



## **Municipal Residence Policy**

# **Management and Administration of Municipal Residences rented to Municipal Employees for operational purposes**

This policy was drawn up in terms of:

LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, 2003  
MUNICIPAL ASSET TRANSFER REGULATIONS ("The Regulations")

RENTAL HOUSING ACT, 1999

*Approved by Council  
28 March 2012*

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## 1. PURPOSE

- 1.1. To define the established policy for staff occupying municipal residences of the Overstrand Municipality and to provide guidelines for the application thereof.

## 2. DEFINITIONS

### 2.1. *“Dependants”*

- 2.1.1. The spouse or life partner of the employee.
- 2.1.2. A child or adopted child of the employee who is still dependent on the employee.
- 2.1.3. Any other person who is dependent on the employee or who, in the opinion of the approving authority, can be regarded as being a part of the employee’s household, at all times being subject to the available habitable extent of the dwelling occupied by the employee.

### 2.2. *“Dwelling”*

Includes dwelling houses, single quarters, hostels and flats.

### 2.3. *“Employee/s”*

A member of the staff of the Overstrand Municipality.

### 2.4. *“Functional necessity”*

- 2.4.1. Employees who deliver essential services, individually or as a group who are required to be available at all times at or near their work centres.
- 2.4.2. Employees who are required to be present on a continuous basis to ensure the safety/operation of municipal plant and machinery.

### 2.5. *“Lessee”*

An Employee (or a dependant of a deceased Employee) who has been allocated official accommodation in terms of this policy.

### 2.6. *“Lessor”*

Overstrand Municipality

### 2.7. *“Municipality”*

Overstrand Municipality

### 2.8. "Official Accommodation"

The dwelling, including buildings, outbuildings, structures, land, fittings, machinery and equipment pertaining to the dwelling, and includes furniture which is the property of the Overstrand Municipality and occupied and/or used by an Employee as an operational requirement/need for his/her specific post.

## 3. PRINCIPLES

- 3.1. Except as provided for below, provision of accommodation is a personal responsibility, and employees are responsible for their own accommodation according to personal preference.
- 3.2. Under the circumstances listed in clauses 3.2.1 - 3.2.4 below, the Municipality may make official accommodation available from time to time as the need arises for accommodation of Employees, based on functional necessity as assessed by the Director of the applicable service unit or her/his delegate in terms of this policy:
  - 3.2.1. The Employee is required by virtue of occupying an identified post to be accommodated at or within the direct environment of his/her work centre.
  - 3.2.2. The Employee must be located at a work centre due to the requirements of the post held by him/her.
  - 3.2.3. The Employee must inhabit specific accommodation at or within the direct environment of the work centre based on functional necessity as assessed by the Director of the applicable service unit to which the employee is allocated.
  - 3.2.4. The Employee who renders an operational service or has standby duty may be accommodated in the Mount Pleasant Hostels, which Hostels shall be used for operational purposes only.
- 3.3. The provision of official accommodation shall attach to a post identified by the Municipality and occupied by the Employee and not to the employee in his/her personal capacity.
- 3.4. Such official accommodation is set out in Annexure A and may be amended by the Municipality from time to time.
- 3.5. Official accommodation shall be occupied by the Employee, spouse/life partner and his/her dependents **only**.
- 3.6. A written lease agreement shall be entered into with the Municipality by every Employee who occupies official accommodation. The terms and conditions of such lease may be varied only as provided for in Clause 10.1 below.

- 3.7. Official accommodation may not be sub-let or assigned by the Employee or dependant under any circumstances.
- 3.8. Only Employees who are allocated and occupy official accommodation as a requirement of the post he/she occupies shall not be precluded from purchasing a private dwelling and participating in the applicable housing allowance scheme.
- 3.9. A central database shall be maintained by the Property Administration Section within the Town Planning and Property Management Department for all official accommodation, which database shall be kept up to date in a register provided for in clause 4.5 below.

**4. ALLOCATION OF OFFICIAL ACCOMMODATION - PROCEDURES**

- 4.1. Application for official accommodation shall be made on a prescribed form as specified in the Rental Housing Act no. 50 of 1999, to the Property Administration Department (attached per Annexure B), which shall include:
  - 4.1.1. Certification from the Director of the relevant division/section of the applicable service unit stating the following:
    - 4.1.1.1. The post occupied by the applicant;
    - 4.1.1.2. The criteria applied to the post to determine functional necessity; and
    - 4.1.1.3. A full and proper motivation supporting the allocation of the official accommodation to the applicant.
- 4.2. The abovementioned form can be obtained from the Property Administration Department.
- 4.3. The decision by the Municipal Manager in respect of the granting of allocation of such applications shall be final.
- 4.4. Notwithstanding the provisions of section 5(1) of the Rental Housing Act 1999, a written lease agreement shall be drawn up by the Property Administration Department and must include the details specified in Sections 5(6), 5(7) and 5(8) of the Rental Housing Act no. 50 of 1999. Such lease shall be entered into between the Employee and the Municipality in respect of the allocated official accommodation, and no occupation of the official accommodation may be permitted until the said lease agreement is signed by both parties. All original signed agreements will be kept by the Property Administration Department.

