

ORDINARY MUNICIPAL COUNCIL MEETING
AGENDA
31 OCTOBER 2024

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Knysna
6570

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Knysna
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Notice is hereby given that an **ORDINARY MEETING** of the **MUNICIPAL COUNCIL** of Knysna Municipality will be held in the Municipal Council Chamber **on THURSDAY, 31 OCTOBER 2024 at 09:00** to consider the business set forth in the attached agenda.

Kennis geskied hiermee dat 'n **GEWONE VERGADERING** van die **MUNISIPALE RAAD** van Knysna Munisipaliteit in die Munisipale Raadsaal op **DONDERDAG, 31 OKTOBER 2024 om 09:00** gehou sal word ten einde sake soos uiteengesit in die aangehegte agenda te oorweeg.

Ibhunga lika**MASIPALA** waseKnysna lazisa ngomthetho okwisolotya 19(b) wenkqubo mgaqo olawula oMasipala, 32 of 2000, njengoko utshintshiwe, **NGOLWESINE, NGOMHLA WE 31 EYEDWARHA 2024** ngentsimibi **ye 09:00** umba iyakuba lushishino oluchazwekwi agenda.

CLLR M D SKOSANA
The Speaker
Die Speaker
Usomlomo

PHAAHLE SIMON MALEPENG
Acting Municipal Manager
Waarnemende Munisipale Bestuurder
Bambela Mphathi kaMasipala

Date : 21 OCTOBER 2024

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1. **OPENING AND WELCOMING**
2. **SILENT PRAYER**
3. **ATTENDANCE OF MEMBERS**
 - 3.1 **COUNCILLORS PRESENT**
 - 3.2 **COUNCILLOR WITH LEAVE**
 - 3.3 **COUNCILLORS WITHOUT LEAVE**
4. **NOTING THE PROVISIONS OF SCHEDULE 1 (CODE OF CONDUCT FOR COUNCILLORS) OF THE LOCAL GOVERNMENT MUNICIPAL SYSTEMS ACT, 32 OF 2000**
5. **DISCLOSURE OF INTERESTS BY COUNCILLORS**
6. **LONG SERVICE AWARDS**

None
7. **INTRODUCTION OF NEWLY APPOINTED STAFF**

JULY 2024

NAME	JOB DESIGNATION	DIRECTORATE
Ms. S Kilimani	Senior Clerk: Records	Corporate Services
Mr. Z Gwayi	Committee Clerk	Corporate Services

7(A) **PRESENTATION: Western Cape Government**

8. **CONFIRMATION AND ADOPTION OF MINUTES**

8.1 **MINUTES OF THE ORDINARY COUNCIL MEETING: 5 AUGUST 2024**

RECOMMENDATION

That the minutes of the Ordinary Council meeting held on 5 August 2024, be confirmed.

KNYSNA LOCAL MUNICIPALITY

MINUTES

OF AN ORDINARY MEETING
OF THE
MUNICIPAL COUNCIL OF KNYSNA MUNICIPALITY
WHICH WAS HELD ON
Monday, 5 August 2024
at 09:13
in the Council Chamber and on Youtube

COUNCILLORS IN ATTENDANCE

Speaker, Cllr Skosana, M D [ANC]
Executive Mayor, Cllr Tsengwa, N [ANC]
Deputy Executive Mayor, Cllr Marbi, A [PBI]
Cllr Andrews, K [ANC]
Cllr Arends, R [ANC]
Cllr Bester, P [DA]
Cllr Campbell, M [KIM]
Cllr Charlie, L [PA]
Cllr Davis, L [DA]
Cllr Grootboom, W [PA]
Cllr Khumelwana, M [ANC]
Cllr Louw, N [EFF]
Cllr Matika, T [ANC]
Cllr Maxim, E [DA]
Cllr Petros, P [ANC]
Cllr Stroebe, H [DA]
Cllr Tyokolo, L [DA]
Cllr Vanston, C [DA]
Cllr White, J [DA]
Cllr Willemse, M S [KIM]

OFFICIALS IN ATTENDANCE

Malepeng, PS	Acting Municipal Manager
Moon, Z	Acting Director: Corporate Services
Meyer, R	Acting Director: Community Services
Dunywa, A	Director: Planning and Development
Julies, C	Director: Financial Services
Louw, A	Chief Audit Executive
Chordnum, C	Manager: Performance and IDP
Phillips, L	Manager: Human Resources
Botha, C	Manager: Administration Services
Bower, R	Manager: Waste Managements (<i>from 15:10</i>)
Campher, E	MPAC Co-ordinator
Hariparsad, P	Project Manager
Lakay, J	Head: Council Committees and Councillor Support
Burger, T	Committee Officer
Xibiya, N	Committee Officer (Attendance Register)
Adams, G	IT Technician
Fata, L	Senior Labour Relations Officer
Miles, V	Senior Clerk HR
Arendse, N	Senior Clerk HR
Peter, N	Senior Clerk OHS-EAP

1. OPENING AND WELCOMING

The Speaker welcomed Councillors, officials and members of the public to the meeting in the Council Chamber whereafter a roll call confirmed the attendees as mentioned above.

2. SILENT PRAYER

Cllr B Charlie opened the meeting with a prayer.

3. ATTENDANCE OF MEMBERS

3.1 Councillors Present

Twenty (20) Councillors present

3.2 Councillors Absent with Leave

Cllr Sabbagh, S [DA]

3.3 Councillors absent without Leave

None

3.4 Officials Present

As above

3.5 Members of the Audit Committee Present

Mr Johan Jacobs (*on MTeams*)

3.6 Members of the Public Present

The meeting was live-streamed on YouTube.

4. NOTING OF THE PROVISIONS OF THE CODE OF CONDUCT FOR COUNCILLORS

The Speaker drew the attention of Councillors to the Schedule 1 of the Local Government: Municipal Systems Act, 2000.

UNANIMOUSLY RESOLVED

That the Code of Conduct for Councillors, be noted

5. DISCLOSURE OF INTERESTS

UNANIMOUSLY RESOLVED

That it be noted that no Councillors and Officials declared any interest in matters in the Agenda.

6. LONG SERVICE AWARDS

None

7. INTRODUCTION OF NEWLY APPOINTED STAFF

The Acting Director: Corporate Services introduced the following new appointees, appointed during July 2024:

JULY 2024

Mr Luvuyo Fata	Senior Labour Relations Officer
Ms Valente Miles	Senior Clerk HR
Ms Nicole Arendse	Senior Clerk HR
Ms Nokuzola Peter	Senior Clerk OHS-EAP
Ms Zoleka Moon	Acting Director: Corporate Services

Cllr A Marbi, Cllr B Charlie, Cllr C Vanston, Cllr M Willemse, Cllr Louw, Cllr T Matika, Cllr A Tsengwa and Cllr M Skosana welcomed all the newly appointed staff members.

8. **CONFIRMATION AND ADOPTION OF MINUTES**

8.1 **MINUTES OF THE ORDINARY COUNCIL MEETING: 27 MARCH 2024**

UNANIMOUSLY RESOLVED

That the minutes of the Ordinary Council meeting held on 27 March 2024, be confirmed as a true reflection of the proceedings.

8.2 **MINUTES OF THE CONTINUATION OF THE ORDINARY COUNCIL MEETING: 2 APRIL 2024**

UNANIMOUSLY RESOLVED

That the minutes of the Continuation of the Ordinary Council meeting held on 2 April 2024, be confirmed as a true reflection of the proceedings.

8.3 **MINUTES OF THE SPECIAL COUNCIL MEETING: 22 APRIL 2024**

UNANIMOUSLY RESOLVED

That the minutes of the Special Council meeting held on 22 April 2024, be confirmed as a true reflection of the proceedings.

8.4 **MINUTES OF THE SPECIAL COUNCIL MEETING: 3 MAY 2024**

UNANIMOUSLY RESOLVED

That the minutes of the Special Council meeting held on 3 May 2024, be confirmed as a true reflection of the proceedings.

8.5 **MINUTES OF THE SPECIAL COUNCIL MEETING: 15 MAY 2024**

UNANIMOUSLY RESOLVED

That the minutes of the Special Council meeting held on 15 May 2024, be confirmed as a true reflection of the proceedings.

8.6 **MINUTES OF THE ORDINARY COUNCIL MEETING: 31 MAY 2024**

UNANIMOUSLY RESOLVED

That the minutes of the Ordinary Council meeting held on 31 May 2024, be confirmed as a true reflection of the proceedings.

8.7 **MINUTES OF THE CONTINUATION OF THE ORDINARY COUNCIL MEETING: 6 JUNE 2024**

UNANIMOUSLY RESOLVED

That the minutes of the Continuation of the Ordinary Council meeting held on 6 June 2024, be confirmed as a true reflection of the proceedings.

8.8 **MINUTES OF THE CONTINUATION OF THE ORDINARY COUNCIL MEETING: 13 JUNE 2024**

UNANIMOUSLY RESOLVED

That the minutes of the Continuation of the Ordinary Council meeting held on 13 June 2024, be confirmed as a true reflection of the proceedings.

8.9 **MINUTES OF THE CONTINUATION OF THE ORDINARY COUNCIL MEETING: 24 JUNE 2024**

UNANIMOUSLY RESOLVED

That the minutes of the Continuation of the Ordinary Council meeting held on 24 June 2024, be confirmed as a true reflection of the proceedings, subject to the following:

That on page 131 under Proposal 1, the date of 18 August 2024 be changed to 18 August 2023.

8.10 **MINUTES OF THE SPECIAL COUNCIL MEETING: 28 JUNE 2024**

UNANIMOUSLY RESOLVED

That the minutes of the Special Council meeting held on 28 June 2024, be confirmed as a true reflection of the proceedings.

8.11 **MINUTES OF THE SPECIAL COUNCIL MEETING: 19 JULY 2024**

UNANIMOUSLY RESOLVED

That the minutes of the Special Council meeting held on 19 July 2024, be confirmed as a true reflection of the proceedings.

9. **EXECUTION LIST**

UNANIMOUSLY RESOLVED

- [a] That corrective measures and consequence management be implemented by the Executive Mayor and the Acting Municipal Manager; and
- [b] That a Comprehensive report be submitted to the next Council Meeting with the corrective measures taken.

Body break from 09:42 until 09:50

10. STATEMENTS AND COMMUNICATIONS OF THE SPEAKER

10.1 REPORT ON MEETINGS/FUNCTIONS ATTENDED BY THE SPEAKER, CLLR MNCEDISI DAVID SKOSANA

UNANIMOUSLY RESOLVED

That the report from the Speaker with regard to functions, meetings and workshops attended, for the period of May 2024 to July 2024, be noted.

File Number: 9/1/1/1

Execution: Office of the Speaker

Cllr Charlie stepped out at 10:03

Cllr Charlie returned at 10:07

11. STATEMENTS AND COMMUNICATIONS OF THE EXECUTIVE MAYOR

11.1 FUNCTIONS, MEETINGS & WORKSHOPS ATTENDED BY THE EXECUTIVE MAYOR

UNANIMOUSLY RESOLVED

[a] That the report from the Executive Mayor with regard to functions, meetings and workshops attended, for the period of June to July 2024, be noted; and

[b] That the Executive Mayor submit a Comprehensive report on decisions taken during recess to a Special Council Meeting to be held in August 2024.

File Number: 9/1/1/1

Execution: Office of the Executive Mayor

11.2 STATEMENTS AND COMMUNICATIONS BY THE DEPUTY EXECUTIVE MAYOR

UNANIMOUSLY RESOLVED

That the report from the Deputy Mayor with regard to functions, meetings and workshops attended, for the period of June to July 2024, be noted.

File Number: 9/1/1/1

Execution: Office of the Deputy Mayor

11.3 REPORTS FROM REPRESENTATIVES ON THE GARDEN ROUTE DISTRICT MUNICIPALITY

No reports were received at the time of compilation of the agenda.

11.4 REPORTS FROM REPRESENTATIVES ON THE SALGA WORKING GROUPS

No reports were received at the time of compilation of the agenda.

Cllr Petros stepped out at 10:20

Cllr Russell stepped out at 10:32

*Cllr Petros returned at 10:33
Cllr Khumelwana stepped out at 10:38
Cllr Russell returned at 10:38
Cllr Khumelwana returned at 10:40
Cllr Davis stepped out at 10:40
Cllr Tyokolo stepped out at 10:41
Cllr Davis returned at 10:50
Cllr Louw stepped out at 10:50
Cllr Tyokolo returned at 10:50
Cllr White stepped out at 10:54
Cllr White returned at 10:55
Cllr Grootboom stepped out at 11:03
Cllr Grootboom returned at 11:10*

11.5 REPORTS FROM COUNCILLORS REPRESENTING OUTSIDE BODIES AND ORGANISATIONS

RESOLVED BY MAJORITY

- [a] That the Report regarding the Knysna Provincial Hospital Board Meeting, be noted; and
- [b] That the Hospital Board be invited to attend the Community Services Committee Meeting to be held in August 2024.

File Number: 9/1/1/1
Execution: Office of the Speaker

That Cllr B Charlie do not support the invitation to be sent to the Hospital Board to attend the Section 80.

12. ITEMS FOR CONSIDERATION

12.1 RECOMMENDATIONS FROM THE MAYORAL COMMITTEE

ITEMS SUBMITTED TO THE COMMUNITY SERVICES COMMITTEE MEETING HELD ON 11 JUNE 2024

C01/06/24 REPORT ON MUNICIPAL HEALTH AND ENVIRONMENTAL SERVICES

UNANIMOUSLY RESOLVED

- [a] That Council notes the report from Garden Route District Municipality;
- [b] That the concerns raised pertaining to the non-availability of testing be investigated and solutions found;
- [c] That the unknown quality of the status of water in the estuary be noted, and that historical in-house mitigation measures be taken to ensure that the water quality is up to standard for upcoming Oyster Festival; and
- [d] That Council be represented in an official capacity on the Knysna Pollution Committee and that the Council representative report to the

Community Services Committee meeting on the matters that are raised by the stakeholders with regards to the estuary heath and pollution that could possibly cause heath issues around town.

File Number: 9/1/2/5
Execution: Director: Community Services

C03/06/24 DIGITALISATION OF TRAFFIC INFRINGEMENT NOTICES

UNANIMOUSLY RESOLVED

- [a] That the report on the digitalisation of traffic infringement notices, be noted; and
- [b] That the Director Community Services, along with the Municipal Communications Department issues a Press Release/Public Notice informing the public of the roll out of the intended digitilisation of traffic infringement notices.

File Number: 9/1/2/5
Execution: Director: Community Services

C04/06/24 GRASS CUTTING PROGRESS REPORT

UNANIMOUSLY RESOLVED

- [a] That the report on the grass cutting from the Director Community Services, be noted; and
- [b] That it be noted, that no funding was made available in the Adjustment Budget to continue with Grass Cutting until 30 June 2024.

File Number: 9/1/2/5
Execution: Director Community Services

C05/06/24 REPORT: REQUEST TO DISSOLVE THE YOUTH COUNCIL 2022/2024

UNANIMOUSLY RESOLVED

- [a] That Council terminate the current term of the Youth Council members and dissolve the structure due to lack of commitment, and failure to fill vacancies;
- [b] That Council approve the budget for the filling of the posts for 6 Youth Advisors as per the approved Organogram; and
- [c] That the current Organisational structure be reviewed to assess the feasibility of a Youth Advisor for Ward 2 and that the Director: Community Services report thereon at a subsequent meeting of the Community Services Committee.

File Number: 9/1/2/5
Execution: Director Community Services

C08/06/24 HORNLEE KALENDER STREET: NEW SATELLITE LIBRARY

UNANIMOUSLY RESOLVED

- [a] That the Hornlee Kalender Street new satellite Library report be noted;
- [b] That an amount that is equivalent to a T6 scale (approximately R176,287.00 to R226,690.49) be added to the Conditional Grant Business Plan to cater for the appointment of a Senior Library Assistant for the Kalender Street satellite;
- [c] That a new position of Senior Library Assistant for the Kalender Street satellite library be added to the municipal staff establishment and that provision be made on the budget to accommodate for the position; and
- [d] That funding be allocated in the 2024/25 Adjustment Budget for establishment of a satellite library in Hornlee.

File Number: 9/1/2/5

Execution: Director: Community Services
Manager: Libraries

C11/06/24 INSTALLATION OF PLAYPARKS IN ALL WARDS FOR A MULTI - YEAR PROJECT 2024/2025 – 2025/2026 FINANCIAL YEAR

UNANIMOUSLY RESOLVED

That the report to inform Council on the budget required for the installation of playparks in all wards for a multi-year project 2025/2026 financial year be noted.

File Number: 9/1/2/5

Execution: Director Community Services

C12/06/24 SPORT FIELDS: PROPOSED PROJECTS FOR THE 2024/2025 FINANCIAL YEAR

UNANIMOUSLY RESOLVED

That the report on the budget required for essential repairs and maintenance as well as upgrading of our sports facilities for the 2024/2025 and 2025/2026 financial year be noted.

File Number: 9/1/2/5

Execution: Director Community Services

C13/06/24 REPORT ON PROGRESS TO DATE BASED ON THE DIAGNOSTIC ASSESSMENT CONDUCTED IN 2023 AND CORRESPONDENCE BETWEEN THE MUNICIPALITY AND DEADP

UNANIMOUSLY RESOLVED

- [a] That the progress on the Section Support Plan Intervention Program based on the Diagnostic Assessment conducted in 2023, be noted; and
- [b] That the correspondence on DEADP on the pre-directives and Directive received, be noted.

File Number: 9/1/2/5

Execution: Director Community Services

C14/06/24 IMPLEMENTATION OF THE RELIEF OF SOCIAL DISTRESS POLICY AND THE ASSOCIATED STANDARD OPERATING PROCEDURE

UNANIMOUSLY RESOLVED

- [a] That the report on the Relief of Social Distress Policy (RSDP) and Social Relief and Disaster Standard Operational Procedure (SOP), be accepted; and
- [b] That the Relief of Social Distress Policy (RSDP) and Social Relief and Disaster Standard Operational Procedure (SOP), be approved.

File Number: 9/1/2/5

Execution: Director Community Services

ITEMS SUBMITTED TO THE INFRASTRUCTURE SERVICES COMMITTEE MEETING HELD ON 11 JUNE 2024

IS01/06/24 PROJECTS PROGRESS REPORT – JANUARY 2024

UNANIMOUSLY RESOLVED

- [a] That the projects progress report January 2024, be noted; and
- [b] That Project Management Office vacant positions, be prioritised.

File Number: 9/1/2/1

Execution: Director: Technical Services

IS05/06/24 PROJECTS PROGRESS REPORT – APRIL 2024

UNANIMOUSLY RESOLVED

- [a] That the Projects Progress report- April 2024, be noted; and
- [b] That the Project Management Office vacant positions, be prioritised.

File Number: 9/1/2/1

Execution: Director: Technical Services

ITEMS SUBMITTED TO THE FINANCE & GOVERNANCE COMMITTEE MEETING HELD ON 19 JUNE 2024 (CORPORATE ITEMS)

F&G3/06/24 RE-SUBMISSION REPORT ON APPLICATION TO PURCHASE A PORTION OF ERF 215, BUFFALO BAY ADJACENT TO ERF 186

UNANIMOUSLY RESOLVED

- [a] That the re-submission report and annexure's regarding the alienation of a portion Erf 215, Buffalo Bay, be noted; and
- [b] That a site-visit be scheduled and that all interested parties be invited and that thereafter the item be re-submitted.

File Number: 7/2/1/2
Execution: Acting Municipal Manager
Acting Director: Corporate Services
Head: Properties

F&G4/06/24 APPLICATION TO PURCHASE A PORTION OF ERF 419, (BRENTON-ON-LAKE) BRENTON ADJACENT TO ERF 348, BRENTON

UNANIMOUSLY RESOLVED

- [a] That the report and annexure's regarding the alienation of a portion Erf 419, Brenton, be noted; and
- [b] That a site-visit be scheduled and that the item be re- submitted thereafter.

File Number: 7/2/1/2
Execution: Acting Municipal Manager
Director: Corporate Services
Head: Properties

F&G5/06/24 REPORT ON THE TERMINATION OF LEASE AGREEMENT BETWEEN KNYSNA MUNICIPALITY AND REQUEST TO ENTER INTO LONG TERM LEASE AGREEMENT – PORTION OF ERF 240, KARATARA

UNANIMOUSLY RESOLVED

That the report and annexure's regarding the leasing of a portion of Erf 240, Karatara, be noted.

File Number: C.146
Execution: Acting Municipal Manager
Acting Director: Corporate Services
Head: Properties

F&G6/06/24 APPLICATION TO PURCHASE A PORTION OF ERF 11336, (HORNLEE) KNYSNA ADJACENT TO ERF 20386, KNYSNA

UNANIMOUSLY RESOLVED

- [a] That the report and annexure's regarding the alienation of a portion Erf 11336, Knysna, be noted; and
- [b] That a site-visit be scheduled before the Ordinary Council meeting in July 2024 and that the item be re- submitted thereafter.

File Number: 7/2/1/2
Execution: Acting Municipal Manager
Acting Director: Corporate Services
Head: Properties

F&G7/06/24 APPLICATION TO PURCHASE OF ERF 14077, (RHOBLOLO) KNYSNA ADJACENT TO ERVEN 21100 & 21101, KNYSNA

UNANIMOUSLY RESOLVED

- [a] That the report and annexure's regarding the alienation of a portion Erf 14077, Knysna, be noted; and
- [b] That a site-visit be scheduled before the Ordinary Council meeting in July 2024 and that the item be re- submitted thereafter.

File Number: 7/2/1/2
Execution: Acting Municipal Manager
Acting Director: Corporate Services
Head: Properties

F&G8/06/24 REPORT BACK ON REMAINDER OF ERF, 1692 SEDGEFIELD

UNANIMOUSLY RESOLVED

- [a] That the report on the vesting transfer to the Remainder of Erf 1692, Sedgefield be noted;
- [b] That a site-visit be scheduled before the Ordinary Council meeting in July 2024 where the Properties section, Integrated, Legal Services and Planning and Development will be present; and
- [c] That all correspondence relating to this application between Mr H Smit, Mr J Jacobs and the purchaser be made available to Councillors.

File Number: 7/1/2/5
Execution: Acting Municipal Manager
Acting Director: Corporate Services

F&G10/06/24 ATTEMPT TO APPOINT A FACILITATOR ON THE DISPUTED PROPERTIES WITH THE GARDEN ROUTE DISTRICT MUNICIPALITY

UNANIMOUSLY RESOLVED

- [a] That the report and annexures regarding the status of the properties in dispute with the Garden Route District Municipality (GRDM), be noted;
- [b] That Administration communicate with the Western Cape Provincial Government as to which steps need to be exhausted in order for them to intervene; and
- [c] That the Western Cape Provincial Government suggests possible names of mediators and that Province be requested to carry the costs involved with the mediation process.

File Number: 12/1/2/1
Execution: Acting Municipal Manager
Acting Director: Corporate Services
Head: Properties

ITEMS SUBMITTED TO THE FINANCE & GOVERNANCE COMMITTEE MEETING HELD ON 9 JULY 2024 (FINANCE ITEMS)

F&G1/06/24 MONTHLY - STATEMENT – FEBRUARY 2024

UNANIMOUSLY RESOLVED

- [a] That the Section 71 Monthly Budget Statement as at 29 February 2024, be noted;
- [b] That it be noted that the Section 71 Monthly Budget Statement as at 29 February 2024 was submitted to the Executive Mayor, the National Treasury and the Western Cape Provincial Treasury on 14 March 2024, being the 10th working day after the end of February 2024; and
- [c] That it be noted that the Section 71 Monthly Budget Statement as at 29 February 2024 has been published on the municipal website.

File Number: 9/1/2/10
Execution: Director: Financial Services

F&G2/06/24 CAPITAL BUDGET REPORT - 2023/2024 (AS AT 31 MARCH 2024)

UNANIMOUSLY RESOLVED

- [a] That the Capital Expenditure report as at 31 March 2024 be noted; and
- [b] That the Directorates ensure that capital spending is in accordance with the capital expenditure budget.

File Number: 9/1/2/10

Execution: Director: Financial Services

F&G3/06/24 QUARTERLY EXTERNAL LOANS REPORT: QUARTER 3 OF 2023/2024

UNANIMOUSLY RESOLVED

- [a] That the Quarterly External Loans report for the quarter ending March 2024 be noted; and
- [b] That the Debt Ratio of 29.8%, based on budgeted revenue, for the quarter ending March 2024 be noted.

File Number: 9/1/2/10

Execution: Director: Financial Services

F&G4/06/24 WRITE-OFF OF INDIGENT DEBT AS AT 31 MAY 2024

UNANIMOUSLY RESOLVED

That Council notes that the total amount written-off in relation to indigent households equates to R 19,700,490, 90 as at 31 March 2024.

File Number: 9/1/2/10

Execution: Director: Financial Services

Senior Manager: Revenue Services

F&G5/06/24 ADOPTION BY COUNCIL THE PROPERTY RATES BY-LAW

UNANIMOUSLY RESOLVED

- [a] That the Property Rates By law, be adopted; and
- [b] That the Property Rates By-law be published in the Provincial Gazette.

File Number: 9/1/2/10

Execution: Director: Financial Services

F&G6/06/24 FINAL REPORT ON REVENUE ENHANCEMENT STRATEGY

UNANIMOUSLY RESOLVED

- [a] That the final report on the Revenue Enhancement Strategy, be noted;
- [b] That Council notes the Final Report on the Revenue Enhancement Strategy;
- [c] That the focus areas as per the report be implemented as such through an action plan; and
- [d] That a Purchase Pattern report for the past 3 months be submitted to the next Finance and Governance Committee meeting.

File Number: 9/1/2/10

Execution: Director Financial Services

Cllr Stroebel stepped out at 11:15

Cllr Vanston returned at 11:19

F&G7/06/24 WRITING-OFF OF IRRECOVERABLE DEBT FROM 1 JUNE 2023 TO 30 MAY 2024

RESOLVED BY MAJORITY

- [a] That the report of the Writing off of irrecoverable debt from 1 June 2023 to 30 May 2024, be noted;
- [b] That it be noted that the total amount written-off as delegated to the Chief Financial Officer equates to R 82,659.53 between 1 June 2023 to 30 June 2024;
- [c] That it be noted that the total amount written-off as delegated to the Municipal Manager equates to R 181 244,56 between 1 June 2023 to 30 June 2024; and
- [d] That the total amount to be written-off as delegated to the Section 80 Finance Portfolio equates to R 3,323,127.34 between 1 June 2023 to 30 June 2024, be approved.

File Number: 9/1/2/10

Execution: Acting Municipal Manager
Director Financial Services
Manager Income

Cllr Campbell requested that her vote be recorded against the resolution.

F&G8/06/24 QUARTERLY SUPPLY CHAIN MANAGEMENT REPORT 01 JANUARY 2024 - 31 MARCH 2024

UNANIMOUSLY RESOLVED

That the third quarter report for implementation of Supply Chain Management policy in the Municipality from 01 January 2024 to 31 March 2024 period, be noted.

File Number: 9/1/2/10

Execution: Director Financial Services

F&G9/06/24 MONTHLY BUDGET STATEMENT – APRIL 2024

UNANIMOUSLY RESOLVED

- [a] That the Section 71 Monthly Budget Statement as at 30 April 2024, be noted;
- [b] That it be noted that the Section 71 Monthly Budget Statement as at 30 April 2024 was submitted to the Executive Mayor, the National

Treasury and the Western Cape Provincial Treasury on 15 May 2024, being the 10th working day after the end of April 2024; and

- [c] That it be noted that the Section 71 Monthly Budget Statement as at 30 April 2024 has been published on the municipal website.

File Number: 9/1/2/10

Execution: Director Financial Services

F&G10/06/24 REPORT ON FRUITLESS AND WASTEFUL EXPENDITURE FOR JULY 2022 TO MAY 2024

UNANIMOUSLY RESOLVED

- [a] That Council note the report for fruitless and wasteful expenditure; and
- [b] That the fruitless and wasteful expenditure be submitted to MPAC for investigation.

File Number: 9/1/2/10

Execution: Municipal Manager
Director Financial Services
Manager Budget and reporting

F&G11/06/24 UNAUTHORIZED, FRUITLESS AND WASTEFULL EXPENDITURE INCURRED TO DATE

UNANIMOUSLY RESOLVED

- [a] That the unauthorized expenditure incurred as at 10 June 2024, be noted; and
- [b] That the unauthorized expenditure be submitted to the Municipal Public Accounts Committee (MPAC), for investigation.

File Number: 9/1/2/10

Execution: Acting Municipal Manager
Director Financial Services

F&G12/06/24 MONTHLY BUDGET STATEMENT – MAY 2024

UNANIMOUSLY RESOLVED

- [a] That the Section 71 Monthly Budget Statement as at 31 May 2024, be noted;
- [b] That it be noted that the Section 71 Monthly Budget Statement as at 31 May 2024 was submitted to the Executive Mayor, the National Treasury and the Western Cape Provincial Treasury on 14 June 2024, being the 10th working day after the end of May 2024; and

- [c] That it be noted that the Section 71 Monthly Budget Statement as at 31 May 2024 has been published on the municipal website.

File Number: 9/1/2/10
Execution: Director Financial Services

F&G13/06/24 2024-2025 AUDIT COMMITTEE CHARTER AND WORK PLAN

UNANIMOUSLY RESOLVED

That the 2024-2025 Audit Committee Work Plan, be noted.

File Number: 9/1/2/14
Execution: Acting Municipal Manager
Chief Audit Executive

F&G14/06/24 INTERNAL AUDIT CHARTER 2024/2025

UNANIMOUSLY RESOLVED

That the Internal Audit Charter for the 2024/2025 financial year, be noted.

File Number: 9/1/2/14
Execution: Chief Audit Executive

ITEMS SUBMITTED TO THE MAYORAL COMMITTEE MEETING HELD ON 22 JULY 2024

M01/07/24 REPORT ON THE OVERSIGHT REPORT – 2022/2023 FINANCIAL YEAR

UNANIMOUSLY RESOLVED

- [a] That Council, having considered the 2022/2023 Annual Report of the Knysna Municipality, inclusive of the comments of the Western Cape Government Local Government Budget Office, adopts the Oversight Report in terms of section 129 of the Municipal Finance Management Act 56 of 2003;
- [b] That the 2022/2023 Annual Report of Knysna Municipality be approved with reservations, in terms of section 129 of the Municipal Finance Management Act 56 OF 2003;
- [c] That the minutes of the meetings where the Annual Report was discussed, be submitted to the Auditor –General, the Provincial Treasury and the Western Cape Department of Local Government as attached to report, in terms of section 129(2) of the Municipal Finance Management Act 56 of 2003;
- [d] That the 2022/2023 Oversight Report of Knysna Municipality be made public in terms of section 129(3) of the Municipal Finance Management Act 56 of 2003 and be submitted to the Western Cape Legislature in terms of section 132(2) of Municipal Finance Management Act 56 of 2003; and

- [e] That, in acceptance of the Oversight Report, the payment of performance bonuses be approved by Council.

File Number: 9/1/2/14
Execution: Acting Municipal Manager
Acting Director: Corporate Services
Manager: Administration

**M02/07/24 IDP/BUDGET/OPMS AND BUDGET TIME-SCHEDULE OF KEY DEADLINES
IN PREPARATION OF 2025/2026 INTEGRATED DEVELOPMENT PLAN
(IDP)/BUDGET AND ORGANISATIONAL PERFORMANCE MANAGEMENT
SYSTEM (OPMS)**

UNANIMOUSLY RESOLVED

- [a] That the content of the time–schedule of key deadlines in preparation of the 2025/2026 Integrated Development Plan, be noted; and
- [b] That the time–schedule of key deadlines in preparation of the 2025/2026 Integrated Development Plan, be approved, with the condition that the IDP/Budget/OPMS process be advertised for public comments and input prior to the formal implementation of the time–schedule.

File Number: 15/2/6/1/3
Execution: Manager: IDP/PMS/IGR

13. NEW MATTERS SUBMITTED BY THE ACTING MUNICIPAL MANAGER

*DA Caucus from 11:28 until 11:49
KIM Caucus from 11:55 until 12:03*

*Cllr N Louw stepped out at 12:25
Cllr N Louw returned at 12:28*

C01/08/24 2024-2025 AUDIT COMMITTEE CHARTER & WORK PLAN

UNANIMOUSLY RESOLVED

- [a] That the 2024-2025 Audit Committee Charter be approved; and
- [b] That the 2024-2025 Audit Committee Work Plan be noted.

File Number: 9/1/2/14
Execution: Acting Municipal Manager
Chief Audit Executive

C02/08/24 AUDIT COMMITTEE MEMBERS TERM EXPIRATION

UNANIMOUSLY RESOLVED

- [a] That Council notes the report on the Audit Committee member's term expiration;

[b] That Council considers not to fill the two vacancies in the audit committee due to:

- The remaining committee members meeting the qualification and experience requirements as per MFMA circular 65 and the audit committee charter;
- The remaining committee exceeds the minimum composition as per MFMA section 166 (4); and
- The costs saving that will be realized in not filling the vacancies.

File Number: 9/1/2/10/4

Execution: Acting Municipal Manager
Chief Audit Executive

C03/08/24 2024/2025 IDP/BUDGET/PMS AND BUDGET TIME-SCHEDULE OF KEY DEADLINES IN PREPARATION FOR THE 2025/2026 INTEGRATED DEVELOPMENT PLAN (IDP)/BUDGET AND ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM (OPMS)

UNANIMOUSLY RESOLVED

[a] That the report on the 2024/2025 IDP/Budget/PMS and Budget time-schedule of key deadlines in preparation for the 2025/2026 Integrated Development Plan (IDP)/Budget and Organisational Performance Management System (OPMS), be noted; and

[b] That Council approves the time-schedule, with the condition that the IDP/Budget/OPMS process be advertised for public comments and input prior to the formal implementation of the time-schedule.

File Number: 15/2/6/1/3

Execution: Acting Municipal Manager
Manager: IDP/PMS/IGR

Cllr J White stepped out at 12:29

Cllr J White returned at 12:30

Cllr W Grootboom stepped out at 12:53

Cllr M Khumelwana stepped out at 12:59

Cllr M Khumelwana returned at 13:04

Cllr E Maxim stepped out at 13:04

Cllr E Maxim returned at 13:06

Cllr W Grootboom returned at 13:06

Cllr T Matika stepped out at 13:20

Cllr T Matika returned at 13:22

C04/08/24 MONTHLY & QUARTERLY BUDGET STATEMENT – JUNE 2024

UNANIMOUSLY RESOLVED

[a] That Council notes the Section 71 Monthly Budget Statement and Section 52 Quarterly Budget Statement as at 30 June 2024;

- [b] That Council notes that the Section 71 Monthly Budget Statement and Section 52 Quarterly Budget Statement as at 30 June 2024 was submitted to the Executive Mayor, the National Treasury and the Western Cape Provincial Treasury on 12 July 2024 being the 10th working day after the end of June 2024; and
- [c] That Council notes that the Section 71 Monthly Budget Statement and Section 52 Quarterly Budget Statement as at 30 June 2024 has been published on the municipal website.

File Number: 9/1/2/10

Execution: Director Financial Services

Cllr M Khumelwana stepped out at 13:28

Cllr M Khumelwana returned at 13:30

Cllr L Tyokolo stepped out at 13:39

Cllr L Tyokolo returned at 13:40

Cllr L Davis stepped out at 13:52

Cllr L Davis returned at 13:58

C05/08/24 QUARTERLY WITHDRAWAL REPORT: QUARTER 4 OF 2023/2024

UNANIMOUSLY RESOLVED

- [a] That the Quarterly Withdrawal Report for the quarter ending June 2024, be noted; and
- [b] That a copy of the Quarterly Withdrawal Report was submitted to the Western Cape Provincial Treasury and the Auditor-General on 12 July 2024.

File Number: 9/1/2/10

Execution: Director Financial Services

C06/08/24 2023/2024 QUARTER 4 NON-FINANCIAL PERFORMANCE ASSESSMENT REPORT FOR THE PERIOD 1 APRIL 2024 – 30 JUNE 2024

UNANIMOUSLY RESOLVED

- [a] That the Quarter 4 Performance Assessment Report as at 30 June 2024 is submitted for noting only;
- [b] That Council notes the content of the Quarter 4 Performance Assessment Report; and
- [c] That Council notes that the Quarter 4 Non-Financial Performance Assessment Report, will be submitted to the National Treasury and the Western Cape Provincial Treasury and that the Report will be placed on the municipal website.

File Number: 15/2/6/1/3

Execution: Manager: Integrated Development Plan / Institutional
Performance Management / Inter-Governmental
Relations

Body break from 14:07 until 15:06

Cllr A Marbi returned at 15:11

Cllr M Khumelwana stepped out at 16:07

Cllr M Khumelwana returned at 16:13

**C07/08/24 PUBLIC PARTICIPATION PROCESS - SERVICE LEVEL AGREEMENT
REGIONAL WASTE MANAGEMENT FACILITY**

UNANIMOUSLY RESOLVED

That the item regarding Public Participation process – Service Level Agreement Regional Waste Management Facility be withdrawn and submitted to a Special Community Services meeting.

Cllr P Bester stepped out at 16:14

Cllr P Bester returned at 16:29

C08/08/24 REPORT ON THE OVERSIGHT REPORT – 2022/2023 FINANCIAL YEAR

Proposal 1

That recommendation [e] be removed;

[e] That, in acceptance of the Oversight Report, the payment of performance bonuses be approved by Council.

Proposer: Cllr A Marbi

Seconder: Cllr J White

UNANIMOUSLY RESOLVED

[a] That Council, having considered the 2022/2023 Annual Report of the Knysna Municipality, inclusive of the comments of the Western Cape Government Local Government Budget Office, adopts the Oversight Report in terms of section 129 of the Municipal Finance Management Act 56 of 2003;

[b] That the 2022/2023 Annual Report of Knysna Municipality be approved with reservations, in terms of section 129 of the Municipal Finance Management Act 56 OF 2003;

[c] That the minutes of the meetings where the Annual Report was discussed, be submitted to the Auditor –General, the Provincial Treasury and the Western Cape Department of Local Government as attached to report, in terms of section 129(2) of the Municipal Finance Management Act 56 of 2003; and

- [d] That the 2022/2023 Oversight Report of Knysna Municipality be made public in terms of section 129(3) of the Municipal Finance Management Act 56 of 2003 and be submitted to the Western Cape Legislature in terms of section 132(2) of Municipal Finance Management Act 56 of 2003; and

File Number: 9/1/2/14
Execution: Acting Municipal Manager
Acting Director: Corporate Services
Manager: Administration

Cllr L Davis stepped out at 16:35
Cllr A Tsengwa stepped out at 16:35
Cllr L Davis returned at 16:37
Cllr A Tsengwa returned at 16:42

DA Caucus from 16:42 until 16:56

C09/08/24 REPORT BACK ON REQUEST TO REGISTER A PUBLIC SERVITUDE OVER A PORTION OF FARM 394, NOETZIE

Proposal 1

That recommendation [b] be removed.

Proposer: Cllr A Marbi
Seconder: Cllr T Matika

For: 11
Against: 9

In favour of proposal	Against proposal
Cllr A Tsengwa	Cllr H Stroebe
Cllr A Marbi	Cllr J White
Cllr T Matika	Cllr E Maxim
Cllr P Petros	Cllr C Vanston
Cllr N Louw	Cllr P Bester
Cllr R Arends	Cllr L Tyokolo
Cllr K Andrews	Cllr L Davis
Cllr B Charlie	Cllr M Willemse
Cllr W Grootboom	Cllr S Campbell
Cllr M Khumelwana	
Cllr M Skosana	
Not present at time of voting	
Did not vote	
Abstained from voting	

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Proposal 2

That until the servitude can be registered, the Municipality lease the property from the owner.

Proposer: Cllr L Tyokolo

Seconded: Cllr J White

In favour of proposal	Against proposal
Cllr H Stroebe	Cllr A Tsengwa
Cllr J White	Cllr A Marbi
Cllr E Maxim	Cllr T Matika
Cllr C Vanston	Cllr P Petros
Cllr P Bester	Cllr N Louw
Cllr L Tyokolo	Cllr R Arends
Cllr L Davis	Cllr K Andrews
Cllr M Willemse	Cllr B Charlie
Cllr S Campbell	Cllr W Grootboom
	Cllr M Khumelwana
	Cllr M Skosana
Not present at time of voting	
Did not vote	
Cllr S Campbell	
Abstained from voting	

Cllr A Marbi's proposal carried

RESOLVED BY MAJORITY

- [a] That the report to consider securing public access over a portion of farm 394, Noetzie, be noted; and
- [b] That the Municipal Council resolve that public access over a portion of farm 394, Noetzie to the public parking, public ablution facilities and public beach be secured in the form of public servitude.

File Number: 17/6/3/4
16/3/5

Execution: Acting Director: Corporate Services
Acting Manager: Legal Services
Head: Properties

Cllr H Stroebel stepped out at 17:15

C10/08/24 KNYSNA MUNICIPALITY SECTION 154 SUPPORT PLAN

UNANIMOUSLY RESOLVED

- [a] That Council notes the progress made on the implementation of the Section 154 Support Plan; and
- [b] That the report on the Knysna Municipality Section 154 Support Plan be withdrawn and submitted to a Special Council Meeting where all Directors and Managers be in attendance.

File Number: 9/1/2/14
Execution: Acting Municipal Manager
Manager: IDP/PMS/IGR

C11/08/24 DRAFT 2024/2025 BUDGET FUNDING PLAN

UNANIMOUSLY RESOLVED

- [a] That the correspondence received from Provincial Treasury, be noted; and
- [b] That the Draft 2024/2025 Budget Funding Plan be considered by Council.

File Number: 9/1/2/10
Execution: Director Financial Services

Cllr Davis stepped out at 17:25

Cllr Davis returned at 17:30

DA Caucus from 18:04 until 18:10

DA Caucus from 18:13 until 18:23

C12/08/24 APPOINTMENT OF ACTING DIRECTOR COMMUNITY SERVICES

UNANIMOUSLY RESOLVED

That the Item on the Appointment of Acting Director Community Services to be referred to a continuation meeting.

C13/08/24 SKILLS DEVELOPMENT CENTRE – SOUTH CAPE COLLEGE (A PORTION OF ERF 3801, KNYSNA)

UNANIMOUSLY RESOLVED

That the item on the Skills Development Centre – South Cape College (A Portion of Erf 3801, Knysna be withdrawn and submitted to a Special Council Meeting.

C14/08/24 REPORT BACK ON APPLICATION FOR LEASE AGREEMENT – FOR A PORTION OF ERF 1316, KNYSNA ABUTTING ERF 3556, KNYSNA

UNANIMOUSLY RESOLVED

That the report back on Application for Lease Agreement – For a Portion of Erf 1316, Knysna abutting Erf 3556, Knysna be withdrawn and submitted to a Special Council Meeting.

C15/08/24 SAFE SPACES FOR HOMELESS PEOPLE PROGRESS REPORT

UNANIMOUSLY RESOLVED

That the item on Safe Spaces for Homeless People Progress Report be withdrawn and submitted to a Special Council Meeting.

C16/08/24 APPOINTMENT OF AN ACTING DIRECTOR CORPORATE SERVICES

UNANIMOUSLY RESOLVED

That Council notes the response from the MEC Bredell regarding the appointment of the Acting Director Corporate Services.

File Number: Sp, Moon, Z
Execution: Acting Municipal Manager
Manager: Human Resources

Cllr J White stepped out at 17:41
Cllr J White returned at 17:42
Cllr H Stroebel returned at 17:42

C17/08/24 CONDONATION OF ACTING APPOINTMENTS – ACTING DIRECTORS

Proposal 1

[b] That Pravir Hariparsad be appointed as Acting Director: Infrastructure Services from 06 August 2024

Proposer: Cllr A Tsengwa
Seconder: Cllr A Marbi

In favour of proposal	Against proposal
Cllr A Tsengwa	Cllr H Stroebel
Cllr T Matika	Cllr J White
Cllr P Petros	Cllr E Maxim
Cllr N Louw	Cllr C Vanston
Cllr R Arends	Cllr P Bester
Cllr K Andrews	Cllr L Tyokolo
Cllr B Charlie	Cllr L Davis
Cllr M Khumelwana	Cllr M Willemse
Cllr M Skosana	Cllr S Campbell

Not present at time of voting	
Did not vote	
Cllr W Grootboom	
Abstained from voting	
Cllr N Louw	
Cllr A Marbi	

Proposal 2

- [b] That Shaun Maree be appointed as Acting Director: Infrastructure Services from 06 August 2024

Proposer: Cllr L Tyokolo
Seconded: Cllr S Campbell

In favour of proposal	Against proposal
Cllr A Tsengwa	Cllr H Stroebel
Cllr T Matika	Cllr J White
Cllr P Petros	Cllr E Maxim
Cllr R Arends	Cllr C Vanston
Cllr K Andrews	Cllr P Bester
Cllr B Charlie	Cllr L Tyokolo
Cllr M Khumelwana	Cllr L Davis
Cllr M Skosana	Cllr M Willemse
	Cllr S Campbell
Not present at time of voting	
Did not vote	
Cllr W Grootboom	
Abstained from voting	
Cllr N Louw	
Cllr A Marbi	

RESOLVED BY MAJORITY

- [a] That Council notes the report from the Acting Municipal Manager regarding the Acting Appointments of Acting Directors;
- [b] That Council condones the following appointments:

- Acting Director: Infrastructure Services, Mr Ezzard Mckenzie for the period 29 July 2024 – 5 August 2024;
- Acting Director: Community Services, Mr Richard Meyer for the period 29 July 2024 – 12 August 2024;

[c] That Council delegate the authority to the (Acting) Municipal Manager to appoint Acting Directors for a period up to 10 days if a Director is unavailable for a period due to leave, emergency, unforeseen and unavoidable circumstance; and

[d] That Pravir Hariparsad be appointed as Acting Director Infrastructure Services, from 6 August 2024 until response received from the MEC regarding the Secondment of Mr E Mangwengwende.

File Number: 9/1/2/14
Execution: Acting Municipal Manager
Manager: Human Resources

C18/08/24 LEGAL OPINIONS ON ACTING APPOINTMENTS

UNANIMOUSLY RESOLVED

That Council notes Local Government Circular C09 as well as the letter dated 3 June 2024 from the Director General of COGTA (**Annexure B**) relating to Acting Appointments under the Local Government Municipal Staff Regulations.

File Number: 9/1/2/14
Execution: Acting Municipal Manager
Manager: Human Resources

14. ITEMS FOR NOTING

ITEMS SUBMITTED TO THE COMMUNITY SERVICES COMMITTEE MEETING HELD ON 11 JUNE 2024

C02/06/24 REPORT ON ARTS AND CULTURE PROGRAMMES FOR 2024/2025

UNANIMOUSLY RESOLVED

That the Report on Arts and Culture Programmes for 2024/2025 be withdrawn and submitted to a Special Council Meeting.

C06/06/24 REPORT ON THE INTENDED IMPLEMENTATION OF AARTO

UNANIMOUSLY RESOLVED

That the Report on the Intended Implementation of AARTO be withdrawn and submitted to a Special Council Meeting.

C07/06/24 THE SPELLING, READING, WRITING, BOOK REVIEW & DEBATE COMPETITIONS

UNANIMOUSLY RESOLVED

That the Item on spelling, reading, writing, book review and debate competitions be withdrawn and submitted to a Special Council Meeting.

C09/06/24 PUBLIC SAFETY: TRAFFIC AND LAW ENFORCEMENT REPORT – APRIL 2024

UNANIMOUSLY RESOLVED

That the report on Public Safety: Traffic and Law Enforcement Section for April 2024 be withdrawn and submitted to a Special Council Meeting.

C10/06/24 FIRE HYDRANT MAINTENANCE REPORT

UNANIMOUSLY RESOLVED

That the Fire Hydrant Maintenance Report be withdrawn and submitted to a Special Council Meeting.

C15/06/24 SAFE SPACES FOR HOMELESS PEOPLE PROGRESS REPORT

UNANIMOUSLY RESOLVED

That Item on Safe Spaces for Homeless People be withdrawn and submitted to a Special Council Meeting.

C16/06/24 SECURITY INCIDENT REPORT

UNANIMOUSLY RESOLVED

That the Report on the Security incident Report of Khayaletu Reservoir be withdrawn and submitted to a Special Council Meeting.

ITEMS SUBMITTED TO THE INFRASTRUCTURE SERVICES COMMITTEE MEETING HELD ON 11 JUNE 2024

IS02/06/24 ELECTRICAL & MECHANICAL DEPARTMENT CAPITAL PROJECT REPORT FROM JANUARY – FEBRUARY 2024

UNANIMOUSLY RESOLVED

That the report from Electrical and Mechanical Department Capital Project from January – February 2024 be withdrawn and submitted to a Special Council Meeting.

**IS03/06/24 ELECTRICAL & MECHANICAL SERVICES KNYSNA MUNICIPAL FLEET
REPORT FROM JANUARY - APRIL 2024**

UNANIMOUSLY RESOLVED

That the report from the Electrical and Mechanical Services Knysna Municipal Fleet report from January – April 2024 be withdrawn and submitted to a Special Council Meeting.

**IS04/06/24 ELECTRICAL AND MECHANICAL DEPARTMENT INEP PROJECT
REPORT FOR JANUARY – APRIL 2024**

UNANIMOUSLY RESOLVED

That the report from Electrical and Mechanical Department INEP Project for January – April 2024 be withdrawn and submitted to a Special Council Meeting.

**IS06/06/24 REPORT OF THE ROADS, TRANSPORT & STORM WATER & BUILDINGS
MAINTENANCE DIVISION (RTSBMD) UP TO APRIL 2024**

UNANIMOUSLY RESOLVED

That the report of the roads, transport and storm water & buildings maintenance division (RTSBMD) up to April 2024 be withdrawn and submitted to a Special Council Meeting.

**IS07/06/24 ELECTRICAL & MECHANICAL SERVICES KNYSNA MUNICIPAL FLEET
REPORT FROM JANUARY - APRIL 2024**

UNANIMOUSLY RESOLVED

That the report from Electrical and Mechanical Services Knysna Municipal Fleet of January – April 2024 be withdrawn and submitted to a Special Council Meeting.

**IS8/06/24 ELECTRICAL & MECHANICAL DEPARTMENT CAPITAL PROJECT
REPORT FROM JANUARY – APRIL 2024**

UNANIMOUSLY RESOLVED

That the report from Electrical and Mechanical Department Capital project from January – April 2024 be withdrawn and submitted to a Special Council Meeting.

**IS9/06/24 REPORT ON THE OPERATIONS AND MAINTENANCE FOR WATER AND
SEWER – JANUARY TO FEBRUARY 2024**

UNANIMOUSLY RESOLVED

That the report on the Operations and Maintenance for Water and Sewer – January to February 2024 be withdrawn and submitted to a Special Council Meeting.

**IS10/06/24 REPORT OF THE ROADS, TRANSPORT & STORM WATER & BUILDINGS
MAINTENANCE DIVISION (RTSBMD) FOR FEBRUARY 2024**

UNANIMOUSLY RESOLVED

That the report of the Roads, Transport & Storm water and buildings maintenance division (RTSMD) for February 2024 be withdrawn and submitted to a Special Council Meeting.

**IS11/06/24 REPORT ON THE OPERATIONS AND MAINTENANCE FOR WATER AND
SEWER – MARCH TO APRIL 2024**

UNANIMOUSLY RESOLVED

That the report on the Operations and maintenance for Water and Sewer March to April 2024 be withdrawn and submitted to a Special Council Meeting.

**ITEMS SUBMITTED TO THE FINANCE & GOVERNANCE COMMITTEE MEETING HELD
ON 19 JUNE 2024 (CORPORATE ITEMS)**

F&G1/06/24 PUBLIC PARTICIPATION REPORT JANUARY – MARCH 2024

UNANIMOUSLY RESOLVED

That the report of the Public Participation Unit for January to March 2024 as received from the Director: Corporate Service be withdrawn and submitted to a Special Council Meeting.

**F&G2/06/24 QUARTER 3 REPORT ON LEGAL MATTERS, 2023/24, INCLUDING
PERIOD FOR 1 APRIL – 31 MAY 2024**

UNANIMOUSLY RESOLVED

That the report on Legal Matters for Quarter 3, including 1 April 2024 – 31 May 2024, of the 2023/24 financial year be withdrawn and submitted to a Special Council Meeting.

**F&G9/06/24 REPORT BACK ON APPLICATION FOR LEASE AGREEMENT –
FOR A PORTION OF ERF 1316, KNYSNA BUTTING ERF 3556, KNYSNA**

UNANIMOUSLY RESOLVED

That the report and annexure's regarding the request for lease agreement on a portion of Erf 1316, Knysna be withdrawn and submitted to a Special Council Meeting.

F&G11/06/24 REPORT ON CORPORATE SERVICES SDBIP QUARTERLY PERFORMANCE REPORT 3RD QUARTER OF 2023/24 JANUARY-MARCH 2024

UNANIMOUSLY RESOLVED

That the Corporate Services SDBIP Quarterly Performance Report January – March 2024 be withdrawn and submitted to a Special Council Meeting.

ITEMS SUBMITTED TO THE PLANNING, ECONOMIC DEVELOPMENT & TOURISM COMMITTEE MEETING HELD ON 26 JUNE 2024

P01/06/24 ECONOMIC DEVELOPMENT DEPARTMENT PERFORMANCE REPORT: JANUARY 2024 TO MARCH 2024

UNANIMOUSLY RESOLVED

That the Economic Development Department Performance Report for the period January 2024 to March 2024 be withdrawn and submitted to a Special Council Meeting.

P02/06/24 EXPANDED PUBLIC WORKS PROGRAMME REPORT FOR QUARTER 3: JANUARY 2024 TO MARCH 2024

UNANIMOUSLY RESOLVED

That the Expanded Public Works Programme Report for Quarter 3: January 2024 to March 2024 be withdrawn and submitted to a Special Council Meeting.

P03/06/24 ENVIRONMENTAL PERFORMANCE REPORT FOR JANUARY, FEBRUARY AND MARCH 2024

UNANIMOUSLY RESOLVED

That the Environmental Management Department Performance Report for January 2024, February 2024 and March 2024 be withdrawn and submitted to a Special Council Meeting.

P04/06/24 ENVIRONMENTAL PERFORMANCE REPORT APRIL AND MAY 2024

UNANIMOUSLY RESOLVED

That the Environmental Management Department Performance Report for the period April and May 2024 be withdrawn and submitted to a Special Council Meeting.

P05/06/24 BUILDING CONTROL DIVISION PERFORMANCE REPORT FOR THE PERIOD JANUARY 2024 TO MARCH 2024 (QUARTER 3)

UNANIMOUSLY RESOLVED

That the Building Control Division Performance Report for the period January 2024 to March 2024 (Quarter 3) be withdrawn and submitted to a Special Council Meeting.

P06/06/24 LAND USE MANAGEMENT DEPARTMENT PERFORMANCE REPORT FOR THE PERIOD JANUARY 2024 TO MARCH 2024

That the Land Use Management Departmental report for the period January 2024 to March 2024 be withdrawn and submitted to a Special Council Meeting.

P07/06/24 FUNDING FOR THE BONGANI REHABILITATION PROJECT

That the Report for the Funding for the Bongani Rehabilitation Project be withdrawn and submitted to a Special Council Meeting.

P08/06/24 UPDATE ON BIGAI CATCHMENT

That the report on the Update on Bigai Catchment be withdrawn and submitted to a Special Council Meeting.

MEETING HELD ON 01 JULY 2024

IHS01/07/24 INTEGRATED HUMAN SETTLEMENTS MONTHLY REPORT: FOR THE PERIOD FEBRUARY 2024 TO MARCH 2024

That the Integrated Human Settlements Monthly Report for the period February 2024 to March 2024 be withdrawn and submitted to a Special Council Meeting.

IHS02/07/24 BUSINESS PLAN FOR 2023/24 FINANCIAL YEAR AND PROJECTED TARGETS FOR OTHER FINANCIAL YEARS 2024/25/2025/26

That The 2023/24 Housing Business Plan as approved by the Western Cape Department of Human Settlement and the projected targets for the other financial years 2024/25 and 2025/2026 (WC DoHS) be withdrawn and submitted to a Special Council Meeting.

IHS03/07/24 BUSINESS PLAN FOR 2024/25 FINANCIAL YEAR

That the 2024/25 Housing Business Plan as approved by the Western Cape Department of Infrastructure be withdrawn and submitted to a Special Council Meeting.

15. IN COMMITTEE ITEMS (SEE SEPARATE AGENDA)

16. Consideration of Questions

None

17. Considerations of Motion

17.1 **NOTICE OF MOTION FOR THE REMOVAL OF THE SPEAKER, CLLR MNCEDISI DAVID SKOSANA**

This item was discussed first under New Matters submitted by the Acting Municipal Manager

Proposal 1

That Cllr T Matika be appointed as Interim Speaker.

Proposer: Cllr A Tsengwa

Seconder: Cllr P Petros

In favour of proposal	Against proposal
Cllr A Tsengwa	Cllr H Stroebe
Cllr A Marbi	Cllr J White
Cllr T Matika	Cllr E Maxim
Cllr P Petros	Cllr C Vanston
Cllr N Louw	Cllr P Bester
Cllr R Arends	Cllr L Tyokolo
Cllr K Andrews	Cllr L Davis
Cllr B Charlie	Cllr M Willemse
Cllr W Grootboom	
Cllr M Khumelwana	
Cllr M Skosana	
Not present at time of voting	
Did not vote	
Cllr S Campbell	
Abstained from voting	

Proposal 2

That Cllr M Willemse be appointed as Interim Speaker.

Proposer: Cllr L Tyokolo

Seconder: Cllr J White

In favour of proposal	Against proposal
Cllr H Stroebe	Cllr A Tsengwa
Cllr J White	Cllr A Marbi
Cllr E Maxim	Cllr T Matika
Cllr C Vanston	Cllr P Petros
Cllr P Bester	Cllr N Louw

Cllr L Tyokolo	Cllr R Arends
Cllr L Davis	Cllr K Andrews
Cllr M Willemse	Cllr B Charlie
Cllr S Campbell	Cllr W Grootboom
	Cllr M Khumelwana
	Cllr M Skosana
Not present at time of voting	
Did not vote	
Abstained from voting	

Cllr A Tsengwa's proposal carried.

RESOLVED BY MAJORITY

That Cllr T Matika be appointed as Interim Speaker.

The Interim Speaker called the matter to a vote:

In favour of proposal	Against proposal
Cllr H Stroebe	Cllr A Tsengwa
Cllr J White	Cllr A Marbi
Cllr E Maxim	Cllr T Matika
Cllr C Vanston	Cllr P Petros
Cllr P Bester	Cllr N Louw
Cllr L Tyokolo	Cllr R Arends
Cllr L Davis	Cllr K Andrews
Cllr M Willemse	Cllr B Charlie
Cllr S Campbell	Cllr W Grootboom
	Cllr M Khumelwana
	Cllr M Skosana
Not present at time of voting	
Did not vote	
Abstained from voting	

RESOLVED BY MAJORITY

That Cllr MD Skosana remain as the Speaker of the Knysna Council.

18. Consideration of Motions of Exigency

None

19. ADJOURNMENT

The Speaker thanked everyone for their contribution and the meeting be adjourned at 18:35.

Approved:

Cllr. M D Skosana

.....
Speaker

-oOo-

.....
Date

8.2 **MINUTES OF THE CONTINUATION OF THE ORDINARY COUNCIL MEETING: 22 AUGUST 2024**

RECOMMENDATION

That the minutes of the Continuation of the Ordinary Council meeting held on 22 August 2024, be confirmed.

KNYSNA LOCAL MUNICIPALITY

MINUTES

OF THE CONTINUATION OF THE ORDINARY MEETING
OF THE
MUNICIPAL COUNCIL OF KNYSNA MUNICIPALITY
WHICH WAS HELD ON
Thursday, 22 August 2024
at 09:08
in the Council Chamber and on Youtube

COUNCILLORS IN ATTENDANCE

Speaker, Cllr Skosana, M D [ANC]
Executive Mayor, Cllr Tsengwa, N [ANC]
Deputy Executive Mayor, Cllr Marbi, A [PBI]
Cllr Andrews, K [ANC]
Cllr Arends, R [ANC]
Cllr Bester, P [DA]
Cllr Campbell, M [KIM] (*on MStTeams*)
Cllr Charlie, L [PA]
Cllr Davis, L [DA]
Cllr Grootboom, W [PA]
Cllr Khumelwana, M [ANC]
Cllr Louw, N [EFF]
Cllr Matika, T [ANC]
Cllr Maxim, E [DA]
Cllr Petros, P [ANC]
Cllr Stroebel, H [DA]
Cllr Tyokolo, L [DA]
Cllr Vanston, C [DA]
Cllr White, J [DA]
Cllr Willemse, M S [KIM]

OFFICIALS IN ATTENDANCE

Malepeng, PS	Acting Municipal Manager
Moon, Z	Acting Director: Corporate Services
Bower, R	Acting Director: Community Services
Dunywa, A	Director: Planning and Development
Julies, C	Director: Financial Services
McKenzie, E	Acting Director: Infrastructure Services
Chordnum, C	Manager: Performance and IDP (on MSTeams)
Campher, E	MPAC Co-ordinator
Baatjies, L	Development Officer Social Services
Phillips, L	Manager: Human Resources
Botha, C	Manager: Administration Services
Botha, M	Acting Manager: Legal Services
Hardnick, R	Senior Clerk: Properties
Lakay, J	Head: Council Committees and Councillor Support
Burger, T	Committee Officer
Mpahla, S	IT Technician

1. OPENING AND WELCOMING

The Speaker welcomed Councillors, officials and members of the public to the meeting in the Council Chamber whereafter a roll call confirmed the attendees as mentioned above.

2. SILENT PRAYER

Cllr A Marbi opened the meeting with a prayer.

a Minute of silence was held for the late Mr William Smith's family.

Cllr Khumelwana stepped out at 09:17

PA Caucus from 09:19 until 09:31

Body break from 09:31 until 09:43

Cllr Khumelwana returned 09:43

DA Caucus from 09:43 until 09:50

3. ATTENDANCE OF MEMBERS

3.1 Councillors Present

Twenty (20) Councillors present

3.2 Councillors Absent with Leave

Cllr Sabbagh, S [DA]

3.3 Councillors absent without Leave

None

3.4 Officials Present

As above

3.5 Members of the Audit Committee Present

The meeting was live-streamed on YouTube.

3.6 Members of the Public Present

The meeting was live-streamed on YouTube.

4. NOTING OF THE PROVISIONS OF THE CODE OF CONDUCT FOR COUNCILLORS

The Speaker drew the attention of Councillors to the Schedule 1 of the Local Government: Municipal Systems Act, 2000.

UNANIMOUSLY RESOLVED

That the Code of Conduct for Councillors, be noted

5. DISCLOSURE OF INTERESTS

UNANIMOUSLY RESOLVED

That it be noted that no Councillors and Officials declared any interest in matters in the Agenda.

6. LONG SERVICE AWARDS

This item was dealt with at the meeting held on 5 August 2024.

7. INTRODUCTION OF NEWLY APPOINTED STAFF

This item was dealt with at the meeting held on 5 August 2024.

8. CONFIRMATION AND ADOPTION OF MINUTES

8.1 MINUTES OF THE ORDINARY COUNCIL MEETING: 27 MARCH 2024

This item was dealt with at the meeting held on 5 August 2024.

8.2 MINUTES OF THE CONTINUATION OF THE ORDINARY COUNCIL MEETING: 2 APRIL 2024

This item was dealt with at the meeting held on 5 August 2024.

8.3 **MINUTES OF THE SPECIAL COUNCIL MEETING: 22 APRIL 2024**

This item was dealt with at the meeting held on 5 August 2024.

8.4 **MINUTES OF THE SPECIAL COUNCIL MEETING: 3 MAY 2024**

This item was dealt with at the meeting held on 5 August 2024.

8.5 **MINUTES OF THE SPECIAL COUNCIL MEETING: 15 MAY 2024**

This item was dealt with at the meeting held on 5 August 2024.

8.6 **MINUTES OF THE ORDINARY COUNCIL MEETING: 31 MAY 2024**

This item was dealt with at the meeting held on 5 August 2024.

8.7 **MINUTES OF THE CONTINUATION OF THE ORDINARY COUNCIL MEETING: 6 JUNE 2024**

This item was dealt with at the meeting held on 5 August 2024.

8.8 **MINUTES OF THE CONTINUATION OF THE ORDINARY COUNCIL MEETING: 13 JUNE 2024**

This item was dealt with at the meeting held on 5 August 2024.

8.9 **MINUTES OF THE CONTINUATION OF THE ORDINARY COUNCIL MEETING: 24 JUNE 2024**

This item was dealt with at the meeting held on 5 August 2024.

8.10 **MINUTES OF THE SPECIAL COUNCIL MEETING: 28 JUNE 2024**

This item was dealt with at the meeting held on 5 August 2024.

8.11 **MINUTES OF THE SPECIAL COUNCIL MEETING: 19 JULY 2024**

This item was dealt with at the meeting held on 5 August 2024.

9. **EXECUTION LIST**

This item was dealt with at the meeting held on 5 August 2024.

10. **STATEMENTS AND COMMUNICATIONS OF THE SPEAKER**

10.1 **REPORT ON MEETINGS/FUNCTIONS ATTENDED BY THE SPEAKER, CLLR MNCEDISI DAVID SKOSANA**

This item was dealt with at the meeting held on 5 August 2024.

11. STATEMENTS AND COMMUNICATIONS OF THE EXECUTIVE MAYOR

11.1 FUNCTIONS, MEETINGS & WORKSHOPS ATTENDED BY THE EXECUTIVE MAYOR

This item was dealt with at the meeting held on 5 August 2024.

11.2 STATEMENTS AND COMMUNICATIONS BY THE DEPUTY EXECUTIVE MAYOR

This item was dealt with at the meeting held on 5 August 2024.

11.3 REPORTS FROM REPRESENTATIVES ON THE GARDEN ROUTE DISTRICT MUNICIPALITY

This item was dealt with at the meeting held on 5 August 2024.

11.4 REPORTS FROM REPRESENTATIVES ON THE SALGA WORKING GROUPS

This item was dealt with at the meeting held on 5 August 2024.

11.5 REPORTS FROM COUNCILLORS REPRESENTING OUTSIDE BODIES AND ORGANISATIONS

This item was dealt with at the meeting held on 5 August 2024.

12. ITEMS FOR CONSIDERATION

12.1 RECOMMENDATIONS FROM THE MAYORAL COMMITTEE

ITEMS SUBMITTED TO THE COMMUNITY SERVICES COMMITTEE MEETING HELD ON 11 JUNE 2024

C01/06/24 REPORT ON MUNICIPAL HEALTH AND ENVIRONMENTAL SERVICES

This item was dealt with at the meeting held on 5 August 2024.

C03/06/24 DIGITALISATION OF TRAFFIC INFRINGEMENT NOTICES

This item was dealt with at the meeting held on 5 August 2024.

C04/06/24 GRASS CUTTING PROGRESS REPORT

This item was dealt with at the meeting held on 5 August 2024.

C05/06/24 REPORT: REQUEST TO DISSOLVE THE YOUTH COUNCIL 2022/2024

This item was dealt with at the meeting held on 5 August 2024.

C08/06/24 HORNLEE KALENDER STREET: NEW SATELLITE LIBRARY

This item was dealt with at the meeting held on 5 August 2024.

C11/06/24 INSTALLATION OF PLAYPARKS IN ALL WARDS FOR A MULTI - YEAR PROJECT 2024/2025 – 2025/2026 FINANCIAL YEAR

This item was dealt with at the meeting held on 5 August 2024.

C12/06/24 SPORT FIELDS: PROPOSED PROJECTS FOR THE 2024/2025 FINANCIAL YEAR

This item was dealt with at the meeting held on 5 August 2024.

C13/06/24 REPORT ON PROGRESS TO DATE BASED ON THE DIAGNOSTIC ASSESSMENT CONDUCTED IN 2023 AND CORRESPONDENCE BETWEEN THE MUNICIPALITY AND DEADP

This item was dealt with at the meeting held on 5 August 2024.

C14/06/24 IMPLEMENTATION OF THE RELIEF OF SOCIAL DISTRESS POLICY AND THE ASSOCIATED STANDARD OPERATING PROCEDURE

This item was dealt with at the meeting held on 5 August 2024.

ITEMS SUBMITTED TO THE INFRASTRUCTURE SERVICES COMMITTEE MEETING HELD ON 11 JUNE 2024

IS01/06/24 PROJECTS PROGRESS REPORT – JANUARY 2024

This item was dealt with at the meeting held on 5 August 2024.

IS05/06/24 PROJECTS PROGRESS REPORT – APRIL 2024

This item was dealt with at the meeting held on 5 August 2024.

ITEMS SUBMITTED TO THE FINANCE & GOVERNANCE COMMITTEE MEETING HELD ON 19 JUNE 2024 (CORPORATE ITEMS)

F&G3/06/24 RE-SUBMISSION REPORT ON APPLICATION TO PURCHASE A PORTION OF ERF 215, BUFFALO BAY ADJACENT TO ERF 186

This item was dealt with at the meeting held on 5 August 2024.

F&G4/06/24 APPLICATION TO PURCHASE A PORTION OF ERF 419, (BRENTON-ON-LAKE) BRENTON ADJACENT TO ERF 348, BRENTON

This item was dealt with at the meeting held on 5 August 2024.

F&G5/06/24 REPORT ON THE TERMINATION OF LEASE AGREEMENT BETWEEN KNYSNA MUNICIPALITY AND REQUEST TO ENTER INTO LONG TERM LEASE AGREEMENT – PORTION OF ERF 240, KARATARA

This item was dealt with at the meeting held on 5 August 2024.

F&G6/06/24 APPLICATION TO PURCHASE A PORTION OF ERF 11336, (HORNLEE) KNYSNA ADJACENT TO ERF 20386, KNYSNA

This item was dealt with at the meeting held on 5 August 2024.

F&G7/06/24 APPLICATION TO PURCHASE OF ERF 14077, (RHOBLOLO) KNYSNA ADJACENT TO ERVEN 21100 & 21101, KNYSNA

This item was dealt with at the meeting held on 5 August 2024.

F&G8/06/24 REPORT BACK ON REMAINDER OF ERF, 1692 SEDGEFIELD

This item was dealt with at the meeting held on 5 August 2024.

F&G10/06/24 ATTEMPT TO APPOINT A FACILITATOR ON THE DISPUTED PROPERTIES WITH THE GARDEN ROUTE DISTRICT MUNICIPALITY

This item was dealt with at the meeting held on 5 August 2024.

ITEMS SUBMITTED TO THE FINANCE & GOVERNANCE COMMITTEE MEETING HELD ON 9 JULY 2024 (FINANCE ITEMS)

F&G1/06/24 MONTHLY - STATEMENT – FEBRUARY 2024

This item was dealt with at the meeting held on 5 August 2024.

F&G2/06/24 CAPITAL BUDGET REPORT - 2023/2024 (AS AT 31 MARCH 2024)

This item was dealt with at the meeting held on 5 August 2024.

F&G3/06/24 QUARTERLY EXTERNAL LOANS REPORT: QUARTER 3 OF 2023/2024

This item was dealt with at the meeting held on 5 August 2024.

F&G4/06/24 WRITE-OFF OF INDIGENT DEBT AS AT 31 MAY 2024

This item was dealt with at the meeting held on 5 August 2024.

F&G5/06/24 ADOPTION BY COUNCIL THE PROPERTY RATES BY-LAW

This item was dealt with at the meeting held on 5 August 2024.

F&G6/06/24 FINAL REPORT ON REVENUE ENHANCEMENT STRATEGY

This item was dealt with at the meeting held on 5 August 2024.

F&G7/06/24 WRITING-OFF OF IRRECOVERABLE DEBT FROM 1 JUNE 2023 TO 30 MAY 2024

This item was dealt with at the meeting held on 5 August 2024.

F&G8/06/24 QUARTERLY SUPPLY CHAIN MANAGEMENT REPORT 01 JANUARY 2024 - 31 MARCH 2024

This item was dealt with at the meeting held on 5 August 2024.

F&G9/06/24 MONTHLY BUDGET STATEMENT – APRIL 2024

This item was dealt with at the meeting held on 5 August 2024.

F&G10/06/24 REPORT ON FRUITLESS AND WASTEFUL EXPENDITURE FOR JULY 2022 TO MAY 2024

This item was dealt with at the meeting held on 5 August 2024.

F&G11/06/24 UNAUTHORIZED, FRUITLESS AND WASTEFULL EXPENDITURE INCURRED TO DATE

This item was dealt with at the meeting held on 5 August 2024.

F&G12/06/24 MONTHLY BUDGET STATEMENT – MAY 2024

This item was dealt with at the meeting held on 5 August 2024.

F&G13/06/24 2024-2025 AUDIT COMMITTEE CHARTER AND WORK PLAN

This item was dealt with at the meeting held on 5 August 2024.

F&G14/06/24 INTERNAL AUDIT CHARTER 2024/2025

This item was dealt with at the meeting held on 5 August 2024.

