



Province of the
EASTERN CAPE
LOCAL GOVERNMENT
& TRADITIONAL AFFAIRS

224

Hon Haddon

OFFICE OF THE MEC

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TO : HANSARD AND HOUSE BUSINESS

FROM : MEC FOR LOCAL GOVERNMENT AND TRADITIONAL AFFAIRS

SUBJECT : RESPONSES TO IQP 43 QUESTION 224 FOR WRITTEN REPLY

224. Mr D B Haddon to ask the MEC responsible for Local Government and Traditional Affairs:

- (1) Whether he has been informed of the existence of an African National Congress (ANC) constituency office attached to the town hall and municipal offices in Pearston; if so, what are the reasons for a political party utilising a public facility as an office base;
- (2) whether the municipality in question is receiving rent payments from the ANC for the hire of this office space; if not, why not; if so, what are the relevant details;
- (3) Whether any steps have been or are to be taken with a view to relocating this constituency office to another venue; if not, why not; if so, (a) what steps and (b) when?

RESPONSE

- (1) No, the MEC was not informed.
 - a) On enquiry to the Municipality, it was confirmed that the ANC Constituency Office is attached to the Old Town Hall, in Pearston. The above came into being on 01 April 2007, when a lease agreement was signed between the Blue Crane Route Municipality, represented by the then Acting Municipal Manager, Mr Hendricks who is no longer an employee of the council and the office of the then ANC Chief Whip, Hon. S. Gqobana. (Copy of lease agreement attached)



RESPONSES TO IQP 43 QUESTION 224 FOR WRITTEN REPLY

The choice of the building was based on accessibility, as it is at the centre of the town and there were no other adequate and suitable buildings in Pearston at the time. Further to the above, the identified office was vacant and not used for any purpose by the municipality of Pearston.

The building is not used to service ANC activities or its members, but rather used for the benefit of all Pearston residents, irrespective of political affiliation. Following are some of the services rendered by the office for the community namely: -

- i) Referral of community issues through to the Member of Parliament.
- ii) Assisting with advice and referrals on various government services to all community members irrespective of political party affiliation.
- iii) Dealing with Department of Labour queries, especially UIF related matters (of which the nearest office is in Graaff Reinet, about 77 km's away the department visits Pearston once per month)
- iv) Deals with SASSA queries i.e. Child Support Grant, Disability etc. (the nearest office is in Somerset East, which is 50 km's away, SASSA officials visit once, every two weeks)
- v) Deals with Home Affairs referrals i.e. ID's, birth certificates applications etc. (nearest office is no Somerset East, which is 50 km's away)
- vi) Deals with GEPP queries. (There are no nearby offices, former government employees are assisted with applications, life certificate renewals etc.)
- vii) Services mainly as a link between the community and various government departments through the office of the Member of Parliament.

2. In terms of the lease agreement signed between the Blue Crane Route Municipality and the Office of the ANC Provincial Chief Whip, it provides for R1000, 00 per month rentals, which is inclusive of all municipal services. However, the then Acting Municipal Manager, who signed the contract failed to convey the contents of the Lease Agreement to the relevant municipal departments for purposes of administering the lease and collection of revenue. However, the municipality, now that the issue has come to its attention, will issue claims for the outstanding rental charges and also review the Lease Agreement as it was never reviewed after the lapse of Lease and Lessor.


M. GOBOSHIYANE
MEC: LOCAL GOVERNMENT AND TRADITIONAL AFFAIRS

18/11/2013
DATE

AGREEMENT OF LEASE

Memorandum of an Agreement entered into by and between:-

THE BLUE CRANE ROUTE MUNICIPALITY
herein represented by **HANS HENDRICKS**
in his capacity as **ACTING MUNICIPAL MANAGER**

of : P.O. Box 21, Somerset East

(hereinafter called "the Lessor")

and

AFRICAN NATIONAL CONGRESS
herein represented by **SICELO GQOBANA**
in his capacity as **ANC PROVINCIAL CHIEF WHIP**

of : Private Bag X5000, Bisho 5605

(hereinafter called "the Lessee")

WHEREAS the Lessor is the owner of two (2) offices of an immovable property known as Pearson Municipal offices in Voortrekker Street, Pearston (hereinafter referred to as "the property");

AND WHEREAS the Lessor is prepared to let to the Lessee who is prepared to hire the said premises;

NOW THEREFORE it is agreed:-

1. **LETTING AND HIRING**

That the Lessor hereby lets and the Lessee hires the said property all subject to the terms of this agreement.