- 4.5.** The Property Administration Department shall be responsible to draft and maintain a standard lease agreement, which is to be used in all cases. A standard agreement is attached per Annexure C. Any deviation from the standard lease agreement must be approved by and agreed to by the Municipal Manager prior to signing of the document.

- 4.6. The Property Administration Department shall keep a register of such decisions taken and reasons for same.

**5. GUIDELINES FOR ALLOCATION OF OFFICIAL ACCOMMODATION**

- 5.1. Allocation in terms of functional necessity shall be effected according to the following guidelines:

- 5.1.1. Allocation under normal circumstances shall be effected according to the criteria, which pertain to the applicable service unit as determined by the Director of that service unit from time to time.

- 5.1.2. Official accommodation reserved for specific necessity posts shall only be allocated to the Employee while occupying the specific post.

- 5.2. Allocation in terms of temporary occupation by Employees as an operational requirement shall be effected according to the following guidelines:

- 5.2.1. The Mount Pleasant Hostels:

- 5.2.1.1. shall be allocated to Employees of the Overstrand Municipality only;

- 5.2.1.2. shall be allocated to Employees with a Task level 5 and below, in the case of the Employee being promoted above a post Task level 5 he/she no longer qualifies for the official accommodation and must evacuate the dwelling within three months after official date of promotion.

- 5.3. Applications for official accommodation not reserved for a specific post shall be processed in terms of the Point Allocation System as per Annexure E. The official accommodation shall be awarded to the applicant with the highest points.

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**6. REQUIREMENT TO VACATE OFFICIAL ACCOMMODATION**

- 6.1.** Persons, other than employees occupying posts of functional necessity, who are occupying official accommodation without a contractual agreement or written lease, shall be given notice to vacate such premises within a period of 3 months from date of adoption of this policy except in instances where it is in the interest of the Municipality that the building remains occupied by the same persons.
- 6.2.** All persons, including employees who do not occupy posts of functional necessity or their dependants and who are occupying official accommodation by contractual agreement or written lease shall be given notice to vacate such premises within a period of 3 months upon receipt of a written notice to that effect, should it be required for accommodation for an employee occupying a post of functional necessity or any other given reason.
- 6.3.** The Property Administration Department shall issue such notices to vacate the property.
- 6.4.** Employees (or their dependants) occupying official accommodation whose status in terms of this policy has changed by virtue of;

  - 6.4.1.** Retrenchment, retirement, disablement (such as to preclude exercise of the job of functional necessity) or death of the Employee;
  - 6.4.2.** Promotion or new appointment to post not of functional necessity in respect of the applicable service unit in which the official accommodation is located;
  - 6.4.3.** Promotion of new appointment to post or a Task level higher than 5, in the case of the Mount Pleasant Hostels;
  - 6.4.4.** Demotion to post not of functional necessity in respect of the applicable service unit in which the official accommodation is located;
  - 6.4.5.** Transfer of the Employee to a post not of functional necessity in respect of the applicable service unit in which the official accommodation is located, or
  - 6.4.6.** A new Employee who was given an official accommodation who has occupied the dwelling for 12 months;

will vacate such accommodation within a period not exceeding 3 months from the effective date of such retirement, retrenchment, disablement, death, termination, new appointment, transfer or notice given to the Employee.



- 6.5.** The Municipal Manager may, at his sole discretion, extend this period, referred to in 6.1 and 6.4 above, in exceptional circumstances upon application by the employee or dependant. The terms of the lease in respect of such extension as may be granted shall be determined by the Municipal Manager in accordance with the merits of each case.
- 6.6.** In the event of termination of the Employee's services, the Human Resource Department or his delegate shall inform the Property Administration Department forthwith and the date of termination shall serve as the date of the one month's notice for the evacuation of the dwelling.
- 6.7.** Employees and their dependants shall vacate official accommodation upon expiry of the lease agreement in respect of such accommodation.

**7. RESPONSIBILITY UPON VACATING OFFICIAL ACCOMMODATION**

- 7.1.** Upon vacation of official accommodation it shall be the responsibility of the Employee or Lessee who is vacating the accommodation to ensure that all services with the exception of sewerage be discontinued and all meters are read, failing which the Employee and/or dependant shall be held responsible for any wastage, damage or loss which may take place between the date of vacation of the accommodation and the date of re-occupation of same.
- 7.2.** The Employee or Lessee who is vacating the accommodation shall ensure that the accommodation is left in a clean and neat state to the satisfaction of the Property Administration Department, failing which, the Municipality may recover any cost incurred in rendering the said accommodation clean and habitable from the said Employee or Lessee.
- 7.3.** The Employee or Lessee and the Municipality shall inspect the property jointly to determine the condition of the property and to list all defects or damage. Such inspection shall take place before the Employee or Lessee takes occupation and also within a week from evacuation. A copy of a checklist for inspection purposes is attached per Annexure D to the Lease Agreement.
- 7.4.** The Employee or Lessee who is vacating the official accommodation shall remove all personal effects there from, ensure that all windows, outside doors, gates and other access points are closed and locked, all taps are closed, switches are off and that the said accommodation and surrounds are as far as possible secure against trespass and damage.

