



# STELLENBOSCH

STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

Ref. no.3/4/1/5

2018-05-18

## NOTICE OF THE 17<sup>TH</sup> MEETING OF THE COUNCIL OF STELLENBOSCH MUNICIPALITY WEDNESDAY, 2018-05-23 AT 10:00

**TO** The Speaker, Cllr DD Joubert [Chairperson]  
The Executive Mayor, Ald G Van Deventer (Ms)  
The Deputy Executive Mayor, Cllr N Jindela

<b>COUNCILLORS</b>	F Adams	MC Johnson
	DS Arends	NS Louw
	FJ Badenhorst	N Mananga-Gugushe (Ms)
	GN Bakubaku-Vos (Ms)	C Manuel
	FT Bangani-Menziwa (Ms)	LM Maqeba
	PW Biscombe	NE Mcombring (Ms)
	PR Crawley (Ms)	XL Mdemka (Ms)
	A Crombie (Ms)	RS Nalumango (Ms)
	JN De Villiers	N Olayi
	MB De Wet	MD Oliphant
	R Du Toit (Ms)	SA Peters
	A Florence	WC Petersen (Ms)
	AR Frazenburg	MM Pietersen
	E Fredericks (Ms)	WF Pietersen
	E Groenewald (Ms)	SR Schäfer
	JG Hamilton	Ald JP Serdyn (Ms)
	AJ Hanekom	N Sinkinya (Ms)
	DA Hendrickse	P Sitshoti (Ms)
	JK Hendriks	Q Smit
	LK Horsband (Ms)	E Vermeulen (Ms)

Notice is hereby given in terms of Section 29, read with Section 18(2) of the *Local Government: Municipal Structures Act, 117 of 1998*, as amended, that the **17<sup>TH</sup> MEETING** of the **COUNCIL** of **STELLENBOSCH MUNICIPALITY** will be held in the **COUNCIL CHAMBER, TOWN HOUSE, PLEIN STREET, STELLENBOSCH** on **WEDNESDAY, 2018-05-23** at **10:00** to consider the items on the Agenda.

**SPEAKER**  
**DD JOUBERT**

**A G E N D A**  
**17<sup>TH</sup> MEETING OF THE COUNCIL**  
**OF STELLENBOSCH MUNICIPALITY**  
**2018-05-23**  
**TABLE OF CONTENTS**

<b>ITEM</b>	<b>SUBJECT</b>	<b>PAGE</b>
1.	<b>OPENING AND WELCOME</b>	
2.	<b>COMMUNICATIONS</b>	
2.1	MAYORAL ADDRESS	
2.2	COMMUNICATION BY THE SPEAKER	
2.3	COMMUNICATION BY THE MUNICIPAL MANAGER	
3.	<b>OFFICIAL NOTICES</b>	
3.1	DISCLOSURE OF INTERESTS	
3.2	APPLICATIONS FOR LEAVE OF ABSENCE	
4.	<b>CONFIRMATION OF MINUTES</b>	
4.1	The minutes of the 16 <sup>th</sup> Council Meeting: 2018-03-28 refers. (The minutes are distributed under separate cover as an <b>APPENDIX</b> ). <b>FOR CONFIRMATION</b>	
4.2	The minutes of an Urgent Council Meeting: 2018-04-19 refers. (The minutes are distributed under separate cover as an <b>APPENDIX</b> ). <b>FOR CONFIRMATION</b>	
4.3	The minutes of an Urgent Council Meeting: 2018-04-26 refers. (The minutes are distributed under separate cover as an <b>APPENDIX</b> ). <b>FOR CONFIRMATION</b>	
5.	<b>STATUTORY MATTERS</b>	
	NONE	
6.	REPORT/S BY THE MUNICIPAL MANAGER RE OUTSTANDING RESOLUTIONS TAKEN AT PREVIOUS COUNCIL MEETINGS (APPENDIX 1)	
7.	<b>CONSIDERATION OF ITEMS BY THE EXECUTIVE MAYOR: [ALD G VAN DEVENTER (MS)]</b>	
7.1	<b>COMMUNITY DEVELOPMENT AND COMMUNITY SERVICES: [PC: CLLR AR FRAZENBURG]</b>	
	NONE	
7.2	<b>CORPORATE AND STRATEGIC SERVICES: (PC: CLLR E GROENEWALD (MS))</b>	
7.2.1	MFMA SECTION 116(3) – PROPOSAL TO AMEND THE CURRENT ICT CONTRACTS FOR SOFTWARE LICENCE AND SUPPORT AGREEMENTS FOR A PERIOD OF THIRTY-SIX MONTHS, EFFECTIVE FROM 01 JULY 2018 TO 30 JUNE 2021 ( <b>APPENDICES 1-2</b> )	18
7.3	<b>ECONOMIC DEVELOPMENT AND PLANNING: (PC: ALD JP SERDYN (MS))</b>	
7.3.1	STELLENBOSCH MUNICIPALITY: DRAFT TELECOMMUNICATION MAST INFRASTRUCTURE POLICY ( <b>ANNEXURE 1-2</b> )	28
7.4	<b>FINANCIAL SERVICES: (PC: CLLR S PETERS)</b>	
7.4.1	MONTHLY FINANCIAL STATUTORY REPORTING: DEVIATIONS FOR APRIL 2018	81
7.5	<b>HUMAN SETTLEMENTS: (PC: CLLR PW BISCOMBE)</b>	
7.5.1	PROPOSED RENEWAL OF LEASE AGREEMENT: ERF 52, STELLENBOSCH, SUPERGROUP DEALERSHIP	85
7.5.2	AUTHORISATION: PUBLIC TENDER PROCESS: ERVEN 2498 & 2499	123
7.6	<b>INFRASTRUCTURE: (PC: CLLR J DE VILLIERS)</b>	
	NONE	153
7.7	<b>PARKS, OPEN SPACES AND ENVIRONMENT: (PC: CLLR N JINDELA)</b>	153
	NONE	153
7.8	<b>PROTECTION SERVICES: (PC: CLLR Q SMIT)</b>	153
	NONE	153
7.9	<b>YOUTH, SPORTS AND CULTURE: (PC: CLLR XL MDEMKA (MS))</b>	
	NONE	153

ITEM	SUBJECT	PAGE
<b>7.10</b>	<b>REPORT(S) BY THE MUNICIPAL MANAGER</b>	
7.10.1	ADOPTION OF THE NEW ANTI-FRAUD AND CORRUPTION PREVENTION POLICY ( <b>Annexure A</b> )	154
7.10.2	REVIEW OF THE PERFORMANCE MANAGEMENT POLICY	177
<b>8.</b>	<b>CONSIDERATION OF ITEMS, REPORTS, COMMUNICATIONS, PETITIONS AND APPLICATIONS SUBMITTED VIA THE OFFICE OF THE MUNICIPAL MANAGER</b>	
<b>8.1</b>	<b>MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC): 2018-03-20 [CLLR WF PIETERSEN]</b>	
8.1.1	RATIFICATION OF THE PAYMENT FOR EMERGENCY SERVICES REFRESHMENTS IN EXCESS OF APPROVED MEAL VALUE ( <b>Annexure 1</b> )	237
8.1.2	RATIFICATION OF THE APPOINTMENT OF JUBELIE PROJECTS FOR MULTI-DISCIPLINARY CONSULTANCY SERVICES RELATED TO THE NORTHERN EXTENSION PROJECT ( <b>Annexure 1-2</b> )	263
<b>8.2</b>	<b>REPORT/S BY THE MUNICIPAL MANAGER</b>	
8.2.1	APPLICATION FOR SUBDIVISION ON ERF 3623, STELLENBOSCH ( <b>Appendices 1-7</b> )	298
8.2.2	APPLICATION FOR REZONING: ERF 2, LA MOTTE ( <b>Appendices 1-8</b> )	347
8.2.3	APPLICATION FOR A SPECIAL DEVELOPMENT ON ERF 7588, STELLENBOSCH ( <b>Appendices 1-5</b> )	421
8.2.4	APPLICATION FOR A SPECIAL DEVELOPMENT ON ERF 7586, STELLENBOSCH ( <b>Appendices 1-5</b> )	497
<b>9.</b>	<b>MATTERS FOR NOTIFICATION</b>	
<b>9.1</b>	<b>REPORT/S BY THE EXECUTIVE MAYOR</b>	
9.1.1	REPORT ON DECISIONS TAKEN BY THE EXECUTIVE MAYOR FOR THE QUARTER: JANUARY 2018 TO APRIL 2018 ( <b>Appendix 1</b> )	571
<b>9.2</b>	<b>REPORT/S BY THE SPEAKER</b>	
	NONE	578
<b>9.3</b>	<b>REPORT/S BY THE MUNICIPAL MANAGER</b>	
	NONE	578
<b>10.</b>	<b>CONSIDERATION OF NOTICES OF QUESTIONS AND NOTICES OF MOTIONS RECEIVED BY THE SPEAKER</b>	
10.1	MOTION 1 BY CLLR LK HORSBAND (MS): FIRE KIT	579
10.2	MOTION 2 BY CLLR LK HORSBAND (MS): TRAUMA COUNSELLING	581
10.3	QUESTION 1 BY CLLR DA HENDRICKSE: ORGANISATIONAL STRUCTURE AND PLACEMENT AGREEMENT	583
10.4	QUESTION 2 BY CLLR DA HENDRICKSE: LEASE OF FARM 369	585
10.5	QUESTION 1 BY CLLR F ADAMS: TEN YEAR CONTRACT	588
10.6	QUESTION 2 BY CLLR F ADAMS: TENDERS	591
<b>11.</b>	<b>CONSIDERATION OF URGENT MOTIONS</b>	
<b>12.</b>	<b>URGENT MATTERS SUBMITTED BY THE MUNICIPAL MANAGER</b>	
<b>13.</b>	<b>CONSIDERATION OF REPORTS</b>	
<b>13.1</b>	<b>REPORTS SUBMITTED BY THE SPEAKER</b>	
	NONE	
<b>13.2</b>	<b>REPORTS SUBMITTED BY THE EXECUTIVE MAYOR</b>	
	NONE	
<b>14.</b>	<b>MATTERS TO BE CONSIDERED IN-COMMITTEE</b>	
	SEE PINK DOCUMENTATION	

---

---

6.	<b>REPORT/S BY THE MUNICIPAL MANAGER RE OUTSTANDING RESOLUTIONS TAKEN AT PREVIOUS COUNCIL MEETINGS</b>
----	--

The report by the Municipal Manager re outstanding resolutions taken at previous meetings of Council is attached as **APPENDIX 1**.

**FOR INFORMATION**

Council Meeting		Resolution	Resolution Date	Allocated To	% Feedback	Feedback Comment
394114	Investigation with regards to the various residential properties in Mont Rochelle Nature Reserve	<p>7.6 INVESTIGATION WITH REGARD TO THE VARIOUS RESIDENTIAL PROPERTIES IN MONT ROCHELLE NATURE RESERVE</p> <p>35TH COUNCIL MEETING: 2015-10-28: ITEM 7.6</p> <p>RESOLVED (majority vote)</p> <p>(a) that Council rescind its resolution taken at the meeting dated, 2014-01-16, with regard to Item 7.2;</p> <p>(b) that the funds allocated to be spent on conducting the proposed investigation rather be spent on consolidating the 46 unsold erven with Mont Rochelle Nature Reserve and negotiating with the owners of the 14 sold (but undeveloped) erven (the priority being erven 342, 307, 314, 322, 355, 336, located in a visually sensitive area north-eastern slope of "Du Toits Kop" facing the Franschhoek valley) regarding the possibility to exchange current erven within Mont Rochelle Nature Reserve with erven in a more suitable area (suitable in terms of environmental, visual and service delivery perspective); and</p> <p>(c) that any other feasible alternative that can limit the impact on the nature reserve that might be identified in the process be considered.</p> <p>The following Councillors requested that their votes of dissent be minuted: Councillors F Adams; JA Davids; DA Hendrickse; S Jooste (Ms); C Moses (Ms); P Mntumi (Ms); RS Nalumango (Ms); P Sitshoti (Ms); AT van der Walt and M Wanana.</p> <p>(DIRECTOR: PLANNING AND ECONOMIC DEVELOPMENT TO ACTION)</p>	2015-10-28	ILZEB	95.00	Awaiting arrangement of a site visit.
478903	SECTION 78 PROCESS FOR AN EXTERNAL SERVICE DELIVERY MECHANISM WITH REGARDS TO PUBLIC	<p>7.6.2 SECTION 78 PROCESS FOR AN EXTERNAL SERVICE DELIVERY MECHANISM WITH REGARD TO PUBLIC TRANSPORT</p> <p>4TH COUNCIL MEETING: 2016-11-23: ITEM 7.6.2</p> <p>RESOLVED (majority vote)</p> <p>(a) that Council approves the proposal that an assessment of the municipality's capacity be done to determine its ability to provide the proposed public transport service through an internal mechanism and that the recommendation of the assessment be submitted to Council for consideration and decision; and</p> <p>(b) that, should the above assessment recommend the use of an external mechanism for the provision of the public transport service, a feasibility study be conducted for the provision of the service through an external mechanism.</p>	2016-11-23	HEADT	30.00	Feasibility assessment i.t.o. fleet/busses ,tax, call centre, dedicated routes, smart applications to be done to determine what the department 's needs would be to provide a transport services thereafter a decision can be made on whether an external mechanism is required

		The following Councillors requested that their votes of dissent be minuted: Councillors F Adams; DA Hendrickse and LK Horsband (Ms).				
478901	THE THIRD GENERATION INTEGRATED WASTE MANAGEMENT PLAN FOR STELLENBOSCH MUNICIPALITY	7.6.4 THE THIRD GENERATION INTEGRATED WASTE MANAGEMENT PLAN (IWMP) FOR STELLENBOSCH MUNICIPALITY 4TH COUNCIL MEETING: 2016-11-23: ITEM 7.6.4 RESOLVED (nem con) (a) that the attached Draft 3rd Generation IWMP be supported by Council for approval in principle; (b) that the proposed Draft 3rd Generation IWMP be duly advertised for public comment until the end of February 2017, and be re-submitted together with any comments / objections by D:EA&DP and the public, for final approval and adoption by Council.	2016-11-23	SALIEMH	30.00	Management information session held. Greencape busy with the finalization of the document.
489388	IDENTIFICATION OF POSSIBLE TRUST LAND IN PNIEL: STATUS REPORT	7.5.1 IDENTIFICATION OF POSSIBLE TRUST LAND IN PNIEL: STATUS REPORT 5TH COUNCIL MEETING: 2017-01-25: ITEM 7.5.1 RESOLVED (nem con) (a) that the content of the notice of the Minister, be noted; (b) that the process plan as set out in par. 3.1.5, submitted to the Minister, be endorsed; (c) that the Municipal Manager be authorised to attend to the public participation process as set out in paragraph 3.1.5; (d) that the proposed allocations, as set out in paragraph 3.1.4, be supported in principle; and (e) that, following the public participation process, a progress report be submitted to Council to deal with the submissions received as a consequence of the public participation process, whereupon final recommendations will be made to the Minister regarding the allocation/transfer of so-called Section 3 Trust land.  (DIR: HUMAN SETTLEMENTS TO ACTION)	2017-01-25	PSMIT	80.00	A letter was submitted to the National Department of Land Affairs and Rural Development on 10 of April 2018, requesting their inputs on the comments received, before submitting an item to Council.
508896	REPORT ON THE ESTABLISHMENT OF WARD COMMITTEES	13.1.1 REPORT ON THE ESTABLISHMENT OF WARD COMMITTEES 7TH COUNCIL MEETING: 2017-03-29: ITEM 13.1.1 RESOLVED (a) that the completion of the ward committee elections, be noted; (b) that the current Policy and Procedures for Ward Committees be revised taking into consideration, amongst other, the geographical	2017-03-29	NICKYC	80.00	Review of policy in process

		<p>model implemented whereafter same be submitted to Council for consideration;</p> <p>(c) that a deviation from the Policy be allowed only in respect of the co-option of members as stipulated in clause 15(2) and clause 15 (3) of the Policy and as stipulated in recommendations D, i, ii, iii and iv.</p> <p>(d) that the Administration be commissioned to perform the following activities in respect of co-opting members within a ward where vacancies do exist:</p> <p>(i) Advertisements and or pamphlets must be prepared inviting nominations for members to be co-opted to serve on the ward committee representing the applicable geographical area/s.</p> <p>(ii) invitations for nominations per geographical area should also be placed on the municipal website;</p> <p>(iii) that elections be held in those wards where more than one nomination for a vacancy/ies within the ward was received; and</p> <p>(iv) that this process of co-option be finalised by end of May 2017 whereafter a report in this regard be submitted to Council.</p> <p>The following Councillors requested that their votes of dissent be minuted: Councillors F Adams; DA Hendrickse and LK Horsband. (ACTING DIR: STRAT &amp; CORP TO ACTION)</p>				
506222	<p>INNOVATION CAPITAL PROGRAMS: LOCAL ECONOMIC DEVELOPMENT HUBS FOR SMALL BUSINESS</p>	<p>7.3.2 INNOVATION CAPITAL PROGRAMS: LOCAL ECONOMIC DEVELOPMENT HUBS FOR SMALL BUSINESSES</p> <p>7th COUNCIL: 2017-03-29: ITEM 7.3.2</p> <p>RESOLVED (majority vote)</p> <p>(a) that approval be granted for the establishment of Local Economic Development hubs / incubators on the following properties as identified in APPENDIX 1:</p> <p>RANK PROPERTY LOCATION PURPOSE MANAGEMENT PROCESS 1 Erf 2235 Groendal (Mooiwater homestead / old youth house) Business support Services incubator Preferred service provider Building/site maintenance; lease agreements; contractor relocation. 2</p>	2017-03-29	ILZEB	95.00	Report finalised, Mayor referred back report for amendments and re- submission to MM for signature.

		<p>Public Place / POS north of Groendal Community Hall Vacant office on play park land Business Sector Offices Preferred service provider Lease agreement.</p> <p>3 Erven 2751 and 6314 (Old Agricultural Hall) Stellenbosch Incubator and affordable rentals for Arts, crafts and tourism sector, including parking area Preferred service provider Building / site maintenance; lease agreements; illegal occupants' relocation; rezoning.</p> <p>4 Erven 228, 229 and 230 Franschoek (Triangle site) Affordable rental space for shops and tourism activities Preferred service provider Building / site maintenance; lease agreements; staff relocation (Erven 228 and 229); site improvement; further lease agreements.</p> <p>5 Re Erf 342 Klapmuts Trading hub Preferred service provider Rezoning; services connections; lease agreements; container acquisition.</p> <p>6 Erf 1538 Franschoek (old tennis courts) Parking/ business opportunity for a co-operative Preferred service provider Site improvement; lease/ management agreement.</p> <p>7 Erven 1956, 1957, 6487, 6488 and 6490 Stellenbosch (Old clinic site and LED office) Business Development Incubator and rental space (Arts, crafts, shops, offices, tourism activities) Preferred service provider Building / site maintenance; lease agreements; occupants' relocation.</p> <p>8 Die Boord POS Intersection Van Rheeede Rd and R44 Community market Preferred service provider Site improvement; lease/ management agreement.</p> <p>9 Erf 721 Pniel (municipal office site) Affordable rental space (Shops and tourism activities) Preferred service provider Rezoning; services connections; lease agreements; container acquisition.</p> <p>(b) that Council agrees to the approved tariff structure for the local economic development incubator hubs as applies to the Kayamandi Economic and Tourism Corridor (KETC);</p> <p>(c) that Council confirms that the properties are not required for the provision of the minimum level of basic municipal services in terms of Section 14 of the Local Government: Municipal Finance Management Act, 2003, Act 56 of 2003; and</p> <p>(d) that the Municipal Manager be authorised to follow the prescribed process for the leasing of the relevant properties in keeping with the Stellenbosch Tariff Structure as amended, through requesting proposals in line with the objectives of Local Economic Development.</p> <p>Councillors DA Hendrickse and LK Horsband requested that their votes of dissent be minuted.</p> <p>(DIR: PLANNING &amp; ECON DEVELOPMENT TO ACTION)</p>				
513321	THE FUTURE USE AND MAINTENANCE OF COUNCIL HERITAGE BUILDINGS	<p>7.3.1 THE FUTURE USE AND MAINTENANCE OF COUNCIL HERITAGE BUILDINGS</p> <p>8TH COUNCIL MEETING: 2017-04-26: ITEM 7.3.1</p> <p>RESOLVED (majority vote with abstentions)</p> <p>(a) that Council supports the establishment of a "heritage portfolio" that can be managed</p>	2017-04-26	ILZEB	20.00	Still awaiting Valuations from Manager : Property Management



		<p>independently from other assets and that the Municipal Manager be mandated to identify all council owned properties to be placed in the heritage portfolio;</p> <p>(b) that the Rhenish complex including Vorgelegen and the Transvalia complex of apartments (Transvalia, Tinetta, Bosmanhuis en Alma) be agreed to be categorised as category A assets;</p> <p>(c) that in terms of Section 14(2)(a) of the MFMA, the properties listed in paragraph 3.4 (table 2) marked as Category A properties, be identified as properties not needed to provide the minimum level of basic municipal services;</p> <p>(d) that, in terms of Regulation 34(3) of the ATR, the Municipal Manager be authorized to conduct the prescribed public participation process, as envisaged in Regulation 35 of the ATR, with the view of awarding long term rights in relation to the Category A properties;</p> <p>(e) that, for the purpose of disposal, two independent valuers be appointed to determine the fair market value and fair market rental of the properties listed in Categories A and B;</p> <p>(f) that, following the public participation process, a report be tabled before Council to consider in principle, the awarding of long term rights in the relevant properties, whereafter a public competitive disposal process be followed; and</p> <p>(g) that, with regard to the properties listed as Category B and C, the Municipal Manager be mandated to investigate the best way of disposing of or managing these assets, including feasibility studies on the possible disposal/awarding of long term rights and/or outsourcing of the maintenance function and that a progress report be tabled before Council within 6 months from the date of approval of the recommendation.</p> <p>Councillor F Adams requested that his vote of dissent be minuted.</p> <p>(DIRECTOR: PLANNING AND ECON DEV TO ACTION)</p>				
514994	Stellenbosch Municipality: Extension of Burial Space	<p>7.3.2 STELLENBOSCH MUNICIPALITY: EXTENSION OF BURIAL SPACE</p> <p>8TH COUNCIL MEETING: 2017-04-26: ITEM 7.3.2</p> <p>RESOLVED (nem con)</p> <p>(a) that Council amends its 27th Meeting of the Council of Stellenbosch (25 February 2015) resolution by adding (b)(x) to include any alternative land in the same area which could feasibly be used as a site to be investigated as a solution to the critical need for burial space within Stellenbosch Municipality;</p> <p>(b) that Council supports the acquisition of the required authorization for the proposed establishment of regional cemeteries (for burial need within WC024) at Farm Culcatta No. 29 and the Remainder of Farm Louw's Bos No. 502 as well as the proposed establishment of a regional cemetery at Farm De Novo No. 727/10 and Portion 1 of 'Farm Meer Lust No 1006 should the process of acquiring the necessary approval from the Department of Transport and Public Works be acquired;</p>	2017-04-26	ILZEB	60.00	EIA consultations have commenced and are currently in process. Pre-application public participation process commenced 15 Feb 2018 and concludes 15 Apr 2018.

		<p>(c) that the possible creation of a garden of remembrance as alternative to a traditional land site also be investigated; and</p> <p>(d) that Council authorises the Municipal Manager to proceed with acquiring the necessary approvals for the establishment of the above cemeteries.</p> <p>(DIRECTOR: PLANNING &amp; ECON DEV TO ACTION)</p>				
532470	7.5.2 UTILISATION OF A PORTION OF THE WEMMERSHOEK COMMUNITY HALL AS AN EARLY CHILDHOOD DEVELOPMENT FACILITY (CRECHE)	<p>7.5.2 UTILISATION OF A PORTION OF THE WEMMERSHOEK COMMUNITY HALL AS AN EARLY CHILDHOOD DEVELOPMENT FACILITY (CRECHE)</p> <p>COUNCIL MEETING: 2017-07-26: ITEM 7.5.2</p> <p>RESOLVED (nem con)</p> <p>(a) that the property in question be identified as property not needed/required for the municipality's own use;</p> <p>(b) that the Administration be authorised to follow a public competitive process (Call for Proposal), with the view of awarding rights to a bidder to use/develop the property as a ECD facility, based on a 1- year lease agreement;</p> <p>(c) that the minimum lease be determined at 20% of market value (to be determined by an independent valuer); and</p> <p>(d) that the Municipal Manager be authorised to develop/approve the evaluation criteria, as to ensure that preference be given to local, previously disadvantaged people with the necessary skills and experience to manage such a facility.</p> <p>(DIRECTOR: ENGINEERING SERVICES TO ACTION)</p>	2017-07-26	PSMIT	80.00	Tenderers were invited to submit proposal closing date for submission of tenders is 11 May 2018.
532553	INTEGRATED WASTE MANAGEMENT PLAN (IWMP)	<p>7.6.3 3RD GENERATION INTEGRATED WASTE MANAGEMENT PLAN (IWMP) NOT SERVING AT COUNCIL BY JUNE 2017, AS PER PERFORMANCE AGREEMENT</p> <p>10TH COUNCIL MEETING: 2017-07-26: ITEM 7.6.3</p> <p>RESOLVED (nem con)</p> <p>(a) that Council notes that the 3rd Generation Integrated Waste Management Plan will not serve at Council until the potential additional airspace has been included in the plan;</p> <p>(b) that GreenCape make the necessary amendments and that the document serves for public participation before it is finalised; and</p> <p>(c) that the Final 3rd Generation Integrated Waste Management Plan (IWMP) serves at Council in October 2017 for approval.</p> <p>(DIRECTOR: ENGINEERING SERVICES TO ACTION)</p>	2017-07-26	SILVIAP	80.00	GreenCape will finalize document. By 25/5/18

539732	Street People Policy	<p>7.1.2 STREET PEOPLE POLICY</p> <p>11TH COUNCIL MEETING: 2017-08-30: ITEM 7.1.2</p> <p>RESOLVED (majority vote with abstentions)</p> <p>(a) that Council approve the draft policy on Street People (as amended) in principle to provide a framework for the Department Community Development to start consultation with civil society on a collaborative approach to dealing with people living on the street;</p> <p>(b) that the draft Policy on Street People go out for public participation, which include consultation with civil society; and</p> <p>(c) that all inputs and comments received from the public participation- and consultation process be first considered by Council before a final decision is made on the approval of the Street People Policy for implementation.</p> <p>(DIRECTOR: PLAN &amp; ECON DEV TO ACTION)</p>	2017-08-30	MICHELLEB	15.00	Third workshop completed on 03/05/2018 with little attendance from stakeholders. Meeting with Executive Mayor indicate pushing forward re-submission of policy for approval and continuation of workshops thereafter and reviewing policy when and where needed.
540661	<p>FEEDBACK ON PUBLIC PARTICIPATION ON VERSION 10.3A AND REQUEST FOR COMMENCEMENT OF PUBLIC PARTICIPATION ON DRAFT VERSION 11 OF THE INTERGRATED ZONING SCHEME BY-LAW FOR STELLENBOSCH MUNICIPALITY (WC024)</p>	<p>8.10 FEEDBACK ON PUBLIC PARTICIPATION ON VERSION 10.3A AND REQUEST FOR COMMENCEMENT OF PUBLIC PARTICIPATION ON THE DRAFT VERSION 11 OF THE NEW STELLENBOSCH ZONING SCHEME BY-LAW FOR STELLENBOSCH MUNICIPALITY (WC024)</p> <p>11TH COUNCIL MEETING: 2017-08-30: ITEM 8.10</p> <p>RESOLVED (majority vote with abstentions)</p> <p>(a) that Council authorises the Municipal Manager to:</p> <p>(i) proceed with re-advertising of the Draft IZS By-law Annexure B for a period of 60 days; and</p> <p>(ii) copies of the document (version 11), the draft converted zoning maps and zoning register be placed at all municipal libraries for a period of 60 days; and</p> <p>(b) that the Final Draft Integrated Zoning Scheme By-law be resubmitted to Council after the public participation process for final consideration.</p> <p>(DIRECTOR: PLANNING &amp; ECON DEV TO ACTION)</p>	2017-08-30	ILZEB	90.00	The editing of comments from public participation is in process.
543953	SOLID WASTE UPGRADE REPORT	<p>7.6.2 SOLID WASTE UPGRADE REPORT</p> <p>12TH COUNCIL: 2017-09-27: ITEM 7.6.2</p> <p>RESOLVED (majority vote with abstentions)</p> <p>(a) that a Section 78 process be launched and that an internal waste disposal service delivery increase be investigated through the Section 78(1) approach; and</p>	2017-09-27	SILVIAP	50.00	Awaiting quotation for consultant to proceed with single source process.

		(b) that a formal report be submitted to Council as required by Section 78(2), which will indicate the best way of rendering internal waste disposal by landfill and any recommendations to a possible external method of waste disposal landfill.  (DIRECTOR: ENGINEERING SERVICES TO ACTION)				
543966	PARKING UPGRADE REPORT	7.6.1 PARKING UPGRADE REPORT  12TH COUNCIL: 2017-09-27: ITEM 7.6.1  RESOLVED (majority vote with abstentions)  (a) that a Section 78 process be launched and that an internal parking service delivery increase be investigated through the Section 78(1) approach;  (b) that parking service delivery increase be based on the towns of: i) Stellenbosch ii) Klapmuts, and iii) Franschhoek; and  (c) that a formal report be submitted to Council as required by Section 78(2), which will indicate the best way of rendering internal parking and any recommendations to a possible external method of rendering parking services.  (DIRECTOR: ENGINEERING SERVICES TO ACTION)	2017-09-27	HEADT	20.00	Busy with investigation/feasibility study
543945	IDENTIFYING OF MUNICIPAL AGRICULTURAL LAND FOR IMPLEMENTATION OF FARMER PRODUCTION SUPPORT UNIT (FPSU) - 9/2/1/1/1/3	7.3.2 IDENTIFYING OF MUNICIPAL AGRICULTURAL LAND FOR IMPLEMENTATION OF FARMER PRODUCTION SUPPORT UNIT (FPSU)  12TH COUNCIL: 2017-09-27: ITEM 7.3.2  RESOLVED (majority vote with abstentions)  (a) that Council support and approve the implementation of a Farmer Production Support Unit (FPSU) within the WCO24;  (b) that Council support and approve the following two sites as identified for the purpose of a Farmer Production Support Unit (FPSU) in accordance with the Policy of the Management of Agricultural Land: • Lease portion BH1 of Farm 502, Stellenbosch; and • Lease portion BH2 of Farm 502 Stellenbosch.  (c) that the Local Economic Development Department be mandated to undertake all required land use management applications and processes, which include, amongst others rezoning, registration of lease area and departures for the relevant area to accommodate a Farmer Production Support Unit (FPSU) as the current zoning is for agricultural purposes only, given sufficient funding and budget made available by the National Department of Rural Development and Land Reform (NDRDLR); and	2017-09-27	ILZEB	95.00	NDRDLR is in the final stages of allocating funding from the National Department to implement the project.

		<p>(d) that the National Department of Rural Development and Land Reform (NDRDLR) draft a MOU between the Stellenbosch Municipality as land owner and the National Department of Rural Development and Land Reform (NDRDLR) on the roles and responsibilities of the different role players for the Council to consider, prior to any lease agreement be entered into or change in land use process commences.</p> <p>Cllrs DA Hendrickse and LK Horsband (Ms) requested that their votes of dissent be minuted.</p> <p>Councillor F Adams requested that it be minuted that he supports the item with reservations.</p> <p>(DIRECTOR: PLAN &amp; ECON DEV TO ACTION)</p>				
544452	FUTURE OF THE EX-KLEINE LIBERTAS THEATRE	<p>7.5.2 FUTURE OF THE EX-KLEINE LIBERTAS THEATRE</p> <p>12TH COUNCIL: 2017-09-27: ITEM 7.5.2</p> <p>RESOLVED (majority vote with abstentions)</p> <p>that a notice be published, inviting public inputs on the matter, whereafter a final decision be made whether to proceed with the rebuilding or to plan/develop an alternative facility/usage.</p> <p>The following Councillors requested that their votes of dissent be minuted: Cllrs F Adams; DA Hendrickse and LK Horsband (Ms).</p> <p>(DIRECTOR: HUMAN SETTLEMENT TO ACTION)</p>	2017-09-27	PSMIT	90.00	A meeting was scheduled with the architect, informing her of the latest Council resolution. They were requested to update the tender document /building plans accordingly, where after tenders for the construction of the new facility will be invited.
546882	Motion WC Petersen - Proposed development of erven 412 and 284, Groendal, Franschhoek	<p>10.2 MOTION BY COUNCILLOR WC PIETERSEN (MS): PROPOSED DEVELOPMENT OF ERVEN 412 AND 284, GROENDAL, FRANSCHHOEK</p> <p>12TH COUNCIL MEETING: 2017-09-27: ITEM 10.2</p> <p>The Speaker allowed Cllr WC Petersen (Ms) put her Motion, duly seconded. After the Motion was motivated, the Speaker allowed debate on the matter.</p> <p>The matter was put to the vote, yielding a result of all in favour.</p> <p>RESOLVED (nem con)</p> <p>that an item be prepared for Council's consideration regarding the development of Erf 412 (high density housing) and retirement resort Erf 284 with or without frail care facility.</p> <p>(OFFICE OF THE MM TO ACTION)</p>	2017-09-27	PSMIT	5.00	A meeting was scheduled between Councillor Petersen and the Manager New Housing to acetate what kind of subsidies, if any would be payable on a project of this nature. Once this information is available a report will be submitted to Council.
559586	DEVELOPMENT OF ZONE O AND THE HOUSING ALLOCATION	<p>7.5.2 DEVELOPMENT OF ZONE O AND THE HOUSING ALLOCATION CRITERIA FOR THE PHASE 2B AND 2C (277 SITES), WATERGANG, KAYAMANDI</p>	2017-11-29	TABISOM	50.00	<p>a) Noted.</p> <p>b) Noted.</p> <p>c) Noted.</p>

	<p>CRITERIA FOR THE PHASE 2B AND 2C (277 SITES), WATERGANG, KAYAMANDI</p>	<p>14TH COUNCIL MEETING: 2017-11-29: ITEM 7.5.2</p> <p>RESOLVED (majority vote with abstentions)</p> <p>(a) that the block approach/method be implemented in Zone O (upper part next to Thubelisha) to effectively address the provision of new housing opportunities i.e. servicing of sites and construction of high density residential units;</p> <p>(b) that beneficiaries that were not allocated houses on the bottom part (access road) be allocated a site or Temporary Relocation Area units once (a) has been achieved and if there is any space available;</p> <p>(c) that, within the block approach non-qualifiers that earn R3 501 to R7 000 per month be allocated serviced sites in accordance with the Finance Linked Individual Subsidy Programme (FLISP);</p> <p>(d) that, within the block approach non-qualifiers (as prescribed by housing policy guidelines) that earn between R7 001 to R15 000 per month be allocated a serviced site at a cost equal to the amount as approved by Provincial Department of Human Settlement (PDoHS) for a serviced site in the project (Watergang Phase 2, Kayamandi);</p> <p>(e) that ±40 beneficiaries from Enkanini that are on the road reserve be allocated temporary housing units to enable the Municipality to implement the erf 2175 pilot project (i.e. electrification, sanitation, water);</p> <p>(f) that Temporary Relocation Area 1 residents who were not allocated units in 2005, that does not qualify for a housing subsidy also be allocated sites (±20 beneficiaries);</p> <p>(g) that the 10m road reserve be waived and the 8m road reserve be approved in order to create more housing opportunities;</p> <p>(h) that 10% of the Temporary Relocation Areas be reserved for emergency cases in accordance with Council's Emergency Housing Assistance Policy (EHAP);</p> <p>(i) that once the above process has been completed and should plots still be available in the Temporary Relocation Areas (TRA), beneficiaries are identified from Zone N that can be allocated sites in the TRA (only from the group that was placed there by the Municipality);</p> <p>(j) that the parking requirements be amended from one (1) parking per housing unit to 0,6 average per housing unit.</p> <p>(DIR: HUMAN SETTLEMENTS TO ACTION)</p>				<p>d) Noted. e) Noted. f) Noted. g) Noted. h) Noted. i) Noted j) Noted</p> <p>Public participation process started late in January 2018. Contractor experiencing labour and technical problems on-site. Technical issues are being addressed.</p>
559587	<p>VARIOUS ISSUES: VLOTTENBURG HOUSING PROJECTS: WAY FORWARD</p>	<p>7.5.3 VARIOUS ISSUES: VLOTTENBURG HOUSING PROJECTS: WAY FORWARD</p> <p>14TH COUNCIL MEETING: 2017-11-29: ITEM 7.5.3</p> <p>Cllr DA Hendrickse requested that it be minuted that, in his view, these recommendations</p>	2017-11-29	TABISOM	50.00	<p>A signed offer to Purchase/exchange of land agreement will be submitted to Council during May 2018 to authorise the proposed transaction.</p>

		<p>are illegal.</p> <p>RESOLVED (majority vote with abstentions)</p> <p>(a) that the Municipal Manager be mandated to conclude an agreement(s) with the new owner of Longlands regarding the development of the envisaged low-income housing project, either by way of a new Deed of Donation or by way of a Ceding Agreement(s); and</p> <p>(b) that the Municipal Manager be mandated to conclude agreements with the owner(s) of Remainder Farm 387 (Vredenheim) and Portion 2 of Farm 1307 (Ash Farmers) with the view of securing an access servitude(s) or the purchase/exchange of land for this purpose and/or land for additional housing.</p> <p>The following Councillors requested that their votes of dissent be minuted: Cllrs F Adams; DA Hendrickse and LK Horsband (Ms).</p>				
559589	<p>APPROVAL OF THE ELECTRICAL SERVICES BY-LAW AND ADMISSION OF GUILT FINES</p>	<p>7.6.2 APPROVAL OF THE ELECTRICAL SERVICES BY-LAW AND ADMISSION OF GUILT FINES</p> <p>14TH COUNCIL MEETING: 2017-11-29: ITEM 7.6.2</p> <p>RESOLVED (nem con)</p> <p>(a) that the content of this report be noted;</p> <p>(b) that the attached Draft Electrical Services By-law (2017) be approved and adopted by Council as the final Electrical Services By-Law;</p> <p>(c) that the Draft Electrical Services By-Law (2017), attached as Annexure A, once approved and adopted by Council, be promulgated in the Provincial Gazette by the Directorate: Strategic and Corporate Services' Legal Services' team;</p> <p>(d) that the By-Law becomes active upon the date that it is published in the Western Cape Provincial Gazette; and</p> <p>(e) that the proposed set of Admission of Guilt Fines (Attached as Annexure B) be accepted as the fines to be sought from the Chief Magistrate for this By-Law.</p> <p>(DIR: ENGINEERING SERVICES TO ACTION)</p>	2017-11-29	SILVIAP	80.00	Promulgated. Awaiting Magistrate to approve
559597	<p>PNIEL ELECTRICITY TAKE-OVER: IN PRINCIPLE APPROVAL OF THE MEMORANDUM OF AGREEMENT</p>	<p>7.6.5 PNIEL ELECTRICITY TAKE-OVER: IN PRINCIPLE APPROVAL OF THE MEMORANDUM OF AGREEMENT</p> <p>14TH COUNCIL MEETING: 2017-11-29: ITEM 7.6.5</p> <p>In terms of Rule 28 of the Rules of Order By-law, Cllr F Adams submitted a written apology to the Speaker for his behavior earlier during the meeting. The Speaker read the apology</p>	2017-11-29	NOMBULELO M	90.00	Take over in final stage. Community has also been informed.

		<p>and accepted Cllr F Adams's apology. Cllr F Adams was allowed to re-join the meeting again (at 14.30).</p> <p>RESOLVED (nem con)</p> <p>(a) that the content of this report be noted;</p> <p>(b) that the Memorandum of Agreement (MOA) be noted;</p> <p>(c) that approval be given to the Municipal Manager to negotiate a final version of the Memorandum of Agreement (MOA); and</p> <p>(d) that Council considers the approval of the final Memorandum of Agreement (MOA) at a future Council Meeting.</p> <p>(DIRECTOR: ENGINEERING SERVICES TO ACTION)</p>				
559598	<p>PROGRESS WITH THE PLANNING OF AN INTEGRATED PUBLIC TRANSPORT SERVICE NETWORK AND THE PROVINCIAL SUSTAINABLE TRANSPORT SYSTEM</p>	<p>7.6.4 PROGRESS WITH THE PLANNING OF AN INTEGRATED PUBLIC TRANSPORT SERVICE NETWORK AND THE PROVINCIAL SUSTAINABLE TRANSPORT SYSTEM</p> <p>14TH COUNCIL MEETING: 2017-11-29: ITEM 7.6.4</p> <p>After two warnings during deliberations on the matter, the Speaker ordered Cllr F Adams to leave the Council Chamber (at 14:20) for violating Rule 27 of the Rules of Order By-law.</p> <p>RESOLVED (majority vote with abstentions)</p> <p>(a) that Council takes note of the Operational Business Plan for the proposed Integrated Public Transport Service Network (IPTN) as recommended in the Comprehensive Integrated Transport Program;</p> <p>(b) that the recommendations of the Integrated Public Transport Service Network (IPTN) not be adopted at this stage, but that Council wait for the findings of the Provincial Sustainable Transport Program before any public transport system is implemented; and</p> <p>(c) that Council takes note of the progress made with the Provincial Sustainable Transport Program (PSTP).</p> <p>(DIR: ENGINEERING SERVICES TO ACTION)</p>	2017-11-29	HEADT	50.00	<p>Sustainable transport programme not finalized yet. Following the roll-out of NMT Infrastructure, the Municipality intends to promote a scheduled system through the PSTP that is in line with the ITPN Business Plan.</p>
559624	<p>STELLENBOSCH MUNICIPALITY PROBLEM PROPERTIES DRAFT BY-LAW, AUGUST 2017</p>	<p>8.3.3 STELLENBOSCH MUNICIPALITY PROBLEM PROPERTIES DRAFT BY-LAW, AUGUST 2017</p> <p>14TH COUNCIL MEETING: 2017-11-29: ITEM 8.3.3</p> <p>RESOLVED (nem con)</p> <p>(a) that the draft By-law on Problem Properties for Stellenbosch Municipality, August 2017, be approved, in principle;</p>	2017-11-29	HEDRED	5.00	<p>Publication of the Draft By-law for public comment will commence early in February 2018, due to the fact that no public participation may be undertaken in the reses period (15 December to 15 January).</p>



		<p>(b) that the draft By-law on Problem Properties for Stellenbosch Municipality, August 2017, be advertised for public comment for 90 days where after same be resubmitted to Council for final consideration and subsequent approval; and</p> <p>(c) that the reference to the properties referred to in the agenda item under point 4 be removed from the item.</p> <p>(DIR: PLANNING &amp; ECON DEV TO ACTION)</p>				
559653	KAYAMANDI: LAND FOR RELOCATION OF SURPLUS HOUSEHOLDS	<p>8.3.2 KAYAMANDI: LAND FOR RELOCATION OF SURPLUS HOUSEHOLDS</p> <p>14TH COUNCIL MEETING: 2017-11-29: ITEM 8.3.2</p> <p>RESOLVED (majority vote)</p> <p>that the Municipal Manager be authorised to investigate / negotiate the acquisition of land, which may include land swaps, land purchase and /or the early termination of lease agreements on Council-owned property in the area (lease areas), to be approved by Council before implementation.</p> <p>(DIR: HUMAN SETTLEMENTS TO ACTION)</p>	2017-11-29	TABISOM	10.00	Engagements have started with owners of land abutting Kayamandi. Valuers have been appointed. Awaiting valuation reports.
559971	PROPOSED DISPOSAL (THROUGH A LAND AVAILABILITY AGREEMENT) OF MUNICIPAL LAND, A PORTION OF PORTION 4 OF FARM NO 527 AND A PORTION OF THE REMAINDER OF FARM 527, BOTH LOCATED IN JAMESTOWN, STELLENBOSCH AND THE APPOINTMENT OF A TURNKEY DEVELOPER IN ORDER TO F	<p>PROPOSED DISPOSAL (THROUGH A LAND AVAILABILITY AGREEMENT) OF MUNICIPAL LAND, A PORTION OF PORTION 4 OF FARM NO 527 AND A PORTION OF THE REMAINDER OF FARM 527, BOTH LOCATED IN JAMESTOWN, STELLENBOSCH AND THE APPOINTMENT OF A TURNKEY DEVELOPER IN ORDER TO FACILITATE THE DELIVERY OF STATE SUBSIDIZED HOUSING UNITS, SERVICED SITES FOR AFFORDABLE HOUSING UNITS, GAP HOUSING UNITS AND HIGH INCOME HOUSING UNITS</p> <p>14TH COUNCIL MEETING: 2017-11-29: ITEM 7.5.1</p> <p>RESOLVED (majority vote with abstentions)</p> <p>(a) that the land parcels listed in paragraph 1.(i) and indicated in Figure 12 be identified as land not needed by Stellenbosch Municipality to provide the minimum level of services; and</p> <p>(b) that the Municipal Manager be authorized to initiate a Call for Proposals process with minimum requirements as determined through preliminary investigations to be completed by the administration.</p> <p>Cllrs DA Hendrickse and LK Horsband (Ms) requested that their votes of dissent be minuted.</p> <p>(DIR: HUMAN SETTLEMENTS TO ACTION)</p>	2017-11-29	TABISOM	50.00	<p>(a) Noted.</p> <p>(b) The departments Property Management and New Housing prepared a draft Proposal Call for the appointment for a turn-key developer. The Proposal Call served before BSC and was referred back for comments. The necessarily alterations are being done by the said departments.</p>
568279	QUO VADIS: MILLSTREAM CORRIDOR	<p>12.1 QUO VADIS: MILLSTREAM CORRIDOR</p> <p>15TH COUNCIL MEETING: 2018-01-24: ITEM 12.1</p>	2018-01-24	TABISOM	20.00	A notice will be published on the 10 <sup>th</sup> of May, soliciting public input on the future use of the area under discussion. The Municipal Manager was

		<p>The Municipal Manager submitted an Urgent matter, Millstream Corridor to Council as provided for in Council's Rules of Order By-Law. Councillor MB De Wet disclosed an interest in the matter and requested to be recused for the duration of the discussion. The Speaker allowed the Executive Mayor to put the matter. Cllr F Adams objected to the urgency of the matter and requested that this matter stands over to allow Councillors an opportunity to peruse the document handed out in the meeting.</p> <p>RESOLVED (nem con) that this matter stand over until a next meeting of Council.</p> <p>(DIR: HUMAN SETTLEMENTS TO ACTION)</p>				further requested to give direction regarding the legal opinion and report to be submitted to Council.
582818	SECTION 78(2) REPORT FOR THE EXPANSION OF THE SOLID WASTE LANDFILL SITE	<p>7.6.1 SECTION 78(2) REPORT FOR THE EXPANSION OF THE SOLID WASTE LANDFILL SITE</p> <p>16TH COUNCIL MEETING: 2018-03-28: ITEM 7.6.1</p> <p>RESOLVED (nem con)</p> <p>(a) that this report be noted;</p> <p>(b) that Council notes the report on the Devon Valley Solid Waste Landfill site and the plans to expand this site through the request to Eskom to move high voltage circuitry in order to open space for the expansion of the current Landfill site;</p> <p>(c) that Council accepts that all the requirements of Section 78(1) in terms of investigating the feasibility of expanding the current landfill site have been satisfactorily attended to;</p> <p>(d) that Council, in terms of the Municipal Systems Act, Act 32 of 200, as amended, Section 78(2), accepts the scenario to continue with the planning and implementation of the internal mechanism of expanding the current landfill site to the area south west of the current site;</p> <p>(e) that the Director: Infrastructure Services be tasked to negotiate a process of moving the Eskom 66kV lines to a position away from the current landfill site and expansion site thereof;</p> <p>(f) that any Town Planning-, Environmental-, licensing and any other legislative requirement be adhered to; and</p> <p>(g) that a report indicating accurate costing, licensing and other related matters be submitted to Council once they are known, at which time Council will consider a final approval of the expansion of this landfill site.</p>	2018-03-28	DLOUW	55.00	Discussion with Eskom and DEADP being held

582819	KAYAMANDI TOWN CENTRE REDEVELOPMENT PROJECT: FEASIBILITY REPORT	<p>7.5.3 KAYAMANDI TOWN CENTRE REDEVELOPMENT PROJECT: FEASIBILITY REPORT</p> <p>16TH COUNCIL MEETING: 2018-03-28: ITEM 7.5.3</p> <p>RESOLVED (nem con)</p> <p>(a) that the recommendations of the feasibility report be implemented with regard to the:</p> <ul style="list-style-type: none"> <li>• detailed planning and land use rights;</li> <li>• detailed engineering designs;</li> <li>• installation of civil and electrical engineering;</li> <li>• high density residential development layout; and</li> </ul> <p>(b) that funding be sourced from the Provincial Department of Human Settlements (PDoHS) to implement the project.</p>	2018-03-28	TABISOM	20.00	<p>a) The SCM processes are being followed in implement the recommendation in the feasibility report.</p> <p>b) A request for funding has been discussed with PDoHS.</p>
582817	PNIEL ELECTRICITY NETWORK TAKEOVER FROM DRAKENSTEIN MUNICIPALITY: PROJECT TIMELINE AND MOU	<p>7.6.3 PNIEL ELECTRICITY NETWORK TAKEOVER FROM DRAKENSTEIN MUNICIPALITY: PROJECT TIMELINE AND MOU</p> <p>16TH COUNCIL MEETING: 2018-03-28: ITEM 7.6.3</p> <p>RESOLVED (nem con)</p> <p>(a) that this report be noted;</p> <p>(b) that the Final MOU be accepted;</p> <p>(c) that the Municipal Manager be authorised to sign the MOU on behalf of the Municipality;</p> <p>(d) that the amount of R16 236 253 for the purchase of the Pniel/Hollandsche Molen Electricity Network from Drakenstein be considered at the setting up of the 2018/2019 Capital Budget;</p> <p>(e) that an application be forwarded to NERSA to incorporate the Pniel/Hollandsche Molen Electricity Network into the license of Stellenbosch Municipality; and</p> <p>(f) that an application be forwarded to Drakenstein Municipality to supply bulk electricity to the Pniel/Hollandsche Molen upon a successful response from NERSA and the appropriate capital amount be placed on the 2018/2019 capital budget.</p>	2018-03-28	DLOUW	95.00	Take over in final phase. Community informed
582829	PROPOSED WRITE-OFF OF IRRECOVERABLE DEBT OF THE	<p>7.4.2 PROPOSED WRITE-OFF OF DISPUTED DEBT OF THE STELLENBOSCH GOLF CLUB</p> <p>16TH COUNCIL MEETING: 2018-03-28: ITEM 7.4.2</p>	2018-03-28	MERVINW	20.00	Legal Services in processes of appointed Arbitrator

	STELLENBOSCH GOLF CLUB	<p>RESOLVED (nem con)</p> <p>that Council resolves to continue with Arbitration proceedings, despite having considered all risk factors, implications and potential adverse effect it accompanies and that the Mediation proposal be submitted as part of the arbitration process.</p>				
582821	IDENTIFICATION OF LAND FOR EMERGENCY HOUSING	<p>7.3.1 IDENTIFICATION OF LAND FOR EMERGENCY HOUSING</p> <p>16TH COUNCIL MEETING: 2018-03-28: ITEM 7.3.1</p> <p>RESOLVED (majority vote)</p> <p>(a) that the land identified in the report attached as APPENDIX 1 be included for emergency housing purposes in the Municipal Spatial Development Framework (MSDF);</p> <p>(b) that the Directorate: Planning and Economic Development continues with the process to determine the magnitude of, and need for, emergency housing and subsequently the extent of land required to provide an adequate response to emergency housing;</p> <p>(c) that other possible appropriate sites also be included in the Municipal Spatial Development Framework (MSDF); and</p> <p>(d) that Klapmuts and any other possible areas be investigated as to its suitability and availability for emergency housing, and that zoning be prepared if found suitable and available for the above purposes.</p>	2018-03-28	BERNABYB	20.00	Policy will be included in the 2019 MSDF and budget 2018/19

7.	<b>CONSIDERATION OF ITEMS BY THE EXECUTIVE MAYOR: (ALD G VAN DEVENTER (MS))</b>
----	---

7.1	<b>COMMUNITY DEVELOPMENT AND COMMUNITY SERVICES: (PC: CLLR AR FRAZENBURG)</b>
-----	---

NONE

7.2	<b>CORPORATE AND STRATEGIC SERVICES: (PC: CLLR E GROENEWALD (MS))</b>
-----	---

7.2.1	<b>MFMA SECTION 116(3) – PROPOSAL TO AMEND THE CURRENT ICT CONTRACTS FOR SOFTWARE LICENCE AND SUPPORT AGREEMENTS FOR A PERIOD OF THIRTY-SIX MONTHS, EFFECTIVE FROM 01 JULY 2018 TO 30 JUNE 2021</b>
-------	---

**Collaborator No:** 589233  
**IDP KPA Ref No:** Good Governance  
**Meeting Date:** 16 May 2018

**1. SUBJECT: MFMA SECTION 116(3) – PROPOSAL TO AMEND THE CURRENT ICT CONTRACTS FOR SOFTWARE LICENCE AND SUPPORT AGREEMENTS FOR A PERIOD OF THIRTY-SIX MONTHS, EFFECTIVE FROM 01 JULY 2018 TO 30 JUNE 2021**

**2. PURPOSE**

To obtain Council's approval on the proposed amendment of all the ICT contracts terminating on the 30 June 2018 for a period of 3 years effective 1 July 2018 to 30 June 2021, Council may terminate any of the contracts on a 6 months' notice period during this period. The changes may be affected in terms of the enabling provisions of Section 116(3) of the Local Government: Municipal Finance Management Act, Act No. 56 of 2003 (MFMA).

**3. DELEGATED AUTHORITY**

Municipal Council.

**4. EXECUTIVE SUMMARY**

The matter to amend the ICT contracts by extending them for a period of 3 years served before Council in March 2018. Council inter alia resolved on 28 March 2018 (item 7.2.2.) that the intention of Council to extend the contracts for 3 years from 1 July 2018 must be published for public comment. The notice was placed in the Eikestad News and closed on 12 May 2018. A copy of the notice is attached as Annexure A. No comments were received.

---

All the current ICT contracts were previously amended in 2016 through a Section 116 (3) process in order to accommodate the mSCOA implementation and the investigation in regard to an assessment on ERP solutions for the Municipality. The Finance department is in constant contact with the owners of the Financial System (SAMRAS) to ensure that the system developments are of such a nature that it can deal with mSCOA in full before a final decision is made on the continuation with SAMRAS as the financial system or not.

When an information system is bought the long term impact is that the Municipality will be using that system for a period longer than the normal 3 of 5 years that is set for new tender processes. An information system is the intellectual property of a company and no other company can provide the support or licencing for that information system. The dynamic nature of Information and Communications Technology, as well as investments made in business systems warrant a continuous re-assessment of investments and system functionalities to ensure that value for money is achieved at all times. The long term impact of investments made in business systems and services warrants that the Stellenbosch Municipality continually re-assess its investment strategies to ensure on-going alignment with the deployment of business systems in line with mSCOA business processes. A final decision on whether the Municipality will replace the current financial system needs to be made first to enable the Municipality to determine the starting point for the ERP assessment.

If there is a decision that the financial system should be changed a comprehensive process will have to follow to tender and adjudicate the acquisition of a new system and Treasury plays a watchdog role in this process to ensure that the system that is procured is of the standard required. Should the Municipality decide to buy a new financial system it would make sense to assess the costs of one comprehensive system to replace the current systems listed in paragraph 6. Should the Municipality decide not to acquire a new financial system the assessment would be how we ensure integration of existing systems with SAMRAS where integration is an issue or what new systems should be acquired to integrate with SAMRAS.

Various improvements have been made to ensure that systems integrate and where new support contracts are negotiated that the interests of the Municipality is protected. No new systems may be acquired by directorates unless it was debated at the ICT steering committee to ensure integration with current systems. Specifications are written to ensure that systems can integrate and that functionality is not duplicated.

## **5. RECOMMENDATIONS**

### **MAYORAL COMMITTEE MEETING: 2018-05-16: ITEM 5.2.4**

#### **RESOLVED**

#### **That it be recommended to Council:**

- (a) that Council takes note of the reasons tabled for the proposed amendments of all the current ICT contracts for ICT related systems and services for a period of 36 months, effective from 1 July 2018 to 30 June 2021 with the provision that the Municipality can cancel any of the systems with a six month notice period during this time;

- 
- (b) that Council takes note that Council had advertised its intention to amend all ICT systems related contracts for a period of 36 months on the 12 April 2018 on the local newspaper Eikestad News, Municipal Notice Boards and Municipal Website, and that no comments were received from the public; and
- (c) that Council approves that sufficient funding on the operational budget vote for the Software Licensing UKey: 20170608982691 is approved, to finance the extension and renewal of all the current ICT systems and services for the financial year of 2018/2019. Budget provisions will be made on a yearly basis depending on the process forward.

## 6. DISCUSSION / CONTENTS

### 6.1 Background

Section 116(3) of the MFMA provides as follows: *“(a) the reasons for the proposed amendment have been tabled in the council of the municipality or, in the case of a municipal entity, in the council of its parent municipality; and (b) the local community- (i) has been given reasonable notice of the intention to amend the contract or agreement; and (ii) has been invited to submit representations to the municipality or municipal entity.”*

The municipality should ideally have a single business system with a single database and workflow. Considerations to introduce such a strategy for business systems should however always be assessed carefully against initial investment costs for such ventures, as well as the potential risks if the anticipated operational efficiencies and return on investments are not realized.

Migration strategies for local government institutions must remain aligned with architectures and technologies of selected manufacturers as well as trusted relationships with selected service providers. Investments made by local government institutions in business system architectures and trusted relationships with service providers are seen as long term investments which cannot readily be changed without exposing the municipality to continuity and contingency risks.

When an information system is bought the long term impact is that the Municipality will be using that system for a period longer than the normal 3 of 5 years that is set for new tender processes. An information system is the intellectual property of a company and no other company can provide the support or licencing for that information system. The dynamic nature of Information and Communications Technology, as well as investments made in business systems warrant a continuous re-assessment of investments and system functionalities to ensure that value for money is achieved at all times. The long term impact of investments made in business systems and services warrants that the Stellenbosch Municipality continually re-assess its investment strategies to ensure on-going alignment with the deployment of business systems in line with mSCOA business processes. A final decision on whether the Municipality will replace the current financial system needs to be made first to enable the Municipality to determine the starting point for the ERP assessment.

The portfolio of ICT contracts terminating on 30 June 2018 for which a section 116(3) process is followed are depicted on the table below:

**Table 1 : Portfolio of ICT Contracts**

<i>Service Provider</i>	<i>Scope of Services</i>
1. <i>Bytes Universal Systems</i>	Financial Services - SAMRAS is the Core Financial System for the Stellenbosch Municipality.
2. <i>PayDay</i>	Strategic and Corporate Services - HR and Payroll System for the Stellenbosch Municipality
3. <i>Business Engineering</i>	Strategic and Corporate Services - Data and Workflow System with Document Archiving Capabilities
4. <i>Ignite</i>	Strategic and Corporate Services - Performance and Compliance Management System
5. <i>IMQS</i>	Engineering Services - Support and Information System to Manage and Report on Municipal infrastructure Assets
6. <i>Avalon</i>	Strategic and Corporate Services – Data Network Management and Support Services
7. <i>ABC Services</i>	Financial Services – Valuations and Rates for the Stellenbosch Municipality
8. <i>CATS</i>	Financial Services – Water and Electricity Meter Reading for the Stellenbosch Municipality

## 6.2 Discussion

### 6.2.1 Regulatory Requirements from National Treasury

Recent statements of direction from National Government implies a more strategic approach must be introduced by all local government entities to migrate its existing portfolio of legacy ICT services and systems to a business systems architecture that will enable improved data access and reporting capabilities to all stakeholders.

MFMA Circular 57 dated 20 October 2011: MFMA Circular 57 Issued by National Treasury states: "It is imperative that municipalities operate effectively and utilise financial applications optimally to present credible information on a timely basis for internal and external use".

The mSCOA project undertaken by National Treasury and supported by the outcomes of the Consolidated Auditor General Report (2009/2010) on local government include amongst others:

- 1) Research and assessment into various financial applications and related software systems in use by municipalities.
- 2) Minimal dependency on service providers, central coordination, guidance and specialist support offered in a cost-effective and efficient manner.
- 3) That guidelines be issued on minimum standards for financial systems which would minimise excessive or duplicate systems, examine critical integrated ICT solutions to maximise capabilities and achieve cost effectiveness while addressing associated maintenance costs.

It was observed that municipalities have in the past diluted the benefits of financial applications by choosing to implement certain 'components' or altering the application to meet their specific requirements or utilising an application that was not integrated with the Financial system.



## 6.2.2 Business Systems Alignment with Strategic Objectives

The ability to remain constantly aligned with the strategic goals and objectives of the municipality as well as the statements of direction from National Government are inhibited by two major factors:

### 6.2.2.1 Legacy Business Systems

Various business systems with similar functionalities are deployed in the

Municipality, that may result in on-going increases in, and payment of annual licensing fees and support fees without receiving any substantive value added services or functionalities as part of the existing agreements. Also, on-going data integration between disparate business systems results in increased complexities whilst attempting to maintain data integrity between systems.

### 6.2.2.2 Multiple Vendor Contracts

The day-to-day management of vendor business systems contracts remains a major challenge for all municipalities. Vendor contracts are often one sided and do not properly mitigate the potential risks, legally or otherwise, to which municipalities might be exposed to during the term of such contracts.

## 6.2.3 Contractual Considerations with Service Providers

It is proposed that all business system contracts terminating on 30 June 2018, be amended to remain in effect for a period of three (3) years from 1 July 2018 to 30 June 2021 for the following reasons:

- 1) To limit the administrative costs of following Supply Chain Management processes to request deviations and funding over the short term, specifically taking into account the strategic intent and requirement to be mSCOA compliant. For all such agreements with service providers, the provision is that the Stellenbosch Municipality may terminate the Agreement at any time and is bound to give at least 6 months prior notice.
- 2) To assess on the approach to be followed in the holistic approach to ensure that the strategic intent of the Municipality to integrate the similar functionalities into the core financial system can be optimized to its full potential.
- 3) To ensure that stability in the business processes remain intact whilst the Municipality decide on the financial system best suited for the Municipality and what other systems to acquire should it be necessary.
- 4) To ensure sufficient time to allow for procurement and implementation processes where new systems(s) must be acquired.

## 6.3 Conclusion

It remains the strategic intent of the Municipality to assimilate similar functionalities from the other business systems deployed in the municipality into the Samras Financial System or at the least build the integration of the functionalities to the Samras Financial System where it is cost effective and functionally viable and is

mSCOA compliant. Due to the complexities inherent to such business system conversions and integration, a phased approach will need to be followed.

Council had advertised its intention to amend all ICT systems related contracts for a period of 36 months on the 12 April 2018 on the local newspaper Eikestad News, Municipal Notice Boards and Municipal Website and no comments were received from the public by the closing date of 12 May 2018 at 12:00 noon

#### **6.4 Financial Implications**

This report has the following financial implications:

<b>Service Provider</b>	<b>Duration (Months)</b>	<b>Estimated Cost (Ex Vat)</b>
1. ABC Services	12 months	R 568 998,00
2. CAT Technologies	12 months	R 172 600,00
3. Ignite	12 months	R 300 000,00
4. Avalon Technologies	12 months	R 680 752,70
5. Business Engineering	12 months	R 670 000,00
6. Payday	12 months	R 341 033,00
7. IMQS	12 months	R 216 646,96
8. Bytes System Integration	12 months	R 1 247 840,87
<b>Estimated Cost (Excluding 15% VAT)</b>		<b>R 4 197 871,53</b>

#### **6.5 Legal Implications**

Section 116 (3) of the MFMA requires the Municipality to follow a process before it may only make changes to contract(s) entered into through the Supply Chain Process. It provides for a notification to the public of the intention to make changes to the contracts, invite the public to provide comments and consider the input, if any, before a final decision on the changes to the contracts are made. The recommendations of the item complies with the requirements.

#### **6.6 Staff Implications**

None.

#### **6.7 Previous / Relevant Council Resolutions**

Item 7.2.2 28 March 2018

#### **6.8 Risk Implications**

The recommendations of this item manage the risks associated with the ICT contracts coming to an end on 30 June 2018. Should changes not be made to the contracts to allow for another year of service the Municipality will not have the necessary systems to ensure optimal functioning.

#### **6.9 Comments from Senior Management**

The item was discussed at the Director's meeting and Directors' inputs are contained in the report.

**6.9.1 Chief Financial Officer**

Finance supports the three year extension with 6 months' notice option.

Orders must be issued for only a year at a time or 6 months later on depending on the system way forward

**6.9.2 Municipal Manager**

Agree with the recommendations

**ANNEXURES**

Appendix: 1 Council Resolution dated 28 March 2018

Appendix: 2 Public Notice

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Brain Mkaza
<b>POSITION</b>	<b>Manager: ICT</b>
<b>DIRECTORATE</b>	<b>Corporate and Strategic Services</b>
<b>CONTACT NUMBERS</b>	<b>021 808 8018</b>
<b>E-MAIL ADDRESS</b>	<a href="mailto:Annalene.deBeer@stellenbosch.org.za">Annalene.deBeer@stellenbosch.org.za</a>
<b>REPORT DATE</b>	<b>14 May 2018</b>

<b>7.2.2</b>	<b>MFMA SECTION 116(3) – PROPOSAL TO AMEND THE CURRENT ICT CONTRACTS FOR SOFTWARE LICENCE AND SUPPORT AGREEMENTS FOR A PERIOD OF THIRTY SIX MONTHS, EFFECTIVE FROM 01 JULY 2018 TO 30 JUNE 2021</b>
--------------	---

**Collaborator No:**

**File number**

**Files 13/5 and 6/4/1**

**IDP KPA Ref No:**

**Good Governance**

**Meeting Date:**

**22 March 2018 and 28 March 2018**

**1. SUBJECT: MFMA SECTION 116(3) – PROPOSAL TO AMEND THE CURRENT ICT CONTRACTS FOR SOFTWARE LICENCE AND SUPPORT AGREEMENTS FOR A PERIOD OF THIRTY SIX MONTHS, EFFECTIVE FROM 01 JULY 2018 TO 30 JUNE 2021**

**2. PURPOSE**

To obtain Council's approval on the proposed amendment of all the ICT contracts terminating on the 30 June 2018 for a period of 3 years (36 Months) effective 1 July 2018 – 30 June 2021. Council may terminate any of the contracts on a 6 months' notice period during this period. The changes may be affected in terms of the enabling provisions of Section 116(3) of the Local Government: Municipal Finance Management Act, Act No. 56 of 2003 (MFMA). To inform Council that the investigation in regard to research and assess alternative ERP solutions has not been conducted in this financial year as a decision first needs to be taken in regard to the financial system. The assessment will be done and the outcome reported to Council as soon as the decision about the financial system has been taken.

**3. DELEGATED AUTHORITY**

Municipal Council.

**4. EXECUTIVE SUMMARY**

This report aims to provide the necessary information and motivation on the proposed amendment of the current ICT Contracts as listed in paragraph 6, ending 30 JUNE 2018, in terms of the enabling provisions of section 116(3) of the Local Government: Municipal Finance Management Act, Act No. 56 of 2003 (MFMA). The intention will be published in newspapers and the public invited to make input before Council make a decision whether to consent to the amendment of the contracts.

All the current ICT contracts were previously amended in 2016 through a Section 116 (3) process in order to accommodate the mSCOA implementation and the investigation in regard to an assessment on ERP solutions for the Municipality. The Finance department is in constant contact with the owners of the Financial System (SAMRAS) to ensure that the system developments are of such a nature that it can deal with mSCOA in full before a final decision is made on the continuation with SAMRAS as the financial system or not.

When an information system is bought the long term impact is that the Municipality will be using that system for a period longer than the normal 3 of 5 years that is set for new tender processes. An information system is the intellectual property of a company and no other company can provide the support or licencing for that information system. The dynamic nature of Information and Communications Technology, as well as investments made in business systems warrant a continuous

---

re-assessment of investments and system functionalities to ensure that value for money is achieved at all times. The long term impact of investments made in business systems and services warrants that the Stellenbosch Municipality continually re-assess its investment strategies to ensure on-going alignment with the deployment of business systems in line with mSCOA business processes. A final decision on whether the Municipality will replace the current financial system needs to be made first to enable the Municipality to determine the starting point for the ERP assessment.

If there is a decision that the financial system should be changed a comprehensive process will have to follow to tender and adjudicate the acquisition of a new system and Treasury plays a watchdog role in this process to ensure that the system that is procured is of the standard required. Should the Municipality decide to buy a new financial system it would make sense to assess the costs of one comprehensive system to replace the current systems listed in paragraph 6. Should the Municipality decide not to acquire a new financial system the assessment would be how do we ensure integration of existing systems with SAMRAS where integration is an issue or what new systems should be acquired to integrate with SAMRAS.

Various improvements have been made to ensure that systems integrate and where new support contracts are negotiated that the interests of the Municipality is protected. No new systems may be acquired by directorates unless it was debated at the ICT steering committee to ensure integration with current systems. Specifications are written to ensure that systems can integrate and that functionality is not duplicated.

#### 16<sup>TH</sup> COUNCIL MEETING: 2018-03-28: ITEM 7.2.2

##### **RESOLVED** (majority vote with abstentions)

- (a) that Council takes note of the reasons tabled for the proposed amendments of all the current ICT contracts for ICT-related systems and services for a period of thirty six (36) months, effective from 1 July 2018 to 30 June 2021 with the proviso that the Municipality may cancel any of the systems with a six month notice period during this time;
- (b) that Council takes note that the municipality will advertise its intention to amend all ICT system related contracts that end on 30 June 2018 to extend such contracts for a period of thirty six months (36), for public input and that any public comment will be considered before a final decision is made; and
- (c) that Council approves that sufficient funding on the operational budget vote for the Software Licensing UKey: 20170608982691 is approved, to finance the extension and renewal of all the current ICT systems and services for the financial year of 2018/2019. Budget provisions will be made on a yearly basis depending on the process going forward.



# STELLENBOSCH

STELLENBOSCH • PNIEL • FRANSCHHOEK  
MUNISIPALITEIT • UMASIPALA • MUNICIPALITY

## AMENDMENTS TO LICENSE AND SUPPORT CONTRACTS FOR ICT RELATED SYSTEMS AND SERVICES

**ADVERTISED IN:** MUNICIPAL NOTICE BOARD, MUNICIPAL WEBSITE, EIKESTAD NUUS

**DATE PUBLISHED:** 12 APRIL 2018

**NOTICE NO :**

8/2018

In terms of the Municipal Finance Management Act, Act 56 of 2003, Section 116(3)(b), notice is hereby given of the proposed amendment of the contract below:

CONTRACT NO:	DESCRIPTION	REASON FOR AMENDMENT
<b>DEPARTMENT:</b>	<b>STRATEGIC &amp; CORPORATE SERVICES</b>	
<b>INFORMATION &amp; COMMUNICATION TECHNOLOGY SERVICES</b>	<ul style="list-style-type: none"> <li>• ABC (Evaluations &amp; Rates)</li> <li>• AVALON (Network Management)</li> <li>• Business Engineering (Collaborator)</li> <li>• Bytes Universal (SAMRAS)</li> <li>• CATS (Meter Reading)</li> <li>• IGNITE (Performance Management)</li> <li>• IMQS (Infrastructure &amp; Assets)</li> <li>• PAYDAY (HR &amp; Payroll)</li> </ul>	<p>With the implementation of mSCOA, Stellenbosch Municipality would liketo reassess the functional viability and cost effectiveness to integrate the various business application systems into a Single Integrated Business Application System (ERP) that is mSCOA complaint.</p> <p>In order to do this, the currentICT Contracts are to be extended by 36 months ( starting 1 July 2018 – ending 30 June 2021 )</p>

1. The public is hereby invited to submit written presentations to the municipality for the extension of all ICT systems from 1 July 2018 – 30 June 2021.
2. Any person, who cannot write, may come to the municipality, where the staff member of the municipality, named below, will assist that person to transcribe that person's comments or representations, during office hours.
3. Comments and supporting documents may be placed in a sealed envelope and externally endorsed with "**RESPONSE TO NOTICE OF AMENDMENTS TO CONTRACTS FOR LICENSE AND SUPPORT AGREEMENTS FOR ICT RELATED SYSTEMS AND SERVICES**". , and be deposited in the Tender Box, at the office of the, **The Supply Chain Management Unit, Stellenbosch Municipality, 1st Floor, Room no.121, Plein Street, Stellenbosch**, or by post, addressed to: **The Municipal Manager, Stellenbosch Municipality, PO Box 17, Stellenbosch, 7599**, not later than the closing date and time.

**CLOSING DATE:** 12 MAY 2018

**AT THE TIME:**

No later than 12H00

**ANY ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:**

**ANY ENQUIRIES REGARDING THE COMMENT PROCEDURE MAY BE DIRECTED TO:**

**Section:** Information & Communication Technology Services

**Section:** Supply Chain Management

**Contact Person:** Mr. B Mkaza

**Contact Person:** Mr. D Jacobs

**Tel:** E-mail enquiries only

**Tel:** E-mail enquiries only

**Email:** S116.Contracts@stellenbosch.gov.za

**Email:** S116.Contracts@stellenbosch.gov.za

**Authorized by:** Ms. G Mettler

**MUNICIPAL MANAGER**

<b>7.3</b>	<b>ECONOMIC DEVELOPMENT AND PLANNING: (PC: ALD JP SERDYN (MS))</b>
------------	--

<b>7.3.1</b>	<b>STELLENBOSCH MUNICIPALITY: DRAFT TELECOMMUNICATION MAST INFRASTRUCTURE POLICY</b>
--------------	--

**Collaborator No:** 581849  
**IDP KPA Ref No:** Valley of possibility/Good governance  
**Meeting Date:** 23 May 2018

**1. SUBJECT: STELLENBOSCH MUNICIPALITY: DRAFT TELECOMMUNICATION MAST INFRASTRUCTURE POLICY**

**2. PURPOSE**

To obtain Council's approval to adopt the Telecommunication Mast Infrastructure (TMI) Policy attached as **ANNEXURE 1**.

**3. AUTHORITY TO MAKE A DECISION**

In terms of the MSA and the Constitution, Council must satisfy itself that it is addressing its responsibly, inter alia, its duties towards its community placed upon it by such legislation in this case its obligation to provide a safe and healthy environment and to promote the economic wellbeing of the municipal area. Seen in this context, Council has a responsibility to its community to develop and apply policy around TMI Municipal Council.

**4. EXECUTIVE SUMMARY**

Cell phones have become a part of many people's lives. It is increasingly used for daily social media, the internet, media and communication. However, with the increase in TMI in towns across the country concerns are raised regarding the safety of this technology and people are asking how safe these cellular masts are. Stellenbosch is recognised as a town of cultural and historic significance and heritage and is highly regarded for its environmental and scenic quality. Concerns raised by the public regarding the location and design of telecommunication mast infrastructure are therefore relevant.

This concern was acknowledged and included in the IDP and SDF which recommended that a policy be drafted to address the issues.

A cell phone policy was drafted with the input of the Industry and based on the approved policy of the City of Cape Town. The policy was advertised for public comment and referred to the University of Stellenbosch through the Mayoral Rectors forum for input. The Director: Planning and Economic Development further requested comment and advice from the Department of Environmental Affairs and Development Planning regarding applications received for the establishment of cellular and telecommunications masts and antennae.

**PUBLIC PARTICIPATION PROCESS:**

At a Special Mayoral Committee meeting on 24 May 2017 and the 9<sup>th</sup> Council Meeting on 31 May 2017 the following were resolved:

- That the proposed Draft Telecommunication Mast Infrastructure Policy be noted;
- That the Municipal Manager be requested to advertise the draft Telecommunication Mast Infrastructure Policy for public input and comments; and
- That, after receiving and considering the input received, the policy be resubmitted to Council for consideration.

The Draft Telecommunication Mast Infrastructure Policy was placed on the municipal website and at local libraries for comment from the public. A notice inviting all interested and affected parties to comment on the draft policy was also placed in the Eikestadnuus and Paarl Post on 15 June 2017. The closing date for comments was on 17 July 2017. In addition hereto, the Department sent e-mail notification to a large number of stakeholders in the municipal area to ensure proper consultation.

The policy was also referred to the Stellenbosch University on two occasions and they were satisfied and made no additional inputs.

## 5. RECOMMENDATION

### MAYORAL COMMITTEE MEETING: 2018-04-11: ITEM 5.3.1

During deliberations on the matter, the Executive Mayor requested that the history of how the public participation process unfolded, be included in the item before submission to Council (see PUBLIC PARTICIPATION PROCESS above).

### RESOLVED

#### That it be recommended to Council:

that the Telecommunication Mast Infrastructure (TMI) Policy attached as **APPENDIX 1** be approved and henceforth implemented when considering new applications for the erection of Telecommunication Mast Infrastructure.

## 6. DISCUSSION / CONTENTS

The overarching premise of the Telecommunication Mast Infrastructure (TMI) Policy is to facilitate the growth of new and existing telecommunications systems and facilitate the provision of TMI in an efficient, cost-effective, environmentally appropriate and sustainable way.

The policy aims to:

- Promote economic business activity in the Municipality;
- Give clarity and certainty to the industry and to the general public with regards to acceptable locations and positioning of TMI;
- Provide a comprehensive set of policy guidelines;
- Improve the quality and efficiency of decision making;
- Improve consistency of decision making throughout all Municipal Districts and Departments and in the setting of conditions for planning applications; and
- Improve awareness and a quicker response to changes in TMI and its related industry.



---

**6.1 Background**

There is increasing importance of telecommunication to the distribution of the economy. This is especially the case in Stellenbosch that has a strong emphasis on business services and information communication technology.

Rapid expansion of the telecommunications industry in recent years has resulted in an increasing demand for radio telecommunication services, and new technologies in the cellular phone industry. The location, siting and development of Telecommunication Mast Infrastructure (TMI) continues to be an issue of particular interest to both local communities and local government alike, with debate focusing on adequate availability of connectivity, visual amenity and public health.

One of the main concerns that are frequently raised is that of the possible health impacts of such infrastructure. Conflicting information and research creates concern and confusion regarding this important issue. From the attachment and in the draft policy it was made clear that the Department of Health (DoH) applies the exposure guidelines published in 1998 by the International Commission on Non-Ionizing Radiation Protection ("ICNIRP") which is based on the official endorsement of the World Health Organisation.

All communication base stations in South Africa are required to conform to the World Health Organisation and National Health Department standards with regard to levels of electromagnetic radiation.

**6.2 Discussion**

The Draft Telecommunication Mast Infrastructure (TMI) Policy was referred to the University of Stellenbosch for comment and input. The indication of the University was that the policy is in line with general standard in South Africa and particularly that it adhered to the exposure guidelines published in 1998 by the International Commission on Non-Ionizing Radiation Protection ("ICNIRP") which is based on the official endorsement of the World Health Organisation.

All communication base stations in South Africa are required to conform to the World Health Organisation and National Health Department standards with regard to levels of electromagnetic radiation.

**6.2 Financial Implications**

None

**6.4 Legal Implications**

None

**6.5 Staff Implications**

None

**6.6 Previous / Relevant Council Resolutions**

The Item served at the Mayoral Committee on 2017-09-13 (Item 5.3.5) [attached as **ANNEXURE 2**] where it was resolved that the matter (again) be referred back in order for the Rector-Mayor Forum to consider the Draft Telecommunication Mast Infrastructure Policy and give appropriate advice before final consideration of the policy.

No official comment where received.

**6.7 Risk Implications**

None

**6.8 Comments from Senior Management**

The previous item and policy were circulated to all departments for comment on 15 August 2017 with 14 days to respond. No comments were received.

**6.8.1 Director: Infrastructure Services**

The previous item and policy were circulated to all departments for comment on 15 August 2017 with 14 days to respond. No comments were received.

**6.8.2 Director: Planning and Economic Development**

The previous item and policy were circulated to all departments for comment on 15 August 2017 with 14 days to respond. No comments were received.

**6.8.3 Director: Community and Protection Services**

The previous item and Policy were circulated to all departments for comment on 15 August 2017 with 14 days to respond. No comments were received.

**6.8.4 Director: Strategic and Corporate Services**

The previous item and Policy were circulated to all departments for comment on 15 August 2017 with 14 days to respond. No comments were received.

**6.8.5 Director Human Settlements and Property Management**

The previous item and Policy were circulated to all departments for comment on 15 August 2017 with 14 days to respond. No comments were received.

**6.8.6 Chief Financial Officer**

The previous item and Policy were circulated to all departments for comment on 15 August 2017 with 14 days to respond. No comments were received.

**6.8.7 Municipal Manager**

The previous item and policy were circulated to all departments for comment on 15 August 2017 with 14 days to respond. No comments were received.

**ANNEXURES**

Annexure 1: Telecommunication Mast Infrastructure (TMI) Policy

Annexure 2: Minutes Mayoral Committee 2017-09-13 – Item 5.3.5 - Stellenbosch Municipality: Draft Telecommunication Mast Infrastructure Policy

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	B de la Bat
<b>POSITION</b>	Manager: Spatial Planning, Heritage and Environment
<b>DIRECTORATE</b>	Planning and Economic Development
<b>CONTACT NUMBERS</b>	021 80 8652
<b>E-MAIL ADDRESS</b>	<a href="mailto:Bernabe.DelaBat@ Stellenbosch.gov.za">Bernabe.DelaBat@ Stellenbosch.gov.za</a>
<b>REPORT DATE</b>	28 March 2018



# Annexure 1

## Draft Telecommunication Mast Policy

---



**TELECOMMUNICATION MAST  
INFRASTRUCTURE POLICY**

**DRAFT**

**2017/18**

## GLOSSARY, DEFINITIONS AND TERMINOLOGY

### Abbreviations

SMZS	Stellenbosch Municipality Zoning Scheme
DAS	Distributed Antenna Systems
DEADP	Provincial Department of Environmental Affairs and Development Planning
ECA	Electronic Communications Act 2005 (Act 36 of 2005)
ECO	Environmental Control Officer
EIA	Environmental Impact Assessment
EME	Electromagnetic energy
EMP	Environmental Management Plan
EMR	Electromagnetic radiation
FBTS	Freestanding Base Telecommunication Station
ICASA	Independent Communication Association of South Africa
ICNIRP	International Commission on non-ionizing Radiation Protection.
LUPA	Land Use Planning ACT No.3 of 2014.
MFBTS	Minor Freestanding Base Telecommunication Station
NBR	National Building Regulations and Building Standards Act No. 103 of 1977.
NDOH	National Department of Health, Directorate Radiation Control
NEMA	National Environmental Management Act No.107 of 1998
PED	Planning and Economic Development Department
RBTS	Rooftop Base Telecommunication Station RF radiofrequency
TMI	Telecommunication Mast Infrastructure
TP	Telecommunication Provider

### Definitions

**Antennas** means any system of wires, poles, rods or devices, used for the transmission or reception of electromagnetic waves and includes satellite dishes with a diameter exceeding 1.5m. It excludes domestic TV antennas less than 2m in diameter/ height and where the associated antennas mounting structure is less than 3m in length.

**Areas of Environmental and Heritage significance** includes environmental and heritage resources, including natural and cultural sites, scenic and tourist routes, which are of special value for the benefit of all, and need to be protected.

