

*Wednesday, 7 May 2025]*

No 38 - 2025] SECOND SESSION, SEVENTH PARLIAMENT

# PARLIAMENT OF THE PROVINCE OF THE WESTERN CAPE

## ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

WEDNESDAY, 7 MAY 2025

### COMMITTEE REPORT

**Report of the Service Delivery Cluster Committees on its oversight visit to Beaufort West, from 24 - 26 February 2025, as follows:**

Delegation

The delegation consisted of the following members:

Mr D Bryant (DA) (Coordinating Chairperson and leader of the delegation)  
Mr K Brinkhuis (Al Jama-ah)  
Mr B Herron (GOOD)  
Mr P Johnson (DA)  
Ms P Lekker (ANC)  
Mr N Masipa (DA)  
Prof N Mbombo (DA)  
Ms N Nkondlo (ANC)  
Mr B Petrus (PA)  
Ms B Stoffel (ANC)  
Mr D Wessels (DA)  
Ms A Bans (ANC)  
Mr G Bosman (DA)

The following staff attended the visit week:

Coetzee, J (Coordinating Procedural Officer)  
Jones, S (Procedural Officer)  
Niekerk, S (Procedural Officer)  
Adams, Z (Procedural Officer)

## Service delivery cluster committees (Cluster B)

The following Committees took part in the visit week:

Standing Committee on Infrastructure; Standing Committee on Agriculture, Economic Development and Tourism; Standing Committee on Finance and the Standing Committee on Local Government, Environmental Affairs and Development Planning.

### **1. Introduction**

The Joint Visit Week is a key mechanism established by the Western Cape Provincial Parliament to achieve its constitutional oversight mandate within the province. The visit week is intended to ensure that Members of the Provincial Parliament, through its standing committees, continuously keep abreast of developments and service delivery issues in the province. It also affords the opportunity to undertake oversight visits and interact with communities and institutions to assess the needs and challenges they experience.

To this end, the Western Cape Provincial Parliament's Cluster B Committees undertook a Provincial Visit Week to Beaufort West to consult and interact with private stakeholders and provincial and local government projects and programmes in outlying areas as part of its oversight mandate.

During the week meetings were held with the Municipality and relevant stakeholders in Beaufort West. Representatives of the Western Cape provincial departments were also in attendance.

This report highlights the delegation's findings and recommendations stemming from the visits.

### **2. Briefing on Beaufort West Waste Management: Monday, 24 February 2025**

#### **2.1 Overview and background**

The Central Karoo District is one of five districts in the Western Cape Province. While it is the smallest district population-wise, with approximately 102,000 residents, it claims the title of the largest district in the province by area, spanning an impressive 38,885 square kilometers.

The district comprises three local municipalities: Beaufort West, Laingsburg, and Prince Albert. With its unique ecological landscape, the Central Karoo is not only a source of wonder but also a resource to be cherished and safeguarded. Protecting this environment ensures that its natural wealth continues to benefit both current and future generations.

The Central Karoo District Municipality (CKDM) does not directly provide waste management services, and no waste management by-laws currently exist within the Municipality. This gap underscores the critical role of Municipal Health Services (MHS), tasked with safeguarding public health through the identification, evaluation, and mitigation of risks. As stipulated by the National Health Act, waste management and monitoring form a cornerstone of MHS's mandate, ensuring communities are protected from the hazards of poorly managed waste.

While regionalisation often offers solutions for waste management efficiency, the vast distances, high operational costs, and infrastructural limitations within CKDM currently renders this approach unsustainable. A feasibility study will be essential to determine whether regionalisation could become a viable long-term strategy for the district.

In response to financial constraints in rural municipalities, the Department of Forestry, Fisheries and Environment (DFFE), following intense lobbying by Department of Environmental Affairs and Development Planning (DEA&DP), appointed a consultant to assist in the development of an Integrated Waste Management Plan (IWMP). This effort aims to establish a roadmap for waste management services, and public participation meetings for IWMP development are scheduled for March 2025 across the district. The DEA&DP actively supports this process, offering guidance to ensure effective outcomes.

## 2.2 Key issues discussed

### 2.2.1 Staffing and organisational structure

Beaufort West Municipality faces significant staffing shortages, with 22 vacancies in its waste management structure. The role of Director: Community Services remains vacant, leaving the Senior Manager: Community Services to act in dual capacities. This staffing shortage severely impacts service delivery.

### 2.2.2 Refuse collection

It was highlighted to the Cluster that informal settlements and households rely on their own containers for waste collection, with weekly pickups from central points. Despite challenges, rural households in Murraysburg, Nelspoort, and Merweville receive refuse collection services, albeit with limitations.

### 2.2.3 Tariff challenges

Beaufort West Municipality currently imposes the lowest refuse collection tariffs in the Western Cape. To ensure financial sustainability, the Municipality must adopt cost-reflective tariffs and implement full-cost accounting practices.