2. **DURATION**

This lease shall come into operation on the 1st day of April 2007 and shall subsist for a period of two (2) years from that date, with an option to renew.



The rent shall be the sum of R1 000.00 (ONE THOUSAND RAND), inclusive of all municipal services and Value Added Tax, per month.

4. **PAYMENT OF RENT**

The rent payable in terms of this agreement shall be paid monthly in advance by not later than the first day of each month and all such payments shall be paid to the Lessor or to such other person, if any, at such place as the Lessor has designated for the time being by written notice to the Lessee.

5. **ADDITIONAL CHARGES**

There will be no additional payment of service charges relating to the premises such as electricity and water consumed.

6. **CONTINUANCE OF LEASE**

Should the Lessee wish to continue the lease beyond the duration of the lease as set out in clause 2 hereof, then shall the Lessee by written notice given to the Lessor at least one month prior to the date of termination of this lease, advise the Lessor of his desire and may the lease, with the written consent of the Lessor, be renewed for a further two (2) years, or such other time as may be agreed upon, upon conditions similar to these contained herein, subject, however, to a fresh agreement regarding rental payable.

7. **INSURANCE**

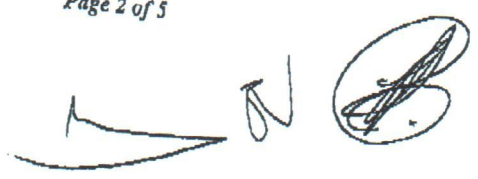
The Lessee shall not keep or do in or about the premises anything such as is liable to enhance for the time being to the extent that such insurance is rendered void or voidable or the premiums of such insurance are or become liable to be, increased.

8. **CESSION AND SUB-LETTING**

The Lessee shall not be entitled, except with the prior written consent of the lessor, to cede all or any of the rights of the Lessee under this lease or sub-let or give up possession of the premises in whole or part to any party other than the Lessor.

9. **SUNDRY OBLIGATIONS OF THE LESSEE**

The Lessee shall keep the premises clean and tidy and shall not use the premises or allow them to be used, in whole or part, for any purpose other than of the Lessee's existing business. The Lessee shall further provide at the Lessee's own expense, all electric, fluorescent and incandescent



light bulbs required on the premises and shall be responsible for all glass, both internal and external, on the premises.

10. MAINTENANCE AND REPAIRS

The Lessee shall at the expense of the Lessee and without recourse to the Lessor throughout the lease period maintain in good order and in condition the interior of the premises and all parts thereof, including all windows, doors, appurtenances, fixtures and fittings contained on the premises and shall promptly repair or make good all damage accruing on the premises from time to time during the lease period. The Lessee shall on the termination of this lease return the premises and all such parts thereof including all keys to the Lessor in good order, condition and repair, fair wear and tear excepted.

11. ALTERATIONS, ADDITIONS AND IMPROVEMENTS

The Lessee shall not make any alterations or additions to the premises without the Lessor's prior written consent, but the Lessor shall not withhold its contents unreasonably to an alteration or addition which is not structural.

12. EXCLUSION OF LESSOR FROM CERTAIN LIABILITY AND INDEMNITY

The Lessee shall have no claim for damages against the Lessor and may not withhold or delay any payment due to the Lessor by reason directly or indirectly of a breach by the Lessor of any of its obligations under this lease, the condition or state of repair at any time of the property, the building or any part of the property or building, any failure or suspension of, or any interruption in, the supply of water, electricity or any other amenity or service to the premises, the building or property or whatever the cause.