ITEMS SUBMITTED TO THE MAYORAL COMMITTEE MEETING HELD ON 22 JULY 2024

M01/07/24 REPORT ON THE OVERSIGHT REPORT – 2022/2023 FINANCIAL YEAR

This item was dealt with at the meeting held on 5 August 2024.

M02/07/24 IDP/BUDGET/OPMS AND BUDGET TIME-SCHEDULE OF KEY DEADLINES IN PREPARATION OF 2025/2026 INTEGRATED DEVELOPMENT PLAN (IDP)/BUDGET AND ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM (OPMS)

This item was dealt with at the meeting held on 5 August 2024.

13. NEW MATTERS SUBMITTED BY THE ACTING MUNICIPAL MANAGER

C01/08/24 2024-2025 AUDIT COMMITTEE CHARTER & WORK PLAN

This item was dealt with at the meeting held on 5 August 2024.

C02/08/24 AUDIT COMMITTEE MEMBERS TERM EXPIRATION

This item was dealt with at the meeting held on 5 August 2024.

C03/08/24 2024/2025 IDP/BUDGET/PMS AND BUDGET TIME-SCHEDULE OF KEY DEADLINES IN PREPARATION FOR THE 2025/2026 INTEGRATED DEVELOPMENT PLAN (IDP)/BUDGET AND ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM (OPMS)

This item was dealt with at the meeting held on 5 August 2024.

C04/08/24 MONTHLY & QUARTERLY BUDGET STATEMENT – JUNE 2024

This item was dealt with at the meeting held on 5 August 2024.

C05/08/24 QUARTERLY WITHDRAWAL REPORT: QUARTER 4 OF 2023/2024

This item was dealt with at the meeting held on 5 August 2024.

C06/08/24 2023/2024 QUARTER 4 NON-FINANCIAL PERFORMANCE ASSESSMENT REPORT FOR THE PERIOD 1 APRIL 2024 – 30 JUNE 2024

This item was dealt with at the meeting held on 5 August 2024.

C07/08/24 PUBLIC PARTICIPATION PROCESS - SERVICE LEVEL AGREEMENT REGIONAL WASTE MANAGEMENT FACILITY

This item was dealt with at the meeting held on 5 August 2024.

C08/08/24 REPORT ON THE OVERSIGHT REPORT – 2022/2023 FINANCIAL YEAR

This item was dealt with at the meeting held on 5 August 2024.

C09/08/24 REPORT BACK ON REQUEST TO REGISTER A PUBLIC SERVITUDE OVER A PORTION OF FARM 394, NOETZIE

This item was dealt with at the meeting held on 5 August 2024.

C10/08/24 KNYSNA MUNICIPALITY SECTION 154 SUPPORT PLAN

This item was dealt with at the meeting held on 5 August 2024.

C11/08/24 DRAFT 2024/2025 BUDGET FUNDING PLAN

This item was dealt with at the meeting held on 5 August 2024.

C12/08/24 APPOINTMENT OF ACTING DIRECTOR COMMUNITY SERVICES

Proposal 1

That Mr Roland Butler be appointed as Acting Director: Community Services.

Proposer: Cllr S Campbell

Seconder: Cllr M Willemse

In favor of proposal	Against proposal
Cllr H Stroebel	Cllr A Tsengwa

Cllr J White	Cllr A Marbi
Cllr E Maxim	Cllr T Matika
Cllr C Vanston	Cllr P Petros
Cllr P Bester	Cllr R Arends
Cllr L Tyokolo	Cllr K Andrews
Cllr L Davis	Cllr B Charlie
Cllr M Willemse	Cllr W Grootboom
Cllr S Campbell	Cllr M Khumelwana
	Cllr M Skosana
Not present at time of voting	
Did not vote	
Abstained from voting	
Cllr N Louw	

Proposal 2

That Mr Moegamat Ridwaan Abdullah be appointed as Acting Director: Community Services

Proposer: Cllr B Charlie

Seconder: Cllr A Marbi

In favour of proposal	Against proposal
Cllr A Tsengwa	Cllr H Stroebe
Cllr A Marbi	Cllr J White
Cllr T Matika	Cllr E Maxim
Cllr P Petros	Cllr C Vanston
Cllr R Arends	Cllr P Bester
Cllr K Andrews	Cllr L Tyokolo
Cllr B Charlie	Cllr L Davis
Cllr W Grootboom	Cllr M Willemse
Cllr M Khumelwana	Cllr S Campbell
Cllr M Skosana	
Not present at time of voting	
Did not vote	
Abstained from voting	Cllr N Louw

Cllr B Charlie's proposal carried.

RESOLVED BY MAJORITY

- [a] That the report regarding the appointment of an Acting Director Community Services be noted; and
- [b] That Moegamat Ridwaan Abdullah be appointed as Acting Director Community Services, for a period of three (3) months or until the vacancy is filled, whichever comes first.

File Number: 9/1/2/14

Execution: Acting Municipal Manager

Acting Director: Corporate Services

Manager: Human Resources

DA Caucus from 09:57 until 10:14

C13/08/24 SKILLS DEVELOPMENT CENTRE – SOUTH CAPE COLLEGE (A PORTION OF ERF 3801, KNYSNA)

RESOLVED BY MAJORITY

- [a] That the report and annexures regarding the request to the Municipal Council to consider releasing more properties to be used by South Cape College, be noted;
- [b] That the Municipal Council rescind the Council resolution dated 5 December 2023:

“C10/11/23 REQUEST TO ESTABLISH A SKILLS DEVELOPMENT CENTRE

UNANIMOUSLY RECOMMENDED

[a]

[b]

[c] *That Council approves the allocation of Erven 568 and 571 to the South Cape College Satellite Campus in Knysna either through a donation or through a lease agreement for 9 years and 11 months with an option to renew; and*

[d]

- [c] That Council approves the allocation of Erven 568 and 571, Knysna to the South Cape College Satellite campus in Knysna for a long-term lease agreement of 99 years on the following conditions:

- That the rental be R 1,200-00 per annum with no escalation;
- That South Cape College should be responsible to pay all

- applicable municipal rates and services;
 - That dispute resolution mechanisms to settle disputes between the parties be included in the lease agreement;
 - That a periodic review be included in the lease agreement of once every three years; and
 - That should the South Cape College cease to exist, that the lease be cancelled, and the property be handed back to the Knysna Municipality.
- [d] That Council approves the allocation of a portion of Erf 3801, Knysna to the South Cape College Satellite Campus in Knysna for a long-term lease agreement of 99 years on the following conditions:
- That the rental be R 1,200-00 per month with no escalation;
 - That South Cape College should be responsible to pay all applicable municipal rates and services;
 - That dispute resolution mechanisms to settle disputes between the parties be included in the lease agreement;
 - That a periodic review be included in the lease agreement of once every three years;
 - That should the South Cape College cease to exist, that the lease be cancelled and the property be handed back to the Knysna Municipality; and
- [d] That the intention to utilize Erf 3801, be advertised for public comment.
- File Number: 7/2/1/2
Execution: Acting Municipal Manager
Acting Director: Corporate Services
Head: Properties

Cllr Campbell requested her vote be recorded against the above resolution.

C14/08/24 REPORT BACK ON APPLICATION FOR LEASE AGREEMENT – FOR A PORTION OF ERF 1316, KNYSNA ABUTTING ERF 3556, KNYSNA

UNANIMOUSLY RESOLVED

- [a] That the report and annexures regarding the request for lease agreement on a portion of Erf 1316, Knysna, be noted;
- [b] That the report from an Independent Environmental Practitioner be noted;
- [c] That in terms of Section 14(2)(b) of the Local Government: Municipal Finance Management Act, 2003, the Municipal Manager be directed to appoint a Registered Professional Valuer to determine the fair market value of a portion of Erf 1316, Knysna, at the applicant's expense;
- [d] That the Acting Municipal Manager further be directed to advertise the intended leasing of a portion of Erf 1316, Knysna to the owner of Erf 3556, Knysna; and

- [e] That after the advertising period the matter must be resubmitted to the next section 80 (Finance and Corporate Service Committee).

File Number: 7/1/2/5
Execution: Acting Municipal Manager
Acting Director: Corporate Services

Cllr Campbell requested her vote be recorded against the above resolution.

*Cllr Grootboom stepped out at 10:51
Cllr Grootboom returned at 10:55*

The Speaker requested that the Executive Mayor and the Mayoral Committee to his Chambers at 10:56 until 11:09

C15/08/24 SAFE SPACES FOR HOMELESS PEOPLE PROGRESS REPORT

That the item on the Safe Spaces from Homeless People progress report, be withdrawn.

C16/08/24 APPOINTMENT OF AN ACTING DIRECTOR CORPORATE SERVICES

This item was dealt with at the meeting held on 5 August 2024.

C17/08/24 CONDONATION OF ACTING APPOINTMENTS – ACTING DIRECTORS

This item was dealt with at the meeting held on 5 August 2024.

C18/08/24 LEGAL OPINIONS ON ACTING APPOINTMENTS

This item was dealt with at the meeting held on 5 August 2024.

Body break from 11:18 until 12:17

C19/08/24 ROLL-OVER ADJUSTMENTS BUDGET – 2024/2025 (AUGUST 2024)

Cllr Marbi proposed, seconded by Cllr Charlie

UNANIMOUSLY RESOLVED

- [a] That Council approves the 2024/2025 Roll-Over Adjustments Budget (Annexure A);
- [b] That the Capital Budget by Directorate, Department and per Capital Project, included in Appendix 1 of the August 2024 Roll-Over Adjustments Budget Report, be approved by Council;
- [c] That the reasons for the committed roll-overs, included in Appendix 2 of the August 2024 Roll-Over Adjustments Budget Report, be approved by Council;
- [d] That Schedules B1 to B10, included in Appendix 3 of the August 2024 Roll-Over Adjustments Budget Report, be approved by Council;

- [e] That Council takes note that no taxes and tariffs are affected by the approval of this Roll-Over Adjustments Budget;
- [f] That the Service Delivery Budget Implementation Plan (SDBIP) be adjusted accordingly;
- [g] That the August 2024 Roll-Over Adjustments Budget Report for 2024/2025 be submitted to the National Treasury and the Western Cape Provincial Treasury; and
- [h] That the August 2024 Roll-Over Adjustments Budget Report for 2024/2025 be published on the municipal website and relevant print media.

File Number: 9/1/2/10

Execution: Director: Financial Services

DA & ANC Caucus from 12:32 until 12:57

C20/08/24 REPORT ON GREY ELEPHANT INVESTMENT PTY LTD t/a THE KNYSNA MALL // THE REX HOTEL // THE GALARY BODY CORPORATE

KIM Caucus from 13:19 until 13:20

ANC Caucus from 13:28 until 13:41

Proposal 1:

- [a] That the report on the status of the Grey Elephant Investments, the Rex Hotel, and The Gallery Body Corporate be noted;
- [b] That Council confirms that the Executive Mayor did not have the authority to accept the offer from Grey Elephant Investment Pty Ltd t/a The Knysna Mall // The Rex Hotel // The Galary Body Corporate dated 27 July 2023;
- [c] That Council did not accept any offers from Grey Elephant Investment Pty Ltd t/a The Knysna Mall // The Rex Hotel // The Galary Body Corporate regarding the debt and that the full amount outstanding according to the Administration be collected; and
- [d] That Council needs to obtain legal advice as to the implications of the acceptance of the offer by the Mayor on the 30 April 2024.

Proposer: Cllr S Campbell

Seconder: Cllr M Willemse

In favour of proposal	Against proposal
Cllr S Campbell	
Cllr M Willemse	
	Cllr A Tsengwa
	Cllr A Marbi
	Cllr T Matika
	Cllr P Petros
	Cllr N Louw

	Cllr R Arends
	Cllr K Andrews
	Cllr B Charlie
	Cllr W Grootboom
	Cllr M Khumelwana
	Cllr M Skosana
Not present at time of voting	
Did not vote	
Abstained from voting	
Cllr H Stroebeel	
Cllr J White	
Cllr E Maxim	
Cllr C Vanston	
Cllr P Bester	
Cllr L Tyokolo	
Cllr L Davis	

Proposal 2:

- [a] That the report on the status of the Grey Elephant Investments, the Rex Hotel, and The Gallery Body Corporate be noted;
- [b] That all previous resolutions related to Grey Elephant Investments, the Rex Hotel, and The Gallery Body Corporate be rescinded;
- [c] That the account be handed over to the Municipality's Debt Collector's for recovery of the full outstanding debt to date;
- [d] That no payments be made to Grey Elephant Investments in respect of the lease for Office Accommodation; and
- [e] That the conduct of the Executive Mayor be investigated for breach of the Code of the Conduct for Councillors

Proposer: Cllr P Bester
Seconder: Cllr C Vanston

In favour of proposal	Against proposal
Cllr H Stroebeel	Cllr A Tsengwa
Cllr J White	Cllr A Marbi
Cllr E Maxim	Cllr T Matika
Cllr C Vanston	Cllr P Petros
Cllr P Bester	Cll N Louw
Cllr L Tyokolo	Cllr R Arends
Cllr L Davis	Cllr K Andrews

Cllr S Campbell	Cllr B Charlie
Cllr M Willemse	Cllr W Grootboom
	Cllr M Khumelwana
	Cllr M Skosana
Not present at time of voting	
Did not vote	
Abstained from voting	

Proposal 3:

- [a] That report on the status of the Grey Elephant, the Rex Hotel, and The Gallery Body Corporate be noted;
- [b] That Council express itself on the Council resolutions with regard to the Grey Elephant, the Rex Hotel and The Gallery Body, as follows:
 - [i] That Council resolution dated **31 July 2023 as set out hereunder be confirmed as final:**

C02/07/23 [IC] WRITING-OFF OF IRRECOVERABLE DEBT – 2022/2023

UNANIMOUSLY RESOLVED

- [a] That Council takes note of the item on the irrecoverable debt to be written-off;
- [b] That Council takes note of the various settlement offers (annexed hereto) submitted by the respective Clients;
- [c] That Council approves the amounts to be written-off for Simola Hotel, as specified in the Table above;
- [d] That Council approves, in principle, the settlement offer submitted by Grey Elephant (Pty) Ltd and Rex Extension (Pty) Ltd, which is subject to internal review;
- [e] That Council takes notes that these amounts will be written-off or credited in the previous financial year (2022/2023);

[f] That Council takes notes that these Clients have committed to paying timeously in future, following correction of the disputed billings.

[ii] That Council resolution dated **12 December 2023** as set out hereunder, be rescinded:

C08/12/23 **WRITING OFF OF IRRECOVERABLE DEBT - 2022/2023**

RESOLVED BY MAJORITY

That Council mandates the administration to re-negotiate with the Clients pertaining to the recovery of the full outstanding amount and to determine whether the 50/50 write-off is still applicable for the outstanding amount based on the correct figures.

[c] That, if any of the options is confirmed by Council, the implementation is subject to the acceptance of the offer within 3 days and payment of the offer be made within 14 days and a 3-month payment plan for the total outstanding debt from 1 July 2023 to date be made with Municipal Debt Collectors (due to complexity of accounts involved).

Proposer: Cllr T Matika
Seconder: Cllr B Charlie

In favour of proposal	Against proposal
Cllr A Tsengwa	Cllr H Stroebe
Cllr A Marbi	Cllr J White
Cllr T Matika	Cllr E Maxim
Cllr P Petros	Cllr C Vanston
Cllr N Louw	Cllr P Bester
Cllr R Arends	Cllr L Tyokolo
Cllr K Andrews	Cllr L Davis
Cllr B Charlie	Cllr S Campbell
Cllr W Grootboom	Cllr M Willemse
Cllr M Khumelwana	
Cllr M Skosana	
Not present at time of voting	
Did not vote	
Abstained from voting	

Cllr Matika's proposal carried

RESOLVED BY MAJORITY

- [a] That report on the status of the Grey Elephant, the Rex Hotel, and The Gallery Body Corporate be noted;
- [b] That Council express itself on the Council resolutions with regard to the Grey Elephant, the Rex Hotel and The Gallery Body, as follows:
 - [i] That Council resolution dated **31 July 2023 as set out hereunder be confirmed as final:**

C02/07/23 [IC] WRITING-OFF OF IRRECOVERABLE DEBT - 2022/2023

UNANIMOUSLY RESOLVED

- [a] *That Council takes note of the item on the irrecoverable debt to be written-off;*
- [b] *That Council takes note of the various settlement offers (annexed hereto) submitted by the respective Clients;*
- [c] *That Council approves the amounts to be written-off for Simola Hotel, as specified in the Table above;*
- [d] *That Council approves, in principle, the settlement offer submitted by Grey Elephant (Pty) Ltd and Rex Extension (Pty) Ltd, which is subject to internal review;*
- [e] *That Council takes note that these amounts will be written-off or credited in the previous financial year (2022/2023);*
- [f] *That Council takes note that these Clients have committed to paying timeously in future, following correction of the disputed billings.*
- [ii] That Council resolution dated **12 December 2023 as set out hereunder, be rescinded:**

C08/12/23 WRITING OFF OF IRRECOVERABLE DEBT - 2022/2023

RESOLVED BY MAJORITY

That Council mandates the administration to re-negotiate with the Clients pertaining to the recovery of the full outstanding amount and to determine whether the 50/50

write-off is still applicable for the outstanding amount based on the correct figures.

- [c] That, if any of the options is confirmed by Council, the implementation is subject to the acceptance of the offer within 3 days and payment of the offer be made within 14 days and a 3-month payment plan for the total outstanding debt from 1 July 2023 to date be made with Municipal Debt Collectors (due to complexity of accounts involved).

File Number: 9/1/2/10
Execution: Acting Municipal Manager
Director: Financial Services
Manager: Income

The following Councillors requested their vote be recorded against the above resolution:

*Cllr H Stroebe
Cllr J White
Cllr E Maxim
Cllr C Vanston
Cllr P Bester
Cllr L Tyokolo
Cllr L Davis
DA Caucus from 13:54 until 14:00*

C21/08/24 UPDATE ON THE SECONDMENT OF A DIRECTOR INFRASTRUCTURE

UNANIMOUSLY RESOLVED

- [a] That Council notes the report from the Acting Municipal Manager regarding the secondment of Mr Mangwengwende and the letter dated 15 August 2024 from the MEC willing to second Mr Mangwengwende for a period of one month as an Engineer; be noted;
- [b] That the Acting Municipal Manager be instructed to write to the MEC requesting Mr Mangwengwende be seconded as Engineer for a period of three months and not one month; and
- [b] That the Acting Municipal Manager engage with SALGA and the National Province on secondment for an Acting Director Infrastructure and that the proposals be submitted to a Special Council Meeting for consideration.

File Number: 9/1/2/14
Execution: Acting Municipal Manager
Acting Director Corporate Services
Manager Human Resources

C22/08/24 PROGRESS ON THE MOVE INTO NEW MUNICIPAL OFFICES SITUATED ON A PORTION OF ERF 16472, KNYSNA – KNYSNA MALL (GREY ELEPHANT INVESTMENTS PTY LTD)

UNANIMOUSLY RESOLVED

That the item regarding the Progress on the move into New Municipal offices situated on a Portion of Erf 16472, Knysna – Knysna Mall (Grey Elephant Investments (Pty) (Ltd) be withdrawn and submitted to a following Council meeting.

14. ITEMS FOR NOTING

ITEMS SUBMITTED TO THE COMMUNITY SERVICES COMMITTEE MEETING HELD ON 11 JUNE 2024

C02/06/24 REPORT ON ARTS AND CULTURE PROGRAMMES FOR 2024/2025

UNANIMOUSLY RESOLVED

That the Arts and Culture Programmes for 2024/2025, be noted.

File Number: 9/1/2/5

Execution: Director: Community Services

C06/06/24 REPORT ON THE INTENDED IMPLEMENTATION OF AARTO

UNANIMOUSLY RESOLVED

That the report, specifically with regard to its functionality and constitutional challenges to implement AARTO, be noted.

File Number: 9/1/2/5

Execution: Director: Community Services

C07/06/24 THE SPELLING, READING, WRITING, BOOK REVIEW & DEBATE COMPETITIONS

UNANIMOUSLY RESOLVED

That the spelling, reading, writing, book review and debate competitions report be noted.

File Number: 9/1/2/5

Execution: Director: Community Services

C09/06/24 PUBLIC SAFETY: TRAFFIC AND LAW ENFORCEMENT REPORT – APRIL 2024

UNANIMOUSLY RESOLVED

That the report on Public Safety: Traffic and Law Enforcement Section for April 2024, be noted.

File Number: 9/1/2/5
Execution: Director: Community Services

C10/06/24 FIRE HYDRANT MAINTENANCE REPORT

UNANIMOUSLY RESOLVED

That the Fire Hydrant Maintenance Report from the Director Community Services be noted.

File Number: 9/1/2/5
Execution: Director: Community Services

C15/06/24 SAFE SPACES FOR HOMELESS PEOPLE PROGRESS REPORT

UNANIMOUSLY RESOLVED

That the matter with regard to the Safe Spaces for Homeless People be referred to the next Council Meeting scheduled for 13 June 2024, for consideration.

File Number: 9/1/2/5
Execution: Director: Community Services

C16/06/24 SECURITY INCIDENT REPORT

UNANIMOUSLY RESOLVED

That the Report on the Security incident Report of Khayaletu Reservoir, be noted.

File Number: 9/2/1/5
Execution: Director: Community Services

**ITEMS SUBMITTED TO THE INFRASTRUCTURE SERVICES COMMITTEE MEETING
HELD ON 11 JUNE 2024**

**IS02/06/24 ELECTRICAL & MECHANICAL DEPARTMENT CAPITAL PROJECT
REPORT FROM JANUARY – FEBRUARY 2024**

UNANIMOUSLY RESOLVED

That the report from Electrical and Mechanical Department Capital Project from January – February 2024, be noted.

File number: 9/1/2/1
Execution: Manager Electro Technical

**IS03/06/24 ELECTRICAL & MECHANICAL SERVICES KNYSNA MUNICIPAL FLEET
REPORT FROM JANUARY - APRIL 2024**

UNANIMOUSLY RESOLVED

That the report from the Electrical and Mechanical Services Knysna Municipal Fleet report from January – April 2024, be noted.

File Number: 9/1/2/1

Execution: Manager: Electro Technical

**IS04/06/24 ELECTRICAL AND MECHANICAL DEPARTMENT INEP PROJECT
REPORT FOR JANUARY – APRIL 2024**

UNANIMOUSLY RESOLVED

That the report from Electrical and Mechanical Department INEP Project for January – April 2024, be noted.

File Number: 9/1/2/1

Execution: Manager: Electro Technical

**IS06/06/24 REPORT OF THE ROADS, TRANSPORT & STORM WATER & BUILDINGS
MAINTENANCE DIVISION (RTSBMD) UP TO APRIL 2024**

UNANIMOUSLY RESOLVED

That the report of the roads, transport and storm water & buildings maintenance division (RTSBMD) up to April 2024, be noted.

File Number: 9/1/2/1

Execution: Manager: Public Works

**IS07/06/24 ELECTRICAL & MECHANICAL SERVICES KNYSNA MUNICIPAL FLEET
REPORT FROM JANUARY - APRIL 2024**

UNANIMOUSLY RESOLVED

That the report from Electrical and Mechanical Services Knysna Municipal Fleet of January – April 2024, be noted.

File Number: 9/1/2/1

Execution: Manager: Electro Technical

**IS08/06/24 ELECTRICAL & MECHANICAL DEPARTMENT CAPITAL PROJECT
REPORT FROM JANUARY – APRIL 2024**

UNANIMOUSLY RESOLVED

That the report from Electrical and Mechanical Department Capital project from January – April 2024, be noted.

File Number: 9/1/2/1

Execution: Manager: Electro Technical

IS9/06/24 REPORT ON THE OPERATIONS AND MAINTENANCE FOR WATER AND SEWER – JANUARY TO FEBRUARY 2024

UNANIMOUSLY RESOLVED

That the report on the Operations and Maintenance for Water and Sewer – January to February 2024, be noted.

File Number: 9/1/2/1

Execution: Manager: Water and Sewer

IS10/06/24 REPORT OF THE ROADS, TRANSPORT & STORM WATER & BUILDINGS MAINTENANCE DIVISION (RTSBMD) FOR FEBRUARY 2024

UNANIMOUSLY RESOLVED

That the report of the Roads, Transport & Storm water and buildings maintenance division (RTSMD) for February 2024, be noted.

File Number: 9/1/2/1

Execution: Manager: Water and Sewer

IS11/06/24 REPORT ON THE OPERATIONS AND MAINTENANCE FOR WATER AND SEWER – MARCH TO APRIL 2024

UNANIMOUSLY RESOLVED

That the report on the operations and maintenance for Water and Sewer March to April 2024, be noted.

File Number: 9/1/2/1

Execution: Manager Water and Sewer

ITEMS SUBMITTED TO THE FINANCE & GOVERNANCE COMMITTEE MEETING HELD ON 19 JUNE 2024 (CORPORATE ITEMS)

F&G1/06/24 PUBLIC PARTICIPATION REPORT JANUARY – MARCH 2024

UNANIMOUSLY RESOLVED

That the report of the Public Participation Unit for January to March 2024 as received from the Director: Corporate Service, be noted.

File Number: 9/1/1/1

Execution: Director: Corporate Services
 Manager: Public Participation

F&G2/06/24 QUARTER 3 REPORT ON LEGAL MATTERS, 2023/24, INCLUDING PERIOD FOR 1 APRIL – 31 MAY 2024

UNANIMOUSLY RESOLVED

That the report on Legal Matters for Quarter 3, including 1 April 2024 – 31 May 2024, of the 2023/24 financial year be noted.

File Number: 9/1/2/9
Execution: Director: Corporate Services
Acting Manager: Legal Services

F&G9/06/24 REPORT BACK ON APPLICATION FOR LEASE AGREEMENT – FOR A PORTION OF ERF 1316, KNYSNA BUTTING ERF 3556, KNYSNA

UNANIMOUSLY RESOLVED

- [a] That the report and annexure's regarding the request for lease agreement on a portion of Erf 1316, Knysna, be noted; and
- [b] That a full report from the independent Environmental Practitioner be provided and that this item be referred to the next Finance and Governance Committee meeting.

File Number: 7/1/2/5
Execution: Municipal Manager
Director: Corporate Services

F&G11/06/24 REPORT ON CORPORATE SERVICES SDBIP QUARTERLY PERFORMANCE REPORT 3RD QUARTER OF 2023/24 JANUARY-MARCH 2024

UNANIMOUSLY RESOLVED

That the Corporate Services SDBIP Quarterly Performance Report January – March 2024, be noted.

File Number: 9/1/2/9
Execution: Director: Corporate Services

ITEMS SUBMITTED TO THE PLANNING, ECONOMIC DEVELOPMENT & TOURISM COMMITTEE MEETING HELD ON 26 JUNE 2024

P01/06/24 ECONOMIC DEVELOPMENT DEPARTMENT PERFORMANCE REPORT: JANUARY 2024 TO MARCH 2024

UNANIMOUSLY RESOLVED

- [a] That the Economic Development Department Performance Report for the period January 2024 to March 2024, be noted; and
- [b] That an Urgent Intervention / Action Plan be submitted to the next Planning, Economic Development & Tourism Committee meeting on

the safety measures to be put in place in the central business district, particularly Templeman Square and the Taxi Rank.

File Number: 9/1/2/13
Execution: Director: Planning and Economic Development
Manager: Economic Development

**P02/06/24 EXPANDED PUBLIC WORKS PROGRAMME REPORT FOR QUARTER 3:
JANUARY 2024 TO MARCH 2024**

UNANIMOUSLY RESOLVED

That the Expanded Public Works Programme Report for Quarter 3: January 2024 to March 2024.

File Number: 9/1/2/13
Execution: Director: Planning and Economic Development
Manager: Economic Development

**P03/06/24 ENVIRONMENTAL PERFORMANCE REPORT FOR JANUARY,
FEBRUARY AND MARCH 2024**

UNANIMOUSLY RESOLVED

That the Environmental Management Department Performance Report for January 2024, February 2024 and March 2024, be noted.

File Number: 9/1/2/13
Execution: Director: Planning and Economic Development
Manager: Environmental Management

P04/06/24 ENVIRONMENTAL PERFORMANCE REPORT APRIL AND MAY 2024

UNANIMOUSLY RESOLVED

That the Environmental Management Department Performance Report for the period April and May 2024, be noted.

File Number: 9/1/2/12
Execution: Director: Planning & Economic Development
Manager: Environmental Management

**P05/06/24 BUILDING CONTROL DIVISION PERFORMANCE REPORT FOR THE
PERIOD JANUARY 2024 TO MARCH 2024 (QUARTER 3)**

UNANIMOUSLY RESOLVED

That the Building Control Division Performance Report for the period January 2024 to March 2024 (Quarter 3), be noted.

File Number: 9/1/2/13
Execution: Director: Planning and Economic Development
Manager: Building Control

P06/06/24 LAND USE MANAGEMENT DEPARTMENT PERFORMANCE REPORT FOR THE PERIOD JANUARY 2024 TO MARCH 2024

UNANIMOUSLY RESOLVED

That the Land Use Management Departmental report for the period January 2024 to March 2024, be noted.

File Number: 9/1/2/13

Execution: Director: Planning and Economic Development
Manager: Land Use Management

P07/06/24 FUNDING FOR THE BONGANI REHABILITATION PROJECT

UNANIMOUSLY RESOLVED

That the Report for the Funding for the Bongani Rehabilitation Project, be noted.

File Number: 9/1/2/13

Execution: Director: Planning and Economic Development
Manager: Environmental Management

P08/06/24 UPDATE ON BIGAI CATCHMENT

UNANIMOUSLY RESOLVED

That the report on the Update on Bigai Catchment, be noted.

File Number: 9/1/2/13

Execution: Director: Planning & Economic Development

ITEMS SUBMITTED TO THE INTERGRATED HUMAN SETTLEMENTS COMMITTEE MEETING HELD ON 01 JULY 204

IHS01/07/24 INTEGRATED HUMAN SETTLEMENTS MONTHLY REPORT: FOR THE PERIOD FEBRUARY 2024 TO MARCH 2024

UNANIMOUSLY RESOLVED

- [a] That the Integrated Human Settlements Monthly Report for the period February 2024 to March 2024, be noted;
- [b] That future reports include amongst others, complaints received, staff matters, contractor issues, ward projects and special projects; and
- [c] That Rheenendal and Karatara matters raised by Councillors, be addressed urgently.

File Number: 9/1/2/15

Execution: Acting Director: Integrated Human Settlements
Manager: Integrated Human Settlements

IHS02/07/24 BUSINESS PLAN FOR 2023/24 FINANCIAL YEAR AND PROJECTED TARGETS FOR OTHER FINANCIAL YEARS 2024/25/2025/26

UNANIMOUSLY RESOLVED

That The 2023/24 Housing Business Plan as approved by the Western Cape Department of Human Settlement and the projected targets for the other financial years 2024/25 and 2025/2026 (WC DoHS), be noted.

File Number: 9/1/2/15

Execution: Acting Director: Integrated Human Settlements
Manager: Integrated Human Settlements

IHS03/07/24 BUSINESS PLAN FOR 2024/25 FINANCIAL YEAR

UNANIMOUSLY RESOLVED

That the 2024/25 Housing Business Plan as approved by the Western Cape Department of Infrastructure, be noted.

File Number: 9/1/2/15

Execution: Acting Director: Integrated Human Settlements
Manager: Integrated Human Settlements

15. IN COMMITTEE ITEMS (SEE SEPARATE AGENDA)

16. Consideration of Questions

None

17. Considerations of Motion

17.1 NOTICE OF MOTION FOR THE REMOVAL OF THE SPEAKER, CLLR MNCEDISI DAVID SKOSANA

This item was dealt with at the meeting held on 5 August 2024.

Body break from 14:15 until 14:43

17.2 NOTICE OF MOTION FOR THE REMOVAL OF THE EXECUTIVE MAYOR FROM OFFICE

That the Notice of Motion for the Removal of the Executive Mayor from Office lapsed according to Rule 40 of the Rules of Order.

18. Consideration of Motions of Exigency

None

19. ADJOURNMENT

The Speaker thanked everyone for their contribution and the meeting be adjourned at 14:54.

Approved:

Cllr. M D Skosana

.....
Speaker

-oOo-

.....
Date

8.3 **MINUTES OF THE SPECIAL COUNCIL MEETING: 9 SEPTEMBER 2024**

RECOMMENDATION

That the minutes of the Special Council meeting held on 9 September 2024, be confirmed.

KNYSNA LOCAL MUNICIPALITY

MINUTES

OF A SPECIAL MEETING
OF THE
KNYSNA MUNICIPALITY
WHICH WAS HELD ON
Monday, 9 September 2024 at 10:03
In the Council Chambers

COUNCILLORS IN ATTENDANCE

Speaker, Cllr Skosana, M D [ANC]
Executive Mayor, Cllr Tsengwa, N [ANC]
Deputy Executive Mayor, Cllr Marbi, A [PBI]
Cllr Andrews, K [ANC]
Cllr Arends, R [ANC]
Cllr Bester, P [DA]
Cllr Campbell, S [KIM]
Cllr Charlie, B [PA]
Cllr Davis, L V [DA]
Cllr Grootboom, W [PA] *(on MSTeams)*
Cllr Khumelwana, M [ANC]
Cllr Louw, N [EFF]
Cllr Matika, T [ANC]
Cllr Maxim, E [DA]
Cllr Petros, P [ANC]
Cllr Sabbagh, S [DA]
Cllr Stroebel, H [DA] *(on MSTeams)*
Cllr Tyokolo, L [DA]
Cllr Vanston, C [DA]
Cllr White, J [DA]
Cllr Willemse, M [KIM] *(on MSTeams)*

OFFICIALS IN ATTENDANCE

Malepeng, PS	Acting Municipal Manager
Dunywa, A	Director: Planning and Development and Acting Director: Integrated Human Settlements
Van Wyk, I	Acting Director: Community Services
Jagaysor, A	Acting Director: Financial Services
Moon, Z	Acting Director: Corporate Services (<i>on MSTeams</i>)
Botha, C	Manager: Administration
Campher, E	Acting Head: Properties & MPAC Co-ordinator
Phillips, L	Manager: Human Resources
Botha, M	Acting Manager: Legal Services
McKenzie, E	Project Manager
Mkangisa, L	Intern
Faneri, N	Intern
Lakay, J	Head: Council Committees and Councillor Support
Burger, T	Committee Officer
Mjamba, B	Interpreter

AUDIT COMMITTEE

The meeting was streamed live on YouTube.

PUBLIC MEMBERS

The meeting was streamed live on YouTube.

1. OPENING AND WELCOMING

The Speaker welcomed Councillors and officials to the meeting and confirmed that Councillors and the officials as recorded above, were present.

2. SILENT PRAYER

Cllr K Andrews opened the meeting with a prayer.

The Speaker requested a moment of silence.

3. ATTENDANCE OF MEMBERS

3.1 Councillors Present

Twenty-One Councillors present

3.2 Councillors Absent with Leave

None

3.3 Councillors absent without Leave

None

4. **NOTING OF THE PROVISIONS OF THE CODE OF CONDUCT FOR COUNCILLORS**

The Speaker drew the attention of Councillors to the Schedule 1 of the Local Government: Municipal Systems Act, 2000.

UNANIMOUSLY RESOLVED

That the Code of Conduct for Councillors, be noted.

5. **DISCLOSURE OF INTERESTS BY COUNCILLORS**

UNANIMOUSLY RESOLVED

No Councillor disclosed any interest.

6. **NEW MATTERS SUBMITTED BY THE ACTING MUNICIPAL MANAGER**

SC01/09/24 **APPOINTMENT OF AN ACTING MUNICIPAL MANAGER**

Before discussing the item, Council moved to In Committee in order for Human Resources to explain how far the appointment processes are.

Cllr Khumelwana stepped out at 10:18

Cllr Khumelwana returned at 10:43

DA Caucus from 10:21 until 10:43

Proposal 1

Ask MEC Bredell to give concurrence for Mr PS Malepeng to be appointed as Acting Municipal Manager, for a period of three (3) months or until the vacancy is filled, whichever comes first.

KIM Caucus from 10:49 until 10:58

Proposal 1: Mover	Cllr T Matika
Seconder	Cllr N Louw
Votes in Favor of Proposal	11
Votes Against Proposal	2
Abstain	Cllr L Davis Cllr S Sabbagh Cllr L Tyokolo Cllr P Bester Cllr H Stroebe Cllr C Vanston Cllr E Maxim Cllr J White
Not present at time of voting	n/a
No vote	n/a

Proposal 2

That MEC, Mr A Bredell be requested to second an Acting Municipal Manager to the Knysna Municipality and if there is no one to second that an internal individual be appointed as Acting Municipal Manager.

Proposal 2: Mover	Cllr S Campbell
Seconder	Cllr M Willemse
Votes in Favor of Proposal	2
Votes Against Proposal	11
Abstain	Cllr L Davis Cllr S Sabbagh Cllr L Tyokolo Cllr P Bester Cllr H Stroebel Cllr C Vanston Cllr E Maxim Cllr J White
Not present at time of voting	n/a
No vote	n/a

That Cllr T Matika's proposal carried.

RESOLVED BY MAJORITY

- [a] That the report regarding the appointment of an Acting Municipal Manager, be noted;
- [b] That Council takes note that the MEC has approved the appointment of Mr Malepeng as Acting Municipal Manager.
- [c] That Council takes note that in terms of Clause 12(4)(a) of Government Gazette, No. 37245, the Municipal Manager forms the Chairperson of the selection panel of the four vacancies of Directors currently in process. Extension of the acting period is therefore beneficial to Council in terms of continuity of the Selection Panels.
- [d] That MEC Mr A Bredell be requested to give concurrence for Mr PS Malepeng to be appointed as Acting Municipal Manager, for a period of three (3) months or until the vacancy is filled, whichever comes first.

File Number: 9/1/2/9

Execution: Acting Director: Corporate Services
Manager: Human Resources

SC02/09/24 APPOINTMENT OF ACTING DIRECTOR CORPORATE SERVICES

EFF Caucus from 11:04 until 11:08

Proposal 1

Ask MEC, Mr A Bredell to give concurrence for Ms Zoleka Moon to be appointed as Acting Director Corporate, for a period of three (3) months or until

the vacancy is filled, whichever comes first. If the MEC does not respond before Ms Z Moon's contract expires, an Internal Person should be appointed as Acting Director Corporate Services.

Proposal 1: Mover	Cllr T Matika
Seconder	Cllr B Charlie
Votes in Favor of Proposal	11
Votes Against Proposal	10
Abstain	n/a
Not present at time of voting	n/a
No vote	n/a

Proposal 2

That MEC, Mr A Bredell be requested to second an Acting Director Corporate Services which qualifies to the Knysna Municipality and if there is no one to second that an internal individual be appointed as Acting Director Corporate Services.

Proposal 2: Mover	Cllr S Campbell
Seconder	Cllr M Willemse
Votes in Favor of Proposal	10
Votes Against Proposal	11
Abstain	n/a
Not present at time of voting	n/a
No vote	n/a

DA Caucus from 11:13 until 11:20

The proposal of Cllr T Matika carried.

RESOLVED BY MAJORITY

- [a] That the report regarding the appointment of an Acting Director Corporate Services, be noted; and
- [b] That Council takes note that the MEC has approved the appointment of the Acting Director Corporate Services, Ms Moon; and
- [c] That MEC, Mr A Bredell be requested give concurrence for Ms Zoleka Moon to be appointed as Acting Director Corporate, for a period of three (3) months or until the vacancy is filled, whichever comes first. If the MEC does not respond before Ms Z Moon's contract expires, an Internal Person should be appointed as Acting Director Corporate Services.

File Number : 9/1/2/14

Execution : Acting Municipal Manager
Manager : Human Resources

SC03/09/24 PROGRESS ON THE MOVE INTO NEW MUNICIPAL OFFICES SITUATED ON A PORTION OF ERF 16472, KNYSNA – KNYSNA MALL (GREY ELEPHANT INVESTMENTS PTY LTD)

UNANIMOUSLY RESOLVED

That the Report regarding the update to the Progress made to relocate to the new Municipal offices situated on a portion of Erf 16472, Knysna (the Knysna Mall) dated July 2024 be withdrawn and a comprehensive report be submitted to a next Council meeting.

SC04/09/24 ALIGNMENT OF FUNDED VACANCIES FUNDING PROVISION DIRECTORATE INFRASTRUCTURE TO SECTION 154 PLAN

UNANIMOUSLY RESOLVED

That Council notes the report on the re-alignment of the vacancies in the Directorate Infrastructure to the requirements and commitments in terms of the Section 154 plan submitted to MEC of Local Government, Environmental Affairs and Development Planning, Mr. Anton Bredell.

File Number : 9/1/2/14

Execution : Acting Director Corporate Services
 Manager : Human Resources

SC05/09/24 APPOINTMENT OF REPRESENTATIVES ON SALGA WESTERN CAPE WORKING GROUPS

EFF Caucus from 11:52 until 11:57

UNANIMOUSLY RESOLVED

- [a] That recommendations [a] to [c] be withdrawn and that the item with regard to the appointment of representatives on the SALGA Western Cape Working Groups, be submitted to a subsequent Council meeting;
- [b] That Cllr A Marbi and Cllr W Grootboom be replaced with Cllr B Charlie and Cllr N Louw on the Local Labour Forum Committee; and
- [c] That Cllr T Matika replace Cllr S Campbell as Chairperson on the Placement Committee.

File Number : 9/1/2/9

Execution : Acting Director : Corporate Services

SC06/09/24 SAFA NATIONAL SASOL LEAGUE PLAY-OFFS 2024 KNYSNA (EDEN REGION) WEST : 14 – 21 OCTOBER 2024

UNANIMOUSLY RESOLVED

- [a] That the information as per the item (SAFA National Sasol league play-offs 2024 Knysna (Eden Region) west) be noted; and

[b] That Council approves the support to hosting of the event in Knysna.

File Number: 9/1/2/5

Execution: Acting Director: Community Services

SC07/09/24 UPDATE ON THE SECONDMENT OF AN ACTING DIRECTOR INFRASTRUCTURE SERVICES

UNANIMOUSLY RESOLVED

That the update with regard to the secondment of Mr Enson Muranganwa Mangwengwende to the Knysna Municipality, be noted.

File Number: 9/1/2/14

Execution: Acting Municipal Manager

Manager: Human Resources

KIM Caucus from 12:35 until 12:45

Body break from 12:45 until 14:14

SC08/09/24 APPOINTMENT OF AN ACTING DIRECTOR COMMUNITY SERVICES

UNANIMOUSLY RESOLVED

[a] That the Council notes the correspondence of the MEC dated 06/09/2024 indicating that he does not concur with the appointment of Mr. R Abdullah; and

[b] That the Acting Municipal Manager inform Mr. R Abdullah of the termination of his contract as of today, 9 September 2024.

File Number: 9/1/2/9

Execution: Acting Director: Corporate Services

Manager: Human Resources

SC09/09/24 APPOINTMENT OF ACTING DIRECTOR COMMUNITY SERVICES

PBI Caucus from 14:25 until 14:37

Proposal 1:

That Mr Roland Butler be appointed as Acting Director Community Services for a period of three (3) months or until the vacancy is filled, whichever comes first.

Proposal 1: Mover	Cllr S Campbell
Seconder	Cllr L Tyokolo
Votes in Favor of Proposal	8
Votes Against Proposal	11
Abstain	Cllr M Willemsse & Cllr H Stroebel
Not present at time of voting	n/a
No vote	n/a

Proposal 2

That Mr Ivan van Wyk be appointed as Acting Director Community Services for a period of one (1) month or until the vacancy is filled, whichever comes first.

Proposal 1: Mover	Cllr A Marbi
Seconder	Cllr N Louw
Votes in Favor of Proposal	11
Votes Against Proposal	10
Abstain	n/a
Not present at time of voting	n/a
No vote	n/a

That the proposal of Cllr A Marbi carried.

RESOLVED BY MAJORITY

- [a] That the report regarding the appointment of an Acting Director Community Services be noted;
- [b] That Mr Ivan van Wyk be appointed as Acting Director Community Services, for a period of one (1) month or until the vacancy is filled, whichever comes first; and
- [c] That the Human Resources Department be instructed to regularly update Council with the appointment process for the Director Community.

File Number: 9/1/2/14
Execution: Acting Municipal Manager
Acting Director: Corporate Services
Manager: Human Resources

SC10/09/24 APPOINTMENT OF ACTING DIRECTOR INFRASTRUCTURE SERVICES

UNANIMOUSLY RESOLVED

- [a] That the report regarding the appointment of an Acting Director Infrastructure Services be noted; and
- [b] That Shaun Maree be appointed as Acting Director Infrastructure Services, for a period of one (1) month or until the vacancy is filled, whichever comes first.

File Number: 9/1/2/14
Execution: Acting Municipal Manager
Acting Director: Corporate Services
Manager: Human Resources

7. **CONSIDERATION OF MOTIONS**

7.1 **NOTICE OF MOTION TO DISSOLVE THE KNYSNA MUNICIPAL COUNCIL**

PROPOSAL 1:

That the Knysna Municipal Council be dissolved, in accordance with Section 34(1) of the Local Government Municipal Structures Act, 1998, as amended.

Proposal 1: Mover	Cllr L Davis
Seconder	Cllr P Bester
Votes in Favor of Proposal	10
Votes Against Proposal	11
Abstain	n/a
Not present at time of voting	n/a
No vote	n/a

The Motion of Cllr L Davis did not carry.

8. **CONSIDERATION OF QUESTIONS**

None

9. **CONSIDERATION OF MOTIONS OF EXIGENCY**

9.1 **THAT COUNCIL RESCINDS THE FOLLOWING RESOLUTION MADE ON THE 22ND OF AUGUST 2024:**

PROPOSAL 1:

"C20/08/24 REPORT ON GREY ELEPHANT INVESTMENT PTY LTD t/a THE KNYSNA MALL // THE REX HOTEL // THE GALARY BODY CORPORATE

- [a] That the report on the status of the Grey Elephant, the Rex Hotel, and The Gallery Body Corporate be noted;
- [b] That it be noted that the resolution of 31 July 2023 was subject to a suspensive condition, in that the calculations of Grey Elephant, the Rex Hotel, and The Gallery Body Corporate were subject to an internal review;
- [c] That it be noted that the internal review by municipal officials concluded that the billing on the account adheres strictly to the Council's approved policy and tariffs, without any deviations;
- [d] That it be noted that, due to the outcome of the internal review, the billing remained unchanged and the offer dated 28 July 2023 was not accepted by Council;
- [e] That the Municipal Manager is instructed to inform the representatives of Grey Elephant, the Rex Hotel, and The Gallery Body Corporate within three days that, based on the internal review that the billing on the account adheres strictly to the Council's approved policy and tariffs, the current billing will remain unchanged;

- [f] That the Municipal Manager is instructed to further inform the representatives of Grey Elephant, the Rex Hotel, and The Gallery Body Corporate within three days that the offers dated 28 July 2023 and 23 November 2023 were not accepted and the full outstanding balance, on all the municipal accounts, is due and payable;
- [g] That it is noted that on 22 August 2024 the total outstanding debt as of June 30, 2024, amounted to:
- Grey Elephant: R 60,799,399.19
 - Rex Extension: R 5,692,328.94
 - The Gallery Body Corporate: R 376,550.82
- [h] That the authorised representatives of Grey Elephant, the Rex Hotel, and The Gallery Body Corporate be required to sign acknowledgements of debt on behalf of the Clients, no later than the 30th of September 2024, in respect of the current outstanding/arrear balance, including monthly payment terms to settle the full outstanding debt within six months of signature thereof. The full debt must be settled on or before the last day of March 2025;
- [i] That, should the representatives of Grey Elephant, the Rex Hotel, and The Gallery Body fail or refuse to sign an acknowledgement of debt as specified in [h] above, the Municipal Manager is instructed to ensure that summons for the recovery of the full outstanding debt be issued and served, on or before the 30th of October 2024;
- [j] That before summons is issued, a legal opinion be obtained from Senior Counsel, as to whether implementing Council's resolution above would necessitate any legal action, including a review application;
- [k] That the Municipal Manager is instructed to take all reasonable and lawful measures, including the measures provided for in section 28 of the Local Government: Municipal Property Rates Act 2004, as well as the provisions of the Credit Control, Debt Collection and Indigents Support By-Law, but excluding the use of the services of debt collectors, to recover the outstanding debt from the clients;
- [l] That, until the debt has been settled in full, and the accounts are up to date, the Municipal Manager is instructed to submit a report to each and every Finance Section 80 and Council meeting on the following:
- (i) All correspondence between Knysna Municipality and the representatives of Grey Elephant, the Rex Hotel, and The Gallery Body Corporate from 22 August 2024 to the date of the meeting;
 - (ii) The updated status of the accounts of Grey Elephant, the Rex Hotel, and The Gallery Body Corporate, including details of all payments made since 22 August 2024; and
 - (iii) Details of all measures that have been taken to recover the outstanding debt and all legal opinions obtained relating thereto.

Proposal 1: Mover	Cllr S Campbell
Seconded	Cllr M Willemse
Votes in Favor of Proposal	10

Votes Against Proposal	11
Abstain	n/a
Not present at time of voting	n/a
No vote	n/a

The motion of Cllr S Campbell did not carry.

10. IN COMMITTEE ITEMS

None

Cllr S Campbell left the meeting at 15:09 with permission of the Speaker.

11. ADJOURNMENT

The Speaker thanked everyone and the meeting concluded at 15:13.

Approved

.....
Cllr. MD Skosana
Speaker

.....
Date

-oOo-

8.4 **MINUTES OF THE SPECIAL COUNCIL MEETING: 19 SEPTEMBER 2024**

RECOMMENDATION

That the minutes of the Special Council meeting held on 19 September 2024, be confirmed.

KNYSNA LOCAL MUNICIPALITY

MINUTES

OF A SPECIAL MEETING
OF THE
KNYSNA MUNICIPALITY
WHICH WAS HELD ON
Thursday, 19 September 2024 at 8:15
In the Council Chambers

COUNCILLORS IN ATTENDANCE

Speaker, Cllr Skosana, M D [ANC]
Executive Mayor, Cllr Tsengwa, N [ANC]
Deputy Executive Mayor, Cllr Marbi, A [PBI]
Cllr Andrews, K [ANC]
Cllr Arends, R [ANC]
Cllr Bester, P [DA]
Cllr Campbell, S [KIM]
Cllr Charlie, B [PA]
Cllr Davis, L V [DA] *(on MSTeams)*
Cllr Grootboom, W [PA]
Cllr Khumelwana, M [ANC]
Cllr Louw, N [EFF]
Cllr Matika, T [ANC]
Cllr Maxim, E [DA]
Cllr Petros, P [ANC]
Cllr Sabbagh, S [DA]
Cllr Stroebel, H [DA] *(on MSTeams)*
Cllr Tyokolo, L [DA]
Cllr Vanston, C [DA] *(on MSTeams)*
Cllr White, J [DA] *(on MSTeams)*
Cllr Willemse, M [KIM]

OFFICIALS IN ATTENDANCE

Malepeng, PS	Acting Municipal Manager
Van Wyk, I	Acting Director : Community Services
Julies, C	Director : Financial Services
Jagaysor, A	Senior Manager : Budgeting
Moon, Z	Acting Director: Corporate Services
Maree, S	Acting Director : Infrastructure Services
Botha, C	Manager: Administration
Campher, E	Acting Head: Properties & MPAC Co-ordinator
Botha, M	Acting Manager: Legal Services
Mkangisa, L	Intern
Faneri, N	Intern
Lakay, J	Head: Council Committees and Councillor Support
Nxibiya, N	Committee Officer
Mpahla, S	IT Technician

AUDIT COMMITTEE

The meeting was streamed live on YouTube.

PUBLIC MEMBERS

The meeting was streamed live on YouTube.

1. OPENING AND WELCOMING

The Speaker welcomed Councillors and officials to the meeting and confirmed that Councillors and the officials as recorded above, were present.

2. SILENT PRAYER

Cllr B Charlie opened the meeting with a prayer.

The Speaker requested a moment of silence for the passing of previous Minister of Finance, Mr P Gordhan and the passing of Cllrs Louw's brother and Arends, mother.

3. ATTENDANCE OF MEMBERS

3.1 Councillors Present

Twenty-One Councillors present

3.2 Councillors Absent with Leave

None

3.3 Councillors absent without Leave

None

4. **NOTING OF THE PROVISIONS OF THE CODE OF CONDUCT FOR COUNCILLORS**

The Speaker drew the attention of Councillors to the Schedule 1 of the Local Government: Municipal Systems Act, 2000.

UNANIMOUSLY RESOLVED

That the Code of Conduct for Councillors, be noted.

5. **DISCLOSURE OF INTERESTS BY COUNCILLORS**

UNANIMOUSLY RESOLVED

No Councillor disclosed any interest.

6. **NEW MATTERS SUBMITTED BY THE ACTING MUNICIPAL MANAGER**

SC01/09/24 **SALARY AND WAGE AGREEMENT : CIRCULAR 06/2024**

UNANIMOUSLY RESOLVED

- [a] The report regarding the approved and signed SALGBC Collective Agreement dated 6 September 2024, be noted;
- [b] That the salary increase be implemented per Circular 6/2024: South African Local Government Bargaining Council – Salary & Wage Collective Agreement, with effect from 1 July 2024;
- [c] That it be noted that financial provision for the salary and wage increase is not adequate to cover the full wage agreement in the current Medium Term Revenue Expenditure Framework 2024/2025, to fully implement the wage agreement, departments must implement cost containment measures and also strict comply with the budget funding plan to provide for the shortfall;
- [d] That it be noted that in respect of this financial year, all employees covered by the SALGBC Agreement, shall receive an increase of four and a half percent (4.5%) with effect from 1 July 2024;
- [e] That with effect from 1 March 2025, all employees covered by the SALGBC Agreement, shall receive a further increase of one and a half percent (1.5%), based on the salaries of the employees as at 28 February 2025.

Execution : Acting Director : Corporate Services
 Manager : Human Resources

7. CONSIDERATION OF MOTIONS

None

8. CONSIDERATION OF QUESTIONS

None

9. CONSIDERATION OF MOTIONS OF EXIGENCY

CLLR S CAMPBELL : PROVISION OF SECURITY SERVICES : TENDER PROCESS AND IRREGULARITIES

Break from 9:39 to 9:45.

Cllr S Campbell introduced the motion, seconded by Cllr W Grootboom.

The Speaker called the matter to a vote to test the urgency of the matter.

In favour of the urgency of the motion :	10
Against the urgency of the motion :	10
Abstention :	1

The Speaker used his casting vote and voted against the urgency of the motion. He furthermore requested that the Acting Municipal Manager submit an item to the next Special Council Meeting scheduled for the coming week.

10. IN COMMITTEE ITEMS

None

11. ADJOURNMENT

The Speaker thanked everyone and the meeting concluded at 10:38.

Approved

.....
Cllr. MD Skosana
Speaker

.....
Date

-oOo-

8.5 **MINUTES OF THE SPECIAL COUNCIL MEETING: 30 SEPTEMBER 2024**

RECOMMENDATION

That the minutes of the Special Council meeting held on 30 September 2024, be confirmed.

KNYSNA LOCAL MUNICIPALITY

MINUTES

OF A SPECIAL MEETING
OF THE
KNYSNA MUNICIPALITY
WHICH WAS HELD ON
Monday, 30 September 2024 at 14:15
In the Council Chambers

COUNCILLORS IN ATTENDANCE

Speaker, Cllr Skosana, M D [ANC]
Executive Mayor, Cllr Tsengwa, N [ANC]
Deputy Executive Mayor, Cllr Marbi, A [PBI]
Cllr Andrews, K [ANC]
Cllr Arends, R [ANC]
Cllr Bester, P [DA]
Cllr Campbell, S [KIM]
Cllr Charlie, B [PA]
Cllr Davis, L V [DA]
Cllr Grootboom, W [PA] *(on MSTeams)*
Cllr Khumelwana, M [ANC]
Cllr Louw, N [EFF]
Cllr Matika, T [ANC]
Cllr Petros, P [ANC]
Cllr Sabbagh, S [DA]
Cllr Tyokolo, L [DA]
Cllr Vanston, C [DA]
Cllr White, J [DA]
Cllr Willemse, M [KIM] *(on MSTeams from 15:00)*

OFFICIALS IN ATTENDANCE

Malepeng, PS Acting Municipal Manager

Moon, Z	Acting Director: Corporate Services
Dunywa, A	Director: Planning and Development and Acting Director : Integrated Human Settlements
Van Wyk, I	Acting Director : Community Services
Julies, C	Acting Director: Financial Services
Maree, S	Acting Director: Infrastructure Services
Botha, C	Manager: Administration
Campher, E	Acting Head: Properties & MPAC Co-ordinator
Botha, M	Acting Manager: Legal Services
Nelo, S	Senior Clerk: Property Management
Burger, T	Committee Officer
Mjamba, B	Interpreter

AUDIT COMMITTEE

The meeting was streamed live on YouTube.

PUBLIC MEMBERS

The meeting was streamed live on YouTube.

1. OPENING AND WELCOMING

The Speaker welcomed Councillors and officials to the meeting and confirmed that Councillors and the officials as recorded above, were present.

2. SILENT PRAYER

Pat Harker opened the meeting with a prayer.

3. ATTENDANCE OF MEMBERS

3.1 Councillors Present

Nineteen Councillors present

3.2 Councillors Absent with Leave

Cllr Maxim, E [DA]
Cllr Stroebel, H [DA]

3.3 Councillors absent without Leave

None

4. NOTING OF THE PROVISIONS OF THE CODE OF CONDUCT FOR COUNCILLORS

The Speaker drew the attention of Councillors to the Schedule 1 of the Local Government: Municipal Systems Act, 2000.

UNANIMOUSLY RESOLVED

That the Code of Conduct for Councillors, be noted.

5. DISCLOSURE OF INTERESTS BY COUNCILLORS

UNANIMOUSLY RESOLVED

No Councillor disclosed any interest.

6. NEW MATTERS SUBMITTED BY THE ACTING MUNICIPAL MANAGER

SC01/09/24 FINAL 2024/2025 BUDGET FUNDING PLAN

This item was discussed second on the agenda

Chief Whip Caucus from 14:42 until 14:51

UNANIMOUSLY RESOLVED

- [a] That the correspondence received from Provincial Treasury be noted;
- [b] That the correspondence be forwarded to the Western Cape Government Ministry of Finance be noted;
- [c] That the Final 2024/2025 Budget Funding Plan be approved by Council; and
- [d] That the Executive Mayor will establish a Steering Committee consisting of all Political Parties represented in Council.

File Number: 9/1/2/10

Execution: Director: Financial Services

SC02/09/24 REPORT ON GREY ELEPHANT INVESTMENT PTY LTD T/A THE KNYSNA MALL //THE REX HOTEL//THE GALARY BODY CORPORATE

Body break from 15:07 until 15:17

Cllr Khumelwana returned at 15:21

DA Caucus 15:24 until 15:37

UNANIMOUSLY RESOLVED

That the Report on Grey Elephant Investment Pty Ltd t/a The Knysna Mall//The Rex Hotel//The Rex Hotel//The Galary Body Corporate be withdrawn and submitted to a Special Council Meeting to be held on/before the end of next week (11 October 2024).

Councillors of the ruling coalition were served with Notices of Motion by the Local Sheriff on Monday, 30 September 2024, under case 551/24 - The Accountability Group vs Knysna Municipality & Others.

SC03/09/24 CONCURRENCE ON THE EXTENSION ON THE TERM OF APPOINTMENT OF ACTING MUNICIPAL MANAGER AS WELL AS ACTING DIRECTOR: CORPORATE SERVICES

This item was discussed first on the agenda

UNANIMOUSLY RESOLVED

- [a] That Council notes this report;
- [b] That Council takes note of the correspondence received from MEC Bredell concurring with the extension of Mr Phaahle Simon Malepeng as Acting Municipal Manager with effect 18 September 2024 until 17 December 2024; and
- [c] That Council takes note of MEC Bredell's concurrence on the extension sought for Ms Z Moon as Acting Director Corporate Services with effect 27 September 2024 until 26 December 2024.

File Number: 9/1/2/9
Execution: Acting Director: Corporate Services
 Manager: Human Resources

Cllr M Willemse left the meeting at 15:00 with permission from the Speaker and joined the meeting on MSTeams.

7. ADJOURNMENT

The Speaker thanked everyone and the meeting concluded at 15:42.
Approved

.....
Cllr. MD Skosana
Speaker

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Date

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9. **EXECUTION LIST: 19 JULY 2024 TO 30 SEPTEMBER 2024**

10. EXECUTION LIST: 19 JULY 2024 TO 30 SEPTEMBER 2024

Special Council Meeting: 19 July 2024
Ordinary Council Meeting: 5 August 2024
Continuation of the Ordinary Council Meeting: 22 August 2024
Special Council Meeting: 9 September 2024
Special Council Meeting: 30 September 2024

EXECUTION LIST : SPECIAL COUNCIL MEETING : 19 JULY 2024				
9. EXECUTION LIST				
SC01/07/24 PROCESS FOR THE RECRUITMENT AND SELECTION OF THE POSITION OF DIRECTOR INTEGRATED HUMAN SETTLEMENTS AND DIRECTOR INFRASTRUCTURE SERVICES				
RESOLUTIONS TO BE ACTIONED		OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a]	That Council notes the report on the progress with the recruitment and selection processes for the Director Infrastructure and Integrated Human Settlements.	MM Director : Corporate Services Manager : Human Resources		
[b]	That the Council notes that the former Municipal Manager, Mr Sebola, was the Chairperson of the selection panels.			
[c]	That Council notes the advice from the Department of Local Government that the process can continue subject to the Council Resolution addressing the Acting appointment of an Acting Municipal Manager.			
[d]	That Council notes that the appointment of an Acting Municipal Manager, as per the item submitted for the agenda of the scheduled Council Meeting for 13 June 2024, will allow for the continuation of the recruitment panels.			

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[e] That Council notes the cancellation of the interviews for the vacancy of Director Integrated Human Settlements and Director Infrastructure due to the legal status of former Municipal Manager, Mr. Sebola. [f] That Council resolve to advertise the position of Director Integrated Human Settlements; [g] That Council appoint the Selection Panel as follows: [i] The Municipal Manager who will be the Chairperson; [ii] A member of the Mayoral Committee, namely <u>Cllr K Andrews</u>, who is the Portfolio Chairperson of the relevant Directorate; [iii] At least one other person, namely <u>Mr Joel Mkunggwana</u>, who is not a Councillor or a staff member of the Knysna Municipality, and who has expertise or experience in the area of the advertised post; [h] That Council resolve to advertise the position of Director Infrastructure; [i] That Council appoint the Selection Panel as follows: [i] The Municipal Manager who will be the Chairperson; [ii] A member of the Mayoral Committee, namely <u>Cllr B Charlie</u>, who is the Portfolio Chairperson of the relevant Directorate; [iii] <u>Mr John Daniels</u> and <u>Mr Grant MacDonald</u>, who are not a Councillor or a staff member of the Knysna Municipality, and who has expertise or experience in the area of the advertised post; [j] That the Whips of Council and Political Parties have observation status.			
SC02/07/24 PROCESS FOR THE RECRUITMENT AND SELECTION OF THE POSITION OF DIRECTOR COMMUNITY SERVICES			
RESOLUTIONS TO BE ACTIONED	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a] That Council notes the report submitted by the Acting Municipal Manager.	MM Director : Corporate Services		

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[b] That Council notes the contents of the Regulations for Local Government Regulations on appointment and conditions of employment of Senior Managers as well as Government Gazette regarding the Upper Limits of Total Remuneration packages payable to Municipal Managers and Managers directly accountable to Municipal Managers; [c] That Council appoint the Selection Panel as follows: (i) The Municipal Manager who will be the Chairperson. (ii) A member of the Mayoral Committee or Councillor who is the Portfolio Chairperson of the relevant Directorate. (iii) At least one other person, who is not a Councillor or a staff member of the Knysna Municipality, and who has expertise or experience in the area of the advertised post. [d] That the selection process set out in the report mentioned in (a) above be adopted; [e] [i] That Council appoint the Selection Panel as follows: [i] The Municipal Manager who will be the Chairperson; [ii] A member of the Mayoral Committee, namely <u>Cllr Waleed Grootboom</u>, who is the Portfolio Chairperson of the relevant Directorate; [iii] <u>Mr Eben Phillips and Mr Roland Butler</u> be nominated as persons, who are not a Councillor or a staff member of the Knysna Municipality, and who has expertise or experience in the area of the advertised post; [f] That the Whips of Council and Political Parties have observation status.	Manager : Human Resources		
SC03/07/24 APPOINTMENT OF AN ACTING MUNICIPAL MANAGER			
RESOLUTIONS TO BE ACTIONED	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
That Council notes the response from the MEC regarding the appointment of the Acting Municipal Manager, Mr Phaahle Simon Malepeng.	Acting Director : Corporate Services		

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	Manager : Human Resources		
SC04/07/24 <u>SECONDMENT OF A DIRECTOR INFRASTRUCTURE</u>			
RESOLUTIONS TO BE ACTIONED	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a] That Council notes the report from the Acting Municipal Manager regarding the secondment of Mr Enson Mangwengwende as Acting Director Infrastructure Services for a period of 3 months or until the permanent position is filled, whichever comes first; [b] That Council appoints Mr Enson Mangwengwende for a period of 3 (three) months, or until the position of Director : Infrastructure Services is filled, whichever comes first; [c] That Council agrees to cover the travel, subsistence and accommodation expenses of Mr Enson Mangwengwende for the duration of his secondment; [d] That a secondment agreement be signed between the Western Cape Provincial Government and the Knysna Municipality to second Mr Enson Mangwengwende to the position of Acting Director : Infrastructure Services as envisaged in [b] above.	MM Acting Director : Corporate Services Manager : Human Resources		
EXECUTION LIST : ORDINARY COUNCIL MEETING : 5 AUGUST 2024			
11.1 <u>FUNCTIONS, MEETINGS & WORKSHOPS ATTENDED BY THE EXECUTIVE MAYOR</u>			
RESOLUTIONS TO BE ACTIONED	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a] That the report from the Executive Mayor with regard to functions, meetings and workshops attended, for the period of June to July 2024, be noted; and			

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[b] That the Executive Mayor submit a Comprehensive report on decisions taken during recess to a Special Council Meeting to be held in August 2024. File Number : 9/1/1/1 Execution : Office of the Executive Mayor			
11.5 <u>REPORTS FROM COUNCILLORS REPRESENTING OUTSIDE BODIES AND ORGANISATIONS</u>			
RESOLUTIONS TO BE ACTIONED	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a] That the Report regarding the Knysna Provincial Hospital Board Meeting, be noted; and [b] That the Hospital Board be invited to attend the Community Services Committee Meeting to be held in August 2024.	Office of the Speaker		
C01/06/24 <u>REPORT ON MUNICIPAL HEALTH AND ENVIRONMENTAL SERVICES</u>			
RESOLUTIONS TO BE ACTIONED	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a] That Council notes the report from Garden Route District Municipality; [b] That the concerns raised pertaining to the non-availability of testing be investigated and solutions found; [c] That the unknown quality of the status of water in the estuary be noted, and that historical in-house mitigation measures be taken to ensure that the water quality is up to standard for upcoming Oyster Festival; and [d] That Council be represented in an official capacity on the Knysna Pollution Committee and that the Council representative report to the Community Services Committee meeting on the matters that are raised by the	Director: Community Services		

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stakeholders with regards to the estuary heath and pollution that could possibly cause heath issues around town.			
C03/06/24 <u>DIGITALISATION OF TRAFFIC INFRINGEMENT NOTICES</u>			
RESOLUTIONS TO BE ACTIONED	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a] That the report on the digitalisation of traffic infringement notices, be noted; and [b] That the Director Community Services, along with the Municipal Communications Department issues a Press Release/Public Notice informing the public of the roll out of the intended digitilisation of traffic infringement notices.	Director: Community Services		
C04/06/24 <u>GRASS CUTTING PROGRESS REPORT</u>			
RESOLUTIONS TO BE ACTIONED	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a] That the report on the grass cutting from the Director Community Services, be noted; and [b] That it be noted, that no funding was made available in the Adjustment Budget to continue with Grass Cutting until 30 June 2024.	Director: Community Services		
C05/06/24 <u>REPORT: REQUEST TO DISSOLVE THE YOUTH COUNCIL 2022/2024</u>			
RESOLUTIONS TO BE ACTIONED	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a] That Council terminate the current term of the Youth Council members and dissolve the structure due to lack of commitment, and failure to fill vacancies;	Director Community Services		

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[b] That Council approve the budget for the filling of the posts for 6 Youth Advisors as per the approved Organogram; and [c] That the current Organisational structure be reviewed to assess the feasibility of a Youth Advisor for Ward 2 and that the Director: Community Services report thereon at a subsequent meeting of the Community Services Committee.			
C08/06/24 <u>HORNLEE KALENDER STREET: NEW SATELLITE LIBRARY</u>			
RESOLUTIONS TO BE ACTIONED	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a] That the Hornlee Kalender Street new satellite Library report be noted; [b] That an amount that is equivalent to a T6 scale (approximately R176,287.00 to R226,690.49) be added to the Conditional Grant Business Plan to cater for the appointment of a Senior Library Assistant for the Kalender Street satellite; [c] That a new position of Senior Library Assistant for the Kalender Street satellite library be added to the municipal staff establishment and that provision be made on the budget to accommodate for the position; and [d] That funding be allocated in the 2024/25 Adjustment Budget for establishment of a satellite library in Hornlee.	Director: Community Services Manager: Libraries		
C14/06/24 <u>IMPLEMENTATION OF THE RELIEF OF SOCIAL DISTRESS POLICY AND THE ASSOCIATED STANDARD OPERATING PROCEDURE</u>			
RESOLUTIONS TO BE ACTIONED	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a] That the report on the Relief of Social Distress Policy (RSDP) and Social Relief and Disaster Standard Operational Procedure (SOP), be accepted; and	Director Community Services		

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[b] That the Relief of Social Distress Policy (RSDP) and Social Relief and Disaster Standard Operational Procedure (SOP), be approved.			
IS01/06/24 <u>PROJECTS PROGRESS REPORT – JANUARY 2024</u>			
RESOLUTIONS TO BE ACTIONED	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a] That the projects progress report January 2024, be noted; and [b] That Project Management Office vacant positions, be prioritised.	Director: Technical Services		
IS05/06/24 <u>PROJECTS PROGRESS REPORT – APRIL 2024</u>			
RESOLUTIONS TO BE ACTIONED	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a] That the Projects Progress report- April 2024, be noted; and [b] That the Project Management Office vacant positions, be prioritised.	Director: Technical Services		
F&G3/06/24 <u>RE-SUBMISSION REPORT ON APPLICATION TO PURCHASE A PORTION OF ERF 215, BUFFALO BAY ADJACENT TO ERF 186</u>			
RESOLUTIONS TO BE ACTIONED	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a] That the re-submission report and annexure's regarding the alienation of a portion Erf 215, Buffalo Bay, be noted; and [b] That a site-visit be scheduled and that all interested parties be invited and that thereafter the item be re-submitted.	Acting Municipal Manager Acting Director: Corporate Services Head: Properties		
F&G4/06/24 <u>APPLICATION TO PURCHASE A PORTION OF ERF 419, (BRENTON-ON-LAKE) BRENTON ADJACENT TO ERF 348, BRENTON</u>			

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RESOLUTIONS TO BE ACTIONED		OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a]	That the report and annexure’s regarding the alienation of a portion Erf 419, Brenton, be noted; and	Acting Municipal Manager Director: Corporate Services Head: Properties		
[b]	That a site-visit be scheduled and that the item be re- submitted thereafter.			
F&G6/06/24 <u>APPLICATION TO PURCHASE A PORTION OF ERF 11336, (HORNLEE) KNYSNA ADJACENT TO ERF 20386, KNYSNA</u>				
RESOLUTIONS TO BE ACTIONED		OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a]	That the report and annexure’s regarding the alienation of a portion Erf 11336, Knysna, be noted; and	Acting Municipal Manager Acting Director: Corporate Services Head: Properties		
[b]	That a site-visit be scheduled before the Ordinary Council meeting in July 2024 and that the item be re- submitted thereafter.			
F&G7/06/24 <u>APPLICATION TO PURCHASE OF ERF 14077, (RHOBOLOLO) KNYSNA ADJACENT TO ERVEN 21100 & 21101, KNYSNA</u>				
RESOLUTIONS TO BE ACTIONED		OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a]	That the report and annexure’s regarding the alienation of a portion Erf 14077, Knysna, be noted; and	Acting Municipal Manager Acting Director: Corporate Services Head: Properties		
[b]	That a site-visit be scheduled before the Ordinary Council meeting in July 2024 and that the item be re- submitted thereafter.			
F&G8/06/24 <u>REPORT BACK ON REMAINDER OF ERF, 1692 SEDGEFIELD</u>				