### 2.2.4 Burning of waste

Complaints about the unauthorized burning of landfill waste have been raised, particularly in rural areas. This practice, which seeks to conserve landfill airspace, contravenes regulations. By 2030, all burning of waste at landfill sites across South Africa must cease, and municipalities failing to comply will face legal consequences.

### 2.2.5 Environmental non-compliance

Environmental non-compliance remains a critical issue for Beaufort West Municipality. Despite exhaustive administrative efforts by DEA&DP to resolve these issues, persistent failures have led to the involvement of the Environmental Management Inspectorate (EMIs) and the National Prosecuting Authority (NPA) for potential criminal prosecution of the Municipal Manager.

### 2.2.6 DEA&DP assistance and support in waste management

The Department of Environmental Affairs and Development Planning (DEA&DP) has remained steadfast in its commitment to enhance waste management across municipalities. Through its strategic initiatives and targeted support, the Department has addressed critical areas, ensuring sustainable waste management practices and improved compliance.

## 2.3 Key highlights of DEA&DP's assistance and interventions:

### 2.3.1 Quarterly waste management forum

The Department hosts a Quarterly Waste Management Forum, fostering collaboration and knowledge sharing among stakeholders. These forums capacitate councillors and officials, equipping them with the tools and insights needed to embrace integrated waste management principles.

### 2.3.2 Capacity building initiatives

DEA&DP's efforts to build capacity are comprehensive, covering vital aspects such as:

- 2.3.2.1 Landfill Operations and Waste Management Auditing Tools, ensuring effective monitoring;
- 2.3.2.2 Waste Information Management and Recycling Practices to enhance operational efficiency;
- 2.3.2.3 Alternative Waste Management Technologies, including landfill determination tools and regional cooperation strategies;
- 2.3.2.4 Emphasis on informal settlement support, including planning and environmental considerations for upgrading settlements and addressing funding challenges; and
- 2.3.2.5 Guidance on Municipal Infrastructure Grants (MIG), tariff modelling, and alternative waste management funding sources.

These capacity-building initiatives provide municipalities with actionable strategies to overcome waste management challenges, particularly in informal settlements.

### 2.3.3 Infrastructure and topographical studies

In March 2025, DEA&DP revised its 2016 Infrastructure Report, offering an updated status quo on waste management infrastructure requirements and associated cost implications. The department also funded topographical studies for key waste disposal facilities, including Vaalkoppies, at a cost of R84,112. This study revealed that Vaalkoppies has approximately 24 years of landfill airspace remaining—critical information for future planning and decision-making.

### 2.3.4 Municipal Infrastructure Grant (MIG) support and Yellow Fleet Applications

Recognising the importance of operational support, DEA&DP assists municipalities with MIG applications:

- 2.3.4.1 Informing municipalities of application processes;
- 2.3.4.2 Providing necessary documentation and assessing submissions;
- 2.3.4.3 Issuing motivation letters to DFFE for compliant applications; and
- 2.3.4.4 Engaging DFFE to secure recommendations.

This structured approach ensures municipalities within the CKDM can access the resources needed for infrastructure improvement.

### 2.3.5 Data verification and reporting

Accurate waste data is pivotal for effective waste management. DEA&DP underscores this importance in its engagements with municipalities, particularly at Vaalkoppies, where

significant improvements have been noted. However, challenges persist, with Beaufort West Municipality reporting 414 outstanding reports as of February 2025. Corrective actions, including regular reporting protocols, are being implemented to address these gaps.

### 2.3.6 Organic waste diversion and recycling

DEA&DP promotes organic waste diversion, recommending source separation as a mandatory practice. While composting may not be feasible due to the region's climate and water scarcity, innovative approaches like utilizing organic waste for prickly pear farming are being explored. These cacti offer multiple benefits, including carbon credits, land restoration, biofuel potential, and fodder during droughts.

In terms of recycling, DEA&DP is exploring reverse logistics to transport recyclable material to Johannesburg or Cape Town. Collaboration with TOMRA on reverse vending machines highlights the department's commitment to enhancing recycling efforts, despite challenges posed by transportation costs.

### 2.3.7 Cleaning campaigns and area maintenance

The Beaufort West Municipality's efforts in cleaning and addressing illegal dumping are commendable. DEA&DP has encouraged the municipality to report these activities regularly to the Directorate: Waste Management for review and submission to DFFE. Enhancements to the municipal organogram are also recommended to better address waste management needs.

### 2.3.8 BFI funding for infrastructure projects

In a bid to address widespread infrastructure challenges, DEA&DP has proposed a R3 billion funding initiative under the Budget Facility for Infrastructure (BFI). This funding will prioritize waste management facilities across municipalities within the Western Cape, ensuring long-term sustainability.