**Stellenbosch SDF** means the Stellenbosch Spatial Development Framework approved by Council.

**Stellenbosch Municipality** means the administrative jurisdiction of Council.

**Municipality** means the Stellenbosch Municipality or its delegated official.

**Council** means the Municipal Council of the Stellenbosch Municipality and includes anybody or persons empowered by it to assess and resolve on Telecommunication Mast Infrastructure applications.

**Distributed Antenna System (DAS)** means a network of spatially separated antenna nodes connected to a common source via a transport medium that provides wireless service within a geographic area or structure. A distributed antenna system may be deployed indoors (an iDAS) or outdoors (an oDAS).

**Electromagnetic Energy (EME)** is a term which includes electromagnetic radiation and applies to all Telecommunication Mast Infrastructure that transmits or receives electronic communication signals.

**Environmental Management Plan (EMP)** is a contractually binding guideline document for use with the implementation of the construction on a site to manage and mitigate environmental impacts associated with that construction.

**Equipment room** means a structure to house communication equipment associated with Telecommunication Mast Infrastructure. This can be a separate building or container used exclusively for the equipment or it can be a room within a building.

**Freestanding Base Telecommunication Station (FBTS)** means a freestanding support structure on land

or anchored to land and used to accommodate Telecommunication Mast Infrastructure for the transmitting or receiving of electronic communication signals, and may include an access road to such facility.

**Habitable structure** means any structure where people may reside.

**MSA** means Local Government Municipal Systems Act 2000 (Act 32 of 2000)

**Minor freestanding base telecommunication station (MFBTS)** means a freestanding support structure on land or anchored to land and used to accommodate telecommunication infrastructure for the transmitting or receiving of electronic communication signals. The telecommunication infrastructure will form part of the base station that may be attached to street lamps, traffic lights, road directional signage, camera poles and flag poles or similar support structure which may not exceed:

- 15m in height measured from existing ground level, or
- 300mm diameter for the post or support structure to which the antenna is to be attached.

A screened container for antennas attached to, or included in the mast may not exceed:

- 500mm diameter
- 2.2m height

An equipment container may not exceed:

- 1m x 1m x 2.4m cube above existing ground level.

**Modification of Telecommunication Mast Infrastructure** means the modification to the physical structure or radio frequency emissions of telecommunication infrastructure.

**NBR** means the National Building Standards and Building Regulations Act 1977 (Act 103 of 1977)

**Rooftop Base Telecommunication Station (RBTS)** means a support structure attached to a roof, side or any other part of a building and used to accommodate Telecommunication Mast Infrastructure for the transmitting or receiving of electronic communication signals.

**Satellite dish** means any device incorporating a reflective surface that is solid, open mesh, or bar configured that is shaped as a shallow dish, cone, horn or other and is used to transmit and/or receive electromagnetic signals.

**Scenic Drive Network Plan** means as applied to an existing Council approved plan.

**Support structures** means pole, monopole, guyed tower, lattice tower, freestanding tower or any other tall structure that is designed to accommodate antennas.

**Telecommunication Mast Infrastructure (TMI)** means any part of the infrastructure of a telecommunication network for radio/wireless communication, including voice, data and video telecommunications that are used in the transmission or reception of electromagnetic waves. This includes the following: Freestanding base telecommunication station (FBTS); Rooftop base telecommunication station (RBST); antennas; any support structure; equipment room (defined); radio equipment (irrespective of spectrum used); and optical communications equipment (laser and infra-red) provided by cellular network operators and any other telecommunication provider as well as all ancillary structures and the associated feeder cables between the communication equipment and the antennas, needed for the operation of TMI.

**Telecommunication Network** means a system, or series of systems, that carries, or is capable of carrying, communications by means of guided or unguided electromagnetic energy.

**Telecommunication Provider (TP)** means the holder of a telecommunications licence in terms of the Electronic Communications Act (2005).

**Unauthorized person** means any person who is not employed by the operator of the infrastructure and who is not trained or conversant with the occupational exposure hazards and precautionary measures required to be taken so as to prevent exposure to Radio Frequency levels that could be harmful to health.

## TABLE OF CONTENTS

<b>1</b>	<b>Problem statement</b>	<b>5</b>	<b>Objective 8. TMI must be situated and operated in a manner so as not to interfere with any other utility functions</b>	<b>22</b>
1.1	Need for this policy review	5		
1.2	Problem Statements	5		
<b>2</b>	<b>Desired outcomes</b>	<b>6</b>	<b>Objective 9. Where possible TMI should be placed on other structures such as light posts, road signs etc.</b>	<b>23</b>
<b>3</b>	<b>Strategic intent</b>	<b>7</b>		
<b>4</b>	<b>Policy parameters</b>	<b>8</b>	<b>Objective 10. To protect the health, safety and wellbeing of the inhabitants of Stellenbosch</b>	<b>24</b>
4.1	Visual Impact	8		
4.2	Health Impact	8	<b>8</b>	<b>Implementation</b>
4.3	Services Impact	8		<b>25</b>
<b>5</b>	<b>Role-players and stakeholders</b>	<b>9</b>	<b>9</b>	<b>Monitoring, evaluation and review</b>
				<b>26</b>
5.1	Monitoring	9		26
5.2	Evaluation	9		26
5.3	Review	9		26
<b>6</b>	<b>Regulatory context</b>	<b>10</b>	<b>10</b>	<b>References</b>
6.1	Statutory Framework	10		<b>27</b>
6.2	Council approvals required	11		
<b>7</b>	<b>Policy objectives and guidelines</b>	<b>12</b>		
	<b>Objective 1. To Improve and maintain communication</b>	<b>13</b>		
	<b>Objective 2. To insure that the TMI is placed in the best possible location</b>	<b>14</b>	<b>Annexure 1: Reference guide to good practice</b>	<b>29</b>
	<b>Objective 3. To ensure the co-location or sharing of TMI wherever possible</b>	<b>16</b>	<b>Annexure 2: Requirements for submission</b>	<b>34</b>
	<b>Objective 4. To retain the visual integrity, special character and amenity of the Stellenbosch Municipality</b>	<b>17</b>	<b>Annexure 3: Information to be submitted with applications</b>	<b>36</b>
	<b>Objective 5. To design with the landscape and use modern mitigation measures to reduce impact</b>	<b>18</b>	<b>Annexure 4: Preliminary assessment checklist for Planning Case Official</b>	<b>38</b>
	<b>Objective 6. To retain and improve the environmental and heritage quality of the public arena</b>	<b>20</b>	<b>Annexure 5: Model Conditions of approval</b>	<b>40</b>
	<b>Objective 7. To ensure that wherever possible, TMI is not situated within an area of environmental or heritage significance</b>	<b>21</b>	<b>Annexure 6: Radio frequency (RF) exposure and human health</b>	<b>42</b>
			<b>Annexure 7: Letter from the National Department of Health</b>	<b>46</b>

# 1 PROBLEM STATEMENT

## 1.1 Need for this policy review

- 1.1.1. There is increasing importance of telecommunication to the growth of the economy. This is especially the case in Stellenbosch that has a strong emphasis on business services and information communication technology.
- 1.1.2. Rapid expansion of the telecommunications industry in recent years has resulted in an increasing demand for radio telecommunication services, and new technologies in the cellular phone industry. The location, siting and development of TMI continues to be an issue of particular interest to both local communities and local government alike, with debate focusing on adequate availability of connectivity, visual amenity and public health.
- 1.1.3. With the nature of technology it must be accepted that the future need for TMI sites will increase in the short to medium term.
- 1.1.4. Investment in telecommunications networks not only facilitates economic trade in goods, by bringing together buyers and sellers, but more importantly, also promotes trade in services upon which modern economies are built.
- 1.1.5. There are significant economic benefits of good Telecommunication Mast Infrastructure, but this must be balanced with the fact that Stellenbosch depends on its scenic resources for tourism. The resources therefore also have an economic value, which could be negatively affected by unsightly or inappropriate structures.
- 1.1.6. The need for the preparation of a Cellular Telecommunication Policy came about, firstly, due to the need to include all TMI into the policy and not focus only on cellular technology and secondly, due to the need to introduce provisions and guidelines on mitigating impacts of this infrastructure.
- 1.1.7. Many existing installations have been approved on a temporary basis. Their continued operation will at some point require re-consideration of approval. This Policy will provide updated guidelines to be utilized by decision makers within the Municipality in assessing and responding to any application for the right to erect or modify TMI.



## 1.2 Problem Statements

- 1.2.1. Most of the original infrastructure was approved as temporary departures.
- 1.2.2. Masts provide a radio signal which is dependent on line of sight for good reception. The signal becomes weaker with distance or obstructions.
- 1.2.3. Landlords, topography and demand tend to dictate the location of masts. For example, mountainous areas often require high masts due to the topography.
- 1.2.4. Due to improvements in mobile devices (smart phones), the coverage that each mast is able to provide has shrunk. Thus there is continual need to provide more masts as coverage is lost - the distance between the masts is reducing.
- 1.2.5. Cell phone providers are having difficulty accessing suitable land, and there have been problems accessing municipal owned land, even when it is the most suitable location for TMI.
- 1.2.6. Parastatals such as Telkom, ESKOM and the SABC, who also make use of masts, have traditionally not been subject to approval regulations or the same stringent requirements as private industry.



## 2 DESIRED OUTCOMES

The overarching premise is to facilitate the growth of new and existing telecommunications systems and facilitate the provision of TMI in an efficient, cost-effective, environmentally appropriate and sustainable way.

The policy aims to:

- Promote economic business activity in the Municipality;
- Give clarity and certainty to the industry and to the general public with regards to acceptable locations and positioning of TMI;
- Provide a comprehensive set of policy guide-lines;
- Improve the quality and efficiency of decision making;
- Improve consistency of decision making throughout all Municipal Districts and Departments and in the setting of conditions for planning applications; and
- Improve awareness and a quicker response to changes in TMI and its related industry.
- To comply with ICASA licensing standards and regulatory obligations in providing 'high quality communication services', whilst ensuring competition, coverage and connectivity being extended to consumers and the South African public



### 3 STRATEGIC INTENT

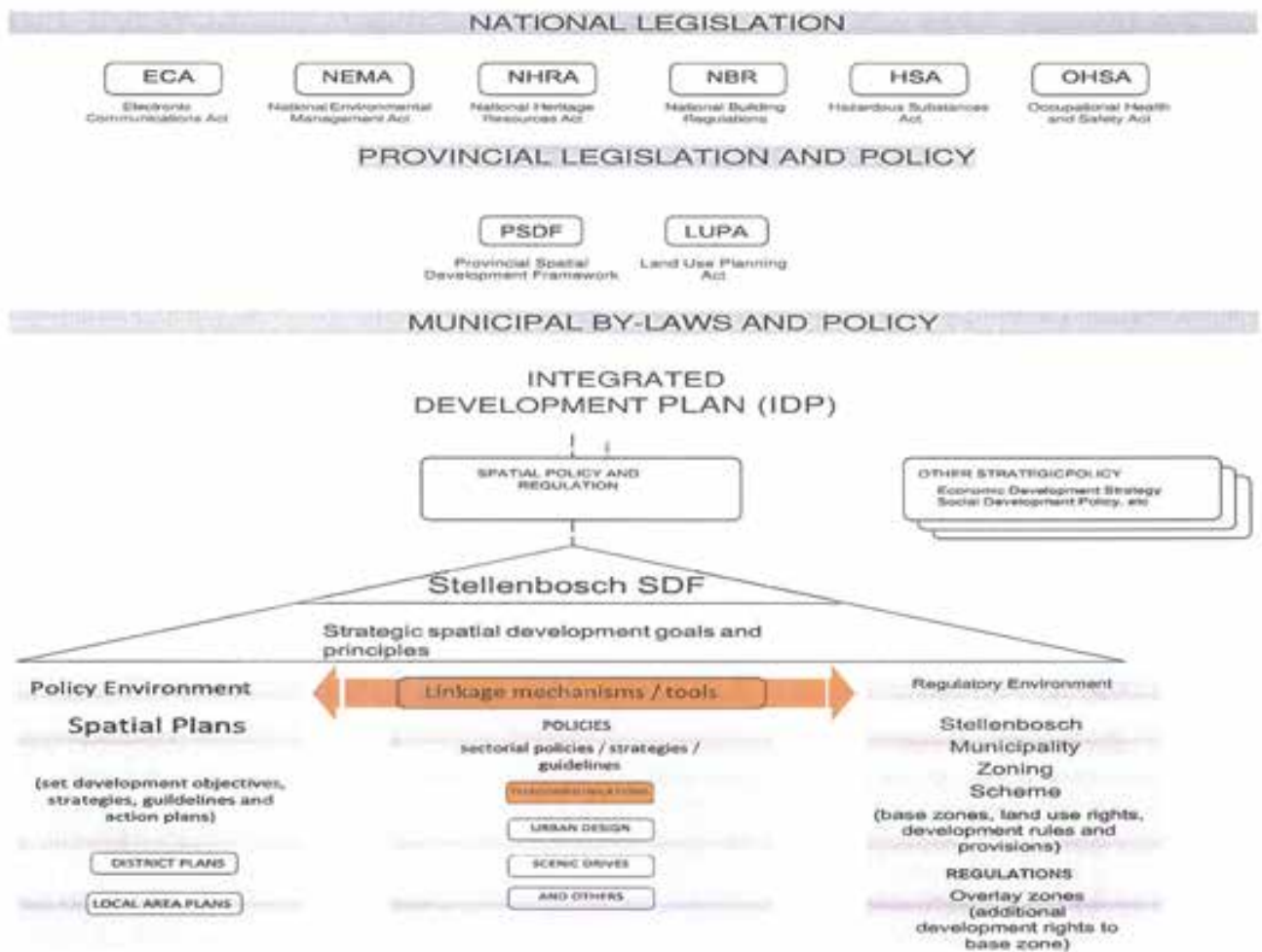
Control over the installation of TMI falls within the ambit of municipal planning, which, in terms of the Constitution is a municipal competency.

In terms of the MSA and the Constitution, Council must satisfy itself that it is addressing its responsibly, inter alia, its duties towards its community placed upon it by such legislation in this case its obligation to provide a safe and healthy environment and to promote the economic wellbeing of the municipal area. Seen in this context, Council has a responsibility to its community to develop and apply policy around TMI.

The policy falls within Strategic Focus Area 1: The opportunity Municipality: Programme 1.1(e): Planning and regulation programme: Supportive legal frameworks. It serves to support other policies while dealing with TMI in detail.

Optic Fibre installations, Point to Point copper (cable) installations, and undersea cables are excluded from this Policy.

The implementation of the Policy will aid the development of a Municipality with **opportunities** which are **well run, safe and inclusive**.



## 4 POLICY PARAMETERS

The policy applies across the Stellenbosch Municipality.

The Policy contains information which can assist applicants when preparing an application regarding the siting and design of TMI and information required on submission. The Policy should be consulted by TP's in both the initial planning of their telecommunications networks and prior to submission of applications of TMI for planning approval. Attention to the Policy will reduce the prospect of ill-conceived applications being submitted to the Municipality. It will also minimize delays involved in subsequent assessment and determination of applications.

The two overriding concerns of the broader public, namely, potential visual impact and possible impact on human health and wellbeing from EME emissions are addressed. The approach taken is to protect the visual character and amenity of the Stellenbosch Municipality as far as possible, and to minimize the health risks (known / potential and perceived) associated with EME, in line with the Municipality's mandate.

The responsibility for regulation and control of EME lies with the National Department of Health (see "Annexure 7: Letter from the National Department of Health" on page 46).

This policy will not affect TMI that has been lawfully approved, unless the approval lapses and a new application is to be made.

### 4.1 Visual Impact

Council encourages sensitive siting, design and co-location or sharing of TMI so as to minimize impact on its surroundings.

The Policy seeks to strike a balance between erection of necessary TMI development on the one hand, and the conservation of visual, tourist, traffic safety, environmental and heritage characteristics on the other hand. The objective of this Policy is to ensure that placement of the TMI respects the

integrity of any site on which it is erected and that it does not detrimentally affect the character of the locality in which it is displayed. TI should be placed where they are most compatible with the surrounding locality and where they impact as little as possible on visual corridors or scenic drives.

### 4.2 Health Impact

The Municipality takes guidance from the NDOH who have adopted the ICNIRP public exposure standard (See Annexures "A6.4 Guidelines for safe exposure to RF radiation" on page 43 and "Annexure 7: Letter from the National Department of Health" on page 46). This policy, must adopt a precautionary approach by the insertion of certain additional provisions and requirements (see "Objective 10. To protect the health, safety and wellbeing of the inhabitants of Stellenbosch" on page 24).

The cellular network provider or network provider shall at all times be required to comply with the requirements of the NDOH and the ICNIRP on nonionizing radiation protection with respect to safety standards.

### 4.3 Services Impact

Most underground infrastructural services are located within Councils road reserves. Historically some service providers, and particularly Telkom, installed services in an ad hoc manner. Many of the Municipality's road reserves do not have an accurate record of the type and location of these services.

Any proposals to consider additional infrastructure (including the base plinth) for TMI need to take cognisance of the logistical difficulties that may arise as a result of this uncertainty of services location.

## 5 ROLEPLAYERS AND STAKEHOLDERS

The Telecommunication Mast Infrastructure Policy has been written for TPs, built environment professionals and municipal officials involved in the design, assessment and implementation of development proposals. It will be used primarily by the Stellenbosch Municipality's Planning and Building departments to facilitate their statutory development control functions. The powers and functions of these departments are captured in the system of delegations granted by Council to act on its behalf.

All applicable Municipal Departments will use the policy to comment on applications in support of the functions of the regulatory departments.

The TMI industry is a key role player and they not only need to continue developing new technology, but also need the legislative framework in which to operate within the law.



## 6 REGULATORY CONTEXT

### 6.1 Statutory Framework

6.1.1. Compliance with the Electronic Communications Act (36 of 2005). ICASA regulates all forms of TMI and the issue of approvals and licenses. Documentation may be required showing that transmitting power levels are in compliance with ICASA licence conditions. The NDOH, has the mandate and the responsibility to administer the provisions of the Hazardous Substances Act (Act 15 of 1973) with respect to Group III (electronic products) and Group IV (radionuclides) hazardous substances. Devices and facilities which produce non-ionizing radiation and which are included in the Schedule of Listed Electronic Products as contained in Regulation R1302 (14 June 1991), are regarded as having been declared Group III hazardous substances, and as such all the relevant provisions of the Hazardous Substances Act apply to them, i.e. the NDOH is the legally mandated national authority for the regulation of public exposure to radiation and related matters and endorses the safety standards for public exposure as set by IC-NIRP.

6.1.2. National Environmental Management Act (Act 107 of 1998 as amended) and the Amended Environmental Impact Assessment Regulations, 18 June 2010 (GN543), (Listing Notice 3, GN546): The DEADP is the competent authority to authorize the construction of masts or towers of any material or type used for telecommunication broadcasting or radio transmission purposes in a) estuaries b) rural areas and c) urban areas that are outside commercial and industrial areas, where the TMI is to be placed on a site not previously used for this purpose, and where the TMI will exceed 15 metres in height, excluding attachments to existing buildings and masts on rooftops. Construction activities that may be required for TMI installation may also trigger other listed activities in terms of this Act.

6.1.3. The NBR and the regulations thereunder, particularly Section 7 of the Act, requires Council to be satisfied that buildings or structures are not dangerous to life or property. Other provisions in the Act are that the buildings / structures must not disfigure the area, that they must not be unsightly or objectionable, and that they must not derogate from the value of adjoining or neighbouring properties. TMI such as FBTS is considered to be a structure as defined in the NBR and will therefore

**Table 1: Zones that allow TMI as primary use, additional use or with the consent of Council**

Zone	Primary Use	Additional Use (SDP)	Consent use
Multi-Unit Residential Zone			Rooftop
Local Business Zone			Rooftop
Industrial Zone	Rooftop		Freestanding
Education Zone			Freestanding and Rooftop
Community Zone			Freestanding and Rooftop
Utility Services Zone	Rooftop		Freestanding
Transport Facilities Zone		Rooftop	Freestanding
Public Roads and Parking Zone		Rooftop	Freestanding
Public Open Space Zone			Freestanding and rooftop
Private Open Space Zone			Freestanding and rooftop
Agriculture and Rural Zone		Rooftop	Freestanding
Natural Environment Zone			Freestanding and rooftop

*Note that the content of this table is subject to change should the bylaw be amended*

require approval in terms of such Act by Council.

**6.1.4.** Section 34 of the National Heritage Resources Act (Act 25 of 1999) requires a permit for any alteration or new addition to a building older than 60 years, S27 requires a permit for provincial heritage sites, including former national monuments and S38 requires a permit for development which would change the character of certain classes of sites.

**6.1.5.** The Stellenbosch Municipality Zoning Scheme permits FBTS and RBTS as a primary or additional use in certain use zones. The scheme also permits with Councils consent both the above in certain zones (see Table 1). Council must also have regard to permitting these base stations in terms of various overlays in the Zoning Scheme Regulations, present and future.

- Stellenbosch Municipality Integrated Zoning Scheme
- National Building Standards and Building Regulations Act 103 of 1977
- Electronic Communications Act (36 of 2005)
- Hazardous Substances Act (Act 15 of 1973)
- National Environmental Management Act (Act 107 of 1998 as amended)
- National Heritage Resources Act (Act 25 of 1999)

## 6.2 Council approvals required

**6.2.1.** Land use management within the jurisdiction of the Stellenbosch Municipality is governed by its Zoning Scheme approved in terms of the LUPA. The Stellenbosch Municipality Zoning Scheme permits RBTS and FBTS as a primary or additional use in certain zones. The scheme also permits with Councils consent BST's in certain zones.

**6.2.2.** Where the permitted use is silent in the scheme, a temporary land use departure can be applied for, for a limited period of time.

**6.2.3.** Applications will be advertised in accordance with legislative requirements together with Council's Notification Policy for Land Use Development Applications.

**6.2.4.** The erection of TMI is also controlled by the NBR. In this Act, a building includes "any other structure erected or used for or in connection with the rendering of a service". Plans for TMI must therefore be submitted to Council for approval.

**6.2.5.** Other approvals or checks may be required in terms of any other relevant municipal Bylaws.

## 7 POLICY OBJECTIVES AND GUIDELINES

The objectives and guidelines of the policy as presented in the next pages must be taken into account in the assessment of all applications received for TMI in the Stellenbosch Municipality.

The Policy addresses 7 issues, namely,

- Economic considerations;
- Site selection and co-location;
- Visual impact, landscaping, publicamenity;
- Impact on areas of environmental and heritage significance;
- Impact on existing services and utilities; and
- Public health and safety.
- Application process

Municipalities are authorized to make policies and bylaws to regulate matters which are within its competency to administer.

The following TMI may be erected after approvals are granted without having to comply with the provisions of this Policy:-

- Temporary installations that provide additional telecommunications coverage at public events, such as sports events or cultural festivals (limited to the duration of the event).
- Replacement of support structures only, for purpose of co-location of TMI if the replacement structure is not more than 5 metres higher than the original approved structure it replaces to a maximum of 15 metres height and the TMI that it supports does not protrude more than 0.5 metres from the face of the structure. This does not apply to structures with no previous required approvals, nor to the replacement of outdated/faulty equipment.

Each issue gives rise to a number of objectives which strive to address the issue. Each objective includes guidelines on how this should be done.

THE OBJECTIVES MUST BE READ HOLISTICALLY WITH EACH OTHER AND WILL BE ASSESSED AS A WHOLE.

Application of the Policy

- Applications for TMI must be considered i.t.o. this Policy and all information required in "Annexure 2: Requirements for submission" on page 34 and "Annexure 3: Information to be submitted with applications" on page 36 to this policy must be submitted with an application for TMI.
- The objectives, guidelines and requirements laid down in this policy shall serve as a guide-line for decision making by the municipality which involve the construction or modification of TMI on any land within the jurisdiction of the Stellenbosch Municipality
- Each application for a TMI will be considered on its own merits and within the guidelines of this Policy.

## OBJECTIVE 1: TO IMPROVE AND MAINTAIN COMMUNICATION

*Telecommunication networks not only facilitate economic trade in goods, by bringing together buyers and sellers, but more importantly, also promote trade in services upon which modern economies are built. It can thus be seen how important communication can be for economic growth. Communication is the root of all events, daily interaction, social affairs and anything that requires the purpose of human dealings.*

**OB.1.1.** The telecommunications network should be as comprehensive and accessible as possible.

**OB.1.2.** Use TMI to enhance people's experience of the municipality (both residents and tourists), and allow them to remain connected.

**OB.1.3.** Use the TMI to increasingly become a:

- Valley of Possibility
- Green and Sustainable valley
- Safe valley
- Dignified Living
- Good Governance and Compliance





## OBJECTIVE 2: TO INSURE THAT THE TMI IS PLACED IN THE BEST POSSIBLE LOCATION

The coverage area that TMI can reach needs to be maximized while at the same time it must be ensured that the siting is compatible with adjoining land uses and permissible land uses, that the receiving environment and heritage value (natural and built) is not adversely affected, and that negative visual impacts and impacts on human health and wellbeing are minimized. Well sited TMI will reduce the mitigation measures that are needed.

### SITE SELECTION AND CO-LOCATION

**OB.2.1.** Subject to all other relevant criteria TMI should preferably be located within areas where they have the least visual impact.

**OB.2.2.** TMI should when developed within or abutting an area of environmental or heritage significance be located and positioned on the property where it will have the least impact on the surroundings.

**OB.2.3.** All possible site location alternatives should be explored early in the planning process in order to minimize the impact of the TMI, rather than relying only on mitigation measures to reduce the impact.

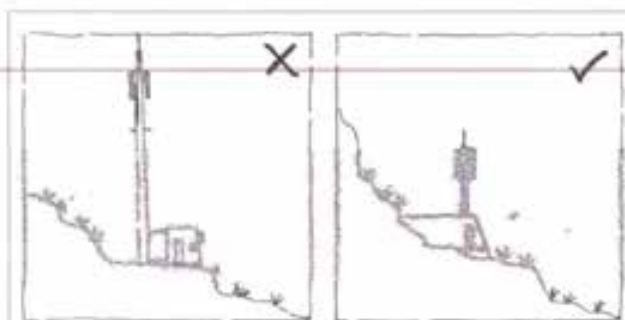
**OB.2.4.** In open areas, avoid placing TMI in visually sensitive zones see "Factors affecting visual sensitivity" on page 15, such as:

- On highly visible skyline locations, such as ridges and coastal promontories;
- In stark open fields, particularly on hill crests – rather relate the mast to other structures or clumps of trees in the area.

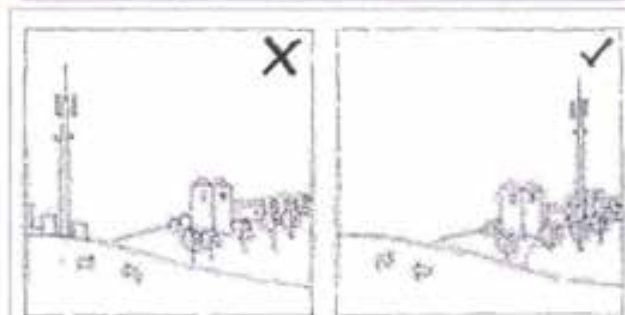
**OB.2.5.** Using existing structures to accommodate TMI is encouraged (if this does not conflict with any other legislation), for example, on tall buildings, utility poles, light masts, billboards and existing tall structures. (See "Objective 9. Where possible TMI should be placed on other structures such as light posts, road signs etc." on page 23)



Locate TMI within industrial, commercial or business areas where possible



Avoid masts and structures on the skyline

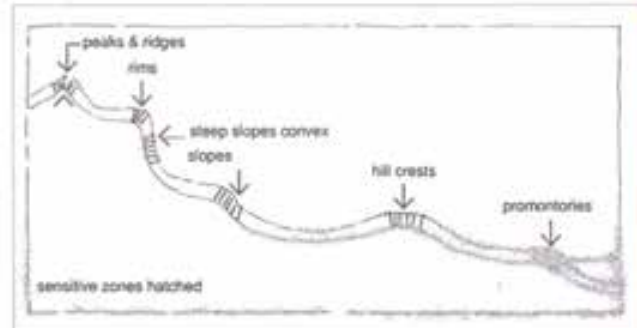


Relate masts to other structures and/or tree clumps

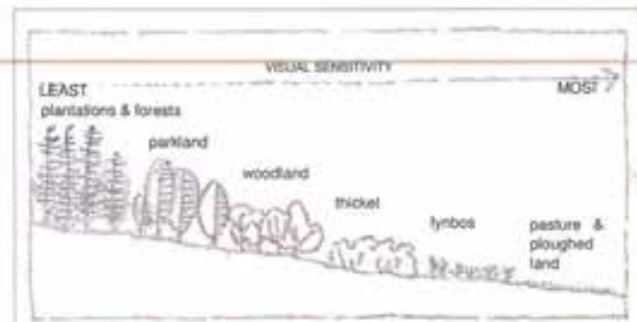


Use existing structures to accommodate TMI wherever possible

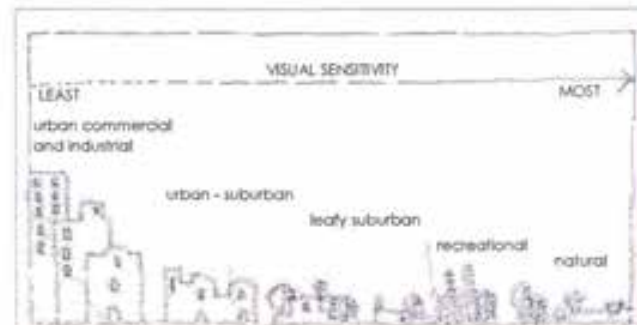
- The landscape or townscape can be seen to have varying levels of visual absorption capacity. This existing visual impact is largely dependent on landforms, land cover (vegetation), and land uses.
- Landforms such as peaks, ridges, spurs, promontories, rims, convex slopes and steep gradients, for example, tend to be more visible and therefore more visually sensitive.
- Land with low cover, such as ploughed fields or low fynbos vegetation provide less visual absorption than thickets or woodland. Plantations, shelter belts and park-land tend to have the tallest canopy, although plantations may be temporary, if harvested.
- Land uses such as open playing fields or low density residential areas tend to be more visually exposed than commercial or industrial areas with large buildings.
- Visual sensitivity is related to the degree of naturalness of an area. For example, pristine areas are more scenically valuable than disturbed or urbanized sites. Generally the sensitivity scale ranges according to the wilderness, rural or urban character of the landscape.
- The uniqueness of an area, or the protection it is afforded must also be considered. Nature reserves, scenic drives, national monuments, heritage sites and historical areas would all heighten the sensitivity of an area.
- Special features, view sites and places of interest further influence visual sensitivity at a micro scale.



Visually sensitive landforms



Land cover and visual absorption capacity



Land use and visual absorption capacity

### OBJECTIVE 3. TO ENSURE THE CO-LOCATION OR SHARING OF TMI WHEREVER POSSIBLE

*It is necessary to effectively and efficiently use existing infrastructure and minimize visual clutter. Competing TMI sites across the municipality will therefore be discouraged.*

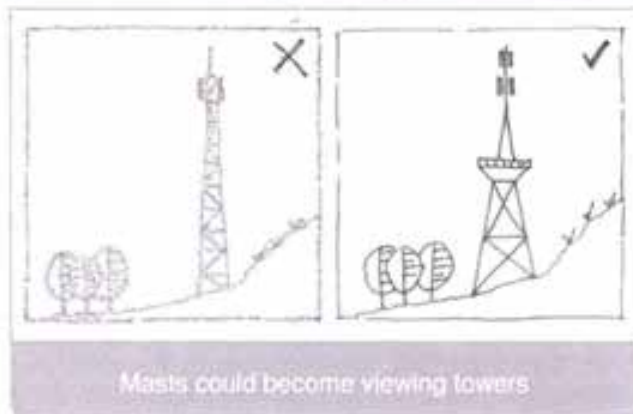
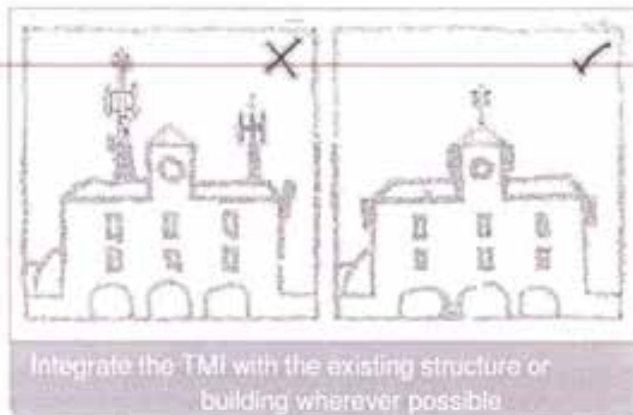
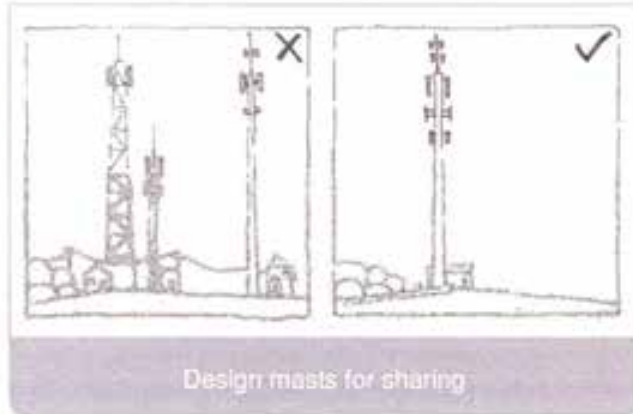
**OB.3.1.** Existing and future potential for co-location of TMI needs to be considered.

**OB.3.2.** In any application, the benefits of co-location shall be weighed up against any possible negative effects, i.e., co-location should not be adhered to at the expense of all other considerations. These could include:

- a possible increase of support structure height needed to accommodate the other providers that may be visually unacceptable;
- a possible increase of power output from one location;
- physical and technical limits to the loads that a support structure is able to support; or
- planned Radio frequency (RF) coverage may not be achieved by a particular TP at a certain location.

**OB.3.3.** The siting and design of TMI and ancillary facilities should be integrated with existing buildings and structures, unless it is impractical to do so, in which case they should be sited and designed so as to minimize any adverse impact on the amenity of the surrounding area.

**OB.3.4.** Consider the possible multiple use of masts for landmark structures etc. Take the particular needs and character of the area into account.



## OBJECTIVE 4. TO RETAIN THE VISUAL INTEGRITY, SPECIAL CHARACTER AND AMENITY OF THE STELLENBOSCH MUNICIPALITY

*Proliferation of TMI could result in visual clutter which would be detrimental to Stellenbosch's built and natural environment. The visual impact is especially important in natural open environments or on ridge lines. TMI should be integrated into the landscape (whether rural or urban) to be as visually unobtrusive as possible.*

**OB.4.1.** TMI should be designed, sited and integrated with existing infrastructure to minimize any potential adverse visual impact on the character and amenity of the local environment, in particular, impacts on prominent landscape features, buildings, general views in the locality and individual significant views.

**OB.4.2.** Attention must not only be paid to the design of masts, but also to the treatment of ancillary structures and mechanical equipment. Access roads, power lines and fencing will all be assessed.

**OB.4.3.** TMI must be designed to minimize, mitigate or avoid adverse impacts on the visual character and amenity of residential areas.

**OB.4.4.** The obstruction of or detracting from views of significant vistas, significant landmarks or elements of the cultural landscape should be avoided.

**OB.4.5.** TP's must motivate their choice of support structure, which should blend into the surrounding environment as far as possible.

**OB.4.6.** In the event that a container is used as an equipment room on a rooftop, such container must be set back as far as possible from the edges of the roof so as not to be visible from street level.

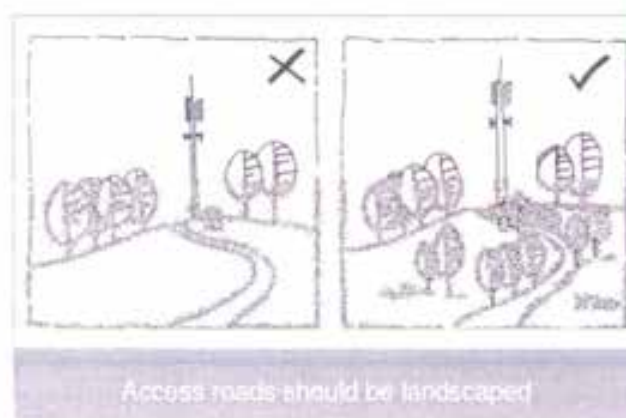
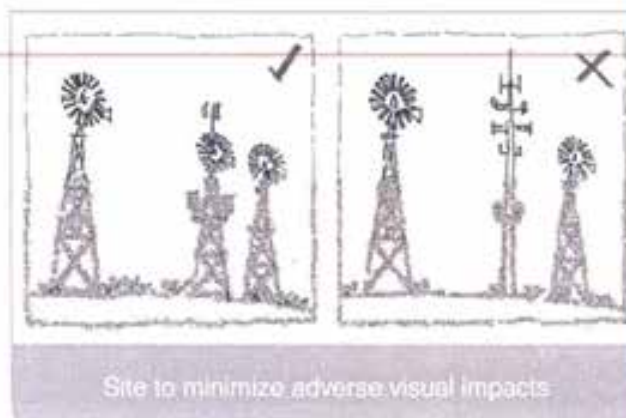
**OB.4.7.** Cables should be placed underground, unless it is impractical to do so and there would be no significant effect on visual amenity.

**OB.4.8.** Newly constructed access roads or other parts of the TMI site, as deemed appropriate, should be landscaped to Council's satisfaction.

**OB.4.9.** Advertising signs of any type require approval in terms of the Stellenbosch Municipality Outdoor Advertising and Signage Bylaw. Signage should be limited to small signs, if

approved in terms of the relevant By-law and not larger than 0,2m<sup>2</sup>, displayed at ground storey level needed to identify the site/property/owner, as required, and those needed at ground storey level to warn of any danger, to Council's satisfaction.

**OB.4.10.** Lighting should be energy efficient, fully shielded and tilted downwards and screens should be placed around these lights to prevent vandalism. Any such measures are required to be indicated on the TMI Plan that is submitted on application.



## OBJECTIVE 5. TO DESIGN WITH THE LANDSCAPE AND USE MODERN MITIGATION MEASURES TO REDUCE IMPACT

*The TMI should be placed and designed to respond appropriately to the surrounding landscape. Mitigation measures should be appropriate to each particular landscape and incorporated into the design.*

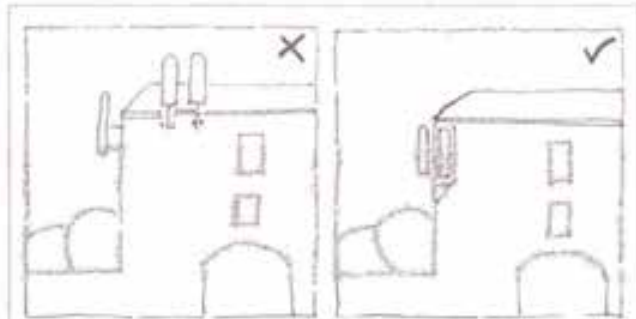
**OB.5.1.** Design and siting of TMI should be integrated as far as possible with the building or support structure to which it relates. TMI such as antennas should not merely be hung off the side of a building, or be attached so as to protrude above the top of the roof/apex of a roof, but should form an integral part of the building as a design element. For heritage areas, buildings older than 60 years and other heritage sites, the integrity of the heritage must prevail in the design and siting of TMI.

**OB.5.2.** Techniques which may be used to minimize adverse visual impacts for RBTS include: adjustment to the overall size (height and scale); colour/cladding to match adjacent walls, i.e. complementing facade treatment so as to maintain visual balance; creating an architectural feature such as a spire, column and finial and screening to minimize visibility of the facility from adjacent areas.

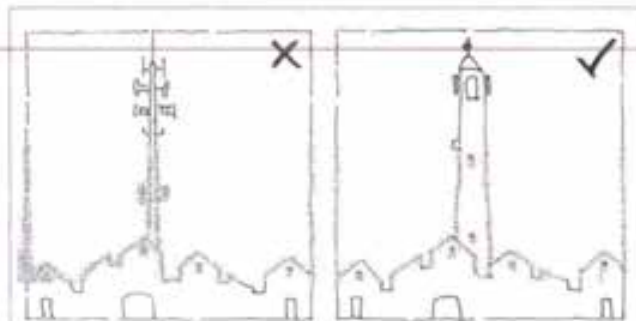
**OB.5.3.** In the case of FBTS, design measures to mitigate visual impact are in some cases the same as those referred to above, and include: adjustment to the overall size (height and dimension); colour coding to match the predominant background (e.g. sky, vegetation); designing the infrastructure as a work of urban art/as another structure (e.g. flagpole, signpost, tree); picking up on a fencing style/type of roof pitch and repeat this for the equipment room; if there are boulders on site use stone cladding for the equipment room.

**OB.5.4.** The equipment room should be walled or fenced as appropriate in the context (metal, stone, wood or brick) or housed in a specially designed building to match other buildings on the site.

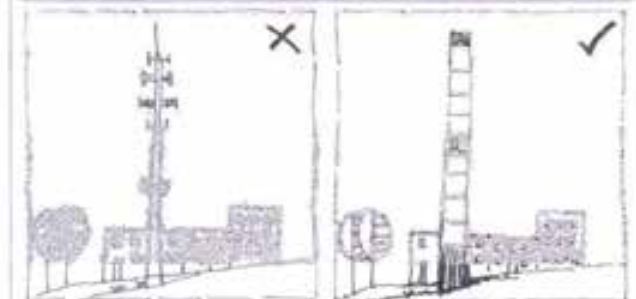
**OB.5.5.** TMI support structures should preferably be located where vegetation (trees), landforms or other features of a site will adequately screen or reduce the impact of the TMI from public



Integrate TMI with the building or support structure to which it relates



An architectural feature can be created on the building or in the landscape



The TMI can be designed as a work of urban art/furniture

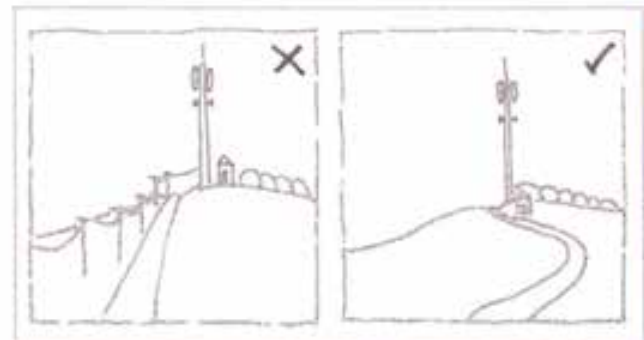


Avoid inappropriately disguised masts

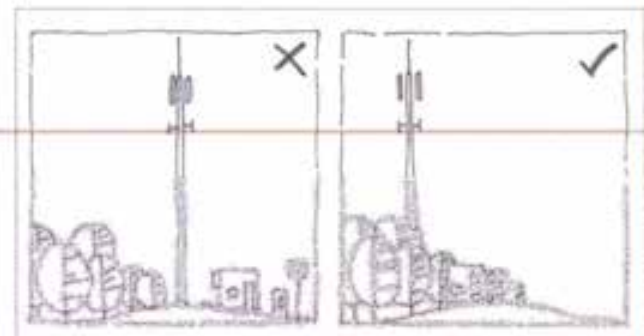
areas and reduce the visual impact. Landscaping/tree planting and maintenance thereof can be requested by Council as a measure to reduce the visual impact of TMI, even if only to screen the base of any towers and ancillary structures, and to draw attention away from the structure.

**OB.5.6.** Measures such as concealment, colour and appropriate finishes and camouflage should be used, where appropriate, to minimize the visual impact.

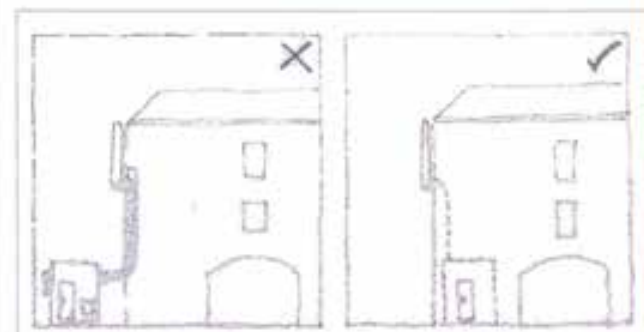
Site or property characteristics	Mitigation guidelines
Existing fences with a common style or predominant colour that are a positive feature in the landscape.	The fence around the base station site must match the style and colour of the other fences in the landscape.
Walls as a positive feature in the environment.	The wall around the base station site must match the style and colour of the surrounding walls.
Existing buildings have an architectural theme.	Any structures built must respond to this theme.
Open or exposed locations where the background is mostly sky.	Any structures should be left unpainted in a galvanized finish.
Existing buildings with one or two predominant colours or design elements, e.g. a brick building with a pitched roof.	Any structures should be painted from the same palette of colours. If the equipment room cannot be housed within an existing building, then its architecture must respond to the predominant design elements.
An open space or natural area	If possible equipment container and mast must be camouflaged physically within the environment - camouflage structures (trees, rocks) or painted a suitable natural colour.
Residential areas where trees are an important landscape feature	Camouflage support structures as trees that are appropriately part of the local landscape.
Residential areas with few trees	Place TMI on existing street features such as
Urban areas	Incorporate TMI into existing buildings wherever possible.



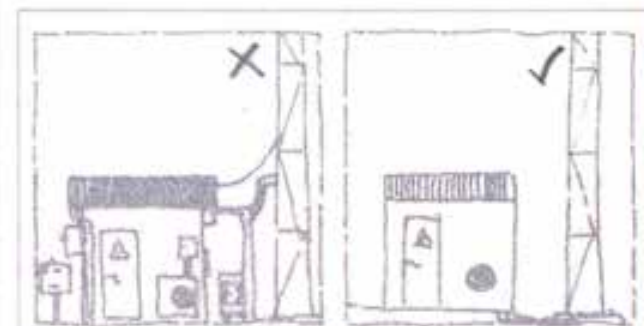
Site new road appropriately in the landscape



Locate TMI where trees or other landforms will mitigate the impact



Avoid external containers and ducts



Accommodate mechanical equipment in container

Mitigation guidelines

VISUAL IMPACT, LANDSCAPING AND PUBLIC AMENITIES

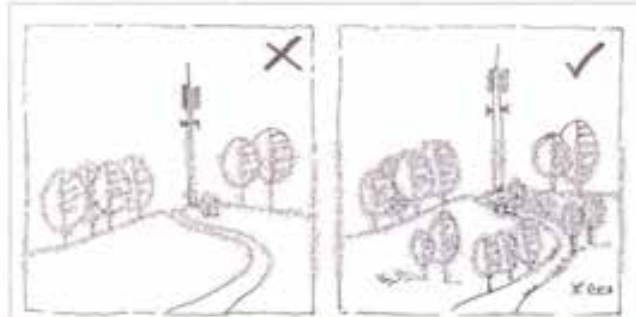
## OBJECTIVE 6. TO RETAIN AND IMPROVE THE ENVIRONMENTAL AND HERITAGE QUALITY OF THE PUBLIC ARENA

*Appropriate landscaping around TMI and associated facilities should be implemented, for example, greening or softening or screening of impacts through the provision of planting, landscaping or providing public facilities or amenities. It should be ensured that TMI is sited with minimal need for tree and plant removal.*

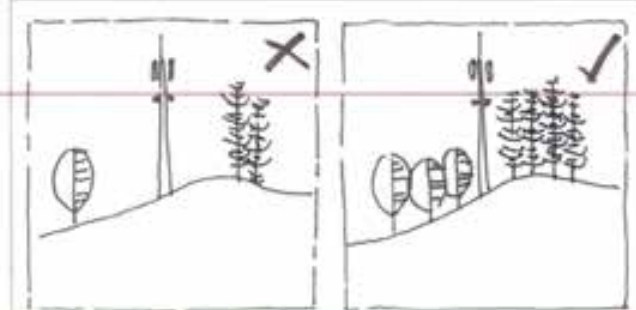
**OB.6.1.** Newly constructed access roads or other parts of the TMI site, as deemed appropriate, should be landscaped with plants, trees and ground covers to minimize visual impacts.

**OB.6.2.** Where power to a base station site is required and excavation works are undertaken, the removal of mature trees or vegetation should be avoided as far as possible.

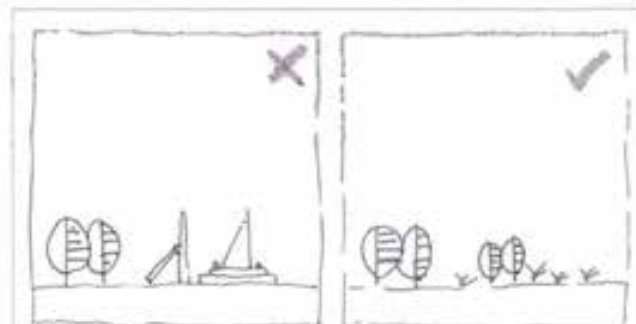
**OB.6.3.** On termination of use of TMI, the TP will be requested to remove all equipment from the site including the access road (if no longer needed) and the area should be rehabilitated to the satisfaction of Council. Council may impose conditions regarding post-decommissioning rehabilitation of the site.



Landscape new TMI sites appropriately



The removal of mature trees or vegetation should be avoided as far as possible

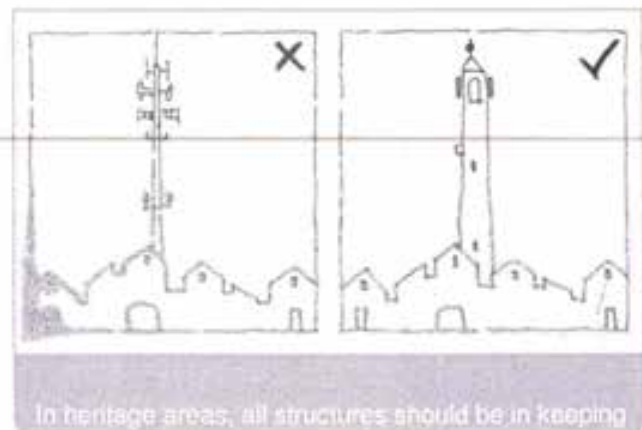
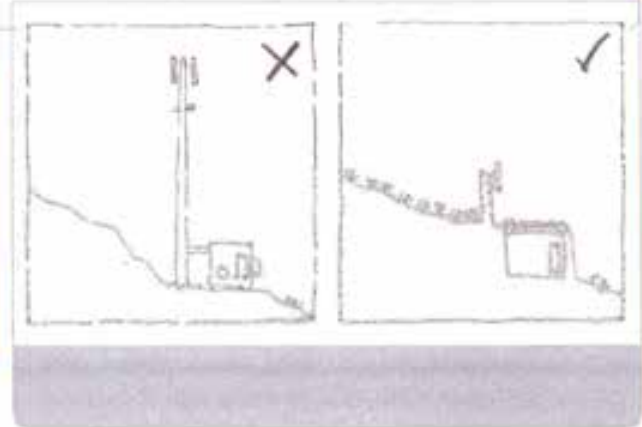


All equipment to be removed from site on the termination of TMI

## OBJECTIVE 7. TO PRESERVE AREAS OF ENVIRONMENTAL OR HERITAGE SIGNIFICANCE

*Environmental and heritage areas are of great importance to Stellenbosch and need to be sensitively treated. The visual impacts tend to be much higher in these areas, and if siting in this kind of area is unavoidable, then it must be ensured that the location and design of the TMI is done in such a manner that the integrity of the landscape or resource is retained by the appropriate mitigative measures to minimize negative impact.*

- OB.7.1.** The erecting of TMI in areas of environmental or heritage significance where it can be viewed to or from the site, with adverse impacts on the environmental or heritage resource should be avoided as far as possible. If this is unavoidable for network and technical reasons, the requirements in "Annexure 2: Requirements for submission" on page 34 must be satisfied.
- OB.7.2.** Environmentally sensitive construction methods must be employed in the construction of a TMI site so that the natural habitat is not disturbed. Any disturbance to the natural habitat must be rehabilitated.
- OB.7.3.** Surrounding vegetation is to be retained as far as possible. Any proposed removal of trees and vegetation is to be shown on the submission of the site plans and is to be approved by Council prior to removal.
- OB.7.4.** In heritage areas, masts, structures, fences, etc. should be in keeping with the character of the area.



Typical areas of significance

1. Land zoned Public Open Space.
2. Large boulders/rocky outcrops on the site.
3. Site abuts vacant/open space/public passage.
4. Site abuts or is within a conservation/nature area or place with National/Provincial/Local protection status.
5. River/stream/watercourse/drainage channel on or within 32m of the site.
6. Wetland/dam/water body/marshy area/high water table on or within 32m of the site.
7. Site that naturally stays filled with water in wintertime.
8. Floodplain of a river/wetland (within 1:50 year floodline/1:100 year floodline).
9. Coastline, beach or within 100m of the high water mark of the sea.
10. Coastal dunes, Coastal forests/thickets on the site.
11. Site outside or abutting the urban edge or constituting the last row of properties on a mountainside, rural/smallholding edge/horticultural area.
12. Steep slopes greater than 1 in 3.
13. Site abuts/is within a scenic drive/reserve.
14. Significant tourism gateways/viewing platforms/vantage points/vistas.
15. Old Oaks, Stone Pines, gum tree avenues or similar Historical plantings on site (tree avenues/hedges).
16. Mature (trunk circumference of an adult's arm's length) trees on site (indigenous or alien).
17. Cultural landscapes, historic farms, historical plantings on site (tree avenues/hedges).
18. Existing Buildings/any part of a structure older than 60yrs.
19. Existing building/site which is a National monument/provincial heritage site.
20. A declared/proposed Urban conservation area or heritage area/zone.
21. Special Areas eg Nature Reserves.
22. Surveyed heritage areas.
23. Graves/burial grounds/cemeteries on the site.
24. A place of known social/cultural significance, for example, certain places of worship, a male initiation site, a place of oral traditions/stories/legends, struggle history, slavery.

IMPACT ON AREAS OF ENVIRONMENTAL AND HERITAGE SIGNIFICANCE



## OBJECTIVE 8. TMI MUST BE SITUATED AND OPERATED IN A MANNER SO AS NOT TO INTERFERE WITH ANY OTHER UTILITY FUNCTIONS

*It is important that the existing and future planned utility services are not affected by additional infrastructure*

- OB.8.1.** Electricity supply to TMI must, where practically possible, make use of underground cables. All electrical installations must be as per Eskom or Stellenbosch Municipality Electrical Department requirements and standards. RBTS sites should have cabling placed in a properly sealed metal channeling.
- OB.8.2.** Power supply to TMI sites must not interfere with existing radio equipment installed in the vicinity.
- OB.8.3.** If existing electricity supply to the site is not sufficient, the use of solar energy should be considered.
- OB.8.4.** Any interference that TMI may have on satellite or television reception must be investigated by the TP, and in the event that the fault lies with the TMI, the TP shall rectify the matter at own cost.



## OBJECTIVE 9. WHERE POSSIBLE TMI SHOULD BE PLACED ON OTHER STRUCTURES SUCH AS LIGHT POSTS, ROAD SIGNS ETC.

*New technology has allowed small panels to be placed on normal street utility poles; this is called Distributed Antenna Systems. Although they need to be placed on a number of poles, there is no additional visual impact.*

*Before the responsible Road Department can consider new cabling and base plinths in road reserves, it will be necessary for the identification of all existing services in the vicinity of the proposed new location. Thereafter it will be dependent upon the service departments being able to accommodate the infrastructure and supporting network in the road reserve without compromising service delivery in respect of other services.*



- OB.9.1.** TMI lines and cables should be located within existing underground conduits or ducts.
- OB.9.2.** If a base station is needed; it should be sensitively sited with little impact on its surroundings.
- OB.9.3.** All mechanical equipment should be placed within the base station.
- OB.9.4.** Distributed Antenna Systems, when placed on normal street utility poles, will not be considered a land use activity.

*For examples see "A1.3 TMI placed on other structures including utility structures" on page 32*

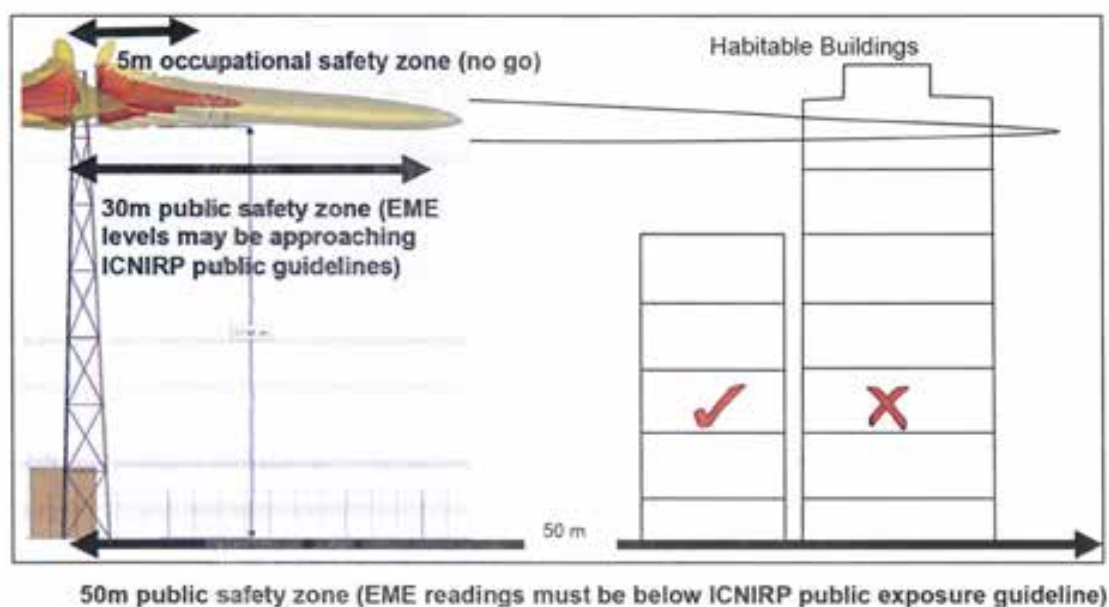
## OBJECTIVE 10. TO PROTECT THE HEALTH, SAFETY AND WELLBEING OF THE INHABITANTS OF STELLENBOSCH

*The safety of the population has to be protected with regard to permissible EME levels as well as making sure that the security is sufficient so that no unauthorized entries that could lead to people being injured can occur.*

- OB.10.1.** Public access to TMI installations must be restricted in an appropriate manner (e.g. fence, wall, locked gate or door) together with warning signage to the satisfaction of the Municipality. Care shall be exercised by the TP to ensure that such security measures do not inhibit emergency exit procedures (e.g. fire escape) for RBTS sites.
- OB.10.2.** In the light of public concerns and ongoing research and debate on the effects of EME on public health, Council is adopting appropriate precautionary measures, taking preventative action and undergoing reactive investigation, as deemed necessary.
- OB.10.3.** With the exemption of Minor Freestanding Base Telecommunication Stations, antennas should be located and positioned so that no habitable structures are within a zone of

50m directly in front of the antennas at the same height. The following diagram generally illustrates acceptable and unacceptable positioning of antennas.

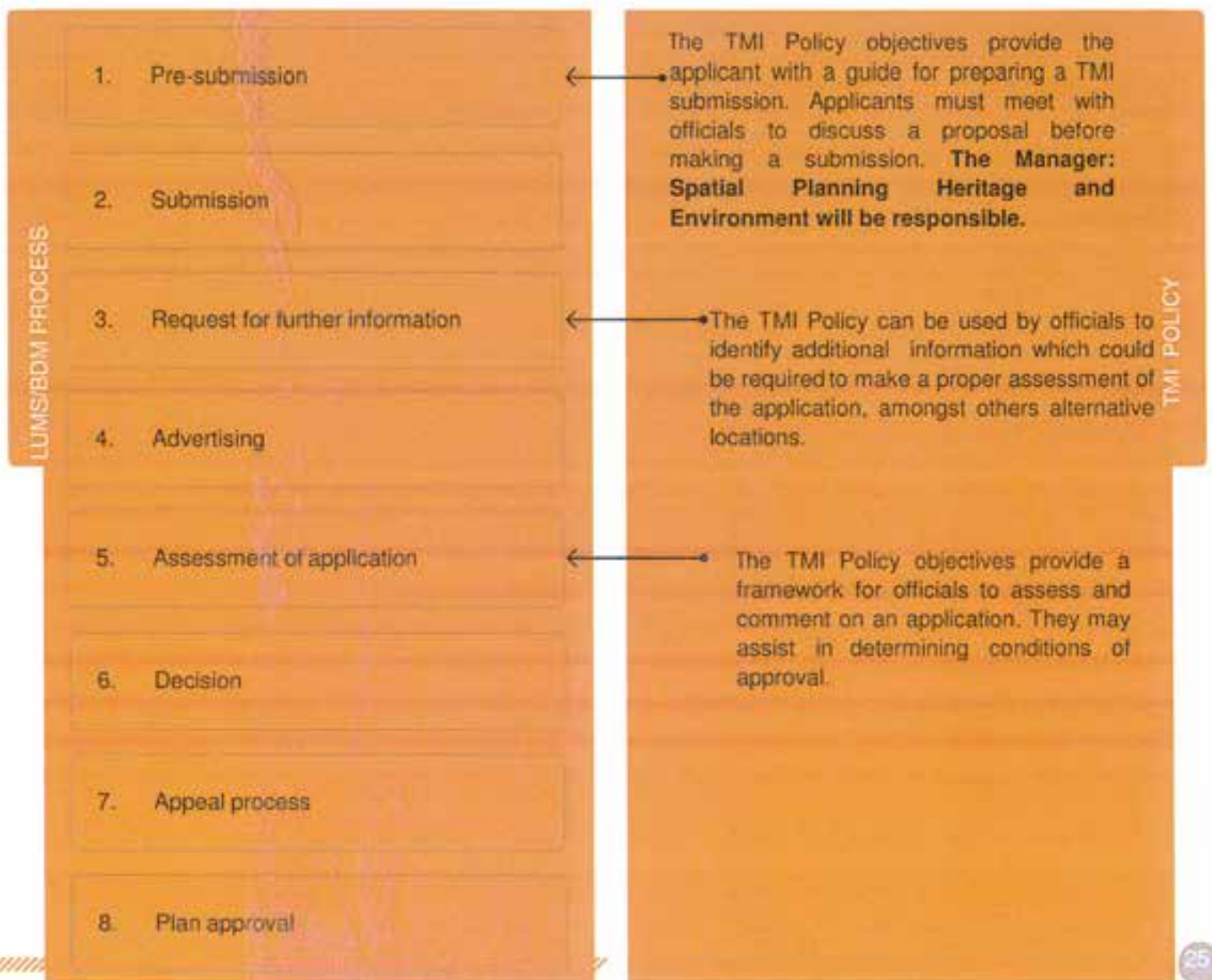
- OB.10.4.** No TMI or combination of such infrastructure may at any time cause the public to be exposed to RF levels that exceed the ICNIRP public exposure guideline in any occupied space or location to which the public reasonably has access. This is endorsed by the NDOH.
- OB.10.5.** No public or unauthorized person shall be able to gain access to rooftop antennas and should not come within 5m in front of antennas.



Zone sizes depicted here are for a typical licensed cellular operator, in-band (GSM900, DCS1800 and UMTS) site

## 8 IMPLEMENTATION

<p>The Telecommunication Mast Infrastructure Policy will be effective from the date it is approved by Council and will not be retrospectively applied to applications that are already in the system. The Policy will be applied within the Municipality's existing development application process and will need to be considered by officials in the assessment of development applications.</p>	<p>All applications for new TMI have to be substantiated and motivated with a needs assessment, addressing at least the following:</p> <ul style="list-style-type: none"> <li>• Area of existing coverage (map/research)</li> <li>• Effective area of coverage subsequent to erection of proposed infrastructure</li> <li>• Site selection</li> <li>• Alternatives</li> <li>• Visual impact and mitigation measures</li> <li>• Impact on areas of environmental &amp; heritage significance</li> <li>• Impact on existing services and utilities</li> <li>• Public health and safety</li> <li>• Benefits to community</li> </ul>
<p>It is the applicant's responsibility to ensure that where parallel processes are required, in terms of other legislation, that these are integrated as far as possible and to ensure that design</p>	
<p>considerations are considered in order to streamline all levels of approvals and minimize risk. Prospective applicants who are considering projects to which the policy would apply must engage the Municipality in pre-submission consultation.</p>	



## 9 MONITORING, EVALUATION AND REVIEW

Council must ensure that conditions of approval are complied with (model conditions are attached under "Annexure 5: Model Conditions of approval" on page 40).

### 9.1 Monitoring

**9.1.1.** Council can request a Network Plan from each respective TP. This would enable one to see all existing and planned sites for the Stellenbosch Municipality and how the different networks' sites relate to each other. The Municipality will enter into confidentiality agreements with service providers / TP's, to protect sensitive information.

**9.1.2.** At any time Council may request monitoring by an independent certified expert in the field, to verify any issue relating to the siting and operation of TMI, as put forward by the TP, at the expense of the TP. In this way, compliance monitoring, to check that RF EME levels are within standards set for public exposure limits, can be verified at any time. Alternatively the Municipality may appoint an appropriate specialist to take readings and where EMI levels are outside of the prescribed limits, recoup the cost from the TP.

The cellular network provider or network provider should at all times comply with the requirements of the NDOH and the ICNIRP on non-ionizing radiation protection with respect to safety standards.

### 9.2 Evaluation

**9.2.1.** Any TMI which is erected in contravention of an approval given by council may be required to be rectified in terms of a notice served on the land owner or TP, as deemed necessary.

### 9.3 Review

**9.3.1.** The TMI policy will be reviewed every five years.

**9.3.2.** The TMI industry as a primary stakeholder must play an active role in the monitoring and evaluation of this policy.

**9.3.3.** The effectiveness of the policy in facilitating decision making process will be ongoing.



## 10 REFERENCES

Council wishes to acknowledge that the following documents have been used or institutions consulted, in the preparation of this Policy:-

**Department of Planning NSW, Australia, Draft Telecommunication Guidelines, 2002.**

**EMSS, Technopark, Stellenbosch**

Liverpool City Council, development Control Plan No. 38: Telecommunication Towers, 23 August 2000.

**Western Australian Planning Commission, Statement of Planning Policy No. 52: Telecommunications Infrastructure, and Guidelines for the Location, Siting and Design of telecommunication Infrastructure (March 2004).**

**South African Bureau of Standards (SABS): Draft Code of Practice: Environmental Considerations for the Planning and Management of Telecommunications Structures (prepared by Environomics for the SABS) 19 May 2000.**

**Department of Environmental Affairs and Tourism (Directorate Environmental Impact Management: Provisional Background document on standards for cellular phone base station antennas).**

**ICNIRP, International Commission on Non-Ionizing Radiation Protection.**

## ANNEXURE 1: REFERENCE GUIDE TO GOOD PRACTICE

### A1.1 Disguised TMI

One way to reduce the impact of TMI on its surroundings is to disguise them. One of the most popular methods is to construct a false tree - these tend only to be successful if they are at roughly the same height as other trees (as in the palms shown here) or in a forested area. They also need to be very well designed and constructed to be effective.

Sculptures and towers can be built to be TMI, and these tend to be more successful in urban and sub-urban settings.

The false rock below is a good example of an unobtrusive TMI, with good landscaping around it.



## A1.2 TMI designed as an architectural feature

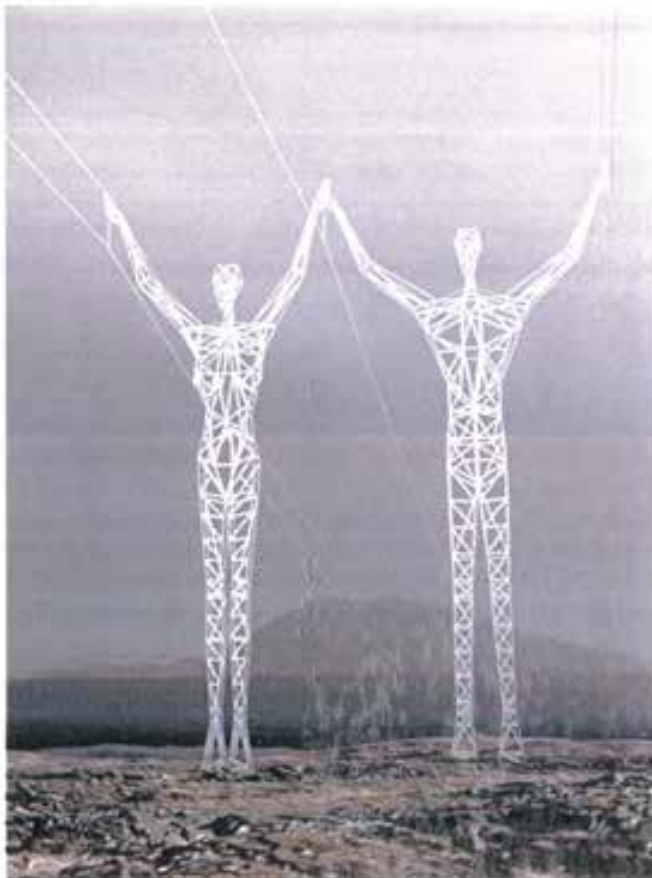
A preferred reaction rather than disguising the TMI as something else is to design something unique that is attractive in its own right.

The pylons shown below are an example of this innovative thinking. The human figures were a competition entry to the Iceland national power transmission company.

The Architects (Choi+Shine) write: "Seeing the pylon-figures will become an unforgettable

experience, elevating the towers to something more than merely a functional design of necessity."

The Deer Power lines are also conceptual by Design Depo, Moscow.





### Mosaic Tower

For a more urban setting, Mosaic tower is a beautiful landmark. TMI, nowadays hugely interacting with urban landscape, can no longer be considered as a simple technological element. They are becoming a contemporary symbol, connected and inter-twining with material and immaterial networks.

### Montjuic Communications Tower

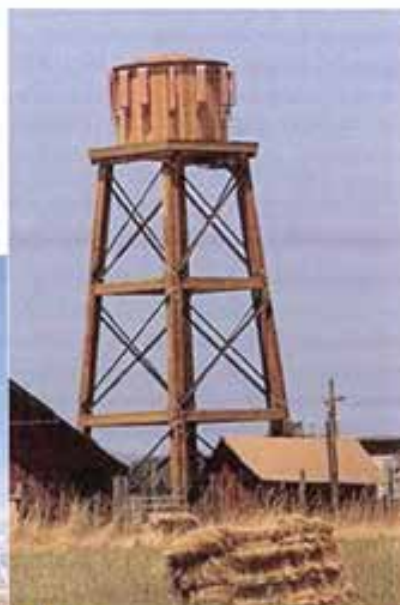
Calatrava's beautiful and original communications tower was built for Telefónica in the heart of the 1992 Olympic site, to carry coverage of the Games. Aside from its distinctive structural form, the tower is innovative in enclosing the circular platform of microwave dishes, replacing the normal clutter with a serene white arc. As a result the 130-meter structure becomes a welcome feature in the Olympic park.



### A1.3 TMI placed on other structures including utility structures

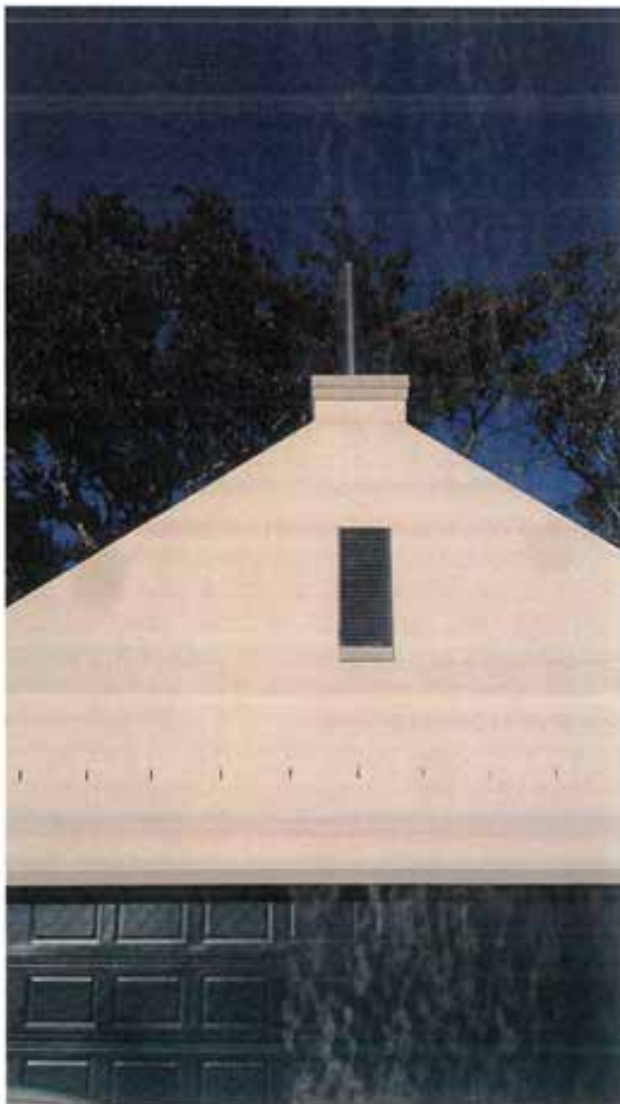
As long as it's not too obtrusive, it is ideal to place TMI on existing structures.

It is far better to use light poles, flagpoles etc. to carry the transmitters than to build obtrusive towers, even if more transmitters are needed.



#### A1.4 TMI placed on domestic structures

As TMI gets smaller, it is becoming easier to place it on domestic structures unobtrusively. TMI is often placed on or next to a chimney and generally has less visual impact than a satellite dish.



## ANNEXURE 2: REQUIREMENTS FOR SUBMISSION

### A2.1 Site selection and co-location

- 2.1.1. All applications for TMI must be accompanied by a Site Analysis Plan which clearly illustrates the proposal in the context of the existing landscape and receiving environment and drawn to an appropriate scale. Accompanying the Site Analysis Plan must be a Report detailing the motivation for the selected site, detailing how the siting and design of the facility has responded to the site analysis and satisfactorily demonstrating to Council that all alternatives on the site itself have been explored in order to address section 6.1.2 above (see Annexure A for detail that needs to be included in such a Site Analysis Plan).
- 2.1.2. A Zoning and Land Use Map to a scale of 1:2000 (A4) indicating zoning and land use must be submitted. Indicate on such map all areas of environmental and heritage significance, if applicable, and any habitable structure that is within a 50m zone directly in front of the antennas at the same height as per "Public health and safety" on page 35 below. A Report and Map that demonstrates how the proposed site relates to the existing and proposed network telecommunications infrastructure and confirming that the applicant has looked at all possible existing options for co-location. A radius of 1 kilometer around the site must be shown, showing existing or proposed TMI and other possible support structures. If no available alternative is possible, this fact must be motivated in this report to the satisfaction of the Municipality. This Report must detail possible sharing opportunities with other TP's in the future. This may include making provision in the design of the TMI so that it can physically cope with accommodating infrastructure of all other TP's or that the building that is to accommodate the equipment room should be constructed so as to be able to contain additional TP's containers in the future.
- 2.1.3. Where TMI can be placed on other structures such as lamp posts, traffic lights, road direction signage, camera poles and flag poles, co-location must be encouraged.

Technical advances in the industry must also look to minimizing the size/scale and impact of infrastructure, which can also make co-location more practical.

### A2.2 Visual impact, landscaping and public amenity

- 2.2.1. The applicant should demonstrate in the Report that all efforts available to assimilate the structure with its surrounding environment have been made.
- 2.2.2. If required by Council, the applicant must supply at least one alternative design option e.g. height, type (monopole, lattice or disguised) and colour or locality that has a lower visual impact.
- 2.2.3. A photo montage and a schedule of colours and finishes for the proposed TMI may be requested by the Municipality.
- 2.2.4. requested by the Municipality.
- 2.2.5. A visual impact assessment prepared by a suitably qualified independent professional, to the Municipality's satisfaction, may be requested by the Municipality. The assessment shall include the visual sensitivity indicating low, medium, high, very high at each scale of visibility including local, distant and skyline, and include recommendations on mitigation.
- 2.2.6. For every new or upgraded FBTS site, the Municipality should consider whether landscaping or the provision of public amenities is appropriate in the context to both enhance the local environment and to benefit the public amenity. If it is considered appropriate, a landscape plan must be provided by the applicant, to demonstrate to Council how landscaping will be implemented and maintained on the subject site prior to plan approval.

## **A2.3 Utilities**

- 2.3.1.** Advisory or warning signage including a pictogram may be a requirement for TMI. Such signage shall identify the property and the TMI and shall warn the general public as required. Such signage shall be to the Municipality's satisfaction and may not be larger than 400mm x 500mm.

## **A2.4 Public health and safety**

- 2.4.1.** If a habitable structure is within the 50m zone at the same height and in front of the antennas; this being typical panel antennas, at an approximate 60 degree angle, or any other type of installation e.g. omni-directional antennas, or if the proposed TMI elicits Council concern numerical simulations of predicted RF EME levels must be submitted to Municipality for verification and assessment, prior to approval of the site. This Department may request further information or verification from the applicant, which may include numerical simulations of predicted RF EME levels done by an independent certified institution. These readings must be submitted with reference to compliance with the latest public exposure limits, i.e. what percentage it is of the ICNIRP guidelines.
- 2.4.2.** Once a site is operational, the Municipality may request a test report to be carried out by an independent certified institution providing the results of measurements showing the actual RF EME levels from that site, with necessary detail as determined at that time. The cost of carrying out such tests shall be borne by the applicant.

## ANNEXURE 3: INFORMATION TO BE SUBMITTED WITH APPLICATIONS

The following plans or documents may be required when applying for the construction of TMI:-

### A3.1 Site Analysis Plan

*(Scale 1:2000) with accompanying Report*

A Site Analysis should include a Map and Report that provides sufficient information relating to the site and its surroundings to assist in the assessment of TMI proposals. This is to ensure that it is designed and located in the best possible manner so as to minimize visual impact and any concerns over RF EME exposure levels.

When applying for a FBTS Council may require the following information to be included in the submission:-

- zoning, site boundaries and dimensions
- location and height of the TMI
- natural landforms and waterflow through the site
- surrounding land uses to a radius of 200m
- surrounding areas of environmental & heritage significance
- existing vegetation
- details of any significant environmental constraints and, where relevant, commitments stating how these constraints will be managed to prevent a negative impact on the environment
- views and vistas to and from the site
- location of areas of environmental significance ("Typical areas of significance" on page 21) within the exposure area
- proximity to adjacent or nearby buildings or other tall structures
- proximity of TMI to other existing TMI sites. Show km radius around application site for urban areas.
- other info as required by the Municipality

When applying for a RBTS, the Municipality may require the following information to be included in the submission:-

- site boundaries and dimensions
- location and height of the TMI
- proximity to adjacent or nearby buildings and use of such buildings
- views to and from the site
- use of the building and position of such use relative to TMI
- proximity of TMI to other TMI and other possible support structures
- photographic illustrations of the proposal within its setting
- other info as required by the Municipality

### A3.2 Telecommunication Mast Infrastructure Plan

*(scale 1:1000 as well as a reduced A4)*

The following information is required with an application for TMI:-

- dimensioned plans showing detail of the TMI;
- graphic illustrations including photographs of similar facilities or computer generated simulations showing the type of facility and its relationship with adjacent development;
- elevations showing the extent, height and appearance of the proposed facility as viewed from any adjacent street, public place and adjacent property;
- proposed materials and colour of the facility, and proposed arrangements for maintenance and future modifications in response to changes to any adjacent buildings or structure;
- any screening or fencing proposed in conjunction with the facility, including arrangements for maintenance;

- any external lighting of the proposed facility or the facility site; details of any existing vegetation to be removed and any proposals for landscaping or restoration of any disturbed land;
- details of the timing of works involved in establishing the facility and any arrangements for temporary access or changes to existing access facilities during the course of construction;
- how the proposed facility relates to the existing and proposed network of telecommunications infrastructure, and what, if any, additional facilities are known by the proponent to be under consideration to meet projected future increases in demand;
- how the proposed TMI facility addresses Section 9 Development Control: Objectives, Guidelines and Requirements as contained in the Stellenbosch Municipality Telecommunication Mast Infrastructure Policy.

### A3.3 Compliance certificate and Lease agreement

- The Municipality may require a statement that the site will be compliant with the current public exposure guidelines prepared by ICNIRP.
- If the site is leased from the Municipality, a letter of consent or the lease agreement is required.

### A3.4 Information that may be required by the Stellenbosch Municipality's Building Management Branch

- Specify what radio spectrum or frequency is used.
- Specify what radio equipment is used – make and model.
- Specify the number of antennas attached to this equipment and the gain in dB, polarization, and coverage i.e. azimuth and elevation.
- Specify what power levels are to be radiated by

the antennas in dBm or Watts;

- If operating in the ISM band, provide a certified copy of their ICASA license. If not operating in the ISM band, then provide a certified copy of their specific spectrum licence;
- The maximum power output of the facility and radio frequency electromagnetic energy levels in accordance with ICASA. This statement is to demonstrate that the carrier accepts full responsibility for compliance with the Telecommunications Act;
- Provide the GPS coordinates (WGS84) of this site, and of all radio sites which connect to this installation.

### A3.5 Environmental Management Plan (EMP)

- An EMP must be included in the submission if the site is within an area of environmental & heritage significance and no EIA is triggered in terms of NEMA.
- Separate guidelines on a Generic full EMP and a Site EMP are available from Environmental & Heritage Management Branch, where an EMP is required. This must be submitted to Council's satisfaction prior to final building plan approval.

## ANNEXURE 4: PRELIMINARY ASSESSMENT CHECKLIST FOR PLANNING CASE OFFICIAL

Officials Name.....

PLEASE ATTACH COMPLETED CHECKLIST TO APPLICATION DOCUMENTATION

Erf ..... Address ..... APPLICATION #.....

GENERAL REQUIREMENTS			
Has the following been submitted? (Annexure 3)	YES	NO	
Telecommunication Mast Infrastructure Plan			
Zoning Compliance certificate and / Lease agreement			
Telecommunications Branch Information, if required			
Environmental Management Plan, if required			
Other, specify			
<b>Monitoring:</b>			

SITE SELECTION AND COLOCATION (OB1 & OB2)			
	YES	NO	
Is a Site Analysis Plan & Report submitted and to Council's satisfaction?			
Is a Zoning / Land use map (1:2000) (A4) submitted?			
Is the TMI on an existing structure or building?			
<b>IF YES</b>	Is the proposal integrated with the structure / building as a design feature?		<b>Y N</b>
Is the Report submitted that addresses co-location options to Council's satisfaction?			
Is the map and photographs showing other existing tall structures (TMI structures / other) in a 1km radius around the site submitted to Council's satisfaction			
Are there existing / other approved TMI sites within the 1km radius around the proposed site?			
<b>IF YES</b>	Is there sufficient motivation / reason for non-location with such site(s)?		<b>Y N</b>

VISUA IMPACT, LANDSCAPE AND PUBLIC AMENITY (OB 3 & 4)			
	YES	NO	
Will there possibly be a negative visual impact on the environmental / heritage resource / public amenity / landscape arising from this proposal?			
<b>IF YES</b>	Is an alternative type and / or locality that has a lower visual impact required? (Council may require this)		<b>Y N</b>
<b>IF YES</b>	Is a photo montage and a schedule of col- ours and / finishes required? (Council may require this)		<b>Y N</b>
<b>IF YES</b>	Is a Visual Impact Assessment required? (Council may require this)		<b>Y N</b>



Is the proposal for a FBTS site (new or upgrade / modification / sharing)?				
	<b>IF YES</b>	Have landscaping / or provision of public amenities been proposed and adequately been dealt with regarding implementation?	<b>Y</b>	<b>N</b>
<b>Monitoring:</b>				
If landscaping or provision of public amenities is a requirement as a condition of approval.				