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RESOLUTIONS TO BE ACTIONED		OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a]	That the report on the vesting transfer to the Remainder of Erf 1692, Sedgefield be note;	Acting Municipal Manager Acting Director: Corporate Services		
[b]	That a site-visit be scheduled before the Ordinary Council meeting in July 2024 where the Properties section, Integrated, Legal Services and Planning and Development will be present; and			
[c]	That all correspondence relating to this application between Mr H Smit, Mr J Jacobs and the purchaser be made available to Councillors.			
F&G10/06/24 <u>ATTEMPT TO APPOINT A FACILITATOR ON THE DISPUTED PROPERTIES WITH THE GARDEN ROUTE DISTRICT MUNICIPALITY</u>				
RESOLUTIONS TO BE ACTIONED		OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a]	That the report and annexures regarding the status of the properties in dispute with the Garden Route District Municipality (GRDM), be noted;	Acting Municipal Manager Acting Director: Corporate Services Head: Properties		
[b]	That Administration communicate with the Western Cape Provincial Government as to which steps need to be exhausted in order for them to intervene; and			
[c]	That the Western Cape Provincial Government suggests possible names of mediators and that Province be requested to carry the costs involved with the mediation process.			
F&G1/06/24 <u>MONTHLY - STATEMENT – FEBRUARY 2024</u>				
RESOLUTIONS TO BE ACTIONED		OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE

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[a] That the Section 71 Monthly Budget Statement as at 29 February 2024, be noted; [b] That it be noted that the Section 71 Monthly Budget Statement as at 29 February 2024 was submitted to the Executive Mayor, the National Treasury and the Western Cape Provincial Treasury on 14 March 2024, being the 10th working day after the end of February 2024; and [c] That it be noted that the Section 71 Monthly Budget Statement as at 29 February 2024 has been published on the municipal website.	Director: Financial Services		
F&G4/06/24 <u>WRITE-OFF OF INDIGENT DEBT AS AT 31 MAY 2024</u>			
RESOLUTIONS TO BE ACTIONED	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
That Council notes that the total amount written-off in relation to indigent households equates to R 19,700,490, 90 as at 31 March 2024.	Director: Financial Services Senior Manager: Revenue Services		
F&G5/06/24 <u>ADOPTION BY COUNCIL THE PROPERTY RATES BY-LAW</u>			
RESOLUTIONS TO BE ACTIONED	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a] That the Property Rates By law, be adopted; and [b] That the Property Rates By-law be published in the Provincial Gazette.	Director: Financial Services		
F&G6/06/24 <u>FINAL REPORT ON REVENUE ENHANCEMENT STRATEGY</u>			
RESOLUTIONS TO BE ACTIONED	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE

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[a] That the final report on the Revenue Enhancement Strategy, be noted; [b] That Council notes the Final Report on the Revenue Enhancement Strategy; [c] That the focus areas as per the report be implemented as such through an action plan; and [d] That a Purchase Pattern report for the past 3 months be submitted to the next Finance and Governance Committee meeting.	Director Financial Services		
F&G7/06/24 <u>WRITING-OFF OF IRRECOVERABLE DEBT FROM 1 JUNE 2023 TO 30 MAY 2024</u>			
RESOLUTIONS TO BE ACTIONED	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a] That the report of the Writing off of irrecoverable debt from 1 June 2023 to 30 May 2024, be noted; [b] That it be noted that the total amount written-off as delegated to the Chief Financial Officer equates to R 82,659.53 between 1 June 2023 to 30 June 2024; [c] That it be noted that the total amount written-off as delegated to the Municipal Manager equates to R 181 244,56 between 1 June 2023 to 30 June 2024; and [d] That the total amount to be written-off as delegated to the Section 80 Finance Portfolio equates to R 3,323,127.34 between 1 June 2023 to 30 June 2024, be approved.	Acting Municipal Manager Director Financial Services Manager Income		
F&G10/06/24 <u>REPORT ON FRUITLESS AND WASTEFUL EXPENDITURE FOR JULY 2022 TO MAY 2024</u>			
RESOLUTIONS TO BE ACTIONED	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE

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[a] That Council note the report for fruitless and wasteful expenditure; and [b] That the fruitless and wasteful expenditure be submitted to MPAC for investigation.	Municipal Manager Director Financial Services Manager Budget and reporting		
F&G11/06/24 <u>UNAUTHORIZED, FRUITLESS AND WASTEFULL EXPENDITURE INCURRED TO DATE</u>			
RESOLUTIONS TO BE ACTIONED	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a] That the unauthorized expenditure incurred as at 10 June 2024, be noted; and [b] That the unauthorized expenditure be submitted to the Municipal Public Accounts Committee (MPAC), for investigation.	Acting Municipal Manager Director Financial Services		
M01/07/24 <u>REPORT ON THE OVERSIGHT REPORT – 2022/2023 FINANCIAL YEAR</u>			
RESOLUTIONS TO BE ACTIONED	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a] That Council, having considered the 2022/2023 Annual Report of the Knysna Municipality, inclusive of the comments of the Western Cape Government Local Government Budget Office, adopts the Oversight Report in terms of section 129 of the Municipal Finance Management Act 56 of 2003; [b] That the 2022/2023 Annual Report of Knysna Municipality be approved with reservations, in terms of section 129 of the Municipal Finance Management Act 56 OF 2003; [c] That the minutes of the meetings where the Annual Report was discussed, be submitted to the Auditor –General, the Provincial Treasury and the	Acting Municipal Manager Acting Director: Corporate Services Manager: Administration		

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Western Cape Department of Local Government as attached to report, in terms of section 129(2) of the Municipal Finance Management Act 56 of 2003; [d] That the 2022/2023 Oversight Report of Knysna Municipality be made public in terms of section 129(3) of the Municipal Finance Management Act 56 of 2003 and be submitted to the Western Cape Legislature in terms of section 132(2) of Municipal Finance Management Act 56 of 2003; and [e] That, in acceptance of the Oversight Report, the payment of performance bonuses be approved by Council.			
M02/07/24 <u>IDP/BUDGET/OPMS AND BUDGET TIME-SCHEDULE OF KEY DEADLINES IN PREPARATION OF 2025/2026 INTEGRATED DEVELOPMENT PLAN (IDP)/BUDGET AND ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM (OPMS)</u>			
RESOLUTIONS TO BE ACTIONED		OFFICIAL(S)	STATUS OF EXECUTION DUE DATE
[a] That the content of the time–schedule of key deadlines in preparation of the 2025/2026 Integrated Development Plan, be noted; and [b] That the time–schedule of key deadlines in preparation of the 2025/2026 Integrated Development Plan, be approved, with the condition that the IDP/Budget/OPMS process be advertised for public comments and input prior to the formal implementation of the time–schedule.	Manager: IDP/PMS/IGR		
<u>C01/08/24 2024-2025 AUDIT COMMITTEE CHARTER & WORK PLAN</u>			
RESOLUTIONS TO BE ACTIONED		OFFICIAL(S)	STATUS OF EXECUTION DUE DATE
[a] That the 2024-2025 Audit Committee Charter be approved; and [b] That the 2024-2025 Audit Committee Work Plan be noted.	Acting Municipal Manager		

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		Chief Audit Executive		
C02/08/24 <u>AUDIT COMMITTEE MEMBERS TERM EXPIRATION</u>				
RESOLUTIONS TO BE ACTIONED		OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a] That Council notes the report on the Audit Committee member's term expiration; [b] That Council considers not to fill the two vacancies in the audit committee due to: - The remaining committee members meeting the qualification and experience requirements as per MFMA circular 65 and the audit committee charter; - The remaining committee exceeds the minimum composition as per MFMA section 166 (4); and - The costs saving that will be realized in not filling the vacancies.		Acting Municipal Manager Chief Audit Executive		
C03/08/24 <u>2024/2025 IDP/BUDGET/PMS AND BUDGET TIME-SCHEDULE OF KEY DEADLINES IN PREPARATION FOR THE 2025/2026 INTEGRATED DEVELOPMENT PLAN (IDP)/BUDGET AND ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM (OPMS)</u>				
RESOLUTIONS TO BE ACTIONED		OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a] That the report on the 2024/2025 IDP/Budget/PMS and Budget time-schedule of key deadlines in preparation for the 2025/2026 Integrated Development Plan (IDP)/Budget and Organisational Performance Management System (OPMS), be noted; and		Acting Municipal Manager Manager: IDP/PMS/IGR		

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[b] That Council approves the time–schedule, with the condition that the IDP/Budget/OPMS process be advertised for public comments and input prior to the formal implementation of the time–schedule.			
C07/08/24 <u>PUBLIC PARTICIPATION PROCESS - SERVICE LEVEL AGREEMENT REGIONAL WASTE MANAGEMENT FACILITY</u>			
RESOLUTIONS TO BE ACTIONED	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
That the item regarding Public Participation process – Service Level Agreement Regional Waste Management Facility be withdrawn and submitted to a Special Community Services meeting.	Director : Corporate Services		
C08/08/24 <u>REPORT ON THE OVERSIGHT REPORT – 2022/2023 FINANCIAL YEAR</u>			
RESOLUTIONS TO BE ACTIONED	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a] That Council, having considered the 2022/2023 Annual Report of the Knysna Municipality, inclusive of the comments of the Western Cape Government Local Government Budget Office, adopts the Oversight Report in terms of section 129 of the Municipal Finance Management Act 56 of 2003;	Acting Municipal Manager Acting Director: Corporate Services Manager: Administration		
[b] That the 2022/2023 Annual Report of Knysna Municipality be approved with reservations, in terms of section 129 of the Municipal Finance Management Act 56 OF 2003;			
[c] That the minutes of the meetings where the Annual Report was discussed, be submitted to the Auditor –General, the Provincial Treasury and the Western Cape Department of Local Government as attached to report, in terms of section 129(2) of the Municipal Finance Management Act 56 of 2003; and			
[d] That the 2022/2023 Oversight Report of Knysna Municipality be made public in terms of section 129(3) of the Municipal Finance Management Act			

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56 of 2003 and be submitted to the Western Cape Legislature in terms of section 132(2) of Municipal Finance Management Act 56 of 2003; and				
C09/08/24 <u>REPORT BACK ON REQUEST TO REGISTER A PUBLIC SERVITUDE OVER A PORTION OF FARM 394, NOETZIE</u>				
RESOLUTIONS TO BE ACTIONED		OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
<u>RESOLVED BY MAJORITY</u>				
[a]	That the report to consider securing public access over a portion of farm 394, Noetzie, be noted; and	Acting Director: Corporate Services Acting Manager: Legal Services Head: Properties		
[b]	That the Municipal Council resolve that public access over a portion of farm 394, Noetzie to the public parking, public ablution facilities and public beach be secured in the form of public servitude.			
C10/08/24 <u>KNYSNA MUNICIPALITY SECTION 154 SUPPORT PLAN</u>				
RESOLUTIONS TO BE ACTIONED		OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a]	That Council notes the progress made on the implementation of the Section 154 Support Plan; and	Acting Municipal Manager Manager: IDP/PMS/IGR		
[b]	That the report on the Knysna Municipality Section 154 Support Plan be withdrawn and submitted to a Special Council Meeting where all Directors and Managers be in attendance.			
C11/08/24 <u>DRAFT 2024/2025 BUDGET FUNDING PLAN</u>				
RESOLUTIONS TO BE ACTIONED		OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a]	That the correspondence received from Provincial Treasury, be noted; and	Director Financial Services		
[b]	That the Draft 2024/2025 Budget Funding Plan be considered by Council.			
C12/08/24 <u>APPOINTMENT OF ACTING DIRECTOR COMMUNITY SERVICES</u>				

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RESOLUTIONS TO BE ACTIONED		OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
That the Item on the Appointment of Acting Director Community Services to be referred to a continuation meeting.		Acting Director: Corporate Services Manager : Human Resources		
C13/08/24 <u>SKILLS DEVELOPMENT CENTRE – SOUTH CAPE COLLEGE (A PORTION OF ERF 3801, KNYSNA)</u>				
RESOLUTIONS TO BE ACTIONED		OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
That the item on the Skills Development Centre – South Cape College (A Portion of Erf 3801, Knysna be withdrawn and submitted to a Special Council Meeting.		Director: Planning and Development Acting Director : Corporate Services Head : Properties		
C14/08/24 <u>REPORT BACK ON APPLICATION FOR LEASE AGREEMENT – FOR A PORTION OF ERF 1316, KNYSNA ABUTTING ERF 3556, KNYSNA</u>				
RESOLUTIONS TO BE ACTIONED		OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
That the report back on Application for Lease Agreement – For a Portion of Erf 1316, Knysna abutting Erf 3556, Knysna be withdrawn and submitted to a Special Council Meeting.		Acting Director: Corporate Services Head : Properties		
C15/08/24 <u>SAFE SPACES FOR HOMELESS PEOPLE PROGRESS REPORT</u>				
RESOLUTIONS TO BE ACTIONED		OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE

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That the item on Safe Spaces for Homeless People Progress Report be withdrawn and submitted to a Special Council Meeting.	Director : Community Services		
C17/08/24 <u>CONDONATION OF ACTING APPOINTMENTS – ACTING DIRECTORS</u>			
RESOLUTIONS TO BE ACTIONED	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a] That Council notes the report from the Acting Municipal Manager regarding the Acting Appointments of Acting Directors; [b] That Council condones the following appointments: ○ Acting Director: Infrastructure Services, Mr Ezzard Mckenzie for the period 29 July 2024 – 5 August 2024; ○ Acting Director: Community Services, Mr Richard Meyer for the period 29 July 2024 – 12 August 2024; [c] That Council delegate the authority to the (Acting) Municipal Manager to appoint Acting Directors for a period up to 10 days if a Director is unavailable for a period due to leave, emergency, unforeseen and unavoidable circumstance; and [d] That Pravir Hariparsad be appointed as Acting Director Infrastructure Services, from 6 August 2024 until response received from the MEC regarding the Secondment of Mr E Mangwengwende.	Acting Municipal Manager Manager: Human Resources		
C18/08/24 <u>LEGAL OPINIONS ON ACTING APPOINTMENTS</u>			
RESOLUTIONS TO BE ACTIONED	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
	Acting Municipal Manager		

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That Council notes Local Government Circular C09 as well as the letter dated 3 June 2024 from the Director General of COGTA (Annexure B) relating to Acting Appointments under the Local Government Municipal Staff Regulations.		Manager: Human Resources		
EXECUTION LIST : CONTINUATION OF ORDINARY COUNCIL MEETING : 22 AUGUST 2024				
C12/08/24 APPOINTMENT OF ACTING DIRECTOR COMMUNITY SERVICES				
RESOLUTIONS TO BE ACTIONED		OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a] That the report regarding the appointment of an Acting Director Community Services be noted; and		Acting Municipal Manager Acting Director: Corporate Services Manager: Human Resources		
[b] That Moegamat Ridwaan Abdullah be appointed as Acting Director Community Services, for a period of three (3) months or until the vacancy is filled, whichever comes first.				
C13/08/24 SKILLS DEVELOPMENT CENTRE – SOUTH CAPE COLLEGE (A PORTION OF ERF 3801, KNYSNA)				
RESOLUTIONS TO BE ACTIONED		OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a] That the report and annexures regarding the request to the Municipal Council to consider releasing more properties to be used by South Cape College, be noted;		Acting Municipal Manager Acting Director: Corporate Services Head: Properties		
[b] That the Municipal Council rescind the Council resolution dated 5 December 2023:				
“C10/11/23 REQUEST TO ESTABLISH A SKILLS DEVELOPMENT CENTRE				
UNANIMOUSLY RECOMMENDED				
[a];				
[b];				

ORDINARY MUNICIPAL COUNCIL MEETING
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<i>[c] That Council approves the allocation of Erven 568 and 571 to the South Cape College Satellite Campus in Knysna either through a donation or through a lease agreement for 9 years and 11 months with an option to renew; and</i> <i>[d]</i> [c] That Council approves the allocation of Erven 568 and 571, Knysna to the South Cape College Satellite campus in Knysna for a long-term lease agreement of 99 years on the following conditions: • That the rental be R 1,200-00 per annum with no escalation; • That South Cape College should be responsible to pay all applicable municipal rates and services; • That dispute resolution mechanisms to settle disputes between the parties be included in the lease agreement; • That a periodic review be included in the lease agreement of once every three years; and • That should the South Cape College cease to exist, that the lease be cancelled, and the property be handed back to the Knysna Municipality. [d] That Council approves the allocation of a portion of Erf 3801, Knysna to the South Cape College Satellite Campus in Knysna for a long-term lease agreement of 99 years on the following conditions: • That the rental be R 1,200-00 per month with no escalation; • That South Cape College should be responsible to pay all applicable municipal rates and services;			
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ORDINARY MUNICIPAL COUNCIL MEETING
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• That dispute resolution mechanisms to settle disputes between the parties be included in the lease agreement; • That a periodic review be included in the lease agreement of once every three years; • That should the South Cape College cease to exist, that the lease be cancelled and the property be handed back to the Knysna Municipality; and [d] That the intention to utilize Erf 3801, be advertised for public comment.			
C14/08/24 <u>REPORT BACK ON APPLICATION FOR LEASE AGREEMENT – FOR A PORTION OF ERF 1316, KNYSNA ABUTTING ERF 3556, KNYSNA</u>			
RESOLUTIONS TO BE ACTIONED	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a] That the report and annexures regarding the request for lease agreement on a portion of Erf 1316, Knysna, be noted; [b] That the report from an Independent Environmental Practitioner be noted; [c] That in terms of Section 14(2)(b) of the Local Government: Municipal Finance Management Act, 2003, the Municipal Manager be directed to appoint a Registered Professional Valuer to determine the fair market value of a portion of Erf 1316, Knysna, t at the applicant's expense; [d] That the Acting Municipal Manager further be directed to advertise the intended leasing of a portion of Erf 1316, Knysna to the owner of Erf 3556, Knysna; and [e] That after the advertising period the matter must be resubmitted to the next section 80 (Finance and Corporate Service Committee).	Acting Municipal Manager Acting Director: Corporate Services		

ORDINARY MUNICIPAL COUNCIL MEETING
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C19/08/24 ROLL-OVER ADJUSTMENTS BUDGET – 2024/2025 (AUGUST 2024)				
RESOLUTIONS TO BE ACTIONED		OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a]	That Council approves the 2024/2025 Roll-Over Adjustments Budget (Annexure A);	Director: Financial Services		
[b]	That the Capital Budget by Directorate, Department and per Capital Project, included in Appendix 1 of the August 2024 Roll-Over Adjustments Budget Report, be approved by Council;			
[c]	That the reasons for the committed roll-overs, included in Appendix 2 of the August 2024 Roll-Over Adjustments Budget Report, be approved by Council;			
[d]	That Schedules B1 to B10, included in Appendix 3 of the August 2024 Roll-Over Adjustments Budget Report, be approved by Council;			
[e]	That Council takes note that no taxes and tariffs are affected by the approval of this Roll-Over Adjustments Budget;			
[f]	That the Service Delivery Budget Implementation Plan (SDBIP) be adjusted accordingly;			
[g]	That the August 2024 Roll-Over Adjustments Budget Report for 2024/2025 be submitted to the National Treasury and the Western Cape Provincial Treasury; and			
[h]	That the August 2024 Roll-Over Adjustments Budget Report for 2024/2025 be published on the municipal website and relevant print media.			
C20/08/24	<u>REPORT ON GREY ELEPHANT INVESTMENT PTY LTD t/a THE KNYSNA MALL // THE REX HOTEL // THE GALARY BODY CORPORATE</u>			
	RESOLUTIONS TO BE ACTIONED	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE

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[a] That report on the status of the Grey Elephant, the Rex Hotel, and The Gallery Body Corporate be noted; [b] That Council express itself on the Council resolutions with regard to the Grey Elephant, the Rex Hotel and The Gallery Body, as follows: [i] That Council resolution dated 31 July 2023 as set out hereunder be confirmed as final: C02/07/23 [IC] <u>WRITING-OFF OF IRRECOVERABLE DEBT – 2022/2023</u> <u>UNANIMOUSLY RESOLVED</u> [a] That Council takes note of the item on the irrecoverable debt to be written-off; [b] That Council takes note of the various settlement offers (annexed hereto) submitted by the respective Clients; [c] That Council approves the amounts to be written-off for Simola Hotel, as specified in the Table above; [d] That Council approves, in principle, the settlement offer submitted by Grey Elephant (Pty) Ltd and Rex Extension (Pty) Ltd, which is subject to internal review; [e] That Council takes note that these amounts will be written-off or credited in the previous financial year (2022/2023); [f] That Council takes note that these Clients have committed to paying timeously in future, following correction of the disputed billings.	Acting Municipal Manager Director: Financial Services Manager: Income		
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ORDINARY MUNICIPAL COUNCIL MEETING
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[ii] That Council resolution dated 12 December 2023 as set out hereunder, be rescinded : C08/12/23 <u>WRITING OFF OF IRRECOVERABLE DEBT -2022/2023</u> <u>RESOLVED BY MAJORITY</u> That Council mandates the administration to re-negotiate with the Clients pertaining to the recovery of the full outstanding amount and to determine whether the 50/50 write-off is still applicable for the outstanding amount based on the correct figures. [c] That, if any of the options is confirmed by Council, the implementation is subject to the acceptance of the offer within 3 days and payment of the offer be made within 14 days and a 3-month payment plan for the total outstanding debt from 1 July 2023 to date be made with Municipal Debt Collectors (due to complexity of accounts involved).			
C21/08/24 <u>UPDATE ON THE SECONDMENT OF A DIRECTOR INFRASTRUCTURE</u>			
RESOLUTIONS TO BE ACTIONED	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a] That Council notes the report from the Acting Municipal Manager regarding the secondment of Mr Mangwengwende and the letter dated 15 August 2024 from the MEC willing to second Mr Mangwengwende for a period of one month as an Engineer; be noted; [b] That the Acting Municipal Manager be instructed to write to the MEC requesting Mr Mangwengwende be seconded as Engineer for a period of three months and not one month; and [b] That the Acting Municipal Manager engage with SALGA and the National Province on secondment for an Acting Director Infrastructure and that the proposals be submitted to a Special Council Meeting for consideration.	Acting Municipal Manager Acting Director Corporate Services Manager Human Resources		

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C22/08/24	<u>PROGRESS ON THE MOVE INTO NEW MUNICIPAL OFFICES SITUATED ON A PORTION OF ERF 16472, KNYSNA – KNYSNA MALL (GREY ELEPHANT INVESTMENTS PTY LTD)</u>		
RESOLUTIONS TO BE ACTIONED	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
That the item regarding the Progress on the move into New Municipal offices situated on a Portion of Erf 16472, Knysna – Knysna Mall (Grey Elephant Investments (Pty Ltd) be withdrawn and submitted to a following Council meeting.	Acting Director : Corporate Services		
C15/06/24	<u>SAFE SPACES FOR HOMELESS PEOPLE PROGRESS REPORT</u>		
RESOLUTIONS TO BE ACTIONED	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
That the matter with regard to the Safe Spaces for Homeless People be referred to the next Council Meeting scheduled for 13 June 2024, for consideration.	Director: Community Services		
F&G9/06/24	<u>REPORT BACK ON APPLICATION FOR LEASE AGREEMENT – FOR A PORTION OF ERF 1316, KNYSNA BUTTING</u> <u>ERF 3556, KNYSNA</u>		
RESOLUTIONS TO BE ACTIONED	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a] That the report and annexure's regarding the request for lease agreement on a portion of Erf 1316, Knysna, be noted; and [b] That a full report from the independent Environmental Practitioner be provided and that this item be referred to the next Finance and Governance Committee meeting.	Municipal Manager Director: Corporate Services		
P01/06/24	<u>ECONOMIC DEVELOPMENT DEPARTMENT PERFORMANCE REPORT: JANUARY 2024 TO MARCH 2024</u>		
RESOLUTIONS TO BE ACTIONED	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE

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[a] That the Economic Development Department Performance Report for the period January 2024 to March 2024, be noted; and [b] That an Urgent Intervention / Action Plan be submitted to the next Planning, Economic Development & Tourism Committee meeting on the safety measures to be put in place in the central business district, particularly Templeman Square and the Taxi Rank.	Director: Planning and Economic Development Manager: Economic Development		
IHS01/07/24 <u>INTEGRATED HUMAN SETTLEMENTS MONTHLY REPORT: FOR THE PERIOD FEBRUARY 2024 TO MARCH 2024</u>			
RESOLUTIONS TO BE ACTIONED	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a] That the Integrated Human Settlements Monthly Report for the period February 2024 to March 2024, be noted; [b] That future reports include amongst others, complaints received, staff matters, contractor issues, ward projects and special projects; and [c] That Rheenendal and Karatara matters raised by Councillors, be addressed urgently.	Acting Director: Integrated Human Settlements Manager: Integrated Human Settlements		
EXECUTION LIST : SPECIAL COUNCIL MEETING : 9 SEPTEMBER 2024			
SC01/09/24 <u>APPOINTMENT OF AN ACTING MUNICIPAL</u>			
RESOLUTIONS TO BE ACTIONED	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a] That the report regarding the appointment of an Acting Municipal Manager, be noted; [b] That Council takes note that the MEC has approved the appointment of Mr Malepeng as Acting Municipal Manager. [c] That Council takes note that in terms of Clause 12(4)(a) of Government Gazette, No. 37245, the Municipal Manager forms the Chairperson of the	Acting Director: Corporate Services Manager: Human Resources		

ORDINARY MUNICIPAL COUNCIL MEETING
AGENDA
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selection panel of the four vacancies of Directors currently in process. Extension of the acting period is therefore beneficial to Council in terms of continuity of the Selection Panels. [d] That MEC Mr A Bredell be requested to give concurrence for Mr PS Malepeng to be appointed as Acting Municipal Manager, for a period of three (3) months or until the vacancy is filled, whichever comes first.			
SC02/09/24 APPOINTMENT OF ACTING DIRECTOR CORPORATE SERVICES			
RESOLUTIONS TO BE ACTIONED	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a] That the report regarding the appointment of an Acting Director Corporate Services, be noted; and [b] That Council takes note that the MEC has approved the appointment of the Acting Director Corporate Services, Ms Moon; and [c] That MEC, Mr A Bredell be requested give concurrence for Ms Zoleka Moon to be appointed as Acting Director Corporate, for a period of three (3) months or until the vacancy is filled, whichever comes first. If the MEC does not respond before Ms Z Moon's contract expires, an Internal Person should be appointed as Acting Director Corporate Services.	Acting Municipal Manager : Human Resources		
SC03/09/24 PROGRESS ON THE MOVE INTO NEW MUNICIPAL OFFICES SITUATED ON A PORTION OF ERF 16472, KNYSNA – KNYSNA MALL (GREY ELEPHANT INVESTMENTS PTY LTD)			
RESOLUTIONS TO BE ACTIONED	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
That the Report regarding the update to the Progress made to relocate to the new Municipal offices situated on a portion of Erf 16472, Knysna (the Knysna Mall) dated July 2024 be withdrawn and a comprehensive report be submitted to a next Council meeting.	Acting Director : Corporate Services Head : Properties		
SC04/09/24 ALIGNMENT OF FUNDED VACANCIES FUNDING PROVISION DIRECTORATE INFRASTRUCTURE TO SECTION 154 PLAN			

ORDINARY MUNICIPAL COUNCIL MEETING
AGENDA
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RESOLUTIONS TO BE ACTIONED			
That Council notes the report on the re-alignment of the vacancies in the Directorate Infrastructure to the requirements and commitments in terms of the Section 154 plan submitted to MEC of Local Government, Environmental Affairs and Development Planning, Mr. Anton Bredell.	Acting Director Corporate Services Manager : Human Resources		
SC05/09/24 APPOINTMENT OF REPRESENTATIVES ON SALGA WESTERN CAPE WORKING GROUPS			
RESOLUTIONS TO BE ACTIONED			
[a] That recommendations [a] to [c] be withdrawn and that the item with regard to the appointment of representatives on the SALGA Western Cape Working Groups, be submitted to a subsequent Council meeting; [b] That Cllr A Marbi and Cllr W Grootboom be replaced with Cllr B Charlie and Cllr N Louw on the Local Labour Forum Committee; and [c] That Cllr T Matika replace Cllr S Campbell as Chairperson on the Placement Committee.	Acting Director : Corporate Services		
SC06/09/24 SAFA NATIONAL SASOL LEAGUE PLAY-OFFS 2024 KNYSNA (EDEN REGION) WEST : 14 – 21 OCTOBER 2024			
RESOLUTIONS TO BE ACTIONED			
[a] That the information as per the item (SAFA National Sasol league play-offs 2024 Knysna (Eden Region) west) be noted; and [b] That Council approves the support to hosting of the event in Knysna.	Acting Director : Community Services		
SC08/09/24 APPOINTMENT OF AN ACTING DIRECTOR COMMUNITY SERVICES			
RESOLUTIONS TO BE ACTIONED			
	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE

ORDINARY MUNICIPAL COUNCIL MEETING
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[a] That the Council notes the correspondence of the MEC dated 06/09/2024 indicating that he does not concur with the appointment of Mr. R Abdullah; and [b] That the Acting Municipal Manager inform Mr. R Abdullah of the termination of his contract as of today, 9 September 2024.	Acting Director: Corporate Services Manager: Human Resources		
SC09/09/24 APPOINTMENT OF ACTING DIRECTOR COMMUNITY SERVICES			
RESOLUTIONS TO BE ACTIONED	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a] That the report regarding the appointment of an Acting Director Community Services be noted; [b] That Mr Ivan van Wyk be appointed as Acting Director Community Services, for a period of one (1) month or until the vacancy is filled, whichever comes first; and [c] That the Human Resources Department be instructed to regularly update Council with the appointment process for the Director Community.	Acting Municipal Manager Acting Director: Corporate Services Manager: Human Resources		
SC10/09/24 APPOINTMENT OF ACTING DIRECTOR INFRASTRUCTURE SERVICES			
RESOLUTIONS TO BE ACTIONED	OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a] That the report regarding the appointment of an Acting Director Infrastructure Services be noted; and [b] That Shaun Maree be appointed as Acting Director Infrastructure Services, for a period of one (1) month or until the vacancy is filled, whichever comes first.	Acting Municipal Manager Acting Director: Corporate Services Manager: Human Resources		
EXECUTION LIST : SPECIAL COUNCIL MEETING : 30 SEPTEMBER 2024			

ORDINARY MUNICIPAL COUNCIL MEETING
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SC01/09/24 <u>FINAL 2024/2025 BUDGET FUNDING PLAN</u>				
RESOLUTIONS TO BE ACTIONED		OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
[a]	That the correspondence received from Provincial Treasury be noted;	Director: Financial Services		
[b]	That the correspondence be forwarded to the Western Cape Government Ministry of Finance be noted;			
[c]	That the Final 2024/2025 Budget Funding Plan be approved by Council; and			
[d]	That the Executive Mayor will establish a Steering Committee consisting of all Political Parties represented in Council.			
SC02/09/24 <u>REPORT ON GREY ELEPHANT INVESTMENT PTY LTD T/A THE KNYSNA MALL //THE REX HOTEL//THE GALARY BODY CORPORATE</u>				
RESOLUTIONS TO BE ACTIONED		OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
That the Report on Grey Elephant Investment Pty Ltd t/a The Knysna Mall//The Rex Hotel//The Rex Hotel//The Galary Body Corporate be withdrawn and submitted to a Special Council Meeting to be held on/before the end of next week (11 October 2024).		Director : Financial Services		
SC03/09/24 <u>CONCURRENCE ON THE EXTENSION ON THE TERM OF APPOINTMENT OF ACTING MUNICIPAL MANAGER AS WELL AS ACTING DIRECTOR: CORPORATE SERVICES</u>				
RESOLUTIONS TO BE ACTIONED		OFFICIAL(S)	STATUS OF EXECUTION	DUE DATE
<u>UNANIMOUSLY RESOLVED</u>		Acting Director: Corporate Services Manager: Human Resources		
[a]	That Council notes this report;			
[b]	That Council takes note of the correspondence received from MEC Bredell concurring with the extension of Mr Phaahle Simon Malepeng as Acting Municipal Manager with effect 18 September 2024 until 17 December 2024; and			

ORDINARY MUNICIPAL COUNCIL MEETING
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[c] That Council takes note of MEC Bredell's concurrence on the extension sought for Ms Z Moon as Acting Director Corporate Services with effect 27 September 2024 until 26 December 2024.			
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10. STATEMENTS AND COMMUNICATIONS OF THE SPEAKER

**10.1 REPORT ON MEETINGS/FUNCTIONS ATTENDED BY THE SPEAKER,
CLLR MNCEDISI DAVID SKOSANA**

REPORT FROM THE OFFICE OF THE SPEAKER

PURPOSE OF THE REPORT

To inform the Municipal Council of Functions, Meetings and Workshops attended by the Speaker for the period of August 2024 to October 2024

DATE	EVENT
05/08/2024	Ordinary Council Meeting
15/08/2024	Western Cape Forest villages in Knysna
21/08/2024	Knysna Water & Sanitation Forum meeting
22/08/2024	Continuation of Ordinary Council Meeting
27/08/2024	EPWP Workshop
04/09/2024	Training workshop in Knysna (Senior Manager Appointments - Legislation & Regulations)
09/09/2024	Special Council meeting
18/09/2024	Infrastructure Services Committee Meeting
19/09/2024	Special Council Meeting
25/09/2024	Community Services Committee Meeting
25/09/2024	Ward 3- Ward Committee Meeting
26/09/2024	SANPARKS Vision 2040 Launch
30/09/2024	Workshop – Final Budget plan
30/09/2024	Special Council Meeting
02/10/2024	Integrated Human Settlements Committee meeting
10-11/10/2024	Speaker's Forum (Salga)- Stellenbosch)

RECOMMENDATION FROM THE OFFICE OF THE SPEAKER

That the report from the Speaker with regard to functions, meetings and workshops attended, for the period of August 2024 to October 2024, be noted.

File Number: 9/1/1/1

Execution: Office of the Speaker

11. STATEMENTS AND COMMUNICATIONS OF THE EXECUTIVE MAYOR

11.1

FUNCTIONS, MEETINGS & WORKSHOPS ATTENDED BY THE EXECUTIVE MAYOR, CLLR AUBREY TSENGWA
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REPORT FROM THE OFFICE OF THE EXECUTIVE MAYOR

PURPOSE OF THE REPORT

To inform the Municipal Council of Functions, Meetings and Workshops attended by the Mayor for the period of August – October 2024

DATE	EVENT
10.08.2024	Regional Tournament - Boxing @ Safe Hub
13.08.2024	SALGA Meeting in Cape Town (Electricity & Public Works)
14.08.2024	District Coordinating Forum on teams
15.08.2024	Western Cape Forest Villages called by the Western Cape Department
21.08.2024	Water & Sanitation Forum
26.08.2024	A brief introductory meeting with the Provincial Minister of Mobility Mr Sileku
27.08.2024	EPWP Orientation
29.08.2024	Establishment of the Community Safety Forum
04.09.2024	Training workshop on Legislation & Regulations
18.09.2024	EPWP Clean up organized by Coca Cola through the department of Forestry at Riverside
19.09.2024	Ward Committee Meeting
25.09.2024	Mayoral Will's day at Ivangeli Yoxolo Church
26.09.2024	SANPARKS vision 2040 launch
30.09.2024	Budget Workshop
06.10.2024	Rheenendal Spring Soccer Tournament closer
10.10.2024	MAYCO
15.10.2024	SAFA Western Cape Launch @ Premier Hotel
19.10.2024	SA Sea cadets Awards Parade
21.10.2024	• Workshop : DC board & By Laws for Keeping dogs • Meeting with the General Manager of Eskom : Mr Mbulelo Yedwa
24.10.2024	• Workshop : Housing & Properties • Opening of play park in ward 3 organized by the Coca Cola through the department of Forestry

RECOMMENDATION FROM THE OFFICE OF THE EXECUTIVE DEPUTY MAYOR

That the report from the Executive Mayor with regard to functions, meetings and workshops attended, for the period of August – October 2024, be noted.

File Number: 9/1/1/1

Execution: Office of the Executive Mayor

11.2 STATEMENTS AND COMMUNICATIONS BY THE DEPUTY EXECUTIVE MAYOR

FUNCTIONS, MEETINGS & WORKSHOPS ATTENDED BY THE DEPUTY EXECUTIVE MAYOR, CLLR ALBERTO MARBI
--

REPORT FROM THE OFFICE OF THE DEPUTY MAYOR

PURPOSE OF THE REPORT

To inform the Municipal Council of Functions, Meetings and Workshops attended by the Deputy Mayor for the period of August-October 2024

DATE	EVENT
23.07.2024	Simola Hillclimb stakeholders
14.08.2024	Salga Working group workshop
15.08.2024	Western Cape Forest villages engagement (Department of Public Works)
26.08.2024	Garden route global entrepreneurship
27.08.2024	EPWP Council Induction
29.08.2024	SAFA Women's league 2024 engagement
02.09.2024	Ward Delimitation Education and Awareness Programme
23.09.2024	Baffelsbay water & road issues and solution plan
23/09-05/10 2024	Rheenendal Spring Soccer tournament
26.09.2024	Sanparks Vision 2040 reveal
09.10.2024	Beyond normal Business talk event
10.10.2024	MAYCO
15/10-20/10/2024	Sasol women's league playoff 2024

RECOMMENDATION FROM THE OFFICE OF THE EXECUTIVE DEPUTY MAYOR

That the report from the Deputy Mayor with regard to functions, meetings and workshops attended, for the period of August 2024 to October 2024, be noted.

File Number: 9/1/1/1

Execution: Office of the Deputy Mayor

Enq : Susan Griffiths
Ref : 2/1/4R
E-mail : sgriffiths@salga.org.za
Date : 05 August 2024



AGENDA

Development Planning and Rural Development Working Group

TO CHAIRPERSON FOR THE WORKING GROUP
MEMBERS OF THE WORKING GROUP
MUNICIPAL OFFICIALS
INVITED GUESTS

AGENDA:
DEVELOPMENT PLANNING AND RURAL DEVELOPMENT WORKING GROUP

ENCLOSED please find the Agenda of the SALGA Western Cape Development Planning and Rural Development Working Groups scheduled for **10:00 on Wednesday, 14 August 2024 at the Southern Sun Newlands, 7 Main Road, Newlands, Cape Town.**

Kind Regards

Mr KHALIL MULLAGIE
PROVINCIAL DIRECTOR OF OPERATIONS

ENCL

ORDINARY MUNICIPAL COUNCIL MEETING
AGENDA
31 OCTOBER 2024



**AGENDA:
DEVELOPMENT PLANNING AND RURAL DEVELOPMENT WORKING GROUP
14 AUGUST 2024**

ITEM	ITEM DESCRIPTION	PAGE
SECTION A PROCEDURAL MATTERS		
1.1	Opening and Welcome	
1.2	Evacuation Procedure	
1.3	Attendance and Apologies	
1.4	Declaration of Interests	
1.5	Adoption of the Agenda	
1.6	Approval of the Minutes of the Development Planning and Rural Development Working Group of 10 June 2024	Page 1 - 10
1.7	Matters Arising	
1.7.1	Item 2.1 - SALGA DEVELOPMENT PLANNING AND RURAL DEVELOPMENT AOP That SALGA follow up on the challenged experienced by the Moravian Church Land and report back at the next Development Planning and Rural Development Working Group on the progress.	
1.7.2	Item 2.2 - REGIONAL SOCIO-ECONOMIC PROGRAMME (RSEP) That the Department of Environmental Affairs and Development Planning forward the booklet with funding opportunities to SALGA to distribute to Municipalities	
1.7.3	Item 2.3 - FOREST VILLAGES 1. That all role-players discuss the issue of the Forestry Villages and report back to the next Development Planning and Rural Development Working Group on the progress. 2. That it be requested that the Department and Public Works report on the Garcia Forest Village in Hessequa Municipality be resubmitted to the Minister for amendment of the decision that the valuation, survey and all costs incidental to the transfer of State land be borne by the Garcia Community Trust be amended in line with the proposal made at the meeting in George on 16 March 2024. 3. That the possibility of a process to amend the SANPARKS boundaries so that the Tokai Forest Villages falls outside the SANPARKS boundaries and then property can be transferred be explored.	
SECTION B PRESENTATIONS		
DEVELOPMENT PLANNING AND RURAL DEVELOPMENT WORKING GROUP		
2.1	Policy on the Provision of Water on Private Land	Mr S. Ndlovu Dept. Water and Sanitation
2.2	Risk Planning	Dr Robyn Pharoah Stellenbosch University
2.3	Integrated Coastal Management Act: Provision of Inputs into IDP & SDF	Ms N. Jukuda Department of Forestry, Fisheries & Environment
SECTION C ITEMS FOR DISCUSSION AND NOTING		
3.1	Built Environment and Planning Q1 Feedback	Ms Susan Griffiths Page 11 - 16

ORDINARY MUNICIPAL COUNCIL MEETING
AGENDA
31 OCTOBER 2024



AGENDA:
DEVELOPMENT PLANNING AND RURAL DEVELOPMENT WORKING GROUP
14 AUGUST 2024

ITEM	ITEM DESCRIPTION	PAGE
CLOSURE		
4.	Reminder: SALGA Evaluation Form	All
5.	Next Meeting: TBC	All
6.	Closure and Acknowledgements	

Enquiries: Ms Susan Griffiths
E-mail: sgriffiths@salga.org.za
Cell: 084 491 0529
Date: 10 March 2024



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Cape Town, 8000
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PO Box 185
Cape Town, 8001

MINUTES

Development Planning and Rural Development [DPRD] Working Group

TO : Chairpersons
Deputy Chairpersons
Members of the Working Group
Municipal Officials
Invited Guests

MINUTES
DEVELOPMENT PLANNING AND RURAL DEVELOPMENT [DPRD] WORKING GROUP
MONDAY, 10 JUNE 2024

ENCLOSED please find the Minutes of Development Planning and Rural Development Working Group meeting held on **Monday, 10 June 2024** at the **Caledon Casino and Spa, CALEDON**.

Mr KHALIL MULLAGIE
PROVINCIAL DIRECTOR OF OPERATIONS

ENCL



www.salga.org.za



MINUTES

Development Planning and Rural Development Working Group

1.1 OPENING AND WELCOME

Councillor Carl Punt, Chairperson of the Development Planning and Rural Development Working Group welcomed all the Councillors, Guests, Stakeholders and Officials present at the Development Planning and Rural Development Working Group meeting held on 10 June 2024.

1.2 EVACUATION PROCEDURE

Ms Nwabisa from the Caledon Casino and Spa explained the Evacuation Procedure in case of an emergency.

NOTED

1.3 ATTENDANCE AND APOLOGIES

Present: Official Representative: Councillors / Aldermen

No	Cllr/ Ald	Title	Name	Name of Municipality
1.	Cllr	Mr	Donovan Joubert	: PEC Chairperson
2.	Cllr	Mr	Carl Punt	: Chairperson: Development Planning and Rural Development Working Group
3.	Cllr	Mr	Johan Moolman	: Berggrivier
4.	Cllr	Ms	Nokuzola Kolwapi	: Bitou
5.	Cllr	Mr	Palesa Ramokhabi	: Breede Valley
6.	Cllr	Mr	Raymond Ross	: Cape Agulhas
7.	Cllr	Mr	Nicolaas Sauerman	: Cape Winelands DM
8.	Cllr	Mr	Jobieth Hoogbaard	: Garden Route DM
9.	Ald	Mr	Petru Terblanche	: Garden Route DM
10.	Cllr	Mr	Justin Fry	: George
11.	Cllr	Mr	Gerald Boezak	: Hessequa
12.	Cllr	Mr	Alberto Marbi	: Knysna
13.	Cllr	Ms	Barbara Owen	: Oudtshoorn
14.	Ald	Ms	Helen Coetzee	: Overberg DM
15.	Cllr	Ms	Yvonne van Tonder	: Overberg DM
16.	Cllr	Mr	Orzymondius Stemele	: West Coast DM
17.	Cllr	Mr	Patric Daniëls	: Witzenberg

Present: Invited Guests

No		Title	Name	Organisation
1.	Off	Mr	Jeremy Benjamin	: DEADP
2.	Off	Mr	Theo Rebel	: DEADP
3.	Off	Ms	Mothomone Rapudi	: Department of Public Works
4.	Off	Ms	Lindelani Mahlombe	: Department of Public Works
5.	Off	Ms	Singatha Maholwane	: Department of Public Works
6.	Off	Ms	Edzani Cibunyu	: Department of Public Works

ORDINARY MUNICIPAL COUNCIL MEETING
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No		Title	Name	Organisation
7.	Off	Ms	Goodness Lepota	: Department of Public Works
8.	Off	Ms	Madoda Mfene	: Department of Public Works

Present: Officials

No	Off	Title	Name	Name of Municipality
1.	Off	Mr	Johannes Jaftha	: Garden Route DM
2.	Off	Mr	Jaco Eastes	: Oudtshoorn
3.	Off	Ms	Lindsey Gaffley	: Saldanha Bay
4.	Off	Mr	Alwyn Zaayman	: Swartland
5.	Off	Mr	Fred-Earl Williams	: West Coast DM

SALGA Officials

No	Off	Title	Name	Name of Municipality
1.	Off	Mr	Khalil Mullagie	: SALGA Western Cape
2.	Off	Mr	Seana Makhahle	: SALGA National
3.	Off	Mr	Zanoxolo Futwa	: SALGA National
4.	Off	Mr	David Jansen	: SALGA Western Cape
5.	Off	Ms	Joyce Moholola	: SALGA Western Cape
6.	Off	Ms	Susan Griffiths	: SALGA Western Cape
7.	Off	Ms	Nyameka Katina	: SALGA Western Cape
8.	Off	Ms	Marelize de Wet	: SALGA Western Cape
9.	Off	Ms	Miltoinette Cupido	: SALGA Western Cape
10.	Off	Mr	Monwabisi Fani	: SALGA Western Cape
11.	Off	Ms	Nwabisa Gwele	: SALGA Western Cape
12.	Off	Mr	Sidwell Blows	: SALGA Western Cape

Apologies

No	Cllr /Off	Title	Name	Name of Municipality
1.	Cllr	Mr	Clinton Lerm	: Overstrand Municipality

1.4 DECLARATION OF INTEREST

No interests were declared.

NOTED

The Chairperson of SALGA, Alderman Donovan Joubert made use of the opportunity to introduce himself and to explain the structure of SALGA. Each Provincial Executive Committee (PEC) has a NEC Member deployed to their Province to take matters back to the National Executive Committee. In the Western Cape we have Councillors Ngubane and Naidoo from KwaZulu Natal that represents the Western Cape at National Level.

Each PEC Member in the Western Cape is responsible for chairing a Provincial Working Group and report back to the PEC Meeting. The importance of making recommendations to working groups was emphasized.



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The importance of Councillors attending working groups with a mandate and to make recommendations at the working groups were emphasized. This will enable the PEC to address issues raised by Municipalities at a National Level. The Working Group members were also informed that Working Group meetings will in future only be held physically to encourage engagement with each other and it is a political platform for Councillors to raise their mandates. Equally it was also emphasized that Councillors must report back to Council on the issues discussed and raised at the Provincial Working Groups.

The other important issue that was raised is the capacity building of Councillors. SALGA is rolling out various courses and councillors were encouraged to attend the training offered by SALGA.

The Chairperson informed the Councillors that SALGA have specialists in specific fields and are there to assist Municipalities. Municipalities were also encouraged to respond to Circulars by SALGA requesting comments so that SALGA can take certain issues forward on behalf of Municipalities.

The Chairperson concluded by saying that at the PEC Meeting last week, an update on the Councillor Remuneration was shared whereupon the PEC requested SALGA National to issue a Circular to inform the Councillors on the progress and the process forward.

NOTED

1.5 ADOPTION OF THE AGENDA

The adoption of the Development Planning and Rural Development Working Group agenda was proposed by Cllr Jobieth Hoogbaard [Garden Route District Municipality] and seconded by Cllr Arnold Mackay [Central Karoo District Municipality] subject to the following amendments:

- Mr Johannes Jaffha from Garden Route DM is an Official and not a Councillor
- Mr Khalil Mullagie (correct title)

1.6 APPROVAL OF THE DEVELOPMENT PLANNING AND RURAL DEVELOPMENT WORKING GROUP OF 11 MARCH 2024

The adoption of the Development Planning and Rural Development Working Group Minutes of 11 March 2024 was proposed by Cllr Barbara Owen [Oudtshoorn Municipality] and seconded by Cllr Raymond Ross [Cape Agulhas Municipality].

NOTED

1.6.1 MATTERS ARISING

No matters arising.

SECTION B
PRESENTATIONS

2.1 SALGA DEVELOPMENT PLANNING AND RURAL DEVELOPMENT AOP

Mr Seana Nkhahle from SALGA explained the purpose of the cluster is to advocate for the creation of an enabling environment and support municipalities in the delivery of infrastructure, and related services in a sustainable and inclusive manner. The impact statement is that Municipalities are



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empowered to improve the quality of life in their respective communities, through improved, well-maintained infrastructure and socio-economic services. All done while pursuing a low carbon, resilient socio-economic development.

The targets on the following were shared with the Working Group planned for the 2024/2025 financial year:

- Planning, Land & Rural Development
- Transport and Infrastructure
- Human Settlements

In conclusion the following key requirements for effective delivery on the APP/AOP were highlighted:

- Collaboration between National and Provincial Offices,
- Leveraging off one another between Clusters and Portfolios
- Effective operating / delivery model
- Effective Resourcing (Financial, Human, Technology)

The Moravian Church Land was raised as a general concern.

RESOLVED

1. That SALGA follow up on the challenged experienced by the Moravian Church Land and report back at the next Development Planning and Rural Development Working Group on the progress.

2.2 REGIONAL SOCIO-ECONOMIC PROGRAMME (RSEP)

Mr Jeremy Benjamin explained that the The Regional Socio-Economic Projects (RSEP) Programme is an intergovernmental and citizen-centric Programme in the Western Cape and is aimed at previously marginalised neighborhoods' development and spatial justice through spatial integration and social cohesion. The Programme is not implemented in the City of Cape Town metropolitan area. The Programme works across the government to deliver socio-economic infrastructure and facilities to local income communities, and its footprint expands across 14 municipalities (representing 23 towns) in the Western Cape.

The core function is to improve the quality of life in previously disadvantaged neighbourhoods through urban, social and spatial upgrading. RSEP's ultimate outcome is to promote spatially integrated, socially uplifted and dignified towns and communities with equal access to socio-economic facilities and services, living in peace and harmony with jobs for all.

The objective is to build safe and sustainable neighbourhoods on social capital towards community cohesion and creating safe communities; To promote a 'Whole-of-Society Approach', which envisions a capable state partnering with active citizens, communities and stakeholders to promote social and economic inclusion; To plan a 'Whole-of-Government Approach' to promote the implementation of the Provincial Spatial Development Framework and enhance planning-led budgeting through coordinated multi-sector spending in the Province; and to promote joint learning and mainstreaming in order to broaden the impact of the Programme.

Examples of some of the programmes/projects were shared with the meeting.

Ald Helen Coetzee explained the challenges experienced by their town (Amiston) as there is no access to their town due to flooding. Mr Benjamin indicated that he will contact Ald Coetzee directly to discuss the challenges experienced to see how they can assist.



Mr Benjamin requested Municipalities to forward requests for assistance/facilitation to him to see how they might be able to assist. It was mentioned that DEADP cannot assist with the development of roads as the request must be directed to the Department of Transport.

Mr Benjamin indicated that the Department is busy with a document that captures all the lessons learned and success stories and failures and the measurement of the impact to monitor and evaluate their processes.

Mr Benjamin mentioned that there is a Booklet available with a list of available funding opportunities (private, semi-government and government funding). The Department of Environmental Affairs and Development Planning (DEADP) will also assist Municipalities to obtain funding for certain projects.

RESOLVED

1. That the Department of Environmental Affairs and Development Planning forward the booklet with funding opportunities to SALGA to distribute to Municipalities.

2.3 FOREST VILLAGES

Ms Susan Griffiths from SALGA Western Cape mentioned that there are a total of 34 Forest Villages in the Western Cape

- 12 have been de-proclaimed and since handed back to the Department of Public Works and Infrastructure (DPWI)
- Six have been transferred to Municipalities
- Six are in process
- The Department of Forestry, Fisheries and the Environment (DFFE) is managing 22 Forest Villages
 - Distance to closest town
 - Basic service provision
 - Housing Typology
 - Number of Houses
 - Number of Residents
 - Profile of Residents
 - Occupancy
 - Willingness to relocate/ not

The following administrative challenges were highlighted:

- Historical "responsibility":
 - National Department of Public Works (NDPW) owner of land;
 - Department of Agriculture, Forestry & Fisheries (DAFF) user of land
 - Private company harvesting
 - Ex- forestry workers reside in residential villages in the plantations.
 - DAFF is not able to endorse any development in these villages, only services are allowed, because DAFF is not a landowner.
- De-proclaim - state forest land (DAFF) allows for tenure transfer (DPWI) and ultimately to Private Tenant
- Challenges associated with incorporation into the municipalities for proper planning and service delivery.

It was made clear by the Department of Rural Development and Land Reform (DRDLR) that all basic services currently supplied to these villages are to remain and that DAFF being the landowner



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is accountable to ensure that the rights of the residents living in the villages in terms of the Extension of the Security of Tenure Act 62 of 1997 (ESTA) is not infringed upon.

The following community challenges were highlighted:

- Forest Village communities have no security of tenure
- Basic infrastructure and services – non-existent or deteriorating
- Dilapidated housing
- No employment or economic opportunities
- Indigents not benefiting from Free Basic Services
- Villages located a distance from main towns and bulk infrastructure

External Challenges:

- Expanding footprint
 - increase population
 - backyard dwellings
 - Illegal occupation
- Natural
 - Fire
 - Flooding
 - Economic integration due to geographical location
- Social
 - Crime and substance abuse Vandalism
 - Theft
 - Illegal hunting and harvesting

Ms Susan Griffiths informed the meeting that Municipalities requested SALGA to coordinate and facilitate the establishment of a multi stakeholder platform to formulate and implement a plan to support villages and resolve the challenges. SALGA engaged with municipalities and village representatives to find best solutions.

- 2013/ 2018 NDPW
- 2015 – Meeting with MEC Bredell, Municipalities and SALGA
- 2019
 - Stakeholder engagement
 - Municipalities
 - DAFF
 - Western Cape Forestry Sector Forum with site visits
 - Jonkersberg in Mossel Bay
 - Bergplaas in George
 - Farleigh & Brakenhill in Knysna
 - Department of Agriculture, Land Reform and Rural Development i.t.o establishing Community Property Associations

The Honorable Minister of Public Works and Infrastructure Sihle Zikalala engaged with the community living in the forest villages of the Western Cape in George on the 16 March 2024. Key statements:

- The houses will be transferred to the beneficiaries free of charge.
- A portion of land will be reserved solely for agricultural purposes to benefit the community.

Communities will have to constitute themselves into cooperatives and Department explore the creation of work opportunities through EPWP.

The following Short-Term Interventions were highlighted:

- Conditions of the transfer from previous Ministerial Approvals are revisited in order to amend unfavourable conditions such as “beneficiaries have to buy the houses from the municipality” e.g. Meerlust and Maarsdorp (in process to be completed end of 2024).
- Security of Tenure- All the houses should be transferred to the beneficiaries Free of Charge (e.g. Ruiterbosch) by end of 2024.
- Reserve a portion of land for the Forest Village Community for Agricultural and economic purposes to improve their Livelihood – 31 July 2024
- DPWI and DFFE will through EPWP recruit and train the Forestry Community who will be equipped with knowledge and skills as well as equipment to effectively protect all forestry plantation. The programme will commence at the beginning of the financial year 2024/2025. This should include training of security (rangers) and fire fighters’ personnel - July 2024.
- The above initiative will further assist the communities to establish cooperatives, the department will assist the communities and facilitate the processes
- HDA will be encouraged to open EPWP work opportunities to the forestry communities during their housing development processes including Enterprise Development/SMMEs such as waste recycling (e.g. Meerlust)
- Establishment of a Western Cape Provincial Forestry Village Steering Committee (comprise all relevant stake holders) – end of May 2024

Long Term Interventions

- Ensure that all houses are transferred to the beneficiaries free of charge
- A special funding for forest villages to be investigated to cater for the upgrading of the existing infrastructure including the upgrading/refurbishing of the existing houses.
- Housing Development intervention to accommodate qualifying beneficiaries
- Encourage the forest villages community to partner with Western Cape Cooperative Movement (NCASA) to assist them to establish their infant Agricultural Cooperatives (different commodities)

Correspondence from The Director General: Department of Public Works and Infrastructure established Western Cape Forest Villages Task Team.

SALGA Represented on the Task Team

- Khalil Mullagie
- Susan Griffiths
- Sagwata Manyike

Ms Susan Griffiths concluded her presentation by highlighting that SALGA will continue support. Collaboration, led by SALGA in the establishment and implementation of a plan for stakeholders to support forestry villages, is critical. There is the need for collaboration between DFFE, DPWI and Municipalities. SALGA will continue to engage with Municipalities and facilitate discussions between the Municipalities, Department of Public Works and the Department of Forestry.

Ms Lindelani Mahlombe from Department of Public Works presented on the Forest Villages and concluded the presentation highlighting the way forward

- Western Cape Forest Village Task Team has been established
- First meeting 12 April 2024- DPWI offices:
 - Inter- Departmental stakeholders (DPWI, DFFE, W&S, HDA, DHS, DALRRD & SALGA)
 - Background & Status of the Forest Villages, with regards to the roles and responsibilities
- Meeting 2, 20 April 2024 – Heidelberg Community Hall:
 - Inter-Departmental & Community representatives
 - Established that there is a need to visit all villages on a fact finding mission



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- Meeting 3, 26- 29 April 2024:
 - The above-mentioned departments visited all the villages, to:
 - Get a better understanding of the location of the villages
 - The economic status
 - Outcries of the community, to see how each department will contribute to the challenges
 - The recommendations and findings to be discussed in the next task team meeting
- The Department has requested nominations from the affected Municipalities to form part of the task team, to have an integrated approach

The Department of Public Works suggested that it might be a good idea to also get the Communities to form part of the Task Team to get their inputs/views.

Various challenges were raised in terms of water, infrastructure and services to Forestry Villages as Municipalities do not have the funding. Knysna Municipality pleaded Department of Public Works to assist with the challenges.

Mr Khalil Mullagie reported on the Tokai Forestry Village in Cape Town which cannot be transferred as it is part of SANPARKS, but there is a possibility of a process to amend the SANPARKS boundaries so that the Forest Villages falls outside the SANPARKS boundaries and then property can be transferred. This is a long-term solution as it is an Act of Parliament that must be changed.

There is also a Forestry Village in the Hessequa area where a recommendation was made that the Forestry Village community must pay for the transfer of the land. The Minister made a commitment that the communities will not be paying. SALGA is asking that the report be resubmitted to the Minister for amendment of that recommendation and that could be a process that we could get underway.

Knysna has other challenges as there are many communities but there are some communities that indicated that they would want to transfer because that's the only option, but they requested to be transferred to land owned by Public Works which is identified next to the N2. This might mean that Knysna Municipality might need to change their Urban Edge, but it is an option to consider to get villages to transfer to other land.

RESOLVED to RECOMMEND

1. That all role-players discuss the issue of the Forestry Villages and report back to the next Development Planning and Rural Development Working Group on the progress.
2. That it be requested that the Department and Public Works report on the Garcia Forest Village in Hessequa Municipality be resubmitted to the Minister for amendment of the decision that the valuation, survey and all costs incidental to the transfer of State land be borne by the Garcia Community Trust be amended in line with the proposal made at the meeting in George on 16 March 2024.
3. That the possibility of a process to amend the SANPARKS boundaries so that the Tokai Forest Villages falls outside the SANPARKS boundaries and then property can be transferred be explored.



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SECTION C
ITEMS FOR DISCUSSION AND NOTING

3.1 DEVELOPMENT PLANNING AND RURAL DEVELOPMENT QUARTERLY REPORT
The report was **NOTED**.

CLOSURE

- 4. REMINDER: SALGA EVALUATION FORM**
The Chairperson reminded all the Working Group members to complete the SALGA Evaluation Form that will be shared with members via WhatsApp and on the virtual platform.
- 5. NEXT MEETING**
The date of the next Provincial Working Group meeting will be communicated accordingly.
- 6. CLOSURE AND ACKNOWLEDGEMENTS**
The Chairperson, Councillor Carl Punt thanked everyone for their attendance, their inputs and participation during the meeting.

The meeting adjourned at 16:10.

The Minutes of the Development Planning and Rural Development Working Group were adopted on _____ 2024.

COUNCILLOR CARL PUNT
CHAIRPERSON: DEVELOPMENT PLANNING AND RURAL DEVELOPMENT WORKING GROUP

**DEVELOPMENT PLANNING AND RURAL DEVELOPMENT
PROVINCIAL WORKING GROUP: 14 AUGUST 2024
PROVINCIAL EXECUTIVE COMMITTEE: 18-19 JULY 2024
EXTENDED PROVINCIAL MANAGEMENT TEAM MEETING: 08 JULY
2024
ITEM NO: 3.1**

DIRECTORATE: BUILT ENVIRONMENT AND PLANNING

**1 CLUSTER TARGET: INFRASTRUCTURE DELIVERY, SPATIAL
TRANSFORMATION AND INCLUSIVE COMMUNITIES**

2 PROGRAMMES AND OBJECTIVES

2.1 PROGRAMME ONE: ADVOCACY AND STRATEGIC PROFILING

Leading the profiling of municipalities and engagements with relevant IGR structures on development and review of policies and legislation to enable local government to deliver on its mandate

2.2 PROGRAMME TWO: MULTIDISCIPLINARY SUPPORT

Facilitate support programme to municipalities on a range of issues that pertains to municipal development.

3 PURPOSE OF THE REPORT

To provide an update on the activities of the first quarter (2024/2025 financial year) for the Portfolio Built Environment and Planning, Western Cape Office.

4 BACKGROUND

This report is premised on the requirements imposed upon Schedule 3A Public Entities as per the PFMA. The implementation of the PFMA is facilitated through National Treasury Regulations and Frameworks, which have been factored into the SALGA Strategic and Business Planning Policy.

Further, the National Treasury issued a Framework for Strategic Plans and Annual Performance Plans in September 2010, enforced by Treasury Instruction Note 33 of 2011, compelling Schedule 3A Public Entities to comply with the Framework.

Quarterly performance reports provide progress updates on the implementation of SALGA's Western Cape Provincial Annual Performance Plan 2021/22 in the previous quarter, with particular reference to monitoring delivery against quarterly performance targets. The quarterly performance report provides SALGA Provincial Leadership with information on performance against plans as well as other activities with which the Provincial Directorate is involved. It also provides the Accounting Officer (CEO) with an

opportunity to indicate measures that will be taken to ensure that implementation of the Annual Performance Plan remains on track.

5 DISCUSSION

SALGA's Annual Operational Plan for the 2024/2025 financial year was finalised. Following this, the Annual Performance Plan for each Business Unit was developed, detailing National and Provincial SALGAs respective outcomes and Quarterly Targets

The Built Environment held a strategic Session from the 09th to 10th May 2024, in Sandton Johannesburg. At this session the following was achieved:

- Affirm and clarify resource allocation (budget) to activities in the APP/AOP 2024/2025
- Affirm a collective strategy to harnessing IGR relations, stakeholder partnerships and collaborations to advance SALGA mandate and APP commitments 2024/2025
- Discuss and clarify possible ways to improve contribution of BE Team Members who are in provinces and confronted with multiple reporting lines (e.g. Provincial Director of Operations – Portfolio Heads – CLUSTER).
- How to link and improve alignment between SALGA PMS and accountability processes and
- the built environment APP/AOP delivery management model.
- How are scorecards of provincial advisors aligning to organizational scorecards and PMS processes to strengthen support and recognition of good performance

5.1 TARGET 3: LOBBY FOR THE ADOPTION OF THE SALGA POSITION ON ROADS FUNDING BY DOT AND NATIONAL TREASURY BY 31 MARCH 2025

5.1.1 SALGA POSITION ON ROADS FUNDING

The Provincial role is to facilitate municipal participation for the final adoption and mandating by the municipalities.

The Provincial Working Group for Roads and Public Transport was held in Caledon on the 11 June 2024. The position paper was presented to the working group. Engagement took place and the challenges faced by the municipalities were raised. A member of the working group advised that there had been a pilot study in 2019. SALGA is to investigate this and share accordingly.

The Provincial working group endorsed that the allocation of roads funding be taken up in the National Working Group. It also recommended that SALGA investigate ways of treating the use of borrow pits differently from mines, and if necessary, lobby that there are changes to the Act.

It was recommended that:

- a) That allocation of roads funding be taken up in the National Working Group.
- b) SALGA National to lobby for borrow pits to be treated differently and not as mines. SALGA to investigate why it is done as is and if so required, lobby for the Minister to change the Act.
- c) That SALGA to investigate what happened regarding the "2019 Pilot Study" on Transport Agency Fees and report back to the working group.

5.1.2 ROAD ASSET MANAGEMENT SYSTEM

On 17 May 2024 SALGA attended the Road Asset Management Systems meeting with the National and Provincial Department of Transport as well as District Municipalities. The purpose of the meeting was to assist get municipalities up to speed with the updated RAMS application as well as to see how the municipalities are doing. The meeting identified a number of areas that needed attention.

5.2 TARGET 42: MUNICIPALITIES SUPPORTED AND CAPACITATED TO UNDERTAKE SPATIAL PLANNING AND LAND USE MANAGEMENT

5.2.1 LAINGSBURG MUNICIPALITY

As part of their Corporate Social Responsibility (CSR), Tshani Consulting CC - in collaboration with the Young Graduates of Municipal Infrastructure Support Agency (MISA) - is developing the Laingsburg Local Spatial Development Framework.

The team circulated the **Development of the Laingsburg Spatial Development Framework – Phase 2: Situation Analysis Report**, April 2024, in April 2024 for comment. SALGA reviewed the report and provided written input to Tshani Consulting cc on 22 May 2024.

5.2.2 DEA&DP RSEP PROGRAMME

On 15 May 2024 SALGA and the Department of Environmental Affairs and Development Planning held a meeting at the SALGA boardroom. The purpose of the meeting was to discuss possible collaborations. Mr. Jeremy Benjamin from the Department of Environmental Affairs and Development Planning presented the Western Cape Regional Socio-Economic Projects (RSEP). He shared that the (RSEP) is an intergovernmental and citizen-centric Programme in the Western Cape and is aimed at previously marginalized neighbourhoods development and spatial justice through spatial integration and social cohesion. It is one of the flagship programs of the Premier and has been going on for ten (10) years now. The objective is on safety and sustainability of neighbourhoods.

He highlighted that despite the value add and greatest need for this intervention unfortunately over the years the budget has been decreasing. Thus there is a great need for collaboration on planning, budgeting and implementation. In terms of planning, the community takes the center stage as they need to take ownership once the project has been completed and handed over. Also, the private sector needs to come onboard to fulfil their Corporate Social Responsibility. The meeting was advised that DEADP has a booklet for funding options and co-funding (private and public) is important. RSEP is primarily dependent on public land to achieve spatial integration and quick gains otherwise private land takes too long.

This programme was presented to the Human Settlement and Urban Agenda Working Group as well as, the Planning and Rural Development Working Groups held in Caledon between 10 – 14 June 2024.

5.2.3 CENTRAL KAROO GIS

On 2 May 2024 SALGA attended a meeting with the Department of Local Government, Stats SA, and the Central Karroo municipalities. The purpose of the meeting was to institutionalize the use of GIS in Central Karroo as well as the implementation of GIS in the Central Karroo. It was highlighted that a municipality that does not have a GIS capability will struggle to accelerate service delivery. The Western Cape Province is

fortunate in that municipalities are doing relatively well. The municipalities like the Central Karroo could also use the peer learning opportunity, for instance the Garden Route District has a fully functional GIS Forum. The value of GIS in a municipality could assist and be ascribed in Revenue Enhancement; Disaster Management; Public Safety; Public Access; Land Use Planning; and Assets Verification.

The purpose of having GIS license is for municipalities to use it effectively, at the least amount. It was advised that municipalities purchase what they want and what they are going to use to avoid wasteful expenditure. Municipalities need to use the data that can be consumed or channeled to other sources and assist to make decisions. The aim is to get to a point where municipalities are not reliant on service providers and finally take ownership of the dataset. The Department of Local Government is planning on the possibility of placing interns in the municipalities for ICT, but the Department is aware that ICT is not GIS. However, the Department could look at the possibility of supporting a GIS intern.

The meeting resolved that there is a need for a warm body in the municipalities and the municipalities need to make a submission for interns to the Department. The Department would need to meet with the municipalities to refine and finalize the needs and which package would municipalities need.

5.3 TARGET 44: SUPPORT TO DEVELOP AND IMPLEMENT REGIONAL/DISTRICT RURAL DEVELOPMENT PLANS

5.3.1 KAROO REGION

5.3.1.1 Documenting the Karoo Region

The Process of establishing the Karoo Region, is to be documented in a project lead by the Department of Science and Innovation (DSI). The Technology Innovation Agency (TIA) have been appointed by DSI to oversee the project.

A committee consisting of the following was established to drive the project:

- SALGA National office and representatives from Western Cape, Northern Cape, Eastern Cape, Free State,
- Department of Science and Innovation and
- Department of Agriculture Land Reform and Rural Development.

The Draft Terms of Reference (ToR) were circulated to the project committee for comment. The next step is for the DSI to give the ToR to the Technology Innovation Agency.

5.3.1.2 Karoo Outcomes Assessment

SALGA WC— lead by the Economic Growth and Investments cluster - is undertaking an outcomes assessment of the promulgated Karoo Region.

The outline of the report has been circulated for comment and input, to the provincial SALGA offices also involved in the Karoo region. A first draft of the report has been circulated internally for comment.

5.3.2 FOREST VILLAGES ACROSS WESTERN CAPE

Following the Ministerial visit to George in March 2024, SALGA attending a meeting convened by DPWI on 20 April 2024, at which representatives for each village was nominated.

At the end of April SALGA, together with numerous Provincial Departments, conducted site visits to the numerous forest villages. The departments represented were:

- Department of Public Works and Industry (DPWI)
- Department of Forestry, Fisheries and the Environment (DFFE)
- Department of Water and Sanitation (DWS)
- Housing Development Agency (HAD) – subsidiary of the Department of Human Settlements (DHS)
- Department of Land Reform and Rural Development (DALRRD)

The continuous support led by SALGA in the establishment and implementation of a plan for stakeholders to support forestry villages is critical.

The status of the Forest Villages was reported back to the Development Planning and Rural Development Working Group, June 2024. The Provincial Working group recommended that:

- 1) That it be requested to the Ministry of Public Works in Infrastructure that the legal and transfer costs for the transfer of land in Garcia Forest Village be rescinded.
- 2) That it be requested that the proclamation of the Table Mountain National Park boundary be amended to exclude the Tokai Forest Village from the National Park

5.4 TARGET 45: IMPLEMENTATION OF THE LOCAL GOVERNMENT HUMAN SETTLEMENTS SUPPORT PLAN

SALGA National and Western Cape met with the Metropolitan Municipalities and the Department of Human Settlements to engage on the Human Settlement Grants – Planning, Budgeting and Expenditure, at SALGA WC Offices. The City of Cape Town, City of Tshwane, eThekweni and Mangaung Metropolitan Municipalities were invited. The purpose of the meeting was for SALGA and the Metros to engage on progress made on delivery of Human Settlement and associated expenditure on related grants, particularly USDG, ISUPG.

eThekweni and Mangaung Metropolitan Municipalities attended and reported back on their progress, opportunities, challenges in grant expenditure and support requirements to improve performance (USDG, ISUPG, EHG). Concern was raised by the Chair of the non-attendance of the other metropolitan municipalities.

At the meeting - held on 14th May 2024- the discussions involved identifying challenges and where SALGA in its various IGR engagements can facilitate.

5.5 TARGET 43: UNLAWFUL LAND OCCUPATION SUPPORT

An invitation for public comments on the Prevention of Illegal Eviction from and unlawful occupation of land act sent to all municipalities in the Western Cape. Comments were received from Mossel Bay Municipality, Drakenstein and George and forwarded to SALGA National.

A Local Government workshop on the amendment of the PIE Act was held virtually on 27 June (hosted by SALGA National). Municipalities raised their challenges. Overall, there was an apparent call for the repeal of the Act and introduction of a new act.

5.6 PROVINCIAL WORKING GROUPS

- Development Planning and Rural Development – 10 June 2024
- Public Transport and Roads - 11 June 2024
- Human Settlements and Urban Agenda: 13 June 2024

5.7 NATIONAL WORKING GROUPS

- Development Planning and Rural Development – 03 June 2024
- Public Transport and Roads - 15 June 2024.
- Human Settlements and Urban Agenda: 05 June 2024

6 ENVISAGED IMPACT TO MUNICIPALITIES

Sustainable municipalities with well capacitated staff and councillors.