**7.5.** The Property Administration Department/Operational Department shall cause the official accommodation to be inspected from time to time and take all reasonable steps to protect the said accommodation against trespassers and vandals.

**8. RESPONSIBILITY FOR PERSONAL EFFECTS**

**8.1.** The Municipality shall not be held responsible for any loss and/or damage to the personal property of the Employee or his/her dependants or their guests on or in the official accommodation whilst he/she occupies the said accommodation or during the course of moving into or out of the said accommodation. The Lessee shall be responsible for the insurance of any personal affects during the move into and from the dwelling and for the duration of the lease.

**9. OWNERSHIP OF OWN DWELLING**

**9.1.** Employees who already own fixed property may be allocated official accommodation, subject to their job function qualifying under the definition of functional necessity, and an application in terms of the procedures outlined in this policy being successful.

**10. CONDITIONS AND ALLOCATION OF RESPONSIBILITIES IN TERMS OF LEASE**

**10.1.** The reasons of any variation in the conditions of the lease relating to occupation, damages, and responsibilities for the payment of rent, water and electricity consumed and all associated costs in respect of the dwelling allocated to a lessee shall be recorded in writing and kept in the register referred to in Clause 4.5 above.

**10.2.** The lease shall stipulate that the official accommodation may only be occupied by the Employee and his/her dependants and may be used for residential purposes only.

**10.3.** The lease shall stipulate that the Employee is responsible for any service charges levied by the municipality for the provision of water, sewerage, refuse and electricity services, and that by signing the lease, the Employee agrees that the Municipality may deduct such charges for services rendered as well as for rental directly from the emoluments of the Employee.

**10.4.** The lease shall stipulate that the Employee and/or his/her dependants may not:

**10.4.1.** make alterations or additions to official accommodation;

**10.4.2.** make any noteworthy changes to property surroundings,  
or

**10.4.3.** remove established trees, shrubs or plants

except with the written consent of the Property Administration Department, subject to any conditions, which may be imposed

**10.5.** The Property Administration Department in conjunction with the Operational Department is responsible for ensuring:

**10.5.1.** that the maintenance internally and externally of all buildings, fixtures, furniture, machines, equipment, and fencing that has been supplied for use by the Employee and/or dependent, as well as the repair of structural defects and normal wear and tear, is carried out by the Municipality or a competent contractor; and

**10.5.2.** that the initial supply and maintenance of water, electricity and sewerage connections is carried out except in cases outside of the Municipality's control.

**10.6.** The Employee is responsible for keeping the surrounds of the official accommodation (i.e. garden and yard utilised as part of the accommodation) in a neat and tidy condition.

**11. RENTAL FOR OFFICAL ACCOMMODATION**

**11.1.** If an Employee is required to stay in a dwelling with more than two rooms a rental amount equivalent to 6% of his/her basic salary shall be charged, read with paragraph 11.7.

**11.2.** If an Employee is required to stay in a 1 or 2 roomed dwelling a rental amount equivalent to 3% of his/her basic salary shall be charged.

**11.3.** If an Employee is, for job purposes, not required to stay on Municipal property tenancy will be set at 12 months and a rental amount equivalent to 6% of his/her basic salary shall be levied. Should tenancy be extended, rental for the succeeding 12 months shall be calculated at 12% of his/her basic salary at the elapse of which rental will be determined at either 12% of his/her salary or an amount equivalent to market related rent determined by the Property Administration Department, whichever is the greatest until such time as the Employee vacates the official accommodation.

**11.4.** The Employee shall, in all instances, be responsible for the payment of all municipal services pertaining to the dwelling. Should the dwelling not have separate metres for the services, the basic fees as stipulated in each year's budget shall be levied on the Employee's municipal account.

- 11.5.** The Employee shall be liable for the payment of property rates which shall be calculated only on the portion of building being leased, which shall exclude the rates on the remainder of the unimproved land.
- 11.6.** The Employee shall be liable for the payment of the insurance premium for the leased dwelling to the Municipality. The buildings and/or structures will be insured against damage or loss by the Municipality.
- 11.7.** In the case of an Employee staying in a Mount Pleasant Hostel because of standby for his post the rental amount for the two room Mount Pleasant hostels shall be 3% of the Employee's basic monthly salary and the rent for the single room Mount Pleasant hostels shall be 1.5% of the Employee's basic monthly salary. Preference shall be given to officials who fulfil in standby duties.
- 11.8.** Pursuant to Clause 11.1 - 11.8 above, a clause for the authorisation of deduction of rental and deposits directly from the Employee's remuneration shall be inserted in the lease agreement, and the pay office shall be advised by the Property Administration Department to deduct such rental and deposits from the said Employee's salary.

