



Notice is hereby given in terms of Section 29 of the Local Government: Municipal Structures Act, Act 117 of 1998, that a **COUNCIL MEETING** of the 2016/2021 term of the Garden Route District Municipality will be held **via Zoom**, on **TUESDAY, 23 FEBRUARY 2021** at **11:00** to consider the items as set out in the agenda.

*Kennis geskied hiermee ingevolge Artikel 29 van die Wet op Plaaslike Regering: Munisipale Strukture, 1998, Wet 117 van 1998, dat 'n **RAADSVERGADERING** van die 2016/2021 termyn van die Garden Route Distriksmunisipaliteit gehou sal word **via Zoom** op **DINSDAG, 23 FEBRUARIE 2021** om **11:00** ten einde oorweging aan die items soos in die agenda uiteengesit, te skenk.*

KuKhutshwe isaziso ngokwemiqathango yoMhlathi 29 woRhulumente Basekhaya: Umthetho Wezolawulo loMasipala, 1998, uMthetho 117 wango 1998, sokuba **INTLANGANISO** yexesha lika 2016/2021 loMasipala Wesithili se Garden Route izakubanjwa ngobuxhakaxhaka **be Zoom NGOLWESIBINI, 23 KWEYOMDUMBA 2021** ngentsimbi ye **11:00** ukuqwalasela imiba ebekwe kwi agenda.

BHJ GROENEWALD
SPEAKER
SPEAKER
SOMLOMO

MG STRATU
Municipal Manager
Munisipale Bestuurder
Mphathi Masipala

Date: 17 FEBRUARY 2021

AGENDA

1. OPENING AND WELCOMING / OPENING EN VERWELKOMING / UVULO NOLWAMKELO
2. SILENT PRAYER / STILLE GEBED / UMTHANDAZO OTHULEYO
3. ATTENDANCE OF MEMBERS / BYWONING VAN LEDE / AMALUNGU AKHOYO
 - 3.1 COUNCILLORS PRESENT / RAADSLEDE TEENWOORDIG / OCEBA ABAKHOYO
 - 3.2 COUNCILLORS WITH LEAVE / RAADSLEDE MET VERLOF / OCEBA ABAKWIKHEFU
 - 3.3 COUNCILLORS WITHOUT LEAVE / RAADSLEDE SONDER VERLOF / OCEBA ABANGEKHO KWIKHEFU
4. NOTING OF THE PROVISIONS OF SCHEDULE 1 (CODE OF CONDUCT FOR COUNCILLORS) OF THE LOCAL GOVERNMENT MUNICIPAL SYSTEMS ACT, 2000 / KENNISNAME VAN DIE VOORSKRIFTE VAN SKEDULE 1 (GEDRAGSKODE VIR RAADSLEDE) VAN DIE PLAASLIKE REGERING MUNISIPALE STELSELSWET, 2000 / UQWALASELO LWEMITHETHO-NEMIMISELO YOLUHLU 1 (INDLELA YOKUZIPHATHA KOCEBA) LOMTHETHO WENKQUBO ZORHULUMENTE BASEKHAYA, 2000
5. DISCLOSURE OF INTERESTS BY COUNCILLORS AND OFFICIALS / VERKLARING VAN BELANGE DEUR RAADSLEDE EN AMPTENARE / UKUCHAZWA KOMDLA NGOOCEBA KUNYE NAMAGOSA

6	COMMUNICATIONS BY THE SPEAKER / MEDEDELINGS DEUR DIE SPEAKER / UNXIBELELWANO LUKASOMLOMO
7	COMMUNICATIONS BY THE EXECUTIVE MAYOR / MEDEDELINGS DEUR DIE UITVOERENDE BURGEMEESTER / UNXIBELELWANO LUKA SODOLOPHU
8	COMMUNICATIONS BY THE MUNICIPAL MANAGER / MEDEDELINGS DEUR DIE MUNISIPALE BESTUURDER / UNXIBELELWANO LOMPHATHI MASIPALA

9	APPROVAL OF MINUTES OF COUNCIL MEETING / GOEDKEURING VAN NOTULES VAN RAADSVERGADERING / UKWAMKELWA KWEMIZUZU YENTLANGANO ZEBHUNGA	
	Council meeting dated 22 January 2021 / Raadsvergadering gedateer 22 Januarie 2021 / Intlanganiso yeBhunga ngomhla 22 KweyoMqungu 2021	8 – 30
10	MINUTES OF MAYORAL COMMITTEE MEETINGS AND SECTION 79 COMMITTEES (FOR NOTIFICATION) / NOTULES VAN BURGEMEESTERSKOMITEEVERGADERINGS EN ARTIKEL 79 KOMITEES (VIR KENNISNAME) / IMIZUZU YEKOMITI KASODOLOPHU NEZINYE IKOMITI ZOMHLATHI 79 (ITHATHELWE INGQALELO)	
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H.2	<p>REPORT ON THE PROPOSED PROJECT: KLEIN KAROO EXPORT AGRI HUB VERSLAG RAKENDE DIE VOORGESTELDE PROJEK: KLEIN KAROO UITVOER AGRI HUB / INGXELO NGESIPHAKAMISO SENKQUBO YE KLEIN KAROO NGENDAWO YEZOLIMO YOKRWEBELWANO LWAMAZWE</p> <p><i>Refer: Report dated 08 February 2021 from the Executive Manager Planning & Economic Development Services (L Menze) / PMU Manager (P Dongji)</i></p>	350 – 363
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I.1	None / Geen / Azikho	

SECTION J		
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J.1	None / Geen / Azikho	
SECTION K		
IN CLOSED SESSION / IN GESLOTE SESSIE / KWI-SASHONI YASEKHUSINI		
K.1	None / Geen / Azikho	
	CLOSURE / SLUITING / UQUKUNJELO	

Rdl / Cllr CN Lichaba
 Ald S De Vries
 Rdl / Cllr NF Kamte
 Rdl / Cllr SF May
 Rdl / Cllr BN Van Wyk
 Rdl / Cllr D Saayman
 Rdl / Cllr RE Spies
 Ald JL Hartnick
 Ald M Booysen
 Rdl / Cllr AJ Rossouw
 Rdl / Cllr KS Lose
 Rdl / Cllr IT Mangaliso
 Rdl / Cllr GL Boezak **(as at 30 June 2020)**
 Rdl / Cllr SS Mbandezi
 Ald BHJ Groenewald
 Rdl / Cllr E Meyer
 Ald RH Ruiters
 Ald IC Kritzing **(as at 30 June 2020)**
 Rdl / Cllr EH Stroebel
 Ald PJ Van der Hoven
 Ald T Teyisi
 Ald V Gericke
 Rdl / Cllr K Windvogel
 Rdl / Cllr JC Lambaatjeen
 Rdl / Cllr RR Wildschut
 Rdl / Cllr ASM Windvogel
 Rdl / Cllr L Tyokolo
 Rdl / Cllr NV Gungubele (as at 08 Oct 2019)
 Ald GR Wolmarans (as 27 Nov 2019)
 Cllr J Fry **(As at 25 March 2020)**
 Cllr X Matyila **(As at 30 June 2020)**
 Cllr WT Harris **(As at 27 July 2020)**
 Cllr MG Matiwane **(as at 30 Sept 2020)**
 Cllr FN Mdumiso **(As at 22 Jan 2021)**
 Cllr HD Ruiters **(As at 22 Jan 2021)**
(1 x VACANT)



Minutes of a **Council Meeting**
 of the 2016/2021 term of
 Garden Route District Council held **via Zoom**
 on **Friday, 22 January 2021** at **11:00**

*Notule van 'n **Raadsvergadering**
 van die 2016/2021 termyn
 van Garden Route Distriksraad gehou **via Zoom**
 op **Vrydag, 22 Januarie 2021** om **11:00***

Imizuzu **Yentlanganiso yeBhunga**
 yexesha 2016/2021 yoMasipala Wesithili se Garden Route
 nebibanjwe ngo **Zoom**
ngoLwesihlanu, 22 kweyeMqungu 2021 ngo **11:00**

1. OPENING AND WELCOME / OPENING EN VERWELKOMING / UVULO NOLWAMKELO

The Speaker, Cllr BHJ Groenewald welcomed everybody present and thanked them for their attendance.

2. SILENT PRAYER / STILLE GEBED / UMTHANDAZO OTHULEYO

A moment of silence was observed for all those who have lost their lives due to Covid- 19, especially, Minister Jackson Mtembu who passed away on 21 January 2021. The Speaker also requested that all men stand up and observe a moment of silence to show support for the fight against gender based violence.

3. ATTENDANCE OF MEMBERS / BYWONING VAN LEDE / AMALUNGU AKHOYO

3.1 COUNCILLORS PRESENT / RAADSLEDE TEENWOORDIG / OOCEBA ABAKHOYO

Ald M Booysen	DA
Ald JL Hartnick	DA
Cllr / Rdl / Ceba RE Spies	DA
Cllr / Rdl / Ceba AJ Rossouw	DA
Cllr / Rdl / Ceba BN Van Wyk	DA
Cllr / Rdl / Ceba SF May	DA
Cllr / Rdl / Ceba KS Lose	DA
Cllr / Rdl / Ceba CN Lichaba	ANC
Cllr / Rdl / Ceba NF Kamte	ANC
Cllr / Rdl / Ceba WT Harris	ICOSA
Ald PJ Van der Hoven	George Municipality
Cllr / Rdl / Ceba EH Stroebeel	George Municipality
Ald IC Krtizinger	George Municipality
Ald V Gericke	George Municipality
Ald T Teyisi	George Municipality
Cllr / Rdl / Ceba J Fry	George Municipality
Ald GR Wolmarans	Knysna Municipality
Cllr / Rdl / Ceba L Tyokolo	Knysna Municipality
Cllr / Rdl / Ceba MG Matiwane	Knysna Municipality
Cllr / Rdl / Ceba ASM Windvogel	Bitou Municipality

Cllr / Rdl / Ceba NF Mdumiso
 Cllr / Rdl / Ceba X Matyila
 Cllr / Rdl / Ceba GL Boezak
 Cllr / Rdl / Ceba IT Mangaliso
 Ald RH Ruiters
 Ald BHJ Groenewald
 Cllr / Rdl / Ceba E Meyer
 Cllr / Rdl / Ceba SS Mbandezi
 Cllr / Rdl / Ceba JC Lambaatjeen
 Cllr / Rdl / Ceba RR Wildschut
 Cllr / Rdl / Ceba HD Ruiters

Bitou Municipality
 Bitou Municipality
 Hessequa Municipality
 Hessequa Municipality
 Mossel Bay Municipality
 Mossel Bay Municipality
 Mossel Bay Municipality
 Mossel Bay Municipality
 Oudtshoorn Municipality
 Oudtshoorn Municipality
 Kannaland Municipality

OFFICIALS / AMPTENARE / AMAGOSA

Mr / Mnr / Mnu MG Stratu
 Mr / Mnr / Mnu J-W de Jager

Municipal Manager
 Executive Manager Financial
 Services

Ms / Me / Nkzn B Holtzhausen

Executive Manager Corporate
 Services

Mr / Mnr / Mnu J Compion

Acting Executive Manager
 Community Services

Mr / Mnr / Mnu JG Daniels

Executive Manager Roads &
 Transport Planning Services

Mr / Mnr / Mnu L Menze

Executive Manager Economic
 Development and Planning

Mr / Mnr / Mnu S Magekeni

Manager: Integrated Support
 Services & Legal Compliance

Mr / Mnr / Mnu T Loliwe

Strategic Manager in the Office of
 the Municipal Manager

Ms / Me / Nkzn N Davids

Manager: Legal Services

Ms / Me / Nkzn IG Saaiman

Manager Performance
 Management

Mr / Mnr / Mnu G Otto

Manager Disaster Management

Mr / Mnr / Mnu R Dyantyi

Manager EPWP

Ms / Me / Nkzn L Hoek

Manager AFS & BTO

Mr / Mnr / Mnu S Dladla	Chief of Staff: Office of the Executive Mayor
Mr / Mnr / Mnu T Mpuru	Manager SCM, Data and Stores
Mr / Mnr/Mnu R Dyantyi	Manager EPWP
Ms / Me / Nkzn N Klaas	Manager Human Resources
Ms / Me / Nkzn R Matthews	Senior Committee Officer
Ms / Me / Nkzn A Josephs	Committee Officer

3.2 **COUNCILLORS AND OFFICIALS WITH LEAVE / RAADSLEDE EN AMPTENARE MET VERLOF / OOCCEBA ABAKWIKHEFU**

Cllr / Rdl / Ceba D Saayman	DA
Ad S De Vries	ANC
Cllr / Rdl / Ceba NV Gungubele	ANC
Mr / Mnr / Mnu C Africa	Executive Manager: Community Services

3.3 **COUNCILLORS WITHOUT LEAVE / RAADSLEDE SONDER VERLOF / OCEBA ABANGEKHO KWIKHEFU**

Cllr / Rdl / Ceba K Windvogel	Oudtshoorn Municipality
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NB: REPORT C.1 WAS DEALT WITH FIRST ON THE AGENDA

C.2 INAUGURATION OF ANC COUNCILLOR: GARDEN ROUTE DISTRICT COUNCIL: F.N. MDUMISO AND INDEPENDENT CIVIC ORGANISATION OF SOUTH AFRICA (ICOSA) CLLR R.D. RUITERS/ INHULDIGING VAN ANC RAADSLID: F.N. MDUMISO EN "INDEPENDENT CIVIC ORGANISATION OF SOUTH AFRICA" (ICOSA) CLLR R.D. RUITERS/ UKUFUNGISWA KOCEBA WE ANC: IBHUNGA LESITHILI SE GARDEN ROUTE: UCEBA F.N. MUDIMISO KUNYE INDEPENDENT CIVIC ORGANISATION OF SOUTH AFRICA (ICOSA) KOCEBA R.D. RUITERS

Refer: Report dated 18 January 2020 from the Municipal Manager (MG Stratu) (pg 170-178)

RESOLVED

- 5.1.1 That cognizance be taken of the notices from the IEC, dated 15 January 2021.
- 5.1.2 That Cllrs Francis Noxolo Mdumiso and Hyrin David Ruiters, be inaugurated as Councillors of Garden Route District Municipality with effect from 15 January 2021.
- 5.1.3 That Cllrs Francis Noxolo Mdumiso and Hyrin David Ruiters be requested to take the Oath of Office as required in terms of the Municipal Structures Act, 1998.

BESLUIE

- 5.1.1 *Dat kennis geneem word van die kennisgewings van die OVK gedateer 15 Januarie 2021.*
- 5.1.2 *Dat Rdle Francis Noxolo Mdumiso en Hyrin David Ruiters, met ingang 15 Januarie 2021 as Raadslede van die Gardenroute Distriksmunisipaliteit ingehuldig word.*
- 5.1.3 *Dat Rdle Francis Noxolo Mdumiso and Hyrin David Ruiters versoek word om 'n eed van die kantoor te neem soos vereis ingevolge die Wet op Munisipalite Strukture, 1998.*

ISIGQIBO

- 5.1.1 Sesokuba kuthathelwe ingqalelo isaziso se IEC, sangomhla 15 KweyeMqungu 2021.

5.1.2 Sesokuba uCeba Francis Noxolo Mdumiso kunye Hyrin David Ruiters, afungiswe njengo Ceba weBhunga loMasipala Wesithili se Garden Route ukususela ngomhla 15 KweyeMqungu 2021.

5.1.3 Sesokuba uCeba Francis Noxolo Mdumiso kunye Hyrin David Ruiters, acengwe ukuba athathe Isifungo se Ofisi njengoko kufunwa yi Municipal Structures Act, 1998.

NB: The following Councillors congratulated and welcomed the newly inaugurated Councillors: Cllr CN Lichaba, RE Spies and Ald V Gericke, Ald PJ van der Hoven and WT Harris.

4. NOTING THE PROVISIONS OF SCHEDULE 1 (CODE OF CONDUCT FOR COUNCILLORS) OF THE LOCAL GOVERNMENT MUNICIPAL SYSTEMS ACT, 2000 / KENNISNAME VAN SKEDULE 1 (GEDRAGSKODE VIR RAADSLEDE) VAN DIE PLAASLIKE REGERING MUNISIPALE STELSELSWET, 2000 / UQWALASELO LWEZIBONELELO ZOLUHLU 1 (INDLELA YOKUZIPHATHA KOCEBA) LOMTHETHO WENKQUBO ZORHULUMENTE BASEKHAYA, 2000

Noted / Kennis geneem / Luthathelwe ingqalelo

The Speaker reminded the Councillors that the Rules of order were approved as a policy to give Councillors time to "test drive" the rules. He proposed that an amendment be made to the Rules to allow the Executive Mayor to do his communications first". He further urged everyone to submit any proposals for amendments of the Rules of order to the Manager: Integrated Support Services and Legal Compliance.

5. DISCLOSURE OF INTERESTS BY COUNCILLORS AND OFFICIALS / VERKLARING VAN BELANGE DEUR RAADSLEDE EN AMPTENARE / UKUCHAZWA KOMDLA NGOOCEBA KUNYE NAMAGOSA

None / Geen / Azikho

NB: The Speaker requested that the Executive Mayor submit his communications first and thereafter the Municipal Manager.

**7. COMMUNICATIONS BY THE EXECUTIVE MAYOR / MEDEDELINGS DEUR DIE
UITVOERENDE BURGEMEESTER / UNXIBELELWANO LUKA SODOLOPHU**

The Executive Mayor, extended his well wishes on behalf of Council to all Councillors and officials for the new year.

The Executive Mayor communicated that the 2020 year was extremely difficult and hopes that 2021, is a better year for all the Garden Route residents. The Executive Mayor noted that COVID-19 hit all South Africans very hard and a lot of people lost family members and prominent South Africans as well as leaders of the country.. According to the Executive Mayor the Garden Route District Municipality also lost staff members, still has many active cases and that he is praying that everybody survives this pandemic.

The Executive Mayor communicated that there are a lot of projects that the GRDM still needs to roll out this year, one being the regional landfill site. He further expressed his urgency for this project to be completed. The Executive Mayor communicated the good news, being that with all the efforts that GRDM has put into this regional landfill site project, people have taken note and as a result the European Union has made contact with the municipality in an effort to enter into a partnership agreement. The Executive Mayor also reported that the University of Kwazulu-Natal and the University of Crete contacted the municipality also looking to partner in the area of waste management. This, according to the Executive Mayor is just an indication that the GRDM is really trying its best and with all of these projects on the table and the participation of Council and officials, GRDM will make this work.

The Executive Mayor reported that the issue of the regional foodbank has been discussed for some time, and, now that it is operational, all the Mayors and Municipal Managers and relevant Officials can experience this first hand.

The Executive Mayor thanked all those who have donated up to now and those that still plan to donate. He also expressed his gratitude on behalf of the GRDM towards those who have contributed in the setting up of the food bank, because it really makes a difference in the lives of the people.

The Executive Mayor then welcomed the two new Councillors, Cllr Mdumiso and Cllr Ruiters. He advised the new councillors that the GRDM is indeed a learning college, in terms of how things are done politically and administratively and expressed confidence that they will enjoy their time being Councillors at GRDM.

Under the Communications of the Executive Mayor, Cllr W Harris asked if any of the Workforce were promised COVID 19 money, to which the Municipal Manager responded by saying that no one in this organization was promised and received any form of "Covid" money.

Under the Communications of the Executive Mayor, Ald PJ van der Hoven mentioned that a lot of discussions took place regarding the Landfill Site and that Council must make use of the opportunities that can arise from the landfill site, such as renewable energy. Ald PJ van der Hoven also mentioned that the District Foodbank is being supported 100% and that Council must ensure that proper communication in this regard takes place in order for the most vulnerable to benefit from the Foodbank.

Under the Communications of the Executive Mayor, Ald V Gericke reported that a lot of families are losing their loved ones due to COVID-19 and he urged all members of the public to adhere to all the rules by continuously sanitizing their hands, wearing of masks and adhering to social distance.

Ald V Gericke reminded Council that they unanimously decided on the approval of the Food Pantry, but that Council should caution against politizing the pantry (food bank) and use it as a tool to buy votes. Ald Gericke said that money has been given to the District Foodbank and that the members of the foodbank must be allowed to perform their duties and that Councillors should distance themselves from the operations of the food bank.

6. COMMUNICATIONS BY THE SPEAKER / MEDEDELINGS DEUR DIE SPEAKER / UNIXIBELELWANO LIBAMBELA LOSOMLOMO

The Speaker wished all Councillors and officials a healthy, prosperous and peaceful 2021. The Speaker congratulated the following Councillors with their upcoming birthdays in February 2021: Cllrs JC Lambatjeen, L Tyokolo, J Fry and HD Ruiters.

8. COMMUNICATIONS BY THE MUNICIPAL MANAGER / MEDEDELINGS DEUR DIE MUNISIPALE BESTUURDER / UNXIBELELWANO LOMPHATHI MASIPALA

The Municipal Manager communicated the following:

The Municipal Manager wished all Councillors and officials a prosperous 2021. He congratulated and welcomed the two newly inaugurated Councillors to the GRDM.

The Municipal Manager reported that a late report in the form of an addendum was circulated to all Councillors and apologized for its late submission. The Municipal Manager informed Council that the delay was mainly due to the Department of Human Settlements and the Housing Development Agency who only submitted the Memorandum of Agreement a day before the Council meeting. The morning of the Council meeting, another report (the implementation plan) was received from the department.

The Municipal Manager reminded Council that this is the first Council meeting for the year. He also reminded Council that the year is going to be short because of the elections that are going to take place.

He also reported that a Strategic Session will take place during the month of February and the administration has already had a technical strategic session and now preparations are underway for the Council Strategic Session where all the objectives of the previous year will be discussed and the new objectives must be discussed for upcoming financial year.

The Municipal Manager reported to Council that the administration is engaging with the last term IDP and the last budget for this term. According to the Municipal Manager, the Regional Waste Landfill Site will be constructed this year. The Municipal Manager expressed his satisfaction that everybody understands their roles in the Foodbank, and that Councillors should familiarise themselves with where the building is situated in order for them to play their oversight roles.

The Municipal Manager informed Council that as an institution, the GRDM has only 2 active Covid-19 cases, 78 people have recovered and 6 staff members lost their lives. Alert level 3 strategies are being implemented and as a result only 50% of staff members are back in the office.

9. APPROVAL OF MINUTES OF COUNCIL MEETINGS / GOEDKEURING VAN NOTULES VAN RAADSVERGADERINGS / UKWAMKELWA KWEMIZUZU YENTLANGANO YEBHUNGA

- 9.1 Council meeting dated 10 December 2020 / Raadsvergadering gedateer 10 Desember 2020 / Intlanganiso yeBhunga ngomhla 10 KweyeMnga 2020 (pg 8-30)

RESOLVED

That the minutes of the Council meeting dated 10 December 2020, be approved.

BESLUIT

Dat die notule van die Raadsvergadering gedateer 10 Desember 2020, goedgekeur word.

ISIGQIBO

Sesokuba imizuzu yentlangano yeBhunga yangomhla 10 kweyoMMnga 2020, iphunyezwe.

- 10. MINUTES OF MAYORAL COMMITTEE MEETING/ SECTION 79 COMMITTEES AND OTHER COMMITTEES (FOR NOTIFICATION) / NOTULE VAN DIE BURGEMEESTERSKOMITEEVERGADERING/ ARTIKEL 79 KOMITEES EN ANDER KOMITEES (VIR KENNISNAME) / IMIZUZUZ YEKOMITI KASODOLOPHU KUNYE NEZINYE IKOMITI ZOMHLATHI 79 (ITHATHELWE INGQALELO) (pg 31-59)**

- 10.1 Mayoral Committee meeting dated 26 November 2020 / *Burgemeesterskomitee vergadering 26 November 2020* / Intlanganiso yeBhunga ngomhla 26 KweyeNkanga 2020.

RESOLVED

That the minutes of the Mayoral Committee meeting dated 26 November 2020, be noted.

BESLUIT

Dat kennis geneem word van die notule van die Burgemeesterskomiteevergadering gedateer 26 November 2020.

ISIGQIBO

Sesokuba imizuzu yentlangano Yekomiti kaSodolophu nebibanjwe ngomhla 26 KweyeNkanga 2020 ithathelwe ingqalelo.

11. MINUTES OF SECTION 79 / OVERSIGHT COMMITTEE COMMITTEES (FOR NOTIFICATION) / NOTULES VAN 79 / OORSIG KOMITEE VERGADERINGS (VIR KENNISNAME) / IMIZUZU YOMHLATHI 79/LINTLANGANISO ZEKOMITI EJONGENE NOMSEBENZI UKUZE ITHATHELWE INGQALELO

11.1 None / Geen / Azikho

12 STANDING ITEMS / STAANDE ITEMS / IMIBA EMISIWEYO

12.1 APPOINTMENTS, SERVICE EXITS AND LABOUR RELATIONS INFORMATION FOR DECEMBER 2020 / AANSTELLINGS, UITDIENSTREDINGS EN ARBEIDSVERHOUDINGE INLIGTING VIR DESEMBER 2020 / ABAQASHIWEYO, ABASHIYE UMSEBENZI KUNYE NEMICIMBI YEZABASEBENZI KWINYANGA KWEYENMNGA 2020

Refer: Report (9/3/1) dated 07 January 2021 from the Executive Manager: Corporate Services (B Holtzhausen) / Manager Human Resources (N Klaas)(pg 60-68)

RESOLVED

That the information on the appointments, service exits and labour relations matters for December 2020, be noted.

BESLUIT

Dat kennis geneem word van die aanstellings, uitdienstredings en arbeidsverhoudinge inligting vir Desember 2020.

ISIGQIBO

Sesokuba ulwazi ngokuqashwa, ukuphuma kwinkonzo kunye nemicimbi yezabasebenzi kwinyanga KweyeMnga 2020 kuthathelwe ingqalelo.

A. ITEMS FROM THE SPEAKER / ITEMS VANAF DIE SPEAKER / IMIBA EVELA KWIBAMBELA SOMLOMO

A.1 None / Geen / Azikho

B. ITEMS FROM THE EXECUTIVE MAYOR/ ITEMS VOORGELÊ VANAF DIE UITVOERENDE BURGEMEESTER / IMIBA EVELA KUSODOLOPHU

B.1 **SECTION 52 REPORT – RESPONSIBILITIES OF THE MAYOR / VERSLAG: ARTIKEL 52 VERANTWOORDELIKHEDE VAN DIE BURGEMEESTER / U MHLATHI 52 - UXANDUVA LUKA SODOLOPHU**

Refer: Report dated 18 January 2021 from the Executive Mayor (M Booysen)(pg 69-122)

RESOLVED

That Council takes notes of the quarterly report on the implementation of the budget and the financial affairs of the municipality for the year to date and the quarter ending 31 December 2020.

BESLUIT

Dat die Raad kennis neem van die kwartaalverslag rakende die implementering van die begroting en die finansiële posisie van die munisipaliteit vir die jaar tot datum en die kwartaal geëindig 31 Desember 2020.

ISIGQIBO

Sesokuba iBhunga lithathele ingqalelo ingxelo ngokumiselwa kolwabiwo-mali kunye nemicimbi yezemali zomasipala zonyaka uzakuthi ga ngoku kunye nexesha eliphela ngomhla 30 kweyoMnga 2020.

B.2 **SECTION 72 MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT - 31 DECEMBER 2020 / VERSLAG: ARTIKEL 72 HALFJAARLIKSE BEGROTING EN PRESTASIE ASSESSERING: 31 DESEMBER 2020 / INGXELO: UMHLATHI 72 ULWABIWOMALI-LOMBINDI NYANKA KUNYE NOQWALASELO LOMSEBENZI - 31 KWEYOMNGA 2020**

Refer: Report dated 13 January 2021 from the Executive Mayor (M Booysen)(pg 123-169)

RESOLVED

5.1.1 That Council takes note of the mid-year budget and performance report in terms of Section 72 of the Municipal Finance Management Act;

5.1.2 That Council takes note of the SDBIP performance report for the six months ending 31 December 2020.

5.1.3 That Council takes note that an adjustment budget will be tabled in February 2021 for consideration.

BESLUIT

5.2.1 *Dat die Raad kennis neem van die halfjaarlikse Prestasieverslag voorgelê in terme van Artikel 72 van die Munisipale Finansiële Bestuurswet, en*

5.2.2 *Dat die Raad kennis neem van die SDBIP Prestasieverslag vir die eerste ses maande van die jaar geeindig 31 Desember 2020.*

5.2.3 *Dat die Raad kennis neem dat 'n aangepaste begroting voorgelê gaan word vir oorweging in Februarie 2021.*

ISIGQIBO

5.3.1 iBhunga lithathele ingalelo ulwabiwo-mali lombindi nyaka kunye noqwalaselo lomsebenzi ngokwemithetho yoMhlathi 72 woMthetho woLawulo Lwemali zoMasipala;

5.3.2 iBhunga lithathele ingqalelo ingxelo yomsebenzi we SDBIP kwinyanga ezintandathu eziphela ngomhla 31 kweyoMnga 2019.

5.3.3 iBhunga lithathele ingqalelo ukuba kuzakuthiwa thaca ulungelelwaniso lolwabiwo-mali ukuze luqwalaselwe.

C. ITEMS FROM THE OFFICE OF THE MUNICIPAL MANAGER / ITEMS VANAF DIE KANTOOR VAN DIE MUNISIPALE BESTUURDER / IMIBA ENGXAMISEKILEYO EVELA KUMPHATHI MASIPALA

C.2 REPORT – REQUESTED/SUGGESTED ADJUSTMENTS ON THE SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN OF 2020/2021 /VERSLAG – AANVRAAG/VOORGESTELDE VERANDERINGE OP DIE DIENSLEWERINGS EN BEGROTINGSIMPLEMENTERINGSPLAN VIR 2020/2021

Refer: Report dated 12 January 2021 from the Municipal Manager (MG Stratu) / Manager Performance Management (IG Saaiman)(pg 179-182)

RESOLVED

That Council approves the requested/suggested adjustments for the 2020/2021 financial year.

BESLUIT

Dat die Raad die aanvraag/voorgestelde veranderinge vir 2020/2021 finansiële jaar, goedkeur.

ISIGQIBO

Sesokuba iqumrhu lyavumelana nokuphakanyisiweyo kunyakamali wonyaka ka 2020/2021.

D. ITEMS FROM THE FINANCIAL SERVICES DEPARTMENT / ITEMS VANAF DIE FINANSIËLE DIENSTE DEPARTEMENT / IMIBA YESEBE LENKONZO ZEMALI

D.1 DEVIATION REPORT: IMPLEMENTATION OF THE SUPPLY CHAIN MANAGEMENT POLICY FOR THE PERIOD 01 NOVEMBER 2020 TO 30 NOVEMBER 2020/ AFWYKINGSVERSLAG: IMPLEMENTERING VAN DIE VOORSIENINGSKANAALBELEID VIR DIE PERIODE 01 NOVEMBER 2020 TOT 30 NOVEMBER 2020 / INGXELO YOTYESHELO: UKUMISELWA KOMGAQO WOLAWULO LWENCITHO KWIXESHA UMHLA 01 KWEYENKANGA 2020 UYAKUTSHO KUMHLA WE 30 KWEYENKANGA 2020

Refer: Report dated 01 December 2020 from the Executive Manager Financial Services (JW de Jager) (pg 183-188)

RESOLVED

5.1.1 That the implementation of Section 36 of the Municipal Supply Chain Regulation in terms of the deviations for the period 1 November 2020 to 30 November 2020, be noted.

5.1.2 That it be noted that in terms of Section 114 of the Municipal Finance Management Act, Act 56 of 2003, that there was no approval of tenders not

recommended in the normal course of implementing Supply Chain Management policy of a municipality.

BESLUIT

5.2.1 *Dat die kennis geneem word van die implementering van Artikel 36 van die Voorsieningskanaal beleid in terme van die afwykings vir die periode van 1 November 2020 tot 30 November 2020.*

5.2.2 *Dat kennis geneem word dat in terme van Artikel 114 van die Munisipale Finansiële Bestuurswet, Wet 56 van 2003, dat daar geen goedkeuring was van tenders wat nie toegeken is in die normale implementering van die Voorsieningskanaalbeleid van die munisipaliteit nie.*

ISIGQIBO

5.3.1 Sesokuba ukumisela komhlathi Wamashumi Amathathu Anesithandathu (36) kwemiqathango Womthetho Wezencitho zoMasipala kutenxo ukususela kumhla Wokuqala (1) uyakutsho kumhla Wamashumi Amathathu Ananye (30) ngeyeNkanga (2020), kuthathelwe ingqalelo.

5.3.2 Sesokuba kuthathelwe ingqalelo ukuba ngokwemiqathango yoMhlathi (114) lolawulo Lwezemali zikaMasipala, umthetho Wamashumi Amahlanu Anesithandathu (56) wango (2003), uthathelwe ingqalelo ukuba akukhange kuphunyezwe zinkisi maxabiso ezingandululwanga kwinkqubo efanelekileyo ekumiselweni kwencitho yomgaqo wolawulo lomasipala.

E. ITEMS FROM THE CORPORATE SERVICES DEPARTMENT / ITEMS VANAF DIE KORPORATIEWE DIENSTE DEPARTEMENT / IMIBA YESEBE LENKONZO ZOLAWULO

E.1 REPORT ON THE DRAFT PROPOSED SCHEDULE OF MEETINGS FOR 2021 IN RESPECT OF COUNCIL AND COMMITTEES FOR THE PERIOD JANUARY UNTIL JUNE 2021 / VERSLAG RAKENDE DIE KONSEP VOORGESTELDE SKEDULE VAN VERGADERINGS VIR 2021 VIR DIE TYDPERK JANUARIE TOT JUNIE 2021 TEN OPSIGTE VAN RAAD EN KOMITEES / INGXELO NGOYOLO LWESIPHAKAMISO SOLUHLU LWENTLANGANISO ZIKA 2021 NGOKUPHATHELENE NEBHUNGA KUNYE NEEKOMTI KWIXESHA LENYANGA YOMQUNGU UKYA KWEYESILIMELA 2021

Refer: Report dated 07 January 2021 from the Executive Manager Corporate Services (B Holtzhausen)(pg189-198)

RESOLVED

- 5.1.1 That the draft proposed schedule of dates for Council and Committee meetings for the period January till June 2021, be approved.
- 5.1.2 That the closing dates for submission of reports strictly be adhered to.
- 5.1.3 That it be noted that the schedule is subject to changes due to the awaiting dates for meetings from SALGA.

BESLUIE

- 5.2.1 *Dat die konsep voorgestelde skedule van vergaderingdatums vir Raad en komiteevergaderings vir 2021, goedgekeur word.*
- 5.2.2 *Dat die sluitingsdatums vir die indiening van verslae streng nagekom word.*
- 5.2.3 *Dat kennis geneem word dat die skedule onderhewig is aan veranderinge weens die afwagte datums vir SALGA se vergaderings.*

ISIGQIBO

- 5.3.1 Sesokuba izicwangciso eziphakanyisweyo zeentlanganiso zebhunga kunye nekomiti kumnyaka weyoMqungu ukuya kweyeSilimela 2021 ziphakanyiswe.
- 5.3.2 Sesokuba intsuku zokuvalwa kokungeniswa kwengxelo kuthoyelwe kuthotyelwe.
- 5.3.3 Sesokuba kuqwalaselwe ukuba izicwangciso zinako ukutshintshwa ngenxa ezisuka kuSALGA.

E.2 REPORT REGARDING THE GENDER MAINSTREAMING CAPACITY BUILDING WORKSHOP WITH GARDEN ROUTE DISTRICT MUNICIPALITY / VERSLAG RAKENDE GESLAG GELYKHEID KAPASITEIT WERKSWINKEL MET GARDEN ROUTE DISTRIKSMUNISIPALITEIT / INGXELO

NGOMBA NOKUFUNDISANA NOKUXHOBISANA NGEZAKHONO KWISITHILI SIKA MASIPALA WASA-GARDEN ROUTE

Refer: Report dated 07 January 2021 from the Executive Manager Corporate Services (B Holtzhausen)/ Human Resources Manager (N Klaas) (pg 199-230)

RESOLVED

- 5.1.1 That Council ensures that Garden Route District Municipality (GRDM) complies with the Gender Mainstreaming Mandate, which includes acts/legislations, as well as policies.
- 5.1.2 That Council localise Sustainable Development Goals (SDGs,) to support and fully live out Gender Equality within Garden Route District Municipality (GRDM).

BESLUIT

- 5.2.1 *Dat die Raad toesien dat Garden Route Distriksmunisipaliteit (GRDM) aan die Geslagsgelykheid Kapasiteit mandaat, wat wette / wetgewing sowel as beleide, voldoen.*
- 5.2.2 *Dat die Raad die doelwitte vir volhoubare ontwikkeling lokaliseer om Geslagsgelykheid in die Garden Route Distriksmunisipaliteit te ondersteun en ten volle uit te leef.*

ISIGQIBO

- 5.3.1 Sesokuba ibhunga liqinsekise ukuyba uMasipala wesithili se Garden Route uyahambisana noggaqo womba wokundisana nokuxhobisa ngokwezakhono zesithili Exo ziqulathe imitheho kunye nemigaqo siseko.
- 5.3.2 Sesokuba ibhunga liziqhelanise nokukhulisa uphuhliso lwemingweno ukuxhasana ngokwezakhono uMasipala wesithili sase Garden Route.

E.3 REPORT ON SEXUAL HARASSMENT WORKSHOP / VERSLAG RAKENDE SEKSUELE TEISTERINGSWERKSWINKEL / INGXELO NGOKUXHATSHWAZA NGOKWESONDO KWINDAWO YOKUSEBENZA

Refer: Report dated 07 January 2021 from the Executive Manager Corporate Services (B Holtzhausen)/ Human Resources Manager (N Klaas) (pg 231-263)

RESOLVED

That Council takes note of the content of the report.

BESLUIT

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

ISIGQIBO

Iqumrhu liyinike ingqwalasela okuqulethwe yingxelo.

E.4 REPORT ON AMENDMENT ON MICRO ORGANISATIONAL STRUCTURE OF GARDEN ROUTE DISTRICT MUNICIPALITY 2020/2021 / VERSLAG RAKENDE WYSIGING VAN DIE MIKRO ORGANISASIE STRUKTUUR VAN GARDEN ROUTE DISTRIKSMUNISIPALITEIT 2020/2021 / INGXELO YOKULUNGISA IMIBUTHO EMISELWEYO KA MASIPALA WESITHILI I-GARDEN ROUTE KU2020/2021

Refer: Report dated 15 January 2021 from the Executive Manager Corporate Services (B Holtzhausen)/ Human Resources Manager (N Klaas) (pg 264-268)

RESOLVED

- 5.1.1 That the proposed amendment for the 2020/2021 structure of the Roads Services Department be approved.
- 5.1.2 That the proposed amendment for the 2020/2021 structure of the Corporate Services Department be approved.

BESLUIE

- 5.2.1 *Dat die voorgestelde wysigings vir die Paaie Dienste Departement 2020/2021 struktuur, goedgekeur word.*
- 5.2.2 *Dat die voorgestelde wysigings vir die Korporatiewe Dienste Departement 2020/2021 struktuur, goedgekeur word.*

ISIGQIBO

- 5.3.1 Okokuba izigqibo ezilungisiweyo kunyaka ka 2020/ 2021 ezimiselwe isebe lezendlela zivunywe.
- 5.3.2 Okokuba izigqibo ezilungiselelwe kunyaka ka2020/2021 ezimiselwe isebe lenkonzo zequmrhu zivunywe.

F. ITEMS FROM THE COMMUNITY SERVICES DEPARTMENT / ITEMS VANAF DIE GEMEENSKAPSDIENSTE DEPARTEMENT / IMIBA YESEBE LENKONZO ZOLUNTU

F.1 UPDATE REPORT ON THE ACTIONS TAKEN BY THE DISTRICT COVID-19 COMMAND COUNCIL TO ADDRESS THE COVID-19 PANDEMIC / OPDATERINGS VERSLAG RAKENDE DIE AKSIE STAPPE WAT REEDS DEUR DIE COVID-19 DISTRIK BEHEERRAAD IN PLEK GESTEL IS OM DIE COVID-19 PANDEMIE AAN TE SPREEK / INGXELO ENTSHA NGAMANYATHELO AYE ATHATYATHWA LIBHUNGA LOLAWULO LESITHILI SE COVID-19 OKUJONGANA NOBHUBHANE COVID-19

Refer: Report (10/1/3/4) dated 18 January 2020 from the Executive Manager Community Services (C Africa) / Manager Disaster Management (G Otto)(pg 269-323)

RESOLVED

That Council takes note of the report.

BESLUIT

Dat die Raad kennis neem van die verslag.

ISIGQIBO

Sesokuba iBhunga lithathele ingqalelo lengxelo.

G. ITEMS FROM THE ROADS AND TRANSPORT PLANNING SERVICES DEPARTMENT / ITEMS VANAF DIE PAAIE EN VERVOER BEPLANNINGSDIENSTE DEPARTEMENT / IMIBA YESEBE LENKONZO ZENDLELA KUNYE NEZICWANGCISO KWEZOTHUTHO

NONE / GEEN / AZIKHO

H. ITEMS FROM THE PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT / ITEMS VANAF DIE BEPLANNING EN EKONOMIESE DIENSTE DEPARTEMENT / IMIBA YESEBE LEZOCWANGCISO KUNYE NOPHUHLISO LOQOQOSHO

H.1 REPORT ON THE ATTENDANCE OF THE NAMIBIA TOURISM EXPO 2020 / VERSLAG RAKENDE DIE BYWONING VAN DIE NAMIBIE TOERISME EXPO 2020 / INGXELO MALUNGA NOKUZIMASA UMBONISO WEZOKHENKETHO WASENAMIBIA 2020

Refer: Report dated 06 January 2021 from the Executive Manager Planning & Economic Development Services (L Menze)(pg 324-330)

RESOLVED

That Council takes note of the attendance to the Namibia Tourism Expo that took place from 04 – 07 November 2020.

BESLUIT

Dat die Raad kennis neem van die bywoning van die Namibiese Toerisme Skou wat plaasgevind het vanaf 4 tot 7 November 2020.

ISIGQIBO

Sesokuba iqumrhu lithathe ingqalelo yokuzimasa umsitho wezokhenketho eNamibia kumnyaka ka 2020.

H.2

REPORT REGARDING THE GARDEN ROUTE INVESTMENT PROSPECTUS / VERSLAG RAKENDE DIE GARDEN ROUTE BELEGGINGSPROSPEKTUS / INGXELO MALUNGA NENDLELA YOTYALO MALI LWESITHILI

Refer: Report dated 14 January 2021 from the Executive Manager Planning & Economic Development Services (L Menze) (pg 331-378)

RESOLVED

- 5.1.1 That Council takes note of the content of the investment prospectus.
- 5.1.2 That Council adopts the Garden Route Investment Prospectus as the official investment promotion publication of the Garden Route district.

BESLUIE

- 5.2.1 *Dat die Raad kennis neem van die inhoud van die beleggingsprospektus.*
- 5.2.2. *Dat die Raad die Garden Route Beleggingsprospektus as die amptelike publikasie vir beleggingsbevordering vir die Garden Route Distrik, aanvaar.*

ISIGQIBO

- 5.3.1 Sesokuba ibhunga lithathe ingqalelo ngomxholo wotyala-mali.
- 5.3.2 Sesokuba ibhunga liqwalasela imxholo wotyalo mali-wesithili njengowana ukudala upapasho olusemthethweni lokukhuthaza utyalo-mali lwesithili sase Garden Route.

NB: REPORT ON THE ADDENDUM WAS DEALT WITH NEXT.

C.2 MEMORANDUM OF AGREEMENT BETWEEN GARDEN ROUTE DISTRICT MUNICIPALITY, NATIONAL AND PROVINCIAL DEPARTMENT OF HUMAN SETTLEMENT AND THE HOUSING DEVELOPMENT AGENCY / MEMORANDUM VAN OORENKOMS TUSSEN GARDEN ROUTE DISTRIKSMUNISIPALITEIT, NASIONALE EN PROVINISIALE DEPARTEMENT VAN MENSLIKE NEDERSETTINGS EN BEHUISING ONTWIKKELINGSAGENTSAP

Refer: Report dated 21 January 2021 from the Municipal Manager (MG Stratu) / Strategic Manager in the Office of the Municipal Manager (T Loliwe) (pg 3-34)

RESOLVED

- 5.1.1 That Council grants the Executive Mayor the delegation to sign the Memorandum of Agreement (MOA) on behalf of the Garden Route District Municipality.
- 5.1.2 That Council grants the Municipal Manager the delegation to sign the Implementation Protocol and or other Implementation Plans that may follow.

BESLUIE

- 5.2.1 *Dat die Raad toestemming verleen aan die Uitvoeroende Burgemeester om die Memorandum van Ooreenkoms (MOO) names die Garden Route Distriksmunisipaliteit, te onderteken.*
- 5.2.2 *Dat die Raad toestemming verleen aan die Munisipale Bestuurder om die Implementeringsprotokol en of enige ander Implementeringsprotokolle wat dalk mag volg, te onderteken.*

ISIGQIBO

5.3.1 Sesokuba iBhunga linikeze uSodolophu Obekekileyo igunya lokutyikitya Isivumelwano Sokuqondana(MOA) egameni loMasipala Wesithili se Garden Route.

5.3.2 Sesokuba iBhunga linikeze uMphathi Masipala igunya lokutyikitya Imigqaliselo Yokumisela kunye okanye ezinye iZicwangciso zoKumisela ezinokulandela.

I. MOTIONS OF EXIGENCY / DRINGENDE MOSIES / IMIBA ENGXAMISEKILEYO

I.1 NONE / GEEN / AYIKHO

J. NOTICES OF MOTIONS / KENNISGEWINGS VAN MOSIES / ISAZISO SEZIPHAKAMISO

J.1 NONE / GEEN / AYIKHO

K. IN –CLOSED COMMITTEE / IN GESLOTE KOMITEE / EKHUSINI

K.1 Report on the In-Closed agenda.

CLOSURE / SLUITING / UQUKUNJELO

The meeting closed at 15:00 with 30 Councillors present / Die vergadering sluit om 15:00 met 30 Raadslede teenwoordig / Intlanganiso ivalwe ngo 15:00 iNooceba abayi 30.

.....

SPEAKER: CLLR BHJ GROENEWALD

.....

DATE / DATUM / UMHLA

BACK TO AGENDA



Minutes of a
Mayoral Committee meeting
held via Zoom,
on **Thursday, 10 December 2020** at **09:00**

Notule van 'n **Burgemeesterskomiteevergadering**
gehou via Zoom,
Donderdag, 10 Desember 2020 om 09:00

Imizuzu
yeKomiti Kasodolophu nebibanjwe
ngobuxhakaxhaka be Zoom
NgoLwesine, 10 KweyeMnga 2020 ngo 09:00

1. **OPENING AND WELCOME / OPENING EN VERWELKOMING / UVULO NOLWAMKELO**

The Executive Mayor, Ald M Booysen, opened the meeting and welcomed everyone present.

2. **SILENT PRAYER / STILLE GEBED / UMTHANDAZO OTHULEYO**

A moment of silence was observed.

3. **ATTENDANCE OF MEMBERS / BYWONING VAN LEDE / AMALUNGU AKHOYO**

3.1 **MEMBERS: PRESENT / LEDE: TEENWOORDIG / AMALUNGU: AKHOYO**

Adl M Booysen	Executive Mayor
Adl RH Ruiters	Deputy Executive Mayor
Cllr / Rdl / Ceba RE Spies	
Cllr / Rdl / Ceba E Meyer	
Cllr / Rdl / Ceba JC Lambaatjeen	
Adl IC Kritzinger	

AMPTENARE / OFFICIALS / AMAGOSA

Mr MG Stratu	Municipal Manager
Ms B Holtzhausen	Executive Manager Corporate Services
Mr J-W de Jager	Executive Manager Financial Services
Mr C Africa	Executive Manager Community Services
Mr L Menze	Executive Manager Planning & Economic Development Services
Mr JG Daniels	Executive Manager Roads and Transport Services
Mr S Masekeni	Manager: Integrated Support Services & Legal Compliance
Ms N Davids	Manager: Legal Services
Mr G Otto	Manager Disaster Management
Mr J Compion	Manager Environmental Health Services
Mr P Dongi	Project Manager
Ms L Hoek	Manager BTO, AFS & Assets
Mr J Stander	Manager Financial Services

Mr T Mpuru	Manager Supply Chain Management
Ms R Matthews	Acting Senior Committee Officer
Mr B Desha	Senior Committee Officer, Translator / Interpreter
Ms P Lufele	Chief Audit Executive
Mr S Dladla	Office of the Executive Mayor
Ms I Saaiman	Manager Performance Management
Mr M Hubbe	Manager District Waste Management

3.2 MEMBERS: ABSENT WITH LEAVE / LEDE: AFWESIG MET VERLOF / AMALUNGU: ABEKWIKHEFU

None / Geen / Azikho

3.3 MEMBERS: ABSENT WITHOUT LEAVE / LEDE: AFWESIG SONDER VERLOF / AMALUNGU: ANGEKHO KWIKHEFU

Cllr / Rdl / Ceba KS Lose

4 NOTING THE PROVISIONS OF SCHEDULE 1 (CODE OF CONDUCT FOR COUNCILLORS) OF THE LOCAL GOVERNMENT MUNICIPAL SYSTEMS ACT, ACT 32 OF 2000 / KENNISNAME VAN DIE VOORSKRIFTE VAN SKEDULE 1 (GEDRAGSDKODE VIR RAADSLEDE) VAN DIE PLAASLIKE REGERING MUNISIPALE STELSWET, WET 32 VAN 2000 / UQWALASELO LWEZIBONELELO ZOLUHLU 1 (INDELA YOKUZIPHATHA KOCEBA) ZE LOCAL GOVERNMENT MUNICIPAL SYSTEMS ACT, ACT 32 OF 2000

Noted / Kennis / Ithathelwe ingqlelo

5. **DISCLOSURE OF INTERESTS BY COUNCILLORS AND OFFICIALS / VERKLARING VAN BELANGE DEUR RAADSLEDE EN AMPTENARE / UKUCHAZWA NGOKUBANOMDLA NGOCEBA KUNYE NAMAGOSA**

None / Geen / Azikho

6. **COMMUNICATIONS BY THE EXECUTIVE MAYOR / MEDEDELINGS DEUR DIE UITVOERENDEBURGEMEESTER / UNXIBELELWANO LUKA SODOLOPHU**

The Executive Mayor informed the Committee that Cllr JP Johnson has been recalled by Kannaland Municipality which left a vacancy on the Committee. Due to the by elections that took place, the process cannot be concluded, but as soon as it is concluded, it will be communicated to all.

The Executive Mayor informed the Committee that this is the last meeting for the year and thanked all the Councillors and the staff members for their valuable contributions and hard work through out the year.

7. **COMMUNICATIONS BY THE MUNICIPAL MANAGER / MEDEDELINGS DEUR DIE MUNISIPALE BESTUURDER / UNXIBELELWANO LOMPHATHI MASIPALA**

The Municipal Manager informed the Committee that a report regarding the Regional Landfill site is serving on the agenda today, requesting Council to make a drastic decision to abort the entire Triple "P" process and that GRDM engage in a new process, to build a new landfill site from own funds, and that these funds be raised from Markets and other Government Departments in the form of grants.

All the participating local Municipalities and Waste Managers has been informed of the process and is aware of the situation. GRDM will be engaging the markets and it does look like it is favorable and that the process we are seeking to get into seems to be cheaper and more cost effective for all the parties especially the participating local municipalities.

8. CONFIRMATION OF MINUTES: 26 NOVEMBER 2020/ BEKRAGTIGING VAN NOTULE GEDATEER: 26 NOVEMBER 2020 / UKUQINISEKISWA KWEMIZUZU: 26 KWEYENKANGA 2020 (pg. 7-37)

RESOLVED

That the Executive Mayoral Committee approves the minutes of the Executive Mayoral Committee meeting dated 26 November 2020.

BESLUIT

Dat die Uitvoerende Burgemeesterskomitee die notule van die Uitvoerende Burgemeesterskomiteevergadering gedateer, 26 November 2020, goedkeur

ISIGQIBO

Sesokuba iKomiti Kasododlophu Obekekileyo iphumeze imizuzu yentkangansio yekomiti Kasodolophu Obekekileyo yangomhla 26 KweyeNkanga 2020.

9. MINUTES OF SECTION 79 COMMITTEES (FOR NOTIFICATION) / NOTULES VAN ARTIKEL 79 KOMITEES (VIR KENNISNAME) / IMIZUZUZ YEKOMITI KASODOLOPHU KUNYE NEZINYE IKOMITI ZOMHLATHI 79 (ITHATHELWE INGQALELO)

NONE / GEEN / AZIKHO

10. STANDING ITEMS / STAANDE ITEMS / IMIBA EMISIWEYO

10.1 APPOINTMENTS, SERVICE EXITS AND LABOUR RELATIONS INFORMATION FOR NOVEMBER 2020 / AANSTELLINGS, UITDIENSTREDINGS EN ARBEIDSVERHOUDINGE INLIGTING VIR NOVEMBER 2020 / ABAQASHIWEYO, ABASHIYE UMSEBENZI KUNYE NEMICIMBI YEZABASEBENZI KWINYANGA KWEYENKANGA 2020

Refer: Report from the Executive Manager: Corporate Services (B Holtzhausen) / Acting HR Manager (Adv S Maqekeni) (pg 38-49)

RESOLVED TO RECOMMEND TO COUNCIL

That the information on the appointments, service exits and labour relations matters for November 2020, be noted.

BESLUIT OM BY DIE RAAD AAN TE BEVEEL

Dat kennis geneem word van die aanstellings, uitdienstredings en arbeidsverhoudinge inligting vir November 2020.

ISIGQIBO SOKUNDULULA KWIBHUNGA

Sesokuba ulwazi ngokuqashwa, ukuphuma kwinkonzo kunye nemicimbi yezabasebenzi kwinyanga KweyeNkanga 2020 kuthathelwe inqgalelo.

MATTERS FOR CONSIDERATION / SAKE VIR OORWEGING / IMIBA EKUFUNeka IQWALASELWE

11 ITEMS FROM THE EXECUTIVE MAYOR / ITEMS VOORGELÊ VANAF DIE UITVOERENDE BURGEMEESTER / IMIBA ESUKA KUSODOLOPHU OBEKEKILEYO

11.1 3RD ADDITIONAL ALLOCATION ADJUSTMENT BUDGET 2020/2021 MTREF (MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK / VERSLAG: DERDE ADDISIONELE TOEKENNING AANSUIWERINGSBEGROTING 2020/2021 MEDIUM TERMYN EN INKOMSTE EN UITGAWE RAAMWERK (MTIUR) / ULONGEZELELO LWESITHATHU LOLUNGELELWANISO LOLWABIWO-MALI KA 2020/2021 MTREF(INGENISO YEXESHA ELIFUTSHANE KUNYE NENDLELA YOKUSEBENZISA INCITHO)

Refer: Report dated 02 December 2020 from the Executive Mayor (M Booysen)

RESOLVED TO RECOMMEND TO COUNCIL

That Council take the following resolutions:

1. That the 3rd adjustments budget (additional allocation) of Garden Route District Municipality for the financial year 2020/2021 as set out in the schedules contained in Section 4 be **approved**:
 - i. Table B1 Adjustments Budget Summary;
 - ii. Table B2 Adjustments Budget Financial Performance (by standard classification);
 - iii. Table B3 Adjustments Budget Financial Performance (by municipal vote);
 - iv. Table B4 Adjustment Budget Financial Performance (revenue by source); and
 - v. Table B5 Adjustment Budget Capital Expenditure (by municipal vote and funding source)
2. That Council approves the Adjustment Operating Expenditure Budget of R410,004,313.

3. That Council approves the Adjustment Operating Revenue Budget of R400,944,011.
4. That Council approves the Adjustment Capital Budget of R8,135,000 (no adjustments).
5. That a revised Service Delivery and Budget Implementation Plan (SDBIP) for the 2020/21 financial year be compiled and tabled to the Executive Mayor for approval.

BESLUIT OM BY DIE RAAD AAN TE BEVEEL

Dat die Raad die volgende resolusies aanvaar:

1. *Dat die derde Aangepaste Begroting (addisionele toekenning) van Garden Route Distriksmunisipaliteit vir die finansiële jaar 2020/2021 soos vervat in die skedules van Seksie 4 goedgekeur word:*
 - i. *Tabel B1 Aangepaste Begrotings Opsomming;*
 - ii. *Tabel B2 Aangepaste Begroting Finansiële Prestasie (volgens standaard klassifikasie);*
 - iii. *Tabel B3 Aangepaste Begroting Finansiële Prestasie (volgens pos);*
 - iv. *Tabel B4 Aangepaste Begroting Finansiële Prestasie (volgens finansieringsbron); en*
 - v. *Tabel B5 Aangepaste Kapitale Begroting (volgens pos en finansieringsbron)*
2. *Dat die Raad die Aangepaste Uitgawe Begroting van R410,004,313 goedkeur.*
3. *Dat die Raad die Aangepaste Inkomste Begroting van R400,944,011 goedkeur.*
4. *Dat die Raad die Aangepaste Kapitaal Begroting van R8,135,000 goedkeur.*
5. *Dat die hersiende Dienslewering- en Begrotings Implementerings Plan vir 2020/2021 opgestel en aan die Uitvoerende Burgermeester voorgelê word vir goedkeuring.*

ISIGQIBO SOKUNDULULA KWIBHUNGA

Sesokuba iBhunga lithathe ezi zigqibo zilandelayo:

1. Sesokuba ulungelelwaniso lwesithathu lolwabiso-mali(izibonelelo ezongezelelweyo) loMasipala Wesithili se Garden Route kunyaka mali ka 2020/2021 njengoko kudandalazisiwe kuluhlu oluqulathwe kuMhlathi 4 luphunyezwe:

- i. Table B1 Ushwankathelo Lolungelelwaniso Lolwabiwo-Mali;
 - ii. Table B2 Ulungelelwaniwo Lolwabiso-Mali uMsebenzi Wezemali (ngokwesibonelelo esifanelekileyo);
 - iii. Table B3 Ulungelelwaniwo Lolwabiso-Mali uMsebenzi Wezemali (ngokwevoti yomasipala);
 - iv. Table B4 Ulungelelwaniwo Lolwabiso-Mali uMsebenzi Wezemali (ingeniso ngovimba); kunye
 - v. Table B5 Ulungelelwaniwo Lolwabiso-Mali Incitho Yenkunzi (ngokwevoti yomasipala kunye nengeniso ngovimba)
2. IBhunga liphumeze uLungelelwaniso Lwencitho Eqhubayo Yolwabiwo-Mali neyi R410,004,313
 3. IBhunga liphumeze Ulungelelwaniso Lwengeniso Eqhubayo Yolwabiwo-Mali neyi R400,944,011
 4. IBhunga liphumeze Ulungelelwaniso Oluyinkunzi Lolwabiwo-Mali lwe R8,135,000 (ngaphandle kolungelelwaniso)
 5. Sesokuba ulungelelwaniso Lonikezelo Lwenkonzo kunye Nesicwangciso Sokumiselwa Kolwabiwo-Mali (SDBIP) kunyeka mali ka 2020/21 kuqulunqwe ukuze kuthiwe thaca nguSodolophu Obekekileyo ukuze siphunzwe.

12 ITEMS FROM THE MUNICIPAL MANAGER / ITEMS VANAF DIE MUNISIPALE BESTUURDER / IMIBA ESUKA KUMPHATHI MASIPALA

12.1 APPOINTMENT OF TWO AUDIT PERFORMANCE AND AUDIT COMMITTEE MEMBERS / AANSTELLING VAN TWEE OUDIT PRESTASIE EN OUDITKOMITEE LEDE / UKUQASHWA KWAMALUNGU AMABINI EKOMITI YEZOPHICOTHO KUNYE NOPHICOTHO LOMSEBENZI

Refer: Report (4/1/2/4/1) dated 02 December from the Chairperson of the APAC (Dr A Potgieter) (pg 85-90)

RESOLVED TO RECOMMEND TO COUNCIL

That Council approves the appointment of Mr S Maharaj and Mr G Stenekamp as members of the Audit and Performance Audit Committee Members, effective 1 January 2021 to 31 December 2023.

BESLUIT OM BY DIE RAAD AAN TE BEVEEL

Dat die Raad die aanstelling van Mnr S Maharaj en Mnr G Stenekamp as lede van die Oudit, Prestasie en Prestasie Oudit Komitee lede goedkeur, effektief vanaf 01 Januarie 2021 tot 31 Desember 2023.

ISIGQIBO SOKUNDULULA KWIBHUNGA

Sesokuba iBhunga liphumeze ukuqashwa kunka Mnu S Maharaj kunye no Mnu G Stenekamp njengamalungu e Komiti Yezophicotho kunye Nophicotho Lomsebenzi, ukususela ngomhla 1 kweyoMqungu 2021 ukuya 31 kweyoMnga 2023.

12.2 APAC REPORT ON INTERNAL AUDIT, RISK MANAGEMENT AND PERFORMANCE MANAGEMENT / OPOK VERSLAG RAKENDE INTERNE OUDIT, RISIKO EN PRESTASIEBESTUUR / INGXELO YE APAC NGOPHICOTHU LWANGAPHAKATHI, ULAWULO LOKUSENGCIPHEKWE NI KUNYE NOLAWULO LOMSEBENZI

Refer: Report (4/1/2/4/1) dated 02 December from the Chairperson of the APAC (Dr A Potgieter)(pg 91-109)

RESOLVED TO RECOMMEND TO COUNCIL

That Council takes note of the content of the report.

BESLUIT OM BY DIE RAAD AAN TE BEVEEL

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

ISIGQIBO SOKUNDULULA KWIBHUNGA

Sesokuba iBhunga lithathele ingqalelo umongo wengxelo.

13. ITEMS FROM THE FINANCIAL SERVICES DEPARTMENT / ITEMS VANAF DIE FINANSIËLE DIENSTE DEPARTEMENT / IMIBA YESEBE LENKONZO ZEMALI

13.1 REVIEW OF GARDEN ROUTE DISTRICT MUNICIPALITY LONG TERM FINANCIAL PLAN/ HERSIENING VAN GARDEN ROUTE DISTRIKSMUNISIPALITEIT LANGTERMYN FINANSIËLE PLAN / UQWALASELO LWESICWANGCISO ZEZEMALI SEXESHA ELIDE SOMASIPALA WESITHILI SE GARDEN ROUTE

Refer: Report dated 02 December 2020 from the Executive Manager Financial Services (JW de Jager) (pg 110 – 265)

RESOLVED TO RECOMMEND TO COUNCIL

That the update on the review of the GRDM Long Term Financial Plan (LTFP) - specifically with regards to progress made on the recommendations contained in the LTFP that was tabled to Council in May 2020, be noted.

BESLUIT OM BY DIE RAAD AAN TE BEVEEL

Dat die Raad kennis neem van die hersiening van die GRDM Langtermyn Finansiële Plan (LTFP) – met spesifieke verwysing na vordering gemaak op die aanbevelings in the LTFP wat in Mei 2020 voor die Raad gedien het.

ISIGQIBO SOKUNDULULA KWIBHUNGA

Sesokuba ukulungiswa ngokutsha koqwalaselo Lwesicwangciso SezemaliSexesha Elide se GRDM9LTFP0-ingakumbi ngokumalunga nomsebenzi osele wenziwe kwizindululo eziqulathwe kwi LTFP nebiye yathiwa thaca kwiBhunga kwinyanga kaCanzibe 2020, kuthathelwe ingqalelo.

13.2 DEVIATION REPORT: IMPLEMENTATION OF THE SUPPLY CHAIN MANAGEMENT POLICY FOR THE PERIOD 01 NOVEMBER 2020 TO 30 NOVEMBER 2020/ AFWYKINGSVERSLAG: IMPLEMENTERING VAN DIE VOORSIENINGSKANAALBELEID VIR DIE PERIODE 01 NOVEMBER 2020 TOT 31 NOVEMBER 2020 / INGXELO YOTYESHELO: UKUMISELWA KOMGAQO WOLAWULO LWENCITHO KWIXESHA UMHLA 01 KWEYENKANGA 2020 UYAKUTSHO KUMHLA WE 30 KWEYENKANGA 2020

Refer: Report from the Executive Manager Financial Services (JW de Jager)(pg 266-272)

RESOLVED TO RECOMMEND TO COUNCIL

- 5.1.3 That the implementation of Section 36 of the Municipal Supply Chain Regulation in terms of the deviations for the period 1 November 2020 to 30 November 2020, be noted.
- 5.1.2 That it be noted that in terms of Section 114 of the Municipal Finance Management Act, Act 56 of 2003, there was no approval of tenders not recommended in the normal course of implementing Supply Chain Management policy of a municipality.

BESLUIT OM BY DIE RAAD AAN TE BEVEEL

- 5.2.3 *Dat die kennis geneem word van die implementering van Artikel 36 van die Voorsieningskanaal beleid in terme van die afwykings vir die periode van 1 November 2020 tot 30 November 2020.*

5.2.4 Dat kennis geneem word dat in terme van Artikel 114 van die Munisipale Finansiële Bestuurswet, Wet 56 van 2003, dat daar geen goedkeuring was van tenders wat nie toegeken is in die normale implementering van die Voorsieningskanaalbeleid van die munisipaliteit nie.

ISIGQIBO SOKUNDULULA KWIBHUNGA

5.3.3 Sesokuba ukumisela komhlathi Wamashumi Amathathu Anesithandathu (36) kwemiqathango Womthetho Wezencitho zoMasipala kutenxo ukususela kumhla Wokuqala (1) uyakutsho kumhla Wamashumi Amathathu Ananye (31) ngeyeNkanga (2020), kuthathelwe ingqalelo.

5.3.4 Sesokuba kuthathelwe ingqalelo ukuba ngokwemiqathango yoMhlathi (114) lolawulo Lwezemali zikaMasipala, uMthetho Wamashumi Amahlanu Anesithandathu (56) wango (2003), uthathelwe ingqalelo ukuba akukhange kuphunyezwe zinikisi maxabiso ezingandululwanga kwinkqubo efanelekileyo ekumiselweni kwencitho yomgaqo wolawulo lomasipala.

14 ITEMS FROM THE CORPORATE SERVICES DEPARTMENT / ITEMS VANAF DIE KORPORATIEWE DIENSTE DEPARTEMENT / IMIBA YESEBE LENKONZO ZOLAWULO

14.1 RECRUITMENT AND SELECTION POLICY / WERWING EN KEURINGSBELEID VAN DIE KORPORATIEWE DIENSTE DEPARTMENT 2020 / UMG AQO WOKUKULOBA NOKUCHONGA

Refer: Report dated 03 December 2020 from the Executive Manager Corporate Services (B Holtzhausen)/ Acting Human Resources Manager (Adv S Maqekeni) (pg 273-300)

RESOLVED TO RECOMMEND TO COUNCIL

That the Recruitment and Selection Policy be approved by Council

BESLUIT OM BY DIE RAAD AAN TE BEVEEL

Dat die Werwings-enKeuringsbeleid deur die Raad goedgekeur word.

ISIGQIBO SOKUNDULULA KWIBHUNGA

Sesokuba uMgaqo Wezokuloba Nokuqesha uphunyezwe liBhunga.

15 ITEMS FROM THE COMMUNITY SERVICES DEPARTMENT / ITEMS VANAF DIE GEMEENSKAPSDIENSTE DEPARTEMENT / IMIBA YESEBE LENKONZO ZOLUNTU

15.1 PROGRESS REPORT REGARDING REGIONAL WASTE MANAGEMENT FACILITY PROJECT - PUBLIC, PRIVATE PARTNERSHIP IN COMPARISON TO THE IMPLEMENTATION OF OTHER POSSIBLE ALTERNATIVES / VORDERINGSVERSLAG RAKENDE DIE STREEK AFVALBESTUUR FASILITEIT - PUBLIEKE, PRIVATE VENNOOTSKAP TEENOR DIE MOONTLIKE IMPLEMENTERING VAN ANDER ALTERNATIEWE / INKQUBO YOLAWULO LWENKUNKUMA KWINGINGQI-ULUNTU, UBAMBISWANO LWABUCALA NGOKUTHELEKISA UKUMISELWA KWENDLELA EZI ZEZINYE

Refer: Report dated 13 November 2020 from the Executive Manager Community Services (C Africa)(pg 301-336)

RESOLVED TO RECOMMEND TO COUNCIL

1. That Council takes notice of the progress made regarding the investigation into alternative options and financing methods to ensure the finalisation and implementation of the Garden Route Regional Waste Management Facility.
2. That Council resolves that the Public, Private Partnership process will not be pursued anymore as an option to implement the Regional Waste Management Facility.
3. That Council resolves Averda SA (reserve bidder) is informed in writing that Garden Route District Municipality (GRDM) will not proceed with the Public, Private Partnership process as an option to implement a regional waste management facility through a PPP Agreement.
4. That Council resolves that the Municipal Manager further explore and implement the option to use own (loan) funding or grant funding (if available) to construct and outsource the operation of the facility by using the applicable prescribed procurement legislation.
5. That Council resolves that a consulting engineer be appointed to assist the Municipal Manager with the compilation of the tender documents for the appointment of a construction company to construct the facility and the appointment of a service provider to operate the facility.
6. That Council resolves to appoint the consulting engineer through a deviation process to ensure that the proper consultant is appointed as indicated in the report.
7. That Council resolves that requests to financially assist with the cost associated with the implementation of the regional waste management facility is submitted to the Department of National Treasury, COGTA and Provincial Treasury.

BESLUIT OM BY DIE RAAD AAN TE BEVEEL

1. *Dat die Raad kennis neem van die vordering wat reeds gemaak is met die ondersoek na alternatiewe opsies en finansiering metodes om te verseker dat die Streek Afval Bestuursfasiliteit gefinaliseer word.*
2. *Dat die Raad die besluit neem dat die pad om gebruik te maak van die Publieke, Private Vennootskap proses gestaak word vir die implementering van die Streek Afvalbestuur Fasiliteit.*
3. *Dat die Raad die besluit neem dat Averda SA ("reserve bidder") skriftelik in kennis gestel word dat hierdie Raad die besluit geneem het om nie voort te gaan met die opsie om 'n Publieke, Private Vennootskap te sluit vir die ontwerp, konstruksie en bedryf van 'n Streek Afval Bestuursfasiliteit nie.*
4. *Dat die Raad die besluit neem dat toestemming aan die Munisipale Bestuurder verleen word om voort te gaan om ondersoek in te stel na, asook die implementering van, die verkryging van eie befondsing (lening) of skenker befonsing (indien beskikbaar) vir die konstruksie van die Streek Afval Bestuursfasiliteit ingevolge die verkrygingsbeleid voorskrifte.*
5. *Dat die Raad die besluit neem dat toestemming verleen word om 'n raadgewende ingenieur aan te stel om die Munisipale Bestuurder te assisteer met die saamstel van tender dokumente vir die konstruksie en bedryf van die Streek Afval Bestuursfasiliteit.*
6. *Dat die Raad die besluit neem om die betrokke raadgewende ingenieur aan te stel deur 'n afwykings proses te volg van die verkrygingsbeleid om te verseker dat 'n toepaslike diensverskaffer aangestel sal word.*
7. *Dat die Raad die besluit neem dat versoeke vir skenker befondsing gerig word aan die Departemente van Plaaslike Bestuur, Nasionale Tesourie en Provinsiale Tesourie.*

ISIGQIBO SOKUNDULULA KWIBHUNGA

1. *Sesokuba iBhunga lithathele ingqalelo umsebenzi osele wenziwe malunga nophando lwendlela ezi zezinye kunye nendlela zokuxhasa ngezemali ukuqinsekisa ukuqukunjelwa kokumiselwa Kwendawo Yolawulo Lwenkunkuma Kwingingqi ye Garden Route.*

2. Sesokuba iBhunga linikeze imvume yokwazisa abakwa Averda SA (abanikimaxabiso abagciniweyo) ngokwembhalelwano ukuba uMasipala Wesithili se Garden Route awukoqhubekeka ngequbo Yoluntu, Yobambiswano Lwabucala njengelingelokumisela indawo yolawulo lwenkunkuma kwingingqi ngoKwesivumelwano se PPP.
3. Sesokuba iBhunga linikezel imvume kuMphathi Masipala ukuba ajonge amcebo angamanye okumisela ngokusebenzisa indlela yethu (yokuboleka) yezinxaso okanye inxaso yezibonelelo (ukubangaba zikhona) ukwakha kunye nokuqeshisa ulawulo lwendawo ngokusebenzisa indlela ezifanelekileyo nezisemthethweni.
4. Sesokuba iBhunga linikeze imvume okokuba injineli ejongana nomsebenzi ichongwe nguMphathi Masipala kuduka nencwadi zeziniki maxabiso zokuchongqwa kwenkampani yokwakha ukuze kwakhiwo indawo kwaye kuchongwe nomnikezeli nkonzo ukusebenza kwindawo yenkunkuma.
5. Sesokuba isicelo sezemalinxaso kunye nendleko ezayamaniswa nokumiselwa kwendawo yenkunkuma kwingingqi sifakwe kwiSebe Likanondyebo Kazwelonke, COGTA kunye Nonondyebo Wephondo.
6. Sesokuba ibhunga ligqibe kwelokuba linyule injineli ngokubonana nenkqubo yokuphambuka. ukuqinisekisa ukuba umcebisi ofanelekileyo uyonyulwa njengoko kubonisiwe kwingxelo.
7. Sesokuba isicelo sezemalinxaso kunye nendleko ezayamaniswa nokumiselwa kwendawo yenkunkuma kwingingqi sifakwe kwiSebe Likanondyebo Kazwelonke, COGTA kunye Nonondyebo Wephondo.