## 2.4 Visit to the Beaufort West Waste Management Facility

During the visit the delegation observed that The Vaalkoppies Waste Disposal Facility (WDF) faces significant operational hurdles that hinder its efficiency and sustainability. These challenges not only complicate daily operations but also pose environmental and community risks.

### 2.4.1 Challenges

#### 2.4.1.1 Lack of adequately trained staff

The absence of sufficiently trained personnel limits the facility's ability to effectively manage and operate the site, leading to inefficiencies and potential safety hazards.

#### 2.4.1.2 Constant burning of WDFs (Landfills)

Frequent fires at the landfill contribute to air pollution, safety concerns, and health risks for workers and nearby communities.

#### 2.4.1.3 Illegal waste picking on the WDF

Unauthorized individuals scavenging on the landfill create operational disruptions and safety concerns, while also complicating waste management processes

#### 2.4.1.4 Dumping outside the WDF

Unregulated waste dumping in areas surrounding the facility compromises the environment and increases the workload for management.

#### 2.4.1.5 No weighbridge and compacter

Without a weighbridge, the facility struggles to accurately track the volume and type of waste received, which affects data accuracy and reporting. The .....

#### 2.4.1.6 Disposal of abattoir waste at the WDF

Accepting abattoir waste poses unique disposal challenges, including odor management, health risks, and compliance with regulations.

#### 2.4.1.7 Limited finances

Budget constraints restrict the ability to maintain and improve operations, invest in infrastructure, and hire or train staff

#### 2.4.1.8 Lack of daily cover material

Insufficient cover material for daily operations leads to exposure of waste, increasing the risk of pests, odors, and health hazards.

### 2.5 Resolutions/Actions

#### 2.5.1 The delegation RESOLVED that:

2.5.1.1 The Municipality with the support of the Department, as a matter of urgency, address the filling of vacancies specifically the position of Director Community Services and skilled technical personnel to enhance the efficiency of current staff;

2.5.1.2 The Municipality and the Department facilitate comprehensive training to existing staff to ensure regulatory compliance and to improve waste data collection and accurate reporting processes that will inform decision-making.

2.5.1.3 The Municipality fix the missing fence to secure the premises and deter unauthorized access, the erection of a clear and visible notice board to communicate essential rules and information and repair the weighbridge to improve accuracy in waste tracking and management.

#### 2.5.2 The delegation REQUESTED that:

2.5.2.1 The Department provide the delegation with a report highlighting the positive and negative issues relating to whether regionalisation could become a viable long-term strategy for the Municipality to ensure sustainable waste management;

2.5.2.2 The Municipality provide the delegation with following detail regarding the compactor:

- Date of ordering;
- Date of delivering;
- Purchase price;
- Hours in operation;
- Hours non-operational;
- Reasons for non-operational;
- When will it be operational;
- Costs of repairs;
- Do they have an operator for the compactor; and
- Is he adequately trained.

2.5.2.3 The Municipality provide the delegation with the number of people that stay at the waste site, the number of children, plans to relocate them and where will they be relocated to;

2.5.2.4 The Department provide the delegation with a report detailing the research it has done regarding the development of alternative methods for converting waste into energy not only at Beaufort West Municipality but at all municipalities in the Western Cape. The aim is to gain a broader understanding of the Department's efforts and strategies in exploring innovative waste-to-energy solutions that can benefit the entire region; and

2.5.2.5 The Department facilitate an engagement between the City of Cape Town and Beaufort West Municipality on the Home Composting Programme.

### **3. Briefing by Provincial Treasury on the Financial Recovery Plan for Beaufort West: Monday, 24 February 2025.**

#### **3.1 Overview and background**

Briefing by Beaufort West Municipality and the Provincial Treasury on the Municipality's progress in respect of their Financial Recovery Plan; and

Update by Provincial Treasury on the Municipality's progress in respect of Eskom's Municipal Debt Relief Programme.

#### **3.2 Key issues discussed**

3.2.1 The Beaufort West Municipality (the Municipality) displayed significant financial and service delivery problems between 2015 and 2020. By June 2021, the Municipality was found to have failed to make numerous payments as and when due, which endured for more than 90 days, and the Municipality had failed to make numerous payments (including payments to Eskom) which amounted to more than 2% of its operating expenditure. Both failures were in breach of Section 140 of the Municipal Finance Management Act (Act 56 of 2003) (MFMA), which then required mandatory intervention. Assessments showed that the Municipality's financial problems were linked to institutional, governance and service delivery problems. More specifically, the Municipality was unable to pay Eskom, unable to pay wages timeously, there was a decline in the reliability of service delivery, and there was instability within the administration. There were collapses in administrative stability due to political changes, which was challenging, and service delivery was seriously hampered due to a lack of cash flow within the Municipality.

