leadership from 2016 onwards and have been compounded by the lack of administrative leadership and failures to adhere to approved Long-term financial planning documents and implement council

policies in respect of the collection of debt. This was further exacerbated by the inability of leadership to grasp the effect of financial decisions that slowly but surely lead to the depletion of financial resources and the dismal financial position.

It is unfortunate that those charged with governance at that time is no longer in the employment of the municipality and can unfortunately not be called to account for their actions or failures of the time.

5. *Tens of millions in capital reserves have been squandered and it is clear where the fault for that lies, yet nothing has been done to address that problem.*

Answer. The newly employed Accounting Officer is fully aware of the factors that contributed to the depletion of the reserves, it was through a combination of inappropriate past political and financial decisions by leadership, it can however not be seen in isolation as a combination of factors contributed to the depletion of the cash reserves. The factors inter-alia include bad budgeting techniques and decisions, failure to follow planning documents including the LTFFP, master plans, political decisions, lack of financial control as well as possible fraudulent and corrupt intent by officials.

We disagree with the statement that nothing has been done, various investigations were commissioned, forensic and other, staff members were dismissed or resigned out of their own accord and depending on the outcome of investigations processes are engaged with to recover funds lost.

6. *It is obvious that a capable management team has not been put in place.*

Answer. This remark is insulting to say the least, the new senior management have more than sufficient qualifications, experience, skills and abilities to positively contribute to the improvement of the municipality. They have a collective experience of more than 100 years in the municipal environment. These Senior managers are not only professionals in their fields of work but some are also regarded as experts in developing and implementing financial turnaround strategies

7. *It is obvious that council's policies and understanding of the situation is inadequate.*

Answer. There is absolutely no substance in this remark nor facts to support it, from the explanation provided herein it is clear and evident that the contrary is true. The Plett ratepayers association is requested to provide evidence in support of this statement.

8. *Municipal Supply Chain Management is clearly dysfunctional and will most certainly not be able to effectively play the critical role required of them for projects on the scale proposed.*

Answer. We do not agree with this statement, there is no evidence to support this. The Supply Chain Management bid committee system is functioning efficiently. There is sufficient staff, technical skills, knowledge and experience available across departments and in the finance SCM Section to enable the municipality to procure the capital assets listed in the information statement.

9. *It is undeniable that the incumbents cannot be trusted to do what is required of them and a complete overhaul is urgently required before any rational decision to risk an additional R38,000,000 in their hands.*

Answer. It is undeniable that this remark is without substance, untruthful, malicious and devoid of all facts, especially considering the previous engagements with the Plett Ratepayers Association and the explanations given in respect of the financial position, the recovery plan drafted, and the turnaround strategy adopted. The Association is requested to provide specific information of whom cannot be trusted and for what reason to allow the Council to consider the facts and take appropriate action if necessary.

10. *In short, it is undesirable and in fact irrational to even contemplate entrusting more money to a broken-down system and incapable and rudderless “management”*

Answer. This remark is as the previous one, insulting, unfounded, untruthful, vexatious, malicious and devoid from facts and the truth, and this while current senior management are doing their utmost to ensure the financial turnaround of the municipality.

11. *It is obvious from municipal and audit reports that proper budgeting, policies, and controls would have obviated the need to borrow additional funds during this fiscal year .*

Answer. It is unfortunately not as simple as the assumption made, borrowing as a funding option has always been part of the funding mix as illustrated in the body of the report and the graph extracted from the Long Term Financial Plan of 2014/2015.

Furthermore, sufficient financial controls are currently in place to ensure that all funds utilised by the municipality is spent strictly in line with firstly the municipal service delivery mandate and secondly meet the requirements as legislated in the Municipal Financial Management Act.

12. *During our meeting of 3 December 2022 the MM stated that the budget was a mess and contained 15 – 20% fat, or in Rands, R120 000 000 to R 160 000 000*

Answer. This statement does not represent the truth nor the true facts of what was presented. It is unfortunately not as easy as taking the total budget, multiplying it by a percentage and coming up with a proposed savings. We acknowledge that there are errors in the budget, both on the revenue that was overstated and in the expenditure items that certain may have been overstated and others understated, yet there is no truth in the statement that there is 15% to 20% fat built into the budget, a detailed analysis has shown that the opposite is indeed true as various cases of under-budgeting expenditure for the sake submitting a balanced budget are evident.

When considering the municipal budget, categories of expenditure, legislative requirements, statutory contributions, contractual obligations, maintenance requirements and the fixed cost inherent to the requirements of service delivery, there is in reality less than 8% of the budget than can informally be classified as a discretionary amount to be utilised to enhance or improve service delivery.

Also bear in mind that if surpluses are not generated and set aside in a capital replacement fund, there will not be any funds available for future capital investment. As it stands now the true cost of many services are not fully charged to the users of the services.

13. *Simple arithmetic shows that just cutting the fat (not the whole budget) by between 25% and 30% for this fiscal year the full R38 000 000 would be available and the question of expensively borrowing money would not arise.*

Answer. This is unfortunately not true nor feasible for the reasons mentioned above, furthermore the MFMA requirement for a funded budget is that only realistically anticipated revenue may be included as funding, in the example given it must be pointed out that it is not realistic and can therefore not be relied upon as a source of capital funding. Only once surpluses that have been generated are transferred in accordance with the municipal funding and reserves policy, to the capital replacement reserve, may it be used for capital funding.

14. *Better revenue management would equally go a very long way if not all the way to making the R38 000 000 available.*

Answer. This is unfortunately not a feasible option to use as funding for the 2022/2023 capital expenditure framework. As explained above surpluses generated through better collection and revenue enhancement initiatives will find its way to the operating surplus of the municipality, whereafter it will be allocated to the capital replacement reserve for future funding of capital.

Revenue enhancement initiatives have commenced, and funding has been obtained from the Provincial Treasury to kickstart the process, staff critical to the function are being sourced and a credit control strategy is being implemented. It is however common fact that it takes time to convert the gains into cash to have available for capital financing.

15. *Proper consequence management and a determined effort by management and the council to recover misappropriated funds would make a big difference.*

Answer. The accounting officer has taken steps to institute various investigations as well as consequence management processes where applicable. It is unfortunate that the funds lost as a result of past transgressions are particularly difficult to recover, yet all effort is made in the recovery thereof. As explained above surpluses generated through better collection and revenue enhancement initiatives will find its way to the operating surplus of the municipality, whereafter it will be allocated to the capital replacement reserve for future funding of capital.

Revenue enhancement initiatives have commenced, and funding has been obtained from the Provincial Treasury to kickstart the process, staff critical to the function are being sourced and a credit control strategy is being implemented. It is however common fact that it takes time to convert the gains into cash to have available for capital financing.