**12. CENTRAL DATABASE**

- 12.1.** A central database of all staff dwellings on Municipal property shall be maintained by the Property Administration Department for reference and control purposes.

**13. APPLICATION AND INTERPRETATION**

- 13.1.** The provisions of this policy are applicable from date of adoption of the policy by the Council of the Overstrand Municipality or such other date as may be determined by the Municipality.
- 13.2.** The interpretation of any matter that is unclear shall be referred to the Overstrand Municipality's Legal Advisor.

**Municipal Residences reserved for operational purposes:**

- A portion of Erf 713, Gansbaai known as Klipgatwaterskema;
- A portion of Erf 4831, Hermanus known as Selkirk Cottage, Prawn Flats;
- A portion of Erf 243, Hermanus known as Preekstoel;
- A portion of Erf 581, Onrus known as Onrus Caravan Park;
- A portion of Erf 5462, Kleinmond known as Kleinmond Caravan park;
- A portion of Erf 562, Kleinmond known as Palmiet Caravan Park;
- A portion of Erf 2411, Kleinmond;
- A portion of Erf 243, Hermanus known as Mount Pleasant Hostels;
- A portion of Erf 5462, Kleinmond known as the flat at the Sport Facilities;
- A portion of Erf 1253, Hermanus known as the Fernkloof House;
- A portion of Erf 2667, Hawston known as the Hawston Caravan Park  
(1 house and 1 flat)



## **APPLICATION FOR OFFICIAL ACCOMMODATION**

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### **Applicant information**

Name and Surname \_\_\_\_\_

ID Number: \_\_\_\_\_

Number of people in household: \_\_\_\_\_

Contact Number: \_\_\_\_\_

Email: \_\_\_\_\_

Directorate: \_\_\_\_\_

Department: \_\_\_\_\_

Area: \_\_\_\_\_

Position: \_\_\_\_\_

Task level: \_\_\_\_\_

Employee Number: \_\_\_\_\_

Do you work standby: \_\_\_\_\_

Do you have alternative accommodation when the lease agreement expires?  
\_\_\_\_\_

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Signature**

**Application details**

Description of official accommodation: \_\_\_\_\_

Reason accommodation is needed: New employee/Operational requirement

**Motivation from line manager**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

<b>Date</b>	<b>Full name and Surname</b>	<b>Signature</b>

**Property Administration Department comments**

Received by: \_\_\_\_\_

Date received: \_\_\_\_\_

Does this applicant qualify for official accommodation? \_\_\_\_\_

Reason for above answer: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

<b>Date</b>	<b>Full name and Surname</b>	<b>Signature</b>

# **LEASE AGREEMENT**

## **(PROPERTY DESCRIPTION)**

entered into between

### **OVERSTRAND MUNICIPALITY**

herein represented by **COENRAAD CORNELIUS GROENEWALD**  
in his capacity as Municipal Manager,  
(hereinafter called the **LESSOR**)

and

### **EMPLOYEE NAME**

(ID. Number \_\_\_\_\_)

OF **ADRES**

(hereinafter called the, **LESSEE/EMPLOYEE**)



**WHEREAS** the **LESSEE** has applied to the **LESSOR** for the lease of a certain official accommodation (hereinafter referred to as "official accommodation") known as \_\_\_\_\_, for residential accommodation.

AND WHEREAS the **LESSOR** has agreed to lease to the **LESSEE** the said official accommodation.

NOW THEREFORE the **LESSOR**, pursuant to the Municipal Residence Policy of the Overstrand Municipality, hereby agrees to lease to the **LESSEE** and the **LESSEE** hereby agrees to hire from the **LESSOR** the property, subject to the following terms and conditions:

## 1. PREAMBLE, INTERPRETATIONS AND DEFINITIONS

- 1.1. The head notes to the clauses of this lease are inserted for reference purposes only and shall in no way govern or affect the interpretation hereof.
- 1.2. Unless inconsistent with the context, any expression contained in this lease, including any expression and any definition listed in sub clause 1.5 which denotes;
  - 1.2.1. any gender, includes the other gender;
  - 1.2.2. a natural person, includes an artificial person and vice versa;
  - 1.2.3. the singular, includes the plural and vice versa.
- 1.3. All annexures to this lease form an integral part hereof and expressions defined in this lease shall, unless the context otherwise requires, bear the same meaning in such annexures
- 1.4. Unless inconsistent with the context, the expressions set forth below shall bear the following meanings;
  - 1.4.1. **“accommodation”** as referred to in the policy, shall have the same meaning as property and official accommodation.
  - 1.4.2. **“dependants”**
    - 1.4.2.1. The spouse or life partner of the employee