- 3.2.2 The Municipality was placed under mandatory intervention in terms of Section 139(5)(a) of the Constitution of the Republic of South Africa, 1996. This Section also mandated the provincial executive to impose a Financial Recovery Plan (FRP) on the Municipality, aimed at securing its ability to meet its obligations to provide basic services and/or its financial commitments. The FRP consisted of three phases i.e. the rescue phase, the recovery/stabilisation phase, and the sustainability phase. Each phase was time bound with measurable targets and defined reporting formats. The rescue phase usually takes six to 12 months; however, the Municipality graduated from this phase two-and-a-half years later. This was due to multiple challenges, including serious instability in terms of the municipal managers and heads of departments, a slippage in the Municipality's credit collection rate, the municipal manager was suspended twice on different occasions for a total of nine months, all creditor accounts were blocked, most of the equipment was broken, and the Municipality had resorted to "refuse-shedding" because there was only one refuse truck to service the entire town.
- 3.2.3 The Minister reiterated that financial problems did not just occur – there must have been a poor governance decision that resulted in financial implications. Financial matters were referred to Provincial Treasury, while the Department of Local Government dealt with the governance side of municipal matters. Any cases of forensic mismanagement were handed over to the South African Police Service or dealt with by the Department of Local Government in accordance with the appropriate legislation.
- 3.2.4 The Municipality moved to the second phase of the FRP (recovery/stabilisation) in November 2024. Since the implementation of the FRP in May 2022, the Municipality has improved its collection rate from 68% to 85%, the revenue outlook has improved from a negative position to a positive position, and the Municipality has not defaulted on the payment of Eskom's current account. Salaries and creditors have also been paid on time. The total amount of debt owed to Eskom was R120 million; however, due to the Municipality's strong performance in respect of Eskom's Municipal Debt Relief Programme, it received a permanent write-off of R25,6 million.
- 3.2.5 In terms of challenges, the Municipality's billing system still needed improvement as billing inaccuracies were derailing the revenue collection initiatives, employees in certain units lacked the appropriate skills, and there were non-compliance issues with Schedule 1 and 2 of the Municipal Systems Act (Act 32 of 2000). The Municipality's relaxation of its credit control and debt collection activities during the festive season also had to be addressed.
- 3.2.6 The Municipality's 2024/25 budget was unfunded, but broadly compliant with the FRP. The Municipality's billing in July 2024 contained multiple errors, which provoked public anger. This was addressed by the Provincial Treasury, who funded additional capacity in the short-term to assist the Municipality to rectify the problems and train staff. In order to achieve a funded budget, the Municipality's aim was to focus on debt restructuring, which was vital for the liquidity of the Municipality and its financial recovery.
- 3.2.7 The Municipality's funding status was primarily influenced by working capital considerations, which were affected by a significant amount of historic debt. The Municipality has made significant efforts to address this, which included awaiting approval from the Auditor-General on a proposed payment arrangement, proposing a payment arrangement to the Water Board and the Department of Labour, concluding a payment arrangement with the Department of Mobility, and participating in Eskom's Debt Relief Programme.



- 3.2.8 The Municipality received a qualified audit with a finding in terms of material irregularity on accounting for water losses. This was a massive factor for the audit and service delivery setbacks experienced by the Municipality. The Provincial Treasury funded the roll out of meters between the 2022/23 and 2024/25 financial years; however, the Municipality needed a larger allocation from the National Treasury's SMART Meter Grant to address the water meter problem. This matter was not just about financial loss or reduced revenue – it also represented a health risk. The purpose of replacing the meters was to ensure integration between the meters and the financial system.

The SMART technology would also allow for constant communication between the meters and the management system. Acquiring the SMART pre-paid water meters was a challenge; however, if the Municipality's proposal for national funding was approved, then it would receive R46 million for 6 000 SMART water meters. There was a concern that without the funding for the 6 000 water meters the Municipality would never achieve a funded budget. According to the Municipality, 6 800 meters were blocked out of approximately 14 000 households in Beaufort west.

- 3.2.9 The accuracy of the indigent register within Beaufort West was critically important for the Municipality. If municipalities' indigent registers were not accurate then this would impact negatively on the Local Government Equitable Share. Provincial Treasury has asked municipalities to check their indigent registers. The Beaufort West Municipality received funding from the Provincial Treasury for a project that has significantly contributed to improving indigent management practices – this programme has allowed the Municipality to perform indigent verification and system reconciliations on a monthly basis.
- 3.2.10 In order for the FRP to be successful, the Municipality needed political buy-in from the Council and Administration, the Municipality needed to link the FRP activities to the financial outputs focusing on increasing revenue and decreasing expenditure, there had to be quarterly measuring of financial outcomes, a stable staff complement was needed to sustain implementation of the FRP, and there needed to be consequences for non-compliance with the FRP.
- 3.2.11 Beaufort West has been seen as the gateway to the Western Cape, with renewable energy potential, and the potential for tourism and transport-related activities. However, this was dependent on having and maintaining a stable Municipality that was able to deliver basic services. The region also required investments in infrastructure upgrades, but this was only possible if the Municipality achieved financial stability.
- 3.2.12 The Municipality successfully completed phase one of the implementation of the FRP and was in a better financial position; however, the Municipality was still at risk and needed to successfully complete phase two and three of the FRP. The Provincial Treasury and the Department of Local Government would continue to provide advice and guidance to the Municipality.