16. *The proper management of fruitless, wasteful, and irregular spending would also have assisted.*

Answer. We take note of the sentiment expressed yet need to point out that all occurrences of unauthorised, irregular, fruitless and wasteful (UIFW) expenditure are brought before the Municipal Public Accounts Committee (MPAC) for an investigation and a recommendation to council.

Upon consideration of each case an assessment is made of whether the municipality received value for money through the process, whether there any illegalities were present, whether the transaction could possibly relate to fraudulent or corrupt activities, and if any of the aforementioned are found, the matter would then be referred for *consequence management procedures to the Accounting Officer.*

17. *It is common knowledge that the municipality is in dire financial straits mainly due to poor management and poor leadership provided by council*

Answer. We take note and do not necessarily disagree, although we need to emphasize that the financial collapse occurred under the political and administrative control of the previous council. New administration prides itself in providing top quality services to its communities and therewith applying sound financial management principles and prudent financial management.

18. *The audit reports and various other reports, including Mr. Lotter's, on the municipality's affairs highlight the inadequacies and shortcomings and provide the solutions. We have ourselves on many occasions offered our expertise, assistance, and suggestions to address the problems. Neither council nor management have taken heed of any of this, let alone made any move towards implementing a workable recovery plan to restore the municipality and council's ability to adequately manage the day-to-day essentials of managing our money.*

Answer. The comment is noted, yet the expertise, assistance, and suggestions offered have not been detailed to allow the municipality to assess whether the proposals would be feasible to consider. The Accounting Officer of the municipality is tasked by law to ensure that an appropriate administration is in place to execute its service delivery mandate. The CFO being in charge of the budget and treasury office is there to advise the accounting officer in the execution of his financial management responsibilities and also assist the Mayor of the Municipality in the execution of his financial management responsibilities.

It is our opinion that sufficient administrative, financial and technical capabilities are present to take to municipality forward and that the role of external stakeholders such as the ratepayers association should be limited to the democratic and other consultative processes inherent to municipalities and not the involvement in the administrative and financial affairs of the municipality.

The ratepayers association could better serve the municipality by exercising their rights and duties as set out in Section 5 (1) and (2) the Local Government Municipal Systems Act, (Act 32 of 2000) than being intimately involved in the administration thereof.

19. *The high interest rate is a clear reflection that, like us, the lenders do not rate our municipality's performance and abilities very highly and it is surprising that they would even contemplate lending their investors' money to such a poorly managed*

enterprise. We believe it is an irresponsible banking practice for them to do so under the circumstances and it would certainly be irresponsible and irrational for us to encourage it

Answer. The interest rate indicated in the information statement is an estimated rate, based not only on the recent performance of the municipality, but also on the current market sentiment of increasing interest rates over the short term. It is common cause that lenders borrow money at interest rates that are determined by a number of factors which may include amongst others, going concern risk, operational and liquidity risk, exposure as well as credit risk. After these as well as a variety of operational and institutional factors have been considered, the lender will determine whether they have an appetite to borrow money to the municipality.

The comment on the irresponsible banking practices are really not relevant to the decision of the municipality.

Further objections and comments have been summarised and the answers are included in the questions responded to herein above, the only additional issue is addressed hereunder:

1. Non-essential capital projects/reprioritisation to be considered.

Answer. Upon inspection of the detailed project list, it should be clear and evident that with the exception of the lifeguard towers, the other items are all necessary to ensure either a continuation or enhancement of service delivery or implementation thereof to improve the wellbeing or livelihood of our communities.

The municipality will therefore consider holding the procurement of the life guard towers in abeyance until such time that donor funding can be obtained.

An objection was received from the Keurbooms Property Owners Association (KPOA) and a response to the issues raised is provided hereunder:

Question/Remark

We do not believe that the proposed long term debt has met all the requirements of the Municipal Finance Management Act No. 56 of 2003 ("MFMA") specifically dealing with the raising of long term debt. See Annexure A;

Answer: We do not agree that the conditions were not met, council in its consideration of the MTREF has resolved to approve the funding sources for the execution of the capital program, this includes the raising of a loan for capital expenditure only as determined in Section 46(1) of the MFMA. Section 46(2) is part of the raising of the loan process that follows the public tender process in respect of the raising of the loan as well as the administrative process after final approval is granted by the Municipal Council.

Council has complied with Section 19(1) of the MFMA in respect of the appropriation of the funding, the costing of the projects and the sourcing of the funding being the long term borrowing, no compliance with Section 19(1)(c) is necessary as no long term contract is applicable apart from the borrowing contract to be concluded in accordance with Section 46 of the MFMA.

In respect of Section 19(2), the operational cost and associated considerations of the projects are included in the MTREF under the operational and maintenance budgets.

Question/Remark

It is clear from the Auditor General's last report for the Bitou Municipality, dated 29 January 2022 that there are numerous shortcomings in the financial affairs of Bitou Municipality which significantly impact the municipality's ability to manage large projects and contracts of this nature. We highlight a number of them which directly impact the raising of external finance. See Annexure B;

Answer: We take note of the issues quoted and have already implemented a variety of control measures to prevent a recurrence thereof, the accounting officer has also implemented various consequence management procedures as a result of not only the AG findings but also internal and other forensic investigations to address the prior year findings.

Newly appointed Senior staff have also been tasked with implementing an appropriate internal control framework especially in respect of the avoidance of Irregular, Fruitless and Wasteful expenditure and to ensure appropriate contract management.

We therefore do not agree that the prior year findings is an appropriate reason not to consider borrowing as a funding source for PPE investment.

Question/Remark

Revenue management appears poor where increased revenue could be earned by the municipality before having to raise external funds to supplement a shortfall in revenue management;

Answer: This issue has already been addressed herein above, safe to say that the immanent and immediate need for capital investment can only be funded from revenue to be collected once the revenue is secured (received in the bank), not committed, and contributed to the capital replacement reserve to be utilised in future budget years, considering the immediate need for the capital investment, it is not currently a feasible option.

It must also be mentioned that the items included in the capital budget, with the exception of the life guard towers are critical to provide and enhance service delivery in the municipal area and the delaying of these projects and programs will further exacerbate the current service delivery challenges that the municipality is facing, the delaying of many of these projects will place further strain on the municipal operational and maintenance budget and also negatively impact on revenue raising initiatives.

Question/Remark

There appears to be inadequate cost management with significant write offs and under recoveries every year. In the prior year as disclosed in note 48 to the financial statements, the municipality wrote off bad debts of R108 578 324 (2019-20: R76 663 233). As disclosed in note 11 to the financial statements, the municipality has provided for impairment of consumer debtors of R293 440 550 (2020: R287 199 112);

Answer: We take note of the statement yet need to emphasize that the current financial performance and revenue raising capacity already include the information stated, the municipality has engaged in various revenue enhancement and collection efforts to not only boost revenue generation, but also the collection thereof.