<b>IMPACT ON AREAS OF ENVIRONMENTAL AND HERITAGE SIGNIFICANCE (OB 5 &amp; 6)</b>	<b>YES</b>	<b>NO</b>		
Is the proposal within an area of environmental / heritage significance?				

<b>IMPACT ON EXISTING SERVICES &amp; UTILITIES (OB 7)</b>	<b>YES</b>	<b>NO</b>		
Is advisory & warning signage on the TMI?				

<b>PUBLIC HEALTH AND SAFETY (OB 9)</b>	<b>YES</b>	<b>NO</b>		
Is there a habitable structure within a 50m zone in front of the antennas?				
	<b>IF YES</b>	Show alternative location that does not fall into this 50m zone.		
	<b>IF YES</b>	If circumstances prevail that necessitates being within the 50m zone, ensure that "Objective 10. To protect the health, safety and wellbeing of the inhabitants of Stellenbosch" on page 24 of the Policy is complied with.)		
Is the 5m areas in front of the antennas accessible to the general public?				
	<b>IF YES</b>	Ensure that safety measures are put in place to prevent access.		

## ANNEXURE 5: MODEL CONDITIONS OF APPROVAL

### Standardized conditions of approval for cell masts and other Telecommunication Mast Infrastructure

With an approval of a site for telecommunication structures, the following pro forma conditions may apply. When formulating conditions of approval, any further site specific issues or conditions which are not dealt with in the general conditions must also be included as conditions of approval. [Note that if the TMI is in an area of environmental significance an EMP must be submitted to Council for approval prior to final approval and not as a condition of approval].

#### A5.1 General

- 5.1.1. This approval shall be valid for maximum period of 5 years for temporary departures or extended period.
- 5.1.2. After 5 years, or if the site is decommissioned before such time, the applicant must remove all site infrastructure and the site must be rehabilitated, within one month, to its former state or to a condition that is in line with the land use and character of the area at the time, as required by the Municipality. If the TMI are still operational at this time, the period can only be extended by a further application to the Municipality.
- 5.1.3. Ongoing maintenance of the entire installation must take place by the applicant.
- 5.1.4. Conditions of approval must be made known to any new owner of the site and are binding on the successor in title.
- 5.1.5. The combined or weighted RF exposure of a person may not exceed the public exposure guideline as set by the ICNIRP.
- 5.1.6. The applicant shall grant the Municipality access at all reasonable times to the installation, for the purpose of monitoring inspection and compliance certification.
- 5.1.7. No unauthorized person should be able to come within 5m in front of the panel antennas. Clearly marked warning signs, must define this no go zone.
- 5.1.8. Should any further research link

radiation to health issues, the Municipality may impose further conditions to keep it in line with CNIRP.

- 5.1.9. The finishing and colour of the panel antennas for rooftop sites must be in keeping with the building to which it is attached.
- 5.1.10. That for freestand sites the consent use or departure be restricted to the fenced compound of the mast and equipment room as depicted on the building plan.
- 5.1.11. This approval does not exempt the applicant from any other Bylaws or Regulations that may be applicable including any lease/wayleave approval that may be required for location in a Council road reserve or on other Council owned property.
- 5.1.12. The mast or equipment room should not be utilised for outdoor advertising purposes.

#### A5.2 Visual impact, landscaping and public amenities

- 5.2.1. Paintwork, materials and finishes used for the fencing, posts, antennas and equipment container must be in accordance with the specifications on the approved plans, and also maintained as such.
- 5.2.2. The equipment room for rooftop sites must be set back as far as possible from the edges of the roof.
- 5.2.3. Any lighting of structures shall be shielded from adjacent properties (tilted downwards), and should avoid upward light pollution.

**A5.3 Impact on existing services and utilities**

- 5.3.1. Rooftop Installations should be situated in such a manner that they do not interfere with other utility functions.
- 5.3.2. In the event that interference occurs with Council's services, this shall be rectified by the cellular operator and at the cost of the operator, within the timeframe stipulated by Council.

**A5.4 Public health, safety and security**

- 5.4.1. If access to the rooftop is prevented, for example, by a locked door, ensure that this conforms with fire escape procedures.
- 5.4.2. Access to the antennas and or mast and equipment room must be strictly controlled by means of a fence or wall with locked gate and adequate warning signs in the official languages must be displayed on the gate.

**A5.5 Lease**

- 5.5.1. This temporary departure shall become effective upon the approval of the lease application for a part of the property for the erection of cell phone communication infrastructure.
- 5.5.2. If for any reason any condition of the lease agreement is breached or the lease ceases to exist, the temporary departure shall expire.
- 5.5.3. Prior to approval of building plans, the applicant must provide the Municipality with an indemnity form, indemnifying the Municipality against any possible public claim arising from the erection or use of this installation.

**A5.6 Special conditions**

- 5.6.1. Any special conditions relevant to a particular site (e.g. mitigating factors such as landscaping required), should be added under this section.
- 5.6.2. Council may require a master plan to be approved that indicates the grid network of existing and proposed TMI for each service provider to manage the integration of MFBTS into existing services within Councils road reserves.

**THE ABOVE STANDARD CONDITIONS WILL BE UPDATED ON THE MUNICIPAL WEBSITE, AND MAY BE APPLICABLE, IN ADDITION TO ANY SPECIFIC CONDITIONS OF CONSENT WHICH MAY ALSO / ALTERNATIVELY BEIMPOSED**

## ANNEXURE 6: RADIO FREQUENCY (RF) EXPOSURE AND HUMAN HEALTH

### Electromagnetic Radiation from mobile phone base stations

Information Document Prepared by

**EMSS Consulting**

Technopark, Stellenbosch, 7600, South Africa

Tel: (+27) 21 8801880

Fax: (+27) 21 8801936

compliance@emss.co.za

www.emss.co.za

In the past century numerous devices have been designed by scientists and engineers using radio-frequency (RF) electromagnetic fields for communication. These include two-way communication transmitters (for example sea-vessel to shore-base), hand held communication transmitters (walkie-talkies), radio and television transmitters, radars, satellite communication transmitters, and lately mobile phone (or cellular phone) communication transmitters including cellphones and base stations.

### The nature of RF communication

In all the cases mentioned above, one transmitting device transmits (or radiates) energy in the form of electromagnetic fields carrying the required information (voice, picture, digital data, etc.). A second receiving device receives a **very small part** of the radiated energy, enough that the required information can be processed and used.

### RF communication in cellular phone technology

In the case of cellular phones, two-way communication must be established between the cellphone and the base station. First, the base station acts as the source of radiation and then the cellphone. A simplistic view of RF communication when the base station acts as the radiating source is shown in Figure

1. Here it is demonstrated how the base station antennas radiate RF electromagnetic fields away from the base station in all directions --- like the waves in a pond when a stone is dropped into it. As the radiating field travels away from the base station, the energy it carries is distributed over a larger region (the semi-circles become larger). In one particular direction, energy from the radiating field is "intercepted" by a receiving device (cellphone). Only a small percentage of the transmitted energy is available for "interception".



Figure 1: RF communication when the base station acts as the radiating source

## A6.1 Radiation levels around base station antennas

Near a base station, in regions that are accessible to the general public (for example, at the foot of a base station mast), another important factor must be taken into account: A base station antenna radiates most of its energy in a specific direction (called the main beam of the antenna). This is shown in Figure 2. The main beam typically points in the direction of the horizon (actually a few degrees downwards). The result is that only a very small percentage of the radiated energy will be present in the regions outside the main beam (that is, in the regions around the base station masts which are accessible to the general public).

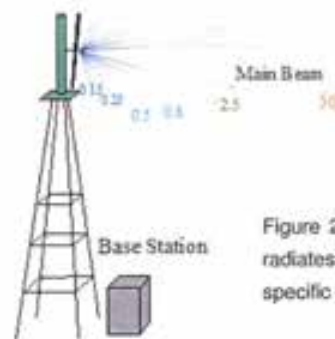


Figure 2: A base station antenna radiates most of its energy in a specific direction

in human tissue. However, at sufficiently high energy levels RF radiation **can** be harmful to humans. All scientists agree on this point and for this reason various international regulating bodies have compiled standards or guidelines for limiting human exposure to radio-frequency radiation.

## A6.2 RF radiation and the environment

The consequence of numerous RF devices continuously radiating electromagnetic fields in all directions is that our environment (our suburbs, homes, offices, streets, playgrounds, etc.) is populated by RF electromagnetic fields, all carrying some amount of energy. At the frequencies these devices radiate at (i.e. radio-frequencies), the electromagnetic fields can penetrate relatively easily into our bodies. Our biological tissue material (brain, muscle, bone, fat, etc.) absorbs some of this RF energy.

## A6.3 RF radiation and human health

It is very important to note that there is a significant difference between radio-frequency radiation (at which cellular technology operates) and the well know X-ray and Gamma-ray radiation that can be emitted by radioactive material. X-ray and Gamma-ray radiation are classified as **ionizing** radiation. These are known to be dangerous through the mechanism of ionization (or the direct breaking of chemical bonds in human tissue or cells). Radiofrequency radiation is classified as **non-ionizing** radiation because the energy it carries is too low to cause ionization or the breaking of chemical bonds

## A6.4 Guidelines for safe exposure to RF radiation

The guidelines for safe exposure have been compiled from the published scientific literature on the topic, and the scientists who have studied the literature agree that the research is adequate for establishing valid safety guidelines. Simplistically stated, the guidelines are established in the following way: Scientists observe that negative health effects start to occur in laboratory animals at a certain energy level. They then set the safety guidelines (applicable to the general public) at approximately 50 times below this energy level. In South Africa, the Department of Health (Directorate: Radiation Control) has adopted the International Commission on Non-Ionizing Radiation Protection guidelines of April 1998 (ICNIRP'98).

## A6.5 Prolonged exposure

Research to date indicates that what matters most is the intensity of exposure and not the duration. This has been established through lifelong exposure of rats and mice, and epidemiological studies on military personnel who have worked close to communication antennas and radars (RF devices) for years. The guidelines have thus been set accordingly.

## A6.6 Cellphones and guidelines for safe exposure

With the cellphone as radiator, RF exposure of the human operator is just below the international safety guidelines (see Figure 3). This is due to the very close proximity of the operator to the cellphone. But remember that these guidelines are 50 times below the energy levels where negative health effects have been observed.

## A6.7 Base stations and guidelines for safe exposure

Energy absorption in humans exposed to RF radiation from base stations is typically **hundreds to thousands of times below** the international safety guidelines (see Figure 3). This is also true on the ground next to base stations or at any position in the close vicinity of base stations. Only on the top of a base station mast, directly in front and within 10 to 20 meters of the antennas, would the energy absorption levels approach the safety guidelines. The public is usually denied access to these areas.

## A6.8 Base stations on rooftops

Quite often in urban environments, base stations are installed on the rooftops of buildings. In some cases the antennas of the base station site might be installed against the wall of a building. The reason behind these rooftop installations is to provide cellphone coverage in the area without erecting a mast. Similar to base stations on masts, installations on rooftops lead to public exposure in the immediate vicinity of the building that are **thousands of times below** the international safety guidelines (see Figure 3). Exposure right below the installations (on the top floor of a building) or right behind a wall mounted installation is also well below the guidelines. The only extra precaution that should be taken in the case of rooftop installations is that access to the areas **directly in front and within 10 to 20 meters** of the antennas should be controlled, because

this is the area where the exposure levels would approach the safety guidelines. Figure 4 shows a computer representation of a typical rooftop installation. The yellow zones are the boundary area where the exposure approaches the public guideline for safe exposure. As can be seen from this representation, the only area of exposure above the guidelines is right on top of the roof, in front of antenna 1. Access control and signage would be implemented to protect members of the public against accidental entry into this area on the roof. The yellow zones of antennas 2 and 3 are in the air where no person has access. These antennas are thus inherently safe and no special access controls need to be implemented.

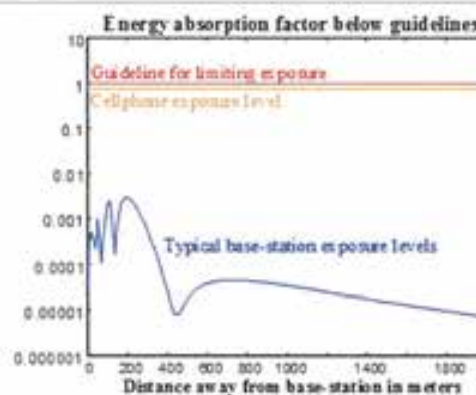


Figure 3: Typical base station exposure levels



Figure 4: A computer representation of a typical rooftop installation

## A6.9 Occupational Exposure (RF workers)

Most regulating bodies, including ICNIRP and the Directorate: Radiation Control (South Africa) distinguishes between occupational and general public exposure levels. The following direct quotation from the ICNIRP guidelines should yield a clear understanding of what is meant by the concept occupational exposure:

*"The **occupationally** exposed population consists of adults who, in the normal course of their particular employment, are exposed under generally known conditions and are trained or informed to be aware of potential risks and to take appropriate precautions."*

worldwide are exposed to the radio-frequency radiation from cellular phone and other communication technologies. The majority of scientists in this field concentrate their studies on possible health effects at cellphone levels of radiation and not base station levels, because the latter are deemed too low to justify intense investigations.

Guidelines for safe **occupational** exposure are 5 times less stringent. This is still 10 times below the levels at which harmful health effects have been observed, but it can be expected from "aware" and well-trained RF workers that they take precautions to minimize exposure during the course of their work.

## A6.10 The World Health Organization and continuous international research

The available guidelines for safe exposure are deemed to be an accurate health risk assessment based on the current available research data. This is the view of the World Health Organization (see the WHO factsheet on base station exposure at <http://www.who.int/mediacentre/factsheets/fs304/en/index.html>). Apart from the WHO, a number of independent international expert groups have also reviewed the scientific literature. All concluded that the balance of evidence indicates that exposure **below the ICNIRP guidelines** would not cause any negative health effects. Nonetheless, scientific studies on human exposure to radio-frequency fields continue world-wide. These studies are conducted to enable regulating authorities to make better health risk assessments as more and more people

## ANNEXURE 7: LETTER FROM THE NATIONAL DEPARTMENT OF HEALTH

Department of Health

Directorate: Radiation Control  
Private Bag X62  
BELLVILLE  
7535

Tel: 021 957 7483

Fax: 021 946 1589

E-mail: [DutoiL@health.gov.za](mailto:DutoiL@health.gov.za)

Web: <http://www.doh.gov.za/department/radiation/01.html>

Enquiries: LL du Toit

Date: 26 June 20104

To whom it may concern

### HEALTH EFFECTS OF CELLULAR BASE STATIONS AND HANDSETS

The Directorate: Radiation Control is the section within the National Department of Health that is responsible, from the viewpoint of human health, for regulating electronic products producing non-ionizing electromagnetic fields (EMF), i.e. where the frequency of such EMF is less than 300 GHz. In carrying out this responsibility, the Directorate has been utilizing the World Health Organization's (WHO) International EMF Project ([www.who.int/emf](http://www.who.int/emf)) as its primary source of information and guidance with respect to the health effects of EMF. The International EMF Project was established by the WHO in 1996 to (i) assess the scientific evidence for possible adverse health effects of non-ionizing electromagnetic fields on an on-going basis, (ii) initiate and coordinate new research in this regard, and (iii) compile health risk assessments for different parts of the electromagnetic spectrum. The Department of Health has been a member of the International Advisory Committee of the International EMF Project since 1998.

In June 2005 the International EMF Project hosted a workshop that was specifically aimed at considering the possible health consequences of the emissions from cellular base stations and wireless networks. The findings of this workshop were summarised in a 2-page Fact Sheet ([www.who.int/mediacentre/factsheets/fs193/en/index.html](http://www.who.int/mediacentre/factsheets/fs193/en/index.html)). The following extract from this Fact Sheet provides a clear-cut summary of the findings to date, i.e. ***"Considering the very low exposure levels and research results collected to date, there is no convincing scientific evidence that the weak RF signals from base stations and wireless networks cause adverse health effects."***

The following quote is taken from another WHO Fact Sheet (Electromagnetic fields and public health: mobile phones) that was published in June 2011: ***"To date, no adverse health effects have been established as being caused by mobile phone use."***



The WHO recommends utilizing internationally recognized exposure guidelines such as those that were published in 1998 by the International Commission on Non-Ionizing Radiation Protection (ICNIRP) and that were reconfirmed in 2009 for the frequency range 100 kHz – 300 GHz (i.e. including all the frequencies employed by the cellular industry). The Department of Health likewise recommends the use of these ICNIRP guidelines to protect people against the known adverse health effects of EMF.

Numerous measurement surveys, which have been conducted around the world (and in South Africa), have shown that the actual levels of public exposure as a result of base station emissions invariably are only a fraction of the ICNIRP guidelines, even in instances where members of the public have been really concerned about their exposure to these emissions.

At present there is no confirmed scientific evidence that points to any health hazard associated with the very low levels of exposure that the general public would typically experience in the vicinity of a cellular base station. The Department is therefore satisfied that the health of the general public is not being compromised by their exposure to the microwave emissions of cellular base stations. This also means that local and other authorities, in considering the environmental impact of any particular base station, do not need to and should not attempt, from a public health point of view, to set any restrictions with respect to parameters such as distance to the mast, duration of exposure, height of the mast, etc.

The Department of Health is obviously not able to make any pronouncements about the specific levels of EMF that a member of the public would experience at any particular base station site when it is in operation. However, generally-speaking unless a person would climb to the top of a mast (or other structure supporting an antenna) and position him/herself right in front of the active antenna not more than a few meters away, such a person would have no real possibility of being exposed to anywhere near the aforementioned ICNIRP guideline limits. Since these base stations are, as a rule, cordoned off with barbed wire fencing and locked gates/doors to protect the sensitive and expensive technology, such actions would in all probability not constitute responsible behaviour. Even then the risk of falling off the structure in question would be an immeasurably greater threat to the health of the person involved. Based on the results of numerous global and local surveys, the experience has been that the exposure to base station EMF at ground level is typically in the range of between 0.001 – 1.0 % of the aforementioned ICNIRP guideline limits. Against this background of available data, there would be no scientific grounds to support any allegation that adverse health effects might be suffered by a responsible member of the public due to the EMF emitted by a base station.

Although the Department of Health currently neither prescribes nor enforces any compulsory exposure limits for electromagnetic fields, the Department does advise all concerned (whether they be a government department, the industry or the public) that voluntary compliance with the afore-mentioned ICNIRP exposure guidelines is the recommended and science-based way to deal with any situation involving human exposure to the non-ionizing electromagnetic fields emitted by cellular base stations and handsets.

**Yours sincerely,**



**LL du Toit**

**DEPUTY DIRECTOR: RADIATION CONTROL**

<b>5.3.5</b>	<b>STELLENBOSCH MUNICIPALITY: DRAFT TELECOMMUNICATION MAST INFRASTRUCTURE POLICY</b>
--------------	--

**1. PURPOSE OF REPORT**

For Council to adopt the Telecommunication Mast Infrastructure (TMI) Policy. The overarching objective of this policy is to facilitate and manage the growth of new and existing telecommunications systems and facilitate the provision of TMI in an efficient, cost-effective, environmentally appropriate and sustainable way.

**2. DRAFT TELECOMMUNICATION MAST POLICY**

There is increasing importance of telecommunication to the distribution of the economy. This is especially the case in Stellenbosch that has a strong emphasis on business services and information communication technology.

Rapid expansion of the telecommunications industry in recent years has resulted in an increasing demand for radio telecommunication services, and new technologies in the cellular phone industry. The location, siting and development of Telecommunication Mast Infrastructure (TMI) continues to be an issue of particular interest to both local communities and local government alike, with debate focusing on adequate availability of connectivity, visual amenity and public health

Due to improvements in mobile devices (smart phones), the coverage that each mast is able to provide has shrunk. Thus there is continual need to provide more masts. As coverage is lost, the distance between the masts is reducing.

Cell phones have become a part of many people's lives. It is increasingly used for daily social media, the internet, media and communication. However, with the increase in TMI in towns across the country concerns are raised regarding the safety of this technology and people are asking how safe these cellular masts are. Stellenbosch is recognised as a town of cultural and historic significance and heritage and is highly regarded for its environmental and scenic quality. Concerns raised by the public regarding the location and design of telecommunication mast infrastructure are therefore relevant.

This concern was acknowledged and included in the IDP and SDF which recommended that a policy be drafted to address the issues.

A meeting was held with industry towards the end of 2016 where the need to manage the proliferation, location and design of telecommunication mast infrastructure was discussed. At that meeting it was acknowledged that the policy that guides telecommunication mast infrastructure in the City of Cape Town (CoCT) was efficient and accepted as good practise.

Subsequently approval was obtained for CoCT to use their approved 2015 Telecommunication Mast Infrastructure Policy as a base to develop a

local policy. A copy of the Stellenbosch Municipality: Draft Telecommunication Mast Infrastructure Policy is attached as **ANNEXURE 1** to the report.

The Director: Planning and Economic Development further requested comment and advice from the Department of Environmental Affairs and Development Planning regarding applications received for the establishment of cellular and telecommunications masts and antennae. The Department's response is attached as **ANNEXURE 2** to the report.

One of the main concerns that are frequently raised is that of the possible health impacts of such infrastructure. Conflicting information and research creates concern and confusion regarding this important issue. From the attachment and in the draft policy it was made clear that the Department of Health (DoH) applies the exposure guidelines published in 1998 by the International Commission on Non-Ionizing Radiation Protection ("ICNIRP") which is based on the official endorsement of the World Health Organisation.

All communication base stations in South Africa are required to conform to the World Health Organisation and National Health Department standards with regard to levels of electromagnetic radiation.

#### **MAYORAL COMMITTEE MEETING: 2017-09-13: ITEM 5.3.5**

#### **RESOLVED**

that the matter be referred back in order for the Rector-Mayor Forum to consider the Draft Telecommunication Mast Infrastructure Policy and give appropriate advice before final consideration of the policy.

<i>Meeting:</i>	<i>Mayco: 2017-09-13</i>	<i>Submitted by Directorate:</i>	<i>Planning and Economic Development</i>
<i>Ref no:</i>	<i>3/1/2</i>	<i>Author</i>	<i>Manager: Spatial Planning</i>
<i>Collab:</i>	<i>539421</i>	<i>Referred from:</i>	

7.4	<b>FINANCIAL SERVICES: (PC: CLLR S PETERS)</b>
7.4.1	<b>MONTHLY FINANCIAL STATUTORY REPORTING: DEVIATIONS FOR APRIL 2018</b>

Collaborator No: **8/1**  
 BUDGET KPA Ref No: **Good Governance and Compliance**  
 Meeting Date: **23 May 2018**

**1. SUBJECT: MONTHLY FINANCIAL STATUTORY REPORTING: DEVIATIONS FOR APRIL 2018**

**2. PURPOSE**

To comply with Regulation 36(2) of the Municipal Supply Chain Management Regulations and Section 4.36.2 of the Supply Chain Management Policy 2017/2018 to report the deviations and ratifications to Council.

**3. DELEGATED AUTHORITY**

Noted by Municipal Council

**4. RECOMMENDATIONS**

**MAYORAL COMMITTEE MEETING: 2018-05-16: ITEM 5.4.1**

**RESOLVED**

**That it be recommended to Council:**

That Council notes the deviations and ratifications as listed below.

**5. DISCUSSION / CONTENTS**

**5.1 Background/ Legislative Framework**

The regulation applicable is as follows:

GNR.868 of 30 May 2005: Municipal Supply Chain Management Regulations

Deviation from and ratification of minor breaches of, procurement processes

**36. (1) A supply chain management policy may **allow the accounting officer**—**

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

(i) in an emergency;

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

- (iii) for the acquisition of special works of art or historical objects where specifications are difficult to compile;
- (iv) acquisition of animals for zoos; or
- (v) in any other exceptional case where it is impractical or impossible to follow the official procurement processes; and
- (b) to ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.
- (2) The accounting officer must record the reasons for any deviations in terms of sub regulation (1) (a) and (b) and **report them to the next meeting of the council**, or board of directors in the case of a municipal entity, and include as a note to the annual financial statements.

## 5.2 Discussion

Reporting the deviations as approved by the Accounting Officer for April 2018, the following deviations were approved with the reasons as indicated below:

DEVIATION NUMBER	CONTRACT DATE	NAME OF CONTRACTOR	CONTRACT DESCRIPTION	REASON	SUBSTANTIATE WHY SCM PROCESS COULD NOT BE FOLLOWED (TO BE SUBMITTED TO COUNCIL)	TOTAL CONTRACT PRICE R
D/SM 35/18	12/03/2018	BVI Consulting Engineers	Appointment of BVI Consulting to project manage the construction of the new ICT data centre	Exceptional case and it is impractical or impossible to follow the official procurement process	BVI Consulting assisted the ICT Department with the drafting of the tender specification for the construction of a New ICT Data Centre as this is a specialised environment. This was rather an extension to acquire assistance from BVI Consulting to manage the tender process, evaluate the tender and recommend the preferred bidder	R 81 183,69
D/SM 36/18	10/04/2018	Panel	B/SM 11/17 Threshold Increase	Exceptional case and it is impractical or impossible to follow the official procurement process	B/SM 11/17: The items procured and hired from BSM 11/17 are essential to achieving services delivery objectives. The unexpected increase in expenditure was not foreseen. The original budget estimates did not include subsequently added service delivery projects. Therefore the tender amount awarded will be exceeded. More than one directorate and numerous departments make use of this tender.	Rates
D/SM 37/18	11/04/2018	Panel	B/SM 4/17: Threshold increase	Exceptional case and it is impractical or impossible to follow the official procurement process	B/SM 4/17: Traffic signals regularly incur damage by motor vehicles colliding with the signals. The need is now higher than the awarded amount.	Rates

D/SM 38/18	13/04/2018	Flotron	Repair & verification of flow meters (Flotron) at Raithby and Pniel Wastewater Treatment Works	Emergency	As per letter provided by Flotron Remote Monitoring Systems the flow meters at Pniel and Raithby was manufactured and installed by them. These meters need to be calibrated annually. Since the calibration involved required setting the installed meter against computerised reference of which Flotron Remote Monitoring Systems is the owner. Therefore only Flotron can perform the required calibration.	R 7 848.90
D/SM 40/18	25/04/2018	WEC Projects	Wemmershoek WWTW - Faulty bear shaft blower	Emergency	Wemmershoek Wastewater Treatment Works have four blower units that provide oxygen to the treatment process. One of the blowers malfunctioned and we had to replace it with the spare blower. The blowers installed were manufactured by Sowerby Engineering in Johannesburg. They do installations themselves or have a local (Cape Town based and not registered supplier to Stellenbosch Municipality) agent that do installations. At the time of the blower malfunctioning WEC Projects was still busy with the remedial work at Wemmershoek Wastewater Treatment Works. They are an authorised installer for Sowerby Engineering in Johannesburg area. Due to the critical nature of the equipment and the warranty Stellenbosch Municipality's, Water Services Department deemed it fit to request WEC Project to install the blowers as soon as possible in order to minimise the impact on the treatment process. They are authorised installer which would not have jeopardised the warranty. The NEREDA treatment process are a very delicate process and any delays in equipment repairs results in process shocks which takes at time weeks or months to stabilise and therefor the urgency to get equipment installed.	R 21 563.10

D/SM 41/18	13/04/2018	Bytes System Integration (PTY) LTD	Appointment of Bytes Systems Integration for the procurement of additional biometric devices	Exceptional case and it is impractical or impossible to follow the official procurement process	The current service provider had succeeded into synchronizing the Biometric T&A System with our existing HR Payday employee management system to enable real-time integration and report on employee clocking. The above business process and its cost would be futile if a new service provider would have been appointed in an open market. The latter will require new negotiations rates with Pay-Day as well as news costs for reprogramming the communication software between the two systems. The recommended price from the current service provider was proven to be market related and value for money. This includes an SLA for the financial year to ensure proper maintenance and support as well installation of additional clocks without impacting the process.	R 924 588.00
------------	------------	------------------------------------	--	---	--	--------------

7.5	<b>HUMAN SETTLEMENTS: (PC: CLLR PW BISCOBE)</b>
7.5.1	<b>PROPOSED RENEWAL OF LEASE AGREEMENT: ERF 52, STELLENBOSCH, SUPERGROUP DEALERSHIP</b>

**1. SUBJECT: PROPOSED RENEWAL OF LEASE AGREEMENT: ERF 52, STELLENBOSCH, SUPERGROUP DEALERSHIP**

**2. PURPOSE**

To consider a request from Supergroup Dealership (Mercedes Benz, Stellenbosch) to renew the current Lease Agreement in relation to erf 52 for a further period of 5 years.

**3. DELEGATED AUTHORITY**

In terms of Delegation 530 of the approved System of Delegations, the Executive Mayor has the delegated authority to grant a right to use, control or manage a fixed asset of Stellenbosch Municipality, up to a contract value of R5M, subject to compliance with Regulation 34(1) of the Asset Transfer Regulation.

\*In terms of the new Policy on the Management of Council-owned Property, however, the decision to deviate from the normal, prescribed public competitive route is reserved for the Municipal Council. For this reason the Municipal Council first need to decide whether they support the renewal of the Lease Agreement without following the prescribed public competitive process.

**4. EXECUTIVE SUMMARY**

Supergroup Dealership (Mercedes Benz, Stellenbosch) is leasing erf 52 from Stellenbosch Municipality in terms of a 5 year Lease Agreement.

The current lease expires at the end of June 2018 they have requested that their lease be renewed for a further period of 5 years.

**5. RECOMMENDATIONS**

**MAYORAL COMMITTEE MEETING: 2018-05-16: ITEM 5.5.2**

**RESOLVED**

**That it be recommended to Council:**

- (a) that erf 52 be identified as a property that is not required for the municipality's own use during the period of the extended lease period;
- (b) that Council in principle approves the extension of the lease for a period of 5 years;
- (c) that the matter does not go out on tender, but be published for objections or alternative proposals; and
- (d) that the fair market value be determined before it is brought back to Council for final resolution after the public participation process.



## 6. DISCUSSION / CONTENT

### 6.1 Background

#### 6.1.1. Authorisation for tender process

On 2012-10-25 Council considered a report on the use of erf 52. Having considered the report, Council resolved as follows:

- (a) *that all previous Council resolutions with regard to the alienation of erf 52, be rescinded;*
- (b) *that erf 52 be identified as a property that is not required for the municipality's own use during the period for which the right is to be granted (5 years with 3 months' notice period);*
- (c) *that the Municipal Manager be authorized to follow a public tender process in awarding rights to interested parties for the use of the site; and*
- (d) *that a minimum rental be determined by means of fair market value with a minimum of R 9200 per month.*

A copy of the report is attached as **APPENDIX 1**.

#### 6.1.2 Awarding of tender and conclusion of Lease Agreement

Following a public tender process, the tender for the use of erf 52 was awarded to Sandown Motor Holdings (Pty) Ltd, whereafter a Lease Agreement was concluded, a copy of which is attached as **APPENDIX 2**.

Irrespective of the date of signature, the lease period was for the period 1 July 2013 to 31 June 2018.

At a later stage this Lease Agreement was ceded to Super Group Trading (Pty) Ltd. A copy of the Cession Agreement is attached as **APPENDIX 3**.

## 6.2 Discussion

### 6.2.1 Property description

Erf 52 is located at Bird Street as indicated on Fig 1, 2 and 3, respectively.



Fig 1: Location and context



Fig 2: Extent of property



**Fig 3: Street view**

Erf 52 is zoned General Business in terms of the Stellenbosch Zoning Scheme and is approximately 1647m<sup>2</sup> in extent.

\*Erf 52 was specifically acquired for the purpose of developing it as a public parking area. For this reason it would not be advisable to dispose of the land. It can, however be leased on condition that the lease could be terminated on a 3 months written notice period.

### 6.2.2 Development rights

As indicated above, erf 52 is zoned for General Business. To use the area for parking purposes, no further development right are necessary.

**Please note:** Erf 52 was specifically acquired for the purpose of developing it as a public parking area. For this reason it would not be advisable to dispose of the land. It can, however be leased on condition that the lease could be terminated on a 3 months written notice period.

### 6.2.3 Legal requirements

#### 6.2.3.1 Asset Transfer Regulations

In terms of Regulation 34 of the Asset Transfer Regulations, a Municipality may grant a right to use, control or manage a capital asset, only after:-

- a) the accounting officer has conducted a public participation process in terms of regulation 35\*; and
- b) the municipal Council has approved in principle that the right may be granted

\*Sub-regulation 1 (a) must be complied with only if-

- a) the capital asset's value exceeds R10M; and

- b) a long term right (longer than 3 years) is proposed to be granted, which is not the case with the current application.

In terms of Regulation 36 of the Asset Transfer Regulations, a municipal council, when considering the granting of a right to use, control or manage a capital asset, must take into account, *inter alia*:

- a) whether the capital asset may be required for the municipality's own use during the period for which the right is to be granted;
- b) the extent to which any compensation to be received for the right together with the estimated value of any improvements or enhancements to the capital asset that the private sector party or organ of state to whom the right is granted will be required to make, will result in a significant economic or financial benefit to the municipality; and
- c) the risk and rewards associated with the use, control or management of the capital asset in relation to the municipality's interests.

#### **6.2.3.2 Policy on the Management of Council owned property (MCOP)**

In terms of paragraph 9.2.2 of the MCOP Policy, the Municipal Council may dispense with the prescribed, competitive process, and may enter into a private treaty agreement through any convenient process, which may include direct negotiations, but only in specific circumstances, and only after having advertised Council's intention so to act.

One of the circumstances listed in (l) is lease contracts with existing tenants of immovable properties, not exceeding ten (10) years. Such agreements may be renegotiated where the Executive Mayor is of the opinion that public competition would not serve a useful purpose, subject to such renewal being advertised, calling for public comment.

Further, in terms of paragraph 9.2.2.2, the reasons for any such deviation from the competitive process must be recorded.

#### **6.2.5 Tariff Structure**

In terms of Council's (to be) approved Tariff Structure for 2018/19 financial year, the fee for renting parking space in the CBD of Stellenbosch is R260.00 per parking bay per month. At approximately 40 parking bays, the minimum rental will be R10 400/month.

#### **6.3 Financial Implications**

Should Council approve the recommendations, the annual income would be R124 800-00 (i.e. R624 000 over the contract period, exclusive of escalation).

#### **6.4 Legal Implications**

See paragraph 6.2.3

#### **6.5 Staff Implications**

Investigative study by staff from The Human Settlements and Property Management Directorate.

**6.6 Previous / Relevant Council Resolutions**

See paragraph 6.1.1.

**6.7 Risk Implications**

There are no risks at this stage apart from the risk of current projects being delayed as a result of not doing anything in respect of land acquisition.

**6.8 Comments from Senior Management****6.8.1 Director: Infrastructure Services**

In support of the recommendations.

**6.8.2 Director: Planning and Economic Development**

No comments received.

**6.8.3 Chief Financial Officer**

No comments received.

**ANNEXURES:**

Annexure 1: Agenda item

Annexure 2: Lease Agreement

Annexure 3: Cession Agreement

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Piet Smit
<b>POSITION</b>	<i>Manager: Property Management</i>
<b>DIRECTORATE</b>	<i>Human Settlement &amp; Property Management</i>
<b>CONTACT NUMBERS</b>	021-8088189
<b>E-MAIL ADDRESS</b>	<a href="mailto:Piet.smit@ Stellenbosch.gov.za">Piet.smit@Stellenbosch.gov.za</a>
<b>REPORT DATE</b>	2018-02-06

**PLANNING & DEVELOPMENT COMMITTEE MEETING**

**2012-08**

**PROPOSED USE OF ERF 52 FOR PARKING PURPOSES**

*File number* : 7/2/2/1  
*Report by* : Director: Planning & Development  
*Compiled by* : Manager: Property Management  
*Delegated Authority* : Mayco

---

**1. PURPOSE OF REPORT**

The purpose of this report is to authorise the Acting Municipal Manager to follow a public tender process in order to utilise erf 52 for parking purposes.

**2. BACKGROUND**

An application has been received from Eikestad Motors, Stellenbosch, the owners of the adjacent property, to use erf 52 for additional parking space, a copy of which is attached as **APPENDIX 1**.

**3. DISCUSSION**

**3.1 Property description**

Erf 52 is located at Birdstreet as indicated on Fig 1, 2 and 3, respectively.



Fig 1: Location and context



Fig 2: Extent of property



**Fig. 3 Streetview**

Erf 52 is zoned General Business in terms of the Stellenbosch Zoning Scheme and is approximately 1647m<sup>2</sup> in extent.

Erf 52 was specifically acquired for the purpose of developing it as a public parking area. For this reason it would not be advisable to dispose of the land. It can, however be leased on condition that the lease could be terminated on a 3 months written notice period.

### **3.2 Development rights**

As indicated above, erf 52 is zoned for General Business. To use the area for parking purposes, no further development right are necessary.

### **3.3 Legal requirements**

#### **3.3.1 Asset Transfer Regulations**

In terms of Regulation 34 of the Asset Transfer Regulations, a Municipality may grant a right to use, control or manage a capital asset, only after:-

- a) the accounting officer has conducted a public participation process in terms of regulation 35\*; and



- b) the municipal Council has approved in principle that the right may be granted

\*Sub-regulation 1 (a) must be complied with only if-

- a) the capital asset's value exceeds R10M; and
- b) a long term right (longer than 3 years) is proposed to be granted, which is not the case with the current application.

In terms of Regulation 36 of the Asset Transfer Regulations, a municipal council, when considering the granting of a right to use, control or manage a capital asset, must take into account, *inter alia*:

- a) whether the capital asset may be required for the municipality's own use during the period for which the right is to be granted;
- b) the extent to which any compensation to be received for the right together with the estimated value of any improvements or enhancements to the capital asset that the private sector party or organ of state to whom the right is granted will be required to make, will result in a significant economic or financial benefit to the municipality; and
- c) the risk and rewards associated with the use, control or management of the capital asset in relation to the municipality's interests;

### **3.3.2 Supply Chain Management Policy (SCM Policy)**

In terms of paragraph 5.6 of Council's approved SCM Policy, following an in principle approval by Council, SCM must embark on the applicable process which process must be fair, equitable, transparent and competitive.

### **3.4 Tariff Structure**

In terms of Council's approved Tariff Structure, the fee for renting parking space in the CBD of Stellenbosch is R230.00 per parking bay

per month. At approximately 40 parking bays, the minimum rental should be R9200/month.

#### **4. INPUTS BY OTHER DEPARTMENTS**

##### **4.1 Planning & Development**

This department is in support of the application, on condition that such agreement can be terminated with a 3 month written notice.

Erf 52 was acquired by the municipality for the provision of public parking facilities to support the efficient functioning of Du Toit Station. Erf 52 is seen as of strategic importance and potential catalyst for the redevelopment of the surrounding properties located at the main entrance to Stellenbosch as well as for the upgrading and potential widening of Bird Street. For this reason, the department is not in support of the alienation of Erf 52 for the purposes of development **unless** the development forms an integral part of an approved overall development plan for the total area.

##### **4.2 Engineering department**

The Directorate Engineering Services (Civil Engineering Section) has no objection to the application, but subject to the following conditions:

**a) Water**

No Municipal water connection has been installed.

**c) Waste Water and Sewage**

No municipal sewer connection has been installed.

**d) Roads**

No new access from Bird Street may be constructed.  
Access to Erf 52 is from Porter Street.

**e) Stormwater**

Stormwater runoff from the property must be channelled to Porter Street in such a manner that it does not create a nuisance on the side walk or in the street.

##### **4.3 CFO**

The recommendations contained in this report is supported.

**4.4 Legal Services**

Attached as **APPENDIX 2.**

**5. CONCLUSION**

The proposed temporary use of the site for parking purposes pose no risks to the municipality. Should the site be needed for our own purposes, the lease can be terminated.

**RECOMMENDATION:**

- a) that erf 52 be identified as a property that is not required for the municipality's own use during the period for which the right is to be granted (5 years with 3 months notice period);
- b) That the Municipal Manager be authorized to follow a public tender process in awarding rights to interested parties for the use of the site;
- c) That a minimum rental of R9200/month be determined as a fair market rental, based on the approved tariff structure.

**7.6 PROPOSED USE OF ERF 52 FOR PARKING PURPOSES**

**10<sup>TH</sup> COUNCIL MEETING: 2012-10-25: ITEM 7.6**

**RESOLVED** (majority vote)

- (a) that all previous Council resolutions with regard to the alienation of erf 52, be rescinded;
- (b) that erf 52 be identified as a property that is not required for the municipality's own use during the period for which the right is to be granted (5 years with 3 months notice period);
- (c) that the Municipal Manager be authorized to follow a public tender process in awarding rights to interested parties for the use of the site; and
- (d) that a minimum rental be determined by means of fair market value with a minimum of R9200 per month.

*The following councillors requested that their votes of dissent be minuted:*

*Cllrs JA Davids; N Gcaza (Ms); DA Hendrickse, S Jooste (Ms); N Mananga-Gugushe (Ms); C Moses (Ms); R Nalumango (Ms), L Ronoti; T Sitshoti (Ms); LN Siwakamisa (Ms) and M Wanana.*

(MPM)



**STELLENBOSCH**  
STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

## **LEASE AGREEMENT**

Entered into by and between

### **STELLENBOSCH MUNICIPALITY**

Herein represented by **PETRUS DU PLESSIS SMIT** in his capacity as

Manager Property Management, being duly authorised (herein after called the **LESSOR**)

AND

### **SANDOWN MOTOR HOLDINGS TRADING AS EIKESTAD MOTORS**

Herein represented by **ROY MCALLISTER** and **NAEEM HAASIM** in their capacity as

CEO and Co-CEO, being duly authorised (herein after called the **LESSEE**)

For the lease of Erf 52 (herein after called the **PROPERTY**)

## AGREEMENT OF LEASE

### 1. PARTIES

- 1.1 The parties to this lease are:-
- 1.1.1 (Stellenbosch Municipality) ("the **LESSOR**"); and
  - 1.1.2 (*Sundown Motor Holdings (Pty) Ltd, Stellenbosch*) ("the **LESSEE**").

### 2. INTERPRETATION

- 2.1 In this lease agreement, except in a context indicating that some other meaning is intended,
- 2.1.1 "*the Lease Period*" means the period for which this lease subsists, including any period for which it is renewed;
  - 2.1.2 "*month*" means a calendar month, and more specifically;
    - 2.1.2.1 in reference to a number of months from a specific date, a calendar month commencing on that date or the same date of any subsequent month; and
    - 2.1.2.2 in any other context, a month of the calendar, that is, one of the 12 months of the calendar, and "monthly" has the corresponding meaning;
  - 2.1.3 "*the parties*" means the parties to this lease, and "party" means one of them;
  - 2.1.4 "*the PROPERTY*" means Erf 52, Stellenbosch.;
  - 2.1.5 "*the Rates*" means the assessment rates payable on the **PROPERTY** and includes but is not limited to, refuse removal charges and sanitary fees;
  - 2.1.6 "*Rentable Area*" in relation to the Premises means the area of the Premises determined in accordance with clause 17;
  - 2.1.7 "*year*" means a period of 12 consecutive months, and "yearly" refers to a year commencing on the date on which the lease comes into operation or any anniversary of that date;
  - 2.1.8 references to notices, statements and other communications by or from the **LESSOR** include notices by or from the **LESSOR**'s agent;
  - 2.1.9 expressions in the singular also denote the plural, and vice versa;
  - 2.1.10 words and phrases denoting natural persons refer also to juristic persons, and vice versa; and
  - 2.1.11 pronouns of any gender include the corresponding pronouns of the other genders.

- 2.2 Any provision of this lease imposing a restraint, prohibition or restriction on the **LESSEE** shall be so construed that the **LESSEE** is not only bound to comply therewith but is also obliged to procure that the same restraint, prohibition or restriction is observed by everybody occupying or entering the Premises or any other part of the **PROPERTY** or the Building through, under, by arrangement with, or at the invitation of, the **LESSEE**, including (without limiting the generality of this provision) its Associates and the directors, members, officers, employees, agents, customers and invitees of the **LESSEE** or its Associates.
- 2.3 Clause headings appear in this lease for purposes of reference only and shall not influence the proper interpretation of the subject matter.
- 2.4 This lease shall be interpreted and applied in accordance with South African law.

### 3. LETTING AND HIRING

- 3.1 The **LESSOR** lets and the **LESSEE** hires the Premises on the terms of this lease.

### 4. DURATION

- 4.1 This lease shall come into operation on *01 July 2013* and shall subsist for 5 years.

### 5. RENT

- 5.1 The rent shall be
- 5.1.1 R9975.00 p.m VAT inclusive (NINE THOUSAND NINE HUNDRED AND SEVENTY FIVE RAND)  
per month for the financial year ending 30 June 2014; and
- 5.1.2 shall thereafter, on an annual basis on the 1 July of each year escalate with 6.9%.
- 5.2 The **LESSEE** shall pay the rent monthly in advance on or before the (*7th*) day of every month.

### 6. RATES

- 6.1 In addition to paying the rent as per Clause 5, the **LESSEE** shall also be responsible for the annual Rates for the pro-rata portion of the **PROPERTY**, as determined by the **LESSOR**; and
- 6.2 Whenever the Rates are increased during the Lease Period, the **LESSOR** will increase the Rates for the **PROPERTY** by an amount which bears the same ratio to the increase in Rates in general.

### 7. PAYMENTS

- 7.1 The rent payable by the **LESSEE** to the **LESSOR** in term of this Agreement shall be payable monthly in advance on or before the 7<sup>th</sup> day of each month free

of exchange at such address as directed by the **LESSOR** in writing from time to time.

- 7.2 The **LESSOR** shall have the right, notwithstanding any instruction given by the **LESSEE**, to appropriate any amount paid by the **LESSEE** hereunder to whatsoever indebtedness of the **LESSEE** as the **LESSOR** may decide upon in its absolute discretion.

## 8. INSURANCE

- 8.1 The **LESSEE** shall not keep or do in or about the Premises anything which is liable to enhance any of the risks against which the Building is insured 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.
- 8.2 Without prejudice to any other right of action or remedy which the **LESSOR** may have arising out of a breach of the foregoing provision, the **LESSOR** may recover from the **LESSEE** on demand the full amount of any increase in insurance premiums in respect of the Building attributable to such breach.
- 8.3 For the purposes of the above provisions, the **LESSEE** shall be entitled to assume that the Building is at all material times insured against such risks, on such terms, for such amounts, and at such premiums as are for the time being usual in respect of similar buildings in similar locations.

## 9. SUB-LETTING AND RELATED MATTERS

- 9.1 The **LESSEE** shall not, without the **LESSOR's** prior written consent:
- 9.1.1 sub-let the whole or any part of the **PREMISES** or cede, assign, transfer, alienate, or otherwise dispose of any of its rights and/or obligations under this Lease or pledge or hypothecate this Lease;
- 9.1.2 give up, for either a definite period or at all, occupation or possession of the **PREMISES** or any part thereof to any person or permit any person whether as licensee, sub-tenant, agent, occupier, custodian or otherwise to take possession or occupation of the **PREMISES** or any part thereof either for a definite period or at all.
- 9.2 Should the **LESSEE** wish to sub-let the whole or any part of the **PREMISES** at any time during the currency Lease, then the **LESSEE** shall apply to the **LESSOR** in writing for its consent thereto given, in regard to the proposed sub-lease, the name of the sub-tenant, the guarantors if any of the sub-tenant date of commencement, the duration of the proposed sub-lease, the exact premises and the consideration payable there under. The **LESSOR** at its option may:
- 9.2.1 consent to the sub-lease, in which case the **LESSEE** may on receipt of written confirmation by the **LESSEE** sub-let the **PREMISES** or part thereof as the case may be in accordance with the written application submitted to the **LESSOR** in terms of this Clause 11.2, or
- 9.2.2 provided the proposed sub-tenant wishes to lease the whole of the **PREMISES**, give the **LESSEE** written notice of its intention to enter into a direct lease with the proposed sub-tenant in which event on the commencement date of the new written lease entered into between the **LESSOR** and the proposed sub-tenant this Lease shall be cancelled and of no further force or effect, provided that such cancellation shall in no way detract from the **LESSOR's** rights to enforce performance of



any obligations of the **LESSEE** arising, prior to the date of cancellation, or the **LESSOR's** rights to recover arrear payments from the **LESSEE**.

## 10. GENERAL OBLIGATIONS OF LESSEE

- 10.1 The **LESSEE** shall care for and maintain the interior of the **PREMISES**, the electrical installations, drainage and sanitary works, carpeting, partitions and other fixtures and fittings therein during the currency of this Lease and return and redeliver the same to the **LESSOR** at the termination of this Lease in the same good order and condition in which they were at the commencement of this Lease, fair wear and tear excepted. The **LESSEE** shall be liable for the costs of replacing, repairing and making good any broken, damaged or missing article. Without derogating from the generality of the a foregoing, the **LESSEE** shall be liable to maintain and repair any damage caused to the doors, ceilings, windows, walls, floors or partitions of and/or within the **PREMISES** which may be occasioned by any cause, including forced entry.
- 10.2 The **LESSEE** shall not cause any obstruction or blockage of sewerage pipes or drains within or leading to or from the **PREMISES** and shall maintain the same free from any such obstruction or blockage.
- 10.3 The **LESSEE** shall at all times keep the **PREMISES** in a clean, tidy and sanitary condition.
- 10.4 The **LESSEE** shall at all times use and control the **PREMISES** in such a manner that the use thereof in no way interferes with or affects the rights and privileges of any other tenant in the **BUILDING** or causes any disturbances, nuisance or annoyance to any person or any damage of any kind whatsoever to the **PREMISES**, the **BUILDING** and/or the environment.
- 10.5 The **LESSEE** shall comply with and shall not contravene or permit the contravention of
- 10.5.1 any law, by-law, ordinance, proclamation, statutory regulation or the conditions of any licence relating to or affecting the occupation or use of the **PREMISES** or the carrying on of the **LESSEE's** business in the **PREMISES**;
- 10.5.2 the conditions incorporated in and/or noted on the Title Deeds of the **LAND** or the conditions of establishment of the township of which the **LAND** forms part; or any law, by-law or statutory regulation which the **LESSOR** is required to observe by virtue of the **LESSOR'S** ownership of the **LAND** and/or the **BUILDING**.
- 10.6 The **LESSEE** shall not drive or permit to be driven any nails or screws into the floor, walls, ceilings, partitions, doors or windows of the **PREMISES** other than for normal shop fitting or decorating purposes, nor shall the **LESSEE** in any manner whatsoever do or permit anything to be done which may damage the floor, walls, ceilings, doors, windows or partitions of the **PREMISES** or any fixtures or fittings therein.
- 10.7 The **LESSEE** shall not alter or interfere with any of the electrical installations in the **PREMISES**, and shall ensure that none of the electrical installations in the **PREMISES** are overloaded at any time during the currency of this Lease.
- 10.8 The **LESSEE** shall not obstruct or interfere or tamper with any thermostats or air-conditioning appliances in the **PREMISES**.

- 10.9 The **LESSEE** shall not bring into the PREMISES or place in the PREMISES any safe or other heavy article nor shall the **LESSEE** permit the loading of any portion of the PREMISES over and above such rate as may be specified by the **LESSOR**, without the prior written consent of the **LESSOR**, which the **LESSOR** may in its discretion grant subject to the construction by the **LESSOR**'s contractors under the supervision of the **LESSOR**'s architects and/or other professional advisers of such reinforcement to the PREMISES and/or the BUILDING as the **LESSOR** may require. All costs incurred pursuant to the provisions of this clause shall be borne.
- 10.10 The **LESSEE** shall not be entitled to install any air-conditioning, units or heaters or ventilation equipment in or about the PREMISES without the prior written consent of the **LESSOR**, provided that should any such consent be granted, the **LESSOR** shall be entitled to impose such reasonable conditions and standards in regard to the type of unit to be installed, the method and manner of installation and the maintenance thereof, as the **LESSOR** may require in its sole discretion, and upon the expiration or earlier termination of this Lease, the **LESSEE** shall be obliged, if called upon to do so by the **LESSOR**, to remove such items and to reimburse the **LESSOR** for the costs of making good any damage caused to the PREMISES and/or the BUILDING as a result of such installation or removal.
- 10.11 The **LESSEE** shall in no way obstruct, whether by storage or otherwise and whether temporarily or permanently, the pavements alongside the LAND or the lobbies, staircases or passages of the BUILDING or the yards or any other portion of the BUILDING or the LAND.
- 10.12 The **LESSEE** shall comply with and carry out, all reasonable rules and regulations, which may be made from time to time by the **LESSOR**, reduced to writing and submitted to the **LESSEE**, for the proper and efficient control of tenants in the BUILDING and their employees and the general management of the BUILDING.
- 10.13 The **LESSEE** shall be liable to the **LESSOR** for all costs incurred by the **LESSOR** in repairing any damage to the BUILDING caused by the **LESSEE**.
- 10.14 The **LESSEE** shall not without the prior written consent of the **LESSOR**, which shall not be unreasonably withheld, store, harbour or use, or permit the storage, harbouring or use in the PREMISES of any goods, chattels, furniture, fixture, fittings or effects which are subject to any hire purchase or lease agreement and which are not the **LESSEE**'s own **PROPERTY**.
- 10.15 The **LESSEE** shall reimburse the **LESSOR** on demand for the cost of any keys, locks, windows, doors, carpeting, partitions, fixtures, fittings toilets, washbasins or other installations or fittings in the premises which may be removed from the PREMISES by any person or which may be damaged or broken or destroyed by any person during the currency of this Lease.
- 10.16 The **LESSEE** shall at all times ensure that its employees do not cause any damage to the lifts, elevators, hoists, staircases, landings, foyers, drains, toilets, washbasins, light fittings or any other amenities or facilities in the PREMISES and/or the BUILDING.
- 10.17 The **LESSEE** shall not change or interfere with any of the installations in the PREMISES and/or in the BUILDING without the prior written consent of the **LESSOR**.

- 10.18 The **LESSEE** shall not be entitled to install or use in the **PREMISES** any computer or other electrical installations or appliances not constituting normal accounting and business machines, without the prior written consent of the **LESSOR**.
- 10.19 The **LESSEE** shall ensure that its employees at all times abide by all such reasonable security and fire protection programmes, systems, arrangements and installations as may be prescribed by the **LESSOR** and/or provided or installed in the **BUILDING** and/or the **PREMISES** from time to time and the **LESSEE** agrees itself to comply therewith. The **LESSEE** hereby acknowledges that its occupation of the **PREMISES**, including, but not limited to, the times and manner of access to and egress from the **BUILDING** and the **PREMISES**, shall be subject to and- governed by such reasonable rules and arrangements as may be issued and made by the **LESSOR** from time to time in its discretion for the purpose of implementing, operating and maintaining such measures in respect of the **LAND**, the **BUILDING** and/or the **PREMISES** as the **LESSOR** may deem necessary from time to time. The **LESSEE** shall at all times ensure that its employees cooperate with any personnel employed by the **LESSOR** from time to time in respect of the installation, implementation and maintenance of any such systems and/or measures in respect of the **LAND**, the **BUILDING** and/or the **PREMISES**, and in particular that they shall at all reasonable times co-operate with and participate in any security exercises, exercises of fire fighting, prevention of fire and evacuation, which may be arranged by or through such personnel or which the **LESSOR** may order from time to time and the **LESSEE** itself shall co-operate and participate as aforesaid.

## 11. ALTERATIONS, ADDITIONS AND IMPROVEMENTS

- 11.1 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 consent unreasonably to an alteration or addition which is not structural.
- 11.2 If the **LESSEE** does alter, add to, or improve the Premises in any way, whether in breach of clause 14.1 or not, the **LESSEE** shall, if so required in writing by the **LESSOR**, restore the Premises on the termination of this lease to their condition as it was prior to such alteration, addition or improvement having been made. The **LESSOR's** requirement in this regard may be communicated to the **LESSEE** at any time, but not later than the (30th) day after the **LESSEE** has delivered up the Premises pursuant to the termination of this lease; and this clause 14.2 shall not be construed as excluding any other or further remedy which the **LESSOR** may have in consequence of a breach by the **LESSEE** of clause 14.1.
- 11.3 Save for any improvement which is removed from the Premises as required by the **LESSOR** in terms of clause 14.2, all improvements made to the Premises shall belong to the **LESSOR** and may not be removed from the Premises at any time. The **LESSEE** shall not, whatever the circumstances, have any claim against the **LESSOR** for compensation for any improvement to the Premises, unless such improvements were made with the **LESSOR's** prior written consent which compensation shall be limited to the costs of the improvement, or as otherwise agreed to in writing by the **LESSOR**, nor shall the **LESSEE** have a right of retention in respect of any improvements.

**12. EXCLUSION OF LESSOR FROM CERTAIN LIABILITY AND INDEMNITY**

- 12.1 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
- 12.1.1 a breach by the **LESSOR** of any of its obligations under this lease;
  - 12.1.2 any act or omission of the **LESSOR** or any agent or servant of, or contractor to, the **LESSOR**, whether or not negligent, wilfully wrongful, or otherwise actionable at law, and including (without limiting the generality of the foregoing) any act or omission of any cleaner, maintenance person, handyman, artisan, labourer, workman, watchman, guard, or caretaker;
  - 12.1.3 the condition or state of repair at any time of the **PROPERTY**, the Building, or any part of the **PROPERTY** or the Building;
  - 12.1.4 any failure or suspension of, or any interruption in, the supply of water, electricity, air-conditioning, heating, or any other amenity or service to the Premises, the Building, or the **PROPERTY** (including, without generality being limited, any cleaning service), whatever the cause;
  - 12.1.5 any breakdown of, or interruption in the operation of, any machinery, plant, equipment, installation or system situated in or on, or serving the **PROPERTY**, the Building, or the Premises, and including (but without limiting the generality of the foregoing) any boiler, burglar alarm, or security installation or system, again regardless of cause;
  - 12.1.6 any interruption of, or interference with, the enjoyment or beneficial occupation of the Premises or any of the Common Areas of the **PROPERTY** or the Building caused by any building operations or other works to or in the Building or elsewhere on or about the **PROPERTY**, whether by the **LESSOR** or by anybody else; or
  - 12.1.7 any other event or circumstance whatever occurring, or failing to occur, upon, in, or about the **PROPERTY**, the Building, or the Premises, whether or not the **LESSOR** could otherwise have been held liable for such occurrence or failure, and the **LESSEE** indemnifies the **LESSOR** against all liability to any of the associates, directors, members, agents, customers, servants, guests and other invitees of the **LESSEE** or of any of its Associates, and all other persons who may enter upon the Premises or any parts thereof through or under the **LESSEE**, in consequence of any such matter as is referred to in clauses 15.1.1 to 15.1.7 above.
- 12.2 The **LESSOR** shall not, however, be excused from specific performance of any of its obligations under this lease, whether express or implied, and particularly (but not only) its obligations to afford the **LESSEE** occupation and enjoyment of the Premises as contemplated by this lease and to carry out such maintenance and repairs as are incumbent upon the **LESSOR** in terms hereof; and if the **LESSOR** fails to carry out any such obligation of maintenance or repair with reasonable speed or efficiency, and persists in such default after reasonable notice in writing requiring that it be remedied, the **LESSEE** may cause the necessary maintenance or repair (including any incidental or necessary replacement) to be carried out and may then recover the reasonable cost thereof from the **LESSOR** on demand.

- 12.3 The **LESSOR** does not warrant that the Premises are suitable for the purposes of the **LESSEE** or any of its Associates or that the **LESSEE** or any of its Associates will be granted any licence or consent which may be necessary for the carrying on of any business or activity in the Premises.

### 13. LESSOR'S RIGHTS OF ENTRY AND CARRYING OUT OF WORKS

- 13.1 The **LESSOR's** representatives, agents, servants and contractors may at all reasonable times, without thereby giving rise to any claim or right of action on the part of the **LESSEE** or any other occupier of the Premises
- 13.1.1 enter the leased 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** or any of the occupiers of the **PROPERTY**; or
- 13.1.2 carry out elsewhere in the Building or on the **PROPERTY** any necessary repairs, replacements, or other works, but the **LESSOR** shall ensure that this right is exercised with due regard for, and a minimum of interference with, the beneficial enjoyment of the Premises by those in occupation thereof.
- 13.2 The **LESSOR** shall not, however, cause or allow any major building works to be carried out anywhere upon the **PROPERTY** unless
- 13.2.1 such works are necessary and do not merely involve additions to the Building, the construction of additional buildings, or redecoration of a solely aesthetic nature; or
- 13.2.2 the **LESSEE** has consented otherwise in writing.

### 14. AREA OF THE PREMISES

- 14.1 If it is necessary in terms of this lease to determine the area, in square metres, of the Premises or any other part of the Building, such determination shall be made according to the standard method for measuring floor areas. Any dispute between the **LESSOR** and the **LESSEE** as to any such area shall be determined by an independent architect, acting as expert and not arbitrator, whose certificate as to such area shall be final and binding on the parties. If the parties fail to agree on the identity of such architect, he shall be appointed by the Executive Director for the time being of the South African Institute of Architects.

### 15. RULES

- 15.1 The **LESSEE** shall at all material times comply with such reasonable rules and regulations as are laid down in writing by or on behalf of the **LESSOR** for observance by tenants and other occupiers of the **PROPERTY** and their invitees, including (without generality being limited) rules and regulations in connection with
- 15.1.1 the security of the **PROPERTY** and the protection of persons and **PROPERTY** thereon, including in particular (again without generality being restricted) any rules for the control and identification of persons and vehicles entering the **PROPERTY** or any parts thereof;
- 15.1.2 the driving and parking of vehicles on or about the **PROPERTY**;

15.1.3 the utilisation of common amenities and facilities on the **PROPERTY**;

15.1.4 the air-conditioning plant, if any, servicing the Building.

15.2 Clause 18.1 shall not be construed as implying that the **LESSOR** assumes any liability which it would not otherwise have had in connection with the subject matter of any such rule or regulation.

## 16. **PARKING**

16.1 The **LESSEE** shall throughout the Lease Period have the exclusive use for its directors, officers, members, partners, employees, clients, customers and invitees of parking bays on the premises.

16.2 All the terms of this lease relating to the Premises themselves shall apply *mutatis mutandis* to the parking bays/garages referred to in clause 19.1 except those which are obviously inapplicable.

16.3 The parking arrangement in terms of clause 19.1 shall at all events terminate simultaneously with this lease in so far as it relates to the Premises.

## 17. **DAMAGE TO OR DESTRUCTION OF PREMISES**

17.1 If the Premises are destroyed or so damaged that they can no longer be beneficially occupied, this lease shall terminate when that happens unless the parties agree in writing otherwise.

17.2 If the Premises are significantly damaged but can still be beneficially occupied, this lease shall remain in force and the **LESSOR** shall repair the damage without undue delay but the rent shall be abated so as to compensate the **LESSEE** fairly for the effects of the damage and repair work on the enjoyment of the Premises. Failing agreement on such abatement or on the applicability of this clause to any particular circumstances, the matter shall be referred to an expert appointed by the parties jointly or, if they do not agree on such appointment, nominated by the President for the time being of The Institute of Estate Agents of South Africa, and the decision of such expert shall be final and binding. The expert's fees and disbursements, including any inspection costs, shall be borne and paid by the parties in equal shares. Pending determination of the abatement the **LESSEE** shall continue to pay the full rent for the Premises as if they had not been damaged and as soon as the matter has been resolved the **LESSOR** shall make the appropriate repayment to the **LESSEE**.

17.3 Subject to clause 15, if any damage to the Premises or the destruction thereof is caused by an act or omission for which either party is responsible in terms of this lease or in law, the other party shall not be precluded by reason of any of the foregoing provisions of this clause from exercising or pursuing any alternative or additional right of action or remedy available to the latter party under the circumstances (whether in terms of this lease or in law).

## 18. **SPECIAL REMEDY FOR BREACH**

18.1 Should the **LESSEE** default in any payment due under this lease or be in breach of its terms in any other way, and fail to remedy such default or breach within (30) days after receiving a written demand that it be remedied, the **LESSOR** shall be entitled, without prejudice to any alternative or additional right of action or remedy available to the **LESSOR** under the circumstances, to cancel this lease with immediate effect, be repossessed of the Premises, and

recover from the **LESSEE** damages for the default or breach and the cancellation of this lease.

18.2 Clause 21.1 shall not be construed as excluding the ordinary lawful consequences of a breach of this lease by either party (save any such consequences as are expressly excluded by any of the other provisions of this lease) and in particular any right of cancellation of this lease on the ground of a material breach going to the root of this lease.

18.3 In the event of the **LESSOR** having cancelled this lease justifiably but the **LESSEE** remaining in occupation of the Premises, with or without disputing the cancellation, and continuing to tender payments of rent and any other amounts which would have been payable to the **LESSOR** but for the cancellation, the **LESSOR** may accept such payments without prejudice to and without affecting the cancellation, in all respects as if they had been payments on account of the damages suffered by the **LESSOR** by reason of the unlawful holding over on the part of the **LESSEE**.

## 19. NEW TENANTS AND PURCHASERS

19.1 The **LESSEE** shall at all reasonable times:-

19.1.1 during the Lease Period, allow prospective purchasers of the **PROPERTY** or of any shares or other interests in the **LESSOR**; and

19.1.2 during the last (3) months of the Lease Period, allow prospective tenants or purchasers of the Premises, to enter and view the interior of the Premises.

## 20. COSTS

20.1 The legal costs incurred in the preparation of this lease and the stamp duty payable thereon shall be borne and paid by the **LESSEE**.

## 21. DOMICILIA AND NOTICES

21.1 The parties choose as their *domicilia citandi et executandi* the addresses mentioned in clause 24.2, provided that such *domicilium* of either party may be changed by written notice from such party to the other party with effect from the date of receipt or deemed receipt by the latter of such notice.

21.2

21.2.1 The **LESSOR**:  
Town Hall Complex  
Plein Street  
STELLENBOSCH

21.2.2 The **LESSEE**:  
  
Sandown Motor Holdings (Pty) Ltd  
Bird & Adam Tas Street  
Stellenbosch

21.3 Any notice, acceptance, demand or other communication properly addressed by either party to the other party at the latter's *domicilium* in terms hereof for the time being and sent by prepaid registered post shall be deemed to be received

by the latter on the 5th business day following the date of posting thereof. This provision shall not be construed as precluding the utilisation of other means and methods (including telefacsimile) for the transmission or delivery of notices, acceptances, demands and other communications, but no presumption of delivery shall arise if any such other means or method is used.

## 22. **WHOLE AGREEMENT**

- 22.1 This is the entire agreement between the parties.
- 22.2 Neither party relies in entering into this agreement on any warranties, representations, disclosures or expressions of opinion which have not been incorporated into this agreement as warranties or undertakings.
- 22.3 No variation or consensual cancellation of this agreement shall be of any force or effect unless reduced to writing and signed by both parties.

## 23. **NON-WAIVER**

- 23.1 Neither party shall be regarded as having waived, or be precluded in any way from exercising, any right under or arising from this lease by reason of such party having at any time granted any extension of time for, or having shown any indulgence to, the other party with reference to any payment or performance hereunder, or having failed to enforce, or delayed in the enforcement of, any right of action against the other party.
- 23.2 The failure of either party to comply with any non-material provision of this lease shall not excuse the other party from performing the latter's obligations hereunder fully and timeously.

## 24. **WARRANTY OF AUTHORITY**

- 24.1 The person signing this lease on behalf of the **LESSOR** expressly warrants his authority to do so.

## 25. **SALE OF PREMISES**

- 25.1 The validity of this lease shall not in any way be affected by the transfer of the Premises from the **LESSOR** pursuant to a sale thereof. It shall accordingly, upon registration of transfer of the Premises into the name of the purchaser, remain of full force and effect save that the purchaser shall be substituted as **LESSOR** and acquire all rights and be liable to fulfil all the obligations which the **LESSOR**, as **LESSOR**, enjoyed against or was liable to fulfil in favour of the **LESSEE** in terms of the lease.

## 26. **BREACH**

- 26.1 Should any payment of rent or any other amount due hereunder not be paid on or before due date or should the **LESSEE** commit or suffer or permit the commission of a breach of any of the other terms of this Lease, whether or not such breach goes to the root of this contract, and fail to remedy such breach within 7 (seven) days after having been required in writing to do so, or should the **LESSEE** be placed in liquidation, whether provisional or final and whether voluntary or compulsory, or under judicial management, whether provisional or final, or under sequestration, whether provisional or final, or should the **LESSEE** effect a general compromise with its creditors or any other arrangements with its creditors necessitated by the inability of the **LESSEE** to pay its debts, or should the **LESSEE** commit any act which is, or would if committed by a natural person be, an act of insolvency in terms of Section 8 of the Insolvency Act,



1936, as amended, the **LESSOR** shall be entitled but not obliged, notwithstanding any previous waiver or anything to the contrary herein provided and without prejudice to any other rights of the **LESSOR** in terms of this Lease or in law, to cancel this Lease forthwith, eject the **LESSEE** from the **PREMISES** and recover from the **LESSEE** any damages suffered by the **LESSOR** as well as all amounts which became due for payment by the **LESSEE** hereunder prior to the date of such cancellation.

- 26.2 Notwithstanding anything to the contrary herein contained, it is specifically recorded that in the event of that **LESSEE** failing at any time to comply with any of its obligations in terms of this lease, the **LESSOR** shall be entitled, but not obliged, and without prejudice to any other rights of the **LESSOR** in terms of this Lease or in Law arising from such breach, to carry out such obligations on behalf of the **LESSEE** and to incur any costs in connection therewith and to claim immediate reimbursement from the **LESSEE** of all such costs.
- 26.3 In the event of the **LESSOR** instructing its attorneys to take measures for the enforcement of any of the **LESSOR's** rights under this Lease the **LESSEE** shall pay to the **LESSOR** on demand such collection legal and other costs, on the attorney and client scale, as shall be lawfully charged by such action in respect of or arising from the measures to taken by the said attorneys.
- 26.4 In the event of the **LESSOR** cancelling this Lease and the **LESSEE** disputing, the right to cancel and remaining in occupation of the **PREMISES**, the **LESSEE** shall, pending the determination of such dispute, continue to pay to the **LESSOR** an amount equivalent to the monthly rent and other sums payable hereunder on or before the dates on which such rent and other sums would have been due but for the cancellation and the **LESSOR** shall be entitled to accept and recover such payments and the acceptance thereof shall be without prejudice to and shall not in any ay whatsoever affect the **LESSOR'S** cancellation then in dispute. Should the dispute be determined in favour of the **LESSOR**, the payments made and received in terms of this clause shall be deemed to be amounts paid by the **LESSEE** on account of damages suffered by the **LESSOR** by reason of the cancellation of this Lease and/or the unlawful holding over by the **LESSEE**.

SIGNED at ..... on this.....of.....2015 in

the presence of the undersigned witnesses

**Witnesses:**

1 .....

2 .....

*(Signatures of witnesses)*

.....

*(Signature of LESSOR)*

SIGNED at ..... on this.....of.....2015 in

the presence of the undersigned witnesses

**Witnesses:**

1 .....

2 .....

*(Signatures of witnesses)*

.....

*(Signature of LESSEE)*

# MEMORANDUM OF AGREEMENT FOR CESSION

entered into by and between

SANDOWN MOTOR HOLDINGS PROPRIETARY LIMITED

(hereinafter referred to as "SMH")

and

Stellenbosch Municipality

(hereinafter referred to as the "Service Provider")

And

SUPER GROUP TRADING PROPRIETARY LIMITED

(Hereinafter referred to as the "Cessionary")

Handwritten initials: \$ and Gm



## PART I: INTERPRETATION

### 1 DEFINITIONS

In this Agreement, unless otherwise stated, or the context otherwise indicates, the under-mentioned words and expressions shall bear the meanings ascribed to them:

- 1.1 "Agreement" shall mean this Agreement and all annexures and schedules attached hereto;
- 1.2 "Cessionary" shall mean **Super Group Trading Proprietary Limited** a company incorporated in terms of the Companies Act, No. 71 of 2008, as amended, with registration number 1972/009559/07 duly represented by Graeme Watson who is duly authorised hereto and shall include its holding company and all other subsidiaries, which further details are set out in Annexure B;
- 1.3 "Ceded Rights and Obligations" shall mean all of SMH's rights and obligations and other responsibilities contained in the Service Level Agreement.
- 1.4 "Cession"/ "Cede" shall mean the cession and delegation (assignment) of the Ceded Rights and Obligations in terms of this Agreement.
- 1.5 "Effective Date" shall mean 1 September 2016;
- 1.6 "SMH" shall mean **Sandown Motor Holdings Proprietary Limited**, a company incorporated in terms of the Companies Act, No. 71 of 2008, as amended, with registration number 1982/002346/07.
- 1.7 "Parties" shall mean SMH, the Service Provider and the Cessionary and "Party" shall mean either of them as the context requires;

Handwritten initials and a signature, possibly "GJM".

# MEMORANDUM OF AGREEMENT FOR CESSION

entered into by and between

SANDOWN MOTOR HOLDINGS PROPRIETARY LIMITED

(hereinafter referred to as "SMH")

and

Stellenbosch Municipality

(hereinafter referred to as the "Service Provider")

And

SUPER GROUP TRADING PROPRIETARY LIMITED

(Hereinafter referred to as the "Cessionary")

*f* *G* *+* *N* *W* *g* *R* *PH*



## PART I: INTERPRETATION

### 1 DEFINITIONS

In this Agreement, unless otherwise stated, or the context otherwise indicates, the under-mentioned words and expressions shall bear the meanings ascribed to them:

- 1.1 "Agreement" shall mean this Agreement and all annexures and schedules attached hereto;
- 1.2 "Cessionary" shall mean Super Group Trading Proprietary Limited a company incorporated in terms of the Companies Act, No. 71 of 2008, as amended, with registration number 1972/009559/07 duly represented by Graeme Watson who is duly authorised hereto and shall include its holding company and all other subsidiaries, which further details are set out in Annexure B;
- 1.3 "Ceded Rights and Obligations" shall mean all of SMH's rights and obligations and other responsibilities contained in the Service Level Agreement.
- 1.4 "Cession"/ "Cede" shall mean the cession and delegation (assignment) of the Ceded Rights and Obligations in terms of this Agreement.
- 1.5 "Effective Date" shall mean 1 September 2016;
- 1.6 "SMH" shall mean Sandown Motor Holdings Proprietary Limited, a company incorporated in terms of the Companies Act, No. 71 of 2008, as amended, with registration number 1982/002346/07.
- 1.7 "Parties" shall mean SMH, the Service Provider and the Cessionary and "Party" shall mean either of them as the context requires;

Handwritten notes and signatures in the bottom right corner, including initials and a signature, possibly related to the agreement or a specific clause.



- 1.8 "Service Level Agreement" shall mean the Lease agreement entered into on 17 August 2015, more accurately described and attached in **Annexure A**, between SMH and the Service Provider.
- 1.9 "Service Provider" shall mean Stellenbosch Municipality, duly represented by \_\_\_\_\_ in his capacity as \_\_\_\_\_ who warrants that he is duly authorised.
- 1.10 "Signature Date" shall mean the date of signature of this Agreement by the Party signing last in time. This Agreement may be executed in counterparts by the parties, which signature date shall then be the date upon which the last party affixes its signature to this agreement;
- 1.11 "writing" or "in writing" shall mean any physical document, but excludes any communication by way of a data message.
- 1.12 Headings and sub-headings are inserted for information purposes only and shall not be used in the interpretation of this Agreement.
- 1.13 Unless the context clearly indicates a contrary intention, any word connoting:-
- 1.13.1 any singular shall be deemed to include a reference to the plural and vice versa;
- 1.13.2 any gender shall be deemed to include a reference to the other gender; and
- 1.13.3 a natural person shall be deemed to include a reference to a legal or juristic person.
- 1.14 The expiry or termination of this Agreement shall not affect provisions which expressly provide that they will operate after such expiry or termination.

\$ Jim



Provisions of necessity shall continue to have effect after expiry or termination of this Agreement, notwithstanding that the clauses themselves do not expressly provide for this.

- 1.15 The rule of interpretation that a written agreement shall be interpreted against the Party responsible for the drafting or preparation of that agreement shall not apply.
- 1.16 Where figures are referred to in numerals and in words and there is any conflict between the two (2), the words shall prevail.
- 1.17 Any reference to any legislation is a reference to such legislation as at the Signature Date and as amended or re-enacted.
- 1.18 If any provision in a definition is a substantive provision conferring any rights or imposing any obligations on a Party, then notwithstanding that it is only in the interpretation clause, effect shall be given to it as if it were a substantive provision in this Agreement.
- 1.19 The *eiusdem generis* rule shall not apply and accordingly, whenever a provision is followed by the word "including" and specific examples, such examples shall not be construed so as to limit the ambit of the provision concerned.

## 2 INTRODUCTION

- 2.1 SMH will hereby Cede and assign to the Cessionary the Ceded Rights and Obligations in terms of this Agreement as of the Effective Date.
- 2.2 The Service Provider, subject to the aforementioned conditions, hereby unconditionally consents, accepts and grants its approval of the Cession by signing this Agreement.

A handwritten signature in black ink, appearing to be "SMH", with a large, stylized flourish above it.





### 3 CESSION

3.1 SMH hereby irrevocably Cedes, assigns, delegates, transfers and makes over to the Cessionary, outright, and absolutely, with effect on and from the Effective Date, the Ceded Rights and Obligations. As a consequence, the Service Level Agreement shall be taken over on the same terms and conditions by the Cessionary.

3.2 The Cessionary and the Service Provider hereby irrevocably accepts such Cession.

3.3 The Parties confirm that it is their common continuing intention that the Cession provided for in this Agreement operates irrevocably so as to, subject to Clause 3.2:

3.3.1 divest SMH of the Ceded Rights and Obligations under and in terms of the Service Level Agreement; and

3.3.2 transfer to and vest in the Cessionary the Ceded Rights and Obligations under and in terms of the Service Level Agreement.

3.4 The Service Level Agreement shall not be amended in any other form or substance other than the amendments and Cession contained in this Agreement.

**SIGNATURE PAGE TO FOLLOW ON NEXT PAGE**

*Handwritten initials/signature*  
A  
Gin



SIGNED at..... on this the.....day of ..... 2017  
2016.

\_\_\_\_\_  
FOR SMH

WITNESSES

1.NAME.....SIGNATURE.....

2.NAME.....SIGNATURE.....

SIGNED at.....on this the.....day of ..... 2017  
2016.

\_\_\_\_\_  
For SUPER GROUP TRADING PROPRIETARY LIMITED

WITNESSES

1. NAME..... SIGNATURE.....

2. NAME..... SIGNATURE.....

*Handwritten initials/signature*



SIGNED at Stellenbosch on this the 15<sup>th</sup> day of February 2017 <sup>9<sup>th</sup></sup> 2016.

*[Handwritten Signature]*

For SERVICE PROVIDER

WITNESSES

1. NAME P. Smith

SIGNATURE *[Handwritten Signature]*

2. NAME T. Benjamin

SIGNATURE *[Handwritten Signature]*



**ANNEXURE A**  
**LEASE AGREEMENT**

**ANNEXURE B****SCHEDULE OF CESSIONARY'S DETAILS**

---

Name	Super group trading proprietary limited
Contact Details	27 Impala Road Chislehurst Sandton Email address: graeme.watson@supergroup.com Marked for the attention of: Graeme Watson.

<b>7.5.2</b>	<b>AUTHORISATION: PUBLIC TENDER PROCESS: ERVEN 2498 AND 2499</b>
--------------	--

**1. PURPOSE OF REPORT**

To obtain the necessary authorization to go out on tender for the lease of erven 2498 and 2499.

**2. BACKGROUND****2.1 Initial Lease Agreements**

On 1 October 1981 a 5 year Lease Agreement was concluded between Stellenbosch Municipality and the Stellenbosch Animal Hospital in relation to the building on erven 2498 and 2499.

**2.2 Renewal of Lease Agreement**

Subsequently, in 1986, 1996 and 2006 respectively, the Agreement was renewed for periods of 9 years and 11 months.

**2.3 Extension of last Lease Agreement**

The last Lease Agreement has terminated on 31 July 2016. There was no renewal clause in the in the agreement. A copy of the Agreement is attached as **APPENDIX 1**. For this reason a notice was send to the Stellenbosch Animal Hospital on 22 June 2016, informing them that the Lease Agreement would come to an end on 31 July 2016, a copy of which is attached as **APPENDIX 2**.

On 30 June 2016 a self-explanatory letter was received from Dr Gilliomee, requesting a further renewal of the Lease Agreement for a period of 9 years and 11 months. A copy of the letter setting out the motivation is attached as **APPENDIX 3**.

Having considered the request the then Acting Municipal Manager (July 2016) extended the contract for a period of twelve months to afford the Lessee to consider alternative arrangements. A copy of the approval is attached as **APPENDIX 4**. The above approval was subject to Stellenbosch Municipality's intention so to act being advertised for public input.

A notice was compiled and sent to the Supply Chain Department to be published in the Eikestad News. A copy of the notice is attached as **APPENDIX 5**.

\*We were recently informed by the SCM Department that, due to unknown reasons, the notice was never published. As the 12 months period has almost run out, there is no need/rationale for publishing the notice at this stage.

**3. DISCUSSION****3.1 Existing Lease Agreement**

As already indicated above, the existing Lease Agreement does not have a renewal clause.

### 3.2 System of Delegation

In terms of the approved System of Delegation (See delegation 538) the Municipal Manager may “*approve the renewal of lease agreements, **where the agreement provides for such renewal, for a period not exceeding 10 years***”. This delegation is further subject to a **new market related rental to be approved by the CFO**.

Seeing that the current agreement does not have a renewal clause, this delegation cannot be used.

In terms of delegation 530 the Executive Mayor may “*grant a right to use, control or manager a fixed capital asset, up to an annual contract value not exceeding R5M, subject to compliance with Regulation 34(1) of the Asset Transfer Regulations*”.

### 3.3 Asset Transfer Regulations

In terms of Section 34 (1) of the ATR a Municipality (Read Mayco) may grant a right to use, control or manage a capital asset only after-

- a) The Accounting officer has concluded a public participation process\*; and
- b) The municipal council (Read Mayco) **has approved in principle that the right may be granted**.

\*Sub regulation (1) (a) (public participation process), however, must be complied with **only if-**

- a) **The capital asset** in respect of which the right is to be granted **has a value in excess of R10M\***; and
- b) A long-term right is proposed to be granted (i.e. longer than 10 years).

\*In terms of the municipal valuation role the property’s value is R3 920 000 (i.e. less than R10M). This means that the prescribed public participation process **does not have to be followed**.

In terms of Regulation 36, the municipal council (read Mayco) **must**, when considering such approval, take into account:

- a) whether such asset may be required for the municipality’s **own use** during the period for which such right is to be granted;
- b) the extent to which any compensation to be received will result in a significant economic or **financial benefit** to the municipality;
- c) the **risks and rewards** associated with such right to use; and
- d) the **interest of the local community**

In terms of Regulation 41, if an approval in principle has been given in terms of regulation 34 (1)(b), the municipality (read Mayco) may grant the right only in accordance with the **disposal management system** of the municipality, irrespective of:-

- a) the value of the asset; or
- b) the period for which the right is granted

**3.4 Policy on the Management of Council owned property**

In terms of paragraph 9.2.2 of the Policy, the Municipal Council may dispense with the prescribed, competitive process, and may enter into a private treaty agreement through any convenient process, which may include direct negotiations, but only in specific circumstances, and only after having advertised Council's intention so to act.