### 3.3 Resolutions/Actions

- 3.3.1 The delegation RECOMMENDED that:

- 3.3.1.1 There should be more transparency in respect of the finances and challenges within the Beaufort West Municipality to avoid issues with service delivery;

- 3.3.1.2 There should be more synergy between the relevant departments and the municipality in respect of the Financial Recovery Plan, in order for the Financial Recovery Plan to be successful;
- 3.3.1.3 There should be more alignment between the data that was presented and the performance of senior management officials within the Beaufort West Municipality;
- 3.3.1.4 There should be a specific focus on developing public transport options for the Beaufort West area, which seemed to be lacking at present;
- 3.3.1.5 There should be more support from the Western Cape Government to struggling municipalities, with a focus on medium-to-long-term economic growth in these areas;
- 3.3.1.6 There should be closer monitoring of struggling municipalities from the Provincial Treasury and the Department of Local Government, with the possible inclusion of performance indicators within the Financial Recovery Plans; and
- 3.3.1.7 There seemed to be a lack of accountability from the Municipal officials in respect of the challenges that were identified within the Beaufort West Municipality. The Municipal administration should take accountability and should start making decisions for the people of Beaufort West.

### 3.3.2 The delegation REQUESTED:

- 3.3.2.1 The timeline or timeframes from the Beaufort West Municipality that speaks to the completion or graduation from the Financial Recovery Plan;
- 3.3.2.2 A comprehensive report from the Provincial Treasury indicating more current data on the Beaufort West Municipality's progress in terms of the Financial Recovery Plan;
- 3.3.2.3 A brief report from the Beaufort West Municipality indicating how they would promote economic growth in the region, without relying on revenue collection, and with the potential assistance from the Western Cape Government;
- 3.3.2.4 A brief report from the Provincial Treasury on the Beaufort West Municipality's state of readiness for the final stage of the Financial Recovery Plan, and the Municipality's state of readiness in respect of service delivery following completion of the Financial Recovery Plan; and
- 3.3.2.5 An update from the Beaufort West Municipality on the potential funding from national government for the SMART water meters, given the potential damage that could be caused if they do not receive the funding.

## 4. Vaalkuil boerdery: Tuesday, 25 February 2025

### 4.1 Overview and background

The purpose of the visit to Vaalkuil Boerdery was to gain an understanding of the sectoral issues in agriculture, including employment and the structure of the business; the challenges in legislation that the farmer or the Department of Agriculture considered necessary to address their plight or to be amended to improve service delivery; the role of the farmer in the food system; expansion plans of the operation; the blending finance opportunity between the state grants and private sector credit finance; and the type of extension services being provided.

The Vaalkuil Boerdery project was initiated in 2015 by the Toto siblings, Thaswill, Maphelo, and Neliswa, as a small stock farming operation on communal land. Thaswill Toto, the founding member of Vaalkuil Boerdery, first began farming on a small scale in 2010, utilising communal land.

Having grown up in a farming household, Thaswill developed a natural passion for livestock farming. He started as a communal subsistence farmer with aspirations of acquiring larger land and supplying formal markets. Under the guidance of his father, he began producing high-quality wool and red meat from sheep and goats. His dedication led him to participate in

agricultural shows and other industry initiatives, earning him recognition within the Karoo farming community for his talent and drive for success.

In 2016, the group was identified as successful applicants for a Proactive Land Acquisition Strategy (PLAS) farm through the Department of Agriculture, Land Reform and Rural Development (DALRRD). As a result, Vaalkuil Boerdery (Pty) Ltd was awarded a 30-year lease for the farm Vaalkuil.

Beaufort West, a town with limited job opportunities, further motivated Thaswill Toto to venture into livestock farming. He purchased his first breeding ewes in 2010, driven by the vision of expanding his farming operations. In 2015, DALRRD acquired Vaalkuil farm, and following the completion of the beneficiary selection process, Vaalkuil Boerdery (Pty) Ltd was granted a 30-year lease for the 3,753-hectare property. The farm included 20 hectares of arable land, 15 hectares of which are dedicated to lucerne and seed production.