Question/Remark

We do not understand and cannot see how the loan will be serviced and repaid from operational cash flows;

Answer: We take note of the statement and need to point out that the all borrowing, past and future are budgeted to be repaid from operational revenue raised from the users of the service, provision for the payment of interest on the borrowing has already been made in the current budget and the full cost of borrowing are to be included in the remainder of the MTREF and subsequent budgets.

Question/Remark

We understand from recent news reports there is still not a competent and permanent Chief Financial Officer ("CFO") appointed by Bitou Municipality. A CFO is critical to the financial management of Bitou Municipality and until such an appointment is made, no external borrowing should be entered into;

Answer: An appropriately qualified and highly experienced incumbent is currently Acting in the position of Chief Financial Officer; the position has once again been advertised to be filled forthwith.

Question/Remark

KPOA notes that almost none of the ear-marked R38million will be spent in the greater Keurbooms area and for the benefit of Keurbooms residents and rate payers – the only reference is to street lights yet Keurbooms is plagued by poor water supply, in sufficient waste water and sewerage infrastructure that cannot cope with the development that has and continues to happen in the area.

Answer: We take note, yet need to point out that for the purpose of funding the capital program, the municipal are is treated as a whole and a distinction has never been made in respect of differentiating between areas for the purpose of either funding decisions or tariff application. The only exception is where specific purpose grants such as MIG is utilised to fund infrastructure projects in previously disadvantaged areas.

It also must be pointed out that many projects on the list impact on the municipality as a whole and cannot be assigned to one area or ward specifically, it is thus done for the benefit of the entire community and not a specific area.

RESPONSE IN RESPECT OF THE PROJECT LIST

After consideration of input from the public and ratepayers alike, the project list was received and apart from the following possible adjustments and re-prioritization, the remaining projects

are regarded to be essential to render, enhance and sustain service delivery at current levels as well as an improvement in the quality of service delivery.

Table 1

PROJECT NAME	PROJECT DESCRIPTION	WARD	IDP PROJECT CODE	FUNDING SOURCE	ANY RISK ASSOCIATED WITH THE PROJECT/PROGRAM ?	ORIGINAL BUDGET 2022-23	ADJUSTMENTS 2022-2023	ADJUSTED BUDGET 2022-23	ORIGINAL BUDGET 2023-24	ORIGINAL BUDGET 2024-25	COMMENTS FOR THE ADJUSTMENT
WITTEDRIF MAIN SPS	Upgrade of Main Sewer Pump Station	1	SPS003	BORROWINGS		2 500 000.00	(380 000.00)	2 120 000.00	-	-	Saving from this project to be contributed to the gansevellei project as the quotations exceed the budgetary allocation.
GANSEVELLEI WASTE WATER TREATMENT PLANT - SLUDGE DEWATERING	Sludge Management Project to meet legislative compliance by DWS - Greendrop programme	ALL WARDS	STW002	BORROWINGS		1 800 000.00	380 000.00	2 180 000.00	1 000 000.00	-	Of essence for legislative purposes and quality of waste water effluent
PLETT: NEW GENERATORS	Capital Spares: New Generators - Load Shedding response	ALL WARDS	ELM506	BORROWINGS	NO BUSINESS CONTINUITY, LOW WATER RESERVOIRS AND SEWERAGE SPILLAGES DUE TO LOADSHEDDING	1 000 000.00	(4 000.00)	995 856.81	1 300 000.00		The funds already committed for 2x50kVA and a 100kVA Genset . The savings can be adjusted down towards another project. Project to be completed within the month of February 2023
REPLACE FAULTY MV METER UNIT	Replacing faulty metering units	ALL WARDS	ELE2022	BORROWINGS	REVENUE LOSSES	565 000.00	(168 000.00)	396 819.00	580 000.00	590 000.00	Unit has been ordered. Await delivery at the end of January 2023. the savings to be adjusted and added to another project
NATURES VALLEY RESERVOIR	NATURES VALLEY RESERVOIR UPGRADE	1	WAT2211	BORROWINGS		3 000 000.00	(2 000 000.00)	1 000 000.00	4 000 000.00	-	Tender process delayed as a result of Constitutional court judgement on PPPFA regulations, will be ready at the end of the month. Project will therefore be a multi-year program.
PLETT DESALINATION PLANT	PLETT DESALINATION PLANT - CAPITAL REPLACEMENTS	ALL WARDS	WAT2213	BORROWINGS		600 000.00	(154 000.00)	446 000.00	-	-	Refined scope of works, savings realised
LIFE GUARD TOWERS	8 Life Guard Towers	ADMINISTRATIVE	BEA2201	BORROWINGS		1 262 000.00	(1 262 000.00)	-	-	-	Other funding to be sourced
	TOTAL						(3 588 000.00)				

The table above indicate that a slight reduction in the proposed borrowing could be considered after taking into account the reconsideration of the lifeguard towers, a slight savings on some projects and the fact that the natures valley reservoir project has been delayed and the bulk of the funding will only be required in the 2023/2024 financial year.

Should Council decide to consider the reductions as indicated, the exposure in respect of borrowing could be reduced to an amount of R35,255,300, thus a reduction of 9.2%, it must however be noted that the intended borrowing for the 2023/2024 financial year would increase where the implementation of projects are delayed.

COMMENT RECEIVED FROM WESTERN CAPE PROVINCIAL TREASURY

The Provincial Treasury (PT) provided comment to the proposal as annexed hereto, which can be summarised as follows:

- Compliance with the legislative framework as per table 1 of their response – Yes fully compliant.
- Affordability assessment – The affordability assessment is set out in paragraphs 5 to 14 of the PT response and alludes to the fact that certain of the ratios are below the National Treasury norm as determined in National Treasury Circular 71, save to say that the inherent circumstances and factors impacting on individual municipalities were not taken into account in determining these best practice norm and ratio's
- Financial analysis- A further financial analysis was performed on the results of the In-year-monitoring reports that were submitted, also emphasizing the current financial position of the municipality as reported over the last 2 quarters as well as set out in the mid-year performance assessment. The PT also reports on the financial risks that management has reported to the council over the last number months.
- Conclusion by the PT – The PT concludes that the weak financial position poses a risk in respect of servicing the loan, the likelihood of paying higher interest rates due to the current financial position and associated higher risk, the PT further advises that the borrowing be reconsidered and that a reduction be considered, they also request the municipality to focus on stabilising the liquidity position and improving credit control and debt collection.
- Acknowledgements made by PT – The PT acknowledges the fact that there has been a slight improvement in liquidity, that the loan is in line with the adopted budget and funding mix strategy and that the municipality's gearing and debt service ratios are well within the norm.

RESPONSE TO PT ASSESSMENT

The comment by the PT and the risks alluded to therein is noted, the rationale, ratios, affordability consideration, funding mix strategy and various other points raised by the PT has been addressed in the report hereinabove. A delay and reduction of the project list was considered, and the result thereof included in the previous paragraph.