15.2 UPDATE REPORT ON THE ACTIONS TAKEN BY THE DISTRICT COVID-19 COMMAND COUNCIL TO ADDRESS THE COVID-19 PANDEMIC / OPDATERINGS VERSLAG RAKENDE DIE AKSIE STAPPE WAT REEDS DEUR DIE COVID-19 DISTRIK BEHEERRAAD IN PLEK GESTEL IS OM DIE COVID-19 PANDEMIE AAN TE SPREEK / INGXELO ENTSHA NGAMANYATHELO AYE ATHATYATHWA LIBHUNGA LOLAWULO LESITHILI SE COVID-19 OKUJONGANA NOBHUBHANE COVID-19

Refer: Report (10/1/3/4) dated 13 November 2020 from the Executive Manager Community Services (C Africa) / Manager Disaster Management (G Otto)(pg 337-363)

RESOLVED TO RECOMMEND TO COUNCIL

That Council takes note of the report.

BESLUIT OM BY DIE RAAD AAN TE BEVEEL

Dat die Raad kennis van die verslag.

ISIGQIBO SOKUNDULULA KWIBHUNGA

Sesokuba iBhunga lithathele ingqalelo ingxelo.

16 ITEMS FROM THE ROADS AND TRANSPORT PLANNING SERVICES DEPARTMENT / ITEMS VANAF DIE PAAIE EN VERVOER BEPLANNINGSDIENSTE DEPARTEMENT / IMIBA YESEBE LENKONZO ZENDLELA KUNYE NEZICWANGCISO KWEZOTHUTHO

16.1 NONE / GEEN / AZIKHO

17 ITEMS FROM THE PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT / ITEMS VANAF DIE BEPLANNING EN EKONOMIESE DIENSTE DEPARTEMENT / IMIBA YESEBE LEZOCWANGCISO KUNYE NOPHUHLISO LOQOQOSHO

17.1 REPORT ON THE GARDEN ROUTE FILM COMMISSION BOARD OF DIRECTORS / VERSLAG TEN OPSIGTE VAN DIE GARDEN ROUTE FILMKOMMISSIE SE RAAD VAN DIREKTEURE / INGXELO MALUNGA NEBHODI YABALAWULI BEKOMISHONI YEMIBONISO BHANYABHANYA KWI GARDEN ROUTE

Refer: Report dated 23 November 2020 from the Executive Manager Planning & Economic Development Services (L Menze) (pg 364-368)

RESOLVED TO RECOMMEND TO COUNCIL

1. That Council nominates two Councilors as Council's representatives to the Garden Route Film Commission Board for the 2020/21 financial year.
2. That Council notes that the following Councillor was nominated to serve on the Garden Route Film Commission Board for the 2020/21 financial year: Cllr EH Stroebel and one other member of the District Economic and Tourism Development Committee.

BESLUIT OM BY DIE RAAD AAN TE BEVEEL

1. *Dat die Raad twee raadslede benoem as verteenwoordigers van die Raad op die Garden Route Filmkommisie vir die boekjaar 2020/21.*
2. *Dat Raad kennis neem dat die volgende Raadslid genomineer was om as 'n verteenwoordiger van die Garden Route Filmkommisie vir die 2020/21 finansiële boekjaar: Rdl EH Stroebel en nog 'n lid van die Distriks Ekonomiese Beplanning en Toerismekomitee.*

ISIGQIBO SOKUNDULULA KWIBHUNGA

1. Sesokuba iBhunga lixoxe kwaye lochonge ooceba ababini njengabameli beBHunga kwi Bhodi yeKomishoni Yemibonisobhanyabhanya ye Garden Route kunyakamali ka 2020/2021.
2. Sesokuba iBhunga ithathele ingqalelo ukuba uCeba olandelayo uye waschongwa ukuze achope kwiBhodi yeKomishoni Yezoshicilelo yeGarden Route kinyakamali la 2020/2021: UCeba EH Stroebel kunye nelungu leKomitit Yesithili yezoQoqosho kunye Nophuhliso.

17.2 REVOKING THE ENCROACHMENT AGREEMENT FOR A PORTION OF FARM 195 KRAAI BOSCH KNOWN AS LANDS END / TERUGTREK VAN OORSKRYDINGSOORENKOMS VIR 'N GEDEELTE VAN PLAAS 195 KRAAI BOSCH BEKEND AS "LANDS END" / UKUSUSWA KWESIVUMELWANO SOKUNGENELELA KWISABELO SEFAMA 195 E KRAAIBOSCH NJENGOKO E LANDS END

Refer: Report dated 07 December 2020 from the Executive Manager Planning & Economic Development Services (L Menze) (pg 369-382)

RESOLVED TO RECOMMEND TO COUNCIL

1. That Council revoke the previous encroachment agreement with Mr Hossack as the conditions thereof dictates that once the owner of 98/195 sell his property then he no longer has rights to the Lands End portion of Farm 195.
2. That Council notes that the property is not required for the provision of basic municipal services as provided for in Section 14 of The Local Government: Municipal Finance Management Act 56 of 2003.
3. That Council notes that the Municipal Manager will follow the high value capital assets delegation, to manage or control capital assets not exceeding R10 million and for a period not longer than 3 years.
4. That the report be approved, but that the Mayoral Committee does a inspection of the property early next year, and that after the inspection, a progress report serve at the Mayoral Committee and Council.

BESLUIT OM BY DIE RAAD AAN TE BEVEEL

1. *Dat die Raad die vorige oorskrydingssooreenkoms met mnr. Hossack herroep, aangesien die voorwaardes bepaal dat sodra die eienaar van 98/195 sy eiendom verkoop, hy nie meer regte op die Lands End-gedeelte van Plaas 195 het nie.*
2. *Dat die Raad kennis neem dat die eiendom nie benodig word vir die verskaffing van basiese munisipale dienste soos bepaal in Artikel 14 van die Wet op Plaaslike Regering: Munisipale Finansiële Bestuur 56 van 2003 nie.*
3. *Dat Raad kennis neem dat die Munisipale Bestuurder die delegasie van hoë kapitaalbates volg, om kapitaalbates te bestuur of te beheer wat nie R10 miljoen oorskry nie en vir 'n tydperk van hoogstens 3 jaar.*

4. Dat die verslag goedgekeur word, maar dat die Uitvoerende Burgemeesterskomitee 'n inspeksie van die eiendom doen vroeg in volgende jaar en dat 'n opvolgverslag dien na die inspeksie by die Uitvoerende Burgemeesterskomitee en Raad.

ISIGQIBO SOKUNDULULA KWIBHUNGA

1. Sesokuba iBhunga lisuse isivumelwano sangaphambili kunye no Mnu Hpssack njengoko imiqathango yoko ibonisa ukuba umnini womhlaba 98/195 ethengisa umhlaba wakhe akasenalo ilungelo kwisabelo sase Lands End kwifama 195.
2. Sesokuba iBhunga ligqibe ukuba lomhlaba awufanelanga ukunikezela iinkonzo zomasipala njengoko kufunwa nguMhlathi 14 Worhulumente baseKhaya: Umthethi Wolawulo Lwemali Zomasipala 56 wango 2003.
3. Sesokuba iBhunga uMphathi Masipala alandele ixabiso eliphezulu lemihlaba lamagunya, ukulawulo ukojongana nempahla engadluliyo kwi R10 yezigidi okanye ixesha elingadlulanga kwiminyaka eyi 3.
4. Sesokuba lengxelo iphunyezwe kowda iKomiti ka Sodolophu yenze uhlolo lomhlabaekuqaleni konyaka ozayo kwakuba kuqukunjelwe uhlolo lomhlaba ekuqaleni konyaka ozayo kwakuba kuqukunjelwe uhlolo kuqulunqwe ingxelo nezakuthiwa theca kwi Komiti Kasoldolophu kakwi Bhunga.

17.3 2020 GARDEN ROUTE DISTRICT MUNICIPAL ECONOMIC REVIEW OUTLOOK (MERO) REPORT / 2020 GARDEN ROUTE DISTRIKSMUNISIPALITEIT MUNISIPALE EKONOMIESE OORSIG VERSLAG /INGXELO YONYAKA 2020 NGOBUME BENGINQI YASE GARDEN ROUTE

Refer: Report dated 02 December 2020 from the Executive Manager Planning & Economic Development Services (L Menze)(pg 383-1046)

RESOLVED TO RECOMMEND TO COUNCIL

That Council notes the 2020 Garden Route Municipal Economic Review and Outlook (MERO) from Provincial Treasury.

BESLUIT OM BY DIE RAAD AAN TE BEVEEL

Dat die Raad kennis neem van die verslag van die Garden Route Distriksmunisipaliteit se 2020 Munisipale Ekonomiese Oorsig Verslag van die Provinsial Tesourie.

ISIGQIBO SOKUNDULULA KWIBHUNGA

Ukuba iBhunga liyithathele ingqalelo ingxelo yokuPhononongwa kweNdlela kaMasipala yoPhononongo lweNdlela ka-2020 evela kwi-Ofisi kaNondyebo wePhondo.

18 MOTIONS OF EXIGENCY / DRINGENDE MOSIES / IMIBA ENGXAMISEKILEYO

NONE / GEEN / AYIKHO

19 NOTICES OF MOTIONS / KENNISGEWING VAN MOSIES / ISAZISO SEZIPHAKAMISO

NONE / GEEN / AYIKHO

20 IN CLOSED SESSION / IN GESLOTE SESSIE / KWI-SASHONI YASEKHUSINI

NONE / GEEN / AYIKHO

CLOSURE / SLUITING / UQUKUNJELO

The meeting closed at 09:40 / Die vergadering sluit om 09:40 / Intlanganiso ivalwe nge 09:40.

.....

EXECUTIVE MAYOR

CLLR M BOOYSEN

.....

DATE / DATUM / UMHLA



Minutes of the
Education, Training and Development Committee meeting
held **via Zoom**
on **Friday, 11 December 2020** at **09:45**

Notule van die
Onderrig- Opleiding- en Ontwikkelingskomiteevergadering
gehou via Zoom
op Vrydag, 11 Desember 2020 om 09:45

Imizuzu
yentlangano yeKomiti yezeMfundo,uQeqesho kunye Nophuhliso
ngolwesihlanu, 11 kweyoMnga 2020 ngo 09:45 be Zoom

PRESENT / TEENWOORDIG / ABAKHOYO

Ald S de Vries

Cllr / Rdl / Ceba R Spies

Cllr / Rdl / Ceba J Fry

OFFICIALS / AMPTENARE / AMAGOSA

Ms B Holtzhausen

Mr S Masekeni

Mr R Salmons

Ms AZ Coetzee

Ms R Matthews

Ms C Van Wyngaardt

Executive Manager: Corporate Services

Acting Manager: Human Resources

Chief Training Coordinator

HR Practitioner: Training

Acting Snr Committee Officer

Committee Officer

UNION REPRESENTATIVES / VAKBOND VERTEENWOORDIGERS / ABAGQATSWA BEMANYANO

Mr M April (SAMWU)

Mr B Desha (SAMWU)

Mr R Dyantyi (IMATU)

Mr Y Isaacs (IMATU)

OPENING EN VERWELKOMING / OPENING AND WELCOME / UVULO NOLWAMKELO

The Chairperson welcomed everyone present and declared the meeting open.

ETDC 269/12/20 **APOLOGIES / VERSKONINGS / IZINGXENGXEZO**

None / Geen / Azikho

ETDC 270/12/20 **DECLARATION OF INTEREST BY COUNCILLORS AND OFFICIALS REGARDING
ITEMS INCLUDED IN THE AGENDA / VERKLARING VAN BELANGE DEUR
RAADSLEDE EN AMPTENARE TEN OPSIGTE VAN ITEMS IN DIE AGENDA
VERVAT / UKUBHENGGEZWA KWENJONFO NENZUZO NGOOCEBA
NAMAGOSA NGEMIBA EKWI AGENDA**

The following officials declared their interest with regards to the item on the Report Internal Bursaries: Rehana Matthews and Caron-Ann van Wyngaardt.

ETDC 271/12/20 **COMMUNICATIONS BY THE CHAIRPERSON / MEDEDELINGS DEUR DIE
VOORSITTER / INTHEHO KASIHLO **

The Chairperson apologized for the meeting starting late, informed the members that it is last meeting for the year and that everyone must enjoy the festive season and be safe.

Under the communications of the Chairperson, Cllr Spies conveyed his dissatisfaction regarding the fact that Imatu does not attend the meetings and due to their non-attendance, it means that the Committee cannot quorate. Cllr Spies said the inability for not informing Administration or the Chairperson beforehand is a sign of disrespect and that this matter must be brought under the attention of the Municipal Manager and Imatu regional office as soon as possible.

Under the communications of the Chairperson, Ms B Holtzhausen communicated the following:

Ms Holtzhausen, on behalf of Administration, thanked the Chairperson for his leadership of the Committee throughout the year and also thanked all the staff members for their hard work throughout the year and the union members for their attendance of the meetings.

ETDC 272/12/20 **APPROVAL OF MINUTES DATED 10 NOVEMBER 2020 / GOEDKEURING VAN NOTULE GEDATEER 10 NOVEMBER 2020 / YENTLANGANISO YANGAPHAMBILINI 10 KWEYENKANGA 2020**

RESOLVED

That the minutes dated 10 November 2020, be approved.

BESLUIT

Dat die notule gedateer 10 November 2020 goedgekeur word.

ISIGQIBO

Sesokuba imizuzu yangomhla 10 kweyeNKANGA 2020 iphunyezwe.

ETDC 273/12/20 **FOLLOW UP REPORT ON THE APPLICATIONS RECEIVED FOR THE EXTERNAL BURSARIES 2020/ OPVOLG VERSLAG RAKENDE DIE AANSOEKE VIR EKSTERNE BEURSE 2020**

Refer: Report dated 11 December 2020 Report from the Executive Manager: Corporate Services: (B. Holtzhausen)/ Acting HR Manager (S Maqekeni)

RESOLVED

1. That the Education, Training and Development Committee discuss the report.
2. That the ETDC consider the allocation of R15 000 to current bursars who successfully completed their studies.
3. That an amount of R60 000 be allocated from the Reimbursement Budget.
4. That an amount of R60 000.00 be allocated to the Executive Mayor for consideration of deserving unemployed youth from the community.

5. That the list of applications be updated and that the following priorities (Gender, Race, Town (where the applicant resides), be highlighted.

BESLUIE

1. *Dat die Onderrig-, Opleidings- en Ontwikkelingskomitee die verslag bespreek.*
2. *Dat die ETDC die toekenning van R15 000 oorweeg aan huidige beurshouers wat hul studies suksesvol voltooi het.*
3. *Dat 'n bedrag van R60 000 uit die Vergoedingsbegroting toegeken word.*
4. *Dat 'n bedrag van R60 000,00 aan die Uitvoerende Burgemeester toegeken word vir werklose jeugdiges uit die gemeenskap.*
5. *Dat die lys van aansoeke opgedateer word en dat die volgende prioriteite Geslag, Ras en Dorp (waar die applikant woon) aangedui word.*

ETDC 274/12/20

FOLLOW UP REPORT ON INTERNAL BURSARY APPLICATIONS / OPVOLG VERSLAG RAKENDE DIE AANSOEKE VIR INTERNE BEURSE

Refer: Report dated 11 December 2020 Report from the Executive Manager: Corporate Services: (B. Holtzhausen)/ Acting HR Manager (S Maqekeni)

RESOLVED

1. That the Committee discuss the report.
2. That the Committee consider approving all bursaries for the Roads Department as they are within budget and most of the applicants are first time applicants.
3. That the Committee approves all priority 1 and 2 bursaries for the Admin Staff.
4. That the Committee consider to allocate a percentage per official from priority levels 3-5.

5. That the Committee considers to increase the current Bursary Budget for the Administration with the amount of R100 000 from the Reimbursement Budget. *(Funding received from the LGSETA).*
6. That the Executive Manager Corporate Services write a letter to the Executive Manager Roads and Transport Services and inform him that an amount of R80 000 is still available for the Roads Staff members to utilise for further studies.

BESLUIT

1. *Dat die komitee die verslag bespreek.*
2. *Dat die Komitee dit oorweeg om alle beurse vir die Paaie Departement goed te keur, aangesien dit binne die begroting is en die meeste van die aansoekers eerste aansoekers is.*
3. *Dat die Komitee alle prioriteite 1 en 2 beurse vir die Admin Personeel goedkeur.*
4. *Dat die Komitee oorweeg om 'n persentasie per amptenaar toe te ken vanaf prioriteitsvlakke 3-5.*
5. *Dat die Komitee dit oorweeg om die huidige Beursbegroting vir die Administrasie met R100 000 uit die Vergoedingsbegroting te verhoog. (Befondsing ontvang van die LGSETA).*
6. *Dat die Uitvoerende Bestuurder Korporatiewe Dienste 'n formele brief aan die Uitvoerende Bestuurder Paaie en Vervoerdienste skryf, waarin hy ingelig word dat 'n bedrag van R80 000 beskikbaar is vir die Paaie personeellede vir die gebruik van verdere studies.*

The meeting closed at 10:53/Vergadering sluit om 10:53 / Intlanganiso ivalwe ngo 10:53

.....

CHAIRPERSON / VOORSITTER // USIHLALO

.....

DATE / DATUM /UMHLA



Minutes of a **Special**
Education, Training and Development Committee meeting
held **via Zoom**
on **Tuesday, 19 January 2021 at 10:00**

*Notule van 'n **Spesiale***
Onderrig- Opleiding- en Ontwikkelingskomiteevergadering
*gehou **via Zoom***
*op **Dinsdag, 19 Januarie 2021 om 10:00***

Imizuzu
yentlangano yeKomiti yezeMfundo,uQeqesho kunye Nophuhliso
ngoLwesibini, 19 kweyoMqungu 2021 ngo 10:00 be Zoom

PRESENT / TEENWOORDIG / ABAKHOYO

Ald S de Vries

Cllr / Rdl / Ceba R Spies

Cllr / Rdl / Ceba J Fry

OFFICIALS / AMPTENARE / AMAGOSA

Ms B Holtzhausen

Executive Manager: Corporate Services

Ms N Klaas

Manager: Human Resources

Mr R Salmons

Chief Training Coordinator

Ms R Matthews

Senior Committee Officer

Ms C Van Wyngaardt

Committee Officer

UNION REPRESENTATIVES / VAKBOND VERTEENWOORDIGERS / ABAGQATSWA BEMANYANO

Mr M April (SAMWU)

Mr B Ntonzini (SAMWU) (joined at 10:19)

Mr P Koopman (IMATU)

OPENING EN VERWELKOMING / OPENING AND WELCOME / UVULO NOLWAMKELO

The Chairperson, Ald S de Vries, welcomed everyone present and declared the meeting open.

ETDC 275/01/21 **APOLOGIES / VERSKONINGS / IZINGXENGXEZO**

Mr B Desha (SAMWU)

Mr R Dyantyi (IMATU)

Ms A Naidoo

ETDC 276/01/21 **DECLARATION OF INTEREST BY COUNCILLORS AND OFFICIALS REGARDING ITEMS INCLUDED IN THE AGENDA / VERKLARING VAN BELANGE DEUR RAADSLEDE EN AMPTENARE TEN OPSIGTE VAN ITEMS IN DIE AGENDA VERVAT / UKUBHENGEZWA KWENJONFO NENZUZO NGOOCEBA NAMAGOSA NGEMIBA EKWI AGENDA**

None / Geen / Azikho

ETDC 277/01/21 **COMMUNICATIONS BY THE CHAIRPERSON / MEDEDELINGS DEUR DIE VOORSITTER / INTHEHO KASIHLO **

The Chairperson, thanked everybody for attending the Special Education, Training and Development meeting at such short notice.

The Chairperson communicated that the purpose for this special meeting is that Garden Route received a grant from Provincial Treasury to the value of R300 000. In order to access this funding, a Memorandum of Understanding was signed between GRDM and Provincial Treasury and feedback to be provided before or on 22 January 2021 to Provincial Treasury in regards to the list of recipients. A special Education, Training and Development meeting was therefore scheduled to consider and allocate the R300 000 Provincial Treasury grant received for external bursaries.

Under the Communications of the Chairperson, Ms B Holtzhausen informed the Committee that Ms A Naidoo is undergoing an operation today and wished her a speedy recovery.

ETDC 278/01/21

**REPORT ON THE WESTERN CAPE PROVINCIAL TREASURY GRANT FUNDING /
VERSLAG RAKENDE DIE WES-KAAPSE PROVINSIALE TESOURIE TOEKENNING**

Refer: Report dated 15 January 2020 Report from the Executive Manager: Corporate Services: (B. Holtzhausen)/ HR Manager (N Klaas)

RESOLVED

1. That it be noted the Education, Training and Development Committee discussed the report.
2. That the Education, Training and Development Committee approved the allocation of R50 000 each to six (6) qualifying bursars (list to be included by Human Resources).
3. That a comprehensive report be submitted to Council including the criteria and specifications of the grant received by Provincial Treasury.

BESLUIT

1. *Dat kennis geneem word dat die Onderrig, Opleidings- en Ontwikkelingskomitee die verslag bespreek het.*
2. *Dat die Onderrig, Opleidings- en Ontwikkelingskomitee die allokasie van R50 000 vir elk van die ses (6) kwalifiseerende kandidate goedkeur (lys moet ingevoeg word deur Menslike Hulpbronne)*
3. *Dat 'n volledige verslag aan die Raad voorsien word wat insluit die kriteria en die spesifikasies van die Provinsiale Tesourie toekenning.*

The meeting closed at 10:38 / Vergadering sluit om 10:38 / Intlanganiso ivalwe ngo 10:38.

.....

CHAIRPERSON / VOORSITTER // USIHLALO

.....

DATE / DATUM /UMHLA

BACK TO AGENDA

1. APPOINTMENTS, SERVICE EXITS AND LABOUR RELATIONS INFORMATION FOR JANUARY 2021 / AANSTELLINGS, UITDIENSTREDINGS EN ARBEIDSVERHOUDINGE INLIGTING VIR JANUARIE 2021 / ABAQASHIWEYO, ABASHIYE UMSEBENZI KUNYE NEMICIMBI YEZABASEBENZI KWINYANGA YOMQUNBGU 2021

(9/3/1)

**REPORT FROM THE EXECUTIVE MANAGER: CORPORATE SERVICES (B. HOLTZHAUSEN) /
MANAGER: HUMAN RESOURCES N. KLAAS)**

2 PURPOSE

To report on the appointments, service exits and labour relations matters for January 2021.

3. DELEGATED AUTHORITY

Council

4. EXECUTIVE SUMMARY

The purpose of the report is to provide a summary of permanent and contract appointments, how the appointments promote employment equity objectives, number of terminations and an overview of related labour matters for the period January 2021.

5. RECOMMENDATION

That the information on the appointments, service exits and labour relations matters for January 2021, be noted.

AANBEVELING

Dat kennis geneem word van die aanstellings, uitdienstredings, gelyke indiensnemingspraktyke en arbeidsverhoudinge inligting vir Januarie 2021.

ISINDULULO

Sesokuba ulwazi ngokuqashwa, ukuphuma kwinkonzo kunye nemicimbi yezabasebenzi kwinyanga yoMqungu 2021 kuthathelwe inqalelo.

6.1 Background

The Human Resource Department is responsible for the management of discipline and other labour related issues in the organization. One of the responsibilities of the department includes the appointment of employees and service exits in the organization. This report will therefore, focus on the following:

APPOINTMENTS: JANUARY 2021

The following employees were appointed permanently in January 2021 and their conditions of service and benefits implemented accordingly:

NR	DEPARTMENT	DESIGNATION	STATION	NAME	RACE & GENDER	FROM DEMOGRAPHIC AREA
1	PLANNING AND ECONOMIC DEVELOPMENT	DISTRICT IDP MANAGER	GEORGE	ME JAMES (Internal)	C/F	GEORGE
2	COMMUNITY SERVICES	SENIOR FIRE FIGHTER	LADISMITH	LM MICHAELS (Internal)	C/M	LADISMITH
3	ROADS SERVICES	OPERATOR: GRADER	HEROLD	A ARENDSE (Internal)	C/M	GEORGE
4	ROADS SERVICES	ENVIRONMENTAL CONTROL OFFICER	GEORGE	N NAMBA	A/F	KNYSNA
5	ROADS SERVICES	WORKER	LADISMITH	G SEBENZA	A/M	LADISMITH
6	ROADS SERVICES	WORKER	LADISMITH	L MONA	A/M	GEORGE
7	ROADS SERVICES	WORKER	LADISMITH	G SAALMON	C/M	GEORGE
8	ROADS SERVICES	WORKER	HEIDELBERG	FD ESAU	C/M	HEIDELBERG
9	ROADS SERVICES	WORKER	HEIDELBERG	A NDUMA	C/M	HEIDELBERG
10	ROADS SERVICES	OPERATOR: GRADER	GEORGE	A MOUTON	C/M	GEORGE

SERVICE EXITS: JANUARY 2021

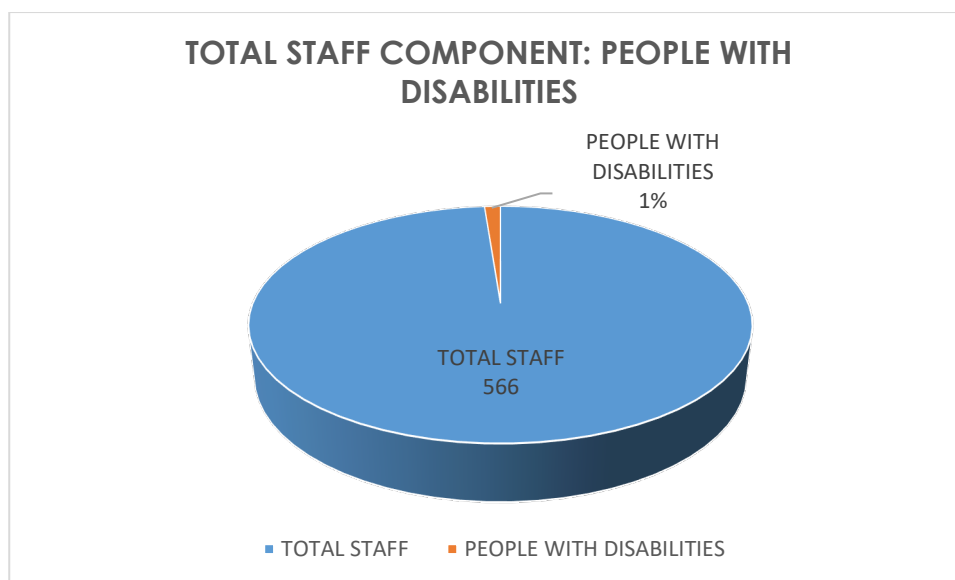
NR	DEPARTMENT	DESIGNATION	STATION	NAME	RACE & GENDER	REASON	TERMINATION DATE
1	FINANCIAL SERVICES DEPARTMENT	PROCUREMENT OFFICER	GEORGE	P VELAPHI	A/F	RESIGNED	30/01/2021

EMPLOYMENT EQUITY STATISTICS

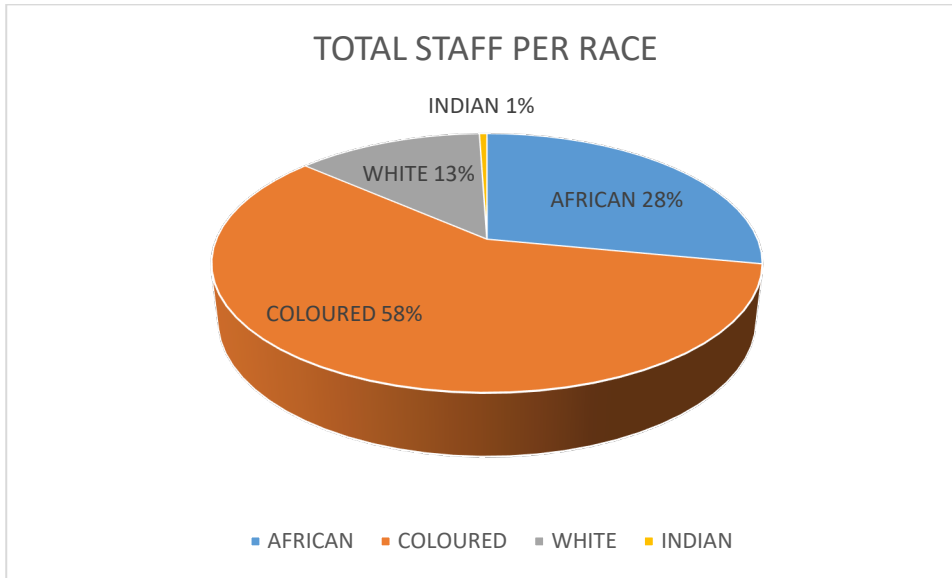
APPOINTMENTS

NR	DEPARTMENT	DESIGNATION	STATION	NAME	RACE & GENDER	EMPLOYMENT CATEGORY
1	PLANNING AND ECONOMIC DEVELOPMENT	DISTRICT MANAGER IDP	GEORGE	ME JAMES (Internal)	C/F	MANAGERS AND SNR OFFICIALS
2	COMMUNITY SERVICES	SENIOR FIGHTER FIRE	LADISMITH	LM MICHAELS (Internal)	C/M	SERVICE AND SALES WORKERS
3	ROADS SERVICES	OPERATOR: GRADER	HEROLD	A ARENDSE (Internal)	C/M	PLANT & MACHINE OPERATORS
4	ROADS SERVICES	ENVIRONMENTAL CONTROL OFFICER	GEORGE	N NAMBA	A/F	TECHNICIANS AND ASSOCIATE PROFESSIONALS
5	ROADS SERVICES	WORKER	LADISMITH	G SEBENZA	A/M	ELEMENTARY OCCUPATIONS
6	ROADS SERVICES	WORKER	LADISMITH	L MONA	A/M	ELEMENTARY OCCUPATIONS
7	ROADS SERVICES	WORKER	LADISMITH	G SAALMON	C/M	ELEMENTARY OCCUPATIONS
8	ROADS SERVICES	WORKER	HEIDELBERG	FD ESAU	C/M	ELEMENTARY OCCUPATIONS
9	ROADS SERVICES	WORKER	HEIDELBERG	A NDUMA	C/M	ELEMENTARY OCCUPATIONS
10	ROADS SERVICES	OPERATOR: GRADER	GEORGE	A MOUTON	C/M	PLANT & MACHINE OPERATORS

EMPLOYMENT EQUITY STATS

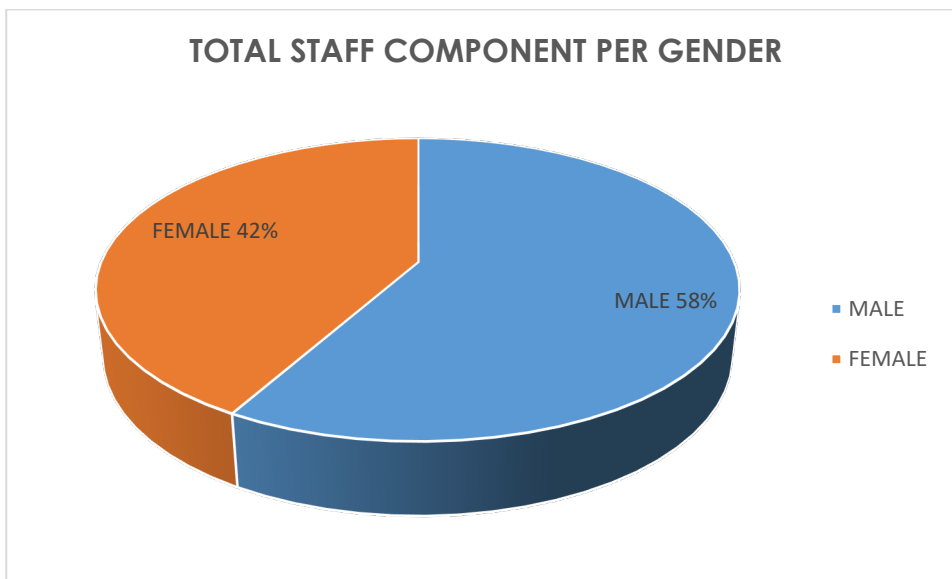


Description note: Seven (7) – percentage (1%) People with disabilities so far appointed.



Description note: Staff establishment per race.

Coloured : 330 – 58%
 African : 159 – 28%
 White : 74 – 13%
 Indian : 3 – 1%



Description note: Per Gender

Males : 329 – 58%
 Females : 237 – 42%

Description note:

To improve the number of people with disabilities, adverts are also emailed to disability organizations nationally. Further all advertisements contain a paragraph whereby people with disabilities are encouraged to apply for vacant positions.

Both the Recruitment and Selection Policy as well as the Employment Equity Policy were recently approved by Council to strengthen the recruitment of applicants from the designated groups. Further improvements are envisaged in the revised Recruitment and Selection Policy.

LABOUR RELATIONS: JANUARY 2021

DISCIPLINARY HEARINGS					
N O	DEPART	DATE	NATURE OF DISCIPLINARY HEARING	PROGRESS MADE	OUTCOMES
1	Roads Dept	27 Aug 2020	Theft	Finalized	Matter withdrawn.
2.	Roads Dept	23 Sept 2020	Gross insubordination Absenteeism	In Process	Disciplinary hearing is scheduled 15 th - 16 th February 2021.
3.	Roads Dept	10 Oct 2020	Absent	Finalized	Disciplinary hearing was held on the 21 st January 2021. Matter finalized.
4.	Finance Dept	08 Dec 2020	Absent	In Process	The disciplinary hearing is scheduled for the 2 nd February 2021.
INFORMAL DISCIPLINARY HEARING					

NO	NAME	DEPART MENT	DATE	NATURE OF DISCIPLINARY HEARING	PROGRESS MADE	OUTCOMES
				None to report		

GRIEVANCES

NO	DEPART	DATE	NATURE OF GRIEVANCE	PROGRESS MADE	OUTCOMES
1.	Comm unity Service s	07 Aug 2019	Remuneration on extra hours worked	In Process	The employee is not happy with step 2 outcomes and referred matter to step 3. Awaiting date from MM office before end of February 2021
2.	Roads	21 Aug 2019	Spreading of false statements	In process	Awaits outcome of Investigating officer before 19 Feb 2021
3.	Comm unity Service s	28 Jun 2019	Unfair labour Practise	In Process	Awaits outcome of Investigating officer before 19 Feb 2021
4.	Roads Service s	4 Feb 2020	Unfair labour practise	In process	Awaits outcome of Investigating officer before 19 Feb 2021
5.	Roads Dept	03 Nov 2020	Sexual harassment	In process	Chairperson appointed and grievance hearing to be scheduled once employee returns to work.
6.	Comm unity Service s	05 Nov 2020	Unfair labour practise	In process	Awaiting date from the MM office before end of February 2021
7.	Roads Dept	12 Dec	Unfair Labour	In Process	Grievance is schedule for the 12 February 2021.
8.	Roads Dept	26 Jan 2021	Unfair Labour Practise	In Process	Grievance is schedule for the 12 Feb 2021.
9.	Roads Dept	20 Jan 2021	Unfair Labour Practise	In Process	Grievance is schedule for the 25th February 2021.
10.	Comm unity Service s	28 Jan 2021	Unfair Labour Practise	In Process	Grievance is schedule for the 8 th February 2021.
11.	Corpor ate Service s	12 Dec 2019	Unfair Labour Practise	In Process	Referred to step 3 and awaits new date from MM office before end of February 2021

INCAPACITY INVESTIGATIONS

NO	DEPART	DATE	NATURE OF INCAPACITY	PROGRESS MADE	OUTCOMES
1.	Roads	12 Jun 2019	Ankle injury	In process	Meeting was held on the 20 th January 2021. Decision was made that the user department look for alternative position for the employee.
2.	Roads	11 Nov 2020	Trauma	In Process	The Incapacity meeting is schedule for the 8 th February 2021.
3.	Roads	07 Sept 2020.	Heart condition	In process	First meeting was held on the 14 th December 2020, HR must make an appointment with Dr Van Niekerk to give a full report on the employee condition. The next meeting is schedule for the 8 th Feb 2021.

DISPUTES

N O	DEPART	DATE	NATURE OF DISPUTES	PROGRESS MADE	OUTCOMES
1.	Planning and Development	15 Mar 2018	Transportation of Night shift employees as per the BCEA.	In process	Matter referred by MM to next Council Meeting
2	External	26 June 2020	Unfair Discrimination	In process	Conciliation/Arbitration date scheduled for 15 February 2021.

COUNSELLING

N O	DEPART	DATE	NATURE OF COUNSELLING SESSION	PROGRESS MADE	OUTCOMES
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CONTRACT APPOINTMENTS: JANUARY 2021

CONTRACT APPOINTMENTS FOR JANUARY 2021 (23)

NR	INITIALS & SURNAME	POSITION	DEPARTMENT	STATION	RACE & GENDER	PERIOD
1	BERNADO J	LEARNER FIRE	COMMUNITY	GEORGE	M/C	01/01/21 - 31/03/21
2	BOOYSEN JM	LEARNER FIRE	COMMUNITY	GEORGE	M/C	01/01/21 - 31/03/21
3	BRUINERS R	LEARNER FIRE	COMMUNITY	RIVERSDALE	M/C	01/01/21 - 31/03/21
4	CAROLUS D	LEARNER FIRE	COMMUNITY	GEORGE	M/C	01/01/21 - 31/03/21
5	COOK DBJ	LEARNER FIRE	COMMUNITY	GEORGE	M/C	01/01/21 - 31/03/21
6	DAMAN J	LEARNER FIRE	COMMUNITY	RIVERSDALE	M/C	01/01/21 - 31/03/21

7	DE LAAN DL	PEER EDUCATOR	PLANNING	GEORGE	F/C	01/01/21 - 31/03/21
8	GELDERBLOEM CZ	LEARNER FIRE	COMMUNITY	GEORGE	M/C	01/01/21 - 31/03/21
9	JACOBS AL	LEARNER FIRE	COMMUNITY	GEORGE	M/C	01/01/21 - 31/03/21
10	JOHNSON KM	LEARNER FIRE	COMMUNITY	GEORGE	M/C	01/01/21 - 31/03/21
11	MAVUKUZA MD	ADMIN ASST	PLANNING	GEORGE	M/A	04/01/21 - 31/03/21
12	MDAKA A	PEER EDUCATOR	PLANNING	GEORGE	M/A	01/01/21 - 31/03/21
13	MEYER AM	LEARNER FIRE	COMMUNITY	GEORGE	M/C	01/01/21 - 31/03/21
14	OKTOBER G	LEARNER FIRE	COMMUNITY	LADISMITH	M/C	01/01/21 - 31/03/21
15	OKTOBER EW	LEARNER FIRE	COMMUNITY	GEORGE	M/C	01/01/21 - 31/03/21
16	OLIVIER R	LEARNER FIRE	COMMUNITY	GEORGE	M/C	01/01/21 - 31/03/21
17	RABIE RE	LEARNER FIRE	COMMUNITY	LADISMITH	M/C	01/01/21 - 31/03/21
18	SAAIMAN LR	LEARNER FIRE	COMMUNITY	GEORGE	M/C	01/01/21 - 31/03/21
19	VAN BEULEN R	LEARNER FIRE	COMMUNITY	GEORGE	M/C	01/01/21 - 31/03/21
20	WABANIE BR	LEARNER FIRE	COMMUNITY	LADISMITH	M/A	01/01/21 - 31/03/21
21	WEELS D	LEARNER FIRE	COMMUNITY	GEORGE	M/C	01/01/21 - 31/03/21
22	ZAKADE T	LEARNER FIRE	COMMUNITY	GEORGE	M/A	01/01/21 - 31/03/21
23	LOUW F	CLEANER	CORPORATE	GEORGE	F/A	21/01/21 - 15/02/21

6.2 Discussion

As stipulated in the report.

6.3 Financial Implications

As per budget for each position

6.4 Legal Implications

RELEVANT LEGISLATION

CONSTITUTION OF REPUBLIC OF SOUTH AFRICA, 1996

BASIC CONDITIONS OF EMPLOYMENT ACT, ACT 56 OF 2003

Labour Relations Act, Act 66 of 1995

Disciplinary Procedure

6.5 Staff Implications

As indicated in attached report.

6.6 Previous / Relevant Council Resolutions:

Monthly reports are submitted to Council for noting

6.7 Risk Implications

There can be unforeseen financial implications based on outcomes of labour matters.

6.8 Comments from Executive Management:**6.8.1 Executive Manager: Financial Services**

One grievance in department was held but not concluded. Matter set to continue at a future date.

6.8.2 Executive Manager: Corporate Services

Take note of report.

6.8.3 Executive Manager: Community Services

Grievances in general has seen a significantly declined from previous years.

6.8.4 Executive Manager: Planning & Economic Development

Noting the developments with regards to new appointments and service exits. More commitment and improvement in addressing the recruitment or attracting prospective employees with disability to meet those targets.

6.8.4 Executive Manager: Roads Services**6.8.5 Manager: Legal Services**

No legal implications as we are complying with the legislative requirements.

[**BACK TO AGENDA**](#)

1. **SUBJECT: 4th ADJUSTMENT BUDGET 2020/2021 MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF) / VERSLAG: VIERDE AANSUIWERINGSBEGROTING 2020/2021 MEDIUM TERMYN EN INKOMSTE EN UITGAWE RAAMWERK (MTIUR) / ULUNGELWANISO LWESINE LOLWABIWO-MALI LUKA 2020/2021 INGENISO YEXESHA ELIFUTSHANE KUNYE NENDLELA YOMSEBENZI WENCITHO**

REPORT FROM THE EXECUTIVE MAYOR (ALD M BOOYSEN)

2. **PURPOSE**

The report is tabled to council in terms of section 28(2) (Municipal Adjustments Budgets) as required in terms of the Municipal Finance Management Act 56 of 2003.

3. **DELEGATED AUTHORITY**

Council

4. **EXECUTIVE SUMMARY**

Sub regulation (1) of Regulation 23 (3) of the Budget and Reporting Regulations, states –

An adjustment budget referred to in section 28(2)(b),(d) and (f) of the Act may be tabled in the municipal council at any time after the mid-year budget and performance assessment has been tabled in the council, but not later than 28 February of the current year.

The Executive Mayor must table an adjustment budget to Council for consideration and approval.

5. **RECOMMENDATIONS**

That Council take the following resolutions:

- (1) That the 4th adjustments budget of Garden Route District Municipality for the financial year 2020/2021 as set out in the schedules contained in Section 4 be **approved:**
 - vi. Table B1 Adjustments Budget Summary;
 - vii. Table B2 Adjustments Budget Financial Performance (by standard classification);
 - viii. Table B3 Adjustments Budget Financial Performance (by municipal vote);
 - ix. Table B4 Adjustment Budget Financial Performance (revenue by source); and

- x. Table B5 Adjustment Budget Capital Expenditure (by municipal vote and funding source).
- (2) That Council approves the Adjustment Operating Expenditure Budget of R416,194,347.
- (3) That Council approves the Adjustment Operating Revenue Budget of R402,521,911.
- (4) That Council approves the Adjustment Capital Budget of R14,096,440.
- (5) That a revised Service Delivery and Budget Implementation Plan (SDBIP) for the 2020/21 financial year be compiled and tabled to the Executive Mayor for approval.

AANBEVELINGS

Dat die Raad die volgende resolusies aanvaar:

- (1) *Dat die vierde Aangepaste Begroting van Garden Route Distriksmunisipaliteit vir die finansiële jaar 2020/2021 soos vervat in die skedules van Seksie 4 goedgekeur word:*
 - vi. *Tabel B1 Aangepaste Begrotings Opsomming;*
 - vii. *Tabel B2 Aangepaste Begroting Finansiële Prestasie (volgens standaard klassifikasie);*
 - viii. *Tabel B3 Aangepaste Begroting Finansiële Prestasie (volgens pos);*
 - ix. *Tabel B4 Aangepaste Begroting Finansiële Prestasie (volgens finansieringsbron); en*
 - x. *Tabel B5 Aangepaste Kapitale Begroting (volgens pos en finansieringsbron)*
- (2) *Dat die Raad die Aangepaste Uitgawe Begroting van R416,194,347 goedkeur.*
- (3) *Dat die Raad die Aangepaste Inkomste Begroting van R402,521,911 goedkeur.*
- (4) *Dat die Raad die Aangepaste Kapitaal Begroting van R14,096,440 goedkeur.*
- (5) *Dat die hersiende Dienslewering- en Begrotings Implementerings Plan vir 2020/2021 opgestel en aan die Uitvoerende Burgermeester voorgelê word vir goedkeuring.*

IZINDULULO

Sesokuba iBhunga lithathe ezi zigqibo zilandelayo:

- (1) Sesokuba ulungelelwaniso lwesithathu lolwabiso-mali(izibonelelo ezongezelelweyo) loMasipala Wesithili se Garden Route kunyaka mali ka 2020/2021 njengoko kudandalazisiwe kuluhlu oluqulathwe kuMhlathi 4 luphunyezwe:
 - i. Table B1 Ushwankathelo Lolungelelwaniso Lolwabiwo-Mali;
 - ii. Table B2 Ulungelelwaniwo Lolwabiso-Mali uMsebenzi Wezemali (ngokwesibonelelo esifanelekileyo);
 - iii. Table B3 Ulungelelwaniwo Lolwabiso-Mali uMsebenzi Wezemali (ngokwevoti yomasipala);
 - iv. Table B4 Ulungelelwaniwo Lolwabiso-Mali uMsebenzi Wezemali (ingeniso ngovimba); kunye
 - v. Table B5 Ulungelelwaniwo Lolwabiso-Mali Incitho Yenkunzi (ngokwevoti yomasipala kunye nengeniso ngovimba)
- (2) IBhunga liphumeze uLungelelwaniso Lwencitho Eqhubayo Yolwabiwo-Mali neyi R416,194,347.
- (3) IBhunga liphumeze Ulungelelwaniso Lwengeniso Eqhubayo Yolwabiwo-Mali neyi R402,521,911.
- (4) IBhunga liphumeze Ulungelelwaniso Oluyinkunzi Lolwabiwo-Mali lwe R14,096,440.
- (5) Sesokuba ulungelelwaniso Lonikezelo Lwenkonzo kunye Nesicwangciso Sokumiselwa Kolwabiwo-Mali(SDBIP) kunyeka mali ka 2020/21 kuqulunqwe ukuze kuthiwe thaca nguSodolophu Obekekileyo ukuze siphunyezwe.

6. DISCUSSION / CONTENTS

6.1 Background

Section 28 of the Municipal Finance Management Act 2003 (No.56) (MFMA) determines that a Municipality may revise an approved annual budget through an adjustment budget.

Subsection (2) also determines that an adjustment budget:

- a) Must adjust the revenue and expenditure estimates downwards if there is material under-collection of revenue during the current year;
- b) May appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for;

- c) May, within a prescribed framework, authorize unforeseeable and unavoidable expenditure recommended by the mayor;
- d) May authorize the utilization of projected savings in one vote towards spending under another vote;
- e) May authorize the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by the Council;
- f) May correct any errors in the annual budget; and
- g) May provide for any other expenditure within a prescribed framework.

Subsection (4) determines that only the mayor may table an adjustment budget in the municipal Council, but an adjustment budget in terms of subsection (2) (b) to (g) may only be tabled within any prescribed limitations as to timing or frequency.

Subsection (5) states that when an adjustment budget is tabled, it must be accompanied by an explanation of how the adjustment budget affects the annual budget and a motivation of any material changes to the annual budget.

Subsection (6) states very clearly that property rates and tariffs may not be increased during a financial year except when required in terms of a financial recovery plan.

Cognizance must also be taken of Section 15 of the MFMA which refers to the appropriation of funds for expenditure.

Subsection (a) determines very clearly that expenditure may only be incurred in terms of an approved budget; and (b) Within the limits of the amounts appropriated for the different votes in an approved budget.

Also take note of Section 23 (3) of the Budget and Reporting Regulations which refers to the timeframes of tabling of adjustment budgets.

Sub regulation (1) states –

An adjustment budget referred to in section 28(2)(b),(d) and (f) of the Act may be tabled in the municipal council at any time after the mid-year budget and performance assessment has been tabled in the council, but not later than 28 February of the current year.

6.2 Discussion

GRDM appointed two officials in the newly established Human Settlements section. The cost for the employee will be funded from the Provincial Department as per signed SLA.

Through supporting the Klein Karoo Export Agri Hub, GRDM expects to receive a donation of two desalination plants totalling R2,500,000 which will be installed at Calitzdorp Spa (each valued at approximately R1,250,000).

These and other adjustments have to be brought into the 2020/21 budget by means of an Adjustment Budget tabled to Council for approval.

Detail and further explanation is provided in the report below.

6.2 Financial Implications

Financial implications as per the Report attached

6.3 Legal Implications

Municipal Finance Management Act, No 56 of 2003

Municipal Budget and Reporting Regulations, 17 April 2009

6.5 Staff Implications

None.

6.6 Previous / Relevant Council Resolutions:

There are no previous or relevant Council resolutions related to this matter.

6.7 Risk Implications

None

6.8 Comments from Executive Management:

6.8.1 Executive Manager: Roads and Transport Planning Services

Take note of the content of the report and support the recommendations.

6.8.2 Executive Manager: Community Services

I concur with the sentiments of the Executive Mayor, in his Introductory speech regarding the Food Pantry. The availability of budget for this important project is also welcomed in the Adjustment Budget.

Further financial support has been given to mitigate the COVID19 pandemic in our region, and this adjustment in funding is welcomed as we prepare for a possible third wave in the District.

6.8.4 Executive Manager: Corporate Services

Noted. Support the recommendations.

6.8.5 Executive Manager: Planning & Economic Development

Take note of the Adjustment Budget as a result of wide consultative process undertaken by BTO and other departments. However, the plea is that more allocation should be revive to rescucitate the economy of the Region. Our SMME's and Cooperatives suffered the most during the different phases and stages of lockdown. Efforts are in place to lend support with limited to no resources.

6.8.6 Manager: Legal Services

Noted the contents of the adjustment report and verifies the adjustment is in line with the Legislative Requirements.

ANNEXURES



GARDEN ROUTE DISTRICT MUNICIPALITY

FINANCIAL YEAR 2020 - 2021

4th ADJUSTMENT BUDGET REPORT

2020/2021 MTREF

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Glossary

Adjustments budget – Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.

Allocations – Money received from Provincial or National Government or other municipalities.

Budget – The financial plan of the Municipality.

Budget related policy – Policy of a municipality affecting or affected by the budget, examples include tariff policy, rates policy and credit control and debt collection policy.

Capital expenditure – Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's balance sheet.

Cash flow statement – A statement showing when actual cash will be received and spent by the Municipality. Cash payments do not always coincide with budgeted expenditure timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month it is received, even though it may not be paid in the same period.

DORA – Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government.

Equitable share – A general grant paid to municipalities. It is predominantly targeted to help with free basic services.

Fruitless and wasteful expenditure – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.

GFS – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.

GRAP – Generally Recognised Accounting Practice. The new standard for municipal accounting.

IDP – Integrated Development Plan. The main strategic planning document of the Municipality

MBRR – Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations April 2009

MFMA – The Municipal Finance Management Act – No. 56 of 2003. The principle piece of legislation relating to municipal financial management.

MTREF – Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous and current years' financial position.

Operating expenditure – Spending on the day to day expenses of the Municipality such as salaries and wages.

Rates – Local Government tax based on the assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.

SDBIP – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.

Strategic objectives – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.

Unauthorised expenditure – Generally, spending without, or in excess of, an approved budget.

Virement – A transfer of budget.

Virement policy - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.

Vote – One of the main segments into which a budget. In Garden Route District this means the different GFS classification the budget is divided.

Legislative Framework

This report has been prepared in terms of the following enabling legislation.

The Municipal Finance Management Act – No. 56 of 2003

Section 28 Municipal Adjustment Budgets

Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations

Schedule B format of adjustment budgets

PART 1 – IN-YEAR REPORT

SECTION 1 – MAYORAL SPEECH

Honourable Speaker, leaders of the Opposition, honourable members of the Garden Route District Council on both sides of the house, The Municipal Manager and his Executive Management Team, the Members of the Media, interest groups and the citizens of the Garden Route District Municipality. I would like to express a hearty warm welcome to you all. We are here today to approve the adjustment budget after the mid-year assessment was tabled at council in January 2021.

Department of Human Settlements

Following engagements between the parties, the Department identified the need for the District Municipality to assist with the planning, development and management of selected human settlement priority projects within the Garden Route region. This covers selected housing projects within the municipal areas of George, Knysna, Oudtshoorn, Bitou, Mossel Bay, Hessequa and Kannaland. Through this initiative, greater commitment and support to these municipalities and, in turn, their respective communities are envisioned.

On Friday 19 February 2021 Western Cape Human Settlements Minister Tertuis Simmers, and Executive Mayor, Ald. Memory Booysen of the Garden Route District Municipality (GRDM), held a press briefing to unpack the groundbreaking agreement which was signed between the Department of Human Settlements and the District Municipality.

In line with the Joint District Approach, the agreement essentially seeks to ensure that the various spheres of government and stakeholders work together to accelerate and enhance service delivery within the respective areas. The agreement is the first of its kind in the Western Cape since district municipalities traditionally do not have any housing mandate. GRDM is also pleased to announce the appointment of two officials in this new function from 1 February 2021, whose salaries are fully funded by the WCG Department of Human Settlements.

Section 23 (3) of the Budget and Reporting Regulations which refers to the timeframes of tabling of adjustment budgets.

Sub regulation (1) states –

“An adjustment budget referred to in section 28(2)(b),(d) and (f) of the Act may be tabled in the municipal council at any time after the mid-year budget and performance assessment has been tabled in the council, but not later than 28 February of the current year.”

The details of the above amendments to the budget are as follows:

Summary

Summary of high-level proposed Fourth Adjustment Budget: 2020/21	Approved Budget 2020/2021	Roll - Over Budget 2020/2021	2nd Adjustment Budget 2020/2021	3rd Adjustment Budget 2020/2021	4th Adjustment Budget 2020/2021	Approved Budget 2021/2022	Approved Budget 2022/2023
Income	392 172 437,00	400 711 512,69	400 579 024,69	400 944 010,69	402 521 911,00	480 210 956,00	500 357 455,00
Expenditure	401 232 739,00	409 771 814,69	409 639 326,69	410 004 312,69	416 194 347,00	482 450 832,00	501 210 284,00
Surplus / (Deficit)	- 9 060 302,00	- 9 060 302,00	- 9 060 302,00	- 9 060 302,00	- 13 672 436,00	- 2 239 876,00	- 852 829,00
Capital Budget	8 135 000,00	8 135 000,00	8 135 000,00	8 135 000,00	14 096 440,00	430 000,00	430 000,00
Less funded from CRR	8 135 000,00	8 135 000,00	8 135 000,00	8 135 000,00	9 895 440,00	430 000,00	430 000,00
Less funded from NT Grants					1 661 000,00		
Less funded from PT Grants					40 000,00		
Less Funded from Donated PPE					2 500 000,00		
Surplus / (Deficit) after Capital	- 9 060 302,00	- 9 060 302,00	- 9 060 302,00	- 9 060 302,00	- 13 672 436,00	- 2 239 876,00	- 852 829,00

Note that the 2020/21 adjustments budget totals to a net deficit, but it is not an unfunded budget. GRDM has accumulated surpluses which will fund the shortfall in the short term, with numerous projects in various stages of implementation to ensure GRDM can maintain its healthy financial position in the current extremely challenging economical conditions, as well as over the long term.

Operational Budget:

Income: The budgeted increase in Income in the adjustment budget mainly relates to a donation of assets anticipated from the Klein Karoo Export Agri Hub of R2.5m and R1.74m funding from Province for the appointment of officials in the newly established Human Settlements section of GRDM. This is offset by a R2.4m reduction in projected revenue from the Resorts which were closed during the December/January holidays and other key times in the financial year as a result of the COVID 19 pandemic. An insurance claim has been lodged in an attempt to recover the loss of income, but the insurer is contesting the claim and therefore the budgeted revenue for 2020/21 needs to be reduced. The claim will be pursued and, if successful, any funding received from the claim will be brought into the financial records at the applicable time.

Expenditure: The operational expenditure budget has increased by approximately R6 million. The largest drivers for the increase is as follows:

- R1.7m for the new Human Settlement section of GRDM. This is fully funded via the signed SLA with the Western Cape Provincial Government.

- Increase in post-retirement expenditure of R1.65m due to rescindment of Council decision that excluded officials appointed after March 2013 from receiving post-retirement benefits.
- R540,000 is budgeted to support job creating, water provision and food processing through partnership with the Klein Karoo Export Agri Hub. GRDM will receive a donation of two operational desalination plants with an estimated value of R2.5m through engaging in this partnership.
- Additional funding through EPWP of R1.2m, partially funded by utilising the Safety Implementation grant for Law Enforcement and the EPWP program's objectives to enforce the current regulations under COVID19, and other relevant by-laws within municipalities.

Capital Budget:

The main reasons for the increase in the capital budget of almost R6 million is the expected donation to GRDM of the two desalination plants (R2.5m), the utilisation of the RRAMS grant for capital acquisitions worth R1.7m (including an LDV bakkie) and utilising savings on the maintenance budget to fund a solar energy project to the value of R1.5m at the resorts in an attempt to reduce operational expenditure incurred in running the resorts of Council.

I would therefore like to recommend that council approve the following resolutions:

- (1) That the adjustment budget of Garden Route District Municipality for the financial year **2020/2021** as set out in the schedules contained in Section 4 be approved:
 - (i) Table B1 Adjustments Budget Summary;
 - (ii) Table B2 Adjustments Budget Financial Performance (by standard classification);
 - (iii) Table B3 Adjustments Budget Financial Performance (by municipal vote);
 - (iv) Table B4 Adjustments Budget Financial Performance (revenue by source); and
 - (v) Table B5 Adjustments Budget Capital Expenditure (by municipal vote and funding source)

- (2) That the adjusted operating expenditure budget of Garden Route District Municipality for the financial year **2020/2021 of R416,194,347** be approved.
- (3) That the adjusted operating revenue budget of Garden Route District Municipality for the financial year **2020/2021 of R402,521,911** be approved.
- (4) That the adjusted capital of Garden Route District Municipality for the financial year **2020/2021 of R14,096,440**
- (5) That a revised Service Delivery and Budget Implementation Plan (SDBIP) for the **2020/2021** financial year be compiled and tabled to the Executive Mayor for approval .

SECTION 2 – RESOLUTIONS

Municipal Financial Management Act, 56 of 2003 - SECTION 28 Municipal adjustment budgets.

These are the resolutions being presented to Council in terms of Municipal Finance Management Act, 56 of 2003 on the adjustment budget and related information.

RECOMMENDATION:

- (1) That the adjustment budget of Garden Route District Municipality for the financial year **2020/2021** as set out in the schedules contained in Section 4 be approved:
 - (i) Table B1 Adjustments Budget Summary;
 - (ii) Table B2 Adjustments Budget Financial Performance (by standard classification);
 - (iii) Table B3 Adjustments Budget Financial Performance (by municipal vote);
 - (iv) Table B4 Adjustments Budget Financial Performance (revenue by source); and
 - (v) Table B5 Adjustments Budget Capital Expenditure (by municipal vote and funding source)
- (2) That the adjusted operating expenditure budget of Garden Route District Municipality for the financial year **2020/2021 of R416,194,347** be approved.

- (3) That the adjusted operating revenue budget of Garden Route District Municipality for the financial year **2020/2021 of R402,521,911** be approved.
- (4) That the adjusted capital budget of Garden Route District Municipality for the financial year **2020/2021 of R14,096,440** be approved.
- (5) That a revised Service Delivery and Budget Implementation Plan (SDBIP) for the **2020/21** financial year be compiled and tabled to the Executive Mayor for approval.

SECTION 3 - EXECUTIVE SUMMARY

3.1 Introduction

This budget report is tabled in terms of the Municipal Finance Management Act, 56 of 2003 and the Municipal Budget and Reporting regulations, dated 17 April 2009.

Municipal Finance Management Act, 56 of 2003

Section 28(1) *A municipality may revise an approved annual budget through an adjustment budget.*

Section 28(2)(f) *may correct any errors in the annual budget*

Section 28(3) *An adjustment budget must be in a prescribed format.*

Municipal Budget and Reporting Regulations, 17 April 2009, Regulation 23 Timeframes for tabling of adjustments budgets:

Sub regulation (1) states –

An adjustment budget referred to in section 28(2)(b),(d) and (f) of the Act may be tabled in the municipal council at any time after the mid-year budget and performance assessment has been tabled in the council, but not later than 28 February of the current year

Schedule B Adjustment budget and supporting documentation of municipalities

(1) *An adjustment budget and support documentation of a municipality that is –*

- a.** *Contemplated in sub regulation 23(1) must have all the headings in the sequence shown in the table of contents below, contain the information described in this Schedules and be appropriately page numbered, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act.*

3.2 Adjustment Budget

Operational Budget

Comparison between the **Original, Rollover, Second, Third and Fourth Adjustment Budget** for the financial year 2020/21 MTREF:

Summary of high-level proposed Fourth Adjustment Budget: 2020/21	Approved Budget 2020/2021	Roll - Over Budget 2020/2021	2nd Adjustment Budget 2020/2021	3rd Adjustment Budget 2020/2021	4th Adjustment Budget 2020/2021	Approved Budget 2021/2022	Approved Budget 2022/2023
Income	392 172 437,00	400 711 512,69	400 579 024,69	400 944 010,69	402 521 911,00	480 210 956,00	500 357 455,00
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Surplus / (Deficit)	- 9 060 302,00	- 9 060 302,00	- 9 060 302,00	- 9 060 302,00	- 13 672 436,00	- 2 239 876,00	- 852 829,00
Capital Budget	8 135 000,00	8 135 000,00	8 135 000,00	8 135 000,00	14 096 440,00	430 000,00	430 000,00
Less funded from CRR	8 135 000,00	8 135 000,00	8 135 000,00	8 135 000,00	9 895 440,00	430 000,00	430 000,00
Less funded from NT Grants					1 661 000,00		
Less funded from PT Grants					40 000,00		
Less Funded from Donated PPE					2 500 000,00		
Surplus / (Deficit) after Capital	- 9 060 302,00	- 9 060 302,00	- 9 060 302,00	- 9 060 302,00	- 13 672 436,00	- 2 239 876,00	- 852 829,00

OPERATING (SURPLUS)/DEFICIT

A deficit of R13 672 436 is proposed for the Fourth Adjustments Budget. Note that the 2020/21 adjustments budget totals to a net deficit, but it is not an unfunded budget. GRDM has accumulated surpluses which will fund the shortfall in the short term, with numerous projects in various stages of implementation to ensure GRDM can maintain its healthy financial position in the current extremely challenging economical conditions, as well as over the long term.

Capital Budget

The main reasons for the increase in the capital budget of almost R6 million is the expected donation to GRDM of the two desalination plants (R2.5m), the utilisation of the RRAMS grant for capital acquisitions worth R1.7m (including an LDV bakkie) and utilising savings on the maintenance budget to fund a solar energy project to the value of R1.5m at the resorts in an attempt to reduce operational expenditure incurred in running the resorts of Council.

3.3 Provision of basic services

The municipality as a category C municipality do not deliver basic services in respect of the following:

- Provision of Water services

- Provision of sanitation services
- Provision of refuse
- Provision of housing

Service that is delivered by the municipality that is essential to the communities of the Garden Route region includes the following:

- Garden Route DM plays a critical role in the delivery of Fire services in the area. This is supported by the fact that a number of service delivery agreements is in place with different local municipalities to ensure delivery of fire services within their areas.

An area of concern is the aging fleet, however the municipality are making efforts to expand the fleet by utilising grants like the Fire Services Capacity Grant and Disaster Management Grant to invest in capital items. Two new fire trucks were purchased from grant funding received from Provincial Government in the prior year.

- Garden Route DM also has an Air Quality service level agreement with the municipality of Hessequa Municipality.
- Disaster Management and ensuring that a collective effort is implemented is also a key function performed by the municipality.
- The provision of Environmental Health practitioners is another key function performed by the district. With the food scarcity crisis and the impact that drought has on the provision of food security the impact this function is performing is of critical importance.
- Garden Route DM maintains and constructs roads on behalf of the Provincial Department of Transport and Public Works.

The municipal budget is drafted to ensure the provision of these services can continue on an uninterrupted basis within these municipal jurisdiction areas.

3.4 SDBIP and MTREF financial sustainability

The municipality tabled a balanced/funded budget during the May council approval budget process. The SDBIP was compiled on the basis of this approved budget.

The adjustment will have no negative effect on the sustainability of the original budget as approved by council.

The municipality is currently in a healthy financial position. GRDM is in the process of addressing the long term sustainability issues of Council as a district on various platforms. Council approved the Long Term Financial plan as guiding document to ensure sustainability.

The Integrated Development Planning unit implement an approved and improved IDP project plan and approach. This should ensure optimisation of the use of resources and enhance planning and monitoring of implementation in terms of the service delivery and budget implementation plan (SDBIP). The municipal SDBIP and KPI adhere to the SMART principles that are being advocated as best municipal practices.

Amendments to the SDBIP are also regularly completed and performed to ensure that administration stays on track towards the achievements of the targets and objectives of the IDP.

3.5 High level summary of adjustments

The following table illustrates the Original Budget approved by council for the **2020/2021** MTREF period during the May council budget approval process and the subsequent movement of the adjustment budgets.

Operating Revenue

	3rd Adjustment Budget 2020/2021	4th Adjustment Budget 2020/2021	Variance (Jan'21 - Feb '21)	% percentage	Note
Summary: Total Income					
Rental of facilities and equipment	1 614 459,00	3 614 459,00	2 000 000,00	-55%	1
Interest earned - external investments	14 091 041,00	12 091 041,00	- 2 000 000,00	-17%	2
Interest earned - outstanding debtors	3 710 000,00	3 710 000,00	-	0%	3
Licences and permits	111 300,00	111 300,00	-	0%	4
Agency services	184 672 675,00	184 672 675,00	-	0%	5
Transfers and subsidies	34 251 574,00	34 251 574,00	-	0%	6
Other revenue	162 492 962,00	161 570 862,00	922 100,00	-1%	7
Transfers and subsidies - capital (in-kind - all) Donation (Desalination Plant)		2 500 000,00	2 500 000,00	100%	8
Revised Operational Income	400 944 011,00	402 521 911,00	3 422 100,00		

The reasons variances in revenue are as follows:

1. Rental of facilities and equipment – Increase with R2 million due to rental agreements with telecommunication companies expected to be concluded within quarter 3 of the current financial year. These contracts cover prior periods, as well as the current MTREF period.
2. Interest earned: external investments – Decrease with R2 million due to decrease in interest rates in the current challenging economic environment.
- 3.- 6. Interest earned: outstanding debtors, Licences and permits, Agency services and Transfers and subsidies – remain unchanged.
7. Other revenue – Decrease with R922,100 due to lower budgeted revenue from Resorts (R2,4m) which is partially offset by the R1,7m funding received for the newly established Human Settlements section of GRDM.
8. Transfers and subsidies - capital (in-kind - all) Donation (Desalination Plants) – Increase with R2,500,000.

Operating Expenditure

	3rd Adjustment Budget 2020/2021	4th Adjustment Budget 2020/2021	Variance (Jan'21 - Feb '21)	% percentage	Note
Summary: Total Expenditure					
Employee related costs	241 479 888,00	247 658 771,00	6 178 883,00	2%	1
Remuneration of councillors	13 360 009,00	13 360 009,00	-	0%	2
Debt impairment	1 841 087,00	1 841 087,00	-	0%	3
Depreciation & asset impairment	3 930 318,00	4 987 369,00	1 057 051,00	21%	4
Finance charges		70 000,00	70 000,00	100%	5
Other materials	51 197 233,00	51 360 189,00	162 956,00	0%	6
Contracted services	38 021 778,00	34 748 196,00	- 3 273 582,00	-9%	7
Transfers and subsidies	1 230 000,00	1 850 500,00	620 500,00	34%	8
Other expenditure	58 944 000,00	60 318 226,00	1 374 226,00	2%	9
Revised Operational Expenditure	410 004 313,00	416 194 347,00	6 190 034,00		

Notes

1. Employee related costs – increase mainly due to establishment of new Human Settlements section (R1.7m), the increase in post-retirement benefit provision as explained above (R1.7m), re-allocating funding to EPWP (R1.2m) and increase in provision for overtime and standby costs relating to COVID 19 activates that GRDM is obliged to

perform in the Community Services department (e.g. Municipal Health, Disaster Management and Fire Fighting Services).

4. Depreciation & asset impairment – Increase by R1,057m due to Desalination Plant and cellphone purchases.

5. Finance charges – Increase by R70,000 due to cellphone contracts finance lease agreements

7. Contracted Services – decrease by R3,2m of which R1,661m is RRAMS shifted to capital, R1m shifted from Safety Implementation grant to EPWP Law enforcement projects and the remainder is savings across the rest of the vote structure moved to other expenditure.