One of the circumstances listed in (l) is lease contracts with existing tenants of immovable properties, not exceeding ten (10) years. Such agreements may be renegotiated where the Executive Mayor is of the opinion that public competition would not serve a useful purpose, subject to such renewal being advertised, calling for public comment.

Further, in terms of paragraph 9.2.2.2, the reasons for any such deviation from the competitive process must be recorded.

**3.5 Market rental**

Hereto attached as **APPENDIX 6** a valuation report compiled by Pendo Property Valuers, valuing the market rental at R 19720.00 per month.

**4. INPUTS FROM OTHER DEPARTMENT****4.1 CFO**

Finance supports the item.

**4.2 LEGAL SERVICES**

In terms of the Stellenbosch Supply Chain Management Policy the market value of a property is determined by two independent valuers and not the municipality's valuation. Two independent valuers need to be appointed to establish the market value of the property. The market value of the property will establish whether a public participation process needs to be followed in terms of Regulation 34(1)(a) or not. The recommendations should be amended accordingly to ensure that the in principle decision is made after the market value of the property is determined.

The rest of the item is supported.

**Please note:** Following the above legal input Pendo Property Valuers were appointed to determine a market related rental. (see paragraph 3.5 *supra*). The recommendations have been amended accordingly.

**4.3 PLANNING & ECONOMIC DEVELOPMENT**

None

**5. CONCLUSION**

From the above it is clear that, although the Executive Mayor has the (delegated) authority to conclude a Lease Agreement up to a maximum annual contract value of R5M, it is subject to the provisions of the ATR, i.e. Regulations 34; 36 and 41; read with the provisions of paragraph 9.2.2 of the Property Management Policy, as set out above.



This means that:

- a) the Executive Mayor can, in terms of regulation 34(1)(b), **approve in principle** the awarding of rights, and
- b) that, following the in principle decision in terms of (a), **a competitive process** in terms of the SCM Policy must then be followed, unless
- c) the Executive Mayor is of the opinion that a **public competition would not serve a useful purpose**.

## RECOMMENDATIONS

**MAYORAL COMMITTEE MEETING: 2018-05-16: ITEM 5.5.3**

## RESOLVED

**That it be recommended to Council:**

- (a) that Council, in principle, dispense with the prescribed competitive process;
- (b) that Council approve, in principle, to enter into an agreement for a period of 5 years at a minimum rental of R 19 720/month, with an annual escalation of 6%;
- (c) that Council's intention be advertised, calling for public comments/counter proposals; and
- (d) that the matter be re-submitted to Council for a final decision after the public participation process.

onthou BTW moet  
by Huurgelof word!

MEMORANDUM VAN HUURKONTRAK vlg. wetgewing  
1/7/06

AANGEGAAN DEUR EN TUSSEN

DIE STELLENBOSCH MUNISIPALITEIT

hierin verteenwoordig deur die

DIREKTEUR: KORPORATIEWE DIENSTE

(hierna die VERHUURDER genoem)

EN

STELLENBOSCH DIEREHOSPITAAL

hierin verteenwoordig deur die DR. G.A. GILMEE

(hierna die HUURDER genoem)

1. Die VERHUURDER verhuur en die HUURDER huur hiermee 'n sekere eiendom met 'n gebou daarop, synde gedeeltes van Erwe 2498 en 2499 geleë in die Afdeling en Munisipaliteit Stellenbosch en gemerk ABCD op die kaart hierby aangeheg.
2. Die verhuring tree in werking op die eerste dag van September 2006 en duur vir 'n termyn van 9 jaar en 11 maande.
3. Die HUURDER onderneem om die eiendom slegs te gebruik vir die doel van 'n Dierehospitaal.
- 4.1 Die HUURDER betaal maandeliks vooruit, ten laaste op die 7de dag van elke betrokke maand, by die Inkomste-kantoor, Munisipaliteit Stellenbosch, 'n huurgeld van R4127.00 met ingang 1 September 2006.
- 4.2 Die huurgeld sal jaarliks eskaleer met ingang 1 Julie, met dieselfde persentasie waarteen die eiendomsbelasting aangepas word.
- 4.3 Benewens die in subklousule 4.1 vermelde huurgeld, betaal die HUURDER ook die belasting en diensgelde aan die Munisipaliteit soos voorgeskryf deur die Munisipale Ordonnansie, 1974 asook enige ander by verordening voorgeskrewe heffings vir water- en elektrisiteitsverbruik en ander dienste.

✱ 1/7/06

5. Die HUURDER onderneem om alle strukturele verandering aan die gebou wat hy vir sy eie doeleindes nodig ag, op sy eie koste aan te bring, met dien verstande dat alle planne en spesifikasie daarvoor eers deur die VERHUURDER goedgekeur moet word.
6. Die VERHUURDER is by die beëindiging van hierdie kontrak nie gebonde om enige vergoeding aan die HUURDER te betaal vir enige verbeterings wat, hetsy met of sonder die VERHUURDER se goedkeuring, deur die HUURDER op die verhuurde eiendom aangebring is nie.
7. Die VERHUURDER het deur sy behoorlik gemagtigde verteenwoordigers die reg van toegang tot die verhuurde eiendom te alle redelike tye met die doel om inspeksies uit te voer.
8. Die HUURDER is verantwoordelik vir alle instandhoudingswerk aan die gebou en onderneem om die gebou en perseel in 'n netjiese en sindelike toestand te herstel en te hou.
9. Die HUURDER verseker die verhuurde eiendom teen brandskade en aanvaar ook verantwoordelikheid vir skade aan enige ameublement, toerusting of ander goedere wat die HUURDER in die gebou bring of huisves.
10. Die HUURDER vrywaar die VERHUURDER teen enige eise van 'n derde party ten opsigte vanskade gely, hetsy aan persoon of goedere, wat mag ontstaan as gevolg van hierdie verhuring.
11. Die HUURDER onderneem om alle wette en verordening wat sy onderneming raak, na te kom.
12. Indien die HUURDER versuim om die huurgeld op vervaldag te betaal of om enige voorwaarde van hierdie ooreenkoms na te kom of indien dit sou blyk dat die onderneming aanstootlik vir die omgewing is of 'n ernstige oorlas skep, het die VERHUURDER die reg om hierdie ooreenkoms met kennisgewing van 12 (TWAALF) maande te kanselleer en van die eiendom besit te neem.
13. Die HUURDER het ook die reg om met kennisgewing van 12 (TWAALF) maande aan die VERHUURDER, die ooreenkoms te kanselleer.

 A handwritten signature and initials, possibly 'P.P.A.', with a small 'w' written below it.

14. Indien die VERHUURDER die eiendom om een of ander rede vir munisipale doeleindes benodig voordat die huurtermyn van hierdie ooreenkoms uitgeloop het, kan die VERHUURDER en HUURDER onderhandel oor die moontlike billike vergoeding ten opsigte van enige kapitale verbeteringe wat deur die HUURDER aangebring is met die oog op 'n huurtermyn van 9 jaar en 11 maande.

GETEKEN TE STELLENBOSCH OP HIERDIE 21 DAG VAN September 2004

AS GETUIES:

1.

 \_\_\_\_\_

2.

W.R. \_\_\_\_\_



UITVOERENDE HOOFSTADSKLERK  
Kamers VERHUURDER

†

GETEKEN TE STELLENBOSCH OP HIERDIE 21 DAG VAN September 2004

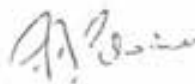
AS GETUIES:

1.

 \_\_\_\_\_

2.

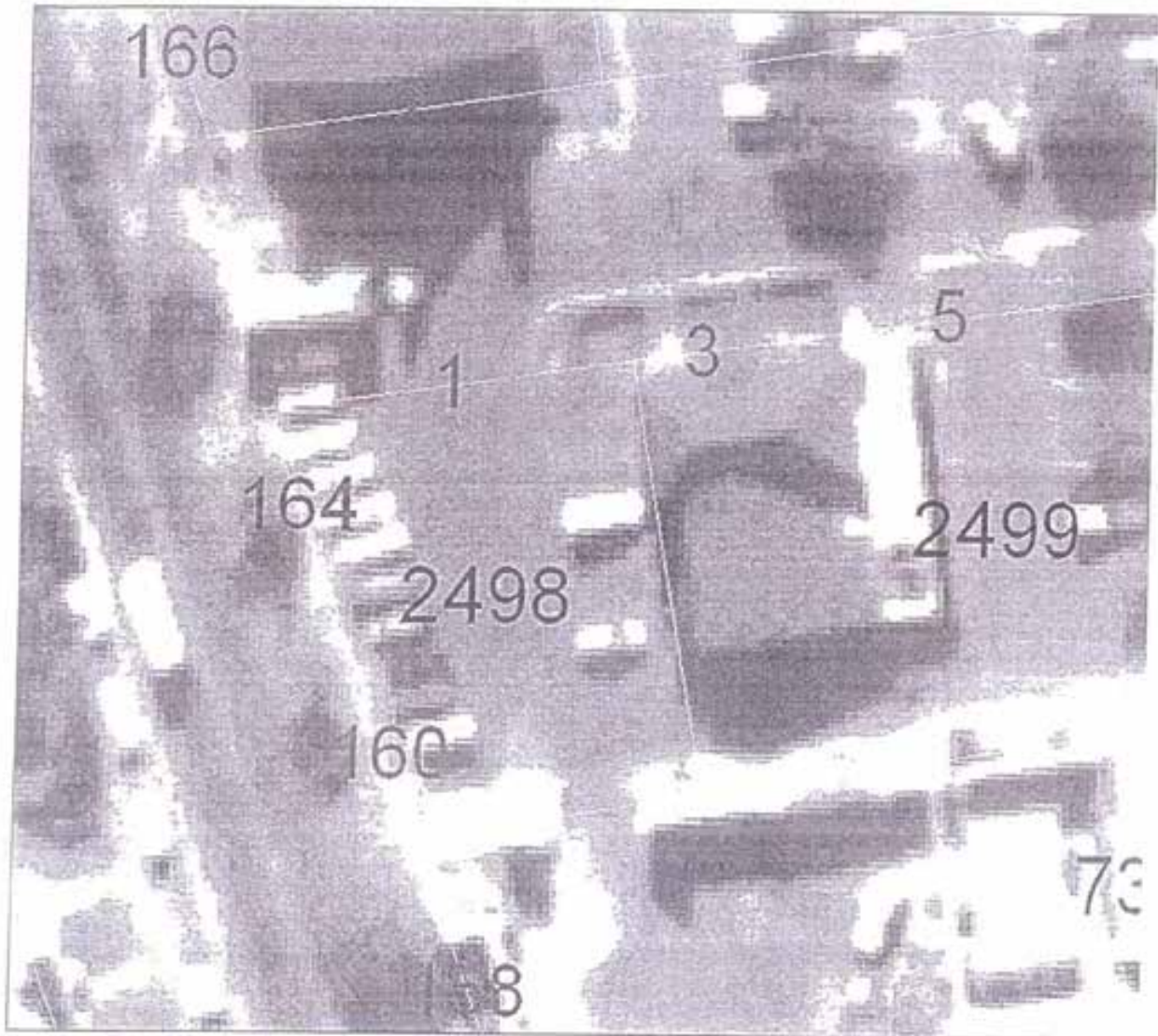
W.R. \_\_\_\_\_



HUURDER



### STELLENBOSCH GIS MAP



*Handwritten signature and initials*



**STELLENBOSCH**  
STELLENBOSCH • PNIEL • FRANSCHHOEK  
MUNISIPALITEIT • UMASIPALA • MUNICIPALITY



Verwysing: Erf 2498/2499

2016-06-22

Dr G.A Giliomee  
Stellenbosch Dierehospitaal  
Posbus 186  
Stellenbosch  
7599

Vir aandag: Dr Giliomee

**KENNISGEWING: BEEINDIGING VAN HUURKONTRAK**

Neem asb. kennis dat u huurkontrak met Stellenbosch Munisipaliteit t.o.v. die gebou op erwe 2498 en 2499 op 31 Julie 2016 ten einde kom.

Aangesien die kontrak nie voorsiening maak vir hernuwing nie, word u dus hiermee kennis gegee om die gebou teen 31 Julie 2016 te ontruim.

Die uwe

.....  
**PIET SMIT**  
**BESTUURDER: EIENDOMSBESTUUR**

# STELLENBOSCH ANIMAL HOSPITAL DIEREHOSPITAAL BIK

Reg. No. CK 1992/007735/23

DRS. A.B. KIDD (BVSc), M.C. FRANKEN (BVSc), G.A. GILIOME (BVSc) &amp; I. GERSBACH (BVSc)

TEL: (021) 887 3052  
 FAX/FAKS: (021) 887 3152  
 E-MAIL: steldier@telkomsa.net

1 BANGHOEK ROAD / BANGHOEKWEG 1  
 STELLENBOSCH

P.O. BOX / POSBUS 188  
 STELLENBOSCH  
 7599

30 Junie 2016

Mnr Piet Smit  
 Bestuurder: Eiendomsbestuur  
 Stellenbosch Munisipaliteit  
 Posbus 17  
 Stellenbosch  
 7599

Beste Mnr Smit

**Insake: Huurkontrak Stellenbosch Dierehospitaal, erf 2498/2499**

U skrywe van 22 Junie 2016 (Insake "Kennisgewing: Beëindiging van huurkontrak") het betrekking.

Stellenbosch Dierehospitaal huur reeds die afgelope 35 jaar (eerste huurkontrak op 1 Oktober 1981 geteken) die ou Dennesig Poskantoor by die munisipaliteit. In hierdie tydperk is die gebou (met heelwat veranderinge aan die oorspronklike gebou, asook aanbouings) omskep in 'n moderne veteriniere fasiliteit met tans 12 persone in permanente diens, waarvan vyf professioneel is. Die fasiliteit is by die Suid-Afrikaanse Veteriniere Raad as 'n dierehospitaal registreer (registrasienommer FCC98/0064).

Ons praktyk lewer reeds sedert 1957 'n noodsaaklike diens aan die Stellenbosch gemeenskap, wat insluit die behandeling van alle dierespesies (waarvan honde, katte, beeste en perde die belangrikste is). Dienste sluit in o.a. gevorderde chirurgie, X-strale, laboratorium dienste, die hospitalisering van diere asook 'n 24 uur per dag nooddiens (gelewer aan alle spesies). Geen ander praktyk in die Stellenbosch/Somerset-Wes area lewer 'n soortgelyke omvattende diens nie.

Die huurkontrakte van die afgelope 35 jaar (een kontrak vir 'n vyf jaar huurtermyn, die ander drie vir 9 jaar en elf maande huurtermyne) was feitlik identies in bewoording en is aan die einde van elke huurtermyn vervang met 'n nuwe (na die nodige prosesse, soos o.a. advertering in die Eikestadnuus).

Dit het dus as 'n skok gekom toe ons praktyk deur u in kennis gestel is om die perseel op 31 Julie 2016 te ontruim. Ons het aanvaar dat die munisipaliteit soos in die afgelope dertig jaar die huurkontrak weer sal hernu, al was daar nooit 'n hernuwingsklousule in enige van die vorige kontrakte ingesluit nie. Ons kan geensins sonder hierdie perseel voortgaan om die dienste van 'n dierehospitaal te lewer nie.

Ons versoek hiermee dat die munisipaliteit dringend oorweging sal skenk aan 'n verlenging van ons huidige huurtermyn vir 'n verdere 10 jaar.

Die uwe



Gerhard Giliomee





# STELLENBOSCH

STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNISIPALITEIT • UMASIPALA • MUNICIPALITY

Kantoor van die Direkteur: Menslike Nedersetting en Eiendomsbestuur  
 Office of the Director: Human Settlements and Property Management  
 I ofisi yomlawuli Wokuhlaliswa kwabantu Kunye nolawulo lwemihlaba

## DOCUMENT ROUTE FORM

### DOCUMENT TYPE

MEMO	VIREMENTATION	EMPLOYMENT CONTRACT
X	Delegation	Delegation

SUBJECT: RENEWAL LEASE AGREEMENT: STELLENBOSCH ANIMAL HOSPITAL

REQUESTED SIGNATORY	SUPPORTED/ SUPPORTED/ APPROVED	NOT	SIGNATURE	DATE
MANAGER	<i>[Handwritten mark]</i>		<i>[Handwritten signature]</i>	20/07/13
DIRECTOR HS&PM	<i>[Handwritten mark]</i>		<i>[Handwritten signature]</i>	13/07/2016
ACTING MUNICIPAL MANAGER	<i>[Handwritten mark]</i>		<i>[Handwritten signature]</i> i York and ... Newell	13/07/2016

### COMMENTS

Ever Jgd Abu: The fit recommendation proposed to close up is supported. The additional recommendation to extend the lease for three (3) years is not supported.




---

## ***PROPERTY MANAGEMENT***

---

**TO / AAN** : The Municipal Manager  
**FROM / VAN** : Manager: Property Management  
**DATE / DATUM** : 2016-07-13  
**RE / INSAKE** : LEASE AGREEMENT: STELLENBOSCH ANIMAL HOSPITAL:  
 REQUEST FOR FURTHER RENEWAL

---

### **1. PURPOSE**

The purpose of this memo is to consider a request from the Stellenbosch Animal Hospital to renew their lease agreement for a further period of 09 years and 11 months.

### **2. BACKGROUND**

#### **2.1 Initial Lease Agreements**

On 1 October 1981 a 5 year Lease Agreement was concluded between Stellenbosch Municipality and the Stellenbosch Animal Hospital.

#### **2.2 Renewal of Lease Agreement**

Subsequently, in 1986, 1996 and 2006, respectively, the Agreement was renewed for periods of 9 years and 11 months.

#### **2.3 Existing Lease Agreement**

The existing Lease Agreement will terminate on 31 July 2016. There is no renewal clause in the in the current agreement. A copy of the Agreement is attached as **APPENDIX 1**. For this reason a notice was send to the Stellenbosch Animal Hospital on 22 June, informing them that the Lease Agreement will come to an end on 31 July 2016, a copy of which is attached as **APPENDIX 2**.

On 30 June3 2016 a self-explanatory letter was received from Dr Giliomee, requesting a further renewal of the Lease Agreement for a period of 9 years and 11 months. A copy of the letter setting out the motivation, is attached as **APPENDIX 3**.

### 3. DISCUSSION

#### 3.1 Existing Lease Agreement

As already indicated above, the existing Lease Agreement does not have a renewal clause.

#### 3.2 System of Delegation

In terms of the approved System of Delegation (See delegation 538) the Municipal Manager may *“approve the renewal of lease agreements, where the agreement provides for such renewal, for a period not exceeding 10 years”*. This delegation is further subject to a **new market related rental to be approved by the CFO.**

Seeing that the current agreement does not have a renewal clause, this delegation cannot be used.

In terms of delegation 530 the Municipal Manager may “grant a right to use, control or manager a fixed capital asset, up to an annual contract value not exceeding R1M, subject to compliance with Regulation 34(1) of the Asset Transfer Regulations.

#### 3.3 Asset Transfer Regulations

In terms of Section 34 (1) of the ATR a Municipality (Read MM) grant a right to use, control or manage a capital asset only after-

- a) The Accounting officer has concluded a public participation process\*; and
- b) The municipal council (Read MM) **has approved in principle that the right may be granted.**

\*Sub regulation (1) (a) (public participation process), however, must be complied with **only if-**

- a) **The capital asset** in respect of which the right is to be granted **has a value in excess of R10M\***; and
- b) A long-term right is proposed to be granted (i.e. longer than 10 years).

\*In terms of the municipal valuation role the property’s value is R3 920 000 (i.e. less than R10M). This means that the prescribed public participation process do not have to be followed.

In terms of Regulation 36, the municipal council (read MM) **must**, when considering such approval, take into account:

- a) whether such asset may be required for the municipality’s **own use** during the period for which such right is to be granted;
- b) the extent to which any compensation to be received will result in a significant economic or **financial benefit** to the municipality;

- c) the risks and rewards associated with such right to use; and
- d) the interest of the local community

In terms of Regulation 41, if an approval in principle has been given in terms of regulation 34 (1)(b), the municipality (read MM) may grant the right only in accordance with the **disposal management system** of the municipality, irrespective of:-

- a) the value of the asset; or
- b) the period for which the right is granted

### 3.4 Supply Chain Management Policy

In terms of paragraph 5.3.1 **immovable property may only be let at market related rates**, except when the public interest of plight of the poor demands otherwise.

In terms of paragraph 5.6.1, **following the in principle decision, supply chain management must (then) embark on the applicable process..., which process must be fair, equitable, transparent and competitive.**

## 4. CONCLUSION

From the above it is clear that, although the Municipal Manager has the (delegated) authority to conclude a Lease Agreement up to a maximum annual contract value of R1M, it is subject to the provisions of the ATR, i.e Regulations 34; 36 and 41; as set out above.

This means that:

- a) The Municipal Manager can, in terms of regulation 34(1)(b), **approve in principle** the awarding of rights, on condition that sub-regulation (1) (a) public participation) is not triggered; and
- b) That, following the in principle decision in terms of (a), **a competitive process** in terms of the SCM Policy must then be followed.

In light of the above it is

### RECOMMENDED:

- a) that the awarding of rights (lease agreement) be approved in principle, subject to a tender process in terms of the SCM Policy;
- b) that a minimum rental be determined by the CFO, based on the advice of an independent valuer;
- c) that, should the existing Lessee be unsuccessful in the tender process, he be given a reasonable period of 3 months to find alternative accommodation.

Alternatively, taking into account the historic context and motivation for renewal, it is

**RECOMMENDED**

- a) that the Municipal Manager consider the renewal of the lease agreement (in principle) for a limited period of 3 years, to afford the Lessee reasonable time to find alternative accommodation;
- b) that the municipality's intension to renew the agreement for a limited period of 3 years be advertised for public comments/inputs.
- c) that, should no objection be received, the agreement be renewed for a period of 3 years (subject to a new rental being determined by the CFO, based on the advice of an independent valuer);
- d) that, should objections be received, same first be considered before a final decision is made;
- e) that, in the interim, the lease agreement be kept in place on a month-to-month basis.

Yours faithfully



.....  
PIET SMIT  
MANAGER: PROPERTY MANAGEMENT

**RECOMMEND FOR APPROVAL**



.....  
DIRECTOR: HS&PM

*SUBMITTED TO THE LEASE RENEWAL  
YES/NO EXTENDED FOR A PERIOD OF  
ONLY TWELVE MONTHS.*

*13 / 07 / 2016*  
DATE

APPROVED	
----------	--

NOT APPROVED	
--------------	--

Conditions (if any):.....  
.....  
.....  
.....

ACTING MUNICIPAL MANAGER

DATE



## **NOTICE**

### **PROPOSED EXTENSION OF LEASE PERIOD: STELLENBOSCH ANIMAL HOSPITAL: ERVEN 2498 AND 2499, STELLENBOSCH**

Notice is hereby given of Stellenbosch Municipality's intention to extend the lease period of Stellenbosch Animal Hospital in relation to erven 2498 and 2499, Stellenbosch, with a period of 12 months, allowing them an opportunity to find alternative space.

Stellenbosch Animal Hospital is leasing the property from the Municipality from 01 October 1981. Although the lease agreement was renewed at a number of occasions, it has now lapsed on 31 July 2016.

Full particulars of the lease, as well as the motivation for an extension is available from the undersigned during office hours.

Objections, if any, should be in writing and should reach the undersigned within 21 days of this notice.

For further enquiries, please contact Piet Smit at:

E-mail: [piet.smit@stellenbosch.gov.za](mailto:piet.smit@stellenbosch.gov.za)

Tel: 021-8088189

Cell: 0845065065

Address: 3rd Floor Absa (Oude Bloemhof) Building  
c/o Rhyneveld and Pleinstreet, Stellenbosch

MUNICIPAL MANAGER

PO BOX 17

STELLENBOSCH

7600



## VALUATION REPORT

DETERMINATION OF THE MARKET RENTAL OF:  
PORTIONS OF ERF 2498 & 2499 STELLENBOSCH,  
STELLENBOSCH REGISTRATION DIVISION,  
LEASED BY THE STELLENBOSCH ANIMAL HOSPITAL

Client:

STELLENBOSCH MUNICIPALITY

30 August 2017

Compiled by:

**Johan Klopper**

Professional Valuer

Member of the SA Institute of Valuers

BCom Law (University of Stellenbosch), NDip: Property Valuation (UNISA)



30 August 2017

Mr. Piet Smit  
 Stellenbosch Municipality  
 Property Management  
 Plein Street  
 Stellenbosch  
 7600

## VALUATION CERTIFICATE

I, the undersigned, Johan Klopper, Professional Valuer registered in terms of the Property Valuer's Profession Act, 2000 (Act No 47 of 2000) do hereby certify that I have inspected and valued the following immovable property namely:

<p><b>Portions of ERVEN 2498 &amp; 2499 STELLENBOSCH,          STELLENBOSCH REGISTRATION DIVISION, in the WESTERN CAPE          Leased by the STELLENBOSCH ANIMAL HOSPITAL</b></p>
--

I consider the fair and reasonable market rental of the abovementioned property to be as follows:

<b>R 19 720</b>	<b>Nineteen Thousand Seven Hundred and Twenty Rand (Excluding VAT)</b>
-----------------	--

As at: **28 August 2017**

Signed at Stellenbosch this 30<sup>th</sup> day of August 2017.

A handwritten signature in dark ink, appearing to read 'Johan Klopper', is written over a horizontal line.

**J. Klopper**  
 Professional Valuer  
 Registration Number: 6372/0

---

PENDO PROPERTY SERVICES CC T/A PENDO PROPERTY VALUERS  
 Reg. No. 2009/230603/23 • VAT Reg. No. 4530269028  
 Member: J. Klopper

Verified Level 4 B-BBEE Contributor



## VALUATION REPORT

### 1. GENERAL INFORMATION

#### 1.1 Instructions

Instructions were received from the Stellenbosch Municipality to determine the fair market rental of portions of Erven 2498 & 2499 Stellenbosch leased by the Stellenbosch Animal Hospital, as at the effective date referred to in paragraph 1.3 below.

Definition of market rental: *"The estimated amount for which the property should be leased on the date of valuation between a willing lessor and a willing lessee in an arm's length transaction after property marketing, wherein the parties acted knowledgeably, prudently and without compulsion."*

#### 1.2 Inspection date

28 August 2017

#### 1.3 Effective date of valuation

28 August 2017

#### 1.4 Limiting conditions

Information was received from third parties regarding the comparable properties. No warranty as to the accuracy of this information can be made.

In this report all values referred to exclude VAT, unless expressly stated otherwise.

We have not carried out a structural survey, nor have we tested the service installations, woodwork or other parts of the structure which are covered, unexposed or inaccessible and are therefore unable to report that such parts of the property are free of rot, beetle or other defects. This valuation is therefore based on the assumption that the building is in a reasonable state of repair, unless expressly stated otherwise in this report.

Any possible contamination of the subject property as a result of an environmental incident has also not been taken into account, nor have we examined the cost of any remedial measures involved.

Maps and sketches that form part of this report are included for illustration purposes only and are not necessarily to scale.

This valuation is for the purpose as stated in this report and should not be used for any other purpose. Neither all nor any part of this report shall be conveyed to the public or anybody other than the addressee or their principles through advertising, public relations, news sales or any other media without the written consent of the author.

## 2. PHYSICAL FEATURES

### 2.1 Situation / Locality

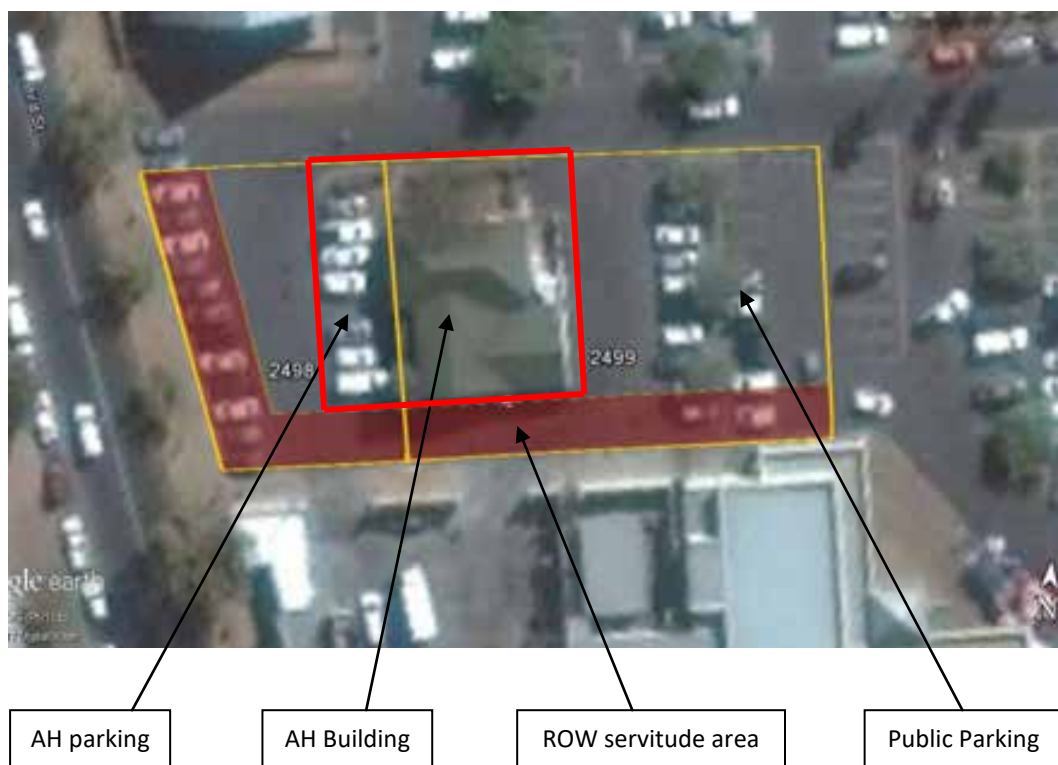
The subject property is located in the Stellenbosch centre, adjacent to the Stelmark Shopping Centre on the corner of Bird and Merriman Streets. The subject property is accessed from Banhoek Way. This is an established commercial node, but the immediate vicinity appears slightly rundown in comparison to other commercial nodes in Stellenbosch. A portion of the subject property forms part of the municipal parking area servicing the Stelmark Centre.

### 2.2 Description of the site and improvements

The Stellenbosch Animal Hospital (AH) building is located on a portion of Erf 2499 Stellenbosch, while the remainder of this property comprises tarred area with driveways and 16 demarcated open parking bays that form part of the adjoining parking area administered by a third party.

Erf 2498 Stellenbosch is a tarred area utilised as a driveway and for parking purposes. There are 8 dedicated open parking bays utilised by the Stellenbosch Animal Hospital, while the remaining 12 demarcated open parking bays located inside a right of way servitude area are utilised by Pick & Pay employees. The total area utilised by the Stellenbosch Animal Hospital is indicated in red on the aerial photograph below.

The southern boundary of Erf 2499, as well as the southern and western boundaries of Erf 2498 are subject to a 6 meter right of way servitude, and is utilised by trucks servicing Pick & Pay for delivery purposes, as well as parking purposes. The right of way servitude is indicated on the aerial photograph below.



AH parking

AH Building

ROW servitude area

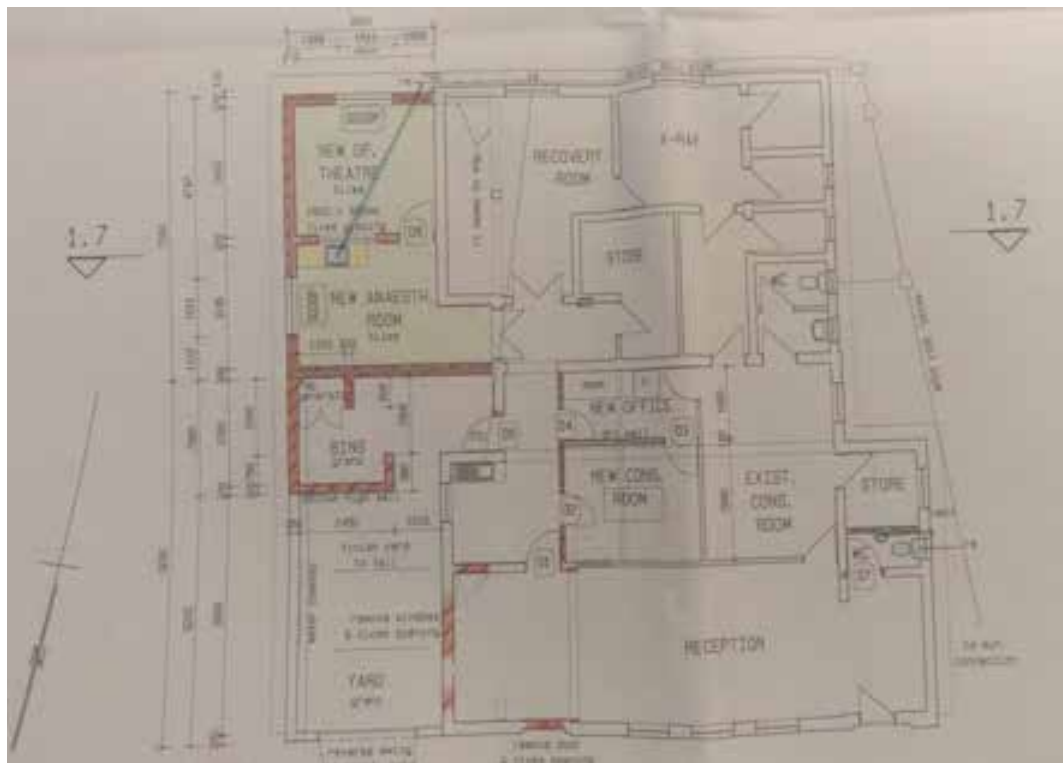
Public Parking

The Stellenbosch Animal Hospital building represents a single storey building with a plastered and painted and facebrick superstructure and a pitched roof (sheeting). Other building specifications include steelframe fenestration and tiled/concrete floors.

The current lessee has occupied the building for a period of approximately 31 years, and has undertaken several additions to the building at their own cost. The valuer was informed that the initial size of the building was approximately 115m<sup>2</sup>, but following the additions, the current construction size is approximately 219m<sup>2</sup> with a yard area of approximately 36m<sup>2</sup>.

The building is utilised for veterinarian purposes, with the internal layout specific to this purpose. The specialised nature of the internal layout might therefore inhibit the rentability of the subject property to third parties. The accommodation on offer includes the reception, 2 consulting rooms, office, 2 stores, 2 WC's, anaesthesia room, operation theatre, recovery room, X-ray room and an outside bin area, as well as an enclosed yard area of approximately 36m<sup>2</sup>. The rentable area, which excludes external and internal walls, was calculated as approximately 188m<sup>2</sup>.

Refer to an extract of the building plan below which indicates the layout of the subject property, as well as **Annexure C** for photographs of the subject property.



### 3. VALUATION METHOD

The direct comparison approach is deemed the most suitable valuation method in determining the market rental of the subject property. This approach is based on the principle of comparability and substitution. The assumption is that if similar assets in a similar market place are leased at a particular value, then the comparable asset will be leased at a similar price. Specific note was taken of the site specific characteristics, location and market conditions when determining the market rental of the subject property.

## 4. VALUE DETERMINATION

### 4.1 Market research

The property market in the immediate vicinity was investigated, and liaised with local role players to ascertain acceptable market levels for the subject property. The following relevant market information was obtained and applied in the valuation process:

#### 4.1.1 Market Rentals

	Description	Rental (R/m <sup>2</sup> )	Comments
1	Agripark (Adam Tas Road)	R60	Commercial spaces ranging between 582m <sup>2</sup> and 806m <sup>2</sup> utilised primarily for light industrial and retail purposes. An upward adjustment would be justified for the subject property.
2	Subject property	R66	The valuer was informed of the current rental, which was based on the original size of the building, prior to the additions. All subsequent maintenance and additions were performed by the lessee. The lease was reportedly on a full repairing and insuring basis, including payment of rates and taxes. The rental based on a 'normal' lease covenant would therefore be higher.
3	Rustenburg Way (Ida's Valley)	R68	Commercial space of approximately 437m <sup>2</sup> located in an established commercial node of Ida's Valley. Based on the size and location the valuer is of the opinion that an upward adjustment would be justified for the subject property.
4	Papegaairand Road (Off Bird Street)	R85	Commercial space of approximately 500m <sup>2</sup> located in an industrial/commercial node predominantly utilised for motor showrooms and ancillary purposes. The location of the subject property is considered superior.
5	Cnr Andringa & Banhoek	R101	Commercial/Retail space of approximately 320m <sup>2</sup> located in the immediate vicinity of the subject property, in a multi-tenanted commercial building.
6	Stelmark Centre	R160	The Stelmark Centre is located adjacent to the subject property and is multi-tenanted. Apart from Pick & Pay as anchor tenant, retail rentals generally start from approximately R160/m <sup>2</sup> . This is considered high in comparison to rentals achieved by surrounding properties. A downward adjustment would be justified for the subject property.

#### 4.1.2 Parking rentals

	Description	Rental (R/bay)	Comments
1	Stelmark Centre (Andringa Street)	R774	Municipal gated open parking bays located at the Stelmark Centre adjacent to the subject property, available at a monthly rate of R774. This rental appears to be very high in comparison to superior nodes in Stellenbosch, and this parking area appears to be underutilised in comparison to other parking nodes.
2	Bloemhof Parking (Plein Street)	R413	Monthly rental for open parking bays located at the Bloemhof parking area in the Stellenbosch CBD. This location is considered superior to the subject property, with a downward adjustment justified for the subject property.
3	The Woodmill Centre (Devonvale)	R300	Open parking bays at the Woodmill Centre on the western periphery of Stellenbosch.
4	Brandwacht Office Park	R450	Open parking bays in secure office park on the southern periphery of Stellenbosch

#### 4.2 Determination of market rental

The market information above gives a good indication of the market range of similar properties in Stellenbosch and indicate to a general range of R60/m<sup>2</sup> to R160/m<sup>2</sup>. Adjustments are necessary for the size, location and accommodation offered. The accommodation offered by the subject property is rather specialised for veterinary purposes. Demand for this type of accommodation appears to be relatively low in the immediate vicinity, with the immediate vicinity generally characterised by retail properties. Given the characteristics of the immediate location and the accommodation on offer, the valuer is of the opinion that a rate of R 90/m<sup>2</sup> would be fair and reasonable for the subject property.

From the available market information listed in paragraph 4.1.2 it is evident that market rentals of open parking bays in the Stellenbosch CBD range between R300 and R774 per bay. The rental of R774 (excl. VAT) is the going monthly rate for all municipal operated parking areas. This is considered on the high side for the immediate vicinity and is evidenced by the underutilisation of this parking area. A downward adjustment was therefore justified. The monthly rate applicable at the Bloemhof parking area, i.e. R413 per bay, is considered a good indication of the rate that can be applied, but a downward adjustment would be justified for the subject property due to the inferior location and demand in this area. The valuer is accordingly of the opinion that a monthly rate of R 350 per bays would be fair and reasonable for the subject property.

The current market rental of the subject property can therefore be calculated as follows:

Description	Size / No	Market rate	Market rental
Rentable area - building	188 m <sup>2</sup>	R 90	16 920
Parking - Utilised by Stellenbosch Animal Hospital	8 bays	R 350	2 800
<b>TOTAL</b>			<b>R 19 720</b>

#### 5. DECLARATION

I, Johan Klopper a registered Professional Valuer, declare that I have inspected the above property and that I have conducted this valuation assignment to the best of my knowledge and skills. I have no present or contemplated interest in this property, and accordingly certify that this valuation was undertaken on a completely independent basis.

Based on our research and experience, we are of the opinion that the **MARKET RENTAL** of the portions of **Erven 2498 & 2499 Stellenbosch** leased by the Stellenbosch Animal Hospital, as at 28 August 2017, amounts to: trite

Amount	In words
R 19 720	Nineteen Thousand Seven Hundred and Twenty Rand

Signed at STELLENBOSCH on this the 30<sup>th</sup> day of August 2017.



J. Klopper  
 Professional Valuer (Reg. No. 6372/0)  
 Member of the SA Institute of Valuers  
 BCom (Law); NDip (Property Valuation)

## ANNEXURE A: TITLE DEED INFORMATION

Deeds Office Property		Printed: 2017/08/25 09:39 <b>windeed</b> A LexisNexis® Product
STELLENBOSCH, 2498, 0 (REMAINING EXTENT) (CAPE TOWN)		
<b>GENERAL INFORMATION</b>		
Deeds Office	CAPE TOWN	
Date Requested	2017/08/25 09:39	
Information Source	DEEDS OFFICE	
Reference	-	
<b>PROPERTY INFORMATION</b>		
Property Type	ERF	
Erf Number	2498	
Portion Number	0 (REMAINING EXTENT)	
Township	STELLENBOSCH	
Local Authority	STELLENBOSCH MUN	
Registration Division	STELLENBOSCH RD	
Province	WESTERN CAPE	
Diagram Deed	T288/6/1860	
Extent	583.0000SQM	
Previous Description	-	
LPI Code	C06700220000249800000	
<b>OWNER INFORMATION</b>		
Owner 1 of 1		
Company Type	LOCAL AUTHORITY	
Name	MUN STELLENBOSCH	
Registration Number		
Title Deed	T18507/1977	
Registration Date	1977/07/08	
Purchase Price (R)	UNKNOWN	
Purchase Date	-	
Share		
Microfilm Reference	1989 0549 4888	
Multiple Properties	NO	
Multiple Owners	NO	
<b>ENDORSEMENTS</b>		
No documents to display		
<b>HISTORIC DOCUMENTS</b>		
No documents to display		
<b>DISCLAIMER</b>		
<p>This report contains information gathered from our suppliers and we do not make any representations about the accuracy of the data displayed nor do we accept responsibility for inaccurate data. WinDeed will not be liable for any damage caused by reliance on this report. This report is subject to the terms and conditions of the <a href="#">WinDeed End User Licence Agreement (EULA)</a>.</p>		

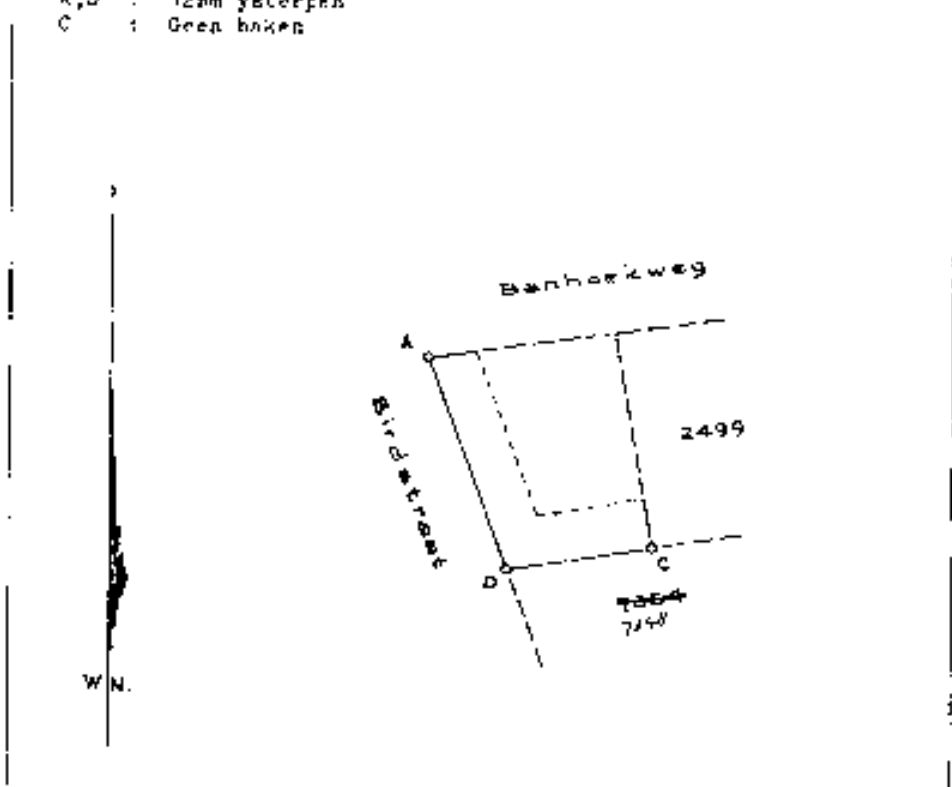
<b>Deeds Office Property</b>		Printed: 2017/08/25 09:40
		<b>windeed</b> A LexisNexis® Product
<b>STELLENBOSCH, 2499, 0 (CAPE TOWN)</b>		
<b>GENERAL INFORMATION</b>		
Deeds Office	CAPE TOWN	
Date Requested	2017/08/25 09:40	
Information Source	DEEDS OFFICE	
Reference	-	
<b>PROPERTY INFORMATION</b>		
Property Type	ERF	
Erf Number	2499	
Portion Number	0	
Township	STELLENBOSCH	
Local Authority	STELLENBOSCH MUN	
Registration Division	STELLENBOSCH RD	
Province	WESTERN CAPE	
Diagram Deed	T8333/1932	
Extent	1182.0000SQM	
Previous Description	-	
LPI Code	C06700220000249900000	
<b>OWNER INFORMATION</b>		
Owner 1 of 1		
Company Type	LOCAL AUTHORITY	
Name	MUN STELLENBOSCH	
Registration Number		
Title Deed	T16507/1977	
Registration Date	1977/07/08	
Purchase Price (R)	UNKNOWN	
Purchase Date	-	
Share		
Microfilm Reference	1999 0549 4888	
Multiple Properties	NO	
Multiple Owners	NO	
<b>ENDORSEMENTS</b>		
No documents to display		
<b>HISTORIC DOCUMENTS</b>		
No documents to display		
<b>DISCLAIMER</b>		
This report contains information gathered from our suppliers and we do not make any representations about the accuracy of the data displayed nor do we accept responsibility for inaccurate data. WinDeed will not be liable for any damage caused by reliance on this report. This report is subject to the terms and conditions of the <a href="#">WinDeed End User Licence Agreement (EULA)</a> .		

ANNEXURE B: S.G. DIAGRAMS

		SERWITOUTKAAR		KANTOORAFSKRIF		
SYE	METER	RIGTINGS- HOEK	Y	KOORDINATE Skaal 1: 10 <sup>0</sup> X	L.G. No.	
		Nonstante		0,00	+3700000,00	2944JB1
CD	18,50	01 17 10	A	+ 13 046,76	+ 55 721,43	Geelgekeur <i>[Handwritten Signature]</i> No. Landmeter generaal 1981-07-07
DA	28,52	159 15 30	C	+ 13 028,27	+ 55 745,28	
		N29A	D	+ 13 026,06	+ 55 749,10	
		N29B	E	+ 13 055,88	+ 55 710,37	
		N29C	F	+ 12 890,57	+ 55 686,72	

Beskrywing van Bakens:

A, D : 12mm ysterpen  
C : Geen bakens



Skaal 1: 750

Die lyste Die lyne AD en BC stel voor die Westelike en die Oudelike grense Respektiewe-  
lik van W. Serwitout Beg van Weg 6 meter wyd oor  
SKF 2498, Stellenbosch  
gefun in die Munisipaliteit en

van Stellenbosch Administratiewe Distrik  
Provinsie Kaap die Gooie Heep.

Opgeneem in Sept. 1977 en  
dour my. April-Mei 1981

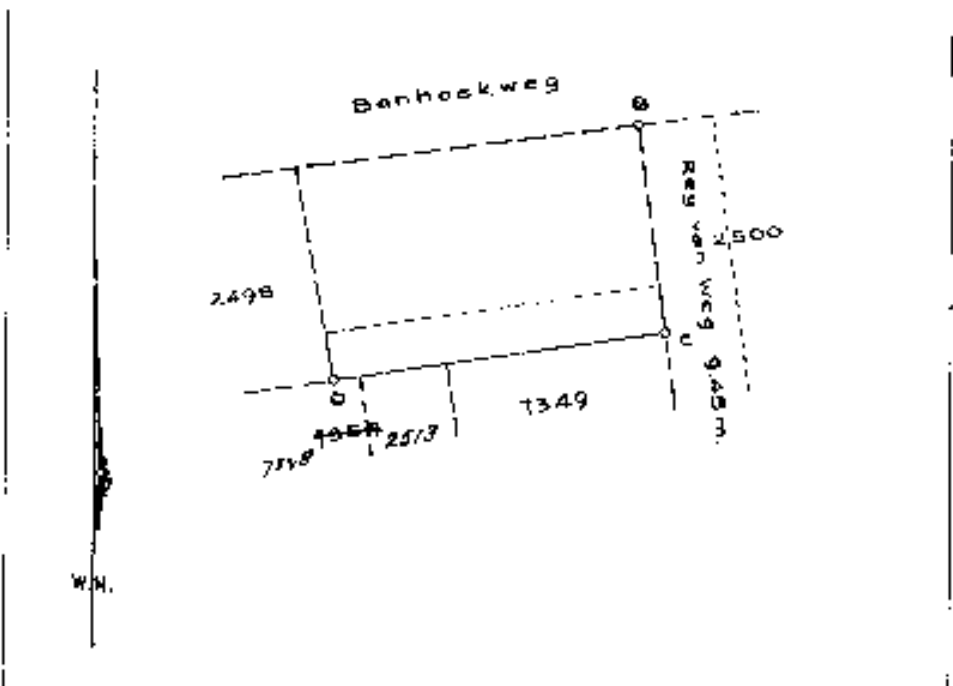
Hiedie kaart is gehog aan No. 5/2541/30  
No. M.S. No. 5547/78 en E 1000/81  
Kontp. BH-80A/2.51 (1480) BH-80A/2.53 (1482)  
Die oorspronklike kaart is No. B. 101/1930 gehog aan  
Transport No. 1860-37 -296  
Landmeter  
Rejistrateur van Anties



SYE METER		RIJTINGS HOÛKE	COORDINATE	L.G. No.
		Konstante	Streekl. 19 <sup>00</sup> x	- 2945/81
BC	20,67	351 48 30	B + 12 929,09 + 55 712,45	Goudskeur Landmeter-generaal 1981-07-07
CD	42,47	81 17 10	C + 12 966,29 + 55 738,05	
		N29A	D + 13 009,27 + 55 745,28	
		N29B	E + 13 055,85 + 55 710,57	
			F + 12 890,89 + 55 686,72	

Berekening van Baken:

- B : 11m ysterpen
- C : 12m ysterpen
- D : Geen baken



Skaal 1:750

Die llyn CD stel voor die Suidelike grens van Y. Derwituit Reg van Weg 6 meter wyd oor

KRF 2499, Stellenbosch  
geleë in die Munisipaliteit en van Stellenbosch

Opgemaak in Sept. 1974 en deur my April-Mei 1981

Adelstads- en Distrik Provinsie Kaap die Goeie Hoop

*D. Kuyper*  
Landsmeter

Die oorspronklike kaart is No. 13534/1931 gelyk aan Transport/Graadskrif No. 1952-126-6355

Leer No. 1/2521/32  
M.S. No. E2409/74 en E 1026/31  
Komp. BH-80A/2.51 (1480) BR-80A/2.53 (1482)

Registateur van Aales

ANNEXURE C: PHOTOGRAPHS OF SUBJECT BUILDINGS





End of report

---

---

7.6	INFRASTRUCTURE: [CLLR J DE VILLIERS]
-----	--------------------------------------

NONE

7.7	PARKS, OPEN SPACES AND ENVIRONMENT: (PC: CLLR N JINDELA)
-----	--

NONE

7.8	PROTECTION SERVICES: [PC: CLLR Q SMIT]
-----	--

NONE

7.9	YOUTH, SPORTS AND CULTURE: [PC: XL MDEMKA (MS)]
-----	---

NONE

<b>7.10</b>	<b>REPORTS SUBMITTED BY THE MUNICIPAL MANAGER</b>
-------------	---

<b>7.10.1</b>	<b>ADOPTION OF THE NEW ANTI-FRAUD AND CORRUPTION PREVENTION POLICY</b>
---------------	--

Collaborator No: 588670  
 BUDGET KPA Ref No: Good Governance and Compliance  
 Meeting Date: 16 May 2018

**1. SUBJECT: ADOPTION OF THE NEW ANTI-FRAUD AND CORRUPTION PREVENTION POLICY**

**2. PURPOSE**

To table the new Anti –Fraud and Corruption policy for consideration by the Executive Mayoral Committee and Council. Recommendations to be made to Council.

**3. DELEGATED AUTHORITY**

Council approve Municipal Policies.

**4. EXECUTIVE SUMMARY**

The attached policy aims to replace the Anti-Fraud and Corruption Policy of 2015. Key changes proposed through the New Anti-Fraud and Corruption Prevention Policy is to re-align mechanism of fraud and corruption management within Stellenbosch Municipality with legal frameworks, around fraud and corruption and re-establish internal processes and management. The intention to strengthen fraud and corruption prevention at all levels within the municipality.

**5. RECOMMENDATIONS**

**MAYORAL COMMITTEE MEETING: 2018-05-16: ITEM 6.1**

**RESOLVED**

**That it be recommended to Council:**

- (a) that Council adopts the New Anti-Fraud and Corruption Prevention Policy 2018/19; and
- (b) that the Fraud and Corruption Policy approved by Council on 25 June 2015 be replaced with this new policy.

**6. BACKGROUND**

Council approved an anti-fraud and Corruption Policy on 25 June 2015. The policy needs to be reviewed. With the appointment of the Senior Manager: Governance she was tasked to ensure the review is dealt with.

---

**6.1 DISCUSSION**

This submission aims to replace the Anti-Fraud and Corruption Policy of 2015 with the Anti-Fraud and Corruption Prevention Policy of 2018 in line with recommendation from management and the Audit and Performance Audit Committee. Key changes proposed through the New Anti-Fraud and Corruption Prevention Policy is to re-align mechanism of fraud and corruption management within Stellenbosch Municipality with legal frameworks, around fraud and corruption and re-establish internal processes and management. The intention to strengthen fraud and corruption prevention at all levels within the municipality.

**6.2 LEGISLATIVE FRAMEWORK****Section 60 of the MFMA****Municipal Managers to be accounting officers**

“The Municipal Manager of a municipality is the accounting officer of the municipality for the purposes of this Act, and, as accounting officer, must –

- (a) Exercise the functions and powers assigned to an accounting officer in terms of this Act; and
- (b) Provide guidance and advice on compliance with this Act to –
  - (i) The political structures, political office-bearers and officials of the municipality:

**Section 62 of the MFMA****General Financial Management Functions**

- (1) The accounting officer of a municipality is responsible for the managing of financial administration of the municipality, and must for this purpose take all reasonable steps to ensure –
  - (c) that the municipality has and maintains effective, efficient and transparent systems–
    - (i) of financial and risk management and internal control; and
    - (ii) of internal audit operating in accordance with any prescribed norms and standards;
  - (d) that unauthorised, irregular or fruitless and wasteful expenditure and other losses are prevented;
  - (e) that disciplinary or, when appropriate, criminal proceedings are instituted against any official of the municipality who has allegedly committed an act of financial misconduct or an offence in terms of Chapter 15.

**6.3 FINANCIAL IMPLICATIONS**

As per the approved budget.

**6.4 LEGAL IMPLICATIONS**

Set out in the legislative framework above.

**6.5 STAFF IMPLICATIONS**

As per the approved staff structure. The new structure is aligned with the policy.

**6.6 RISK IMPLICATIONS**

None

**6.7 COMMENTS FROM SENIOR MANAGEMENT**

The input from the Senior Management Team was obtained during a Directors meeting and the inputs are contained in the policy.

**6.7.1 Municipal Manager**

The new policy and recommendations are supported.

**6.8 PREVIOUS COUNCIL RESOLUTIONS**

Item dated 25 June 2015.

**ANNEXURES**

**Annexure A:** Anti-Fraud and Corruption Prevention Policy – 2018/19

**FOR FURTHER DETAILS CONTACT:**

<b>Name</b>	<b>SHIREEN DE VISSER</b>
<b>Position</b>	<b>SENIOR MANAGER: GOVERNANCE</b>
<b>Directorate</b>	<b>OFFICE OF THE MUNICIPAL MANAGER</b>
<b>Contact Numbers</b>	<b>X8035</b>
<b>E-mail Address</b>	<b>shireen.devisser@stellenbosch.gov.za</b>
<b>Report Date</b>	<b>16 May 2018</b>



**STELLENBOSCH**  
STELLENBOSCH • PNIEL • FRANSCHHOEK  
MUNISIPALITEIT • UMASIPALA • MUNICIPALITY

# **ANTI- CORRUPTION & FRAUD**

## **PREVENTION**

### **POLICY**

**Review 2018/19**





## **FOREWARD**

Fraud, corruption and other criminal activity, maladministration and/or negligence as an ever-present threat to public resources is a concern to all employees or workers. Stellenbosch Municipality to a process of ethical governance, fraud risk management and consequence management that is aligned to the principles of the Local Government: Municipal Finance Management Act 56 of 2003, Local Government Systems Act 32 of 2000 and other related legislative and regulatory standards including policies, procedures, codes and standards adopted by the Council of the Stellenbosch Municipality.

Stellenbosch Municipality subscribes to principles of good corporate governance underpinned by values of honesty, good ethics and transparency. This municipality is committed to creating and nurturing a culture of zero tolerance toward unethical conduct, corruption and fraud.

The Anti-Fraud and Corruption Prevention Policy aims to assist Stellenbosch Municipality in the prevention, detection, investigation and sanctioning of fraud and corruption. Methods will be continually explored to apply consequence management in instances where unethical conduct, corruption and fraud has resulted in loss of resources to the municipality.

Through this Anti-Fraud and Corruption Prevention Policy, Stellenbosch Municipality is committed to clean governance at all levels of the organisation and has instilled a culture of zero tolerance to all forms of fraud and corruption. The Anti-Fraud and Corruption Prevention Policy will be strictly applied with no discrimination or favour to any individual. All complaints received of fraud and corruption will be investigated to ensure that instances of fraud and corruption is reduced at all levels of Stellenbosch Municipality.

Stellenbosch Municipality encourages anyone who may suspect fraud and corruption to contact any member of the management, the Municipal Manager, the Mayor, members of the Fraud and Risk Management team or the municipal fraud hotline (0800 111 027) to report fraud, corruption or any forms of financial misconduct. All involved are encouraged to do so responsibly and to avoid frivolous and/or malicious reporting with no other aim than to place individuals in disrepute and where no wrongdoing has occurred.

## **MUNICIPAL MANAGER**

**Geraldine Mettler**



## TABLE OF CONTENT

### Contents

1	INTERPRETATION AND GLOSSARY OF TERMS.....	4
2	REGULATORY ENVIRONMENT.....	9
3	PRINCIPLES AND OBJECTIVES OF ANTI-CORRUPTION AND FRAUD PREVENTION .....	10
4	APPLICATION AND SCOPE.....	11
5	ANTI-CORRUPTION AND FRAUD PREVENTION .....	12
6	RESPONSIBILITIES OF STAKEHOLDERS .....	12
6.1	Council.....	12
6.2	Councillors.....	13
6.3	Municipal Manager .....	13
6.4	Management.....	13
6.5	Fraud Response Unit.....	15
6.6	Staff.....	16
6.7	Suppliers, Contractors, Service Providers and Consultants.....	17
6.8	Audit Committee.....	17
6.9	Internal Audit .....	17
6.10	Community.....	17
7	REPORTING .....	18
8	RECOVERY OF LOSSES .....	19
9	SANCTIONS.....	19
10	PROTECTION OF WHISTLE BLOWERS.....	19
11	CONFIDENTIALITY.....	19
12	REVIEW.....	20
13	CONCLUSION.....	20



## 1 INTERPRETATION AND GLOSSARY OF TERMS

The headings of the clauses in this Policy are for the purpose of convenience and reference only and shall not be used in the interpretation of nor modify nor amplify the terms of this Policy, nor any clause hereof, unless a contrary intention clearly appears: -

- 1.1 Words importing:-
  - 1.1.1 Any one gender include the other gender;
  - 1.1.2 The singular include the plural and vice versa; and
  - 1.1.3 Natural persons include created entities (corporate or unincorporated) and the state and vice versa;
- 1.2 When any number of days is prescribed in this Policy, same shall be reckoned exclusively of the first and inclusively of the last day unless the last day falls on a Saturday, Sunday or public holiday, in which case the last day shall be the next succeeding day which is not a Saturday, Sunday or public holiday;
- 1.3 When figures are referred to in numerals and in words, if there is any conflict between the two, the words shall prevail;
- 1.4 Expressions defined in this Policy shall bear the same meanings in schedules or annexures to this Policy which do not themselves contain their own definitions; and
- 1.5 Where any term is defined within the context of any particular clause in this Policy, the term so defined, unless it is clear from the clause in question that the term so defined has limited application to the relevant clause, shall bear the meanings ascribed to it for all purposes in terms of this Policy, notwithstanding that, that term has not been defined in this interpretation clause.
- 1.6 The following terms shall have the meanings assigned to them hereunder and cognate expressions shall have corresponding meanings, namely:-



<b>AC</b>	Audit and Performance Committee established in terms of Section 166 of the MFMA
<b>AO</b>	Accounting Officer of the municipality; Municipal Manager
<b>CAE</b>	Chief Audit Executive of the Stellenbosch Municipality
<b>CRO</b>	Chief Risk Officer
<b>Code of Conduct for Councillors</b>	Code of Conduct for Councillors contained in Schedule 1 of the Local Government: Municipal Systems Act, Act 32 of 2000
<b>Code of Conduct for Municipal Staff Members</b>	Code of Conduct for Staff Members of the City contained in Schedule 2 of the Local Government Municipal Systems, Act 32 of 2000
<b>Consequence Management</b>	The process put in place to effectively deal with fraud, corruption, misconduct and financial misconduct, which includes internal municipal processes and criminal proceedings
<b>Corporate Governance</b>	Corporate governance concerns the relationships among the management, Council, Stakeholders and employees or workers of the City. Good corporate governance contributes to sustainable economic development by enhancing the performance of the City and increasing access to outside capital.
<b>Corruption</b>	Any conduct or behaviour where a person accepts, agrees or offers any gratification for him/her or another person where the purpose is to act dishonestly or illegally. Such behaviour also includes the misuse of material or information, abuse a position of authority or a breach of trust or violation of duty



<b>Council</b>	Municipal Council of the municipality as referred to in section 157(1) of the Constitution.
<b>Councillor</b>	Councillor of the Municipal Council as elected.
<b>Criminal Action</b>	Legal proceeding in which the state prosecutes a person who is charged with an offence.
<b>CRO</b>	Chief Risk Officer of the Stellenbosch Municipality
<b>Delegation</b>	A power or function as determined by the municipality's approved System of Delegation.
<b>Department Business Plan</b>	The plan at departmental level linking the department's Activities to the IDP and budget.
<b>Designated Official/Body</b>	Means the official/body is the identified in a municipality to receive reports of allegations of fraud, corruption or financial offences.
<b>Director</b>	A position created in terms of section 56 of the Municipal Systems Act on the approved managerial structure of Stellenbosch Municipality.
<b>Executive Mayor</b>	The Executive Mayor of the municipality as defined in the Structures Act, any successor-in-title, or any duly appointed nominee.
<b>Financial Misconduct</b>	Means any act of financial misconduct referred to in section 171 of the Municipal Finance Management Act (MFMA).
<b>Financial Offence</b>	Means any offence referred to in section 173 of the MFMA.
<b>Fraud</b>	Lawful and intentional false representation or concealment of a material fact with the aim of illegally obtaining financial and/or



	other benefit for personal enrichment.
<b>Fraud Response Unit</b>	Will be deemed to include the Municipal Manager, Senior Manager Governance, Chief Risk Officer, Fraud Hotline; Legal Services Advisory Support.
<b>Induce</b>	To persuade, encourage, coerce, intimidate or threaten or cause a person to commitment an act against their will
<b>Integrated Development Plan</b>	A plan envisaged in section 25 of the Municipal Systems Act
<b>Investigator</b>	Means the , treasury, person, team, appointed service provider or law enforcement entity conducting a full investigation and misconduct
<b>Law</b>	Means the common law, Constitution of the Republic of South Africa, any applicable statutes, proclamation, regulation, rule, notice, judgment or order and any interpretation of any of them by any Court or applicable tribunal, and any applicable guidance, direction, code of practice or other determination by which the Municipality, municipal official, the public and business are bound.
<b>Management</b>	Includes all senior managers and managers
<b>Municipal Council</b>	Means municipal council as democratically elected as referred to in section 157 of the Constitution
<b>MFMA</b>	Local Government: Municipal Finance Management Act 56 of 2003, including any regulations made i.t.o. of this legislation
<b>Municipal Manager</b>	Municipal Manager of the Stellenbosch Municipality i.t.o. section 55 of the Municipal Systems Act



<b>Municipality</b>	Stellenbosch Municipality, a local municipality established in terms of section 12 of the Structures Act
<b>Municipal Structures Act</b>	Local Government: Municipal Structures Act No. 117 of 1998, as amended
<b>Municipal Systems Act</b>	Local Government: Municipal Systems Act, 2000 (Act 32 of 2000), as amended
<b>SDBIP</b>	Service Delivery and Budget Implementation Plan - Detailed annual plan to implement the IDP and the budget
<b>Senior Managers</b>	Appointed Manager i.t.o. section 56 of the Municipal Systems Act; includes persons acting in the capacity of a section 56 manager.
<b>Service Providers</b>	specialised advisory services, external investigators, external audit services appointed to assist with the process of fraud, corruption and consequence management
<b>Strategic Focus Area</b>	Medium term goal aligned to the long term strategy
<b>Remuneration</b>	Duty to disclose remuneration



## 2 REGULATORY ENVIRONMENT

This Policy must be read together with, and be interpreted consistently with, the other relevant legislation and council approved documents, including but not restricted to the:

- (a) Prevention and Combating of Corrupt Activities Act (No. 12 of 2004)
- (b) Promotion of Access to Information Act (No. 2 of 2000)
- (c) Promotion of Administrative Justice Act (No. 3 of 2000)
- (d) Protected Disclosures Act (PDA) (No. 26 of 2000)
- (e) Public Finance Management Act (PFMA) (No. 1 Of 1999)
- (f) Municipal Finance Management Act (MFMA) (No. 56 2003)
- (g) Financial Intelligence Centre Act (FICA) (No. 38 of 2001)
- (h) MFMA Regulation on Financial Misconduct (No. 430 of 2014)
- (i) Code of Conduct for Councilors in terms of Schedule 1 of the Municipal Structures Act (No. 32 of 2000)
- (j) Code of Conduct for Municipal Staff Members in terms of Schedule 2 of the Municipal Structures Act (No. 32 of 2000)
- (l) Stellenbosch Municipality Risk Management Policy.
- (m) Stellenbosch Municipality System of Delegations.





### **3 PRINCIPLES AND OBJECTIVES OF ANTI-CORRUPTION AND FRAUD PREVENTION**

3.1 The Municipality's agenda is to focus its efforts on the following processes and objectives:

3.1.1 Create and nurture a culture of ethical conduct in managing resources of the municipality and intolerance to fraud, corruption and financial misconduct;

3.1.2 Understand the fraud risks that can undermine the institution's service delivery / business objectives;

3.1.3 Encourage a culture within the Municipality where all municipal officials, members of the public and other stakeholders continuously behave with and promote integrity in their dealings with or on behalf of the Municipality;

3.2 Create a culture within the Municipality which is intolerant to unethical conduct, corruption and fraud by:

3.2.1 Strengthening community participation in the fight against corruption and fraud in the Municipality;

3.2.2 Reduce exposure to liability, sanctions and litigation that may arise from violations of law or stakeholder expectations;

3.2.3 Strengthening relationships with key stakeholders that are necessary to support actions required to combat corruption and fraud in the Municipality;

3.2.4 Create an environment where all staff members and Councillors at all times act with honesty, integrity and to safeguard the Municipal resources for which they are responsible for;

3.3 Appropriate action, including criminal action, will be taken against any person who attempts to or assists with committing fraud, corruption and other criminal activity including but not limited to:

3.3.1 Putting measures in place to prevent and detect fraud as and when it occurs;

3.3.2 Investigating instances of fraud, corruption and financial misconduct;

3.3.3 Taking appropriate action in the event of such irregularities, e.g. disciplinary action, recovery of losses, prosecution, etcetera;



3.3.4 Developing a system of consequence management and apply appropriate sanctions;

3.3.5 Prohibition from further employment within the municipality and in the case of suppliers of goods and services, blacklisting in terms of the Supply Chain Management Policy and Regulations.

## **4 APPLICATION AND SCOPE**

4.1 The Policy applies to all fraud, corruption, theft, financial misconduct or suspected irregularities of this nature.

4.2 This Policy is applicable to the Stellenbosch Municipality and related joint ventures entered into, which may involve the following persons or entities:

4.2.1 All municipal staff;

4.2.2 Consultants, suppliers, contractors and other providers of goods or services to the Municipality;

4.2.3 Community structures, organizations' and other parties receiving services from the Municipality.

4.3 This policy aims to provide a framework for consequence management, without excluding any sanctions that might be applicable through other forms of legislations.

4.4 Appropriate action, including criminal action, will be taken against any person employed by the municipality that is involved in, or assists with committing fraud, corruption and other criminal activity, maladministration and/or negligence.

4.5 Any allegations of fraud, corruption, theft financial misconduct or suspected irregularities of this nature against the Municipal Manager and section 56 Managers i.t.o. of the Municipal Systems Act of 2000, will be dealt with in terms of the Local Government Disciplinary Regulations for Senior Managers of 2010 and MFMA Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings of 2014 and not in terms of this strategy.



## **5 ANTI-CORRUPTION AND FRAUD PREVENTION**

- 5.1 As instances of fraud, corruption and financial misconduct remain a constant threat to public trust and confidence, it becomes essential to recognise fraud risk management as an integral part of strategic management. Stellenbosch Municipality is therefore adopting a comprehensive approach to the management of fraud risks.
- 5.2 Failure by any employee, institution or individual within the service of the municipality to comply with this policy could result in disciplinary as well as criminal action being taken against that individual.
- 5.3 It is expected that all personnel will adhere to this Anti-Corruption and Fraud Prevention Policy.
- 5.4 It is the intention that individual personnel, as well as business units will work together in a consistent and integrated manner, with the overall objective of reducing fraud risk.

## **6 RESPONSIBILITIES OF STAKEHOLDERS**

### **6.1 Council**

#### **6.1.1 Council has a duty for setting the tone at the top by:**

- (a) Considering and adopting an Anti-Fraud and Corruption Prevention Policy for the Municipality;
- (b) Regularly reviewing and amending, if necessary, the Anti-Fraud and Corruption Prevention Policy, if and when required;
- (c) Abiding by the code of conduct and code of ethics of the Council;
- (d) Performing oversight functions that support the implementation of the Anti-Fraud and Corruption Prevention Policy of the Municipality;
- (a) Providing support to the Municipal Manager and the efforts of the management team to implement the Anti-Fraud and Corruption Prevention Policy;



## 6.2 Councillors

6.2.1 Councillors have a fiduciary responsibility to the Municipality, including a duty to promote the reputation and business of the institution.

6.2.2 Councillors may not derive personal gain at the expense of or as a result of their relationship with the Municipality.

6.2.3 Councillors are further required to declare their interests in terms of the Systems Act.

6.2.4 It is the responsibility of every Councillor who suspects that some kind of fraud or corruption or irregularity has been attempted or committed, to immediately report their suspicion to the Speaker of Council.

## 6.3 Municipal Manager

6.3.1 The Municipal Manager, as the Accounting Officer, is responsible for ensuring that anti-corruption and fraud prevention measures are implemented within the Municipality by:

(a) Ensuring that the Municipality develops and implements an Anti-Fraud and Corruption Prevention Policy;

(b) Overseeing the implementation of prevention, detection, investigation of fraud and ensure appropriate resolution measures are implemented in respect of fraud and corruption within the Municipality;

6.3.2 The Municipal Manager is accountable for managing fraud and all the platforms required for the effective and efficient management of fraud prevention and consequence management in accordance with this policy.

## 6.4 Management

6.4.1 Management includes all Directors appointed i.t.o. section 56 of the Municipal Systems Act, Senior Managers and Managers.

6.4.2 The overall responsibility of managing fraud risk is vested with the Municipal Manager and the Directors of the municipality.

6.4.3 Management plays a key role in the prevention of fraud and corruption, and



fulfills this responsibility through the establishment, implementation and continued operation of suitable internal controls. Further to this Management plays a critical role in leading with the correct “tone at the top” by:

- (c) Creating a corruption and fraud aware culture, where it is clear that corruption and fraud will not be tolerated, and that all instances of fraud and corruption will be dealt with swiftly and will be appropriately sanctioned;
- (d) Implementing the Anti-Corruption and Fraud Prevention Policy of the municipality, as reviewed and amended from time to time;
- (e) Share the Municipality’s strategies and policies in respect of fraud and corruption with all staff members;
- (f) Report incidents or suspicions of fraud, corruption or irregularities;
- (g) Ensuring the practical realisation of the principles of prevention, detection, investigation;
- (h) Ensure that adequate internal controls are implemented and appropriate systems and processes are in place to prevent and detect fraud and corruption or any forms of irregularities;
- (i) Investigating all instances of fraud, corruption and financial misconduct brought to their attention with equal diligence and vigour;
- (j) Monitor the implementation and application of the Anti-Fraud and Corruption Prevention Policy and ensure adequate supervision and dynamism of the controls and procedures;
- (k) Review the process implemented by management in respect of anti-corruption and fraud prevention and ensure that all fraud, corruption and instances of irregularities have been followed up appropriately;
- (l) Ensure that an appropriate fraud and corruption risk assessment is completed;
- (m) Ensure that reports of fraud, corruption and misconduct are effectively



handled and that consistent and appropriate action is taken on known incidents;

- (n) Ensure proper reporting in terms of applicable guidelines on all instances of fraud and fraud risks reported;
- (o) After an investigation is completed, submit a report to the Municipal Manager indicating the results of the investigation and whether there are cause to:
  - Dismiss such allegations as frivolous; or
  - Whether a need exists for a thorough disciplinary process to be undertaken.
- (p) Ensure adherence to all reporting requirements to ensure that instances of fraud, corruption and irregularities are effectively investigated and resolved.

## 6.5 Fraud Response Unit

6.5.1 The Fraud Response Unit will consist of the Municipal Manager as Accounting Officer, Senior Manager Governance, the Chief Risk Officer, Legal Services Advisory Support.

6.5.2 The Fraud Response Unit is authorized to assist in providing overall assurance to Council, the Audit and Performance Audit Committee and other combined assurance advisory bodies in a manner that is commensurate with this Policy and principles of Combined Assurance.

6.5.3 The Fraud Response Unit ensures that reports on fraud, corruption and misconduct are effectively handled and that consistent and appropriate action is taken Review the anti-corruption and fraud prevention policy and recommend for approval by Council;

- (a) Develops, together with other role players, the anti-corruption and fraud prevention strategy, policy and plan;
- (b) Include a focus on fraud and corruption risks during risk identification and assessments;



- (c) Assist management in developing responses for fraud and corruption risks;
- (d) Facilitate presentations and working sessions relating to fraud and corruption risks to promote awareness and the ethics and integrity standards required by the Municipality.
- (e) Report identified incidents of fraud or corruption to Management, Directors or the Municipal Manager.
- (f) Evaluate the effectiveness of the implementation of the anti-corruption and fraud prevention policy;
- (g) Monitor the implementation of the policy and application of the plan and ensure adequate supervision and dynamism of the controls and procedures;
- (h) Review the process implemented by management in respect of anti-corruption and fraud prevention and ensure that all fraud and corruption related incidents have been followed up appropriately;
- (i) Ensure that an appropriate fraud and corruption risk assessment is completed;
- (j) Receive, review, process and manage all complaints from the fraud hotline, internal and external tip-offs received;
- (k) Report quarterly to the Audit Committee, summarising the Municipality's corruption and fraud prevention, detection and action for the period.

## 6.6 Staff

6.6.1 The staff (permanent, contract and temporary) of the Municipality are responsible for:

6.6.2 Abiding by the code of conduct and code of ethics of the Municipality;

6.6.3 Reporting incidents or suspicions of fraud and corruption;

6.6.4 Participating in initiatives to prevent, minimise, detect and investigate fraud;

6.6.5 Avoiding and declaring conflicts of interest;

6.6.6 Abiding by the code of conduct of the municipality and the Fraud Prevention and Anti-Corruption Policy of the municipality.



## 6.7 Suppliers, Contractors, Service Providers and Consultants

6.7.1 Suppliers, contractors and consultants are expected to act honestly and fairly in all their dealings with Stellenbosch Municipality.

6.7.2 Failure to do so may result in one or more of the following:

- (a) the cancellation or suspension of any tenders or contracts awarded to them;
- (b) restriction i.t.o. of the Combatting of Abuse in the Supply Chain Management System Policy; and
- (c) Being reported to the South African Police Services.

## 6.8 Audit Committee

6.8.1 The audit committee will be responsible for the following:

- (a) Advise the Municipal Council, political office bearers, the accounting officer and management staff of the Municipality on matters relating to good governance, fraud and corruption;
- (b) Review the progress made with the implementation of the anti-corruption and fraud prevention strategy of the Municipality.

## 6.9 Internal Audit

6.9.1 Internal Audit is responsible for the provision of an independent and objective opinion on the adequacy and effectiveness of risk management, control and governance processes which includes the fraud and corruption management processes.

6.9.2 The adequacy of arrangements for managing the risk of fraud and ensuring that the Municipality promotes an anti-fraud culture is a fundamental element in arriving at an overall opinion.

## 6.10 Community

6.10.1 The Municipality also recognizes the important role of the Greater Stellenbosch community and general public at large to contribute to an environment that is free of corruption and other irregularities.





- 6.10.2 In the event that members of the community wish to remain anonymous, they may contact the external fraud Hotline (0800 111 027) to report the matter.

## **7 REPORTING**

- 7.1 The Municipality commits itself to establish appropriate structures to enable reporting of fraud or corruption by municipal staff, Councillors, municipal service providers, consultants whilst delivering work on behalf of the municipality and the community, in accordance with applicable legislation.
- 7.2 Reporting Structures includes:
- 7.3 The Fraud Hotline
- 7.4 Tip offs officially reported to the Fraud Response Unit, or the Management Team;
- 7.5 All instances of fraud, corruption and unethical behavior reported will be registered in the official municipal Fraud Register, which will be updated, managed and tracked by the Fraud Response Unit;
- 7.6 Instances of fraud, corruption and unethical behavior reported against a Councillor will be reported to the Speaker of the Council and will be dealt with in terms of the Code of Conduct for Councillors;
- 7.7 Instances of fraud, corruption and unethical behavior reported against the Municipal Manager and Directors will be reported to Council, and will be dealt with in terms of the Local Government Disciplinary Regulations for Senior Managers of 2010 and MFMA Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings of 2014;
- 7.8 Instances of fraud, corruption and unethical behavior reported against a Senior Manager or a Manager will be reported to the relevant Director or Municipal Manager (depending on the reporting lines) and will be dealt with in terms of this Policy;
- 7.9 Instances of fraud, corruption and unethical behavior reported against staff members can be reported directly to the relevant Manager and/or Senior



Manager, to the Fraud Response Unit or through the fraud hotline, and will be dealt with in terms of this Policy.

## **8 RECOVERY OF LOSSES**

8.1 The Municipal Manager, must investigate the potential and cost implications for recovering losses suffered by the Municipality due to fraud and/or corruption and, depending on the outcome of the investigation, institute legal action against the offending parties to recover losses.

## **9 SANCTIONS**

9.1 The sanction imposed may include any or a combination of the following, with or without conditions:

9.1.1 Suspension without pay for no longer than 3 months;

9.1.2 Demotion

9.1.3 Transfer to another post;

9.1.4 Reduction in salary, allowances or other benefits

9.1.5 An appropriate fine;

9.1.6 Dismissal;

9.1.7 Repayment of losses to the municipality, as quantified.

## **10 PROTECTION OF WHISTLE BLOWERS**

10.1 A person who reports suspected corruption and/or fraud may remain anonymous should he/she so desire. It must however be kept in mind though that the investigation could reveal the source of the information.

## **11 CONFIDENTIALITY**

11.1 To ensure that the identity of the whistleblower, whether it be a member of staff or the community is protected, all information provided in connection with fraud and corruption allegations and suspicions will be treated as highly confidential.



## **12 REVIEW**

12.1 This Anti-Corruption and Fraud Prevention Strategy must be reviewed as and when required and be approved by Council.

## **13 CONCLUSION**

13.1 The Municipality encourages its personnel, members of the public as well as all other stakeholders as set out in this Policy to freely report any suspicion of fraud, corruption and any other irregularities that has been attempted or committed without fear or favour.

DRAFT



<b>7.10.2</b>	<b>REVIEW OF THE PERFORMANCE MANAGEMENT POLICY</b>
---------------	--

**Collaborator No:** 589155  
**IDP KPA Ref No:** Good Governance and Compliance  
**Meeting Date:** 16 May 2018

**1. SUBJECT: REVIEW OF THE PERFORMANCE MANAGEMENT POLICY**

**2. PURPOSE**

To table the Reviewed Performance Management Policy for consideration by MAYCO and for recommendation to Council.

**3. DELEGATED AUTHORITY**

Sections 16 (1) (iii) and 40 of the Local Government Municipal Systems Act, 32 of 2000, provides for the development of a performance management system that must be submitted to Council for adoption. Any reviews of the system of Policy must likewise serve before Council.

**4. EXECUTIVE SUMMARY**

Council approved the Performance Management Policy on 30 April 2015. The policy is reviewed yearly and the last review was with the Budget related Policies in May 2017.

We herewith table the latest Reviewed Performance Management Policy for consideration by MAYCO and for recommendation to Council.

This policy has been reviewed to include the following:

Review	Page numbers
Inclusion of the performance management process plan	13 - 17
Formulised measures to address the assessment of Organisational; Individual and External Service provider performance.	33 - 36
Governance Framework	37 - 41
Monthly, Quarterly, Mid-year and Annual performance reporting	43 - 45

**5. RECOMMENDATION**

**MAYORAL COMMITTEE MEETING: 2018-05-16: ITEM 5.2.2**

**RESOLVED**

**That it be recommended to Council:**

that Council approves the Reviewed Performance Management Policy.

**6. DISCUSSION / CONTENTS**

**6.1. BACKGROUND**

Section 8 (2) of the Local Government Municipal Systems Act, 32 of 2000 states that "a municipality has the right to do anything reasonably necessary for, or incidental to, the effective performance of its functions and the exercise of its powers."

---

**6.2. DISCUSSION**

Section 11(2) of the Local Government Municipal Systems Act, 32 of 2000 enables the Municipality to exercise executive and legislative authority to establish and implement a performance management system.

The establishment and implementation of a performance management system is of critical importance as confirmed by Section 3 of the Local Government Municipal Systems Act, 32 of 2000.

Section 38 of the Local Government Municipal Systems Act, 32 of 2000 allows A municipality to-

*“(a) establish a performance management system that is-*

*(i) commensurate with its resources;*

*(ii) best suited to its circumstances; and*

*(iii) in line with the priorities, objectives, indicators and targets contained in its integrated development plan;*

*(b) promote a culture of performance management among its political structures, political office bearers and councillors and in its administration; and*

*(c) administer its affairs in an economical, effective, efficient and accountable manner.”*

The Reviewed Performance Management Policy is attached under a separate cover as **APPENDIX 1**.

**6.3. FINANCIAL IMPLICATIONS**

As per approved budget.

**6.4. LEGAL IMPLICATIONS**

The recommendations in this report comply with Council's policies and all applicable legislation.

**6.5. STAFF IMPLICATIONS**

This policy is drafted in accordance with the relevant the Human Resources policies. The policy provides for the processes and time frames used by the Municipality in the review and monitoring of performance in the organisation. This policy was last reviewed at the 29<sup>th</sup> Council meeting: 2015-04-30: Item 7.8.