CONCLUSION

The information provided herein firstly serves to illustrate the rationale behind the decision to use borrowing as a source of capital funding and secondly addresses the questions raised and remarks made about the budgetary decision to fund capital assets by means of borrowing.

It should also be clear that the input and objections from stakeholders were duly considered by the Bitou Municipal Council.

Taking into account the importance of the infrastructure programs to the mandate of Council to deliver basic services to its communities, the risks of failure and future cost of remedial actions as well as the continuation of the multi-year capital program, it is proposed that council consider the final approval of the borrowing subject to the reduction alluded to in table 1 above.

SECTION 5
ENGINEERING SERVICES

Section 5: Engineering Services

ITEM C/5/55/02/23

MUNICIPAL INFRASTRUCTURE PROJECTS (MIG): REVISION OF DETAILED PROJECT IMPLEMENTATION PLAN (DPIP)

Directorate: Engineering Services
Portfolio Comm: Finance & Engineering Serv.

Demarcation: All wards
Delegation: Council

File Ref: 5/7/1/12

Attachments Annexure “A” – MIG DPIP_2022/23 REVISED
Annexure “B” – Memorandum DPIP Revision

Report from: Director: Engineering Services

Author: Manager: Project Management Unit

Date: 26 January 2023

PURPOSE OF THE REPORT

For Council to take cognizance and approve the Executive Mayor’s decision to approve the revision of the DPIP as indicated on the report to ensure compliance with the MIG Framework requirements.

BACKGROUND /DISCUSSION

The Project Management Unit of the Municipality is managing all MIG related projects. The Municipality has a budget allocation of R19 572 173,91 (excl. VAT) for 2022/23 to implement the following projects (Refer to Annexure A: DPIP).

MIG Project No.	Project Description	Current Budget Vat Excl.
249370	Plettenberg Bay: New Clear Water Pump Station: WTW	16 506 389,00
250398	Bossiesgif, Qolweni: Upgrade Sports Facility Ph1	437 869,00
372631-	Ebenhaezer: Extension to Bulk Water Services	2 627 916,00
231917	Kranshoek: Upgrade Gravel Roads	NIL
372278-	Ebenhaezer: New Access Roads	NIL
268777	New Horizons: Ward 4: Upgrading of Sports Facility	NIL
268786	Kurland: Ward 1: Upgrading of Sport Facility	NIL

The above-mentioned MIG related projects are currently under construction and committed. The Department requested Bitou Municipality to close off the historic DCAS funded projects at New Horizons and Kurland sport fields prior to any new applications being considered.

Section 5: Engineering Services

FINANCIAL IMPLICATION

The allocation of R19 572 173,91 increased due to the approval of a R606k roll over application. The roll over as well as the request to close off the sport field projects necessitated the revision to the DPIIP as follows,

MIG Project No.	Project Description	Current Budget	Revised Budget
249370	Plettenberg Bay: New Clear Water Pump Station: WTW	16 506 389,00	R16 439 233.88
250398	Bossiesgif, Qolweni: Upgrade Sports Facility Ph1	437 869,00	R541 390,91
372631-	Ebenezer: Extension to Bulk Water Services	2 627 916,00	R2 651 247,35
231917	Kranshoek: Upgrade Gravel Roads	NIL	182 608.70
372278-	Ebenezer: New Access Roads	NIL	R171 448,32
268777	New Horizons: Upgrading of Sports Facility	NIL	R51 897,96
268786	Kurland: Upgrading of Sport Facility	NIL	R61 152,77

RELEVANT LEGISLATION

- Municipal Finance Management Act
- Preferential Procurement Policy Framework Act
- Supply Chain Management Regulations
- Construction Industry Development Board Act and Regulations 2015
- National Environmental Management Act and Regulations 2014
- Occupational Health & Safety Act 1993 and Construction Regulations 2014

Comments: Acting Director: Financial Services

Municipal Manager's recommendation supported.

Comments: Director Community Services

Municipal Manager's recommendation supported.

Comments: Director Engineering Services

Municipal Manager's recommendation supported.

Comments Manager: Legal Services

Municipal Manager's recommendation supported.

RECOMMENDED BY THE MUNICIPAL MANAGER

That the Council condone the Executive Mayor's decision to approve the revision of the DPIIP as indicated on the report to ensure compliance with the MIG Framework requirements.

RECOMMENDED BY THE ENGINEERING AND COMMUNITY SERVICES PORTFOLIO COMMITTEE

That the Council condone the Executive Mayor's decision to approve the revision of the DPIIP as indicated on the report to ensure compliance with the MIG Framework requirements.

Section 5: Engineering Services

RECOMMENDED BY THE EXECUTIVE MAYOR

That the Council condone the Executive Mayor's decision to approve the revision of the DPIP as indicated on the report to ensure compliance with the MIG Framework requirements.

Expenditure with Allocation by 1st completing 2021/22 budget (column Z) then remaining monthly cashflow in only remaining months of FY). Formula in June (column Y) will show 2022/23 budget available (if -/red over dget amount in Z).

Step 4: Complete Implementation Milestones for next FY Projects (columns AB to AF)

Step 5: Balance Expenditure with Allocation by 1st completing 2019/20 budget (column AS) then remaining monthly cashflow. Formula in June (column AR) will show 2019/20 budget available. Then balance 2020/21 & 2021/22 (column AT & AU)