8. Transfers and subsidies – Increase with R620,500

9. Other expenditure – Increase with R1,374m. R540,000 is to support the Klein Karoo Export Agri Hub.

Capital budget

The following capital were added and removed on the 4th Adjustment Budget:

DESCRIPTION	Original 2020/21 budget	ADJUSTMENT TO BUDGET	Total Budget 2020/21	COST CENTRE DESCRIPTION	Notes
Drills	7000		7000	Mayor and Council	
Office Furniture: Bitou - Mayor Office	80000		80000	Mayor and Council	
Land	4 763 000	-750 000	4 013 000	Mayor and Council	1
Laundry Machines	65000		65000	Mayor and Council	
Key Safe Boxes	5000		5000	Mayor and Council	
Upgrading of Multimedia Council Chambers	80000		80000	Mayor and Council	
Office Chair	30000		30000	Mayor and Council	
Upgrade outdated Disaster Recovery Hardware	317300		317300	It section	
Replace Access Control and Time and Attendance devices	282163		282163	It section	
Additional Laptops (15)	199837		199837	It section	
Replace outdated Access Points	10300		10300	It section	
Printers	29700		29700	It section	
24 prt Gigabyte POE injectors	11970		11970	It section	
QNAP 8-Bay NAS	43730		43730	It section	
Insurance / Uneconomical to repair	30000		30000	It section	
Pool Vehicle	251100		251100	Support servives: registry	
High Water Pressure Machine	5000		5000	Support servives: registry	
Battery Jumper	2500		2500	Support servives: registry	
Perspex Screens	25000		25000	Support servives: registry	

DESCRIPTION	Original 2020/21 budget	ADJUSTMENT TO BUDGET	Total Budget 2020/21	COST CENTRE DESCRIPTION	Notes
Office Chair	5000		5000	Support servives: registry	
Vacuum Cleaners	7900		7900	Support servives: registry	
Water Urns	3500		3500	Support servives: registry	
Big Scanner Machine and Projector	30000		30000	Recruitment & Selection	
Ergonomic Chairs for employees with special needs	50000		50000	OHS	
Fire Alarm System (Mission street): OHS	250000		250000	OHS	
Evacuation Chairs	20000		20000	OHS	
Furniture: LED/Tourism	30000		30000	Led	
Calitzdorp Spa Roof's	1 500 000		1 500 000	Resorts: Calitzdorp Spa Resort	
Solar project		1 500 000	1 500 000	Resorts: Calitzdorp Spa Resort	6
EPWP tool of trades		50000	50000	EPWP Manager	
Office Furniture		10000	10000	Community Services	
Office Equipment		30000	30000	Municipal Health	
10 Personal Computers		120000	120000	It section	
10 Computer Screen		20000	20000	It section	
Drone		65000	65000	Fire fighting	
2 x cameras		16000	16000	Fire fighting	
Security beams - Mossel Bay Health		7200	7200	MHS: Langebaan	
Laptops - Human Settlements		40000	40000	Human Settlements	
Laptops - RRAMS		167000	167000	Roads	
Tablets - RRAMS		94000	94000	Roads	
LDV Bakkies - RRAMS		900000	900000	Roads	2
Office Extension / Office Container - RRAMS		500000	500000	Roads	3
Reception Security Booth		25000	25000	Support - registry	
Security gates - HR		29000	29000	HR	
Security gates - Registry		14000	14000	Support - registry	
Desalination of plant		2 500 000	2 500 000	Calitzdorp Spa	5
Cellphones		624240	624240	Across all Departments	4
	8 135 000	5 961 440	14 096 440		

Notes

1. Land – R750,000 saving on acquiring of land after negotiating for a better price
2. Rural Roads Asset Management Grant – R900,000 make provision for LDV Bakkies to be acquired
3. Rural Roads Asset Management Grant – R500,000 Office Extension / Office Container
4. Cellphones – R624,240 Lease agreement contracts disclosed according to GRAP Accounting Standards.
5. Desalination plant – R2,500,000 donations received for Calitzdorp Spa Resort

6. Solar Project – R1,500,000 Replace Geysers with solar Geysers at Calitzdorp Spa Resort

NET (SURPLUS)/DEFICIT

Summary of high-level proposed Fourth Adjustment Budget: 2020/21	Approved Budget 2020/2021	Roll - Over Budget 2020/2021	2nd Adjustment Budget 2020/2021	3rd Adjustment Budget 2020/2021	4th Adjustment Budget 2020/2021	Approved Budget 2021/2022	Approved Budget 2022/2023
Income	392 172 437,00	400 711 512,69	400 579 024,69	400 944 010,69	402 521 911,00	480 210 956,00	500 357 455,00
Expenditure	401 232 739,00	409 771 814,69	409 639 326,69	410 004 312,69	416 194 347,00	482 450 832,00	501 210 284,00
Surplus / (Deficit)	- 9 060 302,00	- 9 060 302,00	- 9 060 302,00	- 9 060 302,00	- 13 672 436,00	- 2 239 876,00	- 852 829,00
Capital Budget	8 135 000,00	8 135 000,00	8 135 000,00	8 135 000,00	14 096 440,00	430 000,00	430 000,00
Less funded from CRR	8 135 000,00	8 135 000,00	8 135 000,00	8 135 000,00	9 895 440,00	430 000,00	430 000,00
Less funded from NT Grants					1 661 000,00		
Less funded from PT Grants					40 000,00		
Less Funded from Donated PPE					2 500 000,00		
Surplus / (Deficit) after Capital	- 9 060 302,00	- 9 060 302,00	- 9 060 302,00	- 9 060 302,00	- 13 672 436,00	- 2 239 876,00	- 852 829,00

A deficit MTREF budget is being tabled for 2020/2021. Note that it is not an unfunded budget. GRDM has accumulated surpluses which will fund the shortfall in the short term, with numerous projects in various stages of implementation to ensure GRDM can maintain its healthy financial position in the current extremely challenging economical conditions, as well as over the long term.

More details regarding these changes are explained in Part 2 of the budget document as required in terms of the budget regulation.

OPERATIONAL BUDGET - 4th Adjustment Budget (23 February 2021)							
DESCRIPTION	Approved Budget 2020/2021	Roll - Over Budget 2020/2021	2nd Adjustment Budget 2020/2021 Amounts	3rd Adjustment Budget 2020/2021	4th Adjustment Budget 2020/2021	Approved Budget 2021/2022	Approved Budget 2022/2023
Operational Income	392 172 437,00	392 172 437,00	392 172 437,00	400 579 024,69	402 521 911,00	480 210 956,00	500 357 455,00
Additional Equity Share Funds		3 227 000,00	3 227 000,00				
Unspent Grants		5 312 075,69	5 312 075,69		-		
Unspent Grants not Approved:							
PT: WCFMSG			- 350 000,00	- 100 000,00			
PT: Intergrated Transport Planning Grant			- 590 488,00				
NT: Rural Roads Asset Management Grant			- 1 300 000,00				
Additional PT Grants			2 108 000,00	464 986,00			
Revised Operational Income	392 172 437,00	400 711 512,69	400 579 024,69	400 944 010,69	402 521 911,00	480 210 956,00	500 357 455,00
Operational Expenditure	401 232 739,00	401 232 739,00	409 771 814,69	409 639 326,69	416 194 347,00	482 450 832,00	501 210 284,00
National Grants		5 796 000,00	-				
NT: Rural Roads Asset Management Grant			- 1 300 000,00				
Provincial Grants		2 743 075,69	-				
PT: WCFMSG			- 350 000,00	- 100 000,00			
PT: Intergrated Transport Planning Grant			- 590 488,00				
Additional PT Grants			2 108 000,00	464 986,00			
Revised Operational Expenditure	401 232 739,00	409 771 814,69	409 639 326,69	410 004 312,69	416 194 347,00	482 450 832,00	501 210 284,00
Surplus / (Deficit)	- 9 060 302,00	- 9 060 302,00	- 9 060 302,00	- 9 060 302,00	- 13 672 436,00	- 2 239 876,00	- 852 829,00
Capital Budget	8 135 000,00	8 135 000,00	-	8 135 000,00	14 096 440,00	430 000,00	430 000,00
Less funded from CRR	8 135 000,00	8 135 000,00		8 135 000,00	9 895 440,00	430 000,00	430 000,00
Less funded from NT Grants					1 661 000,00		
Less funded from PT Grants					40 000,00		
Less Funded from Donated PPE					2 500 000,00		
Surplus / (Deficit) after Capital	- 9 060 302,00	- 9 060 302,00	- 9 060 302,00	- 9 060 302,00	- 13 672 436,00	- 2 239 876,00	- 852 829,00

Section 4 – Annual Budget Tables

DC4 Garden Route - Table B1 Adjustments Budget Summary - 23 FEBRUARY 2021

Budget Year 2020/21											Budget Year +1 2021/22	Budget Year +2 2022/23
Description	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	
	A	1 A1	2 B	3 C	4 D	5 E	6 F	7 G	8 H			
R thousands												
Financial Performance												
Property rates	-	-	-	-	-	-	-	-	-	-	-	
Service charges	-	-	-	-	-	-	-	-	-	-	-	
Investment revenue	14 091	14 091	-	-	-	-	(2 000)	(2 000)	12 091	15 937	18 833	
Transfers recognised - operational	174 269	34 252	-	-	-	-	-	-	34 252	178 902	182 687	
Other own revenue	203 812	352 601	-	-	-	-	1 078	1 078	353 679	285 372	298 836	
Total Revenue (excluding capital transfers and contributions)	392 172	400 944	-	-	-	-	(922)	(922)	400 022	480 211	500 357	
Employee costs	239 508	241 480	-	-	-	-	6 179	6 179	247 659	253 657	268 985	
Remuneration of councillors	13 360	13 360	-	-	-	-	-	-	13 360	13 894	14 449	
Depreciation & asset impairment	3 930	3 930	-	-	-	-	1 057	1 057	4 987	4 205	4 206	
Finance charges	-	-	-	-	-	-	70	70	70	-	-	
Materials and bulk purchases	51 197	51 197	-	-	-	-	163	163	51 360	51 421	52 167	
Transfers and grants	1 230	1 230	-	-	-	-	621	621	1 851	1 085	926	
Other expenditure	92 007	98 807	-	-	-	-	(1 899)	(1 899)	96 908	158 188	160 477	
Total Expenditure	401 233	410 004	-	-	-	-	6 190	6 190	416 195	482 451	501 211	
Surplus/(Deficit)	(9 060)	(9 060)	-	-	-	-	(7 113)	(7 113)	(16 173)	(2 240)	(853)	
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	-	-	-	-	-	-	-	-	-	-	
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies), Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher	-	-	-	-	-	-	2 500	2 500	2 500	-	-	
Surplus/(Deficit) after capital transfers & contributions	(9 060)	(9 060)	-	-	-	-	(4 613)	(4 613)	(13 673)	(2 240)	(853)	
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-	
Surplus/ (Deficit) for the year	(9 060)	(9 060)	-	-	-	-	(4 613)	(4 613)	(13 673)	(2 240)	(853)	
Capital expenditure & funds sources												
Capital expenditure	8 135	8 135	-	-	-	-	5 961	5 961	14 096	430	430	
Transfers recognised - capital	-	-	-	-	-	-	4 161	4 161	4 161	-	-	
Borrowing	-	-	-	-	-	-	-	-	-	-	-	
Internally generated funds	8 135	8 135	-	-	-	-	1 800	1 800	9 935	430	430	
Total sources of capital funds	8 135	8 135	-	-	-	-	5 961	5 961	14 096	430	430	
Financial position												
Total current assets	173 685	173 685	-	-	-	-	-	-	173 685	176 353	180 626	
Total non current assets	314 316	314 316	-	-	-	-	-	-	314 316	317 493	320 884	
Total current liabilities	74 604	74 604	-	-	-	-	-	-	74 604	71 376	75 243	
Total non current liabilities	144 852	144 852	-	-	-	-	-	-	144 852	153 541	162 752	
Community wealth/Equity	268 545	268 545	-	-	-	-	(4 612)	(4 612)	263 933	268 928	263 515	
Cash flows												
Net cash from (used) operating	(3 288)	(3 288)	-	-	-	-	(7 711)	(7 711)	(10 999)	3 936	5 461	
Net cash from (used) investing	(8 135)	(8 135)	-	-	-	-	(5 961)	(5 961)	(14 096)	(430)	(430)	
Net cash from (used) financing	-	-	-	-	-	-	-	-	-	-	-	
Cash/cash equivalents at the year end	143 131	143 131	-	-	-	-	(13 672)	(13 672)	129 459	132 964	137 995	
Cash backing/surplus reconciliation												
Cash and investments available	143 159	143 159	-	-	-	-	-	-	143 159	146 664	151 695	
Application of cash and investments	11 466	45 361	-	-	-	-	(108)	(108)	45 253	9 292	14 564	
Balance - surplus (shortfall)	131 692	97 798	-	-	-	-	108	108	97 906	137 372	137 131	
Asset Management												
Asset register summary (WDV)	254 584	254 584	-	-	-	-	-	-	254 584	254 178	253 771	
Depreciation & asset impairment	3 930	3 930	-	-	-	-	1 057	1 057	4 987	4 205	4 206	
Renewal and Upgrading of Existing Assets	1 500	1 500	-	-	-	-	-	-	1 500	-	-	
Repairs and Maintenance	4 059	4 059	-	-	-	-	-	-	4 059	4 276	4 291	
Free services												
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-	-	
Revenue cost of free services provided	-	-	-	-	-	-	-	-	-	-	-	
Households below minimum service level												
Water:	-	-	-	-	-	-	-	-	-	-	-	
Sanitation/sew erage:	-	-	-	-	-	-	-	-	-	-	-	
Energy:	-	-	-	-	-	-	-	-	-	-	-	
Refuse:	-	-	-	-	-	-	-	-	-	-	-	

DC4 Garden Route - Table B2 Adjustments Budget Financial Performance (functional classification) - 23 FEBRUARY 2021

Standard Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted 5	Accum. Funds 6	Multi-year capital 7	Unfore. Unavoid. 8	Nat. or Prov. Govt 9	Other Adjusts. 10	Total Adjusts. 11	Adjusted Budget 12	Adjusted Budget	Adjusted Budget
R thousands	1, 4	A	A1	B	C	D	E	F	G	H		
Revenue - Functional												
<i>Governance and administration</i>		217 258	226 030	-	-	-	-	4 302	4 302	230 331	225 665	235 701
Executive and council		217 030	225 802	-	-	-	-	4 302	4 302	230 104	225 421	235 442
Finance and administration		228	228	-	-	-	-	-	-	228	244	258
Internal audit		-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		9 330	9 330	-	-	-	-	(2 724)	(2 724)	6 606	9 810	10 785
Community and social services		-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		8 656	8 656	-	-	-	-	(2 400)	(2 400)	6 256	9 096	10 027
Public safety		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		674	674	-	-	-	-	(324)	(324)	350	714	757
<i>Economic and environmental services</i>		165 584	165 584	-	-	-	-	-	-	165 584	174 473	179 752
Planning and development		-	-	-	-	-	-	-	-	-	-	-
Road transport		165 473	165 473	-	-	-	-	-	-	165 473	174 355	179 627
Environmental protection		111	111	-	-	-	-	-	-	111	118	125
<i>Trading services</i>		-	-	-	-	-	-	-	-	-	70 263	74 120
Energy sources		-	-	-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	70 263	74 120
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	392 172	400 944	-	-	-	-	1 578	1 578	402 522	480 211	500 357
Expenditure - Functional												
<i>Governance and administration</i>		129 355	132 185	-	-	-	-	3 342	3 342	135 527	134 673	142 415
Executive and council		49 165	51 495	-	-	-	-	1 363	1 363	52 858	51 758	55 113
Finance and administration		77 489	77 989	-	-	-	-	1 964	1 964	79 953	80 032	84 241
Internal audit		2 701	2 701	-	-	-	-	14	14	2 715	2 883	3 061
<i>Community and public safety</i>		85 264	86 536	-	-	-	-	2 027	2 027	88 563	89 824	92 642
Community and social services		12 914	12 994	-	-	-	-	1 622	1 622	14 616	11 606	12 305
Sport and recreation		13 494	13 494	-	-	-	-	(856)	(856)	12 639	14 351	14 210
Public safety		26 063	26 063	-	-	-	-	699	699	26 761	28 550	29 327
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		32 793	33 985	-	-	-	-	562	562	34 547	35 316	36 800
<i>Economic and environmental services</i>		179 235	181 404	-	-	-	-	967	967	182 370	188 236	193 452
Planning and development		7 087	7 087	-	-	-	-	2 619	2 619	9 706	6 856	6 442
Road transport		168 818	170 987	-	-	-	-	(1 661)	(1 661)	169 326	177 834	183 256
Environmental protection		3 330	3 330	-	-	-	-	9	9	3 339	3 546	3 753
<i>Trading services</i>		4 606	7 106	-	-	-	-	(494)	(494)	6 612	67 273	70 469
Energy sources		-	-	-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-
Waste management		4 606	7 106	-	-	-	-	(494)	(494)	6 612	67 273	70 469
<i>Other</i>		2 773	2 773	-	-	-	-	349	349	3 121	2 444	2 233
Total Expenditure - Functional	3	401 232	410 004	-	-	-	-	6 190	6 190	416 194	482 451	501 210
Surplus/ (Deficit) for the year		(9 060)	(9 060)	-	-	-	-	(4 613)	(4 613)	(13 672)	(2 240)	(853)

DC4 Garden Route - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) - 23 FEBRUARY 2021

Vote Description <i>[Insert departmental structure etc]</i>	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
R thousands												
Revenue by Vote	1											
Vote 1 - Executive and Council		217 030	225 802	-	-	-	-	4 302	4 302	230 104	225 421	235 442
Vote 2 - Budget and Treasury Office		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		228	228	-	-	-	-	-	-	228	244	258
Vote 4 - Planning and Development		-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Public Safety		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Health		674	674	-	-	-	-	(324)	(324)	350	714	757
Vote 7 - Community and Social Services		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Sport and Recreation		8 656	8 656	-	-	-	-	(2 400)	(2 400)	6 256	9 096	10 027
Vote 9 - Waste Management		-	-	-	-	-	-	-	-	-	70 263	74 120
Vote 10 - Roads Transport		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Waste Water Management		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - Water		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Environment Protection		111	111	-	-	-	-	-	-	111	118	125
Vote 14 - Roads Agency Function		165 473	165 473	-	-	-	-	-	-	165 473	174 355	179 627
Vote 15 - Electricity		-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	392 172	400 944	-	-	-	-	1 578	1 578	402 522	480 211	500 357
Expenditure by Vote	1											
Vote 1 - Executive and Council		52 598	54 928	-	-	-	-	867	867	55 795	55 370	58 974
Vote 2 - Budget and Treasury Office		24 275	24 675	-	-	-	-	561	561	25 236	24 748	26 197
Vote 3 - Corporate Services		42 386	42 486	-	-	-	-	1 913	1 913	44 399	43 946	45 994
Vote 4 - Planning and Development		23 512	23 512	-	-	-	-	4 386	4 386	27 898	21 489	21 596
Vote 5 - Public Safety		33 222	33 302	-	-	-	-	902	902	34 204	36 221	37 462
Vote 6 - Health		34 993	36 185	-	-	-	-	562	562	36 747	37 671	39 299
Vote 7 - Community and Social Services		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Sport and Recreation		13 494	13 494	-	-	-	-	(856)	(856)	12 639	14 351	14 210
Vote 9 - Waste Management		4 606	7 106	-	-	-	-	(494)	(494)	6 612	67 273	70 469
Vote 10 - Roads Transport		3 345	5 514	-	-	-	-	(1 661)	(1 661)	3 853	3 479	3 629
Vote 11 - Waste Water Management		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - Water		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Environment Protection		3 330	3 330	-	-	-	-	9	9	3 339	3 546	3 753
Vote 14 - Roads Agency Function		165 473	165 473	-	-	-	-	-	-	165 473	174 355	179 627
Vote 15 - Electricity		-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	401 232	410 004	-	-	-	-	6 190	6 190	416 194	482 451	501 210
Surplus/ (Deficit) for the year	2	(9 060)	(9 060)	-	-	-	-	(4 613)	(4 613)	(13 672)	(2 240)	(853)

DC4 Garden Route - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 23 FEBRUARY 2021

Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted 3	Accum. Funds 4	Multi-year capital 5	Unfore. Unavoid. 6	Nat. or Prov. Govt 7	Other Adjusts. 8	Total Adjusts. 9	Adjusted Budget 10	Adjusted Budget	Adjusted Budget
R thousands	1	A	A1	B	C	D	E	F	G	H		
Revenue By Source												
Property rates	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		1 614	1 614					2 000	2 000	3 614	1 711	2 314
Interest earned - external investments		14 091	14 091					(2 000)	(2 000)	12 091	15 937	18 833
Interest earned - outstanding debtors		3 710	3 710							3 710	3 933	4 969
Dividends received												
Fines, penalties and forfeits												
Licences and permits		111	111							111	118	125
Agency services		184 673	184 673							184 673	194 899	201 609
Transfers and subsidies		174 269	34 252				-	-		34 252	178 902	182 687
Other revenue	2	13 704	162 493	-	-	-	-	(922)	(922)	161 571	84 711	89 821
Gains												
Total Revenue (excluding capital transfers and contributions)		392 172	400 944	-	-	-	-	(922)	(922)	400 022	480 211	500 357
Expenditure By Type												
Employee related costs		239 508	241 480	-	-	-	-	6 179	6 179	247 659	253 657	268 985
Remuneration of councillors		13 360	13 360							13 360	13 894	14 449
Debt impairment		1 841	1 841							1 841	1 970	2 108
Depreciation & asset impairment		3 930	3 930	-	-	-	-	1 057	1 057	4 987	4 205	4 206
Finance charges								70	70	70		
Bulk purchases		-	-	-	-	-	-	-	-	-	-	-
Other materials		51 197	51 197					163	163	51 360	51 421	52 167
Contracted services		32 272	38 022	-	-	-	-	(3 273)	(3 273)	34 749	94 882	96 225
Transfers and subsidies		1 230	1 230					621	621	1 851	1 085	926
Other expenditure		57 894	58 944	-	-	-	-	1 374	1 374	60 318	61 337	62 144
Losses												
Total Expenditure		401 233	410 004	-	-	-	-	6 190	6 190	416 195	482 451	501 211
Surplus/(Deficit)		(9 060)	(9 060)	-	-	-	-	(7 113)	(7 113)	(16 173)	(2 240)	(853)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)												
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher												
Transfers and subsidies - capital (in-kind - all)								2 500	2 500	2 500		
Surplus/(Deficit) before taxation		(9 060)	(9 060)	-	-	-	-	(4 613)	(4 613)	(13 673)	(2 240)	(853)
Taxation												
Surplus/(Deficit) after taxation		(9 060)	(9 060)	-	-	-	-	(4 613)	(4 613)	(13 673)	(2 240)	(853)
Attributable to minorities												
Surplus/(Deficit) attributable to municipality		(9 060)	(9 060)	-	-	-	-	(4 613)	(4 613)	(13 673)	(2 240)	(853)
Share of surplus/ (deficit) of associate												
Surplus/ (Deficit) for the year		(9 060)	(9 060)	-	-	-	-	(4 613)	(4 613)	(13 673)	(2 240)	(853)

DC4 Garden Route - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 23 FEBRUARY 2021

Description	Ref	Budget Year 2020/21									Budget Year	Budget Year
											+1 2021/22	+2 2022/23
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H		
Capital expenditure - Vote												
Multi-year expenditure to be adjusted	2											
Vote 1 - Executive and Council		5 000	4 763	-	-	-	-	(750)	(750)	4 013	-	-
Vote 2 - Budget and Treasury Office		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Planning and Development		-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Public Safety		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Health		-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Community and Social Services		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Sport and Recreation		1 500	1 500	-	-	-	-	1 500	1 500	3 000	-	-
Vote 9 - Waste Management		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Roads Transport		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Waste Water Management		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - Water		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Environment Protection		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - Roads Agency Function		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Electricity		-	-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	3	6 500	6 263	-	-	-	-	750	750	7 013	-	-
Single-year expenditure to be adjusted	2											
Vote 1 - Executive and Council		30	267	-	-	-	-	88	88	355	90	90
Vote 2 - Budget and Treasury Office		-	-	-	-	-	-	86	86	86	30	30
Vote 3 - Corporate Services		1 575	1 575	-	-	-	-	886	886	2 461	310	310
Vote 4 - Planning and Development		30	30	-	-	-	-	149	149	179	-	-
Vote 5 - Public Safety		-	-	-	-	-	-	30	30	30	-	-
Vote 6 - Health		-	-	-	-	-	-	50	50	50	-	-
Vote 7 - Community and Social Services		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Sport and Recreation		-	-	-	-	-	-	2 522	2 522	2 522	-	-
Vote 9 - Waste Management		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Roads Transport		-	-	-	-	-	-	1 400	1 400	1 400	-	-
Vote 11 - Waste Water Management		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - Water		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Environment Protection		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - Roads Agency Function		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Electricity		-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		1 635	1 872	-	-	-	-	5 211	5 211	7 083	430	430
Total Capital Expenditure - Vote		8 135	8 135	-	-	-	-	5 961	5 961	14 096	430	430

DC4 Garden Route - Table B6 Adjustments Budget Financial Position - 23 FEBRUARY 2021

Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted 3 A1	Accum. Funds 4 B	Multi-year capital 5 C	Unfore. Unavoid. 6 D	Nat. or Prov. Govt 7 E	Other Adjusts. 8 F	Total Adjusts. 9 G	Adjusted Budget 10 H	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
ASSETS												
Current assets												
Cash		143 131	143 131				-		-	143 131	146 637	151 668
Call investment deposits	1	-	-	-	-	-	-	-	-	-	-	-
Consumer debtors	1	-	-	-	-	-	-	-	-	-	-	-
Other debtors		23 956	23 956						-	23 956	22 758	21 620
Current portion of long-term receivables		3 867	3 867						-	3 867	4 099	4 345
Inventory		2 731	2 731						-	2 731	2 859	2 993
Total current assets		173 685	173 685	-	-	-	-	-	-	173 685	176 353	180 626
Non current assets												
Long-term receivables		59 705	59 705						-	59 705	63 288	67 085
Investments		27	27						-	27	27	27
Investment property		86 108	86 108						-	86 108	86 969	87 839
Investment in Associate									-	-	-	-
Property, plant and equipment	1	166 336	166 336	-	-	-	-	-	-	166 336	164 969	163 588
Biological									-	-	-	-
Intangible		2 139	2 139						-	2 139	2 239	2 345
Other non-current assets									-	-	-	-
Total non current assets		314 316	314 316	-	-	-	-	-	-	314 316	317 493	320 884
TOTAL ASSETS		488 001	488 001	-	-	-	-	-	-	488 001	493 846	501 510
LIABILITIES												
Current liabilities												
Bank overdraft									-	-	-	-
Borrowing		-	-	-	-	-	-	-	-	-	-	-
Consumer deposits									-	-	-	-
Trade and other payables		37 449	37 449	-	-	-	-	-	-	37 449	31 991	33 495
Provisions		37 155	37 155						-	37 155	39 385	41 748
Total current liabilities		74 604	74 604	-	-	-	-	-	-	74 604	71 376	75 243
Non current liabilities												
Borrowing	1	28	28	-	-	-	-	-	-	28	28	28
Provisions	1	144 823	144 823	-	-	-	-	-	-	144 823	153 513	162 724
Total non current liabilities		144 852	144 852	-	-	-	-	-	-	144 852	153 541	162 752
TOTAL LIABILITIES		219 456	219 456	-	-	-	-	-	-	219 456	224 917	237 995
NET ASSETS	2	268 545	268 545	-	-	-	-	-	-	268 545	268 929	263 515
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)		249 572	249 572	-	-	-	-	(4 612)	(4 612)	244 960	246 180	236 990
Reserves		18 973	18 973	-	-	-	-	-	-	18 973	22 749	26 524
TOTAL COMMUNITY WEALTH/EQUITY		268 545	268 545	-	-	-	-	(4 612)	(4 612)	263 933	268 928	263 515

DC4 Garden Route - Table B7 Adjustments Budget Cash Flows - 23 FEBRUARY 2021

Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget A	Prior Adjusted 3 A1	Accum. Funds 4 B	Multi-year capital 5 C	Unfore. Unavoid. 6 D	Nat. or Prov. Govt 7 E	Other Adjusts. 8 F	Total Adjusts. 9 G	Adjusted Budget 10 H	Adjusted Budget	Adjusted Budget
R thousands												
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Property rates									-	-		
Service charges									-	-		
Other revenue		200 102	203 329					1 078	1 078	204 407	281 440	293 869
Transfers and Subsidies - Operational	1	174 269	179 813				-	-	-	179 813	178 902	182 687
Transfers and Subsidies - Capital	1	-							-	-	-	-
Interest		17 801	17 801					(2 000)	(2 000)	15 801	19 869	23 801
Dividends									-	-		
Payments												
Suppliers and employees		(394 231)	(403 002)					(6 168)	(6 168)	(409 171)	(475 190)	(493 970)
Finance charges		-							-	-	-	-
Transfers and Grants	1	(1 230)	(1 230)					(621)	(621)	(1 851)	(1 085)	(926)
NET CASH FROM/(USED) OPERATING ACTIVITIES		(3 288)	(3 288)	-	-	-	-	(7 711)	(7 711)	(10 999)	3 936	5 461
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE									-	-		
Decrease (increase) in non-current receivables									-	-		
Decrease (increase) in non-current investments									-	-		
Payments												
Capital assets		(8 135)	(8 135)					(5 961)	(5 961)	(14 096)	(430)	(430)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(8 135)	(8 135)	-	-	-	-	(5 961)	(5 961)	(14 096)	(430)	(430)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans									-	-		
Borrowing long term/refinancing									-	-		
Increase (decrease) in consumer deposits									-	-		
Payments												
Repayment of borrowing									-	-		
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		(11 423)	(11 423)	-	-	-	-	(13 672)	(13 672)	(25 096)	3 506	5 031
Cash/cash equivalents at the year begin:	2	154 555	154 555					-	-	154 555	129 459	132 964
Cash/cash equivalents at the year end:	2	143 131	143 131					(13 672)	(13 672)	129 459	132 964	137 995

DC4 Garden Route - Table B8 Cash backed reserves/accumulated surplus reconciliation - 23 FEBRUARY 2021

Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
R thousands												
Cash and investments available												
Cash/cash equivalents at the year end	1	143 131	143 131	–	–	–	–	(13 672)	(13 672)	129 459	132 964	137 995
Other current investments > 90 days		–	(0)	–	–	–	–	13 672	13 672	13 672	13 672	13 672
Non current assets - Investments	1	27	27	–	–	–	–	–	–	27	27	27
Cash and investments available:		143 159	143 159	–	–	–	–	–	–	143 159	146 664	151 695
Applications of cash and investments												
Unspent conditional transfers		6 894	6 894	–	–	–	–	–	–	6 894	–	–
Unspent borrowing									–			
Statutory requirements									–	–		
Other working capital requirements	2	(51 583)	(17 688)					(108)	(108)	(17 796)	(52 869)	(53 735)
Other provisions		37 155	37 155						–	37 155	39 385	41 748
Long term investments committed		27	27					–	–	27	27	27
Reserves to be backed by cash/investments		18 973	18 973					–	–	18 973	22 749	26 524
Total Application of cash and investments:		11 466	45 361	–	–	–	–	(108)	(108)	45 253	9 292	14 564
Surplus(shortfall)		131 692	97 798	–	–	–	–	108	108	97 906	137 372	137 131

Description	Ref	Budget Year 2020/21									Budget Year	Budget Year
											+1 2021/22	+2 2022/23
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
CAPITAL EXPENDITURE												
Total New Assets to be adjusted	1	6 635	6 635	-	-	-	-	-	-	6 635	90	90
Roads Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		250	250	-	-	-	-	-	-	250	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Other Assets	6	250	250	-	-	-	-	-	-	250	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		955	955	-	-	-	-	-	-	955	30	30
Furniture and Office Equipment		130	130	-	-	-	-	-	-	130	60	60
Machinery and Equipment		-	-	-	-	-	-	-	-	-	-	-
Transport Assets		300	300	-	-	-	-	-	-	300	-	-
Land		5 000	5 000	-	-	-	-	-	-	5 000	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets to be adjusted	2	1 500	1 500	-	-	-	-	-	-	1 500	-	-
Roads Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		1 500	1 500	-	-	-	-	-	-	1 500	-	-
Community Assets		1 500	1 500	-	-	-	-	-	-	1 500	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Other Assets	6	-	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-

Total Upgrading of Existing Assets to be adjusted	2a	-	-	-	-	-	-	-	-	-	-	-	-
Roads Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-	-
Other Assets	6	-	-	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure to be adjusted	4	8 135	8 135	-	-	-	-	-	-	8 135	90	90	
Roads Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		1 500	1 500	-	-	-	-	-	-	1 500	-	-	-
Community Assets		1 500	1 500	-	-	-	-	-	-	1 500	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		250	250	-	-	-	-	-	-	250	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-	-
Other Assets		250	250	-	-	-	-	-	-	250	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		955	955	-	-	-	-	-	-	955	30	30	
Furniture and Office Equipment		130	130	-	-	-	-	-	-	130	60	60	
Machinery and Equipment		-	-	-	-	-	-	-	-	-	-	-	-
Transport Assets		300	300	-	-	-	-	-	-	300	-	-	-
Land		5 000	5 000	-	-	-	-	-	-	5 000	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE to be adjusted	4	8 135	8 135	-	-	-	-	-	-	8 135	90	90	

ASSET REGISTER SUMMARY - PPE (WDV)	5	254 584	254 584	-	-	-	-	-	-	254 584	254 178	253 771
Roads Infrastructure										-		
Storm water Infrastructure										-		
Electrical Infrastructure										-		
Water Supply Infrastructure										-		
Sanitation Infrastructure										-		
Solid Waste Infrastructure										-		
Rail Infrastructure										-		
Coastal Infrastructure										-		
Information and Communication Infrastructure										-		
Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Community Assets										-		
Heritage Assets										-		
Investment properties		86 108	86 108							86 108	86 969	87 839
Other Assets		166 336	166 336							166 336	164 969	163 588
Biological or Cultivated Assets										-		
Intangible Assets		2 139	2 139							2 139	2 239	2 345
Computer Equipment										-		
Furniture and Office Equipment										-		
Machinery and Equipment										-		
Transport Assets										-		
Land										-		
Zoo's, Marine and Non-biological Animals										-		
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	254 584	254 584	-	-	-	-	-	-	254 584	254 178	253 771
EXPENDITURE OTHER ITEMS												
<u>Depreciation & asset impairment</u>		3 930	3 930	-	-	-	-	1 057	1 057	4 987	4 205	4 206
<u>Repairs and Maintenance by asset class</u>	3	4 059	4 059	-	-	-	-	-	-	4 059	4 276	4 291
Roads Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		197	197	-	-	-	-	-	-	197	201	110
Sanitation Infrastructure		218	218	-	-	-	-	-	-	218	221	179
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Infrastructure		415	415	-	-	-	-	-	-	415	422	289
Community Facilities		75	75	-	-	-	-	-	-	75	79	83
Sport and Recreation Facilities		1 320	1 320	-	-	-	-	-	-	1 320	1 380	1 388
Community Assets		1 395	1 395	-	-	-	-	-	-	1 395	1 459	1 471
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		959	959	-	-	-	-	-	-	959	1 030	1 086
Housing		-	-	-	-	-	-	-	-	-	-	-
Other Assets		959	959	-	-	-	-	-	-	959	1 030	1 086
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		53	53	-	-	-	-	-	-	53	56	59
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment		180	180	-	-	-	-	-	-	180	189	198
Transport Assets		1 057	1 057	-	-	-	-	-	-	1 057	1 120	1 187
Land		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	6	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS to be adjusted		7 989	7 989	-	-	-	-	1 057	1 057	9 046	8 481	8 497
Renewal and upgrading of Existing Assets as % of tot		18,4%	18,4%							18,4%	0,0%	0,0%
Renewal and upgrading of Existing Assets as % of dep		38,2%	38,2%							30,1%	0,0%	0,0%
R&M as a % of PPE		1,6%	1,6%							1,6%	1,7%	1,7%
Renewal and upgrading and R&M as a % of PPE		2,2%	2,2%							2,2%	1,7%	1,7%

DC4 Garden Route - Table B10 Basic service delivery measurement - 23 FEBRUARY 2021

[illegible]

PART 2 SUPPORTING DOCUMENTATION

Section 5 - Adjustments to budget assumptions

The municipality implemented the following assumptions in the compilation of the adjustment budget:

- Refer to section 3.5 where the adjustments are explained.

Section 6 – Adjustments to budget funding

Refer to section 3.5 and the budget schedules for the funding of the budget.

Section 7 – Adjustments to expenditure on allocations and grant programmes

Refer to section 3.5 of the report and supporting tables for the proposed adjustments.

Section 8 – Adjustments to Grants made by the Municipality

Not applicable

Section 9 – Adjustments to Councillor and Allowances and Employee Benefits

The Human Settlement structure were created on the financial system, and the employee benefits increased with the two delegates for the remaining of this financial year. Further adjustments to employee benefits are set out in section 3 of the report.

Section 10 – Adjustments to Service Delivery and Budget Implementation Plan

As part of council's resolution Service Delivery and Budget Implementation Plan will be revised and presented to the Mayor to incorporate these projects.

This will be concluded as per the legislative requirements.

Section 11 – Adjustment to Capital expenditure

Refer to section 3.5 and the budget schedules for adjustments to capital expenditure.

Section 12 – Municipal Manager's quality certificate



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www.gardenroute.gov.za

OFFICE OF THE MUNICIPAL MANAGER

Enquiries:	L. Hoek
Reference:	6/18/7/2020-2021
Date:	15 February 2021

QUALITY CERTIFICATE

I **Monde Stratu**, municipal manager of **Garden Route District Municipality**, hereby certify that the **4th Adjustment Budget 2020/2021 MTREF** and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Print Name

Monde Stratu

Accounting Officer of **GARDEN ROUTE DISTRICT MUNICIPALITY (DC4)**.

Signature

Date

15/02/2021

**B SCHEDULE
2020/21 FOURTH
ADJUSTMENT
BUDGET
SUPPORTING
TABLES**

DC4 Garden Route - Supporting Table SB1 Supporting detail to 'Budgeted Financial Performance' - 23 FEBRUARY 2021

Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted 6	Accum. Funds 7	Multi-year capital 8	Unfore. Unavoid. 9	Nat. or Prov. Govt 10	Other Adjusts. 11	Total Adjusts. 12	Adjusted Budget 13	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
REVENUE ITEMS												
Property rates												
Total Property Rates <i>less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)</i>									-	-		
Net Property Rates		-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue												
Total Service charges - electricity revenue <i>less Revenue Foregone (in excess of 50 kwh per indigent household per month)</i>									-	-		
<i>less Cost of Free Basis Services (50 kwh per indigent household per month)</i>		-	-	-	-	-	-	-	-	-	-	-
Net Service charges - electricity revenue		-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue												
Total Service charges - water revenue <i>less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)</i>									-	-		
<i>less Cost of Free Basis Services (6 kilolitres per indigent household per month)</i>		-	-	-	-	-	-	-	-	-	-	-
Net Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue												
Total Service charges - sanitation revenue <i>less Revenue Foregone (in excess of free sanitation service to indigent households)</i>									-	-		
<i>less Cost of Free Basis Services (free sanitation service to indigent households)</i>		-	-	-	-	-	-	-	-	-	-	-
Net Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue												
Total refuse removal revenue Total landfill revenue <i>less Revenue Foregone (in excess of one removal a week to indigent households)</i>									-	-		
<i>less Cost of Free Basis Services (removed once a week to indigent households)</i>		-	-	-	-	-	-	-	-	-	-	-
Net Service charges - refuse revenue		-	-	-	-	-	-	-	-	-	-	-
Other Revenue By Source												
Fuel Levy			146 217						-	146 217		
Other Revenue		13 704	16 276					(922)	(922)	15 354	84 711	89 821
Total 'Other' Revenue	1	13 704	162 493	-	-	-	-	(922)	(922)	161 571	84 711	89 821

EXPENDITURE ITEMS											
Employee related costs											
Basic Salaries and Wages	151 646	152 891				–	3 259	3 259	156 150	159 054	168 606
Pension and UIF Contributions	24 885	24 885					1	1	24 886	26 952	28 071
Medical Aid Contributions	19 959	19 959					36	36	19 995	21 832	23 503
Overtime	4 080	4 807						–	4 807	4 337	4 598
Performance Bonus	–	–						–	–	–	–
Motor Vehicle Allowance	9 882	9 882					305	305	10 187	10 658	11 226
Cellphone Allowance	264	264						–	264	279	292
Housing Allowances	2 351	2 351					112	112	2 463	2 462	2 604
Other benefits and allowances	18 148	18 148					816	816	18 965	19 431	20 567
Payments in lieu of leave	–	–						–	–	–	–
Long service awards	–	–						–	–	–	–
Post-retirement benefit obligations	8 292	8 292					1 650	1 650	9 942	8 653	9 519
sub-total	239 508	241 480	–	–	–	–	6 179	6 179	247 659	253 657	268 985
Less: Employees costs capitalised to PPE											
								–	–		
Total Employee related costs	239 508	241 480	–	–	–	–	6 179	6 179	247 659	253 657	268 985
Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment	3 930	3 930					1 057	1 057	4 987	4 205	4 206
Lease amortisation								–	–		
Capital asset impairment								–	–		
Total Depreciation & asset impairment	3 930	3 930	–	–	–	–	1 057	1 057	4 987	4 205	4 206
Bulk purchases											
Electricity Bulk Purchases								–	–		
Water Bulk Purchases								–	–		
Total bulk purchases	–	–	–	–	–	–	–	–	–	–	–
Transfers and grants											
Cash transfers and grants	1 230	1 230					621	621	1 851	1 085	926
Non-cash transfers and grants								–	–		
Total transfers and grants	1 230	1 230	–	–	–	–	621	621	1 851	1 085	926
Contracted services											
Outsourced Services	5 852	5 852					(316)	(316)	5 536	6 658	5 841
Consultants and Professional Services	13 750	19 500				–	(2 075)	(2 075)	17 425	74 714	77 096
Contractors	12 670	12 670					(882)	(882)	11 788	13 510	13 289
Total contracted services	32 272	38 022	–	–	–	–	(3 273)	(3 273)	34 749	94 882	96 225
Other Expenditure By Type											
Collection costs								–	–		
Contributions to 'other' provisions								–	–	1 336	1 409
Audit fees	1 950	1 950							1 950	2 000	2 100
Other Expenditure	55 944	56 994					1 374	1 374	58 368	58 001	58 635
Total Other Expenditure	57 894	58 944	–	–	–	–	1 374	1 374	60 318	61 337	62 144
Repairs and Maintenance											
Employee related costs								–	–		
Other materials								–	–		
Contracted Services	4 059	4 059						–	4 059	4 276	4 291
Other Expenditure								–	–		
Total Repairs and Maintenance Expenditure	4 059	4 059	–	–	–	–	–	–	4 059	4 276	4 291

DC4 Garden Route - Supporting Table SB2 Supporting detail to 'Financial Position Budget' - 23 FEBRUARY 2021

Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted 4 A1	Accum. Funds 5 B	Multi-year capital 6 C	Unfore. Unavoid. 7 D	Nat. or Prov. Govt 8 E	Other Adjusts. 9 F	Total Adjusts. 10 G	Adjusted Budget 11 H	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
ASSETS												
Consumer debtors												
Consumer debtors									-	-		
Less: provision for debt impairment		-	-	-	-	-	-	-	-	-	-	-
Total Consumer debtors	1	-	-	-	-	-	-	-	-	-	-	-
Debt impairment provision												
Balance at the beginning of the year									-	-	-	-
Contributions to the provision									-	-		
Bad debts written off									-	-		
Balance at end of year		-	-	-	-	-	-	-	-	-	-	-
Property, plant & equipment												
PPE at cost/valuation (ex cl. finance leases)		353 431	353 431						-	353 431	353 861	354 291
Leases recognised as PPE	2	1 841	1 841						-	1 841	1 933	2 030
Less: Accumulated depreciation		188 936	188 936						-	188 936	190 825	192 733
Total Property, plant & equipment	1	166 336	166 336	-	-	-	-	-	-	166 336	164 969	163 588
LIABILITIES												
Current liabilities - Borrowing												
Short term loans (other than bank overdraft)									-	-		
Current portion of long-term liabilities									-	-		
Total Current liabilities - Borrowing		-	-	-	-	-	-	-	-	-	-	-
Trade and other payables												
Trade Payables		30 555	30 555						-	30 555	31 991	33 495
Other creditors									-	-		
Unspent conditional transfers		6 894	6 894						-	6 894		
VAT									-	-		
Total Trade and other payables	1	37 449	37 449	-	-	-	-	-	-	37 449	31 991	33 495
Non current liabilities - Borrowing												
Borrowing	3								-	-		
Finance leases (including PPP asset element)		28	28						-	28	28	28
Total Non current liabilities - Borrowing		28	28	-	-	-	-	-	-	28	28	28
Provisions - non current												
Retirement benefits		144 823	144 823						-	144 823	153 513	162 724
Refuse landfill site rehabilitation									-	-		
Other									-	-		
Total Provisions - non current		144 823	144 823	-	-	-	-	-	-	144 823	153 513	162 724
CHANGES IN NET ASSETS												
Accumulated surplus/(Deficit)												
Accumulated surplus/(Deficit) - opening balance		264 663	264 663					0	0	264 664	249 572	246 180
GRAP adjustments									-	-		
Restated balance		264 663	264 664		-	-	-	0	0	264 664	249 572	246 180
Surplus/(Deficit)		(9 060)	(9 060)		-	-	-	(4 613)	(4 613)	(13 673)	(2 240)	(853)
Transfers to/from Reserves									-	-		
Depreciation offsets									-	-		
Other adjustments		(6 031)	(6 031)						-	(6 031)	(1 152)	(8 337)
Accumulated Surplus/(Deficit)	1	249 572	249 572	-	-	-	-	(4 612)	(4 612)	244 960	246 180	236 990
Reserves												
Housing Development Fund									-	-		
Capital replacement		18 973	18 973						-	18 973	22 749	26 524
Self-insurance									-	-		
Other reserves									-	-		
Revaluation									-	-		
Total Reserves	2	18 973	18 973	-	-	-	-	-	-	18 973	22 749	26 524
TOTAL COMMUNITY WEALTH/EQUITY	2	268 545	268 545	-	-	-	-	(4 612)	(4 612)	263 933	268 928	263 515

DC4 Garden Route - Supporting Table SB3 Adjustments to the SDBIP - performance objectives - 23 FEBRUARY 2021

Description	Unit of measurement	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget A	Prior Adjusted A1	Accum. Funds B	Multi-year capital C	Unfore. Unavoid. D	Nat. or Prov. Govt E	Other Adjusts. F	Total Adjusts. G	Adjusted Budget H	Adjusted Budget	Adjusted Budget
Vote 1 - vote name												
Function 1 - (name)												
Sub-function 1 - (name)												
Insert measure/s description												
Sub-function 2 - (name)												
Insert measure/s description												
Sub-function 3 - (name)												
Insert measure/s description												
Function 2 - (name)												
Sub-function 1 - (name)												
Insert measure/s description												
Sub-function 2 - (name)												
Insert measure/s description												
Sub-function 3 - (name)												
Insert measure/s description												
Vote 2 - vote name												
Function 1 - (name)												
Sub-function 1 - (name)												
Insert measure/s description												
Sub-function 2 - (name)												
Insert measure/s description												
Sub-function 3 - (name)												
Insert measure/s description												
Function 2 - (name)												
Sub-function 1 - (name)												
Insert measure/s description												
Sub-function 2 - (name)												
Insert measure/s description												
Sub-function 3 - (name)												
Insert measure/s description												
Vote 3 - vote name												
Function 1 - (name)												
Sub-function 1 - (name)												
Insert measure/s description												
Sub-function 2 - (name)												
Insert measure/s description												
Sub-function 3 - (name)												
Insert measure/s description												
Function 2 - (name)												
Sub-function 1 - (name)												
Insert measure/s description												
Sub-function 2 - (name)												
Insert measure/s description												
Sub-function 3 - (name)												
Insert measure/s description												
And so on for the rest of the Votes												

DC4 Garden Route - Supporting Table SB4 Adjustments to budgeted performance indicators and benchmarks - 23 FEBRUARY 2021

Description of financial indicator	Basis of calculation	2017/18	2018/19	2019/20	Budget Year 2020/21			Budget Year +1 2021/22	Budget Year +2 2022/23
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Adjusted Budget	Adjusted Budget
<u>Borrowing Management</u>									
Credit Rating	Short term/long term rating								
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure				0,0%	0,0%	0,0%	0,0%	0,0%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue				0,0%	0,0%	0,0%	0,0%	0,0%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants				0,0%	0,0%	0,0%	0,0%	0,0%
<u>Safety of Capital</u>									
Gearing	Long Term Borrowing/ Funds & Reserves				0,2%	0,2%	0,2%	0,1%	0,1%
<u>Liquidity</u>									
Current Ratio	Current assets/current liabilities				232,8%	232,8%	232,8%	247,1%	240,1%
Current Ratio adjusted for aged debtors	Current assets/current liabilities less debtors > 90 days/current liabilities				232,8%	232,8%	0,0%	0,0%	0,0%
Liquidity Ratio	Monetary Assets/Current Liabilities				1,9	1,9	1,9	2,1	2,0
<u>Revenue Management</u>									
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing								
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)									
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue				22,3%	21,8%	21,9%	18,8%	18,6%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old				0,0%	0,0%	0,0%	0,0%	0,0%
<u>Creditors Management</u>									
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))								
Creditors to Cash and Investments					26,2%	26,2%	28,9%	24,1%	24,3%
<u>Other Indicators</u>									
Electricity Distribution Losses (2)	Total Volume Losses (kW) Total Cost of Losses (Rand '000) % Volume (units purchased and generated less units sold)/units purchased and generated								
Water Distribution Losses (2)	Total Volume Losses (kℓ) Total Cost of Losses (Rand '000) % Volume (units purchased and generated less units sold)/units purchased and generated								
Employee costs	Employee costs/(Total Revenue - capital revenue)				61,1%	60,2%	61,9%	52,8%	53,8%
Remuneration	Total remuneration/(Total Revenue - capital revenue)								
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)				1,0%	1,0%	1,0%	0,9%	0,9%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)				1,0%	1,0%	1,3%	0,9%	0,8%
<u>IDP regulation financial viability indicators</u>									
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year				0,0%	0,0%	0,0%	0,0%	0,0%
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services				0,0%	0,0%	0,0%	0,0%	0,0%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure				0,0	0,0	0,0	0,0	0,0

DC4 Garden Route - Supporting Table SB5 Adjustments Budget - social, economic and demographic statistics and assumptions - 23 FEBRUARY 2021

Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2017/18	2018/19	2019/20	Budget Year 2020/21	2020/21 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
Demographics												
Population												
Females aged 5 - 14												
Males aged 5 - 14												
Females aged 15 - 34												
Males aged 15 - 34												
Unemployment												
Monthly Household income (no. of households)	1, 12											
None												
R1 - R1 600												
R1 601 - R3 200												
R3 201 - R6 400												
R6 401 - R12 800												
R12 801 - R25 600												
R25 601 - R51 200												
R52 201 - R102 400												
R102 401 - R204 800												
R204 801 - R409 600												
R409 601 - R819 200												
> R819 200												
Poverty profiles (no. of households)												
< R2 060 per household per month	13											
Insert description	2											
Household/demographics (000)												
Number of people in municipal area												
Number of poor people in municipal area												
Number of households in municipal area												
Number of poor households in municipal area												
Definition of poor household (R per month)												
Housing statistics												
Formal	3											
Informal												
Total number of households												
Dwellings provided by municipality	4											
Dwellings provided by province/s												
Dwellings provided by private sector	5											
Total new housing dwellings												
Economic												
Inflation/inflation outlook (CPIX)	6											
Interest rate - borrowing												
Interest rate - investment												
Remuneration increases												
Consumption growth (electricity)												
Consumption growth (water)												
Collection rates	7											
Property tax/service charges					%	%	%	%	%	%	%	%
Rental of facilities & equipment					%	%	%	%	%	%	%	%
Interest - external investments					%	%	%	%	%	%	%	%
Interest - debtors					%	%	%	%	%	%	%	%
Revenue from agency services					%	%	%	%	%	%	%	%

DC4 Garden Route - Supporting Table SB6 Adjustments Budget - funding measurement - 23 FEBRUARY 2021

Description			Ref	MFMA section	2017/18	2018/19	2019/20	Medium Term Revenue and Expenditure Framework			
					Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Budget Year +1 2021/22
R thousands											
Funding measures											
Cash/cash equivalents at the year end - R'000	1	18(1)b				143 131	143 131	129 459	132 964	137 995	
Cash + investments at the yr end less applications - R'000	2	18(1)b				131 692	97 798	97 906	137 372	137 131	
Cash year end/monthly employee/supplier payments	3	18(1)b				-	-	-	-	-	
Surplus/(Deficit) ex cluding depreciation offsets: R'000	4	18(1)				(9 060)	(9 060)	(13 673)	(2 240)	(853)	
Service charge rev % change - macro CPIX target ex clusive	5	18(1)a,(2)				0,0%	0,0%	0,0%	0,0%	0,0%	
Cash receipts % of Ratepayer & Other revenue	6	18(1)a,(2)		0,0%	0,0%	0,0%	98,2%	57,7%	57,8%	98,6%	98,3%
Debt impairment expense as a % of total billable revenue	7	18(1)a,(2)				114,0%	114,0%	50,9%	115,1%	91,1%	
Capital payments % of capital expenditure	8	18(1)c;19				100,0%	100,0%	0,0%	0,0%	0,0%	
Borrowing receipts % of capital expenditure (ex cl. transfers)	9	18(1)c				0,0%	0,0%	0,0%	0,0%	0,0%	
Grants % of Gov t. legislated/gazetted allocations	10	18(1)a				0,0%	0,0%	0,0%	0,0%	0,0%	
Current consumer debtors % change - incr(decr)	11	18(1)a							-3,5%	-3,3%	
Long term receivables % change - incr(decr)	12	18(1)a							6,0%	6,0%	
R&M % of Property Plant & Equipment	13	20(1)(vi)				1,6%	1,6%	1,6%	1,7%	1,7%	
Asset renewal al % of capital budget	14	20(1)(vi)				18,4%	18,4%	18,4%	0,0%	0,0%	

DC4 Garden Route - Supporting Table SB7 Adjustments Budget - transfers and grant receipts - 23 FEBRUARY 2021

Description	Ref	Budget Year 2020/21							Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget A	Prior Adjusted 7 A1	Multi-year capital 8 B	Nat. or Prov. Govt 9 C	Other Adjusts. 10 D	Total Adjusts. 11 E	Adjusted Budget 12 F	Adjusted Budget	Adjusted Budget
R thousands										
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		168 297	172 793	-	-	(1 661)	(1 661)	171 132	175 245	176 462
Local Government Equitable Share		162 480	165 707				-	165 707	171 166	172 733
Finance Management	3	1 000	1 000				-	1 000	1 000	1 000
Municipal Systems Improvement		300	300				-	300	500	
EPWP Incentive		2 072	2 072				-	2 072		
NT - Rural Roads Asset Management System		2 445	3 714			(1 661)	(1 661)	2 053	2 579	2 729
Other transfers and grants [insert description]							-	-		
Provincial Government:		3 400	7 676	-	-	-	-	7 676	4 158	3 335
PT - Integrated Transport Planning		900	1 800				-	1 800	900	900
PT - WC Support Grant		400	2 408		-		-	2 408		
PT - Disaster Management Grant			80				-	80	935	
PT - Health Services			465		-		-	465		
PT - Safety Implementation Plan (WOSA)	5	2 100	2 923				-	2 923	2 323	2 435
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]							-	-		
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]							-	-		
Total Operating Transfers and Grants	6	171 697	180 469	-	-	(1 661)	(1 661)	178 808	179 403	179 797
Capital Transfers and Grants										
National Government:		-	-	-	-	-	-	-	-	-
Other capital transfers [insert description]							-	-		
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]							-	-		
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]							-	-		
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]							-	-		
Total Capital Transfers and Grants	6	-	-	-	-	-	-	-	-	-
TOTAL RECEIPTS OF TRANSFERS & GRANTS		171 697	180 469	-	-	(1 661)	(1 661)	178 808	179 403	179 797

DC4 Garden Route - Supporting Table SB8 Adjustments Budget - expenditure on transfers and grant programme - 23 FEBRUARY 2021

Description	Ref	Budget Year 2020/21							Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted 2	Multi-year capital 3	Nat. or Prov. Govt 4	Other Adjusts. 5	Total Adjusts. 6	Adjusted Budget 7	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F		
EXPENDITURE ON TRANSFERS AND GRANT PROGRAM:	1									
Operating expenditure of Transfers and Grants										
National Government:		168 297	172 793	–	–	(1 661)	(1 661)	171 132	172 018	176 462
Local Government Equitable Share		162 480	165 707				–	165 707	167 939	172 733
Finance Management		1 000	1 000				–	1 000	1 000	1 000
Municipal Systems Improvement		300	300				–	300	500	
EPWP Incentive		2 072	2 072				–	2 072		
NT - Rural Roads Asset Management System		2 445	3 714			(1 661)	(1 661)	2 053	2 579	2 729
Other transfers and grants [insert description]							–	–		
Provincial Government:		3 400	7 676	–	–	–	–	7 676	4 158	3 335
PT - Integrated Transport Planning		900	1 800				–	1 800	900	900
PT - WC Support Grant		400	2 408		–		–	2 408		
PT - Disaster Management Grant			80				–	80	935	
PT - Health Services			465		–		–	465		
PT - Safety Implementation Plan (WOSA)		2 100	2 923				–	2 923	2 323	2 435
District Municipality:		–	–	–	–	–	–	–	–	–
[insert description]							–	–		
Other grant providers:		–	–	–	–	–	–	–	–	–
[insert description]							–	–		
Total operating expenditure of Transfers and Grants:		171 697	180 469	–	–	(1 661)	(1 661)	178 808	176 176	179 797
Capital expenditure of Transfers and Grants										
National Government:		–	–	–	–	–	–	–	–	–
Other capital transfers [insert description]							–	–		
Provincial Government:		–	–	–	–	–	–	–	–	–
Other capital transfers/grants [insert description]							–	–		
District Municipality:		–	–	–	–	–	–	–	–	–
[insert description]							–	–		
Other grant providers:		–	–	–	–	–	–	–	–	–
[insert description]							–	–		
Total capital expenditure of Transfers and Grants		–	–	–	–	–	–	–	–	–
Total capital expenditure of Transfers and Grants		171 697	180 469	–	–	(1 661)	(1 661)	178 808	176 176	179 797

DC4 Garden Route - Supporting Table SB9 Adjustments Budget - reconciliation of transfers, grant receipts, and unspent funds - 23 FEBRUARY 2021

Description	Ref	Budget Year 2020/21							Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F		
Operating transfers and grants:										
National Government:										
Balance unspent at beginning of the year			1 269				-	1 269		
Current year receipts		168 297	171 524				-	171 524	172 018	176 462
Conditions met - transferred to revenue		168 297	172 793	-	-	-	-	172 793	172 018	176 462
Conditions still to be met - transferred to liabilities							-	-		
Provincial Government:										
Balance unspent at beginning of the year			1 803				-	1 803		
Current year receipts		3 400	5 873		-		-	5 873	4 158	3 335
Conditions met - transferred to revenue		3 400	7 676	-	-	-	-	7 676	4 158	3 335
Conditions still to be met - transferred to liabilities							-	-		
District Municipality:										
Balance unspent at beginning of the year							-	-		
Current year receipts							-	-		
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities							-	-		
Other grant providers:										
Balance unspent at beginning of the year							-	-		
Current year receipts							-	-		
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities							-	-		
Total operating transfers and grants revenue		171 697	180 469	-	-	-	-	180 469	176 176	179 797
Total operating transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
Capital transfers and grants:										
National Government:										
Balance unspent at beginning of the year							-	-		
Current year receipts							-	-		
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities							-	-		
Provincial Government:										
Balance unspent at beginning of the year							-	-		
Current year receipts							-	-		
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities							-	-		
District Municipality:										
Balance unspent at beginning of the year							-	-		
Current year receipts							-	-		
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities							-	-		
Other grant providers:										
Balance unspent at beginning of the year							-	-		
Current year receipts							-	-		
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities							-	-		
Total capital transfers and grants revenue		-	-	-	-	-	-	-	-	-
Total capital transfers and grants - CTBM		-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE		171 697	180 469	-	-	-	-	180 469	176 176	179 797
TOTAL TRANSFERS AND GRANTS - CTBM		-	-	-	-	-	-	-	-	-

DC4 Garden Route - Supporting Table SB10 Adjustments Budget - transfers and grants made by the municipality - 23 FEBRUARY 2021

Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted 6 A1	Accum. Funds 7 B	Multi-year capital 8 C	Unfore. Unavoid. 9 D	Nat. or Prov. Govt 10 E	Other Adjusts. 11 F	Total Adjusts. 12 G	Adjusted Budget 13 H	Adjusted Budget	Adjusted Budget
		A		B	C	D	E	F	G	H		
R thousands												
Cash transfers to other municipalities												
[insert description]	1								-	-		
[insert description]									-	-		
[insert description]									-	-		
TOTAL ALLOCATIONS TO MUNICIPALITIES:		-	-	-	-	-	-	-	-	-	-	-
Cash transfers to Entities/Other External Mechanisms												
[insert description]	2								-	-		
[insert description]									-	-		
[insert description]									-	-		
TOTAL ALLOCATIONS TO ENTITIES/EMs'		-	-	-	-	-	-	-	-	-	-	-
Cash transfers to other Organs of State												
[insert description]	3								-	-		
Private Enterprises		550	550						-	550	322	235
Public entripises		175	175						-	175	105	-
TOTAL ALLOCATIONS TO OTHER ORGANS OF STATE:		725	725	-	-	-	-	-	-	725	427	235
Cash transfers to other Organisations												
[insert description]	4								-	-		
Households		505	505					621	621	1 126	658	691
[insert description]									-	-		
TOTAL CASH TRANSFERS TO OTHER ORGANISATIONS:		505	505	-	-	-	-	621	621	1 126	658	691
TOTAL CASH TRANSFERS	5	1 230	1 230	-	-	-	-	621	621	1 851	1 085	926
Non-cash transfers to other municipalities												
[insert description]	1								-	-		
[insert description]									-	-		
[insert description]									-	-		
TOTAL ALLOCATIONS TO MUNICIPALITIES:		-	-	-	-	-	-	-	-	-	-	-
Non-cash transfers to Entities/Other External Mechanisms												
[insert description]	2								-	-		
[insert description]									-	-		
[insert description]									-	-		
TOTAL ALLOCATIONS TO ENTITIES/EMs'		-	-	-	-	-	-	-	-	-	-	-
Non-cash transfers to other Organs of State												
[insert description]	3								-	-		
[insert description]									-	-		
[insert description]									-	-		
TOTAL ALLOCATIONS TO OTHER ORGANS OF STATE:		-	-	-	-	-	-	-	-	-	-	-
Non-cash transfers to other Organisations												
[insert description]	4								-	-		
[insert description]									-	-		
[insert description]									-	-		
TOTAL NON-CASH TRANSFERS TO OTHER ORGANISATIONS:		-	-	-	-	-	-	-	-	-	-	-
TOTAL NON-CASH TRANSFERS	5	-	-	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS		1 230	1 230	-	-	-	-	621	621	1 851	1 085	926

DC4 Garden Route - Supporting Table SB11 Adjustments Budget - councillor and staff benefits - 23 FEBRUARY 2021

Summary of remuneration	Ref	Budget Year 2020/21									% change
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	
R thousands		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H	
Councillors (Political Office Bearers plus Other)											
Basic Salaries and Wages		11 298	11 298						-	11 298	0,0%
Pension and UIF Contributions		242	242						-	242	0,0%
Medical Aid Contributions		78	78						-	78	0,0%
Motor Vehicle Allowance		776	776						-	776	0,0%
Cellphone Allowance		515	515						-	515	
Housing Allowances		451	451						-	451	
Other benefits and allowances		-	-						-	-	
Sub Total - Councillors		13 360	13 360			-		-	-	13 360	0,0%
% increase			-							-	
Senior Managers of the Municipality											
Basic Salaries and Wages		4 390	4 390						-	4 390	0,0%
Pension and UIF Contributions		161	161						-	161	0,0%
Medical Aid Contributions		105	105						-	105	0,0%
Overtime		-	-						-	-	
Performance Bonus		-	-						-	-	
Motor Vehicle Allowance		804	804						-	804	0,0%
Cellphone Allowance		142	142						-	142	0,0%
Housing Allowances		-	-						-	-	
Other benefits and allowances		770	770						-	770	
Payments in lieu of leave		-	-						-	-	
Long service awards		-	-						-	-	
Post-retirement benefit obligations	5	-	-						-	-	
Sub Total - Senior Managers of Municipality		6 371	6 371	-		-		-	-	6 371	0,0%
% increase			-							-	
Other Municipal Staff											
Basic Salaries and Wages		147 256	147 721				-	3 259	3 259	150 980	2,5%
Pension and UIF Contributions		24 724	24 724					1	1	24 725	0,0%
Medical Aid Contributions		19 854	19 854					36	36	19 890	0,2%
Overtime		4 080	4 080					-	-	4 080	0,0%
Performance Bonus		-	-						-	-	
Motor Vehicle Allowance		9 079	9 079					305	305	9 384	3,4%
Cellphone Allowance		122	122						-	122	0,0%
Housing Allowances		2 351	2 351					112	112	2 463	
Other benefits and allowances		17 379	17 379					816	816	18 195	
Payments in lieu of leave		-	-						-	-	
Long service awards		-	-						-	-	
Post-retirement benefit obligations	5	8 292	8 292					1 650	1 650	9 942	19,9%
Sub Total - Other Municipal Staff		233 137	233 602	-	-	-	-	6 179	6 179	239 781	2,8%
% increase											
Total Parent Municipality		252 868	253 333	-	-	-	-	6 179	6 179	259 512	2,6%

DC4 Garden Route - Supporting Table SB12 Adjustments Budget - monthly revenue and expenditure (municipal vote) - 23 FEBRUARY 2021

Budget Year 2020/21															Medium Term Revenue and Expenditure Framework		
Description	Ref	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	
R thousands																	
Revenue by Vote																	
Vote 1 - Executive and Council		24 466	15 707	14 519	14 519	21 164	18 305	14 519	17 821	20 460	14 519	14 519	39 583	230 104	225 421	235 442	
Vote 2 - Budget and Treasury Office		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 3 - Corporate Services		19	19	19	19	19	19	19	19	19	19	19	19	228	244	258	
Vote 4 - Planning and Development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 5 - Public Safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 6 - Health		56	56	56	56	56	56	56	56	56	56	56	(268)	350	714	757	
Vote 7 - Community and Social Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 8 - Sport and Recreation		721	721	721	721	721	721	721	721	721	721	721	(1 679)	6 256	9 096	10 027	
Vote 9 - Waste Management		-	-	-	-	-	-	-	-	-	-	-	-	-	70 263	74 120	
Vote 10 - Roads Transport		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 11 - Waste Water Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 12 - Water		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 13 - Environment Protection		9	9	9	9	9	9	9	9	9	9	9	9	111	118	125	
Vote 14 - Roads Agency Function		13 789	13 789	13 789	13 789	13 789	13 789	13 789	13 789	13 789	13 789	13 789	13 789	165 473	174 355	179 627	
Vote 15 - Electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Revenue by Vote		39 061	30 303	29 115	29 115	35 760	32 900	29 115	32 416	35 055	29 115	29 115	51 455	402 522	480 211	500 357	
Expenditure by Vote																	
Vote 1 - Executive and Council		4 528	4 528	4 528	4 528	6 628	4 528	4 528	4 528	4 528	4 528	4 528	3 889	55 795	55 370	58 974	
Vote 2 - Budget and Treasury Office		1 869	1 869	1 869	1 869	3 326	1 869	1 869	1 869	1 869	1 869	1 869	3 223	25 236	24 748	26 197	
Vote 3 - Corporate Services		2 696	2 696	2 696	2 696	4 642	2 696	2 696	2 696	2 696	2 696	2 696	12 802	44 399	43 946	45 994	
Vote 4 - Planning and Development		1 780	1 780	1 780	1 780	3 170	1 780	1 780	1 780	1 780	1 780	1 780	6 923	27 898	21 489	21 596	
Vote 5 - Public Safety		2 490	2 490	2 490	2 490	4 408	2 490	2 490	2 490	2 490	2 490	2 490	4 893	34 204	36 221	37 462	
Vote 6 - Health		2 646	2 646	2 646	2 646	5 104	2 646	2 646	2 646	2 646	2 646	2 646	5 186	36 747	37 671	39 299	
Vote 7 - Community and Social Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 8 - Sport and Recreation		1 037	1 037	1 037	1 037	1 725	1 037	1 037	1 037	1 037	1 037	1 037	548	12 639	14 351	14 210	
Vote 9 - Waste Management		368	368	368	368	540	368	368	368	368	368	368	2 396	6 612	67 273	70 469	
Vote 10 - Roads Transport		279	279	279	279	279	279	279	279	279	279	279	787	3 853	3 479	3 629	
Vote 11 - Waste Water Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 12 - Water		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 13 - Environment Protection		256	256	256	256	466	256	256	256	256	256	256	317	3 339	3 546	3 753	
Vote 14 - Roads Agency Function		13 282	13 282	13 282	13 282	19 366	13 282	13 282	13 282	13 282	13 282	13 282	13 282	165 473	174 355	179 627	
Vote 15 - Electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Expenditure by Vote		31 230	31 230	31 230	31 230	49 653	31 230	31 230	31 230	31 230	31 230	31 230	54 246	416 194	482 451	501 210	
Surplus/ (Deficit)		7 832	(927)	(2 115)	(2 115)	(13 894)	1 670	(2 115)	1 187	3 825	(2 115)	(2 115)	(2 791)	(13 672)	(2 240)	(853)	

DC4 Garden Route - Supporting Table SB13 Adjustments Budget - monthly revenue and expenditure (functional classification) - 23 FEBRUARY 2021

Description - Standard classification	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands																
Revenue - Functional																
Governance and administration		24 485	15 726	14 538	14 538	21 183	18 324	14 538	17 840	20 479	14 538	14 538	39 602	230 331	225 665	235 701
Executive and council		24 466	15 707	14 519	14 519	21 164	18 305	14 519	17 821	20 460	14 519	14 519	39 583	230 104	225 421	235 442
Finance and administration		19	19	19	19	19	19	19	19	19	19	19	19	228	244	258
Internal audit													-	-	-	-
Community and public safety		764	764	764	764	764	764	764	764	764	764	764	(1 794)	6 606	9 810	10 785
Community and social services													-	-	-	-
Sport and recreation		708	708	708	708	708	708	708	708	708	708	708	(1 527)	6 256	9 096	10 027
Public safety													-	-	-	-
Housing													-	-	-	-
Health		56	56	56	56	56	56	56	56	56	56	56	(268)	350	714	757
Economic and environmental services		9	9	9	9	9	9	9	9	9	9	9	165 482	165 584	174 473	179 752
Planning and development													-	-	-	-
Road transport													165 473	165 473	174 355	179 627
Environmental protection		9	9	9	9	9	9	9	9	9	9	9	9	111	118	125
Trading services		-	-	-	-	-	-	-	-	-	-	-	-	-	70 263	74 120
Energy sources													-	-	-	-
Water management													-	-	-	-
Waste water management													-	-	-	-
Waste management													-	-	70 263	74 120
Other													-	-	-	-
Total Revenue - Functional		25 258	16 499	15 311	15 311	21 956	19 097	15 311	18 613	21 252	15 311	15 311	203 290	402 522	480 211	500 357
Expenditure - Functional																
Governance and administration		9 866	9 866	9 866	9 866	16 004	9 866	9 866	9 866	9 866	9 866	9 866	20 865	135 527	134 673	142 415
Executive and council		3 846	3 846	3 846	3 846	5 403	3 846	3 846	3 846	3 846	3 846	3 846	8 991	52 858	51 758	55 113
Finance and administration		5 813	5 813	5 813	5 813	10 206	5 813	5 813	5 813	5 813	5 813	5 813	11 616	79 953	80 032	84 241
Internal audit		206	206	206	206	396	206	206	206	206	206	206	257	2 715	2 883	3 061
Community and public safety		6 272	6 272	6 272	6 272	11 487	6 272	6 272	6 272	6 272	6 272	6 272	14 355	88 563	89 824	92 642
Community and social services		980	980	980	980	1 883	980	980	980	980	980	980	2 931	14 616	11 606	12 305
Sport and recreation		857	857	857	857	1 432	857	857	857	857	857	857	2 636	12 639	14 351	14 210
Public safety		1 955	1 955	1 955	1 955	3 379	1 955	1 955	1 955	1 955	1 955	1 955	3 829	26 761	28 550	29 327
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		2 480	2 480	2 480	2 480	4 793	2 480	2 480	2 480	2 480	2 480	2 480	4 958	34 547	35 316	36 800
Economic and environmental services		1 086	1 086	1 086	1 086	1 680	1 086	1 086	1 086	1 086	1 086	1 086	169 833	182 370	188 236	193 452
Planning and development		551	551	551	551	935	551	551	551	551	551	551	3 257	9 706	6 856	6 442
Road transport		279	279	279	279	279	279	279	279	279	279	279	166 259	169 326	177 834	183 256
Environmental protection		256	256	256	256	466	256	256	256	256	256	256	317	3 339	3 546	3 753
Trading services		-	-	-	-	-	-	-	-	-	-	-	6 612	6 612	67 273	70 469
Energy sources													-	-	-	-
Water management													-	-	-	-
Waste water management													-	-	-	-
Waste management													6 612	6 612	67 273	70 469
Other		176	176	176	176	283	176	176	176	176	176	176	1 075	3 121	2 444	2 233
Total Expenditure - Functional		17 400	17 400	17 400	17 400	29 453	17 400	17 400	17 400	17 400	17 400	17 400	212 740	416 194	482 451	501 210
Surplus/ (Deficit) 1.		7 858	(901)	(2 089)	(2 089)	(7 497)	1 697	(2 089)	1 213	3 852	(2 089)	(2 089)	(9 451)	(13 672)	(2 240)	(853)

DC4 Garden Route - Supporting Table SB14 Adjustments Budget - monthly revenue and expenditure - 23 FEBRUARY 2021