- 1.4.2.2. A child or adopted child of the employee
- 1.4.2.3. Any other person whom is dependent on the employee or whom, in the opinion of the Municipal Manager, can be regarded as being a part of the employee's household; at all times being subject to the available habitable extent of the dwelling occupied by the employee
- 1.4.3. **"employee"** a member of the staff of the Overstrand Municipality employed permanently or on contract;
- 1.4.4. **"lease/this lease"** the agreement of lease concluded between the lessor and the lessee and to which these conditions are annexed;
- 1.4.5. **"lessee"** the lessee defined as such in schedule 1 of this lease or a legal dependent of such Employee;
- 1.4.6. **"lessor"** Overstrand Municipality;
- 1.4.7. **"Policy"** means the Municipal Residence Policy as approved by the Overstrand Municipality on 26 May 2010, amended on 21 February 2012 and as further amended from time to time.
- 1.4.8. **"property"** the official accommodation as described under property description in schedule 1;
- 1.4.9. **"VAT"** the tax, known as value added tax, which is required to be levied and paid for the benefit of the State Revenue Fund in terms of Section 7 of the Value Added Tax Act, No 89 of 1991, as amended;

## 2. USE OF PROPERTY

- 2.1. It is hereby specifically declared and acknowledged that the property hereby let is registered in the name of the **LESSOR** and that this lease is accordingly entered into for the sole purpose of providing the **LESSEE** with accommodation to enable him to properly perform the duties related to his position as \_\_\_\_\_.

- 2.2. The **LESSEE** shall not do, nor allow to be done, anything, which may in the opinion of the **LESSOR** damage the property, or permit to be committed, any act that may constitute a nuisance or inconvenience to, or affect the peace and/or comfort enjoyed by any person.
- 2.3. The **LESSEE** in his use of the property, shall
- 2.3.1. conform with all laws and statutory, municipal and other by-laws and regulations relating to lessees or occupiers of the property;
  - 2.3.2. not knowing nor negligently cause nor allow to be caused any blockage or failure in any sewerage pipes, water pipes, drains and other supply equipment and installations serving the property, and
  - 2.3.3. not do, nor permit to be done, any act, matter or thing which may render the **LESSOR'S** insurance of the property and/or the property against risk of loss or damage attributable to any of the causes insured against from time to time, either void or voidable, or which may increase the rate of premiums payable by the **LESSOR** in respect of the property with regard to such insurance.

### 3. LEASE PERIOD

- 3.1. This lease shall commence on \_\_\_\_\_ and shall continue until the **LESSEE** is no longer in service of the Overstrand Municipality as \_\_\_\_\_ (POSITION) and on a Task level \_\_\_\_\_, unless terminated by operation of law or by virtue of the provisions contained in this Agreement of Lease.
- 3.2. This lease may be terminated by either party giving the other one (1) month's written notice to this effect.
- 3.3. This lease shall be terminated and the property hereby let shall be vacated in the event of the **LESSEE** leaving the service whether through resignation due to retirement of the **LESSOR**. The said property must be vacated on the last working day of the **LESSEE** and

the **LESSEE** vouches that he has alternative accommodation as set out in Annexure C available. The **LESSEE** undertakes to amend the information of Annexure C should the need therefore arise. The date of notification of resignation of the **LESSEE** to the **LESSOR** (where applicable) will be deemed to be the date of notice to vacate the property. Should the **LESSEE** resign from the **LESSOR'S** service with less than one month's notice the **LESSEE** will be deemed to have accepted the shorter notice period to vacate the property.

- 3.4. Should the **LESSEE** whilst being in service of the **LESSOR** (employer), pass away or become medically incompetent and his/her service is subsequently terminated as a result thereof, the **LESSEE** and /or any family members as set out in Annexure B, as the case may be, currently residing in the house may be allowed, upon written request to the Lessor, to extend this agreement for a maximum period of three (3) months based on humanitarian reasons only. The rental and other conditions contained in the agreement will remain unchanged for the said period. This rental amount shall be deducted in advance from the employee's last salary for the period that he/she and the family members will reside in the dwelling, consent of which is hereby granted. Thereafter, the property shall be vacated by all the occupiers of the property at that time.

#### **4. RENTAL AMOUNT**

- 4.1. The **LESSEE** shall pay to the **LESSOR** for the property hereby let a rental of **6% of the LESSEE'S basic monthly salary**, which amount shall be calculated on a monthly basis and payable in advance.

#### **5. MAINTENANCE**

- 5.1. The **LESSOR** shall keep the outside of the property hereby let and the **LESSEE** shall keep the inside thereof in a proper state of repair and condition during the currency of this lease, it being understood and agreed that for the purpose of this clause the term interior being deemed to include:

- 5.1.1. all windows, window panes, doors, door glass where applicable, door handles, locks and keys pelmets, kirsch rails and curtain fittings;
  - 5.1.2. all electrical, toilet and water fittings, installations and appliances but excluding all hot water cylinders and related piping;
  - 5.1.3. all floors, including all carpeting and floor coverings.
- 5.2. Should the **LESSEE** neglect to undertake such repair within a stipulated period on written notification from the **LESSOR**, the **LESSOR** shall have the right to undertake such repair at the expense of the **LESSEE**.
- 5.3. The **LESSEE** shall also be responsible for the replacement during the lease and at his own expense to the satisfaction of the **LESSOR** with new as the old wear out or become broken, damaged or lost, of all light bulbs and globes, fluorescent or otherwise, starters, ballasts and incandescent bulbs, where applicable, whether used in relation to the property internally or externally.
- 5.4. Without restricting the generality of the provisions of sub-clauses 5.1 - 5.3 of these conditions, the **LESSEE** undertakes:
- 5.4.1. to exercise all reasonably possible care in respect of carpeting in the property and agrees to be responsible for all cost incurred in remedying any stains, burns or other forms of damage caused thereto during the lease including the cost of replacing any such portion thereof as may be necessitated by any such stains, burns or other forms of damage;
  - 5.4.2. to ensure that three (3) days prior to the expiration of or forthwith upon the earlier termination of the lease, any holes or marks of any description made in or to any part of the property by reason of nails, screws or hooks having been driven in or fixed thereto at the instance of the **LESSEE** or howsoever else arising during the lease shall have been repaired to the reasonable satisfaction of the **LESSOR**;

- 5.4.3. to treat all internal woodwork with the appropriate varnishes required to maintain all such woodwork in good condition and to repaint the interior of the walls of the property, where this becomes necessary, with good quality paint in the same colour as at the commencement date;
- 5.4.4. the **LESSEE** shall, during the currency of the lease and at his own cost, maintain the grounds and garden of the property in a good, neat and tidy condition including the regular mowing of grass contained within these grounds and, if applicable, growing on the public pavement adjacent to the boundaries of the property and including the regular and adequate watering of grass, plants and trees contained within the property. the **LESSEE** shall not be entitled to cut down any trees without the **LESSOR'S** prior written consent.
- 5.5. Should any structure, garden, fence, the like or portion thereof be damaged due to any act or negligence of the **LESSEE** or person who acquired occupancy through him/her, he shall be held liable for the payment of the total cost of any such repair work.
- 5.6. The **LESSEE** shall not make any structural alterations to the hereby leased property without the written consent of the **LESSOR** thereto being first had and obtained.
- 5.7. The **LESSOR** and/or its duly authorized servants and/or nominees shall have the right to enter upon the hereby leased property at all reasonable times for the purpose of inspecting the same and of ensuring that the conditions of this lease are being properly carried out and/or observed by the **LESSEE**.

## 6. DUTIES OF THE LESSEE

- 6.1. The **LESSEE** shall not have the right to cede or assign any of his interest in and to this lease, nor to sub-let the whole or any portion thereof without the written consent of the **LESSOR**. In particular, the **LESSEE** undertakes and agrees not to use the said property, or any portion thereof, as a boarding or lodging house or as a place of business of whatsoever kind; the intent and purpose being that the said

property shall be used solely as dwelling house for himself and his family as set out in Annexure B by the **LESSEE**. No person whether a family member of the **LESSEE** or not may reside in or on the property without the prior written approval of the **LESSOR**.

- 6.2. Should there be any amendment to the information contained in Annexure B the **LESSEE** shall inform the **LESSOR** forthwith thereof, any such amendment will be subject to the prior approval of the **LESSOR**.
- 6.3. The **LESSEE** undertakes at all times to keep the hereby leased property in a clean and sanitary condition and at all times to observe all the by-laws of the **LESSOR** in so far as such by-laws relate to the property hereby let.
- 6.4. Upon vacation of the property it shall be the responsibility of the **EMPLOYEE/LESSEE** who is vacating the property to ensure that all services with the exception of sewerage be discontinued and all meters are read, failing which the **EMPLOYEE** and/or dependant shall be held responsible for any wastage, damage or loss which may take place between the date of vacation of the accommodation and the date of re-occupation of same.
- 6.5. The **EMPLOYEE/LESSEE** who is vacating the property shall ensure that the property is left in a clean and neat state to the satisfaction of the Property Administration Department, failing which, the Municipality may recover any cost incurred in rendering the said accommodation clean and habitable from the said **EMPLOYEE/LESSEE**.
- 6.6. The **EMPLOYEE/LESSEE** herewith accepts the responsibility to deliver to the Property Administration Department of the Overstrand Municipality all keys to the property on the first business day following the day of vacating the property.

## 7. BREACH

- 7.1. In the event of the **LESSEE** failing to pay the monthly rental on the due date as aforesaid, or in the event of his committing a breach of any of the terms and conditions of this agreement of lease, or in the event of him being convicted of any criminal offence under the laws of the Republic of South Africa, or under any by-laws of the **LESSOR** by a competent court, the **LESSOR** shall, notwithstanding anything to the contrary herein contained, have the right to forthwith terminate this lease upon giving the **LESSEE** twenty four (24) hours written notice to this effect.
- 7.2. The **LESSEE** undertakes to pay all attorney- and own client costs plus VAT, collection commission and tracing costs plus VAT which the **LESSOR** may incur in collecting any amount owing in terms of this agreement by the **LESSEE** and which is not paid on the due date thereof, including interest on such amount at the maximum rate allowed from the date such amount becomes due, until receipt of payment.