Step 4: Complete Implementation Milestones for next FY Projects (columns AB to AF)																													
Implementation Milestones for 2022/23 FY Projects																		R	-	R 23 347 000	R 24 240 000	R 24 240 000							
AA	AB	AC	AD	AE	AF	AG	AH	AI	AJ	AK	AL	AM	AN	AO	AP	AQ	AR	AS	AT	AU	AV	AW							
Status (Not registered, Registered, Design & Tender, Contractor appointed, Construction Completed, Retention)	Date: Consultant appointed or to be appointed and starts with design	Date: Tender advertised or to be advertised	EIA Status or Date: EIA Application	Date: Contractor appointed or to be appointed and construction to start	Date: Project to be completed	2023/24 Planned MIG Expenditure (excl Roll-Over)												Total Planned MIG Expenditure for 2023/24	Total Planned MIG Expenditure for 2024/25	Total Planned MIG Expenditure after 2025	Step 6: Check all projects. Negative value in column AV only if linked to a budget maintenance project to balance over-expenditure. Positive value only if saving and status must be corrected. Withdrawn: project already registered by DCoG without MIG expenditure; Suspended: project submitted but not registered yet								
						Jul-2023	Aug-2023	Sep-2023	Oct-2023	Nov-2023	Dec-2023	Jan-2024	Feb-2024	Mar-2024	Apr-2024	May-2024	Jun-2024						Test = 0	Comment / Reason if not Zero (eg Saving, Completed, Withdrawn, Suspended, etc)					
CONST																	R	-			#REF!	Status = Construction of Phase 1A/2 and detail design of Phase 1B in progress							
CONST	1-Mar-2017	1-Jul-2017	N/A	1-Oct-2017	30-Jun-2018												R	-			#REF!	Not in MTREF. Implementation only with additional allocation.							
CONST	15-Jan-2018	24-Jan-2020	29-Mar-2019	3-Apr-2020	30-Jun-2021												R	-			#REF!	Update status = Design in progress.							
CONST	15-Jan-2018	24-Jan-2020	29-Mar-2019	3-Apr-2020	30-Jun-2021												R	-			#REF!	Update status = Design in progress.							
COMPL	1-Apr-2016	1-Feb-2017	Approved	1-May-2017	15-Aug-2017												R	-			#REF!	Roll-over 2016/17							
Design & Tender	1-Jul-2021	27-Nov-2020	N/A	14-May-2021	30-Jun-2024	R 500 000	R 1 000 000	R 1 500 000	R 1 600 000	R 1 800 000	R 1 200 000	R 800 000	R 2 100 000	R 2 825 610	R 2 260 263		R	-	R 15 585 873		#REF!	M & E Contractor appointed. Civil Work portion to be procured.							
Check	1-Jul-2021	1-Oct-2021	30-Jun-2021	3-Dec-2021	30-Jun-2023												R	-	R 12 225 741		R 44 044,00	15-Dec-20							
Check	1-Jul-2021	1-Oct-2021	30-Jun-2021	3-Dec-2021	30-Jun-2023												R	-			#REF!	Technical report to be submitted before 30/06/2020. Delayed due to funding constraints.							
REG	1-Jul-2020	2-Oct-2020	30-Jun-2020	4-Dec-2020	30-Jun-2021												R	-			#REF!	MIG amount to be amended to R4 000 000							
COMPL	1-Apr-2016	26-Apr-2017	30-Jun-2017	1-Oct-2017	30-Jun-2019												R	-			#REF!	Status = Construction (Phase 1)							
DPIP	1-Jul-2021	1-Jul-2022	30-Jun-2022	1-Sep-2022	30-Jun-2024												R	-			#REF!	Technical report to be submitted before 30/06/2021. Delayed due to funding constraints.							
DPIP													R 506 906	R 619 551	R 1 000 000	R 1 044 044	R	-	R 3 170 501		#REF!	Status = Completed. Savings due to penalties applied for late completion.							
Construction	1-Feb-2015	19-Apr-2017	N/A	1-Sep-2017	30-Jun-2024	R 649 155	R 649 155	R 649 155	R 649 155	R 1 994 004							R	-	R 4 590 626		#REF!	% Project complete, balance of project to be implemented in 23/24FY.							
CONST	1-Apr-2017	1-Sep-2016	N/A	1-Nov-2016	1-Jun-2017												R	-			#REF!	Status = Completed. Savings due to penalties applied for late completion.							
CONST	1-Mar-2012	6-Sep-2012	12-Jul-2006	14-Nov-2012	4-Aug-2016												R	-			#REF!	Funding deducted from Contractor due to non-performance. Contract terminated. Funding reserved for remedial works.							
CONST	1-Feb-2015	14-Aug-2015	N/A	12-Oct-2015	2-Aug-2016												R	-			#REF!	Status = Completed. Balance of funds reserved for future phase.							
COMPL	1-Jul-2017	1-Jul-2018	N/A	1-Sep-2018	31-Dec-2019												R	-			#REF!	Update status = Construction (long lead materials being ordered)							
COMPL	15-Jan-2018	1-Jul-2018	15-Jun-2018	1-Sep-2018	30-Jun-2019												R	-			#REF!	Status = Construction							
PRE-IMP	20-Sep-2006	7-Aug-2014	26-May-2014	14-Nov-2014	30-Jun-2017												R	-			#REF!	Status = Complete. Balance of funds for drop-off facilities.							
PRE-IMP	1-Jul-2017	1-Apr-2019	N/A	17-Jan-2018	31-Dec-2019												R	-			#REF!	Update status = design and tender in progress for work stopped due to MIG stoppage of 2017/18							
PRE-IMP	1-Jul-2017	1-Jul-2018	N/A	17-Jan-2018	30-Nov-2019												R	-			#REF!	Update status = design and tender in progress for work stopped due to MIG stoppage of 2017/18							
Construction	1-Jul-2017	6-Feb-2018	N/A	26-Apr-2018	31-Dec-2022												R	-			#REF!	Contract Terminated and remainder of work to be advertised for completion.							
Concept																	R	-	R	-	#REF!								
Concept																	R	-	R	-	R 2 014 259	#REF!							
Construction	12-Jun-2020	19-Nov-2019	25-Sep-2019	2-Nov-2020	31-Dec-2022												R	-			#REF!	Fast Tracked due to Municipal priorities, and tender award was delayed,							
Construction	12-Jun-2020	19-Nov-2019	25-Sep-2019	2-Nov-2020	30-Jun-2022												R	-			#REF!	Fast Tracked due to Municipal priorities, and tender award was delayed,							
						R 1 149 155	R 1 649 155	R 2 149 155	R 2 249 155	R 3 794 004	R 1 200 000	R 800 000	R 2 606 906	R 3 445 162	R 3 260 263	R 1 044 044	R	-	R 23 347 000	R 14 240 000	R	-	#REF!						
						R 1 149 155	R 1 649 155	R 2 149 155	R 2 249 155	R 3 794 004	R 1 200 000	R 800 000	R 2 606 906	R 3 445 162	R 3 260 263	R 1 044 044	R	-	R 23 347 000	R 14 240 000	R	-	#REF!						
< 0 (Under Expenditure) > 0 (Over Expenditure)																		Test = 0				R	-	R	-	R -10 000 000	R -24 240 000	< 0 (Under Expenditure) > 0 (Over Expenditure)	
2017/18 MIG Roll-Over (Balance)																						R	-	2016/17 MIG Roll-Over					
Value of Under(-) & Over(+) Commitment (only Registered projects)																						R	-	R -23 347 000	R -24 240 000	R -24 240 000			
Value of Under(-) & Over(+) Commitment (only Registered projects)																						0.0%				8.3%	% Sport Facilities / Allocation (minimum 5% of MIG Allocation)		
% Sport Facilities / Allocation (minimum 5% of MIG Allocation)																													



INTERNAL MEMORANDUM

Annexure B

Department: ENGINEERING SERVICES

From: DIRECTOR: ENGINEERING SERVICES

To: EXECUTIVE MAYOR

MUNICIPAL MANAGER

ACTING CHIEF FINANCE OFFICER

DIRECTOR: CORPORATE SERVICES

Date: 01 February 2023

Subject: MUNICIPAL INFRASTRUCTURE PROJECTS (MIG): REVISION OF DETAILED PROJECT IMPLEMENTATION PLAN(DPIP)

1. PURPOSE

The purpose of this report is to request the Executive Mayor to approve the attached revised Detailed Project Implementation Plan (DPIP) ahead of the upcoming Council Meeting and then table same for *tabling* consideration at the next Council Meeting.