Livestock farming, particularly small stock production, was the dominant agricultural enterprise in the Central Karoo District. The accessibility of markets and the consistent demand for red meat made small stock farming a viable business in the region. During a recent and prolonged drought, Thaswill made a strategic decision to shift from wool production to a more drought-resistant red meat crossbreed. Through careful research and the application of genetic improvement methods, he successfully developed a well-adapted and high-performing livestock breed suited for dry conditions. This transition significantly improved farm income and cash flow, solidifying Vaalkuil Boerdery's sustainability in the industry.

The planned visit by the Standing Committee on Agriculture, Economic Development, and Tourism to Vaalkuil Boerdery had to be amended due to the bus not being able to travel on the gravel road.

In recognition of the farmer's expectation of the delegation's visit, the Chairperson of the Standing Committee on Agriculture, Economic Development and Tourism and a member of the opposition party, along with officials from the Department of Agriculture, proceeded to Vaalkuil Boerdery in a separate vehicle as a courtesy. The Chairperson provided a summary of the key issues discussed after the last meeting of the day and presented proposed resolutions, which were agreed to by the delegation.

#### 4.2. Key issues discussed

- 4.2.1 The farmer experienced challenges in securing financial assistance due to the lack of formal land ownership. The farmer expressed that the absence of title deeds prevented him from using his farm as collateral for loans from commercial banks and the Land Bank. Without a recognised tenure right, he was unable to access the necessary funding to develop and sustain his agricultural activities.
- 4.2.2 Vaalkuil Boerdery, like many other farms in the Central Karoo, endured a prolonged nine-year drought that severely impacted its cash flow. Bureaucratic hurdles further complicated access to financial assistance, making it nearly impossible for farmers to secure support.

In the event of a disaster such as this, government funding through the Comprehensive Agricultural Support Programme (CASP) and other grants followed classifications outlined in the Division of Revenue Act under Schedule 4 and Schedule 5. These schedules determined how funds were allocated, managed, and overseen between national and provincial governments.

A critical shift occurred when CASP funding was reclassified from a Schedule 4 to a Schedule 5 conditional grant. This change had significant consequences for the Department of Agriculture's ability to plan, implement, and manage projects funded by CASP. It also directly affected farmers who relied on these grants to sustain their operations.

Schedule 5 funds often introduced administrative burdens, reduced flexibility, and caused delays in project execution, particularly when funds arrived late in the fiscal cycle. In contrast, Schedule 4 funds, with their broader conditions, allowed for more timely, flexible, and regionally responsive spending, enabling the Department to address local agricultural needs more effectively.

The farmer highlighted this funding shift as a major challenge in securing the necessary support to navigate the drought crisis and other disasters.

### 4.3 Resolutions/Actions

#### 4.3.1 The delegation RESOLVED to:

4.3.1.1 Continue engaging the national Department of Agriculture, Land Reform and Rural Development to consider changing the conditional grant allocation in terms of CASP funding from a Schedule 5 to a Schedule 4; and

4.3.1.2 While recognising the challenges faced by the farmer in securing financial assistance due to the lack of formal land ownership, escalate this matter to the Department of Agriculture, Land Reform and Rural Development.

## 5. Graceland Mountain View housing project: Tuesday, 25 February 2025

The delegation proceeded to the Beaufort West Disaster Management Centre for a briefing followed by an oversight visit to the Graceland Mountain View Housing project (S1 IRDP Housing Project). The visit took place on Tuesday, 25 February 2025 at 14:14pm.

### 5.1 Overview and background

The Beaufort West Local Municipality and the Department of Infrastructure briefed the delegation and provided an update on the following agenda items:

- 5.1.1 Rehabilitation of defective houses
- 5.1.2 Removal of rubble heaps
- 5.1.3 Implementation of alternative energy sources
- 5.1.4 Public and private partnerships

The Committee was welcomed by representatives from the Beaufort West Municipality, including Mr. J van der Linde, Speaker; Ms. L Nqotola, Director of Infrastructure Services; and Ms. M Tshibo, Director of Community Services. From the Department of Infrastructure, Mr. M Komape, Construction Project Manager, and Mr. G Hannekom, Director of Human Settlement Support, were also present. Additionally, Ms. B Koopman, Director of Community Services from the Beaufort West District Municipality, attended the meeting.

This report highlights the findings, key issues discussed and recommendations stemming from the visit. After the meeting with the representatives of the Department of Infrastructure and the

Beaufort West Municipality, the Committee proceeded on a guided tour of the S1 IRDP Housing Project.

## 5.2 Key issues discussed

### 5.2.1 Defects reported on the S1 IRDP Housing Project

In November 2021, several defects were reported, including minor structural and settlement cracks, issues with the floor screed, and barge boards that had been damaged by strong winds. As the defects liability period had expired, the matter was escalated to the National Home Builders Registration Councils (NHBRC). Following this, an inspection was carried out by the NHBRC, and the contractor, ASLA Construction, was instructed to return and address the identified defects.