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands																
Revenue By Source																
Property rates													-	-	-	-
Service charges - electricity revenue													-	-	-	-
Service charges - water revenue													-	-	-	-
Service charges - sanitation revenue													-	-	-	-
Service charges - refuse revenue													-	-	-	-
Rental of facilities and equipment		135	135	135	135	135	135	135	135	135	135	135	2 135	3 614	1 711	2 314
Interest earned - external investments		2 818	-	-	-	705	1 409	-	2 114	-	-	-	5 046	12 091	15 937	18 833
Interest earned - outstanding debtors		309	309	309	309	309	309	309	309	309	309	309	309	3 710	3 933	4 969
Dividends received													-	-	-	-
Fines, penalties and forfeits													-	-	-	-
Licences and permits		9	9	9	9	9	9	9	9	9	9	9	9	111	118	125
Agency services		15 389	15 389	15 389	15 389	15 389	15 389	15 389	15 389	15 389	15 389	15 389	15 389	184 673	194 899	201 609
Transfers and subsidies		52 281	8 713	-	-	43 567	17 427	-	8 713	43 567	-	-	(140 017)	34 252	178 902	182 687
Other revenue		1 142	1 142	1 142	1 142	1 142	1 142	1 142	1 142	1 142	1 142	1 142	149 009	161 571	84 711	89 821
Gains													-	-	-	-
Total Revenue		72 083	25 698	16 984	16 984	61 256	35 820	16 984	27 811	60 552	16 984	16 984	31 879	400 022	480 211	500 357
Expenditure By Type																
Employee related costs		18 424	18 424	18 424	18 424	36 847	18 424	18 424	18 424	18 424	18 424	18 424	26 575	247 659	253 657	268 985
Remuneration of councillors		1 113	1 113	1 113	1 113	1 113	1 113	1 113	1 113	1 113	1 113	1 113	1 113	13 360	13 894	14 449
Debt impairment		153	153	153	153	153	153	153	153	153	153	153	153	1 841	1 970	2 108
Depreciation & asset impairment		328	328	328	328	328	328	328	328	328	328	328	1 385	4 987	4 205	4 206
Finance charges		-	-	-	-	-	-	-	-	-	-	-	70	70	-	-
Bulk purchases		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials		4 266	4 266	4 266	4 266	4 266	4 266	4 266	4 266	4 266	4 266	4 266	4 429	51 360	51 421	52 167
Contracted services		2 689	2 689	2 689	2 689	2 689	2 689	2 689	2 689	2 689	2 689	2 689	5 166	34 749	94 882	96 225
Transfers and subsidies		103	103	103	103	103	103	103	103	103	103	103	723	1 851	1 085	926
Other expenditure		4 824	4 824	4 824	4 824	4 824	4 824	4 824	4 824	4 824	4 824	4 824	7 249	60 318	61 337	62 144
Losses		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		31 901	31 901	31 901	31 901	50 324	31 901	31 901	31 901	31 901	31 901	31 901	46 863	416 195	482 451	501 211
Surplus/(Deficit)		40 183	(6 203)	(14 916)	(14 916)	10 932	3 920	(14 916)	(4 089)	28 651	(14 916)	(14 916)	(14 984)	(16 173)	(2 240)	(853)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)													-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational)													-	-	-	-
Transfers and subsidies - capital (in-kind - all)													2 500	2 500	-	-
Surplus/(Deficit) after capital transfers & contributions		40 183	(6 203)	(14 916)	(14 916)	10 932	3 920	(14 916)	(4 089)	28 651	(14 916)	(14 916)	(12 484)	(13 673)	(2 240)	(853)

DC4 Garden Route - Supporting Table SB15 Adjustments Budget - monthly cash flow - 23 FEBRUARY 2021

Monthly cash flows	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands																
Cash Receipts By Source	1															
Property rates													–			
Service charges - electricity revenue													–			
Service charges - water revenue													–			
Service charges - sanitation revenue													–			
Service charges - refuse													–			
Rental of facilities and equipment		135	135	135	135	135	135	135	135	135	135	135	2 135	3 614	1 711	2 314
Interest earned - external investments		2 818	–	–	–	705	1 409	–	2 114	–	–	–	5 046	12 091	15 937	18 833
Interest earned - outstanding debtors		309	309	309	309	309	309	309	309	309	309	309	309	3 710	3 933	4 969
Dividends received		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Licences and permits		9	9	9	9	9	9	9	9	9	9	9	9	111	118	125
Agency services		15 389	15 389	15 389	15 389	15 389	15 389	15 389	15 389	15 389	15 389	15 389	15 389	184 673	194 899	201 609
Transfers and Subsidies - Operational		52 281	8 713	–	–	43 567	17 427	–	8 713	43 567	–	–	(140 017)	34 252	178 902	182 687
Other revenue		1 142	1 142	1 142	1 142	1 142	1 142	1 142	1 142	1 142	1 142	1 142	149 009	161 571	84 711	89 821
Cash Receipts by Source		72 083	25 698	16 984	16 984	61 256	35 820	16 984	27 811	60 552	16 984	16 984	31 879	400 022	480 211	500 357
Other Cash Flows by Source																
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)													2 500	2 500		
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational													–			
Proceeds on Disposal of Fixed and Intangible Assets													–			
Short term loans													–			
Borrowing long term/refinancing													–			
Increase (decrease) in consumer deposits													–			
Decrease (increase) in non-current receivables													–			
Decrease (increase) in non-current investments													–			
Total Cash Receipts by Source		72 083	25 698	16 984	16 984	61 256	35 820	16 984	27 811	60 552	16 984	16 984	34 379	402 522	480 211	500 357
Cash Payments by Type																
Employee related costs		18 424	18 424	18 424	18 424	36 847	18 424	18 424	18 424	18 424	18 424	18 424	26 575	247 659	253 657	268 985
Remuneration of councillors		1 113	1 113	1 113	1 113	1 113	1 113	1 113	1 113	1 113	1 113	1 113	1 113	13 360	13 894	14 449
Finance charges		–	–	–	–	–	–	–	–	–	–	–	70	70	–	–
Bulk purchases - Electricity													–			
Bulk purchases - Water & Sewer													–			
Other materials		4 266	4 266	4 266	4 266	4 266	4 266	4 266	4 266	4 266	4 266	4 266	4 429	51 360	51 421	52 167
Contracted services		2 689	2 689	2 689	2 689	2 689	2 689	2 689	2 689	2 689	2 689	2 689	4 230	33 813	94 882	96 225
Transfers and grants - other municipalities													–			
Transfers and grants - other		103	103	103	103	103	103	103	103	103	103	103	723	1 851	1 085	926
Other expenditure		4 824	4 824	4 824	4 824	4 824	4 824	4 824	4 824	4 824	4 824	4 824	7 249	60 318	61 337	62 144
Cash Payments by Type		31 420	31 420	31 420	31 420	49 843	31 420	31 420	31 420	31 420	31 420	31 420	44 389	408 430	476 275	494 896
Other Cash Flows/Payments by Type																
Capital assets		50	50	130	30	255	200	100	540	–	750	–	11 991	14 096	430	430
Repayment of borrowing													–			
Other Cash Flows/Payments													–			
Total Cash Payments by Type		31 470	31 470	31 550	31 450	50 098	31 620	31 520	31 960	31 420	32 170	31 420	56 381	422 527	476 705	495 326
NET INCREASE/(DECREASE) IN CASH HELD		40 613	(5 772)	(14 565)	(14 465)	11 158	4 201	(14 535)	(4 148)	29 132	(15 185)	(14 435)	(22 001)	(20 005)	3 506	5 031
Cash/cash equivalents at the month/year beginning:		154 555	195 168	189 396	174 831	160 365	171 523	175 724	161 188	157 040	186 172	170 986	156 551	154 555	134 550	138 055
Cash/cash equivalents at the month/year end:		195 168	189 396	174 831	160 365	171 523	175 724	161 188	157 040	186 172	170 986	156 551	134 550	134 550	138 055	143 086

DC4 Garden Route - Supporting Table SB16 Adjustments Budget - monthly capital expenditure (municipal vote) - 23 FEBRUARY 2021

Description - Municipal Vote	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands																
Multi-year expenditure appropriation	1												4 013	4 013	-	-
Vote 1 - Executive and Council													-	-	-	-
Vote 2 - Budget and Treasury Office													-	-	-	-
Vote 3 - Corporate Services													-	-	-	-
Vote 4 - Planning and Development													-	-	-	-
Vote 5 - Public Safety													-	-	-	-
Vote 6 - Health													-	-	-	-
Vote 7 - Community and Social Services													-	-	-	-
Vote 8 - Sport and Recreation											750		2 250	3 000	-	-
Vote 9 - Waste Management													-	-	-	-
Vote 10 - Roads Transport													-	-	-	-
Vote 11 - Waste Water Management													-	-	-	-
Vote 12 - Water													-	-	-	-
Vote 13 - Environment Protection													-	-	-	-
Vote 14 - Roads Agency Function													-	-	-	-
Vote 15 - Electricity													-	-	-	-
Capital Multi-year expenditure sub-total	3	-	-	-	-	-	-	-	-	-	750	-	6 263	7 013	-	-
Single-year expenditure appropriation																
Vote 1 - Executive and Council								30					325	355	90	90
Vote 2 - Budget and Treasury Office													86	86	30	30
Vote 3 - Corporate Services		50	50	100	30	255	200	70	540	280	-	-	886	2 461	310	310
Vote 4 - Planning and Development				30									149	179	-	-
Vote 5 - Public Safety													30	30	-	-
Vote 6 - Health													50	50	-	-
Vote 7 - Community and Social Services													-	-	-	-
Vote 8 - Sport and Recreation													2 522	2 522	-	-
Vote 9 - Waste Management													-	-	-	-
Vote 10 - Roads Transport													1 400	1 400	-	-
Vote 11 - Waste Water Management													-	-	-	-
Vote 12 - Water													-	-	-	-
Vote 13 - Environment Protection													-	-	-	-
Vote 14 - Roads Agency Function													-	-	-	-
Vote 15 - Electricity													-	-	-	-
Capital single-year expenditure sub-total	3	50	50	130	30	255	200	100	540	280	-	-	5 448	7 083	430	430
Total Capital Expenditure	2	50	50	130	30	255	200	100	540	280	750	-	11 711	14 096	430	430

DC4 Garden Route - Supporting Table SB17 Adjustments Budget - monthly capital expenditure (functional classification) - 23 FEBRUARY 2021

Description	Ref	Budget Year 2020/21											Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands																
Capital Expenditure - Functional																
Governance and administration		50	50	100	30	255	200	100	540	280	–	–	5 310	6 915	430	430
Executive and council								30					4 394	4 424	60	60
Finance and administration		50	50	100	30	255	200	70	540	280			908	2 483	370	370
Internal audit													9	9	–	–
Community and public safety		–	–	–	–	–	–	–	–	–	750	–	4 852	5 602	–	–
Community and social services													–	–	–	–
Sport and recreation											750		4 772	5 522	–	–
Public safety													30	30	–	–
Housing													–	–	–	–
Health													50	50	–	–
Economic and environmental services		–	–	30	–	–	–	–	–	–	–	–	1 549	1 579	–	–
Planning and development				30									149	179	–	–
Road transport													1 400	1 400	–	–
Environmental protection													–	–	–	–
Trading services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Energy sources													–	–	–	–
Water management													–	–	–	–
Waste water management													–	–	–	–
Waste management													–	–	–	–
Other													–	–	–	–
Total Capital Expenditure - Functional		50	50	130	30	255	200	100	540	280	750	–	11 711	14 096	430	430

Description	Ref	Budget Year 2020/21									Budget Year	Budget Year	
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or Prov.	Other	Total	Adjusted	+1 2021/22	+2 2022/23	
		Budget	Adjusted	Funds	capital	Unavoid.	Govt	Adjusts.	Adjusts.	Budget	Adjusted	Budget	
R thousands		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H			
Capital expenditure on new assets by Asset Class/Sub-class													
Infrastructure		-	-	-	-	-	-	-	-	-	-	-	
Roads Infrastructure		-	-	-	-	-	-	-	-	-	-	-	
Roads									-	-			
Road Structures									-	-			
Road Furniture									-	-			
Capital Spares									-	-			
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-	
Drainage Collection									-	-			
Storm water Conveyance									-	-			
Attenuation									-	-			
Electrical Infrastructure		-	-	-	-	-	-	-	-	-	-	-	
Power Plants									-	-			
HV Substations									-	-			
HV Switching Station									-	-			
HV Transmission Conductors									-	-			
MV Substations									-	-			
MV Switching Stations									-	-			
MV Networks									-	-			
LV Networks									-	-			
Capital Spares									-	-			
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-	-	-	
Dams and Weirs									-	-			
Boreholes									-	-			
Reservoirs									-	-			
Pump Stations									-	-			
Water Treatment Works									-	-			
Bulk Mains									-	-			
Distribution									-	-			
Distribution Points									-	-			
PRV Stations									-	-			
Capital Spares									-	-			
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-	-	-	
Pump Station									-	-			
Reticulation									-	-			
Waste Water Treatment Works									-	-			
Outfall Sewers									-	-			
Toilet Facilities									-	-			
Capital Spares									-	-			
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	-	-	
Landfill Sites									-	-			
Waste Transfer Stations									-	-			
Waste Processing Facilities									-	-			
Waste Drop-off Points									-	-			
Waste Separation Facilities									-	-			
Electricity Generation Facilities									-	-			
Capital Spares									-	-			
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-	
Rail Lines									-	-			
Rail Structures									-	-			
Rail Furniture									-	-			
Drainage Collection									-	-			
Storm water Conveyance									-	-			
Attenuation									-	-			
MV Substations									-	-			
LV Networks									-	-			
Capital Spares													

Community Assets	-	-	-	-	-	-	-	-	-	-	-	-
Community Facilities	-	-	-	-	-	-	-	-	-	-	-	-
Halls	-	-	-	-	-	-	-	-	-	-	-	-
Centres	-	-	-	-	-	-	-	-	-	-	-	-
Crèches	-	-	-	-	-	-	-	-	-	-	-	-
Clinics/Care Centres	-	-	-	-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations	-	-	-	-	-	-	-	-	-	-	-	-
Testing Stations	-	-	-	-	-	-	-	-	-	-	-	-
Museums	-	-	-	-	-	-	-	-	-	-	-	-
Galleries	-	-	-	-	-	-	-	-	-	-	-	-
Theatres	-	-	-	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria	-	-	-	-	-	-	-	-	-	-	-	-
Police	-	-	-	-	-	-	-	-	-	-	-	-
Purls	-	-	-	-	-	-	-	-	-	-	-	-
Public Open Space	-	-	-	-	-	-	-	-	-	-	-	-
Nature Reserves	-	-	-	-	-	-	-	-	-	-	-	-
Public Ablution Facilities	-	-	-	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-	-	-	-
Stalls	-	-	-	-	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-	-	-	-
Airports	-	-	-	-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals	-	-	-	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-	-	-	-
Indoor Facilities	-	-	-	-	-	-	-	-	-	-	-	-
Outdoor Facilities	-	-	-	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-	-	-	-
Monuments	-	-	-	-	-	-	-	-	-	-	-	-
Historic Buildings	-	-	-	-	-	-	-	-	-	-	-	-
Works of Art	-	-	-	-	-	-	-	-	-	-	-	-
Conservation Areas	-	-	-	-	-	-	-	-	-	-	-	-
Other Heritage	-	-	-	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-	-	-	-
Other assets	250	250	-	-	-	-	-	-	250	-	-	-
Operational Buildings	250	250	-	-	-	-	-	-	250	-	-	-
Municipal Offices	-	-	-	-	-	-	-	-	-	-	-	-
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-	-	-	-
Building Plan Offices	-	-	-	-	-	-	-	-	-	-	-	-
Workshops	-	-	-	-	-	-	-	-	-	-	-	-
Yards	-	-	-	-	-	-	-	-	-	-	-	-
Stores	-	-	-	-	-	-	-	-	-	-	-	-
Laboratories	-	-	-	-	-	-	-	-	-	-	-	-
Training Centres	-	-	-	-	-	-	-	-	-	-	-	-
Manufacturing Plant	-	-	-	-	-	-	-	-	-	-	-	-
Depots	-	-	-	-	-	-	-	-	-	-	-	-
Capital Spares	250	250	-	-	-	-	-	-	250	-	-	-
Housing	-	-	-	-	-	-	-	-	-	-	-	-
Staff Housing	-	-	-	-	-	-	-	-	-	-	-	-
Social Housing	-	-	-	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-	-	-	-	-
Water Rights	-	-	-	-	-	-	-	-	-	-	-	-
Effluent Licenses	-	-	-	-	-	-	-	-	-	-	-	-
Solid Waste Licenses	-	-	-	-	-	-	-	-	-	-	-	-
Computer Software and Applications	-	-	-	-	-	-	-	-	-	-	-	-
Load Settlement Software Applications	-	-	-	-	-	-	-	-	-	-	-	-
Unspecified	-	-	-	-	-	-	-	-	-	-	-	-
Computer Equipment	955	955	-	-	-	-	-	-	955	30	30	30
Computer Equipment	955	955	-	-	-	-	-	-	955	30	30	30
Furniture and Office Equipment	130	130	-	-	-	-	-	-	130	60	60	60
Furniture and Office Equipment	130	130	-	-	-	-	-	-	130	60	60	60
Machinery and Equipment	-	-	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-	-	-	-
Transport Assets	300	300	-	-	-	-	-	-	300	-	-	-
Transport Assets	300	300	-	-	-	-	-	-	300	-	-	-
Land	5 000	5 000	-	-	-	-	-	-	5 000	-	-	-
Land	5 000	5 000	-	-	-	-	-	-	5 000	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets to be adjus	1	6 635	6 635	-	-	-	-	-	6 635	90	90	90

DC4 Garden Route - Supporting Table SB18b Adjustments Budget - capital expenditure on renewal of existing assets by asset class - 23 FEBRUARY 2021

[illegible]

Community Assets		1 500	1 500	-	-	-	-	-	-	1 500	-	-
Community Facilities		-	-	-	-	-	-	-	-	-	-	-
Halls												
Centres												
Crèches												
Clinics/Care Centres												
Fire/Ambulance Stations												
Testing Stations												
Museums												
Galleries												
Theatres												
Libraries												
Cemeteries/Crematoria												
Police												
Parks												
Public Open Space												
Nature Reserves												
Public Ablution Facilities												
Markets												
Stalls												
Abattoirs												
Airports												
Taxi Ranks/Bus Terminals												
Capital Spares												
Sport and Recreation Facilities		1 500	1 500	-	-	-	-	-	-	1 500	-	-
Indoor Facilities												
Outdoor Facilities		1 500	1 500							1 500		
Capital Spares												
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Monuments												
Historic Buildings												
Works of Art												
Conservation Areas												
Other Heritage												
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Improved Property												
Unimproved Property												
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Improved Property												
Unimproved Property												
Other assets		-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-	-	-
Municipal Offices												
Pay/Enquiry Points												
Building Plan Offices												
Workshops												
Yards												
Stores												
Laboratories												
Training Centres												
Manufacturing Plant												
Depots												
Capital Spares												
Housing		-	-	-	-	-	-	-	-	-	-	-
Staff Housing												
Social Housing												
Capital Spares												
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets												
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-
Servitudes												
Licences and Rights		-	-	-	-	-	-	-	-	-	-	-
Water Rights												
Effluent Licenses												
Solid Waste Licenses												
Computer Software and Applications												
Load Settlement Software Applications												
Unspecified												
Computer Equipment		-	-	-	-	-	-	-	-	-	-	-
Computer Equipment												
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment												
Machinery and Equipment		-	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment												
Transport Assets		-	-	-	-	-	-	-	-	-	-	-
Transport Assets												
Land		-	-	-	-	-	-	-	-	-	-	-
Land												
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals												
Total Capital Expenditure on renewal of existing assets to be	1	1 500	1 500	-	-	-	-	-	-	1 500	-	-

Description	Ref	Budget Year 2020/21									Budget Year	Budget Year
		Original	Prior	Accum.	Multi-year	Unfore.	Nat. or Prov.	Other	Total	Adjusted	+1 2021/22	+2 2022/23
		Budget	Adjusted	Funds	capital	Unavoid.	Govt	Adjusts.	Adjusts.	Budget	Adjusted	Budget
R thousands		A	7	8	9	10	11	12	13	14		
Repairs and maintenance expenditure by Asset Class/Sub-class												
Infrastructure		415	415	-	-	-	-	-	-	415	422	289
Roads Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Roads									-	-		
Road Structures									-	-		
Road Furniture									-	-		
Capital Spares									-	-		
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Drainage Collection									-	-		
Storm water Conveyance									-	-		
Attenuation									-	-		
Electrical Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Power Plants									-	-		
HV Substations									-	-		
HV Switching Station									-	-		
HV Transmission Conductors									-	-		
MV Substations									-	-		
MV Switching Stations									-	-		
MV Networks									-	-		
LV Networks									-	-		
Capital Spares									-	-		
Water Supply Infrastructure		197	197	-	-	-	-	-	-	197	201	110
Dams and Weirs									-	-		
Boreholes									-	-		
Reservoirs									-	-		
Pump Stations									-	-		
Water Treatment Works									-	-		
Bulk Mains									-	-		
Distribution									-	-		
Distribution Points									-	-		
PRV Stations									-	-		
Capital Spares		197	197						-	197	201	110
Sanitation Infrastructure		218	218	-	-	-	-	-	-	218	221	179
Pump Station									-	-		
Reticulation									-	-		
Waste Water Treatment Works									-	-		
Outfall Sewers									-	-		
Toilet Facilities									-	-		
Capital Spares		218	218						-	218	221	179
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Landfill Sites									-	-		
Waste Transfer Stations									-	-		
Waste Processing Facilities									-	-		
Waste Drop-off Points									-	-		
Waste Separation Facilities									-	-		
Electricity Generation Facilities									-	-		
Capital Spares									-	-		
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Rail Lines									-	-		
Rail Structures									-	-		
Rail Furniture									-	-		
Drainage Collection									-	-		
Storm water Conveyance									-	-		
Attenuation									-	-		
MV Substations									-	-		
LV Networks									-	-		
Capital Spares									-	-		
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Sand Pumps									-	-		
Piers									-	-		
Revetments									-	-		
Promenades									-	-		
Capital Spares									-	-		
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Data Centres									-	-		
Core Layers									-	-		
Distribution Layers									-	-		
Capital Spares									-	-		

Community Assets	1 395	1 395	-	-	-	-	-	-	1 395	1 459	1 471
Community Facilities	75	75	-	-	-	-	-	-	75	79	83
Halls											
Centres											
Crèches											
Clinics/Care Centres											
Fire/Ambulance Stations											
Testing Stations											
Museums											
Galleries											
Theatres											
Libraries											
Cemeteries/Crematoria											
Police											
Parks											
Public Open Space											
Nature Reserves											
Public Ablution Facilities											
Markets											
Stalls											
Abattoirs											
Airports											
Taxi Ranks/Bus Terminals											
Capital Spares	75	75							75	79	83
Sport and Recreation Facilities	1 320	1 320	-	-	-	-	-	-	1 320	1 380	1 388
Indoor Facilities											
Outdoor Facilities											
Capital Spares	1 320	1 320							1 320	1 380	1 388
Heritage assets	-	-	-	-	-	-	-	-	-	-	-
Monuments											
Historic Buildings											
Works of Art											
Conservation Areas											
Other Heritage											
Investment properties	-	-	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-	-	-
Improved Property											
Unimproved Property											
Non-revenue Generating	-	-	-	-	-	-	-	-	-	-	-
Improved Property											
Unimproved Property											
Other assets	959	959	-	-	-	-	-	-	959	1 030	1 086
Operational Buildings	959	959	-	-	-	-	-	-	959	1 030	1 086
Municipal Offices	959	959							959	1 030	1 086
Pay/Enquiry Points											
Building Plan Offices											
Workshops											
Yards											
Stores											
Laboratories											
Training Centres											
Manufacturing Plant											
Depots											
Capital Spares											
Housing	-	-	-	-	-	-	-	-	-	-	-
Staff Housing											
Social Housing											
Capital Spares											
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets											
Intangible Assets	-	-	-	-	-	-	-	-	-	-	-
Servitudes											
Licences and Rights	-	-	-	-	-	-	-	-	-	-	-
Water Rights											
Effluent Licenses											
Solid Waste Licenses											
Computer Software and Applications											
Load Settlement Software Applications											
Unspecified											
Computer Equipment	53	53	-	-	-	-	-	-	53	56	59
Computer Equipment	53	53							53	56	59
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment											
Machinery and Equipment	180	180	-	-	-	-	-	-	180	189	198
Machinery and Equipment	180	180							180	189	198
Transport Assets	1 057	1 057	-	-	-	-	-	-	1 057	1 120	1 187
Transport Assets	1 057	1 057							1 057	1 120	1 187
Land	-	-	-	-	-	-	-	-	-	-	-
Land											
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals											
Total Repairs and Maintenance Expenditure to be	1	4 059	4 059	-	-	-	-	-	4 059	4 276	4 291

Community Assets	234	234	-	-	-	-	45	45	279	251	-	
Community Facilities	234	234	-	-	-	-	45	45	279	251	-	
Halls	234	234					45	45	279	251		
Centres												
Crèches												
Clinics/Care Centres												
Fire/Ambulance Stations												
Testing Stations												
Museums												
Galleries												
Theatres												
Libraries												
Cemeteries/Crematoria												
Police												
Parks												
Public Open Space												
Nature Reserves												
Public Ablution Facilities												
Markets												
Stalls												
Abattoirs												
Airports												
Taxi Ranks/Bus Terminals												
Capital Spares												
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-	-	-	
Indoor Facilities												
Outdoor Facilities												
Capital Spares												
Heritage assets	-	-	-	-	-	-	-	-	-	-	-	
Monuments												
Historic Buildings												
Works of Art												
Conservation Areas												
Other Heritage												
Investment properties	-	-	-	-	-	-	-	-	-	-	-	
Revenue Generating	-	-	-	-	-	-	-	-	-	-	-	
Improved Property												
Unimproved Property												
Non-revenue Generating	-	-	-	-	-	-	-	-	-	-	-	
Improved Property												
Unimproved Property												
Other assets	2 403	2 403	-	-	-	-	1 380	1 380	3 783	2 572	2 726	
Operational Buildings	2 403	2 403	-	-	-	-	1 380	1 380	3 783	2 572	2 726	
Municipal Offices	2 403	2 403					1 380	1 380	3 783	2 572	2 726	
Pay/Enquiry Points												
Building Plan Offices												
Workshops												
Yards												
Stores												
Laboratories												
Training Centres												
Manufacturing Plant												
Depots												
Capital Spares												
Housing	-	-	-	-	-	-	-	-	-	-	-	
Staff Housing												
Social Housing												
Capital Spares												
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	-	-	
Biological or Cultivated Assets												
Intangible Assets	1 014	1 014	-	-	-	-	(90)	(90)	924	1 085	1 160	
Servitudes												
Licences and Rights	1 014	1 014	-	-	-	-	(90)	(90)	924	1 085	1 160	
Water Rights												
Effluent Licenses												
Solid Waste Licenses												
Computer Software and Applications	1 014	1 014					(90)	(90)	924	1 085	1 160	
Load Settlement Software Applications												
Unspecified												
Computer Equipment	-	-	-	-	-	-	-	-	-	-	-	
Computer Equipment												
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-	-	-	
Furniture and Office Equipment												
Machinery and Equipment	-	-	-	-	-	-	-	-	-	-	-	
Machinery and Equipment												
Transport Assets	279	279	-	-	-	-	(278)	(278)	1	299	320	
Transport Assets	279	279					(278)	(278)	1	299	320	
Land	-	-	-	-	-	-	-	-	-	-	-	
Land												
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	-	-	
Zoo's, Marine and Non-biological Animals												
Total Depreciation to be adjusted	1	3 930	3 930	-	-	-	-	1 057	1 057	4 987	4 205	4 206

[illegible]

[illegible]

DC4 Garden Route - Supporting Table SB19 List of capital programmes and projects affected by Adjustments Budget - 23 FEBRUARY 2021

[illegible]

DC4 Garden Route - Supporting Table SB20 Not required - 23 FEBRUARY 2021

Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget A	Prior Adjusted 3 A1	Accum. Funds 4 B	Multi-year capital 5 C	Unfore. Unavoid. 6 D	Nat. or Prov. Govt 8 E	Other Adjusts. 9 F	Total Adjusts. 10 G	Adjusted Budget 11 H	Adjusted Budget	Adjusted Budget
R thousands												
Revenue By Municipal Entity												
Entity 1 total revenue									-	-		
Entity 2 total revenue									-	-		
Entity 3 (etc) total revenue									-	-		
									-	-		
									-	-		
									-	-		
									-	-		
									-	-		
									-	-		
Total Operating Revenue	1	-	-	-	-	-	-	-	-	-	-	-
Expenditure By Municipal Entity												
Entity 1 total operating expenditure									-	-		
Entity 2 total operating expenditure									-	-		
Entity 3 etc. total operating expenditure									-	-		
									-	-		
									-	-		
									-	-		
									-	-		
									-	-		
									-	-		
Total Operating Expenditure	2	-	-	-	-	-	-	-	-	-	-	-
Capital Expenditure By Municipal Entity												
Entity 1 total capital expenditure									-	-		
Entity 2 total capital expenditure									-	-		
Entity 3 etc. total capital expenditure									-	-		
									-	-		
									-	-		
									-	-		
									-	-		
									-	-		
Total Capital Expenditure	2	-	-	-	-	-	-	-	-	-	-	-

[BACK TO AGENDA](#)

**1. REVISED ANNUAL REPORT PROCESS PLAN FOR 2019/2020 FINANCIAL YEAR/
HERSIENE JAARVERSLAG PROSES PLAN VIR 2019/2020 FINANSIËLE JAAR/
INGXELO YONYAKA KUNYAKA MALI KA 2019/2020 YESICWANGCISO
SENKQUBO**

REPORT FROM THE EXECUTIVE MAYOR (ALD M BOOYSEN)

2. PURPOSE

The purpose of this report is to submit the Revised Annual Report Process Plan for the development of the 2019/20 Annual Report for approval by Council.

3. DELEGATED AUTHORITY

Council

4. EXECUTIVE SUMMARY

The process plan of the Annual Report is the guiding plan on the processes to be followed in the development of the Annual Report. The primary purpose is to ensure that there is compliance with all the pieces of legislations that governs the content and public participation processes on the development of the Annual Report.

Municipalities and municipal entities are exempted for the 2019/2020 financial year from complying with the deadlines in the Sections 126 (1) and 127(1) and (2) 129(1) and 133 (2) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) Municipalities and municipal entities must comply with the provision within two months after the deadline in the applicable provision.

The unaudited 2019/2020 Annual Report was tabled in October 2020. The Auditor General indicated that they will submit an Audit Report by 28 February 2021; hence the Audited 2019/2020 Annual Report and Oversight Report can only be tabled in March 2021.

5. RECOMMENDATION

That Council approves the Revised 2019/2020 Annual Report Process Plan.

AANBEVELING

Dat die Raad die Hersiene 2019/2020 Jaarverslag proses plan goedkeur.

ISINDULULO

6. DISCUSSION / CONTENTS

6.1. Background

According to the Annual Report process plan as guided by Circular 63 of the Municipal Finance Management Act 56 of 2003, the Annual Report must be tabled to Council in December of every year. The Annual Report process plan that was tabled in August 2020 stipulated that the 2019/2020 Annual Report will be tabled in February 2021. The Auditor General communicated that the Audit Report will only be issued end of February 2021, hence the 2019/2020 Audited Annual Report and Oversight report will only be tabled in March 2021.

6.2 Discussion

The Minister of Finance issued a Ministerial Exemption in terms of section 177(1) (b) of the MFMA on 05 August 2020, exempting municipalities and municipal entities from submitting their annual financial statements and related reports for auditing at the end of August 2020. The notice allows for a two-month delay in the submission of Annual Financial Statements, Annual Reports, Audit opinions, and oversight reports.

The context of this exemption flows from the Minister of Cooperative Governance and Traditional Affairs' announcement of the national state of disaster in terms of the Disaster Management Act to enable government and the country at large to manage the spread of the Covid-19 virus.

The Annual Report Process plan that was tabled in August 2020 was guided by Circular 63 and the timeframes was moved with two months as per exemption. According to this two month delay, the Annual Report should have been tabled in February 2021.

6.3 Financial Implications

Cost of Newspaper notice and radio broadcasts to inform the public of the tabling of the Annual Report.

6.4 Legal Implications

None, but the following legislation provides a framework for the tabling of the Annual Report:

- Local Government: Municipal Systems Act 32 of 2000
- Local Government: Municipal Planning and Performance Regulations (2001),
- Local Government: Municipal Finance Management Act 56 of 2003
- MFMA Circular 11 (Annual Report Guidelines),
- MFMA Circular 63 (Annual Report Guidelines)

6.5 Staff Implications

None

6.6 Previous / Relevant Council Resolutions:

There are no previous or relevant Council resolutions related to this matter.

6.7 Risk Implications

There are no foreseen risks associated with the tabling of the Revised Annual Report Process plan for the 2019/2020 financial year.

6.8 Comments from Senior Management:

6.8.1 Executive Manager: Financial Services

One adjustment in Finance Department due to delay in reporting cycle as a result of NT extensions under current pandemic circumstance.

6.8.2 Executive Manager: Corporate Services

Take note of timelines that changed due to exemption received.

6.8.3 Executive Manager: Community Services

As this is a critical plan in the affairs and compliance processes of municipalities, the recommendation is supported.

6.8.4 Executive Manager: Roads Services

Support the recommendations

6.8.5 Manager: Legal Services

Supported as it complies with the legislative requirements

ANNEXURE

Revised 2019/2020 Annual Report Process Plan

/Garden Route District Municipality Annual Report Process Plan 2019/2020/ Circular 63 MFMA



Activity	Process Owner/Role Player	Time Frame
Consideration of next financial year's Budget and IDP Process plan.	MM assisted by other Section 56 Managers & the CFO	July/August 2020
Implementation and monitoring of approved Budget and IDP through the approved SDBIP commences.	MM assisted by other Section 56 Managers & the CFO	
Finalise 4 th quarter report of previous financial year.	MM assisted by other Section 56 Managers & the CFO	
Submit draft previous financial year Annual Report and evidence to Internal and the Auditor General including annual financial statements and financial and non-financial information.	MM & CFO	October 2020
Submit Annual Report including annual financial statements and Annual Performance Report to the Combined Audit/Performance Committee.	MM & CFO	
Combined Audit/Performance Committee considers unaudited annual Report of municipality.	Audit and Performance Audit Committee	September/October 2020
Mayor tables the unaudited Annual Report in Council.	Mayor	
Municipality submits Annual Report including final annual financial statements and annual	CFO	

performance report to Auditor General for auditing purposes by 31 October 2020		
Council to submit unaudited tabled annual report to MPAC for vetting and verification of council's directive on service delivery & the committee to evaluate senior managers' performance against agreement entered into	HODs/CFO	
Commencement of IDP analysis of institutional services and infrastructure provision, backlogs and priorities. Unaudited Annual Report as submitted to Auditor-General to be used as input into the IDP strategic phase process and community verification & input by MPAC on reported performance. Such information includes that of various entities incorporated into the information of the parent entity	Council	
Auditor-General audits the unaudited Annual Report and submit an audit report to the accounting officer for the municipality.	Auditor General/MM	February 2021
Annual Report and oversight report process for adoption to be used as input into public participating meetings for the IDP review process	Council	March 2021
Auditor General's reports are issued in February 2021. Once	MM	March 2021

the AG audit reports have been issued no further changes are allowed as the audit process is completed.		March 2021
Auditor General review the audited report	Auditor General	
Mayor tables audited Annual Report and financial to Council	Mayor	
Audited Annual Report is made public, e.g. posted on municipality's website.	MM	
Oversight committee finalises assessment on Annual Report within 7 working days of receipt of AGs report.	Oversight Committee	
Council adopts oversight report	Council	March 2021
Oversight report is made public	MM	
Oversight report is submitted to Legislators, Treasuries and DLG.	Mayor	

1. **REQUESTED/SUGGESTED ADJUSTMENTS ON THE SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN OF 2020/2021/ AANVRAAG/VOORGESTELDE VERANDERINGE OP DIE DIENSLWERINGS EN BEGROTINGSIMPLEMENTERINGSPLAN VIR 2020/2021 / ISICELO/IMBONISO YOLUNGELELWANISO LONIKEZELO LWENKONZO KUNYE NOKUMISELWA KWEZICWANGCISO SOLWABIWO-MALI LUKA 2020/2021**

**REPORT FROM THE OFFICE OF THE MUNICIPAL MANAGER (MG STRATU) /
MANAGER PERFORMANCE MANAGEMENT (IG SAAIMAN)**

2 **PURPOSE**

The purpose of this report is to obtain permission from Council to approve the requested adjustments for the Top Level SDBIP for the 2020/2021 financial year.

3. **DELEGATED AUTHORITY**

Council

4. **EXECUTIVE SUMMARY**

The requested adjustments must be read in conjunction with the System Descriptions for the Top Level SDBIP.

5. **RECOMMENDATION**

That Council approves the requested/suggested adjustments for the 2020/2021 financial year.

AANBEVELING

Dat die Raad die voorgestelde veranderinge vir die 2020/2021 finansiële jaar goedkeur.

ISINDULULO

Sesokuba iBhunga liphumeze isicelo/imboniso yolungelelwaniso lonyakamali ka 2020/2021.

6. **DISCUSSION / CONTENTS**

6.1 Background

Municipal Finance Management Act 56 of 2003

Section 54 (1) (c) On receipt of a statement or report submitted by the accounting officer of the municipality in terms of section 71 or 72, the mayor must –

(c) consider and, if necessary, make any provisions to the service delivery and budget implementation plan, provided that revisions to the service delivery targets and performance indicators in the plan may only be made with the approval of the council following approval of an adjustments budget;

6.2 Discussion

During the financial adjustment period of the Municipality, an opportunity is afforded to make adjustments on the Service Delivery and Budget Implementation Plan.

These adjustments derives from the quarterly audits reports, the quarterly monitoring and evaluation reports, discussions with departments, suggestions from the performance unit and formal requests from the department.

The detailed adjustment report is attached.

6.3 Financial Implications

There will be no financial implications for the municipality adjusting the KPI's on the SDBIP system.

6.4 Legal Implications

None as we adhere to the provisions of section 54(1)(c) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003).

6.5 Staff Implications

Implementation of the adjustments will have no staff implications

6.6 Previous / Relevant Council Resolutions:

There are no previous or relevant Council resolutions related to this matter.

6.7 Risk Implications

There are no foreseen risks associated with the proposed request for Council.

6.8 Comments from Executive Management:

6.8.1 Executive Manager: Financial Services

One adjustment in Finance Department due to delay in reporting cycle as a result of NT extensions under current pandemic circumstance.

6.8.2 Executive Manager: Corporate Services

No changes reported for Corporate Services.

6.8.3 Executive Manager: Community Services

The Food Pantry establishment is a critical intervention in terms to mitigate the negative impacts of the COVID19 pandemic to alleviate poverty and hunger in our District.

6.8.4 Executive Manager: Planning & Economic Development

Changes are necessary due to revised process plan for the Annual Report inline with the Circular issued by the Minister of Finance. Other KPI's were affected by the by Covid19 thus forcing departments to do necessary adjustment to circumvent non-performance.

6.8.5 Manager: Legal Services

No legal implications for Council – complying with the legislative requirements of the Act.

GARDEN ROUTE DISTRICT MUNICIPALITY**Performance Amendments/Adjustment - February: 2020/2021****1. PURPOSE**

The purpose of this report is to present the requested amendments/adjustments on the Top Level Service Delivery and Budget Implementation Plan for the 2020/2021 financial year

2. LEGAL

With reference to the MFMA section 54 (1), the implementation of the SDBIP must be reviewed, problems need to be identified and amended. This report must be submitted to Council and any amendments to the SDBIP must be made public

3. PERIOD UNDER REVIEW

The period under review as follows;

- July 2020 – December 2020

4. IMPLEMENTATION PERIOD

The implementation of these amendments/adjustments will reflect retrospectively over a period of six months.

5. AMENDMENTS/ADJUSTMENTS PER DEPARTMENT**A. FINANCE DEPARTMENT**

REF	KPI	Unit of Measurement	Source of Evidence	Target	Changes	Reason
TL 35	Compilation of mid-term (first six months of the financial year) Financial Statements (AFS) for the 2020/2021 financial year and submit to Mancom by 28 February 2021	Compilation and submission of the AFS by 28 February 2021	Proof of submission	-	To be removed from the SDBIP	Due to the MFMA exemption, the 2019/20 AFS was submitted on 30 October 2020. The AG will only be completing their audit by 28 February 2021. The Annual Report is set to serve at Council by end of March 2021. Due to the delay in completion of the 2019/2020 financial year, it does not serve this Council to submit draft AFS during this period, upon the submission

						of the adjustment budget. The KPI must be added to the 2021/2022 financial year.
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B. COMMUNITY SERVICES

REF	KPI	Unit of Measurement	Source of Evidence	Target	Changes	Reason
TL 23	Job creation through the construction and operation of the Regional Landfill facility	Number of Jobs created by 30 June 2021	Signed contracts	-	Remove KPI	At this stage the process with the procuring of the consulting engineer to assist us with the procurement process of a construction firm is still in progress and the finalisation of the procurement process with the assistance of the consulting engineer will have an impact on the appointment of the construction contractor. Construction might not start at the end of the financial year.
New KPI	Reports on the Progress with regard to the Garden Route Food bank before 30 June 2021	Submit quarterly reports on the Progress with regard to the Garden Route Food bank before 30 June 2021	Proof of submission	2	None	To replace the above stated KPI

C. ROADS AND TRANSPORT PLANNING SERVICES

REF	KPI	Unit of Measurement	Source of Evidence	Target	Changes	Reason
New KPI	Compile a Business Plan for RRAMS and submit to Mancom by 30 June 2021	RRAMS business plan compiled and submit to Mancom by 30 June 2021	Proof of submission/Agenda	1	New KPI	Address performance
New KPI	Report bi annually to Mancom on the replacement value of fleet vehicles	Submit a report to Mancom bi-annually on the replacement value of fleet vehicles	Report submitted	1	New KPI	Address performance
D216	Job creation through the Roads Services by June 2021	Number of Jobs created by 30 June 2021	Signed contracts	60	Move to TL SDBIP	Address performance

6. REQUEST

It is requested that Council approves the amendments/adjustments for the 2020/2021 financial year

7. WAY FORWARD

The following must be noted with matters relating to performance management;

- All possible baseline information where Key Performance Indicators are an exact duplication, thus inclusive of scope of work and project, has been incorporated into the SDBIP of 2020/2021.
- The inconsistency and non alignment between the IDP and Budget must be addressed by the respective managers
- A revised SDBIP will be made public after approval

1. **DEVIATION REPORT: IMPLEMENTATION OF THE SUPPLY CHAIN MANAGEMENT POLICY FOR THE PERIOD 1 DECEMBER 2020 TO 18 DECEMBER 2020 / AFWYKINGSVERSLAG: VOORSIENINGSKANAALBELEID VIR DIE PERIODE 1 DESEMBER 2020 TOT 18 DESEMBER 2020 / INGXELO YOTENXO: UKUMISELWA KOMGAQO WOLAWULO LWENCITHO KWIXESHA UMHLA 01 NGEYOMNGA 2020 UYAKUTSHO KUMHLA WE 18 NGEYOMNGA 2020 (1148145)**

2 **PURPOSE**

To inform the Council of the deviations approved for the period 1 December 2020 to 18 December 2020.

3. **DELEGATED AUTHORITY**

Council

4. **EXECUTIVE SUMMARY**

The accounting officer must record the reasons for any deviations in terms of subregulation (1)(a) & (b) and report them to the next meeting of council. The report is for the month of December 2020.

5. **RECOMMENDATIONS**

1. That the implementation of Regulation 36 of the Municipal Supply Chain Regulation in terms of the deviations for the period 1 December 2020 up to 18 December 2020, be noted.
2. That it be noted that in terms of Section 114 of the Municipal Finance Management Act, Act 56 of 2003, there was no approval of tenders not recommended in the normal course of implementing Supply Chain Management policy of a municipality.

AANBEVELINGS

1. *Dat die kennis geneem word van die implementering van Regulasie 36 van die Voorsieningskanaal beleid in terme van die afwykings vir die periode van 1 Desember 2020 tot 18 Desember 2020.*

2. *Dat kennis geneem word dat in terme van Artikel 114 van die Munisipale Finansiële Bestuurswet, Wet 56 van 2003, daar geen goedkeuring was van tenders wat toegeken is in die normale implementering van die Voorsieningskanaalbeleid van die munisipaliteit nie.*

ISINDULULO

1. Ukumisela komhlathi Wamashumi Amathathu Anesithandathu (36) kwemiqathango Womthetho Wezencitho zoMasipala kutenxo ukususela kumhla Wokuqala (1) uyakutsho kumhla Weshumi Eonesibhozo (18) ngeyoMnga (2020), kuthathelwe ingqalelo.
2. Ngokwemiqathango yoMhlathi (114) lolawulo Lwezemali zikaMasipala, uMthetho Wamashumi Amahlanu Anesithandathu (56) wango (2003), uthathelwe ingqalelo ukuba akukhange kuphunyezwe zinikisi maxabiso ezingandululwanga kwinkqubo efanelekileyo ekumiselweni kwencitho yomgaqo wolawulo lomasipala.

6. DISCUSSION / CONTENTS

6.1 Background

Regulation 36 of the Municipal Supply Chain Regulation states:

A supply chain management policy may allow the accounting officer –

- a) *To dispense with the official procurement processes established by the policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only –*
 - i) *In an emergency*
 - ii) *If such goods or services are produced or available from a single provider only;*
 - iii) *For the acquisition of special of special works of art or historical objects where specifications are difficult to compile;*
 - iv) *Acquisition of animals for zoos; or*
 - v) *In any other exceptional case where it is impractical or impossible to follow the official procurement processes;*
 - b) *To ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.*
- 2) *The accounting officer must record the reasons for any deviations in terms of sub regulation (1) (a) and (b) and report them to the next meeting of the council, or board of directors in the case of a municipal entity, and include as a note to the annual financial statements."*

6.2 Discussion

Section 114 of the Municipal Finance Management Act, Act 56 of 2003 states:

- (1) If a tender other than the one recommended in the normal course of implementing the supply chain management policy of a municipality or municipal entity is approved, the accounting officer of the municipality or municipal entity must, in writing, notify the Auditor General, the relevant provincial treasury and the National Treasury and, in the case of a municipal entity, also the parent municipality, of the reasons for deviating from such recommendation.
- (2) Subsection (1) does not apply if a different tender was approved in order to rectify an irregularity.

6.3 Financial Implications

The total deviations for the period 1 December 2020 to 18 December 2020 amounts to **R119 961.47** (VAT included). Refer to **Annexure A**

Main Expenditure for Deviation in December 2020

None

Trend Analysis Based on Successive Month to Month Comparison

APPROVED DEVIATIONS			
DEVIATIONS AS PER SECTION 36 OF THE SCM REGULATIONS			
Nov-20		Dec-20	
Department		Department	Amount
Community Services	3 065.79	Community Services	2 242.50
Corporate Services	0.00	Corporate Services	0.00
Financial Services	0.00	Financial Services	0.00
Office of the MM	0.00	Office of the MM	1 13 784.02
Planning and Economic Development	0.00	Planning and Economic Development	0.00
Roads and Transport Planning Services	55 519.91	Roads and Transport Planning Services	3 934.95
Total Deviations	58 585.70	Total Deviations	119961.47

6.4 Legal Implications

None, failure to report to Council will result in non compliance.

6.5 Staff Implications

None

6.6 Previous / Relevant Council Resolutions:

Council meeting of the 26 October 2020.

6.7 Risk Implications

None

6.8 Comments from Senior Management:**6.8.1 Executive Manager: Financial Services**

Every effort is being made to keep deviations as low as possible. However, some situations calls for the deviation process as allowed/stipulated in the MFMA.

6.8.2 Executive Manager: Corporate Services

No deviations reported for Corporate Services.

6.8.3 Executive Manager: Community Services

The Department is committed to reduce the number of deviations and a significant reduction has been noticed in the past years.

6.8.4 Executive Manager: Planning & Economic Development

Note the report on deviations.

6.8.5 Manager: Legal Services

Taking note of the deviations and that we comply with the provisions of Regulation 36 of the Supply Chain Management Regulations.

APPROVED DEVIATIONS

**ANNEXURE: A
DEVIATIONS AS PER SECTION 36 OF THE SCM REGULATIONS**

COMMUNITY SERVICES

Item No	Ref No	Name	Req Date	Deviation Category	Deviation Motivation	Deviation Approval Date	Payment Amt	Order Number
1	1132101	Valley Containers VIP Office Container	2020-11-17	Impractical Procurement Process	Containers installed at Mossel Bay EHP Offices. Tender for containers finalised and SLA signed. Therefore no deviations going forward.	2020-12-04	2242,50	D0002163

OFFICE OF THE MUNICIPAL MANAGER

Item No	Ref No	Name	Req Date	Deviation Category	Deviation Motivation	Deviation Approval Date	Payment Amt	Order Number
2	1137358	Mfinci Bahlmann Incorporated Attorneys	2020-12-01	Impractical Procurement Process	The private party to the PPP award has announced their withdrawal from the project at a stage where we cannot afford any delays, due to the environmental and health disaster looming if the Regional Landfill Site is not operational before PetroSA's site is full. The Landfill Task Team has met and resolved that we must get legal guidance on our options regarding Interwaste as a matter of urgency. The service provider must be an expert in Contract Law, Commercial Law and Commercial Litigation.	2020-12-14	114006,97	D0002296

ROADS AND PLANNING SERVICES

Item No	Ref No	Name	Req Date	Deviation Category	Deviation Motivation	Deviation Approval Date	Payment Amt	Order Number
3	1133307	OUDTSHOORN W/SHOP SERVICE BY AGENTS / TRUCK STILL UNDER WARRANTY	2020-11-20	Single Supplier	SERVICE BY AGENTS / TRUCK STILL UNDER WARRANTY .	2020-12-01	3712,00	D0002113

119 961,47

BACK TO AGENDA

1. **DEVIATION REPORT: IMPLEMENTATION OF THE SUPPLY CHAIN MANAGEMENT POLICY FOR THE PERIOD 1 JANUARY 2021 TO 31 JANUARY 2021 / AFWYKINGSVERSLAG: VOORSIENINGSKANAALBELEID VIR DIE PERIODE 1 JANUARIE 2021 TOT 31 JANUARIE 2021 / INGXELO YOTYESHELO: UKUMISELWA KOMGAWO WOALWULO LWENCITHO KWIXESHA LOMHLA 1 KWEYOMQUNGU 2021 UKUYA 31 KWEYOMQUNGU 2021**

REPORT FROM THE EXECUTIVE MANAGER FINANCIAL SERVICES: J-W DE JAGER

2 PURPOSE

To inform the Council of the deviations approved for the period 1 January 2021 to 31 January 2021.

3. DELEGATED AUTHORITY

Council

4. EXECUTIVE SUMMARY

The accounting officer must record the reasons for any deviations in terms of sub-regulation (1) (a) & (b) and report them to the next meeting of council. The report is for the month of January 2021.

5. RECOMMENDATIONS

1. That the implementation of Regulation 36 of the Municipal Supply Chain Regulation in terms of the deviations for the period 1 January 2021 up to 31 January 2021, be noted.
2. That it be noted that in terms of Section 114 of the Municipal Finance Management Act, Act 56 of 2003, there was no approval of tenders not recommended in the normal course of implementing Supply Chain Management policy of a municipality.

AANBEVELINGS

1. *Dat die kennis geneem word van die implementering van Regulasie 36 van die Voorsieningskanaal beleid in terme van die afwykings vir die periode van 1 Januarie 2021 tot 31 Januarie 2021.*
2. *Dat kennis geneem word dat in terme van Artikel 114 van die Munisipale Finansiële Bestuurswet, Wet 56 van 2003, daar geen goedkeuring was van tenders wat toegeken is in die normale implementering van die Voorsieningskanaalbeleid van die munisipaliteit nie.*

IZINDULULO

1. Sesokuba ukumiselwa komhlathi 36 woMgaqo Wolawulo Lwencitho yoMasiapala ngokwemimiselo yezotyeshelo kwixesha lomhla 01 kweyoMqungu 2021 ukuya 31 kweyomqungu 2021, kuthathelwe ingqalelo.
2. Sesokuba kuthathelwe ingqalelo ngikwemimiselo yoMhlathi 114 woMthetho Wolawulo Lwemali zoMasipala, uMthetho 56 wango 2003, akukhange kubekho ziniki maxabiso ezingandululwanga kwinkqubo eqhelekileyo yokumiselwa uMgawo Wolawulo Lwezencitho zomasipala.

6. DISCUSSION / CONTENTS

6.1 Background

Regulation 36 of the Municipal Supply Chain Regulation states:

A supply chain management policy may allow the accounting officer –

b) To dispense with the official procurement processes established by the policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only –

i) In an emergency

ii) If such goods or services are produced or available from a single provider only;

iii) For the acquisition of special of special works of art or historical objects where specifications are difficult to compile;

iv) Acquisition of animals for zoos; or

v) In any other exceptional case where it is impractical or impossible to follow the official procurement processes;

- c) To ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.

The accounting officer must record the reasons for any deviations in terms of sub regulation (1) (a) and (b) and report them to the next meeting of the council, or board of directors in the case of a municipal entity, and include as a note to the annual financial statements."

6.2 Discussion

Section 114 of the Municipal Finance Management Act, Act 56 of 2003 states:

- (3) *If a tender other than the one recommended in the normal course of implementing the supply chain management policy of a municipality or municipal entity is approved, the accounting officer of the municipality or municipal entity must, in writing, notify the Auditor General, the relevant provincial treasury and the National Treasury and, in the case of a municipal entity, also the parent municipality, of the reasons for deviating from such recommendation.*
- (4) *Subsection (1) does not apply if a different tender was approved in order to rectify an irregularity.*

6.3 Financial Implications

The total deviations for the period 1 January 2021 to 31 January 2021 amounts to **R42 379.00** (VAT included). Refer to **Annexure A**

6.4 Legal Implications

Main Expenditure for Deviation in January 2021

None

Trend Analysis Based on Successive Month to Month Comparison

APPROVED DEVIATIONS			
DEVIATIONS AS PER SECTION 36 OF THE SCM REGULATIONS			
Dec-20		Jan-21	
Department	Amount	Department	Amount
Community Services	2 242,50	Community Services	1 725,00
Corporate Services	0,00	Corporate Services	0,00
Financial Services	0,00	Financial Services	0,00
Office of the MM	114 006,97	Office of the MM	30 139,20
Planning and Economic Development	0,00	Planning and Economic Development	0,00
Roads and Transport Planning Services	3 934,95	Roads and Transport Planning Services	10 514,80
Total Deviations	120 184,42	Total Deviations	42 379,00

6.5 Staff Implications

None, failure to report to council will result in non-compliance.

6.6 Previous / Relevant Council Resolutions:

None

6.7 Risk Implications

None

6.8 Comments from Executive Management:

6.8.1 Executive Manager: Financial Services

Every effort is being made to keep deviations as low as possible. However, some situations calls for the deviation process as allowed/stipulated in the MFMA.

6.8.2 Executive Manager: Corporate Services

No deviations reported for Corporate Services.

6.8.3 Executive Manager: Community Services

The Department is committed to reduce the number of deviations and a significant reduction has been noticed in the past years.

6.8.4 Executive Manager: Planning & Economic Development

Note the report on deviation and improvements for the month of December.

6.8.5 Manager: Legal Services

Taking note of the deviations and that we comply with the provisions of Regulation 36 of the Supply Chain Management Regulations.

APPROVED DEVIATIONS**ANNEXURE: A
DEVIATIONS AS PER SECTION 36 OF THE SCM REGULATIONS****COMMUNITY SERVICES**

Item No	Ref No	Name	Req Date	Deviation Category	Deviation Motivation	Deviation Approval Date	Payment Amt	Order Number
1	1142147	J&B AUTO SPARES	2020-12-15	Emergency	Vehicle broke down while testing vehicle through Sandkraal, J&B was called to tow vehicle to Tata.	2021-01-18	1725,00	D0002504

OFFICE OF THE MUNICIPAL MANAGER

Item No	Ref No	Name	Req Date	Deviation Category	Deviation Motivation	Deviation Approval Date	Payment Amt	Order Number
2	1147938	Leadership Academy	2021-01-15	Impractical Procurement Process	<p>As internal Auditors we are affiliated with the Institute of internal Auditors (IIA) and therefore we are required to attend courses offered by the institution to obtain Continuous Professional Development (CPD) and maintain our professional designations.</p> <p>We also receive discounted rates due to our affiliation compared to courses with other service providers. (Attached is the discount offered on the said course)</p>	2021-01-19	30139,2	Direct Payment

ROADS AND PLANNING SERVICES								
Item No	Ref No	Name	Req Date	Deviation Category	Deviation Motivation	Deviation Approval Date	Payment Amt	Order Number
3	1146522	Tavcor	2021-01-12	Single Supplier	New bus / under warranty / second service / service must be done by the agent for warranty.	2021-01-13	5872,94	D0002439
4	1146888	Xerox	2021-01-13	Single Supplier	Contract expired, process is still ongoing for new tender.	2021-01-31	2418,91	D0002531
5	1147426	Air Liquid / Gas Cylinder Rentals	2021-01-14	Single Supplier	Cylinders installed at Roads depot. Tender processed failed due to market not responding. Second attempt for procurement in process.	2021-01-19	2222,95	D0002555

42 379,00

BACK TO AGENDA

DISTRICT COUNCIL

23 FEBRUARY 2021

1. COST CONTAINMENT REPORTING – QUARTER 2 OF 2020/21 / KOSTE INPERKINGSVERSLAG – KWARTAAL 2 VAN 2020/21 / INGXELO NGOKUNCIPHISA INDLEKO-IKOTA YESIBINI KA 2020/21

REPORT FROM THE EXECUTIVE MANAGER: FINANCIAL SERVICES (J-W DE JAGER)

2 PURPOSE

The purpose of this report is to table to Council the measures implemented and aggregate amounts saved in quarter two of the current financial year through the implementation of cost containment measures.

3. DELEGATED AUTHORITY

Council

4. EXECUTIVE SUMMARY

On 23 July 2019, Council approved the GRDM Cost Containment Policy. Section 17 of the policy provides that the Council on a regular basis reports to Council on the savings identified as a result of the implementation of the above policy. Refer to Annexure A in this regard – the format of the reporting was prescribed by National Treasury via Circular No. 97.

5. RECOMMENDATION

That Council notes the measures implemented and aggregate amounts saved in quarter two of the current financial year through the implementation of cost containment measures.

AANBEVELING

Dat die Raad kennis neem van die besparings soos identifiseer in kwartaal twee van die huidige finansiële jaar as gevolg van die implementering van die GRDM Koste Inperkingsbeleid.

ISINDULULO

Sesokuba ipBhunga lithathele ingqalelo imiqathango yokumiselwa kunye nemali eziye zongiwa kwikota yesibini yonyakala mali omileyo ngokumisela indlela zokonga zokunciphisa indleko.

6. DISCUSSION / CONTENTS

6.1 Background

On 23 July 2019, Council approved the GRDM Cost Containment Policy in order to comply with the new legislation that was issued on 7 June 2019.

Section 17 of the policy stipulates the following pertaining to disclosures of cost containment measures:

17.1 Cost containment measures applied by the municipality must be included in the municipal in-year budget report and annual cost savings must be disclosed in the annual report.

17.2 The measures implemented and aggregate amounts saved per quarter, together with the regular reports on reprioritization of cost savings, on the implementation of the cost containment measures must be submitted to the municipal council for review and resolution. The municipal council can refer such reports to an appropriate council committee for further recommendations and actions.

17.3 Such reports must be copied to the National Treasury and relevant provincial treasuries within seven calendar days after the report is submitted to municipal council.

National Treasury further issued MFMA Circular No.97 which prescribed a template for quarterly reporting of cost savings realised from implementation of cost containment measures – please refer to Annexure A for the cost savings at GRDM in quarter 2 of 2020/21 in this regard.

It should be noted that various cost-cutting measures were already incorporated in the budget process for 2020/21 and therefore the issuing of the Municipal Cost Containment Regulations did not have an impact on all expenditure types addressed in the Regulations.

The most significant savings are with regards to catering and events, domestic travel and accommodation, as events/travel was limited due to the impact of COVID 19 and increased use of technology for meetings and other engagements.

All savings will be re-prioritised in the adjustment budget process in order to fund additional COVID-related expenditure and to cover revenue-shortages (e.g. lower revenue from Resorts due to cancellation as a result of lockdown level announced by President).

6.2 Discussion

None.

6.3 Financial Implications

Year-to-date savings due to cost containment measures: R808,000

6.4 Legal Implications

None, as there are compliance with the Cost Containment Policy.

6.5 Staff Implications

No Staff implications.

6.6 Previous / Relevant Council Resolutions:

There are previous or relevant Council resolutions related to this matter.

6.7 Risk Implications

There are no foreseen risks associated with the proposed decision for Council.

6.8 Comments from Executive Management:**6.8.1 Executive Manager: Financial Services**

Local Government is currently operating in very difficult economic circumstances. Cost containment is fully supported within the operational imperatives of high quality service delivery to the district.

6.8.2 Executive Manager: Corporate Services

Support the recommendations to re-prioritise savings encountered for the period.

6.8.3 Executive Manager: Community Services

Due to COVID19 most meetings are done through Zoom or Teams which results a huge savings for Council.

6.8.4 Executive Manager: Planning & Economic Development

Whilst the savings are noted, the regulations halted a number of initiatives that the District Municipality was support such as, events that were aimed at promoting tourism and showcasing the Region. These regulations had adverse effected growth of the economy and thus fueling unemployment activities across all key sectors that were supported by Municipalities.

6.8.5 Manager: Legal Services

Support the recommendations as it is in line with the Cost Containment Policy.

Annexure A

Measures	Cost Containment In-Year Report					
	Budget	Q1	Q2	Q3	Q4	Savings
	R'000	R'000	R'000	R'000	R'000	R'000
Use of Consultants						
No significant savings identified, as budgeted amount established using principles that were already in line with new Cost Containment Policy						
Vehicle used for political office-bearers						
No budget for purchase of new vehicle used for political office-bearers in period under review.						
Travel and subsistence						
Savings identified in Q2 due to impact of COVID 19 on travel	581	152	179			250
Domestic accommodation						
Savings identified in Q2 due to impact of COVID 19 on travel	240	8	28			204
Sponsorships, events and catering						
Savings identified in Q2 due to impact of COVID 19 on events	399	33	71			295
Communication						
Savings identified in Q2 due to impact of COVID 19 on events	165	9	97			59
Communication						
No significant savings identified, as budgeted amount established using principles that were already in line with new Cost Containment Policy						
TOTALS	1 385	202	375	n/a	n/a	808

[BACK TO AGENDA](#)

1. **UPDATE REPORT ON THE ACTIONS TAKEN BY THE DISTRICT COVID-19 COMMAND COUNCIL TO ADDRESS THE COVID-19 PANDEMIC / OPDATERINGSVERSLAG RAKENDE DIE AKSIE STAPPE WAT REEDS DEUR DIE COVID-19 DISTRIK BEHEERRAAD IN PLEK GESTEL IS OM DIE COVID-19 PANDEMIE AAN TE SPREEK / INGXELO ENTSHA NGAMANYATHELO AYE ATHATYATHWA LIBHUNGA LOLAWULO LESITHILI SE COVID-19 OKUJONGANA NOBHUBHANE COVID-19**

**REPORT FROM THE EXECUTIVE MANAGER COMMUNITY SERVICES (C AFRICA) /
MANAGER DISASTER MANAGEMENT (G OTTO)**

2 PURPOSE

To inform Council about the actions taken by The District Covid-19 Command Council to address the Covid-19 Pandemic, as well as the amended regulations promulgated in terms of the Disaster Management Act, 2002 (Act no 57 of 2002, as amended).

3. DELEGATED AUTHORITY

Council

4. EXECUTIVE SUMMARY

The Head of the National Disaster Management Centre (NDMC), after assessing the potential magnitude and severity of the COVID-19 pandemic in the country, on 15 March 2020, classified the COVID-19 pandemic as a national disaster.

The Minister of Cooperative Governance and Traditional Affairs, following the classification of the COVID-19 pandemic as a national disaster and a Cabinet meeting where the matter was discussed, on 15 March 2020, declared a national state of disaster recognising the need to augment the existing legislation and contingency arrangements to deal with the pandemic.

On Wednesday the 11th of November the National Disaster declaration was extended to the 15th of December 2020. On the 3rd of December the President announced the National Disaster Declaration will be extended until the 15th of January 2021. On the 13th of January 2021 the Minister of Cooperative Governance and Traditional Affairs, Dr Nkosazana Dlamini Zuma published in Government Gazette 43993 extended the National State of Disaster to the 15th of February 2021. Currently the National State of Disaster has been extended to the 15th of March 2021

6. DISCUSSION / CONTENTS

6.1 Background

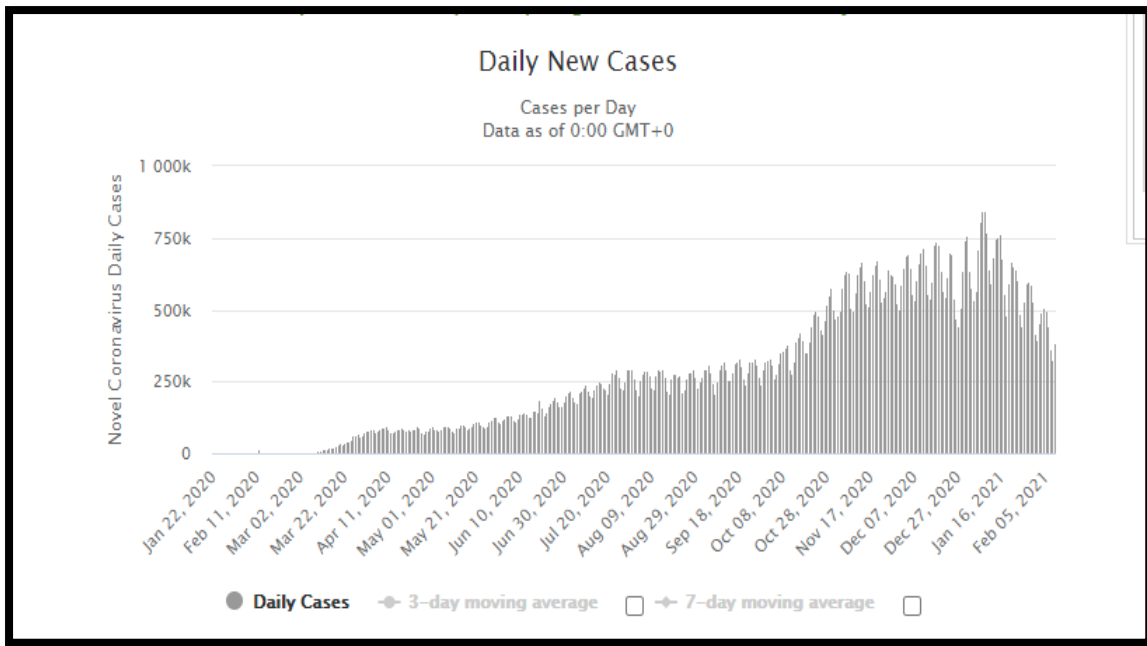
Today, 10 February 2021 is exactly **333** days since the declaration of a National state of Disaster due to the Covid-19 pandemic; it is day **44** of the National Amended Alert Level 3 COVID-19 Lockdown and day **331** of the GRDM District Command Centre activation.

Overview on Covid-19 Cases International, South Africa, the Western Cape and the Garden Route District as on 10 February 2021.

Internationally:

Internationally the total number of Coronavirus cases now exceeds the **100 million** mark at **107,460,128** on Wednesday (10/02/2021) with **2,352,837** people who lost their lives due to this virus. Fortunately, to date **79,393,465** people have recovered.

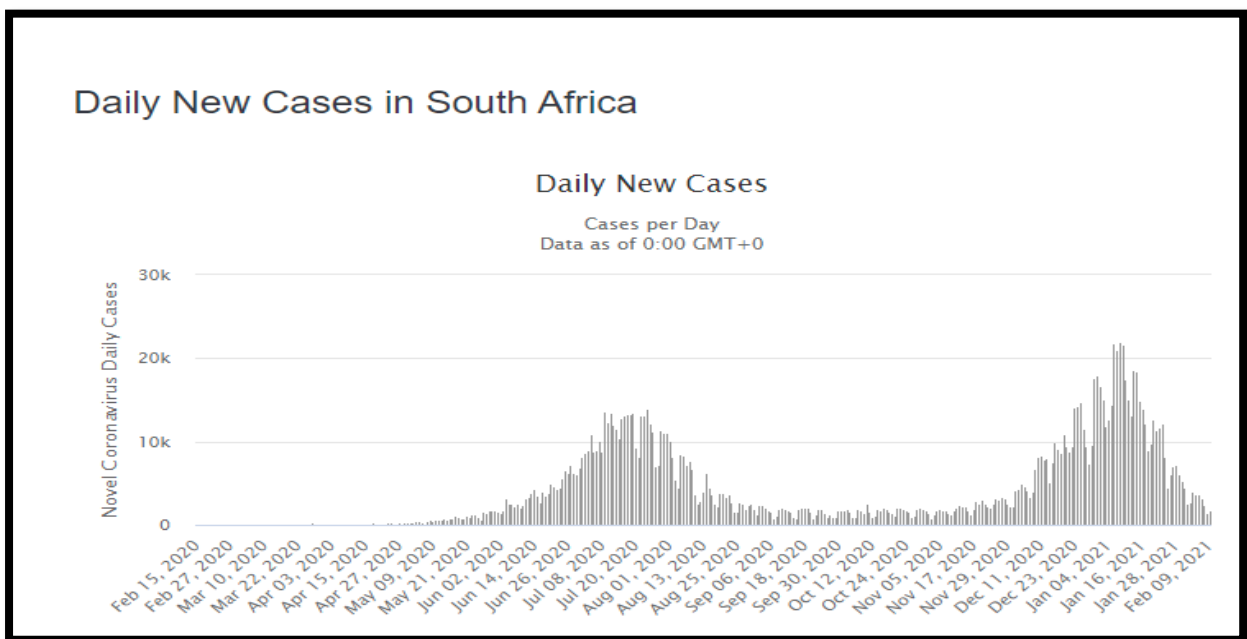
Graph 1: International Daily New Cases as on 10 February 2021



South Africa:

In South Africa we now have a total of **1,479,253** positive Coronavirus cases reported, of these cases **1,367,247** or **(92%)** of the infected people have recovered and to date **46,869** people lost their lives due to this virus.