2. BACKGROUND

The Project Management Unit of the Municipality is managing all MIG related projects. The Municipality has a budget allocation of R19 572 174 (excl. VAT) for 2022/23 to implement the following projects (Refer to Annexure A: DPIP)

MIG Project No.	Project Description	Current Budget Vat Excl.
249370	Plettenberg Bay: New Clear Water Pump Station: WTW	16 506 389,00
250398	Bossiesgif, Qolweni: Upgrade Sports Facility Ph1	437 869,00
372631-	Ebenhaezer: Extension to Bulk Water Services	2 627 916,00
231917	Kranshoek: Upgrade Gravel Roads	NIL
372278-	Ebenhaezer: New Access Roads	NIL
268777	New Horizons: Ward 4: Upgrading of Sports Facility	NIL
268786	Kurland: Ward 7: Upgrading of Sport Facility	NIL

The above-mentioned MIG related projects are currently under construction and committed.

3. MOTIVATION

Approval of this DPIP would allow the Municipality to meet the MIG Framework requirements. This was necessitated by the roll over approval as well as the request to close off the sport field projects.

4. FINANCIAL IMPLICATIONS

The original MIG allocation increased from R19 572 173,91 to R 20 099 177,89 with the proposed project allocation detailed below.

MIG Project No.	Project Description	Current Budget	Revised Budget
249370	Plettenberg Bay: New Clear Water Pump Station: WTW	16 506 389,00	R16 439 233.88
250398	Bossiesgif, Qolweni: Upgrade Sports Facility Ph1	437 869,00	R541 390,91
372631-	Ebenhaezer: Extension to Bulk Water Services	2 627 916,00	R2 651 247,35
231917	Kranshoek: Upgrade Gravel Roads	NIL	182 608.70
372278-	Ebenhaezer: New Access Roads	NIL	R171 448,32
268777	New Horizons: Upgrading of Sports Facility	NIL	R51 897,96
268786	Kurland: Upgrading of Sport Facility	NIL	R61 152,77

5. LEGAL IMPLICATIONS

Mayor to table a condonation report to next Council Meeting.

6. HR IMPLICATIONS

None.

7. RECOMMENDATION(S)

1. That the attached report be considered and approved by the Executive Mayor.
2. That the Executive Mayor table a condonation report to the next Council Meeting.

2023/24
MICHAEL J RHODE

MANAGER: PROJECT MANAGEMENT UNIT

SUPPORT / NOT SUPPORTED

MR VW. FELTON

DIRECTOR: ENGINEERING SERVICES

COMMENTS / IMPLICATIONS

Approved / Not Approved

ACTING CHIEF FINANCE OFFICER

Approved / Not Approved



MUNICIPAL MANAGER: EXECUTIVE MAYOR

Approved / Not Approved



EXECUTIVE MAYOR MUNICIPAL MANAGER



12.

**CONSIDERATION OF NOTICE
OF MOTION**

The Speaker

Bitou Municipality

Plettenberg Bay

6600

Dear Cllr Terblanche

NOTICE OF MOTION

I, Councillor Samkele Aluncedo Lamla Mangxaba, hereby give notice in terms of Council's Standing Rules of Order By-Law of my intention to tender this motion at the next Ordinary Council meeting or Special Council Meeting to be held on the 28 February 2023.

CLOSING OF UNUSED AND HEALTH HAZARDOUS DAMS AND MAINTENANCE OF WATER TRENCHES AND STORMWATER CHANNELS IN WARD 5

On the 27 January 2022 I extended an invite to the Executive Mayor and the Speaker of Council for a walkabout in ward 5. This walk about was intended to bring to their attention of the appalling and health hazardous conditions people of the community of Kwanokuthula have been living under due to seldom maintained water trenches and storm water channels. The community is soaked in polluted air that aminates from the piled-up dirt and still waters that had been standing there for over +/-4years now.

After the tour the Executive Mayor committed verbally to supporting a virement of R1 000 000 from the waste transfer berm to urgently sort out this and eradicate threat this situation is posing to the health of the members of that community. Meetings with senior officials from waste, roads and storm water were convened and plans with timeframes were communicated but they never materialized. I've become somewhat a nuisance just for standing for my community that the said officials are now not returning my calls or emails where this matter is concerned.

Those of who attend our IDP sessions may be aware of the constant outcry of the community of Kwanokuthula with regards to the unhealthy stench they inhale and the pandemic of flies they immersed in because of this. I ask that as we took an oath on the 18 November 2021 on the day of our inauguration, that we will uphold the constitution of the Republic of South Africa; part of that speaks to us giving our voters the basic services they require for survival and protecting their right to health and dignity.

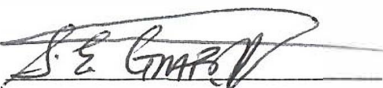
Could this clean up be prioritized for the month of March as several complaints and cases have already been received about residents falling ill due to the quality of air they inhale and the inhumane conditions they live under.

We will await the response.

THUS DONE AND SIGNED ON 20 February 2023 AT PLETTENBERG BAY



Cllr S A L Mangxaba (Mover)



Cllr S E Gcabayi (Seconder)

Received.
21/02/2023
11:52 am
M. Terblanche

The Speaker

Bitou Municipality

Plettenberg Bay

6600

Dear Cllr Terblanche

NOTICE OF MOTION

I, Councillor Samkele Aluncedo Lamla Mangxaba, hereby give notice in terms of Council's Standing Rules of Order By-Law of my intention to tender this motion at the next Ordinary Council meeting or Special Council Meeting to be held on 28 February 2023.

KWANOKUTHULA GRAVEYARD

After receiving several notifications and complaints from residents of Ward 5 and 6 regarding the Kwanokuthula graveyard teeming and their frustration about a decision that was made without consultation and proper public participation about a future regional cemetery based in Ebenezer. I took it upon myself to make necessary arrangements to meet with relevant officials (Manager Facilities, Superintendent Horticulture and Director Community Services) to address the issue at hand.

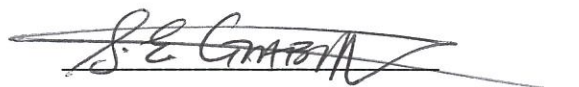
I had received clear communication from the this team that budget is made available to further extend the Kwanokuthula graveyard to the municipal land lying between Murray High School and Morrester. They further justified this move by saying according to the municipality records this land was demarcated for the same function in 1997/1998, hence no complications are foreseen that would hinder this coming to fruition.

As I have observed since the 14th of February 2023, the existing yard will be filled after 7-10 burials and to avoid discomfort and justified unrests from the community, I appeal with this council to ensure that the available budget be accessed and that we prioritize having the extension serviced and open for burial by March 2023.