**6.6. PREVIOUS / RELEVANT COUNCIL RESOLUTIONS**

29<sup>th</sup> Council meeting: 2015-04-30.

This policy was reviewed as part of the budget related policies for the 2017/18 financial year in appendix 28 – item 7.4.1 on 31 May 2017.

**6.7. RISK IMPLICATIONS**

The Municipality is obliged to monitor and review performance on the basis of pre-determined objectives as outlined in the IDP and the Service Delivery Implementation Plan. The Auditor General of South Africa (AGSA) audit the key performance indicators of the organisation and the individual Senior Managers (section 56 and 54A). More detailed performance auditing from the AGSA and the more stringent requirements emanating from King IV requires effective performance management and reporting to take place, as stipulated and outlined in this policy. The legislation prescribes processes for performance review and non-compliance may lead to audit queries and findings.

**6.8. COMMENTS FROM SENIOR MANAGEMENT**

The content was discussed with the Directors at a management meeting. The changes are minor and mirror the current practises.

**6.8.1. ACTING MUNICIPAL MANAGER**

Support the recommendations.

**APPENDICES****Appendix 1: Reviewed Performance Management Policy****FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	<i>Gakeema Salie</i>
<b>POSITION</b>	<i>Manager: IDP/PMS/PP</i>
<b>DIRECTORATE</b>	<i>Office of the Municipal Manager</i>
<b>CONTACT NUMBERS</b>	<i>021808 8171</i>
<b>E-MAIL ADDRESS</b>	<i>Gakeema.salie@stellenbosch.gov.za</i>
<b>REPORT DATE</b>	<i>16 May 2018</i>



**STELLENBOSCH**  
STELLENBOSCH • PNIEL • FRANSCHHOEK  
MUNISIPALITEIT • UMASIPALA • MUNICIPALITY

## **Performance Management Policy 2018/19**

Compiled in terms of the Local Government: Municipal Systems Act,  
2000 (Act 32 of 2000) and R805



**Table of Contents**

Table of Contents .....	2
List of acronyms .....	4
Glossary of terms .....	5
1 Introduction .....	10
2 Legislative Framework .....	11
2.1 The following legislation forms the foundation for the policy .....	11
3 Objectives and Benefits of a Performance Management System .....	11
3.1 Objectives.....	11
4 Definitions and Key Steps in Performance Management .....	12
4.1 The Performance Cycles.....	12
4.2 Key Steps in Performance Management.....	18
4.3 The Performance Management Model.....	19
5 The Service Delivery and Budget Implementation Plan (SDBIP).....	20
5.2 The Municipal Scorecard.....	20
5.3 Update Actual Performance.....	21
5.3.1 Quarterly Reviews .....	22
5.3.2 Council Reviews.....	23
5.3.3 Public Reviews.....	23
5.4 Roles and Responsibilities .....	25
5.5 Departmental Scorecards.....	26
5.6 Preparing the Departmental SDBIP.....	26
5.7 Approval of Departmental SDBIP .....	27
5.8 Update Actual Performance.....	27
5.8.1 Monthly Reviews.....	27
5.8.2 Adjustments to KPI's .....	28
5.8.3 Roles and Responsibilities .....	28
5.9 Individual Performance .....	29
5.9.1 Individual Scorecards (Municipal Manager and Section 56 Managers).....	30
5.10 Individual Scorecards (rest of staff) .....	32
5.11 Skills Development Plan .....	33
5.12 Informal and Formal performance reviews .....	33
5.13 Appeals Process.....	34
5.13.1 Section 56/57-Employees .....	34
5.13.2 Employees reporting to the Directors and the Municipal Manager.....	34
5.13.3 Reward and Recognition .....	34
5.14 Service Providers.....	34
5.14.1 Notification of Service Providers Upon Appointment .....	36



5.14.2	Evaluating the Performance of Service Providers.....	36
5.14.3	Prescribed Procedures to Evaluate Service Providers .....	37
5.15	Evaluation and Improvement of the Performance Management System.....	37
5	Governance .....	38
5.2	Governance Framework for the Performance Management system.....	39
5.2.1	New User Access .....	39
5.2.2	Terminations .....	39
5.2.3	Segregation of Duties.....	39
5.2.4	Procedure to Reset Passwords.....	40
5.2.5	Monitoring of Users Access.....	40
5.2.6	Monitoring of System Controller Activities.....	41
5.2.7	Monitoring of Administrators .....	42
5.2.8	Continuous quality control and co-ordination .....	42
5.3	Performance investigations .....	42
5.4	Internal Audit .....	43
5.5	Performance Audit Committee .....	43
6	Performance Reporting.....	44
6.2	Monthly Reports .....	44
6.3	Quarterly Reports.....	44
6.4	Mid-year Assessment.....	44
6.5	Annual Performance Report .....	45
6.6	Annual Report .....	45
7	Legislative Reporting Requirements .....	46
8	Design of Key Performance Indicators and Targets .....	49
8.1	Setting Indicators .....	49
8.2	Performance Process Maps.....	51
8.2.1	Top Layer SDBIP .....	51
8.2.2	Departmental SDBIP.....	53
8.2.3	Individual Performance .....	53
8.3	Role and Responsibilities of Stakeholders .....	54
9	Policy Review.....	56
10	Conclusion .....	57

**List of acronyms**

AG	: Auditor General
CCR	: Core Competency Requirement
IDP	: Integrated Development Plan
KPA	: Key Performance Areas
KPI	: Key Performance Indicators
LED	: Local Economic Development
MEC	: Member of the Executive Council
MFMA	: Municipal Finance Management Act
MSA	: Municipal Systems Act
MTEF	: Medium Term Expenditure Framework
PDP	: Personal Development Plan
PMS	: Performance Management System
POE	: Portfolio of Evidence
SALGA	: South African Local Government Association
SDBIP	: Service Delivery and Budget Implementation Plan
SFA	: Strategic Focus Area
SMART	: Specific, Measurable, Achievable, Realistic, Time-frame
TL SDBIP	: Top Layer Service Delivery Budget Implementation Plan
WPSP	: Work Place Skills Plan

## Glossary of terms

- **“accounting officer”**

- (a) in relation to a municipality, means the municipal official referred to in section 60 of the Municipal Systems Act; or
- (b) in relation to a municipal entity, means the official of the entity referred to in section 93, and includes a person acting as the accounting officer

- **“annual report”**

in relation to a municipality or municipal entity, means an annual report contemplated in section 121 of the Municipal Finance Management Act

- **“Auditor-General”**

means the person appointed as Auditor-General in terms of section 193 of the Constitution, and includes a person-

- (a) acting as Auditor-General
- (b) acting in terms of a delegation by the Auditor-General; or
- (c) designated by the Auditor-General to exercise a power or perform a duty of the Auditor-General

- **“basic municipal service”**

means a municipal service that is necessary to ensure an acceptable and reasonable quality of life and which, if not provided, would endanger public health or safety or the environment

- **“backlogs”**

A backlog can be defined as quality of service/ goods that have accumulated over time that are still undelivered/unattended/still not produced. The backlogs in rural water, sanitation and electricity have been defined in official census figures, but vary (increase or decrease) from year to year due to migration patterns. Regardless, these backlogs are now being dealt with systematically (refer to baseline).

- **“baseline”**

the accurate and quantitative data at a stated point in time that marks the beginning of a trend.

- **“Councillor”**

means a member of a municipal council

- **“ Section 57 employee”**

means a person employed by a municipality as a municipal manager or as a manager directly accountable to a municipal manager;

- **“employer”**

means the municipality employing a person as a municipal manager or as manager directly accountable to a municipal manager and as represented by the mayor, executive mayor or municipal manager as the case may be;

- **“employment contract”**

means a contract as contemplated in Section 57 of the Municipal Systems Act;

- **“external service provider”**

means an external mechanism referred to in section 76(b) of the Municipal Systems Act; which provides a municipal service for a municipality

- **“financial statements”**

in relation to municipality or municipal entity, means statements consisting of at least-

- a statement of financial position;
- a statement of financial performance;
- a cash-flow statement;
- any other statements that may be prescribed; and
- any notes to these statements

- **“financial year”**

means the financial year of municipalities that end on 30 June of each year

- **“input indicator”**

means an indicator that measures the costs, resources and time used to produce an output

- **“integrated development plan”**

means a plan envisaged in section 25 of the Municipal Systems Act

- **“local community” or “community”**

in relation to a municipality, means that body or persons comprising –

- the residents of the municipality
- the ratepayers of the municipality
- any civic organisations and non-governmental, private sector or labour organisations or bodies which are involved in local affairs within the municipality

- **“Mayor”**

in relation to –

- a municipality with an executive mayor, means the councillor elected as the executive mayor of the municipality in terms of section 55 of the Municipal Structures Act; or
- a municipality with an executive committee, means the councillor elected as the mayor of the municipality in terms of section 48 of that Act

- **“MEC for local government”**

means the MEC responsible for local government in a province

- **“Minister”**

means the national Minister responsible for local government

- **“municipality”**

when referred to as –

- an entity, means a municipality as described in section 2; and
- a geographical area, means a municipal area determined in terms of the Local Government: Municipal Demarcation Act. 1998 (Act No. 27 of 1998)

- **“municipal council” or “council”**

means a municipal council referred to in section 157(1) of the Constitution

- **“municipal entity”**

means –

- (a) a company, co-operative, trust fund or any other corporate entity established in terms of any applicable national or provincial legislation ward which operates under the ownership control of one or more municipalities, and includes, in the case of a company under such ownership control, any subsidiary of that company, a private company referred to in section 86B(1)(a); or
- (b) a service utility.
- (c) a multi-jurisdictional service utility

- **“Municipal Finance Management Act”**

means the Local Government: Municipal Finance Management Act, 2003, and any regulations made under that Act

- **“Municipal Manager”**

means a person appointed in terms of section 82 of the Municipal Structures Act

- **“municipal service”**

has the meaning assigned to it in section 1 of the Municipal Systems Act

- **“Municipal Structures Act”**

means the Local Government: Municipal Structures Act. 1998 (Act 117 of 1998)

- **“Municipal Systems Act”**

means the Local Government: Municipal Systems Act, 2000 (Act No.32 of 2000)

- **“Outcome indicator”**

means an indicator that measures the quality and or impact of an output on achieving a particular objective

- **“Output indicator”**

means an indicator that measures the results of activities, processes and strategies of a program of a municipality

- **“parent municipality”**

- (a) in relation to a municipal entity which is a private company in respect of which effective control vests in a single municipality, means that municipality;
- (b) in relation to a municipal entity which is a private company in respect of which effective control vests in two or more municipalities collectively, means of those municipalities;
- (c) in relation to a municipal entity which is a service utility, means the municipality which established the entity; or
- (d) in relation to a municipal entity which is a multi-jurisdictional service utility, means each municipality which is a party to the agreement establishing the service utility

- **“private company”**

means a company referred to in section 19 and 20 of the Companies Act. 1973 (Act No. 61 of 1973)

- **“performance agreement”**

means an agreement as contemplated in Section 57 of the Municipal Systems Act which can be altered during the course of the financial year with the written consent from both the employer and employee. The performance agreement is guided by any change in the organizational structure.

- **“performance plan”**

means a part of the performance agreement which details the performance objectives and targets that must be met and time frame within which these must be met.

- **“prescribe”**

means prescribe by regulation or guidelines in terms of section 120 and **“prescribed”** has a corresponding meaning

- **“political office bearer”**

means the speaker, executive mayor, mayor, deputy mayor or member of the executive committee as referred to in the Municipal Structures Act

- **“political structure”**

in relation to a municipality, means the council of the municipality or any committee or other collective structure of a municipality elected, designated or appointed in terms of a specific provision of the Municipal Structures Act

- **“resident”**

in relation to a municipality, means a person who is ordinarily resident in the municipality

- **“senior manager”**

(a) in relation to a municipality, means a manager referred to in section 56 of the Municipal Systems Act; or

(b) in relation to a municipal entity, means a manager directly accountable to the chief executive officer of the entity

- **“service authority”**

means the power of a municipality to regulate the provision of a municipal service by a service provider

- **“service delivery agreement”**

means an agreement between a municipality and an institution or person mentioned in section 76(b) of the Municipal Systems Act in terms of which a municipal service is provided by that institution or person, either for its own account or on behalf of the municipality

- **“service delivery and budget implementation plan”**

means a detailed plan approved by the mayor of a municipality in terms of section 53(1)(c)(ii) of the Municipal Finance Management Act for implementing the municipality’s delivery of municipal services and its annual budget, and which must indicate –

(a) projections for each month of –

(i) revenue to be collected, by source; and

(ii) operational and capital expenditure, by vote;

(b) service delivery targets and performance indicators for each quarter; and

(c) any other matters that may be prescribed,

and includes any revisions of such plan by the mayor in terms of section 54(1)(c) of the Municipal Finance Management Act

- **“service utility”**

means a municipal entity established in terms of section 82(1)(c), a body established in terms of section 86H of the Municipal Systems Act

- **“staff”**

in relation to a municipality, means the employees of the municipality, including the municipal manager

## 1 Introduction

Performance Management is a process which measures the implementation of the organisation's strategy.

At local government level, performance management is institutionalized through the legislative requirements and policies of a municipality. Performance management provides the mechanism with which to measure targets set by the organisation and its employees to meet its strategic objectives.

The Constitution of S.A (1996), section 152, dealing with the objectives of local government paves the way for performance management, with the requirements for an "accountable government". The democratic values and principles in terms of section 195 (1) are also linked with the concept of Performance management, with reference to the principles of inter alia:

- the promotion of efficient, economic and effective use of resources;
- accountable public administration;
- to be transparent by providing information;
- to be responsive to the needs of the community; and
- to facilitate a culture of public service and accountability amongst staff.

The Municipal Systems Act (MSA), 2000 requires municipalities to establish a performance management system. The MSA and the Municipal Finance Management Act (MFMA) further requires from the Integrated Development Plan (IDP) to be aligned to the municipal budget and to be monitored through the Service Delivery and the Budget Implementation Plan (SDBIP).

In addition, Regulation 7 (1) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 states that "*A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role players.*"

Section 57 makes the employment of the Municipal Manager and Managers directly accountable to her subject to a separate performance agreement concluded annually before the end of July. Section 67 regards the monitoring, measuring and evaluating of performance of staff as a platform to develop human resources and to hold municipal staff accountable to serve the public efficiently and effectively. Performance Management, therefore, is not only relevant to the organisation as a whole, but also to the individuals employed in the organization as well as the external service providers.

This policy therefore describes how the municipality's performance process, for the organisation as a whole will be conducted, organised and managed. It also has the following objectives:

- Clarify processes of implementation;



- Ensure compliance with legislation;
- Demonstrate how the system will be conducted;
- Define roles and responsibilities;
- Promote accountability and transparency; and
- Reflect the linkage between the IDP, Budget, SDF, SDBIP and individual and service provider performance

The policy also take into consideration the currently transition from the old organisational structure to the new organizational structure and supports the process that is underway to update and transfer KPI's in line with the new organisational structure.

## **2 Legislative Framework**

### **2.1 The following legislation forms the foundation for the policy**

- Constitution of the Republic Of South Africa (1996);
- Local Government: Municipal Systems Act (MSA) 2000 and its amendments;
- Government Gazette: Regulation gazette No.7146;
- Municipal Financial Management Act (MFMA) No.56 of 2003;
- Municipal Structures Act 1998;
- National Treasury: 2007 Framework for managing performance information;
- White Paper on Local Government (1998);
- Municipal Planning and Performance Regulation 796 (2001);
- Municipal Performance Regulation for Municipal Managers and Managers directly accountable to Municipal Managers (805 of 2006);
- MFMA Circular 11: Annual Reports;
- MFMA Circular 13: SDBIP;
- MFMA Circular 32: Oversight report;
- MFMA Circular 42: Funding of municipal budget; and
- MFMA Circular 54: Municipal budget circular

## **3 Objectives and Benefits of a Performance Management System**

### **3.1 Objectives**

The objectives of the performance management system are to:

- Facilitate strategy development;
- Facilitate increased accountability;
- Facilitate learning and improvement;
- Provide early warning signals;
- Create a culture of best practices; and
- Facilitate decision-making

The above objectives are aligned with the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) and the guidelines of the Department of Development Planning and Local Government.

## 4 Definitions and Key Steps in Performance Management

### 4.1 The Performance Cycles

The overall planning, budgeting and reporting cycle can be summarised as follows:



Source: Framework for Managing Programme Performance Information

The performance cycle can be summarised in the following diagram

Each of the above cycles can be explained as follows:

- **Performance Planning** ensures that the strategic direction of the Municipality more explicitly informs and aligns with the IDP planning, activities and resource decisions. This is the stage where Key Performance Areas and Key Performance Indicators are designed to address the IDP objectives.
- **Performance Measuring and Monitoring** is an ongoing process to determine whether performance targets have been met, exceeded or not met. Projections can also be made during the year as to whether the final target and future targets will be met. It occurs during key points in a process – for example, on a quarterly and annual basis.
- **Performance evaluation** analyses why there is under-performance or what the

factors were, that allowed good performance in a particular area. Where targets have not been met, the reasons for this must be examined and corrective action recommended. Evidence to support the status is also reviewed at this stage. An additional component is the review of the indicators to determine if they are feasible and are measuring the key areas appropriately.

- **Performance Reporting** entails regular reporting to management, the performance audit committee, council and the public.
- **Performance review/auditing** is a key element of the monitoring and evaluation process. This involves verifying that the measurement mechanisms are accurate and that proper procedures are followed to evaluate and improve performance. According to section 45, of the Systems Act, results of the performance measurement must be audited as part of the municipality's internal auditing process and annually by the Auditor-General. The Municipality have therefore established frameworks and structures to evaluate the effectiveness of the municipality's internal performance measurement control systems. Areas of weak performance identified at year-end must be addressed during the following years planning phase.

The Performance Process for the entire financial year as follows:

	PLANNED DELIVERABLES	PLANNED EVENTS	DELEGATION	REPORT
July	<p>Quarterly SDBIP report of the previous financial year to be finalised by the 12th calendar day after the end of the quarter under review for the presentation to the Municipal Manager and the Executive Mayor.</p> <p>Monthly SDBIP &amp; user report submitted to the MM by the 14th calendar day after the end of the month under review (Ignite system closure the previous day)</p>	<p>Quarterly SDBIP report:</p> <ul style="list-style-type: none"> <li>• Tabled at Council within one month after the end of the quarter;</li> <li>• Report submitted to Provincial Government and National Government;</li> <li>• Reported to Internal Audit unit;</li> <li>• Placed upon website;</li> <li>• Non-Financial Performance Measures reported to Provincial and National Government.</li> </ul>	<p>Yes, signed quality certificate for quarterly report by MM and Executive Mayor</p>	<p>Quarter 4 report;</p>

	PLANNED DELIVERABLES	PLANNED EVENTS	DELEGATION	REPORT
	<p>Planning, Consultation and Signing of Individual performance agreements, performance plans, managerial competencies and personal development plans with Senior Managers; Publish performance agreements on the website (Directors only); Submit performance agreements to National and Provincial Government.</p> <p>Monthly SDBIP &amp; user report submitted to the MM by the 14th calendar day after the end of the month under review (Ignite system closure the previous day)</p>	<p>Signed agreements uploaded unto Municipal Website: - Agreements tabled at Council; Agreements submitted to Provincial Government;</p>	<p>Municipal Manager in relation to Directors performance agreements; Executive Mayor in relation to the MM's performance agreement</p>	<p>Upload of agreements of directors and Municipal Manager unto website.</p> <p>Confirm reaching of target unto the PMS system</p>
	<p>Monthly SDBIP &amp; user report submitted to the MM by the 14th calendar day after the end of the month under review (Ignite system closure the previous day)</p>	<p>Interrogation of report by Directors and the Municipal Manager</p>	<p>Approval and signature of MM</p>	<p>Draft Process Plan. Monthly report for June submitted</p>
August	<p>Monthly SDBIP &amp; user report submitted to the MM by the 14th calendar day after the end of the month under review (Ignite system closure the previous day)</p>	<p>Interrogation of report by Directors and the Municipal Manager</p>	<p>Approval and signature of MM</p>	<p>Draft Process Plan. Monthly report for July submitted</p>
	<p>Planning and Preparation of individual performance agreements and development plans by managers and heads of staf upto the 3<sup>rd</sup> reporting line</p>	<p>Signing of individual performance agreements and development plans by managers and heads</p>	<p>Yes, Immediate supervisor</p>	<p>Signed agreements delivered to the IDP/PMS unit</p>
	<p>Preparation of previous financial year performance report</p>	<p>Submission of performance report to Auditor General by 31 August.</p>	<p>Yes, Municipal Manager</p>	<p>Version emailed by 31 August @ 24:00. Hardcopy version due on the 1st of September.</p>
September	<p>Monthly SDBIP &amp; user report submitted to the MM by the 14th calendar day after the end of the month under review (Ignite system closure the previous day)</p>	<p>Interrogation of report by Directors and the Municipal Manager</p>	<p>Yes, Municipal Manager</p>	<p>Monthly report for August submitted</p>

	PLANNED DELIVERABLES	PLANNED EVENTS	DELEGATION	REPORT
October	Quarterly SDBIP report finalised by the 12th calendar day after the end of the quarter under review for the presentation to the Municipal Manager and the Executive Mayor. Tabling of quarterly report for the attention of MayCo & Council;	<p>Informal Performance review of directors by the Municipal Manager</p> <p>Informal Performance review of managers and heads by immediate supervisors</p> <p>Quarterly SDBIP report:</p> <ul style="list-style-type: none"> <li>• Tabled at Council within one month after the end of the quarter;</li> <li>• Reported submitted to Provincial Government;</li> <li>• Reported to Internal Audit unit</li> <li>• Placed upon website Provincial and National Government;</li> </ul> <p>Non-Financial Performance Measures reported to Provincial and National Government</p>	Yes, signed quality certificate for quarterly report by MM and Executive Mayor	Quarter 1 report; Signed attendance register as confirmation note for informal performance review with immediate subordinates.
	Monthly SDBIP & user report submitted to the MM by the 14th calendar day after the end of the month under review (Ignite system closure the previous day)	Interrogation of report by Directors and the Municipal Manager	MM and Directors	Monthly report for September submitted
November	Monthly SDBIP & user report submitted to the MM by the 14th calendar day after the end of the month under review (Ignite system closure the previous day)	<ul style="list-style-type: none"> <li>• Interrogation of report by Directors and the Municipal Manager</li> </ul>	MM and Directors	Monthly report for September submitted
December	Monthly SDBIP & user report submitted to the MM by the 14th calendar day after the end of the month under review (Ignite system closure the previous day)	<ul style="list-style-type: none"> <li>• Interrogation of report by Directors and the Municipal Manager</li> </ul>	MM and Directors	Monthly report for November submitted
January	Mid-year SDBIP report finalised by the 12th calendar day after the end of the month under review for the presentation to the Municipal Manager and the Executive Mayor.	<p>Informal Performance review of directors by the Municipal Manager</p> <p>Informal Performance review of managers and heads by immediate supervisors.</p> <p>Quarterly SDBIP report:</p> <ul style="list-style-type: none"> <li>• Tabled at Council within 25 days after the end of the quarter;</li> <li>• Reported submitted to</li> </ul>	Yes, signed quality certificate for quarterly report by MM and Executive Mayor	Mid-year report;

	PLANNED DELIVERABLES	PLANNED EVENTS	DELEGATION	REPORT
		Provincial Government; National Treasury and CoGTA <ul style="list-style-type: none"> <li>• Reported to Internal Audit unit</li> <li>• Placed upon website Provincial and National Government;</li> <li>• Non-Financial Performance Measures reported to Provincial and National Government</li> </ul>		
	Draft Annual Report	<ul style="list-style-type: none"> <li>• Tabled at Council within 25 days after the end of the quarter;</li> <li>• Advertised on the Website</li> <li>• Reported submitted to Provincial Government; National Treasury and CoGTA</li> <li>• Invitation of written submissions from the public</li> <li>• Reported to Auditor General</li> </ul>	Yes, MM and Executive Mayor	Council Minutes which refers Draft report to the MPAC/Oversight Committee
	Monthly SDBIP & user report submitted to the MM by the 14th calendar day after the end of the month under review (Ignite system closure the previous day)	Signed performance results of directors distributed to the Provincial Government; Signed results of managers and heads saved electronically for AG Audit purpose.	Yes, Immediate supervisor	Signed performance results of Directors and Poe files submitted to Provincial Government and Internal Audit.
		Interrogation of report by Directors and the Municipal Manager	MM and Directors	Monthly report for December submitted
<b>February</b>	Monthly SDBIP & user report submitted to the MM by the 14th calendar day after the end of the month under review (Ignite system closure the previous day)	Interrogation of report by Directors and the Municipal Manager	MM and Directors	Monthly report for January submitted
<b>March</b>	Monthly SDBIP & user report submitted to the MM by the 14th calendar day after the end of the month under review (Ignite system	Interrogation of report by Directors and the Municipal Manager	MM and Directors	Monthly report for February submitted

	PLANNED DELIVERABLES	PLANNED EVENTS	DELEGATION	REPORT
	closure the previous day)			
	Final Annual Report	<ul style="list-style-type: none"> <li>• Tabled at Council;</li> <li>• Reported submitted to Provincial Government; National Treasury and CoGTA</li> <li>• Reported to Auditor General</li> <li>• Follow MPAC process as part of Oversight Process</li> <li>• Finalise Oversight Report and table in Council for approval.</li> <li>• Table Approved annual Report and MPAC oversight report on the website</li> </ul>	Yes, MM and Executive Mayor	Council Minutes which refers Final Annual Report and the MPAC Oversight Report with recommendations; public submissions; AG report; AFS and Internal Audit report.
	Monthly SDBIP & user report submitted to the MM by the 14th calendar day after the end of the month under review (Ignite system closure the previous day)	Interrogation of report by Directors and the Municipal Manager	MM and Directors	Monthly report for April submitted
April	Quarterly SDBIP report finalised by the 12th calendar day after the end of the quarter under review for the presentation to the Municipal Manager and the Executive Mayor. Tabling of quarterly report for the attention of MayCo & Council;	<p>Informal Performance review of directors by the Municipal Manager</p> <p>Informal Performance review of managers and heads by immediate supervisors</p> <p>Quarterly SDBIP report:</p> <ul style="list-style-type: none"> <li>• Tabled at Council within 25 days after end of month;</li> <li>• Reported submitted to Provincial Government;</li> <li>• Reported to Internal Audit unit</li> <li>• Placed upon website Provincial and National Government;</li> </ul> <p>Non-Financial Performance Measures reported to Provincial and National Government</p>	Yes, signed quality certificate for quarterly report by MM and Executive Mayor	Quarter 3 report; Signed attendance register as confirmation note for informal performance review with immediate subordinates. Monthly report for September submitted

PLANNED DELIVERABLES		PLANNED EVENTS	DELEGATION	REPORT
	Monthly SDBIP & user report submitted to the MM by the 14th calendar day after the end of the month under review (Ignite system closure the previous day)	Interrogation of report by Directors and the Municipal Manager	MM and Directors	Monthly report for April submitted
May	Monthly SDBIP & user report submitted to the MM by the 14th calendar day after the end of the month under review (Ignite system closure the previous day)	Interrogation of report by Directors and the Municipal Manager	MM and Directors	Monthly report for May submitted
June	Monthly SDBIP & user report submitted to the MM by the 14th calendar day after the end of the month under review (Ignite system closure the previous day)	Interrogation of report by Directors and the Municipal Manager	MM and Directors	Monthly report for May submitted

#### 4.2 Key Steps in Performance Management

The key steps in implementing the performance cycle are as follows:

1. IDP consultation and strategic processes to determine
  - Strategic Objectives aligned with the National Agenda and local needs;
  - Establish the Municipal KPA's; and
  - Design Strategic Focus Areas;
2. Prioritise capital projects for budgeting purposes aligned with municipal strategy and approved methodology
3. Identify key programmes for implementation as part of directorate deliverables
4. Start with budget processes
5. Determine organisational KPI's in terms of strategy, budget and MTAS
6. Obtain baseline figures and past year performance
7. Set multi-year performance target dates
8. Determine steps/plans to achieve budget and KPI's
9. Assign strategic focused KPI's to Senior Management (Top Layer SDBIP)
10. Assign organisational KPI's to directorates and members of management

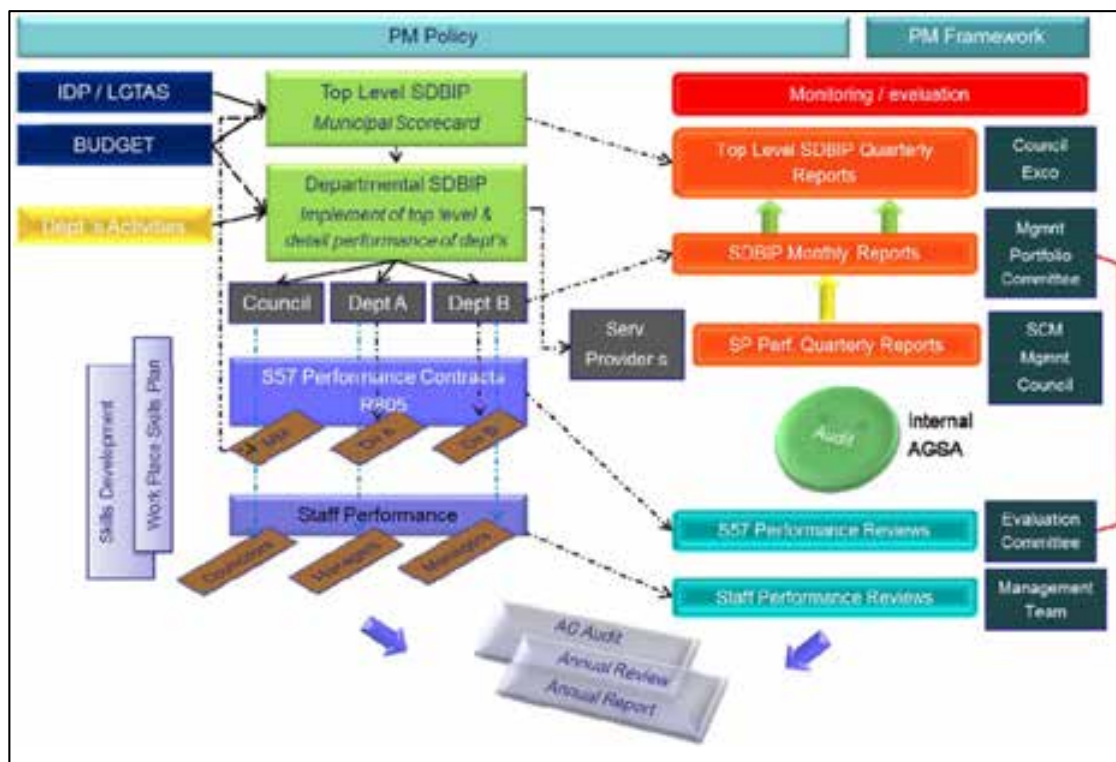


(Departmental SDBIP)

11. Prepare individual performance agreements aligned with budget and SDBIP (Section 57 and management)
12. Prepare performance plans for staff and align work place skills plan with development plans
13. Provide monthly/quarterly status reports on progress with KPI implementation
14. Evaluate performance on individual (1/2 yearly) and organisational levels (monthly and quarterly)
15. Compilation of various performance reports
16. Auditing of performance report and portfolio of evidence(POE's)
17. Appoint oversight committee to analyse and prepare report on improvement of performance
18. Submit year-end report to various stakeholders.

#### 4.3 The Performance Management Model

The following section will explain the methodology of the adopted performance management model as depicted in the diagram below:



## **5 The Service Delivery and Budget Implementation Plan (SDBIP)**

The IDP process and the performance management process must be seamlessly integrated. The IDP fulfils the planning stage of performance management. Performance management in turn, fulfils the implementation, management, monitoring and evaluation of the IDP.

The organisational performance will be evaluated by means of a municipal scorecard (Top Layer SDBIP) at organisational level and through the SDBIP at directorate and departmental levels.

The SDBIP is a plan that converts the IDP and budget into measurable criteria on how, where and when the strategies, objectives and normal business processes of the municipality will be implemented. It also allocates responsibility to directorates to deliver the services in terms of the IDP and budget.

The MFMA Circular No.13 prescribes that:

- The IDP and budget must be aligned;
- The budget must address the strategic priorities;
- The SDBIP should indicate what the municipality is going to do during next 12 months
- The SDBIP should form the basis for measuring the performance against goals set during the budget /IDP processes.

The SDBIP needs to be prepared as described in the paragraphs below and submitted to the Executive Mayor within 14 days after the budget has been approved. The Executive Mayor needs to approve the SDBIP within 28 days after the budget has been approved.

For each indicator the scorecard will require that a responsible official be designated, usually the respective line manager. While this official will not necessarily be accountable for performance on this indicator, they will be responsible for conducting measurements of that indicator, analysing and reporting first to their respective superior who in turn will report to the Municipal Manager and the Executive Mayor on these for reviews.

The municipal performance must be measured monthly and analysed at least quarterly. Municipal performance will be measured during the mid-year review where after the performance scorecard can be adjusted and action plans be developed to address poor performance. The information of the annual review will be included in the Annual Report of the municipality.

### **5.2 The Municipal Scorecard**

The municipal scorecard (Top Layer SDBIP) must consolidate service delivery targets set by Council / senior management and provide an overall picture of performance for the municipality as a whole, reflecting financial and non- financial performance on its strategic priorities.

The Components of the top-layer SDBIP includes:

- Monthly projections of revenue to be collected for each source;
- Expected revenue to be collected;
- Monthly projections of expenditure (operating and capital) and revenue for each vote
- Section 71 format (Monthly budget statements);
- Quarterly projections of service delivery targets and performance indicators for each vote;
- Non-financial measurable performance objectives in the form of targets and indicators;
- Output NOT input / internal management objectives;
- Level and standard of service being provided to the community;
- Ward information for expenditure and service delivery;
- Detailed capital project plan broken down by ward over three years.

The following diagram illustrates the establishment, components and review of the municipal scorecard (Top Layer SDBIP):



### 5.3 Update Actual Performance

The TL SDBIP will update automatically with the actual results reported in the

departmental SDBIP.

The KPI owners should report on the results of the KPI by properly documenting the information in the performance response fields and make reference to where the POE can be found. In the instance of poor performance, corrective measures should be identified and documented. The POE should prove that the KPI was delivered and that the expected outcome / impact has been achieved.

The actual performance should be monitored quarterly in terms of the objectives, KPI's and targets set. In order to measure the outcomes of the KPI's, the outputs and performance evidence (POE's) should be evaluated and **documented**.

It is important to note that the municipal manager needs to implement the necessary systems and processes to provide the POE's for reporting and auditing purposes.

### 5.3.1 Quarterly Reviews

On a quarterly basis, the Executive Mayor should engage in an intensive review of municipal performance against both the directorate's scorecards and the municipal scorecard, as reported by the Municipal Manager. These reviews will take place in October (for the period July to end of September), January (for the period October to the end of December), April (for the period January to the end of March) and July (for the period April to the end of June).

The review in January will coincide with the mid-year performance assessment as per section 72 of the Municipal Finance Management Act. Section 72 determines that by 25 January of each year the accounting officer must assess the performance of the municipality and report to the Council on inter alia its service delivery performance during the first half of the financial year and the service delivery targets and performance indicators set in the service delivery and budget implementation plan.

Many of the indicators in the municipal scorecard will only be measurable on an annual basis. The quarterly reviews should thus culminate in a comprehensive annual review of performance in terms of all the scorecards.

The Executive Mayor will need to ensure that targets committed to in the municipal scorecard are being met, where they are not, that satisfactory and sufficient reasons are provided and that the corrective action being proposed is sufficient to address the poor performance.

The review should also focus on reviewing the systematic compliance to the performance management system, by directorates, departments, Portfolio Councillors and the Municipal Manager. The review will also include:

- An evaluation of the validity and suitability of the Key Performance Indicators and recommending must any changes;
- An evaluation of the annual and 5 year targets to determine whether the targets are over stated or understated. These changes need to be considered;
- Changes to KPI's and 5 year targets for submission to council for approval. (The

reason for this is that the original KPI's and 5 year targets would have been published with the IDP, which would have been approved and adopted by council at the beginning of the financial year.)

- An analysis to determine whether the Municipality is performing adequately.

It is important that the Executive Mayor not only pay attention to poor performance but also to good performance. It is expected that the Executive Mayor will acknowledge good performance, where directorates or departments have successfully met targets in their directorate/departmental scorecards.

### **5.3.2 Council Reviews**

At least annually, the Executive Mayor will be required to report to the full council on the overall municipal performance. It is proposed that this reporting take place using the municipal scorecard in an annual performance report format as per the Municipal Systems Act. The said annual performance report will form part of the municipality's Annual Report as per section 121 of the Municipal Finance Management Act.

### **5.3.3 Public Reviews**

The Municipal Systems Act as well as the Municipal Finance Management Act requires the public to be given the opportunity to review municipal performance. Section 127 of the MFMA requires that the accounting officer (Municipal Manager) must immediately after the Annual Report is submitted to Council make the report public and invite the local community to submit representations with regards to the Annual Report.

It is proposed that in addition to the Annual Report mentioned above and subject to the availability of funding, a user-friendly citizens' report should be produced for public consumption. The citizens' report should be a simple, easily readable and attractive document that translates the Annual Report and municipal scorecard for public consumption.

It is also proposed that a public campaign be embarked on annually to involve citizens in the review of municipal performance over and above the requirements of the MFMA. Such a campaign could involve the following:

- Various forms of media including radio, newspapers and billboards can be used to convey the citizens' report. The public should be invited to submit comment via telephone, fax, email and possibly also public hearings to be held in a variety of locations.
- The public reviews should be concluded by a formal review of the Annual Report by the Municipal Public Accounts Committee (MPAC) of the municipality who will fulfill the role of the Oversight Committee. .
- In the instance where service level agreements (SLA's) have been established,

the public should review the SLA outcomes/outputs.

## 5.4 Roles and Responsibilities

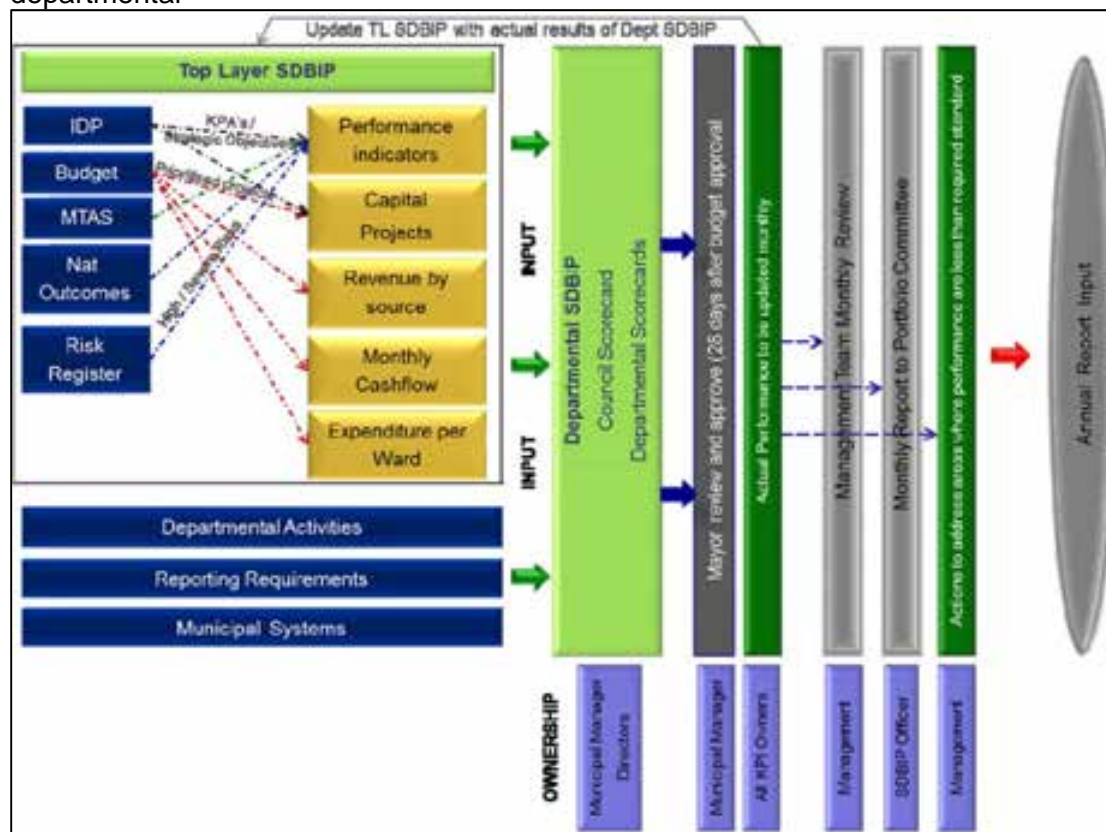
The roles and responsibilities during the TL SDBIP process can be summarised as follows:

Role Player	Roles and Responsibilities
Executive Mayor	<ul style="list-style-type: none"> <li>• Mayor is responsible for the performance and need to approve the TL SDBIP.</li> <li>• Quarterly review of performance and monitor implementation of corrective action.</li> <li>• Submit the mid-year and annual performance reports to Council.</li> </ul>
Mayoral Committee	<ul style="list-style-type: none"> <li>• Support to the Executive Mayor</li> <li>• Provide strategic awareness and manage the development of the TL SDBIP.</li> </ul>
Portfolio Councillor	<ul style="list-style-type: none"> <li>• Monitor the implementation of the strategy.</li> <li>• Review and monitor the implementation of the TL SDBIP at Portfolio Committee level.</li> </ul>
Council	<ul style="list-style-type: none"> <li>• Oversight role to ensure that performance management processes are monitored</li> </ul>
Municipal Manager	<ul style="list-style-type: none"> <li>• Drafting of the TL SDBIP</li> <li>• Ensure the implementation of the TL SDBIP.</li> <li>• Monitor the TL SDBIP and ensure that POE's to proof performance exists.</li> <li>• Take corrective action where required.</li> <li>• Communicate with the Executive Mayor and Executive Management Team.</li> </ul>
Senior Management Team	<ul style="list-style-type: none"> <li>• Manage and report on departmental performance to be cascaded up to the TL SDBIP.</li> <li>• Plan Performance.</li> <li>• Integration role and ensure POE's exists to proof performance.</li> </ul>
Internal Audit	Internal audit should quarterly audit the results reported on a sample basis and issue a report to the municipal manager/ performance audit committee.
Auditor-General	Auditing of legal compliance and outcomes.
Performance Audit Committee	Independent oversight on municipal performance and legal compliance.

## 5.5 Departmental Scorecards

The directorate and departmental scorecards (detailed SDBIP) will capture the performance of each defined directorate or department. Unlike the municipal scorecard, which reflects on the strategic priorities of the municipality, the SDBIP will provide detail of each outcome for which top management are responsible for, in other words a comprehensive picture of the performance of that directorate/sub-directorate. It will be compiled by senior managers for his/her directorate and will consist of objectives, indicators and targets derived from the Municipality's annual service delivery and budget implementation plan and any annual business or services plan compiled for each directorate or department.

The following diagram illustrates the establishment, components and review of the departmental SDBIP:



## 5.6 Preparing the Departmental SDBIP

KPI's should be developed for Council, the office of the Municipal Manager and for each Directorate. The KPI's should:

- Address the TL KPI's by means of KPI's for the relevant section responsible for the KPI.
- Include the capital projects KPI's for projects that relates to services higher than R200 000. KPI's for furniture and equipment should be grouped as one KPI per directorate. The targets should to some extent be aligned with the cash flow



budgets and project plans.

- Add KPI's to address the key departmental activities.
- Each KPI should have clear monthly targets and should be assigned to the person responsible for the KPI'. KPI's should be SMART.

The number KPI's developed to address National KPA's, Municipal KPA's and strategic objectives should be spread amongst the aforementioned in terms of National and Local Agendas.

### **5.7 Approval of Departmental SDBIP**

The SDBIP of each Directorate must be submitted to the municipal manager for approval within 28 days after the budget has been approved.

### **5.8 Update Actual Performance**

An evaluation of the validity and sustainability of the KPI's should be done and the actual performance results of each target should be updated and evaluated on a monthly basis. In order to measure the input/output of the KPI's, the performance results and performance evidence (POE's) should be evaluated and documented. The KPI owners should report on the results of the KPI by documenting the following information on the performance system:

- The actual result in terms of the target set;
- The output/outcome of achieving the KPI;
- The calculation of the actual performance reported. (If %);
- The reasons if the target was not achieved; and
- Actions to improve the performance against the target set, if the target was not achieved.

The municipal manager and his/her senior management team needs to implement the necessary systems and processes to provide the POE's for reporting and auditing.

#### **5.8.1 Monthly Reviews**

The Directorates will update their performance monthly in terms of the SDBIP and report to the Municipal Manager and the respective Portfolio Committee. Decision-makers should be warned immediately of any emerging failures to service delivery so that they can intervene if necessary. It is important that Directorates use these reviews as an opportunity for reflection on their goals and programmes and whether these are being achieved. The Portfolio Committee should have a standing agenda item to discuss at their monthly meetings. The SDBIP report submitted should be used to analyse and discuss performance. The Portfolio Councillor and the senior management team should report on an overview of performance at the following Mayoral Committee. Changes in indicators and targets may be proposed at this meeting, but can only be approved by the Executive Mayor, in consultation with the Municipal Manager.

### 5.8.2 Adjustments to KPI's

KPI's can only be adjusted after the mid-year assessment and/or after the adjustments budget has been approved. KPI's should be adjusted to be aligned with the adjustment estimate and the reason for the change in KPI's should be documented in a report to the Executive Mayor for approval.

Additional KPI's can be added during the year with the approval of the municipal manager. The approval documents should be safeguarded for audit purposes.

### 5.8.3 Roles and Responsibilities

The roles and responsibilities during the Departmental SDBIP process can be summarised as follows:

Role Player	Roles and Responsibilities
<b>Executive Mayor</b>	<ul style="list-style-type: none"> <li>• Responsible for the KPI's assigned to him/her and his/her committee. The mayor should update performance results</li> </ul>
<b>Mayoral Committee</b>	<ul style="list-style-type: none"> <li>• Review the feedback received from Portfolio Councillors/ respective senior manager and monitor overall performance.</li> <li>• Support the Executive Mayor.</li> </ul>
<b>Portfolio Councillor</b>	<ul style="list-style-type: none"> <li>• Support the senior manager to implement the municipal strategy.</li> <li>• Review and monitor progress at portfolio level.</li> <li>• Report to the Mayoral Committee on performance review and progress.</li> <li>• Assist senior management to take corrective action to improve performance.</li> </ul>

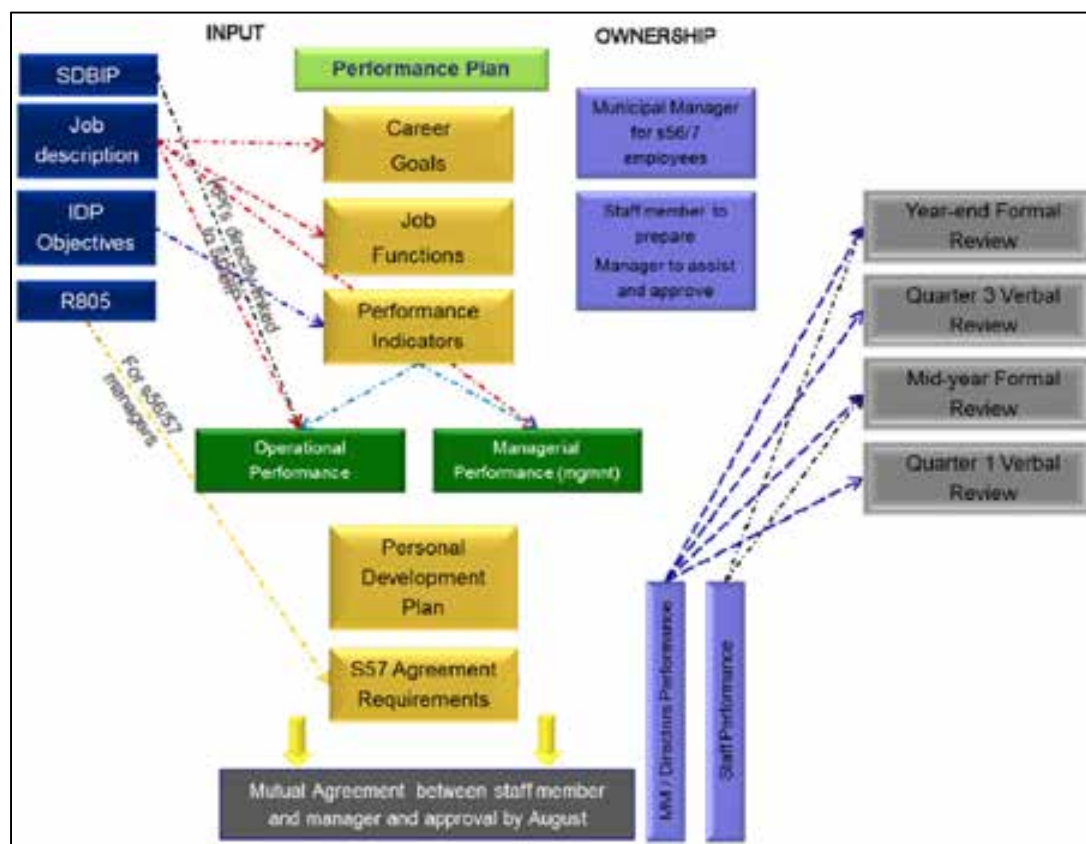
<b>Municipal Manager</b>	<ul style="list-style-type: none"> <li>• Approval of the Departmental SDBIP</li> <li>• Monitor SDBIP and ensure that POE's exist.</li> <li>• Review and monitor the implementation on the SDBIP</li> <li>• Ensure that KPI's address the municipal strategy and service delivery requirements.</li> <li>• Ensure alignment with the IDP objectives/programmes and budgets.</li> <li>• Take corrective actions where required.</li> <li>• Communicate with the senior management team on performance progress and reporting.</li> <li>• Ensure quarterly internal audit and take necessary action where required.</li> <li>• Communicate results to the Portfolio Committee and Mayoral Committee.</li> </ul>
<b>All Managers</b>	<ul style="list-style-type: none"> <li>• Design KPI's to address the TL SDBIP, operational needs, service delivery improvement and other key departmental activities.</li> <li>• Plan performance and set targets.</li> <li>• Assign KPI's to KPI owners.</li> <li>• Ensure the implementation of the SDBIP.</li> <li>• Monitor performance and document POE's.</li> <li>• Take corrective action where required.</li> <li>• Communicate performance results to the municipal manager and Portfolio Committee.</li> </ul>
<b>Internal Audit</b>	<ul style="list-style-type: none"> <li>• Internal audit should quarterly audit the results reported on a sample basis and issue a report to the municipal manager/ performance audit committee.</li> </ul>
<b>Auditor-General</b>	<ul style="list-style-type: none"> <li>• Auditing of legal compliance and outcomes.</li> </ul>
<b>Performance Audit Committee</b>	<ul style="list-style-type: none"> <li>• Independent oversight on municipal performance and legal compliance.</li> </ul>

### 5.9 Individual Performance

The performance of a municipality is integrally linked to that of staff. It is therefore important to link organizational performance to individual performance and to manage both at the same time, in separate processes. Although legislation requires that the municipal manager, and managers directly accountable to the municipal manager, sign formal performance contracts, it is also a requirement that all employees have performance plans. These must be aligned with the individual performance plan of the head of the directorate and job descriptions. In this way all employees are working towards a common goal. It is however the responsibility of the employer, to create an environment, which the employees can

deliver the objectives and the targets set for them in their performance plans and job descriptions.

The following diagram illustrates the individual performance management processes:



The Benefits of Individual Performance are to:

- Ensure alignment of individual goals and objectives with that of the organisation and to co-ordinate efforts in order to achieve those goals;
- Understand what is expected from the incumbents, by when it is expected and to what standard is expected;
- Understand the incumbent's key areas of accountability;
- Determine whether or not performance objectives are being met;
- Make qualified decisions within the incumbents level of competencies;
- Avail the incumbents of learning and development opportunities to competently meet their performance targets.

### 5.9.1 Individual Scorecards (Municipal Manager and Section 56 Managers)

The Local Government Municipal Systems Act 2000 and Regulation 805 of August 2006 (Performance of the Municipal Manager and the Managers reporting directly to the Municipal Manager) require the Municipal Manager and the Managers reporting directly to the

Municipal Manager to enter into annual Performance Agreements. The Performance Agreements of the Municipal Manager and other Section 56/57 Managers should be directly linked to their employment contract. Performance will be reviewed quarterly of which the mid-year and year-end performance will be formal evaluations. These Performance Agreements consist of three distinct parts:

- Performance Agreement: This is an agreement between the Section 56/57 Manager and the Municipality, which regulates the performance required for a particular position and the consequences of the performance. The Agreement deals with only one aspect of the employment relationship, namely performance. This agreement must be reviewed and renewed annually, subject to the individual's annual performance. This agreement can be altered during the course of the financial year with the written consent from both the employer and employee. The performance agreement is guided by any change in the organizational structure.
- A performance bonus may be paid as agreed in the performance agreement.
- Performance Plan: The Performance Plan is an Annexure to the Performance Agreement and stipulates in detail the performance requirements for a single financial year. The SDBIP transcends into the Performance Plan/s of the respective Section 56/57 Managers according to their areas of responsibility.
- Personal Development Plan: The plan is an Annexure to the Performance Agreement and addresses the developmental needs/requirements of the manager indicating actions and timeframes.

The list of Core Managerial Criteria are tabled as follows:

<b>Skills</b>	<b>Measurement</b>
Strategic and direction leadership	Provide and direct a vision for the institution, and inspire and deploy others to deliver on the strategic institutional mandate
Programme and project management	Able to understand program and project management methodology; plan, manage, monitor and evaluate specific activities in order to deliver on set objectives
Financial Management	Able to compile, plan and manage budgets, control cash flow, institute financial risk management and administer procurement processes in accordance with recognised financial practices. Further to ensure that all financial transactions are managed in an ethical manner
Change Leadership	Able to direct and initiate institutional transformation on all levels in order to successfully drive and implement new initiatives and deliver professional and quality services to the community
Knowledge and information management	Able to promote the generation and sharing of knowledge and information through various processes and media, in order to enhance the collective knowledge base of local government
Analysis and innovation	Able to critically analyse information, challenges and trends to establish and implement fact-based solutions that are innovative to improve institutional processes in order to achieve key strategic objectives

<b>Skills</b>	<b>Measurement</b>
People management	Must be able to manage and encourage people, optimise their outputs and effectively manage relationships in order to achieve the municipality's goals.
Communication	Able to share information, knowledge and ideas in a clear, focused and concise manner appropriate for the audience in order to effectively convey, persuade and influence stakeholders to achieve the desired outcome
Governance Leadership	Able to promote, direct and apply professionalism in managing risk and compliance requirements and apply a thorough understanding of governance practices and obligations. Further, able to direct the conceptualisation of relevant policies and enhance cooperative governance relationships
Results and quality focus	Able to maintain high quality standards, focus on achieving results and objectives while consistently striving to exceed expectations and encourage others to meet quality standards. Further, to actively monitor and measure results and quality against identified objectives

The agreements must be finalised by August every year and be agreed and approved by the respective senior manager. The process on how to prepare performance plans is documented in the Performance Management System manual.

#### **5.10 Individual Scorecards (rest of staff)**

The introduction of individual performance is applicable to all staff including those appointed on a temporary basis.

The data obtained from Directorate scorecards (detailed SDBIP), will provide the user with the respective Individual performance contracts for managers reporting to the S57 managers.

Performance Plans are agreed with each employee as part of his/her career development plan and should include the following:

- Qualifications – a record of formal and informal training and experience;
- Job functions – key focus areas for the year;
- Career goals - long term and intermediate career goals;
- Key performance indicators linked to the SDBIP – KPI's in the SDBIP that are the responsibility of the respective manager and KPI's aligned to the job description of the manager.
- Managerial KPI's – the core managerial competencies that the manager will be evaluated on.
- A list of the core managerial competencies (CMC's) is provided for the evaluation of managerial skills.
- Weightings show the relative importance of input or output against another input

or output. Every input or output in the performance agreement must be assigned to a weighting. The weightings / ratings and the distribution of the ratings per level need to be determined by the management team in the beginning of each financial year and agreed with the employer or group of employers. (employee or group of employees)

- Development needs and learning plan.

### **5.11 Skills Development Plan**

The skills development plan needs to be compiled / updated with the information obtained from the performance agreements and the development plans. The human resources manager together with the respective line manager is responsible to facilitate the implementation of the skills development plan.

### **5.12 Informal and Formal performance reviews**

Monthly monitoring of the departmental SDBIP's take place and performance is discussed with relevant staff as and when required.

Although performance should be managed on a daily basis, performance reviews should be done by the respective supervisor quarterly of which two is formal and two informal. The objective review should be based on actual performance and performance evidence. The responsibility to maintain and present a portfolio of evidence file at the performance assessment is with the subordinate. The supervisor and employee needs to prepare for the review and discuss the performance during a focused performance meeting. The review should be documented on the performance system as set out in the Performance Management System manual. Feedback should be provided during the review on the employee's ability to render the allocated tasks including measures to improve on set targets

The formal reviews should be completed by end January for the period July to December and July for the period January to June.

**Please note** that performance and growth is the responsibility of each individual employee and employees should ensure that his / her performance plan is executed. Performance measurement is an ongoing process and should not only be addressed during the formal reviewing sessions.

Performance should be moderated per department per task level / group level after the performance evaluation of all staff has been finalised. The moderation should be conducted in terms of the performance management manual to ensure objectivity and fairness.

Unacceptable performance needs to be addressed and action plans to improve the performance must be prepared and agreed with the employee who did not perform. The performance against the action plans must be reviewed on a monthly basis.

## **5.13 Appeals Process**

### **5.13.1 Section 56/57-Employees**

The Appeals process as prescribed in R805 of August 2006 and as agreed in the employment and performance contracts of the Section 56/57-Managers will be applicable in instances where they are not in agreement with their final performance evaluations.

### **5.13.2 Employees reporting to the Directors and the Municipal Manager**

Should employees not agree with the contents of their performance agreement after the performance discussions or with the final scores that are allocated to them, they may elect to follow the municipality's normal grievance procedures for the resolution by the Municipal Manager.

### **5.13.3 Reward and Recognition**

The performance scores will be finalised during the moderation where after it must be approved by the moderation committee (fish-bowl). These scores will be used to recognised excellent performance in terms of the Council's reward and recognition policy (Currently in draft format).

## **5.14 Service Providers**

A municipal service can be provided by the Municipality by entering into a Service Delivery Agreement in terms of Section 76(b) of the Municipal System Act with an external service provider. The Municipality is responsible for monitoring and assessing the implementation of the agreement, including the performance of the service provider in accordance with section 41 of the Municipal Systems Act.

This section sets out the guidelines on the monitoring and reporting on the performance of service providers in terms of Chapter 8 of the Municipal Systems Act and Section 116 of the Municipal Finance Management Act.



External Service providers will be evaluated on the following criteria by the service departments on a monthly basis:

<b>Performance rating</b>	<b>Objective Measures to Assess Service Provider Performance</b>
<b>3</b>	<ul style="list-style-type: none"> <li>- Quality of Service delivery as agreed; Deviations are managed as mutually agreed:</li> <li>- Compliance to most undertakings, duties and obligations and requirements as set out in the Main Agreement and Annexures;</li> <li>- Progress with all projects and new service requests are on target;</li> <li>- All Service failure events during month resolved within agreed time frames and preventative measures are proposed by Service Provider.</li> </ul>
<b>2</b>	<ul style="list-style-type: none"> <li>- Quality of Service delivery not in full compliance with Agreement; Requires more management and focus from Service Provider:</li> <li>- Progress with projects and new service requests are on not on target;</li> <li>- Service failure events are not resolved in agreed time frames and preventative measures for implementation are not proposed by Service Provider.</li> </ul>
<b>1</b>	<ul style="list-style-type: none"> <li>- Quality of Service delivery totally unacceptable; Consider termination of Agreement and all Services.</li> <li>- Non-compliances, progress with projects and new service requests and service failure events worse than for rating 2;</li> <li>- Commitment from Service Provider to resolve outstanding issues is lacking;</li> <li>- Skills and resources to deliver a quality service are inadequate;</li> <li>- Participation in contract governance, service management and effective communication is lacking or inadequate.</li> </ul>

#### **5.14.1 Notification of Service Providers upon Appointment**

All service providers must be informed of:

- The assessment and reporting of the service provider's performance;
- setting of performance criteria in terms of the tender, the required deliverables and service level agreement;
- the exchange of information on service provider performance reports between government units/departments.

#### **5.14.2 Evaluating the Performance of Service Providers**

Thresholds (size and types of service provider contracts in line that need to comply with the requirements of the SCM policy should be allowed to. The thresholds that need to be reviewed include:

- Contracts larger than R200 000; and
- Contracts where the service providers is required to deliver a service (not goods and products).

Contracts must be signed by service providers must sign a service level agreement indicating the services to be delivered,

- to be delivered;
- the timeframes and
- the evaluation methodology.

The service provider's performance must be assessed in the context of the project as a whole. The respective roles and obligations of the Municipality and service provider under the contract must be taken into account.

Persons preparing or reviewing the performance of a service provider must consider whether satisfactory progress or completion of a project has been affected by any matters which are:

- Outside the service provider's control; or
- The result of some action by the Municipality.

The service provider's performance must therefore be evaluated against set performance criteria, after taking into account matters beyond the service provider's control

### 5.14.3 Prescribed Procedures to Evaluate Service Providers

The following procedures need to be followed:

- The requirements of this policy must be included in the contract of the service provider.
- The performance of the service providers under the contract or service level agreement contracts to be included in a clause must be assessed monthly by the Reporting Officer.
- The assessment must be filed in the contract file or captured onto the database
- The Reporting Officer must complete the Service Provider Assessment Form on the database at the end of each month and on completion or termination of the contract.
- The quarterly assessment must be completed within 15 working days after the end of each quarter.
- The Reporting Officer must provide a copy of the assessment to the Service Provider at the end of each quarterly assessment period and on completion or termination of the contract.
- Supply Chain Management Unit will review the quarterly Service Provider assessments within 20 days after the end of each quarter and submit a summary report to Council.
- The Accounting Officer need to develop the necessary forms and report structures to be utilised to manage the above processes. The forms and reporting requirements need to be reviewed on a regular basis.
- In the instance of under-performance:
  - The Municipality will facilitate support interventions to service providers in the identified areas of underperformance.
  - Service providers who have been identified as under-performing in identified areas must be informed of these support interventions.
  - The impact of support interventions must be monitored by the Reporting Officer.
  - The records of the support interventions must be documented, signed by both parties and appropriately filed.

### 5.15 Evaluation and Improvement of the Performance Management System

The Municipal Systems Act requires the municipality to annually evaluate its performance management system. It is proposed that after the full cycle of the annual review is complete; the Municipal Manager will initiate an evaluation report annually, taking into account the input provided by directorates and departments. This report will then be discussed by the Management Team and finally submitted to the Council for discussion and approval. The

evaluation should assess:

- The adherence of the performance management system to the Municipal Systems Act.
- The fulfilment of the objectives for a performance management system.
- The adherence of the performance management system to the objectives and principles.
- Opportunities for improvement and a proposed action plan.

While good and excellent performance must also be constantly improved to meet the needs of citizens and improve their quality of life, it is poor performance in particular that needs to be improved as a priority. In order to do this, it is important that the causal and contributing reasons for poor performance are analysed. Poor performance may arise out of one or more of the following:

- Poor systems and processes;
- Inappropriate structures;
- Lack of skills and capacity;
- Inappropriate organisational culture; and
- Absence of appropriate strategy.

To improve performance, the appropriate response strategy should be chosen:

- Restructuring is a possible solution for an inappropriate structure;
- Process and system improvement will remedy poor systems and processes;
- Training and sourcing additional capacity can be useful where skills and capacity are lacking;
- Change management and education programmes can address organisational culture issues;
- The revision of strategy by key decision-makers can address shortcomings in this regard; and
- Consideration of alternative service delivery strategies should be explored.

Performance analysis is a requirement in order to identify poor performance. The Municipal Manager will implement the appropriate response strategy to improve performance.

## **5 Governance**

The governance structure was established to offer credibility to the overall performance processes. The audit of performance information and system should comply with section 166 of the Municipal Finance Management Act and Regulation 14 of the Municipal Planning and Performance Management Regulations (2001).

## **5.1 Governance Framework for the Performance Management system**

The Ignite PMS system is web-based and used for administering the SDBIP which is available on the internet on a 24 hour/7 days a week/356 days a year interval. The maintenance are done on a weekly basis from 14:00 – 18:00 on a Sunday.

### **5.1.1 New User Access**

- The user receives an e-mail with final login details and immediately need to change the password in terms of the password rules.
- New users complete registration form which is approved by the immediate manager, approved form is submitted to Ignite for registration.
- If the new user does not login within 7 days. The system lock automatically.
- Municipal procedures to complete the standard form and obtain approval from the MM or formally delegated authority. This should include testing of modules and levels of access required.
- The form is then submitted to local administrator.
- The local administrator will verify the completeness of the form and authorisation by the delegated authority (Directors/MM)
- Verification of user if user was not registered previously. If this is the case, local administrator will confirm whether the user status and/or password should be reset and act accordingly.
- Once the user is registered, the user will receive a welcome e-mail with the username, password and required link to access Ignite Assist.
- The user will at the 1<sup>st</sup> login be forced to change the password for security reasons. The user is responsible to safeguard their access details.
- Users are not allowed to share user accounts and passwords with any staff.
- An audit log of the transactions is maintained by the PMS system

### **5.1.2 Terminations**

- Human Resources will provide a list of terminations on a monthly basis.
- The local administrator of the PMS system will be required to sign on the termination route form of the Human resources department to effect of the termination of the user account by month end.

### **5.1.3 Segregation of Duties**

- Segregation of duties is maintained on the Ignite PMS system. The system administrators can only create users with approved forms by the relevant director or municipal manager.

- The local administrator will create users under normal circumstances.
- In the absence of the local administrator, user creation rights will be transferred to the website host, Ignite Consulting.

#### 5.1.4 Procedure to Reset Passwords

Passwords can be reset in two ways.

- Users can setup the password reset by themselves on the system;
- Users can request a password reset from the local administrator by using the following process:
  - Requests are done only via email request.
  - No verbal requests **are** allowed.
  - New password are selected by local administrator which are controlled by automated server settings.
    - Passwords may not be repeated within 12 month cycle.
    - Password length must be a minimum of 8 digits.
    - Must contain one Capital letter; one lower case; one special character.
    - The source of reset requests must be indicated on PMS system.
    - User identity are validated against email only.
    - User will be unlocked if required
    - Notification of reset will be confirmed via email will be effected
    - Force password change will be selected upon discretion of administrator

#### 5.1.5 Monitoring of Users Access

- A monthly report is submitted to the Municipal Manager to take cognisance of progress made with the achievement of key performance indicators, development priorities and objectives as determined in the Departmental Service Delivery and Budget Implementation Plan (SDBIP) to report on the progress made on non-financial organisational performance.
- The following is appended to the Monthly report:
- A copy of the Departmental Service Delivery and Budget Implementation Plan (SDBIP) Report as **APPENDIX 1**.
- User details report **APPENDIX 2**;
- Module Licence report as **APPENDIX 3**

- User details log report as **APPENDIX 4**;
- Access attempt log report as **APPENDIX 5**;
- Super user activity report as **APPENDIX 6**;
- User activity log as **APPENDIX 7**;
- Password status report as **APPENDIX 8**;
- Password activity log report as **APPENDIX 9**;
- System backup report as **APPENDIX 10**;
- System backup test report as **APPENDIX 11**;
- System maintenance log report as **APPENDIX 12**;
- System updates log as **APPENDIX 13**; and
- System uptime/outage report as **APPENDIX 14**
- Further monitoring takes place by using the termination process above. See Termination process

#### **5.1.6 Monitoring of System Controller Activities**

- Activity log provide the detail information which is in the possession of the service provider, Ignite;
- The users can change their password at any point in time;
- The local administrator is an employee of the Municipality. Ignite consultancy serves as secondary administrators for business continuity available only via email in the absence of the local administrator;
- The administrators are only reacting on written email instruction received from user and the Municipality;
- The service provider, Ignite provides a confirmation email if instruction has been executed.
- All the actions executed by the administrators are logged within the web based system and updated daily and backup weekly.
- In the event that a user forgets his/her password the user can send a request via email to the local administrator.
- Upon the change of the password by the system administrator and automated email is sent to the user within 5-10 minutes.
- Ignite will within 48 hours verify that the form is properly completed and was signed by the MM or formally delegated authority. Ignite will further verify that the user was not registered previously. If this is the case, Ignite will contact the administrator and confirm whether the user status and/or password should be reset and act accordingly.
- Once the user is registered, the user will receive a welcome e-mail with the

required link to access Ignite Assist;

- Users are advised to use the Google Chrome web browser due to its dynamic display properties;
- Internet Explorer's incorrect display properties is a risk for update;
- The user will at the 1<sup>st</sup> login be forced to change the password for security reasons. The user is then responsible to safeguard their access details.
- An audit log of the transactions is maintained by the system.

#### **5.1.7 Monitoring of Administrators**

- All Administrators are monitored by Ignite consultancy
- The administrators are only reacting on written email instruction received from Stellenbosch Municipality
- The service provider, Ignite provides a confirmation email if instruction has been executed.
- All the actions executed by the administrators are logged within the web based system and updated daily and backup weekly.
- Reports of administrators are included in the monthly reports under "Super user activity report as **APPENDIX 6**"

#### **5.1.8 Continuous quality control and co-ordination**

The Managers, Directors, Municipal Manager and IDP/PMS Department are required to co-ordinate and ensure good quality of performance reporting and reviews on an ongoing basis. It is their role to ensure conformity to reporting formats and verify the reliability of reported information, where possible.

The Municipal Manager must review overall performance monthly while the IDP manager should support him/her in verifying the performance data and prepare the performance reports.

### **5.2 Performance investigations**

The Executive Mayor or Performance Audit Committee should be able to commission in-depth performance investigations where there is either continued poor performance, a lack of reliability in the information being provided or on a random ad-hoc basis. Performance investigations should assess:

- The reliability of reported information;
- The extent of performance gaps from targets;
- The reasons for performance gaps; and
- Corrective action and improvement strategies

While the internal audit function may be used to conduct these investigations, it is preferable that external service providers, who are experts in the area to be audited, should be used. Clear terms of reference will need to be adopted by the Executive Mayor for such investigation.



### 5.3 Internal Audit

Section 165 of the MFMA requires that each municipality must have an internal audit unit however such function may be outsourced.

The municipality's internal audit function will need to be continuously involved in auditing the performance reports based on the organisational and directorate/departmental scorecards. As required by Regulation, they will be required to produce an audit report on a quarterly basis, to be submitted to the Municipal Manager and Performance Audit Committee.

The audit should include an assessment of the:

- functionality of the municipality's performance management system
- adherence of the system to the Municipal Systems Act; and
- extent to which performance measurements are reliable

### 5.4 Performance Audit Committee

The MFMA and the Municipal Planning and Performance Management Regulations require that the municipal council establish an audit committee consisting of a minimum of three members, where the majority of members are not employees of the municipality. No Councillor may be a member of an audit committee. Council shall also appoint a chairperson who is not an employee.

The Regulations give municipalities the option to establish a separate performance audit committee whereas the MFMA provides only for a single audit committee. The operation of this audit committee is governed by section 14 (2-3) of the regulations.

According to the regulations, the performance audit committee must:

- review the quarterly reports submitted to it by the internal audit unit.
- review the municipality's performance management system and make recommendations in this regard to the council of that municipality.
- assess whether the performance indicators are sufficient.
- at least twice during a financial year submit an audit report to the municipal council.

It is further proposed that the audit committee be tasked with assessing the reliability of information reported.

In order to fulfil their function a performance audit committee may, according to the MFMA and the regulations,

- communicate directly with the council, municipal manager or the internal and external auditors of the municipality concerned;
- access any municipal records containing information that is needed to perform its

duties or exercise its powers;

- request any relevant person to attend any of its meetings, and, if necessary, to provide information requested by the committee; and
- investigate any matter it deems necessary for the performance of its duties and the exercise of its powers.

## 6 Performance Reporting

Performance must be reported in terms of the MSA, MFMA and the regulations and circulars issued in terms of the aforementioned legislation. These reports include the reports listed below.

### 6.1 Monthly Reports

Monthly reporting of departmental KPI's is due on the 11<sup>th</sup> day of each calendar month for primary users irrespective if the due date falls on a weekend. Directors (secondary users) will have the opportunity to review the updates of the relevant directorate between the 11<sup>th</sup> and 13<sup>th</sup> of every month.

Monthly reports on the performance of the directorates/departments should be generated from the performance management system. Users are informed via automated email message on the first of the month that the Ignite system will be closing on the 11<sup>th</sup> calendar day at 23:59. It is the responsibility of every manager to log unto the Ignite system to verify the real time status of updated KPI's i.r.o. the actual, performance comment and corrective measurements and submitted to the municipal manager.

Actuals are to be updated in relation to the unit of measurement as follows:

Units	If the Unit of measurement is in	The Actual must also be in # unit
Number (#)	Number	Number
Percentage (%)	Percentage	Percentage
Rand (R)	Rand	Rand

Supporting proof of evidence should be uploaded to the system to substantiate performance against the key performance indicator.

### 6.2 Quarterly Reports

Quarterly reporting of departmental KPI's that is linked to Top Layer KPI's is due on the 8<sup>th</sup> day after the end of the quarter, irrespective if the due date falls on a weekend. Directors (secondary users) will have the opportunity to review the updates of the relevant directorate between the 8<sup>th</sup> and 10<sup>th</sup> day after the end of the quarter. Supporting proof of evidence should be uploaded to the system to substantiate performance against the key performance indicator.

Reports on the performance of the TL SDBIP should be generated from the system and submitted to Council. This report should also be published on the municipal website.

### 6.3 Mid-year Assessment

The performance of the first 6 months of the financial year should be assessed and reported on in terms of section 72 of the MFMA. This assessment must include the measurement of performance, the identification of corrective actions and recommendations for the adjustments of KPI's, if necessary. Supporting proof of evidence should be uploaded to the system to substantiate performance against the key performance indicator.

The format of the report must comply with the section 72 requirements. This report must be submitted to Council for approval before 25 January of each year and published on the municipal website afterwards.

#### **6.4 Annual Performance Report**

The annual performance report must be completed by the end of August and submitted with the financial statements. This report must be based on the performance reported in the SDBIP supported by the relevant proof of evidence. Reports should be generated from the system, reviewed and updated in the performance comments field for reporting purposes.

#### **6.5 Annual Report**

##### Performance reporting: 31 August - Annual Submission to the Auditor - General:

Section 126(1)(a) requires that the "The accounting officer of a municipality must prepare the annual financial statements of the municipality and, within two months after the end of the financial year to which those statements relate, submit the statements to the Auditor-General for auditing"

This is also applicable to the submission of draft Performance report confirming all the applicable Top Layer KPI's for the year indicating the:

- Actuals as at 30 June;
- under review including the actual status of the KPI's.

The annual report should be prepared and submitted as per MFMA Circular 11. The update of the Annual report commences on the 1<sup>st</sup> of July annually whereby service departments are required to submit narratives that address the highlights, challenges experienced during the previous financial year

##### Submission of the First Draft Annual Report to Council: Within 6 months after the end of the financial year

Section 121(1) states that every municipality and every municipal entity must for each financial year prepare an annual report in accordance with this Chapter. The council of a municipality must within nine months after the end of a financial year deal with the annual report of the municipality and of any municipal entity under the municipality's sole or shared control in accordance with section 129.

Section 46 (1) of the Local Government: Municipal Systems Act, 32 of 2000 requires that: A municipality must prepare for each financial year an annual report consisting of—

- “(a) *a performance report reflecting—*
  - (i) *the municipality's, and any service provider's, performance during that financial year, also in comparison with targets of and with performance in the previous financial year;*
  - (ii) *the development and service delivery priorities and the*

- performance targets set by the municipality for the following financial year; and*
- (iii) *measures that were or are to be taken to improve performance;*
- (b) *the financial statements for that financial year prepared in accordance with the standards of generally recognised accounting practice referred to in section 89 of the Public Finance Management Act, 1999 (Act No. 1 of 1999);*
- (c) *an audit report on the financial statements and the report on the audit performed in terms of section 45(b); and*
- (d) *any other reporting requirements in terms of other applicable legislation. A municipality must table its annual report within one month of receiving the audit report referred to in subsection (1)(c)."*

**Submission of the Final Draft Annual Report to Council: Within 9 months after the end of the financial year**

Section 129. (l) of the Municipal Finance Management Act (MFMA), (Act No 56 of 2003) states that *"The council of a municipality must consider the annual report of the municipality and of any municipal entity under the municipality's sole or shared control and by no later than two months from the date on which the annual report was tabled in the council in terms of section 127, adopt an oversight report containing the council's comments on the annual report, which must include a statement whether the council-*

- (a) *has approved the annual report with or without reservations;*
- (b) *has rejected the annual report; or*
- (c) *has referred the annual report back for revision of those components that can be revised."*

## 7 Legislative Reporting Requirements

The legislative requirements regarding reporting processes are summarised in the following table:

<b>Time frame</b>	<b>MSA/ MFMA Reporting on PMS</b>	<b>Section</b>
<b>Quarterly reporting</b>	<p>The municipal manager collates the information and draft the organisational performance report, which is submitted to Internal Audit.</p> <p>The Internal Auditors (IA) must submit quarterly audited reports to the Municipal Manager and to the Performance Audit Committee</p> <p>The Municipal Manager submits the reports to the Council.</p>	MSA Regulation 14(1)(c)
<b>Bi-annual reporting</b>	<p>The Performance Audit Committee must review the PMS and make recommendations to council</p> <p>The Performance Audit Committee must submit a report at least twice during the year a report to Council</p> <p>The Municipality must report to Council at least</p>	<p>MSA Regulation 14(4)(a)</p> <p>MSA Regulation 14(4)(a)</p>

Time frame	MSA/ MFMA Reporting on PMS	Section
	<p>twice a year</p> <p>The Accounting officer must by 25 January of each year assess the performance of the municipality and submit a report to the Mayor, National Treasury and the relevant Provincial Treasury.</p>	<p>MSA Regulation 13(2)(a)</p> <p>MFMA S72</p>
<b>Annual reporting</b>	<p>The annual report of a municipality must include the annual performance report and any recommendations of the municipality's audit committee</p> <p>The accounting officer of a municipality must submit the performance report to the Auditor-General for auditing within two months after the end of the financial year to which that report relate</p> <p>The Auditor-General must audit the performance report and submit the report to the accounting officer within three months of receipt of the performance report</p> <p>The Mayor of a municipality must, within seven months after the end of a financial year, table in the municipal council the annual report of the municipality</p>	<p>MFMA S121 (3)(c)(j) &amp; MSA S46</p> <p>MFMA S126 1(a)</p> <p>MFMA S126 (3)(a)(b)</p> <p>MFMA S127(2)</p>
	<p>The Auditor-General may submit the performance report and audit report of a municipality directly to the municipal council, the National Treasury, the relevant provincial treasury, the MEC responsible for local government in the province and any prescribed organ of the state</p>	<p>MFMA S127 (4)(a)</p>
	<p>Immediately after an annual report is tabled in the council, the accounting officer of the municipality must submit the annual report to the Auditor- General, the relevant provincial treasury and the provincial department responsible for local government in the province.</p>	<p>MFMA S127 (5)(b)</p> <p>MFMA S129 (1)</p>
	<p>The council of the municipality must consider the annual report by no later than two months from the date on which the annual report was tabled, adopt an oversight report containing council's comments on the annual report</p> <p>The meetings of a municipal council at which an annual report is to be discussed or at which decisions concerning an annual report are to be</p>	<p>MFMA S130 (1)</p>

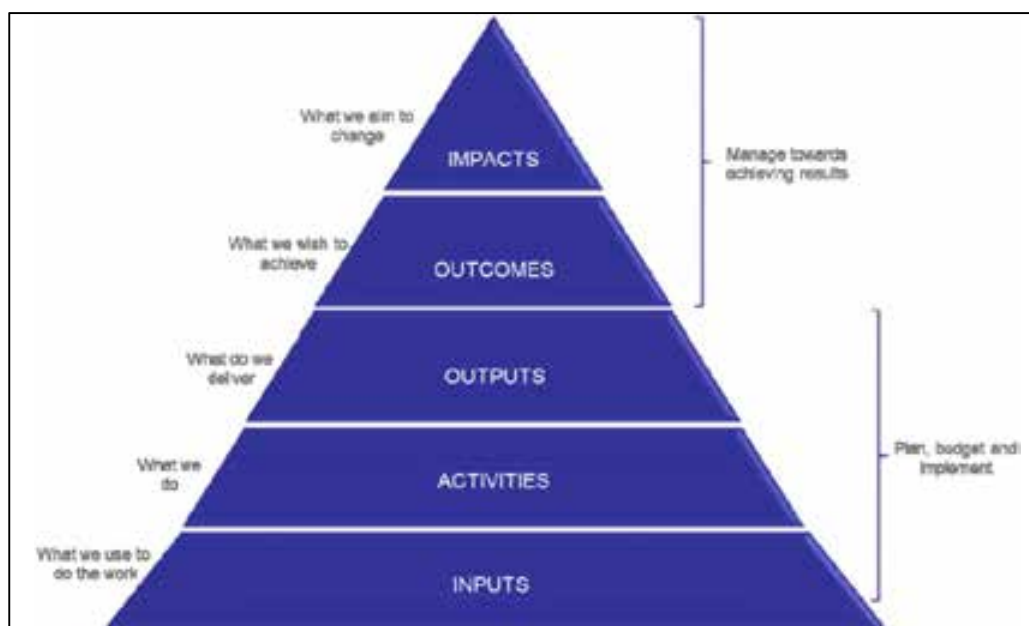
Time frame	MSA/ MFMA Reporting on PMS	Section
	<p>taken, must be open to the public and any organ of the state</p> <p>The Cabinet member responsible for local government must annually report to Parliament on actions taken by the MECs for local government to address issues raised by the Auditor-General</p>	MFMA S134
<b>Contracts and contract Management</b>	<p>(1)A contract or agreement procured through the supply chain management system of a municipality or municipal entity must-</p> <ul style="list-style-type: none"> <li>(a)be in writing;</li> <li>(b)stipulate the terms and conditions of the contract or agreement, which must include provisions providing for- <ul style="list-style-type: none"> <li>(i)the termination of the contract or agreement in the case of non- or underperformance;</li> <li>(ii)dispute resolution mechanisms to settle disputes between the parties;</li> <li>(iii)a periodic review of the contract or agreement once every three years in the case of a contract or agreement for longer than three years; and</li> <li>(iv) any other matters that may be prescribed.</li> </ul> </li> </ul> <p>(2)The accounting officer of a municipality or municipal entity must-</p> <ul style="list-style-type: none"> <li>(a)take all reasonable steps to ensure that a contract or agreement procured through the supply chain management policy of the municipality or municipal entity is properly enforced;</li> <li>(b)monitor on a monthly basis the performance of the contractor under the contract or agreement;</li> <li>(c)establish capacity in the administration of the municipality or municipal entity- <ul style="list-style-type: none"> <li>(i)to assist the accounting officer in carrying out the duties set out in paragraphs (a) and (b); and</li> <li>(ii)to oversee the day-to-day management of the contract or agreement; and</li> </ul> </li> <li>(d) regularly report to the council of the municipality or the board of directors of the entity, as may be appropriate, on the management of the contract or agreement and the performance of the contractor.</li> </ul> <p>(3)A contract or agreement procured through the supply chain management policy of the municipality</p>	MFMA 116

Time frame	MSA/ MFMA Reporting on PMS	Section
	<p>or municipal entity may be amended by the parties, but only after-</p> <p>(a)the reasons for the proposed amendment have been tabled in the council of the municipality or, in the case of a municipal entity, in the council of its parent municipality; and</p> <p>(b)the local community-</p> <p>(i)has been given reasonable notice of the intention to amend the contract or agreement; and</p> <p>(ii)has been invited to submit representations to the municipality or municipal entity.</p>	

## 8 Design of Key Performance Indicators and Targets

### 8.1 Setting Indicators

In setting indicators it is important that one understands the key performance concepts) and the relationship between the core performance information concepts illustrated below.