7 STAKEHOLDERS CONSULTED

- Department of Transport (DoT)
- Department of Public Works and Industry (DPWI)
- Western Cape Environmental Affairs and Development Planning (DEA&DP)
- Department of Cooperative Governance (CoGTA)
- Department of Local Government (DLG)
- Metropolitan Municipalities
- Local Municipalities

8 HUMAN RESOURCE IMPLICATIONS

None

9 LEGAL IMPLICATIONS

None

10 FINANCIAL IMPLICATIONS

None

11 OTHER IMPLICATIONS

None

12 FINANCIAL IMPLICATIONS

None

13 RECOMMENDATIONS

The Provincial Working Group notes the report

KHALIL MULLAGIE

PROVINCIAL DIRECTOR OF OPERATIONS

Summary of Outcomes

Provincial Working Group on Development
Planning & Rural Development
14 August 2024



AGENDA: PROVINCIAL WORKING GROUP MEETING			
ITEM No.	ITEM DESCRIPTION	KEY ISSUES RAISED	RECOMMENDATION/ DECISION
DEVELOPMENT PLANNING & RURAL DEVELOPMENT			
Chairperson:			
2.1.	POLICY ON THE PROVISION OF WATER ON PRIVATE LAND presented by Mr. Zolile Simawo (Department of Water and Sanitation)	Mr Simawo presented the Department of Water and Sanitation's approved Water and Sanitation Services Policy on Privately Owned Land. The policy background - which stemmed from a High Court Case in 2019 - was presented. The purpose of the policy is to articulate government's policy intent for provision of water services to residents living on privately owned land and to provide a framework to improve water services provision on privately owned land. The definition of privately owned land and the rights of people living on such land, was explained. The responsibility of the Water Services Authority, as well as the policy's position on different matters, was discussed by Mr Simawo.	Noted
	RISK PLANNING IN THE WESTERN CAPE presented by Dr Robyn Pharoah (RADAR at University of Stellenbosch)	Dr Pharoah presented examples of various disasters municipalities have/are facing. Many disasters are aggravated by poor river and dam management, aging/inadequate/unmaintained infrastructure, and the lack of proper forward planning. Admittedly, many disasters occur in areas where the development is historic, and climate change was not considered. It was noted that there is no/minimal consideration of planning for disaster management / risk planning in many municipal Integrated Development Plans (IDPs). Dr Pharoah shared the City of Cape Town's Resilience Strategy and the eThekweni Municipality as good examples of inclusion of risk management. Dr Pharoah advised that during the Public Participation stage of IDP, the ward council should identify and list areas of risk for correct risk planning to be done.	Noted

ORDINARY MUNICIPAL COUNCIL MEETING
AGENDA
31 OCTOBER 2024

AGENDA: PROVINCIAL WORKING GROUP MEETING			
ITEM No.	ITEM DESCRIPTION	KEY ISSUES RAISED	RECOMMENDATION/ DECISION
2.3.	INTEGRATED COASTAL MANAGEMENT ACT (ICMA): PROVISION OF INPUTS INTO THE INTEGRATED DEVELOPMENT PLAN (IDP) & SPATIAL DEVELOPMENT FRAMEWORK (SDF) presented by Ms Nenekazi Jukuda (Department of Forestry, Fisheries & Environment)	Ms Jukuda defined the composition of the coastal zone and the purpose of coastal public property. The responsibility of municipalities to designate strips or land /servitudes to provide public access to the coast , as well as, the necessary supporting facilities (boardwalks, ablution facilities) was presented. Ms Jukuda explained the establishment of coastal lines by municipalities. The importance of coastal lines and coastal access land being reflected in the Municipal Spatial Development Frameworks was expressed. The interconnections between the ICMA and the Spatial Planning and Land Use Management Act (SPLUMA) were presented by Ms. Jukuda.	Noted

RECOMMENDATIONS TO PROVINCIAL EXECUTIVE COMMITTEE	
1.	None



KHALIL MULLAGIE
PROVINCIAL DIRECTOR OF OPERATIONS

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11.3 REPORTS FROM REPRESENTATIVES ON THE GARDEN ROUTE DISTRICT MUNICIPALITY

No reports were received at the time of compilation of the agenda.

11.4 REPORTS FROM REPRESENTATIVES ON THE SALGA WORKING GROUPS

Enquiries: Mr Lwandile Nokoyo
E-mail: lnokoyo@salga.org.za
Cell: 076-912-1137



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18th Floor, 2 Heerengracht Street
Cnr Hertzog Boulevard
The Towers, Foreshore
Cape Town, 8000
Postal
PO Box 185
Cape Town, 8001

Date: 23 August 2024

MINUTES Emergency Services and Disaster Management Working Group

TO : Chairpersons
Deputy Chairpersons
Members of the Working Group
Municipal Officials
Invited Guests

MINUTES
EMERGENCY SERVICES AND DISASTER MANAGEMENT WORKING GROUP
THURSDAY, 15 AUGUST 2024

ENCLOSED please find the Minutes of Emergency Services and Disaster Management Working Group meeting held on **Thursday, 15 August 2024 at 10:00** at the **Southern Sun Newlands, CAPE TOWN.**

A handwritten signature in black ink, appearing to read 'Khalil Mullagie', is written over a horizontal line.

Mr KHALIL MULLAGIE
PROVINCIAL DIRECTOR OF OPERATIONS

ENCL

MINUTES

Emergency Services and Disaster Management Working Group

1.1 OPENING AND WELCOME

Councillor André Truter welcomed all the Councillors, Guests, Stakeholders and Officials present at the Emergency Services and Disaster Management Working Group meeting held on 14 August 2024.

The meeting was opened with a prayer by Councillor Michael Schaffers.

1.2 EVACUATION PROCEDURE

Ms Jeanne-Marie Erasmus from the Southern Sun Newlands explained the evacuation procedure in the case of an emergency.

NOTED

1.3 ATTENDANCE AND APOLOGIES

Present: Official Representative: Councillors / Aldermen

No	Cllr/ Ald	Title	Name	Name of Municipality
1.	Cllr	Mr	André Truter	: Chairperson: Emergency Services and Disaster Management
2.	Ald	Mr	Donovan Joubert	: Chairperson: SALGA Western Cape
3.	Cllr	Ms	Georgina Duimpies	: Beaufort West
4.	Cllr	Ms	Nokuthula Seti	: Bitou
5.	Cllr	Mr	Johan Niewoudt	: Cape Agulhas
6.	Ald	Ms	Ciera Meyer	: Cape Winelands DM
7.	Cllr	Mr	Rhynhardt Bresler	: City of Cape Town
8.	Cllr	Ms	Catheline Jacobs	: Drakenstein
9.	Cllr	Mr	Jobieth Hoogbaard	: Garden Route DM
10.	Cllr	Mr	Brandon Adams	: George
11.	Cllr	Mr	Nicolaas Valentyn	: Kannaland
12.	Cllr	Ms	Kay Andrews	: Knysna
13.	Cllr	Ms	Johanna Botha	: Laingsburg
14.	Cllr	Mr	Niklaas Booisen	: Mossel Bay
15.	Cllr	Mr	B Jantjies	: Oudtshoorn
16.	Cllr	Mr	Ronald Brinkhuys	: Overberg DM
17.	Ald	Mr	Lindile Ntsabo	: Overstrand
18.	Cllr	Mr	Michael Schaffers	: Saldanha Bay
19.	Cllr	Mr	Reginald Pheiffer	: Stellenbosch
20.	Cllr	Ms	Elna Lamprecht	: Swellendam
21.	Cllr	Mr	Jonathan Nel	: Witzenberg

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ORDINARY MUNICIPAL COUNCIL MEETING
AGENDA
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MINUTES
EMERGENCY SERVICES AND DISASTER MANAGEMENT WORKING GROUP
15 AUGUST 2024

Present: Officials

No	Off	Title	Name	Name of Municipality
1.	Off	Mr	Malcolm Lawrence	: Beaufort West
2.	Off	Mr	Dean Josephus	: Bergrivier
3.	Off	Mr	Theodore Botha	: Breede Valley
4.	Off	Mr	Shaun Minnies	: Cape Winelands DM
5.	Off	Mr	Johan Compion	: Garden Route DM
6.	Off	Mr	Sheqayd Seigels	: Stellenbosch
7.	Off	Mr	Wieseman Ndamase	: Stellenbosch
8.	Off	Ms	Annelize Lamprecht-Vertue	: Wizenberg

Guests/Presenters

No	Off	Title	Name	Name of Municipality
1.	Off	Dr	Johan Minnie	: City of Cape Town/ Disaster Management Institute of Southern Africa
2.	Off	Ms	Sharon Martinus	: Provincial Disaster Management Centre
3.	Off	Ms	Lebogang Makgati	: SA Weather Services
4.	Off	Mr	Mnikeli Ndabambi	: SA Weather Services

SALGA Officials

No	Off	Title	Name	Name of Municipality
1.	Off	Mr	Lwandile Nokoyo	: SALGA Western Cape
2.	Off	Mr	Nkosinathi September	: SALGA Western Cape
3.	Off	Ms	Camryn Lamont	: SALGA Western Cape
4.	Off	Mr	Godfrey Cloete	: SALGA Western Cape
5.	Off	Ms	Joyce Moholola	: SALGA Western Cape
5.	Off	Ms	Marelize de Wet	: SALGA Western Cape
6.	Off	Mr	Sidwell Blows	: SALGA Western Cape

Apologies

No	Cllr/Off	Title	Name	Name of Municipality
1.	Cllr	Mr	Jan von Willingh	: Breede Valley
2.	Cllr	Mr	Mzwakhe Nqavashe	: City of Cape Town
3.	Cllr	Mr	Avron Appollis	: Drakenstein
4.	Cllr	Mr	Charles Henn	: Langeberg
5.	Cllr	Mr	Leon van Dyk	: Mossel Bay
6.	Cllr	Mr	Steven Fourie	: Overberg DM
7.	Off	Mr	Charl Kitching	: Stellenbosch
8.	Off	Mr	Gary Boshoff	: Stellenbosch
9.	Cllr	Mr	AK Warnick	: Swartland
10.	Ald	Ms	Marlene van Zyl	: Swartland
11.	Off	Mr	Phillip Humphreys	: Swartland
12.	Cllr	Mr	Jennifer McKenzie	: Theewaterskloof
13.	Cllr	Mr	Trevor Abrahams	: Witzenberg



**MINUTES
EMERGENCY SERVICES AND DISASTER MANAGEMENT WORKING GROUP
15 AUGUST 2024**

1.4 DECLARATION OF INTEREST

No interests were declared.

NOTED

1.5 ADOPTION OF THE AGENDA

The adoption of the Emergency Services and Disaster Management Working Group agenda was proposed by Ald Lindile Ntsabo [Overstrand Municipality] and seconded by Ald Clara Meyer [Cape Winelands District Municipality].

ADOPTED

1.6 APPROVAL OF THE EMERGENCY SERVICES AND DISASTER MANAGEMENT WORKING GROUP OF 13 JUNE 2024

The adoption of the Emergency Services and Disaster Management Working Group Minutes of 13 June 2024 was proposed by Cllr Rhynhardt Bresler [City of Cape Town] and seconded by Nokuthula Seti [Bitou Municipality].

ADOPTED

1.7 MATTERS ARISING

Mr Theodore Botha referred to the following in the Minutes:

A concern was raised that it was mentioned that fire services which is one of the critical municipal services is on the decline in a context where there is an increase of the occurrence and intensity of fires. A question was raised on what criteria was used to determine the finding and if the Western Cape was included whereupon Ms Goba responded in saying that SALGA had an assessment done on fire services and the CAPS report from each province where the information was obtained. It would not necessarily mean that all municipalities are on the decline, but that most of the CAPS report from provinces indicate that the fire services are on a decline.

RESOLVED

1. That the CAPS Report be obtained and distributed to the Emergency Services and Disaster Management Working Group members.

**SECTION B
PRESENTATIONS**

2.1 IMPACT-BASED WEATHER WARNING DISSEMINATION PROTOCOLS

Ms Lebogang Makgati from the South Africa Weather Services (SAWS) informed the meeting that the SAWS Established as a Schedule 3A public entity on 15 June 2001 (Amended in 2013). There are two distinct Services: Public Good (Funded by Government Grant and Forecasts & Warnings) and Commercial (User-pays principle applies and Tailor-made products & services).

The following was highlighted:

1. Four Pillars of Early Warnings for All (Disaster Risk Knowledge, Detection, Observation, Monitoring, Analysis and Forecasting)



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EMERGENCY SERVICES AND DISASTER MANAGEMENT WORKING GROUP
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2. Weather Related Disasters in South Africa
3. Future Risks
4. History of SAWS EWS
5. Impact Based Warnings
6. Dissemination Channels

The meeting thanked SAWS for the information and warnings (very detailed and useful) as it assists Municipalities to do the necessary preparations for emergencies. A concern was raised that not all might understand the level warnings and the language might be a challenge as the warnings are only distributed in English. Ms Lebogang Makgati responded in saying that it is a challenge and requested the assistance of the Municipalities to inform the communities on the meaning of the warnings and what to expect. As part of the Annual Performance Plan of SAWS they do have community outreaches to educate and create awareness to community members/schools with the applicable Departments and Disaster Management Centres.

The SAWS requested Municipalities to provide feedback (dam levels, damage to informal settlements or no impact etc.) to the SAWS when warnings were issued to indicate whether there were any impacts as this will assist SAWS to assess the predictions of warnings for certain areas on climate progressions for future warnings. A question was asked if there is a model available in case of a tsunami or earthquake? Ms Lebogang Makgati responded in saying that SAWS will issue the weather warnings and in cases of tsunami or earthquake the Council of Geoscience have the mandate and will disseminate the model.

SAWS is reaching the "final mile" with Telecommunications Service Providers to enhance reach and understanding. A question was asked on the timeframe. Ms Lebogang Makgati responded in saying they are already had discussions with the Service Providers and are in the process of signing the Service Level Agreements whereafter they can move to implementation.

The Chairperson reiterated the concern raised by SAWS of their declining budget which can hamper on the services they provide to the public and indicated that SAWS plays a vital role in terms of disseminating weather updates to the community and municipalities.

The meeting thanked SAWS for the great work that they are doing by keeping the community and municipalities updated.

NOTED and RESOLVED

1. That SALGA raises the concern pertaining to South Africa Weather Services declining budget and how it will impact on their ability to render services to communities and municipalities at a national level and to emphasise the vital role they play in disseminating weather updates to the community and municipalities.

2.2 RESPONSE TO THE FLOODING EVENTS

Ms Sharon Marthinus from the Western Cape Provincial Disaster Management Centre presented on the severe weather events for July 2024. The following are the weather warnings that were received during that period:

- Orange L6 and L4 for waves along the coast
- Yellow L4 for winds (interior and coastal winds)
- Rain
 - Yellow L4 for the western parts
 - Orange L6 on Tuesday



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EMERGENCY SERVICES AND DISASTER MANAGEMENT WORKING GROUP
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- Yellow L7/Orange L8 on Thursday
- Storm surge along the south coast on Tuesday afternoon
 - Possible Thursday into Friday
- Only light snow over the western mountains towards the weekend (minor impacts at the most)
- Thundershowers are possible, but low likelihood of hail (freezing levels are higher).
- Veld fire conditions along the eastern parts ahead of the cold fronts.

Early warning/s Yellow L4 upgraded to Orange L6 for 13 & 14 July 2024 for Cape Winelands and Level 2 for disruptive rain, wind, and waves for 18 & 19 July 2024.

Ms Sharon Martinus highlighted and explained the following:

- Activation of the Centre
- Impacts
- Humanitarian Assistance
- Western Cape: Department of Agriculture
- Department of Infrastructure (Roads)
- Disaster Recovery Process
 - Disaster Grants within the National Disaster Management Centre (NDMC) have been introduced to assist in cases where the responsible organ of state are unable to deal with the effects of the disaster using only their own resources in line with the Disaster Management Act (DMA)
 - Funding for Emergency Response
 - Municipal Disaster Response Grant
 - Provincial Disaster Response Grant
 - Funding for Reconstruction & Rehabilitation
 - Municipal Disaster Recovery Grant
 - Provincial Disaster Recovery Grant

Ms Sharon Martinus concluded her presentation with the following:

Successes

- Impact-based weather warnings are reliable and informs prompt decision making
- Strong institutional arrangements and excellent stakeholder commitment
- Disaster management structures are effective (JOCs)
- NGOs and private sector support were impactful

Gaps

- Emergency housing provision
- Social relief from SASSA
- Capacity of SANDF

Improvement

- Public awareness to avoid fatalities

Way Forward

- Declaration process is completed, and damage assessment verifications are to follow.
- Funding provision (own, national, national recovery grant)

Councillor Reginald Pheiffer from Stellenbosch Municipality raised a question as to why Informal Housing that are located on private property is not receiving the same services as Informal Settlements during incidents? Councillor André Truter responded in saying that this should be taken up with the National Department of Human Settlements.



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Councillor Rhynhardt Bresler from the City of Cape Town mentioned that the use of Community Halls is a challenge and requested if it is not possible that South African National Defence Force (SANDF) be part in the process of putting up temporary base camps. Councillor André Truter responded in saying that this should be taken up with SANDF.

Mr Lwandile Nokoyo informed the meeting that SALGA is in the process of lobbying the National Minister around the devolution of the emergency grant. A lot of Municipalities raised issues in terms of how the grants are being processed. Inputs (challenges) were requested from Municipalities and will be submitted to the National Minister. Feedback will be provided to the members at the next Emergency Services and Disaster Management Working Group.

The Chairperson thanked the Provincial Disaster Management Centre for the excellent work and support they are doing for the Western Cape.

RESOLVED

1. That SALGA raise the issue of support to Informal Housing on privately owned land with National Department of Human Settlements and give feedback to the Emergency Services and Disaster Management Working Group.
2. That SALGA raise the issue of temporary base camps in cases for temporary housing in case of disasters with the South African National Defence Force and give feedback to the Emergency Services and Disaster Management Working Group.

2.2 PROFESSIONALISATION OF DISASTER MANAGEMENT

Dr Johan Minnie from the Disaster Management Institute of Southern Africa (DMISA) explained that the DMISA is a professional body registered with the South African Qualifications Authority (SAQA). It was explained why professionalization is important and that - society deserves the best possible Disaster Management personnel. The best people possible should be responsible for implementing the essentials of resilient cities and the need to be recognised as professionals with a mandate for real action. There should be recognition of and respect for the discipline. The self-confidence and esteem of practitioners need to be strengthened and the extent, reach and nature of the profession should be clarified and clearly delineated.

As a professional body DMISA is authorised to award four categories / designations of Registration:

- Disaster Management Professional (PrDM)
- Disaster Management Practitioner (DMPc)
- Disaster Management Associate (DMA)
- Disaster Management Technician (DMT)

Registration is awarded according to Disaster Management Knowledge, Skills and experience and may also be obtained through the Recognition of Prior Knowledge (RPL). Registrants are required to keep their knowledge current and must complete Continuing Professional Development courses and activities.

Dr Minnie concluded his presentation indicating that Professional registration will gradually become compulsory for employment beyond an Assistant Disaster Management Officer. DMISA will continue to support the profession and the good ladies and men working in the profession with learning, networking, alignment and skills development opportunities. DMISA



**MINUTES
EMERGENCY SERVICES AND DISASTER MANAGEMENT WORKING GROUP
15 AUGUST 2024**

will work with the NDMC, PDMCs and all other stakeholders to consolidate the professionalization of Disaster Management.

The Chairperson thanked and applauded the Disaster Management Institute of Southern Africa for the great work they are doing.

NOTED

**SECTION C
ITEMS FOR DISCUSSION AND NOTING**

3.1 AOP QUARTER 1 REPORT

The report was **NOTED**.

Mr Lwandile Nokoyo shared the Draft SALGA Internal Guidelines for Municipalities on the Disaster Response. Mr Nokoyo informed the meeting that they must take cognisance that the document is being drafted by SALGA for the entire country and some might not be applicable to the Western Cape. The document will not yet be distributed to external stakeholders, but only to SALGA members for their comments/inputs on/before Friday, 23 August 2024.

The Chairperson congratulated SALGA on a great report and encouraged Municipalities to take time to go through the document and submit inputs/comments to SALGA.

NOTED

CLOSURE

4. REMINDER: SALGA EVALUATION FORM

Mr Lwandile Nokoyo reminded all the Working Group members to complete the SALGA Evaluation Form that will be shared with members via WhatsApp or to scan the barcode provided. It was also mentioned that due to the Finance Directorate not being present at the meeting the processing of claims/claim process will be explained will be communicated to members.

5. NEXT MEETING

The date of the next Provincial Working Group meeting will be communicated accordingly.

6. CLOSURE AND KNOWLEDGEMENTS

The Chairperson, Councillor André Truter thanked everyone for their attendance, their inputs and participation during the meeting. It was suggested that the next meeting should include something outdoor/onsite presentation.

The meeting adjourned at 13:00.



MINUTES
EMERGENCY SERVICES AND DISASTER MANAGEMENT WORKING GROUP
15 AUGUST 2024

The Minutes of the Emergency Services and Disaster Management Working Group were adopted
on _____ 2024.

COUNCILLOR ANDRÉ TRUTER
CHAIRPERSON: EMERGENCY SERVICES AND DISASTER MANAGEMENT
WORKING GROUP

Enquiries: Mr Trevor Lombard
E-mail: tlombard@salga.org.za
Cell: 079 699 6331

Date: 12 March 2024



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MINUTES Community Development and Security Working Group

TO : Chairpersons
Deputy Chairpersons
Members of the Working Group
Municipal Officials
Invited Guests

MINUTES
COMMUNITY DEVELOPMENT AND SECURITY (CDS) WORKING GROUP
TUESDAY, 13 AUGUST 2024

ENCLOSED please find the Minutes of Community Development and Security Working Group meeting held on **Tuesday, 13 August 2024 at the Southern Sun Newlands Hotel, CAPE TOWN.**

Mr KHALIL MULLAGIE
PROVINCIAL DIRECTOR OF OPERATIONS

ENCL



www.salga.org.za



MINUTES

Community Development and Security Working Group

1.1 OPENING AND WELCOME

Alderman Rhandall Swarts welcomed all the Councillors, Guests, Stakeholders and Officials present at the Community Development and Security Working Group meeting held on 13 August 2024. The meeting was opened with a moment of self-reflection.

NOTED

1.2 EVACUATION PROCEDURE

Ms Jeanne-Marie Erasmus from the Southern Sun Newlands explained the evacuation procedure.

NOTED

1.3 ATTENDANCE AND APOLOGIES

Present: Official Representative: Councillors / Aldermen

No	Cllr/ Ald	Title	Name	Name of Municipality
1.	Ald	Mr	Rhandall Swarts	: Chairperson: Community Development and Security Working Group
2.	Ald	Mr	Donovan Joubert	: Chairperson: SALGA Western Cape
3.	Cllr	Mr	Anthony Moses	: Deputy Chairperson: SALGA Western Cape
4.	Cllr	Ms	Anna Slabbert	: Beaufort West
5.	Cllr	Mr	Samkele Mangxaba	: Bitou
6.	Cllr	Ms	Naomi Nel	: Breede Valley
7.	Cllr	Mr	Raymond Ross	: Cape Agulhas
8.	Cllr	Ms	Wilhelmina Petersen	: Cape Winelands DM
9.	Cllr	Ms	Leone Venter	: Cederberg
10.	Cllr	Mr	Yusuf Mohamed	: City of Cape Town
11.	Cllr	Mr	Rashid Adams	: City of Cape Town
12.	Cllr	Mr	Lorenzo Arendse	: Drakenstein
13.	Cllr	Ms	Iona Kritzingier	: Garden Route DM
14.	Cllr	Mr	Melvin Roelfse	: George
15.	Cllr	Mr	Gerald Boezak	: Hessequa
16.	Cllr	Ms	Hyrin Ruiters	: Kannaland
17.	Cllr	Mr	Russel Arends	: Knysna
18.	Cllr	Ms	Johanna Botha	: Laingsburg
19.	Cllr	Ms	Amelia Job	: Matzikama
20.	Cllr	Mr	Niklaas Booisen	: Mossel Bay
21.	Cllr	Mr	A Timmie	: Oudtshoorn
22.	Cllr	Mr	Ronald Brinkhuys	: Overberg DM
23.	Cllr	Mr	Arnold Mackay	: Overberg DM
24.	Ald	Ms	Helen Coetzee	: Overberg DM
25.	Cllr	Mr	Ronald Nutt	: Overstrand

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ORDINARY MUNICIPAL COUNCIL MEETING
AGENDA
31 OCTOBER 2024

3



MINUTES
COMMUNITY DEVELOPMENT AND SECURITY WORKING GROUP
13 AUGUST 2024

No	Cllr/ Ald	Title	Name	Name of Municipality
26.	Cllr	Mr	Wilhelm America	: Saldanha Bay
27.	Cllr	Mr	Charles Manuel	: Stellenbosch
28.	Cllr	Mr	Jonathan Nel	: Witzenberg

Present: Officials

No	Off	Title	Name	Name of Municipality
1.	Off	Mr	Dean Josephus	: Bergrivier
2.	Off	Ms	Melony Anne Paulsen	: Bitou
3.	Off	Mr	Shaun Minnies	: Cape Winelands DM
4.	Cllr	Mr	Nkosiyabo Lose	: Garden Route DM
5.	Off	Ms	Zoleka Moon	: Garden Route DM
6.	Off	Mr	Nigel Everts	: Oudtshoorn
7.	Off	Mr	Omar Valley	: Overberg DM
8.	Off	Mr	Abe du Plessis	: Saldanha Bay
9.	Off	Ms	Melonice Blanckenberg	: West Coast DM
10.	Off	Ms	Margaretha Wessels	: Witzenberg

Guests/Presenters

No	Off	Title	Name	Name of Municipality
1.	Off	Ms	Hannelie Braaf	: Department of Social Development
2.	Off	Mr	Bruce Fordyce	: Parkrun
3.	Off	Ms	Gill Fordyce	: Parkrun
4.	Off	Mr	Justin Lottring	: Provincial Department of Police Oversight and Safety

SALGA Officials

No	Off	Title	Name	Name of Municipality
1.	Off	Mr	Joyce Moholola	: SALGA Western Cape
2.	Off	Ms	Lehlogonolo Maake	: SALGA Western Cape
3.	Off	Ms	Marelize de Wet	: SALGA Western Cape
4.	Off	Ms	Miltoinette Cupido	: SALGA Western Cape
5.	Off	Ms	Nyameka Katina	: SALGA Western Cape
6.	Off	Ms	Richenda Herandien	: SALGA Western Cape
7.	Off	Mr	Sidwell Blows	: SALGA Western Cape
8.	Off	Mr	Trevor Lombard	: SALGA Western Cape

Apologies

No	Cllr/ Off	Title	Name	Name of Municipality
1.	Off	Mr	Ruth Leukes	: Provincial Department of Education
2.	Cllr	Mr	Leon van Dyk	: Mossel Bay
3.	Cllr	Mr	Steven Fourie	: Overberg DM
4.	Off	Mr	Louis Volschenk	: Saldanha Bay
5.	Cllr	Mr	Xolile Kalipa	: Stellenbosch

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**MINUTES
COMMUNITY DEVELOPMENT AND SECURITY WORKING GROUP
13 AUGUST 2024**

No	Cllr/ Off	Title	Name	Name of Municipality
6.	Cllr	Mr	Reginald Pheiffer	: Stellenbosch
7.	Off	Mr	Lee Meisenheimer	: Stellenbosch
8.	Off	Mr	Charl Kitching	: Stellenbosch
9.	Off	Mr	Gary Boshoff	: Stellenbosch
10.	Cllr	Ms	Desiree Bess	: Swartland
11.	Cllr	Mr	Gerard Vermeulen	: Swartland
12.	Off	Mr	Philip Humphreys	: Swartland
13.	Off	Ms	Jo-Ann Krieger	: Swartland
14.	Off	Ms	Hillary Balie	: Swartland
15.	Cllr	Mr	Monwabisi Nongxaza	: Theewaterskloof
15.	Cllr	Mr	Josias Engelbrecht	: West Coast DM
16.	Off	Ms	Christina Nomdo	: Western Cape Commissioner of Children

1.4 DECLARATION OF INTEREST

No Interests were declared.

NOTED

The Chairperson of the Provincial Executive Committee (PEC) of SALGA, Alderman Donovan Joubert addressed the meeting and highlighted the following:

- The importance of communication between SALGA and Municipalities
- That the PEC decided that Working Groups should take place physically
- That Councillors attend Working Groups with a mandate from the Municipality
- That Councillors report back to Council after the working groups on the mandate
- That claims only be submitted once
- Urged all members attending the Working Groups to complete the evaluation form
- That links on training programmes are forwarded to Councillors and that it must be followed up with the Speaker of the Municipality
- SWC Lekgotla scheduled to take place on 4 – 5 September 2024
 - The importance of women was highlighted including the establishment of the Multi-Party Commission
- Councillor Remuneration – that Councillors will be informed on the updates/progress
- That SALGA oppose the gratuity grant that will end 2026 (end of term)

The Councillors expressed their concern with the increase for Councillors and felt that is it not even close to inflation.

NOTED and RESOLVED

That the Gratuity Grant be discussed at the next PEC Meeting with the proposal that the gratuity grant still be paid after the term end 2026.

1.5 ADOPTION OF THE AGENDA

The following Agenda Items were removed:

- Item 2.1 – Registration of Early Childhood Development centres (ECDs) and Service Providers within each District that assist with the registration of ECDs
- Item 2.4 – Introduction of Futsal: An important tool for Sports Development



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The following Agenda Items were added:

- Parkrun
- Shelter for Homeless People
- Western Cape Public Library Bill

The adoption of the Community Development and Security Working Group agenda was proposed by Cllr Iona Kritzinger [Garden Route District Municipality] and seconded by Cllr Leone Venter [Cederberg Municipality] with the proposed amendments.

ADOPTED

1.6 APPROVAL OF THE JOINT COMMUNITY DEVELOPMENT AND SECURITY WORKING GROUP OF 11 JUNE 2024

The adoption of the Community Development and Security Working Group Minutes of 12 March 2024 was proposed by Cllr Leone Venter [Cederberg Municipality] and seconded by Cllr Raymond Ross [Cape Agulhas Municipality].

NOTED

1.7 MATTERS ARISING

1.7.1 ITEM 3.2: FEEDBACK: DISTRICT SAFETY COORDINATORS AND THE METRO

1. That District Safety Coordinators discuss Safety Practices/Strategies/Challenges/best practices to be presented at the next Community Development and Security Working Group.
2. That all Neighbourhood Watch Members be trained as Peace Officers.
3. That challenges in terms of the training of Neighbourhood Watch Members as Peace Officers be discussed at Community Safety Forums (normal two-week training does not get recognized but moved to the South African Police Services (SAPS) three-month training as Peace Officers).
4. That the Department of Safety and Security be invited to the next Community Development and Security Working Group.
5. That the District Portfolio Councillor responsible for Safety and Security give short feedback on the challenges and successes within their Districts at the Community Development and Security Working Group.

The Chairperson indicated that these issues raised will be discussed in the Agenda.

1.7.2 Item 3.5 - CHILDREN'S AMENDMENT BILL, 2023

That the Department of Education be invited to the next Community Development and Security Working Group meeting to present on Registration of ECDs and Service Providers within each district that assist with the registration of these ECD.

The Chairperson indicated that the item was on the Agenda, but the Department of Education submitted their apology.

1.7.3 Item 3.6 – OLDER PERSONS AMENDMENT BILL

That Municipalities share how they deal with the isolation of the Elderly/uplifting of the Elderly so that best practices can be identified and shared.



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Item to be discussed under Item 2.2 on the Agenda.

NOTED

**SECTION B
PRESENTATIONS**

2.1 PARKRUN

In a presentation by Mr Bruce Fordyce, he mentioned that Parkruns were started in the United Kingdom (UK) by a South African. There are more than 2500 parkruns around the world.

The magic ingredient that makes Parkruns so successful is that:

- It is only 5km
- It is free of charge (register to receive a barcode which you can use around the world when running parkruns)
- It is every Saturday
- You don't have to run, but can also walk

There are about 45 parkruns in the Western Cape, sadly some have been stopped because of safety concerns.

As a non-profit organisation parkrun invests all revenues in its statutory activities and covers the following costs for:

- Equipment / infrastructure for all events (flags, signs, vests, etc.),
- Insurance (for all participants and helpers),
- Training for volunteers,
- Employees (50 employees worldwide).

Ms Gill Fordyce mentioned a few challenges that are experienced:

- Safety at Sports and Recreational Events Act (SASREA) – Pro-Forma SASREA Section 8(1) Safe Capacity and 8(4) Grading Certificate must be submitted annually and must be completed for every event.
- Stellenbosch Municipality – the only Municipality that want to charge an application fee
- City Of Cape Town – require assistance with event permits (especially Greenpoint)

Alderman Helen Coetzee requested assistance with starting a Parkrun in Arniston, Mr Fordyce indicated that they could put them in contact with someone that can assist. The first thing is to identify a 5km traffic free route.

Mr Fordyce requested that anyone that needs assistance can contact them on the email addresses below:

Mr Bruce Fordyce

✉ bruce.fordyce@parkrun.com

Ms Gill Fordyce

Territory Manager: South Africa | parkrun ZA

✉ gill.fordyce@parkrun.com

☎ 082 990 3990

NOTED



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2.2 BEST PRACTICE: HOW TO DEAL WITH THE ISOLATION OF THE ELDERLY/UPLIFTING OF THE ELDERLY

Ms Hannelie Braaf from the Provincial Department of Social Development highlighted the Service Delivery Mandate:

Older persons Act, No 13 of 2006

Presented a shift in Policy Focus from institutional care to community-based care and support.

Older Persons Amendment Bill, 2017

Parliamentary processes in progress

The Strategic Objective is to ensure access to quality social development services for poor and vulnerable older persons and the programme purpose is to design and implement integrated services for the care, support and protection of older persons.

Context of Older Persons in the Western Cape:

Demographic profile

- Over a five year period (2011 – 2022) the number of older persons (60 years and older) in the Western Cape has increased by 57%. (58% female, 42% male) – Statistics SA 2022

Changing living arrangements and family support

- Traditional social support mechanisms of children and extended family towards older persons are weakening; caring for children and grandchildren

Poverty

- Old age grants often only source of income of households due to unemployment

Elder Abuse and Neglect

- Perception that older persons are neither safe inside or outside of their homes which can also lead to older persons being isolated
- Health and physical functioning
- Poor emotional well-being – loneliness, depression and anxiety
- Reduced physical function leading to loss of independence, requiring placement in frail care or assisted living

Ms Braaf shared how to uplift the elderly and how to deal with the isolation of the elderly by access to Social Welfare services and resources to be increased. Promotion, Awareness and Early Intervention on the Rights of Older Persons and statutory intervention and Reintegration of victims of Elder Abuse.

The following needs were reported:

- Transport – particularly in rural and more isolated areas
- Infrastructure / venues – to operate community-based care and support services (to access services closest to their homes)
- Housing (affordable, safe and secure housing / assisted living)
National Department of Human Settlements and Social Development – Special Housing Needs Policy and Programme – June 2015; 2 Pilot Projects in the Western Cape)
- Access to Health Services and Medical Care (primary health care)
- Skills Development (more opportunities to socialize / generate income)
- Home Based Care (services at home due to lack of mobility)

A concern was raised that the Act enables the Municipalities to look after Senior Citizens and policies for Safety and Security are put in place to look after Senior Citizens, however the officials that must uphold it does not do that (including Local Government). This must be addressed as a matter of urgency. It was mentioned that many Municipalities have different guidelines in terms of



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including services for elderly people – it was suggested that there be uniformity in the guidelines on indigent policies.

Councillor Iona Kritzinger from Garden Route Municipality mentioned that George Municipality started off with the Adopt-a-Granny project which works wonderfully and gets the community involved.

The Chairperson thanked Ms Braaf from the Department of Social Development for their presentation and valuable inputs and an opportunity will be given at a future Working Group for ongoing discussions.

NOTED

2.3 NEIGHBOURHOOD WATCH: CAPACITY BUILDING: PEACE OFFICER TRAINING

Mr Justin Lottring from the Provincial Department of Police Oversight and Community Safety (POCS) gave an overview of Section 6 of the Western Cape Community Safety Act (WCCSA) by indicating that the Western Cape Community Safety Act (2013) is the first piece of legislation that deals with the regulation of neighbourhood watches; gives formal recognition to and accredits compliant Neighbourhood Watches (NHV); it ensures NHV accountability; encourages Neighbourhood Watches to be functional; enables them to become capable partners to the SAPS, Community Policing Forum (CPF), Government, Community Organisations, Private Sector etc., and ensures governance by POCS in terms of the Regulations for Section 6 of the WCCSA of 2013.

Regulations for Section 6 of the Western Cape Community Safety Act of 2013 are as follows:

- ✓ *Keep record of meetings held with members;*
- ✓ *Maintain a current list of members;*
- ✓ *Record of patrols completed;*
- ✓ *Record of incidents recorded;*
- ✓ *Report on partnerships with Safety Partners and or stakeholders ie. SAPS, CPF, Law Enforcement etc. and initiatives undertaken with them;*
- ✓ *Report on safety concerns raised by communities, and*

POCS to perform annual functionality assessment.

Advantages of Neighbourhood Watch Members:

- Eyes and ears of the police;
- Must create awareness about criminal activity & actions in order to safeguard the community;
- Curb and prevent opportunities for crime in their community before they happen;
- Provide input in developing an integrated safety plan for the neighbourhood;
- Enrol other people and organisations to find solutions to create safety in their community; and
- A Neighbourhood Watch can, through visibility, improve safety (the quality of life) in its community.

The relationship between NHW CPF are that the NHW structures and CPFs are different organisations and have different legal mandates and roles, NHW structures and CPF share a common vision, i.e. to build safer neighbourhoods and communities; It is important that healthy relationships are established and maintained by both parties and that they both operate within the ambit of the law; CPF have an oversight and coordination role in it, if NHW act unlawfully, they



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should inform the NHW of its concerns and, if necessary, report any illegal behaviour to SAPS, and NHW Structures who act unlawfully, can have their accreditation revoked. The NHW operate within a sector of the policing precinct; SAPS Station Commander appoints a Sector Commander to manage the sector and share crime trends and patterns with NHW structures; NHW assist SAPS with visible crime prevention and patrols; NHW act as first responders to crime scenes; NHW act on information received from community members and report to SAPS.

POCS focuses on building and maintaining safety partnerships into the Whole-of-society Approach (WoSA) through facilitating the advocacy, capacitation and functioning of NHW structures and other safety partners in the province. NHW structures have an important role to play in developing and maintaining social cohesion and creating the perception of a safer environment. When a NHW is accredited, it has access to continued support from POCs, which include:

- * Basic NHW training
- * Basic safety equipment, and
- * Funding

Mr Lottering mentioned the possible roles of the NHW:

The NHW may perform the following roles in safeguarding their neighbourhoods:

- *Community patrols*
- *Safety at schools*
- *First responders at crime scenes*
- *Identification of illegal occupation of vacant land*
- *Report on street lighting, potholes, bursts water pipes, etc.*
- *Incorporate NHW information into safety plans of Municipalities*

Everyone has a skill, passion or trait that Neighbourhood Watch needs. The NHW structure not only consist of patrollers, but need watchers. There is a need for administrators, financial wizards, bakers for the monthly meet and greets.

NHW Training Modules:

- Basic NHW Training
- GBV First Responder Training
- Mediation/ Conflict Management
- First Aid for First Responders in partnership with Emergency Medical Services (EMS)
- Fire Fighting
- Finance for Non-Financial Managers

Peace Officers Training Criteria:

- No Criminal Record;
- Valid Matric Certificate;
- Undergo a fitness check;
- At least 18 – 35 yrs old; and
- Reside within a specific geographical area.

Additional criteria: must be involved in a safety structure

The challenges of NHW as Peace Officers are the following:

- Recruitment only of NHW members that qualify according to the criteria;
- Not all NHW members will qualify;
- Splitting/ dispersing of NHW unity;
- Who will fund the training?
- Confusion with current POCS-Municipal LE Peace Officer Programme;



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- Once trained – expectations of being employed (EPWP only max two years)
- Ongoing expenses for upskilling as by-laws changes and additions;
- Who will take administrative/ logistical/ financial responsibility;
- No more time/ passion for NHW responsibilities.

Mr Lotting concluded his presentation by mentioning that NHW as Peace Officer Programme are not fully discussed to date; NHW structures not the ideal structure to be recruited for Peace Officers; NHW structures are more inclined to become "Peace Makers" – resolve conflict and mediate with conflicting individuals and groups to eliminate possible conflict and misunderstandings.

In response to a question Mr Lotting responded that accreditation is voluntary and not mandatory. When a NHW is accredited there must be a Constitution, identify boundaries, endorsement with Police and CPF, who are members and fingerprint of all controllers and bank account. The CPF can assist with the accreditation process of NHW. Accredited NHW can apply for funding and source funding as an Non-Profit Organisation.

Ald Helen Coetzee from Overberg District Municipalities requested that Walk-in Busses be brought back to Amiston/Napier/Bredasdorp for school children. Mr Lotting indicated that he will raise the Walk-in Busses with the Community Safety Forum to bring it back.

Concerns were raised that funding to CPF are not utilized for the purpose that it was allocated and Mr Lotting indicated cases must be reported to the Department of Police Oversight and Safety to investigate and report to SAPS.

Mr Lotting in response to a question agreed that due to their knowledge and training the Military Veterans must be used and refer to Community Police Forum and Community Safety Forums.

Mr Lotting mentioned that they are busy finalising the Provincial Departmental Safety Plan and when finalised he requested to present it to a future Community Development and Security Working Groups.

The Chairperson thanked Mr Lotting for the presentation and valuable inputs. Members were requested to contact the Department of Police and Oversight directly if they experience any challenges and advice.

NOTED

The Chairperson adjourned the meeting and suggested that Section C of the Agenda be dealt with virtually as an extension of this meeting. Date to be communicated.

**SECTION C
ITEMS FOR DISCUSSION AND NOTING AT NEXT MEETING**

3.1 FEEDBACK: DISTRICT SAFETY COORDINATORS AND THE METRO

- Safety Practices
- Strategies
- Challenges
- Best Practices



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- 3.2 VERBAL FEEDBACK ON CHALLENGES AND SUCCESSES WITHIN THEIR DISTRICTS – DISTRICT PORTFOLIO COUNCILLORS**
- 3.3 PROVINCIAL YOUTH COMMISSION**
- 3.4 FEEDBACK FROM THE NATIONAL COMMUNITY DEVELOPMENT AND SECURITY WORKING GROUP MEETING**
- 3.5 SOCIAL COHESION PROVINCIAL ENGAGEMENT WITH ALL THE RELEVANT STAKEHOLDERS AND DEPARTMENTS**
- 3.6 SHELTER FOR HOMELESS PEOPLE**
- 3.7 WESTERN CAPE PUBLIC LIBRARY BILL**

CLOSURE

4. REMINDER: SALGA EVALUATION FORM

The Chairperson reminded all the Working Group members to complete the SALGA Evaluation Form that will be shared with members via WhatsApp or to scan the barcode provided.

5. NEXT MEETING

The date of the next Provincial Working Group meeting will be communicated accordingly.

6. CLOSURE AND ACKNOWLEDGEMENTS

The Chairperson, Alderman Rhandall Swarts thanked everyone for their attendance, their inputs and participation during the meeting.

The meeting adjourned at 13:50.

The Minutes of the Community Development and Security Working Group were adopted on _____ 2024.

ALDERMAN RHANDALL SWARTS
**CHAIRPERSON: COMMUNITY DEVELOPMENT AND SECURITY
WORKING GROUP**

Summary of Outcomes

Provincial Working Group on Development
Planning & Rural Development
14 August 2024



AGENDA: PROVINCIAL WORKING GROUP MEETING			
ITEM No.	ITEM DESCRIPTION	KEY ISSUES RAISED	RECOMMENDATION/ DECISION
DEVELOPMENT PLANNING & RURAL DEVELOPMENT			
Chairperson:			
2.1.	POLICY ON THE PROVISION OF WATER ON PRIVATE LAND presented by Mr. Zolile Simawo (Department of Water and Sanitation)	Mr Simawo presented the Department of Water and Sanitation's approved Water and Sanitation Services Policy on Privately Owned Land. The policy background - which stemmed from a High Court Case in 2019 - was presented. The purpose of the policy is to articulate government's policy intent for provision of water services to residents living on privately owned land and to provide a framework to improve water services provision on privately owned land. The definition of privately owned land and the rights of people living on such land, was explained. The responsibility of the Water Services Authority, as well as the policy's position on different matters, was discussed by Mr Simawo.	Noted
	RISK PLANNING IN THE WESTERN CAPE presented by Dr Robyn Pharoah (RADAR at University of Stellenbosch)	Dr Pharoah presented examples of various disasters municipalities have/are facing. Many disasters are aggravated by poor river and dam management, aging/inadequate/unmaintained infrastructure, and the lack of proper forward planning. Admittedly, many disasters occur in areas where the development is historic, and climate change was not considered. It was noted that there is no/minimal consideration of planning for disaster management / risk planning in many municipal Integrated Development Plans (IDPs). Dr Pharoah shared the City of Cape Town's Resilience Strategy and the eThekweni Municipality as good examples of inclusion of risk management. Dr Pharoah advised that during the Public Participation stage of IDP, the ward council should identify and list areas of risk for correct risk planning to be done.	Noted

ORDINARY MUNICIPAL COUNCIL MEETING
AGENDA
31 OCTOBER 2024

AGENDA: PROVINCIAL WORKING GROUP MEETING			
ITEM No.	ITEM DESCRIPTION	KEY ISSUES RAISED	RECOMMENDATION/ DECISION
2.3.	INTEGRATED COASTAL MANAGEMENT ACT (ICMA): PROVISION OF INPUTS INTO THE INTEGRATED DEVELOPMENT PLAN (IDP) & SPATIAL DEVELOPMENT FRAMEWORK (SDF) presented by Ms Nenekazi Jukuda (Department of Forestry, Fisheries & Environment)	Ms Jukuda defined the composition of the coastal zone and the purpose of coastal public property. The responsibility of municipalities to designate strips or land / servitudes to provide public access to the coast , as well as, the necessary supporting facilities (boardwalks, ablution facilities) was presented. Ms Jukuda explained the establishment of coastal lines by municipalities. The importance of coastal lines and coastal access land being reflected in the Municipal Spatial Development Frameworks was expressed. The interconnections between the ICMA and the Spatial Planning and Land Use Management Act (SPLUMA) were presented by Ms. Jukuda.	Noted

RECOMMENDATIONS TO PROVINCIAL EXECUTIVE COMMITTEE	
1.	None



KHALIL MULLAGIE
PROVINCIAL DIRECTOR OF OPERATIONS

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11.5 REPORTS FROM COUNCILLORS REPRESENTING OUTSIDE BODIES AND ORGANISATIONS

None

12. ITEMS FOR CONSIDERATION

12.1 RECOMMENDATIONS FROM THE MAYORAL COMMITTEE: 10 OCTOBER 2024

ITEMS FOR CONSIDERATION

MEMBERS ARE REMINDED THAT THE RELEVANT AGENDAS OF THE PORTFOLIO COMMITTEES CONTAINED THE REPORTS AND SHOULD THUS BE USED AS THE SOURCE DOCUMENTATION WHEN NOTING THE RESOLUTIONS BELOW.

ITEMS SUBMITTED TO THE FINANCE & GOVERNANCE COMMITTEE MEETING HELD ON 20 AUGUST 2024 (CORPORATE ITEMS)

F&G02/08/24 APPLICATION FOR A LEASE AGREEMENT FOR A PORTION OF ERF 44, BUFFALO BAY

UNANIMOUSLY RECOMMENDED

- [a] That the report and annexure's regarding the request for lease agreement for N.G Kerk Knysna, on a portion of Erf 44 Buffalo Bay, be noted;
- [b] That the municipal valuer be appointed, the cost to be for the applicant, to determine the market related value to be charge;
- [c] That the Municipal Council advertise for public comments and objections the leasing of a portion of Erf 44, Buffalo Bay on the following conditions:
- [d] That the lease period be for a period of 9 years and 11 months with an option to renew the lease for a further 9 years 11 months.
- [e] That a follow up item be submitted after the public participation process is completed.

File Number: 9/1/2/14
Execution: Acting Municipal Manager
Acting Director: Corporate Services

F&G03/08/24 REPORT BACK ON APPLICATION TO PURCHASE A PORTION OF ERF 4536, KNYSNA ABUTTING ERF 8028, KNYSNA

UNANIMOUSLY RECOMMENDED

- [a] That the report back and annexure's regarding the request to alienate a portion of Erf 4536, Knysna, be noted;
- [b] That the advertising of the intended alienation of a portion of Erf 4536, Knysna to the owner of Erf 8028, Knysna be noted;
- [c] That it be noted that no comments or objections were received during the advertising period;

- [d] That in terms of Section 14(2)(a) of the Local Government: Municipal Finance Management Act, 2003, and on reasonable grounds, the Municipal Council confirms a portion of Erf 4536, Knysna is deemed not needed to provide the minimum level of basic Municipal Services;
- [e] That the alienation of a portion of Erf 4536, Knysna to the owner of Erf 8028, Knysna NOT be approved;
- [f] That the leasing of a portion of Erf 4536, Knysna to the owner of Erf 8028, Knysna BE APPROVED; and
- [g] That the Acting Municipal Manager be instructed to enter into a market related lease agreement for a period of 10 (ten) years, that will be determined by CDV Waardeerders Property Valuers with the owner of Erf 8028, Knysna Mr. Mzwandile Gromwell Mangali.

File Number: 7/1/2/5

Execution: Acting Municipal Manager

Acting Director: Corporate Services

F&G04/08/24 REPORT BACK ON APPLICATION TO DONATE ERF 17047, KNYSNA (BONGANI CRECHE) REFERRED TO AS ERF 168 ON THE LEASE AGREEMENT

UNANIMOUSLY RECOMMENDED

- [a] That the report back and annexure's regarding the donation of Erf 17047, Bongani be noted;
- [b] That the advertising of the intended donation of Erf 17047, Knysna be noted;
- [c] That it be noted that no comments or objections were received during the advertising period;
- [d] That in terms of Section 14(2)(a) of the Local Government: Municipal Finance Management Act, 2003, and on reasonable grounds, the Municipal Council confirms Erf 17047, Knysna (Bongani) is deemed not needed to provide the minimum level of basic Municipal Services;
- [e] That the donation of Erf 17047, Knysna be approved; and
- [f] That the Acting Municipal Manager be instructed to enter into a donation agreement for Erf 17047, Knysna with Focus on Ithemba.

File Number: 7/2/1/2

Execution: Acting Director Corporate Services

Acting Manager: Legal Services

Head: Properties

F&G05/08/24 REPORT BACK ON APPLICATION FOR LEASE AGREEMENT – FOR A PORTION OF ERF 7991, KNYSNA ABUTTING ERF 8026, KNYSNA

UNANIMOUSLY RECOMMENDED

- [a] That the report back and annexure's regarding the request for lease agreement on a portion of Erf 7991, Knysna, be noted;
- [b] That the adverting of the intended leasing of a portion of Erf 7991, Knysna to the owner of Erf 8026, Knysna be noted;
- [c] That it be noted that no comments of objections were received during the advertising period;
- [d] That in terms of Section 14(2)(a) of the Local Government: Municipal Finance Management Act, 2003, and on reasonable grounds, the Municipal Council confirms Erf 7991, Knysna is deemed not needed to provide the minimum level of basic Municipal Services;
- [e] That the leasing of a Portion of Erf 7991, Knysna be approved; and
- [f] That the Acting Municipal Manager be instructed to enter into a 5-year market related lease agreement with the owner of Erf 8026, Knysna Mr. Henry Johannes Hendricks.

File Number: 7/1/2/5
Execution: Acting Municipal Manager
Acting Director: Corporate Services

F&G06/08/24 DIGITISATION POLICY FOR WESTERN CAPE GOVERNMENTAL BODIES 2017

UNANIMOUSLY RECOMMENDED

That the report on the reviewed Digitisation Policy, be noted.

File Number: 9/1/2/9
Execution: Director: Corporate Services
Manager: Administration Services

F&G07/08/24 LONG TERM LEASE AGREEMENT FOR A PORTION OF ERF 255, CORNER OF GEORGE REX DRIVE AND VIGILANCE DRIVE, KNYSNA

UNANIMOUSLY RECOMMENDED

- [a] That the report and annexure's regarding the leasing of a portion of Erf 255, Knysna, be noted;
- [b] That in terms of Section 14(6) of the Local Government: Municipal Finance Management Act, 2003, the Municipal Council confirms that a portion of Erf 255, Knysna is a non-exempted capital asset;

- [c] That in terms of Regulation 5(2) of the Local Government: Municipal Finance Management Act, 56/2003: Municipal Asset Transfer Regulations, 2008, the Municipal Council confirms that a portion of Erf 255, Knysna is not a “high value” asset but that a public participation should be followed as the proposed lease is longer than 3 years;
- [d] That the Municipal Council confirm that the lease will be for a period of **20 years**; and
- [e] That a report back item should be brought before the Municipal Council after the public participation process have been concluded.

File Number: 7/1/2/5
Execution: Acting Municipal Manager
Acting Director: Corporate Services
Head : Properties

F&G08/08/24 CALL FOR PROPOSAL AT THE SANLAM NEKKIES MALL ON PORTIONS OF ERVEN 255 AND 19212 KNYSNA

UNANIMOUSLY RECOMMENDED

That an engagement be arranged with SANRAL and all other relevant officials and representatives from government structures to discuss the call for proposal at the Sanlam Nekkies Mall on Portions of Erven 255 and 19212 Knysna, and thereafter the matter be resubmitted to the Finance and Governance Committee for further consideration.

File Number: 7/1/2/5
Execution: Acting Municipal Manager
Acting Director: Corporate Services
Head : Properties

F&G09/08/24 REPORT BACK ON REMAINDER OF ERF, 1692 SEDGEFIELD

UNANIMOUSLY RECOMMENDED

- [a] That the report back on the vesting transfer to the Remainder of Erf 1692, Sedgefield, be noted;
- [b] That it be noted that a site visit was conducted on Tuesday, 24 August 2024, to the Remainder of Erf 1692, Sedgefield; and
- [c] That Council mandates the Acting Municipal Manager to appoint a transferring Attorneys, who specializes in Planning Law and who is currently on Council's Legal Services panel, to effect the transfer of the portions of the Remainder of Erf 1692, Sedgefield as identified by the Surveyor-General as Public Road/Streets/Places into the name of Knysna Municipality.

File Number: 7/1/2/5
Execution: Acting Municipal Manager
Acting Director: Corporate Services

Head : Properties

F&G10/08/24 REPORT BACK ON THE PROGRESS OF THE LAND AUDIT COMMITTEE

UNANIMOUSLY RECOMMENDED

- [a] That the report and annexure with regards to the progress made by the Land Audit Committee, be noted;
- [b] That the progress of the Land Audit Committee be referred to a Workshop, on a date to be determined by the Speaker and thereafter the matter be submitted directly to Council, for consideration.

File Number: 7/2/1/2

Execution: Acting Municipal Manager

Acting Director: Corporate Services

F&G11/08/24 REPORT BACK ON APPLICATION TO PURCHASE ERF 14311 KNYSNA

UNANIMOUSLY RECOMMENDED

- [a] That the report and annexure's regarding the alienation of Erf 14311 Knysna be noted;
- [b] That the Knysna Municipality Council rescind the decision for disposal of Erf 14311 Knysna through an open Tender process;
- [c] That in terms of Section 14(2)(a) of the Local Government: Municipal Finance Management Act, 2003, and on reasonable grounds, the Municipal Council confirms the portion of Erf 14311 Knysna to be alienated, are deemed not needed to provide the minimum level of basic Municipal Services; and
- [d] That the Acting Municipal Manager be instructed to enter into a sale agreement for Erf 14311 Knysna with the Presbyterian Church of Africa at 25% of the market value as determined by the Municipal Valuer.

File Number: 7/2/1/2

Execution: Acting Director: Corporate Services

Acting Manager: Legal Services

F&G12/08/24 REQUEST FOR LAND FOR SMALL-SCALE FARMING FROM NATIONAL GOVERNMENT

UNANIMOUSLY RECOMMENDED

- [a] That the report and annexure's regarding the request to consider requesting National Government for land for small-scale farming, be noted; and
- [b] That the Municipal Council request National Government to consider providing suitable land for farming purposes to Knysna Municipality.

File Number: 7/2/1/2
Execution: Acting Municipal Manager
Acting Director: Corporate Services
Head: Properties

F&G13/08/24 MONTHLY REPORT ON LEGAL MATTERS, 1 JUNE 2024 – 31 JULY 2024

UNANIMOUSLY RECOMMENDED

That the report on Legal Matters for the period 01 June 2024 – 31 July 2024, be noted.

File Number: 9/1/2/9
Execution: Acting Director: Corporate Services
Acting Manager: Legal Services

ITEMS SUBMITTED TO THE PLANNING, ECONOMIC DEVELOPMENT & TOURISM COMMITTEE MEETING HELD ON 16 SEPTEMBER 2024

All items were resolved.

ITEMS SUBMITTED TO THE INFRASTRUCTURE SERVICES COMMITTEE MEETING HELD ON 18 SEPTEMBER 2024

All items were resolved.

ITEMS SUBMITTED TO THE FINANCE & GOVERNANCE COMMITTEE MEETING HELD ON 19 SEPTEMBER 2024 (FINANCE ITEMS)

F&G01/06/24 MONTHLY BUDGET STATEMENT –JUNE 2024

UNANIMOUSLY RECOMMENDED

- [a] That the Section 71 Monthly Budget Statement as at 30 June 2024, be noted;
- [b] That the Section 71 Monthly Budget Statement as at 30 June 2024 was submitted to the Executive Mayor, the National Treasury and the Western Cape Provincial Treasury on 12 July 2024, being the 10th working day after the end of June 2024, be noted; and
- [c] That the Section 71 Monthly Budget Statement as at 30 June 2024 has been published on the municipal website, be noted.

File Number: 9/1/2/10
Execution: Director: Financial Services

F&G02/06/24 CAPITAL BUDGET REPORT - 2023/2024 (AS AT 30 JUNE 2024)

UNANIMOUSLY RECOMMENDED

- [a] The Capital Expenditure report as at 30 June 2024 be noted; and

- [b] The Directorates ensure that capital spending is in accordance with the capital expenditure budget.

File Number: 9/1/2/10

Execution: Director: Financial Services

F&G03/06/24 QUARTERLY SUPPLY CHAIN MANAGEMENT REPORT 01 APRIL 2024 - 30 JUNE 2024

UNANIMOUSLY RECOMMENDED

- [a] That the 4th Quarter report for implementation of the Supply Chain Management in the Municipality, be noted;
- [b] That all the irregular expenditure and inform MPAC to investigate all the Irregular Expenditure of the fourth quarter 2023/24 Financial year, be noted; and
- [c] That appropriate recommendations where applicable to Council in relation to implementations of Supply Chain Management policy in the Municipality, be made.

File Number: 9/1/2/10

Execution: Director: Financial Services

F&G04/06/24 NON-RECOVERY OF 20% SCARCE SKILLS ALLOWANCES PAID TO EX-DIRECTORS - AS AT 20 AUGUST 2024

UNANIMOUSLY RECOMMENDED

- [a] That the Finance and Governance Committee takes note of the report for the non-recovery of the outstanding balances due by the ex-Directors as at 20 August 2024;
- [b] That the Finance and Governance Committee refer the matter to the MPAC as recommended by the Acting Municipal Manager.

File Number: 9/1/2/10

Execution: Director: Financial Services

Senior Manager: Revenue Services

ITEMS SUBMITTED TO THE COMMUNITY SERVICES COMMITTEE MEETING HELD ON 25 SEPTEMBER 2024

C06/09/24 PUBLIC PARTICIPATION PROCESS - SERVICE LEVEL AGREEMENT REGIONAL WASTE MANAGEMENT FACILITY

UNANIMOUSLY RECOMMENDED

- [a] That Council take note of the comments received during the Public Participation process – Service Level Agreement Regional Landfill Site Section 33 process;

-
- [b] That Council authorizes the Municipal Manager to finalize and sign the final contractual agreement(s) (also referred to the Service Level Agreement to be entered into between the participating municipalities) on behalf of the Municipality; and
 - [c] That Council authorizes the Municipal Manager to nominate relevant officials to form part of the Garden Route Regional Waste Management Facility: Establishment of the Participating Municipalities Committee (PMC) to give regular feedback to Council on all items related to the Facility;
 - [d] That Council notes and approves the cost reduction in the scope of works in the amount of R1 477 394.00 (Excl VAT).

File Number: 9/1/2/5

Execution: Acting Director: Community Services

**ITEMS SUBMITTED TO THE INTEGRATED HUMAN SETTLEMENTS COMMITTEE
MEETING HELD ON 2 OCTOBER 2024**

**IHS04/10/24 FINANCIAL ASPECT & BUDGET SHORTFALL OF THE HIRING OF
CHEMICAL TOILETS FOR TENDER T72/2022/23**

UNANIMOUSLY RECOMMENDED

- [a] That the report on the financial aspect and budget shortfall of the hiring of the chemical toilets for Tender T72/2022/23, be noted;
- [b] That Council be informed that funds are depleted and the department will have to do a virement of funds in the budget which will cover up to November 2024;
- [c] That Council notes that the department has no further budget to cover the remaining seven months of the financial year from December 2024 to June 2025; and
- [d] That a study be conducted on the obtaining of additional funding for Chemical Toilets in the Greater Knysna.

File Number: 9/1/2/15

Execution: Acting Director: Integrated Human Settlements

IHS07/10/24 KARATARA, HEIDEVALLEI AND RHEENENDAL HOUSING PROJECT

UNANIMOUSLY RECOMMEND

- [a] That the engagement that will take place on 3 or 4 October 2024 between Knysna Municipality (Integrated Human Settlement and Department of Infrastructure to discuss the housing projects in Karatara, Heidevallei and Rheenendal, be noted; and
- [b] That a Report regarding the outcome of the engagement on 3 and 4 October 2024 between Knysna Municipality (Integrated Human

Settlement and Department of Infrastructure be submitted to the Mayoral Committee Meeting, for discussion.

File Number: 9/1/2/15

Execution: Acting Director: Integrated Human Settlements

REPORTS SUBMITTED DIRECTLY TO THE MAYORAL COMMITTEE

**M01/10/24 REPORT ON THE IMPLEMENTATION OF THE SUPPLY CHAIN
MANAGEMENT POLICY FOR THE PERIOD 01 APRIL 2024 TO 30 JUNE
2024**

UNANIMOUSLY RECOMMENDED

- [a] That the report on the implementation of the Supply Chain Management (SCM) Policy for the fourth quarter, be noted;
- [b] That the deviations and irregular expenditure be noted and referred to MPAC for investigations;
- [c] That follow-up with MPAC in dealing with all avoidable irregular expenditure, be conducted; and
- [c] That the report be made available to the public in terms of section 21A of the Municipal Systems Act, 2000.

File Number: 8/1
Execution: Director: Financial Services

**M02/10/24 PROGRESS REPORT: SEDGEFIELD, KARATARA, RHEENENDAL AND
HEIDEVALLEI**

UNANIMOUSLY RECOMMENDED

That a detailed report on the funding applications for Bulk Services for Sedgefield, Karatara, Rheenendal and Heidevallei be submitted to the next Section 80 Committee meeting, for consideration.

13. NEW MATTERS SUBMITTED BY THE ACTING MUNICIPAL MANAGER

13.1

C01/10/24	REPORT FROM THE SPEAKER – CHANGES IN WARD COMMITTEE MEMBERSHIP
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REPORT FROM THE DIRECTOR CORPORATE SERVICES

PURPOSE OF THE REPORT

To advise Council about changes in Ward Committee membership and to make recommendations in this regard.

BACKGROUND

The following Ward Committee members are recommended to be removed from the Ward Committee to which Council had appointed them:

Ward	Name	Reason
1	Mr. David Troman	Resigned
1	Mr. Bramwill Baadjies	Resigned
2	Mr. Clifford Elion	Resigned
4	Mr. Luvuyo Fata	Resigned
10	Ms. Ypie Kingma	Resigned
6	Mr. Allan Kock	Relocate to another ward
4	Mr. Zuzile Ntsiniyobo	Relocate out of town
7	Mr. Solomzi Tyatyeka	Non attendance
1	Mr. Luvo Dayimani	Non attendance
5	Mr. Cedric Mqeke	Non attendance

The following is recommended new Ward Committee members:

Ward	Name	Reason
1	Ms. Agnes Voorslag	Secondee for Mr. Bramwill Baadjies as per Ward Committee Establishment meeting dated 15/01/2022.
2	Ms. Tess Gouws	Recommendation e-mail from Sedgfield Ratepayers Association Chairperson

3	Lwanda Madikane	Seconded for Mr. Fundile Slatsha as per Ward Committee Establishment meeting dated 15/02/2022
---	-----------------	---

FINANCIAL IMPLICATIONS

Ward Committee member monthly stipend.

RELEVANT LEGISLATION

1. Municipal Structures Act.
2. The Knysna Municipal Ward Committee Policy.

RECOMMENDATION OF THE MUNICIPAL MANAGER

That the contents of the report by the Speaker on changes in Ward Committee membership be noted;

- [a] That Mr. David Troman, Mr. Bramwill Baadjies and Mr. Luvo Dayimani be removed as members of Ward 1 Ward Committee;
- [b] That Mr. Cliff Elion be removed as member of Ward 2 Ward Committee;
- [c] That Mr. Luvuyo Fata and Mr. Zuzile Ntsiniyobo be removed as members of Ward 4 Ward Committee;
- [d] That Mr. Cedric Mqeke be removed as member of Ward 5 Ward Committee;
- [e] That Mr. Allan Kock be removed as member of Ward 6 Ward Committee;
- [f] That Mr. Solomzi Tyatyeka be removed as member of Ward 7 Ward Committee;
- [g] That Ms. Yipie Kinga be removed as member of Ward 10 Ward Committee;
- [h] That the Administration takes the necessary steps to remove the persons in [a], [b], [c], [d], [e], [f] and [g] from the payroll system;
- [i] That Ms. Agnes Voorslag be approved as Ward Committee members of Ward 1;
- [j] That Ms. Tess Gouws be approved as Ward Committee member of Ward 2;
- [k] That Ms. Lwanda Madikane be approved as Ward Committee member of Ward 3;
- [l] That administration takes the necessary steps to add the persons in [i], [j] and [k] to the payroll system.

APPENDIX / ADDENDUM

1. Resignation e-mail from Mr. David Troman
2. Resignation letter from Mr. Bramwill Baadjies
3. Resignation e-mail from Mr. Clifford Elion
4. Resignation e-mail from Mr. Luvuyo Fata

5. Resignation e-mail from Ms. Ypie Kingma
6. Confirmation e-mail from Cllr Kay Andrews (Ward Councillor)
7. Confirmation e-mail from Cllr Phindile Petros (Ward Councillor)
8. Ward 7 Ward Committee meeting attendance registers
9. Ward 1 Ward Committee meeting attendance registers
10. Ward 5 Ward Committee meeting attendance registers
11. Ward 1 Ward Committee Establishment meeting minutes
12. Nomination e-mail from Sedgefield Ratepayers Association
13. Ward 3 Ward Committee Establishment meeting minutes

File Number: 9/1/1/1/1

Execution: Manager: Public Participation

1

Brian Cornelius

From: David Tromans <tro2748@gmail.com>
Sent: Monday, April 1, 2024 7:20 PM
To: Brian Cornelius
Cc: Levael Davis
Subject: RE: Formal Ward Committee Meeting

I regret to inform you that I will be relocating to Ekurhuleni at the end of May 2024. Please accept my resignation from our ward committee from 31st May 2024. I would like to thank all my colleagues on the ward 1 committee for putting up with me for so long and I wish all of you the very best going forward.

A special thank you to you Brian for your calm and efficient communication and to Levael for his leadership throughout these difficult times.

I will miss you all

Kind regards

David Tromans

-----Original Appointment-----

From: Brian Cornelius <bcornelius@knysna.gov.za>

Sent: Tuesday, 26 March 2024 10:50 AM

To: David Tromans; Dr Andrew Brough; Eunice Vena; Levael Davis; Luvo Dayimani; Morne Galant; Nadia; Vuyisile Pauli

Cc: Noxolo Mcothama; Nontlonipho Skosana

Subject: Formal Ward Committee Meeting

When: Tuesday, 11 June 2024 6:00 PM-8:00 PM (UTC+02:00) Harare, Pretoria.

Where: Smutsville Community Hall



2

120 Bitou Street
Smutsville
Sedgefield
6573

The Speaker
Knysna Municipality
PO Box 21
Knysna
6570

Good day Speaker

Re: Resignation as Ward 1 Ward Committee member

I, Bramwill Baadjies, Ward Committee member of Ward 1 hereby resign from the Ward Committee with immediate effect.

Kind regards,



Mr. B Baadjies
Cell: 078 115 3521



3

Brian Cornelius

From: Clifford Elion <cliffprop@gmail.com>
Sent: Monday, June 3, 2024 8:44 AM
To: Brian Cornelius
Cc: Cleone Vanston
Subject: Re: Ward 2
Attachments: 0.jpg

Morning Brian

Due to circumstances I am unable to fulfill my role on the ward 2 committee.

Please accept my apologies for the short notice of my resignation.

Regards
Cliff Elion

On Mon, 03 Jun 2024, 08:21 Brian Cornelius, <bcornelius@knysna.gov.za> wrote:

Good day Mr. Elion

I hereby acknowledge the receipt of your e-mail.

Please confirm your resignation with me.

Kind regards,

Brian

From: Clifford Elion <cliffprop@gmail.com>
Sent: 02 June 2024 13:35
To: Cleone Vanston <cvanston@knysna.gov.za>
Cc: BARNES-Kevin <kevin.daniel.barnes@gmail.com>; Andy Brough <andyb@andrewbrough.com>; Fanus Brink Ward 2 <fanus.brink2023@gmail.com>; Ari (Angela Sister) Seirlis Liliith <aris@iafrica.com>; Brian Cornelius <bcornelius@knysna.gov.za>
Subject: Ward 2

Hi Cleone

4

Brian Cornelius

From: Luvuyo Fata
Sent: Tuesday, June 25, 2024 2:15 PM
To: Brian Cornelius
Cc: Jacky Kalani; Sidwell Vumazonke; Phindile Petros
Subject: RESIGNATION AS A WARD 4 COMMITTEE MEMBER

Dear M B Cornelius

I regret to inform you of my resignation as a member of the Ward 4 Committee. As from the first 01 July 2024, I would be a permanent employee of the Knysna Municipality. According to the Ward Committee policy, one cannot be an employee of the Municipality and still serve as a member on the ward committee. It was a good experience one I would always remember. Thanks for the opportunity of working with you and the rest of the people involved on the programme. Kindly do not forget to inform payroll regarding this matter.

Kind regards

Luvuyo

5

From: ypie | Destination Garden Route <ypie@destinationgarderoute.co.za>
Sent: Wednesday, 09 October 2024 16:44
To: 'Brian Cornelius' <bcorneilius@ko.sra.gov.za>; 'Peter Bester' <pbester@kro.sra.gov.za>; 'Jacques Jacobs' <jacques.jacobs@sona.com>; 'Gerrit Barnes' <gerrit@sona.co.za>; 'John Hunter' <johnh Hunter@gmail.com>; 'Carol Van Tonder' <vanondercard@gmail.com>; 'Pierre Gouws' <pierre@earthmail.co.za>; 'Richard Sohn' <richard@sona.co.za>; 'Nadine Smith' <nadine@sona.co.za>; 'Nadine Cronje' <nadinecronje1@gmail.com>
Subject: RE: Notice: WC Meeting

Dear team,

I did not anticipate being in The Netherlands as long as I have been – and still will be. I am of little use to our Ward Committee, and have therefore handed in my resignation.

I am missing all of you, and look forward to returning when the time is right.

Keep well, look after yourselves, and our beautiful town!

Thank you and kind regards,

ypie



Ypie Klegema | +27 10 942 721 3816
ypie@destinationgarderoute.co.za
www.destinationgarderoute.co.za
PO BOX 231107 | 6023 Boksburg | 1501
Previously associated with:
SATSAR

6

Brian Cornelius

From: Kay Andrews
Sent: Friday, September 13, 2024 1:06 PM
To: Brian Cornelius
Cc: Jacky Kalani; Noxolo Mcothama
Subject: Re: Mr. Allan Kock

Good day.

Yes Brian it has also come to my attention that he is residing in Ward 11 now.

Get Outlook for Android

From: Brian Cornelius <bcornelius@knysna.gov.za>
Sent: Tuesday, September 10, 2024 3:33:38 PM
To: Kay Andrews <kandrews@knysna.gov.za>
Cc: Jacky Kalani <jkalani@knysna.gov.za>; Noxolo Mcothama <Nmcothama@knysna.gov.za>
Subject: Mr. Allan Kock

Good day Cllr Andrews

Trust this e-mail finds you well.

It has come to our attention that Mr. Allan Kock who is a Ward Committee member of Ward 6 is now residing in Ward 11.

Can you please confirm this statement.

Kind regards,
BRIAN CORNELIUS Coordinator: Public Participation
P O Box 21. Knysna. 6570. Western Cape. South Africa
Tel +27 (0)44 302 6300 (switchboard) or 302 6387 (direct)
Cell: 060 998 6968 / Fax +27 (0)865 360 969
E-mail: bcornelius@knysna.gov.za

7

Brian Cornelius

From: Phindile Petros
Sent: Wednesday, October 16, 2024 2:27 PM
To: Brian Cornelius
Cc: Noxolo Mcothama; Jacky Kalani; Nontlonipho Skosana
Subject: Re: Mr, Z Ntsiniyabo

Good afternoon Brian
Brian ...Mr Ntsiniyabo it's true that he's no longer in Knysna he stays in Eastern Cape

Get Outlook for Android

From: Brian Cornelius <bcornelius@knysna.gov.za>
Sent: Wednesday, October 16, 2024 1:43:31 PM
To: Phindile Petros <ppetros@knysna.gov.za>
Cc: Noxolo Mcothama <Nmcothama@knysna.gov.za>; Jacky Kalani <jkalani@knysna.gov.za>; Nontlonipho Skosana <nskosana@knysna.gov.za>
Subject: Mr, Z Ntsiniyabo

Good day Cllr Petros

Can you please confirm that Mr. Zuzile Ntsiniyabo is now employed and residing in the Eastern Cape.