THUS DONE AND SIGNED ON 20 February 2023 AT PLETTENBERG BAY



Cllr S A L Mangxaba (Mover)



Cllr S E Gcabayi (Secunder)

Received
21/02/2023
11:52am
Municipal Council

13.

**CONSIDERATION OF NOTICE
OF QUESTION**

26 September 2022

The Speaker

13.1

Bitou Municipality

Plettenberg Bay

6600

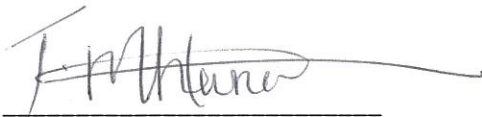
Dear Cllr Terblanche

MOTION OF QUESTIONS

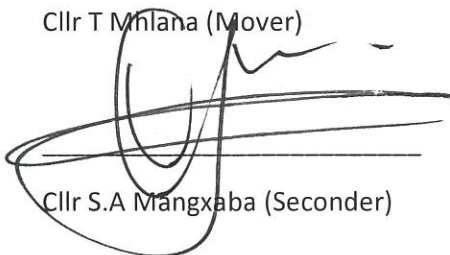
I, Councillor Thembela Mhlana, hereby give notice in terms of Council's Standing Rules of Order By-Law of my intention to pose the following questions at the next Ordinary Council meeting or Special Council Meeting:

1. It has come to our attention that the Director: Corporate Services employment contract was terminated effectively on the 31 August 2022. Please confirm the status of Mrs Mpahlwa's employment status in Bitou Municipality?
2. If the above point be affirmative, what were the factors that brought about the termination of the employment contract?
3. Who authorized the unilateral termination of the employment contract of the Director: Corporate Services?
4. Were there any settlement negotiations between Bitou municipality and the Director Corporate Services with regards to the termination of the employment contract?
5. If the answer to point 4 is affirmative, I) What were the detailed terms of those negotiations? II) Have those terms been fulfilled?

THUS DONE AND SIGNED ON 26 SEPTEMBER 2022 AT PLETTENBERG BAY



Cllr T Mhlana (Mover)



Cllr S.A Mangxaba (Seconder)

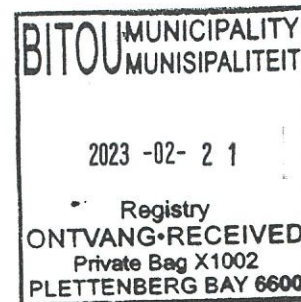
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The Speaker

Bitou Municipality

Plettenberg Bay

6600




Dear Cllr Terblanche

MOTION OF QUESTIONS

I, Councillor Samkele Aluncedo Lamla Mangxaba, hereby give notice in terms of Council's Standing Rules of Order By-Law of my intention to pose the following questions at the next Ordinary Council meeting or Special Council Meeting to be held on 28 February 2023.

1. It has come to our attention that the former Director: Economic Development and Planning is now appointed as Manager: Building Control and Planning. Please confirm if this is true?
2. This position had Irvin Vernicker acting in it for over a year and during his time it's task level was T15 however when it was published it was placed at T17. Was there any task evaluation done to justify the task level spike?
3. Could it be that the appointee manipulated the processes in his favour by ensuring requirements of the position are heightened to disqualify Mr Vernicker and leave the institution with no choice but to take him as the rightful candidate for the position?
4. Attached herein is the vacancy advertisement of post Manager: Building Control and Planning that was published on the 18 November 2022. According to the document, Ludolf Gericke was the direct contact person for enquiries in the same post he subsequently applied for and now appointed as such. What does it say about his ethics?
5. Is this an acceptable conduct in this municipality?
6. How did the HR office miss this when recruitment processes were underway?
7. What is the Accounting Officer doing about it?
8. According to the performance management report that was presented by the Accounting Officer on the municipality at council, the incumbent had been underperforming that his office became a focus area. Does the HR regulations gazetted in September 2021 and rolled out July 2022 supports underperforming/non-performing candidates to vie for an advertised position within the same institution?
9. What will this council do about this misconduct?
10. When can we expect a thorough feedback about this?

THUS DONE AND SIGNED ON 20 February 2023 AT PLETTENBERG BAY


Cllr S A L Mangxaba (Mover)


Cllr S E Gcabayi (Seconder)

*Received
21/02/2022
11:52 am
S. E. Gcabayi*



BITOU LOCAL MUNICIPALITY

Bitou Municipality is inviting applications for the following management vacancy from suitably qualified and experienced professionals. Preference will be given to local residents before considering candidates outside the Bitou Municipal Area

POSITION	:	MANAGER: PLANNING AND BUILDING CONTROL
DIRECTORATE	:	PLANNING AND DEVELOPMENT
DIVISION	:	PLANNING AND BUILDING CONTROL
BASIC SALARY	:	R 712 578.51 – R924 981.00 (T17) + MUNICIPAL BENEFITS (Subject to TASK Job Evaluation)
REF NO	:	Notice 340 of 2022

QUALIFICATIONS AND EXPERIENCE: Relevant tertiary qualification preferably a Masters' Degree in Urban Design or equivalent Planning, Architecture, Building Control, etc.) • Registration as a professional planner / architect / urban designer. • More than 8 years relevant municipal experience of which 5 years at management level in a Planning or Building Control Division

REQUIREMENTS AND SKILLS: Valid Drivers' License • Computer literacy (MS Office applications) • Proficiency in at least two (2) of the three (3) official languages of the Western Cape (read, write and speak) • Good management, human relations, interpersonal and communication skills. • Analytical skills • High level of responsibility and confidentiality • Ability to give attention to detail • Good understanding of risk and performance management • Excellent presentation and project management skills • Willingness to work after normal working hours, and during emergencies and planned overtime • Good knowledge of the relevant legislation (National Building Regulations and Building Standards Act, Spatial Planning and Land Use Management Act, Land Use Planning Act, Planning By-Law, Asset Transfer Regulations) • Mentally fit and healthy

ADDED ADVANTAGE: Compliance in terms of the Financial and Supply Chain Management competency areas in terms of Government Notice R493, as published in Government Gazette no 29967 of 15 June 2007. (Municipalities were granted exemption from regulation 15 and 18 of Government Gazette 29967 under Notice No. 40593 of 3 February 2017, subject to conditions of compliance with minimum competency levels within 18 months of date of employment)

FUNCTIONS & RESPONSIBILITIES: Strategically direct land use development within the municipal area through the preparation and implementation of the Spatial Development Framework (SDF) and related policies and strategies • Identify development opportunities on municipal land and facilitate project implementation • Responsible for overseeing all aspects of the maintenance of municipal buildings • Responsible for the processing (inclusive of the preparation of assessment reports) of land use appeals • Responsible for overseeing all aspects of the Building Control function to ensure compliance with the prescribed legislation • Acting as the delegated official to consider the recommendations of the Building Control Officer and to approve or refuse building plan applications • Responsible for all aspects of the implementation and enforcement of the Signage By-Law and related policies • Represent the Municipality on the Municipal Planning Tribunal • Manage, co-ordinate and control the key performance indicators and related aspects of the Division • Manage the preparation of capital and operational estimates and control expenditure against the approved budget allocations • Manage and monitor operational and capital projects of the Division • Manage the implementation of Risk Management, Supply Chain Management and mitigation strategies across the Divisional functions • Direct and oversee execution of strategic operational plans and procedures associated with provision of quality and efficient service in approval of building plans, finalization of appeals and related matters • Render management and line function administrative support services to the Division • Keep abreast of current trends and legislative changes, in particular in so far as they impact on the land development and/or building plan approval process.