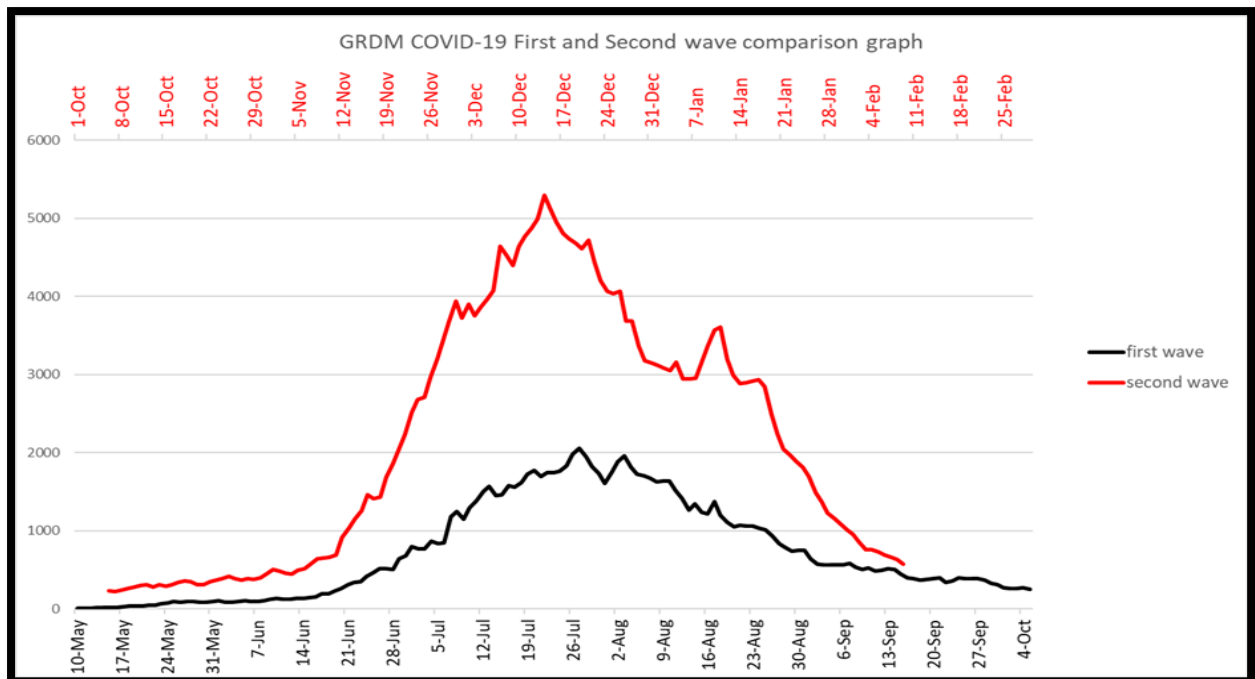
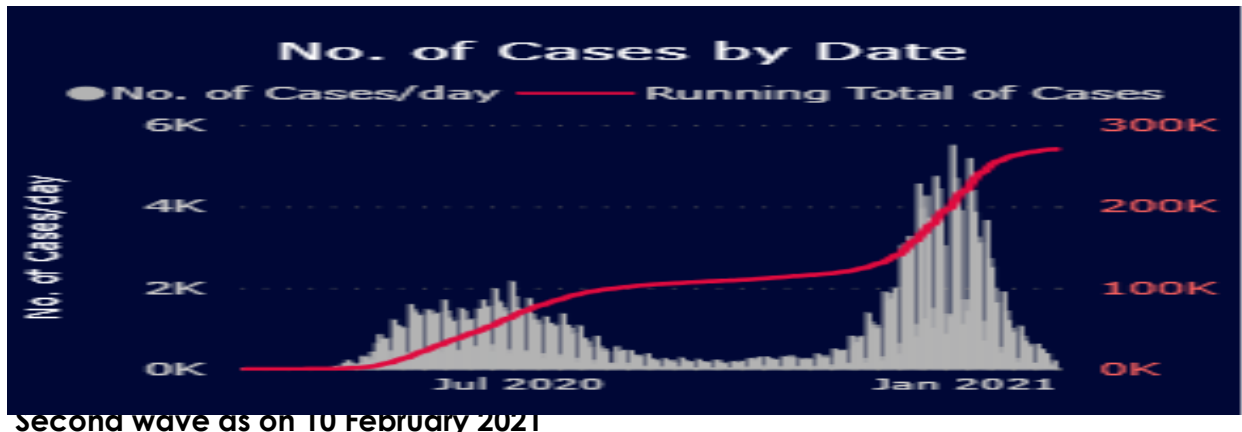
Graph 2: South Africa Daily New Cases as on 10 February 2021



Western Cape

In the Western Cape the total number of positive Coronavirus cases reported is **270,303** of these **252,019 (93%)** have already recovered and the total amount of people who lost their lives due to this virus is at **10692** people.

Graph 3: Western Cape Daily New Cases



Graph 5: Garden Route District Municipality cases per local Municipality from May 2020 till February 2021

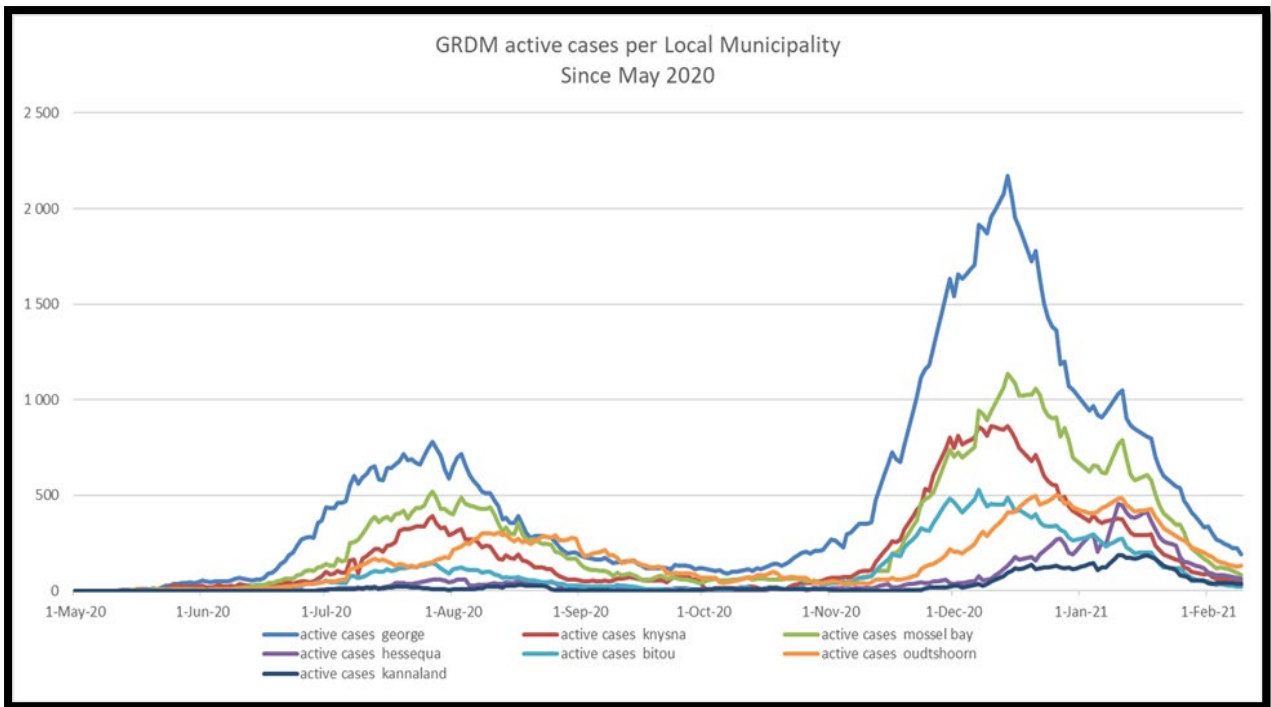
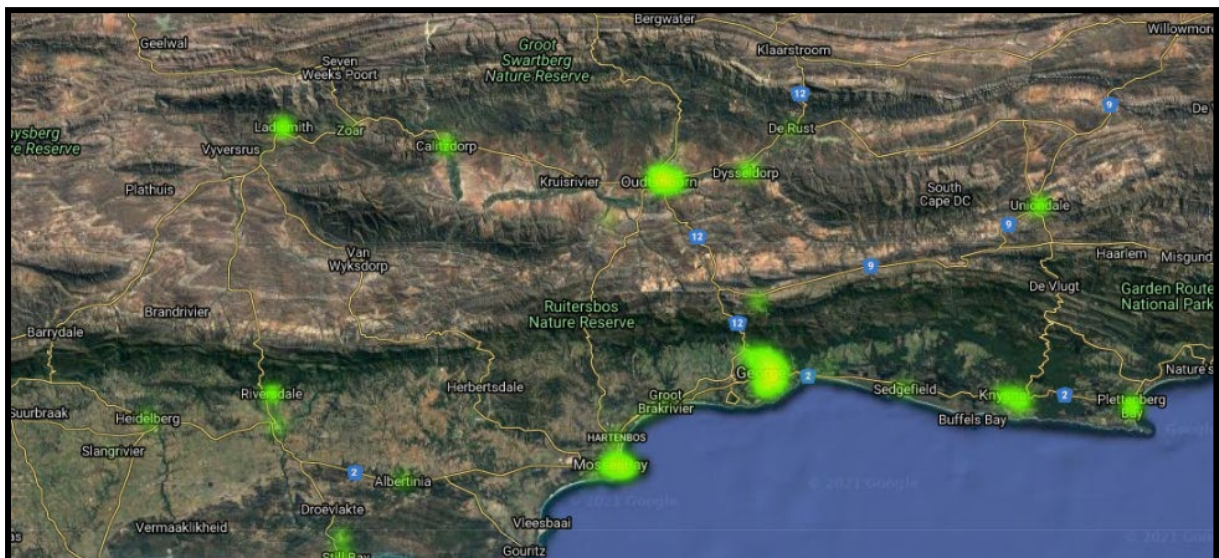


Table 3: Statistics in terms of covid-19 positive cases within the GRDM from 21/01/2020 until 8/02/2021

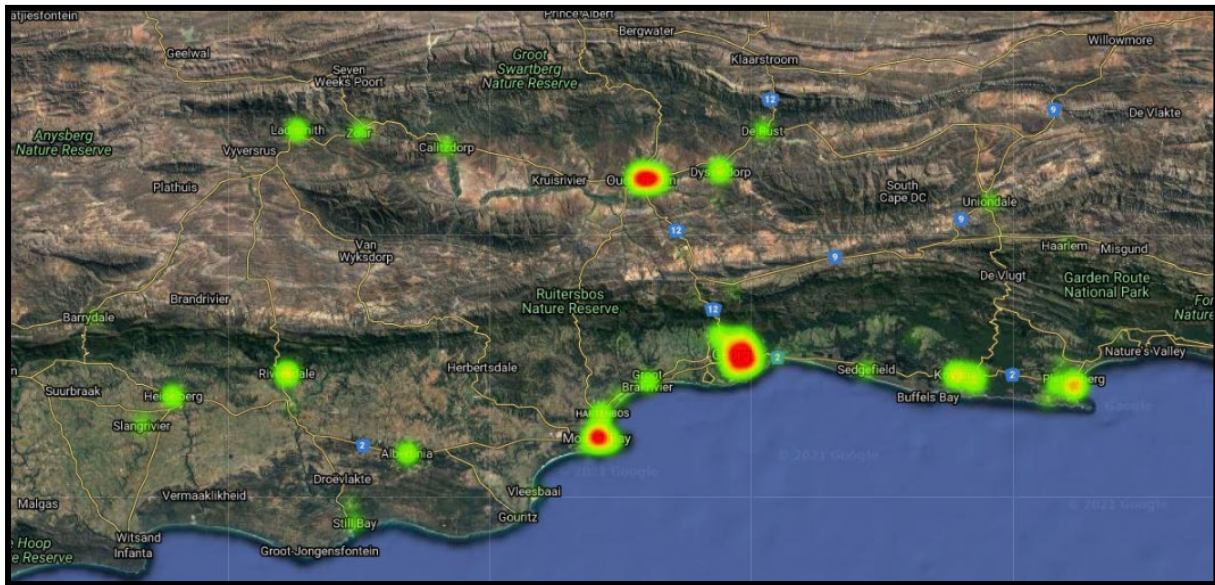
Date	Description	Oudtshoorn	Bitou	Knysna	George	Mossel Bay	Hessequa	Kannaland	GRDM
Thursday 21/01/2021	Positive Cases	3 637	2 590	4618	11 182	6 985	1 775	749	31 536
	Deaths	213	101	153	369	192	82	27	1 137
	Active Cases	359	139	4 618	644	449	283	151	2 298
Date	Description	Oudtshoorn	Bitou	Knysna	George	Mossel Bay	Hessequa	Kannaland	GRDM
Wednesday 27/01/2021	Positive Cases	3 704	2 628	4 684	11 368	7 059	1 826	774	32 043
	Deaths	224	104	156	379	196	91	30	1 180

	Active Cases	263	97	123	471	305	151	77	1 487
	Recoveries	3 217	2427	4 405	10 518	6 558	1 584	667	29 376
Date	Description	Oudtshoorn	Bitou	Knysna	George	Mossel Bay	Hessequa	Kannaland	GRDM
Monday 01/02/2021	Positive Cases	3 753	2 639	4 707	11 438	7 106	1 871	785	32 299
	Deaths	227	104	157	400	203	93	33	1 217
	Active Cases	201	49	87	335	170	119	53	1 014
	Recoveries	1 659	2 486	4 463	10 703	6 733	1 659	699	30 068
Date	Description	Oudtshoorn	Bitou	Knysna	George	Mossel Bay	Hessequa	Kannaland	GRDM
Monday 08/02/2021	Positive Cases	3 784	2 656	4 728	11 500	7 153	1 909	816	32 546
	Deaths	232	104	158	412	206	96	37	1 245
	Active Cases	133	25	223	56	106	74	39	656
	Recoveries	3 419	2 527	4 514	10 865	6 841	1 739	740	30 645

Hotspot map i.t.o new COVID-19 cases since 21 January 2021 till 10 February 2021



Hotspot map i.t.o Deceased persons till 10 February 2021



6.2.Discussion

The following is a list of actions taken and the most important situation updates up and until the 10th of February 2021:

GRDM Covid-19 Command Centre:

On the 21st of January 2021, Dr Marshall from the Dept. of Health reported that information regarding the vaccine roll-out is unclear at this stage, due to it still being in the planning phases, but as soon as it becomes available, it will be communicated.

- The Chairman of the GRDM COVID-19 DCC (District Command Centre) reported that oxygen useage in the Western Cape peaked at 80 ton per day, 70 ton produced in the Western Cape and 10 ton imported from the Eastern Cape. This come at a total cost of R15 million per month.
- Government had purchased 1 million doses of the Covishield (ChAdOx1-nCovid19) vaccine to be delivered by the end of January 2021 and a further 500 000 doses in February 2021.

- Covishield is developed by the University of Oxford / AstraZeneca at the Serum Institute of India, the cost is around 4 dollars per shot and the dosing schedule is two shots 4 weeks apart.
- Vaccination will be dealt with in a phased approach namely:
 - **Phase 1 :** Public and Private Health Workers;
Care Workers;
CHW's;
Health Science students;
Traditional Healers
Target - 105 000 people
 - **Phase 2 :** Essential workers;
Care Workers
Older than 60 years;
CHW's ;
People older than 18 with Co-morbidities
Health Science students
Target - 2 million people.
 - **Phase 3 :** Older than 18 years
Target: 3 million people.
- He mentioned that he does not see that the broader section of our communities would be vaccinated within the next 6 to 9 months; (Western Cape total population – 7 million/ 800 000 below 18 years = 6,2 mil).
- Dr Marshall also reported that the roll-out of the vaccination program will be one of the biggest logistical tasks this country has undertaken, District Disaster Management Centres would form an integral part of this program to assist with coordination between all role-players as well as to provide logistical support.
- At the time of his report, there were 23 new variants of the COVID 19 virus.

Health Cluster: Department of Health

On the 27th of January, 2021, Dr Marshall reported, based on the available data, w.r.t COVID-19 statistics it was the best position the district has been in a while, there had also been a welcome decrease of active cases per 100 000 for the entire sub-districts. Over the past 7 days, it had been observed that there had been a substantial decrease of cases when compared to the 7-14 days.

Active cases per 100 000 population in the Western Cape stands at 256 and the previous week it was 422. Showing and 42% decrees on cases in both the Province and the District.

With regards to hospitals, George hospital had improved, 61% of general covid beds were in use and 43% of critical care beds were also in use and all district hospitals were manging well at the time of the report.

- The South African National Defence Force's deployment in the GRDM has been extended until the end of February 2021. Currently active in George in the Conville area.
- From the PCF (Premiers Coordinating Forum) that was held on the 27th of January 2021, Dr Keith Cloete indicated that all active cases in the districts and in the City if Cape Town has gone down significantly.
- SASSA payments will commence during the first week of February.
- SAPS have warned about personal robberies, ATM robberies, as well as cash in transit heists during the SASSA pay-outs.

Active cases per 100 000 population in the Western Cape stands at 256 and the previous week it was 422. Showing and 42% decrees on cases in both the Province and the District.

On the 1st of February, Dr Marshall reported that there had been a welcome decrease in active cases per 100 000 for all sub-districts in comparison to the previous week, whilst the number of new infections had also shown a decrease when compared to the previous 7 days. In George, the critical care unit was at 66% capacity, all hospitals in the district were experiencing decrease in admissions and were managing well. Some hospitals were also looking at expanding select services while planning for the vaccine rollout was expanding.

On the 8th of February, Dr Marshall reported that there had been a further decrease in active cases for the entire sub-district, in comparison to the previous week, while the number of new cases during the past 7 days had decreased as well compared to the previous week for all subdistricts besides Kannaland. Hospitals were also in a good state, at this point George hospital had experienced a substantial decrease with its critical care unit at 46%. All other district hospitals had been experiencing substantial reductions in admissions and are manageable. The DoH also reported that there was ongoing planning for rollout of the vaccine.

Dr Marshall reported that the total cases for GRDM were 35 536, there were 2238 active cases, recoveries were at 28161, while deaths were at 1137. He stated that the number of deaths for George have not been captured as yet but it will be included once received. Dr Marshall also reported that the average age of the deaths in the relevant sub-districts is as follows:

Table 4: Age distribution of deaths during the second wave of Covid-19 infections.

Sub District	Age	GRDM
Hessequa	65	District average : 63 First wave average was : 62
Mossel Bay	67	
George	62	
Knysna	64	
Bitou	59	
Kannaland	62	
Oudtshoorn	62	

Active cases were at 100 000 of the time of the report, the cases had decreased in each sub district for the last 7 days)In the Western Cape the number is 442; in the district it is 363; Kannaland: 676; Hessequa: 527; Bitou 222. There is definitely a decrease in comparison with last week's figures; George – 923 in comparison with 887 last week. During the past 3 days the number of active cases has slightly decreased with Hessequa at 110 in comparison with 335 last week. Mossel Bay – 938 in comparison with 1137. Kannaland 165 in comparison with 425 of last week. During the last 7 days a 29 % decrease in numbers for active new cases.

According to Dr Marshall the status of Quarantine sites at Petro SA were that there were 32 people in Isolation and 11 in quarantine. These numbers are very manageable. Gate Way Lodge: 1 person in isolation. The owners of Gate Way lodge have decided to keep the facility open even though the numbers are very low. The Activation of Preekstoel is still going to go ahead due to the rising numbers at Hessequa. Awaiting the appointment of the Nursing Staff for Preekstoel and hopefully by next week there will be 2 professional and 2 staff nurses at the facility.

With regards to Hospitals, it was reported that George hospital was at 75% of COVID beds are full and 50% of critical care beds are full. Ladismith and Oudtshoorn remained the busiest, but a slight decrease in numbers are shown every day. All other hospitals in the district are no longer under pressure and the oxygen availability is sufficient.

On the 28th of January, it was reported that Active cases per 100 000 population in the Western Cape stands at 256 and the previous week it was 422. Showing a 42% decrease on cases in both the Province and the District.

Table 5: The Active cases per 100 000 of population as on 28 January 2021:

Sub-district	Active cases / 100 000 pop	<i>Previous: 1 week ago</i>
Hessequa	277	527
Mossel Bay	280	483
George	210	302
Knysna	170	296
Bitou	138	222
Kannaland	320	676
Oudtshoorn	244	363
TOTAL	223	363

On the 4th of February 2021 , the acting Chairperson of the GRDM DCC reported that the last time the figures were as low as they currently are at local Municipal level were as follows;

- Hessequa: 11 Dec 2020;
- Oudtshoorn: 27 Nov 2020;
- Bitou: 5-6 Nov 2020;
- George: 4-5 Dec 2020;
- Mossel Bay: 14 Nov 2020;
- Knysna: 31 Oct 2020;
- Kannaland: 9 Dec 2020;
- Garden Route: 5-6 Nov 2020.

Health Cluster: Garden Route Environmental Health

The report provided by Environmental health on activities on the 21st of January 2021 ,highlighted that there were inspections were conducted at 177 SPAZA Shops and it was found that 42% non-compliance at these shops, to mitigate this, there will be regular monitoring at the shops that do not comply. Furthermore, 33 funerals were attended to ensure compliance in the region by EHP's and a challenge that the

department was facing is the traditional Muslim burial, especially the time frame and that funerals are being conducted at night.

Mr Compion mentioned that he has a request for Municipal Managers that they action the letter on vaccination ,a letter was distributed from the Dept. of Local Government for the vaccination of essential workers, please submit the information to the Department as soon as possible. The district is also currently busy drafting a waste management plan and certain information is required for the service provider.

With regards to burials and burial sites there is enough space at the cemeteries for burials. Undertaker's storage capacity was at 56%. Crematorium is fully booked until the 9th of February 2021; cremations are two weeks behind as they are under lot of pressure.

219 Inspections were conducted at SPAZA Shops and Supermarkets. Compliance notices were given to 1 Supermarket, 2 restaurants and 8 SPAZA shops.

The report on the 4th of February, highlighted the following: Mortuaries are at 42% capacity. Crematoriums still under pressure,Municipal health report has been circulated 142 inspections done at food related premises 52 inspections done at non-food related premises. Trying to go back to normal services as the figures drop.

Safety and Security Cluster

On the 21st of January, the security cluster led by Col Terblanche reported that no faith based gatherings are allowed, but is important to know that faith based premises is not allowed to be closed; their administration is allowed to operate. The regulations does not prohibit inter provincial travel or to and from hotspots, so there is no need for a permit. Furthermore, a child under the age of 6 does not have to wear a face mask.

It was reported that if a person has a facemask in his possession and is not wearing it, he cannot be arrested because he is failing to comply, the person must be given the opportunity to cover his face, mouth and nose.

If a child refuses to wear a face mask, the parents of the child cannot be held responsible. Whilst travelling with own family members in a car, you don't have to wear a mask, but if travelling with people not of your own family, everyone is required to wear a mask. Swimming pools at hotels and lodges is also considered a public pool. In terms of policing, things are as per normal and SANDF is operating again.

On the 28th of January 2021, it was reported that the deployment of SANDF in the District has been extended in line with the priorities of SAPS. There has been an increase in serious robberies on businesses, SPAZA shops and cash in transit. There have been less COVID-19 cases at SAPS internally, with less isolation cases.

Two people from George were advertising the sale of alcohol on Facebook, a man and his wife from George were arrested.

In Knysna there was also an arrest with alcohol confiscated to the value of R17 000.00 from a bakkie that was doing knock and drop deliveries of alcohol.

Education

On the 21st of January 2021 it was reported that school SMT's and non-educating staff were returning to schools on 25 January 2021 and the next three weeks will be utilised to ensure schools are ready to receive learners on 15 February 2021 (e.g. cleaning and sanitising). Furthermore, temporary Revised Education Plans are in place for all schools in the district (addressing curriculum issues as well as possible rotation of classes, etc.).

It was also reported that feeding will commence as from 25 January 2021

2 Educators had passed away over the past week due to COVID-19.

On the 28th of January, it was reported that all schools in the GRDM area were open for senior management to make sure the schools are cleaned and ready for the return of educators on the 1st of February and the learners on the 15th of February.

The department will have a meeting with all primary school principals and the feeding scheme programme will resume on Friday 29 January 2021. All learners are allowed to eat at the nearest school, not only the school that they attend.

There has been a lot of bullying incidents (predominantly adults trying to get food off children) at schools and some challenges reaching the farm schools.

Social Services

On the 21st of January, the department reported that No new cases were reported from Dept. of Social Development staff. All offices was decontaminated on Friday, 15 January 2021, except George and Regional Offices. Residential services for older persons, an increase has been seen. There was a total of 33 positive cases, 6 recoveries and 8 deaths. Staff members at residential facilities, increase of 29 new cases, 19 recovered and 0 deaths reported.

At Oudtshoorn Aftree-oord – there were 10 new cases reported and 2 new deaths with 7 new staff members tested positive.

Droom residential facility in Riversdale there were 2 new staff members tested positive and 1 death.

Positive story a resident of 100 years old in Calitzdorp recovered from COVID.

Department is busy finalizing contracts that will receive additional funding from DSD for soup kitchens in the different municipalities. On the 28th of January, social services reported on Staff related Covid-19 statistics: 1 positive case and 3 in Isolation. Total cases are 37 with 34 recoveries. Decontamination of offices was done at the George office and all other offices were deep cleaned.

Feedback from SASSA was that the grant rollout process was rolled out over 3 days with the relief grant of R350 will be paid on the 8th of February. There has been a number of enquiries regarding the disability grant applications and its being

prioritized. There are engagements with local municipalities to use their halls to centralise all services to the communities due to limited capacities of offices in the areas. There are volunteers made available to assist from the N.D.A.

Transport and logistics

On the 21st of January, Mr Robb reported Red Dot services is still handling the demand to and from Q and I facilities. There are two additional vehicles that are available for the George area.

With regards to the Preekstoel Q&I facility a Red dot vehicle will be staged at Riversdale hospital during the day, for pick up and drop offs, if the numbers increase, alternative arrange will be made to have a vehicle there permanently.

On the 28th of January, it was reported that The Airport had a good festive season with excess of 50 000 passengers. A sudden decline in January with some days having only 3 flights as most flights were cancelled. RDM EHP and Health support ended on the 31st of December 2020 this is hugely appreciated by ACSA George.

There was a decline in road fatalities generally in the Province, this was contributed by the different stakeholders involvement in different operations. The illegal taxi operators in George has been addressed

There has been concerns raised regarding the Covid-19 compliance of illegal taxi operations-this will be discussed offline and feedback will be provided.

On the 4th of February it was reported that Red dot: Preekstoel activated as a quarantine & isolation facility, Red dot numbers are a lot lower currently. In discussions with regard to the starting the Blue Dot program, attempting to get standardised fines list. Noted by Col. Terblanche that this would be incredibly helpful.

Business, Economy and Tourism

On the 28th of February, it was reported that the first Economy Cluster meeting for 2021 will take place on Wednesday the 3rd of February, as most cluster members are still on leave.

The GRDM SMME support programme adjudications were held last week (21&22 January). The adjudication panel will meet next week to finalize the support list and required goods will be sourced and sponsored to the selected SMME'S in aid to support the sector within the region during this pandemic.

On the 4th of February it was reported that most of the information for the ecosystem project was received, waiting for BitouWestern Cape Government has been working on COVID-19 workplace safety initiative, which includes professional health and safety services for businesses at no cost.

Awaiting some SMME safety kit registers. Dept of Small Businesses had outreaches last year, that covered most of GR. Loans and grants programs becoming more streamlined.

Export and agricultural week to be held at the end of March. Virtual one-stop shop to be opened with WESGRO. Oudtshoorn part of a small town regeneration program late in February. Looking at ways to make municipal owned farms profitable.

Stillbaai business chamber indicated that businesses faced a big market decrease over the December period. Busy with 2020/2021 SMME support program processes.

Communications

On the 4th of February, the following feedback was received from communications, Feedback from Provincial Health Communication representative is that a phased roll-

out of communication will be followed, similar to governments vaccine roll-out strategy:

- Frontline Healthcare workers
- Essential workers, people in congregate settings, persons older than 60, persons older than 18 with co-morbidities
- Others older than 18 years

All these phases will be communicated to local government through ready-to-use communication toolkits

There will be communication about the vaccine roll-out in general will be around providing assurance to audiences that their safety is prioritised. Through the communication efforts there will also seek to inspire trust about vaccines, the system of roll-out and ethics of decisions. These objectives will be reached if we proactively and consistently communicate about issues on the ground. Messages can be locally generated, we at the district will use messages from internal "influencers" and role models.

WEBIPANEL

We are hosting a webi-panel discussion on the role of associations and chambers in post-covid-19 economic recovery on 17 February. The link was posted to our job group, local municipal communicators and media.

News Release

News Release: Our role at a COVID-19 mortality that took place at someone's home
 News Release: Progress made so far with our joint effort with George Municipality to reduce illegal dumping.

Weekly disinfection calendar will be issued tomorrow.

Lastly we will continue to echo national and provincial messaging.

Local Municipal Joint Law Enforcement:

Bitou:

- EHP's are busy with inspections at SPAZA shops and restaurants
- Law enforcement and SAPS are also making sure of adherence to the regulations
- All activities are being coordinated accordingly

Knysna:

- 1 active case, 2 recoveries
- Most teams have returned including the administration side with conditions
- Closure of some businesses and restaurants and it's a concern for tourism
- Some economic clusters are really working hard and are thinking out of the box to be able to stimulate the economy
- The visibility of SANDF and SAPS is much appreciated
- The blatant disregard of wearing of mask in public is a challenge
- The JOC meeting with SAPS, SANDF and Law Enforcement will take place next week Thursday

George:

- 204 staff tested positive with only 2 active cases
- There was no new cases in the last 7 days
- Regarding Voëlklip, there was a meeting with all role payers
- Disinfections continue at the municipal building

Mossel Bay:

- 2 Active cases, 5 in quarantine and 4 deaths
- There is a major challenge with the homeless
- The collaboration between SAPS, SANDF and Law Enforcement led to the closure of 3 SPAZA shops with the help of health inspectors
- The department of labour telephonically closed the Clinic at Jo-Slovo they were not happy with the way it was disinfected
- There is also health related issues at the hospital sometimes

- The taxi rank inspections will be conducted next week.

Hessequa:

- The joint team conducted individual entities
- Law enforcements activities operating as usual, EHP's also operating as per normal
- Contact tracing on all cases relating to self-isolation and quarantine
- Compliance inspection at funerals and SPAZA shops and butchery restaurants inspections
- There has been written and verbal warnings issued for those who didn't comply with COVID-19 regulations
- Ongoing disinfection of the CBD area in Riversdale
- Joints team will be back on track next week

Kannaland:

- Law enforcement teams conducted compliance inspections at Van Wyksdorp, Zoar, Calitzdorp and Ladismith at SPAZA shops and Supermarkets regarding COVID-19 regulations adherence
- None compliance warnings were issued for those who didn't comply with certain general cleanliness and waste management practices
- Funerals at Zoar , Calitzdorp and Ladismith were monitored
- Cleaning activities were conducted by EHP's
- Health department, SAPS and EHP's worked together to investigate non-compliance regarding positive case, close contacts and self-isolations who don't abide to the regulations
- Behavioural changes were investigated in order to mitigate the risk of infections
- Disinfections were conducted at the SAPS building, Van Wyksdorp clinics and SPAZA shops. This was done by the GRDM Fire Services.

ENVIRONMENTAL HEALTH AND PORT HEALTH SERVICES

This report serves to inform council about the weekly activities conducted by the Municipal Health Department in the Garden Route District Municipality.

The report reflects the Planned Public Health Activities and Contact Tracing and Sampling Statistics from 15 January 2021 until 10 February 2021.

PLANNED PUBLIC HEALTH ACTIVITIES

Table 3: Municipal Health Public Activities

FOOD PREMISES						
Name Premises	Number of premises inspected	Number of premises compliant	Number of premises non-compliant	Number of legal actions taken	Number of premises closed/ Given a closure notice	comply to COVI-19 regulations (sanitizing, social distancing and wearing of masks)
Food production facilities	16	14	2	-	-	16
Supermarkets	115	93	14	-	1	110
Restaurants	192	157	32	3	2	180
SPAZA shops	484	309	175	27	11	260
Informal Food traders	59	51	8	2	-	57
Soup kitchens	6	5	1	-	-	3
School feeding schemes	3	3	-	-	-	3
Butcheries	14	14	-	-	-	12
Tshisanyamas	-	-	-	-	-	-
Dairy farms	-	-	-	-	-	-

HEALTH SURVEILLANCE OF PREMISES						
Name Premises	Number of premises inspected	Number of premises compliant	Number of premises non-compliant	Number of legal actions taken	Number of premises closed/ Given a closure notice	comply to COVID-19 regulations (sanitizing, social distancing and wearing of masks)
Retail Stores	39	35	4	-	-	36
Funeral undertakers	27	27		-	-	27
Taverns/Pubs/ Bottle stores	5	5	-	-	-	5
Crèches	15	13	3	1	-	14
Old Age Homes	7	6	1	1	-	8
Schools	6	15	-	-	-	6
Health Care Risk Waste Facilities	9	9	-	-	-	8
Hair salons/ Barbershop	10	8	2	-	-	9
Waste facilities (Landfill sites)	38	32	6	-	-	6
Informal settlements	11	10	1	-	-	6
Public toilets	41	37	4	-	-	38
Guest House/ Accommodation	30	30	-	-	-	30
Churches	3	3	-	-	-	3
Shopping centres/ Malls	17	17	-	-	-	17
Garages/ Petrol Stations	12	9	3	-	-	9
Farms	1	-	1	-	-	-
Taxi ranks	4	3	2	-	-	4
Prisons	2	2	-	-	-	2
Health establishments						
Clinics	10	10	-	-	-	10
Hospitals	3	3	-	-	-	3

Old Age Homes	4	4	-	-	-	3
Nursing Homes	-	-	-	-	-	-
Recreational facilities	6	1	5	-	-	1
Funeral Gatherings	38	18	1	-	-	37
Waste water facility	2	2	-	-	-	2
Water treatment Plant	1	-	1	-	-	1

HEALTH AND HYGIENE EDUCATION/AWARENESS	
Type of community	Number of awareness sessions conducted
Churches	11
Shopping Centres	10
Garages/Petrol stations	3
Taxi Ranks	6
Health Establishments	
• Clinics	3
• Hospitals	2
• Old Age homes	2
• Nursing homes	-
Formal food premises	66
Informal food Traders	21
SPAZA Shops	131
Surveillance and Prevention of Communicable Diseases	898
Total number of Awareness Sessions	1206

SAMPLING (DRINKING WATER/ FINAL EFFLUENT/FOOD)				
Sample type	Number of samples	Compliance		Outstanding results
		Compliant	Non-compliant	
Drinking water (WSA)	610	33	2	26
Drinking water (NWSA)	1	-	-	1
Final effluent(WSA)	12	9	1	2
Final effluent(Private)	1	-	-	1
Recreational Water	6	2	-	4

Food	31	10	2	19
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DISINFECTION ACTIVITIES – GOVERNMENT AND PRIVATE OWNED BUILDINGS AND PUBLIC SPACES		
Type of premises	Number of Deep cleansing activities	
	Conducted by GRDM	Conducted by private entities
Food Premises	4	6
Taxi Ranks	3	3
Old Age Homes	29	1
Police Stations	1	1
Magistrate Courts	1	-
Clinics	3	1
GRDM Buildings	-	-
Retail Stores	5	2
Residential Areas (homes)	5	10
SPAZA Shops	4	15
Prisons	-	1
Walkways	-	1

EVENTS MANAGEMENT	
Type of event	Number of events
Meeting	27
Screening at Airport	-
Roadblocks	-
Training	4

COVID-19 - CASE INFORMATION	
Number of Home Visit to COVID-19 Positive Cases	221
Number of Contacts Traced via Phone	843
Number of Contacts Traced - Physical	237
Number of Untraceable Cases/Contacts	43

DECEDENT INFORMATION	
Number of deaths (all deaths)	500
Number of COVID-19 deaths	364
Number COVID-19 funerals attended	64
Number of COVID-19 cremations	25

EPWP INFORMATION	
Number EPWP in the region	29
Actions taken by EPWP personnel (Short description)	
Conducting scanning and screening at the satellite offices of GRDM and well as assisting within our communities raising awareness	

CHALLENGES AND RECOMMENDATIONS	
Challenges	Recommendations
Businesses not complying with COVID-19 guidelines	Enforcement programmes with SAPS and local B-municipalities
Businesses and general public not adhering to /complying with COVID-19 guidelines	Enforcement programmes with SAPS and local B-municipalities
Public compliance to COVID 19 protocols	Continuous education and awareness on the prevention and spread of COVID 19
Public attitude and ignorance towards the disease	Continuous education and awareness on the prevention and spread of COVID 19
Social challenges – poor or non- provision of water and sanitation in certain areas.	Proper provision of water and sanitation
Cooling facilities constraints at funeral parlours. Regular complaints from funeral undertakers regarding the slow administrative processes at Dept. of Home Affairs (Registration of deaths) Some funeral parlours do not provide available storage space information on time.	Interventions at Dept. of Labour to speed up COVID 19 deaths administrative processes. Penalties to funeral undertakers who do not provide the necessary information.

COVID-19 Legislation and Regulations

Since the 25th of March Dr Mmaphaka Tau, in his capacity as the Head of the National Disaster Management Centre, after assessing the potential magnitude and severity of the COVID- 19 pandemic in the country, in terms of section 23(1) (b) of the Disaster Management Act, 2002 (Act No. 57 of 2002, as amended), classified the COVID-19 pandemic as a national disaster.

Emanating from the classification of this occurrence as a national disaster, in terms of section 26, read with section 23(8) of the above mentioned Act, the primary responsibility to co-ordinate and manage the disaster, in terms of existing legislation and contingency arrangements, is designated to the national executive.

In terms of Section 15(2) (aA) of the Act, read with sections 23(8), Dr Tau called upon all organs of state to further strengthen and support the existing structures to implement contingency arrangements and to ensure that measures are put in place to enable the national executive to effectively deal with the effects of this disaster.

On the 15th of March Dr Nkosazana Dlamini Zuma, the Minister of Cooperative Governance and Traditional Affairs as designated under section 3 of the Disaster Management Act, 2002 (Act no 57 of 2002, as amended) in terms of section 27 (1) of the Act declared a national state of disaster. In terms of section 27(2) of the aforementioned act the minister may, when required, make regulations or issue directions, since the onset of the COVID-19 pandemic the regulations as well as disaster management guidelines and notices have been published.

6.1 Financial Implications

Thus far, all of the Covid-19 related expenses have been funded from:

Council's cash reserves;

Funding provided for in terms of the approved 2019/2020-adjustment budget;

Covid-19 Disaster Grant allocation to the value of R268 000 and the Provincial Social support grant to the value of R100 000.

6.2 Legal Implications

No legal implications as there are compliance with the Disaster Management Act, 2002 (Act No. 57 of 2002, as amended), sections as outlined in the above mentioned discussion.

6.5 Staff Implications

No direct staff implications

6.6 Previous / Relevant Council Resolutions:

Monthly COVID-19 update reports have been submitted to Council since April this year.

6.7 Risk Implications

There are no foreseen risks associated with the proposed decision for Council to not implement the directive.

6.8 Comments from Executive Management:

6.8.1 Executive Manager: Financial Services

Decline in COVID infection rate is encouraging. We must however continue to treat the pandemic with the necessary urgency and diligence in order to prevent loss of life as much as we can.

6.8.2 Executive Manager: Corporate Services

Take note on contents and support vaccination drive.

6.8.3 Executive Manager: Community Services

The decline in COVID19 infections are welcomed in the District, but more work need to be done and Communities must remain vigilant and still adhere to COVID19 safety protocols.

6.8.4 Executive Manager: Planning & Economic Development

Note the work that is done by the Covid19 District Command Council, and the positive decrease in new and active cases in the region.

6.8.5 Manager: Legal Services

Noted the contents of the report and that it is in line with the various amended Regulations issued in terms of the Disaster Management Act.

[**BACK TO AGENDA**](#)

1. **PROPOSED UPGRADING OF DIVISIONAL ROAD 1263 AND DIVISIONAL ROAD 1297, SLANGRIVIER, WESTERN CAPE REFERENCE: 16/3/3/6/5/D5/16/0186/19. MAINTENANCE MANAGEMENT PLAN/ BEPLANDE OPGRADERING VAN AFDELINGSPAD 1263 EN AFDELINGSPAD 1297, SLANGRIVIER, WES KAAP VERWYSING 16/3/3/6/5/D5/16/0186/19 ONDERHOUD BESTUURSPLAN / ISIPHAKAMISO SOKULUNGISWA KWESABELO SENDLELA 1263 KUNYE NESABELO SENDLELA 1297,SLANGRIVIER, ISIBONISELO SENTSHONA KOLONI: 16/3/3/6/5/D5/16/0186/19. ULAWULO LWESICWANGCISO SOLUNGISO**

REPORT FROM THE EXECUTIVE MANAGER ROADS & TRANSPORT PLANNING SERVICES (JG DANIELS)

2 PURPOSE

The purpose of the report is to inform Council about the Maintenance Management Plan (MMP) for a watercourse in Slangrivier.

3. DELEGATED AUTHORITY

Council

4. EXECUTIVE SUMMARY

The MMP was concluded in September 2019 and the public participation was done in December to January 2020. After which it was submitted to the Department of Environmental Affairs & Development planning for approval. The Department of Environmental Affairs & Development Planning only approved this MMP for Slangrivier the 04th February 2021 (See attached the approved letter).

5. RECOMMENDATION

That Council takes note of the Maintenance Management Plan (MMP) for a watercourse triggered by activities under the project.

AANBEVELING

Dat Road kennis neem van die MMP, vir waterloop geaktiveer deur aktiwiteite onder die projek.

ISINDULULO

Sesokuba iBhunga lithathele ingqalelo Uyilo Lwesicwangciso Solawulo Lolungiso lohambiwo lwamanzi nabangelwe yimisebenzi yenkqubo.

6. DISCUSSION / CONTENTS

6.1 Background

The Road Service Department of the Garden Route District Municipality as a service delivery agent for the Provincial Government of the Western Cape within the Transport cluster under the Road Ordinance 19 of 1976 has embarked on a project proposed to upgrade the existing divisional gravel roads in Slang Rivier, Western Cape, namely, Divisional Road 1263 and Divisional Road 1297.

The works to be done on these divisional roads, particularly the replacement of 450mm pipe culvert with two 900mm box culverts requires approval from relevant Competent Authority, Department of Environmental Affairs and Development Planning of the Maintenance Management Plan (MMP).

The MMP is for maintenance of the watercourse that the construction will be executed on as per the National Environmental Management act, 1998 (Act No. 107 of 1998), Environmental Impact Assessment Regulations 2014 (as amended).

6.2 Discussion

None

6.3 Financial Implications

None.

6.4 Legal Implications

None.

6.5 Staff Implications

None

6.6 Previous / Relevant Council Resolutions:

There are no previous or relevant Council resolutions related to this matter.

6.7 Risk Implications

There are no foreseen risks associated with the proposed decision for Council to not implement the Directions.

6.8 Comments from Executive Management:

6.8.1 Executive Manager: Financial Services

Content of draft MMP is noted. Any expenditure on Roads maintenance is funded from the allocation received from the Provincial Department of Transport and Public Works.

6.8.2 Executive Manager: Corporate Services

Support the upgrading of road in Slangrivier.

6.8.3 Executive Manager: Community Services

The upgrade the existing divisional gravel roads in Slang Rivier, and all work done in this regard are welcomed, to ensure that roads are safe.

6.8.4 Executive Manager: Planning & Economic Development

Contents of the report are noted.

6.8.4 Executive Manager: Roads Services

6.8.5 Manager: Legal Services

Noting the contents of the report and no legal implications for Council.



**Western Cape
Government**
Environmental Affairs and
Development Planning

Information Document for the Development of a Maintenance
Management Plan for a Watercourse

Request for the relevant Competent Authority to define or adopt a Maintenance Management Plan for a watercourse in terms of the National Environmental Management Act, 1998 (Act No. 107 of 1998), Environmental Impact Assessment Regulations, 2014 (as amended).

File Reference Number:

Date Received by Department:

Date Received by Component:

Form Duly Signed and Dated:

(For official use only)	
	Yes No

PROJECT TITLE

**PROPOSED UPGRADING OF DIVISIONAL ROAD 1263 AND DIVISIONAL
ROAD 1297, SLANGRIVIER, WESTERN CAPE REFERENCE:
16/3/3/6/5/D5/16/0186/19**

A. SCOPE AND IMPORTANT INFORMATION

- 1) This document is to be used to ensure that the request for adopting or defining a Maintenance Management Plan (MMP) in terms of the National Environmental Management Act, 1998 (Act No. 107 of 1998) ("NEMA"), Environmental Impact Assessment (EIA) Regulations, 2014 (as amended) is undertaken to the sufficient standard and requirements as defined by the competent authority, the Department of Environmental Affairs and Development Planning of the Western Cape Government (henceforth the Department). It is advised that the determination of applicability regarding the scale of the proposed maintenance/management activity(ies) be undertaken through a pre-application consultation with the Department.
- 2) The geographical scope of the MMP is limited to watercourses as defined in the EIA Regulations, 2014(as amended). The document does not relate to coastal activities or activities to be undertaken in an estuary.
- 3) The use of this document for the development of a MMP for a watercourse **will only** be considered when the proposed maintenance activities constitute any one of the following listed activities identified in terms of the NEMA EIA Regulations, 2014 (as amended):

EIA Regulations Listing Notice 1 of 2014 (as amended)

- Activity 19, Listing Notice 1: The infilling or depositing of any material of more than 10 cubic meters into, or the dredging, excavation, removal or moving of soil, sand, shell

grit, pebbles or rock of more than 10 cubic metres from a watercourse; but excluding where such infilling, depositing, dredging, excavation, removal or moving-

- (a) will occur behind a development setback;
- (b) is for maintenance purposes undertaken in accordance with a maintenance management plan;
- (c) falls within the ambit of activity 21 in this Notice, in which case that activity applies;

(N.B. Points (d) and (e) does not apply as these activities fall within the coastal zone)

- Activity 27, Listing Notice 1: The clearance of an area of 1 hectares or more, but less than 20 hectares of indigenous vegetation, except where such clearance of indigenous vegetation is required for-
 - i. The undertaking of a linear activity; or
 - ii. Maintenance purposes undertaken in accordance with a MMP.

EIA Regulations Listing Notice 2 of 2014 (as amended)

- Activity 15, Listing Notice 2: The clearance of an area of 20 hectares or more of indigenous vegetation, excluding where such clearance of indigenous vegetation is required for-
 - I. The undertaking of a linear activity; or
 - II. Maintenance purposes undertaken in accordance with a MMP.
- Activity 24, Listing Notice 2: The extraction or removal of peat or peat soils, including the disturbance of vegetation or soils in anticipation of the extraction or removal of peat or peat soils, but excluding where such extraction or removal is for the rehabilitation of wetlands in accordance with a MMP.

EIA Regulations Listing Notice 3 of 2014 (as amended)

- Activity 12, Listing Notice 3: The clearance of an area of 300 square metres or more of indigenous vegetation except where such clearance of indigenous vegetation is required for maintenance purposes undertaken in accordance with a MMP.

i. Western Cape

- i. Within any critically endangered or endangered ecosystem listed in terms of section 52 of the NEMBA or prior to the publication of such a list, within an area that has been identified as critically endangered in the National Spatial Biodiversity Assessment 2004;
- ii. Within critical biodiversity areas identified in bioregional plans;
- iv. On land, where, at the time of the coming into effect of this Notice or thereafter such land was zoned open space, conservation or had an equivalent zoning; or
- v. On land designated for protection or conservation purposes in an Environmental Management Framework adopted in the prescribed manner, or a Spatial Development Framework adopted by the MEC or Minister.

(NB. Point iii does not apply as this activity falls within the coastal zone)

- 4) In deciding the request, the competent authority may define conditions related to auditing compliance with the MMP; monitoring requirements; reporting requirements, review; updating and amending the document and period for which the MMP is defined/adopted.

- 5) The purpose of the MMP is to maintain both man-made and ecological infrastructure in a manner that either improves the current state of, and/or reduces the negative impacts on a watercourse to ensure that ecosystems services are preserved/improved and to prevent further deterioration of the watercourse.
- 6) Notwithstanding the MMP possibly being defined or adopted by the Competent Authority, any other applicable statutory requirement must still be complied with (e.g. any obligations under the National Water Act, 1998 (Act 36 of 1998) or the Conservation of Agricultural Resources Act, 1983 (Act 43 of 1983)).
- 7) The proponent must note that a MMP for a watercourse **must** be undertaken through consultation with the Department of Water and Sanitation and/or the relevant Catchment Management Agency (responsible water authority). This is to ensure compliance in terms of a Permissible Water Use as set out in the National Water Act, 1998 (Act No. 36 of 1998). It is recommended that this process for authorisation in terms of the National Water Act be clarified prior to the drafting and submission of the MMP.
- 8) The development of this document has been done in such a way so as to meet the requirements of both this Department as the competent authority in terms of the NEMA EIA Regulations, 2014 (as amended), as well as the requirements of the delegated water authority, regarding general authorisation considerations for sections 21(c) and (i) of the National Water Act, 1998 (Act No. 36 of 1998), to ensure alignment between the two authorities when defining or adopting the MMP.
- 9) In situations where a Water Use Licence Application (WULA) is required by the water authority regarding the proposed activities within a MMP, this will not prevent the proponent from submitting a request for a MMP to be defined or adopted by the Department.
- 10) Unless protected by law, all information contained in, and attached to this document, shall become public information on receipt by the competent authority.
- 11) A duly dated and originally signed copy of this document together with one hard copy and one electronic copy of the MMP must be posted, to the Department at the postal address given below, or delivered to the Registry Office of the Department.
- 12) A copy of the final defined/adopted MMP and cover letter **must** be submitted to the responsible water authority.
- 13) **NOTE: Adopting or defining the MMP does not absolve the proponent from complying with any applicable legislation or the general "duty of care" set out in Section 28(1) of the NEMA that states, "Every person who causes, has caused or may cause significant pollution or degradation of the environment must take reasonable measures to prevent such pollution or degradation from occurring, continuing or recurring, or, in so far as such harm to the environment is authorised by law or cannot reasonably be avoided or stopped, to minimise and rectify such pollution or degradation of the environment." (Note: When interpreting this "duty of care" responsibility, cognisance must be taken of the national environmental management principles contained in Section 2 of the NEMA.**
- 14) **NOTE: This document can be used as a template to assist in the information required and is to be filled out in full. The Department reserves the right to request any additional information during the initial development and submission of the draft MMP.**

- 15) NOTE: The Department reserves the right to not adopt the MMP and require that an application be submitted to obtain Environmental Authorisation for the respective activities. Furthermore, consideration for the review should also be aligned to the periodic reviews of the General Authorisation for sections 21 (c) and (i) of the National Water Act, 1998 (Act No. 36 of 1998) to ensure continued alignment and compliance.

B. MAINTENANCE MANAGEMENT PRINCIPLES

- 1) The following are overarching principles to be used by landowners and managers when considering the development and implementation of a MMP:
 - a. The anticipation and prevention of negative impacts and risks, then minimisation, rehabilitation or 'repair', where a sequence of possible mitigation measures to avoid, minimize, rehabilitate and/or remedy negative impacts is explicitly considered;
 - b. Avoid and reduce unnecessary maintenance;
 - c. Maintenance and management of a watercourse must be informed by the condition of the physical and ecological processes that drive and maintain aquatic ecosystems within a catchment, relative to the desired state of the affected system;
 - d. Management actions must aim to prevent further deterioration to the condition of affected watercourses and, overall, be guided by a general commitment to improving and maintaining ecological infrastructure for the delivery of ecosystem services;
 - e. Managers and organs of state must identify, address and, where feasible, eliminate the factors that necessitate intrusive, environmentally-damaging maintenance; and
 - f. A process of continuous management improvement be applied, namely Planning; Implementing; Checking (monitoring, auditing, determine corrective action) and Acting (management review).

- 2) The following table provides a simple overview for the determination of the need for a MMP:

	Question	If the answer to any of the questions is YES, then a MMP may be applicable.
2.1	Is there a watercourse on or adjacent to the property?	Yes
2.2	Has there been a history of flood damage or vandalism to the existing infrastructure or watercourse – erosion and/or sedimentation?	No
2.3	Is there infrastructure or any community at risk of being damaged by flooding?	No
2.4	Is the design of infrastructure considered inadequate in terms of managing the risk of flooding, erosion and/or sedimentation?	No
2.5	Would you consider an improved design to existing infrastructure to reduce maintenance needs?	Yes
2.6	Are there specific incidences where the watercourse is obstructed or blockages occur that alter the flow of the river during floods?	No
2.7	Is there an existing obstruction in the watercourse that has changed the flow of the river under normal conditions?	No
2.8	Is there a marked increase in the rate of erosion/sedimentation being experienced which threatens operations and assets?	No
2.9	Is there a presence of alien or bush encroachment vegetation within the watercourse and/or the presence of woody debris after flooding?	No

- 3) It is important to consider that the type of maintenance required will impact on the level of assessment needed in terms of the impact the activity will have on the system and how best to mitigate the impact. Types of maintenance can broadly be classified in the following categories, with recognition that maintenance activities vary across the rural and urban context:

Maintenance Category	Types of maintenance activities (examples only)
Category A: Sediment removal as a result of deposition or sediment deposition as a result of erosion	<ul style="list-style-type: none"> Clearing sediment or placing sediment at: <ul style="list-style-type: none"> Pump hole/trench Return flow (irrigation) Off-take weir Stormwater outfall Detention/retention ponds Canalized urban rivers Bridges, culverts and drifts Prevent formation of islands in the channel of the river Dredging of in-stream dams
Category B: Emergency repairs – urgent action required to manage risk and damage to assets	<ul style="list-style-type: none"> Repair to erosion of river bank or servicing infrastructure (e.g. pipelines/roads) Removal of material built up as a result of flooding/sedimentation and increasing risk to infrastructure Address damage or replacement of infrastructure (e.g. bridge, pipeline, pump house) Manage the condition of flood protection berms, and existing structures such as gabions, canalized and stormwater systems Installing temporary gravel approaches at flood-damaged river crossings
Category C: Managing alien invasive and bush encroachment plant species	<ul style="list-style-type: none"> Clearing of alien invasive vegetation out of a watercourse to reduce maintenance requirements as they relate to erosion and sedimentation Management of indigenous species categorized as bush encroachment, to improve hydrological flow and reduce associated flooding impacts
Category D: Rehabilitation and restoration activities for maintaining ecological infrastructure	<ul style="list-style-type: none"> Development and maintenance of ecological buffering systems to improve and/or restore functioning (e.g. wetlands and stormwater detention ponds) Actively rehabilitating riparian zones through planting of locally indigenous species Bank grading and movement/removal of berms and barriers to flow

- 4) The development of appropriate method statements to mitigate the impact of the maintenance needs, should be aligned within the framework of these considerations:
- Watercourses experience a natural process of sedimentation and erosion, with varying rates depending on the geomorphology and the integrity of the land-uses within the catchment;

- b. Manipulation of the watercourse results in increased erosion and/or deposition being experienced further downstream, perpetuating greater need for manipulation and more drastic and costly maintenance interventions;
 - c. Locally indigenous riparian and wetland vegetation assists in the stabilization of river banks through effective root structures, while contributing to improve in-stream habitat and water quality conditions;
 - d. Invasive alien and bush encroachment vegetation significantly impacts on the functioning of a watercourse, often leading to increased flood associated damage, with further implications and a reduction in water quality and availability;
 - e. Persons undertaking maintenance activities have a responsibility to ensure a sense of duty of care is applied as prescribed within NEMA Section 28(1).
- 5) It is recognized that within urban areas, sedimentation and erosion rates are significantly amplified as a result of development in urban areas and thus systems associated with watercourses in such areas can no longer be considered as 'natural'. In such a context, the drivers of such a process are often located outside the control of the landowner or responsible authority (i.e. Municipality). Therefore, the response taken to address the needs of a maintenance management plan for a watercourse within the urban environment may be limited in mitigating the requirement for maintenance to be undertaken.

C. REQUEST FOR THE COMPETENT AUTHORITY TO DEFINE OR ADOPT A MAINTENANCE MANAGEMENT PLAN FOR A WATERCOURSE IN TERMS OF THE NEMA, EIA REGULATIONS 2014 (AS AMENDED).

The following information must be submitted as part of the request for the competent authority to define or adopt the MMP:

1. PERSONAL DETAILS

Highlight the Departmental Sub-Region(s) in which the maintenance is to be undertaken. (mark the appropriate box with an 'X'). For Departmental details see Annexure A.

REGION 1 (City of Cape Town Metropolitan and West Coast District) <input type="checkbox"/>	REGION 2 (Cape Winelands District, Overberg District) <input type="checkbox"/>	REGION 3 (Eden & Central Karoo Districts) <input checked="" type="checkbox"/>
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Name of person/authority who will undertake responsibility for the activity:	Garden Route District Municipality		
Contact person (if other):	John G. Daniels		
Postal address:	PO Box 12 George		
Telephone:	(044) 803 1500	Postal code:	6530
Fax:	(044) 871 3043	Cell:	-
Email:	johnd@gardenroute.gov.za		

Name of person who has prepared the MMP:	Nina Viljoen		
Contact Person (if other):	Not Applicable		
Postal address:	PO Box 12 George		
Telephone:	(044) 803 1318/1500	Postal code:	6530
Fax:	(044) 871 3043	Cell:	(0)67 035 9203
E-mail:	nina@gardenroute.gov.za		

Name of landowner(s) on whose behalf the plan has been developed:*	The watercourse falls within the proclaimed road reserve. Accordingly, the state is the landowner.		
Contact person(s):	Not Applicable		
Postal address:			
Telephone:	()	Postal code:	
Fax:	()	Cell:	
E-mail:			

Municipality for proposed project:	Hessequa Local Municipality & Garden Route District Municipality		
Farm name(s), erf(s) and portion number(s) etc*:	The watercourse falls within the proclaimed road reserve.		
Magisterial District or Town:	Slangrivier		
Name(s) of watercourse(s) in question:	First order non-perennial stream, drainage channel flows into Slang River.		
*In instances where there is more than one landowner, please attach a list of landowners with their full names, contact details, farm name, farm number, portion number, Erf number, coordinates and signed declaration confirming approval for development and responsibility of the MMP			

2. DECLARATION

THE PERSON THAT WILL BE UNDERTAKING THE MAINTENANCE

I, John G. Daniels, in my ~~personal capacity~~ or duly authorised by Garden Route District Municipality thereto, hereby declare that I:

- Request the MMP to be adopted by the Competent Authority;
- Regard the information contained herein to be true and correct for this Maintenance Management Plan;
- Am fully aware of my responsibilities in terms of the National Environmental Management Act of 1998 ("NEMA") (Act No. 107 of 1998) and that, notwithstanding the adoption of this MMP, I/we shall comply with any other statutory requirement applicable, which may include, but not limited to the Conservation of Agricultural Resources Act, 1983 (Act No. 43 of 1983), the National Water Act, 1998 (Act No. 36 of 1998) and the Environmental Impact Assessment Regulations, 2014 (as amended) ("EIA Regulations"), in terms of NEMA;
- Am fully aware that the proposed maintenance constitutes a listed activity in terms of the NEMA EIA Regulations, 2014 (as amended) and that an environmental assessment for environmental authorisation may be required for any other listed activities not included as part of this MMP;
- Acknowledge that any activity undertaken that does not form part of the defined and adopted MMP, will be subject to the Section 24(F) of NEMA and that appropriate enforcement and compliance requirements will follow;
- Shall undertake only those tasks described in the MMP, failing which environmental authorisation will be required, where applicable;
- Shall provide the competent authorities with access to all information at my disposal that is relevant to this request;
- Shall be responsible for any costs incurred in complying with environmental legislation;
- Hereby indemnify the government of the Republic, the competent authority and all its officers, agents and employees, from any liability arising out of, inter alia, any loss or damage to property or person as a consequence of undertaking this MMP; and
- Am aware that a false declaration is an offence in terms of Regulation 48(1)(a) GN No. R. 982 of 4 December 2014 (as amended).

Signature of the proponent:

Date:

Garden Route District Municipality

Name of institution/company:

3. BACKGROUND AND INTRODUCTION

The ecological condition of the stream at the site is considered to be seriously modified along the riparian areas, largely due to the surrounding human settlement and agricultural activities a bit further away. The works associated with the road maintenance activities will only occur within the road reserve, which crosses the watercourse, which will have minimal impacts on the watercourse itself, such as soil erosion, etc., which might accidentally enter the watercourse during the work activities. Considering the modification of the watercourse channel as a result of the surrounding human settlement and agricultural activities, and the existing ecological state of the stream, this impact will be of a very low significance. The work is unlikely to result in any impedance or diversion of flow in the stream. The main impacts of the works undertaken are thus minimal soil erosion which might enter the system.

The site will therefore be rehabilitated in case any soil spillage/erosion might occur. The area is not specifically associated with heavy flooding events. As such, the maintenance requirements required would generally consist of the following:

- *Rubble and debris from construction activities that have been undertaken at the crossing, will be removed.*
- *The removal of debris/sediment from the maintenance site will not be deposited anywhere within the watercourse, or anywhere along the banks of the watercourse.*

The Department of Water and Sanitation risk rating was also determined to be low. The activity has also been registered and authorized as a water use by DWS (please refer to Annexures), as per the Regulations under the General Authorisations for Section 21 (c) and (i) of the National Water Act.

3.1 DEFINITIONS OF TERMS AND ACRONYMS

Acronyms and technical terms used in the MMP must be defined or clarified so that the person(s) who must implement the plan understands the document clearly.

4. ENGAGEMENT PROCESS

4.1 AUTHORITY ENGAGEMENT

Please indicate (with an 'x') which of the following authorities have been consulted to provide input based on the proposed maintenance activities:

- ☐ Department of Water and Sanitation
- ☒ **Catchment Management Agency**
- ☐ CapeNature
- ☐ SANParks
- ☐ Western Cape Department of Agriculture, Directorate: Sustainable Resource Management
- ☐ District Municipality
- ☐ Local Municipality
- ☐ Irrigation Board / Water Users Association
- ☐ Heritage Western Cape
- ☐ Department of Agriculture, Forestry and Fisheries

X Department of Environmental Affairs & Development Planning☐ Other (please list):

Not Applicable _____

For each of the indicated authorities, please provide an explanation as to their required involvement. Details of interactions with each of the respective authorities should be captured by providing an attendance register and minutes of meetings attended with the authority in question. Comments received from the authorities must be submitted and referenced within the final application.

For a MMP where multiple property owners are involved or a plan is developed for members of an association, it is recommended that a Project Liaison Committee is setup, to achieve the following objectives:

- Present the project work plan and objectives for approval;
- Present the initial findings and draft of the plan for discussion and approval;
- Present the final accepted plan for agreement and clarification.

In cases where the Municipality is the proponent, it is advised that the Project Liaison Committee represent the multiple departments involved with the maintenance and management of watercourse, which could include but is not limited to departments of, Stormwater, Water and Sanitation, Environment, Parks and Wastewater. Such an approach seeks to ensure alignment and an understanding of the roles and responsibilities of the varying maintenance requirements within the Municipality.

4.2 PUBLIC PARTICIPATION

You are required to notify any and all potential interested and affected party(ies) of the proposed activity(ies) and allow them the opportunity to comment on the MMP for a watercourse. The detail required is outlined below, however this can be further discussed and determined as part of the pre-consultative meeting with the Department, which would ensure due diligence and good governance principles are applied.

It is noted, that for the development of MMPs for watercourses within the urban area, by Municipalities, public notice can be undertaken through the advertisement of the development of a MMP within local/community newspapers for the respective areas, with the relevant evidence of such an advertisement included in the final submission.

The following public participation recommendations, regarding the different scale or geographical extent of the request, are as follows. If no, then motivation must be given as to why a particular process was not undertaken.

Single property / maintenance and management activities along a watercourse occurring along a stretch of no more than 1 kilometer (≤1000 meters):

(i) Given written notice to the owner or person in control of that land if the person undertaking the maintenance activity is	Yes	<i>Evidence to be letter from landowner</i>
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not the owner or person in control of the land.		acknowledging development of MMP.
(ii) Given written notice to adjacent landowners (up to 500m upstream and downstream from furthest upstream and downstream maintenance site and opposite side of the banks) of the development of the MMP.	No	The road and watercourse falls within an urban area. A Notice will be attached to central lamppost closest to the watercourse, in clear view of traffic/pedestrians. An example of the Notice is attached to this MMP as part of the Annexures
(iii) Stakeholder meeting held for adjacent landowners, in which MMP is presented. This must include an opportunity for adjacent landowners to provide comment.	No	Not Applicable
(iv) Given written notice to any organ of state having jurisdiction in respect of any aspect of the activity(ies) proposed within the development of the MMP.	Yes	<p><i>Evidence will include relevant dated letters to the relevant government agencies and departments.</i></p> <p>Breede-Gouritz Catchment Management Agency: Letter Ref. No.: 4/5/6/H70J/UPGRADE OF AN EXISTING WATERCOURSE CROSSING (DR1263&DR 1297)/Heidelberg (please refer to attached dated letter as part of the Annexures)</p> <p>DEA&DP Correspondence Ref. No.: 16/3/3/6/5/D5/16/0186/19 (please refer to attached dated letter as part of the Annexures)</p>
(v) Provided written notice and confirmation to the relevant Water Users Association (WUA) or Irrigation Board (IB) of the development of the MMP, if applicable.	Yes	<p><i>Evidence to be dated letter(s) to management body (secretary and chairperson) for the WUA/IB.</i></p> <p>The Water Use Authority letter provided by the Breede-Gouritz Catchment Management Agency is attached as part of the Annexures</p>

Single or Multiple properties / WUA / IB / local authority applying for a single MMP to cover a stretch of a watercourse longer than 1 kilometer (>1000 meters) OR a catchment or sub-catchment area

(i) Given written notice to the owner(s) or person(s) in control of the land if the person(s) undertaking the maintenance activity(ies) is not the owner or person in control of the land.	Not Applicable (NA)	Evidence to be letter from landowner acknowledging development of MMP.
(ii) Given written notice to non-participating adjacent landowners (up to 1km upstream and downstream from furthest upstream and downstream maintenance site and opposite side of the river banks) of the development of the MMP. <i>This must also include general notice to adjacent WUA or IB of the proposed MMP development if application is made by a WUA or IB.</i>	NA	Evidence to be dated letters addressed to landowner and/or manager of adjacent properties.
(iii) Stakeholder meeting held for all participating and non-participating landowners, in which details and methodology of MMP is presented. A minimum of two meetings are required, to present on the development of the plan and a final draft version of the plan.	NA	Evidence will consist of meeting requests, attendance register of said meeting, minutes/ notes of the meeting, and comments provided.
(iv) Given written notice to any organ of state having jurisdiction in respect of any aspect of the activity(ies) proposed within the development of the MMP.	NA	Evidence will include dated letters to the relevant government agencies and departments.
(v) Provide written notice and confirmation to the relevant Water Users Association (WUA) or Irrigation Board (IB), of the development of the MMP <i>(if a MMP is not requested and managed through a WUA/IB).</i>	NA	Evidence to be dated letter(s) to management body (secretary and chairperson) for the WUA/IB.
(vi) Describe any other measures taken to inform the public about this MMP. A complete list of measures that are in place to deal with interactions with the public, if it becomes necessary and required by the competent authority during implementation of the project, must be provided for.	NA	Evidence to be referenced accordingly based on the measures taken and/or developed.

Kindly note, the Department may request further or allow reduced requirements for public participation, noting the specific circumstances applied to each request to define or adopt an MMP. Please include or delete the respective sections as agreed to with the Department in the pre-consultative meeting, with supporting evidence of this agreement included.

Please circle the appropriate answer above to indicate the public participation process that has been followed to give notice of this request to potential interested and affected parties and attach any comments and/or objections received, with evidence provided and referenced.

5. DATA COLLECTION AND ASSESSMENT

[This section is intended to provide the required information on the needs for the scientific content and methodology statements of a MMP. It provides headings for the various sections that a MMP must contain, as well as a brief description of typical content and the level of detail required under each heading]

Note: Information relating to the specifications and Terms of Reference used for the appointment of all specialist inputs must be provided.

Information required for maintenance and management activities for a single/ multiple owner along a watercourse.

5.1 Provide a map (at an appropriate scale) of the watercourse or stretch of watercourse being applied for within the stretch where maintenance activities will take place being clearly defined – consideration must be made to mapped features relating to Critical Biodiversity Areas (CBAs) and National Freshwater Ecosystem Priority Areas (NFEPA's). **Please refer to the Annexure for a map as per the above.**

5.2 GPS coordinates must be provided for all site(s) at which maintenance activities will take place and included on the map which defines the stretch of watercourse. Coordinates must be provided in degrees, minutes and seconds using the Hartebeesthoek94 WGS84 co-ordinate system. Where numerous properties/sites are involved (e.g. linear activities), you may attach a list of property descriptions and co-ordinates to this form. **A map is attached as part of the Annexures**

5.3 Specialist assessment to be undertaken to determine (NOTE: information relating to the specifications and Terms of Reference used for the appointment of all specialist inputs must be provided):

Not Applicable

- Hydrological (incl. flood hydrological data etc.) and geomorphological assessment of watercourse functioning;
- The relevant Present Ecological Status (PES) of the stretch of watercourse in question, if not available an assessment is to be done to determine PES in accordance with the Department of Water and Sanitation (DWS) guidelines;
- What is the reason/cause for the maintenance activities based on an ecological and hydrological assessment of the watercourse within the context of the larger catchment;
- What are the drivers of system functioning within the watercourse and what is the ecological objective – based on historical condition and PES;
- What is the management objective given the ecological status of the watercourse based on historical and PES data; as set out in agreement with the person(s) responsible for undertaking the maintenance activities;
- What is the impact on the watercourse/river system (resource quality characteristics: flow regime, geomorphology, water quality, habitat and biota) for a minimum of 500m both up and downstream of the proposed maintenance activities, with the mitigation measures included;

- An appropriate assessment for risk for each of the proposed types of maintenance activities and linked management actions in terms of the risk matrix for General Authorisations (GA) of Section 21 (c) and (i) by the DWS (GN 509 of 2016) or where applicable.

5.4 Mapped biodiversity features such as Critical Biodiversity Area, Ecological Support Area, National Freshwater Ecosystem Priority Area (NFEPA), and the National list of Ecosystems that are threatened and in need of protection (2011) gazetted in terms of Section 52 of the National Environmental Management: Biodiversity Act (Act No. 10 of 2004) (NEMBA), the Western Cape Biodiversity Spatial Plan 2017, as well as relevant provincial specific plans and classifications etc. Please consult the website www.bgis.sanbi.org.za to determine mapped features.

5.5 Include a description of existing or previous protection measures or reinforcements (eg. gabions or groynes etc.) and infrastructure. Describe any evidence of erosion and/or siltation at the various sites and outlining possible causal factors and maintenance practices.

Not Applicable

5.6 Provide historical maps and data (images/flow/water quality/land use) of the river channel (if available) in order to assess the natural to changing flow patterns of the watercourse to determine cause of maintenance and possible impact of the maintenance activities, to inform mitigation measures.

Not Applicable

5.7 Provide a photographic record for the condition of the riparian habitat around maintenance sites, with the presence of important and/or sensitive habitat/species noted.

Please refer to Annexures for photographic record of the conditions of the surrounding area.

5.8 For sites prone to flood damage, a description regarding the history and effect of past floods and include dates of most recent events must be provided. This must inform the process to understand what actions are required along the stretch of the watercourse to reduce such impacts to the resource quality characteristics.

Not Applicable

5.9 Explain the risks associated with the no-go option for the MMP i.e. the risk of not undertaking the maintenance activities as stated in the MMP.

Not Applicable

5.10 Reference must be made to any strategic plan where available, for example, a Catchment Management Strategy, with the objectives of the MMP shown to be in alignment with such plans.

Not Applicable

6. METHOD STATEMENT

The work will consist of the replacement of a 450mm pipe culvert with two 900mm box culverts. Work will only be restricted to within the road reserve. On completion of the maintenance action, the condition of the site in terms of relative topography will be similar to the pre-damaged state.

Actions/Remedial Measures:

The following actions are anticipated to be undertaken in order to carry out rubble and debris removal:

- *The removal of any rubble and debris caused by the construction activities that accidentally enters the watercourse, will preferably be done by hand to minimise potential impact on the watercourse and surrounds, but if vehicles is require to assist, the vehicles must be used in such a manner that it does not cause significant negative impacts on the watercourse i.e. the riverbed and banks must not be excavated mechanically.*

There are no additional remedial mitigation measures other than those listed above. As such, all action measures as outlined above should be implemented in full.

Impacts of Actions:

The following impacts are anticipated as a result of undertaking the maintenance activity:

- *The clearance of debris and rubble from the area will cause the subsequent improvement in the ecological health where the construction and rehabilitation activities has taken place.*

7. MONITORING AND REPORTING

It is important to note that any and all activities undertaken outside the scope of the adopted MMP, in terms of the action outlined within the given method statement, the responsible person(s) will be subject to Section 24(F) of NEMA and that appropriate enforcement and compliance requirements will follow.



The specific reporting information required by the competent authority should be discussed during the consultation phase between the proponent and the Department. The relevant information required should be considered on a case-by-case basis.

The following Forms A and B are to be considered as a guideline in terms of the type of information required. It is proposed that Form A below must be completed by the relevant person(s) before maintenance activities are undertaken and Form B after a maintenance activity has been completed. A copy of each completed Form A & B must be sent to the relevant WUA/IB/local authority management if they have undertaken the development of the MMP. For any individual landowner applications, the landowner is responsible to ensure a record of all maintenance activities is recorded as per Form A & B below. Form A and B must also be sent to the Provincial Department of Agriculture, Directorate: Sustainable Resource Management.

The Department may, within a reasonable notice period, request to evaluate the maintenance activities and assess the maintenance sites as per the adopted MMP.

Form A should be completed at least 7 working days before the commencement of any maintenance activity and Form B at least 3 working days following the completion of the maintenance activity(ies). At least two photographs are required from two different points of perspective (A and B) looking at the site (coordinates of these points are required). When listing the type and reference code, this must be done by specifically listing the relevant detail within the adopted MMP.