#### 5.2.2 Fence on the Military veteran houses

The fences for the military veterans' houses were not installed due to elevated costs. The quotations provided by the contractor exceeded the maximum amount permissible under the Subsidy Quantum.

#### 5.2.3 Removal of rubble heaps

Post-construction rubble heaps have turned into illegal dumping sites, harming the environment. This dumping could affect the community's health and make it harder to keep the area clean and sustainable.

#### 5.2.4 Bulk infrastructure and water meters

Water meters were not installed at the S1 IRDP Housing Project, and the bulk infrastructure currently lacks the capacity to support additional developments. Upgrading this infrastructure is essential to ensure it can accommodate future growth and meet service delivery requirements.

#### 5.2.5 Alternative energy sources

The Municipality issued multiple requests for proposals to establish alternative energy sources at Hansriver, Katjies Kop, and Nelspoort Farm. Despite these efforts, none of the submitted proposals met the requirements outlined in the tender documentation. Additionally, for certain calls for proposals, no bids were received. A current bid remains open and is set to close in March 2025.

#### 5.2.6 Theft and vandalism

Theft and vandalism of houses under construction were extremely high, to the extent that the contractor's supervision team had to walk in groups of at least three when visiting the site. Criminals were stealing materials on-site at any time of the day, and confrontations often led to individuals being stabbed with knives. Two life-threatening incidents were reported, prompting the Department to intervene. Cases were opened at the police station; however, this did not improve the situation on-site. During the final phase of construction, most subcontractors left the site out of fear for their safety. The Department of Human Settlements (DHS) currently known as the Department of Infrastructure allocated additional funding, amounting to R577, 737, to enhance security measures on-site.

### 5.2.7 Title deeds

The outstanding title deeds for the S1 Housing Project have yet to be distributed to the beneficiaries, delaying their full ownership and legal rights to the property. This remains an important task to finalise the housing initiative and provide the intended security and benefits to the recipients.

### 5.2.8 Private partnership funding

The Municipality advertised several projects where Public Private Partnerships (PPP) would be applied, contributing to the economic growth within the municipal area. These projects include a logistic hub, a private hospital, and a golf estate. Additionally, the municipality has issued a call for proposals inviting companies to assist in preparing finance and grant applications to secure funding for service delivery projects. Currently, the Municipality has one active PPP project, namely the Reclamation Plant, which focuses on purifying wastewater and reintroducing it into the drinking water supply.

The Department is in the process of introducing a key aspect of the infrastructure framework which focuses on fostering partnerships and leveraging private sector capital. This involves unlocking access to the private sector's expertise, technical knowledge, and funding to support and advance infrastructure development. These partnerships offer significant benefits, such as increased efficiency, shared resources between the public and private sectors, and capacity-building on both sides. Regarding implementation, a crucial component of the infrastructure plan is establishing a pipeline of bankable, investment-ready projects. The goal would be to present the portfolio to the market and collaborate with the private sector to advance various projects and achieve sustainable infrastructure development.

## 5.3 Visit to the Graceland Mountain View Housing project

During the visit to the Housing project the delegation observed the following:

The project site location is in the western region of Beaufort West, North of the N1 freeway, and falls within the jurisdiction of Beaufort West Municipality. The site comprised of the remainder of Farm 185, Erf 6018, and Erf 2848, situated in the Western Cape. The development was strategically integrated with the surrounding land use, being positioned adjacent to an established residential area. Its proximity to community facilities and amenities ensured enhanced accessibility and convenience for residents. The project primarily was aimed at benefiting backyard dwellers within the Beaufort West area. Housing allocation prioritised vulnerable groups, including the elderly, individuals with disabilities, and child-headed households. Additionally, the initiative included the construction of 12 military veteran top structures, each with a floor area of 50 square meters.

## 5.4 Resolutions/Actions

5.4.1 The delegation REQUESTED that the Beaufort West Municipality provide it with:

5.4.1.1 The case numbers of the vandalised housing units at the Graceland Mountain View Housing project (S1 Project).

5.4.1.2 A detailed breakdown of the expenditure of R577, 737 allocated to the Municipality by the Department of Human Settlements for upgrading security and the installation of fencing on the S1 Project.