Kind regards,
BRIAN CORNELIUS Coordinator: Public Participation
P O Box 21, Knysna. 6570. Western Cape. South Africa
Tel +27 (0)44 302 6300 (switchboard) or 302 6387 (direct)
Cell: 060 998 6968 / Fax +27 (0)865 360 969
E-mail: bcornelius@knysna.gov.za



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WARD 7 ATTENDANCE REGISTER

MEETING DATE: 23/11/2023, TIME: 18:00, VENUE: COUNCIL CHAMBERS

MEETING TYPE: FORMAL WARD COMMITTEE MEETING

Names of Ward committee members	Contact number	Home Address	Signature
Romeo Daniels	073 274 2361	CE107 Simmer Street, Dinangwe, Concordia, 6570	
Nobulali Mazwi	078 304 9226	A67 Khayaletu Valley, Knysna, 6570	
Nwabisa Hamza	080 309 2103	81 Mbetani Street, Khayaletu, Knysna, 6570	
Simphiwe Falithenjwa	066 340 9122	B14 Bongani Location, Knysna, 6570	
Nosisa Mateyisi	063 653 6558	EJ002 Edameni, Knysna, 6570	
Mbulelo Sokanyile	078 767 2424	42 Kanonkop North, Knysna, 6570	
Babalwa Mbombo	062 354 2592	214 Chungwa Street, Khayaletu, Knysna, 6570	
Solomzi Tyatyeka	061 102 0330	CE117 Dinangwe, Knysna, 6570	
Yoliswa Nkotana	063 865 2464	152 Chungwa Street, Khayaletu, Knysna, 6570	
Lucinda Bondt	064 045 0992	42 Batinie Street, Kanonkop, Knysna, 6570	
Cllr Mboneli Khumelwana	060 958 3399	Ward Councillor Knysna Municipality	
Veronique Klein	060 998 6816	Public Participation Knysna Municipality	

Brian Cornelius #6387 KM



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WARD 7 ATTENDANCE REGISTER

MEETING DATE: 30/04/2023, TIME: 18:00, VENUE: COUNCIL CHAMBERS

MEETING TYPE: FORMAL WARD COMMITTEE MEETING

Names of Ward committee members	Contact number	Home Address	Signature
Romeo Daniels	073 274 2361	CE107 Simmer Street, Dinangwe, Concordia, 6570	Apology
Nobulali Mazwi	078 304 9226	A67 Khayaletu Valley, Knysna, 6570	
Nwabisa Hamza	060 309 2103	81 Mbetani Street, Khayaletu, Knysna, 6570	
Simphiwe Falithenjwa	066 340 9122	B14 Bongani Location, Knysna, 6570	
Nosisa Mateyisi	063 653 6558	EJ002 Edameni, Knysna, 6570	
Mbulelo Sokanyile	078 767 2424	42 Kanonkop North, Knysna, 6570	
Babalwa Mbombo	062 354 2592	214 Chungwa Street, Khayaletu, Knysna, 6570	
Solomzi Tyatyeka	061 102 0330	CE117 Dinangwe, Knysna, 6570	
Yoliswa Nkotana	063 865 2464	152 Chungwa Street, Khayaletu, Knysna, 6570	
Lucinda Bondt	064 045 0992	42 Batinie Street, Kanonkop, Knysna, 6570	
Cllr Mboneli Khumelwana	060 958 3399	Ward Councillor Knysna Municipality	
Brian Cornelius	060 998 6968	Public Participation Knysna Municipality	



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WARD 7 ATTENDANCE REGISTER

MEETING DATE: 26/09/2023, TIME: 18:00, VENUE: COUNCIL CHAMBERS

MEETING TYPE: FORMAL WARD COMMITTEE MEETING

Names of Ward committee members	Contact number	Home Address	Signature
Romeo Daniels	073 274 2361	CE107 Simmer Street, Dinangwe, Concordia, 6570	
Nobulali Mazwi	078 304 9226	A67 Khayaletu Valley, Knysna, 6570	
Nwabisa Hamza	060 309 2103	81 Mbetani Street, Khayaletu, Knysna, 6570	
Simphiwe Falithenjwa	066 340 9122	B14 Bongani Location, Knysna, 6570	
Nosisa Mateyisi	063 653 6558	EJ002 Edameni, Knysna, 6570	Apology
Mbulelo Sokanyile	078 767 2424	42 Kanonkop North, Knysna, 6570	
Babalwa Mbombo	062 354 2592	214 Chungwa Street, Khayaletu, Knysna, 6570	
Solomzi Tyatyeka	061 102 0330	CE117 Dinangwe, Knysna, 6570	
Yoliswa Nkotana	063 865 2464	152 Chungwa Street, Khayaletu, Knysna, 6570	Apology
Lucinda Bondt	064 045 0992	42 Batinie Street, Kanonkop, Knysna, 6570	
Clir Mboneli Khumelwana	060 958 3399	Ward Councillor Knysna Municipality	
Brian Cornelius	060 998 6968	Public Participation Knysna Municipality	



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WARD 1 ATTENDANCE REGISTER
MEETING DATE: 29/01/2024, TIME: 18:00, VENUE: SMUTSVILLE COMMUNITY HALL
MEETING: FORMAL WARD COMMITTEE MEETING

Names of Ward committee members	Contact number	Home Address	Signature
Martie Rooi Health	063 519 6472	244 Rooikranslaan, Smutsville, Sedgefield, 6573	M. Rooi
Eunice Vana Human Settlement & Agriculture	063 329 7981 junicelinkie@gmail.com	131 BV	Eunice
Morne Galant Religious	071 382 4855	2603 Fynbos Laan	Morne Galant
Vuyisile Pauli Sport	066 069 5971 vusipauli@gmail.com	179 Slangepark, Smutsville, Sedgefield, 6573	
Bramwill Baadjies Business	078 115 3521 bbprotectionservice10@gmail.com	120 Bitou Street, Smutsville, Sedgefield	
David Tromans The Island	083 228 0912 tro2748@gmail.com	13 Island Village, Paul Kruger Street, Sedgefield, 6573	Apology
Andrew Brough Sedgefield Ratepayers & Environment	083 227 4318 admin@broughleadership.com	8 Four Dover Drive, Cola Beach, Sedgefield	Apology
Luvo Dayimani Youth	0781 295 1690	MK105 Makapela, Smutsville, Sedgefield	
Nadia Hardnick Community Safety	073 200 9706 sedgefieldgarageadmin@telkomsa.net	2575 Melkhout Street, Smutsville, Sedgefield, 6573	Nadia
Cecilia McKay Welfare	083 774 0084 0782176873 0629280741	G101/OG62 Oderste Gaatje, Sedgefield, 6573	Cecilia McKay
Cllr Levael Davis	060 998 7136 ldavis@knysna.gov.za	Ward 1 Ward Councillor Knysna Municipality	Cllr Levael Davis



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WARD 1 ATTENDANCE REGISTER
MEETING DATE: 11/06/2024, TIME: 18:00, VENUE: SMUTSVILLE COMMUNITY HALL
MEETING: FORMAL WARD COMMITTEE MEETING

Names of Ward committee members	Contact number	Home Address	Signature
Martie Rooi Health	063 519 6472	244 Roolkranslaan, Smutsville, Sedgefield, 6573	<i>[Signature]</i>
Eunice Vana Human Settlement & Agriculture	063 329 7981 junicelinkie@gmail.com	131 BV	<i>[Signature]</i>
Morne Galant Religious	071 382 4855	2603 Fynbos Laan	<i>[Signature]</i>
Vuyisile Pauli Sport	066 069 5971 vusipauli@gmail.com	179 Slangepark, Smutsville, Sedgefield, 6573	<i>[Signature]</i>
Bramwill Baadjies Business	078 115 3521 bbprotectionservice10@gmail.com	120 Bitou Street, Smutsville, Sedgefield	
David Tromans The Island	083 228 0912 tro2748@gmail.com	13 Island Village, Paul Kruger Street, Sedgefield, 6573	
Andrew Brough Sedgefield Ratepayers & Environment	083 227 4318 admin@broughleadership.com	8 Four Dover Drive, Cola Beach, Sedgefield	<i>[Signature]</i>
Luvo Daylmani Youth	0781 295 1690	MK105 Makapela, Smutsville, Sedgefield	
Nadia Hardnick Community Safety	073 200 9706 sedgefieldgarageadmin@telkomsa.net	2575 Melkhout Street, Smutsville, Sedgefield, 6573	<i>[Signature]</i>
Cecilia McKay Welfare	083 774 0084 078 217 6873	G101/OG62 Oderste Gaatjie, Sedgefield, 6573	<i>[Signature]</i>
Clir Levaal Davis	060 998 7136 ldavis@knysna.gov.za	Ward 1 Ward Councillor Knysna Municipality	<i>[Signature]</i>



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WARD 1 ATTENDANCE REGISTER

MEETING DATE: 17/09/2024, TIME: 18:00, VENUE: SMUTSVILLE COMMUNITY HALL

MEETING: FORMAL WARD COMMITTEE MEETING

Names of Ward committee members	Contact number	Home Address	Signature
Martie Rooi Health	063 519 6472	244 Rooikranslaan, Smutsville, Sedgefield, 6573	
Eunice Vana Human Settlement & Agriculture	063 329 7981 junicellinkle@gmail.com	131 BV	
Morne Galant Religious	071 382 4855	2603 Fynbos Laan	
Vuyisile Pauli Sport	066 069 5971 vusipauli@gmail.com	179 Slangepark, Smutsville, Sedgefield, 6573	
Bramwill Baadjies Business	078 115 3521 bbprotectionservice10@gmail.com	120 Bitou Street, Smutsville, Sedgefield	
David Tromans The Island	083 228 0912 tro2748@gmail.com	13 Island Village, Paul Kruger Street, Sedgefield, 6573	
Andrew Brough Sedgefield Ratepayers & Environment	083 227 4318 admin@broughleadership.com	8 Four Dover Drive, Cola Beach, Sedgefield	
Luvo Dayimani Youth	0781 295 1690	MK105 Makapela, Smutsville, Sedgefield	
Nadia Hardnick Community Safety	073 200 9706 sedgefieldgarageadmin@telkomsa.net	2575 Melkhout Street, Smutsville, Sedgefield, 6573	
Cecilia McKay Welfare	078 217 6373 0782176373	G101/OG62 Oderste Gaatjie, Sedgefield, 6573	
Cllr Levaal Davis	060 998 7136 ldavis@knysna.gov.za	Ward 1 Ward Councillor Knysna Municipality	

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WARD 5 ATTENDANCE REGISTER
MEETING DATE: 20/03/2024, TIME: 18:00, VENUE: RHEENENDAL YOUTH
CENTRE
MEETING TYPE: FORMAL WARD COMMITTEE MEETING

Names of Ward committee members	Contact number	Home Address	Signature
Anthony Rischbieter	082 653 9902	17 Stinkhout Street, Brenton on Sea, Knysna, 6570	Apology
Paul Theron	082 447 3421	Blackwaters River Lodge, Portion 17 of Farm 208, Gansvlei	Apology
Elmay Bouwer	084 202 4903	Farm 208, Portion 14 Gansvlei	Apology
Hester Prinsloo	081 048 3453	393 Watson Street, Rheenendal	H Prinsloo
Cedric Mqeke	082 954 0445	505 Gousblom Street, Rheenendal,	Apology while meeting is on
Winnefred Matthys	071 0388 819	409 Num-Num Street, Rheenendal	W. Matthys
Julanda Sass	081 028 2677	4028 Lentegeur Street, Rheenendal	J. Sass
Cllr Hilton Stroebel	060 998 7130	Ward 5 Ward Councillor Knysna Municipality	H. Stroebel
Noxolo Mcothama	060 998 7020	Public Participation Knysna Municipality	N. Mcothama
Brian Cornelius	060 998 6968	Public Participation Knysna Municipality	B. Cornelius
Devoline Molligen	060 552 2880	Community Development Worker Department of Local Government	D. Molligen



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WARD 5 ATTENDANCE REGISTER
MEETING DATE: 25/06/2024, TIME: 18:00, VENUE: RHEENENDAL YOUTH
CENTRE
MEETING TYPE: FORMAL WARD COMMITTEE MEETING

Names of Ward committee members	Contact number	Home Address	Signature
Anthony Rischbieter	082 653 9902	17 Stinkhout Street, Brenton on Sea, Knysna, 6570	
Paul Theron	082 447 3421	Blackwaters River Lodge, Portion 17 of Farm 208, Gansvlei	
Elmay Bouwer	084 202 4903	Farm 208, Portion 14 Ganzvlei	
Hester Prinsloo	081 048 3453	393 Watson Street, Rheenendal	
Cedric Mqeke	082 954 0445	505 Gousblom Street, Rheenendal,	
Winnefred Matthys	071 0388 819	409 Num-Num Street, Rheenendal	
Julanda Sass	081 028 2677	4028 Lentegour Street, Rheenendal	
Cllr Hilton Stroebe	060 998 7130	Ward 5 Ward Councillor Knysna Municipality	
Noxolo Mcothama	060 998 7020	Public Participation Knysna Municipality	
Brian Cornelius	060 998 6968	Public Participation Knysna Municipality	
Devoline Molligen	060 552 2880	Community Development Worker Department of Local Government	



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WARD 5 ATTENDANCE REGISTER

MEETING DATE: 28/08/2024, TIME: 18:00, VENUE: RHEENENDAL YOUTH CENTRE

MEETING TYPE: FORMAL WARD COMMITTEE MEETING

Names of Ward committee members	Contact number	Home Address	Signature
Anthony Rischbieter	082 653 9902	17 Stinkhout Street, Brenton on Sea, Knysna, 6570	
Paul Theron	082 447 3421	Blackwaters River Lodge, Portion 17 of Farm 208, Gansvlei	
Elmay Bouwer	084 202 4903	Farm 208, Portion 14 Gansvlei	
Hester Prinsloo	081 048 3453	393 Watson Street, Rheenendal	Apology
Cedric Mqoke	082 954 0445	505 Gousblom Street, Rheenendal,	Absent
Winnefred Matthys	071 0388 819	409 Num-Num Street, Rheenendal	Apology
Julanda Sass	081 028 2677	4028 Lentegeur Street, Rheenendal	
Cllr Hilton Stroebe	060 998 7130	Ward 5 Ward Councillor Knysna Municipality	
Noxolo Mcothama	060 998 7020	Public Participation Knysna Municipality	
Brian Cornelius	060 998 6968	Public Participation Knysna Municipality	
Devoline Molligen	060 552 2880	Community Development Worker Department of Local Government	



**WARD 1 PUBLIC MEETING
WARD COMMITTEE ESTABLISHMENT MEETING
DATE: 25 JANUARY 2022
TIME: 19:00**

MINUTES

SUBJECT:	WARD COMMITTEE ESTABLISHMENT MEETING: WARD 1				
SCHEDULED DATE:	25/01/2022	PLACE:	Smutsville Community Hall	ORGANISED BY:	Public Participation
Attendees: Attendance register attached.					
MAIN DISCUSSION POINTS					
Agenda 1. Opening and welcoming (Ward Councillor: Levael Davis) 2. Ward Committee Establishment Presentation (Speaker: Cllr Julie Lopes) 3. Ward Committee Election Process (Public Participation Officials) 4. Vote of thanks / Closure (Ward Councillor: Levael Davis) 1. Opening and welcoming: was done by the Ward Councillor, Cllr Levael Davis who introduced the Speaker, Cllr Julie Lopes and PPU officials. <u>Purpose of the meeting:</u> Cllr Davis informed the community members present that the main purpose of the meeting is to elect a Ward Committee for Ward 1. The roles of the Speaker and Public Participation official were explained to the members of the public.					

2. Ward Committee Establishment Presentation

The Ward Committee Establishment presentation was done by the Speaker, Cllr Julie Lopes (presentation herewith attached)

3. Ward Committee Election Process

Composition / Structure of the Ward 1 Ward Committee representation was resolved to be a combination of sectoral and geographical representation.

Nominations and Geographical area representation.

The residents of Ward 1 resolved that the following nominations for sectoral and geographical areas should constitute the Ward 1 Ward Committee:

SECTOR REPRESENTATIVES	
Martie Rooi	Health
Secondee : Vacant	
Eunice Vena	Human Settlement & Agriculture
Angeline Brinkhuis (Secondee)	
Mornay Galant	Religious
Secondee: Vacant	
Vuyisile Pauli	Sport
Geneva Erasmus (Secondee)	
Bramwill Baadjies	Business
Agnes Voorslag (Secondee)	
Andrew Brough	Sedgefield Ratepayers and Environment
Secondee: Vacant	
Luvo Dayimani	Youth
Chanel Jacobs (Secondee)	
Nadia Hardnick	Community Safety
Thersius Jones (Secondee)	

	Cecilia McKay	Welfare	
	Elspeth Hartzenberg (Secondee)		
	GEORGRAPHIC REPRESENTATIVES		
	David Tromans	The Island	
	Rodney Nay		

4. Vote of thanks/closure

✓ Cllr Levael Davis thanked the community for participating in the Ward 1 Ward Committee Election process and welcomed the newly nominated members.

NEXT STEPS AND ACTIONS REQUIRED			
NO		RESPONSIBILITY	DEADLINE
1.	Publication of nominees in local newspapers for public comments/objections	Mr. B Cornelius	21-25 Feb 2022

12.

Brian Cornelius

From: Kevin Barnes <kevin.daniel.barnes@gmail.com>
Sent: Thursday, October 10, 2024 6:50 PM
To: Brian Cornelius; Andy Brough
Subject: Re: WC Representation
Attachments: 0.jpg

Brian,

Please accept my sincere gratitude for your patience and understanding in our efforts to strengthen the Ward 2 team.

I am delighted to inform you that Tess Gouws, a highly competent and efficient individual, is seriously considering joining our team. Her potential involvement would significantly enhance our ward's capabilities.

We kindly request that you provisionally reserve a position for Tess Gouws, pending her formal confirmation. The Sedgefield Ratepayers Association will ensure a seamless onboarding process.

Thank you again for your cooperation.

Best regards,

Kevin Barnes
Chairman, Sedgefield Ratepayers Association.

On Thu, 10 Oct 2024, 09:29 Brian Cornelius <bcornelius@knysna.gov.za> wrote:

Good day Mr. Barnes

The letter may be forwarded to me on this e-mail address.

Kind regards,

BRIAN CORNELIUS Coordinator: Public Participatfon

P O Box 21, Knysna, 6570, Western Cape, South Africa

Tel +27 (0)44 302 6300 (switchboard) or 302 6387 (direct)

Cell: 060 998 6968 / Fax +27 (0)865 360 969

E-mail: bcornelius@knysna.gov.za

13



WARD 3 PUBLIC MEETING
WARD COMMITTEE ESTABLISHMENT MEETING
DATE: 15 FEBRUARY 2022
TIME: 18:00

MINUTES

SUBJECT: WARD COMMITTEE ESTABLISHMENT MEETING: WARD 3					
SCHEDULED DATE:	15/02/2022	PLACE:	Chris Hani Hall	ORGANISED BY:	Public Participation
Attendees: Attendance register attached.					
MAIN DISCUSSION POINTS					
Agenda 1. Opening and welcoming (Ward Councillor: Mncedisi Skosana) 2. Ward Committee Establishment Presentation (Speaker: Cllr Julie Lopes) 3. Ward Committee Election Process (Public Participation Officials) 4. Vote of thanks / Closure (Ward Councillor: Mncedisi) 1. Opening and welcoming: was done by the Ward Councillor, Cllr Mncedisi Skosana who introduced the Speaker, Cllr Julie Lopes. The Speaker, Cllr Lopes introduced the Public Participation officials. <u>Purpose of the meeting:</u> The Speaker, Cllr Lopes informed the community members present that the main purpose of the meeting is to elect a Ward Committee for Ward 3. The roles of the Speaker and Public Participation official were explained to the members of the public.					

2. Ward Committee Establishment Presentation

The Ward Committee Establishment presentation was done by the Speaker, Cllr Julie Lopes (presentation herewith attached)

3. Ward Committee Election Process

Composition / Structure of the Ward 3 Ward Committee representation was resolved to be a combination of sectoral and geographical representation.

Nominations of Geographical area and sectoral representation.

The residents of Ward 3 resolved that the following nominations for sectoral and geographical areas should constitute the Ward 3 Ward Committee:

GEOGRAPHIC REPRESENTATIVES	
Mbongeni Mkulungu	Nekkies East
Yonela Joko (Secondee)	
Nomsebenzi Ntabeni	Kaalkol
Lungile Vutuza (Secondee)	
Thanduxolo Mahlathi	Oupad
Buyiswa Rungqu (Secondee)	
Ziyanda Tom	Damsebos North
Zipho Naki (Secondee)	
Siyabulela Kolanisi	Damsebos South
Luleka Maxatase (Secondee)	
Ntombenani Mgqeba	Hlalani
Secondee Vacant	
SECTOR REPRESENTATIVES	
Thembinkosi Booï	Faith Based
Sicelo Mgwadlanyana	
Nomfundo Ndunana	Business
Secondee Vacant	

	Fundile Slatsha	Youth, Sports, Arts & Culture
	Lwanda Madikane (Secondee)	
	Migiel Lizwani	Safety & Security
	Brenda Yoyo (Secondee)	

4. Vote of thanks/closure

✓ Cllr Mncedisi Skosana thanked the community for participating in the Ward 3 Ward Committee Election process and welcomed the newly nominated members.

NEXT STEPS AND ACTIONS REQUIRED			
NO		RESPONSIBILITY	DEADLINE
1.	Publication of nominees in local newspapers for public comments/objections	Mr. B Cornelius	21-25 Feb 2022

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13.2

C02/10/24	REQUEST FOR AN INCREASE IN THE MONTHLY OUT OF POCKET EXPENSES PAID TO WARD COMMITTEES MEMBERS
------------------	--

REPORT FROM THE DIRECTOR: CORPORATE SERVICES

PURPOSE OF THE REPORT

To request for council's approval for increase in the monthly Out of Pocket Expenses paid to Ward Committee members.

DISCUSSION

The Municipal Structures Act (MSA) and the Ward Committee Policy of the Knysna Municipality council state that no remuneration shall be paid to Ward Committee members however, guided by the MSA Knysna Municipality Ward Committee Policy allows for a monthly payment of R500.00 to each Ward Committee member to cover the Out of Pocket Expenses that Ward Committee members incur whilst performing their duties as indicated in their functional areas.

The Ward Committee functional areas are clustered according to normal and adhoc activities as follow:

Normal Activities

Functional Area 1: Attendance of formal scheduled ward committee meetings by ward committee member.

Functional Area 2: Attendance of formal and scheduled community and sector report back meetings by ward committee member

Functional Area 3: Registering of operational service delivery and other complaints by ward committee member.

Functional Area 4: Active involvement in ward based development, monitoring and evaluation thereof by a ward committee member

Adhoc Activities:

Functional Area 5: Attendance of compulsory ward committee training and capacity building programmes by ward committee member.

Functional Area 6: Attendance and/or participation by ward committee member in other official forums from other spheres of government that is approved by that local municipality.

Ward Committee members are further required to do the following:

1. Organize and attend meetings of the ward committee, council, community and sector consultation and feedback meetings;
2. Receive and record complaints from the community within the ward regarding service delivery, payment systems and provide feedback on council's responses;
3. Visit relevant sector organizations and communities for the feedback, intervention, networking, community mobilization, conflict resolutions and other reasons;
4. Participate in the stakeholder cluster forums;
5. Assisting the Ward Councillor in coordinating ward programmes.
6. Participate in the IDP Review through:
 - (a) Information gathering
 - (b) Identifying priorities/reprioritize/add projects

- (c) Attending review exercises
 - (d) Serving on representative forum to liaise with residents
 - (e) Overseeing development projects emerging from IDP/Ward based Integrated Development Plan; and
 - (f) Attending public IDP/Ward based Integrated Development Plan Meetings
7. Participate in budget processes through
- (a) Attending public hearing per ward
 - (b) Attending Mayoral Committee and Finance Committee outreach programmes
 - (c) Discuss ward based budget with Ward Councilor and official assigned to the ward; and
 - (d) Attend and make inputs into municipal budget meetings and processes.
8. Ideally participate in performance management functions through:
- (a) Engage in performance review of IDP,
 - (b) Raise concerns regarding off-schedule capital projects and service delivery requests, and
 - (c) Through IDP reviews provide written comments/feedback on the level of proposed development and service delivery.

The Out of Pocket Expenses paid to Ward Committee members was last reviewed on 1 October 2012 through council resolution and has never been increased.

The current Out of Pocket Expenses stipend of R500 is paid from DORA from National Treasury as a contribution from National Government to strengthen ward based participatory democracy. Municipalities are encouraged where they can and within their means to make a further contribution to the payment of Out of Pocket Expenses to Ward Committees.

Motivation

Since the Ward Committee Out of Pocket Expenses stipend was last increased in 2012 and taking into account the increase in cost of living it is suggested that the Ward Committee monthly Out of Pocket Expenses stipend to be increased to R_____.

In order to enhance and support the work of Ward Committees the Speaker of the Knysna Municipality Council has further made the following requests to administration for considering in the next MTREF.

- A. That office space to be made available in each ward in order for Ward Committees to execute their duties effectively.
- B. That Tools for Trade inform of smart phones and data be made available to further support the work of Ward committees.

Legislative Requirement

- 1. Ward Committee Policy
- 2. Public Participation Policy
- 3. Municipality Structure Act
- 4. Municipality System Act

Financial Implications

To implement this recommendation a further R_____ to be budgeted for.

RECOMMENDATION FROM THE ACTING MUNICIPAL MANAGER

- [a] That the contents regarding a request for the increase in the monthly Out of Pocket Expenses paid to the Ward Committees be noted;
- [b] That the Out of Pocket Expenses paid to the Ward Committees be increased from R500.00 to R_____ per Ward Committee member;
- [c] That the increase above be effected from;
- [d] That the Municipal Manager undertake to provide Ward Committee members with office space in each ward;
- [e] That the Municipal Manager undertake to provide Ward Committee members with a smart phone and data in the next MTREF as a tool of trade to enhance Ward Committee functionality.

Appendixes

1. Out of pocket resolution 1 July 2012
2. Ward Committee inputs for quarter four: April-June 2023

File Number: 9/1/1/1/1
Execution: Manager Public Participation

ORDINARY COUNCIL MEETING
MINUTES
1 OCTOBER 2012

8.9 **OUT OF POCKET EXPENSES: WARD COMMITTEES**
Director: Corporate Services

RESOLVED

- [a] That Council notes the contents of the report regarding the increase of payment for out of pocket expenses to ward committee members;
- [b] That ward committee monthly stipends be increased from R300 to R500 with effect from 1 July 2012;
- [c] That the difference in the payment of the stipend be paid from the special support for ward committees as published in the appendices to the Division Revenue Bill;
- [d] That the remainder of the allocation be utilised for ward committee operational activities, plans, stationery, training, catering, protective clothing, transport, and logistical and technical support to ward committees;
- [e] That the ward committees will meet every second month or six times per annum.

**WARD COMMITTEE INPUTS
FOR
QUARTER FOUR – APRIL – JUNE 2023**

Matter	Discussion	Resolution
Office Space for Ward Committee members	Members required office space for them to work and do their day to day Ward Committee operations. This matter was brought up in the Policy Review Workshop on 08 June 2023.	The Speaker, Cllr MD Skosana instructed Manager PP to include the request in the budget for next year.
Tools of Trade	Ward Committee members made mention on 08/06/2023 at Policy Workshop that smart phones and sufficient data will make their day to day operations much easier.	The Speaker, Cllr MD Skosana instructed Manager PP to include the request in the budget for next year.
Increase in Ward Committee Stipend	Various Ward Committees has requested the increase in the Ward Committee stipend. Ward 8, at its Formal Ward Committee meeting held on 22 June 2023 again brought the matter to the table.	Cllr Aubrey Tsengwa, Ward 8 Chairperson has requested that Manager PP draft an item to this effect and submit to Council for consideration. KM must make budget provisions to top-up the Ward Committee Stipend provided by Province.

13.3

C03/10/24 AUDIT COMMITTEE OVERSIGHT REPORT TO COUNCIL
--

REPORT FROM THE MUNICIPAL MANAGER

PURPOSE OF THE REPORT

The purpose of this report is to provide to Council the audit committee's oversight report on its activities.

PREVIOUS RESOLUTIONS

Not applicable

BACKGROUND

The Audit Committee is required to report to Council on the work it is doing focusing on its primary responsibilities outlined in terms of Section 166 of the Municipal Finance Management Act for the purpose of advising the Municipal Council, political office bearers and the Accounting Officer.

DISCUSSION

The reports outlines the activities of the audit committee for the period 01 May 2024 to 30 June 2024 and 01 July 2024 to 30 September 2024 Attached to this item is the detailed reports.

FINANCIAL IMPLICATIONS

NOT APPLICABLE

RELEVANT LEGISLATION

The Municipal Finance Management Act, Act no 56 of 2003

RECOMMENDATION OF THE MUNICIPAL MANAGER

- [a] That the Council notes the oversight report of the Audit Committee for the period 01 May 2024 to 30 June 2024.
- [b] That the Council notes the oversight report of the Audit Committee for the period 01 July 2024 to 30 September 2024.
- [c] That the detailed recommendations as made in the oversight reports be adopted by Council and implemented by management.
- [d] That the reports be submitted to MPAC for monitoring implementation of recommendations.

APPENDIX / ADDENDUM

APPENDIX A AUDIT COMMITTEE OVERSIGHT REPORT (01 APRIL 2024 TO 30 JUNE 2024)

APPENDIX B AUDIT COMMITTEE OVERSIGHT REPORT (01 JULY 2024 TO 30 SEPTEMBER 2024)

File Number: 9/1/2/14
Execution: Municipal Manager
Chief Audit Executive
Chief Risk Officer
Manager IDP

.



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**AUDIT COMMITTEE
OVERSIGHT REPORT
TO COUNCIL**

KNYSNA MUNICIPALITY AUDIT COMMITTEE

OVERSIGHT REPORT

01 July 2024 to 30 September 2024

1. Purpose

- 1.1. The Committee is submitting its oversight report to the Council for noting and implementation by management.

2. Legislative requirements

- 2.1. The Audit Committee is required to report to the Council on the work it is doing focusing on its primary responsibilities outlined in terms of Section 166 of the Municipal Finance Management Act for the purpose of advising the Municipal Council, political office bearers and accounting officer.
- 2.2. The committee has in terms of circular 65 of MFMA adopted an appropriate formal terms of reference clearly setting out the establishment, purpose, authority, composition and the relationship with council, management , internal and external auditors as per its charter.
- 2.3. The committee has adopted the Audit Committee Charter for the 2024/2025 financial year.

3. Matters relating to the structure of the committee and its responsibilities:

3.1. The structure of the Committee

- 3.1.1. The established committee currently consists of 5 independent external members.

Mr J Jacobs: Chairperson	Chairperson with effect 01 May 2023
Mr A Karriem: Member	01 January 2023 to 31 December 2025
Mrs R Shaw: Member	01 January 2023 to 31 December 2025
Ms G Bolton:Member	01 January 2023 to 31 December 2025
Adv.D.Block	06 June 2023 to 05 June 2026

4. Meetings held

KNYSNA MUNICIPALITY AUDIT COMMITTEE

OVERSIGHT REPORT

01 July 2024 to 30 September 2024

- 4.1. The committee held its meetings as follow to execute its mandate in accordance with the approved charter.

The details of attendance of the meetings were as follow:

Committee Member	04 July 2024	01 August 2024	27 August 2024	30 September 2024
Mr. J.Jacobs: (Chairperson)	1	1	1	1
Mr A Karriem:	0	0	0	0
Mrs R Shaw:	1	1	1	0
Ms G Bolton:	1	1	1	1
Adv.D.Block	1	1	1	1

In as far as member's attendance is concerned, overall the Chairperson is satisfied with member's conduct. Members who have been unable to attend a meeting, made an apology in advance. Council is also informed that Mr A Karriem is on an extended sick leave and has thus been unable to attend the committee's meetings.

- 4.2 The committee maintains a resolutions register to track progress made on implementing the recommendations made by the Committee. The committee obtains updates with progress towards implementing these resolutions at its ordinary committee meetings.

5. Internal Audit

- 5.1. The Audit Committee is required to continuously evaluate the activities and performance of Internal Audit to ensure that it remains independent and objective in discharging its responsibilities.
- 5.2. The internal audit functions continues to operate through a co-sourcing model. The Internal Audit function reports to the Audit Committee functionally to ensure its independence and objectivity in performance of its duties.
- 5.3. On 04 July 2024, the committee approved the Internal Audit Charter and Internal Audit Plans for the 2024/2025 financial year.

KNYSNA MUNICIPALITY AUDIT COMMITTEE

OVERSIGHT REPORT

01 July 2024 to 30 September 2024

- 5.4. The adopted Charter provided the Internal Audit Function with the authority and responsibility to fulfil the duties in line with MFMA Section 165 and the approved internal audit plan.
- 5.5. It is worthy to mention that not all high risks could be prioritised in the approved plan, due to limitations of financial and human resources.
- 5.6. The progress on this plan will be monitored by the committee at each ordinary meeting held
- 5.7. The contract expiry and number of internal staff, contributed in necessitating the adoption of an amended internal audit plan. The committee is however satisfied that the amendment represents a realistic and achievable outcome for the remainder of the financial year.
- 5.8. The committee discussed the following internal audit reports presented at its meetings during the reporting period:
- 2023/2024 Performance Agreements of Senior Management
 - 2023/24 Municipal Infrastructure Grant
 - Follow-Up Internal Audit Report: 2023/24 SDBIP SMART & Consistency Review
 - Quarter 2 Performance Information
 - Quarter 3 Performance Information
 - Integrated human settlements
 - Annual stock count
 - Fleet management
 - Indigents
 - Follow-Up Report: DBSA Revenue Enhancement Reports
- 5.9. The committee advises management to implement internal audit findings and recommendations properly and on time in order to prevent repetitive audit findings and to ensure improvement of audit outcomes.
- 5.10. The committee made the following specific recommendations in relation to above internal audit reports:
- 5.10.1 That Management provides an update with implementing the recommendations and action plan in the MIG report at every meeting of the committee, due to the significance of issues raised in the report.

5.10.2 The committee requires monthly updates with regards to the implementation of recommendations and action plans as per the Integrated human settlements report.

5.10.3 The requires an update by end of October with regards to the implementation of recommendations and action plans in the fleet management report.

5.11. The committee is concerned with the response and action plans provided by management in the internal audit reports as it appears to have become a compliance exercise, Management is reminded and advise to give these report the necessary level of attention as implementation of these recommendations will improve the control environments that lead to good audit outcomes.

5.12 Attached as Appendix A, is a redacted version of the findings raised under the reports listed under 5.8

6. Internal Control

6.1. Based on the reviews conducted by internal audit and engagements held during the committee's meeting, the committee is of the opinion that the system of internal control is not entirely effective. Management must review and implement internal control as recommended by the auditors in order to improve the control environment.

6.2. Management should design, implement, and monitor the compilations and processing monthly reconciliations of all transactions and also to ensure effective performance management.

6.3. Management must ensure that the key performance areas talk to the goal towards achieving clean audit through the development and reviews of the performance management systems and policies and proper implementations.

6.4. Management must also ensure that more weight is allocated into good or clean governance in enforcing and directing proper implementations of audit findings and recommendations.

7. Risk Management matters

7.1. The risk management implementation is the responsibility of the management in terms of the MFMA. The role of the audit committee is to advise management on the implementation of effective risk management in the municipality.

- 7.2. The committee was presented with the risk management report for the 2024/2025 financial year. Management is advised to monitor this strategic risk register and implement the planned mitigation actions.

8. Compliance Management

- 8.1 The committee reviewed the Compliance management reports and resolved that management held those accountable for failure to comply with relevant legislation and prescriptions.
- 8.2 The committee further advised that relevant users update the system utilised to track compliance within required deadlines, so that reports can produce accurate outcomes.
- 8.3 The committee raised its concerns at various meetings, with regards to the level of updates and report outcomes as it appears that there are several instances of non-compliance.
- 8.4 The municipal manager is advised to place this report on the monthly management meetings to monitor corrective measures.

9. Performance Management

- 9.1 The committee was presented with the draft annual performance report (APR) for review before its submission to the Auditor-General (AG).
- 9.2 The committee reviewed this draft report and presented its comments to management on 27 August 2024. Management was advised to make the necessary corrections as presented in the meeting before the final unaudited APR is submitted to the AG.

10. Legal

- 10.1 The committee noted the litigation matters instituted against and by the municipality and advises management to ensure that all matters are reported and at the correct estimates.
- 10.2 The committee is also concerned with the amount of cases and related expenditures incurred. It is recommended that management and Council develop an action plan and report on the plan to the audit committee for monitoring.

11. Financial Information

The committee discussed the monthly Section 71 reports for April 2024 to August 2024 during the reporting period and expressed its concerns on the following matters:..

- a. The committee is concerned, in particular with the spending incurred on overtime and advised management to produce and table a plan on how this spending will be managed and reduced in the long term. Critical vacancies in departments must be filled as a mechanism to curtail overtime expenses. These reports have

however not yet been submitted to the committee. Council is advised to assure implementation of these recommendations.

- b. The committee has noted that budgeted revenue for traffic fines will not be realized as a result of the contract that has ended. Management did not ensure that a new procurement process is finalized before this ending date. Council should note that this will result in a budget shortfall and expenditure should accordingly also be adjusted/curbed.
- c. This matter was also reported to the Executive Mayor. Communication sent in this regard is attached as Appendix B
- d. The committee further raised its concerns with the outstanding debt account of Grey Elephant Investments coupled with the Lease Agreement of the Knysna Mall.
- e. The committee advises Council to ensure that no rental amount in respect of the lease agreement is paid until such time that the outstanding services account is settled.
- f. The committee has also requested that any item submitted regarding this matter to Council in future, that the audit committee concerns herein be documented in such item(s). Communication sent in this regard is attached as Appendix C
- g. Lastly, the amount of expenditure on security costs vs. budgeted cost is concerning. Management should investigate the reasons for this huge variance and put the necessary remedial action/controls in place.

12. Supply Chain Management

The committee noted the quarterly supply chain management reports and requested a feedback report for its next meeting in relation to the security tender as alluded to under section 11 of this report.

13. Information Communication Technology

The committee noted the ICT report and ICT steering committee that took place during the period reported on.

14. AGSA 2023/2024 audit

- 13.1 The Audit Committee reviewed the audit strategy and engagement letter of the AG on 30 September 2024. Management is advised to provide its full co-operation with the auditors to ensure that the audit is completed within the budgeted time and costs.
- 12.2 The committee notes the auditors concerns and specific risks of this audit.
- 12.3 Management provided assurance that the audit action plan of 2023 has been implemented, the impact hereof will attest with the 2024 audit outcome.
- 12.3 The committee also reviewed the unaudited AFS on 27 August 2024 and requested management to consider the recommendation as presented on the day before submitted the AFS to the AG.

13. Municipal Public Accounts Committee (MPAC)

- 13.1 The committee requested that the minutes of all MPAC meetings be tabled to the committee. This will enable the committee to monitor if the irregular and fruitless & wasteful expenditures are being submitted for investigations.
- 13.2 The committee would like to emphasise its concerns on the slow pace, the related investigations has moved on prior financial year's expenditures.
- 13.3 We recommend that the MPAC plan its meetings in such a manner that the issues of irregular and fruitless & wasteful expenditures be dealt with at a separate meeting.
- 13.4 As previously recommended, management is advised to split their irregular expenditure register into two parts; technical and non-technical matters. This should assist the MPAC to be more effective and efficient in performing its legislated investigations.
- 13.5 Council is further advised to ensure that those related irregular and fruitless & wasteful expenditures are sent to the Disciplinary Board for investigation (where deemed necessary) on a timeous basis.

14. Human Resource Management

- 14.1 The committee has reviewed progress made in the review of the organisational structure. The committee advises that Council support the conclusion of a reviewed structure, in compliance with Municipal Systems Act. The committee will track progress through its standing agenda items.
- 14.2 The committee has further advised management to ensure that all officials are aware of its organisational wide policies and that such are placed on the municipal intranet and website.
- 14.3 Lastly, we have noted the report on disciplinary matters and have advised that such matters be dealt with without delay to avoid excessive costs related to such hearings and related acting allowances.

15. Conclusion

The committee would like to thank the Internal Audit Unit, Management and Council for the ongoing support provided.

16. Recommendation to Council

- a. The committee recommends this report to the Council for noting and implementation of specific recommendations under each section, by management.
- b. That Council refers the oversight report to MPAC for monitoring implementation of recommendations.



Digitally signed on 21 October 2024

Mr Johan Jacobs

Chairperson of the Audit Committee

APPENDIX A: REDACTED VERSION OF INTERNAL AUDIT REPORTS

- 2023/2024 Performance Agreements of Senior Management

Finding & Root Cause	Recommendation and Action Plans
1. Inadequate proof of review of section 54A/56 employee's performance agreement (Repeat finding)	
Finding We could not obtain adequate proof that the 2023/2024 performance agreement were reviewed by the responsible manager. Further administrative errors On assessing the 2023/2024 annual performance we have identified an error on the numbering of section/paragraph where the documents reads: <i>Paragraph 7 of the is agreement sets out-</i> 6.1.1. <i>The procedures for evaluation the Employee's performance</i> 6.1.2. <i>The intervals for the evaluation of the Employee's performance</i> The procedures for evaluation the Employee's performance and the intervals for the evaluation of the Employee's performance have been documented in 7.1.1 And 7.1.2 respectively .The 2023/2024 annual performance agreements do not have a section/paragraph 6.1.1 nor 6.1.2	Recommendation: A quality assessment checklist for performance agreements should be developed in order to ensure that the agreements meet the required quality and standard. Directors & the Municipal Manager should perform quality checks on their performance agreement by making use of the quality control checklist. Both the Municipal Manager and the relevant Director should sign the performance agreement and the quality control checklist and thereafter the performance agreement should be sent to the performance management unit. In terms of the performance agreement of the Municipal Manager, both the Executive Mayor and the Municipal Manager should sign the quality control checklist. Before filing, the performance management unit should also perform quality assurance on the document and if errors/omissions has been identified, the performance agreement should be returned for amendments [in consultation with the employee] The checklist should be signed by the Manager: Institutional Performance as an indication that he has reviewed the performance agreement and confirms that it meets the required standard. A standard operating procedure should be developed to assist in ensuring the process is documented and communicated.
Root Cause Lack of oversight and standard operating procedure for the annual review of the performance agreement of the section 54A/56 Employees.	Management Action Plan The Municipal PMS process is guided by the Adopted Municipal PMS Policy.

	Response Quality Control Checklist to be completed. The formulation of a SOP for PMS will be prioritised. Action Plan Estimated Completion Date and Timing: 31 May 2024 Responsible Official: Manager IDP/PMS & IGR Auditor's Conclusion Internal audit takes note of the management comment and action plan. A follow up audit will be scheduled during the next audit cycle.
2. Non-alignment between the 2023/2024 performance agreement, SDBIP and Ignite.	
Finding Exceptions were noted regarding KPIs that has been included in the SDBIP and in the performance agreements of the senior manager but have been omitted from the Ignite performance management system. Furthermore we have identified indicators that have been included in the 2023/2024 performance agreement of the municipal manager but have not been included in the performance management whether as top layer or departmental KPI'S. This indicators are also not in the approved SDBIP	Recommendation The Performance Agreements is but one part of the performance management system for the municipality and therefore management should ensure that the SDBIP, performance agreements and the performance management system (Ignite) contains the same information. The manager responsible for performance management should ensure that all the indicators entailed in the performance agreements are uploaded in the performance management system for monitoring and measuring.
Root Cause Lack of standard operating procedure for the annual review of the performance agreement of the section 54A/56 Employees Lack of review of performance information uploaded on the performance management system.	Management Action Plan Response The municipality's Performance Management Policy, has been reviewed. The Process that sets out IDP/PMS/Budget Process Plan was adopted by Council in August 2023. Action Plan Request Service Provider to (where necessary) adjust KPI's on Electronic PMS to improve alignment between SDBIP and Electronic PMS. Estimated Completion Date and Timing: 31 May 2024 Responsible Official Manager IDP/PMS&IGR Auditor's Conclusion Internal audit takes note of the management comment and action plan. A follow up audit will be scheduled during the next audit cycle.

3. 2023/2024 Performance Agreements not compliant with legislation	
Finding Exceptions were noted regarding: - The targets that have no time frames or target dates in the performance agreement. - There are no weighting given to each CCR and KPI. - The rating scale for competencies that has been entailed in the 2023/2024 annual performance agreement of section 54A/56 employees is not the regulated rating scale. - Some Compulsory competency is not included in all the 2023/2024 performance: - Incorrect evaluation panel documented in the performance agreements of Directors.	Recommendation The manager responsible for performance management should review and amend the 2023/2024 performance agreements in order to ensure that they do comply with legislation. A quality assessment checklist for performance agreements should be developed in order to ensure that the agreements comply with legislation. The checklist should be signed by the Manager: Institutional Performance as an indication that he has reviewed the performance agreements and confirms that they do meet the legislative requirements.
Root Cause Inadequate review of section 54A/56 employee's performance agreement Lack of standard operating procedure for the annual review of the performance agreement of the section 54A/56 Employees	Management Action Plan Response Performance Agreements are currently in their amendment stage for the Final Quarter of 2023/2024. Performance reviews are being led by the Municipality's Performance Management Policy. Action Plan Performance Agreement checklist to be formulated Estimated Completion Date and Timing: 31 May 2024.
4. 2023/2024 Performance Agreement not yet submitted to Council and the MEC	
Finding No proof could be obtained that the performance agreements have been submitted to the MEC for local government in the province.	Recommendation

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No Submission of the performance agreement to Council could be verified.	The Manager responsible for performance management should ensure that the compliance management system is updated for monitoring of compliance The 2023/2024 performance agreements should be submitted to the MEC for local government in the province and to Council.
Root Cause Lack of compliance monitoring Lack of standard operating procedure for the annual review of the performance agreement of the section 54A/56 Employees.	Management Action Plan Response Copies of signed amended Performance Agreements to be submitted to the Office of the MEC for Local Government. Action Plan Submit signed copies of Performance Agreements to the Office of the MEC Estimated Completion Date and Timing: 31 May 2024. Responsible Official Manager IDP/PMS&IGR Auditor's Conclusion Internal audit takes note of the management comment and action plan. A follow up audit will be scheduled during the next audit cycle.
5. Inadequate implementation of the Performance Development Plan[Repeat Finding]	
We have noted that the performance agreements of the following directors does entail the PDP template, however it has not been completed, as it has been left blank. ▪ Municipal Manager ▪ Director Planning	Recommendation The business process of the training and development unit should be amended in order to include the implementation of the PDP's The quality checklist should also include a checklist on the personal development plan Should their not be a need for any training and development, the document should be completed with a strike through and signed off by both parties.
Root Cause Lack of standard operating procedure for the annual review of the performance agreement of the section 54A/56 Employees.	Management Action Plan Response Noted

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	Action Plan Amended 2023/2024 Performance Agreements to address recommendations. Estimated Completion Date and Timing: 31 May 2024 Responsible Official Manager IDP/PMS&IGR Auditor's Conclusion Internal audit takes note of the management comment and action plan. A follow up audit will be scheduled during the next audit cycle.
6. Inadequate management of the performance agreement conclusion process	
Finding We could not determine if performance agreements were signed within the legislated timeframes, being one month after the commencement of the financial year or 60 days after appointment date.	Recommendation The manager responsible for performance management should consider introducing digital signing of the performance agreement, where the date and time of signing of a document would be visible on the document. The manager responsible for performance management should ensure that the performance agreements of the newly appointed section 56 employees are concluded.
Root Cause Lack of oversight Lack of compliance monitoring	Management Action Plan Response Performance Agreements for all Directors were signed and uploaded on the municipal Website. Currently undergoing an amendment process. Action Plan Copies to be send to the MEC for Local Government and uploaded on the Municipal Website. Estimated Completion Date and Timing: 30 April 20244 Responsible Official Manager IDP/PMS&IGR Auditor's Conclusion Internal audit takes note of the management comment and action plan. A follow up audit will be scheduled during the next audit cycle.
7. Non- disclosure of benefits and interest by the senior managers employees[Repeat Finding]	

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Finding We inspected the annual disclosure forms that have been attached to the performance agreement and noted that the Municipal Manager did not declare benefits and interest. The disclosure form that has been attached to his 2023/2024 performance agreement has not been completed as it has been left blank.	Recommendation The performance management unit should ensure that the disclosure forms attached to the performance agreements are completed. The quality checklist should also include a checklist on the disclosure form of benefits and interest
	Management Action Plan Response Take note of the comment. Action Plan Municipality to ensure that disclosure forms are correctly completed. Estimated Completion Date and Timing: 30 April 2024 Responsible Official Manager IDP/PMS&IGR Auditor's Conclusion Internal audit takes note of the management comment and action plan. A follow up audit will be scheduled during the next audit cycle.

- 2023/24 Municipal Infrastructure Grant

Finding & Root Cause	Recommendation and Action Plans
1. Inadequate Section 71 reporting Finding The section 71 reports for the month of September and October 2023 were not submitted within the legislated deadline. The first submission of these reports did not include a signed quality certificate and the reports were not signed off Root Cause Human error Delays on the signing of the report	Recommendation Management should ensure that the monthly in-year reports are adequately reviewed before they are submitted to the mayor of the municipality and provincial treasury. The reports should be submitted to the municipal manager for signature within a reasonable time before the 10th of each month Management Action Plan Response Management agree with the finding Action Plan -Procedures to be put in place to ensure that monthly deadlines are adhere to enable timeous submission of the section 71 report.

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	-Internal reviews to be strengthened Estimated Completion Date and Timing: Continuous Responsible Official Manager Financial Statements, Compliance and Reporting. Auditor's Conclusion Internal audit notes the management comment and action plan. A follow up audit will be done in the next audit cycle.
2. Monthly site visit documentation kept by the consultant	
Finding Site visits and minutes of meetings held are kept by consultants and only handed over to the municipality at the end of each project.	Recommendation A policy/standard operating procedure on document and information management should be developed; entailing amongst others: that all documents and information must be appropriately recorded and filed according to the procedures in place for each contract or contract type. The approach and time frame for moving document and information management to implemented records management systems
Root Cause Unclear and non-standardised approach to managing and administering procurement contracts/contract management	Management Action Plan Response The signed minutes, original guarantees etc. are kept by the consultants for safe keeping purposes. It is a municipality's responsibility to ensure adequate records management storage is available and maintained by the municipality. In the absence of the latter from the current infrastructure service department building, the PMU opts to store all crucial contractual information in a guaranteed safe environment which is the consultants. Action Plan Copies of signed minutes are available on request. Originals available on project completion Estimated Completion Date and Timing: Continuous Responsible Official; Manager PMU Auditor's Conclusion Internal audit notes management comment, though management has indicated that documents are available on request at the end of the project. Implementation of internal audit recommendations will assist in

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ensuring documents are safeguarded and readily available. The finding therefore remains as requiring some improvement.	
3. PMU operating costs funded from the MIG allocation exceed the permitted percentage	
Finding In terms of the 2023/2024 signed PMU business plan, 5% will be utilized towards salaries & allowances. The current budgeted salaries & allowances for the PMU under vote number [353850307724] exceeds this 5%.	Recommendation Management should ensure that operating expenditure funded from the MIG grant to cover the cost for the Project Management Unit (PMU) does not exceed 5 per cent of the municipality's allocation. The municipality should raise funding from other sources to cover the shortfall should the cost of salaries & allowances of the PMU be more than the set limit
Root Cause Poor planning	Management Action Plan Response The budgeted amount were based on the preliminary DORA Bill of March 2023 which is slightly different from the final DORA Act 2023. No harm is caused as the final expenditure equates to the 5% of the final DORA Act. In year changes are made and gazetted by National Treasury, sometimes not in line with municipal budget cycles, therefore there will not always be congruence between the Action Plan Revision of Dora Bill figures once DORA Act is enacted. Estimated Completion Date and Timing: June 2024 Responsible Official; Manager Budget Auditor's Conclusion Internal audit notes the management comment and action plan. A follow up audit will be done in the next audit cycle.
4. MIG capital projects costs not fully budgeted	
Finding On comparison of the procurement plan, detailed project implementation plan [DPIP], the budget and amounts of the awarded tender for the project we have noted instances of non-alignment.	Recommendation Once the annual DORA is released management should develop and obtain the necessary approvals for its DPIP and ensure timeous submission to the Finance Department for the draft main budget and final main budget of each financial year. The procurement plan must be informed by the DPIP. Budgeted votes should be aligned according to the approved DPIP and where additional allocations are awarded or where allocations are reduced, such budgets should be amended through an adjustment budget process as detailed in MFMA section 28.

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Root Cause Ineffective procurement planning Budget tables not correctly populated	Management Action Plan Response PMU Response In year budget adjustments were necessary due to the inefficiencies in procurement. To add to this two MIG contractors were terminated in the past two years due to poor performance, meaning that such projects would be delayed and budgets had to be moved to other spending projects. Finance Response When budget is tabled we use the latest approved projects and amounts from the DBIP. Then early in the new year which is after the budget approval with the old project listing for MIG a revised DBIP is submitted to Council then the projects will be amended either through virement "as the previous virement policy allowed it" or adjustments budget changes. The issue is the overlapping period between the final budget approval with the latest updated revised project listing. There is a reduction of MIG we have to prepare an adjustments budget but we don't know which projects are affected. We only know the money that has to be reduced and we haven't received the revised DPIIP yet which was the issue with AG in the 23-24 audit. Action Plan Early submission of the revised DPIIP to Council for approval thereafter submit the approved DPIIP to Finance for implementation within 60 days. Estimated Completion Date and Timing: June 2024 Responsible Official; Manager PMU Auditor's Conclusion Internal audit notes the management comment and action plan. A follow up audit will be done in the next audit cycle.
5. Underspending of the 2023/2024 MIG allocation Finding The municipality thus, has not spend the required 40% by January as required by the conditions of the grant entailed in the Division of Revenue Act [Dora].	Recommendation Once the annual DORA is released management should develop and obtain the necessary approvals for its DPIIP and ensure timeous submission to the Finance Department for the draft main budget and final main budget of each financial year.

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Root Cause Non-alignment of IDP and SDBIP Poor planning by management and late appointment of service providers/contractors	The procurement plan must be informed by the DPIIP. Once the procurement plan is approved, it must be expedited to ensure project milestones are achieved as planned. Management should also monitor projects progress on a quarterly basis, through the Service Delivery Budget and Implementation Plan (SDBIP) of the municipality Management Action Plan Response In year budget adjustments were necessary due to the inefficiencies in procurement. To add to this two MIG contractors were terminated in the past two years due to poor performance, meaning that such projects would be delayed and budgets had to be moved to other spending projects Action Plan Improve turnaround time of procurement period Estimated Completion Date and Timing: June 2024 Responsible Official; Manager PMU Auditor's Conclusion Internal audit notes the management comment and action plan. A follow up audit will be done in the next audit cycle.
6. Contract expansion/variation may exceed the 20% threshold by 30 June 2024 Finding During the business process confirmation, the Manager PMU indicated there are no controls in place to administer the contract with the appointed consultants. On assessment of the contract register we noted that Tender 36/2019-2020[Panel of professional services provider's municipal infrastructure projects] expired in June 2023. We obtained the crd072 report from the Promun financial system and noted that there was expenditure incurred after June 2023 as well as outstanding commitments. Letters were presented to IA as proof that the tender/contracts of the engineers appointed for the 2023/2024 MIG project were extended but the authenticity of the letters were questioned as there was no record of the letters being submitted to the office of the Municipal Manager and the content stating that the SCM and CFO is not supporting these extensions while both the SCM Manager and CFO were not in the appointment of the Municipality, when these extensions were requested and signed according to the dates 06 June and 09 June 2023 on documents provided	
	Recommendation Management should ensure that new procurement processes commences in time in order to ensure that the processes is finalised before the end of the previous contract that was awarded for the same services and/or goods Where a necessity arises for expansion and amendments of contracts, such should be justifiable and done through the legislated processes. Contract management and record management systems (Collab) should be used for information management purposes and safeguarding of municipal information. Supply chain must investigate these transactions and determine if it meets the definition of irregular expenditure

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Root Cause Lack of a sound, consistent and effective approach to contract management across the municipality. Bypassing of controls, i.e. Routing of documents for comments by relevant departments	Management Action Plan Response SCM Management agrees with the finding, and it was raised by SCM during the project implementation phase PMU There are no variations applicable in the above contracts. The expenditure reflected above is inclusive of commitments which makes the report to be deceiving of the actual expenditure and value created. Commitments don't necessarily mean that that commitment will be converted to expenditure e.g. contract can reach completion or get terminated before the commitment becomes expenditure. In future it would be appreciated that the expenditure checks on PSP Contracts be done in line with the ECSA Fee Gazette and not payment entries. The auditor will get a comprehensive picture of the contract and not only figures. For example the contract is divided into three areas, i.e. 1. Normal Services (priced by bidder), 2. Additional Services (municipal provisional estimated budget spent by discretion of municipality) 3. Disbursements (priced by the bidder) The items under Additional Services are spent as soon as there is a need for a specialist service e.g. EIA, Survey etc. therefore the PSP does not have control over these prices as they are determined by the market of specialist at the time of need. Action Plan SCM Enforce the full compliance of SCM policies with the support of the CFO and Accounting Officer Estimated Completion Date and Timing: June 2024 Responsible Official; Manager PMU SCM, CFO and Accounting Officer Auditor's Conclusion Internal audit notes that comments as made by PMU and the response from Finance. Actual expenditure against the value of appointments to specific projects were tested. The finding will therefore remain in the report. A follow up will be made to the action plan identified during the next audit cycle
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7. Limitation on scope: Engineer appointment letters to projects	
Finding Similar to finding no.6 a contract extension letter for Bosch Project and Element Consulting was provided for auditing. We could however not obtain the appointment letters as the Professional service provider for Knysna surfacing of gravel roads (Bosch) and the appointment letters as the Professional service provider for Upgrading of Bongani Sportsfield (Element)	Recommendation Management should ensure that information is submitted on time to the internal auditors as agreed upon in the engagement letter. In the alternative, the auditors should be informed immediately if the requested evidence is not available. It is recommended that all contract information be filed under the appropriate records management file on Collab. All original tender related documents must be stored in a centralised location. Documents provided to the Accounting Officer for signature must be accompanied by a routing form and registered in the Office of the Municipal Manager to enable track and tracing of documents as well as approval dates. Supply chain must investigate these transactions and determine if it meets the definition of irregular expenditure.
Root Cause Inadequate/Poor document management By-passing of internal controls (no routing and Collab)	Management Action Plan Response The Bosch Projects (Pty) Ltd appointment was made through the Piggy Back Mosselbay and Bitou panels years ago. The same was regularized through T36 of 2019/2020. Element Consulting Engineer was appointed in 2013 and regularized in the same manner as Bosch Projects (Pty) Ltd. Secondly maintaining a contract management record and management of the same is a core business of the Supply Chain Management Unit. In the PMU Business Plan nowhere does it states that PMU initiates or maintains the contracts records. The PMU administers the proper execution of contract obligations by the client and the service provider. Action Plan SCM Enforce the full compliance of SCM policies with the support of the CFO and Accounting Officer Estimated Completion Date and Timing: June 2024 Responsible Official; Manager PMU SCM, CFO and Accounting Officer Auditor's Conclusion

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				Internal audit notes that comments as made by the PMU Manager finding will remain in the report. A follow up will be made to the action plan identified during the next audit cycle
8. Commencement of work by the contractor before contract is exchanged or letter of acceptance issued				
Finding Work commenced under the below tenders, before the contract was exchanged for signature and/or letter of acceptance issued				Recommendation The Supply Chain Management section should develop standard operating procedures, inclusive of the process to be undertaken after a final award has been made. Contract management planning should be aligned to the annual process of the review of the municipalities' strategic documents in order to identify the need for contract creation and thus plan for when contract creation should take place to ensure delivery can occur as approved in the budget. A contract management plan [CMP] that focuses on outputs and performance should be developed where appropriate. This document should be owned by the contract manager who shall be responsible for ensuring that it is maintained Management should investigate its entire population to identify similar instances and determine if this meets the definition of irregular expenditure
MIG Projects	Tender Number	Supplier	Expenditure to Date	
MIG: Rehabilitation of Street	Tender 70/2022/2023	Star Time Trading cc	R 2 540 271,2	
MIG:285770 Upgrade Sport field PH 2 Bongani	Tender 76/2022/2023	Mosa Lesareng	R 363 579,9	
			R 2 903 851,2	
Root Cause Poor contract management and procurement planning Bypassing of controls.				Management Action Plan Response Management noted the finding and agrees that the root cause of this administrative oversight is that Project Manager start communicating with awarded bidder immediately after the award, either because of the service delivery pressure from the Council or meeting of Funding spending targets Action Plan The SCM to put systems and internal control in place to protect the SCM process. Develop a clearly define process flow to operationalise the BAC decision during the appointment, service standards and project implementation. E.g. introduction of project kick start meetings Estimated Completion Date and Timing: June 2024 Responsible Official; SCM Auditor's Conclusion Internal audit notes the management comment and action plan. A follow up audit will be done in the next audit cycle

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9. Cessionary payments made directly to contractor.	
Finding Through inspection of the invoices processed for the 2023/2024 MIG projects, we have identified a payment totalling to R 1 931 729, 61 that was paid to the contractor directly instead of the cessionaries.	Recommendation Management should ensure that the expenditure of the municipality is managed effectively, efficiently, economically and transparently. All payments made must be supported by a valid invoice and/or statement after work is certified to have been done in accordance with specific project milestones. Tender specifications should be drafted in such a manner that will test the contractor's cash flow/financial position and minimise the risk of contractor's inabilities to perform work due to cash flow constraints. Procurement planning should commence as soon as the DPIP has been approved to ensure project inception at the beginning of each financial year
Root Cause Poor procurement planning, resulting in project delays thereby bypassing controls and processes to accelerate spending.	Management Action Plan Response Poor procurement planning must be ruled out as it is untrue, the project was advertised for construction in May 2023 and appointed in October 2023. It took 5 months for the SCM processes to be completed. That inefficiency does not reside with the procuring department but rather with the SCM Department, CFO and Accounting Officer who are the custodians for the efficient delivery of SCM processes. Action Plan None Estimated Completion Date and Timing: June 2024 Responsible Official; SCM Auditor's Conclusion Management comment is noted, however this is just confirming part of the root-cause identified during audit. Management should identify its action plan to address re-occurrence. The finding remains valid
10. Unspent MIG grant not cash backed	
Finding As at 31 December 2023 the unspent MIG grant was not cash backed.	Recommendation Management should ensure that all unspent conditional grant are cash-backed
Root Cause Inadequate cash flow management process	Management Action Plan Response There is a process of ring-fencing funds such as opening sub-accounts for various funding in ensuring that funds Grant funds are being ring-

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	fenced for their purpose as well as investing other funds. but the CFO will have more strategic approach to the process for the whole municipality Action Plan Ring fencing of unspent grant funds Estimated Completion Date and Timing: June 2024 Responsible Official; Manager Budget, CFO Auditor's Conclusion Internal audit notes the management comment and action plan. A follow up audit will be done in the next audit cycle
11. Lack of bulk purchase orders for awarded tender/projects	
Finding MIG tenders evaluated and awarded in the 2023/2024 financial year have no annual orders that have been processed for the total awarded tender amounts for all the projects. Root Cause Poor planning (not ring fencing available budgets in line with planned spending) Bypassing of municipal policies and internal controls	Recommendation Management should ensure that for all the MIG project a purchase order to the awarded tender amount of each project is captured and authorised by a delegated official in the financial system Management Action Plan Response PMU Annual orders are not feasible at this stage as the municipality sometimes does not budget for the counter funding portion of the funding. Currently no HOD can sign off orders above the R2 million threshold siting the limitations by the Delegation Register. Should the municipality improve the shortcomings Annual Orders will be issued. SCM Management partly agrees with the finding however it is unavoidable, considering the reasons that the budget availability is the contributing factor, since project are partly funded through receiving of grants in tranches from Provincial Government and Funders, this restricts the user department to do bulk purchase order and opt to commit funds that are only available in their vote. This finding is the best practice requirement in terms set required accounting standards but impractical to implement or to operationalized Action Plan

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	End-user to request for full funding to allow for bulk orders and allow flexibility or exemptions in cases on none complaint of bulk orders. Review of funding criteria and requirements. Estimated Completion Date and Timing: June 2024 Responsible Official; CFO, SCM and End User Department Auditor's Conclusion Internal audit notes the management comment and action plan. A follow up audit will be done in the next audit cycle.
12. Tenders awarded to suppliers whose tax matters are not in order (T76/2023/34)	
Finding We assessed the CSD registration and noted that the overall tax compliance status indicated: <i>"Unable to determine tax compliance-refer to tax ref nr. Status</i> We could also not establish whether the awarded bidders were notified of their non-compliant status and if the bidders were requested to submit to the municipality, within 7 working days, written proof from SARS of their tax compliance status or proof from SARS that they have made an arrangement to meet their outstanding tax obligations Internal Audit then requested another CSD report and SARS verification, dated 16 February 2024 for both supplier s and noted that the tax compliance statuses still indicated, "Non-Compliant Tax Status	Recommendation Management should investigate the completeness of the tender reports, both BEC and BAC and make a determination of the appointment was made in line with all applicable laws, regulations and policies. The SCM Manager must review and implement standard operating procedures that will ensure compliance with all applicable laws and regulations prior to an award is made
Root Cause Failure by management to implement adequate controls during the evaluation and adjudication of bids to ensure that bids are awarded to service providers meeting all the legislated requirements	Management Action Plan Response Management disagrees with the finding, see attached tax CSD report Action Plan None Estimated Completion Date and Timing: June 2024 Responsible Official; SCM Auditor's Conclusion We have noted that the bidders was compliant during BEC stage (29/08/23) and again non-compliant at 2nd sitting, (05/09/2023). We could also not We could also not establish whether the awarded bidders were notified of their non-compliant status and if the bidder were requested to submit to the municipality, within 7 working days, written proof from SARS

	of their tax compliance status or proof from SARS that they have made an arrangement to meet their outstanding tax obligations. This finding therefore remains valid. Management is advised to print the tax compliance status screen view or letter with the result of the bidder's status at the date and time of verification to file with the bidder's bid documents for audit purposes.
13. B-BBEE certificates expired at the time of evaluating and awarding tenders.	
Finding The B-BBEE certificate was expiring on 21 August 2023, while the tender closed on 05 July 2023. We could not confirm if updated certificates were requested from these bidders at the time of making the recommendations to the BAC Root Cause Failure by management to implement adequate controls during the evaluation and adjudication of bids to ensure that bids are awarded to service providers meeting all the legislated requirements	Recommendation The SCM Manager must review and implement standard operating procedures that will ensure compliance with all applicable laws, regulations and policies prior to an award is made Management Action Plan Response Management agrees with the finding, administrative oversight let to SCM not requesting bidders to re-submit valid BBBEE certificate, especially when such certificate have expired during the evaluation and adjudication phase. Clear bids conditions should be set to allow clarifications and re-submission of expired documentation or certificate, the absence of such the bidders must score 0 points on preference points Action Plan compliance checklist document and proper quality control and assurance guidelines Estimated Completion Date and Timing: June 2024 Responsible Official; SCM Manager, SCM Practitioners Auditor's Conclusion Internal audit notes the management comment and action plan. A follow up audit will be done in the next audit cycle
14. Tenders awarded to bidders not scoring the highest points	
Finding We assessed the BEC and BAC reports and performed a recalculation of the points and noted that in the award of T70/2022/2023 and T77/2022/2023 the bids were awarded to the second highest scoring bidders without sufficient audit evidence to substantiate such decisions.	Recommendation Management should ensure that all requested information, reach internal audit within the deadlines as communicated during requests for information and where deadlines cannot be met, such be communicated in a timely manner. Where information does not exist, such should also be communicated.