REPORTING FOR INTENT TO UNDERTAKE MAINTENANCE ACTIVITIES – FORM A				
Section A: Landowner Details				
Name	Surname	Farm No.	Erf No.	Today's Date
NA - State Property	NA	NA	NA	19/12/2019
Section B: Details of proposed maintenance activity				
WUA/GA reference number and DEA&DP reference number for MMP.	Activity Type:	Reference code (make reference to MMP)	Footprint area (m ²)	Volume of material (m ³)
-WUA/GA reference number -DEA&DP reference number	4/5/6/H70J/UPGRADE OF AN EXISTING WATERCOURSE CROSSING (DR1263&DR 1297)/Heidelberg 16/3/3/6/5/D5/16/0186/19	16/3/3/6/5/D5/16/0186/19		More than 10 cubic meters (Activity 19, Listing Notice 1) NB: This activity is a linear activity undertaken as part of the maintenance of two divisional roads.
Equipment to be used:	Description of method for planned activity:			Date when work will commence:
Excavator on road reserve. By hand within watercourse in case any soil/rubble spillage occurs	Replacement of 450mm pipe culvert with two 900mm box culverts. Work will only be restricted to within the road reserve. On completion of the maintenance action, the condition of the site in terms of relative topography will be similar to the pre-damaged state.			Upon approval of the MMP
Date of last flood event for site:	Note any further damage and comments regarding the state of the site Not Applicable			
Section C: Photographs of activity location before maintenance				
Before A Coordinates: S 34°9'18.04" E 20°51'33.15"				

		<p>The location of the watercourse which is crossed by the road. It can clearly be seen that the area is devoid of any natural vegetation.</p>
<p>Before B</p> <p>Coordinates: S E</p> <p>Date of photos taken: 18/12/2019</p>		<p>The watercourse, as viewed a few meters further away from the road, drains away from the road through the human settlement. It can clearly be seen that the area is devoid of any natural vegetation.</p>

REPORTING FOR COMPLETION OF MAINTENANCE ACTIVITIES – FORM B				
Section A: Landowner Details				
Name	Surname	Farm No.	Erf No.	Today's Date
Section B: Details of proposed maintenance activity				
WUA/GA reference number and DEA&DP reference number for MMP.	Activity Type:	Reference code (make reference to MMP)	Footprint area (m ²)	Volume of material (m ³)
Equipment that was used:	Description of method for completed activity and if commence date changed			Date activity completed

Date of last flood event for site:	Note any challenges or difficulties experienced in following the MMP method statement
Section C: Photographs of activity location after maintenance	
After A Coordinates: S E	
After B Coordinates: S E Date of photos taken:	

DEFINITIONS

"Activity" means an activity identified in any notice published by the Minister or MEC in terms of section 24D(1)(a) of the Act as a listed activity or specified activity. Activity in this document refers to the activities as listed in Listing Notice 1, 2 and 3 of the Environmental Impact Assessment Regulations, 2014 (as amended).

"Bush Encroachment" means stands of plants of the kinds specified in column 1 of Table 4 of the Conservation of Agricultural Resources Act (Act No. 43 of 1983) where individual plants are closer to each other than three times the mean crown diameter.

"Diverting" as defined in the General Authorisation, in terms of section 39 of the National Water Act, 1998 (Act no 36 of 1998) for Water Uses as defined in Section 21(c) and 21(i) (GN. 509 of 26 August 2016), means to, in any manner, cause the instream flow of water to be rerouted temporarily or permanently.

"Ecological Infrastructure" refers to naturally functioning ecosystems that deliver valuable services to people, such as water and climate regulation, soil formation and disaster risk reduction.

"Estuary" has the meaning assigned to it in the National Environmental Management: Integrated Coastal Management Act, 2008 (Act No. 24 of 2008)

"Flood event" is the event where land is inundated by the overflowing of water from a river channel and where this event causes significant damage to infrastructure or results in watercourse erosion and/or sediment deposition.

NOTE that flooding can be a natural phenomenon in many river or wetland systems which, due to encroachment and human modification of the form and function of the affected system, may have evolved into a potential hazard to life or property.

"Flow-altering" as defined in the General Authorisation, in terms of section 39 of the National Water Act, 1998 (Act no 36 of 1998) for Water Uses as defined in Section 21(c) and 21(i) (GN. 509 of 26 August 2016), means to, in any manner, alter the instream flow route, speed or quantity of water temporarily or permanently.

"General Authorisation" in this document refers to the General Authorisation in terms of section 39 of the National Water Act, 1998 (Act no 36 of 1998) for Water Uses as defined in Section 21(c) or Section 21(i) (GN. 509 of 26 August 2016).

"Impeding" as defined in the General Authorisation, in terms of section 39 of the National Water Act, 1998 (Act no 36 of 1998) for Water Uses as defined in Section 21(c) and 21(i) (GN. 509 of 26 August 2016), means to, in any manner, hinder or obstruct the instream flow of water temporarily or permanently, but excludes the damming of flow so as to cause storage of water.

"Indigenous vegetation" refers to vegetation consisting of indigenous plant species occurring naturally in an area, regardless of the level of alien infestation and where the topsoil has not been lawfully disturbed during the preceding ten years.

"Maintenance" means actions performed to keep a structure or system functioning or in service on the same location, capacity and footprint.

"Maintenance Management Plan" means a management plan for maintenance purposes defined or adopted by the competent authority.

"River Management Plans" as defined in the General Authorisation, in terms of section 39 of the National Water Act, 1998 (Act no 36 of 1998) for Water Uses as defined in Section 21(c) and 21(i) (GN. 509 of 26 August 2016), any river management plan developed for the purposes of river or storm water management in any municipal/metropolitan area or described river section, river reach, entire river or sub quaternary catchment that considers the river in a catchment context.

"River reach", a length of river characterised by a particular channel pattern and channel morphology, resulting from a uniform set of local constraints on channel form. A river reach is typically hundreds of meters in length.

"Stretch" a section of watercourse, delineated between two or more mapped coordinates, within which proposed maintenance activities are to take place as guided by a MMP.

"Thalweg" refers to the line of lowest elevation within a valley or watercourse.

"Watercourse" means:

- (a) a river or spring;
- (b) a natural channel in which water flows regularly or intermittently;
- (c) a wetland, lake or dam into which, or from which, water flows; and
any collection of water which the Minister may, by notice in the Gazette, declare to be a watercourse as defined in the National Water Act, 1998 (Act No. 36 of 1998); and

a reference to a watercourse includes, where relevant, its bed and banks.

"Wetland" means, land which is transitional between terrestrial and aquatic systems where the water table is usually at or near the surface, or the land is periodically covered with shallow water, and which land in normal circumstances supports or would support vegetation typically adapted to life in saturated soil.

ACRONYMS

CBA	Critical Biodiversity Area
DEA&DP	Department of Environmental Affairs & Development Planning
DWS	Department of Water & Sanitation
EAP	Environmental Assessment Practitioner
EIA	Environmental Impact Assessment
GA	General Authorisation, in terms of the National Water Act, 1998 (Act No. 36 of 1998)
GN	Government Notice
IB	Irrigation Board
MEC	Member of Executive Council
MMP	Maintenance Management Plan
NEMA	National Environmental Management Act, 1998 (Act No. 107 of 1998)
NEMBA	National Environmental Management: Biodiversity Act, 2004 (Act No. 10 of 2004)
NFEPA	National Freshwater Ecosystem Priority Areas
NWA	National Water Act, 1998 (Act No. 36 of 1998)
PES	Present Ecological State
SANParks	South African National Parks Authority
WUA	Water Users Association
WULA	Water Use Licence Application

REFERENCE GUIDE FOR DRAFTING MMPs FOR A WATERCOURSE

Ecosystem Guidelines for Environmental Assessment in the Western Cape, Edition 2, 2016. Available at: www.bgis.org.za

Wetland offsets: A best practice guideline for South Africa, 2016. Available at: <http://www.wrc.org.za>

Preliminary guideline for the determination of buffer zones for rivers, wetlands and estuaries, 2014. Available at: <http://www.wrc.org.za>

National Water Act, 1998 (Act No. 36 of 1998). Available at: <http://www.gov.za/documents/national-water-act>

General Authorisation, in terms of Section 39 of the National Water Act, 1998 (Act No. 36 of 1998) for water uses as defined in Section 21(c) or Section 21(i).

ANNEXURE A

DEPARTMENTAL DETAILS

CAPE TOWN OFFICE: REGION 1 (City of Cape Town & West Coast District)	CAPE TOWN OFFICE: REGION 2 (Cape Winelands District & Overberg District)	GEORGE OFFICE: REGION 3 (Central Karoo District & Eden District)
Requests for competent authority to adopt an MMP must be sent to the following details: Department of Environmental Affairs and Development Planning Attention: Directorate: Development Management (Region 1) Private Bag X 9086 Cape Town, 8000 Registry Office 1 st Floor Utilitas Building 1 Dorp Street, Cape Town Queries should be directed to the Directorate: Development Management (Region 1) at: Tel: (021) 483-5829 Fax (021) 483-4372	Requests for competent authority to adopt an MMP must be sent to the following details: Department of Environmental Affairs and Development Planning Attention: Directorate: Development Management (Region 2) Private Bag X 9086 Cape Town, 8000 Registry Office 1 st Floor Utilitas Building 1 Dorp Street, Cape Town Queries should be directed to the Directorate: Development Management (Region 2) at: Tel: (021) 483-5842 Fax (021) 483-3633	Requests for competent authority to adopt an MMP must be sent to the following details: Department of Environmental Affairs and Development Planning Attention: Directorate: Development Management (Region 3) Private Bag X 6509 George, 6530 Registry Office 4 th Floor, York Park Building 93 York Street George Queries should be directed to the Directorate: Development Management (Region 3) at: Tel: (044) 805-8600 Fax (044) 8058650

WESTERN CAPE DEPARTMENT OF AGRICULTURE DETAILS

Francis Steyn
 Director: Sustainable Resource Management, LandCare Programme
 Western Cape Department of Agriculture
 Private Bag X1
 Elsenburg
 7607
 Main Building, Elsenburg, Muldersvlei Road
 Tel: 021 808 5090
 Email: franciss@elsenburg.com



Department of Environmental Affairs and Development Planning
 Development Management (Region 3)
 Jessica.Christie@westerncape.gov.za
 Tel: +27 44 805 8600 | Fax.: +27 44 8058650
 Private Bag X6509, George, 6530
 3rd Floor, Rentzburghof Building, 42 Courtenay Street, George

REFERENCE: 16/3/3/6/5/D5/16/0186/19
ENQUIRIES: Jessica Christie
DATE OF ISSUE: 04 February 2020

THE MUNICIPAL MANAGER
 GARDEN ROUTE DISTRICT MUNICIPALITY
 P.O. Box 12
GEORGE
 6530

Attention: Mr. J. G. Daniels

Tel: 044 803 1500
 E-mail: johnd@gardenroute.gov.za

Dear Sir

RE: MAINTENANCE MANAGEMENT PLAN FOR THE PROPOSED UPGRADING OF DIVISIONAL ROAD 1263 AND DIVISIONAL ROAD 1297, SLANGRIVIER.

1. The abovementioned Maintenance Management Plan undated and additional information received on 9 June 2020 by this Department, refers.
2. This Department has reviewed the Maintenance Management Plan ("MMP") and the additional information and understands the following:

2.1. The work will consist of the replacement of a 450mm pipe culvert with two 900mm box culverts. Work will only be restricted to within the road reserve. On completion of the maintenance action, the condition of the site in terms of relative topography will be similar to the pre-disturbed state.

3. In light of the above, this Directorate notes that the proposed maintenance will be implemented in accordance to the above-mentioned Maintenance Management Plan. The implementation thereof is acknowledged as a measure in terms of your general duty of care towards the environment in terms of Section 28 of the National Environmental Management Act (Act no. 107 of 1998) and which states:

"Every person who causes, has caused or may cause significant pollution or degradation of the environment must take reasonable measures to prevent such pollution or degradation from occurring, continuing or recurring, or, in so far as such harm to the environment is authorised by law or cannot reasonably be avoided or stopped, to minimise and rectify such pollution or degradation of the environment."

4. This Directorate supports the implementation of the above-mentioned MMP.

5. The Directorate reserves the right to revise its initial comments and request further information from you based on any new or revised information received.

Yours faithfully

Danie Swanepoel

Digitally signed by Danie Swanepoel
Date: 2021.02.04 07:39:57 +02'00'

HEAD OF COMPONENT:
ENVIRONMENTAL IMPACT MANAGEMENT SERVICES: REGION 3
DEPARTMENT OF ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING
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DISTRICT COUNCIL

23 FEBRUARY 2021

1. **REQUEST FOR IN-PRINCIPLE DECISION TO PURSUE A PROJECT FUNDING AGREEMENT WITH INTERNATIONAL DIVERSE INNOVATIVE SOLUTION (PTY) LTD /
VERSOEK OM IN-BEGINSEL 'N FINANSIERINGSOORENKOMS PROJEK MET
INTERNASIONALE DIVERSE INNOVATIVE SOLUTION (IDIS) (EDMS) NA TE STREEF /
ISICELO NGOKWENTEMBEKO ISIQHIBO SOKUQHUBEKEKA NENKQUBO
YESIVIMELWANO SEMALINXASO NABAKWA INTERNATIONAL DIVERSE
INNOVATIVE SOLUTION(PTY)LTD**

2 **PURPOSE**

The purpose of this report is to obtain approval from Council to take an in principle decision to pursue a Project Funding Agreement with International Diverse Innovative Solution (Pty) Ltd.

3. **DELEGATED AUTHORITY**

Council

4. **EXECUTIVE SUMMARY**

Garden Route District Municipality in 2018 convened Investment Summit, this was the first of its kind by a District Municipality in the Province. This Summit was aimed at stimulating the economy of the region and positioning Garden Route as another investment area outside Cape Town where there is an over-concentration of Investment. This Conference was aimed at drawing domestic and International Investors to explore the investment opportunities in the region. Garden Route District Municipality was approached by International Diverse Innovative Solution (IDIS) (Pty) Ltd an investment company with an international and local footprint that is unlocking Foreign Direct Investment for Infrastructure related projects. This company was responding to calls that were made by the Mayor that the Region is open for Investment and ease of doing business has been created within the confines of the law.

IDIS (Pty) Ltd is able to unlock R10 Billion to fund the Municipal Projects that would create employment opportunities and boost economic growth in the area. This is in line with the objects of Local Government as outlined in the Constitution of the Republic of South Africa. This opportunity came at an opportune time as the economy of the Garden Route region and that of the

Country is facing contraction due to the devastating effects that have been brought by the novel Corona Virus (Covid19) which in effect brought all the key economy sectors to a standstill. This pandemic came at the time where the Garden Route District Municipality was continuing with its work on attracting more investment into the region and with the completion of the Investment Prospectus such an investment would yield the much desired results.

5. RECOMMENDATIONS

- 5.1 That Council grants an in principle decision to the Municipal Manager to pursue the Project Funding Agreement.
- 5.2 That Management identify projects that will be eligible for funding, in line with IDIS Criteria.
- 5.3 That Management provides regular progress feedback to Council on the implementation of the programme.

AANBEVELINGS

- 5.1 *Dat die Raad toestemming verleen aan die Munisipale Bestuurder om die projekbefondsingsooreenkoms na te streef.*
- 5.2 *Dat Bestuur projekte identifiseer wat in aanmerking kan kom vir finansiering, in lyn met die IDIS-kriteria.*
- 5.3 *Dat Bestuur gereeld terugvoering aan die Raad gee oor die implementering van die program.*

IZINDULULO

- 5.1 Sesokuba iBhunga linikezele ngokwentembeko isigqibo kuMphathi Masipala ukuba aqhubekeke Nesivumelwano Sokuxhasa Inkqubo.
- 5.2 Sesokuba Abaphathi bajonge iinkqubo ezizakwayamaniswa nemalinxaso, ngokwayamaniswa Nokufunwa ngabakwa IDIS.
- 5.3 Sesokuba Abaphathi banikezele rhoqo ngengxelo kwiBhunga malunga nokunimiselwa kwenkqubo.

6. DISCUSSION / CONTENTS

6.1 Background

Council will recall that the municipality on March 07 - 08, 2018, hosted an inaugural Garden Route Investment Conference, held at Oubaai Hotel Golf and Spa. This conference was in line with the municipality's vision of responding to a constitutional mandate as enunciated in the objects of local government that of, *promoting social and economic development*. Furthermore, this conference was the way in which the Garden Route District Municipality can exert its function thereby unlocking economic opportunities within the district with the aim of ensnaring domestic and foreign direct investment within the region. The conference was also given impetus by Council's quest of positioning the region as another viable region wherein multilateral industries can descend to invest and thereby position the region as another investment option apart from Cape Town.

The overarching objective of the conference was to attract national and international investors to the Garden Route region and to showcase the investment potential and opportunities that exist within the area that included:

- providing an overview of the National, Provincial and Regional economic development trajectories to investors;
- showcasing investment/business success stories as case studies;
- pursuing business development and fostering relations with prospective investors;
- facilitating investment by pre-identifying and providing customized information packages to prospective investors regarding opportunities;
- providing one-on-one sessions between municipalities/businesses and potential investors;
- ensuring that measures are in place for a smooth and efficient planning process that can help generate investment outcomes (ease of doing business, investment readiness, etc.); and
- providing a platform where incentives can be shared with investors.

A clarion call was made by the Executive Mayor during this august Conference, in his opening remarks he lamented *"that Garden Route Region is indeed open for any form of investment that will boost the economy of the region and create employment opportunities"*.

This was a bold statement to attract investment within the region to enable business within the region to grow. On the same conference Garden Route District Municipality, and all 7 B-Local Municipalities tabled investment opportunities to both National and International Investors that were present.

6.2 Discussion

Within the context of the above, quite a lot of work has been done by the District Municipality in positioning the region in terms of economic development and on its quest to herald much investment. A special broacher was developed with a bouquet of investment opportunities across.

The District Municipality has had engagements with International Diverse Innovative Solutions (IDIS) (Pty) Ltd. The IDIS Group comprises of IDIS International LTD, IDS Solutions (Pty) Ltd and IDIS Consulting and Development. Its investment arm funds projects in Sub-Saharan Africa with head offices in Gauteng. IDIS Group has five main streams of business such as they are:

- Actively generate and develop securities and programmes to raise funding on international financial markets for investment in projects in Sub-Saharan Africa;
- Considering funding applications received from the for-profit sector, not-for-profit sector and from government institutions. They fund projects by taking equity in these projects and fund government projects by entering into agreements to fund and deliver such projects through public-private partnerships, grant transfers or under BOOTT agreements. We fund projects ranging in value from \$10 million up to mega scale projects. Large projects can typically be "smart cities" and integrated urban development projects involving energy generation, storage and distribution, tourism, agricultural projects, governmental social, economic and physical infrastructural development projects, industrial development projects, and integrated

transport/rail/harbour/airport projects and local economic development projects;

- Performing and provide Engineering, Procurement, Finance and Construction (EPFC) services to ensure the inception and successful roll-out of projects that they fund and to comply with funding rules and reporting requirements. They procure and appoint “best in class” technical and professional service providers and construction companies to plan, roll-out and monitor funded projects to ensure successful implementation and ongoing sustainability;
- Promoting and engage in interregional commodity trading in Sub-Saharan Africa to stimulate growth and to link the projects that they fund and invest into existing and new business opportunities to enhance their sustainability; and
- Establishing and supporting new enterprise establishment and the development of new projects to support our investments and to promote economic activity and job creation.

IDIS (Pty) Ltd aims at unlocking foreign direct investment for the country, which will then stimulate economic growth and create job opportunities. They are also inclined to help municipalities to deliver social, economic and physical infrastructure to communities. This is in line with the objects of local government as enshrined in the Constitution of the Republic of South Africa 1996. IDIS (Pty) Ltd have successfully concluded an agreement with International Partners to accept South African Securities to unlock funding for development in South Africa. They have managed to agree to a mechanism with international funders whereby all municipalities can now use fixed assets to leverage and unlock funding for projects without transferring them. The Private Development Funding Programme (PDFP) that IDIS (Pty) Ltd will make accessible to municipalities, has been approved for roll-out in South Africa, and the levels of funding on offer can exceed R10 Billion per District.

On modalities of the programme on how it works are tabulated below:

- IDIS and a Municipality agree to enter into a Project Funding Agreement (PFA);
- IDIS and a Municipality are to identify and agree on the projects to be funded;
- The value of projects that can be funded is five times the value of a security that a municipality agrees to ring-fence;

- The Municipality issues a security by signing a PFA. The PFA has been developed to be fully consistent with South African Laws (e.g. Labour, environmental, planning and procurement laws). The PFA then becomes a Memorandum of Agreement signed by Accounting Officer of a Municipality after having been authorised by Council to do so. A PFA contains the list of projects that the parties agreed to be funded. It is the only agreement that needs to be entered into between IDIS and a Municipality for the funds to become available for implementation;
- The signed PFA becomes the security;
- IDIS international partners start with the process of transferring Foreign Direct Investment to IDS;
- IDIS start implementing the agreed projects with the assistance and responsibility of a Project Management company and local business and local entrepreneurs; and
- Implementation is coordinated through a Municipal/IDIS steering committee.

The Municipality has gained assurance that there are no costs to be borne by it in order to participate and benefit under the PDFP or to sign PFA. Furthermore, there were guarantees that there are no loans that must be repaid. *"If IDIS (PTY) LTD does not deliver as promised the PFA determines that the security pledged by a Municipality must be returned unencumbered and at no cost to the Municipality"*.

The PDFP can be used to fund small, medium and large scale projects. It can fund both government and private sector projects that will assist that municipality to achieve the section 152 and 153 responsibilities of local government.

The PDFP can cut across silos it can fund projects involving both government and private sector components and involving different sectors e.g. projects involving both power generation and water resource management. This will obviously be in line with the vision of the current Council of being a Water Service Authority and implementing all the functions as embedded in section 84 of Local Government: Municipal Structures Act 117 of 1998.

Furthermore it will be in tandem to the District Development Model Concept currently being mooted by National Government. The Investment Prospectus does outline quite a number of investment parcels which seeks to edify the prospects of the region and its growth path.

Examples of eligible for funding are as follows but not limited to:

- New Town Developments (Smart City Development)
- New waste water treatment plants
- New waste to energy and New renewable energy plants (Hydro, Solar)
- Tourism Projects
- Healthcare and new facilities
- Manufacturing
- New mining opportunities
- Management systems: water and electricity
- Roads, Bridges, Harbours, Railway
- Intermodal Transport Project.

Steps to be followed to activate the process:

- **Step 1:** Municipality request IDIS for information regarding PDFP;
- **Step 2:** Municipality takes in principle decision to pursue a PFA;
- **Step 3:** Municipality/IDIS start with the identification of projects;
- **Step 4:** After agreeing on projects to be funded, Municipality places 30 day public advertisement giving notice of its intention to conclude a PFA with IDIS;
- **Step 5:** Council authorises security and for MM to sign PFA with IDIS. Funding to start in approximately two months after signature;
- **Step 6:** Appoint the Municipal/IDIS Steering Committee to coordinate roll-out of projects and signing of Service Level Agreements;
- **Step 7:** Proceed with the adjudication of unsolicited bids in terms of applicable supply chain management provisions;
- **Step 8:** release land on a basis agreed for project implementation and provides required planning and development approvals for agreed projects.

Bespreking

Heelwat werk is deur die Distriksmunisipaliteit gedoen om die streek in terme van ekonomiese ontwikkeling te posisioneer en op dreef te bring om beleggers te bekom. 'n Spesiale brosjure is ontwikkel met ruim beleggings geleenthede.

Die Distriksmunisipaliteit het met International Diverse Innovative Solutions (IDIS) (Edms) Bpk onderhandel (IDIS). Die IDIS Groep bestaan uit IDIS International LTD, IDS Solutions (Edms) Bpk en IDIS Consulting and Development. Sy beleggingsarm finansier projekte in Afrika suid van die Sahara met hoofkantore gelee in Gauteng.

- Om gedurigdeur befondsingsaansoeke te oorweeg wat ontvang word vanaf die sektor vir die winsgewende, nie-winsgewende sektor en van regerings-instellings. Ons finansier projekte deur ekwiteit in hierdie projekte te neem; en finansier regeringsprojekte deur ooreenkomste aan te gaan om sulke projekte te finansier.
- Verskaffing van ingenieurs-, verkrygings-, finansies- en konstruksiedienste (EPFC) om die ontstaan en suksesvolle implementering van projekte wat ons befonds te verseker en om te voldoen aan befondsingsreëls en verslagdoeningsvereistes.
- Die bevordering en interaksie van kommoditeitshandel in Afrika suid van die Sahara om groei te stimuleer en die projekte wat ons befonds en in belê, te koppel aan bestaande en nuwe sakegeleenthede om hul volhoubaarheid te bevorder; en
- Die vestiging en ondersteuning van nuwe ondernemings en die ontwikkeling van nuwe projekte ter ondersteuning van ons beleggings en om ekonomiese aktiwiteit en werkskepping te bevorder.

IDIS (Edms) Bpk beoog om direkte buitelandse beleggings vir die land te ontsluit, wat dan ekonomiese groei sal stimuleer en werksgeleenthede sal skep. Hulle is ook geneig om munisipaliteite te help om sosiale, ekonomiese en fisiese infrastruktuur aan gemeenskappe te lewer. Dit strook met die oogmerke van die plaaslike regering soos vervat in die Grondwet van die Republiek van Suid-

Afrika 1996. IDIS (Edms) Bpk het 'n ooreenkoms met Internasionale Vennote suksesvol gesluit om Suid-Afrikaanse Sekuriteite te aanvaar om befondsing vir ontwikkeling in Suid-Afrika te ontsluit. Hulle het daarin geslaag om 'n meganisme met internasionale befondseers saam te stel waardeur alle munisipaliteite nou vaste bates kan gebruik om finansiering vir projekte te benut en te ontsluit sonder om dit oor te dra. Die Private Development Funding Program (PDFP) wat IDIS (Edms) Bpk beskikbaar sal stel vir die munisipaliteit, is goedgekeur vir implementering in Suid-Afrika, en die finansieringsvlakke wat aangebied word, kan R10 biljoen per distrik oorskry

- IDIS en 'n munisipaliteit kom ooreen om 'n projekbefondsingsooreenkoms aan te gaan;
- IDIS en 'n munisipaliteit moet die projekte wat befonds moet word identifiseer en saamstem op die spesifieke projekte;
- Die ondertekening van die PFA dien as sekuriteit. Die projekbefondsings ooreenkoms is ontwikkel om volledig in ooreenstemming te wees met die Suid-Afrikaanse wette (bv. Arbeids-, omgewings-, beplannings- en dokumentwette). Die projekbefondsings ooreenkoms word dan 'n memorandum van ooreenkoms wat deur die rekenpligtige beampte van 'n munisipaliteit onderteken word nadat die Raad daartoe toestemming gegee het.
- Die ondertekende PFA dien as sekuriteit;
- Internasionale IDIS-vennote begin met die proses om direkte buitelandse beleggings na IDIS oor te dra;
- IDIS begin met die implementering van die ooreengekome projekte met die hulp van 'n projekbestuurs onderneming, plaaslike ondernemings en plaaslike entrepreneurs; en
- Die implementering word deur 'n munisipale / IDIS-bestuurskomitee gekoördineer.

Die munisipaliteit het die versekering gekry dat daar geen koste daaraan verbonde is om deel te neem en onder die PDFP voordeel te trek of om die PFA te onderteken nie. Verder is daar waarborge dat daar geen lenings is wat terugbetaal moet word nie. "As IDIS (Edms) Bpk nie lewer soos belowe nie, bepaal die PFA dat die sekuriteit wat deur 'n munisipaliteit belowe is, onbelemmerd en kosteloos aan die munisipaliteit terugbesorg moet word". Die

PDFP kan gebruik word om klein, medium- en grootskaalse projekte te finansier. Dit kan sowel regerings- as private sektor-projekte finansier wat die munisipaliteit sal help om die verantwoordelikhede van artikel 152 en 153 van plaaslike regering te bereik. Die PDFP kan silo's sny, dit kan projekte finansier wat sowel regerings- as privaatsektor-komponente insluit en wat verskillende sektore insluit, bv. projekte waarby kragopwekking en waterbronbestuur betrokke is. Dit sal uiteraard strook met die visie van die huidige Raad om 'n Waterdiensowerheid te wees en al die funksies te implementeer soos vervat in artikel 84 van die Wet op Plaaslike Regering: Munisipale Strukture 117 van 1998. Verder is dit in ooreenstemming met die distriksontwikkeling Modelkonsep word tans deur die Nasionale Regering gepropageer. Die beleggingsprospektus bevat 'n hele aantal beleggings wat die vooruitsigte van die streek wil verbeter.

Voorbeelde van projekte wat in aanmerking kom vir befondsing is soos volg, maar nie beperk tot:

- Nuwe stadsontwikkelings (Smart City Development)
- Nuwe afvalwaterbehandelingsaanlegte
- Nuwe afvalstowwe vir energie en nuwe aanlegte vir hernubare energie (hidro, sonkrag)
- Toerisme projekte
- Gesondheidsorg en nuwe fasiliteite
- Vervaardiging
- Nuwe mynbou geleenthede
- Bestuurstelsels: water en elektrisiteit
- Paaie, brûe, hawens, spoorwee

Stappe wat gevolg moet word om die proses te aktiveer:

- **Stap 1:** die Munisipaliteit versoek IDIS vir inligting rakende PDFP;
- **Stap 2:** die munisipaliteit neem in beginsel 'n besluit om 'n PFA na te streef;
- **Stap 3:** die munisipaliteit / IDIS begin met die identifisering van projekte;
- **Stap 4:** Nadat die munisipaliteit ooreengekom het op projekte wat gefinansier moet word, plaas dit 30 dae publieke advertensies wat kennis gee van sy voorneme om 'n PFA met IDIS te sluit;

- **Stap 5:** die Raad bemagtig die Munisipale Bestuurder om PFA met IDIS te onderteken. Befondsing begin ongeveer twee maande na ondertekening;
- **Stap 6:** Stel die bestuurskomitee vir die munisipaliteit / IDIS aan om die implementering van projekte en die ondertekening van ooreenkomste te koördineer;
- **Stap 7:** Gaan voort met die beoordeling van ongevraagde aanbiedings (unsolicited bids) ingevolge die toepaslike Voorsieningskanaalprosedures;
- **Stap 8:** stel grond vry op die basis waarop ooreengekom is vir die implementering van die projek en verskaf goedkeuring soos vereis vir beplanning en ontwikkeling vir ooreengekome projekte.

6.3 Financial Implications

There are no financial implications for the municipality. There is possibility of growth and more money coming into the region as a result of the investment opportunity. Assets pledged as security in line with the MFMA. PFA clause will ensure that there is no risk of loss of assets to GRDM.

6.4 Legal Implications

The Project Funding Agreement will be entered into once all the relevant steps have been fulfilled. Pursuing the PFA has no legal obligations until it's signed by all the parties. Furthermore, if IDIS (Pty) Ltd are not fulfilling its obligations, the security pledged by the Municipality are returned unencumbered.

6.5 Staff Implications

None.

6.6 Previous / Relevant Council Resolutions:

There are no previous or relevant Council resolutions related to this matter.

6.7 Risk Implications

There are no risk implications in pursuing the PFA. Risks will be identified prior to signing the PFA where in Council will be required to identify its assets that would be equivalent to investment amount.

6.8 Comments from Executive Management:

6.8.1 Executive Manager: Roads and Transport Planning Services

Take note and support contents of report

6.8.2 Executive Manager: Planning and Economic Development

Supported.

6.8.3 Executive Manager: Community Services

This initiative is highly appreciated and we could hugely benefit from this as we as the Dept of Community Services are in need of critical funding for the following:-

Regional landfill site – R180 Million
 Fire Station building R12 Million
 Fire Dept vehicles – R25 Million
 Air Quality Management equipment – R1,5 million
 Alien clearing project R35 Million
 Water Quality Monitoring R1,5 Million per year
 Food Safety monitoring R2 Million per year
 District Illegal dumping R35 Million
 Disaster Management equipment R11 Million

6.8.4 Executive Manager: Corporate Services

Support the recommendations in the report.

6.8.5 Executive Manager: Financial Services

In-principle agreement is supported. Thorough legal and financial advice will be obtained prior to signing any specific security agreements or other transactions, but this will be dealt with as appropriate.

6.8.6 Manager: Legal Services

Support the recommendations - complies with legislative requirements

IDIS Private Development Funding Programme

**A new source of funding for
Municipalities in South Africa**

NATIONAL PROGRAMME





INTERNATIONAL DIVERSE INNOVATIVE SOLUTIONS (PTY) Ltd

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PURPOSE OF THE PDFP

- To **Unlock FDI** for South Africa.
- To stimulate **economic growth** and **job creation**.
- To assist municipalities **to deliver social, economic and physical infrastructures** to communities.
- To mobilise the private sector in the province and/or district to assist Municipalities to promote the social and economic development of Communities.
- To assist municipalities to tackle large scale development constraints faced by them.
- To use unlocked FDI to assist Municipalities to fulfil the section 152 and 153 objects and duties of Local Government as per the Constitution, 1996. Which objects and duties are . .

Section 152: **Objects** of local government

1. The **objects of local government** are -

- to provide **democratic and accountable** government for local communities;
- to ensure the provision of services to communities in a **sustainable manner**;
- to promote **social and economic development**;
- to *promote a* **safe and healthy environment**; and
- to encourage the **involvement** of communities and community organisations in the matters of local government.

2. **A municipality must strive, within its financial and administrative capacity, to achieve the objects set out in subsection (1).**

Section 153: Developmental **Duties** of Municipalities

A municipality **must** :

- structure and manage its administration, and budgeting and planning processes to give priority to the basic needs of the community, and to promote the *social and economic* development of the community; and
- participate in national and provincial development programmes.

WHAT IDIS HAS ACHIEVED

- We have broken new ground by successfully concluded agreements with International Partners to accept South African Securities to unlock funding for development in South Africa.
- We have managed to agree a mechanism with international funders whereby all Municipalities can now use fixed assets to leverage and unlock funding for projects without transferring it.
- We have packaged our agreements in the Private Development Funding Programme – to make it accessible to Municipalities.
- The PDFP has been approved for roll-out in South Africa.
- The levels of funding on offer are significant – typically - the amounts unlocked for investment can exceed R 10 Billion per District.

From when is this funding available ?

- **Immediately**

- The PDFP is a [new programme](#) – it is available from 2020 onwards.
- We are currently finalising our first agreements
- Once an agreement has been concluded with a District or Municipality it will take about two months before funding starts

How does it work ?

- IDIS and a Municipality agree to enter into a Project Funding Agreement (PFA)
- IDIS and a Municipality identify and agree the projects to be funded.
- The value of projects that can be funded is five times the value of a security that a municipality agrees to ring-fence.
- The Municipality issues a security by signing a PFA.
- The signed PFA becomes the security.
- IDIS international partners start with the process of transferring Foreign Direct Investment to IDIS.
- IDIS start implementing the agreed projects with the assistance and responsibility of a Project Management company and local business and local entrepreneurs.
- Implementation is coordinated through a Municipal/IDIS steering committee

What is the legal basis for a PFA ?

- The PFA has been developed to be fully consistent with South African Laws (e.g. including, Labour, environmental, planning and procurement laws).
- We have extensively consulted with the legal and technical divisions of Municipalities in drafting the PFA
- The competence to issue a “security” flows from section 48 of the MFMA. Municipalities don’t have to ask another sphere of government “permission” to exercise this competence. A Council is competent to issue a security.
- The purpose of a Project Funding Agreement is to enable Municipalities to pursue their section 152 and 153 responsibilities.
- All agreed projects included in a signed PFA must be approved in the normal manner as unsolicited bids when the implementation starts in terms of all applicable procurement and supply chain management laws.

What is a Project Funding Agreement

- A PFA is a Memorandum of Agreement signed by the Accounting Officer of a Municipality after having been authorized by Council to do so.
- A PFA represents the interests of the following parties:
 - The Municipality as the beneficiary and the issuer of a security
 - IDIS
 - IDIS's Fiduciary Manager
 - International Funders
 - The International Banking System.
- A PFA contains the list of projects that the parties agreed to be funded.
- A PFA is the only agreement that needs to be entered into between IDIS and a Municipality for the funds to become available for implementation.

What is the nature of the “Security” that a Municipality must provide

- It is a **pledge** by a Municipality to *maintain and agreed threshold value of fixed assets* that belong to a Municipality for *a period of five years* at or above the threshold level. This pledge is contained in the PFA.
- It is **not required** to transfer **any assets** to anyone **or to stop using or to stop benefitting from any municipal asset**. The assets remains with the municipality and under the control of the municipality.
- It is not required to pledge any specific fixed asset or group of specific asset for the purpose of reaching the threshold value that must be maintained. The collective asset value is used to determine what value to maintain over the 5 year funding cycle.
- *“effectively nothing changes on the ground – a Municipality basically agrees not to sell fixed assets - like its water and sewerage works – assets that it was not going to sell in any case - that will cause the collective value of its assets to drop below the promised threshold level”*

**FUNDING BASED ON THE RINGFENCING OF ONLY
A VALUE OF ALL THE ASSETS OF A MUNICIPALITY
and based on *last audited financial statements***

(ONLY a pledge to maintain that value for 5 years)

example:



R2 b asset value = R 10 b investment

NO change of ownership or transfer of assets to IDIS
or the Fiduciary Manager: only the value of assets
needs to be pledged in return for funding and
implementation of projects.



KEEP

GROWING MUNICIPAL

ASSETS

Is the PFA supported by national and Provincial Government ?

- IDIS has formally submitted all its documentation to National Treasury for review and continuously engage with National Treasury and COGTA to streamline processes.
- National Treasury has provided IDIS with a letter and has highlighted no red flags with our PDFP and PFA.
- National Treasury has confirmed that it is the responsibility of IDIS and Municipalities to proceed to conclude PFA's.
- The current municipalities have consulted extensively with their Provincial Treasury on the PFA and its provisions.
- The Provincial Treasury has recommended public advertisements to ensure full compliance with procurement laws.

What does it cost a Municipality ?

- It **costs nothing to participate in and benefit under the PDFP or sign a PFA**
- There are **no loans that must be repaid.**
- **Capacity building and Training** will be part of the new infrastructure created through a PPP project agreed between Municipality & IDIS.
- It **does not** replace the normal budgetary allocations of Municipalities or their ability to find other forms of finance

What are the risks ?

There **are no risks** for a Municipality because:

- There are ***no costs*** *involved in concluding a PFA*
- If IDIS does not deliver as promised the PFA determines that the security pledged by a Municipality *must be returned unencumbered and at no cost to the Municipality.*
- The International Funders has determined that the FDI that is allocated for the agreed projects shall flow to IDIS – *and that IDIS (and not the Municipality) be held accountable for funding, for reporting, for insurances and for ensuring project roll-out*
- All projects require the conclusion of an initial *service level agreement* between IDIS and a Municipality.

Key Attributes of the PDFP - 1

- The PDFP can be used to **fund small medium and large scale projects**;
- The PDFP **can fund both government and private sector projects** that will assist a Municipality to achieve the section 152 and 153 responsibilities of local government.
- The PDFP **can cut across silos** – it can fund projects involving both government and private sector components and involving different sectors (e.g. projects involving both power generation and water resources management)

Key Attributes of the PDFP - 2

- The PDFP can be used to fund projects in 3-ways:
 - As **Grant Transfer** projects: -
 - E.g critical unfunded IDP projects intend to restore systems back to health – restore substations, fix pipes, fix sewerage system problems.
 - As **PPP projects** (e.g. on **BOOTT** or **PP** basis): -
 - E.g. revenue enhancement projects (e.g. smart metering technologies), or
 - new municipal infrastructural projects (e.g. energy generation facilities, energy storage, energy re-use, lowering of carbon footprint, waste water treatment works, water re-cycling, hospitals, mixed-use developments, regional water networks, etc.)
 - As **Private-Private funding or equity agreements**: _
 - E.g. social housing projects already approved by a municipality,
 - projects intended to create new entrepreneurs and new enterprises,
 - projects intended to stimulate local growth and development.
 - Job creation projects (e.g. new mining projects)
 - LED Projects or projects identified by a Development Agency

Key Attributes of the PDFP - 3

- If the PDFP is successfully used by a Municipality it should:
 - Improve and enlarge the tax and income base of a city or rural area.
 - Modernise and equip the municipality with new smart city technologies to address existing service delivery problems.
 - Address critical social, economic and infrastructural backlogs in the community.
 - Stimulate local economic activity, unlock local economic comparative advantages and create jobs,
 - Increase the asset basis of a Municipality

“The PDFP programme offers a unique opportunity to Municipalities to make structural changes that will put it on a path to greater future sustainability.”

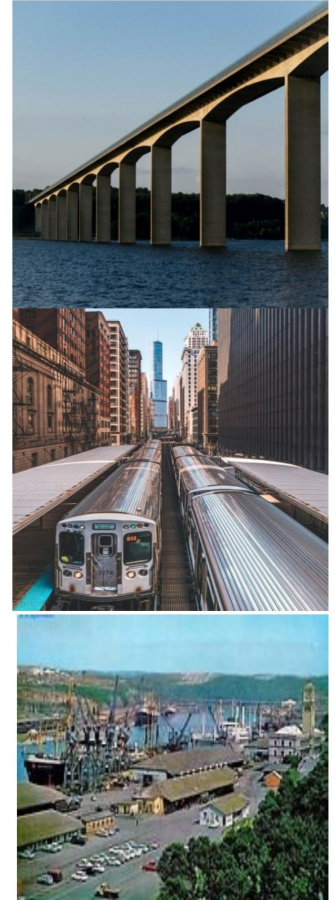
“The PDFP should not be seen or used as a simple replacement of government funding.”

EXAMPLES OF PROJECTS



INTERNATIONAL DIVERSE INNOVATIVE SOLUTIONS (PTY) Ltd

- New Town developments (smart city developments)
- New waste water treatment plants
- New waste to energy & New renewable energy plants (Hydro, Solar)
- Tourism Projects
- Healthcare and new facilities
- Manufacturing
- New mining opportunities
- Management systems: water and electricity
- Roads, Bridges, Harbours, Railway,
- Intermodal transport projects



How to start the process



INTERNATIONAL DIVERSE INNOVATIVE SOLUTIONS (PTY) Ltd

- Step 1:** Municipality request IDIS for information regarding PDFP;
- Step 2:** Municipality takes in principle decision to pursue a PFA;
- Step 3:** Municipality/IDIS start with the identification of projects;
- Step 4:** After agreeing on projects to be funded, Municipality places a 30 day public advertisement giving notice of its intention to conclude a PFA with IDIS,
- Step 5:** Council authorises security and for MM to sign PFA with IDIS. Funding to start in approximately two months after signature;
- Step 6:** Appoint the Municipal/IDIS Steering Committee to coordinate roll-out of projects and signing of Service Level Agreements;
- Step 7:** Proceed with the adjudication of unsolicited bids in terms of applicable supply chain management provisions.
- Step 8:** Release land on a basis agreed for project implementation and provides required planning and development approvals for agreed projects.

Thank You



IDIS

INTERNATIONAL DIVERSE INNOVATIVE SOLUTIONS (PTY) Ltd

Exemption under the PPPF

- Notwithstanding the opinions in (i) and (ii) above that specifically deal with the powers of the Municipality to decide and process unsolicited bids, a Municipality can, to the extent that this may become necessary, also elect to apply for exemption from the provisions of the Preferential Procurement Policy Framework Act on the basis provided for in section 3 of the Act:
- “Exemption
- 3. The Minister may, on request, exempt an organ of state from any or all the provisions of this Act if—
 - (a) it is in the interests of national security;
 - (b) the likely tenderers are international suppliers; or
 - (c) it is in the public interest.”
- We submit that projects funded by IDIS with non-recourse foreign investment substantially satisfy the conditions in 3(b) and (c) and in the current context of a national pandemic, possibly 3(a) as well.

Provisions of section 48 of the MFMA

Section 48 of the Municipal Finance Management Act regulates when and how a Municipality can use a security to unlock funding. This section provides as follows:-

“48. (1) A municipality may, by resolution of its council, provide security for—

- (a) any of its debt obligations;
- (b) any debt obligations of a municipal entity under its sole control; or
- (c) contractual obligations of the municipality undertaken in connection with capital expenditure by other persons on property, plant or equipment to be used by the municipality or such other person for the purpose of achieving the objects of local government in terms of section 152 of the Constitution.
- (2) A municipality may in terms of subsection (1) provide any appropriate security, including by—
 - (a) giving a lien on, or pledging, mortgaging, ceding or otherwise hypothecating, an asset or right, or giving any other form of collateral;”

The purpose for which the security will be used is consistent with the objectives of local Government which a Municipality must strive to achieve. The Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996) determines as follows: -

“Section 152: Objects of local government

- (1) The objects of local government are-
 - (a) to provide democratic and accountable government for local communities;
 - (b) to ensure the provision of services to communities in a sustainable manner;
 - (c) to promote social and economic development;
 - (d) to promote a safe and healthy environment; and
 - (e) to encourage the involvement of communities and community organisations in the matters of local government.
- (2) A municipality must strive, within its financial and administrative capacity, to achieve the objects set out in subsection (1).”



INTERNATIONAL DIVERSE INNOVATIVE SOLUTIONS (PTY) Ltd

Reference: IDIS/Garden Route DM

Date: 4 February 2021

Tel: (0) 44 803 1315

Cell: +27 (0)67 608 2251

E-Mail: pa.mm@gardenroute.gov.za
mm@gardenroute.gov.za**The Municipal Manager****Mr. Monde Stratu**Garden Route District Municipality
54 York Street,
George,
Western Cape
6529

Dear Mr Stratu,

REQUEST FOR MEETING TO PRESENT THE IDIS PRIVATE DEVELOPMENT FUNDING PROGRAMME

1. Our meeting of 27 January 2021 in Johannesburg, Sandton and your letter dated 4 February 2021 whereby Garden Route District Municipality requesting International Diverse Innovative Solutions (Pty) Ltd "IDIS" to present the funding concept to the Executive Management of GRDM. Further to that, the GRDM will prepare an item for the council and would like IDIS to do the same presentation to Council on the funding model for an in principle approval.
2. Please provide us with a date and time of the virtual Executive Management and the Council meeting and the relevant link for the meetings to present the Private Development Funding Programme.
3. We are ready to proceed to assist the Municipality on the basis set out in the paragraphs that follow:
 - A detailed Step by Step approach
 - The Private Development Funding Programme document

To take part in the IDIS development funding programme the municipality will have to take the following steps and decisions:

4. **Step by Step approach to be followed:**

The process that must follow after the formal presentation involves administrative actions by the Municipality, negotiations with IDIS to identify the projects that will be funded and a decision by Council to issue a security to unlock funding for this purpose through our PDFP mechanism. The immediate objective is for IDIS and the Municipality to do the work necessary to enable us to sign a **Project Funding Agreement (PFA)**.

Office Address: 33 Ormonde Street, Muckleneuk, Pretoria
 Registered address: 33 Ormonde Street, Muckleneuk, PRETORIA, 0002
 Tel (cell): +27(0)78091 7938
 e-Mail: Benita@idis.co.za
 Website: www.idis.co.za

Company Registration Number: 2008/014283/07

Executive Directors: B Vermeulen, K Seakamela, NB Matshatshhe

The following steps must be completed before a Project Funding Agreement can be signed:

4.1. Step one: Municipality requests IDIS in writing for information regarding the PDFP.

We have received a letter from the municipality to do a formal presentation.

4.2. Step two: Municipality takes an in principle decision to pursue a PFA with IDIS.

This step has not yet been completed.

It is required that the Council make a decision that provides for the following:

- (a) That Council decided that the Municipality intends to pursue a Project Funding Agreement with IDIS; and
- (b) That Council authorises the Municipal Manager to engage with IDIS and report progress to Council/Mayoral Committee.

IDIS will provide a copy of a Project Funding Agreement to the Municipality after having been notified of the Councils decision. (See paragraph 4.)

4.3. Step three: Municipal Manager determines the value of the security that Municipality can pledge

- 4.3.1. Municipal Manager request the CFO to certify the value of unencumbered non-current assets held by the Municipality that can be pledged for the purposes of concluding a Project funding Agreement with IDIS for a period of five years.
- 4.3.2. The IDIS PDFP funding instrument does not require the transfer of any asset or that a specific asset been used or identified for the purposes of a pledge. The principle is that all unencumbered non-current assets of the Municipality that are evidenced by the financial statement of the Municipality as audited by the Auditor General of South Africa can be considered for a pledge to unlock funding through IDIS's PDFP instrument.
- 4.3.3. Assets that underwrites existing debt or which have already been used to create a debt instrument (example a Municipal bond), or which are under the hold of any other party or instance, cannot be used for the purposes of a pledge for a PFA.
- 4.3.4. Assets pledged for the purposes of a PFA may not be subject to a prior claim by any other party for the duration of the pledge period of five years.
- 4.3.5. Assets pledged for the purposes of a Project funding Agreement do not have to take account of or make provision for depreciation over the funding term of five years. When funding starts IDIS will continuously add new assets to the asset register of the Municipality.
- 4.3.6. The assets pledged, excluding any asset already committed for any purpose in 4.3.2 to 4.3.4 above, must be evidenced by the last financial statement of the Municipality as audited by the Auditor general of the republic of South Africa

4.4. Step four: Municipality and IDIS identify and agree on the projects to be included in Annexure A (Which Annexure A will be attached to a Project Funding Agreement)

- 4.4.1. This step must be completed before step 5 can commence.
- 4.4.2. IDIS has not yet received a draft project list from the Municipality and we request that the Municipality provide us with its draft project list for which they require funding.

- 4.4.3. We request that the Director Technical Services (or another functionary identified by you) be designated as the instance responsible to develop and finalise the project list and co-ordinate the process with IDIS and to report progress to yourself.
- 4.4.4. We request that the Director Technical Services submit a draft project list for our consideration to our Mr Peter de Vries at 082 375 5078 (*e-mail: peter@idis.co.za*) or in the event that he cannot be reached, to our Dr Louis Potgieter at 0824561365 (*e-mail: louis@idis.co.za*).
- 4.4.5. The projects that can be included in your draft project list can include any project that will assist the Municipality to achieve its section 152 and 153 development goals and objects as provided for in the Constitution of the Republic of South Africa.
- 4.4.6. The Municipality's draft project list must provide the following information to IDIS in respect of each project:
- A description of each project;
 - Timeframe for implementation;
 - Legal basis for funding (Grant transfer, PPP, P-P);
 - Estimated Cost; and
 - Project Origin
- 4.4.7. The projects on the Municipality's draft project list must be categorised under the following headings:
- | | |
|-----------------------------|--|
| Category A Projects: | Unfunded IDP projects |
| Category B Projects: | Projects meant to enhance municipal revenue from existing systems and services |
| Category C Projects: | Projects meant to reduce the operational costs of a municipality |
| Category D Projects: | Projects meant to create future income streams for a municipality |
| Category E Projects: | Projects meant to create new jobs and to stimulate economic growth and development |
- 4.4.8. An illustrative list of possible projects that can be considered by the Municipality under each of the categories in 4.3.7 above is shown in Annexure A, which Annexure is attached to the Project Funding Agreement and dealt with in Paragraph 5 below.
- 4.4.9. As a general principle we request that the Municipality consider and prioritise all projects that will assist it to resolve the following problems and create a future sustainable basis for service delivery, for inclusion in Annexure A. We request that the Municipality consider the following matters in this regard:
- Resolution of problems experienced with ESKOM
 - Resolution of problems experienced with waste water management
 - Resolutions of problems experienced with water services delivery and the re-use of water
 - Resolution of solid waste management problems
 - Lack of new jobs and economic growth
 - Lack of social service delivery and infrastructure

- Resolution of environmental problems
- Creation of a circular economy¹
- Enhancement of local economic multiplier and minimisation of leakages out of the system

4.4.10. The Municipality's draft project list to be provided to IDIS can include projects that can be funded through the following three legal routes:

4.4.10.1. Grant Funded Projects

A maximum of 25 % of projects can be identified for Grant Funding purposes.

Grant funded projects are projects where IDIS will appoint service providers and contractors to perform work or deliver services specified in a service level agreement concluded with the Municipality. These service level agreements will be concluded between IDIS and the Municipality after a Project Funding Agreement has been completed.

The work performed or services delivered on a Grant Transfer basis will be done at no cost to the Municipality and for the public good. There will be no loan that must be repaid.

It is our experience that Municipalities mostly include unfunded IDP projects in Category A of paragraph 4.4.7 above.

4.4.10.2. Public-Private-Partnership Projects (PPP)

- 4.4.10.2.1. 75% of funding unlocked through the PDPF must be used for project that will be implemented on a Public-Private Partnership Basis or on a Private-Private Basis.
- 4.4.10.2.2. Projects identified for inclusion in Annexure A by the Municipality will be submitted as unsolicited bids by IDIS after the conclusion of a Project Funding Agreement with the Municipality. These unsolicited bids must then pass through the normal procurement system of the Municipality in compliance with the MFMA, and all the applicable Provincial and national Treasury regulations, Guidelines and notes.
- 4.4.10.2.3. Annexure A of the PFA contains a list of examples of projects that a Municipality can consider for implementation on a PPP basis and for inclusion in Annexure A of the PFA.
- 4.4.10.2.4. Infrastructure created as part of a PPP project will be transferred at no cost to a Municipality when a PPP agreement ends.
- 4.4.10.2.5. PPP agreements will include provision for the payment of tariffs by the Municipality to service providers that will operate and maintain infrastructures created for the duration of a PPP agreement. These services and tariffs will be submitted to viability assessment when PPP agreements are approved through the normal procurement process to prove benefit to the Municipality.

¹ An urban circular economy is one in which cities keep resources in use for as long as possible, extract the maximum value from them whilst in use, then recover and regenerate products and materials at the end of their life.

- 4.4.10.2.6. Various forms of PPP agreements can be used and can be project specific. These can include Build, Own, Operate, Train and Transfer (BOOTT), or Build operate and Transfer (BOT), or Build and Transfer (BT) linked to service agreements, or other forms of Government-Private Partnerships.

4.4.10.3. Private-Private Projects

- 4.4.10.3.1. Illustrative examples of projects that a Municipality can consider for inclusion in Annexure A for implementation on a Private-Private basis and which will assist the Municipality to achieve its section 152 and 153 development goals and object as per the Constitution, 1996, are shown in Annexure A of the PFA.
- 4.4.10.3.2. Private-private partnerships are seen as critical for job creation, stimulation of growth and to unlock new income streams for a municipality by creating new tax bases, licencing fee streams, profitable sale of services to new enterprises and creation of employment opportunities that will enhance local economic multipliers that will increase local abilities to pay for services.
- 4.4.10.3.3. It is our experience that Municipalities typically include projects that derives from their LED planning processes in this category of projects.
- 4.4.10.3.4. Projects implemented on a Private-Private basis must be submitted to IDIS and show a positive internal rate of return and local implementation capacity. IDIS will enter into an equity agreement with a project owner who will then be responsible to roll out the project under IDIS's oversight and with IDIS's financial assistance to ensure the project is completed.
- 4.4.10.3.5. Typically Private-private projects can deliver new social housing, new medical facilities, new industry, new agro-industry, tourism facilities, integrated development projects and projects indicated in Annexure A to the attached PFA.

4.4.11. Information that IDIS will require to engage with the Municipality on the identification of projects for Annexure A of the PFA.

We request that the following information and/or electronic copies of these documents (if available) be provided to IDIS to assist us with the identification and packaging of projects for Annexure A of the PFA:

- 4.4.11.1. Latest IDP of the Municipality
- 4.4.11.2. Water Services Development Plan
- 4.4.11.3. Electricity Master Plan
- 4.4.11.4. Roads and Storm Water Master Plan
- 4.4.11.5. Solid Waste Master Plan
- 4.4.11.6. Community Services and Recreation Master Plan
- 4.4.11.7. Local Economic Development Strategy
- 4.4.11.8. Existing number of streetlights and number of additional streetlights required.
- 4.4.11.9. Existing number of high mast lights and number of additional high mast lights required.
- 4.4.11.10. Existing feasibility studies that have been completed by the Municipality for draft projects submission for inclusion in Annexure A.

- 4.4.12. Please note that IDIS and the Municipality may not be able to specify accurate project costs during this stage of the process and in certain instances actual project costs will only become now after tenders or final cost estimates have been completed.

We request that best practise and benchmarking be used to determine realistic budgets for projects. The amount of funding unlocked by IDIS is tied to the security pledged by the Municipality, and the amount unlocked will determine how many of the projects in Annexure A of the Project Funding Agreement can be implemented.

4.5. **Step Five: Placement of a 30 day Public Advertisement:**

- 4.5.1. As soon as a draft project list has been agreed between IDIS and the Municipality the Municipality can proceed to give notice of its intention to enter into a Project Funding Agreement with IDIS by way of a public advertisement in the prescribed manner for a period of 30 days. This advertisement should allow the public or any interested party to have insight into the proposed Project Funding Agreement to raise objections or provide comment thereon.
- 4.5.2. We propose that the following wording be considered for the required Public Notice:

[Insert picture of Municipal Coat of Arms]

PUBLIC NOTICE No.:/2020

INTENTION OF THE GARDEN ROUTE DISTRICT MUNICIPALITY TO ENTER INTO A FUNDING AGREEMENT WITH INTERNATIONAL DIVERSE INNOVATIVE SOLUTIONS (IDIS) (PTY) LTD

Notice is hereby given that the Garden Route District Municipality intends to enter into a Funding Agreement with International Diverse Innovative Solution (Pty) Ltd in terms of Section 48 of the Municipal Finance Management Act (MFMA), No 56 of 2003, for the purpose of achieving the objects of local government in terms of Section 152 of the Constitution and for the achievement of the developmental duties of the Municipality in terms of Section 153 of the Constitution of the Republic of South Africa, 1996. Information regarding the Funding Agreement is available for perusal at the Garden Route Municipality

*Garden Route District Municipality,
Office of the Director Technical Services
54 York Street,
George,
Western Cape
6529*

Accordingly, the public is invited to submit representations, comments and or any objections to the municipality within thirty (30) days of the first date of this publication.

All enquiries can be directed to Supply Chain Management, Me/Mr xxx XXXX at (...) or by e-mail to xxx@gardenroute.gov.za

Mr. M Stratu
MUNICIPAL MANAGER
GARDEN ROUTE DISTRICT MUNICIPALITY
54 York Street,
George
Western Cape
Tel No. 044 803 1300

4.6. **Step Six: MM Submits documentation to Council and request Council to issue a security**

- 4.6.1. After comments in response to the 30 day advertisement have been considered, and after completion of further discussions with IDIS necessitated by responses received, the Municipal Manager submits his/her recommendation to Council to proceed with the issuing of a security.

4.6.2. The Municipal Manager must make a recommendation to Council to obtain the following resolutions:

4.6.2.1. That the Municipality shall provide a security on the basis provided for in for in Section 48 (1) (c) of the Municipal Finance Management Act, Act no 56 of 2003, for the purpose of achieving the objects of local government as provided for in Section 152 of the Constitution, by making a pledge to issue a security on the basis provided for in Section 48 (2) (a) of Act 56 of 2003 and as provided for in Paragraph 3.2 of the Project Funding Agreement as submitted to Council.

4.6.2.2. That Council approves and agrees to the terms and conditions of the Project Funding Agreement as submitted to Council;

4.6.2.3. That the amount of funding unlocked by IDIS shall be used to fund and roll-out projects included in Annexure A of the Project Funding Agreement as submitted to Council;

4.6.2.4. That the project Steering Committee contemplated in section 9.5 of the Project Funding Agreement as submitted to Council shall be established and report progress to Council with the Implementation and roll-out of the Project Funding Agreement.

4.6.2.5. That Council authorise the Municipal Manager to conclude a Project Funding Agreement with IDIS by his signature of the Project Funding Agreement.

4.6.3. After having obtained the resolution contemplated in paragraph 4.6.2 above the Municipal Manager informs IDIS that he is ready to sign a Project Funding Agreement.

4.7. **Step seven: Signing of a Project Funding Agreement**

4.7.1. Upon completion of steps one to five IDIS and the Municipality can sign a Project Funding Agreement (PFA)

4.7.2. The PFA must be signed at the offices of our Notary in Pretoria.

4.7.3. The Municipal Manager must sign the PFA.

4.7.4. The signed and notarised PFA will become the security that IDIS will provide to our International Partners to unlock funding for the projects identified in Annexure A of the PFA.

4.7.5. The signed PFA must be accompanied by the following documents:

4.7.5.1. A certified copy of the Council Resolution or the Minutes of a Council Meeting that authorised the issuing of a security on the basis set out in paragraph 4.6.2 above

4.7.5.2. A certified copy of the last financial statement of the Municipality as audited by the Auditor General of South Africa that evidences the non-current assets held by the Municipality.

5. **Project Funding Agreement (PFA) documentation**

5.1. A copy of the Project Funding Agreement to be signed by the Municipal Manager will be provided after having received the decision of the Municipality contemplated in Paragraph 3.2 above.

- 5.2. The Project Funding Agreement will represent and protect the interests of the Municipality, IDIS, our International Partners, International Investors and the International Banking System.
- 5.3. The Project Funding Agreement has been approved by our International Partners and has a standardised form that cannot be amended.
- 5.4. We have consulted extensively with the legal sections of other participating Municipalities and have accommodated their inputs in the drafting of the PFA. These inputs followed formal consultation with their Provincial Treasury to also obtain their inputs.
- 5.5. The Project Funding Agreement was submitted to national Treasury who have raised no flags in respect of the roll out of the Private Development Funding Programme and the terms of the Project Funding Agreement.
- 5.6. IDIS is currently working with COGTA (MISA) to meet with National Treasury to consider a basis to accelerate the processing and approval of unsolicited bids to be submitted by IDIS to implement projects identified in Annexure A on a PPP basis in terms of the applicable laws, regulations, guidelines and notices, after a Project Funding Agreement has been signed.
- 5.7. Please note that the Project Funding Agreement must specify the size of the pledge that the Municipality decides to make. This matter will be fully specified in the PFA. The size of the pledge will determine the number and value of projects that can qualify as part of the 25% of Grant Funded projects. Project selection and the determination of the size of the pledge are therefore interdependent. The basis for the calculation of the size of a pledge that the Municipality can make is dealt with in paragraph 4.3 above.

6. Project List Selection Guidelines

- 6.1. A copy of Annexure A that is populated with examples of the types of projects that can be considered for funding under the categories referenced in paragraph 3.4.7 above, is attached to assist the Municipality with project selection. Annexure A is part of the Project Funding Agreement.
- 6.2. Please also note the guidelines for project identification as provided in Paragraph 3.4 above.

7. Attached please find the following Documentation for your information

- 7.1. A description of the Private Development Funding Programme and its Provisions.
- 7.2. An Example of Annexure A that contains illustrative examples of projects that IDIS can fund, is included in the above document, for your consideration.

Should you have any further questions regarding any of the above matters or if a matter was not sufficiently covered in our above response, please contact me directly at 078 091 7938 or by e-mail: benita@idis.co.za

Kind regards,



B VERMEULEN
Chief Executive Officer



INTERNATIONAL DIVERSE INNOVATIVE SOLUTIONS (PTY) Ltd

Ref: PFA/Name of Municipality

Date: xx Month 2020

E-mail: mm@ndm.gov.za

Office of the Municipal Manager

Mr/Me

Municipality A

Private Bag X1111

Town

South Africa

9786

Dear Mr/Me ...,

Project Funding and Project Implementation agreement between IDIS and Municipality A

1. PURPOSE

1.1. The purpose of this agreement is to:

- 1.1.1. Provide for the establishment of a binding Project Funding Agreement between International Diverse Innovative Solutions (Pty) Ltd (hereafter referred to as "IDIS") and Municipality A (hereafter referred to as the "Municipality") to fund the projects listed in Annexure A;
- 1.1.2. Provide for the ring-fencing of a security to unlock funding for the implementation of the projects in Annexure A; and to
- 1.1.3. Provide for the establishment of a binding project implementation agreement between IDIS and the Municipality to implement the projects listed in Annexure A.

2. BACKGROUND

- 2.1. Whereas IDIS and Imperial Investment Limited have developed a "Private Development Funding Programme" (hereafter referred to as the "Funding Programme") for implementation in South Africa to unlock funds for social, economic and infrastructural development projects, for the creation of new job opportunities, and to fund other projects and enterprises that will stimulate the economy;

Office Address: 33 Ormonde Street, Muckleneuk, PRETORIA, 0002
 Registered address: 33 Ormonde Street, Muckleneuk, PRETORIA, 0002
 Tel (cell): +27(0)78091 7938
 e-Mail: Benita@idis.co.za
 Website: www.idis.co.za

Company Registration Number: 2008/014283/07

Executive Directors: Me B Vermeulen, Me. M Ramsamy, Mr N Matshatshe, Mr K Seakamela

- 2.2. And whereas Imperial Investment Limited has mandated IDIS as its Engineering, Procurement, Financing and Construction Agent (EPFC agent) to receive funding for agreed projects, to ensure the implementation and roll-out of projects and account to Imperial Investment Ltd;
- 2.3. And whereas the Municipality has approached IDIS to unlock funding for social, economic and infrastructural projects and investment to stimulate job creation and growth in its Municipal area;
- 2.4. And whereas under a Project Funding Agreements the Municipality will maintain an agreed minimum (threshold value) value of its assets, without transferring such assets to anyone, as a security against which IDIS's Fiduciary Manager (Imperial Investment Limited) will unlock funding for the projects in Annexure A;
- 2.5. And whereas IDIS shall roll-out, operate and transfer completed funded Municipal projects in ownership to the Municipality on a basis agreed;
- 2.6. Therefore the Council of the Municipality resolved that the Municipal Manager may conclude a Project Funding Agreement with IDIS subject to the following conditions:
 - 2.6.1. That the project funding agreement shall be implemented at no cost to the Municipality;
 - 2.6.2. That unencumbered fixed assets of the Municipality of a value of R 2 Billion (*illustrative amount – actual amount to be decided by the Municipality*) shall be ring-fenced as a security for a period of 5 years and one day;
 - 2.6.3. That ring-fenced assets shall remain in ownership of the Municipality during the 5 year period and during which period the Municipality shall continue to enjoy the uninterrupted and continued beneficially use of these assets, and the Municipality must continue to exercise all its competences and responsibilities in respect of these assets;
 - 2.6.4. That IDIS shall fund and implement the projects included in annexure A to this agreement and/or any other project agreed with the Municipal Manager in compliance with applicable laws; and
 - 2.6.5. That IDIS and the Municipal Manager shall establish a joint Project Steering Committee to co-ordinate the prioritisation, implementation and execution of the projects in Annexure A.
- 2.7. And whereas the Private Development Funding Programme has been presented to National Leadership and the Treasury.
- 2.8. And whereas all the parties contemplated in the above paragraphs are desirous to solicit the flow of foreign direct investment to implement the projects listed in Annexure A, IDIS submit this Project Funding Agreement for the signature and execution by the Municipal Manager on the basis contemplated in paragraph 3 below.

3. PROJECT FUNDING AGREEMENT

- 3.1. The Municipal Manager executes this project funding agreement by its signature at the office of IDIS's lawyer and notary.
- 3.2. This project funding agreement provides as follows: -

- 3.2.1. That the Municipality approves and hereby issues a security of a value of two Billion Rands (R 2 Billion) to Imperial Investment Limited of Mauritius with registration number *ABCDEFGH*, with Address, Port Louis, in their capacity as the appointed Fiduciary Manager of International Diverse Innovative Solutions (Pty) Ltd ("IDIS"), for a period of five years and one day;
 - 3.2.2. That the security is issued to Imperial Investment Limited to unlock funding to the value of ten Billion Rands (R10 Billion), which funding shall be paid to IDIS and IDIS shall allocate and use this funding for the implementation of the projects to a value of R 10 Billion, included in Annexure A;
 - 3.2.3. That the issued security shall be backed by ring-fenced unencumbered fixed assets of the Municipality of a value of R 2 Billion, which assets shall comprise a portion of all assets held by the Municipality and reflected in the last financial statement of the Municipality, as audited by the Auditor General of the Republic of South Africa;
 - 3.2.4. That the issued security shall be transferable and assignable and be held under the administrative hold of Imperial Investment Limited of Mauritius;
 - 3.2.5. That the issued security shall be placed and be held in safekeeping in a rated Bank by Imperial Investment Limited for a period of five years and one day;
 - 3.2.6. That there shall be *no transfer of ownership* in respect of any ring-fenced fixed asset of the Municipality to Imperial Investment Limited, and the Municipality shall continue to enjoy the continued and uninterrupted beneficial use of all its fixed assets, including the right to derive income from such assets;
 - 3.2.7. That IDIS and Imperial Investment shall surrender and return the issued security in full, unencumbered and without any charge to the Municipality if either party substantially fails to provide funding for the implementation of the projects in Annexure A over the issuing term of 5 years and one day;
 - 3.2.8. That this Project Funding Agreement shall supersede any previous agreement(s) entered into between IDIS and the Municipality.
- 3.3. The following conditions shall apply in respect of this Project Funding Agreement (PFA):
- 3.3.1. The PFA shall be implemented at no cost to the Municipality.
 - 3.3.2. IDIS shall receive foreign direct investment from its Fiduciary Manager and IDIS shall allocate an amount of Ten Billion Rand (R10 Billion) spread over a five year term to fund and implement the projects in Annexure A.
 - 3.3.3. IDIS shall provide and/or procure the Engineering, Procurement, Financing and Construction services and capacities required to assess, design, approve and roll out the projects in Annexure A.
 - 3.3.4. The implementation of the PFA shall be coordinated within a framework agreed to by IDIS and the Municipal Manager.
 - 3.3.5. The projects in Annexure A will be processed, approved and implemented by the Municipality and IDIS as unsolicited bids, within the framework of applicable laws and on the following basis:
 - 3.3.5.1. The projects in Annexure A must be executed either as Public-Private Partnerships; As BOOTT (Build, Own, Operate, Train and Transfer) or BOT agreements; or as direct Grant Transfers to the Municipality after project completion, in terms of applicable laws, or on a Private-Private basis.

- 3.3.5.2. Service level agreements must be concluded in respect of all funded Municipal projects before their commencement.
- 3.3.5.3. Projects shall provide for at least 30% local participation in project execution.
- 3.3.5.4. All Municipal projects approved by the municipality for implementation on a Public Private partnership or grant basis must be transferred to the Municipality when completed or upon the fulfilment of the conditions of a relevant BOOT or BOT agreement in terms of which the project was funded, rolled out and administered by IDIS or a service provider appointed by IDIS.
- 3.4. IDIS and the Municipality agree that this project funding agreement may be suspended or terminated by IDIS or on instruction by IDIS's Fiduciary manager or if political and administrative representatives and employees of the Municipality are implicated in: -
 - 3.4.1. Wilful acts that prevents the implementation and execution of funded projects; and
 - 3.4.2. Acts of corruption, money laundering or terrorist activities,
 and then IDIS and/or its Fiduciary member may recover losses incurred and the repayment of funds invested in a project, subject to review by a competent court or by referring the matter to arbitration.
- 3.5. If a project is abandoned or stopped for the reasons indicated in paragraph 3.4 or if IDIS or its Fiduciary Manager fail to provide funding on the basis agreed, the Municipality may request the released of the issued security to be returned unencumbered and at no cost to the Municipality.
- 3.6. IDIS shall procure or implement measures to limit risk in respect of project funding and project execution.
- 3.7. This Project Funding Agreement is executed through its signature by the Municipal Manager at IDIS's notary lawyer.
- 3.8. A duly notarised copy of the last financial statement of the Municipality reflecting the total asset value held by the Municipality and audited by the Auditor general of the Republic of South Africa shall be provided to IDIS together with this signed Project Funding Agreement.
- 3.9. By executing this agreement the Municipality further specifically agrees to the following: -
 - 3.9.1. To protect the issued security by not further encumbering or allowing the total asset value of the Municipality to drop below a Two Billion Rand threshold, without the prior and specific approval of IDIS and Imperial Investment Limited, over the period of issuance.
 - 3.9.2. To conduct all communication with IDIS's Fiduciary Manager through IDIS.
 - 3.9.3. That the Municipal Manager may:
 - 3.9.3.1. Take all steps necessary to conclude a funding agreement with IDIS and any other party involved in the design and roll-out of the projects;
 - 3.9.3.2. Approve, process and conclude Public-Private-Partnership agreements and Grant Transfer Agreement with IDIS necessary to implement the projects in Annexure A;
 - 3.9.3.3. Take all reasonable steps to facilitate, accelerate and support the execution of this Project Funding Agreement; and to

- 3.9.3.4. Designate persons or parts of the Municipality to assist with the implementation of the agreement.