The following aspects must also be considered:

- The key priorities and objectives of the Municipality set in the IDP, which have been determined during the public participation process at ward committees.
- The scope of sector plans to be evaluated to reach the key priorities and objectives of the Municipality during the next financial year
- The activities and processes identified in the IDP for achieving the developmental objectives as well as the earmarked resources.

- Baseline and performance standard information for each indicator.
- The risks identified during the risk review of the municipality that needs to be addressed with specific actions.
- The indicators listed in the Municipal Turnaround Strategy (MTAS).
- Compliance and reporting requirements in terms of legislation.
- Core departmental activities that need to be measured to improve municipal effectiveness and efficiency
- The alignment of departmental activities and capital projects identified in the IDP with the budget.
- Whether measurement tools (system and data) to measure the performance of the indicators are available or can be developed.
- In the event that measurement tools do not exist, then it is advisable that a KPI be set which would measure the design and implementation of such a system. Once the measurement tool has been implemented, then the KPI measuring the output from the tool can then be included in the scorecard.
- The cost involved in setting up measurement tools needs to be considered.
- The time frame for the implementation of measurement tools is also important.
- It is important that the responsibility for the KPI needs to be allocated to the appropriate person who will be required to measure the output/outcome on the KPI"s.
- The timeframes for measuring and reporting actual performance against target set.

The following steps should be followed to develop a performance indicator:

- Identify the strategic objectives defined in the IDP and the key activities in the department that need to be measured.
- Agree on what you are aiming to achieve by considering the end result (outcome / impact) of each strategic objective and define the critical processes to achieve each of the strategic objectives.
- Specify the outputs, activities and inputs in order to achieve the outcomes and impacts.
- In the instance where performance indicators for individuals needs to be developed you also need to consider key job requirements (job description).
- For each activity, confirm that it will assist in achieving the objectives and determine what the proof of evidence will be that the activity has been delivered.
- Determine what resources you will require to be able to deliver the activity and confirm availability for such resources, e.g. you cannot establish a play park



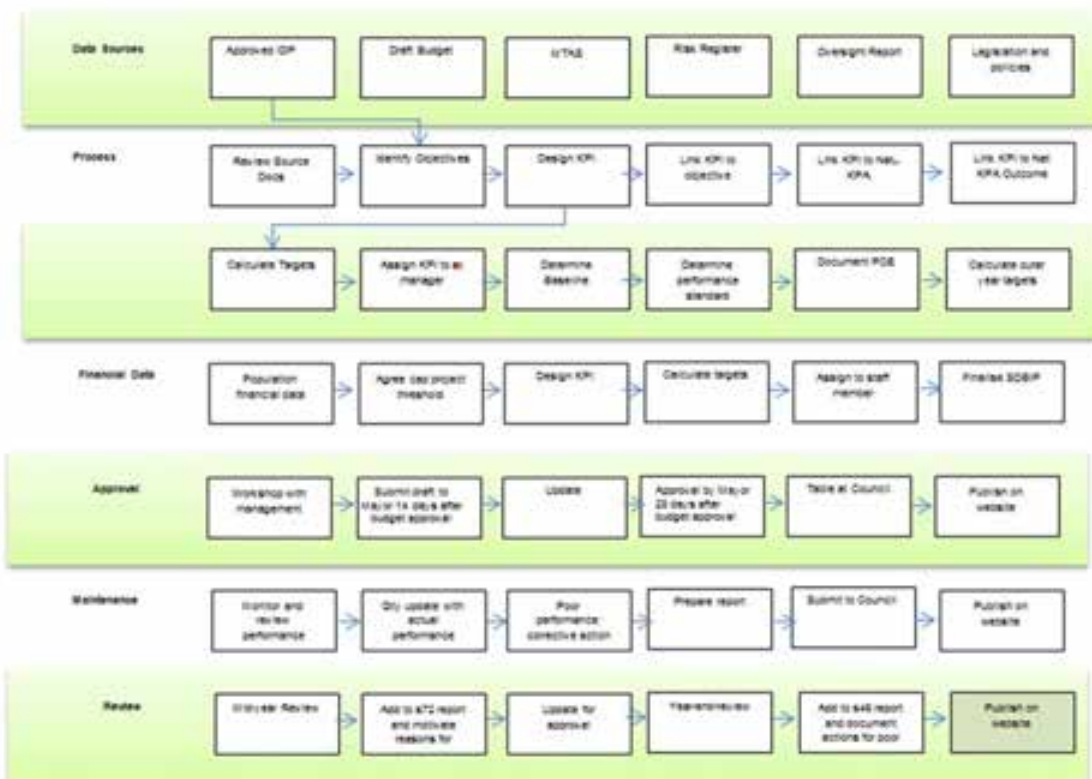
without the necessary financial resources.

- Determine the timeframes by when the activities need to be achieved.
- Decide which department and individual will take responsibility for the activities.
- Draft the KPI by explaining what will be done, how it will be done and what will be achieved.
- Link it to timeframes indicating by when the activity should be delivered as well as to the National KPA's, National Outcomes and the objective to be achieved.
- Formulate how the activity will be measured and what the proof will be that the activity has been delivered (how will the activity be measured).
- Add the baseline for the indicator (the level where we are before we start with the work).
- Determine and add the performance standard for the target (minimum or ideal level of performance).
- Allocate responsibility for delivering the activity to a department and individual (who will be responsible for delivery and reporting on the target).
- Set the targets to be achieved per month / quarter in order to deliver the indicator (targets should as far as possible comply with the SMART principle).
- Agree the finally formulated indicator with the respective department / manager / staff member.

## **8.1 Performance Process Maps**

The following process maps summarise the key operational and individual performance processes. These process maps should be read with the sections dealing with these performance processes

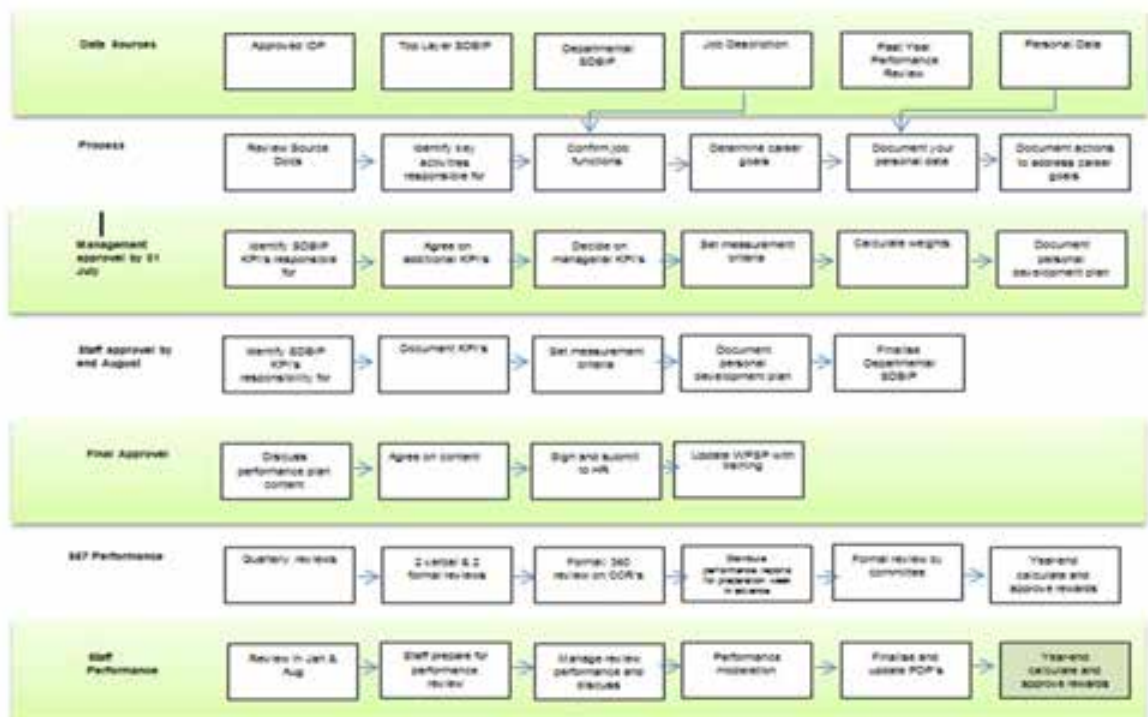
### **8.1.1 Top Layer SDBIP**



### 8.1.2 Departmental SDBIP



### 8.1.3 Individual Performance



## 8.2 Role and Responsibilities of Stakeholders

The following table sets out a summary of the roles and responsibilities of the various stakeholders in the PMS within each of the management components:

STAKEHOLDERS	INVOLVEMENT	BENEFITS
	ADMINISTRATIVE OVERSIGHT	
<b>Executive Mayor</b>	<ul style="list-style-type: none"> <li>Facilitate the development of a long term Vision regarding IDP and PMS</li> <li>Mayor is responsible for the performance and need to approve the SDBIP and submit the annual performance report to Council</li> <li>Approval of municipal manager performance plan and evaluate and report on municipal performance</li> </ul>	Optimum and equitable service delivery.
<b>Mayoral Committee</b>	<ul style="list-style-type: none"> <li>Support to the Executive Mayor</li> <li>Provide strategic awareness and manage the development of the IDP and PMS.</li> </ul>	Promotes public awareness and satisfaction.

STAKEHOLDERS	INVOLVEMENT	BENEFITS
	ADMINISTRATIVE OVERSIGHT	
<b>Portfolio Councillor</b>	<ul style="list-style-type: none"> <li>Monitor the implementation of the strategy</li> <li>Review and monitor the implementation of the IDP and the PMS</li> <li>Evaluate performance of senior management, where applicable</li> </ul>	Facilitates the process of benchmarking and collaboration with other municipalities.

<b>Council</b>	<ul style="list-style-type: none"> <li>• Adopt the PMS policy and approve the IDP</li> <li>• Approve performance rewards</li> <li>• Oversight role to ensure that performance management processes are monitored</li> </ul>	Provides a mechanism for the implementation and review of PMS and IDP achievement.
----------------	---	--

STAKEHOLDERS	INVOLVEMENT	BENEFITS
	IMPLEMENTERS	
<b>Municipal Manager</b>	<ul style="list-style-type: none"> <li>• Ensure the implementation of the IDP and the PMS.</li> <li>• Communicate with the Executive Mayor and Senior Management Team.</li> </ul>	Clarifies goals, targets and work expectations of the executive management team, other senior managers, line managers and individual
<b>Senior Management Team</b>	<ul style="list-style-type: none"> <li>• Manage Departmental and individual performance</li> <li>• Review and report on performance</li> </ul>	Facilitates the identification of training and development needs at different levels in the municipality.
<b>All Other Managers</b>	<ul style="list-style-type: none"> <li>• Implement the departmental business / operational plans and monitor the Individual Performance Plans.</li> </ul>	Provides an objective basis upon which to reward good performance and correcting under performance.
<b>Individual Employees</b>	<ul style="list-style-type: none"> <li>• Execute individual performance plans.</li> </ul>	Mechanism for early warning indicators to check and ensure compliance.
<b>Reporting Officer (for service provider evaluations)</b>	<ul style="list-style-type: none"> <li>• Line Departments</li> <li>• Monitor and assess work done or service provided as per the service delivery agreement or contract</li> <li>• Report on the performance of the service provider</li> </ul>	Ensure quality and effective performance of service providers.

STAKEHOLDERS	INVOLVEMENT	BENEFITS
	IMPLEMENTERS	
<b>Supply Chain Management</b>	<ul style="list-style-type: none"> <li>• Manage the performance monitoring process of service providers.</li> <li>• Report on contract management and service provider performance to Council quarterly.</li> <li>• Report to Council annually on the performance of service providers.</li> <li>• Investigate and report on the impact of the interventions.</li> </ul>	<p>Enhances service delivery and performance.</p> <p>Addresses weak performance timeously.</p> <p>Effective reporting.</p>
<b>Internal Audit</b>	<ul style="list-style-type: none"> <li>• Assess the functionality, integrity, effectiveness and legal compliance with the PMS.</li> </ul>	<ul style="list-style-type: none"> <li>• Enhances the credibility of the PMS and the IDP enhances the status and role of Internal Audit.</li> </ul>

STAKEHOLDERS	INVOLVEMENT	BENEFITS
	OVERSIGHT	
<b>Representative Forums / Ward Committees</b>	<ul style="list-style-type: none"> <li>• Inform the identification of community priorities.</li> <li>• Public involvement in service delivery of the municipality.</li> </ul>	Provide a platform for the public / communities to inform and communicate with Council.
<b>Auditor-General</b>	Audit legal compliance and performance processes	Provides warning signals of under- performance which can provide pro- active and timely interventions.
<b>Performance Audit Committee</b>	Independent oversight on legal compliance.	Provides warning signals of under- performance.
<b>MPAC/Oversight Committee</b>	Review Annual Report and suggest corrective action to address shortfalls	Improved performance

## 9 Policy Review

This policy will be reviewed as and when required.

## **10 Conclusion**

This policy describes how the municipality's performance process, for the organisation as a whole will be conducted, organised and managed.

It is important to note that a Performance Management Policy is dynamic and will change and develop over time to reflect the unique features of the municipality. The municipality environment is no exception to this phenomenon and this policy lends itself to improvement and positive changes with even more focused alignment to the municipality's strategic objectives and performance levels.

<b>8.</b>	<b>CONSIDERATION OF ITEMS, REPORTS, COMMUNICATIONS, PETITIONS AND APPLICATIONS SUBMITTED VIA THE OFFICE OF THE MUNICIPAL MANAGER</b>
-----------	--

<b>8.1</b>	<b>MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC): [CLLR WF PIETERSEN]</b>
------------	--

<b>8.1.1</b>	<b>RATIFICATION OF THE PAYMENT FOR EMERGENCY SERVICES REFRESHMENTS IN EXCESS OF APPROVED MEAL VALUE</b>
--------------	---

Collaborator No:

IDP KPA Ref No:

Meeting Date:

Good Governance

15 May 2018

**1. SUBJECT: RATIFICATION OF THE PAYMENT FOR EMERGENCY SERVICES REFRESHMENTS IN EXCESS OF APPROVED MEAL VALUE**

**2. PURPOSE**

To provide the necessary information and background with regard to the procurement of emergency meals in terms of Supply Chain Management Policy, 4.36.1(b) to ratify minor breaches of the procurement processes for the payment of emergency services refreshments exceeding the allowed meal value per person and to request the Committee to recommend to Council for approval.

**3. DELEGATED AUTHORITY**

Council.

**4. EXECUTIVE SUMMARY**

Stellenbosch Municipality has an Emergency Services Refreshment Directive which applies to all employees who in their official duties are compelled to render an emergency service. The policy's General Guidelines stipulate when food can be bought and to which value per person per meal may be spent.

Authorised Water Services personnel order the food at National Fisheries after confirmation with the Senior Standby Foreman who will verify the emergency meal. The subsequent claim form reflects the date, time, and nature of emergency services rendered, time when meals were purchased, time/jobsheet and number of employees. These claim forms are authorised by the Superintendent, Manager, Senior Manager and the Director.

Staff always buy a typical meal, a roll and a soft drink. The quantity of these items and the staff on duty are meticulously monitored not to exceed the amount of meals.

During authorisation of the claim forms in November 2017, it was noticed that the amount per person was exceeding the R60 per person due to the increase in price of all items. This resulted in an "unauthorised" amount of R1 346.00 (Vat Inclusive) being spent for the month of November 2017. It must be noted that a minimum of five Water Services teams perform standby duties on a daily basis.



**5. RECOMMENDATIONS****MPAC MEETING: 2018-05-15: ITEM 5.1****RESOLVED****That it be recommended to Council:**

- (a) that Council takes note of the circumstances as provided in the report, approves the ratification of the expenditure to the amount of R1346.00 (including VAT); and
- (b) that Council certifies the expenditure as irrecoverable and that it be written off in terms of the MFMA Section 32 (2)(a)(ii).

**6. DISCUSSION****6.1 Background**

The Emergency Services Refreshment Directive which applies to all employees who in their official duties are compelled to render an emergency service. The policy's General Guidelines stipulate when food can be bought and to which value per person per meal may be spent. It further stipulates that the amount to be spent may be reviewed annually.

The previous request for revision of the then R40.00 per person per meal was increased to R60.00 and authorised by the Municipal Manager on 21/10/15. The next request for revision only came after the November 2017 report of unauthorized expenditure and on the 27<sup>th</sup> of November 2017 the Municipal Manager authorized an increase to R90.00 (inclusive of VAT) per person per meal. It was also requested that the value need to be reassessed on the 1<sup>st</sup> of July of each year.

**6.2 Financial Implications**

The cost for emergency meals will be funded from Unique Key 20170608982118.

**6.3 Legal Implications**

The recommendations in this report comply with Council's policies and all applicable legislation.

Supply Chain Management Policy, 4.36.1(b)

Supply Chain Regulation 36(1)

MFMA Section 32(2)

**6.4 Risk Implications**

Stellenbosch Municipality has been serviced by National Fisheries for a long period of time. Currently the supplier is one of few suppliers that are willing to provide us with emergency meals on account.

**6.5 Comments from Senior Management****6.5.1 Municipal Manager**

Due processes have now been put in place to allow for more realistic market related meal values. The request (Memo dated 22 November 2017) to revise the tariff and increase from R60.00 (inclusive of VAT) to R90.00 (inclusive of VAT) was approved.

**ANNEXURES****Annexure 1: Memoranda regarding Emergency Services' meal value****FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Deon Louw
<b>POSITION</b>	<i>Director: Infrastructure Services</i>
<b>DIRECTORATE</b>	<i>Infrastructure Services</i>
<b>CONTACT NUMBERS</b>	021 808 8213
<b>E-MAIL ADDRESS</b>	<a href="mailto:Deon.louw@ Stellenbosch.gov.za">Deon.louw@ Stellenbosch.gov.za</a>
<b>REPORT DATE</b>	2018/03/13



# MEMO

**DIRECTORATE: ENGINEERING SERVICES  
DIREKTORAAT: INGENIEURSDIENSTE**

**To • Aan: BESTUURDER: WATERDIENSTE**

**From • Van: WNDE DIREKTEUR: INGENIEURSDIENSTE**

**Datum • Date: 15 OKTOBER 2015**

**Our Ref • Ons Verw:**

**Re • Insake: NOOD ETES - WATERDIENSTE**

'n Afskrif van faktuur no 51 ten bedrae van R308.90 vir nood etes wat aangekoop is by Nacional Fisheries op 16 September 2015 (aangeheg), verwys.

Dit is opgemerk dat maaltye vir 5 personeellede aangekoop is terwyl daar aangedui word dat slegs 4 personeellede na-ure diens verrig het. Die gemiddelde koste per ete beloop R61.78 per persoon wat die toelaatbare perk van R40.00 per persoon oorskry en dus teenstryding is met die beleid.

U word versoek om Toesighouers en personeel in u departement wat na-ure noodwerk verrig en derhalwe kwalifiseer vir nood etes bewus te maak van die huidige beleid (aangeheg) en ook die huidige nood ete beleid te eerbiedig.

'n Versoek is aan die Munisipale Bestuurder gerig om die huidige beleid te hersien en goed te keur.

Byvoorbaat dankie vir u samewerking.

**EJ Wentzel**  
**Waarnemende Direkteur: Ingenieursdienste**

Datum 16/10/15

→ Neem kennis vanjaar  
→ ESIAS: - verskeie asb dat dit  
elangegee word aan al jou mense  
vanjaar



**STELLENBOSCH**  
 STELLENBOSCH • PNIEL • FRANSCHHOEK  
 MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

**SIVIEL INGENIEURSDIENSTE**

*Maintenance*

AANVRA VAN ETE-TOELAE

Aard van werk: *Skoenmaak van hoofwinkel mangat (Uthand en opruiming)*

Ligging: *Bankhoek*

Taak no: .....

Pos no: .....

Datum: *16.7.15*

Periode gewerk; .....

Personeel betrokke:

1. *S. DORHO - 851114*
2. *S. PEKEUR - 809501*
3. *W. SIBIRNE - 850467*
4. ....
5. ....
6. ....

Aankope gedoen: *J. ADRIANS - 701310*

Bedrag: *R.*

Goedgekeur: .....

Datum: .....

Goedgekeur (Seksiehoof) : .....

Datum: .....

Goedgekeur (Superintendent)

Datum: *9-10-15*

# ORDER / BESTELLING

**NACIONAL FISHERIES**

Simonsrust Centre  
A/C Helshoogte & Cluver Rd  
Stellenbosch, 7600  
Tel: 021-882-9909

Date / Datum: **16-9-2015**

No. 62

Municipality

To pay

PLEASE SUPPLY the unaccompanied Goods per

VERSKAF ASB. Onvergeenre goedere per

to be accompanied by Invoice or Delivery Note bearing above Order No. as well as accompanied by Invoice or Delivery Note bearing above Order No. as well as accompanied by Invoice or Delivery Note bearing above Order No.

Item / Item

Unit Price / Eenheidsprys

2X STEAK + EGG Crottsby's	R 104.00
2X STEAK PARCELS	R 92.00
1X SMOET PARCELS	R 46.00
6X EELS	R 114.00
5X DRINKS	R 52.50
MAINTENANCE DEPLACEMENT	
08445 & 89449	
<b>Total</b>	<b>R 3508.90</b>

Signature: *[Handwritten Signature]*

Signed / Geteken

\* Unit Price includes / Eenheidsprys sluit in: V.A.T. Dinsie which is not applicable / Omslagings B.T.W. Inligting: Inligting: Skat is nie van toepassing nie

EKWISISIE VIR VOORRADE:

*Naas Fisheries*

Bestelnommer Nr.:

Departement: *Sub Network*

Gereedskap Reg.:

337952

Kode Nr.:	GOEDERE	Hoeveelheid	Tarief	Waarde	Pos Nr. en Beskrywing
	<i>Emergency Work</i> <i>Sub: 62</i>	<i>4</i>		<i>308.90</i>	
/					
					<i>116600   14.31</i>
					<i>Rooiwaterprys</i>
				<i>308.90</i>	<i>Boonhaling</i>
<i>J. Adonis</i>	<i>23-9-15</i>	<i>[Signature]</i>			
Aangetreë deur	Datum	Goedgekeur deur	Ontvang deur	Datum	

\*\*\*\*\*  
 \* N A C I O N A L F I S H E R I  
 \* S I M O N S R U S T C E N T R E  
 \* S T E L L E N B O S C H  
 \* T E L E P H O N E N O . 0 2 1 8 8 2 - 9 9 0 9  
 \*\*\*\*\*  
 - YOUR RECEIPT -  
 < 162 >  
 Cashier Manager  
 Till No 1 Slip No 62 19.37.16  
 ITEM DESCRIPTION QTY  
 HALF STEAK & EGG BAITSV 2  
 STEAK PARCEL RINGS 2  
 SMOET PARCEL MIDDLE CUT 1  
 MISC OPEN 8  
 MISC OPEN 5  
 VAT @ 14.00% on 309.50 7  
 SUBTOTAL: 27  
 TAX TOTAL: 3  
 ITEMS: 16 TOTAL DUE: 30  
 CASH TENDERED: 30  
 THANK YOU

## STELLENBOSCH MUNICIPALITY

### Revised Emergency Services Refreshments Directive

#### 1. Scope

This policy applies to all employees employed by Stellenbosch Municipality who by virtue of their official duties are compelled to render an emergency service.

#### 2. Objective

The Primary objective of this policy is to set guideline for the provision of refreshment for employees during the rendering of emergency service.

#### 3. General Guidelines

- 3.1 The emergency service should be unscheduled and rendered outside normal working hours;
- 3.2 No relieve personnel available
- 3.3 The duration of the emergency service is of such a nature that it is justified by the Director or delegate's discretion
- 3.4 Refreshments only be purchased during an emergency service rendered (after hours, week-ends and public holidays) excluding fire services.
- 3.5 If an emergency service was started before or during working hours, or on weekends and public holidays (i.e. repair of water pipe) and/or is only completed after-hours, the employee qualifies for refreshments on condition that the duration of the duty lasted for at least 4 hours continuously and took place during supper- (18h00-19h00), lunch(12h00-13h00), or breakfast periods(08h00-09h00);
- 3.6 The amount for the refreshments, which may be reviewed annually, may not exceed R 40.00 per person per meal,
- 3.7 The following information should be reflected on the claim form
  - Submitted with the invoice duly authorized by the Director or delegate
  - Date, time and nature of emergency services rendered (fire services-incident report number)
  - Time when meals were purchased
  - Time job completed / fire extinguished
  - Number of employees

4 Guidelines for Fire Services

- 4.1 Soft drinks/liquids may only be purchased after 2 hours work.
- 4.2 Meals only be purchased when the fire incident has been continuing through breakfast ( 08h00-09h00), lunch (12h00-13h00) or supper periods (18h00-19h00), and no relieve person were available, on condition that the fire incident has been in operation for at least 4 hours.

APPROVED

MUNICIPAL MANAGER  
I B R KENNED



# MEMO

**DIRECTORATE: ENGINEERING SERVICES**  
**DIREKTORAAT: INGENIEURSDIENSTE**

---

**To • Aan:** **MUNICIPAL MANAGER**

**From • Van:** **ACTING DIRECTOR: ENGINEERING SERVICES**

**Datum • Date:** **15 OCTOBER 2015**

**Our Ref • Ons Verw:**

**Re • Insake:** **REQUEST TO REVISE THE EMERGENCY SERVICES  
REFRESHMENT DIRECTIVE**

---

## PURPOSE

To request the Municipal Manager to revise the current Emergency Services Refreshment Directive (copy attached).

## BACKGROUND

The Directorate: Engineering Services' employees are attending to emergency work (burst pipes, electricity failures, sewer spillages, etc.) on a regular basis. The Emergency Services Refreshment Directive makes provision for employees to conditionally procure meals to the value of R40.00 per person.

It is evident from the invoices that R40.00 per person is no longer sufficient to procure an emergency meal which usually consist of a fish parcel or burger & chips and a soft drink. The average amount for such a meal amounts to +/- R60.00.

## RECOMMENDATION

It is proposed that the Emergency Services Refreshment Directive be revised to accommodate a realistic allowance of R60.00 per person for emergency meals.

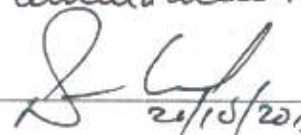
It is further requested that the directive also be revised as a whole.

  
 EJ Wentzel  
 Acting Director: Engineering Services

20/10/15  
 Date

Approved.

cc to CFO for amendment of  
 relevant policy

  
 20/10/2015



## STELLENBOSCH MUNICIPALITY

### Revised Emergency Services Refreshments Directive

#### 1. Scope

This policy applies to all employees employed by Stellenbosch Municipality who by virtue of their official duties are compelled to render an emergency service.

#### 2 Objective

The Primary objective of this policy is to set guideline for the provision of refreshment for employees during the rendering of emergency service.

#### 3. General Guidelines

- 3.1 The emergency service should be unscheduled and rendered outside normal working hours;
- 3.2 No relieve personnel available
- 3.3 The duration of the emergency service is of such a nature that it is justified by the Director or delegate's discretion
- 3.4 Refreshments only be purchased during an emergency service rendered (after hours, week-ends and public holidays) excluding fire services;
- 3.5 If an emergency service was started before or during working hours, or on weekends and public holidays (i.e. repair of water pipe) and/or is only completed after-hours, the employee qualifies for refreshments on condition that the duration of the duty lasted for at least 4 hours continuously and took place during supper-(18h00-19h00), lunch(12h00-13h00), or breakfast periods(08h00-09h00);
- 3.6 The amount for the refreshments, which may be reviewed annually, may not exceed R 40.00 per person per meal,
- 3.7 The following information should be reflected on the claim form:
  - Submitted with the invoice duly authorized by the Director or delegate
  - Date, time and nature of emergency services rendered (fire services-incident report number)
  - Time when meals were purchased
  - Time job completed / fire extinguished
  - Number of employees

4. **Guidelines for Fire Services**

- 4.1 Soft drinks/liquids may only be purchased after 2 hours work;
- 4.2 Meals only be purchased when the fire incident has been continuing through breakfast ( 08h00-09h00), lunch (12h00-13h00) or supper periods (18h00-19h00), and no relieve person were available, on condition that the fire incident has been in operation for at least 4 hours;

APPROVED

**MUNICIPAL MANAGER**  
I B R KENNED



DIRECTORATE: ENGINEERING SERVICES

MEMORANDUM

---

**To = Aan:** André Treurnich

**From = Van:** Deon Louw

**Date = Datum:** 27 November 2017

**Our Ref = Ons Verw:** 4/12/4/1

**Re = Insake:** **BETALING VAN FAKTURE WAT ONBEHOORLIK AANKOPE  
VERTEENWOORDIG**

---

Ons vergadering in bogenoemde verband verwys.

Daar is verskeie etes bestel van Nacional Fisheries deur my personeel op grond daarvan dat hulle meer as die bepalende oortyd ure gewerk het. By die goedkeuring van die fakture van hierdie etes is ontdek dat etes bestel is met kostes wat die goedkeuring van sulke etes oorskry. Die getekende beleid waarvolgens etes moet word asook die kostes daarvan word aangeheg as Aanhangsels A & B. Fakture opsomming word aangeheg as Aanhangel C.

Aangesien die afwyking nie as gevolg van ons ooreenkoms met Nacional Fisheries is nie is die bygaande fakture goedgekeur vir betaling. Hierdie afwyking is met die Munisipale Bestuurder bespreek en daar is op die volgende besluit:

1. Koste toekenning vir etes te laag. 'n Skrywe moet aan die Munisipale Bestuurder gerig word om hierdie te vermeerder.
2. Verslag moet aan MPAC gelewer word oor hierdie oorskryding en oor metodieke om toekomstige afwykings te verhoed asook dissiplinêre aksies teen persone wat oortree het.
3. Dissiplinêre optrede teen diegene wat die beleid oortree het.

Die getekende fakture is hierby aangeheg.

JG Louw  
Direkteur: Ingenieursdienste



# MEMO

DIRECTORATE: ENGINEERING SERVICES  
DIREKTORAAT: INGENIEURSDIENSTE

**To - Aan:** MUNICIPAL MANAGER

**From - Van:** ACTING DIRECTOR: ENGINEERING SERVICES

**Datum - Date:** 15 OCTOBER 2015

**Our Ref - Ons Verw:**

**Re - Insake:** REQUEST TO REVISE THE EMERGENCY SERVICES  
REFRESHMENT DIRECTIVE

## PURPOSE

To request the Municipal Manager to revise the current Emergency Services Refreshment Directive (copy attached).

## BACKGROUND

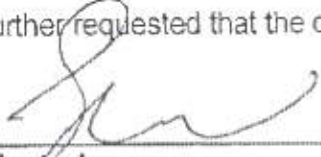
The Directorate: Engineering Services' employees are attending to emergency work (burst pipes, electricity failures, sewer spillages, etc.) on a regular basis. The Emergency Services Refreshment Directive makes provision for employees to conditionally procure meals to the value of R40.00 per person.

It is evident from the invoices that R40.00 per person is no longer sufficient to procure an emergency meal which usually consist of a fish parcel or burger & chips and a soft drink. The average amount for such a meal amounts to +/- R60.00.

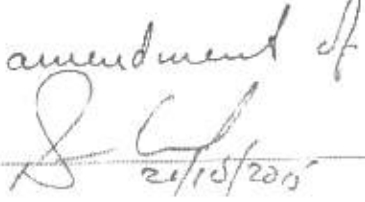
## RECOMMENDATION

It is proposed that the Emergency Services Refreshment Directive be revised to accommodate a realistic allowance of R60.00 per person for emergency meals.

It is further requested that the directive also be revised as a whole.

  
EJ Wentzel  
Acting Director: Engineering Services

20/10/15  
Date

Approved. CC to CFO for amendment of relevant policy  
  
21/10/2015

**STELLENBOSCH MUNICIPALITY**  
**Revised Emergency Services Refreshments Directive**

**1 Scope**

This policy applies to all employees employed by Stellenbosch Municipality who by virtue of their official duties are compelled to render an emergency service.

**2 Objective**

The Primary objective of this policy is to set guideline for the provision of refreshment for employees during the rendering of emergency service.

**3. General Guidelines**

3.1 The emergency service should be unscheduled and rendered outside normal working hours;

3.2 No relieve personnel available

3.3 The duration of the emergency service is of such a nature that it is justified by the Director or delegate's discretion

3.4 Refreshments only be purchased during an emergency service rendered (after hours, week-ends and public holidays) excluding fire services,

3.5 If an emergency service was started before or during working hours, or on week-ends and public holidays (i.e. repair of water pipe) and/or is only completed after-hours, the employee qualifies for refreshments on condition that the duration of the duty lasted for at least 4 hours continuously and took place during supper- (18h00-19h00), lunch(12h00-13h00), or breakfast periods(06h00-09h00).

3.6 The amount for the refreshments, which may be reviewed annually, may not exceed R 40.00 per person per meal,

3.7 The following information should be reflected on the claim form

- Submitted with the invoice duly authorized by the Director or delegate
- Date, time and nature of emergency services rendered (fire services- incident report number)
- Time when meals were purchased
- Time job completed / fire extinguished
- Number of employees

4 Guidelines for Fire Services

- 4.1 Soft drinks/liquids may only be purchased after 2 hours work.
- 4.2 Meals only be purchased when the fire incident has been continuing through breakfast ( 08h00-09h00), lunch (12h00-13h00) or supper periods (18h00-19h00), and no relieve person were available, on condition that the fire incident has been in operation for at least 4 hours.

APPROVED

MUNICIPAL MANAGER  
I B R KENNEDY

Possible Unauthorised Expenditure by Department Water & Sanitation – for November 2017

Date	Service Provider	Signatoree	Amount	Receipt Nr	Number of Persons	Amount per Person	Amount per Policy	Legal Sum	Amount Unauthorised
2017/11/03	Nacional Fisheries	S Dorho	R 471.00	1-153	5	R 94.20	R 60.00	R 300.00	R 171.00
2017/11/04	Nacional Fisheries	S Dorho	R 474.00	1-148	4	R 118.50	R 60.00	R 240.00	R 234.00
2017/11/07	Nacional Fisheries	M Bhesi	R 320.00	1-322	4	R 80.00	R 60.00	R 240.00	R 80.00
2017/11/07	Nacional Fisheries	L L Botha	R 384.00	1-324	5	R 76.80	R 60.00	R 300.00	R 84.00
2017/11/08	Nacional Fisheries	M Bhesi	R 228.00	1-369	3	R 76.00	R 60.00	R 180.00	R 48.00
2017/11/08	Nacional Fisheries	B Nyula	R 455.00	1-344	6	R 75.83	R 60.00	R 360.00	R 95.00
2017/11/09	Nacional Fisheries	A Lewis	R 158.00	1-297	2	R 79.00	R 60.00	R 120.00	R 38.00
2017/11/09	Nacional Fisheries	B Nyula	R 473.00	1-299	6	R 78.83	R 60.00	R 360.00	R 113.00
2017/11/10	Nacional Fisheries	B Nyula	R 487.00	1-76	6	R 81.17	R 60.00	R 360.00	R 127.00
2017/11/11	Nacional Fisheries	B Nyula	R 462.00	1-153	6	R 77.00	R 60.00	R 360.00	R 102.00
2017/11/11	Nacional Fisheries	A Lewis	R 316.00	1-354	3	R 105.33	R 60.00	R 180.00	R 136.00
2017/11/13	Nacional Fisheries	S Jack	R 478.00	1-302	6	R 79.67	R 60.00	R 360.00	R 118.00
<b>Total</b>			<b>R 4 706.00</b>					<b>R 3 360.00</b>	<b>R 1 346.00</b>

*[Signature]*  
27/11/17



**DIRECTORATE: ENGINEERING SERVICES**

**MEMORANDUM**

---

**To ▫ Aan:** Municipal Manager (G Mettler)

**From ▫ Van:** Director: Engineering Services (D Louw)

**Date ▫ Datum:** 22 November 2017

**Our Ref ▫ Ons Verw:** 4/12/4/1

**Re ▫ Insake:** **REQUEST TO REVISE THE EMERGENCY SERVICES  
 REFRESHMENT DIRECTIVE TARIFF FOR FOOD PARCELS**

---

**PURPOSE**

To request the Municipal Manager to adjust the tariff for food parcels as defined in the Emergency Services Refreshment Directive (Attached as Annexure A)

**BACKGROUND**

From time to time emergencies arise where staff members are required to work overtime to repair breakdowns such as pipe bursts, cable faults, floods etc.

In order to provide meals and refreshments for such staff, an Emergency Services Refreshment Directive was created, which stipulates under which conditions such meals and refreshments may be issued and at what times such meals may be supplied.

The previous assessment of the meal voucher value was done on 15 October 2015 and was approved at R60.00 (including VAT) on 21 October 2015.

**DISCUSSION**

An assessment has been done again and it was found that the prices used for the previous assessment have now escalated.





The previous assessment was done based on the cost of a "Snoek Parcel" plus a soft drink. A total of R60.00 was then determined to be sufficient. The same assessment has now been done on the same articles and the following found:

- |                            |        |
|----------------------------|--------|
| a. Snoek Parcel            | R60.00 |
| b. Boerewors & Chips       | R77.00 |
| c. Fish & Chips            | R65.00 |
| d. Soft Drink 500ml bottle | R10.49 |

Should one therefore purchase a boerewors and chips plus a soft drink then the total cost would be R87.49. It is therefore proposed that the total amount allowable for the purchase of a meal for emergency work purposes be rounded off at R90.00 (VAT Included).

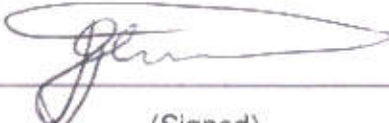
It is further proposed that this voucher assessment be calculated at April of each year in alignment with the determination of the new budget and that a new voucher value be determined to start at 1 July of each financial year.

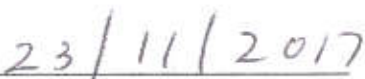
## RECOMMENDATIONS

- 1.1 That the voucher value of a meal purchased as determined by the Emergency Service Refreshment Directive be increased from R60.00 to R90.00 (VAT Included)
- 1.2 That the voucher value be reassessed for each financial year and to become effective from 1 July of the new Financial Year.

Recommended by:

J G Low: Director - Infrastructure Services

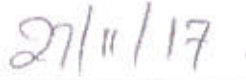
  
\_\_\_\_\_  
(Signed)

  
\_\_\_\_\_  
(Date)

Approved:

G Mettler: Municipal Manager

  
\_\_\_\_\_  
(Signed)

  
\_\_\_\_\_  
(Date)

Copy to: CFO (M Wüst)

*Please prepare MPAC for the overexpenditure as discussed  
27/11/17.*

Polony

R55-00 R38-00

Russian

R60-00 R40-00

Steak

R105-00 R60-00

Calamari

R110-00 R65-00

Boerewors

R65-00 R42-00

Chips

R52-00 R37-00

Steak , Egg &  
Cheese

R130-00 R75-00

Steak &amp; Cheese

R120-00 R70-00

Cheese

R60-00 R42-00

Chicken

R95-00 R55-00

Bacon &amp; Egg

R69-00 R45-00

Fish &amp; Chips

R105-00 R65-00

Steak &amp; Egg

R115-00 R65-00

Vienna

R55-00 R38-00

## STELLENBOSCH MUNICIPALITY

### Revised Emergency Services Refreshments Directive

#### 1. Scope

This policy applies to all employees employed by Stellenbosch Municipality who by virtue of their official duties are compelled to render an emergency service.

#### 2. Objective

The Primary objective of this policy is to set guideline for the provision of refreshment for employees during the rendering of emergency service.

#### 3. General Guidelines

- 3.1 The emergency service should be unscheduled and rendered outside normal working hours;
- 3.2 No relieve personnel available
- 3.3 The duration of the emergency service is of such a nature that it is justified by the Director or delegate's discretion
- 3.4 Refreshments only be purchased during an emergency service rendered (after hours, week-ends and public holidays) excluding fire services;
- 3.5 If an emergency service was started before or during working hours, or on weekends and public holidays (i.e. repair of water pipe) and/or is only completed after-hours, the employee qualifies for refreshments on condition that the duration of the duty lasted for at least 4 hours continuously and took place during supper- (18h00-19h00), lunch(12h00-13h00), or breakfast periods(08h00-09h00),
- 3.6 The amount for the refreshments, which may be reviewed annually, may not exceed R 40.00 per person per meal,
- 3.7 The following information should be reflected on the claim form:
  - Submitted with the invoice duly authorized by the Director or delegate
  - Date, time and nature of emergency services rendered (fire services-incident report number)
  - Time when meals were purchased
  - Time job completed / fire extinguished
  - Number of employees

4. **Guidelines for Fire Services**

- 4.1 Soft drinks/liquids may only be purchased after 2 hours work;
- 4.2 Meals only be purchased when the fire incident has been continuing through breakfast ( 08h00-09h00), lunch (12h00-13h00) or supper periods (18h00-19h00), and no relieve person were available. on condition that the fire incident has been in operation for at least 4 hours.

APPROVED

MUNICIPAL MANAGER  
I B R KENNED

32. Unauthorised, irregular or fruitless and wasteful expenditure.—(1) Without limiting liability in terms of the common law or other legislation—

(a) a political office-bearer of a municipality is liable for unauthorised expenditure if that office-bearer knowingly or after having been advised by the accounting officer of the municipality that the expenditure is likely to result in unauthorised expenditure, instructed an official of the municipality to incur the expenditure;

(b) the accounting officer is liable for unauthorised expenditure deliberately or negligently incurred by the accounting officer, subject to subsection (3);

(c) any political office-bearer or official of a municipality who deliberately or negligently committed, made or authorised an irregular expenditure, is liable for that expenditure; or

(d) any political office-bearer or official of a municipality who deliberately or negligently made or authorised a fruitless and wasteful expenditure is liable for that expenditure.

(2) A municipality must recover unauthorised, irregular or fruitless and wasteful expenditure from the person liable for that expenditure unless the expenditure—

(a) in the case of unauthorised expenditure, is—

(i) authorised in an adjustments budget; or

(ii) certified by the municipal council, after investigation by a council committee, as irrecoverable and written off by the council; and

(b) in the case of irregular or fruitless and wasteful expenditure, is, after investigation by a council committee, certified by the council as irrecoverable and written off by the council.

(3) If the accounting officer becomes aware that the council, the mayor or the executive committee of the municipality, as the case may be, has taken a decision which, if implemented, is likely to result in unauthorised, irregular or fruitless and wasteful expenditure, the accounting officer is not liable for any ensuing unauthorised, irregular or fruitless and wasteful expenditure provided that the accounting officer has informed the council, the mayor or the executive committee, in writing, that the expenditure is likely to be unauthorised, irregular or fruitless and wasteful expenditure.

(4) The accounting officer must promptly inform the mayor, the MEC for local government in the province and the Auditor-General, in writing, of—

(a) any unauthorised, irregular or fruitless and wasteful expenditure incurred by the municipality;

(b) whether any person is responsible or under investigation for such unauthorised, irregular or fruitless and wasteful expenditure; and

(c) the steps that have been taken—

(i) to recover or rectify such expenditure; and

(ii) to prevent a recurrence of such expenditure.

(5) The writing off in terms of subsection (2) of any unauthorised, irregular or fruitless and wasteful expenditure as irrecoverable, is no excuse in criminal or disciplinary proceedings against a person charged with the commission of an offence or a breach of this Act relating to such unauthorised, irregular or fruitless and wasteful expenditure.

(6) The accounting officer must report to the South African Police Service all cases of alleged—

(a) irregular expenditure that constitute a criminal offence; and

(b) theft and fraud that occurred in the municipality.

(7) The council of a municipality must take all reasonable steps to ensure that all cases referred to in subsection (6) are reported to the South African Police Service if—

(a) the charge is against the accounting officer; or

(b) the accounting officer fails to comply with that subsection.

(8) The Minister, acting with the concurrence of the Cabinet member responsible for local government, may regulate the application of this section by regulation in terms of section 168.

## Possible Unauthorised Expenditure by Department Water &amp; Sanitation – for November 2017

Date	Service Provider	Signatoree	Amount	Receipt Nr	Number of Persons	Amount per Person	Amount per Policy	Legal Sum	Amount Unauthorised
2017/11/03	Nacional Fisheries	S Dorho	R 471.00	1-153	5	R 94.20	R 60.00	R 300.00	R 171.00
2017/11/04	Nacional Fisheries	S Dorho	R 474.00	1-148	4	R 118.50	R 60.00	R 240.00	R 234.00
2017/11/07	Nacional Fisheries	M Bhesi	R 320.00	1-322	4	R 80.00	R 60.00	R 240.00	R 80.00
2017/11/07	Nacional Fisheries	L L Botha	R 384.00	1-324	5	R 76.80	R 60.00	R 300.00	R 84.00
2017/11/08	Nacional Fisheries	M Bhesi	R 228.00	1-369	3	R 76.00	R 60.00	R 180.00	R 48.00
2017/11/08	Nacional Fisheries	B Nyula	R 455.00	1-344	6	R 75.83	R 60.00	R 360.00	R 95.00
2017/11/09	Nacional Fisheries	A Lewis	R 158.00	1-297	2	R 79.00	R 60.00	R 120.00	R 38.00
2017/11/09	Nacional Fisheries	B Nyula	R 473.00	1-299	6	R 78.83	R 60.00	R 360.00	R 113.00
2017/11/10	Nacional Fisheries	B Nyula	R 487.00	1-76	6	R 81.17	R 60.00	R 360.00	R 127.00
2017/11/11	Nacional Fisheries	B Nyula	R 462.00	1-153	6	R 77.00	R 60.00	R 360.00	R 102.00
2017/11/11	Nacional Fisheries	A Lewis	R 316.00	1-354	3	R 105.33	R 60.00	R 180.00	R 136.00
2017/11/13	Nacional Fisheries	S Jack	R 478.00	1-302	6	R 79.67	R 60.00	R 360.00	R 118.00
<b>Total</b>			<b>R 4 706.00</b>					<b>R 3 360.00</b>	<b>R 1 346.00</b>

## FRIED FISH

SNOEK PARCEL	R60.00
STOCK PARCEL	R60.00
FILLET PARCEL	R62.00
FRIED SNOEK	R35.00
FRIED STOCKFISH	R35.00
FISH ROLL	R30.00
FISH & CHIPS ROLL	R42.00



VETKOEK



R10.00

Small Fish  
Snoek/Hake  
R25.00



Polony

R55-00 R38-00

Russian

R60-00 R40-00

Steak

R105-00 R60-00

Calamari

R110-00 R65-00

Boerewors

R65-00 R42-00

Chips

R52-00 R37-00

Steak, Egg &  
Cheese

R130-00 R75-00

Steak &amp; Cheese

R120-00 R70-00

Cheese

R60-00 R42-00

Chicken

R95-00 R55-00

Bacon &amp; Egg

R69-00 R45-00

Fish &amp; Chips

R105-00 R65-00

Steak &amp; Egg

R115-00 R65-00

Vienna

R55-00 R38-00

8.1.2	<b>RATIFICATION OF THE APPOINTMENT OF JUBELIE PROJECTS FOR MULTI-DISCIPLINARY CONSULTANCY SERVICES RELATED TO THE NORTHERN EXTENSION PROJECT</b>
-------	--

**Collaborator No:**

**IDP KPA Ref No:**

**Meeting Date:**

**Good Governance**

**15 May 2018**

**1. SUBJECT: RATIFICATION OF THE APPOINTMENT OF JUBELIE PROJECTS FOR MULTI-DISCIPLINARY CONSULTANCY SERVICES RELATED TO THE NORTHERN EXTENSION PROJECT**

**2. PURPOSE**

To provide information regarding the history and current situation pertaining to the appointment of a service provider in terms of Supply Chain Management Policy, 4.36.1(b) to ratify a minor breach of the procurement processes for the appointment of Jubelie Projects to render consultancy services for the Northern Extension Project and to request the Committee to recommend to Council for approval.

**3. DELEGATED AUTHORITY**

Council to decide on the ratification of the the expenditure to the amount of R547 808 excluding VAT relating to the extension of the appointment of Jubelie Projects as a suitable service provider for multi-disciplinary consultancy services for the Northern Extension Project.

**4. EXECUTIVE SUMMARY**

This report covers the process followed to extend the appointment of Jubelie Projects as a suitable service provider for the multi-disciplinary consultancy services for the Northern Extension Project.

On 28 June 2016, Jubelie Projects was appointed to conduct a pre-feasibility study for the Northern Extension Project, to the north of Kayamandi. A first investigative phase (Phase1) was completed in February 2017. During this study, the designated area was assessed from a socio-economic, current land-use, topography/soils/drainage, heritage, traffic, access, proximity to and capacity of infrastructure services' perspective. This resulted in a feasibility report: *Northern Extension Project Stellenbosch: A Feasibility Report (Annexure 1)*.

Emanating from and impacting on this study, was the need to have more details regarding the so-called Western Bypass. During March 2017 it was decided to use members of the same professional team to further investigate and assess aspects such as first order horizontal and vertical alignments, alternative alignment corridors, land availability/access, bio-physical and socio-economic sensitivities of the study area, possible intersections/interchanges and high order costs. Specific professionals (from the Jubelie team) involved in this exercise were the Geometric Engineer (ICE Engineers) and the Environmental Assessment Practitioner (Aubrey Withers Environmentalists).

---

The cost of this first investigative phase (for the Western Bypass) has now been confirmed to be R547 808 (VAT excluded.) Deliverables which were produced included high order horizontal and vertical alignments, conceptual intersections / interchanges, results from engagements with affected private land owners, initial environmental assessments and identification of bio-physical constraints.

## 5. RECOMMENDATIONS

### MPAC MEETING: 2018-05-15: ITEM 5.2

#### RESOLVED

##### That it be recommended to Council:

- (a) that Council takes note of the circumstances as provided in this report, and approves the ratification of the expenditure to the amount of R547 808 (excluding VAT); and
- (b) that the approval, from Unique Key number 20180221005306 / cost account number 1378300790000, be granted in terms of the Municipality Supply Chain Management Policy 4.36.1(b) to ratify any minor breaches of the procurement processes, in respect of payment to the appointed consultant on the Northern Extension Project, Jubelie Projects, amounting to R547 808 (VAT exclusive).

## 6. DISCUSSION

Council approved a Roads Master Plan (2012 – 2017) (RMP), the aim of which is to assist in integrating and coordinating the planning and implementation process for road infrastructure. It also aims to identify and classify all roads within a defined area, in this case the Stellenbosch Municipal Area (SMA). The roads in the SMA belong to the Municipality, Provincial Government, SANRAL and many private owners. The RMP is a key guide for local, district and provincial authorities in determining and allocating funds for future improvement within the area. Further, it supports various other strategic plans, such as the Spatial Development Framework, Integrated Development Plan, Comprehensive Integrated Transport Plan and Integrated Public Transport Networks.

The RMP and various other studies indicate that improvement of the mobility function of the R44 between the N2 and the N1 requires the establishment of a bypass to Stellenbosch. The Municipality is of the view that this necessitates the creation of the Stellenbosch Western Bypass, a concept which has for many years been deliberated. The study on the Northern Extension again brought this to the fore, as the envisaged alignment of the Western Bypass in the vicinity of Kayamandi has a marked influence on the form and format of this intended mixed-use development.

It was apparent that, to take the Northern Extension project into a next phase, more certainty on the bypass was required. Such certainty would further serve to raise the appetite of private developers to participate in planning and implementation processes, while affected private landowners should be more co-operative in agreeing to terms and conditions for the alienation of their properties.

Moreover, it was considered beneficial to have more details regarding the Western Bypass, for example the horizontal alignment, incorporated into the amended SDF and IDP 2017/18. From a timing perspective, as well as for technical and financial reasons, therefore, it made logic to extend the scope of work of the same

---

professional team (appointed for the Northern Extension) to also investigate, holistically, the complete alignment and potential impact of the Western Bypass.

All the members of the Jubelie team are on the Municipality's panel for service providers, at approved (hourly) rates. No formal quotation was obtained to extend the scope of work of the Jubelie team, however, an initial budgetary amount of R500 000 was set. As the study progressed, it became apparent that certain elements required more detail, to be able to conclude this phase and present the deliverables meaningfully, also assisting in taking informed decisions on the way forward. The cost of this first investigative phase has now been confirmed to be R547 808 (VAT excluded.) Deliverables produced included high order horizontal and vertical alignments, conceptual intersections / interchanges, results from engagements with affected private land owners, initial environmental assessments and identification of bio-physical constraints.

## **7. FINANCIAL IMPLICATIONS**

While the outstanding payment is towards work performed in respect of the Western Bypass, the integrated nature of this road with the Northern Extension development is apparent. With approximately 5 200 housing opportunities at stake in this latter development, the importance to the Department of Human Settlements and Property Management for progress/certainty regarding this bypass, is obvious. Funds availed by this Department should therefore not be considered as exclusively towards the bypass, but rather towards unlocking the Northern Extension development.

It is on record that the Western Cape Government (WCG) is supportive of the Western Bypass. Moreover, with it being a regional mobility corridor, the WCG has also undertaken to secure the necessary funds for the construction thereof. Monies expended by the Municipality during the planning phases of this road and related infrastructure should not be regarded as fruitless, but rather as contribution towards a facility that would significantly benefit Stellenbosch town.

It was previously stated and motivated that/why no comparative quotations were called for. Appointed consultants were instructed to proceed with (additional) work at approved/appointed unit rates. Further, with the intellectual property they accumulated during the Northern Extension study, it made logic to utilize that in the most cost-effective manner, as opposed to another service provider that would have to accumulate the same knowledge from afresh.

While the R500 000 initial amount set was exceeded, the investigative phase was monitored continuously, and excess costs progressively identified, motivated, quantified and agreed to. The final amount has now been determined to be R547 808 (VAT excluded.)

The cost for professional services will be funded from Unique Key 20180221005306 / cost account number 1378300790000. Recommendation for approval from Bid Adjudication Committee is attached as **ANNEXURE 2**.

## **8. LEGAL IMPLICATION**

The recommendations in this report comply with Council's policies and all applicable legislation:

Supply Chain Management Policy, 4.36.1(b)  
Supply Chain Regulation 36(1)  
MFMA Section 32(2)

**9. RISK IMPLICATIONS**

Stellenbosch Municipality's reputation will be at risk should Jubelie Projects not be paid.

**10. COMMENTS FROM THE MUNICIPAL MANAGER**

Due processes have now been put in place by Supply Management to prevent a re-occurrence.

**ANNEXURES**

**Annexure 1:** Northern Extension Project: Feasibility Study Report

**Annexure 2:** Memorandum: Ratification

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Widmark Moses
<b>POSITION</b>	<i>Acting Director</i>
<b>DIRECTORATE</b>	<i>Planning and Economic Development</i>
<b>CONTACT NUMBERS</b>	<i>021 808 8179</i>
<b>E-MAIL ADDRESS</b>	<i>Widmark.moses@stellenbosch.gov.za</i>
<b>REPORT DATE</b>	<i>2018/04/05</i>



**STELLENBOSCH**  
STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

---

## **ANNEXURE 1**

NORTHERN EXTENSION PROJECT STELLENBOSCH: A FEASIBILITY STUDY  
REPORT

NORTHERN EXTENSION  
PROJECT  
STELLENBOSCH

***DRAFT FEASIBILITY REPORT***  
*PREPARED FOR STELLENBOSCH MUNICIPALITY*

*JAN 2017*

**PROJECT TEAM**

Project Management & Co-ordination	Jubelie Project Management
Town Planner	TV 3 Architects and Town Planners
Civil Engineers	ICE Group
Traffic Engineers	ICE Group
Environmental	Withers Environmental Consultants
Geotechnical	Withers Environmental Consultants
Property Valuer	Cassie Gerber Property Valuers
Legal & Contractual	Smith Tabata Buchanan Boyes



## CONTENTS

1.	GENERAL INFORMATION .....	3
2.	PROPERTY INFORMATION .....	4
	2.1 Locality and background .....	4
	2.2 Site description, ownership and extent .....	5
	2.3 Conditions of Title and Servitudes .....	6
3.	LAND USE AND ZONINGS .....	6
	3.1 Existing and Surrounding Land Uses.....	6
	3.2 Proposed Development and Development Controls.....	6
4.	PHYSICAL CHARACTERISTICS OF SUBJECT PROPERTIES .....	7
	4.1 Environmental Due Diligence.....	7
	4.2 Engineering Services and Stormwater Management.....	7
	4.3 Electrical Services.....	8
	4.4 Traffic Impact Statement.....	8
5	OPPORTUNITY AND CONSTRAINTS .....	9
	5.1 Development principles.....	9
	5.2 Contour and slope analysis.....	9
	5.3 Draft Framework Plan .....	9
	5.4 Ridgeline / viewshed .....	9
	5.5 Site specific constraints .....	10
	5.6 Housing typologies.....	10
	5.7 Expected household size and total population.....	11
	5.8 Transit camp .....	11
	5.9 Public amenities/ facilities .....	11
	5.10 Educational sites / facilities .....	12
	5.11 Health and welfare facilities .....	14
	5.12 Places of Worship .....	15
	5.13 Crèche / nursery schools .....	15
6	POLICY DIRECTIVES .....	16
7	LAND VALUATIONS & CONTRACTUAL AGREEMENTS.....	18
8	FINANCIAL FEASIBILITY OF DEVELOPMENT .....	19
9	PROFESSIONAL FEES .....	21
	TABLE OF ANNEXURES.....	23
	TABLE OF PLANS.....	23

## 1. GENERAL INFORMATION

- 1.1 Jubelie Projects (Pty) has been appointed by Stellenbosch Municipality to appoint the necessary multi-disciplinary team of professional consultants required to conduct a due diligence assessment to assess whether it is suitable for the expansion of a mixed use development to the north of Khayamandi. Jubelie has entered into a service level agreement (SLA) with Stellenbosch Municipality in respect of the Project and an order to perform work in terms thereof has been issued to Jubelie.
- 1.2 The specific site has been suggested by the Stellenbosch Municipality for the northward extension of the urban area of Stellenbosch.
- 1.3 Jubelie Projects (Pty) Limited appointed TV3 Architects and Town Planners as 'Town planner' for the pre-feasibility assessment (due diligence assessment) for the Northern Extension Project in Stellenbosch. The scope of services TV3 is responsible for during the pre-feasibility phase consists of the following tasks and duties:
  - Contextual assessment (baseline assessment) of the site (all implicated properties)
  - Planning policy directives
  - Opportunities and constraints plan of the implicated site, as well as the broader development plans (proposed alignment of the future Western Bypass)
  - Conceptual development proposals (i.e. "bubble diagrams") indicating broad development patterns, proposed land uses, residential densities, etc.
- 1.4 The intension is to determine the feasibility of establishing a multiple use development, providing ±5200 accommodation opportunities in the Northern Extension of Stellenbosch.
- 1.5 The following section, the memorandum, provides the relevant property information of the implicated properties in the identified and suggested area, hereafter referred to as the study area, and assesses the feasibility (need and desirability) of the proposed development. The merits of the development proposal from a development planning perspective is taken into account, assessing the physical characteristics of the implicated properties, as well as the engineering services and infrastructure implications of the proposed development.

## 2. PROPERTY INFORMATION

### 2.1 Locality and background

- 2.1.1 The study area, the Northern Extension of Stellenbosch, is situated north of Khayamandi, adjacent to Cloetesville and Welgevonden Estate, within the Stellenbosch Municipal area. The site is located on the western side of the R304 (main arterial from the North) to Stellenbosch. *Plan No. 1* attached hereto under *Plans*, indicates the affected properties forming part of the study area. Figure 1 represents an aerial view of the study area's broader location.



Figure 1 Aerial view of site location

- 2.1.2 The consideration of urban development occurring in this specific area originated from the existing SDF, recent municipal initiative, some property owners, as well as the Stellenbosch IDP indicating the need for low cost housing opportunities (see *Plan No. 1* for the MSDF's urban edge- indicating the area earmarked as 'Greenfield new development area'). The owner of Steyn's Nursery submitted an ad hoc development application, disconnected from a long term strategic plan for this area. The Municipality decided to put any relating development proposals by individual owners on hold, in order to favour a holistic planning approach where all properties in the study area are combined and integrative planning can occur for the area as a whole.
- 2.1.3 Another important determinant and motivating factor for the identification and desirability of the location for the study area, stems from the much needed and long overdue future Western Bypass. The infamous Bypass, which aims at reducing the immense traffic congestion currently experienced in and around Stellenbosch forms the backbone of the development proposal, and could at least partly also act as the

new north-western urban edge of Stellenbosch. The Western Bypass is expected to form the western boundary of the study area, as depicted in *Plan No.2* attached hereto.

- 2.1.4 The alignment of the future Western Bypass, which will receive more attention in following sections of this report, directly determined the extent and form/boundary of the study area representing  $\pm 200$  hectares in extent (as defined by the preferred alignment of the proposed Western Bypass).

## 2.2 Site description, ownership and extent

- 2.2.1 As evident in *Plan No. 1*, the study area comprises of 18 properties, which could be impacted directly, or indirectly, by the proposed development and/or future Western Bypass. Details relating to the description, ownership, and size of all the implicated properties are summarized in Table 1.

Table 1: Property description

FARM	PROPERTY DESCRIPTION	FARM NAME	REGISTERED OWNER	TITLE DEED NUMBER	SIZE (ha)
1	RE 72	Monterosso Wines	Francesco de Franci	T38920/1975	32.5789
2	Portion 5 of Farm 72	Monterosso Wines	Francesco de Franci	T38920/1975	1,1000
3	Portion 3 of Farm 72	Monterosso Wines	Francesco de Franci	T38921/1975	45.3454
4	Portion 2 of Farm 72	Monterosso Wines	du Bois Rivierplase Trust	T68769/1997	46,51
5	Portion 33 of Farm 81	Cloetesdal	Alberto Costa Trust	T24040/2002	41.4029
6	Portion 8 of Farm 81	Cloetesdal	W S Smit Boerdery PTY LTD	T15973/1976	0.8932
7	Portion 37 of Farm 183	Grootvlei	W S Smit Watergang Trust	T35139/1974	2.3032
8	Portion 60 of Farm 183	Grootvlei	Vodacom PTY LTD	T42303/2009	0.03
9	RE 183	Grootvlei	Mun Stellenbosch	STF8-15/1908	291.3792
10	Portion 5 of Farm 183	Watergang	W S Smit Watergang Trust	T4960/1993	50.8432
11	Portion 23 of Farm 183	Grootvlei	Mun Stellenbosch	T17996/1962	23,8449
12	Portion 22 of Farm 183	Aaldering Vineyards & Wines	Aalderhorst Estates PTY LTD	T101375/2006	20,7788
13	Portion 3 of Farm 183	Grootvlei	A C Blake Familie Trust	T17846/2011	63.7813
14	Portion 36 of Farm 183	Grootvlei	Mun Stellenbosch	T35138/1974	2,8272
15	Portion 29 of Farm 81	Cloetesdal	Steyns Familietrust	T52460/1999	2.9980
16	Portion 1 of Farm 181	Watergang	W S Smit Watergang Trust	T4960/1993	1.4175
17	RE 182	Watergang	W S Smit Watergang Trust	T4960/1993	7.2986
18	Remainder of Portion 1 of Farm 183	Watergang	W S Smit Watergang Trust	T9509/1908	1.3856

2.2.2 All the affected and implicated properties, as listed above, are mapped and assessed in order to identify any potential constraints such as restrictive title deed conditions or servitudes registered in or on the said properties. Copies of title deeds and Surveyor General Diagrams are attached hereto as *Annexure A* and *Annexure B*.

2.2.3 Several meetings and site visits were held with the implicated and possibly affected property owners, where the appointed project team could inform and liaise with the owners regarding the process, land use possibilities and the feasibility study of the Northern Extension and the future Western Bypass.

### 2.3 Conditions of Title and Servitudes

#### 2.3.1 Conditions of Title and Servitudes

A Conveyancer, Ghislaine Grace Barends, from STBB prepared Conveyancer Certificates for all implicated properties, copies of which are attached hereto as *Annexure C*.

Several constraints were identified relating to restrictive title conditions on some of the properties, including but not limited to the following categories of restrictions:

- Use of land;
- Servitudes;
- Other restrictive conditions (water rights, mineral rights etc.)

Notable restrictions identified impacting and/or influencing the study area and hence its development potential includes powerline servitudes and road servitudes, geo-spatially mapped and illustrated on the *Constraints Map* (attached as *Plan No. 3*).

## 3. LAND USE AND ZONINGS

### 3.1 Existing and Surrounding Land Uses

3.1.1 The properties within the study area, as well as surrounding farms are all zoned "Agriculture". The majority of the land is planted with vineyards. A Vodacom tower is also situated atop a hill, with a cellar, crèches and residential homes also located within the study area. Portion 29 of Farm 81 is used for a nursery, known as Steyn's Nursery, and also has some development rights in the form of consent use (see *Land use map: Plan No. 4*). The study area is therefore surrounded by agricultural land to the north, west and south west. To the south of the study area is Khayamandi, a residential township and to the east, opposite the R304, are several residential developments, including Mount Simon Estate, Welgevonden Estate and Cloetesville.

### 3.2 Proposed Development and Development Controls

3.2.1 The Municipality is aiming to facilitate the development of ±4000 – 6000 residential opportunities, as well as providing the required social amenities and public facilities required. The feasibility study includes identifying developable land within the study area (different farm land identified). The development potential of the said site was evaluated from an engineering, planning and environmental perspective. The subsequent planning applications following this feasibility study will include the rezoning of the given properties from "Agricultural" to the required zoning as prescribed by the Integrated Zoning Scheme By-laws suitable for the proposed

residential densities and mixed use development.

## 4. PHYSICAL CHARACTERISTICS OF SUBJECT PROPERTIES

### 4.1 Environmental Due Diligence

4.1.1 Withers Environmental Consultants have been appointed to undertake an environmental due diligence, in its broadest sense, which includes a description of the geotechnical characteristics of the study area. A copy of the *Geotechnical Report* and *Environmental Due Diligence Report* are attached hereto as *Annexure D*. The study area comprises farmland, primarily vineyards for wine production, on the steeply eastward sloping, undulating hills extending north and northwest from Papegaaiberg.

4.1.2 In general, the founding conditions of residual weathered clays derived from the deep weathering of Tygerberg phyllites/shales are good. However, it is recommended that a detailed geotechnical investigation is undertaken at a later stage to determine shear strengths of residual clays for designing foundations for roads and buildings alike.

4.1.3 The east and northeast facing slopes of the study area north of Khayamandi are well-suited for additional housing due to the relatively medium to gentle slopes and high solar radiation concentration, thereby making the area ideally suited for roof-top solar water heating and solar energy.

4.1.4 Care will need to be taken with road and building foundations in wet to moist drainage lines and around existing instream dams where deep weathering may have taken place, leading to very soft clays at depths. Deep cuts for road foundations may need to be over-excavated with backfilling and compaction of suitable sub-base materials.

4.1.5 The environmental due diligence assessment indicated potential constraints which need to be overcome, namely the good agricultural soil potential to the upper half of the study area, the cultural-historic landscape of the implicated farms, as well as the alignment and visual mitigation of the proposed Western Bypass.

4.1.6 These potential significant impacts of the proposed development on surrounding natural and socio-economic environment triggers a number of listed activities within the NEMA EIA Regulations 2014. This could necessitate a full Scoping and EIA process or Basic Assessment to obtain the necessary environmental authorisation to commence with the proposed development.

### 4.2 Engineering Services and Stormwater Management

4.2.1 Malcolm Cerfonteyn, from iCE Group (Tygerberg) (Pty) Ltd, prepared a Draft Engineering Services and Stormwater Management Report (attached hereto as *Annexure E: Engineering Services Report*).

4.2.2 The available water supply services were assessed and findings indicated that new reservoirs are planned in the vicinity of the study area. A total reservoir storage (48 hrs) of approximately 8.4 Ml is required for the total development. The 2011 masterplan proposes that one new reservoir, the Kayamandi upper reservoir, be constructed to supply this area. This reservoir will therefore require a capacity of approximately 8.4 Ml. The proposed bulk water supply system and pressure zones for this development are shown on the enclosed drawing TT113300/W1 (attached to *Annexure E*).

4.2.3 The existing sewerage system and wastewater treatment works are currently undergoing upgrades by the municipality, to be completed by end of 2018. The enclosed drawing TT113300/S1 shows the proposed bulk

sewer system (attached to *Annexure E*). The routes of the bulk sewer system will be finalized once the detailed layouts and surveys are available.

- 4.2.4 The main function of the stormwater management plan is to reduce the runoff impacts to pre-development levels. This is done by means of attenuation ponds which have been sized and are shown on the stormwater management plan (attached to *Annexure E*). The existing dams will be converted to detention ponds, while two new detention ponds will also be constructed. The Stormwater Plan also indicates the proposed major stormwater drainage routes. These routes will be in the form of open channels with check dams and energy dissipating drop structures to reduce velocities and improve treatment functions.

### 4.3 Electrical Services

- 4.3.1 There is an existing 66 kV overhead electricity distribution line crossing the study area as indicated on Figure 1 in the Draft Engineering Services and Stormwater Management Report (*Annexure E*). This line is the property of Eskom. Stellenbosch Municipality has no electrical capacity in the study area. Eskom is the supply authority and has a very limited capacity on rural lines.

- 4.3.2 The study area is included in the study area of an electricity masterplan that was conducted for Stellenbosch Municipality in 2015. The masterplan proposes that a new Eskom feed-in substation be established within the area to provide electricity to this area and surrounds. The substation will require a level site of approximately 100 x 100 metres.

### 4.4 Traffic Impact Statement

- 4.4.1 Piet van Blerk, from ICE Group (Stellenbosch) (Pty) Ltd, prepared a Traffic Impact Statement (TIS) for the proposed Stellenbosch Northern Extension development. The TIS provides an overview of the impact of the proposed development on the road network which will be followed by a full Traffic Impact Assessment which will be conducted during the further development application (*Annexure F: Traffic Impact Statement*).

- 4.4.2 Access to the study area will be via the R304 at three positions: the Welgevonden Boulevard-intersection, Sokuqala Street intersection as well as at a point just to the south of the existing Steyn's Nursery.

- 4.4.3 The development proposal is expected to generate 2 063 AM peak hour trips and 2 001 PM peak hour trips. Existing 2016 link volumes on the R304 warrant the dualling of the section north of Welgevonden Boulevard and the estimated 2016 volumes warrant the dualling of the sections south of Welgevonden Boulevard, which will alleviate the current congestion on the R304.

- 4.4.4 It can be expected that a portion of the study area can be developed prior to the implementation of the Western Bypass, but that the Bypass will be required to accommodate the full proposed development based on the link volumes.

- 4.4.5 Detailed intersection upgrades will be addressed in the TIA (during further design stages), but it is at this stage anticipated that all three access-intersections on the R304 will be signalised with dedicated turning lanes towards the proposed development.

- 4.4.6 In addition to the taxi rank proposed adjacent to the commercial portion, it is suggested that public transport embayments be provided along the R304 at the outbound legs of the second access-intersection (as already existing at the Welgevonden Boulevard- and Sokuqala Street-intersections);

- 4.4.7 The study area should make provision of sidewalks (2, 5 metres to accommodate pedestrians and cyclists)

along the internal "main roads" to tie in with the existing sidewalks along the R304 (and Sokuqala Street).

## 5 OPPORTUNITY AND CONSTRAINTS

### 5.1 Development principles

5.1.1 TV3 Architects and Town planners (Pty) Ltd set out to identify all constraints and opportunities associated with the implicated properties. These variables and characteristics were assessed and consequently mapped. This was required in order to derive a development proposal suitable for the given study area which takes cognisance of all features, both internal and external factors and conditions.

5.1.2 The Stellenbosch Municipality provided the project team with data comprising of 1m contours for the entire Stellenbosch, which was used to project the preferred alignment of the Western Bypass. As stated, the alignment and development of the proposed Western Bypass is central to the locality of the expansion of Stellenbosch to the north, as well as defining the form of the study area.

5.1.3 The following development principles guided the proposed development framework plan:

- Compact development (high density residential development)
- Walking / pedestrian-friendly residential areas
- Promotion of public transportation use
- Mixed use to reduce necessity of residents to commute long distances
- Optimising use of existing infrastructure / structures
- Designing safe liveable human settlements
- Minimising any negative environmental impacts

### 5.2 Contour and slope analysis

5.2.1 The 1m contour data was used to conduct a slope analysis, categorising the study area into regions of moderate to steep gradients dictating viable development patterns as well as directing the alignment of the Western Bypass. The *Slope analysis map*, attached hereto as *Plan No. 5* is an interpolation of the raw data obtained from the Municipality. This map distinguishes between areas with slopes of 1:16 and less; 1:12; 1:6; 1:4; and steeper than 1:4 gradients. It was determined that slopes steeper than 25% (1:4) (indicated in 'dark green') are undevelopable and thus identified as a constraint. The 'light green' represents slopes of 1:16 and less; and thus the most favourable location for larger sites like educational facilities, etc.

### 5.3 Draft Framework Plan

5.3.1 A *Draft Final Framework Plan*, attached hereto as *Plan No. 6*, was prepared following the slope analysis, the bio-physical considerations and conveyancer certificates. The *Framework Plan* ("bubble diagram") illustrates all the identified opportunities and constraints, impacting the study area and hence development potential. These factors are briefly described in the following sections of this report.

### 5.4 Ridgeline / viewshed

5.4.1 A ridgeline (watershed/viewshed) was determined using the 1m contours, also indicated on *Plan No. 5*



and No. 6. It is proposed that no development should occur on the western slopes of the hills in sight of the Devon Valley wine valley ("Green zone" on Plan No. 5). This suggestion and decision is motivated by two factors. The first being that the proposed Western Bypass must as far as possible also be a scenic route, upholding the character and nature of Stellenbosch and its surrounds. This is essential for tourists and visitors using the Western Bypass. Additionally, the Devon Valley wine valley is also taken into consideration to minimise potential negative visual impacts as a result of the proposed development. The proposed Western Bypass, in conjunction with the ridgeline, should form the urban edge of the study area (northern extension of Stellenbosch). Landscape integrity will be maintained and visual impacts reduced by creating a green soft edge between the R304 / proposed Western Bypass and the considered development. This buffer will also be utilised for engineering services such as the stormwater and sewerage channels, as well as preserving the existing tree lines shaping the soft edges.

## 5.5 Site specific constraints

- 5.5.1 Other site specific characteristics which were also taken cognisance of, include the existing tree lines which should be preserved, giving form and structure to the study area.
- 5.5.2 The overhead powerline and electricity pylons should also be kept, as it is not viable to put this underground or relocate, and thus be accommodated in the design. The overhead powerline and its servitude should therefore rather be acknowledged, embraced and softened by landscaping, combined with services and especially stormwater channels and a main collector road (Boulevard), forming one consolidated, multi-functional spine serving the study area.
- 5.5.3 The alignment and positioning of the internal roads and access points are hence dictated by the overhead powerline's alignment as well as the steepness of the slopes. The main access point to the study area also follows the overhead powerline, from the Welgevonden Boulevard-intersection. Other access points include access from Khayamandi, as well as the proposed access point according to the Access Management Plan south of the existing access at Steyn's Nursery.
- 5.5.4 Existing features within the study area, such as the existing buildings and dams should also be preserved and where possible be transformed into a preferred use for the development. Smit's cellar should be kept and could be transformed into a light industrial site. The dams will act as landscape features and stormwater retention ponds.

## 5.6 Housing typologies

- 5.6.1 Stemming from the development principles, a mixture of different housing typologies were determined as sought after by the Municipality. The residential typologies consist of social housing (apartment blocks usually allocated for rental stock), which are the highest density in the form of typical three to four storey flats. The second highest density typology is the subsidised BNG housing, which the Municipality will fund. GAP housing is then divided into three categories, namely lower, middle and upper GAP housing, ensuring the provision of housing opportunities for a wide spectrum of economic groups. The BNG and social housing (apartment blocks) are in areas abutting existing residential areas, i.e. Khayamandi. It was also decided that these housing typologies should also not be located on the highest elevations to minimise the visual impacts of the proposed development. Table 2 describes the 4 housing typologies, with the percentage of each within the development proposal.

Table 2: Housing typology breakdown

Housing typology	Cost (Rand)	Gross Density (du/ha)	Net Density (du/ha)	Gross size (ha)	Net size (ha)	Open space 30% (ha)	No. of Units	Erf size	No. of People	Unit size	% of Units
BNG	160 k	95	135	11	8	3	1 040	74	3 120	41	20
Lower GAP	250 k - 350 k	45	64	35	25	11	1 560	157	4 680	104	30
GAP	350 k - 1, 2M	32	45	33	23	10	1 040	222	3 640	150	20
Upper GAP	1, 2 - 2M	17	25	33	23	10	572	404	1 430	250	11
Apartments		99	141	10	7	3	988		1 976		19
<b>TOTAL</b>		<b>57</b>	<b>67</b>	<b>122</b>	<b>86</b>	<b>34</b>	<b>5 200</b>		<b>14 846</b>		<b>100</b>

## 5.7 Expected household size and total population

- 5.7.1 The 2011 census data was used and projected on the different housing typologies to derive at an expected average household size per housing typology. Table 3 illustrates the average household size as projected per housing typology and the accompanied population expectation for the study area.

Table 3: Average household size and expected population

Housing typology	Average household size	No. of units	Expected population
BNG	3	1 040	3 120
Lower GAP	3	1 560	4 680
GAP	3.5	1 040	3 640
Upper GAP	2.5	572	1 430
Apartments	2	988	1 976
<b>TOTAL</b>		<b>5 200</b>	<b>14 846</b>

## 5.8 Transit camp

- 5.8.1 A 10 ha portion of the study area is demarcated to facilitate the transition and redevelopment of the Khayamandi Town Centre. This area, situated on the steepest developable slopes of the study area, will be 'site and service' only, functioning as an interim camp for residents of Khayamandi who will be affected by the planned redevelopment of Kayamandi Town Centre. This redevelopment project aims to provide informal dwellers in Khayamandi with formal housing opportunities. The 'site and service' camp, as depicted on *Plan No. 6*, is a crucial component of the future redevelopment and upgrading of Khayamandi.

## 5.9 Public amenities/ facilities

- 5.9.1 Several guiding documents were used to plan for the provision and design of public facilities. These

include the Western Cape Guidelines for the Provision of Facilities in the Western Cape as well as the CSIR Guidelines for Human Settlement Planning and Design. However, these guidelines only act as a guideline and it is expected that the settlement's context and site specific characteristics should be taken into consideration at the detail planning and design stage. Thus, the number of facilities at this point in time is only estimates and can be amended at a later stage during the detail planning and design phase.

- 5.9.2 The anticipated population size, as indicated in Table 3, is  $\pm 14\ 846$ . The public facilities that should be included in the design in order to provide for a sustainable human settlement rely on minimum population thresholds. According to the guiding documents, provision should be made for sites for various public facilities. The most important of these argumentatively, is educational facilities, as access to education is a Millennium Development Goal, translated into the NDP and local IDPs. Each of the required public facilities will briefly be motivated in the following section in accordance with the prescribed planning guidelines.

#### 5.10 Educational sites / facilities

- 5.10.1 The Western Cape Education Department (WCED), Directorate Infrastructure Planning was consulted regarding the desirability and requirements pertaining to the provision of education facilities for the proposed development. The WCED Provincial norms and standards were used to determine thresholds for schools, as well as a map of all WCED schools (in Khayamandi/ Cloetesville vicinity of Stellenbosch) to indicate the current supply and capacity (see Figure 2). The WCED advised us that provision should be made for 1 large primary school (PS) for every 6000 residents and 1 large secondary school (SS) for every 7500 residents (attached hereto as *Annexure G: WCED*).