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	Management should investigate the completeness of the tender reports, both BEC and BAC and make a determination of the appointment was made in line with all applicable laws, regulations and policies. IF NOT, Management should quantify the irregular expenditure incurred relating to these awards and record in the register for irregular expenditure. The expenditure should be submitted to the MFMA Section 32 committee for investigation. The SCM Manager must review and implement standard operating procedures that will ensure compliance with all applicable laws and regulations prior to an award is made.
Root Cause Failure by management to implement adequate controls during the evaluation and adjudication of bids to ensure that bids are awarded fairly Bypassing of current controls	Management Action Plan Response PMU In relation to T70 and T77 tenders, all calculations in relation to the shortcoming in the excluded bidder's Bill of Quantities were presented to Both BEC and BAC. Risks related to appointing a bidder who is R 3million below threshold were presented to both the BEC and BAC by the Consulting Engineer and Service Department, hence it is recorded in the BAC Minutes that the Director of Service Department stuck by his opinion that the bidder with lowest tender was high risk to the municipality. The municipality has in the past three years terminated contractors who could not complete projects after being awarded. The main reason being unworkable rates within a Bill of Quantities. Such has led to delayed implementation of MIG Grants and loss of funding. Such risks were relayed comprehensively in the BEC and BEC SCM Management noted and agrees with the finding, however the BAC noted there were key high-risk factors to adjudicate the bid to the lowest bidder, considering the fact that the lowest price bidder is below 20 percent of the projected budget. The industry practice prescribed that adjudicating the bid to bidder with the price lower than 20% of the project value, institution run a risk of service providers not completing the project and it attract lot of cost variations. In the absence of this 20% threshold the BAC should have adjudicated the bid to the lowest bidder. The confirmation of the bidder that it will be able to perform the work should have been considered and awarded with strict conditions Action Plan

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	Review of the policy to include thresholds percentage of 20% above and below the project budget as the disqualification requirement or conditions of bids in future projects Training and development of BAC and BEC members Estimated Completion Date and Timing: June 2024 Responsible Official; SCM Manager Auditor's Conclusion Internal audit notes management comment and action plan. The recommendations as previously made remains. A follow up audit will be conducted during the next audit cycle
15. Bid omitted during the evaluation and adjudication of T70/2022/2023	
Finding The BEC and BAC reports during the evaluation and adjudication of T70/2022/2023 indicated that 20 bids were submitted. The report further states that 10 bidders were found to be non-responsive. It is however noted that only 9 bids were evaluated based on price.	Recommendation Management should investigate the error made as per the above finding to determine if the award was made to the correct bidder. Where such is found to have been made erroneously. Management should quantify the irregular expenditure incurred relating to these awards and record in the register for fruitless and wasteful or irregular expenditure. The expenditure should be submitted to the MFMA Section 32 committee for investigation. The SCM Manager must review and implement standard operating procedures that will ensure compliance with all applicable laws and regulations prior to an award is made
Root Cause Failure by management to implement adequate controls during the evaluation and adjudication of bids to ensure that bids are awarded in line with prescribed laws and regulations	Management Action Plan Response Management disagrees with the finding, the set company was disqualified on noncompliant and fraudulent documentations, administrative oversight and omissions of information led to the report not indicating that the set bidder was disqualified, and reasons associated with the disqualifications. Key to note is that there was a legal opinion sought at BEC and BAC in relation to their disqualification attached Action Plan compliance checklist document and proper quality control and assurance guidelines

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		Estimated Completion Date and Timing: June 2024 Responsible Official; SCM Manager, SCM Practitioner Auditor's Conclusion Internal audit takes note of Management's comments, however the legal opinion provided did not address the bidder's falsification of documents, but rather referred to same omission as reported by Internal Audit. It was agreed during the first report discussion meeting that the recordings will be provided for clarity, however the recordings were never received. This finding remains valid and will be reported in our final report
16. The Bid Adjudication Committee[BAC] awarded tender not within its delegated authority		
Finding Tender 70/2022-2023 to the value of R10 298 219,60 was awarded by the Bid Adjudication Committee [BAC] and not by the Accounting Officer as per the recorded BAC report/minutes. In relation to Tender 77/2022-2023 (R28 726 158,78), recommendation was made by the BAC for the Municipal Manager to make the final award, however the Municipal Manager did not sign the BAC report/minutes.(Provision for signature space left blank) The municipal manager however did sign the final letter of award on the following tender.	Recommendation Management should investigate these The SCM Manager must review and implement standard operating procedures that will ensure compliance with all applicable laws and regulations prior to an award is made.	
Root Cause Failure by management to implement adequate controls during the evaluation and adjudication of bids to ensure that bids are awarded in line with prescribed laws and regulations	Management Action Plan Response Management noted the finding, however, disagrees with the interpretation. Policy prescribed that the bids above the value of 10 million must be adjudicated by the BAC and recommend the award for final appointment to the Accounting Officer. SCM interpretation is that the appointment letter signed by MM is the indication and prove of award to the Bidder, as well as the acceptance of the offer. The finding should be administrative oversight for MM not signing the BAC report after the approval by the BAC Chairperson. The BAC report, Minutes, and acceptance an offer form part of the support evidence or documentation to the According Officer consideration before the signing of the Appointment letter. Action Plan	

	Regular checks and verification of reports, adoption of compliance checklist document and proper quality control and assurance guidelines Estimated Completion Date and Timing: June 2024 Responsible Official; SCM Manager, SCM Practitioner Auditor's Conclusion Internal audit notes the management comment and action plan. A follow up audit will be done in the next audit cycle. With regards to the interpretation, we refer to below extract from the BAC report which confirm that the BAC made the award and <u>not recommended</u>, as it should have done. We acknowledge that the Municipal Manager sign off all final appointment letters as a standing practice, however key to note was the fact that the BAC report/minutes did also not have a provision to sign off and date similar to T77/23/24 that was also audited This finding remains valid
17. BEC minutes/reports not signed off by the Chairperson of the Evaluation Committee	
Finding Through inspection of the Bid Evaluation Committee [BEC] minutes/report, we have noted that the report is not signed off by the Chairperson of the Evaluation Committee	Recommendation The SCM Manager must review and implement standard operating procedures that will ensure compliance with all applicable laws and regulations prior to an award is made. Appointed chairperson of the Bid Evaluation Committee [BEC] should ensure that the report/minutes are signed as confirmation that the document is valid, accurate and complete. If it is not always possible to use a physical signature, the committee should consider introducing electronic PDF signing.
Root Cause Failure by management to implement adequate controls during the evaluation and adjudication of bids to ensure that bids are awarded in line with prescribed laws and regulations	Management Action Plan Response The management noted the finding; however it is the practice or a norm in the Municipality that all the BEC members signed the report, all BEC members can sign the report and Chairperson not sign no way in the SCM policy prescribed that if Chairperson did not sign it is none compliant, but a good practice that must be adopted in terms of good governance Chairperson should also sign the document Action Plan Regular checks and verification of reports, adoption of compliance checklist document and proper quality control and assurance guidelines Estimated Completion Date and Timing: June 2024

	Responsible Official; SCM Manager, SCM Practitioner Auditor's Conclusion Internal audit notes the management comment and action plan. A follow up audit will be done in the next audit cycle
18. Tender awarded after the validity period had expired	
Finding <u>MIG: Rehabilitation of Streets project, Tender 70/2022-2023</u> We have noted that the validity period of the tender for this contract [period from the opening of bids to signing of contract] was stipulated as 120 days and the closing date of the tender was 14 June 2023. Based on our recalculation, the tender was valid until 12 October 2023. The objection period lapsed on 2 November 2023 and the final letter of award was signed on 02 November 2023. (After tender validity lapsed) The final offer and acceptance /signed contract between the supplier and the municipality was signed by the Municipal Manager on 5 February 2024. There was no validity extension and therefore this tender was awarded after the validity period had expired <u>MIG: Upgrade of Gravel Roads: Tender 77/2022-2023</u> The validity period was set at 180 days and the closing date of the tender was 5 July 2023, resulting in the tender being valid until 1 January 2024. The objection period lapsed on 22 December 2023. The final letter of award was signed on 01 February 2024 (After tender validity lapsed) and offer and acceptance/ signed contract between the supplier and the municipality was signed by the Municipal Manager on 5 February 2024. There was no validity extension. This contract was also awarded after the validity period had expired.	Recommendation The SCM Manager must review and implement standard operating procedures that will ensure compliance with all applicable laws and regulations prior to an award is made. The above appointments were made in contravention of the Municipal SCM Policy and therefore should be classified as irregular expenditure and submitted to the MFMA Section 32 committee for investigation
Root Cause Expiry dates of the validity period of bids not consistently tracked and monitored Final letter of award not submitted timeously to the Municipal Manager with the offer and acceptance for signature	Management Action Plan Response Management partly agrees with the findings, cognizance need to be drawn that the price validity of the project is when the bid award or acceptance of the offer is issued to the bidder. Contract commencement is the implementation phase, not the bidding process. The 120 days is from the advertisement till final appointment. Action Plan

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	Improve turnaround time and weekly scheduled Bid Committee meetings. Adequate internal control and tight timelines on bid administration and adequate services delivery standards Estimated Completion Date and Timing: June 2024 Responsible Official; SCM Manager, SCM Practitioner Auditor's Conclusion Internal audit notes the management comment and action plan. A follow up audit will be done in the next audit cycle
19. Bid results not published on the municipal website	
Finding We assessed the municipal website and noted that the bid results for the 2023/2024 MIG tenders awarded during the financial year have not yet been placed on the website of the municipality. The opening tender register for Tender 70/2022-2023: Rehabilitation of Streets is also not on the website of the municipality	Recommendation The manager SCM, should ensure that compliance to the Municipal Supply Chain Management Regulation is monitored The bid results for the MIG tenders awarded in the 2023/2024 financial year should be placed on the municipal website and the opening register for Tender 70/2022-2023: Rehabilitation of Streets should be placed on the municipal website Compliance monitoring should be properly delegated to ensure compliance matters are tracked, updated and reported.
Root Cause Compliance to laws and regulations not actively being monitored	Management Action Plan Response The management noted the response, however all the tenders adjudicated by the BAC are published after the consideration of section 80 quarterly report. To improve the reporting compliance standards SCM will publish separately the bids awarded register on a quarterly basis Action Plan Quarterly and ongoing updates of the bids award register on the website Estimated Completion Date and Timing: June 2024 Responsible Official; SCM Manager, SCM Practitioner Auditor's Conclusion Internal audit notes the management comment and action plan. A follow up audit will be done in the next audit cycle

20. Limitation of scope: Supporting documentation not presented for testing

Finding**1. Proof of advertising on e-tender portal, newspapers and CIDB (where applicable)**

We assessed whether the tender for the appointment of contractors for the 2023/2024 MIG projects were advertised on the municipal website, newspapers, e-tender portal & CIDB[if applicable] within the required timeframe. We have noted that all the tenders for the 2023/2024 MIG projects were advertised on the municipal website, however we could not test whether they were advertised in the newspapers, e-tender-portal & CIDB[if applicable] as no information was provided for testing.

2. Attendance register for briefing sessions for tender 70&77 2022/2023 were not provided for testing.

3. The Bid Specification minutes/report for Tender 70/2022-2023: Rehabilitation of Streets was also not provided for testing.

Recommendation

Management should ensure that information is submitted on time to the internal auditors as agreed upon in the engagement letter. In the alternative, the auditors should be informed immediately if the requested evidence does not exist

Root Cause

Inadequate document management

Management Action Plan Response

Management disagrees with the Finding, how did the bidders responded or being aware of the bid invitation, see attached

Action Plan

None

Estimated Completion Date and Timing: June 2024

Responsible Official; SCM Manager,

Auditor's Conclusion

Internal audit takes note of management's comment, we are not disputing that the bids were advertised. We could however not obtain the proof. The management comment do not address numbers 2 and 3 as part of the finding. Management should provide a complete response and action plan. The finding remains valid.

21. MIG program not fully integrated into the municipality LED programme

Finding**Recommendation**

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The MIG projects registered in the MIG system indicated targets that have been set for the employment of unskilled and semi-skilled labour (EPWP) for the projects	Management should ensure that MIG projects with EPWP element are registered on the EPWP reporting system for monitoring. Management should also monitor projects progress on a quarterly basis, through the Service Delivery Budget and Implementation Plan (SDBIP) of the municipality
We have noted that only 1 MIG project [Upgrading of Bulk Sewer Infrastructure Ph2A Sedgefield] has been registered under the EPWP monitoring system with participants that have been registered	Management Action Plan Response LED It is the line department's responsibility to submit and approved project list to LED in order to register the project on the EPWP Reporting System. Furthermore the line department is expected to submit project data in order for the coordinating department to update each project in line with the set targets and budget. PMU Manager to respond Action Plan None Estimated Completion Date and Timing: June 2024 Responsible Official; SCM Manager, Auditor's Conclusion Internal audit notes the comment as made by LED. This is however not addressing the finding and therefore it remains valid.
Root Cause Employment and monitoring of the EPWP performed by the contractor	
22. Non-compliance to the EPWP Infrastructure Guidelines	
Finding <u>Tender /contract documents do not incorporate EPWP/LIC conditions and specification</u> We have assessed whether the tender documents for the MIG projects comply with the Department of Public Works, EPWP Infrastructure Guidelines and identified non-compliance to the guidelines. The tender documents of the municipality for MIG infrastructure projects do not entail the conditions and specification of EPWP/LIC. <u>Tender notices do not stipulate that the advertised bid are labour intensive</u> As a requirements of the EPWP Infrastructure Guidelines tender notice and invitation to tender must clearly indicate that "Only tenderers who can demonstrate that they will have in their employ staff which satisfy EPWP requirements during the contract validity are eligible to submit tenders". Currently the municipality's tender notices does not have the clause/requirements.	Recommendation Management should consider incorporating specific EPWP/LIC conditions and specifications as entailed in the Department of Public Works, EPWP Infrastructure Guidelines in the tender documents for large infrastructure projects by incorporating the following: - Tender notices and invitation to tender for infrastructure contracts to stipulate "Only tenderers who can demonstrate that they will have in their employ staff which satisfy EPWP requirements during the contract validity are eligible to submit tenders". - Those parts of the works to be constructed using labour-intensive methods to be marked in the bill of quantities with the letters LI either in a separate column or as a prefix or suffix against every item.

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<u>Labour-intensive works not highlighted in the bills of quantities</u> The EPWP Infrastructure Guidelines requires that the bill of quantities should highlight the labour intensive works and be marked as "LI". On assessment of the bill of quantities for the infrastructure projects we could not verify which part of the works were to be constructed using labour-intensive methods as it was not marked. <u>Required skills program</u> The EPWP Infrastructure Guidelines also recommends that personnel within public bodies complete skills programmes for NQF registered unit standards or equivalent QCTO qualifications	The manager responsible for SCM should review the tender documents compiled by the consultants in order to ensure that they comply with laws and regulations
Root Cause Tender document compiled solely by the consultant	Management Action Plan Response EPWP conditions are part of the tenders, however the rules referred to above are applicable to completely labour intensive construction projects. Municipality is struggling to have completely labour intensive projects due to lack of budget and poor terrain in areas where projects occur Action Plan Municipality identify completely labour intensive construction projects. Estimated Completion Date and Timing: June 2024 Responsible Official: PMU Manager, Auditor's Conclusion Internal audit takes note of management's comment, however the recommendations as previously made remains as the tender documents do not specify on bill of quantities the work that would be carried by the labour intensive. The advert of the bid also does not mention the labor intensive components even though the project has appointed EPWP. A follow up audit will be conducted during the next audit cycle
23. Non-compliance to the Basic Conditions of Employment Act, 1997: Code of Good Practice for employment and conditions of work for Expanded Public Works Programmes	
Finding - Selection of the EPWP participants not in line with the Basic Conditions of Employment Act, 1997: Code of Good Practice for employment and conditions of work for Expanded Public Works Programmes - Lack of community consultation when establishing the EPWP projects - Lack of training programmes in place for the EPWP employee	Recommendation - The EPWP unit should identify the EPWP role players and stakeholders and document their roles and responsibilities in the EPWP policy of the municipality. - When recruiting the EPWP participants for the MIG projects, management should ensure that recruitment is done in line with the applicable legislation and adopted policies.

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	▪ The document for the recruitment process should be kept for audit purposes. ▪ Before a MIG infrastructure project commences, the ward committees should be utilized as points of entry for community participation and act as representatives throughout the implementation of the project. Recruitment of the EPWP beneficiaries should be planned in consultation with the ward committees and, where possible, in conjunction with other projects ▪ The manager responsible for implementing the MIG Infrastructure projects should ensure that community members have access to relevant, timely, accurate, and complete information so that they can participate meaningfully in the recruitment process; and, in line with demographic and equity targets. ▪ The EPWP Recruitment Guidelines give the following examples of channels that can be used to provide information about EPWP employment and to maximize reach, and the municipality should consider implementing the recruitment guidelines: ○ Flyers and notifications at local government offices and facilities ○ Existing community structures and communication channels ○ Existing or specially convened public meetings or gatherings ○ Local media, such as community radio stations and newspapers. • Announcements should indicate how, where, and when potential candidates can register or apply for work on advertised EPWP projects; and the employment conditions, including responsibilities, wages, entitlements, health and safety provisions, and contract duration, must be made clear before recruitment begins. EPWP job creation targets should consist of both the number of work opportunities created and the full-time equivalents (FTEs). When developing the EPWP projects for the financial year, a participation target that is aligned with the set target should be set for each project. A SMART Key performance indicator [KPI] on the achievement of the set participation target of EPWP participants should be developed and monitored for each EPWP grant project.
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	The following Key performance indicators should be developed and monitored for each EPWP project: ☐ Number of employment opportunities provided for women ☐ Number of employment opportunities provided for people with disabilities ☐ Number of employment opportunities provided for youth Recruitment of people with disabilities should be based on consultation with local structures and with the people with disabilities s' community associations
Root Cause Performance of the contractor not measured/monitored	Management Action Plan Response Page 14 and 15 section 2.3 to 2.5 of the EPWP policy gives guide to the EPWP role players and stakeholders as well as roles and responsibility. Furthermore page 17 section 3.1 gives guide to the implementation of the EPWP programme across the municipality. Action Plan None Estimated Completion Date and Timing: June 2024 Responsible Official; PMU Manager, Auditor's Conclusion Internal audit notes the comment as made by LED, referring to the role and responsibility of officials as outlined in the EPWP policy. This is however not addressing the finding and therefore it remains valid.

- Follow-Up Internal Audit Report: 2023/24 SDBIP SMART & Consistency Review

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IA Comments	Rating	Directorate	Responsible person(s)	IA Assessment	IA Comments	
Finding 1 Exceptions were noted regarding: I. Indicators that have been referenced as departmental indicators, instead of top layer indicators. II. KPIs that have been included in the 2023/2024 SDBIP but not uploaded/included in the performance management system (Ignite) for monitoring and reporting. III. Referencing in the performance management system do not align to the referencing in the approved SDBIP. IV. Discrepancies with annual target information in the performance management system.	Major Improvement Needed	Office of the Municipal Manager	Manager IDP/PMS	Implemented	Assessed whether the departmental Indicators have been removed in the Top Layer draft amended SDBIP and noted that 1 indicator has been amended from TL indicator to a departmental indicator in the draft amended SDBIP but referenced/uploaded as a TL indicator in Ignite. Refer to MLP 1 raised on additional MLP below. On assessment of the Performance Management System, we noted that all the indicators that were omitted from the system have been uploaded and the referencing and description does align to the SDBIP Discrepancies with annual target information in the performance management system not been rectified. Both KPIs, their annual targets are still recorded incorrectly in Ignite.	Implementation in Progress
Management Response Management agrees with the finding						

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Finding 2 Exceptions were noted regarding: I. Indicators that did not meet the criteria of a "good" performance indicator as outlined in National Treasuries, Framework for Managing Programme Performance Information. II. Instance where the unit of measurement was not aligned to the KPI Management Response Management agrees with the finding specific to some KPIs, though not all	Major Improvement Needed	Office of the Municipal Manager	Manager IDP/PMS	Implemented	We assessed whether the indicators that have been reported as not meeting the criteria of a "good performance indicator" have been amended and noted that the following KPI have not been rectified, they still do not meet the criteria of a "good performance indicator"				Implementation in Progress
					REF	KPI	Unit of Measurement	IA Comment	
					TL9	Average % implementation Completion of Capital project capital projects.	New KPI	Not reliable: the indicator is not accurate enough for its intended use Not well-defined: the indicator has a unclear, ambiguous definition and is not easy to understand and use	
					TL36	Develop and submit Departmental Plan for the Financial Year	# of Departmental Plans developed by end of Quarter 1	Not reliable: the indicator is not accurate enough for its intended use Not well-defined: the indicator has a unclear, ambiguous definition and is not easy to understand and use ???	
					TL61	Implement SMME incubator programme	100% of budget spent by end June 2023	Not reliable: the indicator is not accurate enough for its intended use Not well-defined: the indicator has unclear, ambiguous definition so that data will not be collected consistently, and is not easy to understand and use	

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IA Comments	Rating	Directorate	Responsible person(s)	IA Assessment	IA Comments				
					TL62	Compile a heritage inventory for Knysna Municipality	One inventory report to be tabled for Council by end June 2023	Not verifiable: it is not possible to validate the processes and systems that produce the indicator	
					TL64	Develop a Coastal Management By-law for Knysna Municipality	One bylaw to be tabled for Council by end June 2023	Not verifiable: it is not possible to validate the processes and systems that produce the indicator	

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IA Comments	Rating	Directorate	Responsible person(s)	IA Assessment	IA Comments								
Finding 3 Exceptions were noted regarding: I. Targets that did not meet the criteria of a SMART performance target as outlined in National Treasuries, Framework for Managing Programme Performance Information. Management Response Management will correct/restate the KPI to include on a quarterly basis.	Major Improvement Needed	Office of the Municipal Manager		Implemented	Assessed whether the annual targets that have been reported to management that they did not the meet the SMART Criteria, have been corrected/restated in the draft amended SDBIP and noted a target that is still not SMART								Implementation in progress
REF.					KPI	Unit of Measurement	PLANNED TARGETS FOR 2023/2024 PER QUARTER				IA Comment		
							Q 1	Q 2	Q 3	Q 4			
TL23	Finalisation of the Municipal Organogram (funded positions) by end-September	One finalised municipal organogram submitted to Council by end-May	1	-	-	-	Not specific: the nature and the required level of performance is not clearly identified						

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Finding 4 We have noted performance targets not set at previous and existing levels of achievement (i.e. current baselines), and on realistic forecasts Management Response Management will correct during Amendment of SDBIP	Major Improvement Needed	Office of the Municipal Manager	Manager Budget & Reporting	Not Implemented (Must be updated)	Assessed whether the performance targets that have been reported to management that they have not been set with the previous and existing levels of achievement and on realistic forecasts have been rectified in the draft amended SDBIP and noted a few that still have inaccurate baseline information					Implementation in progress
					Reference Number	KPI	Unit of Measurement	Annual Target	IA Comment	
					TL21	The percentage of a municipality's operating budget actually spent on implementing its workplace skills plan by 30 June 2023 2024 {(Actual total training expenditure divided by total training (budget) x100}	90% of the municipal operating budget spent by end-June	90%	performance target not relative to the current baselines audited 2021/2022 APR result [baselines] reports 32.00% and the 2022/2023 audited APR reports 95%	
					TL41	Number of residential properties with access to electricity and are on the financial system (Promun and Ontec) as at end June of the financial year	Number of residential properties with access to electricity services registered on the financial system (Promun and Ontec) as at end June of the	21,348	Performance target not relative to the current baselines 2022/2023 audited APR reports 23 025	

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						financial year		
				TL43	Number of formal residential properties for which refuse is removed once per week and billed for the service as at end-June of the financial year	Number of residential properties which are billed for refuse removal as at end-June of the financial year	16 227	Performance target not relative to the current baselines. Audited 2021/2022 APR result [baselines] reports 15 941 and the 2022/2023 audited APR reports 15 941
				TL46	Provide free basic water to indigent households	Number of indigent households receiving free basic water as at end-June of the financial year	1 690	performance target not relative to the current baselines audited 2021/2022 APR result [baselines] reports 1 335 and the 2022/2023 audited APR reports 2 107
				TL47	Provide free basic electricity to indigent account holders connected to the municipal	Number of indigent households receiving free basic electricity as	1 425	performance target not relative to the current baselines audited

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					electrical infrastructure network	at end-June of the financial year		2021/2022 APR result [baselines] reports 1 527 and the 2022/2023 audited APR reports 1 868	
				TL48	Provide free basic sanitation to indigent account holders connected to the municipal sanitation infrastructure network	Number of indigent households receiving free basic sanitation as at end-June of the financial year	1,690	audited 2021/2022 APR result [baselines] reports 1 479 and the 2022/2023 audited APR reports 2 107	
				TL49	Provide free basic refuse removal to indigent households	Number of indigent households receiving free basic refuse removal as at end-June of the financial year	1,690	audited 2021/2022 APR result [baselines] reports 1 485 and the 2022/2023 audited APR reports 2 107	
				TL68	Limit unaccounted water losses to less than 35%	Less than 35% water losses recorded by end-June	<35%	audited 2021/2022 APR result [baselines] reports 27% and the 2022/2023 audited APR reports 13.70%	

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IA Comments	Rating	Directorate	Responsible person(s)	IA Assessment	IA Comments					
					TL69	Municipal Streets and Storm water capital spending measured by the percentage (%) of budget spent	Ninety-Five percent 95 % of the Streets and Storm water capital budget spent by end-June	95%	audited 2021/2022 APR result [baselines] reports 91 % and the 2022/2023 audited APR reports 99.86%	
					TL71	95% water quality level obtained as per SANS 241 physical and micro parameters by 30 June of the financial year	95% compliance to the SANS 241 in regards to the water quality level by end-June	95%	audited 2021/2022 APR result [baselines] reports 95.39% and the 2022/2023 audited APR reports 95.21%	

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Finding 5 Exceptions were noted with regards to baseline information as follow: I. KPIs with no baseline indicated II. Prior year KPIs indicated as being new KPIs in the 2023/2024 financial year III. Baseline information that did not align to both the draft 2022/2023 APR nor to the 2021/2022 audited APR. Management Response Management will correct during the Amendment SDBIP	Major Improvement Needed	Office of the Municipal Manager	Acting CFO/ Manager Financial Statements & reporting	Implementation in progress	Assessed whether the KPIs that did not have baseline information in the 2023/2024 SDBIP have been amended in the draft adjusted SDBIP and noted that these KPIs still have no baseline information. <table><tr><th>REF.</th><th>KPI</th><th>Unit of Measurement</th><th>Base line</th><th>IA Comment</th></tr><tr><td>TL 15</td><td>% of operating budget expenditure in line with budget and time frames</td><td>% of operating budget spent</td><td></td><td>No baseline indicated.</td></tr><tr><td>TL36</td><td>Develop and submit Departmental Plan for the Financial Year</td><td># of Departmental Plans developed by end of Quarter 1</td><td></td><td>No baseline indicated.</td></tr></table> All the prior year indicators that were reported as being new KPIs in the 2023/24 financial year are still recorded as such in the draft adjusted SDBIP. The following KPI has been recorded as a new KPI in the draft amended SDBIP while in the Approved SDBIP the baseline was recorded as 1. <table><tr><th>REF.</th><th>KPI</th><th>Unit of Measurement</th><th>Base line</th><th>IA Comment</th></tr><tr><td>TL 11</td><td>Submission of Quarterly Audit Committee Reports to Council</td><td>Four Audit Committee Reports submitted to Council for the financial year</td><td></td><td>Actual performance reported in the previous financial year was 4 reports, therefore the baseline is incorrect.</td></tr></table> Assessed whether the baseline information that did not align to both the draft 2022/2023 APR and to the 2021/2022 audited APR does align in the	REF.	KPI	Unit of Measurement	Base line	IA Comment	TL 15	% of operating budget expenditure in line with budget and time frames	% of operating budget spent		No baseline indicated.	TL36	Develop and submit Departmental Plan for the Financial Year	# of Departmental Plans developed by end of Quarter 1		No baseline indicated.	REF.	KPI	Unit of Measurement	Base line	IA Comment	TL 11	Submission of Quarterly Audit Committee Reports to Council	Four Audit Committee Reports submitted to Council for the financial year		Actual performance reported in the previous financial year was 4 reports, therefore the baseline is incorrect.	Not Implemented
REF.	KPI	Unit of Measurement	Base line	IA Comment																											
TL 15	% of operating budget expenditure in line with budget and time frames	% of operating budget spent		No baseline indicated.																											
TL36	Develop and submit Departmental Plan for the Financial Year	# of Departmental Plans developed by end of Quarter 1		No baseline indicated.																											
REF.	KPI	Unit of Measurement	Base line	IA Comment																											
TL 11	Submission of Quarterly Audit Committee Reports to Council	Four Audit Committee Reports submitted to Council for the financial year		Actual performance reported in the previous financial year was 4 reports, therefore the baseline is incorrect.																											

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IA Comments	Rating	Directorate	Responsible person(s)	IA Assessment	IA Comments	
					draft amended SDBIP and noted that there is baseline information that still does not align to both audited APRs	

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IA Comments	Rating	Directorate	Responsible person(s)	IA Assessment	IA Comments	
Finding 6 We noted instances of non-alignment between the IDP, SDBIP and budget as follow: I. The indicators [SDBIP] that is included in the IDP does align to the approved 2023/2024 SDBIP. II. The approved budget (SA7 tables) does not align to both the IDP and the SDBIP Management Response Management agree with the finding. Management however wishes to indicate that management is not responsible for the drafting of the SA7 table, but the Finance department Correct the tables (non-financial information) with the adjustment budget process and submit to budget section for inclusion.	Unsatisfactory	Office of the Municipal Manager	Manager IDP/PMS	No response	We assessed whether the draft amended SDBIP aligns to the adjusted budget and noted non-alignment. We assessed table [SB3 Adjustment to the SDBIP] and noted that the table is blank, does not contain KPIs Management has failed to provide their responses to internal audit on the agreed action plan. It is therefore concluded that management accepts the risks related to the finding.	Not implemented

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IA Comments	Rating	Directorate	Responsible person(s)	IA Assessment	IA Comments	
Finding 7 Exceptions were noted regarding incorrect non-alignment of KPI's against strategic objectives. Management response Management do not agree with the finding. All relevant KPIs are directly linked to the National KPA on Municipal Financial Viability and Management and the municipality strategic objective which states to Grow the Revenue Base of the Municipality Auditor's Conclusion As per the management report discussion held on 05 February 2024, the Manager IDP, PMS & IGR agreed that the responses will be amended, together with an action plan and target date and submitted to Internal audit by 14 February 2024. These responses were not received. It is therefore concluded that management accepts the risks related to these findings	Some Improvement Needed	Office of the Municipal Manager	Manager IDP, PMS & IGR	Not Response	Indicators that have been reported to management that they have been correctly linked/aligned to the correct municipal strategic objective and the national key performance area have not been amended in the draft amended SDBIP. Management disagreed with the finding raised by internal audit. It is therefore concluded that management accepts the risks relating to this finding.	Not Assessed

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IA Comments	Rating	Directorate	Responsible person(s)	IA Assessment	IA Comments	
Finding 8 No proof could be provided that the draft and the approved SDBIP was communicated in the local newspapers. Management response Management do not agree with finding on non-compliance. The Approved SDBIP was indeed published on the municipality website as a platform of advertisement. Members of the public had an opportunity to partake in the setting of KPIs by given time to comment on the Draft SDBIP which was included in the Draft IDP when the IDP was consulted with the public. Management could not publish in local press due to contractual agreement that expired at the time	Some Improvement Needed	Office of the Municipal Manager	Manager IDP, PMS & IGR	Not response	Management did not agree with finding on non-compliance Management disagreed with the finding raised by internal audit. It is therefore concluded that management accepts the risks related to this finding	Not assessed

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IA Comments	Rating	Directorate	Responsible person(s)	IA Assessment	IA Comments	
Finding 9 Exceptions were noted regarding general indicator information as per Regulation 10 of the Municipal Planning and Performance Management Regulations Management Response Management do not agree with this finding. On the percentage of HH getting access to services the measure is exactly the percentage and not the numbers. On the % of HH earning less than the threshold refers to percentage and not numbers as audited. All capital projects are indeed measured for expenditure and not only grant funded projects. On personnel from employment equity targets employed in three highest levels, the report referred to include the numbers as per the employment equity plan	Some Improvement Needed	Office of the Municipal Manager	Manager IDP, PMS & IGR	Not response	Management did not agree with finding on non-compliance Management disagreed with the finding raised by internal audit. It is therefore concluded that management accepts the risks related to this finding	Not assessed

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IA Comments	Rating	Directorate	Responsible person(s)	IA Assessment	IA Comments	
Finding 10 No proof could be provided that the draft 2023/2024 SDBIP was communicated/workshopped with the Directors before it was approved by the mayor as documented in the business process, risk and control matrix as discussed with PMS section. Management Response The work session with Directors included not only departmental indicators but all indicators for which the Directors and key personnel is responsible for reporting and review.	Unsatisfactory	Office of the Municipal Manager	Manager IDP, PMS & IGR	Not response	Management did not agree with finding on non-compliance	Not assessed

• Quarter 2 Performance Information

Finding & Root Cause	Recommendation and Action Plans
1. TL 19: Inaccurate reported performance and portfolio of evidence not uploaded to Ignite. (Corporate services)	
Finding TL19 has been reported as well met but without a POE being uploaded on the ignite system. The comment that has been documented on the system indicates that a POE would be provided. On request of the POE we noted that 3 ordinary council meetings were held in Q2 and therefore the reported performance in the section 52[d] report is inaccurate.	Recommendation: The update of the Ignite system should be performed by the responsible KPI owners at the end of each reporting period and within the set deadlines. Directors or their delegates must review and sign off on the performance information captured into Ignite as confirmation that complete, valid and accurate information is provided for inclusion in the quarterly reports. The Manager responsible for Institutional performance should review the performance information, together with the required supporting evidence prior to reporting to confirm that:

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	▪ The reported performance information is valid, accurate and complete. ▪ The reported performance is supported by the required source of evidence (valid and complete). The Manager responsible for Institutional performance should ensure that performance information in the Section 52(d) report is accurate and complete by reviewing the information entailed in the draft report against the Ignite system before final submission to the Accounting Officer and Council. The quality certification that is included in the quarterly report should be amended and include a statement relating to the reliability of reported performance information, thus ensuring accountability within the reporting cycle.
Root Cause Update of the ignite system by the consultants (after system closing) and not by KPI owners.	Management Action Plan Response Management Agrees. The POE reflects three but the system shows the actual as 1. Action Plan Update TL19 – D50 from 1 to 3 actual meetings held Estimated Completion Date and Timing: Immediately Responsible Official: Head : Council Committees and Councillor Support Auditor's Conclusion Management's response to the finding is noted. The finding will be reported in the management report and the intended actions and the implementation thereof will be followed-up during the next audit cycle
2. TL20: Incomplete portfolio of evidence submitted in support of reported performance. (Corporate services)	
Finding <u>TL20:</u> There was no POE to proof that the report was submitted/tailed to Council.	Recommendation Management should review the performance information uploaded on the system, to ensure that all data recorded agrees to the supporting evidence and is accurate, valid and complete
Root Cause Lack of reviewing the performance information uploaded on the system	Management Action Plan Response

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	Please see the undermentioned whereas the undermentioned was a annual target due 30 June 2024. With the amendment of the SDBIP, mentioned underneath the target was changed to the number, which is measured by a monthly tracking report, which is submitted to the EE Committee quarterly. Hence the monthly tracking POE with the Minutes were submitted as proof of departmental tracking POE, submitted to the EE Quarterly Action Plan Estimated Completion Date and Timing: Responsible Official Manager HR Auditor's Conclusion Management's response is noted but does not address the finding that has been raised. The POE that has been attached on the Ignite system is the actual report and the agenda of the employment equity monitoring committee meeting that was held in November 2023 and not submission to council. Therefore this finding remains valid for the reporting period. We have further noted that the KPI has been amended with the adjusted SDBIP and management is cautioned that this amendment may have resulted in a new indicator rather, as performance measurements have changed. The finding will be reported in the management report.
3. Inadequate corrective measures. (Corporate services)	
Finding TL:21 identified corrective measure in relation to TL21 is inadequate to resolve the current and future performance as it refers to training interventions that will be undertaken in the year 2023 and not 2024	Recommendation Where a lower level employee updates the Ignite Performance Management System, respective Directors should review and approve the information. For each non/under performance identified, there should be a reason for the none /under performance as well as a corrective measure to address it. Each corrective measure should clearly indicate the action plan that would be implemented to resolve the current non/under performance including the date when the action would be implemented
Root Cause Lack of review and monitoring of the updated information on the Ignite Performance Management System	Management Action Plan Response The 32.4 % was a true reflection at the time of reporting for Quarter 2 end which was December. This was due to the Festive Season as some service providers indicated that their business are closing and will only open in January 2024. January 2024 was therefore 44% as the trainings from December was scheduled in January. The current spending is in excess of 93% post the adjustment budget

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	Action Plan . . Estimated Completion Date and Timing: Responsible Official Manager HR Auditor's conclusion Management's response is noted but does not address the finding that has been raised. The finding and recommendation thus remains valid and will be reported in the management report
4. TL37: Portfolio of evidence not uploaded onto the Ignite system. (Finance)	
Finding TL 37 has been reported as well met without a POE being uploaded on the ignite system. The comment documented on the system indicates that a POE would be provided	Recommendation The update of the Ignite system should be performed by the responsible KPI owners within the communicated deadlines. Directors or their delegates must review and sign off on the performance information captured into Ignite as confirmation that complete, valid and accurate information is provided for inclusion in the quarterly reports. The Manager responsible for Institutional performance should review the performance information, together with the required supporting evidence prior to reporting to confirm that: ▪ The reported performance information is valid, accurate and complete. ▪ The reported performance is supported by the required source of evidence (valid and complete). The Manager responsible for Institutional performance should ensure that performance information in the Section 52(d) report is accurate and complete by reviewing the information entailed in the draft report against the Ignite system before final submission to the Accounting Officer and Council. The quality certification that is included in the quarterly report should be amended and include a statement relating to the reliability of reported performance information, thus confirming accountability for reported performance.
Root Cause Update of the Ignite system not being done by the KPI owners within the set deadlines.	Management Action Plan Response Management agree with finding Action Plan Management will ensure that all POEs are uploaded accordingly

	Estimated Completion Date and Timing: 10 May 2024 Responsible Official Manager AFS, Compliance and Reporting Auditor's conclusion Management's response to the finding is noted. The finding will be reported in the management report. The intended actions and the implementation thereof will be followed-up during the next audit cycle
5. TL 7 & TL8: Level of achievement not updated on the Ignite system (Finance)	
Finding TL 7 & 8 KPIs were due in Q2 but their level of achievement has not been updated on the Ignite system. The performance comment that was documented on the Ignite system indicated that: <i>"Integrated Development Plan and Institutional Performance Management: No Comment and corrective Measure provided by User department."</i>	Recommendation The update of the Ignite system should be performed by the responsible KPI owners within the communicated deadlines. Directors or their delegates must review and sign off on the performance information captured into Ignite as confirmation that complete, valid and accurate information is provided for inclusion in the quarterly reports. For any non or under-performance, a corrective measure that address the non or under performance should also be provided for each KPI The Manager responsible for Institutional performance should review the performance information, together with the required supporting evidence prior to reporting to confirm that: ▪ The reported performance information is valid, accurate and complete. ▪ The reported performance is supported by the required source of evidence (valid and complete).
Root Cause Update of the Ignite system not being done by the KPI owners Capacity constraints in the performance management unit	Management Action Plan Response Refresher training held 10 May 2024. Will update continuously going forward. Action Plan Refresher training held 10 May 2024. Will update continuously going forward. Estimated Completion Date and Timing: Continuously Responsible Official Manager Budget and Reporting Auditor's conclusion

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	Management's response to the finding is noted. The finding will be reported in the management report and the intended actions and implementation thereof will be followed-up during the next audit cycle
6. T12: Invalid/inaccurate portfolio of evidence submitted in support of reported performance (Office of the MM)	
Finding T12: The reported performance could not be validated and is inaccurate.	Recommendation Management should review the performance information uploaded on the system, to ensure that all data recorded agrees to the supporting evidence and is accurate, valid and complete The responsible KPI owner should provide the correct supporting documentation to the performance management unit for uploading on the system for the outstanding POE. Performance in quarter three should be updated with all appointed directors to reflect the correct level of performance
Root Cause Lack of review of the performance information uploaded on the system by the KPI owner.	Management Action Plan Response The achievement and reporting on KPI under discussion is highly dependent on the successful appointment of incumbents in these respective vacancies Action Plan That the target and portfolio of evidence for this particular KPI be reviewed and adjusted. Estimated Completion Date and Timing: 30 June 2024 Responsible Official Manager: IDP/PMS/IGR Auditor's conclusion Management's response to the finding is noted. The finding will be reported in the management report and the intended actions and implementation thereof will be followed-up during the next audit cycle
7. TL67: The actual performance reported on the Section 52 report does not correspond to the actual performance reported on the Ignite System (Community Services)	
Finding TL 67: Section 52(d) report and Ignite do not agree: The indicator has been reported as extremely well met and yet the KPI has not yet been achieved. As per the approved SDBIP the indicator is due in Q4. The performance comment on the Ignite system stated the following:	Recommendation Management should review the performance information uploaded on the system, to ensure that all data recorded agrees to the supporting evidence and is accurate, valid and complete

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<i>"Busy with reviewing of plan. IDP process will be used to identify new risk or get all comments on the plan"</i>	Management should make sure that the information that is reported on the Section 52 report is valid and reconciles with the information on the Ignite Reporting System.
Root Cause Lack of pre-audit by the performance management unit Capacity constraints in the performance management unit	Management Action Plan Response We hereby agree with the finding and will rectify it with the next reporting. Action Plan This KPI must be reported on by end of May, after the IDP has been approved as the Disaster Management Plan is a core component of the IDP and must be approved simultaneously. Estimated Completion Date and Timing: End of May 2024 Responsible Official Director Community Services Auditor's conclusion Management's response to the finding is noted. The finding will be reported in the management report and the intended actions and implementation thereof will be followed-up during the next audit cycle
8. Scheduled performance reviews of the Municipal Manager and Directors (IDP/PMS)	
Finding The performance reviews for Q1 & Q2 are no longer conducted as per the scheduled dates entailed in the performance management policy and the signed performance agreements, these reviews are conducted as a mid- year performance reviews together with the annual performance reviews of the previous financial year. Quarter 3 & 4 performance reviews are conducted as the annual performance reviews.	Recommendation The performance management unit should ensure that the performance reviews are conducted as legislated. Performance Agreements should reflect the agreed schedule of performance reviews in line with legislative guidelines
Root Cause Lack of adequate controls	Management Action Plan Response The IDP/PMS/IGR Unit acknowledge the recommendation. However, circumstances that are beyond the control of the Unit and/or the municipality, will continue to have an unintended impact on the achievement of planned quarterly performance reviews and ultimately Bi – Annual and Annual Reporting processes. Action Plan The Municipality's Performance Management Policy 2023/2024/2025 is currently in its amendment phase.

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	Estimated Completion Date and Timing: 30 June 2024. Responsible Official Manager: IDP/PMS/IGR
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• Quarter 3 Performance Information

Finding & Root Cause	Recommendation and Action Plans
1. Indicators not reported in the Section 52 (d) report (Office of the Municipal Manager)	
Finding On assessment of the section 52(d) report, we have noted indicators that have not been reported on/omitted. As per the approved adjusted service delivery and implementation plan [SDBIP] these indicators were due in quarter 3, however they were not included on the performance report that was submitted to council	Recommendation: Manager PMS/IDP & IGR should make sure that the information that is reported on the Section 52 report is complete and consistent with the SDBIP. The vacant positions in the Performance Management Section should be prioritised to ensure segregation of duties.
Root Cause Capacity constraints in the performance management unit.	Management Action Plan Response Acknowledge and concur with findings Action Plan Meeting between the Municipal Manager, Directors and PMS Unit prioritised to officially Directors review all reported performance within the allocated timelines to allow for accurate reporting by departments. PMS Unit must present the Performance Report at all Section 80 Committee meetings to confirm all reported performance to members of the Committee. PMS Unit must take responsibility to evaluate reviewed reported performance and ensure that all reported performance is in line with the approved SDBIP Estimated Completion Date and Timing: 30 August 2024

	Responsible Official: Manager: IDP/IPMS/IGR Auditor's Conclusion Internal audit notes the management comment and action plan. A follow up audit will be conducted in this regard. Based on the record of work done, the controls in place is ineffective
2. No corrective measures indicated for non or under performance[Repeat finding](Office of the Municipal Manager)	
Finding Indicators were not met in Q3 and there were either no corrective measures or insufficient correct measures documented in the section 529d) report as remedy to correct the no/under performance.	Recommendation Where a lower level employee updates the Ignite Performance Management System, respective Directors should review and approve the information. For each non/under performance identified, there should be a reason for the none /under performance as well as a corrective measure to address it. Each corrective measure should clearly indicate the action plan that would be implemented to resolve the current non/under performance including the date when the action would be implemented The Municipal Manager should implement consequence management where Directors are failing to monitor and report their departmental performance.
Root Cause Lack of review and monitoring of the updated information on the Ignite Performance Management System	Management Action Plan Response Acknowledge and take note of the findings. It was proposed that the KPI be channelled to the Directorate responsible for the implementation of Capital projects to ultimately account on the capital spending. Action Plan The relocation of the KPI will be discussed with the relevant directorates (Technical Services, Community Services and other) and accordingly adjust the SDBIP at the first available opportunity, where after the Amended SDBIP will be presented to Council for approval. Estimated Completion Date and Timing: 30 August 2024 Responsible Official Director: Infrastructure Services, CFO and Manager: IDP/IPMS/IGR Auditor's Conclusion

	Internal audit notes the management comment and action plan. A follow up audit will be conducted in this regard. Based on the record of work done, the controls in place is ineffective
3. Level of achievement not updated on the Ignite system (Office of the Municipal Manager)	
Finding indicators' level of achievement were reported in the section 52 (d) report but internal audit could not validate the reported performance, due to it not being updated on the Ignite system and no Portfolio of Evidence. Indicators had no targets planned in quarter 3 and yet they have been reported as being met. These indicators were due in quarter 1 of the 2023/2024 financial year and their level of achievement was reported in the quarterly report for quarter 1.	Recommendation Manager PMS/IDP & IGR should make sure that the information that is reported on the Section 52 report is valid, reliable and reconciles with the information on the Ignite Reporting System The responsible KPI owners should upload the correct supporting documentation on the ignite system within the due dates communicated by the performance management section. For any none or under-performance, a corrective measure that address the none or under performance should also be provided for each KPI. Manager PMS/IDP & IGR should review the performance information, together with the required supporting evidence prior to reporting to confirm that: • The reported performance information is valid, accurate and complete. • The reported performance is supported by the required source of evidence (valid and complete). The quality certification that is included in the quarterly report should be amended and include a statement relating to the reliability of reported performance information
Root Cause	Management Action Plan Response 1. It was proposed that the KPI be channelled to the Directorate responsible for the implementation of Capital projects to ultimately account on the capital spending. 2. Findings on TL 14 and TL 6 were noted Action Plan 1. The relocation of the KPI will be discussed with the relevant directorates (Technical Services, Community Services and other) and accordingly adjust the SDBIP at the first available opportunity, where after the Amended SDBIP will be presented to Council for approval. 2. That the updates be adjusted on the automated PMS system.

	3. Estimated Completion Date and Timing: 1. August 2024, 2. 31 July 2024 Responsible Official 1. Director: Infrastructure Services and Manager: IDP/IPMS/IGR 2. Manager: IDP/IPMS/IGR Auditor's Conclusion Internal audit notes the management comment and action plan. A follow up audit will be conducted in this regard. Based on the record of work done, the controls in place is ineffective
4. Invalid/inaccurate portfolio of evidence submitted in support of reported performance	
Finding Indicator was not updated on the system and the Calculation type of this indicator has been captured as "last value" in the Ignite system. As per the definition of the calculation type, the KPI owner is required to update performance for the quarter and not for the year to date. In quarter 3 only one performance agreement was concluded and placed on the municipal website. However it was not concluded within 60 days after commencement of service. The CFO commenced service in January 2024 and the performance agreement was signed on 13 March 2024. Therefore the reported performance in Q3 is inaccurate.	Recommendation The Manager PMS/IDP & IGR as the KPI owner should update the ignite system with the correct information to ensure that all data recorded agrees to the supporting evidence and is accurate, valid and complete
Root Cause Lack of review of the performance information uploaded on the system by the KPI owner. Capacity constraints in the performance management section	Management Action Plan Response Findings were noted. Action Plan A meeting will be scheduled with the Municipal Manager to decide on the way forward with reference to the discussion and signing of Performance Agreements. PMS Unit must report status of all PMS related matters to relevant Section 80 Committee meetings. Estimated Completion Date and Timing: 30 August 2024 Responsible Official Manager: IDP/PMS/IGR

		Auditor's Conclusion Internal audit notes the management comment and action plan. A follow up audit will be conducted in this regard. Based on the record of work done, the controls in place is ineffective
5. Invalid/inaccurate portfolio of evidence submitted in support of reported performance (IHS)		
Finding reported performance information on key performance indicators [KPI] could not be validated due to insufficient portfolio of evidence		Recommendation Management should review the performance information uploaded on the system, to ensure that all data recorded agrees to the supporting evidence and is accurate, valid and complete The responsible KPI owner should provide the correct supporting documentation to the performance management unit for uploading on the system for the outstanding POE. Performance in quarter three should be updated with all appointed directors to reflect the correct level of performance.
Root Cause Lack of review of the performance information uploaded on the system by the KPI owner.		Management Action Plan Response Acknowledge the findings on KPIs 75 and 78. Action Plan KPI Owner agreed to furnish the PMS Office with an updated version of the letter provided by the Service Provider. Meeting was scheduled to also discuss the submission of Emergency Housing Policy. Estimated Completion Date and Timing: 30 August 2024 Responsible Official Director: Planning and Economic Development, Manager: HIS and Manager: IDP/IPMS/IGR Auditor's Conclusion Internal audit notes the management comment and action plan. A follow up audit will be conducted in this regard. Based on the record of work done, the controls in place is ineffective
6. Inaccurate reported performance, due to insufficient POE (IHS)		
Finding TL74: We inspected the POE attached on the ignite system and noted that only 5 attendance registers was signed as proof of community housing meetings held		Recommendation The update of the Ignite system should be performed by the responsible KPI owners at the end of each reporting period and within the set deadlines.

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during the 2023/2024 financial year. Therefore the reported performance of 6 is considered to be inaccurate.	Directors or their delegates must review and sign off on the performance information captured into Ignite as confirmation that complete, valid and accurate information is provided for inclusion in the quarterly reports. Manager PMS/IDP & IGR should review the performance information, together with the required supporting evidence prior to reporting to confirm that: ▪ The reported performance information is valid, accurate and complete. ▪ The reported performance is supported by the required source of evidence (valid and complete). Manager PMS/IDP & IGR should ensure that performance information in the Section 52(d) report is accurate and complete by reviewing the information entailed in the draft report against the Ignite system before final submission to the Accounting Officer and Council. The quality certification that is included in the quarterly report should be amended and include a statement relating to the reliability of reported performance information, thus ensuring accountability within the reporting cycle
Root Cause Lack of review of the performance information uploaded on the Ignite system	Management Action Plan Response Acknowledge the findings on KPIs 74 Action Plan That the attachments and proof be scrutinized and the KPI be corrected depending on the availability of the 6th letter (POE). Estimated Completion Date and Timing: 30 July 2024 at 14H00. Responsible Official Manager: IHS and Manager: IDP/IPMS/IGR Auditor's Conclusion Internal audit notes the management comment and action plan. A follow up audit will be conducted in this regard. Based on the record of work done, the controls in place is ineffective
7. Level of achievement not updated on the Ignite system[Repeat finding] (Finance)	
Finding Indicators have been reported on the section 52(d) report as "well met" and "extremely well met." On assessment of the audit trail in the ignite system we	Recommendation

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noted that the indicators have not been updated by the KPI user, but automatically by Ignite [Auto Update]. We requested proof of evidence [POE] and at the time of concluding the report the POE have not been provided to internal audit	Manager PMS/IDP & IGR should make sure that the information that is reported on the Section 52 report is valid, reliable and reconciles with the information on the Ignite Reporting System The responsible KPI owners should upload the correct supporting documentation on the ignite system within the due dates communicated by the performance management section. For any none or under-performance, a corrective measure that address the none or under performance should also be provided for each KPI. Manager PMS/IDP & IGR should review the performance information, together with the required supporting evidence prior to reporting to confirm that: • The reported performance information is valid, accurate and complete. • The reported performance is supported by the required source of evidence (valid and complete). The quality certification that is included in the quarterly report should be amended and include a statement relating to the reliability of reported performance information.
Root Cause Lack of pre-audit by the performance management unit due to capacity constraints. Lack of an adequate review process of the performance management system by senior management	Management Action Plan Response Acknowledge and take note of the findings. Action Plan We will under leadership of the Accounting Officer direct that review of reported performance be regularly and completely performed by Directors. Manager IDP/PMS&IGR will manage the evaluation of all reviewed reported performance. Estimated Completion Date and Timing: 30 July 2024 and thereafter continuously Responsible Official Chief Financial Officer Auditor's Conclusion Internal audit notes the management comment and action plan. A follow up audit will be conducted in this regard. Based on the record of work done, the controls in place is ineffective
8. TL 37 & TL 55: Inaccurate reported performance and portfolio of evidence not uploaded to Ignite. (Finance)	

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Finding TL37 has not been updated on the Ignite system. On request of the POE, we noted that the section 52 (d) report for Quarter 2 was tabled in the council meeting that was held in January 2024. Therefore the reported performance of 2 is inaccurate. Furthermore, we noted that the section 52 report reported the planned target for this indicator inaccurately as two instead of one as per the approved service delivery and budget implementation plan [SDBIP]. TL 55 was also not updated in the Ignite system and the section 52 report also reported the level of achievement of this indicator as being met. The indicator target was planned in the quarter 1 and its achievement was reported in the section 52 report for quarter 1. Therefore the reported performance of 1 in Q3 is inaccurate	Recommendation Manager PMS/IDP & IGR should make sure that the information that is reported on the Section 52 report is valid, reliable and reconciles with the information on the Ignite Reporting System Manager PMS/IDP & IGR should review the performance information, together with the required supporting evidence prior to reporting to confirm that: • The reported performance information is valid, accurate and complete. • The reported performance is supported by the required source of evidence (valid and complete). The quality certification that is included in the quarterly report should be amended and include a statement relating to the reliability of reported performance information The vacancies in the IDP/Performance Management Section should be considered for filling to ensure segregation of duties and enable the function to be fully effective.
Root Cause Lack of pre-audit by the performance management unit due to capacity constraints	Management Action Plan Response Take note of TL 37. Action Plan That the data be adjusted accordingly. We will under leadership of the Accounting Officer direct that review of reported performance be regularly and completely performed by Directors. Manager IDP/PMS&IGR will manage the evaluation of all reviewed reported performance. Estimated Completion Date and Timing: 31 July 2024. Responsible Official Manager: IDP/IPMS/IGR Auditor's Conclusion Internal audit notes the management comment and action plan. A follow up audit will be conducted in this regard. Based on the record of work done, the controls in place is ineffective

9. TL 19: Inaccurate reported performance and portfolio of evidence not uploaded to Ignite.[Repeat Finding](Corporate Services)

Finding

The indicator has been reported as being met on the Ignite system but there was no POE attached.
On request of the POE, we noted that 2 **Ordinary** Council Meetings were held in Q3 of 2023/2024 financial year.
Therefore the reported performance of 1 is inaccurate. A similar finding was raised in the previous internal audit report.

Recommendation

The update of the Ignite system should be performed by the responsible KPI owners at the end of each reporting period and within the set deadlines.

The Manager PMS/IDP & IGR should ensure that the owner of this indicator has access to the ignite system in order for the manager to review and sign off on the performance information captured into Ignite as confirmation that complete, valid and accurate information is provided for inclusion in the quarterly reports.

The Manager PMS/IDP & IGR should review the performance information, together with the required supporting evidence prior to reporting to confirm that:

- The reported performance information is valid, accurate and complete.
- The reported performance is supported by the required source of evidence (valid and complete).

The Manager PMS/IDP & IGR should ensure that performance information in the Section 52(d) report is accurate and complete by reviewing the information entailed in the draft report against the Ignite system before final submission to the Accounting Officer and Council.

The quality certification that is included in the quarterly report should be amended and include a statement relating to the reliability of reported performance information, thus ensuring accountability within the reporting cycle.

Root Cause

Update of the ignite system by the consultants (after system closing) and not by KPI owners.

The KPI owner does not have access to the Ignite system in order to perform review on the updated performance information.

Management Action Plan**Response**

Acknowledge and take note of TL 19

Action Plan

That the Manager: Administration Services provide the PMS Office with the relevant documentation in order to update the KPI on the automated system.

We will under leadership of the Accounting Officer direct that review of reported performance be regularly and completely performed by Directors. Manager IDP/PMS&IGR will manage the evaluation of all reviewed reported performance.

Estimated Completion Date and Timing: 31 July 2024

Responsible Official

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		Manager: Administration Services and Manager: IDP/IPMS/IGR Auditor's Conclusion Internal audit notes the management comment and action plan. A follow up audit will be conducted in this regard. Based on the record of work done, the controls in place is ineffective
10. Compliance: Late submission of the 2023/2024 Mid-Year Budget Assessment		
Finding The Mid-Year Budget Assessment Report was tabled in a council meeting that was held on 31 January 2024 as per the approved meeting schedule of council. In terms of the MFMA, the report should have been tabled to council by 25 January, therefore it was late.		Recommendation Management should ensure that when scheduling the council meetings for the financial year, the dates of the council meetings are aligned with the reporting requirements of the national legislation.
Root Cause The meeting schedule of council not in-line with the MFMA reporting deadlines		Management Action Plan Response Take note of the finding. Action Plan That the matter be discussed with both the Speaker of Council and the Municipal Manager to decide on a strategy to adhere to future legislative deadlines. Estimated Completion Date and Timing: 30 August 2024 Responsible Official Director: Corporate Services and Manager: IDP/IPMS/IGR Auditor's Conclusion Internal audit notes the management comment and action plan. A follow up audit will be conducted in this regard. Based on the record of work done, the controls in place is ineffective
11. Compliance: Late submission of the 2022/2023 Annual Report		
Finding The annual report was not immediately submitted to the Auditor-General, provincial treasury and the provincial department responsible for local government in the province after it was tabled to Council. The annual report was tabled to Council on		Recommendation Management should ensure that information contained in the annual report is a fair and reasonable record of the performance of the municipality and properly accounts for the actions of the municipality in the financial year

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31 January 2024 and only submitted on the 20 March 2024 to the relevant reporting bodies.	reported upon before submitting to council, by developing and tracking the compilation of the annual report through a time schedule/work plan.
Root Cause Adjustment needed to be made to the annual report after it was tabled to council	Management Action Plan Response Take note of the finding Action Plan To meet with the Municipal Manager to discuss and propose a strategy to adhere to legislative/compliance prescripts. Estimated Completion Date and Timing: 30 August 2024 Responsible Official Manager: IDP/IPMS/IGR Auditor's Conclusion Internal audit notes the management comment and action plan. A follow up audit will be conducted in this regard. Based on the record of work done, the controls in place is ineffective
12. Compliance: Oversight report on the 2022/2023 annual report not yet adopted by Council	
Finding In terms of the MFMA the oversight report should have been adopted in March 2024, two months from the date on which the annual report was tabled in the council. As at the time of drafting this report the oversight report has not yet been adopted by Council. The oversight report was only dealt with by the MPAC committee in June 2024. The manager responsible for administration indicated that due to Council Recess and failure of the MPAC to timeously meet and adopt the Oversight Report, several times they didn't quorate as well.	Recommendation The municipal manager must ensure that adequate support is made available to support the functions of the MPAC. The municipality should consider adopting the Municipal Public Accounts Committees (MPACs) Practical Guide developed by SALGA that entails the procedures of the MPAC committee The use of compliance monitoring reports should also assist in early detection of possible non-compliances.
Root Cause Inadequate support of the functions of the MPAC	Management Action Plan Response Take note of the finding. Action Plan To meet with the Municipal Manager to discuss and propose a strategy to prevent non-adhere to legislative/compliance prescripts. Estimated Completion Date and Timing: 30 August 2024

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		Responsible Official Manager: IDP/IPMS/IGR Auditor's Conclusion Internal audit notes the management comment and action plan. A follow up audit will be conducted in this regard. Based on the record of work done, the controls in place is ineffective
13. Compliance: Non-continuous performance management		
Finding The performance reviews for Q1 & Q2 are no longer conducted as per the scheduled dates entailed in the performance management policy and the signed performance agreements, these reviews are conducted as a mid- year performance reviews together with the annual performance reviews of the previous financial year. Quarter 3 & 4 performance reviews are conducted as the annual performance reviews We have assessed whether the 2023/2024 Mid-year performance reviews have been scheduled and noted that they have not yet been conducted for the Directors. The performance management unit indicated that due to the unavailability of the Municipal Manager the evaluations could not be conducted. The Mid-year performance reviews were only performed for the Municipal Manager. Root Cause Lack of adequate controls	Recommendation The Municipal Manager and Performance management unit should ensure that the performance reviews are conducted as legislated. Performance Agreements should reflect the agreed schedule of performance reviews in line with legislative guidelines.	
	Management Action Plan Response Take note of the finding. Action Plan To meet with the Municipal Manager to discuss and identify a strategy to adhere to legislative/compliance prescripts. Estimated Completion Date and Timing: 30 August 2024 Responsible Official Manager: IDP/IPMS/IGR Auditor's Conclusion Internal audit notes the management comment and action plan. A follow up audit will be conducted in this regard. Based on the record of work done, the controls in place is ineffective	
14. Compliance: Lack of review of the performance information reported on the system [Repeat Finding]		

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Finding The ignite system allows the Directors to review performance information updated by their lower-level staff but the function is currently not being utilised. There is no evidence of review by Directors on the performance information reported on the system. The uploaded performance information is also not verified by the performance management unit.	Recommendation The development of a standard operating procedure as previously recommended should be implemented which articulates the monthly, quarterly and annual performance reporting procedure. The Manager PMS/IDP & IGR should provide training to all the senior managers on the functionality of the Ignite system. The Municipal manager should enforce the use of the review function by the user departments and the performance management section and implement consequence management where such is not done as required.
Root Cause Lack of training provided to senior managers on the functionality of the Ignite system.	Management Action Plan Response Take note of the finding. Action Plan The drafting of the Standard Operating Procedure for PMS is work in progress. This section will form part of the reviewed PMS framework. Copies will be distributed to Directors and Line Managers as a guideline to promote a culture performance management. Estimated Completion Date and Timing: 27 September 2024. Responsible Official Manager: IDP/IPMS/IGR Auditor's Conclusion Internal audit notes the management comment and action plan. A follow up audit will be conducted in this regard. Based on the record of work done, the controls in place is ineffective.
15. Limitation of Scope: Amended Service delivery and budget implementation plan [SDBIP]	
Finding We could not establish that the 2023/2024 amended SDBIP was approved by council as at the time of finalising the report, a council resolution approving the amendment could not be provided.	Recommendation The Manager PMS/IDP & IGR and Manager Administration should ensure that the council resolution approving the amended SDBIP is available and kept for auditing purposes.
Root Cause Oversight	Management Action Plan Response Acknowledge and take note of the finding.

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	Action Plan To obtain a copy of the Council Resolution and file it for audit purposes. Estimated Completion Date and Timing: 30 August 2024. Responsible Official Manager: IDP/IPMS/IGR Auditor's Conclusion Internal audit notes the management comment and action plan. A follow up audit will be conducted in this regard. Based on the record of work done, the controls in place is ineffective
16. Compliance: Performance Agreement not concluded for acting Directors	
Finding The Acting Director Infrastructure was appointed for a period of 3 months in a council meeting that was held in March 2024. There is no performance agreement concluded for the Acting Director for the appointed period	Recommendation The Manager PMS/IDP & IGR should ensure that ensure that compliance to legislation is monitored
Root Cause Disregard for national policies and procedures	Management Action Plan Response Acknowledge and take note of the finding. Already requested the new Acting Directors to scrutinize and sign their Performance Agreements. Action Plan To meet with the current Municipal Manager to agree on the conclusion of Performance Agreements for Acting Directors. Estimated Completion Date and Timing: 30 August 2024 Responsible Official Manager: IDP/IPMS/IGR Auditor's Conclusion Internal audit notes the management comment and action plan. A follow up audit will be conducted in this regard. Based on the record of work done, the controls in place is ineffective

- Integrated human settlements

Finding & Root Cause	Recommendation and Action Plans
1. Tender awarded after the validity period has expired	
Finding As per the tender document, the validity period was set at 90 days, and therefore the tender was valid until October 19, 2022. The provisional letters of award for 6 tenderers was signed on 03 November 2022 and the appeal period lapsed on 13 December 2022.	Recommendation Management should investigate and determine if this expenditure meets the definition of irregular expenditure and if so it should be quantified and recorded in the municipality's irregular expenditure register. The Supply Chain Management unit should keep track of expiry dates of the validity period of bids and the BEC and BAC meetings should be arranged to allow for sufficient time to award the bid within the set timelines. Tender adverts should be aligned to the validity periods as stipulated in Council's SCM policy.
Root Cause The tender document not aligned to the SCM policy. Expiry dates of the validity period of bids not consistently tracked and monitored BEC and BAC meetings did not allow for sufficient time to award the bid within the set timelines	Action Plan: POE for extension of validity where required is to be submitted to the committees prior to evaluation and adjudication of the bids.
2. Bidders not evaluated in accordance with the tender specifications (Special conditions & functionality scoring)	

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Finding	Recommendation
Based on the re-evaluation of the special condition by Internal Audit, from the seven appointed contractors only two suppliers complied with special conditions of the tender and were eligible to be evaluated for functionality. Further discrepancies were noted under functionality scoring. We also noted that the MBD 5 form which is part of the tender documents for procurement above R10 million, was not included in the tender document.	Management should ensure that functionality criteria are evaluated and documented as such when the bid requirements stipulate that there are criteria that applies. Management should ensure that tender offers are complete by comparing each tender submission against the List of Returnable Documents contained in the procurement document and identify documents that have not been returned or are incomplete. Management should also capacitate the bid committees to avoid inconsistent scoring. The tender evaluation process followed when evaluating tender offers, including a description of the tender evaluation criteria, the methodology followed and the steps followed in the evaluation process should be included in the evaluation report. Management should ensure that the reasons for recommending the tender offer are articulated clearly in the tender evaluation report such as: The contractor ____ can be recommended for the following reasons: The contractor's financial standing is acceptable (rating from bank i.e. good for normal business). The tender price is ____ % below the cost estimate for the contract. The contractor has furnished the Employer with a letter of intent from his bank to provide a ____ % bank guarantee. The contractor has satisfactorily completed several contracts of a similar size and nature Management should also consider adopting the Code of Conduct for all Parties engaged in Construction Procurement that has been developed by the Construction Industry Development Board [CIDB].

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Root Cause Lack of management oversight	Action Plan Specifications for the current tender did not include this condition; instead, a bank rating was a requirement to assess credit worthiness of the contractor. Based on the results of the test phase, it has been determined that the condition be excluded from tender Integrated human Settlements Tender documents and reliance be placed on performance of the contractor and not the security they can provide upfront as most of these contractors are on a lower CIDB grading, still needing to grow. Growth of the contractors remains a key matter to be addressed as construction industry in Knysna contributes greatly although it is part time jobs created. It therefore follows there is still a need to place special emphasis contractor growth and where the contractor demonstrates development issues that can be assisted through the Municipality, that the Municipality assist either through training or other assistance like signing of cession agreements with the material suppliers.
3. Biased bid specification	
Finding "Tender Document: Pricing Requirements The Integrated Human Settlements seeks to complete construction of 150 units per annum by choosing from a "pool of local contractors" skilled in general building works, similar to (but not limited):" The bid requirements required only local contractors, in the context of local meaning Knysna.	Recommendation Management should ensure that all procurement offers is fair, equitable, transparent, competitive and cost effective. Management should implement ongoing capacity development to allow management to develop tender documents that are compliant with legislation, including proper management of the tender validity period, accompanied by comprehensive bills of quantities and appropriate evaluation sheets. Management should ensure that a comprehensive standard tender document reflecting the work to be done, to avoid unnecessary change of scope, is developed by also include internal technically competent person[s]
Root Cause The exclusion of certain eligible tenderers from competing for the tender	Action Plan

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Lack of knowledge and skills of the Bid specification committee members on the procurement	It becomes necessary that there is a condition in the specifications that deals with quantum plus any other additional funding which would have been applicable and applied for during the execution of the project. Simply stating the quantum value is not sufficient noting that changes may take place depending on the construction environment and terrain issues. In all instances where additional funding has been sourced, the document is signed by the accounting officer. The Directorate already appointed a technically inclined staff member on contract to boost the capacity of the Directorate. This capacity gap was identified two years back already and reports were submitted to Council for approval.
4. Tender specifications deficiencies. Finding The tender did not have a bill of quantities to define the quality and quantity of work required to be carried out by the contractors for the excavation and retaining structures, as it was an expression of interest only. Furthermore, the specification did not fully describe the performance required but only stated the design, which is the size of the houses. The bid specification failed to break down the total number of houses to be built in the 2022–2023 financial year per size. We could not obtain a signed/approved set of BSC minutes. Root Cause Lack of bill of quantities Lack of capacity to perform project management of housing projects	Recommendation Management should ensure that every procurement is fair, equitable, transparent, competitive and cost effective. Management should implement ongoing capacity development to allow management to develop tender documents that are compliant with legislation, including proper management of the tender validity period, accompanied by comprehensive bills of quantities and appropriate evaluation sheets. Management should ensure that a comprehensive tender documents reflecting the work to be done to avoid unnecessary change of scope is developed by technically competent person[s] Action Plan Recommendations by IA have already been implemented. On the new tender, each item was quantified and a bill of quantities setting applicable rates also included. This then deals with applicable rates thereby eliminating any ambiguities. All items are costed and there is no need for further action, except to maintain the standard.
5. Insufficient information available to validate expenditure for excavation and retaining walls.	

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Finding All invoices and payment certificates issued on excavation and retaining work did not have rates nor square meters and the erf number that the work was performed on. Therefore we could not establish how much was paid for each erf for retaining walls and how many square meters were installed with retaining walls. This amounted to R 23 163 279, 71 as at May 31, 2024	Recommendation Management should ensure that every procurement is fair, equitable, transparent, competitive and cost effective. Management should implement ongoing capacity development to allow management to develop tender documents that are compliant with legislation, including proper management of the tender validity period, accompanied by comprehensive bills of quantities and appropriate evaluation sheets. Management should ensure that a comprehensive tender documents reflecting the work to be done to avoid unnecessary change of scope is developed by technically competent person[s]
Root Cause Lack of bill of quantities Lack of capacity to perform project management of housing projects	Action Plan Recommendations by IA have already been implemented. On the new tender, each item was quantified and a bill of quantities setting applicable rates also included. This then deals with applicable rates thereby eliminating any ambiguities. All items are costed and there is no need for further action, except to maintain the standard.
6. Limitation of scope	
Finding We could not conclude that the contractors were paid the housing subsidy quantum approved by the Minister of Human Settlements in the 2022/2023 financial year for all completed structures because of the following limitations: - There was no supporting document provided to us on the total number of houses allocated to the contractors and the sizes of each house. - We could also not verify that the rates per the Quantum tables were in agreement with the rates per the invoice	Recommendation Management should ensure complete and accurate records of all housing projects inclusive of project commencement, expenditure and reporting per project
Root Cause Lack of contract management/ recordkeeping	Action Plan Summary document to be created and updated.
7. Lack of controls: Housing beneficiaries	
Finding	Recommendation

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- When assessing the housing policy we noted that it was developed in 2012, however we could not establish that it was approved by council as there is no record of such in the municipality. - We could not identify or locate three subsidy beneficiaries in the HSS, yet they have signed happy letters and noted that not all the happy letters entailed the identity numbers of these beneficiaries. 11 Houses as per the payment certificate issued by the consultant/engineer have been completed but, we could not establish the beneficiaries of these completed houses and if they are eligible beneficiaries as there were no supporting documents or happy letters provided to the internal audit for these completed houses - We also performed an assessment on the houses/site that are still in construction phase as per the payment certificate against the erf number/site numbers entailed in the HSS and some of those houses could not be located in the HSS	Manager responsible for human settlement should ensure that the information that has been captured on the Housing Demand Database [HDD] is reviewed by a senior official and proof of review should be kept for audit purposes. Manager responsible for human settlement should embark on a housing demand database verification program and request beneficiaries to check/verify their information on the municipality's Housing Database in order to ensure that registered beneficiaries: - still have a housing need. - Information is correct and, - Includes most updated information Manager responsible for human settlement should develop/adopt the selection policy covering the selection of beneficiaries in all subsidised human settlement projects. Manager responsible for human settlement should keep proof of approval of the policy for audit purposes. Management should ensure adequate record of all housing project expenditure per project
Root Cause Lack of an allocation policy on housing opportunities/beneficiaries Inadequate record keeping and monitoring relating to completed housing structures Lack of an updated housing database.	Action Plan POE relating to meetings where this matter is addressed to be made available.
8. Non alignment between the payment certificates and contractors invoices	
Finding Several discrepancies between the contractors invoice and payment certificate noted for 4 contractors.	Recommendation All invoices and accompanying supporting documentation presented for payment, should be reviewed by the Manager: IHS, prior to payment for validity, accuracy and completeness Manager: IHS should sign off on all payment certificate issued as proof of review and authorisation A contractor reconciliation must be performed by the Manager: IHS to ensure that billing is in line with the allowed housing quantum and tender specifications.
Root Cause Lack of adequate review and monitoring Lack of capacity to perform project management of the housing projects	Action Plan Immediate implementation of IA recommendations.