4. EPFC ROLE OF IDIS

- 4.1. By signing this agreement the Municipality specifically agree to the following:
- 4.1.1. That IDIS will be the Engineering, Procurement, Financing and Construction Agent (EPFC Agent) responsible to implement the projects in Annexure A.
 - 4.1.2. That IDIS in its capacity as the EPFC Agent shall receive and disburse the direct foreign investment unlocked by its Fiduciary Manager to fund the projects in Annexure A;
 - 4.1.3. That IDIS as the EPFC contractor shall be responsible to fully fund and ensure the roll-out of the projects included in Annexure A and/or any other project for which funding becomes available and accepted for funding and implementation by the Municipal Manager.
 - 4.1.4. That IDIS in its capacity as EPFC agent, can appoint an entity as Project Manager and who will be responsible to discharge any of IDIS's EPFC responsibilities assigned to it, including the responsibility to:
 - 4.1.4.1. Represent IDIS at the Municipal Level and with project owners, in matters pertaining to the EPFC functions of IDIS, in respect of the projects in Annexure A;
 - 4.1.4.2. Assist project owners to co-ordinate and execute the development, execution and operation of the projects in Annexure A in compliance with best practise and industry standards;
 - 4.1.4.3. Provide or procure the necessary technical and professional expertise, skills, technologies, systems and processes to ensure the optimal design, implementation, roll-out and operation of the projects in Annexure A;
 - 4.1.4.4. Assist project owners to acquire the skills and capacities required to develop and roll-out projects;
 - 4.1.4.5. Report progress with project planning, mobilisation and roll-out; and
 - 4.1.4.6. Coordinate with all stakeholders, project owners and the Municipality.
- 4.2. The Municipal Manager can enter into and conclude a Project Implementation Agreement with IDIS substantially on the basis of the draft Project Implementation Agreement in Annexure B to this agreement.
- 4.3. The Municipal Manager shall take all reasonable steps to assist an independent project monitoring and quality assurance enterprise appointed by IDIS to perform independent reporting and monitoring.

5. FUNDING OFFER

- 5.1. After this project Funding Agreement has been signed by the Municipal Manager, IDIS shall request and conclude a funding agreement in the form of a Term Sheet with its Fiduciary Manager. The Term Sheet shall confirm the levels of funding that can be realised against the security provided over the term of five years and one day. IDIS shall accept and sign the term Sheet with its Fiduciary

Manager to conclude a funding agreement. We will refer to the agreement that will arise as the “Municipality A Project Funding Agreement”.

- 5.2. Flow of funding for project implementation under the Municipality A Project Funding Agreement will start approximately two months after the Term Sheet has been signed. Funding will be released based on budgets submitted to IDIS’s Fiduciary manager, and will be paid in advance in monthly tranches over the term of the issued security. These budget allocations will be determined by the rate at which IDIS and the Municipality can bring the projects to implementation readiness, and the funding unlocked by IDIS’s Fiduciary Manager.
- 5.3. If large projects exceeds the term of 5 years for which a security was issued, the Municipal Manager can request for the issuing of securities for an agreed longer period.
- 5.4. The steps to be followed to move the process forward are more fully set out in paragraph 9 of this agreement.

6. BACKGROUND TO THE IDIS PRIVATE DEVELOPMENT FUNDING PROGRAMME

- 6.1. A Private Development Funding Programme (hereafter referred to as the “Funding Programme”) has been developed by IDIS in cooperation with its Fiduciary Manager, Imperial Investment Ltd of Mauritius, specifically for roll-out in South Africa.
- 6.2. The Funding Programme is based on the ring-fencing of a security, comprising a portion of the value of the existing unencumbered assets of a Municipality that are accounted for and reflected in the Municipality’s financial statements, to be used by IDIS’s Fiduciary Manager to unlock funding for the projects in Annexure A. Our Fiduciary Manager will lodge the security provided to it with a rated banking institution where it will remain unencumbered in safekeeping for a period of five years and one day and it will thereafter proceed to mobilise international underwriters, private sector investors and donors to unlock funding for approved projects, provided that the ring-fenced security remains in place on the basis agreed and for the term agreed. This unlocked funding will then flow into South Africa as Foreign Direct Investment.
- 6.3. Projects that can be funded through the Funding Programme include “for-profit” projects (e.g. funding and establishment of new enterprises to create new jobs), community and “not-for-profit” sector projects and “government” projects intended to deliver social, economic and physical infrastructures, services and facilities to communities. A specific focus area of the Funding Programme is the financing and roll-out of smart city infrastructures and systems and the delivery of new technologies.
- 6.4. The maintenance of the integrity of an issued security is paramount to comply with international banking rules. If an issued security is compromised in any manner, the flow of funding will stop with concomitant implications for the creditworthiness of South African institutions on international markets and for other organs of government in South Africa benefitting from the Funding Programme.
- 6.5. The “issuing” of a security does not imply the transfer of ownership of any assets to IDIS or to its Fiduciary Manager, nor does the Municipality lose any beneficial use of or the exercising of any

right in respect of any asset that it owns. In addition, if IDIS or IDIS's Fiduciary Manager fails to perform in raising funds to implement projects, the Municipality will be entitled to have the issued security returned without any encumbrance or cost. There are no costs or risk associated with the issuing of an asset by the Municipality. Participation in the Funding Programme will in fact directly contribute to the increase of assets held by the Municipality and the delivery of ten Billion Rands of new social, economic and infrastructural services and development opportunities and associated jobs to the community.

- 6.6. IDIS and/or the appointed Fiduciary Manager will be entitled to recover costs from the Municipality if the Municipality wilfully prevents the execution of this Project Funding Agreement, or if the Municipality or any of its political or administrative representatives engages in unlawful and corrupt activities, terrorism, money laundering that causes the abandonment or failure of funded projects.
- 6.7. IDIS disburses the direct foreign investment that it brings into the country through the performance of its EPFC functions. IDIS receives the foreign direct investment from its Fiduciary Manager in South Africa and is accountable and responsible for the implementation of funded projects of the Municipality and project owners. In the event that IDIS does not perform its funding function as agreed, the issued security will be released at no-cost and unencumbered to the Municipality.
- 6.8. The list of the specific projects that can be funded under the Private Development Funding Programme is included in Annexure A.
- 6.9. Projects can be implemented under the applicable legal frameworks of the MFMA¹ that applies to unsolicited bids. Depending on the specific project, the Municipality may enter into one or more of the following legal arrangements with IDIS and/or another project owner(s) in respect of the projects included in Annexure A:
 - 6.9.1. Public Private Partnership (PPP) agreements for a period of 15 - 30 years; or
 - 6.9.2. Specific PPP's like BOOTT and BOT agreements for a period of between 15 - 30 years; or
 - 6.9.3. Grant transfers of projects on completion to the Municipality.
- 6.10. The Municipality and IDIS will enter into service level agreements in respect of each of the funded PPP or Grant Transfer projects before their commencement.
- 6.11. All the projects to be funded in Annexure A will be executed by private sector companies and service providers appointed and managed by IDIS or an IDIS appointed Project Manager, or by a project owner itself who possess the necessary capacity to roll-out a project. These appointed companies and service providers will earn market related compensation for their work. Funding will provide for all facets of work to be completed, such as planning, compliance, implementation, and training and operational costs.
- 6.12. Implementation and execution of projects must comply with all applicable planning, labour, environmental, water and other laws relevant to a specific project and its roll-out.

¹ Municipal Finance Management Act (MFMA), 2003, (Act 56 of 2003) and the Public Finance Management Act (PFMA), 1999 (Act No. 1 of 1999)

- 6.13. Projects will generally target a minimum of 30% local employment and/or procurement or better, and will, where necessary, incorporate funding for local training and capacity building programs to reach this target.
- 6.14. The Funding Programme will fund all project implementation related expenditures and no new budgetary provision by the Municipality will be required. The Municipality will become responsible for budgeting and project related expenditures after PPP or BOOTT agreements have ended, or a completed project has been transferred and accepted under a Grant Transfer to the Municipality. Completed projects will become part of and enhance the value of the Municipality's asset base.
- 6.15. IDIS, as the recipient of the direct foreign investment coming into the Country, takes full responsibility to ensure the execution of funded projects in terms of best practise in the industry and accounting compliance, subject to oversight mechanisms required by the Fiduciary Manager to comply with financial compliance and reporting rules.
- 6.16. The roll-out period of projects and the duration of the funding cycles of the Funder are linked. Projects must be executed during the term of the issued security. In addition, the magnitude and scale of funding envisioned will require that the Municipality provide a dedicated platform and channel to prioritise decision making, rapidly perform technical oversight and approval functions and perform administrative processing of all funded for-profit and government projects under the Funding Programme on a priority basis. The Municipality will also be required to not unnecessarily withhold decisions that can delay execution of any part of a funded project.

7. NON-RECOURSE GRANT FUNDING

- 7.1. The Private Development Funding Programme unlocks Foreign Direct Investment (FDI) for the implementation of projects owned by private entities and by organs of government.
- 7.2. The funding that IDIS receives through its Fiduciary Manager must be regarded as humanitarian funding that converts to non-recourse grant funding, conditional on successful completion of funded projects. In the event that projects are abandoned, allocated funding will be considered to be loan funding that must be fully repaid by recipients. IDIS will institute legal action to recover losses caused by fraud, corruption and maladministration.
- 7.3. The Funding Programme is intended to help in addressing ongoing financial and capacity constraints affecting Municipalities and other organs of government's ability to deliver social goods, services and infrastructures to communities by mobilising the capacity of the private sector to complete and deliver projects. The projects selected for grant funding (and as reflected in Annexure A) will:
- 7.3.1. Improve and enlarge the tax and income base of the city;
 - 7.3.2. Modernise and equip the Municipality with new Smart City technologies to address existing service delivery problems and introduce new improved service delivery systems;
 - 7.3.3. Address critical social, economic and infrastructural backlogs in the community;
 - 7.3.4. Stimulate local economic activity, unlock local economic comparative advantages and create jobs;

- 7.3.5. Improve energy efficiencies, energy re-use and introduce clean energy technologies in the Municipality and the lowering of its carbon footprint;
- 7.3.6. Create new entrepreneurs and new enterprises; and
- 7.3.7. Stimulate local growth and development.

8. LEGAL BASIS FOR THE USE OF MUNICIPAL ASSETS TO UNLOCK FUNDING

- 8.1. Section 48 of the Municipal Finance Act regulates when and how a Municipality can use a security to unlock funding. This section provides as follows:-

“48. (1) A municipality may, by resolution of its council, provide security for—

- (a) ;*
- (b); or*
- (c) contractual obligations of the municipality undertaken in connection with capital expenditure by other persons on property, plant or equipment to be used by the municipality or such other person for the purpose of achieving the objects of local government in terms of section 152 of the Constitution.*

(2) A municipality may in terms of subsection (1) provide any appropriate security, including by—

- (a) giving a lien on, or pledging, mortgaging, ceding or otherwise hypothecating, an asset or right, or giving any other form of collateral;”*

- 8.2. The purpose for which the security will be used is consistent with the objectives of local Government which a Municipality must strive to achieve. The Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996) determines as follows: -

“Section 152: Objects of local government

(1) The objects of local government are-

- (a) to provide democratic and accountable government for local communities;*
- (b) to ensure the provision of services to communities in a sustainable manner;*
- (c) to promote social and economic development;*
- (d) to promote a safe and healthy environment; and*
- (e) to encourage the involvement of communities and community organisations in the matters of local government.*

(2) A municipality must strive, within its financial and administrative capacity, to achieve the objects set out in subsection (1).”

- 8.3. The purpose for which the security will be used is also consistent with the development duties of a Municipality. The Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996) assigns the following developmental duties to a Municipality: -

“Section 153: Developmental duties of municipalities

A municipality must-

(a) structure and manage its administration and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community; and

(b) participate in national and provincial development programmes.”

- 8.4. Based on the provisions in paragraphs 8.1 to 8.3 above, Municipalities are allowed to ring-fence assets to unlock funding for the purposes contemplated in this Project Funding Agreement.
- 8.5. The asset-base of the Municipality, as reflected in the last audited statement of the Municipality A by the Auditor General of South Africa, provides that a security of R 2 Billion may be issued to IDIS and its Fiduciary Manager to unlock funding for projects.
- 8.6. The Fiduciary Manager will lodge the issued security with an internationally rated financial institution to obtain a Safe Keeping Receipt for the Security. The institution where the security will be lodged for Safe Keeping will be determined by Imperial Investment Ltd.
- 8.7. Whilst a security has been provided on the basis contemplated in this Project Funding Agreement, rights, duties, benefits and responsibilities of the issuer in respect of any asset remains unaffected and unaltered with the exception that the issuer may not cause the value of assets held by the Municipality to drop below a R 2 Billion threshold level, without the prior approval of the Fiduciary Manager.
- 8.8. It is incumbent on the Municipality to maintain an asset value of not less than R 2 Billion of the original threshold amount, over a 5 years plus one day term. This security can by agreement be re-issued for another term to continue with funding of large scale projects that cannot be completed within the initial five year period, if so agreed to by the Municipality, IDIS and Imperial Investment Ltd.
- 8.9. This agreement does not constitute a loan agreement between the Municipality and IDIS and the risk to fund and implement the projects identified in Annexure A solely lies with IDIS.
- 8.10. The agreement does *not* constitute the issuing of a muni-Bond by the Municipality in terms of the powers and provisions contemplated in Section 230A of the Constitution (1996) and Sections 46, 47, 48 and 49 of the MFMA (Act No 56 of 3003).

9. STEPS TO BE TAKEN TO ACTIVATE THE FUNDING PROGRAMME

The contracting and roll-out process will comprise the following general steps:

9.1. Step 1: Decision of the Accounting Officer of the Office of the Municipality.

The Municipal Manager in his capacity as Accounting Officer must resolve to execute this project funding agreement and specifically the implementation of the provisions of paragraphs 3.1 to 3.4 above of this agreement.

9.2. Step 2: Execute this Agreement

This agreement must be signed by the Municipal Manager on the basis contemplated in paragraph 3.1 above at IDIS's attorney's office and be notarised. IDIS will immediately proceed to lodge and submit the notarised documents with IDIS's Fiduciary Manager.

9.3. Step 3: Fiduciary Manager issues funding offer:

After having lodged a notarized Funding Agreement with our Fiduciary Manager our Fiduciary Manager will submit the notarised documents that issued the security for safekeeping with a rated bank. Our Fiduciary Manager will shortly thereafter issue a Term Sheet to IDIS.

9.4. Step 4: IDIS accepts the funding offer and any conditions attached thereto:

IDIS signs term sheet and a binding legal agreement arises to fund the projects in Annexure A.

9.5. Step 5: Establishment of a Project Steering Committee (PSC):

IDIS and the Municipal Manager establish a Project Steering Committee and agree its functions and responsibilities. The PSC shall be responsible:

- 9.5.1. To identify legal, technical and administrative matters affecting or delaying the roll-out of projects funded under the Funding Programme and to advise Council and/or the Municipal Manager or project owners on appropriate steps to resolve these matters.
- 9.5.2. To appoint task teams to investigate and address problem areas arising from the implementation of the Funding Programme and projects funded under the programme to recommend solutions that requires policy, legislative, technical or administrative intervention by the Municipality.
- 9.5.3. To manage relations with communities organised business and organised labour affecting the roll-out of the Funding Programme.
- 9.5.4. To establish processes to expedite the provision of all the necessary approvals, certificates, consents and determinations required for the implementation of the Funding Programme and funded projects and monitor progress.
- 9.5.5. To identify and take all steps necessary to transfer and integrate completed projects into the planning and budgetary processes and onto the asset registers of the Municipality.
- 9.5.6. To report on the execution of the Funding Programme to the Mayoral Committee.
- 9.5.7. The Project Steering Committee shall comprise the following members:

Member	Who they represent
Municipality	1. The Municipal Manager or his/her representative representing the administration. 2. A Permanently assigned technical co-ordinator acting as the key contact point and resource person between the Municipality, Project Owners, IDIS and the Project Manager.
Imperial Investment	Imperial Investment or a Representative.
IDIS	Representing itself as the Engineering, Procurement, Finance and Construction (EPFC) agent for Imperial Investment.
NEW-DM representatives or equivalent	Representing various business chambers, community organisations and itself.
Councillors	Representing affected wards and/or affected portfolios. (Council must recommend one (1) Liaison officer that shall report to the Task team on its behalf).
Project Managers	Project Manager(s) appointed and nominated by IDIS
Local Stakeholders	e.g. a member of the Premiers office or an appointee of a Traditional Leaders Council nominated by IDS and/or the Municipal Manager

9.6. Step 6: Initiation of the flow of FDI to projects for implementation:

- 9.6.1. Imperial Investment Ltd will begin the process of securing the passage of funds through the various legal processes as required by National Treasury for Direct Foreign Investment;
- 9.6.2. IDIS will be the recipient of funding flows from Imperial Investment and will be legally responsible and accountable to fund and ensure the roll-out of the projects in Annexure A;
- 9.6.3. The Fiduciary Manager will provide funding to IDIS in monthly tranches. These tranches will be paid in advance and be based on budgets submitted by individual project owners and or project managers, in advance. IDIS will disburse the transferred funds to the different project managers, projects owners or project accounts on an ongoing basis until projects are fully funded and completed during the five year term of the issued security.

10. OTHER PROJECTS

- 10.1. The Municipality and IDIS agree to identify additional projects for funding and implementation by IDIS if IDIS secures additional funding for projects in the Municipal area. The Municipal Manager may approve and determine the basis for the implementation of such unsolicited projects, including the legal basis for the implementation of these projects in terms of the framework contained in this agreement.
- 10.2. IDIS will, as part of its EPFC responsibility, engage with the Municipality to identify, develop and fund projects that can support job creation, economic stimulation and the delivery of social, economic and physical infrastructures. The Municipality agrees to support and assist with the mobilisation and execution of these projects and not to unnecessarily withhold approvals and the provision of the necessary services and infrastructures to implement such projects.

10.3. To facilitate the roll-out of projects IDIS shall:

- 10.3.1. Inform and consult with the Project Steering Committee on projects not included in Annexure A that can be funded to stimulate development, entrepreneurial activity and job creation in the Municipal area.
- 10.3.2. Identify local development opportunities in consultation with Community Based Organisations, organised business, the Local LED office of the Municipality, and NGO's.
- 10.3.3. Realise development opportunities by assisting entrepreneurs, enterprises, institutions and project owners by providing financial, technical and other support services and skill transfers to roll out projects and to drive projects to sustainability.

11. AGREEMENT TO PROCEED

By attaching his signature below the Municipal Manager confirms that Municipality A agrees to all the terms and provisions of this agreement and specifically to:

- 11.1. the issuing of a security of a value of R 2 Billion Rands on the basis contemplated in paragraph 3, for a period of 5 years and one day, by execution of this agreement, to Imperial Investment Limited;
- 11.2. not to diminish or encumber the issued security during the issuing period or to reduce the assets owned by the Municipality below a threshold value of R 2 Billion during the issuing term;
- 11.3. agree that IDIS will be the EPFC agent responsible to receive and disburse funding unlocked by Imperial Investment Limited to implement and roll-out the projects in Annexure A.

This document comprises the full and final Agreement between the Municipality A and IDIS.

And

Hereby signed and executed by the Municipal Manager of the Municipality A in his official capacity as being duly authorised thereto: -

Mr

Municipal Manager

Signed at: _____

On the _____ day of _____ 2020

As Witness 1: _____

As Witness 2: _____

And

Signed by Me B Vermeulen in her capacity of Chief Executive Officer of International Diverse Innovative Solutions (PTY) Ltd ("IDIS")

Me B Vermeulen
CEO IDIS (PTY) Ltd

Signed at: _____

On the _____ day of _____ 2020

As Witness 1: _____

As Witness 2: _____

This Project Funding Agreement is a confidential document and the content thereof is the Property of IDIS International Limited and International Diverse Innovative Solutions (Pty) LTD, ("IDIS") and may not be distributed, disclosed, copied or provided to any other party than the intended recipient to which it was provided by IDIS, unless specifically authorised in writing by IDIS to do so.

ANNEXURE A: AGREED PROJECT LIST

THIS DOCUMENT CONTAINS ILLUSTRATIVE EXAMPLES OF PROJECTS THAT CAN BE CONSIDERED FOR INCLUSION IN A PROJECT FUNDING AGREEMENT (PFA) BY A MUNICIPALITY:

- a) Annexure A will form part of a PFA when it is signed.
- b) Annexure A contains the list of projects that will be funded and rolled-out by IDIS up to the agreed funding level.
- c) Category A projects must be less than 25% of the value of all projects included in Annexure A.
- d) Funding for these projects will be available over a five year funding cycle and the target is to spend one fifth of the funding each year.
- e) An IDIS/Municipality steering committee must prioritise and manage Annexure A projects roll-out for the purpose of achieving e) above.
- f) The list that follows is illustrative and a Municipality is not limited to only consider projects included in this list.

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CATEGORY A PROJECTS: UNFUNDED IDP PROJECTS

Projects in Category A will mostly be unfunded critical and high priority projects that emerge from a Municipality's IDP planning process. Category A projects may not use more than 25 % of all unlocked funds and must not be used to replace items already provided for in existing budgets to "free-up" funding for other Municipal Projects. IDIS will mostly execute the following projects on a grant transfer basis.

No	Project Description	Timeframe	Legal Basis	Estimated Cost (R)	Project Origin
	Water and Sanitation Systems				
1	Sewer Pipe Replacement and New Installations	Short term	Grant Transfer ²		WSDP ³
2	Water Pipe Replacement and New Installations	Short term	Grant Transfer		WSDP
3	Dams, Reservoirs and Towers	Short term	Grant Transfer		WSDP
4	Sewer Pump Station Replacement	Short term	Grant Transfer		WSDP
5	Waste Water Treatment Works Refurbishment and New Installations	Short term	Grant Transfer		WSDP
6	Water Treatment Works Refurbishment and New Installations Refurbishment and New Installations	Short term	Grant Transfer		WSDP
7	Drilling and equipping of Boreholes	Short term	Grant Transfer		WSDP
8	Farm Settlement Water Supply	Short term	Grant Transfer		WSDP
9	Eradication of Sewage Spillage	Short term	Grant Transfer		WSDP
10	Water and Sanitation Master Plan	Short term	Grant Transfer		WSDP

² Grant Transfer = Means the fixing, replacement, refurbishment or upgrading of a critical facility, service or infrastructure that belongs to a Municipality, by a private service provider appointed and paid by IDIS, in terms of a service level agreement concluded with a Municipality. When the work is completed the facility, service or infrastructure is immediately returned to the Municipality. There is no loan or any other cost that must be repaid by the Municipality.

³ Means Water Services Development Plan

	Electricity Systems				
11	Refurbishment of electric reticulation systems and New Installations	Short term	Grant Transfer		Electricity Master Plan
12	Upgrading of Infeed and Substations	Short term	Grant Transfer		Electricity Master Plan
13	Protection of Substation Doors and Prevention of Cable Theft	Short term	Grant Transfer		Electricity Master Plan
14	Installation of Solar Geysers	Short term	Grant Transfer		Electricity Master Plan
15	Electricity Master Plan	Short term	Grant Transfer		Responsible Technical Section
	Roads Systems				
16	Refurbishment of roads	Short term	Grant Transfer		Roads and Storm Water Master Plan
17	Construction of Critical Road Infrastructure	Short term	Grant Transfer		Roads and Storm Water Master Plan
18	Improvement of Storm Water Systems	Short term	Grant Transfer		Roads and Storm Water Master Plan
19	Improvement of Traffic Signs, Mini Circles, Traffic Signals and Road Markings	Short term	Grant Transfer		Roads and Storm Water Master Plan
20	Improvement of Parking, Loading Areas and Taxi Ranks	Short term	Grant Transfer		Roads and Storm Water Master Plan
21	Roads and Storm Water Master Plan	Short term	Grant Transfer		Roads and Storm Water Master Plan
22	Pavement Management System	Short term	Grant Transfer		Roads and Storm Water Master Plan
	Solid Waste Disposal				
23	Upgrading of Waste Disposal Sites	Short term	Grant Transfer		Waste Master Plan
24	Solid Waste Collection Vehicles	Short term	PPP		Waste Master Plan

	Buildings and Facilities				
25	Refurbishment of Municipal Offices	Short term	Grant Transfer		IDP
26	Refurbishment of Community Centres	Short term	Grant Transfer		IDP
27	Refurbishing of Sport Facilities	Short term	Grant Transfer		IDP
28	Fencing of Municipal Buildings and Parks	Short term	Grant Transfer		IDP
29	Refurbishing of Municipal Clinics	Short term	Grant Transfer		IDP
30	Refurbishing of Municipal Public markets	Short term	Grant Transfer		IDP
	Refurbishing of Municipal SMME facilities	Short term	Grant Transfer		IDP
	Refurbishment of Municipal LED facilities				
	Training and Capacity building				
31	Training and capacity building	Short term	Grant Transfer		IDP/LED/Technical

CATEGORY B PROJECTS:**PROJECTS MEANT TO ENHANCE MUNICIPAL REVENUE BY IMPROVING AND/OR REPLACING EXISTING SYSTEMS AND SERVICES**

These Projects will mostly be implemented on a Public-Private-Partnership or BOOTT basis by IDIS. IDIS will deploy best in class technologies to modernize existing systems, reduce operational costs and enhance revenue collection.

No	Project Description	Timeframe	Legal Basis	Estimated Cost (R)	Project Origin
	Smart Systems				
1	Smart Water metering systems	Long Term	PPP		IDIS
2	Smart Electricity metering system	Long Term	PPP		IDIS
3	Facilities management systems	Long Term	PPP		IDIS
4	Water demand and loss management systems	Long Term	PPP		IDIS
5	Electricity demand and loss management systems	Long Term	PPP		IDIS
	Training and capacity building				
6	Local training associated with funded projects	Medium/long term	PPP		Project Roll-out
7	Capacity building associated with funded projects	Medium/long Term	PPP		Project Roll-out
	LED				
8	Fresh Produce Markets	Medium/Long Term	PPP		LED/Various

CATEGORY C PROJECTS:**PROJECTS MEANT TO REDUCE THE OPERATIONAL COSTS OF A MUNICIPALITY**

These Projects will mostly be implemented on a Grant Transfer Basis or on a Public-Private-Partnership basis (As BOOTT or BOT agreements)

No	Project Description	Timeframe	Legal Basis	Estimated Cost (R)	Project Origin
	New SMART Street Lighting Projects				
1	Compilation of lighting masterplans	Short Term	Grant/PPP		Lighting Masterplan
2	Smart Solar Street Lighting systems	Long Term	Grant/PPP		Lighting Masterplan
3	High Mast Light Monitoring System	Long Term	Grant/PPP		Lighting Masterplan
4	Installation of Solar Geysers	Long Term	Grant/PPP		Electricity Master Plan
5	Energy Demand Management	Long Term	Grant/PPP		Electricity Master Plan
	New Smart Transport systems				
6	Electric bus systems	Long Term	PPP		IDP/IDIS
7	Electronic parking meters	Long Term	PPP		IDIS
8	Intelligent transport systems	Long Term	PPP		IDIS
9	Digital Signage	Long Term	PPP		IDIS

	Other Smart City Solutions				
10	New charging networks for electric vehicles	Long Term	PPP		IDIS
11	Wi-Fi and Fibre networks	Long Term	PPP		IDIS
12	Sensor Technologies	Long Term	PPP		IDIS
13	Data Technologies	Long Term	PPP		IDIS
14	Safety and Security Systems (e.g. integrated utility revenue and asset management protection services and systems)	Long Term	PPP		IDIS
15	Mobile and Application based solutions	Long Term	PPP		IDIS
16	Wireless technologies	Long Term	PPP		IDIS
17	Smart Environment	Long Term	PPP		IDIS
18	Technical Operational Centre	Long Term	PPP		IDIS
	Training and capacity building				
19	Local training associated with funded projects	Medium/long term	PPP		Project Roll-out
20	Capacity building associated with funded projects	Medium/long Term	PPP		Project Roll-out

CATEGORY D PROJECTS:**PROJECTS MEANT TO CREATE FUTURE INCOME STREAMS FOR A MUNICIPALITY**

These Projects will mostly be implemented on a Public-Private-Partnership basis (As BOOTT or BOT agreements)

No	Project Description	Timeframe	Legal Basis	Estimated Cost (R)	Project Origin
	New Clean Energy generation projects				
1	Compilation of Energy re-use strategy	Short Term	Grant Transfer		IDP/IDIS
2	New Solar Farms	Long Term	PPP agreement		IDP/IDIS
3	New Wind Farms	Long Term	PPP agreement		IDP/IDIS
4	New Hydro-storage facilities	Long Term	PPP agreement		IDP/IDIS
5	New Battery Storage facilities	Long Term	PPP agreement		IDP/IDIS
6	Other forms of energy generation and storage (e.g. clean fuels production, Kinetic energy storage, PBMR, etc.)	Long Term	PPP agreement		IDP/IDIS
	Waste to Energy Facilities				
7	Production of energy and fuels from municipal and other organic waste.	Long Term	PPP agreement		IDP/IDIS

	Transport and Logistics Facilities				
8	Port, Rail, Harbour, Air Intermodal Facilities and terminals	Long Term	PPP agreement		IDP/IDIS/Dev Agency/LED
9	Distribution Centres	Long Term	PPP agreement		IDP/IDIS/Dev Agency/LED
10	Dry-docks	Long Term	PPP agreement		IDP/IDIS/Dev Agency/LED
11	Rail Infrastructure	Long Term	PPP agreement		IDP/IDIS/Dev Agency/LED
12	Airports	Long Term	PPP agreement		IDP/IDIS/Dev Agency/LED
13	Toll Roads and systems	Long Term	PPP agreement		IDP/IDIS/Dev Agency/LED
	New Water Provision Infrastructures				
14	New Bulk Water Transport pipelines	Long Term	PPP agreement		IDP/IDIS/Dev Agency/LED
15	New Desalination facilities	Long Term	PPP agreement		IDP/IDIS/Dev Agency/LED
16	New Water Storage facilities	Long Term	PPP agreement		IDP/IDIS/Dev Agency/LED
	Training and capacity building				
17	Local training associated with projects	Medium/long term	PPP Agreement		Project Roll-out
18	Capacity building associated with projects	Medium/long Term	PPP Agreement		Project Roll-out

CATEGORY E PROJECTS:**PROJECTS PRIMARILY MEANT TO CREATE NEW JOBS AND TO STIMULATE ECONOMIC GROWTH AND DEVELOPMENT**

These projects will mostly be implemented on a private-private basis between IDIS and a project owner (Which project owner can include a private person, business entity, NGO, SOE or Development Agency or another business entity of a Municipality).

No	Project Description	Timeframe	Legal Basis	Estimated Cost (R)	Project Origin
	Manufacturing sector				
1	Industrial Parks	Long Term	Equity Agreement between IDIS/Private Business entity/Development Agency/SOE		Development Agency/ LED Strategy/Private enterprises
2	Small Business Hubs and Mentoring/Support	Long Term	Equity Agreement between IDIS/Private Business entity/Development Agency/SOE		Development Agency/ LED Strategy/Private enterprises
3	Manufacturing of Agricultural products, Clothing and Textiles, Wood and Paper Products, Food products, Printing and recorded media, Chemicals, Pharmaceuticals, Botanicals, Rubber, Plastics, Metals, IT, Electric equipment, Motor vehicles, Transport equipment Furniture, etc.	Long Term	Equity Agreement between IDIS/Private Business entity/Development Agency/SOE		Development Agency/ LED Strategy/Private enterprises
	Agriculture Forestry and Fisheries Sector				
4	Agro Industrial Parks and Agricultural Projects (e.g. Establishment of Agricultural Farm and Processing Facilities, Seedling Nursery, Poultry, Piggery)	Long Term	Equity Agreement between IDIS/Private Business entity/Development Agency/SOE		Development Agency/ LED Strategy/Private enterprises
5	Grain Storage	Long Term	Equity Agreement between IDIS/Private Business entity/Development Agency/SOE		Development Agency/ LED Strategy/Private enterprises
6	Hydroponic Farming Systems	Long Term	Equity Agreement between IDIS/Private Business entity/Development Agency/SOE		Development Agency/ LED Strategy/Private enterprises
7	Fodder Production Systems	Long Term	Equity Agreement between IDIS/Private Business entity/Development Agency/SOE		Development Agency/ LED Strategy/Private enterprises

	Transportation and storage				
8	Harbours, shipyards and bonded warehousing	Long Term	Equity Agreement between IDIS/Private Business entity/Development Agency/SOE		Development Agency/ LED Strategy/Private enterprises
	Accommodation and Food Services				
9	Accommodation, Food and beverage service activities	Long Term	Equity Agreement between IDIS/Private Business entity/Development Agency/SOE		Development Agency/ LED Strategy/Private enterprises
	Tourism sector				
10	Tourism projects (Including nature parks, eco-Tourism, dam-site developments, Hotels and lodges, cable-cars, Rock Climbing, etc) Heritage and Cultural tourism routes, tourism assets and information marketing.	Long Term	Equity Agreement between IDIS/Private Business entity/Development Agency/SOE		Development Agency/ LED Strategy/Private enterprises
	Mining and Quarrying Sector				
11	New Mining projects, Minerals beneficiation, cement Blending, new quarries, brick making.	Long Term	Equity Agreement between IDIS/Private Business entity/Development Agency/SOE		Development Agency/ LED Strategy/Private enterprises
	Construction Sector				
12	Mixed Use Developments, Housing, local and regional Shopping Centres, Offices and Service Centres, Replacement of asbestos roofs.	Long Term	Equity Agreement between IDIS/Private Business entity/Development Agency/SOE		Development Agency/ LED Strategy/Private enterprises
	Health sector				
13	Private Hospitals and clinics, Retirement centres, care centres	Long Term	Equity Agreement between IDIS/Private Business entity/Development Agency/SOE		Development Agency/ LED Strategy/Private enterprises
	Education				
14	New private schools and colleges, pre-primary schools, Student Accommodation	Long Term	Equity Agreement between IDIS/Private Business entity/Development Agency/SOE		Development Agency/ LED Strategy/Private enterprises
	Arts Entertainment and media				
15	Creative, arts and entertainment activities, Libraries, archives, museums and other cultural activities, Gambling and betting activities, Sports activities and amusement and recreation activities, sports facilities, Arts and Crafts markets.	Long Term	Equity Agreement between IDIS/Private Business entity/Development Agency/SOE		Development Agency/ LED Strategy/Private enterprises

	Information and Communication				
16	Publishing activities, Motion picture, video and television programme production, sound recording and music publishing activities, Programming and broadcasting activities, Telecommunications, Computer programming, consultancy and related activities, Information service activities	Long Term	Equity Agreement between IDIS/Private Business entity/Development Agency/SOE		Development Agency/ LED Strategy/Private enterprises
	Professional, scientific and technical activities				
17	Professional services providers, technical testing and analysis, Scientific research and development, Advertising and market research, Veterinary activities	Long Term	Equity Agreement between IDIS/Private Business entity/Development Agency/SOE		Development Agency/ LED Strategy/Private enterprises
	Training and capacity building				
18	Local training associated with projects	Medium/long term	PPP Agreement		Project Roll-out
19	Capacity building associated with projects	Medium/long Term	PPP Agreement		Project Roll-out
	LED				
20	Support for projects mobilised by Economic Development Agencies	Medium/Long Term	Equity Agreement between IDIS/Private Business entity/Development Agency/SOE		Development Agency/ LED Strategy/Private enterprises/beneficiaries
21	Business Process and Outsourcing (BPO) services (can include facilities, customer services, accounting and payroll functions, etc)	Long Term	Equity Agreement between IDIS/Private Business entity/Development Agency/SOE		Development Agency/ LED Strategy/Private enterprises/beneficiaries

Annexure B

Project implementation agreement

DRAFT DOCUMENT

AGREEMENT FOR THE IMPLEMENTATION AND EXECUTION OF THE “MUNICIPALITY A” PROJECT FUNDING AGREEMENT

entered into by and between

“MUNICIPALITY A”

(hereinafter referred to as the “Municipality”)

and herein represented by

Mr. Mr A Jones in his capacity as the
Municipal Manager of the “Municipality A”

and being duly authorised thereto

and

INTERNATIONAL DIVERSE INNOVATIVE SOLUTIONS PROPRIETARY LIMITED

Registration number 2008/14283/07

herein represented by

Ms **BENITA VERMEULEN** in her capacity as **CEO**

and being duly authorised thereto
(hereinafter referred to as “**IDIS**”)

and

WHEREAS:

The “Municipality” has concluded a Project Funding Agreement with IDIS to unlock funding for projects;

AND WHEREAS

The “Municipality” has agreed with IDIS to fund and implement the projects listed and attached in Annexure A of the Project Funding Agreement;

AND WHEREAS

IDIS has secured access to Foreign Direct Investment Funding (FDI) through a Private Development Funding Programme (“Funding Programme”) to fund the projects in Annexure A;

AND WHEREAS

IDIS will be the recipient of the FDI unlocked through the Project Funding Agreement;

AND WHEREAS

It is a condition of the Funders that IDIS shall be the responsible Engineering, Procurement, Financial and Construction Agent (EPFC) to roll-out the projects in Annexure A under the Funding Programme;

AND WHEREAS

It is a condition of funding that IDIS shall accept all risk for the execution of the projects in Annexure A;

AND WHEREAS

IDIS must report compliance with the funding conditions;

AND WHEREAS

IDIS is willing to implement the projects within the framework of applicable laws and policies in accordance with applicable professional, technical, design and service level standards and best practise in the industry;

IDIS AND THE “MUNICIPALITY” THEREFORE AGREE AS FOLLOWS:

That IDIS, in its capacity as the Engineering, Procurement, Financing and Construction Agent shall be responsible to implement the projects contained in Annexure A with the funding that it receives from its Fiduciary Manager on a basis to be agreed and in terms of applicable laws;

and

That both parties will be bound by the following clauses and provisions that will guide and provide for the implementation and execution of the Project Funding Agreement:

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1. INTERPRETATION

- 1.1. The headings of the various clauses of this Agreement, and as contained in the Index of Headings are inserted for reference purposes only, and shall in no way govern or affect the construction of this Agreement.
- 1.2. This document shall be deemed to constitute the sole Agreement between the parties, with reference to its subject matter; and shall cancel and negate any prior verbal or written communications relating to such subject matter, whether expressed or implied, including any letters, memoranda, or minutes.
- 1.3. This Agreement including any annexures duly attached hereto shall be governed by and be construed and interpreted in accordance with the law of the Republic of South Africa.
- 1.4. Words importing persons shall include bodies corporate, and vice versa.
- 1.5. The singular shall include the plural, and vice versa, and reference to any gender shall include the other gender.
- 1.6. Any reference to a statutory provision shall include a reference to that provision as modified, amended, replaced, or re-enacted from time to time.
- 1.7. If any provision in a definition is a substantive provision, conferring rights, or imposing obligations on any party, effect shall be given to it as if it were a substantive clause in the body of the Agreement, notwithstanding that it is only contained in the definitions clause.

2. DEFINITIONS

In this Agreement, unless clearly inconsistent with or otherwise indicated by the context:

- 2.1. **“Area”** means the area of jurisdiction of “Municipality A” in the Republic of South Africa.
- 2.2. **“EPFC Agent”** means IDIS in its capacity as the Engineering, Procurement, Financial and Construction agent (Hereafter referred to as EPFC agent) responsible to fund and implement the projects in Appendix A.
- 2.3. **“Funding Programme”** means the Private Development Funding Programme (PDFP) developed by IDIS and Imperial Investment Limited to unlock funding for projects for Municipalities in South Africa, and in terms of which PDFP IDIS and the “Municipality A” has concluded a Project Funding Agreement (PFA) which will unlock funding over a

period of five years that will be provided to IDIS as the EPFC agent responsible to implement the projects agreed with the “Municipality A” and included in Annexure A.

- 2.4. **“Funding”** means the transfers of Foreign Direct Investment Funds by IDIS’s Fiduciary Manager to IDIS, and its subsequent use by IDIS to implement the Project Funding Agreement.
- 2.5. **“FDI”** means Foreign Direct Investment.
- 2.6. **“IDIS”** means International Diverse Innovative Solutions (Pty) LTD.
- 2.7. **“Parties”** means “Municipality A” and IDIS who are the signatories of this agreement.
- 2.8. **“PMS”** means the Programme Management Software used during the implementation of the Programme by the EPFC Agent. The EPFC Agent may, at its sole discretion, amend the PMS from time to time.
- 2.9. **“Programme”** means IDIS’s Funding Programme for the Municipality.
- 2.10. **“Projects”** means the projects included and contemplated in Annexure A.
- 2.11. **“Project Developer”** means a business or enterprise appointed to physically execute and develop a project or part thereof or to manage a project in terms of a PPP agreement.
- 2.12. **“Project Manager”** means a person or company appointed by IDIS with the technical skills and capacity to perform EPFC functions assigned to it by IDIS, to liaise and co-ordinate with local government and other agencies involved in project design and approval, do project management, coordinate at local level, and select, appoint, pay and manage contractors, perform quality control and oversight and report on progress.
- 2.13. **“Service Provider”** means a business or enterprise appointed to provide technical or expert advice, or equipment and technologies or to implement and administer a public-private partnership arrangement or who delivers other goods and services.

3. TERMS OF AGREEMENT

- 3.1. This Agreement shall be subject to and only come into force and effect when the following conditions have been satisfied:
 - 3.1.1. “Municipality A” has signed a Project Funding Agreement with IDIS
 - 3.1.2. IDIS has received and signed a term sheet provided to it by its Fiduciary Manager; and

3.1.3. Both Parties have duly signed this Agreement.

3.2. This Agreement shall continue for five years or unless extended by agreement between Municipality A and IDIS.

3.3. This Agreement can be amended in accordance with the provisions of clause 18.

3.3.1. The Parties acknowledge that all the projects included in Annexure A must be completed within a five year funding cycle and whilst a security is in place.

3.1.2 Parties hereby warrant doing all things necessary and using their best endeavours to ensure that the projects in Appendix A are implemented and completed within the five year funding cycle.

3.2 The parties acknowledge that the projects in Annexure A, or as amended by agreement between the Municipality and IDIS, will require Project Specific Contracts that will determine the service levels and deliverables for the specific project.

4. FUNDING

4.1. The Parties acknowledge that IDIS will receive funding from its Fiduciary Manager to disburse to projects that will meet the following overarching objectives and criteria:

- 4.1.1. Stimulate enterprise development,
- 4.1.2. Stimulate economic activity,
- 4.1.3. Stimulate infrastructure development,
- 4.1.4. Stimulate job creation,
- 4.1.5. Unlock new business opportunities; and
- 4.1.6. Directly transfer social and economic benefits to poor communities.
- 4.1.7. Improve income collection of the Municipality
- 4.1.8. Improve operational efficiency of the Administration
- 4.1.9. Training and capacitation of Municipal officials

4.2. The parties acknowledge that IDIS will assume full responsibility and accountability to disburse funds to approved projects to achieve the objectives in 4.1 above and to perform the Engineering, Procurement, Financial and Construction functions associated with projects by using and deploying best in class enterprises, service providers and project developers identified at the sole discretion of IDIS to provide the services required to roll out projects.

4.3. The Parties acknowledge that the legal frameworks to be used to execute projects, or to arrange for their continued operation on a contractual basis by service providers after

completion, or for their handover after completion, to be entered into by IDIS and the Municipality on a per project basis, can include the following:

- 4.3.1. Unsolicited bids on the basis provided for in applicable laws, or
 - 4.3.2. Built, Operate and transfer (BOT) agreements, or
 - 4.3.3. Built, own, operate, train and transfer (BOOTT) agreements; or
 - 4.3.4. Other public-private partnership agreements, or
 - 4.3.5. Grant transfers
 - 4.3.6. Private-Private agreements
- 4.4. Notwithstanding anything to the contrary, and subject to consultation between the Municipality and IDIS, and subject to applicable laws and regulations, IDIS shall have sole discretion to determine the basis upon which a project shall be executed to meet the objectives in clause 4.1 above, using one or more of the frameworks contemplated in paragraphs 4.3.1 to 4.3.5 above, or any other such framework agreed to between IDIS and the Municipality.
- 4.5. The Parties hereby agree that the contractual term for any BOOTT or other public-private contract shall be for a minimum period of 15 (fifteen) years, unless IDIS and the Municipality concludes a different agreement at any stage of the life cycle of the project. Notwithstanding anything to the contrary the Municipality can negotiate the extension of any existing contract with an appointed service provider.
- 4.6. Project Developers appointed by IDIS or a Project Manager must provide a 10% of Project Value Performance Guarantee, or a Performance Surety issued by a reputable Insurance company, or a Parent Company Guarantee. The type of suretyship and the conditions when it can be called will be determined during formalisation of the specific Project Developer's appointment.
- 4.7. IDIS and/or a project Manager that perform EPFC functions, shall focus on local job creation and shall endeavour to ensure that 30 % of the grant funding be used to procure goods, services and labour in the "Municipality A" area.
- 4.8. The parties agree that IDIS can, to ensure the successful implementation of the "Municipality A" Funding Programme, appoint a Project Manager to oversee the management, co-ordination and implementation of the Funding Programme or parts thereof, and to conduct all liaising with the Municipality and to perform such functions assigned to them by IDIS.
- 4.9. "Municipality A" undertakes to assist and provide IDIS, or a Project Manager or service provider appointed by IDIS, by appointing or designating key resources and contact persons to facilitate and speed up decision making and to resolve administrative, legal and technical matters affecting the roll-out of the Funding Programme.

- 4.10. The parties hereby agree that, to the extent necessary and agreed to by the Municipality, that IDIS or the Project Manager or service provider or an official appointed by it, can be assigned to assist the Municipality to facilitate the resolution of administrative, legal and technical matters affecting the roll-out of the "Municipality A" Project Funding Agreement or where the Municipality experience capacity constraints.

5. PRIORITISATION OF PROJECTS

- 5.1. The parties acknowledge the long term nature of projects included in Appendix A and the need to prioritise these projects to ensure their completion within the 5 year funding cycle.
- 5.2. The Municipality shall prioritise and pro-actively prepare to provide IDIS or its agents with the necessary service level requirements, targeted beneficiaries, tariffs, construction and design requirement on a per project basis to the extent relevant for contracting purposes, on a priority basis determined by the expected duration of such projects, within two weeks after inception of the "Municipality A" Project Funding Agreement.
- 5.3. Factors influencing the prioritization of IDP and Priority / Special projects submitted by the "Municipality" or IDIS which will be taken into account will include:
- 5.3.1. Amount and frequency/rate of release of funding.
 - 5.3.2. Prioritisation as per completed master and management plans.
 - 5.3.3. Effectiveness and efficiency needs of the Project Developer
 - 5.3.4. Client expectations, priorities and needs.
 - 5.3.5. Minimisation of community impacts.
 - 5.3.6. Service level specifications.
 - 5.3.7. Project optimisation for increased project sustainability.
 - 5.3.8. Contractually committed projects.
 - 5.3.9. The degree of legal consents required or still outstanding.

6. RESPONSIBILITIES OF THE MUNICIPALITY

- 6.1. The Municipality shall establish a Project Steering Committee (hereafter referred to as the "PSC") to coordinate project implementation between the relevant departments of the Municipality and IDIS and/or an appointed Project Manager and Project Developer(s).

6.2. The PSC shall have the following responsibilities:

- 6.2.1. To manage and facilitate relations with communities organised business and organised labour.
- 6.2.2. To integrate unfunded and transferred projects into annual IDP and budgeting process of the Municipality.
- 6.2.3. To include completed, transferred and donated projects onto the asset register of the municipality.
- 6.2.4. To ensure early release and handover of sites to a Project Developer in accordance with the priority list and on request.
- 6.2.5. To assist the Project Developer to secure space required for site establishment.
- 6.2.6. To expedite provision of service connections required by a Project Developer.
- 6.2.7. To expedite provision of all the necessary approvals, certificates, consents and determinations required for the successful development and execution of the programme.

6.3. The Municipality shall nominate at least two senior officials/individuals as key resource or contact persons with the necessary skills, experience and mandate to represent and take decisions on behalf of the Municipality at the Project Steering Committee.

6.4. The Municipality shall exempt funded projects from the payment of engineering services contributions and the Client shall instead accept the provision of equivalent infrastructure upgrading as specified in the Engineering Services Agreement.

6.5. The Municipality agrees that any delay in project execution associated with the competence of the Municipality which results in a claim(s) from a Project Developer (i.e. The Developer) will be for the Municipality's account.

7. RESPONSIBILITY OF THE EPFC AGENT/IDIS

7.1. IDIS shall be responsible for the implementation of funded projects. As the EPFC Agent, IDIS can:

- 7.1.1. Appoint an independent Project Manager to *inter alia* provide the services listed in clause 8 below.
- 7.1.2. Jointly with Service Providers, Project Developers and the Project Manager open and operate a Project Office in the "Municipality A" area.
- 7.1.3. Establishing a Project Steering Committee within one month after commencement of the project activities if such a Committee has not already been established by the Municipality on the basis contemplated in clause 6.1 above.

- 7.1.4. Ensuring that proper and complete feasibility studies and design and planning work are performed in respect of any project or the projects in Annexure A.
- 7.1.5. Start with rolling out;
 - 7.1.5.1. Agreed projects.
 - 7.1.5.2. Prioritised Projects.
 - 7.1.5.3. Special projects.
- 7.1.6. Provide Project and Management related assistance with:
 - 7.1.6.1. Master plans and related plans.
 - 7.1.6.2. Asset register.
 - 7.1.6.3. Management systems.
 - 7.1.6.4. Software.
 - 7.1.6.5. Equipment.
- 7.1.7. Assume continued responsibility for Training & Capacity Building of Municipal Staff that is:
 - 7.1.7.1. Project related.
 - 7.1.7.2. Institution related.
- 7.1.8. Implementing of the following structures, legal forms, systems and standards:
 - 7.1.8.1. Prescribed project management process,
 - 7.1.8.2. Executed projects on a built and transfer (BT), or build, own, operate, train and transfer (BOOTT) basis, or another form of public-private partnership, or as a grant transfer.
 - 7.1.8.3. Monitoring,
 - 7.1.8.4. Auditing,
 - 7.1.8.5. Reporting,
 - 7.1.8.6. FIDIC and South African Contract Conditions
 - 7.1.8.7. ISO 9001 Quality Programme
- 7.1.9. Ensuring the cooperation of Municipal officials, to successful roll-out and complete the "Municipality A" Project Funding Agreement.
- 7.1.10. Assuming continued responsibility for technical and managerial oversight.
- 7.1.11. Committed to following a fair process to appoint Local Service Providers in the jurisdiction area of the Client and to ensure that appointed Service Providers implement the Programme in accordance with applicable laws, best practise and industry standards in the particular domain.
- 7.1.12. Ensure the Sustainability of projects and downstream income

8. KEY ROLE PLAYERS

8.1. Roles and Responsibilities

Roles	Key Responsibilities
Municipality A Nominated Representatives	<ul style="list-style-type: none"> Communicates Municipal requirements to the Project Steering Committee in order to determine required specifications. To act as the main point of communication between the Project Steering Committee and the Municipal Management Team. To analyse problematic situations and occurrences and provide solutions to ensure company survival and growth. To build trust relations with other key partners and act as a point of contact for important stakeholders (example: Community Leaders). To actively assist with the development of forward and backward linkages in and around the Municipal Area. Obtains feedback from community leaders concerning satisfaction with the services provided. Communicates any issues with the services provided to the Customer Relations Officer or the Project Manager. Participate in site meetings facilitated by the Agent and report to the Municipality and Community delegates any issues requiring attention. To constantly ensure that no member of Municipality frustrate or attempt to prevent the implementation and development of the agreed projects for whatsoever reason. Document issues in writing and or as site instruction form.
Liaison Officer (Agent)	<ul style="list-style-type: none"> Liaison with officials, politicians, community and business structures and NGO with respect to current and future projects. Identifies project related needs, opportunities and constraints. Support project roll out in conjunction with the Project Developer. Disseminate information.
Project Manager	<ul style="list-style-type: none"> Effective engagement with Risk & Compliance, Steering Committee and Internal audit to ensure that key aspect pertaining to Corporate Governance standards and rules are adhered to by business. Ensure sufficient internal knowledge of all regulatory acts and compliance impacting on projects to ensure no breaches relating to any regulatory acts pertaining to projects. Stay abreast of all Future Regulatory acts that will impact on projects and review and incorporate them timeously into the Project Governance to ensure relevance and adherence to all new impacting regulations. Ongoing engagements with Project Steering Committee to ensure early identification of possible breaches to regulatory acts. Research best practices for optimising project governance through available

	<p>mediums i.e. Internet, FDI Providers, published white papers and case studies to ensure world class governance standards.</p> <ul style="list-style-type: none"> • Ensure adherence to agreed Service Level Agreements (SLA's) in line with Corporate Governance rules & standards with relevant role players i.e. Municipal. • Ensure appropriate quality and control checks are communicated to internal partners i.e. (IDIS Project Management, Risk & compliance and Audit teams) to ensure effective reviewing of all Project Governance standards and rules. • Ensure all issues identified through reviews and audits are communicated to Management. • Assist and support business in closing the gaps identified through reviews and audits that may lead to regulatory breaches. • Provide insights and trends relating to project governance issues emanating from third party company initiatives to business. • Assist and support internal partners in understanding the project governance framework and assist in adherence to all rules and standards. • Undertake related research to ensure alignment with World class as well as local regulatory standards for managing project governance. • Ensure alignment between related policies and processes within internal partners by proactively informing them of possible impacts that may lead to regulatory breaches. • Develop and maintain effective relationships with key internal business partners that provide project management Services. • Build positive relationship with key stakeholders i.e. IDIS Project Management, Risk & Compliance and Audit teams. • Providing visibility of all risks, issues, dependencies and decisions pertaining to the project. • Ensuring that the project reports are accurate, in the correct format and on time in alignment with the Project Steering Committee pre-agreed reporting schedule. • Conducting ad-hoc project quality audits to ensure reporting integrity and adherence to project governance framework. • To manage the budgeting and estimating process for developments projects: <ul style="list-style-type: none"> – Understand the parameters and requirements of the Funds. – Keep abreast of market trends to ensure achieves optimum decision-making. – Ensure that role-players approve projects. • Project co-ordination and management of projects with contractors and professional teams: <ul style="list-style-type: none"> – Ensure that process flow structures are in place and is followed in accordance with project governance framework. – Assist with project management principles to ensure that projects are completed on time and within budgets. – Ensure that quality standards are set and that projects are completed accordingly.
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	<ul style="list-style-type: none"> – To monitor the quality of services rendered by suppliers and to ensure that deliverables from service providers are met. – To ensure timeous response to complaints received. – Recommend authorization of expenditure where contractual obligations have been met in terms of agreed mandate. – Maintain good PR and communication with all stakeholders. – Prepare compile and distribute project documents Provide logistical support (arrangements for travel/ accommodation/ meetings). – Process invoices, orders and expenses. <ul style="list-style-type: none"> • Facilitate project feedback and monitoring process • Clarity and project administration • Attend Steering Committee meetings and assist with determination of project requirements. Assist the PM in the drafting and issuance of project proposals, RFP's, tenders, budgets, cash flows and preliminary schedules. • Prepare project organization and communication charts. • Chair site meetings and distribute minutes to all project team members. • Use project scheduling and control tools to monitor projects plans, work hours, budgets and expenditures to assist the PM in the general administration of the Project. • Effectively and accurately communicate relevant project information to the client and project team. • Ensure Clients' needs are met in a timely and cost-effective manner. • Administer field inspection reports from Consultants throughout the lifecycle of the project. • Draft and Issue Contracts, Letters of Intent, Purchase Orders, etc. • Maintain Contract Execution Tracking Log. • Assist the PM in the review of Contractor documentation and communication. • Track & manage contemplated change notices and change orders. • Prepare substantial completion certificates and ensure all required project close out documents are obtained
Programme Administrator / Software Consultant	<ul style="list-style-type: none"> • Design, build and execute programme management software of all aspects related to the programme based on the requirements of all stakeholders. • Arrange access to different levels of the software based on security clearance. • Provide a project governance administration service. • Manage document repository. • Communicate and track project controls and measures. • Attend meeting when required. • Design/ refine project templates.
Project Steering Committee	<ul style="list-style-type: none"> • Take responsibility for the project's feasibility, business plan and achievement of outcomes; • Ensure the project's scope aligns with the requirements of the stakeholder

	<p>groups, and to represent stakeholder interests in project deliberations;</p> <ul style="list-style-type: none"> • Provide those directly involved in the project with guidance on project business issues, especially issues which would compromise the success of the project; • Ensure effort and expenditure are appropriate to stakeholder expectations; • Assist in the evaluation of project risks, and project risk management approaches; • Keep the project scope under control as emergent issues force changes to be considered; • Reconcile differences in opinion and approach, and resolve disputes arising from them.
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9. APPROACH AND METHODOLOGY

9.1. The Private Development Funding Programme is predicated on the establishment of a long-term partnership built on a platform of legitimacy and trust between the Municipality, IDIS, Service Providers Project Developers and beneficiary communities.

9.2. IDIS will procure the necessary technical, professional and administrative expertise, skills and capacity to run and administer the Funding Programme in a sustainable manner.

9.3. Due to the nature, size and scope of projects to be funded, IDIS will sub-contract a specialized Project Manager to professionally manage and audit projects on the ground in line with industry standards and current best practise.

9.4. IDIS's appointed Project Manager shall perform an audit of the *status quo* position in respect of the projects listed in Annexure A. The Municipality agrees to provide and grant the necessary access to records, data, consultants and officials for this purpose.

9.5. The *status quo* audit contemplated in clause 9.4 above can include the following KPA'S and KFA's, in respect of the unfunded projects contained in Appendix A:

9.5.1. KPA 1 – Governance and Stakeholder Participation

KFA – Governance

KFA – Stakeholder Participation

KFA – Policies

KFA – Bylaws

KFA – Monitoring and Evaluation

9.5.2. KPA 2 – Physical Infrastructure and Energy Efficiency

- KFA – Energy Efficiency
- KFA – Water and Sanitation Infrastructure
- KFA – Waste Infrastructure
- KFA – City Entrances
- KFA Establishment of Nurseries
- KFA – Public Facilities

9.5.3. KPA 3 – Services and Customer Care

- KFA – Water and Sanitation
- KFA – Electricity
- KFA – Waste Management
- KFA – Customer Relations
- KFA – Public Transport
- KFA – Branding and Website
- KFA – Building Plans and Development

9.5.4. KPA 4 – Economic Growth and Development

- KFA – Education and Skills
- KFA - Investment Promotion
- KFA – Economic Growth
- Job Creation
- Urban Renewal
- Rural Development
- Trade and Industry

9.5.5. KPA 5 – Safety and Environment

- KFA – Energy Efficiency
- KFA – Water and Sanitation Infrastructure
- KFA – Waste Infrastructure
- KFA – City Entrances
- KFA – Establishment of Nurseries
- KFA – Public Facilities

9.5.6. KPA 6 – Social and Community Development

KFA – Human Settlements

KFA – Cemeteries

9.5.7. KPA 7 – Institutional Transformation

KFA – Organisational Structure

KFA – Human Capital and Skills Development

KFA – Programme and Project Management

KFA – Performance Management

KFA – Systems and Technology

KFA – Processes and Procedures

KFA – Facilities

KFA – Equipment and Fleet Management

9.5.8. KPA 8 – Financial Sustainability

KFA – Revenue Enhancement

KFA – Cost Management Containment

KFA – Asset Management

KFA – Capital Expenditure

KFA – Funding

KFA – Cash Management

10. INSURANCES

10.1. The Project Manager to be appointed by IDIS shall ensure that insurances are provided within each project with respect to:

10.1.1. Workman's Compensation;

10.1.2. Contractors' Risk;

10.1.3. Public Liability; and

10.1.4. Professional Indemnity for Professional Services Providers.

10.2. The Project Developer to be appointed by IDIS is required to either provide the insurance cover for the projects as a whole, or to ensure that such cover is provided in each and every project undertaken.

- 10.3. The Project Developer to be appointed by IDIS shall ensure that the Municipality is indemnified from any claims, losses, proceeding, damages or liabilities, which may result from IDIS's actions, or failure to act.

11. MEDIA LIAISON

- 11.1. The Parties undertake not to issue media statements or release any kind of information in connection with the Funding Programme or of any project executed under the Programme or an appointment made under this programme for any purpose, without first consulting with and obtaining the consent of the other Party before issuing such a statement or issuing a release.

12. NO PARTNERSHIP

- 12.1. The relationship of the Parties in terms of this Agreement shall involve a close collaboration between two independent contracting parties, and as such shall not imply any partnership in the legal sense, nor shall it constitute either Party being the authorised representative of the other Party, particularly so with regard to IDIS's dealings with third parties involved in the management and implementation funded projects.

13. BREACH

- 13.1. In the event of:

13.1.1. Political or social unrest; or

13.1.2. Withholding of labour; or

13.1.3. A force majeure; or

13.1.4. The termination or suspension of funding by IDIS's Fiduciary Manager; or

13.1.5. Unlawful activities, bribery and solicitation; or

13.1.6. The unreasonable withholding of permissions or decisions requested from Government that are preventing a project from proceeding, after having been duly informed thereof,

and which event prevents IDIS from complying with its contractual obligations to Municipality and IDIS's subcontractors, suppliers or service providers, IDIS shall be entitled to suspend work on the further roll-out of the affected projects or affected parts thereof or the Project Funding Agreement as a whole, until the reasons for the suspension has been resolved and work can continue and be completed in the remaining timeframe of the five year funding cycle.

- 13.2. If an event contemplated in clause 13.1 above cannot be resolved, IDIS shall be entitled to stop further work and funding of affected projects and to redirect remaining funding to other projects.
- 13.3. If the Municipality is of the view that IDIS has unreasonable suspended work or parts thereof the matter/s in issue may be referred, at the request of either party, for determination by an arbitrator to be appointed in terms of this Agreement. Notwithstanding anything to the contrary contained in this Agreement, and by reason of the financial and social imperative underlying this Agreement, the arbitrator shall be entitled to make interim orders to ensure that work proceeds and that no material delays occur to the detriment of a community.
- 13.4. IDIS shall be entitled to refer a claim to recover costs incurred in respect of completed parts of a project that was stopped in terms of clause 13.2 that cannot be claimed from insurance, to an arbitrator to make a determination and an award of costs.

14. ARBITRATION OF DISPUTES ARISING FROM THIS AGREEMENT

- 14.1. Either Party shall be entitled within 10 (ten) days after failure by the parties to reach an agreement, to require, by giving written notice to the other, that the dispute be submitted to arbitration.
- 14.2. If the parties cannot agree on an arbitrator, the arbitrator shall be nominated by the President of the Law Society of South Africa, or its successors.
- 14.3. The party instituting these proceedings shall appoint the arbitrator and the arbitrator shall notify the parties beforehand of the remuneration required by him for his services.
- 14.4. Within 30 (thirty) days after receipt of the notice in Clause 14.3, each party shall submit to the arbitrator a full statement of its case, in which shall be set out all the evidence, sworn statements, facts, submissions and expert opinion, etc., supporting or proving such parties contention in regard to the matter in dispute and serve a copy thereof on the other party
- 14.5. Within 14 (fourteen) days of receipt of such copy of the other party's statement of case, either party may submit a further supplementary statement to the arbitrator and serve a copy thereof on the other party.
- 14.6. If requested by the arbitrator, the parties may submit and serve further statements within 14 (fourteen) days of the request.
- 14.7. The arbitrator shall then consider and decide the dispute on the papers before him, without any legal representation or appearance by the parties.

- 14.8. If the arbitrator considers that he cannot decide the matter on the papers before him, he may call for other evidence or for witnesses to testify at a place determined by him in the presence of the parties, who may also question such witnesses.
- 14.9. The arbitrator shall be entitled to make such award, including an award for specific performance, an interdict, and damages or otherwise as he, in his discretion, may deem fit and appropriate.
- 14.10. The arbitrator shall decide the dispute according to the law of South Africa.
- 14.11. The arbitrator shall at all times have regard for the intention of the parties and shall resolve the dispute in a summary manner.
- 14.12. Any award made by the arbitrator;
 - 14.12.1. Shall be final and binding upon the parties;
 - 14.12.2. Shall be carried into effect by the parties;
 - 14.12.3. May only be made an order of court if the party concerned fails to heed the terms of the award; and
 - 14.12.4. May include an order directing the unsuccessful party to pay the costs of the arbitration and the expenses incurred by the successful party.
- 14.13. This Clause shall survive the termination of the Agreement.
- 14.14. This Clause shall constitute each party's irrevocable consent to the arbitration proceedings, and no party shall be entitled to withdraw therefrom or to claim that such party is not bound by this Clause.
- 14.15. If a party fails to take part in these proceedings, such conduct shall constitute consent to an award being made against such party.

15. TERMINATION OF AGREEMENT

- 15.1. IDIS can terminate this Agreement if:
 - 15.1.1. It becomes bankrupt or insolvent, goes into liquidation or business rescue, has a receiving or administration order made against it, compounds with its creditors, or carries on business under a receiver, trustee or manager for the benefit of its creditors; or
 - 15.1.2. When funding available for the execution of projects stops.
 - 15.1.3. When instructed to do so by its Fiduciary Manager.

15.2. Upon termination under clause 15:

- 15.2.1. A Project Manager or Project Developer shall cease all work, except for such work necessary to make the works safe, and have the election to either enforce its lien or vacate the Project site;
- 15.2.2. A Project Developer shall remove all its equipment, plant and material from the Project sites;
- 15.2.3. A Project Developer shall hand over the parts of the works to the Agent delivered by it up to the date of termination, for which the Project Developer has received payment in full;

15.3. The Project Developer shall, insofar as possible, deliver to IDIS or the Project Manager all documents prepared by the Project Developer in connection with the works as at the date of termination, for which the Project Developer has received payment in full.

16. DOMICILIUM CITANDI ET EXECUTANDI

16.1. The "Municipality A" chooses as its *domicilium citandi et executandi* for all purposes arising from this Agreement:

MUNICIPAL OFFICES
C/o Nelson Mandela and Walter Sisulu Streets
PRETORIA

Fax:

Email: mm@MunicipalityA.gov.za

16.2. IDIS chooses as its *domicilium citandi et executandi* for all purposes arising from this Agreement;

XX Street
Pretoria
0020
Cell: 000 123 4567
Email: Benita@idis.co.za

16.3. Either party may change its *domicilium citandi et executandi* by means of a written notice to the other party, provided that such domicile shall be a physical address within the Republic of South Africa.

16.4. All notices contemplated under this Agreement shall be delivered by hand or sent by pre-paid registered post, in which event such notice shall be deemed to have been

received by the addressee 14 (fourteen) business days after the proven date of posting.

- 16.5. Notwithstanding anything to the contrary herein contained a written notice or communication actually received by a party shall be an adequate written notice or communication to it, notwithstanding that it was not sent to or delivered at its chosen domicile, but no presumption of receipt shall arise if any method of communication besides those listed in this agreement is used.

17. LIMITATION ON CESSION

The rights and obligations of the Parties in terms of this Agreement shall be personal and not capable of being ceded, assigned or delegated by either of them to another person, save with the prior written consent of the other Party, who may refuse to consent.

18. AMENDMENT

No amendment or other variation, consensual cancellation or novation of this agreement, shall be effective unless it is in writing, is dated, expressly refers to this Agreement and is signed by a duly authorised representative of each Party hereto.

19. WAIVER

No latitude, extension of time or other indulgence which may be given or allowed by either party to the other in respect of the performance of any obligation hereunder shall under any circumstances be construed to be an implied consent by such party or operate as a waiver, or a novation of, or otherwise affect any such party rights in terms of or arising from this agreement, or stop such party from importing, at any time and without notice, strict and punctual compliance with each and every provision or term hereof.

20. FORCE MAJEURE

Neither party shall be liable to the other for any failure to perform its obligations under this agreement where such performance is rendered impossible by circumstances beyond its control, but nothing in this agreement shall limit the obligations of the Agent to use its endeavours to fulfil its obligations under this agreement. This includes any form of action normally associated with strikes Local Contractors, workers of local Contractors and Project Developer and actions of Members of the community and which action directly or indirectly negatively influence the scheduled roll out of any one or more of the projects in the Programme.

21. COPYRIGHT

The parties must ensure and will be held liable for any infringements of copyrights and other immaterial rights and hereby indemnifies each other against any such claims, now and in future.

22. SEVERABILITY

- 22.1. Any provision in this agreement, which is or may become illegal, invalid or unenforceable shall be treated as pro non-scripto and severed from the balance of the agreement without invalidating the remaining provisions of this agreement or affecting the validity of enforceability of such remaining conditions.

SIGNED at _____ on this the _____ day of _____ 2019

EXECUTED on behalf of the **Municipality A** by
its duly authorised representative:

.

.....

Signature of authorised person:

.....

Office held

.....

Name of authorised person

(block letters)

Date of Signature: _____

Who warrants his authority hereto

Date: _____

EXECUTED on behalf of the **IDIS** by its duly
authorised representative:

.....
Signature of authorised person

.....
Office held

.....
Name of authorised person
(block letters)

Date: _____

Who warrants his authority hereto

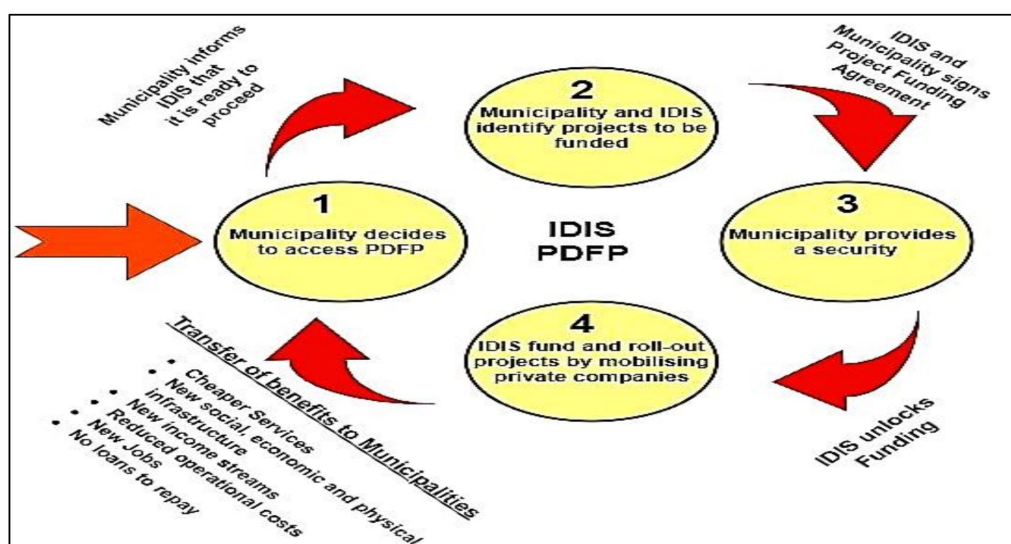
Date: _____

THE IDIS PRIVATE DEVELOPMENT FUNDING PROGRAM (“PDFP”)

1. Background

The Private Development Funding Program (“PDFP”) was developed by IDIS to unlock **Foreign Direct Investment (FDI)** for **projects in the municipal sphere** in South Africa. The funding that the PDFP unlocks is **not a loan** that must be repaid by a Municipality. The funding unlocked **flows to projects identified in consultation with Municipalities** and which projects are then rolled-out by **private sector entities appointed by IDIS** and which projects are then immediately on completion of a PPP agreement transferred **at no cost** to a Municipality.

The benefits that can accrue to a Municipality through its participation in the programme are illustrated in the diagram below:



The PDFP can typically unlock investment of R 10 Billion or more for each participating Municipality or District Municipality over a five years funding cycle, against a security provided by a Municipality.

The PDFP mechanism enables a Municipality to direct the unlocked funding to projects that will assist the Municipality to achieve its section 152 and 153 development goals and objectives, as defined in the Constitution, 1996.

The PDFP has been designed to assist Municipalities to resolve immediate critical service delivery challenges they face and for the implementation of projects that will make long term structural changes that will assist them to improve service delivery, create new streams of income, create new jobs and stimulate economic development in their areas of jurisdiction.

IDIS has started with the roll-out of the PDFP in 2020 and we are currently engaging with about 20 Municipalities throughout South Africa. These Municipalities include small rural Municipalities, District Municipalities, larger local Municipalities and Metropolitan Municipalities.

IDIS have engaged and are in discussions with National Treasury, the Department of Cooperative Governance and Traditional Affairs and SALGA about the PDFP and its roll-out.