## WCED Infrastructure Planning Tool

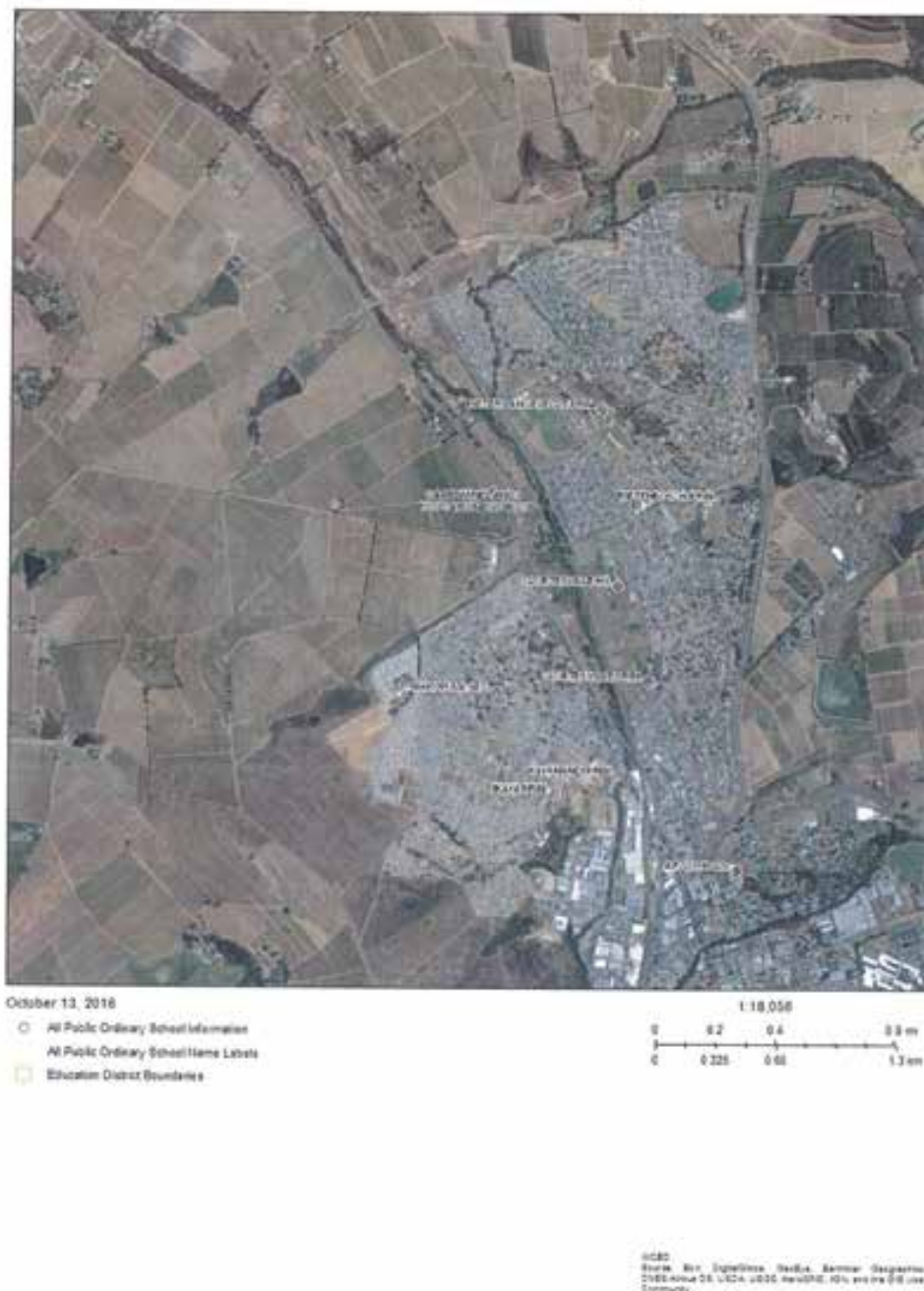


Figure 2 Primary and Secondary schools in the area

- 5.10.2 The proposed development makes provision for 1 large SS and 2 large PS, as well as a Grade R (pre-primary school), indicated to be compulsory and to be constructed at all public ordinary schools. Thus, enrolment figures and subsequent prescribed sizes of PS include Grade R. The proposed development makes provision for a free standing site specifically aimed to cater for the growing need of Grade R

- facilities. The Grade R facility is centrally located and  $\pm 5000\text{m}^2$  (0.5ha) in extent, thus providing ample space to accommodate the expected pre-primary children (to be expected to include four year olds [Grade RR] in the future) (*Annexure G: WCED*). The provision of this in theory also reduced the need for an additional PS.
- 5.10.3 According to the CSIR guidelines the estimated minimum population for a PS is between 3000 – 4000 and for a SS: 6000 – 10 000. The sizes of the educational sites are determined using the guidelines, without making provision for sport facilities and sport fields. A different  $\pm 7\text{ha}$  site is identified for sport fields and facilities, on Portion 2 of Farm No. 82. This land is not regarded as suitable for development due to landfill instability. However, it is ideal for the provision of sport fields, aimed at primarily serving the residents of the proposed development, as well as surrounding neighbourhoods (Cloeteville, Welgevonden etc.). This property does not form part of the original study area. It is owned by the Du Bois Rivierplase Trust and the owner has in principal agreed to the inclusion of the property into the study area.
- 5.10.4 The cluster of educational facilities will therefore be 7.5ha in total, without sport fields, resulting in the possibility of constructing extra-large facilities if the need arise. If at a later stage, it is required/requested that an additional secondary school should be provided in the study area, the open land north of the intersection at the proposed Western Bypass and the R304, currently reserved as a "Green zone", could also be utilised for an educational site. Another reason for making provision for only one secondary school is the fact that there are other unused educational sites/possibilities in Stellenbosch, for example in Onder-Papegaaiberg.
- 5.10.5 A possible pedestrian underpass / bridge may be considered to enable residents from the proposed development to safely access the sport fields. The design of the underpass / bridge should focus on optimising safety for pedestrians and motorists alike, as well as taking the visual impact of the structure into consideration.
- 5.10.6 The location of the three educational sites is within easy reach of the local areas which it is intended to service. As a result it needs to be located close to, but not necessarily along, a public transport route. As indicated on *Plan No. 6*, the three sites are centrally located to optimise accessibility from the surrounding proposed development, as well as being situated along one of the main roads serving the development. A taxi rank is also located in close proximity to the educational sites optimising traffic flows and providing public transport stops. Additionally, the location of the educational sites is determined by the slope of the land positioned on the location of the two sites is on the flattest area within the study area. These facilities are also combined with other community facilities such as a church and crèche site, forming an integrated cluster of complimentary land uses.
- 5.11 **Health and welfare facilities**
- 5.11.1 A local community health centre is a permanently equipped facility which provides basic primary health care facilities and services. This facility should be optimally accessible and therefore should be located close to primary public transportation routes and central to the development. The suggested guideline for this facility is dependent on the number of people it serves, as well as number of storeys in the design. The facility is expected to serve  $\pm 15\ 000$  people (as expected within the proposed development), thus the site should be  $\pm 0.375\ \text{ha}$  ( $\pm 3750\text{m}^2$ ) in extent according to the Guidelines for the Provision of Facilities in the Western Cape. The population threshold criteria is 20 000 people (5000 conventional dwelling units). Even though this prescribed population threshold is more than the expected population associated with the development, the immediate surrounds (Khayamandi / Cloeteville) is also expected to make use of such a facility, as the existing Khayamandi town will be connected and integrated with

the proposed extension to its north.

## 5.12 Places of Worship

5.12.1 The Guidelines for the Provision of Facilities in the Western Cape suggests that a place of worship may vary in sizes from 150m<sup>2</sup> to 3000m<sup>2</sup> and is directly dependent upon many factors such as the religious denomination, congregation size and the intended community that will be served. Ideally, a place of worship should be located a maximum walking distance of 1.5km from its users, or 30 mins walk. The population threshold for one place of worship is 2000 people (500 dwelling units). The need for worship places is strongly correlated with the religious diversity or uniformity of an area. A *'Community needs assessment and asset mapping profile of Kayamandi'* report was compiled for the Division of Community Interaction, Stellenbosch University in 2012. In their study, it was found that at least 24 different Christian denominations meet in Khayamandi. This is indicative of a very diverse denomination base currently in Khayamandi. As the proposed development is expected to display similar diversity trends, the prescribed number of worship places is included (1 per 2000) in the proposed development totalling six (6) sites evenly dispersed throughout the proposed development. Three of these will act as main worship places, being ±2500m<sup>2</sup> in extent and also incorporating crèche facilities.

## 5.13 Crèche / nursery schools

5.13.1 The minimum building size for this facility is 130m<sup>2</sup>. The location of these facilities should be within walking distance of residential units, frequently clustered with pre-primary schools, PS etc. Provision is made for four (4) crèches, clustered with place of worship facilities. Two of these facilities are considered very large (±2500m<sup>2</sup>) and will thus provide sufficient space to accommodate the children and needs of neighbourhoods in the vicinity.

## 5.14 Commercial centres

5.14.1 It is proposed that provision should be made for two commercial sites within the proposed development. The location of these sites is carefully considered to optimise land uses and efficient planning principles. The commercial sites are located along the border of the study area where access is obtained from the R304 adjacent to the Welgevonden intersection, as well as the access point via Khayamandi. This will maximise traffic passing the commercial enterprises, therefore ensuring their viability and sustainability.

5.14.2 Dorpstraat PKEF, commercial specialists, were consulted regarding the viability of commercial centres within the proposed development. They are of the opinion that a commercial centre with a GLA of approximately 7500m<sup>2</sup>, situated along a "main vein" (main transport route) such as the R304, will be successful and utilised not only by the residents of the proposed development, but also surrounding residents (from Welgevonden and Cloeteville). This will not negatively affect the need for the less formal and smaller commercial centre proposed on the link road from Khayamandi.

## 5.15 Filling station

5.15.1 The location of the main commercial centre is also ideal for a filling station. It is proposed that the filling station site should therefore be combined with the site of the commercial centre and a taxi rank terminal. The filling station will be ±4000m<sup>2</sup> in extent, located along the 'main vein' / main access to the proposed development via the Welgevonden intersection on the R304. The proposed location will optimise traffic flows from a traffic engineering perspective.

### 5.16 Taxi ranks

- 5.16.1 In conjunction with the taxi rank site at the filling station, an alternative or possible second taxi rank site is proposed, to be confirmed after further investigations. The second / alternative taxi rank site is centrally located within the proposed development, along a main internal road gaining access from the R304.

### 5.17 Industrial facility

- 5.17.1 A light industrial site ( $\pm 1$ ha in extent) is proposed to where the current wine cellar is located in the most eastern part of the study area, thus minimising any associated disturbances or negative impacts the proposed industrial use could have on surrounding residential developments. The proposal is to redevelop or transform the existing structure for industrial use.
- 5.17.2 An industrial facility will also contribute to job creation and provide employment opportunities, ideally to residents from the proposed development, which will also reduce the need to commute on a daily basis.
- 5.17.3 Consideration should be given to increase this industrial site in the detailed planning stage if needed.

## 6 POLICY DIRECTIVES

- 6.1 Several policy documents taken into consideration to assess and guide the development proposal of the Northern Extension Projects. The policy documents range from national, provincial, district and local municipal planning and development documentation.
- 6.2 Nationally, the **National Development Plan (NDP)** identifies five principles for spatial development: spatial justice, spatial sustainability, spatial resilience, spatial quality and spatial efficiency. These principles are translated and localised in various other documents and cognisance was taken of these principles.
- 6.2.1 The proposed development aligns with the vision of the NDP, as it will promote compaction of the town through the creation of higher density residential development, combined with other public amenities and private commercial sites, stimulating an integrative environment and human settlement incorporating various other facilities. Provision will also be made for public transport in the form of a taxi rank situated adjacent to the future proposed transport network, in alignment with the NDP's visions and objectives to improve the quality and use of public transport. The locality of the proposed development area is also adjacent to other residential developments, abutting Khayamandi to the South and Cloetesville to the East and does not represent leap frog development.
- 6.2.2 The NDP also focuses on the creation of sustainable human settlements, by focusing on the incorporation of housing for the gap market, known as "GAP housing", as well as providing greater diversity in social housing options in terms of the product and financing options available. The proposed development aims to provide housing opportunities for a wide spectrum of the community in economic terms, providing BNG subsidised housing, social housing (apartment blocks for rental option), typical GAP housing, as well as catering for the lower and upper GAP housing markets. This will ensure and stimulate greater integration of social groups within the envisioned development area.
- 6.3 At provincial and district levels, the **Western Cape PSDF (2014)**, amongst others, was compiled to specify a clear set of spatial objectives for municipalities in order to ensure the realisation of the future

provincial spatial infrastructure; and to enable and direct growth. The PSDF aims to articulate the spatial objectives of the Western Cape region to assist the alignment of neighbouring municipalities' spatial plans.

- 6.3.1 The principle of *better accessibility* is one of the main objectives that the proposed development will achieve, complimented by the proposed Western Bypass. The development proposal is, to some extent, reliant on the approval and construction of the Western Bypass, which should mostly form the new urban edge for the development area in particular. The Western Bypass will greatly improve inter- and intra-regional accessibility where travel time and traffic congestion will be greatly reduced and alleviated. The proposed development will not be solely reliant on private motor-vehicle use, as sufficient planning is made for public transport linkages within the development area. Mixed land use within the development area will also reduce the necessity to travel for daily needs and activities.
- 6.3.2 The proposed development took cognisance of several guideline tools relating to the provision of public and social facilities. This directly addresses the challenge highlighted within the PSDF, which include the locality and design of public facilities within settlements. The need for motorised travel is reduced through the multi-functionality of facilities, where complementary land uses are clustered. The notion of clustering and ease of access were the two main factors used to determine the location and type of the various public facilities proposed for the study area.
- 6.3.3 The development proposal is directly aligned with the PSDF's principles and objectives of promoting sustainable, integrated and inclusive housing in formal and informal markets. It is therefore proposed that this study area should be included within the municipality's intended amendment of the MSDF for development purposes, using the proposed Western Bypass as the alignment of this new urban edge.
- 6.4 The Cape Winelands IDP (2016/17) is also aligned with the Millennium Development Goals, as well as the NDP's visions and objections. This document provides the status quo of the district, where Stellenbosch and the Northern Extension project is situated. It sets out development challenges that the district face, including the lack of available housing opportunities with a housing backlog of roughly 40 000 units. There are also 117 informal settlements in the Winelands Area, translating into approximately 36 363 informal dwellings at an average of 71 dwellings per hectare. The proposed development will greatly contribute towards alleviating this housing backlog.
- 6.5 At district level, the **Strategic Environmental Assessment (SEA)** for the Cape Winelands (2007) has evolved, complementary to an Environmental Impact Assessment (EIA), in order to determine the environmental implications of policies, plans and programmes. Three of the four objectives underpinning this vision relate to the creation of quality human settlements and infrastructure and the growth and diversification of the economy. The development proposal therefore complies and facilitates the SEA's vision through the provision of a range of economic housing options and necessary infrastructure / services to create/design a sustainable human settlement.
- 6.6 At local level, the **Stellenbosch IDP (2016/21)** states the mission of the Stellenbosch Municipality: *To deliver cost-effective services that will provide the most enabling environment for civil and corporate citizens.* This strategic vision is informed by the desire to become the *Innovation Capital of South Africa*. Addressing the strategic challenges and achieving the visions and goals set out by the Municipality, which requires collaborative action and enhanced public planning participation. Within the IDP, a summary is provided of a needs analysis, which commenced during September and October 2014. The following needs relevant to this development proposal were identified:
- 6.6.1 The IDP identifies that inadequate supply of shelters is of main concern. The Municipality has a current and future housing backlog of 45 000 to 50 000 units, half of which are for middle and more affluent households.



Over the past ten years Khayamandi has more than doubled its population. Cloetesville has also almost doubled in size. As the population has grown, the release of land for development and housing has not kept pace. Housing has become so expensive that many of those who work in the Stellenbosch municipal area commute from outside this area. For these and others, the most basic shelter – even of a temporary nature – within this municipal domain remains an unattainable dream.

- 6.6.2 From the above it is evident that the development proposal creating ±5200 housing opportunities, consisting of subsidised BNG, social housing (apartment blocks), lower GAP, GAP and upper GAP houses, will directly address these pressing needs and pressures experienced in Stellenbosch Municipality concerning housing backlogs and unsatisfactory living conditions. The development proposal should therefore be included in the new IDP and the necessary sector plan for this region.

## 7 LAND VALUATIONS & CONTRACTUAL AGREEMENTS

- 7.1 Cassie Gerber, from Cassie Gerber Property Valuers CC was appointed to perform the land valuations for the properties situated inside the proposed development area.
- 7.2 All of the properties was valued based on the highest and best use (residential), with the exception of the Steyns Nursery, that has a consent use for a nursery, which includes additional dwelling units, farm store, guesthouse, riding school, nursery, and service trade and tourist facilities (Valuation Report attached hereto as *Annexure H*). This was factored into the valuation of the said property. Other principles followed, include that valuations were discounted to 30 July 2018 (expected date for planning and environmental approvals); as well as that all of the properties are within the urban edge. Comparisons were also drawn to similar sales to derive at accurate valuations.
- 7.3 All land owners' property values and therefore level of participation are depicted in Table 4.

Table 4 Property land valuations

Owner	Value (R million)	Participation (%)
Alberto Costa Trust	56.8	19.61
Du Bois Rivierplase*	50.0	17.26
Stellenbosch Mun	87.8	30.31
Steyns Familietrust	12.8	4.42
W S Smit Watergang***	82.3	28.41
<b>TOTAL</b>	<b>289.7</b>	<b>100</b>

\*Only the portion which falls within this study area (±34ha)

The +- 7ha referred to in 5.10.3 above was not valued

\*\*\*Included in the WS Smit valuation is a wine cellar valued at R13,5m which the land owner disputes.

It will not be economically viable to include the wine cellar in the proposed study area going forward.

- 7.4 All land owners are expected to contribute, as per their participation ratio, to the costs of the professional fees in order to obtain the intended development rights. They should also benefit in the value add post rezoning based on the same participation ratio.

7.5 Pending negotiations with land owners, finalisation of the Western Bypass and prior to contracting with them the valuations will have to be revisited and amended where necessary.

7.6 Contractual Agreements:

Various sessions were held with the land owners and the following broad development proposal was put to all of them for consideration:

- 7.6.1 All land owners to contribute to rezoning in the participation ratio
- 7.6.2 All land owners to benefit post development rights in the participation ratio
- 7.6.3 Stellenbosch Municipality to develop the BNG component and will have to enter into land swaps and or land purchases in order to do so

7.7 In order to conclude the development agreements the following to be addressed:

- 7.7.1 The structure in which the application will be put together must be drafted as land owners are concerned that capital gains tax could be triggered by structure
- 7.7.2 Land owners requested Stellenbosch Municipality to fund Phase 2 to obtain environmental and development rights
- 7.7.3 Steyns Nursey – owners have brought application for rezoning some years back and have not had any formal response thereto. Stellenbosch Municipality to respond in writing. We anticipate that the Steyns Nursery owners might delay the process going forward if not dealt with to their satisfaction

## 8 FINANCIAL FEASIBILITY OF DEVELOPMENT

8.1 This section will only deal with the Municipal owned land.

8.2 Various land parcels are to be combined into one application to establish township development on the proposed Northern Extension project. Each landowner will contribute to its pro-rata costs and share in the pro-rata yield of opportunities created through the planning and environmental processes. However, our instruction is that Stellenbosch Municipality will take ownership and develop the BNG housing component of the proposed township. In order to achieve this objective the property will have to be consolidated at township establishment and land swaps will have to be done in order to transfer the BNG component to the Municipality. In holistic planning it is not possible to allocate all BNG housing to land parcels owned by the Municipality.

8.3 As per the land valuations Stellenbosch is to contribute roughly 30% of the planning costs. If this is directly related to housing opportunities one would assume Stellenbosch to develop the following:

### RESIDENTIAL COMPONENT

Housing typology	Total number of units	Allocation to Stellenbosch	Percentage
BNG	1 040	1 040	100%
Lower GAP	1 560	0	0%
GAP	1 040	0	0%
Upper GAP	572	0	0%
Apartments ***	988	520	53%
TOTAL	5 200	1 560	30%

- 8.4 \*\*\* Apartments included in framework in order to increase densities. One would typically develop apartments for sale but also develop apartment as rental stock funded by various institutional and Municipal subsidies and contributions. We have assumed that Stellenbosch will develop rental stock to lower income households falling just outside of the subsidy band and who do not qualify for BNG subsidies.
- 8.5 This yield of 1 560 "Low cost" opportunities is much lower than anticipated and required and alternative land will have to be identified to meet the demand of approximately 4 000 – 6 000 households.

#### OTHER LAND USES

Land use	Total developable area	Allocation to Stellenbosch	Percentage
Churches	3 000	900	30%
Crèche	2 400	720	30%
Pre-primary school	5 000	1 500	30%
Primary School	40 000	12 000	30%
Secondary school	34 000	10 200	30%
Clinic	2 500	750	30%
Commercial	27 500	8 250	30%
Filling station	4 000	1 200	30%
Industrial	10 000	3 000	30%
TOTAL	128 400	38 520	30%

#### 8.6 Obtaining township development

Total cost as per clause 9 below = R 19 116 762  
 Stellenbosch contribution (30%) = R 5 735 029

Application can be made to the Western Cape Government: Department of Human Settlements (DoHS) for funding for the township establishment and environmental approvals for the subsidy component of the development. Funding approved previously for similar developments amounted to +- R 2 500 per opportunity. This amounts to R 13 000 000 should DoHS fund BNG and GAP component and R 8 112 000 if they only fund the GAP component.

#### 8.7 Land opportunity costs

The Municipal owned land is valued at R 87 775 000. The land cost per opportunity is therefore R56 266 per opportunity which is high for "low cost housing". The indicative land cost for a subsidy erf is in the region of R 35 000. Application can be made to the Western Cape Government: Department of Human Settlements to fund a portion of the land cost.

#### 8.8 Internal civil services

Based on similar projects in the Municipal area (Watergang: Kayamandi 2016 contracted rates) the internal civils amounts to approximately R 44 500 per serviced site. Application can be made to the Western Cape Government: Department of Human Settlements for funding for internal civil services. Current subsidy amount is R 37 070 per site. Due to steep slopes a further application can be made for geotechnical variances which will fund a portion or whole of the shortfall. Stellenbosch Municipality will

have to budget for any shortfalls.

#### 8.9 BNG Top-structure construction

Application can be made to the Western Cape Government: Department of Human Settlements for funding for top-structure construction. Current subsidy amount is R 110 947 per site and should be sufficient for the construction costs.

#### 8.10 Bulk civil services

The estimate for bulk civil services is as follows:

Water supply	R 27 026 760
Sewerage	R 12 673 721
Stormwater	R 24 194 760
Road upgrades	R 182 000 000
Transport, social amenities etc	R 80 000 000
Electrical	<u>R 80 000 000</u>
	R 405 895 241

Stellenbosch will have to contribute to 30% of the bulk civil services which could be funded from Municipal Infrastructure Grants (MIG). The remaining upgrades to be funded by developers.

Electrical infrastructure upgrades to be funded by Eskom and application will have to be made to them for funding.

#### 8.11 Conclusion

The study area comprises properties with a high retail land value. In addition the potential shortfall for internal services and bulk funding contributions required contributes to a relatively "expensive" "low cost housing development".

However, the Municipality could recover a significant portion of the high land values and infrastructure cost shortfall from the sale of the approximately 38 520 m<sup>2</sup> of non-residential land uses (Note 1 below) as well as from the increase in the future rates and taxes.

The total development financial feasibility should also consider the Municipal statutory obligation to provide housing and should not only consider monetary implications.

Note 1:

A practical workable way of allocating the 30% of non-residential land uses must be achieved during the negotiations with the other land owners. Smith Tabata Buchanan Boyes to advice.

## 9 PROFESSIONAL FEES - ESTIMATE

9.1 Herewith follows an estimated fee proposal for the entire process required to acquire the necessary LUPA, SPLUMA, NEMA, etc. approvals and finally receive the development rights as depicted in this report. This includes all specialist studies, relevant applications and processes in order to obtain the desired development rights. The exact scope or works to be agreed with land owners and Municipality

and estimates subject to change.

Engineering Services Report	R 176 130
Traffic Impact Assessment	R 106 150
Environmental Approval (Incl Specialist studies)	R 1 765 192
Traffic Impact Assessment	R 106 150
Town planning application	R 7 051 626
Geotechnical Investigations	R 224 952
Civil Engineer preliminary designs	R 3 519 625
Contour survey	R 160 680
Land surveying	R 142 750
Social facilitation	R 493 600
Project co-ordination	<u>R 3 914 300</u>
	R 17 378 875
Add 10% contingency	<u>R 1 737 887</u>
	<b>R 19 116 762</b>

All amounts excludes VAT



**STELLENBOSCH**  
STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

---

## **ANNEXURE 2**

MEMORANDUM: RATIFICATION – JUBELIE PROJECTS



# MEMORANDUM

DEPARTMENT OF PLANNING AND ECONOMIC DEVELOPMENT



**To = Aan:** MUNICIPAL MANAGER  
**From = Van:** Bernabé de la Bat  
**Job Title:** Acting Director: Planning and Economic Development  
**Date = Datum:** 16 March 2018  
**Re = Insake:** **RATIFICATION:** Jubelie projects for R 624 500 (14% VAT included)

## 1. PURPOSE

To obtain approval in terms of Supply Chain Management Policy, 4.36.1(b) to ratify any minor breaches of the procurement processes, in particular, to compensate the appointed Consultant for the Northern Extension Feasibility Study, Jubelie Projects, in an additional amount of R624 500 (14% VAT included) resulting from an increase in their scope of work. No comparative quotations for this additional work were obtained, but the Consultant's original tendered rates were used in determining costs associated with the increased scope of work.

## 2. BACKGROUND

- 2.1 On 28 June 2016, Jubelie Projects was appointed to conduct a pre-feasibility study for the Northern Extension Project, to the north of Kayamandi. A first investigative phase (Phase1) was completed in February 2017. During this study, the designated area was assessed from a socio-economic, current land-use, topography/soils/drainage, heritage, traffic, access, proximity to and capacity of infrastructure services' perspective. This resulted in a feasibility report: *Northern Extension Project Stellenbosch: A Feasibility Report*. A document was presented to the Municipality.

- 2.2 Emanating from and impacting on this study, was the need to have a more details regarding the so-called Western Bypass. For reasons elaborated upon in the next sections, it was decided (March 2017) to use members of the same professional team to further investigate and assess aspects such as first order horizontal and vertical alignments, alternative alignment corridors, land availability/access, bio-physical and socio-economic sensitivities of the study area, possible intersections/interchanges and high order costs. Specific professionals (from the Jubelie team) involved in this exercise were the Geometric Engineer (ICE Engineers) and the Environmental Assessment Practitioner (Aubrey Withers Environmentalists).
- 2.3 All the members of the Jubelie team are on the Municipality's panel for service providers, at approved (hourly) rates. No formal quotation was obtained to extend the scope of work of the Jubelie team, however, an initial budgetary amount of R500 000 was set. As the study progressed, it became apparent that certain elements required more detail, to be able to conclude this phase and present the deliverables meaningfully, also assisting in taking informed decisions on the way forward. The cost of this first investigative phase has now been confirmed to be R624 500 (14% VAT included.) Deliverables produced include high order horizontal and vertical alignments, conceptual intersections / interchanges, results from engagements with affected private land owners, initial environmental assessments and identification of bio-physical constraints.

### 3. DISCUSSION

- 3.1 Council approved a Roads Master Plan (2012 – 2017) (RMP), the aim of which is to assist in integrating and coordinating the planning and implementation process for road infrastructure. It also aims to identify and classify all roads within a defined area, in this case the Stellenbosch Municipal Area (SMA). The roads in the SMA belong to the Municipality, Provincial Government, SANRAL and many private owners. The RMP is a key guide for local, district and provincial authorities in determining and allocating funds for future improvement within the area. Further, it supports various other strategic plans,



such as the Spatial Development Framework, Integrated Development Plan, Comprehensive Integrated Transport Plan and Integrated Public Transport Networks.

- 3.2 The RMP and various other studies indicate that improvement of the mobility function of the R44 between the N2 and the N1 requires the establishment of a bypass to Stellenbosch. The Municipality is of the view that this necessitates the creation of the Stellenbosch Western Bypass, a concept which has for many years been deliberated. The study on the Northern Extension again brought this to the fore, as the envisaged alignment of the Western Bypass in the vicinity of Kayamandi has a marked influence on the form and format of this intended mixed-use development. It was apparent that, to take the Northern Extension project into a next phase, more certainty on the bypass was required. Such certainty would further serve to raise the appetite of private developers to participate in planning and implementation processes, while affected private landowners should be more co-operative in agreeing to terms and conditions for the alienation of their properties.
- 3.3 Moreover, it was considered beneficial to have more details regarding the Western Bypass, for example, the horizontal alignment, incorporated into the amended SDF and IDP 2017/18. From a timing perspective, as well as for technical and financial reasons, therefore, it made logic to extend the scope of work of the same professional team (appointed for the Northern Extension) to also investigate, holistically, the complete alignment and potential impact of the Western Bypass.


#### **4. FINANCIAL IMPLICATIONS**

- 4.1 While the outstanding payment is towards work performed in respect of the Western Bypass, the integrated nature of this road with the Northern Extension development is apparent. With approximately 5 200 housing opportunities at stake in this latter development, the importance to the Department of Human Settlements and Property Management for progress/certainty regarding this bypass, is obvious. Funds availed by this Department should therefore not be considered as exclusively towards the bypass, but rather towards unlocking the Northern Extension development.


- 4.2 It is on record that the Western Cape Government (WCG) is supportive of the Western Bypass. Moreover, with it being a regional mobility corridor, the WCG has also undertaken to secure the necessary funds for the construction thereof. Monies expended by the Municipality during the planning phases of this road and related infrastructure should not be regarded as fruitless, but rather as contribution towards a facility that would significantly benefit Stellenbosch town.
- 4.3 It was previously stated and motivated that/why no comparative quotations were called for. Appointed consultants were instructed to proceed with (additional) work at approved/appointed unit rates. Further, with the intellectual property they accumulated during the Northern Extension study, it made logic to utilize that in the most cost-effective manner, as opposed to another service provider that would have to accumulate the same knowledge from afresh.
- 4.4 While the R500 000 initial amount set was exceeded, the investigative phase was monitored continuously and excess costs progressively identified, motivated, quantified and agreed to. The final amount has now been determined to be R624 500 (14% VAT included.)

## 5. RECOMMENDATION

- 5.1. That the approval, from ukey number 20180221005306 / cost account number 1378300790000 be granted in terms of the Municipality Supply Chain Management Policy 4.36.1(b) to ratify any minor breaches of the procurement processes, in respect of payment to the appointed consultant on the Northern Extension Project, Jubelie Projects, amounting to R624 500 (14% VAT inclusive.)


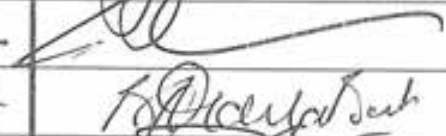
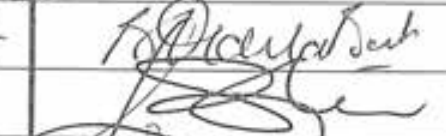

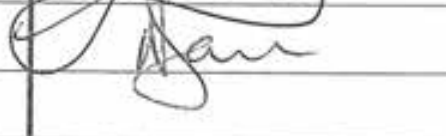
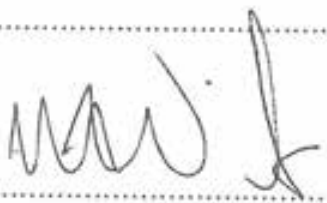



**Bernabé de la Bat**  
**ACTING DIRECTOR OF PLANNING AND ECONOMIC DEVELOPMENT**



**Lester van Stavel**  
**ACTING DIRECTOR: INFORMAL HUMAN SETTLEMENT AND PROPERTY**  
**MANAGEMENT**

Ratification:

RECOMMENDATION (SUPPORTED / <del>NOT SUPPORTED</del> BY THE STELLENBOSCH MUNICIPAL BID ADJUDICATION COMMITTEE		
Name	Signature	Date
J. G. Louw		16/3/18
NC Louw/Kouw		16/3/2018
BJG de la Bot		16/3/2018
L. van Stavel		16/3/2018
D. Joubert		16/3/18
Comments:		
.....		
.....		
CHAIRPERSON.....		DATE ..... 16/3/18
RECOMMENDATION FROM BID ADJUDICATION COMMITTEE APPROVED BY THE ACCOUNTING OFFICER		
Name	Signature	Date
Geraldine Mettler		19/3/18

Ratification must go. MPAC target April 2018.

**Zikhona Lukani**

---

**From:** Zikhona Lukani  
**Sent:** 13 March 2018 09:17 AM  
**To:** Chantel Pietersen; Nomzi Mlenze; Natalie Zimri; Rykie Dreyer; Scm Admin; Scm Epwp; Lester Vanstavel; Michelle Moses; Tabiso Mfeya; Piet Smit; Christine Du Preez; Feziwe Ngquba; Lorelle Adams; Jacky Adonis; Fazlin Rosenberg; Raydine Wenn; Johru Robyn; Myra Francis; Annelene Rooifontein; Theresa Benjamin; Natasha Siyengele; Mvuselelo Mpotololo; Kurt Titus; IHS Temp; Bruce Engelbrecht; Rotanda Swartboo; Chaheda Cornelsen; Jacky Adonis; Harry Matyatya; Harold Lamberts; Hendri Steenberg; Directors Group; Directors PAs  
**Subject:** ACTING ARRANGEMENTS – HUMAN SETTLEMENTS & PROPERTY MANAGEMENT

Good morning All

Kindly note during the absence of Mr Tabiso Mfeya, Mr Lester Van Stavel is acting Director: Human Settlements & Property Management, from today, 13 March 2018 until further notice.

He can be contacted on 8462 or via email, [Lester.Vanstavel@stellenbosch.gov.za](mailto:Lester.Vanstavel@stellenbosch.gov.za)



Kind regards,

Zikhona Lukani

Person: Assistant to Director  
 Human Settlements & Property  
 Management

---

T: +27 21 833 8462 | F: +27 21 837 0107

Email:

[Zikhona.Lukani@stellenbosch.gov.za](mailto:Zikhona.Lukani@stellenbosch.gov.za)

Old Bismarck building, 3rd Floor P.O. Box

Street, Stellenbosch, 7600

[www.stellenbosch.gov.za](http://www.stellenbosch.gov.za)



<b>8.2</b>	<b>OFFICE OF THE MUNICIPAL MANAGER</b>
------------	--

<b>8.2.1</b>	<b>APPLICATION FOR SUBDIVISION ON ERF 3623, STELLENBOSCH</b>
--------------	--

**Collaborator No:** 586719  
**File No:** LU/4234  
**IDP KPA Ref No:** D488  
**Meeting Date:** 23 May 2018

**1. SUBJECT:**

**APPLICATION FOR SUBDIVISION ON ERF 3623, STELLENBOSCH**

**2 PURPOSE**

To obtain the Planning and Economic Development Committee's approval for the application below.

Application is made in terms of Section 24(1) of the Land Use Planning Ordinance, 1985 (Ordinance 15 of 1985) for the subdivision of Erf 3623, 4 Van Coppenhagen Street, Stellenbosch into two portions namely Portion A ( $\pm 495\text{m}^2$ ) and Remainder ( $\pm 755\text{m}^2$ ), as indicated on the plan attached as **ANNEXURE 2**.

**3. DELEGATED AUTHORITY**

For decision by the Planning and Economic Development Committee

**4. EXECUTIVE SUMMARY**

Erf 3623, 4 van Coppenhagen Street, Stellenbosch is zoned Single Residential and the application under consideration is to subdivide the subject property into two portions and the adjoining property owner has objected to the proposal.

<b>FILE REFERENCE</b>	3623
<b>AUTHOR</b>	Robert Fooy
<b>SENIOR PLANNER</b>	Robert Fooy
<b>MANAGER: LAND USE MANAGEMENT</b>	Hedre Dednam
<b>WARD</b>	7
<b>WARD COUNCILLOR</b>	Cllr A. Hanekom
<b>REPORT DATE</b>	13 November 2017
<b>COMPETENT AUTHORITY</b>	Planning and Economic Development Committee

**4.1 APPLICANT'S DETAILS**

<b>First name &amp; Surname</b>	Emile vand Der Merwe			
<b>Company name</b>	Emile vand Der Merwe Town Planners			
<b>Is the applicant authorised to submit this application?</b>	Yes	√	No	
<b>Registered owner(s)</b>	B G Zietsman			

## 4.2 GENERAL INFORMATION

<b>Property description (in accordance with Title Deed)</b>	Erf 3623 Stellenbosch in the Municipality and Division of Stellenbosch Western Cape Province (see <b>ANNEXURE 5</b> )			<b>Title Deed number &amp; date</b>	T 73162/98
<b>Physical address</b>	4 Van Coppenhagen Street. (see <b>ANNEXURE 1</b> )			<b>Town</b>	Stellenbosch
<b>Current zoning</b>	Single Residential			<b>Extent (m<sup>2</sup> /ha)</b>	1250m <sup>2</sup>
<b>Applicable zoning scheme</b>	Stellenbosch Municipality Zoning Scheme Regulations, July 1996				
<b>Current land use</b>	Residential				
<b>Any restrictive title conditions applicable</b>	Y	N	If Yes, list condition number(s)	Condition B pg 2, (No Double Storey Buildings may be constructed)	
<b>Any third party conditions applicable?</b>	Y	N	If Yes, specify		
<b>Any unauthorised land use</b>	Y	N	If Yes, specify		
<b>Heritage Compliant?</b>	Y	N	Specify	Not Applicable.	
<b>NEMA Compliant?</b>	Y	N	Specify	Not Applicable.	

## 5. RECOMMENDED

that **approval is granted** in terms of Section 25 of the Land Use Planning Ordinance, 1985 (Ordinance 15 of 1985) for the subdivision of Erf 3623, 4 Van Coppenhagen Street, Stellenbosch into two portions namely Portion A ( $\pm 495\text{m}^2$ ) and Remainder ( $\pm 755\text{m}^2$ ), as indicated on the plan attached as **ANNEXURE 3**, subject to the following approval conditions:

1. The approval applies only to the application under consideration and shall not be construed as authority to depart from any other legal prescriptions or requirements from Council;
2. The conditions as imposed by the Director: Engineering Services in there memo dated 06/07/2017, attached as **ANNEXURE 4**, be complied with;
3. The conditions as imposed by the Director: Electrical Services in there memo dated 15/02/2016, attached as **ANNEXURE 4**, be complied with;
4. That a 2.5m wide servitude be registered over the relocated sewer line on registration of the subdivision in the deeds office;
5. No additional dwelling unit may be constructed on the Remainder of erf 3623 or the newly created portion , Portion 1 and that this restrictive condition be registered against both properties title deeds on transfer of the subdivided portion, Portion 1;
6. The applicant submits an electronic copy (shp,dwg,dxf) of the General Plan which was preliminary approved by the SG. The following information must be indicated:
  - a. Newly allocated Erf Numbers
  - b. Co-ordinates
  - c. Survey Dimensions

- 
7. No building plans will be approved prior to the submission of an approved SG diagram (electronic or hard copy, containing a SG number and signed by the Office of the SG);
  8. Building plans will only be approved on Portion 1 of the subdivision when all conditions of subdivision have been complied with;
  9. That this Municipality reserves the right to impose further conditions if deemed necessary.

## 6. DISCUSSION / CONTENTS

### 6.1 Discussion

In 1994 erf 3623 was zoned for Public Open Space purposes and was closed by Council and rezoned to single residential purposes with a title deed condition that only a single storey building could be constructed on the property.

The subject property is located in Uniepark a well-established residential area of Stellenbosch. The surrounding properties are all developed with dwelling units and associated buildings. The existing dwelling unit on the subject property is located to one side of the property and thus the proposed subdivision will not require a building line relaxation to accommodate the proposal.

The proposal was initially not supported by the engineers department due to the fact that a municipal sewer line ran through the portion that was to be subdivided. This was resolved after consultation with the engineers department where it was agreed that the sewer line could be relocated to within the building line of the subdivided portion (Portion 1) and that a servitude area would be registered over the sewer line.

The objection received relates to the fact that the proposed subdivision is not in line with the property sizes currently found in the surrounding area. As the subject property is one of the first to apply to be subdivided the existing character of the area will not be in line with what is proposed but will over time change as the surrounding properties also apply for approval to be subdivided or densify by applying for additional dwelling units to be constructed.

The conditions of approval imposed by Council in 1994 for the rezoning of the subject property from Public Open Space to Single Residential purposes restricted the development of the property to that of a single storey dwelling unit which has not been complied with, as the existing dwelling has a double storey component to it.

The fact that the SDF of Stellenbosch promotes densification will result in smaller properties being created within established residential areas and in turn will result in double storey dwelling units being developed on these properties as owners maximise the development potential of these smaller erven.

As noted above the subject property has a restrictive title deed condition which will need to be complied with and will restrict any new building on the subdivided portion to that of a single storey structure. The current building lines applicable to the subject property on the common boundary with other erven are 2.5m. Due to the servitude area which is located on the common boundary with the objector, the building line applicable to the subdivided portion on this common boundary will still be 2.5m as a the servitude area that needs to accommodate the existing sewer line will be located on this boundary.

---

As this residential area is well established most of the gardens in the area have large trees which obscure or interrupt most of the views that the properties have over the town. The objectors dwelling unit has also been oriented to take advantage of these views but does not overlook the applicant's property but across the street.

Due to the fact that large trees are located on the common boundary with the objector's property, the objector's double storey dwelling unit is screened from the applicant's property. Thus should a single storey dwelling unit will be constructed on the subdivided portion it would have no impacted on the objectors property as a result of the large trees which are located on the common boundary between these two properties.

The SDF for Stellenbosch promotes sensible densification within the urban edge and thus the proposal under consideration is seen to be in line with these principles. The proposed subdivision also complies with the subdivision policy adopted by Council in 2003 and in light of the above the application is supported from a town planning point of view.

## **6.2 Existing and proposed zoning comparisons and considerations**

The subdivision complies with the subdivision policy of Council and will facilitate densification within the urban edge as promoted by the SDF.

## **6.3 The desirability of the proposal**

The proposal is desirable due to the fact that existing land and municipal services within the urban edge will be optimally utilised. The proposal under consideration is currently out of character with its surroundings as the proposed subdivision is one of the first to be submitted but will over time become the norm as the area densities due to other subdivision and second dwelling unit applications being submitted for consideration. The proposal also complies with the Subdivision Policy of Council as adopted in 1994.

## **6.4 Financial Implications**

There are no financial implications for Council should the recommendations as set out in the report be accepted.

This report has the following financial implications. The Directorate Engineering Services has calculated a bulk infrastructure cost which must be paid by the owner should the application be supported and this calculation forms part of the conditions of approval.

## **6.5 Legal Implications**

The recommendations in this report comply with Council's policies and all applicable legislation.

The applicant has been advertised to the affected property owners for comment and one objection was received. Refer to **ANNEXURE 3** for the objection and comments on the objection by that applicant. The proposal was circulated to the relevant internal departments and the Manager: Spatial Planning, Heritage and Environment whom had no objection to the proposal as noted below.



## 6.6.1 Overall summary of public participation

		Yes / No	Date published	Closing date for comments
<b>ADVERTISING</b>	Notice in media	No	N/a	N/a
	Notice to a person	Yes	11-10-2016	09-11-2016 (see <b>ANNEXURE 7</b> )
	Notice to representatives	No	11-10-2016	09-11-2016 (see <b>ANNEXURE 7</b> )
	Notice to Provincial Government	No	N/a	N/a
	Notice to Organ of state	No	N/a	N/a
	On site display	No	N/a	N/a
	Public meetings	No	N/a	N/a

<b>NUMBERS RECEIVED</b>			
<b>OUTCOME</b>	Objections	1	Prof F J W Hahne
	Letter of Support	None	N/a
	Comment/s	None	N/a
	Ward Councilor Response	None	No response was received from the ward councilor.

## 6.6.2 Summary of comments received from organs of state

<b>DEPARTMENT</b>	<b>DATE DISTRIBUTED AND COMMENT DATE RECEIVED</b>	<b>SUMMARY OF COMMENTS / ANNEXURE</b>
<b>Dept. Agriculture (Eisenburg)</b>		<i>No comment was required as the subject property is located in a residential area of Stellenbosch.</i>
<b>Manager: Health Department (Cape Winelands District Municipality: Health Section)</b>		<i>No comment was required as the subject property is located in a residential area of Stellenbosch.</i>

## 6.6.3 Summary of objections and comments on objections (See Annexure 3)

NO OF OBJECTIONS	ISSUES RAISED	APPLICANT'S RESPONSE	DEPARTMENTAL RESPONSE
Prof F J W Hahne	The approval granted by Council for the rezoning of the subject property from Public Open Space to Single Residential in 1994 limited the development of the property to that of a single storey dwelling unit.	The condition will be adhered to.	<p>The existing title deed condition will still be applicable should the property be subdivided.</p> <p>As densification is important to ensure that existing Municipal services are optimally used and to reduce further urban growth into the rural areas double storey dwelling units will become the norm as erven sizes decrease.</p> <p>The objectors double storey dwelling unit has been orientated in such a way that it looks down the road and not over the applicants property and is screened off from the applicants property by large trees and thus the construction of a dwelling unit on the newly created portion should have no impact on the objectors property in terms of privacy or visual impact.</p>
Prof F J W Hahne	That the current building lines applicable to the property should be applicable to the subdivided portion as well.	The building lines as determined by the Stellenbosch Zoning Scheme will be applicable to the newly created erven	As noted in the report below the current building lines applicable to the larger property for the common boundary with the objector's property is 2.5m and will be maintained due to the servitude area that needs to be registered.
Prof F J W Hahne	It is also noted that portion 1 will be approximately 50% of the size of the erven in the area.	The proposal conforms to the Subdivisional Policy of the Municipality	The proposal conforms to the 1994 Subdivision Policy of the Municipality.
Prof F J W Hahne	It should be noted that the sewer connection for erf 3601 is located on portion 1 of the subdivision.	The owner has submitted and Engineering drawing to the Municipal Engineering Department in respect of the re-alignment of the sewer.	The existing sewer line will be relocated to within the common building line area of the subdivided portion and a 2.5m wide servitude area will be registered over the relocated sewer line.

---

**6.6.4 Consistency or Inconsistency with the IDP/Various levels of SDF's/Applicable policies**

The proposal is consistent with the forward planning vision for the town of Stellenbosch as promoted by the Stellenbosch SDF.

**6.6.5 Consistency or Inconsistency with guidelines prepared by the Provincial Minister**

Not applicable.

**6.6.6 Impact on municipal engineering services**

The proposal was circulated to the Engineering Department who supported the application. A development charge is payable for the additional use right (see **ANNEXURE 4**) for the comments from the Director: Engineering Services).

**6.6.7 Outcomes of investigations/applications in terms of other legislation**

No environmental authorization in terms of the NEMA Regulations is applicable.

**6.6.8 Existing and proposed zoning comparisons and considerations**

The application does not entail the rezoning of the property and will remain zoned for general residential purposes.

**6.7 Staff Implications**

This report has no staff implications to the Municipality.

**6.8 Previous / Relevant Council Resolutions**

None

**6.9 Risk Implications**

This report has no risk implications for the Municipality.

**6.10 Comments from Senior Management****6.10.1 Director: Infrastructure Services**

The **Director: Electrical Services** supported the proposal subject to the following conditions (see **ANNEXURE 4**):

**Infrastructure Contribution Levies (BICL's)**

The application for subdivision is recommended for approval subject to the following conditions:

**Water Connections**

- Each subdivided portion must have its own water connection.
- No internal water pipes may cross the lateral boundary. Applicant responsible for the cost of the installation.
- Each subdivided portion must have its own sewer connection.

- The applicant is responsible for the cost of the installation as well as an inspection fee.
- a) A servitude must be registered over the proposed sewer as indicated on the drawing by Element Consulting Engineers with number P170063/C/100.
  - b) An engineer's drawing has to be submitted for approval indicating the following.
    - Existing sewer layout of existing buildings and the connection point to the Municipal system;
    - The existing municipal sewer line and all the connection points;
    - Position of existing water connection and meter;
    - Sewer layout of proposed municipal sewer and all new connection points;
    - Position of new water connection to newly created erf;
    - A longitudinal section of proposed sewer systems.
  - c) Any changes to the civil engineering infrastructure are for the account of the applicant.
  - d) Development Contributions (DCs) based on the information provided in the application, payable by the developer is R 64 710.00 (Vat incl.) as per attached Development Charge Calculating (Annexure DC). The DC's were calculated for the 2017/2018 financial year. If the account is paid after 30 June 2018 it has to be recalculated using the then applicable tariffs.
  - e) The Municipality reserves the right to withhold any clearance certificates until such time as above conditional have been complied with.

#### **6.10.2 Director: Planning and Economic Development**

The **Manager: Spatial Planning, Heritage and Environment** supports the application considering that the subject property is located in an area identified for densification and the scale of the proposal is not out of character with the surrounding area.

#### **6.10.3 Director: Strategic and Corporate Services**

Agrees with the recommendations.

#### **6.10.4 Chief Financial Officer**

Agree with the recommendations.

### **ANNEXURES**

Annexure 1	:	Locality Map
Annexure 2	:	Subdivision Plan
Annexure 3	:	Comment on objection and Objection received
Annexure 4	:	Internal Departments Comments
Annexure 5	:	Applicants Motivation Report
Annexure 6	:	Copy of Registered Notices
Annexure 7	:	Copy of Title Deed

---

**7. ECONOMIC DEVELOPMENT AND PLANNING COMMITTEE: 2018-05-08:  
ITEM 5.2.2****RESOLVED**

that **approval is granted** in terms of Section 25 of the Land Use Planning Ordinance, 1985 (Ordinance 15 of 1985) for the subdivision of Erf 3623, 4 Van Coppenhagen Street, Stellenbosch into two portions namely Portion A ( $\pm 495\text{m}^2$ ) and Remainder ( $\pm 755\text{m}^2$ ), as indicated on the plan attached as **ANNEXURE 3**, subject to the following approval conditions:

1. The approval applies only to the application under consideration and shall not be construed as authority to depart from any other legal prescriptions or requirements from Council;
2. The conditions as imposed by the Director: Engineering Services in there memo dated 06/07/2017, attached as **ANNEXURE 4**, be complied with;
3. The conditions as imposed by the Director: Electrical Services in there memo dated 15/02/2016, attached as **ANNEXURE 4**, be complied with;
4. That a 2.5m wide servitude be registered over the relocated sewer line on registration of the subdivision in the deeds office;
5. No additional dwelling unit may be constructed on the Remainder of erf 3623 or the newly created portion , Portion 1 and that this restrictive condition be registered against both properties title deeds on transfer of the subdivided portion, Portion 1;
6. The applicant submits an electronic copy (shp,dwg,dxf) of the General Plan which was preliminary approved by the SG. The following information must be indicated:
  - b. Newly allocated Erf Numbers
  - c. Co-ordinates
  - d. Survey Dimensions
7. No building plans will be approved prior to the submission of an approved SG diagram (electronic or hard copy, containing a SG number and signed by the Office of the SG);
8. Building plans will only be approved on Portion 1 of the subdivision when all conditions of subdivision have been complied with;
9. That this Municipality reserves the right to impose further conditions if deemed necessary.

**REASONS FOR RECOMMENDATION**

- a) The proposed subdivision is considered desirable as the proposal is seen as a form of infill development and will ensure that the existing services within the urban edge are optimally used.
- b) The proposal is also in line with the principles of the Stellenbosch SDF and complies with the subdivision policy of Council as adopted in 2003.

---

**8. FURTHER COMMENTS FROM THE ACTING MUNICIPAL MANAGER: 2018-05-18**

Further comments to the Resolutions taken by the Economic Development and Planning Services Committee on 8 May 2018.

The minutes of the Economic Development and Planning Services Committee containing the resolutions taken at the committee meeting on 8 May 2018 was provided to the Acting Municipal Manager as part of the process to inform applicants of the outcome of the resolutions. I enquired as to how the resolutions get reported to the Executive Mayor as Section 80 (3) (b) – (d) provides the process on how the resolutions of the delegated powers of the Section 80 committees should be dealt with. I was informed that it is not current practise to report the resolutions that has been taken to Council or the Executive Mayor. It is good practise to report the delegated resolutions as the delegation does not divest the delegated authority of the responsibility concerning the exercise of the power or the performance of the duty. The delegated authority has the right to confirm, vary or rescind the decision taken in terms of the delegation subject to any vested rights (similar to the provisions in section 80(3)).

The current System of Delegations (as per appendix) indicated that Council delegated the decisions on LUPO applications where there is substantive objections to the Economic Development and Planning Committee. The delegations were not given to the Executive Mayor who then further delegated it to the Committee. It was delegated directly to the Committee by Council. The impact of the delegation delegated in this manner is that the Executive Mayor cannot execute the provisions of section 80(3)(b) – (d) and the reporting on delegations taken must be reported to Council on a regular basis. I requested administration not to inform the applicants of the outcome of the meeting until the reports served before Council.

It is recommended that Council consider the report.

**ANNEXURE 1**

Locality plan & Zoning Map







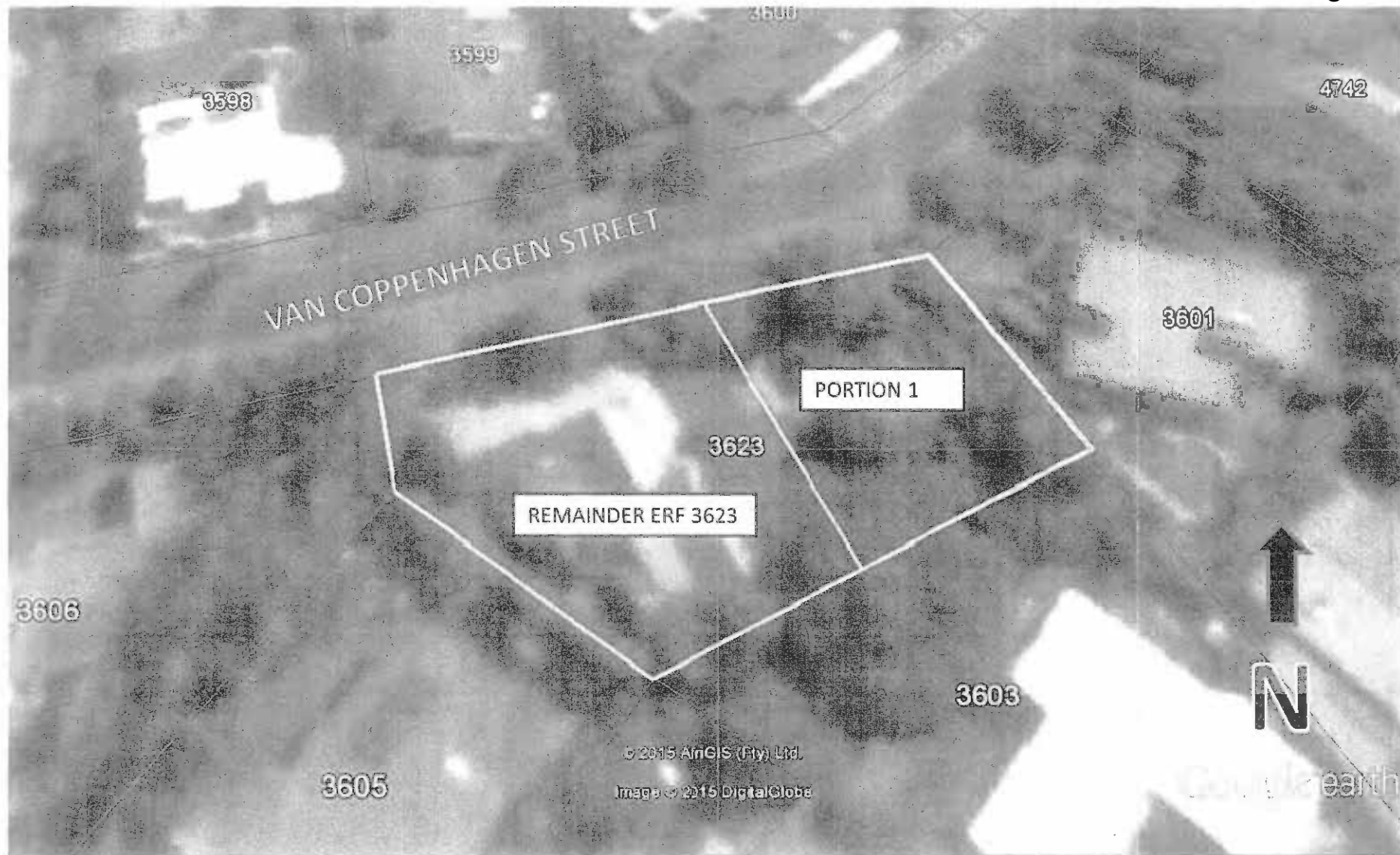
SUBJECT  
PROPERTY  
Erf 3623



LOCALITY PLAN

**ANNEXURE 2**

Subdivision Plan



**PROPOSED SUBDIVISION OF ERF 3623 (1250M<sup>2</sup>) STELLENBOSCH**

REMAINDER ERF 3623 – 755M<sup>2</sup>

PORTION A – 495M<sup>2</sup>

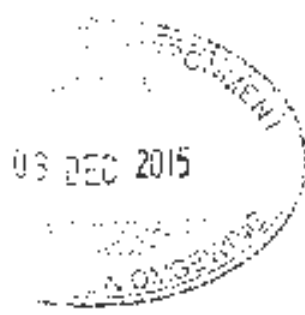
DWG NO: SUB 3633  
JULY 2015



EMILE VAN DER MERWE

**ANNEXURE 3**

Comments on Objections and Objection received



Prof F J W Hahné  
6 Van Copenhagen Street  
Stellenbosch, 7600  
Tel 021 886 4020

2nd December 2015

The Director: Planning & Economic Development  
Stellenbosch Municipality  
Plain Street  
Stellenbosch



Madam / Sir

Proposed subdivision of Erf 3623

As owner of erf 3601 I received notification of the above and I herewith express my concerns and objections.

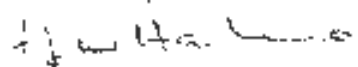
When I purchased erf 3601 in 1981 the neighbouring plot was zoned as a public park which was a clear benefit in the sale. Many years later the park was rezoned as a building plot for a house, and this was clearly to our disadvantage. One of the conditions which were imposed was that any dwelling to be erected there, had to be a single-storey building. In our view this restriction must be retained for the erf and for each portion of any possible future subdivision.

Equally all building lines need to be respected in the same way as they apply for the original erf, and in fact for all properties in the suburb. It is noted that on the map for the proposed subdivision of erf 3623 building lines are only shown for the portion denoted as "remainder erf 3623." None are shown for the part denoted as "Portion 1". This would in any case need to be rectified.

It is also noted that portion 1 has an area of only 495 square meters. This is only about half of the average area of properties of the suburb and it is considered as not acceptable. It appears not to be possible to build a single-storey dwelling on this portion of erf 3623 while respecting the building lines and while in addition keeping in line with the general standard of homes in the area.

When we built our house the municipal sewerage connection was done via the park which is now erf 3623. It was specifically done on what is now shown as the proposed portion 1. It is evident that any new building if approved on this portion would cause problems for our connections.

Yours faithfully



Prof F J W Hahné



03 DEC 2015

021 886 4020



# EMILE VAN DER MERWE

town planning consultants

2017-10-25

My ref: Erf 3623 Stellenbosch

Your ref: Erf 3623 Stellenbosch

LU4234

Stellenbosch Municipality

Department Planning and Economic Development

PO Box 17

Stellenbosch

7599

Dear Sir/Madam

## **COMMENT ON OBJECTION: APPLICATION FOR SUBDIVISION: ERF 3623 STELLENBOSCH**

The objection in respect of the above has reference. My comments as follows:

### **Title Deed**

The condition in the Title Deed will be adhered to. There is no restriction contained that limits the subdivision of the property.

### **Building lines**

The building lines in respect of the existing dwelling (Remainder) will be maintained. The rules of development as per the Stellenbosch Zoning Scheme remain applicable to the newly created portion.

Stellenbosch Centre | Strand Road | PO Box 204 | Stellenbosch 7599  
Tel: (021) 885 5050 | Fax: (021) 883 8765 | Email: emilevdm@eddepot.co.za

EvdM Town Planning Services CC Reg. No. 2005/162249/23  
Emile van der Merwe URP(SA) B. Hon. M(URP) MSAPI

**Policy context**

The application conforms to the approved Subdivision Policy of the Municipality

**Engineering Services**

The application, based on the Engineering drawing, has been approved by the Directorate Engineering and Technical Services.

**Conclusion**

The proposed subdivision is in line with the approved Subdivision Policy of the Municipality. The proposal presents an appropriate form of densification within the urban edge as supported by the Integrated Development Plan and Spatial Development Framework.

In light of the above the Stellenbosch Municipality is requested to favourably consider the application for the subdivision of Erf 3023 Stellenbosch.

Yours faithfully

**EMILE VAN DER MERWE**

**EMILE VAN DER MERWE TOWN PLANNING CONSULTANTS**

**ANNEXURE 4**

Internal Departments Comments



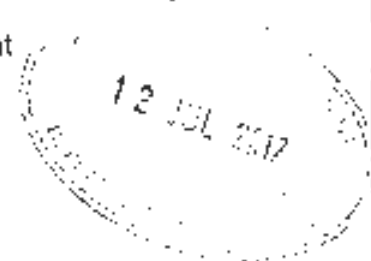


# MEMO

DIRECTORATE: ENGINEERING SERVICES  
DIREKTORAAT: INGENIEURSDIENSTE

30-23-16  
2017

To - Aan: Director: Planning + Economic Development  
Att Aandag: S Newman  
From - Van: Colin Taylor (Development Services)  
Date - Datum: 6/07/2017  
Our Ref - Ons Verw: Lupo 1127  
Re - Insake: Erf 3623 (Stellenbosch): Application for subdivision



This memo replaces our memo dated 19/01/2016.

Details, specifications and information reflected in the abovementioned application, dated 2015-12-08 (date on internal circulation form), as well as the drawing by Element Consulting Engineers with number P170063/C/100 dated 16 February 2017 (Annexure A), refers.

The application for the subdivision of erf 3623 into two portions namely Portion A (1495 m<sup>2</sup>) and Remainder (1755 m<sup>2</sup>) refer.

Comments from the Directorate Engineering Services i.e Roads + Stormwater, Water Services, Traffic Engineering and Development Services will be reflected in this memo.

The application for subdivision is recommended for approval subject to the following conditions:

## 1. Water Connections

- 1.1 Each subdivided portion must have its own water connection.
- 1.2 No internal water pipes may cross the lateral boundary.
- 1.3 Applicant responsible for the cost of the installation.

## 2. Sewer Connections

- 2.1 Each subdivided portion must have its own sewer connection.
- 2.2 Applicant responsible for the cost of the installation as well as an inspection fee.
- 2.3 A servitude must be registered over the proposed sewer as indicated on the drawing by Element Consulting Engineers with number P170063/C/100.
- 2.4 An engineer's drawing has to be submitted for approval indicating the following:
  - 2.4.1 Existing sewer layout of existing buildings and the connection point to the Municipal system.
  - 2.4.2 The existing municipal sewer line and all the connection points.
  - 2.4.3 Position of existing water connection and meter.
  - 2.4.4 Sewer layout of proposed municipal sewer and all new connection points.
  - 2.4.5 Position of new water connection to newly created erf.
  - 2.4.6 A longitudinal section of proposed sewer systems.

Any changes to the civil engineering infrastructure are for the account of the applicant.

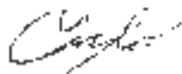
**3. Development Contributions (DCs)**

Based on the information provided in the application, the Development Contribution payable by the developer is R 64 710,00 (Val incl.) as per attached Development Charge Calculation (Annexure DC).

The DCs were calculated for the 2017/2018 financial year. If the account is paid after 30 June 2018 it has to be recalculated using the then applicable tariffs.

**4. Section 31 (1) Clearance Certificates**

The Municipality reserves the right to withhold any clearance certificates until such time as the applicant has complied with the above mentioned conditions.



**COLIN TAYLOR**  
**PRINCIPAL TECHNICIAN: PROJECT MANAGEMENT (ENGINEERING SERVICES)**

G:\AUSER\Colin\DS\Dev Applications\1127 - LUPO - Erf 3623 Stellenbosch (Subdivision)\Memo Erf 3623 Stellenbosch Subdivision 04-06-2017.doc

## Annexure DC

## Stellenbosch Municipality - Development Charge Calculation



## APPLICATION INFORMATION

Application Number	
Date	06 July 2017
Financial Year	
Erf Location	Stellenbosch, town
Erf No	3923
Erf Size (m <sup>2</sup> )	3250
Suburb	Unispark
Applicant	Emile van der Merwe
Approved Building Plan No.	

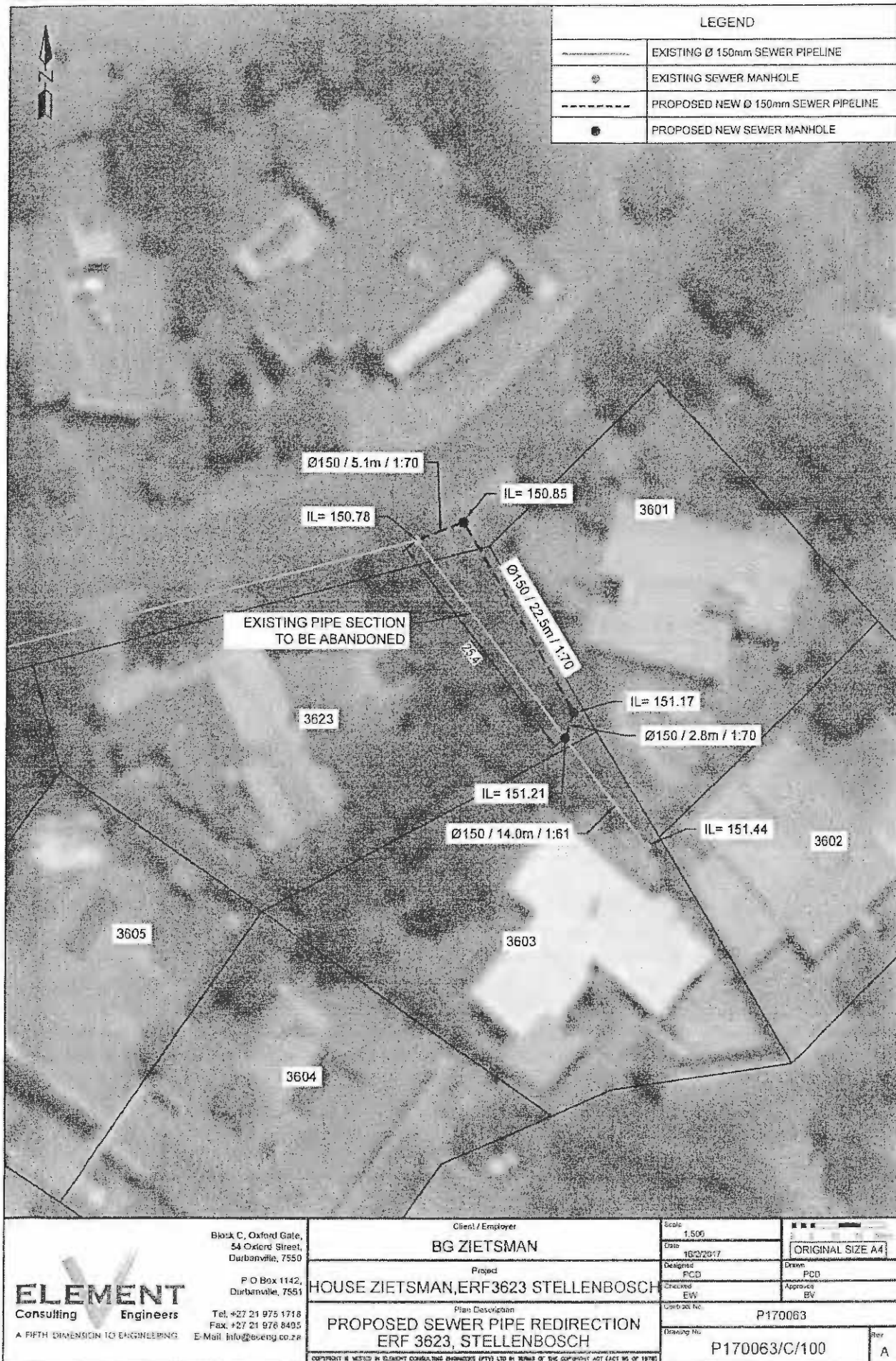
## SUMMARY OF DC CALCULATION (from page 2)

Total Development Charges before Deductions	R 56 263
Total Deductions	R 0
Total Payable (excluding VAT)	R 56 263
VAT	R 7 907
Total Payable (including VAT)	R 64 170

## APPLICANT INFORMATION

Application Processed by:	Colin Taylor
Signature	<i>Colin Taylor</i>
Date	6/7/2017
Amount Paid:	
Date Payment Received	
Receipt Number	

Annexure A



LEGEND	
	EXISTING Ø 150mm SEWER PIPELINE
	EXISTING SEWER MANHOLE
	PROPOSED NEW Ø 150mm SEWER PIPELINE
	PROPOSED NEW SEWER MANHOLE

**ELEMENT**  
Consulting Engineers  
A FIFTH DIMENSION TO ENGINEERING

Block C, Oxford Gate,  
54 Oxford Street,  
Durbanville, 7550

P O Box 1142,  
Durbanville, 7551

Tel: +27 21 975 1718  
Fax: +27 21 976 8495  
E-Mail: info@eveng.co.za

Client / Employer  
**BG ZIETSMAN**

Project  
**HOUSE ZIETSMAN, ERF 3623 STELLENBOSCH**

Plan Description  
**PROPOSED SEWER PIPE REDIRECTION  
ERF 3623, STELLENBOSCH**

COPYRIGHT IN THIS DESIGN BELONGS TO ELEMENT CONSULTING ENGINEERS (PTY) LTD IN TERMS OF THE COPYRIGHT ACT (ACT 95 OF 1978)

Scale: 1:500

Date: 18/2/2017

Designed: PCD

Checked: EW

Drawn: PCD

Approved: BV

User No: P170063

Drawing No: P170063/C/100

Rev: A

ORIGINAL SIZE A4

P:\Durbanville\Marketing And Speculative\Consultant Tender\Houtse Zietzman - Erf 3623 Stellenbosch - P170063\ERF3623-SEWERPIPELINE.dwg

Land Use Category	Unit Type	Existing Usage		Proposed New Usage		Increased Usage	Development Charge levied (excl VAT)						Total		
		du	area (m2)	du	du/ha		du	du/ha	du	Water	Sewer	Storm-water		Solid-Waste	Roads
Infrastructure Type applicable? (yes/no)							yes	yes	yes	yes	yes	yes	yes		
	du	area (m2)	du	du/ha	area (m2)	du	du/ha	du	Water	Sewer	Storm-water	Solid-Waste	Roads	Community Facility	Total
	m2 GLA		m <sup>2</sup> GLA	% GLA		m2 GLA	% GLA	m2 GLA							
	m2		m <sup>2</sup>			m2		m2							
Residential	Single Residential >1000m2	du	1 250	1	8		0	-1	R -28 586	R -15 993	R -7 176	R -1 865	R -22 961	R -11 776	R -88 358
	Single Residential >500m2	du			0	755	1	13	R 19 058	R 14 851	R 4 186	R 1 865	R 22 961	R 11 776	R 74 697
	Single Residential >250m2	du			0	495	1	20	R 16 675	R 13 708	R 3 439	R 1 865	R 22 961	R 11 776	R 70 425
	Single Residential <250m2	du			0			0	R -	R -	R -	R -	R -	R -	R -
	Less Formal Residential >250m2	du			0			0	R -	R -	R -	R -	R -	R -	R -
	Less Formal Residential <250m2	du			0			0	R -	R -	R -	R -	R -	R -	R -
	Group Residential >250m2	du			0			0	R -	R -	R -	R -	R -	R -	R -
	Group Residential <250m2	du			0			0	R -	R -	R -	R -	R -	R -	R -
	Medium Density Residential >250m2	du			0			0	R -	R -	R -	R -	R -	R -	R -
	Medium Density Residential <250m2	du			0			0	R -	R -	R -	R -	R -	R -	R -
	High Density Residential - flats	du			0			0	R -	R -	R -	R -	R -	R -	R -
	High Density Residential - student rooms	du			0			0	R -	R -	R -	R -	R -	R -	R -
Commercial	Local Business - office	m2 GLA			0%			0%	R -	R -	R -	R -	R -	R -	R -
	Local Business - retail	m2 GLA			0%			0%	R -	R -	R -	R -	R -	R -	R -
	General Business - office	m2 GLA			0%			0%	R -	R -	R -	R -	R -	R -	R -
	General Business - retail	m2 GLA			0%			0%	R -	R -	R -	R -	R -	R -	R -
	Community	m2 GLA			0%			0%	R -	R -	R -	R -	R -	R -	R -
	Education	m2 GLA			0%			0%	R -	R -	R -	R -	R -	R -	R -
Industrial	Light Industrial	m2 GLA			0%			0%	R -	R -	R -	R -	R -	R -	R -
	General Industrial - light	m2 GLA			0%			0%	R -	R -	R -	R -	R -	R -	R -
	General Industrial - heavy	m2 GLA			0%			0%	R -	R -	R -	R -	R -	R -	R -
	Noxious Industrial - heavy	m2 GLA			0%			0%	R -	R -	R -	R -	R -	R -	R -
Other	Resort	m2 GLA			0%			0%	R -	R -	R -	R -	R -	R -	R -
	Public Open Space	m2						0	R -	R -	R -	R -	R -	R -	R -
	Private Open Space	m2						0	R -	R -	R -	R -	R -	R -	R -
	Natural Environment	m2						0	R -	R -	R -	R -	R -	R -	R -
	Utility Services	m2 GLA			0%			0%	R -	R -	R -	R -	R -	R -	R -
	Public Roads and Parking	m2						0	R -	R -	R -	R -	R -	R -	R -
	Transport Facility	m2						0	R -	R -	R -	R -	R -	R -	R -
	Limited Use							0	R -	R -	R -	R -	R -	R -	R -
Special	To be calculated														
	based on equivalent demands														

\* Complete yellow/green cells.

1 250

1 250

\*\* du = dwelling unit, GLA=Gross lettable area.

\*\*\* displays red if not equal to existing area

Total Development Charges before Deductions	R 7 147	R 12 566	R 449	R 1 865	R 22 961	R 11 776	R 56 763
% Exemption per service (%)	0%	0%	0%	0%	0%	0%	
% Exemption per service (amount)	R 0	R 0	R 0	R 0	R 0	R 0	R 0
Additional Deduction per service - from Service Agreement (sum)	R 0	R 0	R 0	R 0	R 0	R 0	R 0
Sub Total after exemptions (excluding VAT)	R 7 147	R 12 566	R 449	R 1 865	R 22 961	R 11 776	R 56 763
VAT	R 1 001	R 1 759	R 63	R 261	R 3 215	R 1 649	R 7 947
Total	R 8 147	R 14 325	R 511	R 2 126	R 26 176	R 13 425	R 64 710

VERWYSING/REF: Erf 3623, Stellenbosch	DATUM/DATE : 08 December 2015
<b>MEMO AAN :</b>	
Director : Verkeers Ing / Traffic Engineer	
Director : Ing en Tegn Dienste / Engineering Dep	
> Director : Elek Ing dienste/ Electrical Dept	
Manager : Building Control	
Director : Brandweerdienste / Fire Dept	
Director: Corporate Services	
Manager: Spatial Planning / Heritage / Environment / Signage	
Director : Gesondheidsdienste / Health Dept ( <b>Winelands Health</b> )	
Director : Parks	

<b>Application</b>	Subdivision
<b>Adres / Address</b>	04 Van Copenhagen Street, Stellenbosch
<b>Aansoek Datum Application Date</b>	27 July 2015
<b>Aansoeker Applicant</b>	Emile van der Merwe Town Planning



Aangeheg vind u tersaaklike dokumentasie in verband met bogenoemde aansoek. Ten einde my in staat te stel om die aansoek aan die Beplanning- en Ontwikkelingskomitee vir oorweging voor te lê, word u versoek om my skriftelik van u kommentaar, indien enige, te voorsien.

Onderskei asseblief tussen algemene kommentaar op die meriete van die aansoek en enige voorwaardes wat u departement wil oplê indien die aansoek goedgekeur word.

Attached please find the relevant documentation regarding the abovementioned application. In order to enable us to submit the application to the Planning and Development committee for consideration, we request that you supply us with your written comment, if any.

Please intercept between general comment on the merits of the application and any conditions that your department would like to lay on if the application has been approved.

Geliewe die memorandum per hand aan my terug te besorg voor of op:

**GENERAL COMMENT:**

1. Pro - Rata fees are payable.

**CONDITIONS:**

2. The proposed subdivided portion of plot 3623 must have its own electricity supply cable separate of the existing house.
3. Installation cost for the new electrical service cable is the responsibility of the applicant.
4. All electrical wiring for the house on the proposed subdivided portion A should be carried out in accordance with SANS 10142
5. No electricity supply will be switched on if the Certificate of Compliance is outstanding.

..... HANDTEKENING / SIGNATURE	..... 15/02/2016 DATUM / DATE
-----------------------------------	-------------------------------------

3623S

412633


**ANNEXURE 5**

Applicants Motivation Report



APPLICATION FOR SUBDIVISION; ERF 3623  
STELLENBOSCH

PREPARED BY

  
EMILE VAN DER MERWE

JULY 2015



**1. BRIEF**

Emile van der Merwe Town Planning Consultants have been appointed by the registered owner of Erf 3623 Stellenbosch to prepare and submit the required application to the Stellenbosch Municipality for of the following:

- APPLICATION IN TERMS OF SECTION 24 OF THE LAND USE PLANNING ORDINANCE, 1985 FOR THE SUBDIVISION OF THE PROPERTY INTO TWO PORTIONS NAMELY REMAINDER (755M<sup>2</sup>) AND PORTION 1 (495M<sup>2</sup>) RESPECTIVELY.

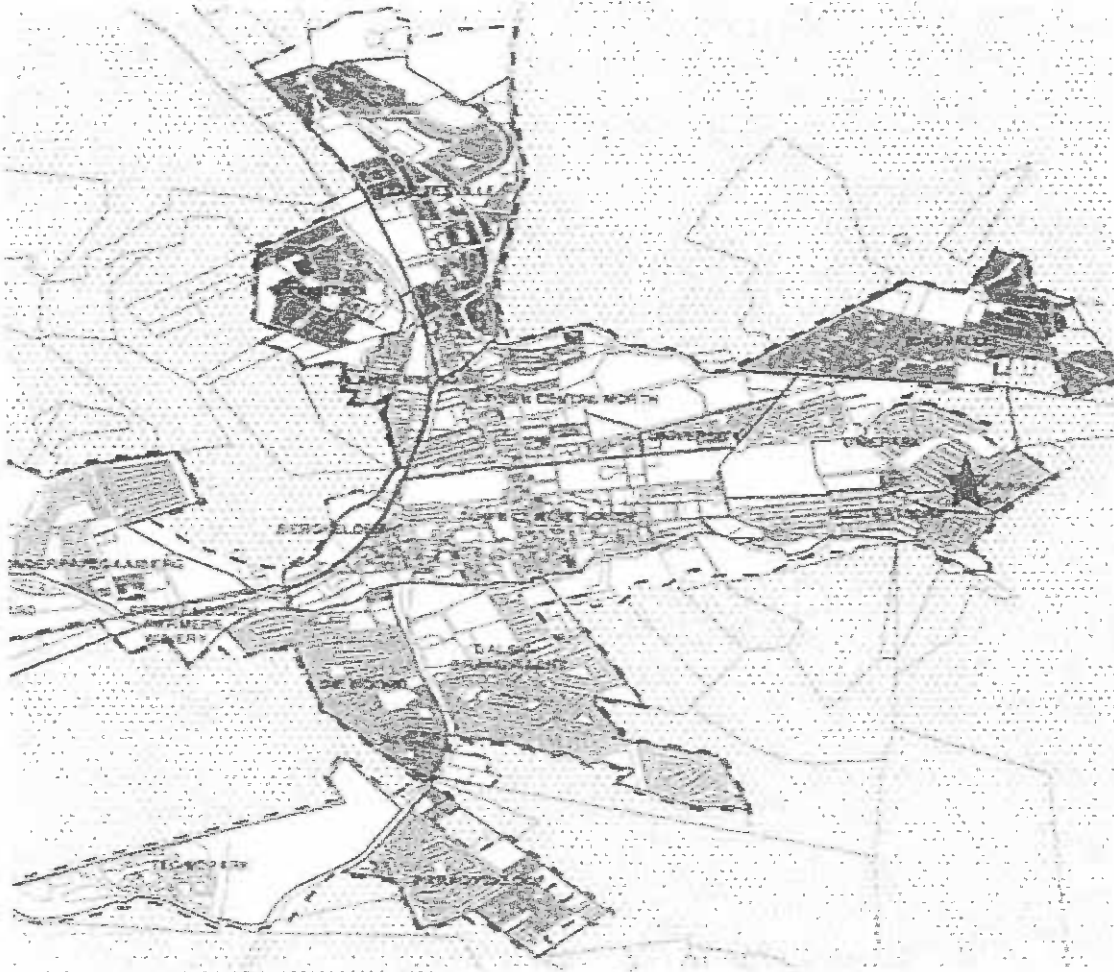
The report will show that the application is considered desirable from an integrated town planning perspective and that it conforms to the town planning policies and frameworks adopted by the Stellenbosch Municipality.

**2. LOCATION**

The property is located in the Uniepark residential neighbourhood approximately 2 km to the east of the Stellenbosch Central Business area.

The location of the property is depicted on the map below.

## LOCATION MAP

**3. OWNERSHIP AND SIZE**

The property is owned by Barend Gabriel Zietsman as held by Deed of Transfer T 73162/1998. A copy of the Title Deed is attached as **Appendix 1**. The required power of attorney is attached as **Appendix 2**.

The property was established with the registration of General Plan 1231 - attached as **Appendix 3**.

#### 4. ZONING

The property in terms of Section 14(1) of the Land Use Planning Ordinance, 1985 read with the Stellenbosch Zoning Scheme Regulations is zoned for Single Residential purposes.

#### 5. PROPOSED SUBDIVISION – SEE PLAN ATTACHED AS APPENDIX 4

The Stellenbosch Municipality during 2003 approved a subdivision policy (Appendix 5) applicable to erven that is zoned for single residential purposes. The resolution for your easy reference is provided below

#### RESOLVED (nem con)

- (a) that the new subdivision policy for single residential erven be amended to read as follows and that it be subject to the conditions as stated in (b)(i) and (ii) below:

*"A single residential erf may be subdivided if none of the portions that will be formed will be smaller than 50% of the existing average size of the 10 surrounding properties."*

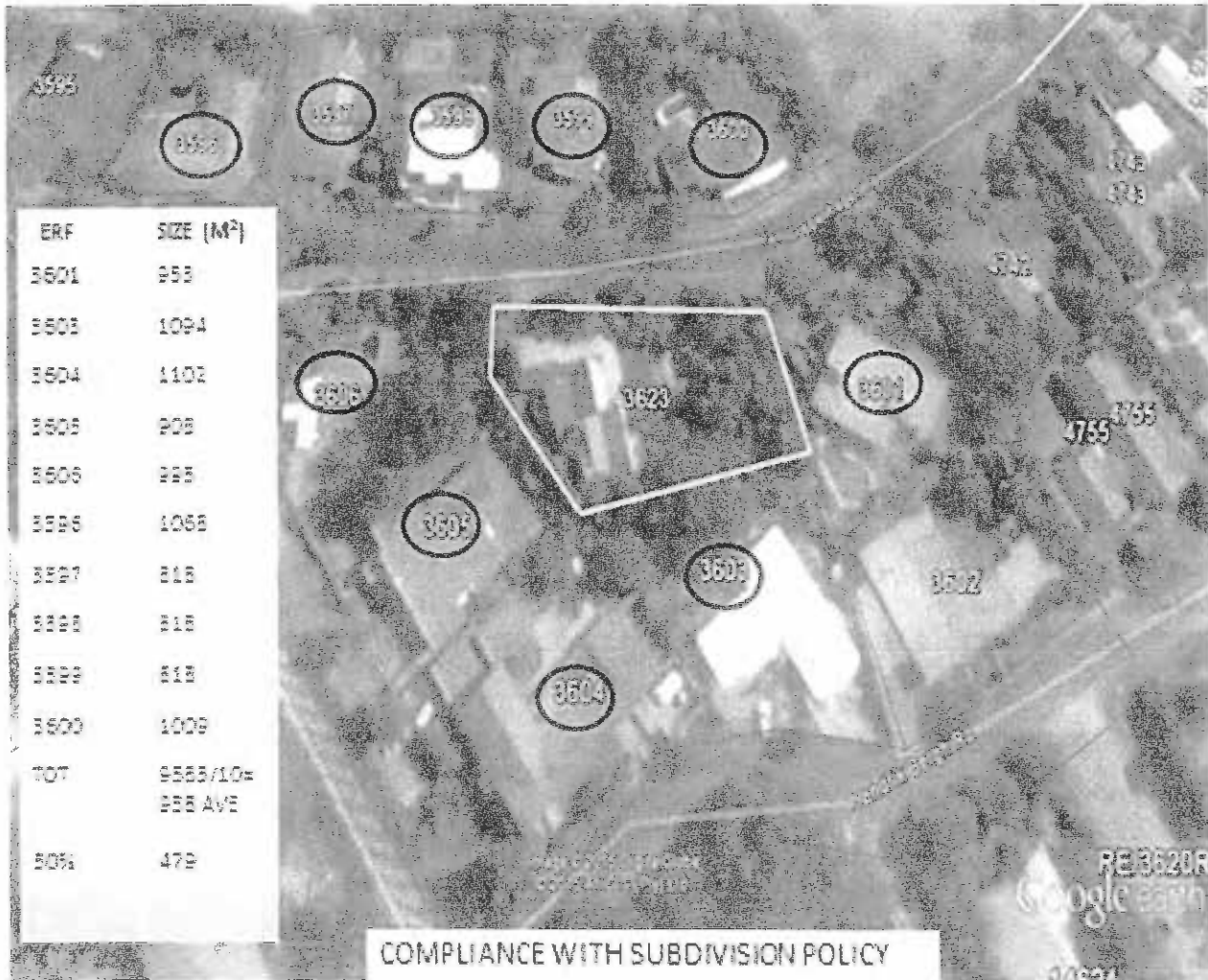
- (b) that this policy can be deviated from if the new erven are 600m<sup>2</sup> or larger (in cases where the application does not fit the 50% policy) provided that:

In light of the approved subdivision policy it is the intention of the owner to subdivide the property into two portions namely:

- Remainder measuring 755m<sup>2</sup> in extent
- Portion 1 measuring 495m<sup>2</sup> in extent

The proposed subdivision (plan attached as Appendix 4) conforms the approved policy as per the calculation set out below.