13. LESSOR'S RIGHT OF ENTRY AND CARRYING OUT OF WORKS

The Lessor's representative, agent, servant and contractors may at all reasonable times without thereby giving rise to any right of action on the part of the Lessee or any occupier of the premises, enter the lease premises in order to inspect them, to carry out any necessary repairs, replacements or other works, or to perform any other lawful function in the bona-fide interests of the Lessor.

14. TOTAL / PARTIAL DESTRUCTION

14.1 In the event of fire occurring and the premises being totally destroyed or damaged as to render them unsuitable for the purpose of which they are let, then the Lessor shall have the right at its sole discretion either to cancel the lease by written notice addressed to the Lessee or to keep the lease in force and to rebuild or repair the

premises. In the event of the lease being kept in force, the Lessee shall be entitled to a total remission of rental in respect of the period during which it is deprived, fully of the beneficial occupation of the premises. The Lessee shall not have any claim upon the Lessor for damages as a consequence of such deprivation or cancellation. If the Lessor shall fail to notify the Lessee within one month from date of the fire that it intends to rebuild or repair the premises and keep the lease in force, then the lease shall be deemed to be automatically cancelled. If the Lessor elects to keep the lease in force and to rebuild and repair as aforesaid then such rebuilding/repairing shall proceed as soon as may be reasonably possible.

14.2 In the event of the destruction being partial, but of such a nature that the Lessee can still reasonably use the premises for the purpose intended, then the Lessor shall proceed to remedy the damage or destruction caused.

During the period the rental shall be proportionately reduced. In the event of the Lessor and the Lessee not being able to agree as to the amount of the reduced rental then the Lessor and the Lessee agree that the matter shall be submitted to the arbitration of the parties' attorneys for decision and failing agreement by them for determination by an umpire appointed by them, whose decision shall be final and binding.

15. PAYMENT OF RENTAL DURING DISPUTE

Should the parties hereto engage in a dispute arising out of the lease, the Lessee shall be obliged to make payment of all rental due and outstanding in terms of this lease, which rental will be accepted by the Lessor without prejudice to the Lessor's rights and payment made by the Lessee in terms hereof shall be paid by the Lessee without prejudice to its rights.

16. DEFAULT

Should the Lessee fail to pay any monthly rental on the due date hereof, or should the Lessee commit or permit the commission of a breach of any other of the provisions of this lease, or not comply with any other terms and conditions of this lease, then the Lessor shall be entitled to call upon the Lessee, by notice delivered by hand at the premises or sent by prepaid registered post to the premises, to remedy the breach or to pay the rental as the case may be, and should the Lessee fail to do so within seven (7) days from the date of delivery and/or posting of such notice or should the Lessee be placed in liquidation, either voluntarily or otherwise, or should there be a judgment against the Lessee which is unsatisfied for more than ten (10) days after the date of such judgment, or should the Lessee receive a Warrant of Attachment, then the Lessor shall have the right to cancel this Agreement of Lease, enter upon the leased premises, take action against the Lessee for ejectment, without prejudice to any claim that the Lessor might have for arrear rental and damages.

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17. ENTIRE CONTRACT

17.1 This Agreement constitutes the whole and only Agreement between the parties and no representations, conditions or warranties not set out herein shall be binding on the Lessor.

17.2 No amendments or variation hereto shall be of any force and effect unless reduced to writing and signed by the parties hereto or their duly authorized agents.

17.3 Any relaxation or indulgence which the Lessor may show the Lessee shall not in any way prejudice the Lessor's strict rights under this agreement nor deem it to be a waiver of any of the Lessor's rights unless formally in writing as an addendum or amendment to this lease.

18. AUTHORITY

The signatories to this agreement on behalf of the parties confirm and guarantee their authority to enter into this Lease Agreement and the signatory on behalf of the Lessee hereby binds himself/herself personally to the due fulfillment of this agreement by the Lessee.

Thus signed at **SOMERSET EAST** on this **28th** day of **MARCH 2007**

WITNESSES:

1. [Signature]
2. [Signature]

[Signature]
LESSOR

Thus signed at S/EAST on this 30 day of MARCH 2007

WITNESSES:

1. [Signature]
2. [Signature]

[Signature]
LESSEE