IDIS has presented the PDFP to the Select Committee on “Cooperative Governance and Traditional Affairs, Water and Sanitation and Human Settlements” of the National Chamber of Provinces. IDIS is currently working with MEC’s in various Provinces to roll-out the programme to Municipalities in their Provinces.

2. Access to the PDFP

Any South African Municipality can approach IDIS to unlock funding for projects in their Municipal area through the **PDFP**.

After having received a formal request from a Municipality, IDIS will provide it with documentation and information setting out the legal and technical requirements to use the PDFP. Based on the information provided and following discussions and interaction with IDIS, a Municipality can then decide if they want to use the opportunities offered by the PDFP. Should a Municipality decide to participate; IDIS and the Municipality can start with the identification and packaging of the projects that will be funded.

3. Projects that can be funded through the PDFP mechanism

The PDFP has been designed to support and strengthen the Integrated Development Planning Process, the Local Economic Development Planning Process of Municipalities and the planning and development processes of Development Agencies and Business Units established by some Municipalities.

The PDFP can unlock funding for small, medium and large scale projects that were identified during the IDP and LED planning processes of Municipalities and the planning processes of its business units. In general the preference is to fund larger projects that will make long term and structural changes that will increase the viability and sustainable operation of Municipalities.

IDIS will submit projects for funding in its own right to a Municipality when negotiating and concluding a funding agreement. These projects derive from IDIS’s mandate to invest in projects that will result in the establishment and provision of new social, economic and infrastructural services and facilities for Municipalities and investment in projects that will create new jobs and stimulate economic growth.

IDIS is regularly approached by private project owners that require funding for projects in the areas of Municipalities with who IDIS conclude funding agreements. IDIS will submit feasible projects that align with its mandate for funding to a Municipality during the project selection processes in view of the massive contribution these projects can make to development and the attainment of the section 152 and 153 goals and objectives of Municipalities as per the Constitution, 1996.

IDIS and a Municipality must target the selection of projects that will not only focus on the short term needs of a Municipality to restore the health of existing systems and services, but to prioritise projects that will allow a Municipality to make long term structural changes that will leave it in a better position when funding stops.

The Foreign Direct Investment (FDI) funding unlocked by IDIS will flow to IDIS and IDIS will be responsible to fund and roll-out the projects jointly identified and jointly agreed to with a Municipality. The flow of funds to IDIS is a condition of the international funders that attaches to the FDI funding that flows to South Africa. This condition cannot be changed or circumvented by IDIS.

To give effect to the above, and to leave the Municipality in a better position when funding ends, IDIS will prioritise funding of projects in the following categories:

- Unfunded IDP projects.
- Projects meant to enhance municipal revenue by improving and replacing existing systems and services.
- Projects meant to reduce the operational costs of a municipality.
- Projects meant to create future income streams for a municipality.
- Projects meant to create new jobs and to stimulate economic growth and development.

(Examples of projects that IDIS can fund in the above categories are included in Annexure A to this document).

4. Legal framework used to fund projects

IDIS will generally fund projects on the following basis:

- by way of a Grant Transfer; or
- through a Public Private Partnership agreements concluded with a Municipality; or
- through Private-Private agreements concluded with project owners.

“Grant transfers” means facilities or services provided at no cost and for the public good by IDIS to a Municipality.

This can entail the fixing, replacement, refurbishment or upgrading of critical services and service delivery infrastructure of a Municipality by a private service provider appointed and paid for by IDIS. The work can be performed in terms of a service level agreement concluded between IDIS and the Municipality to ensure the end product is consistent with applicable Municipal standards and maintenance and control systems.

When work or a service has been completed on the basis agreed in a Service Level Agreement, the relevant goods or services created will immediately be released back to a Municipality to resume the delivery of a service or the operation and maintenance of the infrastructures fixed.

There will be no loan or any other cost to be repaid by a Municipality.

“Public Private Agreements” generally refers to a commercial transaction between a municipality and a private party in terms of which the private party will¹:

- “a) Perform a municipal function for or on behalf of a municipality, or acquires the management or use of municipal property for its own commercial purpose; or both performs a municipal function for or on behalf of a municipality and acquires the management or use of municipal property for its own commercial purposes.*
- (b) Assumes substantial financial, technical and operational risks in connection with:*
 - (i) The performance of the municipal function*
 - (ii) The management or use of the municipal property; or*
 - (iii) Both*
- (c) Receives a benefit from performing the municipal function, or from using the municipal property or both, by:*
 - (i) Consideration to be paid or given by the municipality or a municipal entity under the sole or shared control of the municipality*
 - (ii) Charges or fees to be collected by the private party from users or customers of a service provided to them*
 - (iii) A combination of the benefits referred to in subparagraphs (i) and (ii).”*

PPP agreements can take many forms and will generally be project specific. IDIS will generally seek to conclude and pursue Built, Own, Operate Train and Transfer (BOOTT) or Build Operate and Transfer (BOT) agreements with Municipalities, but without excluding other forms of PPP partnerships on the basis provided for in Treasury Guidelines, to meet the situation on the ground.

Because funding unlocked through the PDFP mechanism bears no interest, PPP projects can generate cost savings that will result in lower tariff agreements with Municipalities. For example, electricity generation facilities built under a PPP agreement can deliver electricity to a Municipality for reselling at a discount from the price at which ESKOM sells to Municipalities. Securing cheaper electricity will allow Municipalities to increase their incomes from the reselling of energy which can create budgetary space for the increased cross-subsidisation of indigent users and for negotiating and concluding debt repayment agreements with ESKOM. The objective is to provide an immediate and ongoing benefit to Municipalities under PPP agreements concluded with them.

When a PPP ends all facilities and infrastructures created will transfer in ownership to a Municipality. For example if funding was used to for example build a solar farm, the entire infrastructure created will transfer at no cost to a Municipality. Such a facility will then become a critical and sustainable future income source for a Municipality.

There will be no loan to be repaid by a Municipality.

“Private-Private agreements” generally refer to business agreements between IDIS and private entities, project owners or a business enterprise of a Municipality which will result in the creation of services and facilities that are generally consistent with the objectives of providing new social, economic and infrastructural services and facilities and investment in projects that will create new

¹ National Treasury, Municipal Service Delivery and PPP Guidelines.

jobs and stimulate economic growth, and which gives effect to the section 152 and 153 goals and responsibilities of Municipalities.

Private-Private agreements can typically be used to implement and roll-out projects emerging from and developed during the LED planning processes' of a Municipality.

IDIS, as a B-BBEE compliant company, can also fund, own and operate a project in its own right. IDIS is not a consulting company or a developer and will appoint best-in-class specialists to execute and operate projects.

Once IDIS and a Municipality have reached agreement on the projects to be funded, the expected cost of the projects, and the legal framework within which they will be rolled-out (Grant transfer, PPP or Private-Private), IDIS and a Municipality can proceed to conclude a **Project Funding Agreement**.

5. The Project Funding Agreement ("PFA")

A Project Funding Agreement is a legal agreement entered into between IDIS and a Municipality.

A signed PFA document becomes the "security" that is required to unlock funding for the roll-out of the projects agreed to between the Municipality and IDIS, through the PDFP mechanism developed by IDIS.

In a PFA a Municipality undertakes to provide and maintain a security and IDIS agrees to unlock funding to fund and roll-out the projects identified in the PFA.

The format of the PFA to be entered into by IDIS and a Municipality has been developed and negotiated to protect the interest of all the parties involved in the funding chain created by IDIS, and which chain is necessary to unlock FDI for projects.. This includes the rights and interests and competences of the participating Municipality, IDIS, IDIS's Fiduciary Manager and their international partners, International Investors, and the International Banking System. The format of the PFA that a Municipality will sign has been accepted and approved by our international partners and the legal sections of participating Municipalities.

IDIS has also submitted all our legal and technical PDFP documentation, which included the PFA to be signed by a Municipality, to the Office of the Deputy Finance Minister for review and oversight purposes. National Treasury has responded positively to the PDFP documentation submitted and has raised no flags regarding the further roll-out of our PDFP and the use of our Project Funding Agreements.

The PDFP and the PFA is based upon and has been designed to be fully compliant with the powers of a Municipality to issue a security on the basis provided for in the Financial Management Act (MFMA), Act No 56 of 2003.

The PDFP and the PFA has also been designed from the outset to be fully compliant for roll-out within the procurement frameworks established by the MFMA, 2003, the Municipal Systems Act, Act No 32 of 2000, Municipal Public Private Partnership Regulations and other notes issued by Treasury.

The power to issue a security in terms of the MFMA is a sole Municipal competence. National and Provincial Treasury Departments will become involved in the procurement process when approached by a Municipality in the normal manner.

6. The basis of the funding model provided for in the PDFP

The PDFP is based on breakthrough agreements brokered by IDIS with our international partners.

In terms of this agreement international investors will accept and invest in securities based on unleveraged fixed assets of Municipalities as a security when offered in the form of a PFA agreement, to unlock funding for projects. Part of the profits generated by investors will be returned to IDIS as FDI which must be used to implement the projects identified in a PFA and on the basis agreed.

The security provided must comply with the requirements of international markets and the rules of the international banking system. The PFA has been designed to meet the requirements of all the parties and contain condition necessary to meet their requirement.

All that is required from a Municipality to participate in and benefit from the PDFP, is to issue a security by signing a PFA with IDIS.

Because the collective value of unleveraged Municipal fixed assets across South Africa amounts to Trillions of Rands that can be used for the purposes of the PDFP, it is expected that a large number of Municipalities will want to unlock funding for projects through the PDFP mechanism. IDIS cannot accommodate all the Municipalities in South Africa and will proceed to engage with Municipalities on a first come first serve basis.

Because of the nature and extent of the envisaged roll-out of the PDFP and the potential benefits that will accrue to the Country, IDIS will approach the deployment of the PDFP from a national perspective and prioritises compliance with the requirements of our international partners to ensure the long term availability of this facility in the national interest. IDIS will deploy national management structures to develop and implement procurement, quality assurance and reporting systems that meets the requirements of our international partners to ensure consistence across Municipalities.

The PDFP is a mechanism that Municipalities can use to leverage their unencumbered fixed assets to unlock funding for projects that they want to pursue for the benefit of their communities and for the long term benefit of the Municipality.

7. Nature of the Security to be provided by a Municipality

The security that must be provided by a Municipality to unlock funding through the PDFP involve no cost or expenses for the Municipality or the transfer of any of their assets to anyone else.

The security that a Municipality must provide to unlock funding for the projects that it wants rolled-out, and on the basis provided for in a PFA, will have the following attributes:

- 7.1. The “security” that must be provided is a “**pledge**” by a Municipality to keep the value of all the fixed assets owned by it at or above an agreed level (described as a threshold level in the PFA) for a period of five years.
- 7.2. The **Municipality must decide the threshold level** of assets that it is willing and comfortable to “pledge” for the purpose of a PFA, but it should preferably be R2 Billion rand or more in the case of a larger Municipality. Smaller Rural and asset poor Municipalities can combine with other Municipalities in a District and the District Municipality itself to reach a R2 Billion amount.
- 7.3. The **threshold level** that a Municipality must **pledge** and **maintain** over a five year period is a percentage of the value of all the fixed assets owned by a Municipality and which assets (non-current) is **evidenced** by the last audited financial statement of a Municipality and signed by the Auditor General of the Republic of South Africa.
- 7.4. In practice this means that if a Municipality owns R 10 Billion worth of fixed assets and if it decides to pledge 50% of its fixed assets for the purpose of unlocking five times that value for projects, then the threshold at which it must keep the collective value of its asset holding will be R 5 Billion (50% of R10 Billion). This threshold amount will be arranged in a Project Funding Agreement concluded between IDIS and the Municipality. Therefore a Municipality legally agrees not to sell fixed assets that will cause its total asset holding to drop below the 50% threshold level.
- 7.5. The fixed assets value that a Municipality pledge for the purpose of a PFA **cannot be otherwise encumbered**. (E.g. assets currently committed to underwrite debt or which was used for the issuing of a Municipal Bond)
- 7.6. The security issued must be **placed under the administration of our Fiduciary Manager** to allow them to lodge the security with a Bank, to move within the banking system and to use it to optimally raise funding. This means that the “pledge” made and the security created will be under the administration of our Fiduciary Manager for a period of five years. It does not mean that any asset has been transferred to our Fiduciary manager or comes under its hold.

The “security” created by a PFA is a pledge by a Municipality to retain the collective value of all the unencumbered fixed assets owned by the Municipality above an agreed threshold level. The value of its asset holdings is evidenced by the value thereof indicated in the last Municipal Financial Statement of a Municipality as audited by the Auditor General of South Africa.

7.7. To be accepted as a security, a signed Project Funding Agreement **must be accompanied** by the following documentation and evidence:

- An Annexure A that contains the list of projects to be funded and rolled out by IDIS.
- A copy of the decision of a Council to issue a security in terms of Section 48 of the MFMA.
- A copy of the decision of Council Authorising the Municipal Manager to sign the PFA.
- A certified copy of the last Audited Financial Statement of the Municipality as audited by the Auditor General of South Africa that evidences the assets held by a Municipality

8. No transfer of any Municipal asset required

- 8.1. The security provided by a Municipality **does not require that any asset of a Municipality be transferred to IDIS, Our Fiduciary Manager or to anyone else**. Neither does the pledge imply that anyone obtains any right to hold or call on those assets. A Municipality **retains all its existing rights** in respect of all its assets, including all rights to the unaltered beneficial use thereof. A Municipality must also continue to maintain its assets in terms of all the applicable laws.
- 8.2. The security provided is a “pledge” or a legal agreement by a municipality to retain a threshold level of all its unencumbered fixed assets. If the pledge is not honoured, funding can be stopped because the basis of the security, as part of a package of similar securities received from other Municipalities in South Africa, will be compromised.
- 8.3. There are no costs involved for a Municipality to engage with IDIS or to conclude a PFA with IDIS.

9. Quantum of funding that can be unlocked through the PDFP

- 9.1. **IDIS will unlock five times (5X) the value of a security that a Municipality elects to ring-fence and pledge to fund the projects in Annexure A of a Project Funding Agreement.**

For example, if a Municipality decides that it can ring-fence and maintain a threshold value of R 2 billion over the five year term of the funding (this is a Municipal decision), IDIS will unlock R 10 Billion to fund and implement projects agreed with a Municipality.

- 9.2. Please note that the funding that IDIS unlocks **do not replace existing allocations** (e.g. equitable share allocations, grant allocations, taxes, etc.) or any other income stream of a Municipality. Funding under the PDFP is new funding that a Municipality unlocks to enable projects critical to its operations and restructuring to be implemented.

Municipalities can therefore continue with budgeting and procurement processes in the normal manner.

Because the funding unlocked through a PFA flows to IDIS, a Municipality will not have to reflect and report on this funding in their financial statements. New assets transferred during the implementation of a PFA will have to be included in the asset register of a Municipality.

- 9.3. Funding through the PDFP mechanism does not stop a Municipality from engaging with and unlocking other forms of funding from other vendors and development finance institutions. In certain instances it may be possible to combine IDIS funding with other forms of funding to move projects forward.

- 9.4. In line with the conditions attached to the funding by IDIS's International Partners, the FDI unlocked flows to IDIS and **IDIS will be accountable** to ensure the roll out of projects. In the event that projects fail, funds are misused, corruption and non-compliance with international banking rules occur, **then IDIS will become responsible to repay funds**.
- 9.5. IDIS has **been conditionally designated as the Engineering, Procurement, Financing and Construction agent** by our international partners responsible for the roll-out of projects, quality assurance, oversight and reporting to them on a basis determined by them and necessary to meet international banking and investment rules and requirements.

10. Procurement and Appointment of Contractors

The implementation of a PFA will be managed and co-ordinated at Municipal level by a Project Steering Committee representing IDIS and the Municipality. This Committee must be established immediately after a PFA has been signed.

This Steering Committee will be responsible to prioritise and coordinate the implementation of agreed projects and must facilitate the passage of projects through the Administration and its decision-making structures and to pilot the various projects through the necessary procurement processes of a Municipality.

The procurement process provided for in the PFA will generally provide for the following:

10.1. Procurement preceding the signing of a PFA:

The projects that a Municipality and IDIS agree to implement will be included and specified in Annexure A of a Project Funding Agreement.

An example of an Annexure A that will form part of a Project Funding Agreement, and the typical projects that IDIS can fund are included in the attached Annexure A.

Projects include in an Annexure A:

- 10.1.1. Must be implemented and executed on either a Grant Transfer basis or as PPP agreements (Like a BOOTT or BOT agreements) or as Private-Private agreements.
- 10.1.2. Must have detailed business plans and budgets or agreed budget estimates based on best practise in the industry.
- 10.1.3. Can be any projects that originate from the internal planning processes of a Municipality (provided these projects have not already been budgeted for), like the IDP and LED processes, or projects submitted by Development Agencies, or projects emerging from participatory structures like Business forums, or projects submitted by private interests or projects submitted by IDIS.
- 10.1.4. IDIS will fund up to a maximum of 25% of projects in Annexure A on a Grant Transfer basis, while the remainder of projects must be implemented under PPP or Private-Private agreements.
- 10.1.5. No procurement can occur or any service provider appointed until a PFA has been signed and the funding has arrived in IDIS's environment.
- 10.1.6. IDIS will conclude share equity agreements with private project owners.

- 10.1.7. The PDFP provides that PPP projects will be submitted and processed as unsolicited bids after a PFA has been signed. This will then be done in terms of the applicable Treasury Notes and Guidelines and be processed in terms of the normal guidelines and laws through the procurement section of a Municipality, and the Provincial and National Treasuries.

10.2. Procurement after a PFA has been signed:

The Municipality and IDIS must establish a Project Steering Committee to oversee and ensure that the following actions are taken:

- 10.2.1. A municipality and IDIS must start to prepare and agree Service Level Agreements for Projects and services to be funded on a Grant Transfer Basis. Upon agreement on a Service level Agreement IDIS's project manager will proceed to select and appoint service providers to perform the work required and necessary to execute the Service Level Agreements. Upon completion the restored, repaired or new services and assets created will immediately be returned or transferred to the Municipality.
- 10.2.2. IDIS must initiation work to prepare for the submission of the PPP project bids included in Annexure A of a PFA in compliance with the MFMA (Act No. 56 of 2003), the Municipal Public Private Regulations and the Municipal Systems Act (Act No 32 of 2000) and will then submit the PPP projects included in Annexure A as unsolicited bids for procurement in terms of the applicable laws, including laws that provides for the acceptance and processing of unsolicited bids by Municipalities.
- 10.2.3. IDIS or its Project Manager must appoint Service Providers to do the preparatory work necessary to initiate a PPP project and to conduct a feasibility study for the purposes of the PPP Project Cycle as prescribed by National Treasury. This will include conducting and preparing the documentation necessary including the required needs analysis, technical analysis, service delivery analysis, due diligence investigations, value assessments and procurement plans necessary to proceed with the consideration of PPP projects.
- 10.2.4. Upon approval of a PPP project in terms of the applicable laws, policies and guidelines, IDIS will proceed to appoint service providers to do the work necessary to implement the PPP agreements and to operate and provide the services agreed with a Municipality. Upon fulfilment of a PPP agreement IDIS will transfer the facilities and services established to a Municipality on the basis agreed in a PPP agreement.
- 10.2.5. All risk for the execution of PPP projects and Grant Transfer projects lies with IDIS

10.3. Appointment of Contractors

Because IDIS is a funder and not an engineering company or a developer, IDIS will appoint one or more project managers to perform the EPFC functions that vest with IDIS and to manage the risk that vests with IDIS. These companies will be responsible to identify and appoint the various service providers and contractors necessary to roll-out the PDFP in the various Municipal areas. IDIS's Project Manager(s) will be tasked to mobilise and capacitate

local skills and capacities to localise and maximise the use and employment of local experts, firms and other service providers. In lieu of their contracting, oversight and quality assurance role, IDIS's project managers(s) cannot also be involved in downstream project design and implementation.

The appointment of contractors will be based on the following principles:

- 10.3.1. The PDFFP is a national programme being rolled out to many municipalities and IDIS will roll-out a national management system to ensure similar compliance and reporting standards.
- 10.3.2. IDIS will outsource the task of identifying, appointing, managing and assuring quality control of companies performing the work necessary to roll-out the projects in Annexure A of the Project Funding Agreement, to a Project Manager(s) in compliance with best practise and industry standards.
- 10.3.3. The Project Manager will appoint and manage service providers in line with best practise, industry standards and in compliance with the provisions that applies to appointment of professional persons and companies.
- 10.3.4. IDIS is solely responsible and accountable to ensure the provision of the Engineering, Procurement, Financing and Construction functions in respect of the funded projects in Annexure A of a PFA. This responsibility cannot be circumvented.

11. Transfer of completed projects to a Municipality

11.1. Transfer of Grant funded projects.

- 11.1.1. Grant funded projects can comprise a maximum of 25% of the funding unlocked for projects and will typically include the refurbishment, replacement or upgrading of existing facilities and services belonging to a Municipality or the extension of services or facilities on land belonging to a Municipality to restore the health of existing systems and services.
- 11.1.2. The services and facilities will remain in ownership of the Municipality but will have to be released to service providers and contractors to do the necessary work and ensure that the necessary securities are in place and ensure compliance with other applicable laws like labour and health laws, on the basis required by normal contracting agreements.
- 11.1.3. Upon completion of work the facilities will immediately be released back to the Municipality.
- 11.1.4. The work to be performed can include professional work. (e.g. compiling of masterplans, development plans)
- 11.1.5. The work is performed at no cost to the Municipality.
- 11.1.6. Any new infrastructures created on a grant transfer basis will be transferred in ownership to the Municipality immediately upon completion of works.

11.2. Transfer of PPP projects

- 11.2.1. Projects funded and rolled out by IDIS in terms of a PPP agreement will be transferred to a Municipality on the basis provided for in the PPP agreement itself, upon fulfilment of the relevant terms and conditions of the PPP agreement.
- 11.2.2. Various permutations for PPP agreements will be required, which can provide for the immediate or end of tenure PPP transfer of infrastructure created.
- 11.2.3. In certain instances provision must be made for the immediate transfer of certain infrastructures installed under a PPP agreement (e.g. smart water meter systems and energy efficient street lighting systems). This will be linked to a service and maintenance contract. At the end of a PPP contract a Municipality can elect to continue with or procure new service and maintenance contracts for the infrastructures created by procuring such services in the normal manner.

11.3. Private-Private Projects

- 11.3.1. Private-Private Projects will mostly entail equity-share agreements concluded between IDIS and private project owners for projects that will deliver new social and economic infrastructure in the area under the control of the Municipality, create new jobs, stimulate economic growth, enlarge the tax base of a Municipality, ensure new and additional income streams from taxes, licenses and the consumption of services. Typical projects can include social housing projects, the LED projects of a Municipality, Hospitals, Clinics, new manufacturing facilities, tourism projects, integrated township developments, etc.)
- 11.3.2. Private-Private projects can include projects owned or assigned to a business unit of a Municipality (e.g. a Development Agency or a Water Board) These projects can include the creation of new Municipal infrastructure or the delivery of services on an economic sustainable basis. IDIS can take equity in these projects and capitalise the projects.
- 11.3.3. Private-Private Projects will remain in private ownership and will not be transferred to the Municipality. The long term benefits deriving from new jobs, licencing, taxes and services payment will transfer to a Municipality

12. Ensuring Viability of PPP Projects

- 12.1. Each PPP project agreement to be concluded between IDIS and a Municipality must demonstrate viability to achieve one or more or a combination of the following benefits for a Municipality:
 - Decrease the cost of services procured by a municipality and to pass on these benefits to end users during the life cycle of a PPP agreement.
 - To create new sustainable income streams for a Municipality.
 - To increase revenue collection by modernising and increasing the efficiencies of existing systems.
 - To deliver new social, economic, and physical infrastructure to a Municipality and its citizens.

- 12.2. The IDIS PDFP instrument raises Foreign Direct Investment that will be used to fund and roll out new infrastructure for a Municipality under a PPP agreement. PPP agreements will include operation and maintenance agreements for the delivery of services using the newly created infrastructures to a Municipality or directly to end-users. Various permutations exist to structure these operational and maintenance agreements. The overarching objective is to ensure that the ongoing maintenance and operation of projects be performed on an economically sustainable basis and that tariffs charged be market related or better. At the end of tenure of a PPP agreement the objective is to transfer a service or facility to a Municipality that has a proven track record of sustainability.
- 12.3. Various models exist to pay for the ongoing maintenance and operation of newly delivered capital infrastructure. This could include payment of agreed tariffs to a service provider by a Municipality or the direct collection of costs from end users or a combination of both.
- 12.4. The calculation of tariffs will generally exclude provision for the repayment of capital costs (i.e. the CAPEX benefit resulting from FDI unlocked will be transferred to a Municipality) and will primarily be based on costs incurred to deliver the new infrastructure, costs incurred to operate and maintain the new facilities, at market related rates, discounted over the life-cycle of a PPP agreement.
- 12.5. All infrastructures created under the Project Funding Agreement will be transferred to a Municipality at no cost upon termination of a PPP period.

13. Short summarising description of the PDFP:

- 13.1. The PDFP mobilises FDI for investment in Municipal projects in South Africa.
- 13.2. IDIS will fund and implement the specific projects identified and agreed in cooperation with a Municipality and at no cost to a Municipality and will transfer the completed projects to a Municipality either as grant transfers or under the provisions of PPP agreements.
- 13.3. IDIS is mandated to mobilise the private sector to roll-out funded projects. IDIS itself is not Engineering Company or a Developer and will appoint one or more Project Managers to perform its EPFC functions on a national basis. The Project Manager will appoint the companies to manage, design and implement projects at the Municipal level in compliance with applicable industry standards and rules.
- 13.4. The funding invested in projects by IDIS is not a loan and need not be repaid by Municipalities.
- 13.5. The PDFP does not require the issuing of Municipal Bonds by a Municipality.
- 13.6. There are no costs involved for a Municipality to conclude a Project Funding Agreement with IDIS.
- 13.7. A municipality must provide a security to unlock funding for the projects that will ultimately transfer to it. This security leverages unused assets of the Municipality but does not mean any asset of the Municipality will be transferred to anyone. If IDIS fails to deliver as agreed it must give the security provided back to the Municipality in the same form that it was provided.

- 13.8. Funding unlocked through the PDPF can be used to fund small, medium and large-scale municipal projects in the following categories and on the following basis:
- 13.8.1. 25% of funding for critical municipal projects (e.g. critical unfunded IDP projects) executed on a grant transfer basis.
 - 13.8.2. 75% of funding for projects that will typically be implemented within a PPP framework (e.g. generation of electricity) or as equity based transactions where private role players are involved (e.g. social housing projects or water and sanitation projects):
 - projects that will sustainably lower the operational costs and expenses of Municipalities and enhance revenue collection; and for
 - projects that will deliver new social, economic, and physical infrastructure, create new jobs and enterprises and grow the economy.
- 13.9. The PDPF has been developed to be fully compliant with the South African legal and regulatory framework, including Municipal procurement laws.
- 13.10. To unlock funding for projects through the PDPF, a Municipality must sign a PFA with IDIS. The PFA provides that a Municipality must ring-fence a security under the powers vested in them by the MFMA and pledge this security to IDIS's Fiduciary Manager for an uninterrupted period of 5 years. This pledged security does not require the transfer of any asset to anyone, nor the loss of any current beneficial use or income derived from the ring-fenced assets by the Municipality. The security is also not tied to any specific asset or a specific subset of assets, but is merely a percentage of the value of all the assets owned by a Municipality and so verified by the Auditor General of South Africa and reflected in the last audited statement of the Municipality.
- 13.11. IDIS will generally raise five times the value of the security that a Municipality decides to ring-fence. If a Municipality ring-fences a value of R 3 billion IDIS will raise R 15 Billion to fund and implement projects agreed with a Municipality and included in the PFA.
- 13.12. The funding that IDIS raise do not replace existing allocations or income streams of a Municipality. A Municipality must continue with its normal procurement processes. Neither does the security preclude a Municipality from unlocking other funding sources.
- 13.13. IDIS and the Municipality will co-ordinate the implementation of agreed projects through a joint Project Steering Committee. All projects will be based on a service level agreement entered between a Municipality and IDIS.
- 13.14. The programme offers significant flexibility in its ability to fund projects that form part of larger integrated development projects that cuts across silos and which projects can involve the for-profit, government and SOE sectors to ensure their viability and execution.
- 13.15. IDIS and not the Municipality, is accountable for the FDI brought into South Africa and for the roll-out of the projects as agreed with a Municipality. All risk lies with IDIS. IDIS will implement horizontal management, quality assurance and reporting structures across in the various Municipalities that participate in the PDPF to protect the integrity of the programme with our international partners and investors.
- 13.16. The implementation of projects included in a PFA must have no additional personnel or manpower implications for a Municipality, unless new services are created (e.g. like a new library)

14. Because the PDPF unlocks private funding, it offers unique opportunities to tackle large scale multi-sectoral development challenges typically involving various government, private sector and SOE role-players. It is incumbent on Municipalities to use the PDPF creatively to effect structural changes that will result in sustainable long-term benefits for Municipalities.
 - 14.1. An example of how a problem involving many sectors can be addressed by taking a new approach, concerns the escalating problem of severe water shortages experienced by many of our coastal cities. The finite availability of water resources require that South Africa increasingly starts desalinating seawater. Desalination however delivers very expensive water because it depends on the use of large quantities of expensive electricity, and electricity supply systems already under severe pressure. The PDPF offers a route to repackage the project in a way that cheaper energy and a desalination solution using this cheaper energy. Existing approaches mostly separates energy generation and desalination. The PDPF has the capacity to deliver both parts of a solution.
 - 14.2. The opportunity exists for Municipalities to extensively engage with IDIS, to develop unique and larger-scale funding solutions before a PFA is signed.

15. Key steps involved in entering into and initiating the implementation of a Project Funding Agreement

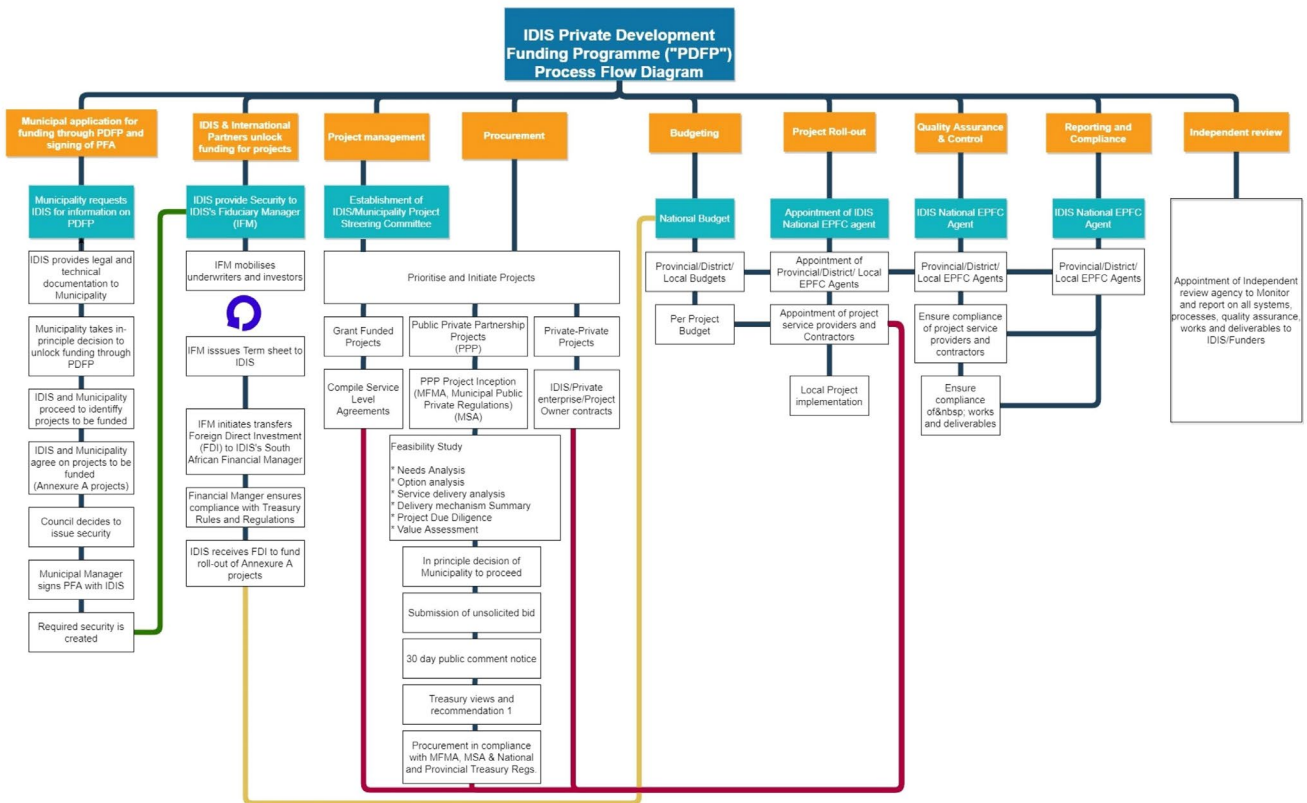
- Step 1:** Municipality approaches IDIS in writing to be informed of the PDPF. IDIS will then provide the Municipality with technical and legal information about the PDPF funding opportunity and the parties start with exploratory discussions.
- Step 2:** Municipality takes in principle decision to pursue a PFA under the PDPF with IDIS.
- Step 3:** Municipality/IDIS start with the identification of projects and the preparation of budgets for the projects to be funded and rolled-out by IDIS, and which projects will be included in Annexure A of the legal agreement (PFA) to be entered into between the parties.
- Step 4:** After agreeing on the projects to be funded Municipality places a 30-day public advertisement giving notice of its intention to conclude a project funding agreement with IDIS.
- Step 5:** After considering comments received the Council of a Municipality issues a Security by way of a Council decision and mandates the MM to sign a PFA with IDIS – Funding to start in approximately two months after signature.
- Step 6:** Municipality appoint the Municipal/IDIS Steering Committee to coordinate roll-out of projects.
- Step 7:** Municipality/IDIS proceed to finalise Service Level Agreements for projects and proceed with the preparation and finalisation of PPP agreements and their adjudication in terms of supply chain management provisions for PPP projects, and
- Step 8:** Municipality release land on a basis agreed for project implementation and provides required planning and development approvals for agreed projects.

16. PDFP Process Flow Diagram

A **Diagram that illustrates the general process flow** of the **PDFP** which gives a general overview of the PDFP mechanism and its various components, is included on the next page.

17. Annexure A

An example of “Annexure A” that must be attached to a Project Funding Agreement, and which list the examples of projects that IDIS can fund, is attached to this document as Annexure A.



ANNEXURE A: AGREED PROJECT LIST

THIS DOCUMENT CONTAINS ILLUSTRATIVE EXAMPLES OF PROJECTS THAT CAN BE CONSIDERED FOR INCLUSION IN A PROJECT FUNDING AGREEMENT (PFA) BY A MUNICIPALITY:

- a) Annexure A will form part of a PFA when it is signed.
- b) Annexure A contains the list of projects that will be funded and rolled-out by IDIS up to the agreed funding level.
- c) Category A projects must be less than 25% of the value of all projects included in Annexure A.
- d) Funding for these projects will be available over a five year funding cycle and the target is to spend one fifth of the funding each year.
- e) An IDIS/Municipality steering committee must prioritise and manage Annexure A projects roll-out for the purpose of achieving e) above.
- f) The list that follows is illustrative and a Municipality is not limited to only consider projects included in this list.

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CATEGORY A PROJECTS: UNFUNDED IDP PROJECTS

Projects in Category A will mostly be unfunded critical and high priority projects that emerge from a Municipality's IDP planning process. Category A projects may not use more than 25 % of all unlocked funds and must not be used to replace items already provided for in existing budgets to “free-up” funding for other Municipal Projects. IDIS will mostly execute the following projects on a grant transfer basis.

No	Project Description	Timeframe	Legal Basis	Estimated Cost (R)	Project Origin
	Water and Sanitation Systems				
1	Sewer Pipe Replacement and New Installations	Short term	Grant Transfer ²		WSDP ³
2	Water Pipe Replacement and New Installations	Short term	Grant Transfer		WSDP
3	Dams, Reservoirs and Towers	Short term	Grant Transfer		WSDP
4	Sewer Pump Station Replacement	Short term	Grant Transfer		WSDP
5	Waste Water Treatment Works Refurbishment and New Installations	Short term	Grant Transfer		WSDP
6	Water Treatment Works Refurbishment and New Installations Refurbishment and New Installations	Short term	Grant Transfer		WSDP
7	Drilling and equipping of Boreholes	Short term	Grant Transfer		WSDP
8	Farm Settlement Water Supply	Short term	Grant Transfer		WSDP
9	Eradication of Sewage Spillage	Short term	Grant Transfer		WSDP
10	Water and Sanitation Master Plan	Short term	Grant Transfer		WSDP

² Grant Transfer = Means the fixing, replacement, refurbishment or upgrading of a critical facility, service or infrastructure that belongs to a Municipality, by a private service provider appointed and paid by IDIS, in terms of a service level agreement concluded with a Municipality. When the work is completed the facility, service or infrastructure is immediately returned to the Municipality for the public good. There is no loan or any other cost that must be repaid by the Municipality.

³ Means Water Services Development Plan

	Electricity Systems				
11	Refurbishment of electric reticulation systems and New Installations	Short term	Grant Transfer		Electricity Master Plan
12	Upgrading of Infeed and Substations	Short term	Grant Transfer		Electricity Master Plan
13	Protection of Substation Doors and Prevention of Cable Theft	Short term	Grant Transfer		Electricity Master Plan
14	Installation of Solar Geysers	Short term	Grant Transfer		Electricity Master Plan
15	Electricity Master Plan	Short term	Grant Transfer		Responsible Technical Section
	Roads Systems				
16	Refurbishment of roads	Short term	Grant Transfer		Roads and Storm Water Master Plan
17	Construction of Critical Road Infrastructure	Short term	Grant Transfer		Roads and Storm Water Master Plan
18	Improvement of Storm Water Systems	Short term	Grant Transfer		Roads and Storm Water Master Plan
19	Improvement of Traffic Signs, Mini Circles, Traffic Signals and Road Markings	Short term	Grant Transfer		Roads and Storm Water Master Plan
20	Improvement of Parking, Loading Areas and Taxi Ranks	Short term	Grant Transfer		Roads and Storm Water Master Plan
21	Roads and Storm Water Master Plan	Short term	Grant Transfer		Roads and Storm Water Master Plan
22	Pavement Management System	Short term	Grant Transfer		Roads and Storm Water Master Plan
	Solid Waste Disposal				
23	Upgrading of Waste Disposal Sites	Short term	Grant Transfer		Waste Master Plan
24	Solid Waste Collection Vehicles	Short term	PPP		Waste Master Plan

	Buildings and Facilities				
25	Refurbishment of Municipal Offices	Short term	Grant Transfer		IDP
26	Refurbishment of Community Centres	Short term	Grant Transfer		IDP
27	Refurbishing of Sport Facilities	Short term	Grant Transfer		IDP
28	Fencing of Municipal Buildings and Parks	Short term	Grant Transfer		IDP
29	Refurbishing of Municipal Clinics	Short term	Grant Transfer		IDP
30	Refurbishing of Municipal Public markets	Short term	Grant Transfer		IDP
	Refurbishing of Municipal SMME facilities	Short term	Grant Transfer		IDP
	Refurbishment of Municipal LED facilities				
	Training and Capacity building				
31	Training and capacity building	Short term	Grant Transfer		IDP/LED/Technical

CATEGORY B PROJECTS:**PROJECTS MEANT TO ENHANCE MUNICIPAL REVENUE BY IMPROVING AND/OR REPLACING EXISTING SYSTEMS AND SERVICES**

These Projects will mostly be implemented on a Public-Private-Partnership or BOOTT basis by IDIS. IDIS will deploy best in class technologies to modernize existing systems, reduce operational costs and enhance revenue collection.

No	Project Description	Timeframe	Legal Basis	Estimated Cost (R)	Project Origin
	Smart Systems				
1	Smart Water metering systems	Long Term	PPP		IDIS
2	Smart Electricity metering system	Long Term	PPP		IDIS
3	Facilities management systems	Long Term	PPP		IDIS
4	Water demand and loss management systems	Long Term	PPP		IDIS
5	Electricity demand and loss management systems	Long Term	PPP		IDIS
	Training and capacity building				
6	Local training associated with funded projects	Medium/long term	PPP		Project Roll-out
7	Capacity building associated with funded projects	Medium/long Term	PPP		Project Roll-out
	LED				
8	Fresh Produce Markets	Medium/Long Term	PPP		LED/Various

CATEGORY C PROJECTS: **PROJECTS MEANT TO REDUCE THE OPERATIONAL COSTS OF A MUNICIPALITY**

These Projects will mostly be implemented on a Grant Transfer Basis or on a Public-Private-Partnership basis (As BOOTT or BOT agreements)

No	Project Description	Timeframe	Legal Basis	Estimated Cost (R)	Project Origin
	New SMART Street Lighting Projects				
1	Compilation of lighting masterplans	Short Term	Grant/PPP		Lighting Masterplan
2	Smart Solar Street Lighting systems	Long Term	Grant/PPP		Lighting Masterplan
3	High Mast Light Monitoring System	Long Term	Grant/PPP		Lighting Masterplan
4	Installation of Solar Geysers	Long Term	Grant/PPP		Electricity Master Plan
5	Energy Demand Management	Long Term	Grant/PPP		Electricity Master Plan
	New Smart Transport systems				
6	Electric bus systems	Long Term	PPP		IDP/IDIS
7	Electronic parking meters	Long Term	PPP		IDIS
8	Intelligent transport systems	Long Term	PPP		IDIS
9	Digital Signage	Long Term	PPP		IDIS

	Other Smart City Solutions				
10	New charging networks for electric vehicles	Long Term	PPP		IDIS
11	Wi-Fi and Fibre networks	Long Term	PPP		IDIS
12	Sensor Technologies	Long Term	PPP		IDIS
13	Data Technologies	Long Term	PPP		IDIS
14	Safety and Security Systems (e.g. integrated utility revenue and asset management protection services and systems)	Long Term	PPP		IDIS
15	Mobile and Application based solutions	Long Term	PPP		IDIS
16	Wireless technologies	Long Term	PPP		IDIS
17	Smart Environment	Long Term	PPP		IDIS
18	Technical Operational Centre	Long Term	PPP		IDIS
	Training and capacity building				
19	Local training associated with funded projects	Medium/long term	PPP		Project Roll-out
20	Capacity building associated with funded projects	Medium/long Term	PPP		Project Roll-out

CATEGORY D PROJECTS:**PROJECTS MEANT TO CREATE FUTURE INCOME STREAMS FOR A MUNICIPALITY**

These Projects will mostly be implemented on a Public-Private-Partnership basis (As BOOTT or BOT agreements)

No	Project Description	Timeframe	Legal Basis	Estimated Cost (R)	Project Origin
	New Clean Energy generation projects				
1	Compilation of Energy re-use strategy	Short Term	Grant Transfer		IDP/IDIS
2	New Solar Farms	Long Term	PPP agreement		IDP/IDIS
3	New Wind Farms	Long Term	PPP agreement		IDP/IDIS
4	New Hydro-storage facilities	Long Term	PPP agreement		IDP/IDIS
5	New Battery Storage facilities	Long Term	PPP agreement		IDP/IDIS
6	Other forms of energy generation and storage (e.g. clean fuels production, Kinetic energy storage, PBMR, etc.)	Long Term	PPP agreement		IDP/IDIS
	Waste to Energy Facilities				
7	Production of energy and fuels from municipal and other organic waste.	Long Term	PPP agreement		IDP/IDIS

	Transport and Logistics Facilities				
8	Port, Rail, Harbour, Air Intermodal Facilities and terminals	Long Term	PPP agreement		IDP/IDIS/Dev Agency/LED
9	Distribution Centres	Long Term	PPP agreement		IDP/IDIS/Dev Agency/LED
10	Dry-docks	Long Term	PPP agreement		IDP/IDIS/Dev Agency/LED
11	Rail Infrastructure	Long Term	PPP agreement		IDP/IDIS/Dev Agency/LED
12	Airports	Long Term	PPP agreement		IDP/IDIS/Dev Agency/LED
13	Toll Roads and systems	Long Term	PPP agreement		IDP/IDIS/Dev Agency/LED
	New Water Provision Infrastructures				
14	New Bulk Water Transport pipelines	Long Term	PPP agreement		IDP/IDIS/Dev Agency/LED
15	New Desalination facilities	Long Term	PPP agreement		IDP/IDIS/Dev Agency/LED
16	New Water Storage facilities	Long Term	PPP agreement		IDP/IDIS/Dev Agency/LED
	Training and capacity building				
17	Local training associated with projects	Medium/long term	PPP Agreement		Project Roll-out
18	Capacity building associated with projects	Medium/long Term	PPP Agreement		Project Roll-out

CATEGORY E PROJECTS:**PROJECTS PRIMARILY MEANT TO CREATE NEW JOBS AND TO ECONOMIC GROWTH AND DEVELOPMENT**

These projects will mostly be implemented on a private-private basis between IDIS and a project owner (Which project owner can include a private person, business entity, NGO, SOE or Development Agency or another business entity of a Municipality).

No	Project Description	Timeframe	Legal Basis	Estimated Cost (R)	Project Origin
Manufacturing sector					
1	Industrial Parks	Long Term	Equity Agreement between IDIS/Private Business entity/Development Agency/SOE		Development Agency/ LED Strategy/Private enterprises
2	Small Business Hubs and Mentoring/Support	Long Term	Equity Agreement between IDIS/Private Business entity/Development Agency/SOE		Development Agency/ LED Strategy/Private enterprises
3	Manufacturing of Agricultural products, Clothing and Textiles, Wood and Paper Products, Food products, Printing and recorded media, Chemicals, Pharmaceuticals, Botanicals, Rubber, Plastics, Metals, IT, Electric equipment, Motor vehicles, Transport equipment Furniture, etc.	Long Term	Equity Agreement between IDIS/Private Business entity/Development Agency/SOE		Development Agency/ LED Strategy/Private enterprises
Agriculture Forestry and Fisheries Sector					
4	Agro Industrial Parks and Agricultural Projects (e.g. Establishment of Agricultural Farm and Processing Facilities, Seedling Nursery, Poultry, Piggery)	Long Term	Equity Agreement between IDIS/Private Business entity/Development Agency/SOE		Development Agency/ LED Strategy/Private enterprises
5	Grain Storage	Long Term	Equity Agreement between IDIS/Private Business entity/Development Agency/SOE		Development Agency/ LED Strategy/Private enterprises
6	Hydroponic Farming Systems	Long Term	Equity Agreement between IDIS/Private Business entity/Development Agency/SOE		Development Agency/ LED Strategy/Private enterprises
7	Fodder Production Systems	Long Term	Equity Agreement between IDIS/Private Business entity/Development Agency/SOE		Development Agency/ LED Strategy/Private enterprises

	Transportation and storage				
8	Harbours, shipyards and bonded warehousing	Long Term	Equity Agreement between IDIS/Private Business entity/Development Agency/SOE		Development Agency/ LED Strategy/Private enterprises
	Accommodation and Food Services				
9	Accommodation, Food and beverage service activities	Long Term	Equity Agreement between IDIS/Private Business entity/Development Agency/SOE		Development Agency/ LED Strategy/Private enterprises
	Tourism sector				
10	Tourism projects (Including nature parks, eco-Tourism, dam-site developments, Hotels and lodges, cable-cars, Rock Climbing, etc) Heritage and Cultural tourism routes, tourism assets and information marketing.	Long Term	Equity Agreement between IDIS/Private Business entity/Development Agency/SOE		Development Agency/ LED Strategy/Private enterprises
	Mining and Quarrying Sector				
11	New Mining projects, Minerals beneficiation, cement Blending, new quarries, brick making.	Long Term	Equity Agreement between IDIS/Private Business entity/Development Agency/SOE		Development Agency/ LED Strategy/Private enterprises
	Construction Sector				
12	Mixed Use Developments, Housing, local and regional Shopping Centres, Offices and Service Centres, Replacement of asbestos roofs.	Long Term	Equity Agreement between IDIS/Private Business entity/Development Agency/SOE		Development Agency/ LED Strategy/Private enterprises
	Health sector				
13	Private Hospitals and clinics, Retirement centres, care centres	Long Term	Equity Agreement between IDIS/Private Business entity/Development Agency/SOE		Development Agency/ LED Strategy/Private enterprises
	Education				
14	New private schools and colleges, pre-primary schools, Student Accommodation	Long Term	Equity Agreement between IDIS/Private Business entity/Development Agency/SOE		Development Agency/ LED Strategy/Private enterprises
	Arts Entertainment and media				
15	Creative, arts and entertainment activities, Libraries, archives, museums and other cultural	Long Term	Equity Agreement between IDIS/Private Business entity/Development Agency/SOE		Development Agency/ LED Strategy/Private enterprises

	activities, Gambling and betting activities, Sports activities and amusement and recreation activities, sports facilities, Arts and Crafts markets.				
	Information and Communication				
16	Publishing activities, Motion picture, video and television programme production, sound recording and music publishing activities, Programming and broadcasting activities, Telecommunications, Computer programming, consultancy and related activities, Information service activities	Long Term	Equity Agreement between IDIS/Private Business entity/Development Agency/SOE		Development Agency/ LED Strategy/Private enterprises
	Professional, scientific and technical activities				
17	Professional services providers, technical testing and analysis, Scientific research and development, Advertising and market research, Veterinary activities	Long Term	Equity Agreement between IDIS/Private Business entity/Development Agency/SOE		Development Agency/ LED Strategy/Private enterprises
	Training and capacity building				
18	Local training associated with projects	Medium/long term	PPP Agreement		Project Roll-out
19	Capacity building associated with projects	Medium/long Term	PPP Agreement		Project Roll-out
	LED				
20	Support for projects mobilised by Economic Development Agencies	Medium/Long Term	Equity Agreement between IDIS/Private Business entity/Development Agency/SOE		Development Agency/ LED Strategy/Private enterprises/beneficiaries
21	Business Process and Outsourcing (BPO) services (can include facilities, customer services, accounting and payroll functions, etc)	Long Term	Equity Agreement between IDIS/Private Business entity/Development Agency/SOE		Development Agency/ LED Strategy/Private enterprises/beneficiaries

DISTRICT COUNCIL

23 FEBRUARY 2021

1. REPORT ON THE PROPOSED PROJECT: KLEIN KAROO EXPORT AGRI HUB / *VERSLAG RAKENDE DIE VOORGESTELDE PROJEK: KLEIN KAROO UITVOER AGRI HUB / INGXELO NGESIPHAKAMISO SENKQUBO YE KLEIN KAROO NGENDAWO YEZOLIMO YOKRWEBELWANO LWAMAZWE*

REPORT FROM THE EXECUTIVE MANAGER PLANNING AND ECONOMIC DEVELOPMENT SERVICES (L. MENZE)/ PMU MANAGER – (PASSMORE DONGI)

2 PURPOSE

- To inform Council of Garden Route District Municipality (GRDM) on the efforts by the Management, progress made and initiatives undertaken regarding the proposed district-wide approach to economic development, sustainability and job creation.
- To seek approval for the Municipal Manager to enter into a MoA with Calitzdorp Export Agri Hub. To seek approval for the Municipal Manager to dedicate resources to the project both financial and human. To ensure the successful implementation of the project and engage with relevant stakeholders, and to take the relevant actions.

3. DELEGATED AUTHORITY

Council

4. EXECUTIVE SUMMARY

The Project Klein Karoo Export Hub is a project that seeks to get 1000 hectares of land under Wonderful Pomegranates in the Calitzdorp area. At least 10% of this hectarage will be reserved for previously disadvantaged groups (BEE) farmers with own titles. The project will service the export market and it has already secured offtake agreements with SAPEX EXPORTS. The pomegranate export business from Southern Africa is a very young industry. Exports only started a few years ago and at the moment the total plantings in Southern Africa is less than 1000ha. This is about 1% of world production.

There is therefore ample opportunity for exports from the Southern Hemisphere to markets in the Northern Hemisphere in their off-season, and to the Far East because there is no production there. Pomegranates have many health benefits and are therefore a preferred exotic product in many markets. Early in the Southern African season, the demand outstrips the supply. The project boost of already acquired experience in the production of quality fruit in the area, existing packhouse and the accessibility to infrastructure like roads, electricity etc.

The project will see the establishment of an Agri Village with 600 homes with own titles, creating of 1800 permanent jobs and 2000 seasonal jobs, new orchards, agri tourism. The project has already secured 30Ha for the development of the Agri Village. The project therefore needs full support of the District Municipality as a partner so that we can create a unique model for rural development in the country in line with the Joint District Metro Approach.

5. RECOMMENDATIONS

1. That Council supports the intention to promote economic growth through co-ordinated regional approach and partnership in agriculture and agro processing that is anchored on employment creation and exporting.
2. That Council approves and authorises the Municipal Manager to enter into an MoA with Calitzdorp Export Agri Hub the holding company that is driving this high impact project.
3. That Council approves and support the allocation of a budget of R600 000.00 to be used for the carrying out of a Water Study for the area, the drilling of 3 boreholes and the purchase of 30ha of land for the development of the Agri Village.

4. That Garden Route DM accepts the donation from Calitzdorp Export Agri Hub of two desalination plants (reverse osmosis) capable of cleaning 60 000ℓ of water an hour. The replacement value of these two plants will be in excess of R 2.5m. **(as a gesture to show appreciation for council support of this project and to show their bona fide towards a long-term relationship, since they will no longer need these if the council assist them with funds to drill the boreholes).**
5. That the all local municipalities in the district be approached by Management to support this initiative **(in particular Kannaland and Oudtshoorn Municipalities).**
6. That Council approves and authorises the Municipal Manager to engage with all relevant stakeholders, and to take relevant actions. 6.
7. That the above recommendations be implemented when the Municipality has signed the MoA with Calitzdorp Export Agri Hub.

AANBEVELINGS

1. *Dat die Raad van voorneme is om ekonomiese ontwikkeling, deur middel van 'n gekoördineerde streeksbenaderings vennootskap in die landbou en landbou produsering sector, wat gemik is op werskepping en uitvoer, te ondersteun.*
2. *Dat die Raad die Munisipale afvaardig om 'n Memorandum van Ooreenstemming met die Calitzdorp Export Agri Hub, die maatskappy wat hierdie projek dryf, te sluit.*
3. *Dat die Raad 'n bedrag van R600 000.00 allokasie en begroot vir die uitvoer van 'n Waterstudie in die area, die boor van 3 boorgate en die koop van 30ha grond vir die ontwikkeling van 'n Agridorp, ondersteun en goedkeur.*

4. *Dat Garden Route DM die skenking van twee ontsoutingsaanlegte (omgekeerde osmose) van Calitzdorp Export Agri Hub aanvaar, wat 60 000ℓ water per uur kan skoonmaak. Die vervangingswaarde van hierdie twee aanlegte sal meer as R 2,5 miljoen beloop. **(as 'n gebaar om waardering te toon vir die ondersteuning van die Raad van hierdie projek en om hul betroubaarheid teenoor 'n langtermynverhouding te wys, aangesien hulle dit nie meer nodig sal hê as die Raad hulle help met fondse om die boorgate te boor nie).***
5. *Dat alle plaaslike munisipaliteite in die distrik deur die bestuur genader word om hierdie inisiatief te ondersteun (in die besonder Kannaland en Oudtshoorn Munisipaliteite).*
6. *Dat die Raad die Munisipale Bestuurder magtig om met alle relevante belanghebbendes in gesprek te tree en om relevante stappe te neem, goedkeur.*
7. *Dat die bovermelde aanbevelings geïmplementeer word sodra die Munisipale Bestuurder die Memorandum van Ooreenstemming, met met Calitzdorp Export Agri Hub, onderteken.*

IZINDULULO

1. Sesokuba iBhunga lixhase injongo zokukhuthaza uhlulo loqoqosho ngokusebenzisana nenjongo yengingqi kunye nobambiswano kwezolimo kunye nenkqubo yezolimo emiliselwe ekuvelisweni kwemisebenzi kunye norhwebelwano.
2. Sesokuba iBhunga liphumeze kwaye ligunyazise uMphathi Masipala ukuba angenelele kwi MoA kunye Calitzdorp Export Hub neyinkampani emileyo eqhuba lenkubo ikubaluleka kungaka.

3. Sesokuba iBhunga liphumeze kwaye lixhase isibonelelo solwabiwo-mali lwe R600 000.00 nezakusetyenziselwa ukufezekisa Izifundo Zamanzi kwingingqi, ukugronjwa kwemingxuma yamanzi emithathu kunye nokuthengwa komhlaba ozi 30ha ukuze kuphuhliswe Iziko Lezolimo.
4. Sesokuba uMasipala Wesithili se Garden Route wamkele isibonelelo esivelwa kwi Calitzdorp Export Agri Hub sendawo zokucolwa kwamanzi ezimbini(indawo yezogcino) nekwazi ukucola mwalunga ne 60 000ℓ zamanzi ngeyure. Ufakelelo lwezindawo zombini zokucolwa kwamanzi zingafikelela kwimali eyi R2.5 yezigidi.(**njengesihle sokubonakalisa uvuyo kwibhunga ngenxaso yalo kulenkqubo kunye nokubonakalisa ukunyaniseka kubudlelwane bexesha elide, kuba bengazukuzidinga oku ukubangaba ibhunga liye lanika inxaso yalo ekombiweni kwemingxuma yamanzi.)**
5. Sesokuba bonke oomasipala basekuhlaleni kwisithili batyelelwe ngaBaphathi ukuze baxhase lenkqubo **(ingakumbi uMasipala wase Kannaland nowase Thsoreni).**
6. Sesokuba iBhunga liphumeze kwaye nilikeze uMphathi Masipala imvume yokunxulumana namahlakani afanelekileyo, kwaye kuthatyathwe amanyathelo afanelekileyo.
7. Sesokuba ezi zindululo zingentla zimiselwe xa uMasipala etyikitye I MoA nabakwa Calitzdorp Exprt Agri Hub.

6. DISCUSSION / CONTENTS

6.1 Background

Calitzdorp Export Agri Hub approached Garden Route District Municipality to partner in the development and establishment of rural export hub, the first of its kind in the country. There has been a lot work done, that includes market research, soil analysis, climatic and environmental studies, geological surveys etc. This Hub will be an integrated rural export hub of excellence that will take

the form of agri tourism with use of renewable energy in the agri village, the packhouses and the water works. The Western Cape Department of Agriculture has already contributed to this project to ensure that the objectives are realised. GRDM will also engage Western Cape Department of Human Settlements, especially with regards to the establishment of the Agri Village to see how they can assist the project.

6.2 Discussion

Calitzdorp Export Agri Hub

Objectives:

- To establish the biggest cluster of pomegranate orchards in SA, primarily destined for the export market. And it is aimed that 50% of the total pomegranate exports from SA will come from this hub.
- To create 1800 permanent and 2000 seasonal jobs in this rural area.
- To alleviate the pressure on the short supply of drinking water in the Rural pipeline serving the town of Calitzdorp and many farms along the line.
- The Calitzdorp/Oudtshoorn area provides the best micro-climate for pomegranates in South Africa, providing the best colour and sweetness in SA. This has been confirmed by Sapex, the largest exporter of pomegranates in SA (see attached letter of intent).
- To ringfence the production of pomegranates from this region and market it in its own trademark – Calitzdorp Export Agri Hub already applied for its exclusive registration. The logo is attached.
- To add full value at source by means of the following:
 - 4.1 Packhouse for fresh fruit (already established)
 - 4.2 Juicing facility
 - 4.3 Oil press facility
 - 4.4 Process facility – packaged arils airfreighted to EU
- The above will ensure that maximum value is added at source and that agri processing jobs are created outside harvest time.
- To establish a 10% of total hectares as BEE ownership. This means that 10 BEE farmers will each receive title deeds to economical production units. More

importantly, they will have the full benefits of being mentored by the neighbouring farmers.

- An agri village to be established within the centre of the development where each farm worker will own his own home.

Water requirements

- Pomegranates require 6000 m³ water per hectare. This 2.5 times less than almonds and about 2.8 times less than lucerne. This makes it the crop with the highest return per litre of water. Since water is the scarce commodity in the Klein Karoo, it makes it the perfect crop to farm within this region.
- The immediate need is for the establishment of 200 hectares of pomegranates by August 2021. This is the amount required by the exporters to secure the project.
- The water shortage is about 80 000 ℓ per hour for this phase. Hence the need for the 3 boreholes to be drilled.
- The remaining phase to develop a further 800 hectares, to total 1000 hectares, will be subject to the construction of the dam.
- The engineering firm (SMEC) already confirmed four possible positions for the dam, which will meet the geology requirements.
- The water study to be conducted by SMEC will need to proof that sufficient water can be retained during floods. The dam is designed to hold enough water to bridge a 6-year drought cycle when full.

Implementation

First phase

- 65 hectares of pomegranates is already established, of which 40 hectares are currently in production.
- A nursery was established in the area where the first 200 hectares of trees are cultivated – ready for planting in August 2021.
- Securing the water shortage by the drilling of three boreholes to support the planting in August 2021.

- Conducting the water study, the next most important document required. This will be the basis for further discussions regarding the licencing of the dam as well as sourcing the finances for the dam.

Second phase

- Establishing the 800 ha of orchards to complete the 1000 ha.
- Building the dam and irrigation pipeline.
- Erecting a second packhouse, agri processing facility. There is already an interested party for this facility.
- Construction of the agri village.

The market

- It is important to note that the market already exists. It is an export market, which is already supplied on a small scale from the farm Celebratio.
- Attached is an undertaking that Sapex has a market for all fruit from this project. They also state in their letter attached, that it will be almost impossible to over supply the Northern hemisphere market.

Secondary benefits

- The Calitzdorp Spa will be a major beneficiary as it will be the only spa in the world that will also have a waterfront with the building of the new dam. Making it a better opportunity for re-development.
- Agri tourism will create a new industry in this rural area as it will be transformed from an arid, semi-desert area to a valley of pomegranate trees.
- The jobs generated will be sourced from Zoar to Dysselsdorp. This area have an estimated unemployment rate of 70% and this coupled with the drought and cyclical nature of the ostrich industry makes the situation dire.

In conclusion, the support from GRDM and Calitzdorp Export Agri Hub commitment will ensure that this rural area becomes the biggest export hub for pomegranates in South Africa. That ownership of homes and farms for previously disadvantaged people will be on a scale never seen in the Klein Karoo. A new industry will be created with an annual primary turnover exceeding R350 m.

This project will transform this area within five years, to the benefit of all its inhabitants.

6.3 Financial Implications

R600 000.00

6.4 Legal Implications

- Constitution of the Republic of South Africa 1996
- Local Government Municipal Structures Act, 1998 (Act 117 of 1998) - Section 84 (1) (c) (k)
- Local Government Municipal Finance Management Act 56 of 2003

6.5 Staff Implications

GRDM Planning and Economic Development - Project Management Unit as the lead section.

6.6 Previous / Relevant Council Resolutions:

There are no previous or relevant Council resolutions related to this matter.

6.7 Risk Implications

There are no foreseen risks associated with the proposed decision for Council to not implement this high impact project if the water issues are addressed.



SAPEX EXPORTS (PTY) LTD

“ your fruit is our business...”

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 Webwerf www.sapex.co.za

Letter of intent: Celebratio and surrounding areas.**23 April 2020**

Sapex Exports was formed in 1997 with the deregulation of the South African fruit industry. We have since been an exporter of fruit to markets all over the World and have well established markets in Canada, UK, EU, Scandinavia, Middle East, Eastern Bloc countries and the Far East. Depending on the season we do business with clients in 20 – 30 countries all over the World. We have also been active on the local fruit market since 1990 through our sister company Sapex Cape. We were one of the first companies to start exporting pomegranates and currently exports more than 50% of the South African product.

The pomegranate export business from Southern Africa is a very young industry. Exports only started a few years ago and at the moment the total plantings in Southern Africa is less than 1000 ha. This is about 1% of world production. Furthermore, only about 5% of World production is in the Southern Hemisphere with Peru being our biggest competitor. There is therefore ample opportunity for exports from the Southern Hemisphere to markets in the Northern Hemisphere in their off-season, and to the Far East because there is no production there.

The South African production will still increase a bit in the coming seasons as the trees get older. The expectation is that we will see a 20% increase in the production over the next 5 years. Most of this increase will be in the early part of the season, where we have a shortage of product. We also do not see the supply from the current production areas as approaching an over-supply situation. Our aim is to add value to the product in providing a marketing service that will give maximum exposure to the best markets in the World.

Pomegranates have many health benefits and are therefore a preferred exotic product in many markets. Early in the Southern African season, the demand outstrips the supply. Later in the season, when Peru and Chile also enter the market, the supply is more in balance with demand and prices come down to the levels that can be seen as sustainable, even with more production, as prices early in the season is high and will probably not stay there if production increases.

The cultivar, Wonderful, is the preferred cultivar in all World markets. We will, however, encourage the developers to do some trials with earlier cultivars, like Angel Red, and later cultivars, like Kingdom, to spread the season and optimise the utilisation of packhouses. Sapex is also actively involved in the testing of new cultivars.

We also actively promote the processing of pomegranate products. Specifically, arils for certain high value markets, juicing and drying of arils. There is great value to be unlocked in the processing of pomegranates.

Please, therefore, see this letter as an expression of interest to keep on marketing the fruit from the Calitzdorp/Oudtshoorn area. In this area Celebratio plays an important role in some of our key programs and we hope to continue with this relationship. The quality we receive from this area is also superior with regards to colour, sugars, and taste. We have the markets for all the fruit from any future expansion in this area, class 1 and processing, and the track record as a successful export company.

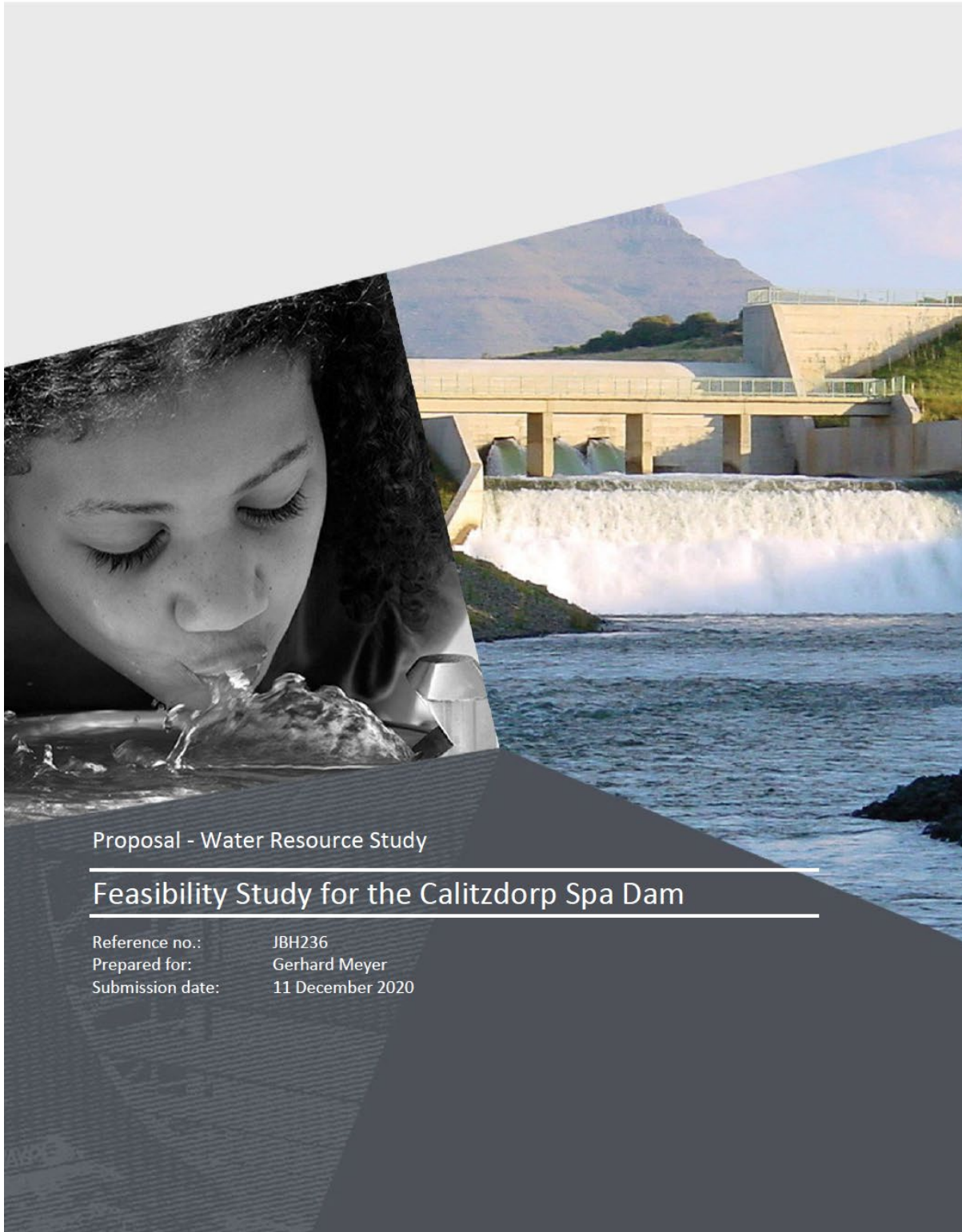
Best regards.

PJE LOUW

Chief Operating Officer

Crozier Huis, Victoriastraat 11, Stellenbosch, Suid-Afrika, 7600, Posbus 1000, Stellenbosch, 7599

DIREKTEUR: S PIETERSE (CEO). PJE LOUW (COO). M MALAN. L VAN NIEUWOLTZ (CFO)
 REG. NO. 1996/00543 6/07



Proposal - Water Resource Study

Feasibility Study for the Calitzdorp Spa Dam

Reference no.:	JBH236
Prepared for:	Gerhard Meyer
Submission date:	11 December 2020

1 INTRODUCTION

Farm Owners in the Calitzdorp area have expressed a desire to stimulate economic development of the region through the development of a dam within the Gouritz River gorge, below the confluence of the Gamka and Olifants Rivers ("the Dam"). The purpose of this dam is to principally provide irrigation water for the lower reaches of firstly the Olifants River and secondly the Gamka River.

SMEC undertook a site visit on the 29th September 2020 to meet the stakeholders and physically inspect the envisaged dam site. SMEC then prepared a stage-volume curve for 4 potential dam sites, that illustrated that a 30m high dam with a Full Supply Level (FSL) of 180 m.a.s.l. can provide a storage volume of 42 million m³, being approximately double the indicative minimum storage volume of 21.6 million m³. This was communicated via a Technical Memorandum dated the 7th October 2020.

Subsequently, SMEC was requested by Mr Gerhard Meyer to provide a proposal for a Water Resource Study, which is herewith provided.

2 PURPOSE

The purpose of the Water Resource Study ("the Study") is to confirm that there is sufficient water available in the catchment over the long-term for the intended water use, at a sufficiently high assurance of supply.

3 SCOPE OF STUDY

3.1 Summary

The scope of the Study is to prepare a monthly rainfall-runoff catchment model of the Dam catchment that simulates the long-term natural streamflow hydrology (the catchment yield); to then analyse in the model the impact of adding the proposed Dam; and then develop conclusions and recommendations for the way forward.

The model will be a Water Resources System Model (WRSB), being the platform developed and used by the Department of Water and Sanitation (DWS) for undertaking catchment yield and planning analyses.

3.2 Methodology

The methodology to execute the scope is as follows:

- Undertake site visit (already completed).
- Inception meeting to confirm parameters of study.
- Verify WRSB Base Model (for existing situation).
- Add the proposed Dam to the Base Model to generate an Impacted Model, considering 4 different scenarios, being the dam locations, heights and storage volumes as per Options 1-4 of the Technical

Memorandum of the 7th October 2020.

- Analyse the Impacted Model to determine the assurance of supply for each of the 4 scenarios.
- Draw conclusions on the feasibility of the Dam from a water resource perspective, identify associated risks and propose a way forward.
- Compile a Water Resource Report.
- Present Report to Client.

3.3 Exclusions

No allowance has been made for further studies to update the downstream user requirements in the WRSM Base Model.

4 PROGRAMME

Two months are required to complete the Study, from date of Contract signature.

5 FEES

A lump sum fee of **R227 000.00 excl. VAT** is quoted to execute the above scope.

As it is anticipated that the scope of services can be executed as a desktop exercise, no expense costs have been provided for.

Karoo

Wonderful pomegranates