- 5.4.1.3 A report on the strategies that would be implemented, that would effectively balance the development of bulk infrastructure, housing projects, and attract investment through Public-Private Partnerships (PPPs) to ensure sustainable growth and accommodate both current and future needs in the area.
- 5.4.1.4 A comprehensive report on offers made to PPP's, with a focus on alternative energy proposals, and in addition hereto provide a comprehensive report detailing the offers presented to PPP's.
- 5.4.1.5 A detailed report on the defects identified on the S1 Project, including a thorough account of the National Home Builders Registration Councils response to these reported defects.
- 5.4.1.6 Strategies implemented by the Municipality to efficiently hand over outstanding title deeds to beneficiaries of the S1 housing project.
- 5.4.1.7 A detailed report on the installation of water meters on the S1 housing project and elaborate on the strategies employed by the Municipality to secure Municipal Infrastructure Grant (MIG) funding bulk services.
- 5.4.2 The delegation RESOLVED to conduct a workshop involving the Municipality and the Department to discuss PPP agreements. The workshop will specifically address the benefits for private partners, how the agreements relate to municipalities in financial recovery plans, as well as those operating independently, and include municipalities currently undergoing financial recovery.

## **6. Briefing by the Department and the Municipality on the refurbishment of previously vandalised boreholes KH3 and KH5 through grant allocation: Wednesday, 26 February 2025**

### **6.1 Overview and background**

Beaufort West faces significant water security challenges. Historically dependent on a combination of boreholes, the Gamka Dam, and the Wastewater Treatment Works (WTWs) reclamation plant, the town's water supply system is under immense strain due to prolonged periods of insufficient rainfall, outdated infrastructure, and acts of vandalism.

The depletion of the Gamka Dam, coupled with operational challenges affecting boreholes, highlights the urgent need for intervention.

Despite having 40 boreholes available, only 30 are currently operational, providing a total yield of 8.26 megaliters (Ml) per day. The remaining 10 boreholes, with a combined potential yield of 2.74 Ml per day, remain non-operational due to extensive vandalism. This issue, compounded by unreliable monitoring systems, has intensified the crisis. The implementation of Level 2+ water restrictions in January 2025 aimed to curb non-essential water usage and promote sustainability.

The daily water supply for Beaufort West is sourced from boreholes: 68% of total supply, Gamka Dam: 16% of total supply and reclamation water: 16% of total supply.

During the 2018/19 drought, the municipality successfully relied on boreholes and the WTWs reclamation plant, overcoming challenges without the Gamka Dam. However, the current circumstances necessitate long-term resilience planning and immediate action.

## 6.2 Key issues discussed

### 6.2.1 Efforts to address infrastructure challenges

The municipality, in collaboration with the Department of Local Government, has initiated bold steps. Over the past two fiscal years, investments totalling R2.6 million targeted the repair and modernization of critical water infrastructure. Efforts included replacing outdated pumps, integrating systems into a cloud-based telemetry network, and introducing advanced security systems, from fencing to surveillance cameras, to combat vandalism. Water-saving campaigns have also emerged, coupled with innovative strategies such as smart meters and advanced leak detection programs.

### 6.2.2 Water conservation and demand management

The municipality has rolled out public awareness campaigns to encourage water-saving practices, alongside initiatives like smart metering, pressure management, and leak detection programs. Enhanced security measures, including tamper-proof enclosures, on-site security personnel, and community engagement programs, are being implemented to safeguard infrastructure from vandalism.

### 6.2.3 Long term resilience

The Department emphasised that to secure Beaufort West's water supply, the Municipality must focus on strengthening infrastructure by reinforcing enclosures for borehole equipment. Additionally, it should prioritize expediting policy support for advanced monitoring technologies and fostering collaboration with law enforcement. Increased allocation of resources for maintenance and proactive monitoring is also essential, along with enhancing governance through coordinated efforts between municipal and provincial authorities.

## 6.3 Visit to the refurbished previously vandalised boreholes KH3 and KH5

6.3.1 During the visit to the borehole the municipality showed the delegation the refurbished boreholes with the security measures in place and demonstrated the integration into the Cloud-Based Telemetry System and the tamper-proof enclosures and reinforced security measures around borehole infrastructure.

### 6.3.2 The Delegation also visit the water Reclamation Plant

Beaufort West sources about 20% of its water from South Africa's only direct potable reuse plant, also known as a "toilet to tap" facility. At this plant, treated sewage effluent is sent to a water treatment facility, purified into drinking water, and then directly added back to the town's water supply system via the towns reservoirs. The treated sewage effluent meets the Department of Water and Sanitation's SANS 241 standards, ensuring its safety as drinking water. This unique plant is operational since 2011 and is the only one of its kind in the country, with all treatment processes conducted in a single facility.

## 6.4 Resolutions/Actions

6.4.1 The delegation REQUESTED that the Department provide the delegation with the details of the proposed implementation plan, along with a progress report to date, regarding the restoration of the vandalised boreholes.

6.4.2 The delegation wishes to congratulate the Municipality and Water & Wastewater Engineering with the success of this 20-year Public Private Partnership and encourage



the Municipality pursue other public private partnerships responsibly to assist with other challenging service delivery projects.

## **7. Acknowledgements**

The delegation thanked the various councillors, managers, officials, individuals and institutions for their willingness to meet with the delegation and to share information.