## 8. GENERAL

- 8.1. The **LESSEE** shall be liable for the payment of all service charges pertaining to the property levied and due to the Overstrand Municipality in terms of any resolution of the Municipal Council and/or by-laws in force from time to time. Should the dwelling not have separate metres for the services, the basic fees as stipulated in each year's budget shall be levied on the Employee's municipal account.
- 8.2. The **LESSEE** shall be liable for the payment of property rates which shall be calculated only on the portion of building being leased, and shall exclude the rates on the land.
- 8.3. The **LESSEE** shall be liable for the payment of the insurance premium pertaining to the leased property. The buildings and/or structures will be insured against damage or loss by the **LESSOR** in terms of this lease.



- 8.4. The rental, rates, insurance premium and service charges **shall** be deducted from the **LESSEE's** salary on a monthly basis and the **LESSEE** herewith consents thereto. The **LESSEE** shall not have the right to reduce or skip a salary deduction in respect of a payment for the rental, property rates and service charges, due to any reason whatsoever.
- 8.5. For the purpose of this lease any notice in writing intended for the **LESSEE** shall be deemed to have been validly given if addressed to and delivered at the property hereby let.
- 8.6. The **LESSEE** shall be entitled to affix such fixtures and fittings in and to the property as he may require in connection with his use thereof provided that all fixtures and fittings affixed in terms hereof shall, unless otherwise agreed by the **LESSOR** in writing, be removed by the **LESSEE** by no later than three (3) days prior to the expiration of this lease or in the event of earlier termination and by which date of removal and all damage occasioned by the original affixing and/or by the removal of any such fixtures and fittings shall have been made good to the satisfaction of the **LESSOR**, at the instance and cost of the **LESSEE**.
- 8.7. The **LESSEE** and the **LESSOR** shall inspect the property jointly to determine the condition of the property and to list all defects or damage. Such inspection shall take place before the **LESSEE** takes occupation and within a week of evacuation of the dwelling. The cost of repairing any damage to the property, determined at a final inspection on the date that the **LESSEE** evacuates the property, will be deducted from the **LESSEE'S** salary. A copy of a checklist for inspection purposes is attached per Annexure D.
- 8.8. The **LESSOR** reserves the right to lay and use and to allow third parties to lay and use such underground service on or across the property without being liable to pay compensation to the **LESSEE** or to grant any reduction in rent where the property are thereby affected.

- 8.9. The **LESSEE** shall at all times well and sufficiently indemnify the **LESSOR** and keep the **LESSOR** indemnified against all liability howsoever caused or arising that may be the direct or indirect result of the use of the land in question, and against all actions, suits, proceedings, claims, demands, costs and expenses whatsoever which may be taken or made against the **LESSOR** or incurred or become payable by the **LESSOR** at the suit of any person.
- 8.10. The parties hereto acknowledge that this agreement constitutes the entire contract between the parties and that no other conditions, stipulations, warranties or representations whatsoever have been made by or on behalf of either party other than such as are included herein.
- 8.11. No agreement at variance with the terms and conditions of this agreement shall be binding on the parties unless contained in writing by the parties hereto and any indulgence which the **LESSOR** in accepting any payments after due date or in accepting a lesser sum than the amount due, shall not in any way prejudice his rights or be construed as a waiver of same by the **LESSOR**.

## 9. LESSOR'S LIABILITY LIMITED

- 9.1. The **LESSOR** shall not be responsible for;
- 9.1.1. any loss or damage to any goods or property of the **LESSEE** and/or his family and/or guests caused by water, rain, storm, gas or electricity which may leak into or flow from any part of the property or by any reason of any defect in the property or by any cause whatsoever;
  - 9.1.2. any loss or damage suffered to the **LESSEE** and/or his family and/or guests' possessions in or about the property arising from any act of omission or commission by any tradesmen, servant of the **LESSOR** or any other party;
  - 9.1.3. any damage to, or any loss of, any property of any nature owned by whomsoever as may from time to time be in or about the property, or any injury or death caused to anyone whomsoever who may be in the property howsoever such damage, loss, injury or death may be caused, specifically including damage, loss, injury or death caused by falling objects, and the **LESSEE** hereby waives any claim which, but for this waiver, it may have had against the **LESSOR** arising out of any such damage, loss, injury, illness or death, and
  - 9.1.4. any failure, suspension or interruption of any water, electricity or other supplies to the property or any loss thereby suffered by the **LESSEE**, whether consequential or otherwise.

## 10. PROPERTY REMAINS PROPERTY OF LESSOR

- 10.1. The grant of the lease hereby constituted, shall under no circumstances be deemed to confer any real right or servitude of any kind in favour of the **LESSEE**. Upon a demand made by the **LESSOR**, in terms of this lease, for quiet possession of the property, the **LESSEE** shall be bound to give such possession without any right to compensation, whether for useful, necessary expenses or other improvements.