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9. Work done not certified by a engineer.	
Finding	Recommendation
On inspection of the payment certificate for the milestone of the contract [top structure] we have noted the following exceptions: 1. All the interim payment certificates issued by the consultant/engineer included retention 2. Not all amount due to the contractor for work performed was certified by the consultant/engineer. R 6 808 681, 11 of work was not certified by the consultant/project manager but certified by the project coordinator.	Manager responsible for human settlement should ensure that a competent person [registered professional] is appointed that accept responsibility for the design, inspection and certification of the work. Manager responsible for human settlement should ensure appointment is done by means of an "A19" form (Form 2, SANS 10400-A: 2010). Should detailed supervision and day-to-day inspection of the work be required, this should be specifically noted in the appointment of the competent person. Manager responsible for human settlement should define responsibilities of each of the role players involved in the construction of buildings [client, contractor, engineer, architect and subcontractor [where applicable]] • The client's responsibilities should entail the appointment, instruction, management and payment of the contractor and of the various professionals involved in the project and of any subcontractor appointed directly by the client • The architect's responsibilities should entail the concept, position, layout, etc. of a building, the specification of finishes, the submission and approval of architectural plans, ensuring compliance with planning requirements and National Building Regulations, and similar activities. • The engineer's responsibilities should entail the design of any engineering aspects of the project that require rational assessment or design. The engineer should inspect the work for which he assumes responsibility and certify that the design has been correctly implemented. Unless specifically requested to do so, the engineer does not supervise the contractor or take responsibility for the contractor's workmanship. • The contractor responsibilities should entail the execution of the work in accordance with the

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	drawings, specifications and instructions received from the client or from the engineer or architect where they act on behalf of the client. The contractor should also be responsible for the quality of his work, compliance with the safety requirements pertaining to the execution of the work and compliance with the requirements of the National Building Regulations in respect of work not detailed by the architect or engineer. The sub-contractor, if applicable, is a contractor appointed to undertake a specific portion of the work, for example the electrical system or plumbing. The subcontractor may be appointed either by the client directly, or by the contractor and takes instructions from the appointing party
Root Cause Lack of a signed agreement/form between the municipality and the appointed consultant engineer Lack of capacity to perform project management of the housing projects	Action Plan New Tender addressed this matter.
10. Inconsistent application of retention	
Finding We have identified invoices and payment certificates where retention was not deducted, and on some invoices, retention was kept at more than the 10% stipulated in the tender documents.	Recommendation On each interim certificate the consultant should include the calculation of retention money and issue a certificate that does not only indicate the works done to date but also indicate the amount due to the contractor. Management should ensure that the deduction made is in accordance with the contract, in the right amount and that the right percentage is deducted The contract administrator should conduct frequent financial reconciliations between purchase orders/work orders approved; invoices paid against the contract and Approved Contract Value. Depending on the contract classification the contract administrator should report the contract cost on a monthly and quarterly basis to the contract owners
Root Cause	Action Plan

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Lack of retention calculation by the consultant/engineer on payment certificate issued Lack of capacity to perform project management of the housing projects	Additional capacity as per the recommendation of IA has been appointed on contract basis.
11. Penalty clause implementation	
Finding We noted inconsistent application of the penalty clause, where the penalty levied was less than the stipulated penalty of R250 per day of delay. Further discrepancies were noted with penalty calculations.	Recommendation The Accounting Officer should priorities contract management and provide leadership at all levels across all Departments to ensure buy-in and a commitment to improvement. A Contract Management Induction and Training Program should be established and all contract managers should be inducted and receive training in council's contract management procedures, prior to taking responsibility for managing a contract/s Manager Integrated Human Settlement [HIS] should ensure that all terms and conditions of the contract are implemented and if the contractor does not perform within the agreed time, the Contractor is in breach of contract. Reasonable delays should be reported and recorded. Manager Integrated Human Settlement [HIS] should ensure that penalties levied are in accordance with the contract, at the right amount and deducted accordingly. Manager Integrated Human Settlement [HIS] should ensure that all the penalties that have been levied against the contractor are recalculated in order to get the full amount of the under-payment of the penalty. Manager Integrated Human Settlement [HIS] should ensure that regular inspections of the sites are performed before and during construction and documented. The inspection report should be signed-off and dated by the Inspector and submitted to the Acting Director: IHS to be reviewed, signed-off and dated.
Root Cause Lack of capacity to perform project management of the housing projects Lack of inspections of the sites before the contractor is on site Lack of buy-in and commitment to improve contract management	Action Plan Penalty clause not included in the new contract, however provisions of GCC applicable as far as non-performance is concerned.
12. Work not allocated on a phased approach and on performance	

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Finding Contractors were not all awarded the same amount of houses at the inception of the project. Some contractors were also allocated more houses, whilst the first five houses was not yet completed.	Recommendation Manager Integrated Human Settlement [IHS] should ensure that the conditions of the contracts are compiled with and adequate monitoring and reporting on the contract takes place. In order to implement effective performance management of supplier, management should develop appropriate/effective KPIs aligned with contract objectives and set up clear/suitable targets. A contract KPI development template should be developed for contract KPIs. The template should be used to explain what Key Performance Indicators (KPIs) will be measured (and why), minimum performance requirements, frequency of measurement, responsibility for measurement. It should also be used to capture reporting on performance against the agreed KPIs. The contract manager [Manager: IHS] should review the validity of performance measures from a contract The contract manager [Manager: IHS] should collect performance data based on KPIs in the agreement and contract management plan. The contract manager should receive regular contract performance reports from suppliers in accordance with the contract obligations in order to identify any internal issues that might be impacting the supplier's performance, or ability to provide the best quality of service. In addition, the contract manager, with support of the contract administrator, should conduct regular contract performance reviews. Procedures for the contract performance reviews [informal/formal] should be developed. A contract performance review meeting template that list items that should be covered during a contract and performance review meeting should be developed. There should also be mechanisms in place for identifying contract 'triggers' such as notice periods and responsibilities for responding to these 'trigger points' should clearly be understood
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	Contract reporting to council should also be implemented. Procedures on contract management reporting (exceptional and regular reporting) should also be developed to ensure appropriate reporting.
Root Cause Integrated Human Settlement [IHS] not monitoring, recording and reporting on the performance of the service providers as and when required. Inadequate contractor performance management/evaluation system Lack of capacity to perform project management of the housing projects Lack of buy-in and commitment to improve contract management	Action Plan Implement IA recommendations Appointment of Manager: Finance and Contract Management
13. Payment for the same work completed on the same house to more than one contractor.	
Finding Payments made to more than one contractor claiming work and milestone on same house.	Recommendation Management should ensure that for every consultant/engineer that has been appointed for the supervision of housing projects, there is a well-defined service level agreement that entails the responsibilities of the consultant. Manager responsible for human settlement should ensure that a competent person [registered professional] is appointed that accept responsibility for the design, inspection and certification of the work. Manager responsible for human settlement should ensure appointment is done by means of an "A19" form (Form 2, SANS 10400-A: 2010). Should detailed supervision and day-to-day inspection of the work be required, this should be specifically noted in the appointment of the competent person. Manager responsible for human settlement should define responsibilities of each of the role players involved in the construction of buildings [client, contractor, engineer, architect and subcontractor [where applicable]] - The client's responsibilities should entail the appointment, instruction, management and payment of the contractor and of the various professionals involved in the project and of any subcontractor appointed directly by the client - The architect's responsibilities should entail the concept, position, layout, etc. of a building, the specification of finishes, the submission and approval

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	of architectural plans, ensuring compliance with planning requirements and National Building Regulations, and similar activities. • The engineer's responsibilities should entail the design of any engineering aspects of the project that require rational assessment or design. The engineer should inspect the work for which he assumes responsibility and certify that the design has been correctly implemented. Unless specifically requested to do so, the engineer does not supervise the contractor or take responsibility for the contractor's workmanship. • The contractor responsibilities should entail the execution of the work in accordance with the drawings, specifications and instructions received from the client or from the engineer or architect where they act on behalf of the client. The contractor should also be responsible for the quality of his work, compliance with the safety requirements pertaining to the execution of the work and compliance with the requirements of the National Building Regulations in respect of work not detailed by the architect or engineer. • The sub-contractor, if applicable, is a contractor appointed to undertake a specific portion of the work, for example the electrical system or plumbing. The subcontractor may be appointed either by the client directly, or by the contractor and takes instructions from the appointing party
Root Cause Lack of capacity to perform project management of the housing projects	Action Plan Implementation of IA recommendations- Immediately Additional technical resource has been appointed for a period of 6 months to bolster Project Management capacity. This capacity needs to be retained for a longer period. A Report to be tabled before the Municipal Manager to allow for a longer contract of the appointed resource to ensure stability.

	Compliance with 6.10.7 to 6.10.9 of the GCC to issue Final payment Certificate and Completion certificates for all contractors. Appointment of Manager: Finance and Contract Management.
14. Contractors were paid above the approved housing subsidy quantum	
Finding The total value of work claimed for houses where information could be provided, amounted to more than the housing subsidy quantum as approved.	Recommendation Management should ensure that all the construction projects that have been approved/funded through the business plans are included in the procurement plan of the municipality in the year preceding building in order to allow for sufficient time for the procurement process [tender process] Any amendments that have been made through the business plans should also be updated in the procurement plan. All invoices and accompanying supporting documentation be compiled for submission to the Manager: IHS for his review. All invoices and accompanying supporting documentation presented for payment, be reviewed by the Manager: IHS prior to payment for validity, accuracy and completeness. Manager: IHS should sign off as authorisation and proof that a review was performed.
Root Cause Poor planning by management Lack of monitoring and review of the invoices and supporting documents	Action Plan Information needs to accompany invoices where there has been as increase in the subsidy amount.
15. Payment certificate issued not compliant with the general conditions of contract	
Finding The payment certificates issued by the consultant only included the amount of work performed and did not include the following: • Calculation of retention • Penalties[where applicable] • Previous payment certificates	Recommendation Management should ensure that for every consultant/engineer that has been appointed for the supervision of housing projects, there is a well-defined service level agreement that entails the responsibilities of the consultant. Management should ensure that all interim certificates issued comply with the general conditions of contract.
Root Cause	Action Plan

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Lack of a service level agreement between the consultant and the municipality entailing the level of service required under T47/2021-2022	Tender process underway for the appointment of Professional service providers.
16. Title Deeds Registration to Beneficiaries	
Finding We have noted that after the signed sale agreement, the records are filed for each ERF but not submitted to the Municipal Manager for sign off. The process for title deed registration is also not started and no budget provision for this is made.	Recommendation Management should develop a registration backlog eradication plan for title deeds to housing stock built after 1994 to date for approval by Council in order to allow beneficiaries who occupy a property, but do not have the title deeds, to initiate a process to access such title. The plan should also include a dispute-resolution process to address contesting claims. Management should develop "good" key performance indicators [KPI] on the number of title deeds registered
Root Cause Title deed registrations have not been included as part of the housing development process	Action Plan Implement IA recommendation. Allocation of budget for the appointment of Professional service providers Appointment of professional service providers Address location of the function.
17. Inadequate monitoring/oversight of the contract	
Finding <u>Monitoring by the National Home Builders Registration Council [NHBRC]</u> Therefore there is no record of their findings/snags and if those issues were rectified or not by the human settlement office <u>Monitoring by the Western Cape Provincial Department of Human Settlements</u> We noted that the last monitoring meeting with the Department was held in August 2023 <u>Monitoring by the section 80 committee</u> We noted only 1 performance report submitted at the committee.	Recommendation Management should ensure that the business process is aligned to the operations of the department. All site inspections should be documented and filed. A progress reports must be submitted at each Section 80 committee meeting.
Root Cause Business process not aligned with the operations of the department Ineffective internal and external monitoring processes.	Action Plan IA recommendation to be implemented and a file with minutes of meetings to be kept.
18. Lack of procurement planning	
Finding The housing project was not included in the procurement plan of the municipality.	Recommendation Management should ensure that all the construction projects that have been approved/funded through the business plans

	are included in the procurement plan of the municipality in the year preceding building in order to allow for sufficient time for the procurement process [tender process] Any amendments that have been made through the business plans should also be updated in the procurement plan.
Root Cause Poor planning by management	Action Plan IA recommendation to be implemented
19. Lack of controls on the management of the housing database	
Finding We have noted duplicates, where an applicant was captured more than once on the database.	Recommendation Manager responsible for human settlement should ensure that the information that has been captured on the Housing Demand Database [HDD] is reviewed by a senior official and proof of review should be kept for audit purposes. Manager responsible for human settlement should embark on a housing demand database verification program and request beneficiaries to check/verify their information on the municipality's Housing Database in order to ensure that registered beneficiaries: • still have a housing need. • Information is correct and, • Includes most updated information Manager responsible for human settlement should develop/adapt the selection policy covering the selection of beneficiaries in all subsidised human settlement projects. Manager responsible for human settlement should keep proof of approval of the policy for audit purposes
Root Cause Lack of an allocation policy on housing opportunities/beneficiaries Inadequate record keeping and monitoring relating to completed housing structures	Action Plan Verification processes are conducted on a project-by-project basis. In addition, Western Cape Government already conduct a verification exercise yearly where Municipal officials are required to assist.

- Annual stock count

Finding & Root Cause	Recommendation and Action Plans
1. Lack of approved inventory count instructions [Repeat Finding] Finding In the 2022/2023 stock count report we had reported that the municipality does not have an approved inventory count instruction documenting processes and procedures to be followed during the stock counts, including recounts. Management, again, provided the internal audit with the same inputs and guidance for the stock count instructions that were provided by internal audit during the previous year's stock count audit	
	Recommendation Management should ensure that the logistics management system of the municipality provide for the following policies and standard operating procedures in relation to inventory management: Policies a) measurement of inventory for reporting in the annual financial statements and associated disclosures; b) coding system for the recording of inventory items; c) systems in place, whether computerised or manual, for demand forecasting and material requirement planning; d) approaches for inventory control; e) stock levels for the different categories of inventory items; f) quality and re-order point models to be used for categories of inventory items; g) annual stocktake requirements; h) mechanisms to eliminate theft, losses, wastage and misuse for each category of items; i) warehouse and stockroom organisation; and j) systems, in place, whether manual or computerised, for recording of inventory transactions. Standard operating procedures a) demand forecasting and resource planning for stock items; b) calculation of stock levels, safety stock, reorder quantities and reorder points; c) stocktake; d) restricted access areas;

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	e) disposal of damaged, spoiled or obsolete items; f) losses and misuse of inventory items; g) safe operation of storage facilities, plant and equipment; h) recording of orders, receipts, issues and returns; i) Inventory management reporting; and j) Reconciliation of inventory records with financial accounts. Inventory Management Policies should be reviewed annually and adjusted as necessary with a view to continuous improvement in inventory management Incorporating SMART targets and key performance indicators [KPI] into the performance plans of responsible officials to ensure accountability and measurable deliverables in implementing an effective inventory management system.
Root Cause Lack of inventory management policies and procedures Inventory management not fully integrated with Supply Chain Management.	Action Plan: The standard operating procedures drafted by PKF and National Treasury inventory guidelines will be incorporated into the Municipal Inventory management policy. Internal capacity building (training and development) of the key personnel.
2. Limitation of scope: Stock count not performed	
Finding The dates and times of the respective counts, was communicated to responsible persons by Internal Audit during the planning of the year end stock count. At the following locations/store under the electrical department a stock count was not conducted by internal audit. ▪ Green store: Electrical container (Could not get access/key was with official on leave and not reachable) ▪ Fetcher street: Brown store (no official available due to power outages)	Recommendation Management should appoint, in writing, competent persons to control and manage all the emergency stores. The responsibilities of the appointed storeman should include, but not limited to, the following duties: a) Arranging of the store in a manner which supports efficient receipt, storage and issues including storing faster moving items closer to access points; b) Ensuring that access is restricted to premises, buildings and containers where items are kept c) Storing of hazardous items separately and ensure compliance with manufacturer's requirements d) Conducting regular inspections of the warehouse
Root Cause	Action Plan

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Lack of a dedicated storeman over emergency stores.	Centralization of all the emergency stores into one central stores. Training of the emergency storeman, introduction of the shift systems to management emergency distribution or issuing of stock. Increase of labour force and personnel Manager Water & Sewer: Will develop asap, when new storeman gets appointed in the position
3. Lack of a perpetual stock system at the emergency stores. [Repeat finding]	
Finding It was noted that the emergency stores do not have a perpetual recording system in place, to record stock movements. Prior to the IA counts being conducted, the Storemen at the respective locations were requested to do their own count. During this count stock items were to be neatly packed and thus easily identifiable during the IA count The following emergency stores did not perform a stock count prior to internal audit's arrival: ▪ Sedgefield: Lab ▪ Brenton: Water Treatment ▪ Belvedere: Depot ▪ Belvedere: Waste Water Treatment ▪ Fletcher Street: Mechanical Store ▪ Karatara: Water Treatment ▪ Karatara: Stores ▪ Ruigtevlei ▪ Green store	Recommendation It is recommended that management consider implementing the following for each Emergency Store: • Determine the cost-benefit of implementing perpetual stock systems to record and support movements of stock items throughout the year. • For the stores that carry high stock volumes or high stock values, a perpetual stock system should be implemented. • Receiving and issuing of stock must be completely and accurately recorded on the stock system and supported by relevant supporting documentation, e.g. such as a duly authorised requisition in the case of stock being issued. • The perpetual stock system should be reviewed by the Storeman on a regular basis for accuracy. • The implementation of a perpetual stock system will also assist in the preparation of complete and accurate stock count sheets.
Root Cause Lack of approved stock count procedures Poor inventory control and management system/Inadequate monitoring and review procedures by management over the Emergency Stores.	Action Plan Develop standard operating procedures on inventory management, regular monthly stock counting, and stock item monthly reconciliations. Regular and daily updates of batches. Manager Water & Sewer: Will have system in perpetual stock system in place for emergency stores by 30 September 2024.
4. Significant variances identified between inventory record quantities and the stock counted on 28 June 2024:Main store [Repeat Finding]	

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Finding Internal audit obtained the stock count records as extracted from Promun on the day of the count. A significant number of discrepancies between the inventory counted and the stock quantities listed on the Promun inventory list was noted and confirmed as correct with the storemen/woman. A stock reconciliation was performed by internal audit and difference totalling to R8 952 105, 39 was noted. *Values calculated as per isc025xp Stock Reorder Export Procedure 04/07/2024.	Recommendation The following recommendations are made for consideration by management: The Manager for Supply Chain Management [SCM] should ensure that the discrepancies are properly investigated and corrected for the identified variances before 31 August 2024. Development of standard operating procedures for the inventory process and annual stock count process. Performing stock take/count on a regular basis in the main store and emergency stores in order to ensure accuracy of inventory balances, as well as to assist in mitigating risks such as theft, damage and obsolete stock items. Update Promun whenever inventory is received and when the physical issuing of inventory takes place from the warehouse. Confirms that all transactions are processed in Promun on a timely basis, to make sure that the correct quantities are counted and verified against the system list printed for counting. Perform monthly reconciliations between Promun and the actual stock on hand in stores, to facilitate the timely reconciliation of all discrepancies between the physical count quantities and the stock quantities as reflected on the system. SMART key performance indicators [KPI] could be developed and monitored for municipal staff, such as: • Monthly reconciliations of the inventory record system to financial accounts • Number of stock counts performed • Updated list of inventory in all emergency stores Timely processing of issuing batches on the inventory system
Root Cause Staff related constraints including: Capacity, skills, and responsibility and accountability Inadequate preparation for the annual inventory count	Action Plan Regular and ongoing update of batches. Spot stock checks, daily systems updates, monthly and quarterly stock reconciliation.

5. Lack of storeroom/warehouse organisation	
Finding At the emergency stores inventory is not labelled. At the following stores, the stock items were also not organised in an orderly manner. ▪ Ruigtevlei ▪ Sedgfield: Waste water ▪ Mechanical ▪ Green store	Recommendation Developing of standard operating procedures for the management of inventory, including the coding system that is used by the municipality to record inventory items. Each group of the same inventory items must be assigned a unique code and all materials must be stored within a recognised code within the warehouse, and this must be reflected on the corresponding system whether manual or electronic. A delegated employee/practitioner performing the coding of stock/materials procedure must code the material correctly and in the located code location Management should review warehouses/stores, in order to ensure efficient receipt, storage and issues including storing faster moving items closer to access points, at least annually and consider at least the following factors: a) Layout of the warehouse b) Size of the warehouse compared to the space required for efficient warehouse operation c) storage facilities such as shelving and cabinets suited to the layout The review of the warehouses/stores by management should also be included in the SCM policy.
Root Cause Poor inventory control and management system	Action Plan Develop standard operating procedure for storage, shelving and bin numbering for all the storage facilities. Property department to assist storage facilities than using of containers. Manager Water & Sewer: Will develop system for soda ash by 30 Aug 2024 Activated carbon bags will be re bagged by 30 August 2024
6. Contractor's material stored at emergency stores	
Finding	Recommendation Management should ensure that contractor's material stock stored at the emergency stores is adequately managed, this

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While performing the stock count at the various emergency stores we have noted that there are contractors who make use of the emergency stores to store their material. At the following locations we have identified large quantities of stock items belonging to contractors. ▪ Ruigtevlei ▪ Green store	should include documented indemnity forms and separation of these items.
Root Cause Poor inventory control and management system/Inadequate monitoring and review procedures by management over the Emergency Stores.	Action Plan Contractor's stock must not be stored in the Municipal facilities, unless there are approved policy guidelines on inventory management or procedures to management the set stock. The set contractors must be informed to collect their stores.
7. Inadequate management of obsolete ,damaged and slow moving stock: Emergency store [Repeat Finding]	
Finding During our physical stock count, we identified stock that was obsolete or damaged and slow moving at the following stores: ▪ Sedgefield: Water and Sewerage Stores ▪ Sedgefield: Lab ▪ Brenton: Water Treatment ▪ Belvedere: Depot ▪ Belvedere: Waste Water Treatment ▪ Grey Street: Marlin Road (behind the RO Plant off George Rex Drive ▪ Grey Street: Stores ▪ Fletcher Street: Mechanical Store ▪ Karatara: Water Treatment ▪ Karatara: Stores ▪ Ruigtevlei The damaged or obsolete items have not been separated from the stock.	Recommendation Management should ensure that the logistics management system of the municipality provide for standard operating procedures in relation to disposal of damaged, spoiled or obsolete items; The municipality should implement a stock control system in order to assist with the identification of any obsolete items in inventory that it needs to remove. This will ensure that obsolete materials can be quickly located instead of reordered. Once it has been determined that items are damaged, spoiled, or obsolete, their disposal should be subject to a controlled procedure in order to ensure that they do not clutter the warehouse or storeroom or be subject to theft or other fraudulent disposal. The procedure should set out at least the following: a) who is authorised to identify items as damaged, spoiled, or obsolete; b) how access is to be restricted once identified; and c) the procedure for disposal A report should be submitted at least quarterly to the Chief Financial Officer and/or the responsible manager, detailing the following: a) Any inventory shortages or surpluses and the reasons for such; b) Any inventory deficits proposed to be written off; and c) Any obsolete inventory items. As inventory management is an integral component of supply chain management, inventory management procedures should

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	be contained in the overall supply chain management policy of the municipality.
Root Cause Lack of inventory management policies and procedures Inadequate stock level monitoring and over stocking.	Action Plan Develop a guideline procedure how to dispose redundant store items and proper approval to dispose the dormant items and proper warehouse for storage purpose. Training and staff development/ workshop. Manager Water & Sewer: Disposal of Marlin Road obsolete chemicals by 30 September 2024
8. Inadequate management of obsolete, damaged and slow moving stock: Main store [Repeat Finding]	
Finding Various stock items were found to be either damaged or obsolete, but was not separated from the stock.	Recommendation Management should ensure that the logistics management system of the municipality provide for standard operating procedures in relation to disposal of damaged, spoiled or obsolete items; The municipality should implement a stock control system in order to assist with the identification of any obsolete items in inventory that it needs to remove. This will ensure that obsolete materials can be quickly located instead of reordered. Once it has been determined that items are damaged, spoiled, or obsolete, their disposal should be subject to a controlled procedure in order to ensure that they do not clutter the warehouse or storeroom or be subject to theft or other fraudulent disposal. The procedure should set out at least the following: a) who is authorised to identify items as damaged, spoiled, or obsolete; b) how access is to be restricted once identified; and c) the procedure for disposal A report should be submitted at least quarterly to the Chief Financial Officer and/or the responsible manager, detailing the following: a) Any inventory shortages or surpluses and the reasons for such; b) Any inventory deficits proposed to be written off; and c) Any obsolete inventory items.

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	As inventory management is an integral component of supply chain management, inventory management procedures should be contained in the overall supply chain management policy of the municipality.
Root Cause Lack of inventory management policies and procedures	Action Plan Proper and regular store item spot check, continuous stock verification/ counting in accordance with inventory management guidelines. Ongoing and monthly stock reconciliations.
9. Stock count procedures did not facilitate an efficient and effective count (where stores did not perform a count prior to Internal Audit's arrival) [Repeat finding]	
Finding In terms of the year-end stock count instructions, the storeman was required to create a list of the stock in all the emergency stores. However, at some of the emergency stores, there were no stock count sheets prepared by the relevant storeman or responsible officials. Count sheets that were based on the previous audit report were distributed to the responsible officials before the commencement of the count in order to allow them to include or exclude any inventory items; however, during the audit count, internal audit identified items that were not included on the count sheet.	Recommendation The following recommendations are made: • Management should ensure that in all the emergency stores there is a designated employee responsible for the management of the stores. • Compiling of detailed and accurate stock count procedures, including planning, preparation for and procedures to be performed during a stock count. This will facilitate with the arranging of the stock in an orderly manner and also assist with the identification and segregation of obsolete, slow moving and damaged stock items. • Preparation of complete and accurate stock listings. • Conducting a stock count prior to Internal Audit's arrival for the audit count.
Root Cause Lack of storeman, Lack of approved stock count procedures Poor inventory control and management system, including preparation for the annual stock count process.	Action Plan Daily batches updates, monthly spot stock checks and regular stock reconciliations. Improves of physical security checking of gate pass against the delivery/ distribution note/ voucher.
10. Variances identified between inventory record quantities and the stock counted: Emergency stores [Repeat Finding]	
Finding In instances where a pre-count was performed, miscounts were however identified, resulting in difference between the stores count and the audit count.	Recommendation The following recommendations are made for consideration by management:

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	The Manager for Supply Chain Management [SCM] should ensure that the discrepancies are properly investigated and corrected for the identified variances before 31 August 2024. Development of standard operating procedures for the inventory process and annual stock count process. Performing stock take/count on a regular basis in the main store and emergency stores in order to ensure accuracy of inventory balances, as well as to assist in mitigating risks such as theft, damage and obsolete stock items. Update Promun whenever inventory is received and when the physical issuing of inventory takes place from the warehouse. Confirms that all transactions are processed in Promun on a timely basis, to make sure that the correct quantities are counted and verified against the system list printed for counting. Perform monthly reconciliations between Promun and the actual stock on hand in stores, to facilitate the timely reconciliation of all discrepancies between the physical count quantities and the stock quantities as reflected on the system. SMART key performance indicators [KPI] could be developed and monitored for municipal staff, such as: • Monthly reconciliations of the inventory record system to financial accounts • Number of stock counts performed • Updated list of inventory in all emergency stores • Timely processing of issuing batches on the inventory system
Root Cause Staff related constraints including: Capacity, skills, and responsibility and accountability Inadequate preparation for the annual inventory count.	Action Plan Daily batches updates, monthly spot stock checks and regular stock reconciliations. Improves of physical security checking of gate pass against the delivery/ distribution note/ voucher.
11. Inadequate management /control of inventory during stock count	

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Finding

During our physical stock count, on 19 June 2024, at the Sedgefield store we noticed stock being removed from the store without recording or informing the storeman. The officials walked in the store and took what they needed without recording the stock item. We have also noted that there is no restrictive access to the store as anyone (not only officials) who enters the store has direct access to the stock.

Recommendation

The inventory management procedures should entail a system for recording inventory transactions for each emergency store to record orders, receipts, issues, and returns.

Where manual records are kept, signatures of authorised officials should be affixed as appropriate, and multiple copies filed as necessary to provide source documentation in the various areas.

The procedures should also state that no items may be ordered, received, issued, returned, or disposed of in relation to the warehouse, stockroom without completion of the necessary documentation as set out in the procedure manuals of the appropriate recording systems.

Inventory recording systems should be reconciled to the financial accounts at least at the end of each month. Where there are many transactions, it is recommended that reconciliations be performed daily.

Manual or computerised records for issues and returns from the store should include at least the following:

- Issue/Return date;
- Issue/Return number;
- Inventory operation (name of warehouse, stockroom or other);
- Item code (must be unique for "the same" items);
- Item description (will be linked to the item code);

	• Quantity issued/returned; • Issued to/Returned from • Notes (any comments regarding the issue); • Dated signature or electronic authorisation of receiving officer; • Dated signature or electronic authorisation of issuing officer The inventory management procedures should be approved and reviewed at least annually in order to ensure continuous improvement in inventory management. Management should perform a security risk assessment of all its emergency and main store and develop/implement mitigating strategies for those stores vulnerable to theft as a result of inadequate security measures. Standard Operating Procedures on warehouse access and key control should be developed and included in the SCM policy in order to prevent unauthorized access to and removal of inventory from stores. Management should ensure access is restricted to premises, buildings and containers where items are kept by • Implement a key register for effective key control • Arrange for duplicate keys and safeguarding of duplicate keys; • Visibly display access control signage
Root Cause Poor inventory control and management system Lack of Standard Operating Procedures (SOPs) for the management of inventory	Action Plan Centralise the store and inventory management, all satellite stores to be fitted with cameras. Classified store items in terms of the rand value with strict limited access to the facilities.
12. Donated Inventory items not on record/accounted for [New Finding]	
Finding During our stock count, the storeman identified stock that was donated/sponsored (confirmation by PMU Section) to the municipality at the following locations: ▪ Green store	Recommendation The responsible managers should ensure that the donated inventory is recorded and those items that have been sponsored by a service provide are reported to National Treasury and Provincial Treasury

KNYSNA MUNICIPALITY AUDIT COMMITTEE

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Vigilance drive: Waste Water treatment	Management should ensure that needs analysis is performed for every planned procurement and that the tender specification are aligned with the needs analysis.
Root Cause Poor inventory control and management system Poor tender specifications, resulting in over procurement of materials by contractors.	Action Plan A clearly defined procedure and set standards must be in place in relation to the donated store items. Approval must be granted prior to the donation accepted by the Municipality in line with the donation policy. Development of store donation register, and declaration register to the Council.

- Fleet management

FINDING	RECOMMENDATION(S) MADE BY INTERNAL AUDIT	MANAGEMENT COMMENTS/ACTION PLAN	RESPONSIBLE PERSON(S)	DUE DATE
CRITICAL				
1. Inadequate processes and controls to ensure adherence to the Fleet Management Policy The current processes and controls for ensuring adherence to the Fleet Management Policy are inadequate. Key findings include: 1.1. Outdated Fleet Management Policy The provided Fleet Management, approved by Council on 27 July 2006, is outdated. As of April 2024, the Policy has not been implemented. The Fleet Management Department (the oversight department) and three other user departments included in our internal audit sample (Parks and Recreation; Roads, Streets and Stormwater Waste Management) were unaware of its existence.	1. Review and Update the Draft Fleet Management Policy Ensure the policy is aligned with best practises. Once finalized, it should be approved, and all relevant staff must receive proper training before implementation. 2. Develop and Implement Standard Operating Procedures (SOPs) SOPs supporting the Fleet Management Policy should clearly define the roles and responsibilities of user departments and the Fleet Department. They must include detailed processes and monitoring	Management Comments and Action Plan - The fleet management policy was submitted to the Speaker's office and will be workshopped at the next available date with the Council. Upon approval, the necessary training will be provided to all the section heads. - The SOP will be drafted after the policy has been approved.	Manager: Electrical and Mechanical services	31 October 2024

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1.2. Staffing issues in the Fleet Management Service At the time of our internal audit, several key positions in the Fleet Management Services unit were either vacant or filled by acting staff: • Senior Fleet Control Officer (Position vacant since 2 September 2022, with an acting official since then)) • Senior Clerk: Fleet Administration (vacant, no acting official) These vacancies have weakened the control environment, resulting in inconsistent oversight and lack of awareness of the Fleet Management Policy among key personnel. 1.3. Memorandums on Fleet Management Practises Internal Audit reviewed two memorandums provided: • Memorandum regarding the compulsory completion of the municipal vehicle inspection form (dated 3 February 2022, from Manager Electro-Technical Services, Collaborator reference number: 1041700) • Memorandum regarding the safe use of municipal vehicles, regulating, controlling, and monitoring the use of municipal vehicles and heavy equipment, and the establishment of an incident investigation committee (dated 7 July 2023, from Manager Electrical and Mechanical Services collaborator reference number: 15) Internal Audit confirmed that the memorandums were communicated	controls to ensure adherence to the policy, with documented actions for review and compliance. 3. Fill Vacancies in the Fleet Management Department Funded vacancies should be filled promptly to strengthen oversight and control. 4. Introduce Key Performance Indicators (KPIs) KPIs aligned with the Fleet Management Policy should be established to track performance and accountability. 5. Ongoing Training for Stakeholders Regular training sessions should be provided to all stakeholders involved in the fleet management process to ensure ongoing compliance and efficiency.	• The fleet section is experiencing a high vacancy rate and it is imperative to fill the vacancies to ensure that adherence to the fleet policy is continuously monitored. Internal Audit Conclusion While management's comments and action plans are noted, we believe the proposed actions do not fully address the identified risks or root causes. To resolve the findings effectively, we recommend that management consider implementing all Internal Audit recommendations. Each action plan should have designated responsible individuals and should be clear and realistic. Furthermore, regular progress updates, such as monthly or quarterly status reports to Senior Management should be considered. This will help keep the team focused and allow them to		
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to all Directorates. Three user departments confirmed that these memorandums were implemented. The Departments could however not provide evidence that adherence to the memorandums is continuously monitored. 1.4. Draft Fleet Management Policy Management confirmed that a new Fleet Management Policy is currently in draft (first Draft 20 September 2022). Internal Audit identified that parts of the draft are outdated and not aligned with best practises. <i>For detailed finding, refer to Annexure A, page 1</i>		address any challenges promptly.		
2. Monitoring of turnaround time for vehicle repairs Municipal vehicles requiring repairs by the municipal workshop or a service provider are checked in at the workshop. Vehicles are recorded in a manual book (job request book) when checked in and subsequently recorded in a daily fleet report maintained by the acting Senior Fleet Officer. The following weaknesses were identified: 2.1 During the inspection of the daily fleet report, it was found that the report is not regularly maintained. The last recorded entry was in August 2023. 2.2 Management confirmed that the daily fleet report is not compared with the manual book to ensure all vehicles checked in were included in the report. It was found that vehicles that have been non-operational and with the	- Standard operating procedures should be documented and maintained. - The workshop should maintain a register/ report for all vehicle repairs. The register should include (but is not limited to) for each vehicle the following: - The date the vehicle was reported to the workshop; - The date and the official who completed the vehicle diagnosis; - The date the vehicle is taken to the service prover (when applicable); - The date and number of the manual requisition; - The date and number of the order (when applicable); - The date the order was issued to the service providers (when applicable);	Management Comments and Action Plan - We are working on a program in conjunction with our IT department to address the recommendations. - The current tender is only for vehicle monitoring. Internal Audit Conclusion <i>Refer Internal Audit Conclusion, Finding 1</i>	Manager: Electrical and Mechanical services	30 September 2024

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workshop for repairs before August 2023 are not included in the daily fleet report. 2.3 The report does not contain adequate information to determine turnaround times and to effectively monitor turnaround times. Breakdown time and the progress of repairs can thus not be effectively monitored. Information lacking includes the following: • date the manual requisition was sent to the stores to generate an order; • date the order was submitted to the service provider for parts or repairs; and • date the parts are received by the workshop. 2.4 In the absence of the above adequate record keeping, breakdown time and the progress of repairs cannot be effectively monitored. It is also not possible to isolate where delays in the process could be experienced (i.e. the SCM process, budget constraints, time taken for the service provider to deliver parts, time taken by the workshop or service provider for repairs). <i>For detailed finding, refer to Annexure A, page 4</i>	○ The date the parts were ordered (when applicable); ○ The date the parts were delivered (when applicable); ○ The date the repairs commenced; ○ The date of follows ups with the service providers; ○ The date the repairs were completed; ○ The date the department(s) is informed to collect the vehicle; and ○ The date the vehicle is collected. • Management should assess the need for the capturing of checked-in vehicles in a manual book and an electronic register. If both are to be kept, an independent senior official should perform regular reviews between the manual book and the electronic register for completeness. • Management should liaise with the service provider to assess whether the tracking system can not be utilised for vehicle repairs and monitoring thereof. • Follow-up actions on long outstanding repairs should be included in reports. Unresolved issues should be escalated to the appropriate officials for intervention.			
3. Inadequate monitoring of possible abuse of Municipal fleet The monitoring of possible abuse of the Municipal fleet is the responsibility of each department within the Municipality. The Fleet Management Department should provide oversight and monitoring. The	• A record of which vehicles are fitted with tracking units and drivers issued with tags should be maintained. • All non-working/ non-activated system requirements (tags not linked, vehicle	Management Comments and Action Plan		

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tracking system (Netstar), operational since June 2021 should be utilised for monitoring. All municipal vehicles should be fitted with a tracking device and drivers issued with a driver tag to enable monitoring through the tracking system. Inadequate controls are however in place to ensure possible abuse of Municipal fleet/plant/equipment is monitored. The following control weaknesses were identified: 3.1. At the time of our internal audit (April 2024), not all Municipal vehicles were fitted with a tracking unit. Management confirmed that older vehicles were not fitted with a tracking unit. No record of which vehicles have been fitted with a tracking unit is kept. 3.2. The Acting Senior Fleet Officer confirmed that all drivers were issued with driver tags and that driver tags are linked to drivers. Vehicles fitted with the tracking unit should only be able to start if tagged. - Internal Audit could not verify whether all drivers were issued with driver tags as no record is kept of driver tags issued. - Internal Audit procedures performed indicated that driver tags are not always linked to drivers and vehicles can start without being tagged. From an internal audit sample of five vehicles inspected, two vehicles were able to start without a driver tag and when the driver tag was utilised the tracking system did not display the driver	starting without tags, outside borders) should be assessed and communicated with the service provider for investigation and activation. - The tracking system should be utilised for the continuous monitoring of possible abuse of fleet. Training needs should be assessed and the necessary training should be provided. User departments should have unique login details. - Management should ensure the optimum use of the tracking system aligned to tender deliverables. - The current draft fleet management policy should be revisited. The review process should ensure that the policy requirements are aligned with best practises. The Policy should be approved and the proper training should be provided to all relevant staff before implementation. - Standard operating procedures ("SOPs") supporting the Fleet Management Policy should be developed and implemented. The roles and responsibilities of the user departments and the Fleet department should be clearly defined. Processes as well as monitoring controls to be performed to ensure adherence to the Policy and SOPs, as well as the specific review actions that need to be performed, should be well documented in the SOPs. - The Fleet Management Department should perform regular reviews on the tracking system to ensure the tracking system is utilised and monitoring is performed by user departments.	- The fleet section is experiencing a high vacancy rate and it is imperative to fill the vacancies to ensure that adherence to the fleet policy is continuously monitored. - The Fleet Management policy was submitted to the speaker's office and will be workshopped at the next available date. Upon approval, the necessary training will be provided to all the section heads. - The SOP will be drafted after the policy has been approved. Internal Audit Conclusion <i>Refer Internal Audit Conclusion, Finding 1</i>	Manager: Electrical and Mechanical services	31 October 2024
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details. Furthermore, procedures conducted found that drivers use each other's tags. 3.3. No monitoring is performed on vehicles not installed with a tracking unit since logbooks are not maintained. 3.4. Discussions with three user departments (Roads, transport and Stormwater, Parks and Recreation, and Waste Management) and the acting Senior Fleet Officer indicated, that the use of the Netstar tracking system is limited. Monitoring of trips is on done an ad hoc basis only, for example where abuse of vehicles is suspected or when complaints from the public are received. No proof of any ad-hoc monitoring was made available to Internal Audit. 3.5. All departments have access to the tracking system. One login detail is available however available for all departments to log into the system. In the absence of unique login details per department, Internal Audit was not able to verify whether departments indeed log onto the Netstar system for monitor or ad-hoc monitoring. User departments raised concerns that limited training on the tracking system was provided when implemented. Furthermore, no documented processes are in place for the system and monitoring. 3.6. No tracking report was made available for Internal Audit to assess whether exception criteria include the required	- Management should liaise with the service provider to ensure exception report criteria are adequate to enable effective monitoring. Available system reports should be utilised and followed up for monitoring. - An assessment of all council vehicles that are being taken home by officials should be conducted. It should be assessed whether authorisation was obtained for these vehicles. Vehicles taken home should be monitored through the exception reports from the tracking system. The Fleet Management Department should follow up on exceptions and should verify that authorisation was obtained for the vehicles to be taken home.			
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details to enable effective monitoring (e.g., incidents of harsh braking, total idle time above 60 minutes, incidents of speed transgression, details to identify vehicles used for private purposes/ outside municipal boundaries). 3.7. No processes are in place to ensure trips outside the boundary of a municipality are pre-authorised by a delegated authority. Furthermore, no monitoring is in place on these trips. The tracking system has the functionality for tracking trips outside the Municipal boundaries. The functionality and monitoring of such exceptions are however not activated. 3.8. No processes are in place to ensure that after-hour trips are authorised by a delegated official. Furthermore, no monitoring is performed on after-hour trips. The Fleet Management Department confirmed that a tracking report on after-hours trips is available. The report is however only sent on request to user departments. No tracking report from the tracking system (Netstar), was made available for Internal Audit to verify whether after-hour trips are indicated. No proof could be provided to Internal Audit on previous requests sent to user departments. 3.9. Officials are not allowed to take municipal vehicles home unless they are on standby. Officials can request for vehicles to be taken home and requests must be approved by the				
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relevant head of the department. No proof could be obtained that a process or monitoring is in place to ensure only authorised officials take vehicles home. 3.10. The lack of logbooks, driver tags not linked to a driver and the tracking system not installed on all the vehicles encumbers the allocating of accountability in the cases of misconduct/non-adherence to policy requirements. <i>For detailed finding, refer to Annexure A, page 6</i>				
4. Lack of controls to monitor fuel consumption of the Municipal fleet Fuel consumption monitoring through exception reports and suspicious transaction alerts (fuel cards are blocked immediately and should only be unblocked by the service provider after approval from delegated Municipal official) from the service provider platform(Nedbank: until March 2024 and Standard Bank from April 2024) should occur. The Fleet Management Department should provide exception reports and suspicious transaction alerts to user departments. User departments are responsible for investigations to ensure all exceptions and suspicious alerts received are valid. The following control weaknesses were identified in the process: 4.1 No documented processes for fuel consumption monitoring are in place. 4.2 The Fleet Management Department indicated that monthly exception	- The current draft fleet management policy should be revisited. The review process should ensure that the policy requirements are aligned with best practises on fuel consumption monitoring. The Policy should be approved and the proper training should be provided to all relevant staff before implementation. - Standard operating procedures ("SOPs") for fuel consumption monitoring aligned with the Fleet Management Policy should be developed and implemented. The roles and responsibilities of the user departments and the Fleet department should be clearly defined. Processes as well as monitoring controls to be performed to ensure adherence to the Policy and SOPs, as well as the specific review actions that need to be performed, should be well documented in the SOPs.	Management Comments and Action Plan - The monthly fuel transaction reports are distributed to all the relevant managers to confirm the correct consumption. The Electrical and Mechanical department also prepares a monthly report indicating the fuel expenditure, which is presented to the Section 80 committee. - The department will be drafting a Memo to the Municipality	Manager: Electrical and Mechanical services	31 October 2024

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reports from the service provider are sent to the user department. Feedback from user departments is however not always received. Discussions with three user departments (Roads, transport and Stormwater, Parks and Recreation, and Waste Management) however indicated that no monthly exception reports on fuel consumption were received for the internal audit period under review. Proof of exception reports sent to user departments were requested but were not made available to Internal Audit. 4.3 Internal audit observed through emails inspected, that suspicious transaction alerts from the new service provider, were not set up correctly. The incorrect setup resulted in alerts being sent to the Municipal Manager instead of the Fleet Management Department. Alerts were subsequently sent to the Fleet Management Department. 4.4 Only fuel purchases should be made with fuel cards. Internal Audit could not verify from the provided exception reports whether exception report criteria include purchases other than fuel. 4.5 The Fleet Management Department confirmed that suspicious transaction alerts follow-up with user departments are mainly done telephonically. The Fleet Management Department relies on telephonic confirmation with the user department on whether transactions are indeed valid and whether cards can be unblocked. This	• Management should liaise with the service provider to assess whether user departments can be given access to the platform. If it is possible, user departments should generate monthly exception reports from the service provider platform. Investigations to ensure the validity of exceptions should be documented on the exceptions reports within specific turnaround times agreed on in SOPs. • Alternatively, monthly exception reports should be sent directly to the linked user departments. Investigations to ensure the validity of exceptions should be documented on the exceptions reports within specific turnaround times agreed on in SOPs. Training on the platform and SOPs should be provided to all relevant officials. • The Fleet Management Department should perform monthly reviews of the exception reports to ensure monitoring is performed by user departments. • Management should liaise with the service provider to ensure exception reports and suspicious transaction alert criteria are adequate to enable effective monitoring e.g. purchases other than fuel included in exceptions. • Management should liaise with the service provider to assess whether the setups for suspicious transaction alerts are aligned with the delegated official(s) that should provide approval for the unblocking of fuel cards. • Proof of confirmation on the validity of suspicious transactions from the user department should be kept.	Manager stating that supervisors to keep the fuel cards and issue them to the drivers when refuelling is required. Internal Audit Conclusion <i>Refer Internal Audit Conclusion, Finding 1</i>		
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is done to ensure rapid turnaround times since the official is at the petrol station. No record of confirmation from the user department or proof of the confirmation is kept. Internal Audit could thus not verify whether suspicious transactions are followed - up, investigated by user departments for validity before feedback is provided to the service provider to unblock cards. <i>For detailed finding, refer to Annexure A, page 9</i>	- The Fleet Management Department should perform monthly trend analysis on suspicious transactions and exceptions for possible irregularities not identified by user department reviews. Consequence management procedures should be considered where such instances are identified. - Trend analyses could also assist the municipality in identifying the inefficient fuel use in vehicles that need to be considered for replacements.			
SIGNIFICANT				
5. Lack of performance monitoring on Fleet Management Services Section 116(2)(b) of the Municipal Finance Management Act requires that: <i>"The accounting officer of a municipality or municipal entity must—</i> <i>(b) monitor on a monthly basis the performance of the contractor under the contract or agreement."</i> For the Internal Audit period under review (October 2023 – March 2024) the Fleet Management Department had two service providers appointed. (Netstar: Supply, Installation, and Monitoring of vehicle tracking systems and Nedbank: Supply of fuel management services until the end of March 2024) Standard Bank appointed from April 2024).	- A process aligned with Section 116 (2)(b) for performance monitoring of all service providers should be developed and implemented. Management should liaise with the Contract Management Department to ensure processes are aligned with standard municipal-wide processes. - Roles and responsibilities of the Contract Management Department and the Fleet Management Department should be documented in a Standard Operating Procedure ("SOP") to ensure accountability and responsibility with regard to supplier performance monitoring.	Management Comments and Action Plan Can only be implemented when the policy is approved. Internal Audit Conclusion <i>Refer Internal Audit Conclusion, Finding 1</i>	Manager: Electrical and Mechanical services	31 October 2024

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At the time of the internal audit (April 2024) management confirmed that no supplier performance monitoring for the two service providers has been performed. For detailed finding, refer to Annexure A, page 12				
6. Inadequate monitoring of items highly susceptible to theft Inadequate controls are in place of items highly susceptible to theft or items that can easily be swapped with worn items at the cost of the Municipality. Such items include: - Batteries; - Tyres and spare wheels; and - Loose equipment/tools (car jacks, wheel spanners, toolkits, emergency triangles). The following control weaknesses were identified: 6.1 No proof could be provided to verify that excessive tyres or batteries issued to specific vehicles are monitored. 6.2 No controls are in place to identify frequent trends of purchases for such items. 6.3 Council vehicle batteries are engraved with the date purchased. The issuing of batteries is however not monitored. 6.4 No proof could be obtained that loose equipment/ tools are monitored. Our review of vehicle inspection forms indicated that forms do not make	- Before commencing the procurement process for battery replacements, a fleet management official should assess whether the battery is still under warranty or not. If the battery is still under warranty, a process should be put in place to claim such battery from the supplier under the warranty. - The Fleet Management Department should maintain a battery and tyre register. Battery and tyre information captured should include the following: - Battery serial numbers, tyre dot numbers, purchase date, date fitted on the vehicle and reasons for battery replacement. - An independent senior fleet management official should perform regular data analytics on captured data to identify possible trends or irregularities. Any discrepancies should be investigated for timely detection of possible fraud/theft. - The purchasing of spare wheel and battery locks should be assessed to further safeguard these items. - Loose equipment, should be kept in the vehicles to ensure equipment is	Management Comments and Action Plan - A battery and tyre register will be implemented at the workshop. - Recommendations are noted and should be implemented. Internal Audit Conclusion Refer Internal Audit Conclusion, Finding 1	Manager: Electrical and Mechanical services	31 October 2024

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provision for the checking of loose equipment. <i>For detailed finding, refer to Annexure A, page 14</i>	available in an emergency. Inspection forms should be completed. - Vehicle inspection sheets should be amended to include checks on loose equipment. Departmental Fleet Coordinators should perform weekly checks from the inspection sheets to the vehicle. - The Fleet Management Department should perform monthly random checks on a sample of vehicles from the inspection sheets to the vehicles. Any discrepancies should be investigated for timely detection of possible fraud/theft.			
7. Inadequate controls in place to ensure vehicles are road-safe and in working order The condition of all council vehicles should be monitored continuously. The following weaknesses were however identified: 7.1 Drivers and supervisors should perform pre-trip inspections and complete pre-trip inspection forms. Drivers and supervisors confirmed that only pre-trip inspections are performed. Internal Audit requested a sample of inspection forms, which was however not provided. We could not establish if any trip inspections are being performed. 7.2 Departmental Supervisors should review inspection sheets and should report all defects identified from inspection sheets to the Fleet Management Department. Internal Audit requested a sample of inspection	- Management should assess whether it is practical to perform post and pre-trip inspections. If found to be aligned with best practises the prescribed inspection sheet should be amended to make provision for two inspections. - The user departments should ensure vehicle inspections are done daily under the supervision of the supervisor and any defects identified are documented and reported to the workshop. - The Fleet Management Department should maintain a register of all reported defects. A senior Fleet official should review and monitor the register	Management Comments and Action Plan - The department notes the recommendations that should be implemented. - SOP will be developed to address some of the key findings. Internal Audit Conclusion <i>Refer Internal Audit Conclusion, Finding 1</i>	Manager: Electrical and Mechanical services	31 October 2024

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forms, which was however not provided. We could not establish if reviews are performed, defects are identified and reported to the Fleet Management Department. 7.3 The onus for the timely servicing of vehicles is on the drivers and supervisors of the respective departments. No controls are however in place to ensure the servicing of vehicles occurs or is up to date. Furthermore, no stickers are placed on vehicle windscreens stating the last service date and km along with the next service date and km. One of the deliverables of the Netstar system includes vehicle maintenance management and notifications (km or time or engine hours-based maintenance reminders). This was however not utilised at the time of the internal audit review. 7.4 One of the deliverables of the Netstar tracking system includes license renewal management and notifications. At the time of the internal audit review, vehicle licensing monitoring was conducted monthly through the fleet list indicating the license renewal date. Internal Audit however identified late renewals of licensing. Late renewals ranged between three and seven months. <i>For detailed finding, refer to Annexure A, page 16</i>	to ensure defects are promptly addressed. • All vehicles should be inspected on a quarterly or bi-annual basis to ensure all vehicles are road-safe. As part of the inspections, checks should also be performed and traced to the defect register to ensure it is reported. Servicing of vehicles should be included in these inspections. • The tracking system should be utilised for the servicing of vehicles aligned to the tender deliverables. All details regarding the servicing of vehicles should be captured on the tracking system to enable monitoring. Details for all vehicles should include (but are not limited to) the following: ◦ The kilometers of the next service; ◦ The arrangements must be done within 1000km of the next service; ◦ The odometer reading when the arrangements were made; ◦ The date the service arrangement was made; ◦ The name of the service provider; and ◦ The odometer reading when the vehicle was serviced. • The tracking system should be utilised for the license renewals aligned to the tender deliverables. All details relating to the license renewals should be captured on the tracking system. Natis R114 reports should be obtained for capturing to ensure the accuracy and completeness of renewal dates and Municipal registered vehicles. Timelines should be implemented to ensure renewals are provided timely to delegated officials for payment to			
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	comply with legislative dates. All of this should be documented in SOPs.			
8. Inadequate controls in place for the determination of the appropriate stage for vehicle replacement Internal Audit could not obtain proof of processes in place for the determination of the appropriate stage of replacement for council vehicles. Internal Audit reviewed the draft Fleet Management Policy and confirmed that it includes vehicle replacement requirements. <i>For detailed finding, refer to Annexure A, page 19</i>	- The current draft fleet management policy should be revisited to ensure vehicle replacement requirements are still aligned with best practises. The Policy should be approved and the proper training should be provided to all relevant staff before implementation. Standard operating procedures ("SOPs") supporting the Fleet Management Policy should be developed and implemented. - Processes aligned to policy should be implemented to collect data in respect of vehicle expenses and to perform an analysis of the appropriate stage of replacement by use of a suitable life cycle model for each vehicle. - Where the outcome of the analysis results in the need for replacement, the recommendations should be made to the relevant departments and the necessary procurement and write-off processes aligned to the policies and procedures should be followed.	Management Comments and Action Plan The recommendations are noted however adequate staff is required and the filling of vacancies should be prioritised to address all these findings. Internal Audit Conclusion <i>Refer Internal Audit Conclusion, Finding 1</i>	Manager: Electrical and Mechanical services	31 October 2024
9. Inadequate controls are in place to ensure valid driver's licenses and professional driving permits ("PrDPs") Drivers are responsible for ensuring their driver's licenses and PrDPs are valid. No monitoring controls are however in place to	- The Fleet department should maintain a schedule of driver's licenses and PrDPs, indicating expiry dates. - The tracking system should be utilised for the monitoring of expiration dates of	Management Comments and Action Plan		

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ensure the validity of driver's licenses and PrDPs. <i>For detailed finding, refer to Annexure A, page 21</i>	drivers' licenses and PrDPs. All details relating to an official's driver's license and PrDP should be captured on the tracking system. - When renewals are outstanding, the driver's tag should be disconnected until the proof of renewal is submitted to the Fleet Management Department. - Alternatively, a manual register should be kept, and verification by the Fleet Management department of renewed licenses/PrDPs should be implemented.	The recommendations are noted however it is the responsibility of the section heads to inspect their drivers every morning. Internal Audit Conclusion <i>Refer Internal Audit Conclusion, Finding 1</i>	Section heads/Supervisors	31 October 2024
10. Inadequate controls are in place for accidents, insurance claims, and recovery of traffic fines Existing controls to monitor accidents, insurance claims and the recovery of traffic fines are lacking. The following weaknesses were identified: <u>Incidents/ Accidents</u> 10.1 No monitoring controls are in place to ensure vehicles involved in an incident are reported timely to the Fleet Management Department. 10.2 No register is kept of reported accidents, the location of the vehicle, and whether it is reported to the South Africa Police Service and the Insurance Department. 10.3 Incident documentation should be filed, however, no proof of incident reporting and filling could be provided to Internal Audit. Furthermore, no	- The Fleet Management Department should maintain an incident register to record and track progress on all reported incidents. - The incident register should indicate (if applicable) whether: - Incidents were reported to SAPS with a case number; - Incidents and forms with submission dates were submitted to the insurance department; - Location of vehicles; and - Incident investigation status and outcome. - A senior fleet official should perform regular reconciliations between the incident register and received supporting documentation to confirm incidents were timely reported, investigated, and submitted to the insurance. - Long outstanding traffic fines should be investigated to establish whether	Management Comments and Action Plan - All incident and accident records are kept by the insurance section within the organisation with all relevant documentation (SAPS CASE NUMBER) and accident reports. - Traffic fines will be redirected to drivers. Internal Audit Conclusion <i>Refer Internal Audit Conclusion, Finding 1</i>	Manager: Electrical and Mechanical services	31 October 2024

register is kept of reported incidents, for follow-up and statistical purposes. 10.4 No processes are in place to ensure incidents are investigated. From an internal audit sample of five vehicles inspected, for four vehicles, accident damages were identified. No proof could be provided that incident investigations were conducted and that these incidents were reported to the Fleet Management Department. <u>Insurance Claims</u> 10.5 The Fleet Department initiates the process and facilitates the transfer of information to the relevant finance department for an insurance claim. Damages should be reported to the Insurer within stipulated times as per the insurance agreement. From the four vehicles indicated in 9.4 for which damages from incidents were noted, no records or documentation could be provided confirming that these incidents had been communicated to the Insurance Department for insurer claim purposes. <u>Traffic fines</u> 10.6 Municipal fleet traffic fines are issued to the Municipal proxy (Director: Technical), however, it was confirmed that the Municipal proxy has moved to another position within the Municipality. At the time of the internal audit review, no controls were in place to ensure speed fines were paid by the driver of the respective vehicle. Internal	the responsible driver can be identified. Fines for which drivers can not be identified should be communicated to the traffic department for possible write-off of fines. Fines for which drivers can be identified should be followed up regularly with the driver and user department for payment.			
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Audit reviewed the outstanding fines report dated 24 April 2024. The report indicated 588 outstanding fines with an outstanding balance of R243,200.00. Outstanding fines date back to October 2022. For detailed finding, refer to Annexure A, page 23				
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- Indigents

FINDING	RECOMMENDATION(S) INTERNAL AUDIT	MADE BY	MANAGEMENT COMMENTS/ACTION PLAN	RESPONSIBLE PERSON(S)	DUE DATE
SIGNIFICANT					
1. <u>Inadequate controls to ensure only valid indigents receive rebates</u> 1.1 There are no controls in place to ensure that the indigent register is accurate, complete, and valid. 1.2 There are no controls in place to ensure that amendments made to tariff codes on the financial system are accurate and valid. 1.3 There are no controls in place to ensure that amendments made to tariff codes are accurate and valid. <u>Reconciliation between the billing report and the Indigents Register</u> 1.4 There is no proof that the reconciliations are performed monthly.	<u>Indigent register</u> - A senior official should perform a monthly review of the indigent register. The register should be signed and dated as proof of review. Supporting documentation should be filed for audit purposes. - Management should create standard operating procedures and guidelines for maintaining the indigent register, including standards for data entry, updates, and verification. - Management should ensure that all staff responsible for updating the register are trained on these procedures. <u>Tariff changes: Credit</u>		<u>Management Comments</u> 1.1 – 1.3 Management agrees with the finding. However, since the Internal Audit, management reviews the indigents register to ensure that only approved indigents are added to the register. Also, an electronic register will be implemented in the new financial year and management will ensure that review controls are in place.		

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<i>For detailed finding, refer to Annexure A, page 1.</i>	- Monthly, a senior official should generate an audit change history report for all changes made to tariff codes to ensure that changes are valid and accurate. - The senior official should sign and date the audit change history report as proof of review and file all supporting documentation for audit purposes. <u>Tariff changes: Prepaid</u> - Management should liaise with the service provider to generate a report of all changes made to account holders' data types as well as tariff codes. - A senior official should perform a monthly review of these changes and should sign the report as proof of review and file all supporting documentation for audit purposes. <u>Monthly reconciliations</u> - Proof of the reconciliation between the billing report (Mun. 837) and indigents performed should be documented, signed off and dated as proof of review. - Proof of follow-ups performed for exceptions identified should be documented as proof that exceptions were followed up on. <u>Access rights</u> - A senior official should generate a user access list monthly and review the list to ensure that user access rights are within the employee's job responsibilities and that it allows for the segregation of duties between processors and reviewers.	1.4 Management agrees with the finding. The reconciliation performed will be formally signed off and filed for audit purposes. Management Action Plan 1.1 – 1.3 Since the time of the Internal Audit, management reviews the indigents register to ensure that only approved indigents are added to the register. Also, an electronic register will be implemented in the new financial year and management will ensure that review controls are in place. Management will liaise with Ontec on a possible audit report to ensure that changes made to tariffs on the system are valid and accurate. 1.4 The reconciliation performed will be formally signed off and filed for audit purposes. Internal Audit Conclusion Management's responses are noted and accepted.	Accountant Control and Collection Credit Debt Accountant Control and Collection Credit Debt Accountant Control and Collection Credit Debt Accountant Control and Collection Credit Debt	1.1 Immediately 1.2 – 1.3 30/09/2024 1.4 30/09/2024
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		Corrective actions will be followed up.		
<u>2. Inadequate controls are in place to ensure that prepaid meters are installed on time</u> There are no controls in place to ensure that for all approved indigents, the credit electricity meters are replaced with prepaid meters on time. <i>For detailed finding, refer to Annexure A, page 4.</i>	• Management should ensure that the Engineering department notifies the Income department when a prepaid meter has been installed. This notification should include details such as the installation date, meter number, and any other relevant information. • The Income Department should ensure that follow-ups with the Engineering department regarding the progress of pending installations are implemented. • Management should consider establishing a feedback mechanism where applicants can report any issues or delays, they encounter during the installation process. This feedback should be used to identify systemic issues and improve the overall process.	<u>Management Comments</u> Management agrees with the finding that no follow-up is currently done to ensure credit meters are replaced by prepaid meters on time. <u>Management Action Plan</u> Management will implement a follow-up control. <u>Internal Audit Conclusion</u> Management's responses are noted and accepted. Corrective actions will be followed up.	Accountant Control and Debt Collection	30/09/2024
<u>3. Journals updated on the system</u> One of the senior clerks uses the indigent register to capture a journal to write off (write off journal) the account holders' arrear accounts on the financial system (Promun) and a journal to adjust the future payable balances (adjustment journal). The journal entries, as captured on the financial system, are printed out and sent to the Accountant Credit Control and Debt Collection for review. The Data Section updates the journal captured once the signed copy of the journal is received.	• The official responsible to approve journals, should not have access rights to capture journals. • The officials should sign the journal before it is sent to the Data Section to update the journal. • An independent senior official should generate a report of all journals updated on the system and ensure that the journals were reviewed and signed off by a delegated official.	<u>Management Comments</u> • This is an isolated matter; all journals are signed before they are updated. • There are instances where journals are prepared by the accountant, which are signed or approved by the Manager.		

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- The Accountant Credit Control and Debt Collection has access to capture journals on the system and is delegated to approve journals before it is sent for updating on the Data Section. - The journal is not signed by the official that captured the journal. - There are no review controls in place to ensure that only signed journals were updated on the financial system by the Data Section. <i>For detailed finding, refer to Annexure A, page 6.</i>		- A monthly reconciliation can be done on the monthly transaction report vs adjustments with the prepared journal sheets. - Journals are prepared beforehand and numbered to indicate the amount of transactions. <u>Management Action Plan</u> - After the update of the journal, the journal must be reconciled with the monthly journal entries. - Management will enquire with R-data, if they can add approval from the system. <u>Internal Audit Conclusion</u> Management's responses are noted and accepted. Corrective actions will be followed up.	Snr Clerk captures, Chief clerk or accountant reviews the journal.	Ongoing
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- Follow-Up Report: DBSA Revenue Enhancement Reports

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REPORT REFERENCE	FINDING	RECOMMENDATIONS	INTERNAL AUDIT CONFIRMED STATUS JUNE 2024	MANAGEMENT COMMENTS/ ACTION PLAN	DUE DATE
MILESTONE 3 – TARIFF STRUCTURE REVIEW AND RESTRUCTURING REPORT					
4.1	<u>Consolidated Tariff Structure Review:</u> Apply to NERSA “National Energy Regulator of South Africa” to increase the following tariffs to comply with Tariff Benchmark: - Electricity Domestic Block 4 600+ kwh; - Electricity Commercial Prepaid: Single Phase; - Electricity Commercial Conventional: Three-Phase; - Electricity Commercial Conventional: Single; and - Electricity Industrial	The Municipality will present the restructuring of Tariffs report to the Council for consideration. Implementation of recommendations subject to approval by Municipal Council.	Partially implemented All mentioned tariffs were increased by the 2023/2024 financial year NERSA Tariff Benchmark of 15.10% except for Electricity Industrial.	NERSA discontinued the benchmarking process and therefore the Municipality has submitted a revenue requirement tool to NERSA regarding the increases for the 2024/2025 financial year.	30 June 2024
4.2	<i>No finding raised on Tariff Bases: Knysna Municipality complies with the guidelines and frameworks that govern Municipalities</i>	<i>None – Knysna Municipality complies</i>	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>
4.3.1	<u>Review of Tariff Documents: Property Rates Policy</u> The Property Rates Policy does not comply with the various sections of the Property Rates Act No. 6 of 2004.	Knysna Municipality needs to: - Add definitions for Public Service Purpose Properties; - Add Public Service Purpose properties to the list of categories of rateable properties; and - Amend the MTREF Tariff Book (1.2c(i)) State Owned Developed properties to state	Implemented. All recommended changes were made.	N/A - Implemented	N/A - Implemented

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		Public Service Purpose properties.			
4.3.2	<i>No finding raised on Review of Tariff Documents - Tariff Policy: The Tariff Policy complies with the various Acts</i>	Municipality to continue maintaining and updating the policy in terms of the latest legislation.	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>
4.4.1 (i)	<u>Tariff Benchmarks – Domestic:</u> Tariff "Block 4 (600+ KWH)" is not within the prescribed NERSA Tariff Benchmark, 10c below. The Municipality did increase with the prescribed 14.59% as prescribed by NERSA for the 2021/2022 Financial Year.	Municipality to apply to NERSA to increase the tariff beyond the prescribed NERSA increase % for the tariff category to comply with the prescribed benchmark. To generate potential additional revenue of R1.1 mil per annum (based on average consumption during the 2020/2021 financial year).	Implemented. The mentioned tariff was increased by the 2023/2024 financial year NERSA Tariff Benchmark of 15.10%.	N/A - Implemented	N/A - Implemented
4.4.1 (ii)	<u>Tariff Benchmarks – Commercial:</u> The following Tariffs are not within the prescribed NERSA Tariff Benchmarks. The Municipality did increase with the prescribed 14.59% as prescribed by NERSA for the 2021/2022 Financial Year: • Prepaid Single Phase (38c below); • Conventional Single Phase (10c below); and • Prepaid Three Phase (38c below)	Municipality to apply to NERSA to increase the tariff beyond the prescribed NERSA increase % for the tariff category to comply with the prescribed benchmark. To generate potential additional revenue of R7.7 mil per annum (based on average	Implemented. The mentioned tariffs were increased by the 2023/2024 financial year NERSA Tariff Benchmark of 15.10%.	N/A - Implemented	N/A - Implemented

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		consumption during the 2020/2021 financial year).			
4.4.1 (iii)	<u>Tariff Benchmarks – Industrial:</u> The Municipality does not have a tariff for Industrial customers, the majority are levied on a "time of use" tariff.	All Industrial customers currently billed as commercial customers and are not Time of Use customers, should be adjusted and billed under industrial tariff in line with the NERSA guidelines. The Municipality is to revise the tariffs and include the Industrial tariff for electricity in line with the NERSA guidelines.	Not implemented. The MTREF tariff book approved by the Council on 31 May 2023 does not make provision for Industrial customers who are still billed as commercial customers.	This will be addressed during the 2024/2025 financial year in the cost of supply study.	30 June 2025
4.4.2 (i)	<i>No finding raised on Performance Benchmarking - Net Surplus %</i>	Knysna Municipality should maintain current operation levels. Performance will be approved to 14.9% if the Municipality adjusts the tariffs in line with the NERSA tariff benchmarking guidelines as per 4.4.1 above.	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>
4.4.2 (ii)	<i>No finding raised on Performance Benchmarking - % Power Cost</i>	Knysna Municipality should maintain current operation levels. The % power cost is within the acceptable NERSA guidelines.	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>

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4.4.2 (iii)	<i>No finding raised on Performance Benchmarking - Energy Losses</i>	Knysna Municipality should maintain current operation levels. The energy losses are within the acceptable NERSA guidelines. This includes Technical and Non-Technical losses. The Municipality appointed a service provider to prepare the Master plan that will provide the split between technical and non-technical losses.	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>
4.4.2 (iv)	<i>No finding raised on Performance Benchmarking - Revenue Collection Rate</i>	Knysna Municipality should maintain current operation levels. The revenue collection rate is within the acceptable NERSA guidelines.	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>
4.4.2 (v)	<i>No finding raised on Performance Benchmarking - Repairs and Maintenance</i>	Knysna Municipality should maintain current operation levels. The Repairs and Maintenance complies with performance benchmarking. Improve repairs and maintenance to enhance service delivery and avoid major future breakdowns and will improve technical losses.	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>

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4.4.3	<i>No finding raised on Eskom Tariff Type - The Eskom tariff categories for the tariffs charged are correct based on actual capacity and demand at the point of connection.</i>	The location of the areas does not make it viable to combine the connection points to apply Megaflex to all areas.	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>
4.5	<i>No finding was raised on the Bulk Purchase Tariff Structure</i>	Knysna Municipality has a complete list of all the different types of tariffs applicable and should be maintained.	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>
4.6	<u>Developed stands with no billing data:</u> A total of 1,089 properties in the Property Master File were found with no Rates and Taxes Billing in the Debtors Book.	The 5th milestone detailed the list of properties with possible incorrect recordings that the Municipality provided to the Valuation Roll contractor for the next Supplementary Valuation Roll. The outcome of the Supplementary Valuation will guide the Municipality to make the necessary corrections and include them for billing, provided that they are billable.	Partially implemented. From an internal audit sample of ten properties listed as exceptions we found four properties that were not on the latest Valuation Roll of the Municipality: • Erf 19641 Knysna; • Erf 16350 Knysna; • Erf 16626 Knysna; and • Erf 9468 Knysna Management confirmed that the properties have been referred to the valuer to be revalued.	The implementation of the findings for this project is still in progress, the delays are due to capacity issues, due to the high vacancy rate in the department.	30 December 2024

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4.7.1 – 4.7.3	No finding was raised on Cost of Service Analysis - Operating Surplus / Deficit	None – Knysna Municipality complies	Not applicable - no finding raised	Not applicable - no finding raised	Not applicable - no finding raised
4.7.4	No finding was raised on Electricity Management	None – Knysna Municipality complies	Not applicable - no finding raised	Not applicable - no finding raised	Not applicable - no finding raised
4.7.5	<u>Water Management:</u> Huge water losses were identified.	If water losses are fixed the operational costs will decrease and therefore there will be no need to increase the tariff.	Implemented. Internal audit obtained the approved Annual Financial Statements for the year ended 30 June 2023 and confirmed that the water losses percentage has improved from 27.18% to 13.73%.	N/A - Implemented	N/A - Implemented
4.7.6	<u>Waste Water Management Services:</u> Operating Surplus / Deficit after operating expenditure and internal municipal billing charges, internal municipal sales and supporting services charge-outs showed a deficit of -20.2%.	Based on the financial information analysed, there is a need to adjust the tariff upwards to break even or make a slight surplus.	Implemented. The tariffs for Waste Water Management Services were increased by 5.3% from 2022 to 2023. The Annual Financial Statements for 30 June 2023 indicated	N/A - Implemented	N/A - Implemented

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			a surplus for Waste Water Services.		
4.7.7	No finding raised on Waste Management - Losses were identified	None – Knysna Municipality complies	Not applicable - no finding raised	Not applicable - no finding raised	Not applicable - no finding raised
4.7.8	No finding raised on Property Rates	None – Knysna Municipality complies	Not applicable - no finding raised	Not applicable - no finding raised	Not applicable - no finding raised
4.8.1 (i)	<u>Detailed Tariff Analysis - Water Charges: Properties not billed</u> 5 960 properties were found where no Water Basic charges are billed, but a consumption charge is billed. The Municipality indicated that although billing does not reflect the basic charge billing code, the charges are billed as part of the consumption billing. The 4th milestone will entail a 10% physical onsite audit of meters to provide concrete findings and recommendations with regard to water meters.	All the land parcels not being billed need to be billed to increase the Municipality's revenues. Where properties cannot be billed certain charges, such properties need to fall within the prescripts of the policies and applicable legislation. Review all land parcels without billing make the necessary corrections and include them for billing if they are billable.	Refer to the following: Milestone 5 – 4.1.4 Milestone 4 – 7.3, 7.4, 9.4 & 9.5	Refer to the following: Milestone 5 – 4.1.4 Milestone 4 – 7.3, 7.4, 9.4 & 9.5	Refer to the following: Milestone 5 – 4.1.4 Milestone 4 – 7.3, 7.4, 9.4 & 9.5
4.8.1 (ii)	<u>Detailed Tariff Analysis - Water Charges: Properties not billed</u> 2 910 properties were found with no Basic Water Basic Charges and Conventional Meter Consumption charges are billed.	All the land parcels not being billed need to be billed in order to increase the	Refer to the following: Milestone 5 – 4.1.4	Refer to the following: Milestone 5 – 4.1.4	Refer to the following: Milestone 5 – 4.1.4

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	The prepaid meter database does not link to the stand number and cannot be linked until a full prepaid meter audit is conducted.	Municipality's revenues. Where properties cannot be billed certain charges, such properties need to fall within the prescripts of the policies and applicable legislation. Review all land parcels without billing, make the necessary corrections, and include them for billing if they are billable.	Milestone 4 – 7.3, 7.4, 9.4 & 9.5	Milestone 4 – 7.3, 7.4, 9.4 & 9.5	Milestone 4 – 7.3, 7.4, 9.4 & 9.5
4.8.2	<u>Electricity Charges Analysis - Properties not billed:</u> 793 properties with no Electricity Basic or Availability charges, but consumption charge is billed. Estimated annual revenue loss of R1 994 364.	All the land parcels not being billed need to be billed in order to increase the Municipality's revenues. Where properties cannot be billed certain charges, such properties need to fall within the prescripts of the policies and applicable legislation. Review all land parcels without billing, make the necessary corrections, and include them for billing if they are billable.	Partially implemented. From an internal audit sample of nine properties listed as exceptions. Internal Audit found one where proof of billing for Electricity Basic Charge could not be obtained: Erf 9934 Knysna For one property, Internal Audit found that the property is not currently billed for the Electricity Basic Charge. The	The implementation of the findings for this project is still in progress, the delays are due to capacity issues, due to the high vacancy rate in the department.	30 December 2024

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			last billing was on 23/01/2024: • Erf 7201 Knysna		
4.8.3	<u>Refuse Charges Analysis - Properties not billed:</u> 1 905 properties with no Refuse charges billed with an estimated revenue loss of R 3 115 548.	All the land parcels not being billed need to be billed in order to increase the Municipality's revenues. Where properties cannot be billed certain charges, such properties need to fall within the prescripts of the policies and applicable legislation. Review all land parcels without billing make the necessary corrections and include them for billing if they are billable.	Partially implemented. From an internal audit sample of ten properties listed as exceptions. Internal Audit found four that were not on the latest Valuation Roll of the Municipality and therefore not billed for Refuse: • Erf 7952 Knysna; • Erf 19576 Knysna; • Erf 16347 Knysna; and • Erf 20228 Knysna For a further five properties. Internal Audit could not obtain proof that they were billed for Refuse: • Erf 16599 Knysna; • Erf 18864 Knysna; • Erf 9915 Knysna; • Erf 17380 Knysna;	The implementation of the findings for this project is still in progress, the delays are due to capacity issues, due to the high vacancy rate in the department.	30 December 2024

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			• Erf 17397 Knysna		
4.8.4	<u>Sewer Charges Analysis - Properties not billed:</u> 1 838 properties with no sanitation/sewer basic charges with an estimated revenue loss of R 3 824 773.	All the land parcels not being billed need to be billed in order to increase the Municipality's revenues. Where properties cannot be billed certain charges, such properties need to fall within the prescripts of the policies and applicable legislation. Review all land parcels without billing make the necessary corrections and include them for billing if they are billable.	Partially implemented. From an internal audit sample of ten properties listed as exceptions. Internal Audit found five that were not on the latest Valuation Roll of the Municipality and therefore not billed for Sewerage: • Erf 17359 Knysna; • Erf 17366 Knysna; • Erf 17381 Knysna; • Erf 5020 Sedgfield; and • Erf 379 Rheenendal. For one property no billing for Sewerage took place: • Erf 2734 Knysna	The implementation of the findings for this project is still in progress, the delays are due to capacity issues, due to the high vacancy rate in the department.	30 December 2024
4.8.5	<u>Tenants being charged owner-specific services:</u> The following are the number of tenants being billed/charged owner-specific services: • Water Basics - 1 063; • Water Consumption - 2 798; • Electricity Basic - 272; • Electricity Consumption 1 631;	Municipality should not allow opening of accounts in the name of the tenant.	N/A Internal audit was not provided with a detailed list of exceptions and	Municipality do not open tenants accounts, since 2019. However, the previously opened	N/A