COMPETENCIES REQUIRED

CORE PROFESSIONAL COMPETENCIES

Monitoring and Control: Ensures project monitoring mechanisms are in place;

Negotiation: Ensures that all parties are aware of agreements and required actions when the issues are resolved.

Planning and Organising: Identifies and acts on opportunities to partner with other departments in the municipality

FUNCTIONAL COMPETENCIES

Spatial Planning: Displays specialist knowledge in areas of planning

Urban Design: Able to deal with high levels of complexity and ambiguity

Land Use Management: Able to develop city-wide land use management policies and SOP's

Information Management: Understands regional and national planning requirements;

Research, Information Analysis and Policy: Manages projects that have impact and carry high risk

Knowledge Management: Strives to ensure that there is a correlation between knowledge strategies in municipality

Public Consultation: Balances political views with organisational needs when communicating on complex issues.

Socio-Economic / Socio-Political Awareness: Contributes to shaping national policy on social, economic issues;

Policy Conceptualisation: Leads and coordinates the translation of policy into action plans.

PUBLIC SERVICE ORIENTATION COMPETENCIES

Interpersonal Relationships: Encourages and considers inputs of others convinces others

Communication: Balances political views with organisational needs when communicating to all stakeholders;

Service Delivery Orientation: Speaks effectively on service delivery matters to all stakeholders;

Client Orientation and Customer Focus: Establishes the climate and to attain client focused outcomes;

PERSONAL COMPETENCIES

Action Orientation: Pushes self and motivates others for results; and • Sets challenging goals;

Resilience: Proactively searches the environment to detect situations which might cause setbacks or failures;

Change Readiness: Recognises when change is necessary, develops a change implementation strategy;

Learning Orientation: Creates a learning environment;

Problem Solving: Deals with high levels of complexity and clarifies issues for others;

Accountability and Ethical Conduct: Promotes transparent and accountable municipal administration;

MANAGEMENT / LEADERSHIP COMPETENCIES

Impact and Influence: Persuades political heads to adopt and implement results / outcomes of project;

Direction Setting: Provides a clear sense of purpose and focuses on successful completion of objectives;

Team Orientation: Builds team spirit and cohesion across function boundaries in the respective departments;

Coaching and Mentoring: Understands organisational needs and formulates and implements development plans

Work related enquiries can be directed to Mr. L Gericke at lgericke@plett.gov.za or on cell: 044 501 3302.

For general enquiries contact Mr J Williams or Ms L Clark on telephone no: 044 501 3418.

Candidates must be willing to be subjected to an interview and competency assessment and must be aware that previous employers and references will be contacted and their qualifications, credit and criminal record will be verified. The candidates will be required to disclose all Financial Interests.

Application forms are available on the Bitou website (www.bitou.gov.za). A comprehensive CV, original certified copies of Identification documents, qualifications, and driver's license must accompany the application form and must be hand delivered/couriered to the Human Resources Section, Bitou Municipality, 1 Sewell Street, Plettenberg Bay or posted to Private Bag X1002; Plettenberg Bay; 6600.

Bitou Municipality is an equal opportunity employer. Candidates from the designated groups, including those with disabilities, are encouraged to apply.

Please take note:

1. **ONLY** hard-copy applications will be considered. No electronic or faxed applications will be accepted.
2. Please complete the Reference Checking Consent & Authorization Form which is available on the Municipality's Website. *(Compulsory)*
3. **NO LATE APPLICATIONS** will be considered. Canvassing of Councillors with the purpose of being appointed is not permitted and proof of such canvassing shall lead to disqualification.

MA PAULSEN

ACTING MUNICIPAL MANAGER

Closing Date: 08 DECEMBER 2022 @ 14h00p.m.

If you receive no feedback from us within 12 weeks after the closing date, please accept that your application was unsuccessful.

Bitou Municipality reserves the right not to make any appointment and to re-advertise before a shortlist is compiled.

The Speaker

Bitou Municipality

Plettenberg Bay

6600

Dear Cllr Terblanche

MOTION OF QUESTIONS

I, Councillor Samkele Aluncedo Lamla Mangxaba, hereby give notice in terms of Council's Standing Rules of Order By-Law of my intention to tender this motion of questions at the next Ordinary Council meeting or Special Council Meeting to be held on the 28 February 2023.

Considering that points made, and questions raised on Tourism and Local Economic Development throughout year 2022 but never answered, we saw it pivotal that we pose the question in this form. We have listed them in subsections to enable a coherent and direct and unambiguous response. May it be noted that we are purely doing our sole mandate, which is playing an oversight role.

Plett Tourism Association

Is it a registered NGO or NPC?

Why isn't there a trace of it on the CIPC online system?

Are they registered under a different name? If so, what is it?

Please provide us with the list of directors of the said organization.

According to research we had conducted Plett Tourism Association is listed among clients of The Media Boxx company; a company belonging to Patty Butterworth, the CEO of Plett Tourism Association. Kindly confirm if this is true?

Does the organization have a conflict-of-interest policy in place?

Do consultants invoice as per timesheet or is it a set fee every month?

Events and costs

Could we be provided with events and costs linked to a specific event funded?

Please substantiate why this event was funded?

Who is the service provider?

Who approved the payment?

Magazine publication expenses

Could we be provided with full disclosure of publications paid?

Why was it paid and who authorized the payment?

What is Cindy Trollip's role at Plett Tourism?

To whom does the magazines belong?

How is it that Cindy Trollip is sub-editing the same magazine that Plett Tourism has tasked and paid for publication?

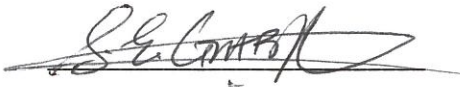
Are the funds provided to Plett Tourism meant to create opportunities for the Plettenberg bay community at large or

If we were to consult the memorandum of understanding between Bitou Municipality and Plett Tourism and evaluate the expectations, would it justify or support our continued efforts funding the association with the state funds that would have assisted a great deal in providing basic services for our communities?

THUS DONE AND SIGNED ON 20 February 2023 AT PLETTENBERG BAY



Cllr S A L Mangxaba (Mover)



Cllr S E Gcabayi (Seconder)

Received
21/02/2023
11:52 am
Mubeki Mame