THUS DONE and agreed to at \_\_\_\_\_  
this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_.

**AS WITNESSES:**

1. \_\_\_\_\_  
Head of the Department

2. \_\_\_\_\_ (LESSEE)  
Relevant Director

THUS DONE and agreed to at \_\_\_\_\_  
this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_.

**AS WITNESSES:**

1. \_\_\_\_\_

2. \_\_\_\_\_  
(LESSOR)  
OVERSTRAND MUNICIPALITY

SCHEDULE 1

**LESSOR** **OVERSTRAND MUNICIPALITY**

**Address** Municipal Offices, 8 Magnolia Avenue, Hermanus.

P.O Box 20, Hermanus, 7200.

**Contact Numbers**

**Tel** 028 313 8000

**Fax** 028 312 1894

**Email** **enquiries@overstrand.gov.za**

**LESSEE**

**ID Number**

**Directorate**

**Department**

**Area**

**Position**

**Post level**

**Address**

**Contact Numbers**

**Tel**

**Property Description**

as depicted on a diagram (Annexure "A") as 'official accommodation'.

**Lease Period**

**Lease Amount**

6% of the LESSEE'S basic monthly salary.

**Other Amounts**

Service charges, insurance premium, property rates

**Municipal account no. for services**

**Annexure A - Locality Map****Annexure B**

<b>Names of family members to live with DM Mackenzie at Klipgatwaterskema</b>			
<b>Name</b>	<b>Relationship</b>	<b>Age</b>	<b>ID</b>
1.			
2.			
3.			
4.			
5.			

**Annexure C****Information regarding alternative accommodation after last working day with Overstrand Municipality:**

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**Annexure D**  
**PROPERTY INSPECTION**

M 2 / 030

PoorRemarks				
<b>External Appearance</b>				
GoodSatis- factory				
Roof Corrugated Iron/Tile				
Gutters Cast iron/Asbestos				
Downpipes Cast iron/Asbestos				
Walls/Paint				
Windows Sash/Wood/Steel				
Doors Handles/Locks/Keys				
Boundary fence & Gates Wooden/Precast				
Yard				
Stoep				
Chimney				
Garage/Carport				
Outbuildings				
Lightbulbs				
<b>Internal Appearance</b>				
<b>Bedroom 1</b>				
Walls/Paint				
Floor/Skirting				
Window				
Door Handle/Lock/Keys				
Ceiling				
Electricity/ Lightbulbs				
Curtain rail/Pelmet				
<b>Bedroom 2</b>				

Walls/ Paint				
Floor/Skirting				
Window				
Door Handle/Lock/ Keys				
Ceiling				
Electricity/ Lightbulbs				
Curtain rail/Pelmet				
<b>Bedroom 3</b>				
Walls/Paint				
Floor/Skirting				
Window				
Door Handle/Lock/Key				
Ceiling				
Electricity/Lightbulbs				
Curtain rail/Pelmet				
<b>Lounge</b>				
Walls/Paint				
Floor/Skirting				
Window				
Door Handle/Lock/Keys				
Ceiling				
Electricity/ Lightbulbs				
Curtain rail/Pelmet				
<b>Dining room</b>				
Walls/Paint				
Floor/Skirting				
Window				
Door Handle/Lock/Keys				



Ceiling				
Electricity/ Lightbulbs				
Curtain rail/Pelmet				
<b>Passage</b>				
Walls/Paint				
Floor/Skirting				
Window				
Door Handle/Lock/Keys				
Ceiling				
Electricity/ Lightbulbs				
Curtain rail/Pelmet				
<b>Kitchen</b>				
Walls/Paint				
Floor/Skirting				
Window				
Door Handle/Lock/ Key				
Ceiling				
Electricity/ Lightbulbs				
Curtain rail/Pelmet				
Tile				
Sink, plugs, taps				
Cupboard				
<b>Bathroom</b>				
Walls/Paint				
Floor/Skirting				
Window				
Door Handle/Lock/Keys				
Ceiling				

Electricity/Lightbulbs				<b>M 2 / 033</b>
Curtain rail/Pelmet				
Bath, plugs, taps				
Wash-hand basin				
Toilet cistern				
Toilet seat				
<b>Number of keys handed over :</b>				

\_\_\_\_\_  
Date of inspection

\_\_\_\_\_  
Signature of Property Administration Official

\_\_\_\_\_  
Signature of Employee

## Municipal Residence Point Allocation System

<b>Points</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>Points</b>
Persons in household		1	2	3	4	5	6	
Work standby	No	Yes						
Task level		5 and up	4	3	2	1		
Alternative accomodation	No	Yes						
<b>TOTAL</b>								

<b>POLICY SECTION:</b>	<b>TOWN PLANNING &amp; PROPERTY MANAGEMENT</b>
<b>CURRENT UPDATE:</b>	28 March 2012
<b>PREVIOUS REVIEW:</b>	
<b>APPROVAL BY COUNCIL:</b>	26 MAY 2010