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	• Refuse Basic - 1 493; and • Sanitation / Sewer Basic - 1 221	Where tenants are currently billed, the accounts should be closed for the tenants and opened for the owner of the property in terms of the Deeds Registration.	could therefore not select a sample for follow-up.	accounts were still active.	
4.8.6	<u>Business consumers charged domestic tariffs:</u> The following number of properties are being billed domestic tariffs, but have a current Land Use for Business in the Valuation Roll Master File. The GVR "General Valuation Roll" category, used for billing, is something different: • Residential (GVR), Accommodation (LandUse) 321; • Residential (GVR), Business (Land Use) - 15; • Residential (GVR), Business Vacant (Land Use) - 1; and • Residential (GVR), Multi-Purpose (Land Use) 14	The Municipality is to perform further validation and include the properties with the different current use categories in the next Supplementary Valuation Roll.	Partially implemented. From an internal audit sample of 15 properties listed as exceptions. Internal Audit found 13 where the tariff has not been amended to agree with the LandUse: • Erf 403 Belvedere; • Erf 2299 Knysna; • Erf 13336 Knysna; • Erf 3702 Sedgfield; • Erf 193 Buffalo Bay; • Erf 14622 Knysna; • Erf 95 Rheenendal; • Erf 5008 Sedgfield; • Erf 6072 Knysna; • Erf 8334 Knysna;	The implementation of the findings for this project is still in progress, the delays are due to capacity issues, due to the high vacancy rate in the department and follow-up with Municipal valuers, see the attached email for more details on this regard.	30 December 2024

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			• Erf 328 Sedgefield; • Erf 834 Sedgefield; and • Erf 1767 Sedgefield.		
4.8.7	<u>Application of Free Basic electricity service:</u> The Municipality provides: • The first 50 kWh of electricity per month to registered indigent, pensioners and disabled consumers free of charge; • After the 1st free basic electricity, an inclining Block Traffic which is based on consumption levels being categorised into blocks is used. This tariff is only used to subsidise free basic services and to prohibit the exorbitant use of a commodity. • Indigent households are equipped with prepaid meters and pay for consumption that exceeds the 50kWh free services.	An up-to-date register of all consumers who qualify for Free Basic services needs to be maintained at all times. This will allow for any subsidies receivable to be received.	Partially implemented. Internal audit could not obtain proof that the following up-to-date registers are in place and maintained: • Pensioners register • Disabled People register An Indigent Register is in place but not all fields are always properly recorded. Refer to Milestone 4 – 6.6	The registered indigents, pensioners, and disabled persons are kept in place and will be completed in full throughout the year.	30 June 2025
4.8.8	<i>No finding raised on Free basic electricity services being applied incorrectly - There is no free basic electricity being applied in areas where there should be no free services.</i>	Continuous monitoring of all different areas where free basic electricity is applied. Any exceptions should be reported.	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>
4.8.9	<i>No finding was raised on the Audit of the indigent register and specific evaluation of free basic services - Indigents with Prepaid Electricity Meters pay for consumption above 50kWh, Indigents with</i>	An up-to-date Indigent Register must be maintained at all times	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>

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	<i>both credit and prepaid water meters pay for consumption above 6Kl and indigents are subject to rebates for Refuse and Sewer.</i>	and considered during the budgeting process.			
4.8.10	<i>No finding raised on Investigation of customers that are charged flat rate - No current customers are being charged a flat rate.</i>	A review of the debtors' book needs to be performed at regular intervals to ensure no flat rates are being charged.	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>
4.8.11	<i>No finding was raised on the Identification of gaps in the tariff structure</i>	Continue billing for all tariff categories as the tariff structure makes provision for all categories. Consider performing a cost study every 5 years to ensure their costs are still relevant. General Valuation Rolls categories need to be compared to the current use of properties and updated accordingly.	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>
4.9	<u>Analysis - Water Losses:</u> Knysna Municipality does not comply with the following guidelines and frameworks that govern Municipalities: - Financial Water Losses - Technical Losses is 10.26% and within an acceptable range. - Financial Losses is 44.50%	Prioritise rectification of pre-paid meters that are currently on free flow for consumers to pay for KI water consumed.	Not implemented. Refer to work performed in Milestone 4 – Test 7.4 "Water Prepaid Meters with no purchases.	This matter will be escalated to the relevant department.	30 June 2025
4.10 (i)	<i>No finding raised on Tariff increases – Electricity</i>	The Municipality based the electricity tariff increases in line with NERSA regulations.	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>

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4.10 (ii)	No finding raised on Tariff increases – Water	None – Knysna Municipality complies	Not applicable - no finding raised	Not applicable - no finding raised	Not applicable - no finding raised
4.10 (iii)	No finding raised on Tariff increases - Sewer / Sanitation: No exceptions	None – Knysna Municipality complies	Not applicable - no finding raised	Not applicable - no finding raised	Not applicable - no finding raised
4.10 (iv)	No finding raised on Tariff increases – Refuse	None – Knysna Municipality complies	Not applicable - no finding raised	Not applicable - no finding raised	Not applicable - no finding raised
MILESTONE 4 – METER AUDIT					
6.1	<u>Electricity Prepaid Meters – Counts as listed in the Municipal Database:</u> The prepaid meter database indicates that the Municipality has 20 463 electricity prepaid meters. The address and erf details of each meter, as obtained from the prepaid database, were analysed, and converted to the LPI codes to link the meters to the stand. 9 310 electricity prepaid meters were not successfully linked to an LPI code e.g.: • 2 012 electricity meters are listed with the "C" number and not the stand number; • > 5 000 electricity meters are either listed with incomplete address details, not allowing sufficient information to link to a specific stand or LPI, or could refer to meters installed for properties not located on a formalized stand including meters in; Blade Square, Bloemfontein, Bongani, Chris Hani, Concordia, Dam se Bo, Edameni, Endloveny, Happy Valley, Ethembeni, Ezweni, Fienters, Greenfields, Happy Valley, Hlalani, Hornlee, Joodse Kamp, Kanonkop, Khayaletu, Love Corner, Nekkies, Qolweni and Robololo The desktop analysis indicates that: • 18 354 (89.7%) of electricity prepaid meters reflects prepaid purchases during 2022	No Recommendation is listed in the report for 6.1. Excel Annexure tab "W6" & "E5" list exceptions where prepaid meters could not be linked to LPI codes.	Not implemented. Upon inspection of the prepaid database, there are still instances where meters are listed with "C" numbers and incomplete address details.	Update the prepaid database to ensure updated erf information.	30 June 2026

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	17 902 (97.5%) purchased during the period June to July 2022; and 452 (2.5%) purchased earlier in 2022 296 (1.4%) of electricity prepaid meters last purchased units in 2021 161 (0.8%) of electricity prepaid meters last purchased units in 2020 264 (1.3%) of electricity prepaid meters did not purchase any units during 2020 to 2022 276 (1.3%) of electricity prepaid meters were installed during July and August 2022 and did not reflect any sales at the time of the report 6 (0%) of electricity prepaid meters were installed during May and June 2022 and did not reflect any sales at the time of the report 1 058 (5.2%) of electricity prepaid meters were installed before May 2022 and did not reflect any sales at the time of the report				
6.2.1	<i>Electricity Prepaid Meters – Verification of Meters:</i> <i>Verified Prepaid Meters 1,302</i> <i>Refused access 83; and</i> <i>Locked / Not available 180</i>	None – Knysna Municipality complies.	Not applicable - no finding raised	Not applicable - no finding raised	Not applicable - no finding raised
6.2.2	<i>Meter Accessibility:</i> <i>Accessibility is at 83.19%</i> <i>At 83 properties the fieldworkers were refused access to the premises, and the prepaid meter could not be verified, and 180 were “locked” for various reasons not making it possible for the fieldworker to access the premises to verify the meters.</i>	None – Knysna Municipality complies.	Not applicable – no finding raised	Not applicable – no finding raised	Not applicable – no finding raised
6.3	<i>Electricity Prepaid Meters – Defects:</i> A total of 156 meters were identified with defects: Altered DB Boards – 40;		Partially implemented.	The electrical department is	30 November 2024

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	• Burn Damage – 27; • Faulty per Occupant – 15; • Meter removed – 7; and • Suspicious wiring 67	Altered DB - Issue tamper fee and replace Meter & DB; Burn Damage - Issue tamper fee and replace Meter/DB; Faulty - Attend to faults; Meter removed - Replace Meter; and Suspicious wiring - Issue tamper fee and replace Meter / DB	Altered DB – From an internal audit sample of five. Internal Audit could not find proof that a tamper fee was levied for any of them and for one the meter was not replaced and had no recent purchases on the prepaid system: • Erf 5632 Knysna For two of the five, the meter was not replaced but there were recent purchases on the prepaid database: • Erf 10641 Knysna; and • Erf 3285 Sedgefield. Burn Damage – From an internal audit sample of five. Internal Audit could not find any proof that a tamper fee was levied. Four of the meters was not replaced but it had recent purchases on the prepaid database: • Erf 5768 Knysna; • Erf 321 Sedgefield;	addressing the meter audit through the TID rollover which is due 24 November 2024	
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			• Erf 2107 Sedgefield; • Erf 5634 Knysna Faulty – From an internal audit sample of five. Internal Audit found one meter where fault was not attended to as the last purchase transaction was dated 05/03/2024: • Erf 14446 Knysna Meter removed – From an internal audit sample of five. Internal Audit could not find meter details on the prepaid database for the following properties: • Erf 10638 Knysna; and • Erf 14530 Knysna The other three properties were on the prepaid database but it did not have any recent purchase transactions: • Erf 4141 Sedgefield;	
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			• Erf 5633 Knysna; and • Erf 5779 Knysna Suspicious wiring – From an internal audit sample of five. Internal Audit could not determine if a tamper fee was levied and none of the meters was replaced as they were all on the prepaid database, but they all had recent purchase history dated May and June 2024.		
6.4	<u>Electricity Prepaid Meter – No Purchases:</u> D1 - 208 Prepaid Meters that matched the LPI codes were identified with no purchases for 2022: • 189 of the 208 meters had sales before 2022 • 19 of the 208 meters had no sales and were installed before July 2022 (meters recorded as installed during July & August 2022 were excluded in this findings) D2 - 9 310 or the electricity prepaid meters' details did not match the LPI codes and therefore could not be linked to a stand as the address and erf details as provided on the prepaid meter database, are not sufficient to convert the address to a valid LPI Code. A total of 1 304 meters of the 9 310 electricity prepaid meters that could not be linked to a stand, also reflects no payment for 2022	The meter service be disconnected for these consumers. If the services for these meters are already terminated, then the prepaid database should be updated with the status.	Not implemented. From an internal audit sample of ten. Internal Audit could not obtain proof of disconnection but for the following nine meters, Internal Audit could confirm that they are on the prepaid database but had no recent purchases: • Erf 3343 Sedgfield; • Erf 4617 Knysna; • Erf 6768 Knysna;	The none - purchasing meters were communicated with the technical departments for inspection and were blocked on the system. A meter audit on tampered meters is addressed during the TID rollout currently taking place, as fieldworkers are visiting each and every meter.	24 November 2024

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	Therefore, prepaid meters that did not match LPI codes with no purchases can be categorized as follows: • 455 x Prepaid meters that did not match with an LPI code, are identified with no purchases for 2022 – but had sales before 2022 - o 173 – last sales in 2021 - o 104 – last sales in 2020 - o 178 – last sales before 2020 • 849 x Prepaid meters that did not match with an LPI code, are identified with no purchase for 2022 – and were installed before 2022 - o 7 – installed during May & June 2022 - o 795 – Installed before May 2022		• Erf 23 Brenton; • Erf 2002 Knysna; • Erf 2003 Knysna; • Erf 2005 Knysna; • Erf 2015 Knysna; - and • Erf 2021 Knysna.	It is important to note that this project is still under implementation.	
6.5	<u>Electricity Prepaid Meter - Tariff Categories:</u> 135 Prepaid customer categories are identified as commercial being charged the domestic tariff in terms of the prepaid databases	The Municipality should rectify the billing of commercial properties from Domestic to Commercial.	Not implemented. From an internal audit sample of ten, Internal Audit found that none of the tariffs were amended from Domestic to Commercial: • Erf 589 Knysna; • Erf 1216 Knysna; • Erf 2630 Knysna; • Erf 4500 Knysna; • Erf 5162 Knysna; • Erf 9919 Knysna; • Erf 12673 Knysna; • Erf 1741 Sedgefield; • Erf 3248 Sedgefield; and	These Properties are billed as per the valuation roll of 2023. The Property Valuation Roll is deemed correct and if any amendments are needed, we refer them back to the Valuer for further investigation.	N/A - Implemented

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			• Erf 3409 Sedgefield.		
6.6	<u>Electricity Prepaid Meter – Indigents:</u> The average electricity prepaid purchase per indigent is R252 per month. The remaining indigents do not have the prepaid meter number listed on the indigent database to determine the purchase history. All the prepaid meters could not be converted to LPI codes due to an incomplete listing of addresses or ERF details on the prepaid meter database.	The Indigent register should be annually updated accurately with accurate and complete information. The Municipality should ensure that: • Indigent personal information is accurately recorded (Name, Surname, ID Number) • Indigent property description is accurately recorded (Erf number and Town) • Indigent prepaid meter and account details are accurately recorded	Not implemented. Internal audit inspected the indigent register and noted that the indigent register is not updated accurately with accurate and complete information on applicants: • 495 entries on register with no ID number; • 2 738 entries with no Town allocated; • 1 439 entries without Electricity Meter details; and • 2284 entries without Water Meter details.	The indigent register has now moved to be system-driven and linked to a registered property. All gaps are addressed as the upload is done.	Implementation in progress
7.1	<u>Water Prepaid Meters - Counts as listed in the Municipal Database:</u> The prepaid meter database indicates that the Municipality has 10 149 water prepaid meters. • 5 680 water prepaid meters were successfully linked to a LPI code and	No Recommendation is listed in the report for 6.1.	Not implemented. Upon inspection of the prepaid	This is currently being dealt with in the TID rollover process where each meter is being	November / December 2024

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4 469 water prepaid meters were not successfully linked to a LPI code e.g.: 1 167 electricity meters are listed with the "C" number and not the stand number > 3 000 electricity meters are either listed with incomplete address details, not allowing sufficient information to link to a specific stand or LPI, or could refer to meters installed for properties not located on a formalized stand including meters in; Blade Square, Bloemfontein, Bongani, Chris Hani, Concordia, Dam se Bo, Edamen, Endloveny, Happy Valley, Ethembeni, Ezweni, Flenters, Greenfields, Happy Valley, Hlalani, Hornlee, Joodse Kamp, Kanonkop, Khayaletu, Love Corner, Nekkies, Qolweni and Robololo <u>The desktop analysis indicates that:</u> 7 735 (76.2%) of meters reflected prepaid unit purchases for the period 2020 to 2022: 5 566 (54.8%) of water prepaid meters reflects prepaid purchases during 2022 1 443 (14.2%) of water prepaid meters last purchased units in 2021 662 (6.5%) of water prepaid meters last purchased units in 2020 2 414 (23.8%) of the meters have no indication that any prepaid units were purchased for the period 2020 to 2022: 64 (0.6%) of water prepaid meters did not purchase any units during 2020 to 2022, but had purchases before 355 (3.5%) of water prepaid meters were installed during July and August 2022 and did not reflect any sales at the time of the report 55 (0.5%) of water prepaid meters were installed	Excel Annexure tab "W6" & "E5" list exceptions where prepaid meters could not be linked to LPI codes.	database, there are still instances where meters are listed with "C" numbers and incomplete address details.	visited and inspected. The prepaid database will be updated as meters are inspected with correct information. In addition to this, the Municipality plans to appoint additional field workers to update data.	
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	during May and June 2022 and did not reflect any sales at the time of the report o 2 004 (19.7%) of water prepaid meters were installed before May 2022 and did not reflect any sales at the time of the report				
7.2.1	<u>Water Prepaid Meters - Verification of Meter:</u> Verified Prepaid Water Meters - 1 094; Refused Access - 59; and Locked/ Not available - 82	None – Knysna Municipality complies.	Not applicable - no finding raised	Not applicable - no finding raised	Not applicable - no finding raised
7.2.2	<u>Water Prepaid Meters – Accessibility:</u> Accessibility is at 88.58 %. At 59 properties the fieldworkers were refused access to the premises, and the prepaid meter could not be verified, and 82 were "locked" for various reasons not making it possible for the fieldworker to access the premises to verify the meters.	None – Knysna Municipality complies.	Not applicable - no finding raised	Not applicable - no finding raised	Not applicable - no finding raised
7.3	<u>Water Prepaid Meters – Defects:</u> The following water prepaid meters are identified with defects: • Disconnected / bypassed - 7; • Meter Removed - 1; • Meter Leaks - 30; • Toilet/taps Leaks - 5; • Covered in Gravel – 1; and • Broken/faulty - 25	The municipality needs to perform the following: Disconnect / bypassed - Rectify connection error or activate and Charge tamper fee; Meter removed - Replace Meter; Meter Leaks - Rectify leaks and follow up no purchases;	Partially implemented. Disconnected/ bypassed – From an internal audit sample of five meters, no proof of a tamper fee was found and none of them was replaced as they were all on the prepaid database and had no recent purchases;	This is currently being dealt with in the TID rollover process where each meter is being visited and inspected. The prepaid database will be updated as meters are inspected with correct information. In addition to this, the Municipality plans to appoint additional field workers to update data.	November / December 2024

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		Toilet/tap leaks - n/a; Covered in Gravel - Replace Meter; and Broken/faulty - N/A	• Erf 5920 Knysna; • Erf 11569 Knysna; • Erf 10777 Knysna; • Erf 3024 Knysna; and • Erf 3698 Knysna. Meter Leaks – From an internal audit sample of five. Internal Audit found that two of them were not replaced / repaired as it was on the prepaid database but with no recent purchases: • Erf 5662 Knysna; and • Erf 6383 Knysna. Covered in gravel – From an internal audit sample of one. Internal Audit could not confirm that the meter was replaced as it was not found on the prepaid database: • Erf 4146 Sedgefield. Meter Removed – From an internal audit sample of one meter. Internal Audit could not confirm	
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			that the meter was replaced as it was not found on the prepaid database: • Erf 10638 Knysna.		
7.4	<u>Water Prepaid Meters - No Purchases:</u> 4 183 meters with no sales for 2022 and which were not installed between May & August 2022	The Municipality needs to instruct the service provider to activate all prepaid water meters. If no sales persist, then disconnect the meter.	Not implemented. From an internal audit sample of ten meters. Internal Audit found that six of them were not replaced as they were on the prepaid database but had no recent purchases: • Erf B882 Knysna; • Erf C381 Knysna; • Erf 422 Knysna; • Erf 11457 Hornlee; • Erf 634 Rheenendal; • Erf 56 Sedgefield	This is currently being dealt with in the TID rollover process where each meter is being visited and inspected. The prepaid database will be updated as meters are inspected with correct information. In addition to this, the Municipality plans to appoint additional field workers to update data.	November / December 2024
7.5	<u>Water Prepaid Meters - Tariff categories:</u> No Prepaid customer categories are identified as commercial being charged the domestic tariff in terms of the prepaid database.	None – Knysna Municipality complies.	Not applicable - no finding raised	Not applicable - no finding raised	Not applicable - no finding raised
8.1	<u>Electricity Credit Meters - Counts as listed on the Municipal Database:</u> The credit / conventional meter reading and meter database indicate that the Municipality has a total of 3 302 electricity credit / conventional meters.	None – Knysna Municipality complies.	Not applicable - no finding raised	Not applicable - no finding raised	Not applicable - no finding raised

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8.2.1	<i>Electricity Credit Meters - Verification of Meters:</i> Verified Meters - 415; Refused Access - 50; and Locked / Not available - 135	None – Knysna Municipality complies.	Not applicable - no finding raised	Not applicable - no finding raised	Not applicable - no finding raised
8.2.1	<i>Electricity Credit Meters – Accessibility:</i> Accessibility is 69.17% At 50 properties the fieldworkers were refused access to the premises, and the meter could not be verified, and 135 were "locked" for various reasons not making it possible for the fieldworker to access the premises to verify the meters.	None – Knysna Municipality complies.	Not applicable - no finding raised	Not applicable - no finding raised	Not applicable - no finding raised
8.3	<i>Electricity Credit Meters - Payment of accounts:</i> The credit meter data was filtered against the billing records for June, July, and August 2022, and it was found that: - Debtors accounts for 3 025 (91.61%) reflects payments (receipts) and - Debtors accounts for 277 (8.39%) don't reflect any payments (receipts) The billing data for the 277 accounts with no payment receipts for June, July and August 2022 was investigated and it was found that: - Accounts was billed for all three months analysed – 186; - Accounts was billed for 2 of the 3 months - 24; - Accounts billed for 1 of the 3 months - 30; and - Accounts was billed for none of the months - 37 The analysis indicates that: 7.54% of the meters presented no receipts and also no movement e.g. stationary readings. 0.85% of the meters presented no receipt and also no movement due to various reasons recorded by the meter readers	None – Knysna Municipality complies.	Not applicable - no finding raised	Not applicable - no finding raised	Not applicable - no finding raised

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	The study further focused on the 7.54% with no movement to identify if any revenue is loss due to defected meters: • 249 electricity credit meters with low consumption and no receipts were identified. We then analysed the spatial data, land use imagery and other service charges to identify potential revenue loss and report as follows: • 46 of the land parcels located in Brenton & Belvedere could possibly not be full-time occupied and they are excluded from potential additional revenue calculations • 21 of the land parcels had prepaid sales and are excluded from potential additional revenue calculation • For all these land parcels the water consumption was also below 6 kl, indicating that there are no revenue losses identified.				
8.4	<u>Electricity Credit Meters – Defects:</u> The defect % is less than 1%. Three credit meters were identified with defects: 1 - 2899 Knysna: Suspicious wiring; 2 - 16445 Knysna: Suspicious wiring; and 3 - 99 Brenton: Suspicious wiring	Address the identified defective electricity meter at Brenton Erf 99 to replace the meter and bill the consumer monthly. No tampering is suspected.	Partially implemented. Management informed the internal audit team that Erf 99 Brenton was converted to Prepaid. Internal Audit could not find this property on the prepaid database.	The Municipality plans to appoint field workers, who used to work for the service provider that was installing the meters, in order to attend to the defects and update the data on the database.	January 2025
8.5	<u>Electricity Credit Meters - Reading accuracy:</u> Reading accuracy for electricity credit meters is very good and calculated at 99%	Rectify the billing for the 14 suspicious lows, if necessary, replace the	Partially implemented.	This is currently under investigation.	31 August 2024

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		meters or consider prepaid units.	From an internal audit sample of ten accounts. Internal Audit found three properties where readings for the previous three months were not obtained: • Erf 125 Knysna; • Erf 2638 Knysna; • Erf 3151 Knysna For one property, Internal Audit found that the previous three months consumptions seemed low indicating that suspicious low readings were not addressed: • Erf 419 Knysna	Corrective measures are to be implemented after the investigation is performed.	
8.6	<u>Electricity Credit Meters - Consumer Codes:</u> 44 credit meter electricity accounts are identified as businesses or accommodation properties with Consumer Code as Household (1) in terms of the billing databases	The Municipality needs to rectify the consumer codes. Although this will not have a direct impact on revenue, it is vital to ensure accurate reporting and debtor age analysis to ensure effective debtor and account management.	Partially implemented. From an internal audit sample of ten. Internal Audit found six accounts where the consumer codes were not rectified: • Erf 595 Brenton; • Erf 13179 Knysna;	The project is in progress.	31 July 2024

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			• Erf 15184 Knysna; • Erf 2855 Knysna; • Erf 3424 Knysna; • Erf 3533 Knysna		
8.7	<u>Electricity Credit Meters - Tariff Categories:</u> Business Customers: 8 Businesses are identified as commercial being charged the domestic tariff in terms of the billing databases. Accommodation: 43 Accommodation establishments are identified as commercial and are being charged the domestic tariff in terms of the billing databases.	Adjust billing from residential to commercial – impact = R173 669	Not implemented. Business Customers – From an internal audit sample of ten, Internal Audit found that none of the tariffs were corrected on the following debtor accounts: • 100609000116; • 101130000178; • 103401000112; • 103424000136; • 103808000117; • 111295000036; • 116267000024; • 202050000118 Accommodation Customers – From an internal audit sample of ten, Internal Audit found that none of the tariffs were adjusted on the following debtor accounts: • 203805000106; • 201516000137;	The project is in progress.	31 July 2024

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			• 300004000061; • 100092000239; • 107861000107; • 101411000011; • 107293000012; • 104847000119; • 300595000108; • 102933000115		
9.1	<u>Water Credit Meters - Counts as listed on the Municipal Database:</u> The credit / conventional meter reading and meter database indicate that the Municipality has a total of 7 890 water credit / conventional meters.	None – Knysna Municipality complies.	Not applicable - no finding raised	Not applicable - no finding raised	Not applicable - no finding raised
9.2.1	<u>Water Credit Meters - Verification of Meters:</u> Verified Meters - 715; Refused access - 44; and Locked - 114	None – Knysna Municipality complies.	Not applicable - no finding raised	Not applicable - no finding raised	Not applicable - no finding raised
9.2.2	<u>Water Credit Meters – Accessibility:</u> Accessibility is at 81.90% At 44 properties the fieldworkers were refused access to the premises, and the meter could not be verified, and 114 were "locked" for various reasons not making it possible for the fieldworker to access the premises to verify the meters.	None – Knysna Municipality complies.	Not applicable - no finding raised	Not applicable - no finding raised	Not applicable - no finding raised
9.3	<u>Water Credit Meters - Payment of accounts:</u> The credit meter data was filtered against the billing records for June, July, and August 2022, and it was found that: • Debtors account 6 208 (78.68%) reflects payments (receipts) and • Debtors account for 1 682 (21.32%) and don't reflect any payments (receipts)	It is a tendency for prepaid electricity customers to not make payments toward their water accounts. The Municipality is	In Progress Enquired from Head: Income (B Kova) on 06/06/2024 if	The Municipality is in the process of acquiring smart meters for installation.	30 June 2025

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	It must be noted that 1 068 of the debtors that did not reflect receipts for their water consumption have prepaid electricity meters.	recommended to extend the installation and activation of prepaid meters to at least all domestic users.	prepaid meters are installed for domestic users and she confirmed that Water Prepaid meters are currently being installed for domestic/residential properties.		
9.4	<u>Water Credit Meters – Defects:</u> Defect meters are at 9.8% and reading accuracy is at 90%. Defective meters are identified	Address the identified defected meters and simultaneously improve the reading accuracy: Can't find meter – Install and activate; Dirty Dials – Install and activate; Dog – Install and activate; Locked – Install and activate; Meter Leak – Rectify leak, install and activate Under water – Rectify leak, install and activate; and Underground – Rectify leak, install and activate.	Not implemented. Can't find meter – From an internal audit sample of six. Internal Audit found that four meters still had no / low consumption in the previous three months: • Erf 4924 Knysna; • Erf 17832 Knysna; • Erf 2886 Knysna; and • Erf 722 Sedgfield Locked – From an internal audit sample of six meters. Internal Audit could not confirm consumption in the previous three months:	Due to the challenges experienced with the current water meters, the Municipality is in the process of acquiring smart meters for installation.	30 June 2025

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			• Erf 2641 Sedgefield; • Erf 171 Brenton; • Erf 10629 Knysna; • Erf 14520 Knysna; • Erf 4169 Sedgefield; and • Erf 179 Buffalo Bay. Meter Leak – From an internal audit sample of five. Internal Audit could not confirm recent consumption for three of the meters: • Erf 6649 Knysna; • Erf 1369 Sedgefield; • Erf 16952 Knysna Under Water - from a selection of one, Internal Audit could not determine if this was corrected: • Erf 3347 Sedgefield. Underground – From an internal audit sample of one. Internal Audit could not determine if this was corrected: • Erf 4146 Sedgefield.	
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9.5	<u>Water Credit Meters - Suspicious low consumption:</u> 484 Residential properties are identified with prepaid electricity purchases that exceed an average of 400 units per month, but their water meters only reflect less than 10 units of water for July 2022. Sill dials or faulty meters could be the reason.	Replace the credit meter by installing and activating prepaid meters to enhance revenue with R75 504.00	Partially implemented. From an internal audit sample of ten meters. Internal Audit found that only two were converted to prepaid and they did not have any recent purchases: • Erf 223 Brenton; and • Erf 618 Sedgfield. The remainder had consumption for the previous three months of which five were still suspiciously low: • Erf 442 Knysna; • Erf 8638 Knysna; • Erf 16078 Knysna; • Erf 12260 Knysna; and • Erf 5549 Knysna.	Due to the challenges experienced with the current water meters, the Municipality is in the process of acquiring smart meters for installation.	30 June 2025
9.6	<u>Water Credit Meters - Consumer Codes:</u> 153 credit meter water accounts are identified as businesses or accommodation properties with Consumer Code as Household (1) in terms of the billing databases.	The Municipality needs to rectify the consumer codes. Although this will not have a direct	Partially implemented.	Due to the challenges experienced with the current water meters, the Municipality is in	30 June 2025

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		impact on revenue, it is vital to ensure accurate reporting and debtor age analysis to ensure effective debtor and account management.	From an internal audit sample of ten accounts. Internal Audit found one account that was not amended accordingly: • Erf 2933 Knysna	the process of acquiring smart meters for installation.	
9.7	<u>Water Credit Meters - Tariff Categories:</u> Business Customers: 37 Businesses are identified as commercial being charged the domestic tariff in terms of the billing databases Accommodation: 104 Accommodation establishments are identified as commercial and being charged the domestic tariff in terms of the billing databases	Adjust billing from residential to commercial – impact = R 64 821	Not implemented. Business Customers – From an internal audit sample of ten accounts. Internal Audit found that none of the tariff categories were amended for the following debtor accounts: • 100614000163; • 200235000022; • 107559000164; • 102630000148; • 108930000102; • 100985000199; • 100442000122; • 100600000109 Accommodation – From an internal audit sample of ten accounts. Internal Audit found that none of the tariff	Implementation is in progress as we continue to communicate with the Municipal valuers.	30 September 2024

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			categories were amended for the following debtor accounts: • 105399000017; • 300475000018; • 105275000041; • 112377000019; • 102373000033; • 103906000133; • 300654000106; • 300183000146; • 203805000106; • 200969000135		
10.1	<i>Lease Properties – Analysis:</i> <i>The Municipality shared the Lease Register with 108 listed leases, where Knysna Municipality is the landlord for analysis and recommendations.</i>	<i>None – Knysna Municipality complies.</i>	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>
10.2 (i)	<i>Lease Properties - Expiry dates between 2022 & 2023:</i> <i>The lease register consists of 8 leases with lease agreements that end within the next 2 years.</i>	<i>None of the leases with agreements that come to an end in the next 2 years are identified for increases other than standard annual increases.</i>	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>
10.2 (ii)	<i>Lease Properties - Expiry dates between 2025 & 2027:</i> <i>The lease register consists of 7 leases that are in effect for another 3 to 5 years.</i>	<i>No revenue can be enhanced in the near future for the duration of the existing agreements that are in place and valid for</i>	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>

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		another 2 to 5 years, between 2025 and 2027			
10.2 (iii)	<i>Lease Properties - Expiry dates between 2027 & 2032:</i> <i>The lease register consists of 9 leases that are still in effect for another 5 to 10 years.</i>	No revenue can be enhanced in the near future for the duration of the existing agreements that are in place and valid for another 5 to 10 years, between 2027 and 2032	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>
10.2 (iv)	<i>Lease Properties - Expiry dates beyond 2032:</i> <i>The lease register consists of 14 leases that are still in effect for more than 10 years, or beyond 2032</i>	No revenue can be enhanced in the near future for the duration of the existing agreements that are in place and valid for more than 10 years.	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>
10.2 (v)	<i>Expired leases:</i> <i>The lease register consists of 44 leases flagged as expired.</i>	Expired leases need to be clearly flagged on the register.	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>
10.2 (vi)	<i>Expired leases - Expiry date lapsed:</i> <i>The lease register consists of 25 leases not flagged as expired, but the lease agreement date lapsed.</i>	Expired leases need to be clearly flagged on the register.	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>
11	<i>Audit Report - Water & Sewerage Shops Billing:</i>				

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	95.84% of the accounts for shops for water and sewerage can be charged as exceeding 100sqm.	None – Knysna Municipality complies.	Not applicable - no finding raised	Not applicable - no finding raised	Not applicable - no finding raised
12.1	<u>Solutions for revenue losses & security requirements – Water:</u> The major critical finding is that consumers don't pay the water account and several water leakages relating to meters leaking, pipes leaking, taps leaking and toilets leaking, resulting in revenue losses for the Municipality.	From an infrastructural perspective, the Municipality should: - Consider the replacement of the current credit meters with prepaid meters. - Maintain their register of water services infrastructure assets and put a system in place, focusing on the Water Demand Management to manage the infrastructure in terms of the maintenance and rehabilitation plan, with the prioritization of preventative maintenance as part of the water services development plan. - Infrastructure assets must be rehabilitated and/or replaced before the end of their actual and estimated useful	Partially implemented. Prepaid water meters are being installed for domestic consumers. Awaiting feedback from Head: Income on the remainder.	Due to the challenges experienced with the current water meters, the Municipality is in the process of acquiring smart meters for installation.	30 June 2025

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		lives and the necessary capital funds must be allocated for this purpose.			
12.2	<u>Solutions for revenue losses & security requirements – Electricity:</u> Meter tampering is both illegal and incredibly dangerous because of the risk of injury or electrocution. A meter that is tampered with does not function as it should, resulting in a loss of the information needed from it by landlords. A functioning meter is integral to the recovery of consumption costs and the avoidance of the ramifications of electricity theft. If meter tampering is left undetected, the Municipality will not be able to recover electricity costs for that specific meter which will lead to continued under-recoveries for months (and sometimes years).	There are two ways to detect signs of prepaid meter tampering. The first is that the meter will attempt to detect whether somebody has attempted to interfere with the operations of the meter. If it does so, it will go into Tamper Mode and stop supplying electricity. The next way is to detect visible and physical tampering. Typical signs are if the seal has been removed from the meter, the bottom cover is loose, or if any additional wiring connections to and from the meter can be seen. Another way is to monitor purchasing reports – if there is significant under-recovery compared to what is being supplied then chances are that the meter has been tampered with.	Not implemented. Awaiting response from Head: Income.	Due to the challenges experienced with the current water meters, the Municipality is in the process of acquiring smart meters for installation.	30 June 2025

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		Smart Prepaid Meters are expensive but will address the challenges that the municipality incurs. Eskom in the Gauteng Province has embarked on an electricity network infrastructure upgrade programme, with the main objective of the initiative to improve the service rendered to their customers by ensuring the reliability of supply and empowering consumers to control and manage their own consumption.			
MILESTONE 5 – CUSTOMER BILLING, DATA CLEANSING AND INTEGRATION WITH PROPERTY AND GIS REPORT					
4.1.1 (i)	Access and assess land information from Deeds & Surveyor General: A - Demarcation Board Access and assess land information from Deeds & Surveyor General: A - Demarcation Board - Boundaries for Knysna were obtained from the demarcation board and a spatial layer was created in a GIS database. The outcome was an accurate spatial boundary for Knysna Municipality.	None – Knysna Municipality complies.	Not applicable - no finding raised Implemented.	Not applicable - no finding raised Implemented.	Not applicable - no finding raised Implemented.
4.1.1 (ii)	Access and assess land information from Deeds & Surveyor General: B - SG Diagram layer for stands, sectional titles and farms. Access and assess land information from Deeds & Surveyor General: B - SG Diagram layer for stands, sectional titles and farms - The objective is to create a complete SG database for Knysna	None – Knysna Municipality complies.	Not applicable - no finding raised Implemented.	Not applicable - no finding raised Implemented.	Not applicable - no finding raised Implemented.

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	<i>Municipality. The outcome of the SG diagram audit was a complete spatial database of all properties at the SG Office categorised as follows:</i> • Urban Stands - 21 695; • Farms - 1 413; • Sectional Titles 2 131; and • Sectional Titles Stands 90 • Total SG Properties - 25 329 <i>The outcome was a complete SG Database for Knysna.</i>				
4.1.1 (iii)	<i>Access and assess land information from Deeds & Surveyor General: C - Deeds layer data:</i> <i>Access and assess land information from Deeds & Surveyor General: C - Deeds layer data - Outcome of the Deeds layer audit was a complete Registered Property Master File (Layer 1) for Knysna Municipality:</i> • Urban Stands - 19 304; • Farms 1 058; • Sectional Titles - 2 131; and • Sectional Title Scheme Stands - 90	<i>None – Knysna Municipality complies.</i>	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>
4.1.2	<u>Complete and accurate Property Master File - Properties current use:</u> The outcome of the verification of current use with the: Valuation Roll Master File is tabled in 4.1.2 C, and Billing Data is tabled in 4.1.4	Recommendations are listed in 4.1.3 (C) and 4.1.4 below.	Refer to 4.1.3 (C) and 4.1.4 below.	In progress of being implemented.	30 September 2024
4.1.3 (i)	<i>Reconciliation of Valuation Roll to Deeds & SG: A - Reconciliation of SG and Deeds</i> <i>To identify properties at the SG office not registered at the Deeds office and vice versa. The outcome was a complete and accurate Property Masterfile (Layer 2) for urban stands which contains all registered stands with owners and</i>	<i>None – Knysna Municipality complies.</i>	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>	<i>Not applicable - no finding raised</i>

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	<i>includes all occupied SG Stands not registered in the Deeds office.</i>				
4.1.3 (ii)	<u>Reconciliation of Valuation Roll to Deeds & SG: B - Valuation Roll Master File:</u> <i>The outcome was a complete consolidated Valuation Roll Masterfile which includes only the last entry for a property with a value (22 701).</i>	None – Knysna Municipality complies.	Not applicable - no finding raised	Not applicable - no finding raised	Not applicable - no finding raised
4.1.3 (iii)	<u>Reconciliation of Valuation Roll to Deeds & SG: C(1) - Properties Omitted from Valuation Roll:</u> Properties were identified that were omitted from the Valuation Rolls of the Municipality: - Urban Stands - 282 (Annexure A1); - Farms - 62 (Annexure A2); and - Sectional Titles - 109 (Annexure A3)	Omitted Properties are to be included in the next Valuation Roll.	Implemented. From an internal audit sample of 30 properties, all of them were now included in the valuation roll of the Municipality.	N/A - Implemented	N/A - Implemented
4.1.3 (iv)	<u>Reconciliation of Valuation Roll to Deeds & SG: C(2) - Properties with incorrect owners in Valuation Roll Master File:</u> Exceptions were found where the registered owners as per the Deeds Office did not agree with the owners listed in the Valuation roll. Refer to Annexures B1,B2, B3 and B4.	Include properties with incorrect valuation roll owners in the next supplementary valuation roll.	Partially implemented. From an internal audit sample of 40 properties. Internal Audit found that for seven of these the registered owners as per the Deeds Office did not agree with the owners listed on the valuation roll: Erf 9930 Knysna;	The reconciliation, as prescribed by the National Treasury, is in the process of being implemented. However, assistance from the Technical Advisor from the National Treasury is still highly required.	December 2024

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			• Erf 10206 Knysna; • Erf 14927 Knysna; • Erf 363 Rheenendal; • Erf 535 Rheenendal; • Erf 19088 Knysna; • Erf 19188 Knysna		
4.1.3 (v)	<u>Reconciliation of Valuation Roll to Deeds & SG: C(3) - Properties with incorrect current use Category in Valuation Roll Masterfile:</u> Properties were identified with the incorrect current use category in the Valuation Roll Masterfile. Refer to Annexures C1 to C14	Include properties with incorrect current use in the next supplementary valuation roll.	Partially implemented. From an internal audit sample of 71 properties. Internal Audit found that for 41 properties the category on the valuation roll of the Municipality was not amended to be in line with the land use of the property: • Erf 14621 Knysna; • Erf 15302 Knysna; • Erf 14528 Knysna; • Erf 14622 Knysna; • Erf 14520 Knysna;	The reconciliation, as prescribed by the National Treasury, is in the process of being implemented. However, assistance from the Technical Advisor from National Treasury is still highly required.	December 2024

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			• Erf 17683 Knysna; • Erf 17553 Knysna; • Erf 654 Brenton; • Erf 1505 Knysna; • Erf 2001 Knysna; • Erf 2691 Knysna; • Erf 4292 Knysna; • Erf 8872 Knysna; • Erf 11130 Knysna; • Erf 12151 Knysna; • Erf 151 Sedgfield; • Erf 2867 Knysna; • Erf 2869 Knysna; • Erf 2871 Knysna; • Erf 6519 Knysna; • Erf 775 Sedgfield; • Erf 2037 Sedgfield; • Erf 2438 Sedgfield; • Erf 95 Rheenendal; • Erf 4851 Knysna; • Erf 6072 Knysna; • Erf 6171 Knysna; • Erf 8334 Knysna; • Erf 8980 Knysna; • Erf 328 Sedgfield; • Erf 774 Sedgfield; • Erf 834 Sedgfield;	
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			• Erf 1767 Sedgefield; • Erf 3772 Sedgefield; • Erf 51 Knysna; • Erf 4245 Knysna; • Erf 16320 Knysna; • Erf 145 Knysna; • Erf 1592 Knysna; • Erf 5189 Knysna; Furthermore, one of the 71 could not be found on the valuation roll of the municipality: • Erf 16529 Knysna		
4.1.3 (vi)	<u>Reconciliation of Valuation Roll to Deeds & SG: D – Valuation Roll Property Valuations:</u> A total of 213 properties were identified as undervalued. Refer to Annexures D1 to D5.	Include the undervalued properties in the next Supplementary Valuation Roll.	Implemented. From an internal audit sample of 29 properties, Internal Audit found that all of these were revalued appropriately.	N/A - Implemented	N/A - Implemented
4.1.4 A	<u>Compare financial info & Billing systems to updated land info: A - Registered Property & Current Use Master File 1 vs Rates & Taxes Debtor Book: (1) No Rates & Taxes Billing:</u> 1 089 Properties in the Property Masterfile (layer 1) without an account in the Rates and Taxes	Refer to exceptions noted in the report under 4.1.4 A as well as	Refer to the sub-sections below for the current	The reconciliation, as prescribed by the National Treasury, is in the process of being	December 2024

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	Debtors Book. The exceptions can be broken down further as below: 1. Erf on GVR but not billing for Erf; 2. Erf is not on GVR and not billed for; 3. No billing for Erf but on GVR as Section 78; 4. Cross Reference: No billing for Erf and GVR refers to Erf as "Cross Reference" with billing on another or incorrect stand; 5. Objection: No billing for Erf and Records of Objection filed for Erf; and 6. Valued with another Erf. No billing for Erf and GVR indicates Erf is valued with another Erf.	Annexure E of the Excel Annexures. Each property in the Property Masterfile should reflect rates & tax billing. Refer below for recommendations per type of exception noted:	implementation status.	implemented. However, assistance from the Technical Advisor from the National Treasury is still highly required.	
4.1.4 A1(i)	<u>1 - Erf on GVR but not billing for Erf</u>	Open accounts for omitted rates and taxes and bill from the last date billed, or date of registration, which is the latest	Partially implemented. From an internal audit sample of five properties. Internal Audit found two that were not on the valuation roll: • Erf 17871 Knysna; and • Erf 20275 Knysna	The reconciliation, as prescribed by the National Treasury, is in the process of being implemented. However, assistance from the Technical Advisor from the National Treasury is still highly required.	December 2024
4.1.4 A1(ii)	<u>2 - Erf is not on GVR and has not been billed for:</u>	Provide a list of properties to the valuer for supplementary valuation roll followed by the opening of the outstanding accounts and bill accordingly.	Partially implemented. From an internal audit sample of ten properties all of them were included in the valuation roll of the Municipality, but one of them had a zero value:	The reconciliation, as prescribed by the National Treasury, is in the process of being implemented. However, assistance from the Technical Advisor from the National Treasury is still highly required.	December 2024

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			Erf 20260 Knysna		
4.1.4 A1(iii)	<u>3 - No billing for Erf but on GVR as Section 78:</u>	Open accounts and bill in terms of the outcome from the General Valuation Roll Implementation Date.	Partially implemented. From an internal audit sample of five properties. Internal Audit found one that was not included in the valuation roll: Erf 19640 Knysna	Implementation in progress.	30 September 2024
4.1.4 A1(iv)	<u>4 - Cross Reference: No billing for Erf and GVR refers to Erf as "Cross Reference" with billing on another or incorrect stand</u>	Open the account and link Billing to Valid Registered Property with the correct land use category and bill accordingly.	Partially implemented. From an internal audit sample of ten properties. Internal Audit found six that were not included in the valuation roll of the Municipality: - Erf 13519 Knysna; - Erf 16353 Knysna; - Erf 16415 Knysna; - Erf 16506 Knysna; - Erf 16570 Knysna; and - Erf 16634 Knysna	The implementation is still in progress and has not been completed.	June 2025
4.1.4 A1(v)	<u>5 - Objection: No billing for Erf and Records of Objection filed for Erf</u>	Bill in terms of objection outcome.	Not implemented.	The implementation is in progress, but the	June 2025

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			From an internal audit sample of two properties. Internal Audit found that none of them was included in the valuation roll of the Municipality: • Erf 16688 Knysna; and • Erf 16689 Knysna	project has not been completed.	
4.1.4 A1(vi)	<u>6 - Valued with another Erf. No billing for Erf and GVR indicates Erf is valued with another Erf</u>	Value each Registered Property with billing for each registered property.	Implemented. From an internal audit sample of ten properties. Internal Audit found that all of them were appropriately valued and billed.	N/A - Implemented	N/A Implemented -
4.1.4 A2(i)	<u>Compare financial info & Billing systems to updated land info: A - Registered Property & Current Use Master File 1 vs Rates & Taxes Debtor Book: (2) Incorrect Rates & Taxes Account Holder.</u> Account holders are not recorded correctly on the Debtor's book to reflect the owner as registered at the Deeds Office: - For 775 properties the incorrect account holder is billed and - For 275 properties the account holder is the Municipality but the property is registered at Deed Office to a different owner and - For 891 properties the account holder is not the same as the Deed owner - where the Deeds	Update the account holders for Rates & Taxes in terms of the registered deed owners. Refer to detailed exceptions in Annexure F of the Excel schedules.	Partially implemented. From an internal audit sample of 30 properties, eight properties were identified where the Title Deed owner did not agree to the Account holder: • Erf 15374 Knysna;	The Implementation is in progress, the project has not been completed.	June 2025

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	owner is the Municipality but the account holder is not.		• Erf 190 Rheenendal; • Erf 14359 Knysna; • Erf 18275 Knysna; • Erf 5559 Knysna; • Erf 6291 Knysna; • Erf 7126 Knysna; • Erf 8258 Knysna; • Erf 10032 Knysna; • Erf 10227 Knysna; • Erf 12752 Knysna; • Erf 3543 Sedgefield; and • Erf 17442 Knysna.		
4.1.4 A3(i)	<u>Compare financial info & Billing systems to updated land info: A - Registered Property & Current Use Master File 1 vs Rates & Taxes Debtor Book: (2) Incorrect Rates & Taxes Account Holder:</u> Properties were identified with incorrect Billing Categories relating to the current use of the property. Refer to Annexure G of Excel Annexures.	Provide exceptions for the supplementary valuation roll and update the billing category in terms of the findings. For properties currently on GVR as Residential, where the current use is accommodation, the valuation should then determine the different values for the Multi-purpose properties.	Partially implemented. From an internal audit sample of ten Accommodation (Land Use) properties. Internal Audit found that nine of these have not been valued for multi-purpose: • Erf 151 Brenton; • Erf 875 Knysna;	The implementation is in progress, but the project has not been completed.	June 2025

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			• Erf 2691 Knysna; • Erf4252 Knysna; • Erf 7604 Knysna; • Erf 11211 Knysna; • Erf 12225 Knysna; • Erf 17880 Knysna; and • Erf 4587 Sedgefield. From an internal audit sample of ten Business (Land Use) properties. Internal Audit found that none of these properties' billing categories were corrected: • Erf 11994 Knysna; • Erf 14505 Knysna; • Erf 14621 Knysna; • Erf 15066 Knysna; • Erf 14622 Knysna • Erf 526 Belvedere; • Erf 4932 Knysna; • Erf 12673 Knysna; • Erf 2037 Sedgefield; and • Erf 95 Rhenendal	
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			From an internal audit sample of ten Multi-purpose (Land Use). Internal Audit found that none of these properties' billing categories was corrected: • Erf 4851 Knysna; • Erf 6072 Knysna; • Erf 6171 Knysna; • Erf 8334 Knysna; • Erf 8980 Knysna; • Erf 328 Sedgefield; • Erf 774 Sedgefield; • Erf 834 Sedgefield; • Erf 1767 Sedgefield; • Erf 3772 Sedgefield. No exceptions were found in the internal audit sample of Residential Land Use properties.		
4.1.4 B1 (i)	<u>Compare financial info & Billing systems to updated land info: B - Registered Property and Formal Stands occupied, not registered at the Deeds Office VS The Basic Water, Sanitation, Refuse Removal and Electricity Services Debtors Book:</u> Properties were found that were: 1. Not billed from the Debtors Book, although basic services were provided.	1. Accounts should be opened for omitted Debtors for basic services.	Refer to 4.1.4 B1.1 (i) – (viii)	The implementation is in progress, but the project has not been completed.	June 2025

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	2. Account names differ with registered owners. 3. The basic Tariff charges for the services are not in line with the current use category. 4. The meter prepaid database is not complete and accurate. Meters cannot be correctly linked to an SG stand.	2. The Municipality should not allow the opening of accounts in the name of tenants. The tenant account should be closed and the account opened for owners as per the Deeds Office. 3. Accounts incorrectly billed in terms of current use should be corrected. 4. A meter audit needs to be performed on all prepaid meters.			
4.1.4 B1.1 (i)	<u>Water basic, no billing:</u> Properties on Debtors Book with No Water Basic Charge but a consumption charge is billed Neither Water Basic nor Consumption charge was billed.	Bill water basic services for all properties in H1,H2(excluding various other), H3, H6 and H7	Partially implemented. From an internal audit sample of 50 properties per findings listed in Annexure H1, H2, H3, H6 and H7 from DBSA Revenue Enhancement Report, 18 properties were billed for water basic services, however, Internal Audit could not obtain proof that 23 properties were	The implementation is in progress, but the project has not been completed.	June 2025

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			billed for water basic services. Furthermore, Internal Audit noted that eight properties are currently not billed for water basic services: • Erf 8973 Knysna; • Erf 164 Belvedere; • Erf 783 Brenton; • Erf 1939 Knysna; • Erf 2877 Knysna; • Erf 153 Belvedere; • Erf 39 Belvedere; • Erf 8764 Knysna; and • Erf 16019 Knysna		
4.1.4 B1.1 (ii)	<u>Water basic - Tenants</u> 1 063 Tenants were found to be billed for water basic charges.	The Municipality should not allow the opening of accounts in the name of tenants. The tenant account should be closed and the account opened for owners as per the Deeds Office.	N/A Internal audit could not obtain Annexures to make a selection and confirm that accounts are only opened for owners as per deeds office and tenants' accounts are closed.	The Municipality does not open tenants' accounts anymore.	N/A
4.1.4 B1.1 (iii)	<u>Electricity Availability, No Billing:</u>				

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	Properties on Debtors Book with: - No Electricity Basic Charge or Availability charges are billed, but a consumption charge is billed. - Neither Electricity Basic / Availability nor Consumption charge was billed.	Bill electricity basic available services for all properties in I1, I2(excluding other categories), I3 and I6	Partially implemented. From an internal audit sample of 40 properties. Internal Audit could not obtain proof that electricity billing took place for the following 15 properties: - Erf 4596 Knysna; - Erf 9824 Knysna; - Erf 52 Knysna; - Erf 13981 Knysna; - Erf 95 Rheenendal; - Erf 4322 Knysna; - Erf 3407 Knysna; - Erf 20327 Knysna; - Erf 89 Belvedere; - Erf 5722 Knysna; - Erf 10405 Knysna; - Erf 12662 Knysna; - Erf 15796 Knysna 19911; and - Erf 13286 Knysna.	N/A - Implemented	N/A - Implemented
4.1.4 B1.1 (iv)	<u>Electricity Basic – Tenants:</u> 272 Tenants were found to be billed for Electricity charges.	Municipalities should not allow the opening of accounts in the name of	N/A	The Municipality does not open tenants' accounts anymore.	N/A

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		tenants. The tenant account should be closed and the account opened for owners as per the Deeds Office.	Internal audit could not obtain Annexures to make a selection and confirm that accounts are only opened for owners as per deeds office and tenants' accounts are closed.		
4.1.4 B1.1 (v)	<u>Refuse, No Billing:</u> Properties on Debtors Book with No Refuse charges being billed	Bill refuse for all properties reflected in J1, J2 and J5 (improved)	Partially implemented. From an internal audit sample of 30 properties. Internal Audit could not find any Refuse billing for the following properties: • Erf 598 Brenton; • Erf 18 Knysna; • Erf 2981 Knysna; • Erf 16084 Knysna; • Erf 16695 Knysna; • Erf 21090 Knysna; • Erf 657 Knysna; • Erf 19624 Knysna; • Erf 229 Buffalo Bay; • Erf 15821 Knysna;	Implementation in progress.	30 June 2025

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			• Erf 17011 Knysna; • Erf 19497 Knysna		
4.1.4 B1.1 (vi)	<u>Refuse Basic – Tenants:</u> 1 493 Tenants were found that were billed for Refuse charges.	The Municipality should not allow the opening of accounts in the name of tenants. The tenant account should be closed and the account opened for owners as per the Deeds Office.	N/A Internal audit could not obtain Annexures to make a selection and confirm that accounts are only opened for owners as per deeds office and tenants' accounts are closed.	The Municipality does not open tenants' accounts anymore.	N/A
4.1.4 B1.1 (vii)	<u>Sanitation / Sewerage, No Billing:</u> Properties on Debtors Book with: • No Sanitation / Sewerage charges being billed	Bill sanitation/sewerage for all properties reflected in K1, K2, and K5	Partially implemented. From an internal audit sample of 30 properties. Internal Audit could not confirm that Sanitation / Sewerage billing was processed for the following 12 properties: • Erf 13200 Knysna; • Erf 3832 Sedgfield; • Erf 657 Knysna;	Implementation in progress.	30 June 2025

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			• Erf 19624 Knysna; • Erf 20236 Knysna; • Erf 41 Rheenendal; • Erf 606 Belvedere; • Erf 607 Belvedere; • Erf 612 Belvedere; • Erf 613 Belvedere; • Erf 514 Brenton; and • Erf 651 Brenton.		
4.1.4 B1.1 (viii)	<u>Sewerage / Sanitation - Tenants</u> 1 221 Tenants were found that were billed for Sewerage / Sanitation charges.	The Municipality should not allow the opening of accounts in the name of tenants. The tenant account should be closed and the account opened for owners as per the Deeds Office.	N/A Internal audit could not obtain Annexures to make a selection and confirm that accounts are only opened for owners as per deeds office and tenants' accounts are closed.	The Municipality does not open tenants' accounts anymore.	N/A
4.1.4 C 1(a)	<u>Compare financial info & Billing systems to updated land info: C - Registered Property and formal stands occupied, not registered at the Deed Office vs Electricity and Water Consumption Debtors Book (1)(a) - Water Consumption, No Billing:</u>				

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	Properties on Debtors Book with: • Only Basic Water Charges; and • No Basic or Consumption billed	Refer to tests performed above in 4.1.4 B1.1 (i)	Refer to tests performed above in 4.1.4 B1.1 (i)	Implementation in progress.	30 June 2025
4.1.4 C 1(b)	<u>Water Consumption – Tenants:</u> 2 798 Tenants were found that be billed for Water Consumption charges.	The Municipality should not allow the opening of accounts in the name of tenants. The tenant account should be closed and the account opened for owners as per the Deeds Office.	N/A Internal audit could not obtain Annexures to make a selection and confirm that accounts are only opened for owners as per deeds office and tenants' accounts are closed.	The Municipality does not open tenants' accounts anymore.	N/A
4.1.4 C 2(a)	<u>Electricity consumption, No Billing:</u> Properties on Debtors Book with: • Only Basic Elec or Availability Charges; and • No Basic, Availability or Consumption billed	A Database of 19,200 electricity meters was provided by the Municipality. Properties not billed for Electricity basic charges can only be confirmed and mapped after a complete meter audit is done.	Not implemented. Awaiting response from Head: Income regarding the progress of the Meter Audit.	A meter audit is currently ongoing, together with the TID rollover process.	24 November 2024
4.1.4 C 2(b)	<u>Electricity Consumption - Tenants</u> 1 631 Tenants were found that were billed for Electricity Consumption charges.	Municipalities should not allow the opening of accounts in the name of tenants. The tenant	N/A Internal Audit could not obtain	The Municipality does not open tenants' accounts anymore.	N/A

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		account should be closed and the account opened for owners as per the Deeds Office.	Annexures to make the selection and confirm that accounts are only opened for owners as per deeds office and tenants' accounts are closed.		
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KNYSNA MUNICIPALITY AUDIT COMMITTEE

OVERSIGHT REPORT

01 July 2024 to 30 September 2024

APPENDIX B: LAPSE OF TRAFFIC FINE TENDER: 30 JUNE 2024 AND SERIOUS FINANCIAL IMPLICATIONS FOR KNYNSNA MUNICIPALITY

Astrid Louw

From: Johan Jacobs <johanjacobs56@gmail.com>
Sent: Tuesday, 01 October 2024 15:37
To: Astrid Louw; Manie Karriem; Derick Block; Gill Bolton; ronelslaw23 (ronelslaw23@gmail.com); Aubrey Tsengwa; Mncedisi Skosana
Subject: LAPSE OF TRAFFIC FINE TENDER: 30 JUNE 2024 AND SERIOUS FINANCIAL IMPLICATIONS FOR KNYNSNA MUNICIPALITY

Executive Mayor

I refer to our brief discussion in this regard on 30 September 2024 and hereby officially advise yourself as Executive Mayor, as well as the Speaker, in terms of section 166(2)(a) of the MFMA(aa) as follows:

- The Audit Committee held a meeting on 30 September 2024 in terms of the Knysna Audit Committee Charter and according to the Audit Committee mandate.
- Item 4.4 of the agenda dealt with the monthly budget statement in terms of section 71 of the MFMA for August 2024. (The same report that is tabled at the Section 80 Finance Committee, Mayoral Committee and Council.)
- The members of the Audit Committee enquired about the material variance for "Fines, Penalties and Forfeits" of R10,4m for the 2 month period and the feedback from the Acting Municipal Manager, CFO and Manager SCM confirmed that the tender for Traffic Fines lapsed at 30 June 2024, was not extended and the SCM process to appoint a new service provider has not been completed. A new service provider has not been appointed yet and for the past 3 months there is not a service provider rendering this service to Knysna Municipality.
- These facts and the implication of potential revenue losses amounting to R10m for July and August (and probably another R5m for September according to the 2024/25 budgeted amounts) should have been reported under paragraph 3.2.1 of the said Monthly Budget Statement Report to the Executive Mayor.
- If this was brought to the attention of the Executive Mayor the Executive Mayor would have been able to act according to sec 54(1)(d) of the MFMA.

Your urgent attention in this regard will be appreciated. An in depth investigation, possible disciplinary action and a comprehensive report to Council, MPAC and the audit committee might be the way forward.

The Audit Committee is committed to assist yourself and the Council to comply with the MFMA and will continue to act in terms of the Audit Committee mandate.

You are welcome to call me if there are any uncertainties.

Kind regards

Johan Jacobs
Chairperson
Knysna Audit Committee..

KNYSNA MUNICIPALITY AUDIT COMMITTEE

OVERSIGHT REPORT

01 July 2024 to 30 September 2024

APPENDIX C: COMMENTS KNYSNA AUDIT COMMITTEE: GREY ELEPHANT INVESTMENTS

Astrid Louw

From: Johan Jacobs <johanjacobs56@gmail.com>
Sent: Wednesday, 09 October 2024 15:14
To: Simon Malepeng; Charl Botha; Astrid Louw; Gill Bolton; Derick Block; ronelshaw23 (ronelshaw23@gmail.com); Aubrey Tsengwa; Mncedisi Skosana; Anita Strydom
Subject: COMMENTS: KNYSNA AUDIT COMMITTEE: GREY ELEPHANT INVESTMENTS

Mr Malepeng

During the continuation meeting of the Knysna Audit Committee on Tuesday 8 October 2024 item 4.8 **Report on Grey Elephant Investments (Lease agreement)** was tabled. The Audit Committee was informed that an item will be tabled in this regard at a special council meeting on 10 October 2024 due to the fact that High Court papers were served on Council in this regard. The Knysna Audit Committee did not discuss the new item due to the possible legal action.

The Knysna Audit Committee (KAC) resolved unanimously to confirm the Audit Committee's standpoint in this regard and to request that the KAC's standpoint be brought to the attention of the Council when this item is discussed.

Knysna Audit Committee standpoint on Lease agreement between Knysna Municipality and Grey Elephant Investments.

During numerous meetings of the Knysna Audit Committee questions were raised (1) on the legal correctness of a lease agreement between Knysna Municipality and any service provider that is in arrears with service accounts for example Grey Elephant Contract for lease of office space; (2) whether the proposed contract was advertised for public comment as required by section 33 of the MFMA being a contract with financial implications beyond 3 years; (3) whether any payments were made by Knysna Municipality to the owners of the Knysna Mall while the accounts of the lessor are in arrears as this might be fruitless and wasteful expenditure; (4) whether the write-off of debt owed by the said lessor is in line with the Knysna credit control policy as this might be unauthorised expenditure. The Audit Committee is extremely concerned about the financial implications for Knysna Municipality if the proposed contract does not meet the legal requirements and until date no written confirmation to the legality were tabled at the Audit Committee meetings. The Knysna Audit Committee has to advise the Council and Executive Mayor in terms of section 166 of the MFMA but due to a lack of information this could not be fulfilled and the Audit Committee raised its concerns.

I trust this standpoint and concerns of the Knysna Audit Committee will be brought to the attention of the Council.

Please confirm receipt of this email.

Kind regards

Johan Jacobs
Chairperson
Knysna Audit Committee.

KNYSNA MUNICIPALITY AUDIT COMMITTEE
OVERSIGHT REPORT
01 May 2024 to 30 June 2024



Knysna

Municipality Munisipaliteit uMasipala

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**AUDIT COMMITTEE
OVERSIGHT REPORT
TO COUNCIL**

KNYSNA MUNICIPALITY AUDIT COMMITTEE

OVERSIGHT REPORT

01 May 2024 to 30 June 2024

1. Purpose

- 1.1. The Committee is submitting its oversight report to the Council for noting and implementation by management.

2. Legislative requirements

- 2.1. The Audit Committee is required to report to the Council on the work it is doing focusing on its primary responsibilities outlined in terms of Section 166 of the Municipal Finance Management Act for the purpose of advising the Municipal Council, political office bearers and accounting officer.
- 2.2. The committee has in terms of circular 65 of MFMA adopted an appropriate formal terms of reference clearly setting out the establishment, purpose, authority, composition and the relationship with council, management , internal and external auditors as per its charter.
- 2.3. The committee has adopted the Audit Committee Charter for the 2023/2024 financial year.

3. Matters relating to the structure of the committee and its responsibilities:

3.1. The structure of the Committee

- 3.1.1. The established committee consisted= of 7 independent external members.

Mr J Jacobs: Chairperson	Chairperson with effect 01 May 2023
Mr WN Litoli: Member	01 July 2021 to 30 June 2024
Mr LC Tatayi: Member	01 July 2021 to 30 June 2024
Mr A Karriem: Member	01 January 2023 to 31 December 2025
Mrs R Shaw: Member	01 January 2023 to 31 December 2025
Ms G Bolton:Member	01 January 2023 to 31 December 2025
Adv.D.Block	06 June 2023 to 05 June 2026

KNYSNA MUNICIPALITY AUDIT COMMITTEE

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01 May 2024 to 30 June 2024

4. Meetings held

4.1. The committee held its meetings as follow to execute its mandate in accordance with the approved charter.

The details of attendance of the meetings were as follow:

Committee Member	11 December 2023	25 January 2024	12 March 2024	26 April 2024
Mr. J.Jacobs: (Chairperson)	1	1	1	1
Mr WN Litoli	1	1	0	1
Mr LC Tatayi	0	1	1	1
Mr A Karriem:	0	1	0	0
Mrs R Shaw:	1	1	1	0
Ms G Bolton:	1	1	1	1
Adv.D.Block	1	1	1	1

No meetings were held during May and June of 2024.

In as far as member's attendance is concerned, overall the Chairperson is satisfied with member's conduct. Members who have been unable to attend, made an in advance apology.

Member, A.Karriem has been on an extended sick leave making him unable to attend the meetings of the committee.

4.2 The committee maintains a resolutions register to track progress made on implementing the recommendations made by the Committee. The committee was provided with an update at each ordinary committee meeting on the progress towards implementing its resolutions.

5. Internal Audit

5.1. The Audit Committee is required to continuously evaluate the activities and performance of Internal Audit to ensure that it remains independent and objective in discharging its responsibilities.

KNYSNA MUNICIPALITY AUDIT COMMITTEE

OVERSIGHT REPORT

01 May 2024 to 30 June 2024

- 5.2. The internal audit functions continues to operate through a co-sourcing model. The committee welcomes the appointment of Moore Southern Cape for a 36 month period, starting from 01 April 2024 as the new co-sourcing partner. The Internal Audit function reports to the Audit Committee functionally to ensure its independence and objectivity in performance of its duties.
- 5.3. On 26 April 2024, the committee approved an amendment to the 2023/2024 risk-based internal audit plan for implementation by Internal Audit; implementation of this plan is monitored at the committee meetings through a progress report presented by the Chief Audit Executive.
- 5.4. The progress of internal audit work performed against this plan is as follows:

Project name	Audit assigned	Frequency	Progress
Performance Management including: Quarterly Section 52(d) reports Performance Agreements & Evaluations SDBIP reviews	Internally	Quarterly and Annually	Final reports • Q1, Q2 & Q3 Performance Information • 21/22 Performance Evaluations, 2023/24 • SDBIP review • Performance Agreements
DORA/Grants	Internally	Annually	Completed
Billing: Indigents	Outsourced to Moore	Annually	Completed
Cash counts	Internally	Continued	Completed
Revenue enhancement project implementation: Follow up	Outsourced to Moore	Annually	Completed
Stock count (Year end 30 June 24)	Internally	Annually	Completed
Consequence management	Outsourced to PKF	Annually	Completed
Credit control	Outsourced to PKF	Annually	Completed
Payroll	Internally	Annually	Completed(Management letter)
Procurement	Outsourced to PKF	Annually	Completed (Management letter)

KNYSNA MUNICIPALITY AUDIT COMMITTEE

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01 May 2024 to 30 June 2024

SCM (BSC,BEC and BAC)	Outsourced to Moore	Annually	Completed
Legal services	Outsourced to PKF	Annually	Completed
Fleet management	Outsourced to Moore	Annually	Completed

- 5.5. The committee is satisfied with the progress made against the amended internal audit plan and trust that the final reports in relation to Payroll and Supply Chain Management will be tabled at the next meeting..
- 5.6. The committee advises management to implement internal audit findings and recommendations properly and on time in order to prevent repetitive audit findings and to ensure improvement of audit outcomes.
- 5.7. The committee further recommended that Management should be measured against the response time to internal audit requests for information and management letters through developing and including a Key Performance Indicator in the performance agreements.
- 5.8. The committee noted the findings in relation to performance management and advised that officials be upskilled on the Ignite system and a workshop be held by the Manager IDP/PMS to address repetitive findings and its root-causes.

6. Internal Control

- 6.1. Based on the reviews conducted through the internal audit reports and engagements held during the committee's meeting, the committee is of the opinion that the system of internal control is not entirely effective. Management were to review and implement internal control as recommended by the auditors in order to improve the control environment.
- 6.2. Management should design, implement, and monitor the compilations and processing monthly reconciliations of all transactions and also to ensure effective performance management.
- 6.3. Management must ensure that the key performance areas talk to the goal towards achieving clean audit through the development and reviews of the performance management systems and policies and proper implementations.
- 6.4. Management must also ensure that more weight is allocated into good or clean governance in enforcing and directing proper implementations of audit findings and recommendations.

7. Risk Management matters

- 7.1. The risk management implementation is the responsibility of the management in terms of the MFMA. The role of the audit committee is to advise management on the implementation of effective risk management in the municipality.
- 7.2. The committee reviewed the risk management progress report on both 12 March and 26 April 2024 and noted the strategic risk register being monitored.
- 7.3. The committee advised that management ensure the linking of the SDBIP with the strategic risks as identified.

8. Compliance Management

- 8.1 The committee reviewed the Compliance management reports and resolved that management held those accountable for failure to comply with relevant legislation and prescriptions.
- 8.2 The committee further advised that relevant users update the system utilised to track compliance within required deadlines, so that reports can produce accurate outcomes.

9. Performance Management

- 9.1 The committee was presented with the mid-year budget and performance assessment report (performance report) and advised management that the report must provide clearer reasons for under performance and all achievements to be supported by a portfolio of evidence.
- 9.2 The committee was not provided with the quarter three-performance report and was provided with a verbal update in their meeting held.
- 9.2 The Audit Committee urges Management & Council to ensure that the performance management system is updated within the given timelines and reports generated, reviewed and tabled within the legislated timelines.
- 9.3 Management should further ensure that the reports are presented to the audit committee to enable the committee in fulfilling its oversight responsibility.

10. Legal

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10.1 The committee noted the litigation matters instituted against and by the municipality and advises management to ensure that all matters are reported and at the correct estimates.

10.2 The committee is also concerned with the amount of cases and related expenditures incurred. It is recommended that management and Council develop an action plan and report on the plan to the audit committee for monitoring.

11. Financial Information

- a. The committee discussed the monthly Section 71 reports for September 2023 to March 2024 and expressed its concern about the cash flow constraints that the municipality is facing.
- b. The committee is concerned, in particular with the spending incurred on overtime and advised management to produce and table a plan on how this spending will be managed and reduced in the long term. Critical vacancies in departments must be filled as a mechanism to curtail overtime expenses.
- c. The committee is monitoring the cash flow position at each meeting.
- d. The committee noted that deviations with regards to the security costs and has provided recommendations to the relevant Department for consideration when concluding its new service level agreement.
- e. The committee further provided comment on the supply chain management report and advised management to put these reports as a monthly agenda point on the management meetings..

12. Information Communication Technology

The committee noted the ICT report and requested management to provide a report reflective of the costs related to the new office accommodation at the Knysna mall.

13. AGSA 2022/2023 audit

- 13.1 The Audit Committee has concurred with the AGSA audit outcomes as reported in the management and audit report.
- 12.2 The committee advised management to implement an audit action plan that covers all aspects reported in the management and audit report with clear accountability and time lines.
- 12.3 The committee is concerned with the percentage progress made towards implementing corrective action plans and has advised management to ensure that all high risk items (qualifications) and compliance matters are dealt with, without delay.

13. Municipal Public Accounts Committee (MPAC)

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- 13.1 The committee has more recently requested that the minutes of all MPAC meetings be tabled to the committee. This will enable the committee to monitor if the irregular and fruitless & wasteful expenditures are being submitted for investigations.
- 13.2 The committee would like to emphasise its concerns on the slow pace, the related investigations has moved on prior financial year's expenditures.
- 13.3 We recommend that the MPAC plan its meetings in such a manner that the issues of irregular and fruitless & wasteful expenditures be dealt with at a separate meeting.
- 13.4 As previously recommended, management is advised to split their irregular expenditure register into two parts; technical and non-technical matters. This should assist the MPAC to be more effective and efficient in performing its legislated investigations.
- 13.5 Council is further advised to ensure that those related irregular and fruitless & wasteful expenditures are sent to the Disciplinary Board for investigation (where deemed necessary) on a timeous basis.

14. Human Resource Management

- 14.1 The committee has reviewed progress made in the review of the organisational structure. The committee advises that Council support the conclusion of a reviewed structure, in compliance with Municipal Systems Act. The committee will track progress through its standing agenda items.
- 14.2 The committee has further advised management to ensure that all officials are aware of its organisational wide policies and that such are placed on the municipal intranet and website.
- 14.3 Lastly, we have noted the report on disciplinary matters and have advised that such matters be dealt with without delay to avoid excessive costs related to such hearings and related acting allowances.

15. Conclusion

- a. The committee would like to thank the Internal Audit Unit, Management and Council for the ongoing support provided.
- b. The committee will direct more efforts in improving the audit opinion of the municipality.

16. Recommendation to Council

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- a. The committee recommends this report to the Council for noting and implementation of specific recommendations under each section, by management.
- b. That Council refers the oversight report to MPAC for monitoring implementation of recommendations.



Digitally signed on 21 October 2024

Mr Johan Jacobs

Chairperson of the Audit Committee