TABLE SHOWING COMPLIANCE WITH POLICY



6. DESIRABILITY

In terms of Section 36 (1) & (2) of the Land Use Planning Ordinance, 1985 (Ordinance 15 of 1985) Chapter V: General Provisions, land use applications shall be refused solely on the basis of a lack of desirability of the contemplated utilisation of land concerned or on the basis of its effect on existing rights concerned (except any alleged right to protection against trade competition). Subsection (2) states that where a land use application is not refused by virtue of the matters referred in subsection (1), regard shall be had, in considering relevant particulars, to only the safety and welfare of the members of the community concerned, the preservation of the natural and developed

environment concerned or the effect of the application on existing rights concerned (with the exception of any alleged right to protection against trade competition).

In light of the above one can thus argue that a desirable application will not unreasonably or unacceptably prejudice the interest of the contemplated users of the property, the residents of the immediate surroundings, the broader community and the local authority and will in all probability give rise to an improvement in the social, economical and physical circumstances of the parties concerned.

Taking the above into account the application is motivated according the following aspects:

- ◆ Legislative Planning Policies and Frameworks
- ◆ Statutory requirements

## 6.1 LEGISLATIVE POLICY AND BROADER PLANNING FRAMEWORKS

From a planning and evaluation perspective is it important that cognisance be given the hierarchy of national, provincial and local planning policies and frameworks.

### 6.1.1 Stellenbosch Municipal Spatial Development Framework (SMSDF)

The Spatial Development Framework was compiled for the WCO 24 Stellenbosch municipal area by CNDV Africa during April 2010. The SMSDF was formally approved by the Stellenbosch Municipality during February 2013. The SMSDF has adopted the planning principles as endorsed by the National and Provincial government as reflected in terms of the Development Facilitation Act, the National Spatial Development Perspective, the Western Cape Provincial Spatial Development Framework, the Western Cape Growth Development Strategy and the Western Cape Planning and Development Act.

Although the SMSDF is not an approved urban structure plan under Section 4(8) of the Land Use Planning Ordinance, 1985, it is considered as a guiding document to direct growth and development and forms the basis to which development applications is evaluated. In terms of the SMSDF the following 7 strategic overarching spatial proposals have been identified:

- Strategic Perspective 1: Interconnected Nodes
- Strategic Perspective 2: Car Free Living
- Strategic Perspective 3: Inclusive Economic Growth
- Strategic Perspective 4: Optimal Land Use
- Strategic Perspective 5: Resource Custodianship
- Strategic Perspective 6: Food and Agriculture
- Strategic Perspective 7: Heritage

From a spatial planning perspective it is important to note the following.

- The application will not result in any form of urban sprawl
- The application will give practical execution to the concept of densification as promoted in terms of the SDF and provincial planning policies.
- The application will not have a detrimental impact on the character of the area;
- The application will not result in the loss of any agricultural and productive land;
- The application will not have impact on the service capacity levels of the municipality;

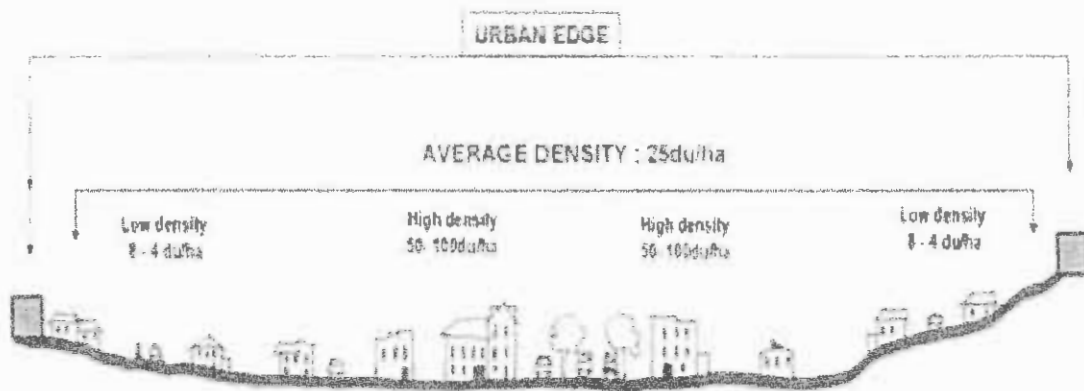
### 6.1.2 Stellenbosch Town Growth Management Strategy (CNDV June 2004)

The Stellenbosch Town Growth Strategy informed the Stellenbosch Spatial Development Framework and is based on the same planning principles and policies as contained in terms of the approved Spatial Development Framework. One of the

fundamental principles that relates to the spatial pattern and growth of the town is the concept of appropriate densification.

This density model referred to above actively promotes the urban edge as a critical factor in starting to manage the growth of settlements and that the density within the towns should be an average of 25du/ha. Average is stressed because it could well be that there are low densities on the urban periphery, which one would argue is appropriate but it is important to provide much higher densities in well located parts of the town.

Pattern of densification



In  
In

With reference to the map below it is evident to note that the application property is located within the Uniepark neighbourhood that comprises a very low average density. This is partly explained by the large lot subdivisions of the 1960s that characterised the townships in this area, as well as the large school sites, the open space along Helshoogte Road and in particular Jan Marais Park. Although these large expanses of open space significantly decrease the densities in this sub-district, this sub-district would have a low density even if these were excluded.

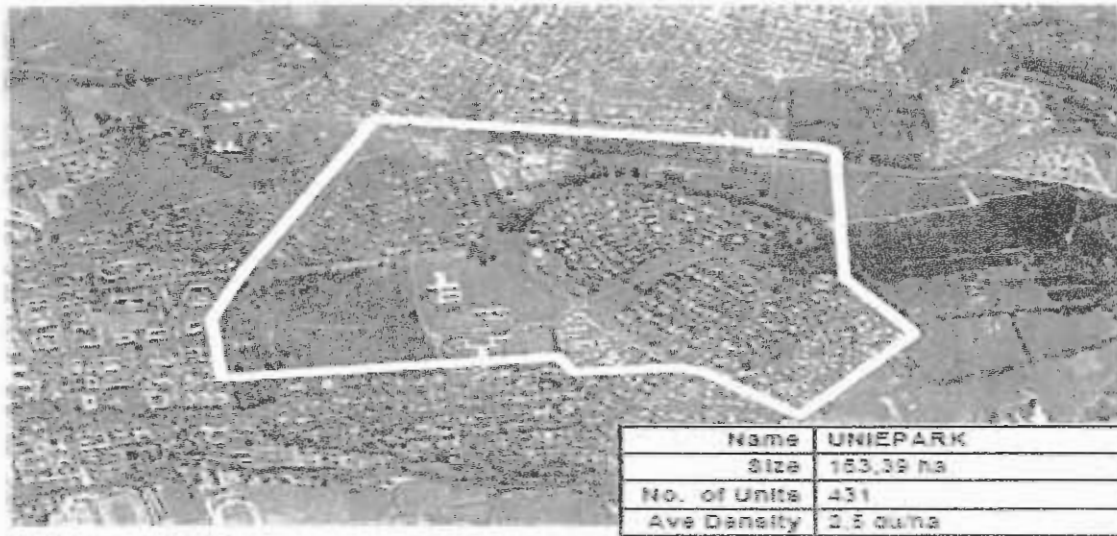
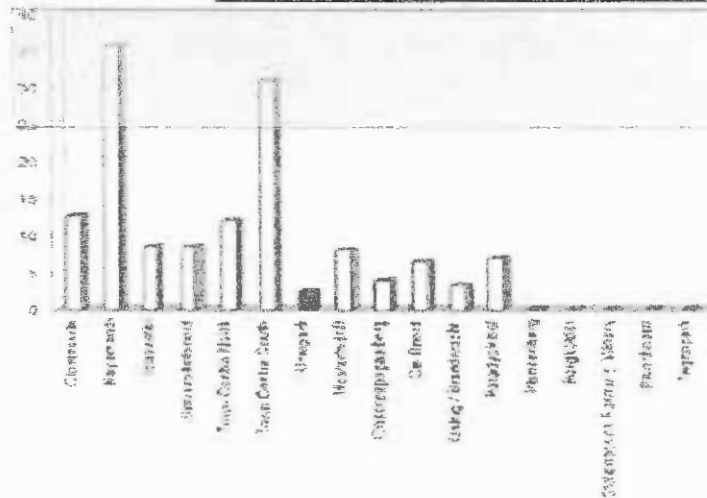


Figure 9.7 Uniepark



In order to increase the densities in the area have a number of development tools been proposed that includes the following:

- **Demolition and Redevelopment** - this common form of urban growth occurs when existing buildings on one or more properties are demolished and then the land is redeveloped to higher densities and/or with larger buildings.
- **Infill** - infill describes the process whereby well located pieces of vacant land are identified within suburbs and urban development inserted therein to make better use of land that is well located and serviced. Figure 7.1 shows such a project.
- **Subdivision, sectional title, and second dwellings** - this refers to the process whereby existing buildings on large plots are:



- subdivided to a minimum erf size which could entail subdividing a building or large house into two portions; and
- sectionalizing such a building into common property with individually owned sections

In terms of the above it is clear that the property is located within an area that has been earmarked for appropriate densification and in terms whereby the policy endorses subdivision of large plots.

## 9. CONCLUSION

From a land use management and spatial planning perspective it is evident that the application conforms to the overarching planning policies and guidelines as adopted and endorsed by national, provincial and local government. The application is consistent with the spatial planning proposals envisaged for this section of town. The development proposal will support appropriate densification within the urban edge. The application, from a planning perspective conforms to the criteria of desirability as contemplated in terms of Section 36 of the Land Use Planning Ordinance, 1985.

In light of the above report it is trusted that the Stellenbosch Municipality favourably will consider the subdivision of Erf 3623 Stellenbosch.



**ANNEXURE 6**

Copy of Registered Notice

Postnet 2500 Stellenbosch Municipality  
 P.O. Box 17  
 STELLENBOSCH  
 7539

**REGISTERED POST ON ERF 3623, STELLENBOSCH**

F J W Harne  
 Van Coppenhagenstraat 06  
**STELLENBOSCH**  
 7600 (3601)

REGISTERED LETTER  
with a domestic insurance option  
 Standard 260 111 302 www.sps.co.za  
 RC 069 382 264 ZA  
 CUSTOMER COPY 301928R

N J Viok  
 Hendrik Bergstraat 05  
**STELLENBOSCH**  
 7600 (3602)

REGISTERED LETTER  
with a domestic insurance option  
 Standard 260 111 302 www.sps.co.za  
 RC 069 382 247 ZA  
 CUSTOMER COPY 301928R

Bundu 2 Eerste Trust  
 Posbus 6153  
**UNIEDAL**  
 7612 (3599)

REGISTERED LETTER  
with a domestic insurance option  
 Standard 260 111 302 www.sps.co.za  
 RC 069 382 237 ZA  
 CUSTOMER COPY 301928R

PJ + M Randewijk  
 Van Coppenhagenstraat 05  
 Urieapark  
**STELLENBOSCH**  
 7600 (3598)

REGISTERED LETTER  
with a domestic insurance option  
 Standard 260 111 302 www.sps.co.za  
 RC 069 382 202 ZA  
 CUSTOMER COPY 301928R

I Gersbach  
 Posbus 6268  
 Urieapark  
**STELLENBOSCH**  
 7612 (3597)

REGISTERED LETTER  
with a domestic insurance option  
 Standard 260 111 302 www.sps.co.za  
 RC 069 382 186 ZA  
 CUSTOMER COPY 301928R

GJ + JS Scholtz  
 03 Hendrik Berg Avenue  
 Rozendal  
**STELLENBOSCH**  
 7600 (3603)

REGISTERED LETTER  
with a domestic insurance option  
 Standard 260 111 302 www.sps.co.za  
 RC 069 382 162 ZA  
 CUSTOMER COPY 301928R

A F Pretorius  
 Martinsonstraat 06  
 Rozendal  
**STELLENBOSCH**  
 7600 (3604)

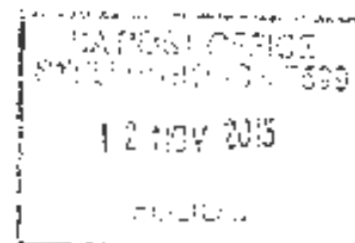
REGISTERED LETTER  
with a domestic insurance option  
 Standard 260 111 302 www.sps.co.za  
 RC 069 382 145 ZA  
 CUSTOMER COPY 301928R

OW + GM Knipe  
 Martinsonstraat 08  
**STELLENBOSCH**  
 7600 (3605)

REGISTERED LETTER  
with a domestic insurance option  
 Standard 260 111 302 www.sps.co.za  
 RC 069 382 128 ZA  
 CUSTOMER COPY 301928R

Seunsville Trust  
 Keetstraat 03  
 Mostertdriif  
**STELLENBOSCH**  
 7600 (3606)

REGISTERED LETTER  
with a domestic insurance option  
 Standard 260 111 302 www.sps.co.za  
 RC 069 382 105 ZA  
 CUSTOMER COPY 301928R



Enquiries/Navrac  
 Oorref/Ons Verw  
 Date/Datum  
 Aansoek / Appl No  
 Ext / Uitbr  
 Fax

R Fooy/ S Newman  
 Erf 3623, Stellenbosch  
 2015-11-09  
 LU/4234  
 021-808 8680 / 8659  
 021-886 6899

**REGISTERED POST**

Sir/Madam / Meneer/Dame

**APPLICATION FOR A SUBDIVISION ON ERF 3623, STELLENBOSCH  
 AANSOEK VIR 'N ONDERVERDELING OP ERF 3623, STELLENBOSCH**

Notice is hereby given in terms of the provisions of the Land Use Planning Ordinance, 1985 (Ordinance 15 of 1985) that the Council has received the abovementioned application, which is available for inspection during office hours (08:30 – 13:30) at the advice centre, municipal offices, Plein Street, Stellenbosch. **Attached** for your convenience please find details of the proposal.

**Applicant:**

*Emile van der Merwe Town Planning*

**Erf/Erven number(s):**

*Erf 3623 Stellenbosch*

**Locality/Address:**

*04 Van Copenhagen Street, Uniepark, Stellenbosch, as indicated on the attached locality plan.*

DATE	09/11/2015
ERF	3623
LU	4234
LOCALITY	STELLENBOSCH

**Nature of Application:**

*Application for the subdivision on Erf 3623, Stellenbosch, into two portions, Portion 1 (495m<sup>2</sup>) and the Remainder (755m<sup>2</sup>).*

Written objections, if any stating reasons and directed to the undersigned, P O Box 17, Stellenbosch, 7599, or faxed to 021-886 6899, or hand delivered to the Land Use Management Branch, Advice Centre, Ground Floor municipal offices, Plein Street, Stellenbosch, quoting the abovementioned reference and erf number, as well as your erf number, contact number and address, will be received within 30 days from date of registration of this letter. Please note that only written objections received within the aforementioned timeframe will be considered as valid.

If your response is not sent to this postal address, physical address or fax number and if, as a consequence it arrives late, it will be deemed to be invalid.

Any enquiries in the above regard can be directed R Fooy 021-808 8680

.....

*10.10.2015*

Kennis geskied hiermee ingevolge die bepalings van die Grondgebruiksbeplanningsordonnansie, 1985. (Ordonnansie 15 van 1985) dat die Raad die bostaande aansoek ontvang het, wat gedurende kantoorure (8:30 – 13:30) by die advieskantoor, munisipale kantore, Pleinstraat Stellenbosch ter insae lê. **Aangeheg** vir u gerief vind asseblief besonderhede van die aansoek.

**Applikant:**

*Emile van der Merwe Stadsbeplanning*

**Erf/Erwe nommer(s):**

*Erf 3623, Stellenbosch*

**Ligging/Adres:**

*Van Coppchagenstraat 04, Unicpark, Stellenbosch, soos aangedui op die aangehegte liggingsplan.*

**Aard van Aansoek :**

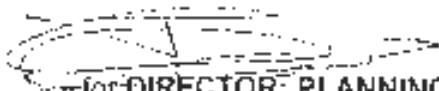
*Aansoek vir die ondiervdeling van Erf 3623, Stellenbosch in twee gedeeltes, naamlik gedeelte 1 (495m<sup>2</sup>) en die Restant (755m<sup>2</sup>).*

Skriftelike besware, indien enige, met 'n opgaaf van redes en gerig aan die ondergetekende, Posbus 17, Stellenbosch, 7599 of gefaks word aan 021-886 6899, of per hand afgelewer by die Grondgebruiksbestuursafdeling Advieskantoor, Grondvloer, Munisipale kantore, Pleinstraat, Stellenbosch, met vermelding van die bostaande verwysings- en erfnommer, sowel as u erfnommer, kontaknummer en adres, word binne 30 dae vanaf datum van registrasie van hierdie skrywe ingewag. Let asseblief daarop dat slegs skriftelike besware ontvang binne die voormelde tydsraamwerk as geldig beskou sal word.

Indien u terugvoering nie na die bogenoemde posadres, fisiese adres of faksnummer gestuur word nie en indien, dit as gevolg daarvan laat arriveer sal dit as ongeldig geag word.

Enige navrae in die bogenoemde verband kan aan R Fooy by tel. 021-808 8680 gerig word.

Yours faithfully / Die uwe



for **DIRECTOR: PLANNING & ECONOMIC DEVELOPMENT**  
**oms DIREKTEUR: BEPLANNING & EKONOMIESE ONTWIKKELING**

REGISTERED POST ON ERF 3623, STELLENBOSCH

F J W Hähne  
Van Coppenhagenstraat 06  
**STELLENBOSCH**  
7600 (3601)

N J Viok  
Hendrik bergstraat 05  
**STELLENBOSCH**  
7600 (3602)

Bundu 2 Eerste Trust  
Posbus 6153  
**UNIEDAL**  
7612 (3599)

Pj + m Randewijk  
Van Coppenhagenstraat 05  
Uniepark  
**STELLENBOSCH**  
7600 (3598)

I Gersbach  
Posbus 6268  
Uniepark  
**STELLENBOSCH**  
7612 (3597)

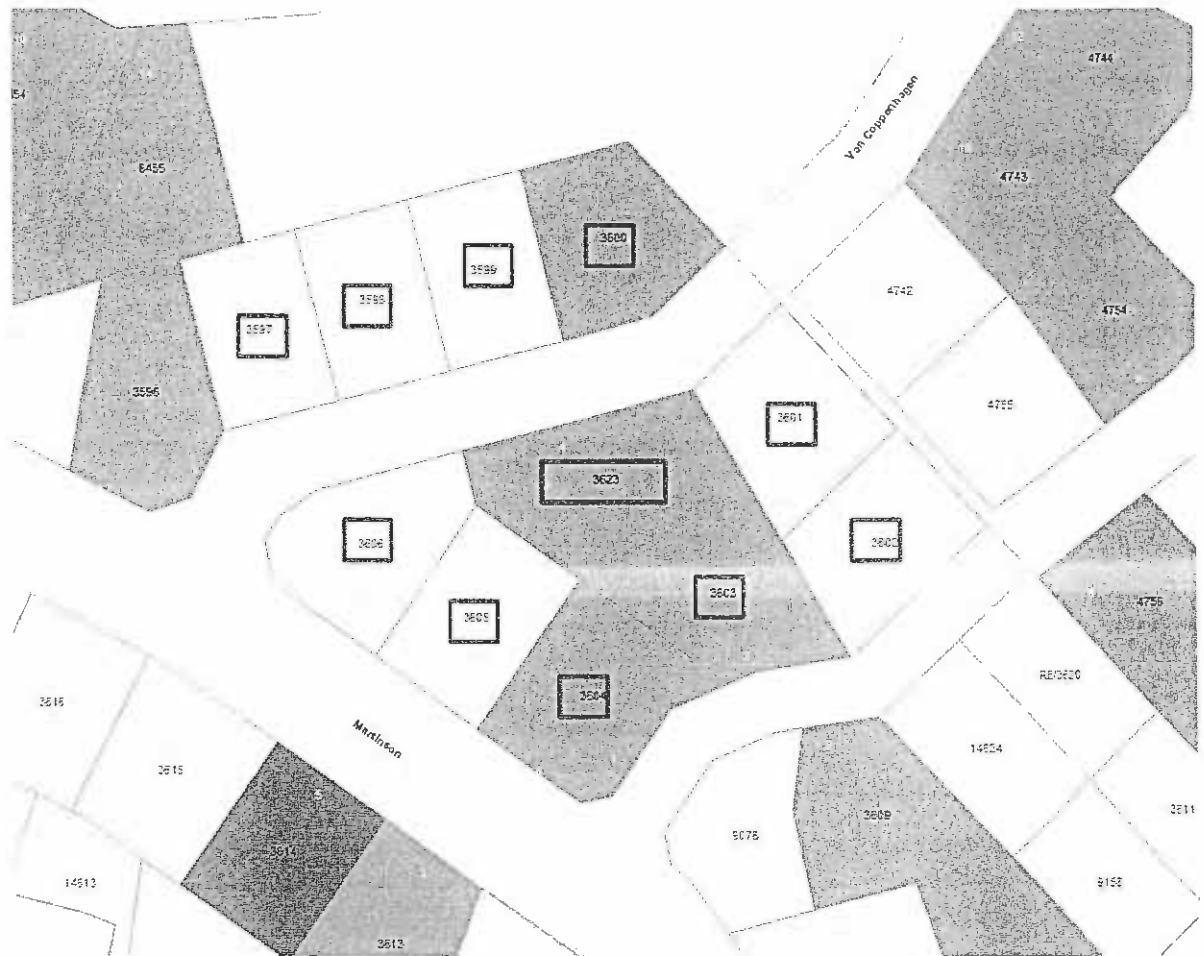
GJ + JS Scholtz  
03 Hendrik Berg Avenue  
Rozen dal  
**STELLENBOSCH**  
7600 (3603)

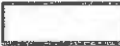

A F Prctorius  
Martinsonstraat 06  
Rozen dal  
**STELLENBOSCH**  
7600 (3604)

CW + GM Kripe  
Martinsonstraat 08  
**STELLENBOSCH**  
7600 (3605)

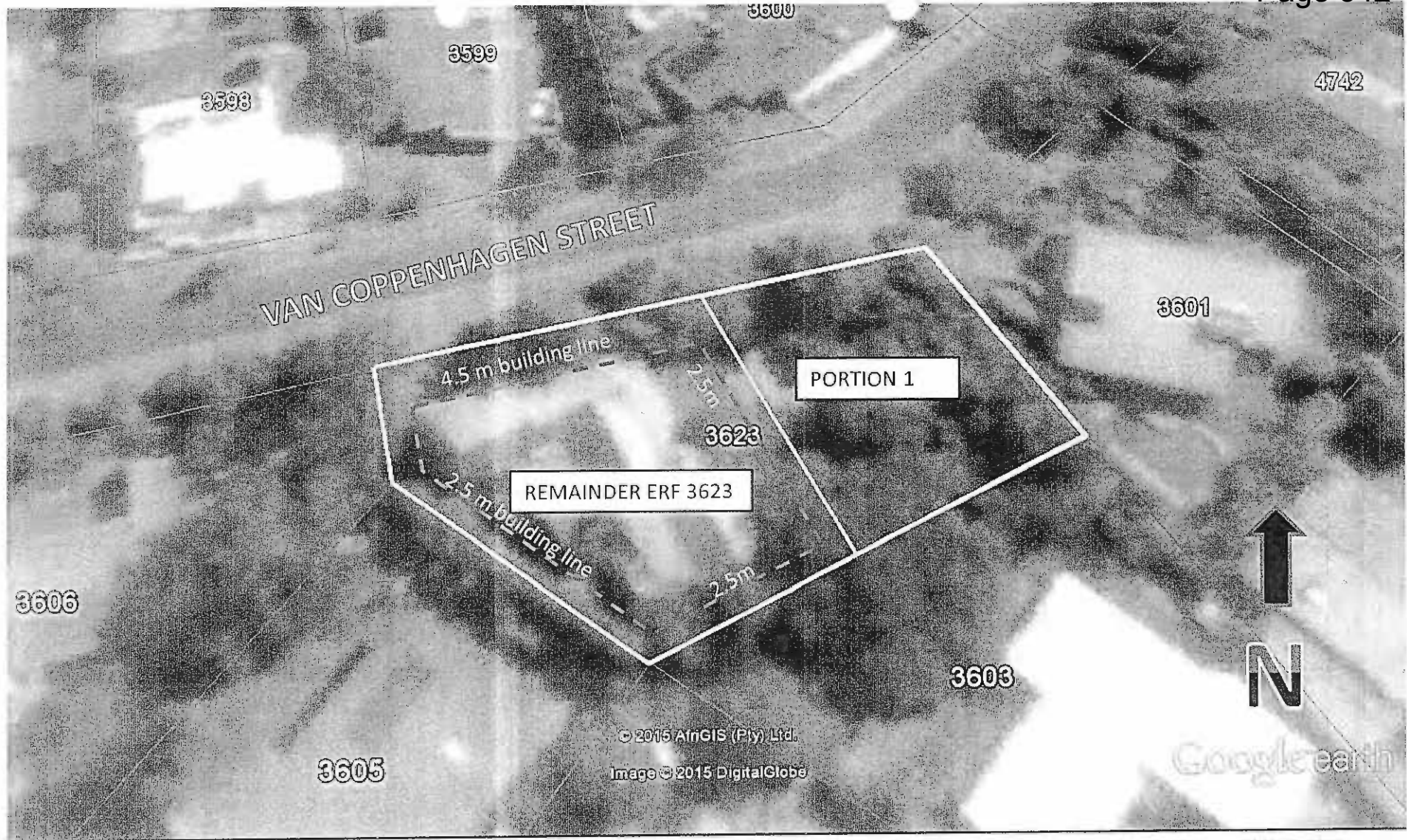
Seunsville Trust  
Keetstraat 03  
Mostertdrift  
**STELLENBOSCH**  
7600 (3606)

# Locality Map



-  Subject property
-  Surrounding properties





**PROPOSED SUBDIVISION OF ERF 3623 (1250M<sup>2</sup>) STELLENBOSCH**

REMAINDER ERF 3623 – 755M<sup>2</sup>

PORTION A – 495M<sup>2</sup>

DWG NO: SUB 3633  
JULY 2015

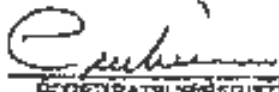



**ANNEXURE 7**

Copy of Title Deed

Opgestel deur my

SEELHEU DUTY	R
FOOS FEE	R 165,00

VERBIND		MORTGAGE	
RIR FOR R 1 000 000,00			
B 00072717 / 2004		KAT J	
10 SEP 2004		 REGISTRAR / REGISTRAR	


 REGISTRAR / REGISTRAR	
---	--

T 73162 98

## AKTE VAN TRANSPORT

ROSTERT & BOSMAN  
 ECCLESIA GEBOU  
 PLEINSTRAAAT  
 STELLENBOSCH 7800  
 POSTBUS 315 STELLENBOSCH 7899  
 (021) 886 8588

HIERMEE WORD BEKEND GEMAAK

DAT ~~MARJORIE LESLIE HILL SMITH~~  JOHANNES FRANSOIS GETZE  
 voor my REGISTRATEUR VAN AKTES te KAAPSTAD verskyn het, die genoemde  
 kompanant synde behoorlik daartoe gemagtig deur 'n Volmag aan hom/haar  
 verleen deur:

1. VOLKER HANS LANG  
 Gebore op 22 JANUARIE 1958  
 Ongetroud  
 Ten aansien van 1/5 (Een Vyfde) aandeel; en
2. RUTH ALMA FISCHER  
 Gebore op 6 JUNIE 1959  
 Ongetroud  
 Ten aansien van 4/5 (Vier Vyfde) aandeel

gedat ter die 7de JULIE 1998 en geteken te ASCHAFFENBURG

Bladsy 2

EN die genoemde Komparant het verklaar dat 1. VOLKER HANS LANG en 2. RUTH ALMA FISCHER op 12 Mei 1998 waarlik en wettiglik per PRIVAAAT OOREENKOMS verkoop het en dat hy in sy voormelde hoedanigheid hierby in volkome en vrye eiendom sedeer en transporteer aan en ten gunste van:

BAREND GABRIEL ZIEFMAN  
Identiteitsnommer 590307 5095 08 3  
Getroud buite gemeenskap van goed

sy erfgename, eksekuteurs, administrateurs of regverkrygendes.

ERF 3623 STELLENBOSCH, geleë in die gebied van die Munisipaliteit en Afdeling van STELLENBOSCH, PROVINSIE WES-KAAP

Groot 1 250 (EEN DUISEND TWEE HONDERD EN VYFTIG) Vierkante Meter

AANVANKLIK GETRANSPORTEER kragtens Transportakte Nr T92935/1994 met Diagram No. 9589/1994 wat daarop betrekking het en gehou kragtens Transportakte Nr T67885/1996.

- A. ONDERHEWIG aan die voorwaardes verwys na in Transportakte Nr T2907/1914.
- B. ONDERHEWIG VERDER AAN soos vervat in Transportakte Nr. T92936/1994, die volgende voorwaarde opgelê deur die Munisipaliteit van Stellenbosch toe die eiendom verkoop is, naamlik:

"Dit is 'n spesifieke voorwaarde van die verkoping van Erf 3623 STELLENBOSCH dat slegs 'n enkelverdiepingwoonhuis opgerig mag word op gemelde erf en dat hierdie voorwaarde vervat moet word in die Titellakte waarkragtens gemelde eiendom op die Koper se naam geregistreer moet word."

Bladsy 3

WESHALWE die Komparant afstand doen van al die reg en titel wat die gesegde  
1. VOLKER HANS LANG en 2. RUTH ALMA FISCHER voorheen in die genoemde  
eiendom gehad het en gevolglik ook erken dat hulle geheel en al uit die besit  
daarvan onthef is en nie meer daartoe geregtig is en dat kragtens hierdie akte, die  
genoemde

BAREND GABRIEL ZIETSMAN

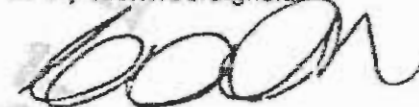
sy erfgename, eksekuteurs, administrateurs of regverkrygendes tans en voortaan  
daartoe geregtig is, ooreenkomstig plaaslike gebruik, behoudens die Regte van die  
Staat, en ten slotte erken hy dat die eiendom verkoop is op 12 Mei 1998 vir 'n  
koopprys van R760 000,00 (SEWE HONDERD EN SESTIG DUISEND RAND).

IN GETUIENIS WAARVAN EK, die genoemde REGISTRATEUR VAN AKTES tesame  
met die Komparant, q.q. hierdie Akta onderteken het en met my Ampseël  
bekragtig het.

ALDUS GEDOEN EN GETEKEN op die kantoor van die REGISTRATEUR VAN  
AKTES te KAAPSTAD op 4 Augustus 1998

  
q.q.

In my teenwoordigheid



REGISTRATEUR VAN AKTES

<b>8.2.2</b>	<b>APPLICATION FOR REZONING: ERF 2, LA MOTTE</b>
--------------	--

**Collaborator No:** 570374  
**File nr:** 15/3/2  
**IDP KPA Ref No:**  
**Meeting Date:** 23 May 2018

**1. SUBJECT: APPLICATION FOR REZONING: ERF 2, LA MOTTE**

**2. PURPOSE**

To enable the delegated decision-maker to make an informed decision on the application for rezoning. The application is **recommended for refusal**.

**3. BACKGROUND**

The La Motte innovative village is an initiative by the then Executive Mayor aimed at promoting innovative residential development in Stellenbosch. During the 2014/2015 financial year, a feasibility study was conducted on Erf 2, La Motte to determine the suitability of this site as a proposed innovative village. On 17 August 2015, the Municipal New Housing Department presented the findings of the feasibility study at the Informal Mayoral Committee meeting. After the presentation, a formal quotation was advertised on the Municipal website for the supply of a refurbished container for show casing one residential container.

The proposed innovative village may only be accommodated on a residential zoned property. Erf 2 La Motte is zoned Authority Zone in terms of the Section 8 Zoning Scheme. The application under consideration is for rezoning from Authority Zone to Residential Zone III in order to permit the proposed innovative village on Erf 2, La Motte.

**4. APPLICATION FOR CONSIDERATION**

Application is made in terms of Section 18(1) of the Land Use Planning Ordinance, Ordinance 15 of 1985, for the rezoning of Erf 2, La Motte from Authority Zone to Residential Zone III in order to use the site as an emergency housing site.

**5. PROPERTY INFORMATION**

<b>Farm number</b>	ERF 2, La Motte
<b>Location</b>	The subject property is located in La Motte on the corner of Kershout & Spireshout. <b>(Appendix 2)</b>
<b>Zoning/Zoning Scheme</b>	Authority Zone / Section 8 Zoning Scheme
<b>Current Land Use</b>	Vacant
<b>Property size</b>	1.522 ha
<b>Applicant</b>	Stellenbosch Municipality
<b>NHRA Applicable</b>	No
<b>Title deed conditions</b>	No

**6. DISCUSSION****6.1 Site Description and Immediate Environs**

The subject property is situated north of the existing La Motte residential area. It lies adjacent to the existing residential erven and road infrastructure. It is owned by the Stellenbosch Municipality and is 1.522 ha in extent. The erf is zoned for local authority and is currently vacant. It was previously used as a waste water treatment plant and is therefore transformed from its natural state. The application in consideration is for rezoning to Residential Zone III in order to use the property as an emergency housing site.

**6.2 Legal Requirements and Public Participation**

The application for rezoning was submitted in terms of Section 17 of the Land Use Planning Ordinance, 1985 (No 15 of 1985), and advertised according to Council's policy on public participation for land use management. Notices were served to the surrounding property owners and also published in the local press (Paarl Post) and the Provincial Gazette. The application was further circulated to relevant municipal departments for comments. Ten (10) objections were received in respect of the proposal (See **APPENDIX 4**). Below is a summary of objections received together with response from the applicant and departmental assessment.

**6.3 Summary of Comments, Response and Planning Assessment**

Issues raised	Applicants response	Departmental response
The proposed density of 70-140 units on a 1.5ha property will not be in keeping with existing residential village of La Motte. If there is to be houses on this land, the density should be similar to that of the adjacent La Motte village. The site is not appropriate for high density temporary accommodation.	The budget allocation will determine the number of units that must be built. Currently, the total number of units is between 50 and 60 units. The current planning policies, including the Stellenbosch SDF and IDP encourage mix use development within the urban edge with densities from low to high residential development and mixed income.	The applicable town planning scheme allows a maximum 50 units per gross hectare on a Residential Zone III property. The proposed 50 to 60 units will not exceed the maximum density as the subject property is 1.5ha in extent.
The applicant's motivation did not provide sufficient information on the proposed project. Information such as the project background, engineering and environmental information, and where these people currently staying. The property is bigger than 5000m <sup>2</sup> and therefore, heritage approval is required.	The families that will occupy the units will come from the Franschoek Valley. The proposed pilot project development will be guided by the recommendations of the EIA to ensure that minimum impact to rivers and agricultural land occurs during development.	Noted

The Franschhoek Community Policing Forum submits that the proposal does not take socio-economic issues into consideration, namely; unemployment, high crime rate, poverty in the valley, drugs and alcohol abuse and health risks. There is unemployment in the valley and the distance to town will affect intended beneficiaries.	The police forum engages with law enforcement of the municipality to patrol areas on a regular basis. The families that will be accommodated in the proposed structures are from the area. No impact/ pressure will occur on existing social services as no new families will be accommodated in the proposed development.	Noted
The site is adjacent to two river conservation corridors and this proposal does not seem to take that in to consideration. A license is required in terms of the national water Act because the proposed development is less than 500m from the wetland.	The request for an Environmental Impact Assessment (EIA) is noted and it is important that the town planner is take into consideration that the department is currently in the process to finalise the EIA.	According to comments received from the Western Cape Department of Environmental Affairs and Development Planning, the proposed development does not require environmental authorisation.
There is no service report that explains where pipes will run. Will there be adequate sewage reticulation and treatment capacity? Where will the potable water come from? There is already a problem with regards to solid waste removal and this proposal will only make it worse. There is no storm water management plan.	A service investigation report was done by GLS to determine the services required for the proposed development. There are many containers container innovative designs that provide housing for many and this approach has been proven to be cost effective and sustainable.	The application was circulated to the Municipal Engineering Services Directorate. The directorate requested that an engineering report be submitted for consideration. The application was therefore not supported by the directorate.
The proposal will result in loss of property value of some of the finest properties and farms in the country. The municipality must also consider alternative uses for the site such as cycling path along the Franschhoek River.	The conversion of the containers is done to make the units dignified and sustainable	The proposal triggers potential loss of property value if the containers are used on a permanent basis.

#### 6.4 Concluding Planning Comments

The application under consideration is for rezoning of Erf 2 La Motte from Authority Zone to Residential Zone III in order to use the municipal property as an emergency housing site. The proposal entails the use of standard steel containers as starter homes. The internal floor area of the container is approximately 14m<sup>2</sup>. Although the total size of the property is 1.5ha, only 1.2ha of the property is developable. The applicant submitted alternative options for consideration by Council. The following options were deemed acceptable by the department of Human Settlement:

Item	Configuration	No. of Units	Gross Density
Option 1	7.5m x 15m = 112m <sup>2</sup> residential erven	70	46 units/ha
Option 2	7.5m x 7.5m = 56m <sup>2</sup> residential erven	140	92 units/ha



---

Option 3 and 4 proposes a mix of container houses with firewall between and semi-detached brick houses. Option 3 proposes a mix of 73 container houses and 71 semi-detached houses, which will make a total of 144 units. Option 4 proposes a mix of 67 container houses and 65 semi-detached houses, making a total of 132 units. The applicant motivates that the temporary structures in the form of containers can be removed to accommodate permanent structures when required. The permanent structure can be built on the already constructed plinths, utilizing and incorporating the fire walls and service cores.

The proposed permanent structures are to be constructed along the formal roads. In this way, every plot will have a formal street frontage abutting a formal road, and an informal edge abutting pedestrian ways.

The subject property abuts the La Motte residential village which comprises of erven with an average size of 500m<sup>2</sup> in extent. The lowest density proposed (Option 1) will result to erven measuring 122m<sup>2</sup>. Therefore, if permanent structures are built, the proposal will not be in keeping with the surrounding residential character as the proposed erven will be much smaller. The proposal may result to a decrease in property values. The applicant's motivation does not provide sufficient information pertaining to where the intended occupants are currently residing. In response to objection, the applicant states that the dwellings will be occupied by people from the area and surrounds.

The applicant's motivation does not address engineering matters. In response to objection, the applicant states that a service investigation report was done by GLS to determine the service required for the proposed development. However, the application was also not supported by Municipal Engineering Services Directorate due to lack of services and insufficient information submitted with the application. Comments from the Engineering Services Directorate further states that sufficient funds must be budgeted by the municipality for a reservoir and other required network upgrades. Substantial objections were also received against the application. Notwithstanding that the proposal is aimed at providing housing for the previously disadvantaged community, the proposed density will have a negative impact on the character of the area.

## 7. RECOMMENDATION

that the application for rezoning of Erf 2 La Motte from Authority Zone to Residential Zone III in order to use the site as an emergency housing site **be refused** in terms of Section 16(1) of the Land Use Planning Ordinance (Ordinance 15 of 1985).

### REASONS FOR REFUSAL

- 7.1 The proposed density is not in keeping with the existing density of La Motte residential village;
- 7.2 The application was not supported by the Municipal Engineering Services Directorate due to lack of services and insufficient information;
- 7.3 Substantial objections were received from property owners in close proximity and affected parties against the application;
- 7.4 The proposed development will result in loss of property value in La Motte and surrounding farms;

- 7.5 The motivation did not address social economic concerns and this might have a negative impact on the existing La Motte village if the development be of permanent nature as proposed.

## 8. APPENDICES

- Appendix 1 : Motivation  
 Appendix 2 : Locality Map  
 Appendix 3 : Proposed Site Development plans (alternative options)  
 Appendix 4 : Letters of objection and comment  
 Appendix 5 : Letter of response to objections from the applicant  
 Appendix 6 : Comments from Municipal Engineering Services Department  
 Appendix 7 : Comments from the Department of Environmental Affairs &  
 Development Planning  
 Appendix 8 : Comments from Manager: Spatial Planning, Heritage &  
 Environment

## 9. ECONOMIC DEVELOPMENT AND PLANNING COMMITTEE: 2018-05-08: ITEM 5.1.1

### RESOLVED

that the application for rezoning of Erf 2 La Motte from Authority Zone to Residential Zone III in order to use the site as an emergency housing site **be refused** in terms of Section 16(1) of the Land Use Planning Ordinance (Ordinance 15 of 1985).

### REASONS FOR REFUSAL

- 9.1 The proposed density is not in keeping with the existing density of La Motte residential village;
- 9.2 The application was not supported by the Municipal Engineering Services Directorate due to lack of services and insufficient information;
- 9.3 Substantial objections were received from property owners in close proximity and affected parties against the application;
- 9.4 The proposed development will result in loss of property value in La Motte and surrounding farms;
- 9.5 The motivation did not address social economic concerns and this might have a negative impact on the existing La Motte village if the development be of permanent nature as proposed.

## 10. FURTHER COMMENTS FROM THE ACTING MUNICIPAL MANAGER: 2018-05-18

Further comments to the Resolutions taken by the Economic Development and Planning Services Committee on 8 May 2018.

The minutes of the Economic Development and Planning Services Committee containing the resolutions taken at the committee meeting on 8 May 2018 was provided to the Acting Municipal Manager as part of the process to inform applicants of the outcome of the resolutions. I enquired as to how the resolutions get reported to

the Executive Mayor as Section 80 (3) (b) – (d) provides the process on how the resolutions of the delegated powers of the Section 80 committees should be dealt with. I was informed that it is not current practise to report the resolutions that has been taken to Council or the Executive Mayor. It is good practise to report the delegated resolutions as the delegation does not divest the delegated authority of the responsibility concerning the exercise of the power or the performance of the duty. The delegated authority has the right to confirm, vary or rescind the decision taken in terms of the delegation subject to any vested rights (similar to the provisions in section 80(3)).

The current System of Delegations (as per appendix) indicated that Council delegated the decisions on LUPO applications where there is substantive objections to the Economic Development and Planning Committee. The delegations were not given to the Executive Mayor who then further delegated it to the Committee. It was delegated directly to the Committee by Council. The impact of the delegation delegated in this manner is that the Executive Mayor cannot execute the provisions of section 80(3)(b) – (d) and the reporting on delegations taken must be reported to Council on a regular basis. I requested administration not to inform the applicants of the outcome of the meeting until the reports served before Council.

It is recommended that Council consider the report.



# STELLENBOSCH

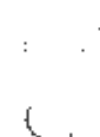
STELLENBOSCH • EN OES • FRANSCHHOEK

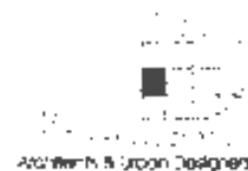
MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

Directorate: Planning and Economic Development

---

## Appendix 1: Motivation





## FQ/SM 281/15 "Professional for the design & layout of container village"

SERVICES: APPOINTMENT OF SPECIALISED AND QUALIFIED SERVICE PROVIDERS FOR THE DETAILED DESIGN AND LAYOUT OF A PROPOSED CONTAINER VILLAGE ON FRED LA MOUTRE FRANSCHHOEK

### 1 Introduction

This project is an initiative of the Stellenbosch Municipality. The Stellenbosch Municipality remains committed to meet the housing and service needs of its communities in a sustainable and integrated way. Limited resources demand that innovative ways are found to provide these services and housing opportunities. The Municipality accordingly seek to partner with service providers in testing and show casing innovative solutions. One of these innovations is amongst others the conversion of shipping containers into formalised housing units. In order to achieve this, Stellenbosch Municipality identified Fred La Motte, as a pilot project.

This report documents the process to date in seeking a housing layout solution illustrating how the shipping container can be utilised as a "starter home" to provide people in need with shelter, while at the same time recognising that certain components of the intervention will likely remain as permanent structures in the medium to long term.

This includes the services, road network, services, certain possible structures other than the containers such as service cores and the subdivision.

It is therefore argued that a much longer term view should be taken of so called temporary housing, by considering the first interventions as the first step in a process leading to a permanent housing solution on the site that will be able to meet the residents' needs into the future.

The design must allow for a container with the following specifications:

A Grade standard 6' six x 4' three Meter (20' container) with the following additional requirements:

- Alternative construction methods for emergency housing;
- Alternative energy sources and electricity usage;
- Water conservation;
- Sanitation solutions;

As such the tender presents an opportunity to test the proposed innovative solution and put forward some possible outcomes for implementation on Site 2, La Motte Franschhoek. The work to be done excludes the following specific tasks that will generally follow should the project is to be implemented:

- The completion and submission of a Land Use Application;
- Architectural design of units that will allow for future expansion and expansion based on changing needs over time;

- Detailed engineering designs that will be able to accommodate future requirements over and above the short term needs;
- Surveyor general submission;
- Public participation process.

All relevant professionals were consulted to ensure compliance and viable project execution options. This includes endorsement from engineering service design consultants and land surveyor. We include all items listed in the specifications document based on preliminary cost estimates only.

## 2 The site and its context

La Motte is situated just outside of Franschoek off the R45 and Robertsvlei Road. Erf 2 is situated in the northernmost corner of La Motte which is a rural residential village.



Erf 2 is owned by the Municipality and is 1.522 ha in extent. It lies adjacent to existing residential erven and road infrastructure. The erf is zoned for local authority use and is currently vacant. The site was previously used as a waste water treatment works and is therefore relatively transformed from its natural state.



## 3 Site analysis and Urban design concept

Erf 2 lies on the edge of la Motte and as such can form a natural extension to the existing residential layout.

The conceptual urban design diagram is depicted in the figure below. This shows how the site can be connected into the existing urban fabric and the relationships between the existing formal housing and the future container units. Should any public facilities, such as a crèche, be required this should be located on the interface with the existing formal housing.

Partial housing units could also be considered to create a transition between the existing and future units.

The reclaimed wetland area can possibly be utilised as public open space.

The concept layout is people orientated rather than based on the car, with minimal formal roads. The emphasis is on pedestrian orientated links that permeate the site and provide a strong rural village atmosphere with emphasis on community and communal ownership as far as possible.

The site and the proposed inclusion of innovative ideas, construction as well as site layout design and process, and the utilisation of alternative technologies for sanitation and energy will make the site a local point of La Motte.

#### 4 Development Concept

The brief requires the design of a layout for emergency housing on Erf 2, La Motte. The expectation is that standard steel containers will be utilised as "starter" homes. The typical dimensions of a standard shipping container are depicted below.

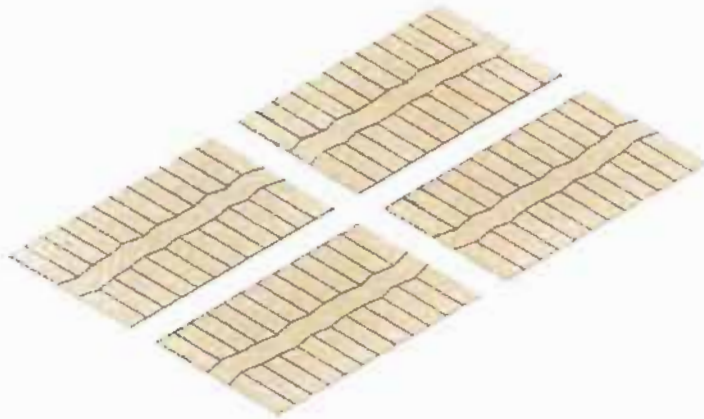


The standard "20 ft" ISO container or generally known as "6 x 3" in metric terms is 6,085 m long by 2,438 m wide or 14,835 m<sup>2</sup> in size. The internal floor area is 5,909 m by 2,391 m or 14,128 m<sup>2</sup>. To accommodate the basic footprint of the container it was decided to work on a square grid of 2,5 m by 2,5 m in order to test alternative workable solution to placing the containers as housing units. It then followed that a "conventional" erf size that would accommodate a range of possibilities would be 7,5 m wide by 15 m deep.





The layout proposal utilises a standard grid of 7,5 m x 15,0 m plots. These plots are therefore, on average 112 m<sup>2</sup>, in size and can be utilised to provide accommodation for a single or two families.



One could therefore consider reducing the allotted area per family from 122 m<sup>2</sup> plots to 56 m<sup>2</sup> which is deemed acceptable by the Department of Human Settlements.

On this basis the proposed layout can accommodate between 70 and 140 families. The proposed accommodation and land use allocation is tabled below:

Item	Configuration	Number of Units	Gross Density
Option 1	7,5 m x 15 m = 112 m <sup>2</sup> residential erven	70	46 units/ha
Option 2	7,5 m x 7,5 m = 56 m <sup>2</sup> residential erven	140	92 units/ha

The proposed layouts illustrating the alternative options are depicted below.







The layouts illustrated above are based on a combination of formal roads and pedestrian ways. The proposed permanent structures (plinths, fire walls and service cores) are proposed to be constructed along the formal roads, around the edges of the site overlooking the formal surrounding residential development as well as on every alternate road or pedestrian way. In this way every plot will have a formal street frontage abutting a formal road, and an informal edge abutting the pedestrian ways. It is proposed that containers or alternative

The proposed semi-permanent structures discussed above are illustrated in the diagrams below:

##### 5 The ISO shipping container as dwelling unit

The conversion of shipping containers for alternative uses has been considered since the containers were first produced. Containers have been utilised as classrooms and many other emergency uses where re-use and mobility are considerations. International examples of containers utilised for domestic homes are plentiful and range from the most basic to very upmarket and expensive conversions.

Add to this the possibility of alternative "off the grid" considerations for energy and sanitation etc., it becomes an interesting design challenge. Small spaces and home require far more thought and design input than larger more spacious options as minimum size and ergonomics drive the design solutions. Inevitably this also implies that the "square meter" cost of such units increase.

## 5.1 Some examples



## 19. Cargotecture C192 Nomad

Like a couple of other homes within this blog post, the C192 Nomad is a prototype. The Nomad is made by [redacted] and sleeps comfortably a family of four.

Jnel Egan, Cargotecture's owner, says the Nomad is designed as a self-contained backyard cottage or remote retreat.

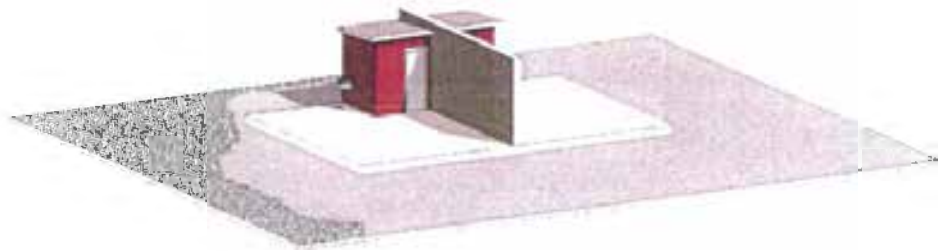


## Juel's Response

*I wish I had known how important it is to have a design expert involved at the front end.*

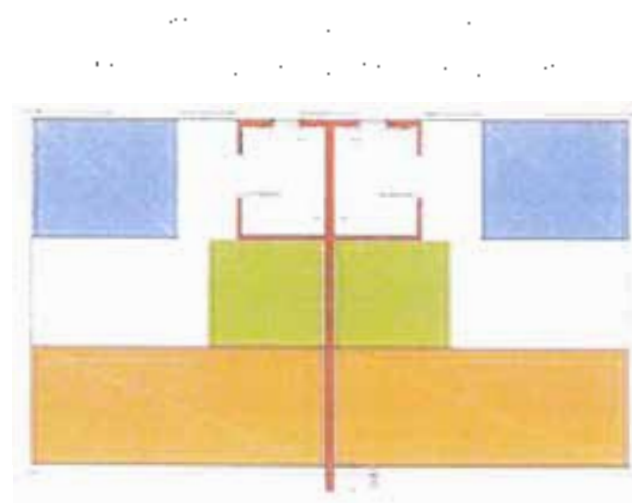
*It's not a good idea to go it alone if you have a custom home you are interested in. It's best approached with professional drawing services and competent structural engineering.*

While the containers can simply be placed on the site (as illustrated in option 1), a better and more permanent solution, which will much better serve the present and future residents of the site, is to construct certain components on the sites (illustrated below) to begin to address not only the direct needs and challenges of residents, but to help structure the site, to define road edges and public spaces, to help residents deal with challenges such as flooding, fire and services, as illustrated on the next page.

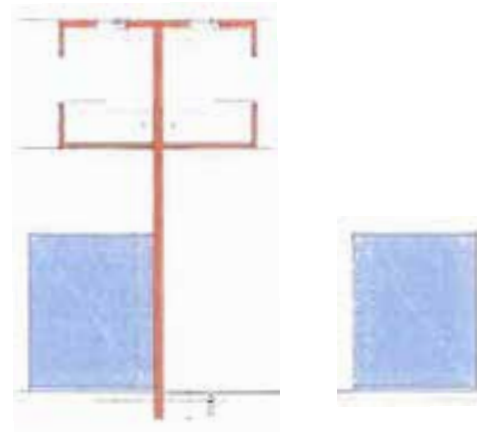


### 3.2.1.2. More container unit design and layout configurations

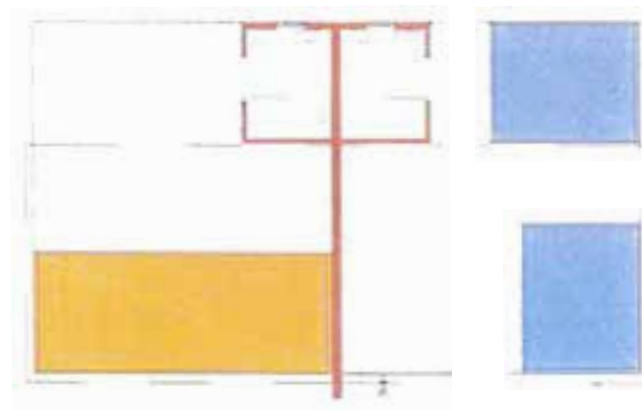
Containers in other temporary housing structures can be placed on these permanent structures in various configurations to meet the accommodation needs of residents. When more permanent structures are required, the temporary structures can be removed and permanent structures can be built on the already constructed plinths, utilising and incorporating the fix walls and service cores.



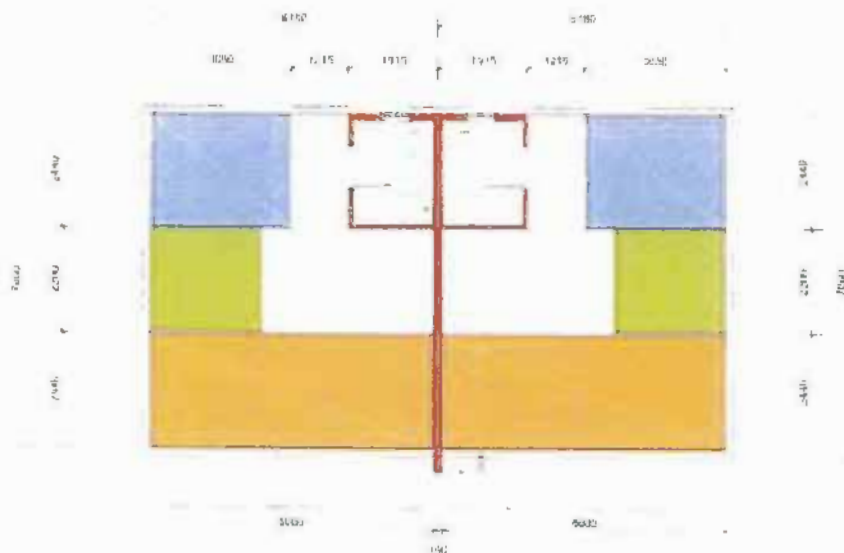
### CONTAINERS ON PLINTH: OPTION 1



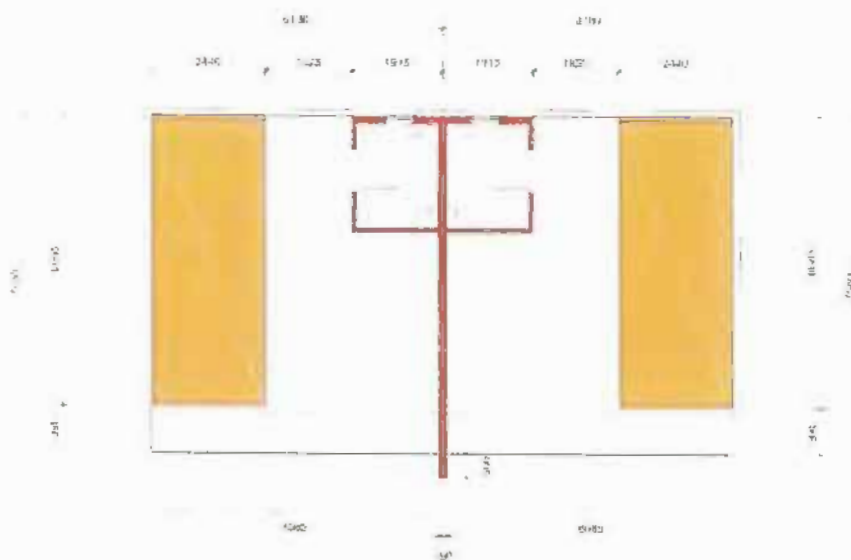
**CONTAINERS ON PLINTH:  
OPTION 2**



**CONTAINERS ON PLINTH:  
OPTION 3**



**CONTAINERS ON PLINTH:  
OPTION 4**



**CONTAINERS ON PLINTH:  
OPTION 5**





# The Site



# Access



# Proposed pilot project



STELLENBOSCH

Stellenbosch Municipality



**STELLENBOSCH**  
STELLENBOSCH • ڤڤڤڤ • ڤڤڤڤڤڤڤڤڤڤڤڤ

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

Directorate: Planning and Economic Development

---

**Appendix 2: Locality Map**

Erf 2, La Motte



© 2015 AfrGIS (Pty) Ltd.  
© 2015 Google  
Image © 2015 DigitalGlobe

Google

Robert W. J. R.

Imagery Date: 10/14/2014 33°53'34.65" S 19°04'28.42" E elev 710 ft eye all

2003



**STELLENBOSCH**  
STELLENBOSCH • ONICE • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

Directorate: Planning and Economic Development

---

**Appendix 3: Site Development Plans**

The layout proposal utilises a standard grid of 7,5 m x 15,0 m plots. These plots are therefore, on average 112 m<sup>2</sup>, in size and can be utilised to provide accommodation for a single *or* two families.



One could therefore consider reducing the allotted area per family from 122 m<sup>2</sup> plots to 56 m<sup>2</sup> which is deemed acceptable by the Department of Human Settlements.

On this basis the proposed layout can accommodate between 70 and 140 families. The proposed accommodation and land use allocation is tabled below:

Item	Configuration	Number of Units	Gross Density
Option 1	7,5 m x 15 m = 112 m <sup>2</sup> residential erven	70	46 units/ha
Option 2	7,5 m x 7,5 m = 56 m <sup>2</sup> residential erven	140	92 units/ha

The proposed layouts illustrating the alternative options are depicted below.









The layouts illustrated above are based on a combination of formal roads and pedestrian ways. The proposed permanent structures (plinths, fire walls and service cores) are proposed to be constructed along the formal roads, around the edges of the site overlooking the formal surrounding residential development as well as on every alternate road or pedestrian way. In this way every plot will have a formal street frontage abutting a formal road, and an informal edge abutting the pedestrian ways.

It is proposed that containers or alternative

The proposed semi-permanent structures discussed above are illustrated in the diagrams below:

## 5 The ISO shipping container as dwelling unit

The conversion of shipping containers for alternative uses has been considered since the containers were first produced. Containers have been utilised as classrooms and many other emergency uses where re-use and mobility are considerations. International examples of containers utilised for domestic homes are plentiful and range from the most basic to very upmarket and expensive conversions.

Add to this the possibility of alternative "off the grid" considerations for energy and sanitation etc., it becomes an interesting design challenge. Small spaces and home require far more thought and design input than larger more spacious options as minimum size and ergonomics drive the design solutions. Inevitably this also implies that the "square meter" cost of such units increase.



**STELLENBOSCH**  
STELLENBOSCH • PNEL • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

Directorate: Planning and Economic Development

---

**Appendix 4: Letters of objection and comments**



## FRANSCHHOEK

**Att:** Municipality of Stellenbosch

**Date:** 11 December 2015

**To whom it may concern**

We were informed of a new development in the Franschhoek Valley (Fif 2 La Motte) - 140 container homes. We as the CPF of Franschhoek have the following concerns. ...

- SAPS in Franschhoek is understaffed
- There is poverty in the valley
- High percentage of citizens with no income
- Violence against women and children
- Domestic violence
- Drugs and alcohol abuse especially amongst the youth
- Health risks
- Sewage problems in the informal settlements and of the new Wemmershoek Sewage Works
- We feel it will bring down the number of tourist wanting to visit Franschhoek, due to the safety factor

Please contact me, should you want to discuss any of the above mentioned points.

Kind regards,

**William Bourbon - Lettley**  
**Chairperson CPF Franschhoek**

Cell 082 880 1473  
 morelig1@telkomsa.net

12/11/2015  
 11:58:11

Erf 2 La Motte

Acknowledgement of receipt

Attention: Mr L Ramakuwela B Mdala

The Land Use Management and Advice Centre

Stellenbosch Municipal Offices

Plein Street

Stellenbosch

I/We acknowledge receipt of this document for the objection to the Container Housing Erf 2

La Motte lodged by C F Yammin

Farm Fleur Vue

Erf no FHPLA104100013

Erf 2 La Motte

3.7.2013

Received by for/on behalf of L Ramakuwela B Mdala

01 SEP 2013

Stellenbosch Municipality

Plein Street

Stellenbosch

7600

For the attention of: L Ramakuwela and B Mdada

Your ref Erf 2 La Motte

1 December 2015

Objection to Container Housing Erf 2 La Motte

Affected party details:

Collin Yammin

Farm Fleur Vue

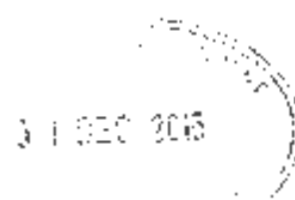
Erf No FHPLA 104100013

Cell no: 076 926550

Work No: 021 8764070

PO Box 138 La Motte 7691

Email: [collin@dieplaas.co.za](mailto:collin@dieplaas.co.za)



My concerns are:

1. Creating employment for the existing community that already live in the village.

The department of forestry have left them jobless and they battle to find employment from adjoining farms and business in and around Franschoek. So by building more housing you will be attracting more migrant people and creating a bigger problem. Why not upgrade and clean up what already exists? More people in this crowded Village is just adding fuel to fire.

2. Safety and security to people, property and crops exists and would be on the increase should more unemployed people move in.

3. Inadequate delivery of services to an over supplied sewerage system already exists and people are defecating all over the place and often the over utilized system floods into the Franschhoek River where the e-coli count is so high that our crops are jeopardised.

4. Obtaining the adequate supply of electricity to the community and the too narrow bridge over the river are also of concern.


5. Social services do not exist i.e., Schools, Churches and transport are non-existent and by building more housing you will be creating a bigger problem in an area that is a prime tourist destination.

6. Value of Properties-- this is also a major concern as some of the finest property and farms in the country are showcased and bench marked to overseas visitors.

Suggestion of utilization of land:

Keep it zoned for farming and help the locals to grow crops that they can create employment, harvest and sell their crops in their community.

Yours sincerely



Collin Yankmin

Jean Jeffery  
PO Box 44  
Klapmuts  
7625

On behalf of La Motte, L'Ormarins, Môreson and Wolfkloof Farms

11 December 2015

Director: Planning and Economic Development  
PO Box 17  
Stellenbosch  
7599

FAX: 021 886 6899  
DELIVERED BY HAND

Dear Sir / Madam

**APPLICATION FOR REZONING: ERF 2, LA MOTTE, FRANSCHHOEK  
APPLICATION NUMBER LU/4341**

Your application for the proposed rezoning of Erf 2, La Motte, Franschhoek from Authority Zone to Residential Zone III in order to make provision for an emergency housing pilot project refers.

We are aware of the above application and have read it together with the report written by JS Associates, "FQ/SM 281/15 Professional for the design & layout of container village" ("the report"), that was attached to the application as motivation.

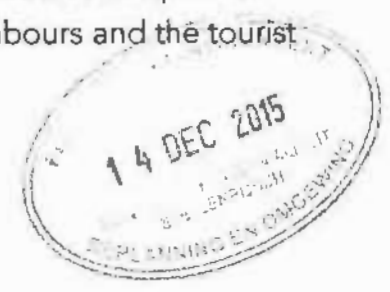
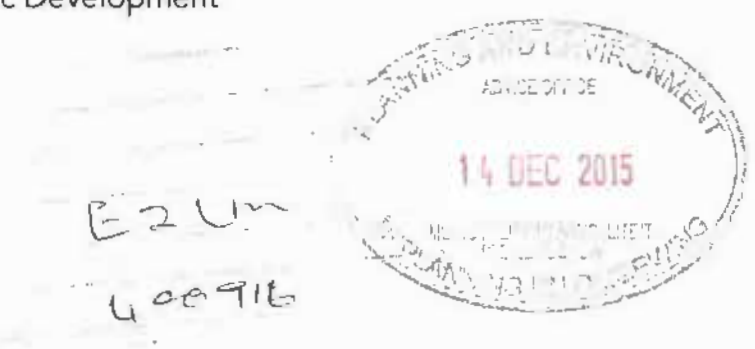
In our opinion the report is shoddy, unclear and badly written. Based on the lack of information in the report, we hereby object to your application.

The parties whom I represent are aware of the critical need for housing. However there are steps that need to be taken to ensure that there are no unintended consequences that could have long-lasting negative effects on the area, the neighbours and the tourist industry in Franschhoek.

Our concerns and the basis of our objection are outlined below.

**1 Density of the proposed housing pilot project**

1.1 There is no clarity on the number of houses.



1.2 Per point 4 'Development Concept' on page 5 of the report, the proposed layout can accommodate between 70 (option 1) and 140 (option 2) units / families.

1.2.1 There is a big difference between 70 and 140 families.

1.2.2 How many will it be?

1.2.3 In our opinion, if there were to be houses on this land, the density should be similar to that of the adjacent La Motte / Bosbou village. This is considerably less than over 70 families.

1.3 The report outlines a number of different layouts

1.3.1 What will the layout actually be?

1.4 We cannot comment, nor can we support the application if we do not know, (i) how many units you plan to install or (ii) the planned layout of the proposed container houses.

## 2 Potential occupants

2.1 Who are the potential occupants?

2.2 What criteria will you use to decide who is eligible to move into these units?

2.3 If the potential occupants are currently 'backyard dwellers', who will move into the dwellings they vacate?

2.3.1 What is your plan to ensure that the vacated backyard dwellings are demolished and are not used to house new people arriving in the Franschhoek Valley?

2.3.2 Without such a plan the housing shortage will continue *ad infinitum* as new people arrive to fill the vacated backyard dwellings.

2.3.3 The Plettenberg Bay Municipality recently faced and dealt with a similar issue. They employed the services of an independent and private 24/7 surveillance company to monitor the number of informal dwellings and to ensure that any (new) dwellings erected illegally were demolished as soon as their occupants were moved to new houses

2.3.3.1 We would like an undertaking from the Municipality that a similar process will be implemented as part of this approval.



### 3 Distance to employment and local amenities

3.1 Erf 2, La Motte is situated far from employment opportunities and local amenities.

3.1.1 Most employment opportunities and shops are in the urban area of Franschoek, which is where the majority of businesses are located.

3.1.2 Transport will therefore be an issue.

3.2 Point 3 of the report, 'Site analysis and Urban design concept' (page 3) states, "The concept layout is people orientated (rather than based on the car) with minimal formal roads. The emphasis is on pedestrian orientated links that permeate the site and provide a strong rural village atmosphere with emphasis on community and communal ownership as far as possible."

3.2.1 This paragraph makes little or no sense.

3.2.2 People will have cars - where will they park them?

3.2.3 "...emphasis on community and communal ownership as far as possible. "

3.2.3.1 These words sound very nice and noble - but what do they mean?

3.2.3.2 "Communal ownership" - of what?

3.2.3.3 This is rhetoric - particularly when the reality is more likely to be high unemployment and for those who have a car, the inability to park it in front of their home - leaving it unattended and easy prey for vandals and thieves

### 4 Incomplete sentence

4.1 Please refer to the note below the alternative layouts in Point 4 'Development Concept' on page 7 of the report and please complete the last sentence of the paragraph below the illustrations of the alternative layouts: "It is proposed that containers or alternative..."

4.2 Alternative what?

## 5 Identified wetland – National Water Use Act

5.1 There is reference in the report to a wetland. Please refer to point 3 'Site analysis and Urban design concept' on page 3, "The identified wetland area can possibly be utilised as public open space."

5.2 No further information is provided about this wetland and there is no specialist report that states what is going to happen to this wetland

5.3 As the proposed site is closer than 500m to a wetland, in terms of the National Water Act a water-use licence is required.

5.4 In addition we would like to see a specialist report on the proposed site, Erf 2, La Motte. According to La Motte / Bosbou residents there is a wetland on this site too. If this is the case, how will it be incorporated into the proposed container village?

## 6 Services

6.1 There is no services report or design that explains where the pipes will run

6.2 Will there be adequate sewerage reticulation and treatment capacity?

6.2.1 The current line from La Motte to the wastewater treatment works at Wommershoek overflows through the inspection manholes from time to time. This appears to be due to the large amount of non-treatable waste, such as plastic bags, that are in the system. This causes further pollution of the Franschoek River.

6.2.2 Please provide details of studies done to show that the Wommershoek wastewater treatment works and the pipeline to the treatment works have the capacity and ability to cope with and service the expected extra demand

6.3 Will there be an adequate potable water supply?

6.3.1 Where will this water come from?

## 7 Garbage removal

7.1 There is no report that explains how garbage will be removed

7.2 Currently there are no proper garbage removal services for the existing La Motte / Bosbou village and this problem will be exacerbated with the introduction more houses

7.2.1 A large amount of garbage emanating from La Motte is being dumped in the area surrounding the Berg River Dam. (At the moment Moreson Farm is collecting and removing this dumped garbage).

## 8 Storm water

8.1 There is no storm water management plan.

8.2 How will storm water be managed?

8.3 What will happen to litter and pollution in the storm water? How will it be extracted before the storm water reaches the rivers?

8.4 How will the already dangerously polluted Robertslei and Franschoek Rivers be protected?

## 9 Alternative technologies

9.1 The last paragraph of point 3 'Site analysis and Urban design concept' (page 3 of the report), states: "The site and the proposed inclusion of innovative ideas (construction as well as site layout design and process) and the utilisation of alternative technologies for sanitation and energy will make the site a focal point in La Motte "

9.2 What are these "innovative ideas" and "alternative technologies"?

9.2.1 There is no information in the report to enable us to make any informed comment

9.2.2 Please explain what these innovative ideas and alternative technologies are and how they will add value to the area.

## 10 Social report

10.1 Please provide a social report on the impact of the proposed container village. This report should cover, inter alia:

10.1.1 The effect on people living in the La Motte / Bosbou village,

- 10.1.2 The drug problem in the area – according to local residents, La Motte / Bosbou is the drop off point for drugs coming into Franschhoek. This would be exacerbated with an increased number of houses in the area;
- 10.1.3 The social impact of a one-room house on family dynamics. It has been suggested that one-room houses, such as the containers, are only suitable for retired couples.
- 11 **National Heritage Resources Act**
- 11.1 The proposed site is larger than 5 000m<sup>2</sup>. Therefore, in terms of the National Heritage Resources Act, Heritage approval is required for a change in land use.
- 11.2 There is no Heritage report.
- 12 **Alternative uses for the land**
- 12.1 Alternative uses for the land should also be considered. Possibilities include:
- 12.1.1 A cycling path along the Franschhoek River with a stop-off point at La Motte / Bosbou;
- 12.1.2 Highlighting and marketing all the wetlands in the Franschhoek area and creating cycling / walking links between them.
- 12.2 These suggestions and the proposed container village would not necessarily be mutually exclusive, but we believe it is important to consider all options from a holistic point of view.

As indicated in points 1 to 12 above, there is not enough information in the report to give any informed comment and therefore we have no choice but to object to your application.

Please note that we would have preferred not to object as we appreciate that there is an urgent need for housing generally in South Africa and we acknowledge that the Franschhoek Valley is no exception.


We understand that CNdV has been appointed to look at suitable sites for development and fully support this 'big picture' approach. We look forward to the opportunity to meet with CNdV to give whatever input we may be able to provide.

As you are aware, we are working with the Municipality to create employment and entrepreneurial opportunities, particularly with respect to making use of the land and mountains around the Berg River Dam and the establishment of community vegetable gardens and a community market.

In addition we are looking at creating 'schools of excellence', to upgrade and create world-class skills in the Valley, for example for waitrons.

There is no doubt these initiatives will generate employment and other opportunities - but there is a limit to how many. We need to find a legitimate way to prevent an unabated influx of people into the Valley. If we do not, these initiatives and any housing initiatives will never be sufficient to provide accommodation and meaningful employment.

Yours faithfully



Joan Jeffery

On behalf of La Motte, L'Ormarins, Möreson and Wolfkloof Farms

(Please see overleaf for contact information and ort numbers).

cc: Mr. Dupré Lombaard - Dupre.Lombaard@stellenbosch.gov.za

Mr. Piet Smit - Piet.Smit@stellenbosch.gov.za

Mr. Ulrich von Molendorff - ulrich.vonmolendorff@stellenbosch.gov.za

Mr. Widmark Moses - Widmark.Moses@stellenbosch.gov.za

Mrs. Jenny Prinsloo - ceo@franschhoek.org.za

**La Motte Wynlandgoed (Proprietary) Limited**

Contact: Hein Koegelenberg  
 Telephone: +27 (21) 8768805  
 Erf numbers: 1227, 21683 and 21685  
 Address: La Motte, R45 Main Road, Franschhoek 7690  
 PO Box 1, La Motte 7691

**L'Ormarins (Proprietary) Limited**

Contact: Gary Baumgarten  
 Telephone: +27 (21) 8749052  
 Erf number: 1166/1  
 Address: L'Ormarins, R45 Wine Route, Franschhoek 7690  
 PO Box 435, Franschhoek 7690

**Môreson Farm**

Contact: Richard Friedman  
 Telephone: +27 (21) 8763055  
 Erf number: 1403/2  
 Address: Môreson, Happy Valley Road, La Motte, Franschhoek 7690  
 PO Box 114, Franschhoek 7690

**Wolfkloof Farm**

Contact: Sarel Swart  
 Telephone: +27 (21) 8763510  
 Erf number: 1038-7  
 Address: Wolfkloof Farm, La Motte R 45, Franschhoek 7690  
 PO Box 18, La Motte 7691

**Ulrich Vonmolendoff**

**From:** Jean Jeffery <jeanjeffery@gmail.com>  
**Sent:** 10 December 2015 07:45 PM  
**To:** Ulrich Vonmolendoff  
**Cc:** Dupre Lombaard; Piet Smit  
**Subject:** Container village at La Motte - your application for rezoning - EXTENSION???

Dear Ulrich

I talked to you and emailed you this morning before I left for an afternoon of meetings. I have returned to my desk and see that there is no email and no extension from you.

Please would you get back to me as quickly as possible.

As I said in my email earlier today - if I do not receive an extension I will have no choice but to lodge objections tomorrow - Friday, 11 December.

News of this application has 'gone viral' in Franschhoek and people are asking why they were never informed of the application and also what the municipality has to hide that they never informed the public.

I believe it is possible to create a win win situation, but I cannot participate in that without an extension. I therefore urgently ask you to grant me an extension - to Friday, 18 December 2015 or whatever date would suit Mr Lombaard.

Kind regards  
 Jean

Jean Jeffery  
 +27 82 334 0875  
[jeanjeffery@gmail.com](mailto:jeanjeffery@gmail.com)

Wolffo does not make provision  
 for extension of time to submit  
 objections  
 11/12/2015.

On 10 December 2015 at 12:01, Jean Jeffery <[jeanjeffery@gmail.com](mailto:jeanjeffery@gmail.com)> wrote:  
 Dear Ulrich

I refer your application for the proposed rezoning of Erf 2, La Motte Franschhoek from Authority Zone to Residential Zone III in order to make provision for an emergency housing pilot project.

Thank you for your time on the telephone just now regarding this application.

As discussed, I respectfully request an extension for the time period for written objections - the letter I have is dated 12 November 2015 and 30 days from that date is Saturday, 12 December 2015.

I have an objection letter written and ready to send, but I am talking to Dupre Lombaard as I would like to find a compromise. Mr Lombaard is not able to look at my request until after your deadline date.

Please would you therefore grant me an extension to Friday, 18 December 2015 or whatever date would suit Mr Lombaard.

I have also been in contact with Piet Smit, who has said that he will support an extension of time.

33

Dunbar Crewe-Brown

Subject: FW: Rezoning of Erf 2, La Motte

Stellenbosch Municipality  
 Land Use Management Branch  
 Plain Street  
 Stellenbosch

Dear Sir / Madam

CAPENSIS INVESTMENTS CC  
 PO Box 467  
 Franschhoek

RE APPLICATION FOR REZONING ERF 2 LA MOTTE FRANSCHHOEK  
 APPLICATION NUMBER LU /4341

C. de Lint

6 00 461

Thank you for the opportunity to comment on this proposed rezoning. We are the owners of Erf 03, directly adjacent to Erf 2, La Motte, and will be negatively affected by the proposed rezoning and redevelopment on this site.

We appreciate that the provision of new housing is critical and necessary and are not objecting to that fact. Nor are we objecting to the desire for an innovative and sustainable approach to new housing.

- The objection relates mainly to the form and density of the proposed housing, according to the basic information and diagrams submitted to me in the registered letter.
- The proposed densities of 70-140 families on 1.5 ha will not be in keeping with the existing residential village of La Motte, the erven of which are approximately 400 m<sup>2</sup> each, with one house per plot. The entire community of La Motte consists currently of about 180 homes only. The effect of introducing this number of new people into this community appears not to have been considered.
- La Motte is considered a rural village, surrounded by working agricultural farms and environmentally sensitive features and natural areas.
- This site is adjacent to 2 river conservation corridors, and as such, development of this nature could negatively affect these natural corridors.
- Any new housing must be in keeping with densities appropriate to this area, which is predominantly a rural, agricultural area.
- We would submit that this is not the appropriate location for high density housing of a temporary nature.
- We would argue that higher density housing should be located closer to larger towns, with sufficient public transport, amenities and facilities to service the residents.

Issues with the report received



- The nature of the application to: "make provision for an emergency housing pilot project" is not elaborated upon in the document I have received. There is absolutely no explanation or context given to this emergency housing project, nor any motivation given. Neither is there any elaboration given on the intended recipients of the new housing. Where are these people currently living and how have they been made homeless and presumably jobless?
- There is very little information on the actual design proposal, and how the transition between existing formal housing and new 'temporary' housing will be dealt with.
- Another issue is that the actual rezoning report received is lacking in crucial information, such as the background to this project, the process and events to date, the public participation process followed, the spatial planning and urban design informants, the environmental and engineering informants and other relevant information.

No development plan appears to have been included, which we request.

From a visual inspection of the site, the current wetland appears to be situated in the middle of the site. No mention appears to be made of how this wetland will be drained /removed

A statement on your page three reads "...the pedestrian orientated links that permeate the site (presumably you are referring to the paths between the containers)...provide a strong rural village atmosphere with emphasis on communal ownership." "We fail to understand how these containers will add to a rural atmosphere."

- Without such information, it is not possible to support this rezoning in its current state.
- As an interested and affected party, we request to be informed of the full context and background to this project

Kind Regards



D Crewe Brown

For Capens Investments 42800



1 Rowan Street

Stellenbosch

3<sup>rd</sup> December 2015

Stellenbosch Municipality

Plein Street,

Stellenbosch 7600

Attention/ Land Use Department, Messrs L Ramakuwela./ B Mdada

Your ref: r/ 2 La Motte

Sir,

Objection to Container Housing at the La Motte Village.

We have become aware of your proposal to create low income temporary housing using steel containers as the basis for housing units at the La Motte Village, Franschoek. Whilst we are aware that some interesting housing forms can be created using these containers we have doubts that an adequate housing unit at a reasonable cost can be created by this method of construction. That however is not the basis for us wishing you to note our objection to this form of urban development.

As the Cape Winelands Biosphere Reserve (CWBR) we are dedicated as an NGO towards the successful integration of human settlement with nature and establishing that balanced relationship so necessary when considering sustainable housing developments. With that concept of successful integration in mind we will object to this form of settlement on the following grounds:-

1. The proposal seems to be in direct contravention of your stated aims of being an innovative design and solutions driven Council, whose published and stated aims and objectives for successful and sustainable community development are:-

- Good Governance and compliance.
- Dignified living
- Preferred investment destination.
- Safest Town, greenest municipality.

Yours faithfully

Handwritten signature



there sufficient capacity available to support and further developments? Very importantly how will waste water and any effluent be treated?

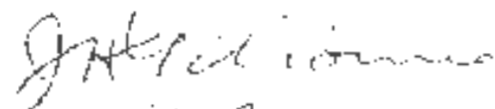
4. The design as presented for such a housing layout will not engender its self towards community development for which pride in living within a dignified environment is an essential requirement. This is poor urban planning by any judgement; it might as well be a shipping container depot. Its contribution towards community planning and good design will be nil and will have a very negative impact upon the social development of individuals and their families. We find that the proposed layout indicates a poor understanding of social and family needs and should be condemned in the strongest possible terms. It will reflect badly upon the council's stated aims for community development.
5. The site is close to the Franschoek river riverine area. How will this be protected from effluent discharge? There is no indication of a "greening" strategy to soften the immediate effect on the environment nor any indication as to how this will comply with the overall strategy of urban settlements being at one with the natural environment.
6. We are concerned as to the level of economic activity in the immediate area and its ability to sustain or successfully absorb further settlement developments, especially developments of this nature. Where will the people find employment? Will this not become another barely sustainable development with all the social ills that this encourages and the ravages that this creates upon the natural environment, its vegetation and wild life? This is not an area of "preferred investment" and housing such as this will most likely deter investors.
7. We find little merit in developing further existing low income human settlement such as the La Motte village with converted shipping containers as housing and would rather support concepts of real urban sustainable developments in areas such as Klipmuts and the Groendal village closer to the village of Franschoek.

On the whole we find that this proposal fails on any count with the standards and a norm established and professed by your council for successful and sustainable urban settlement and further contravenes any of the present empirical data of freely available social and family studies for the development of successful communities.

We would therefore request that you record that the Cape Winelands Biosphere Reserve objects to this proposal and rejects its objectives as not being sustainable, having also poor environmental controls and being hostile to community development. We consider this proposal not to be in the best interests of the wider community and the ability of the proposed development to integrate itself into the surrounding natural environment and the present village community is very poor.

Would you please acknowledge receipt of the letter.

Yours sincerely,

  
S. H. GERONZI (Pty)  
Chairman: Cape Winelands Biosphere Reserve

SOPHIA PHILLIPS.

23

ERF 85,

FATA 021 8866899

geelhouf LMAN

ERF 2 LM

LAMOTTE.

14-12-2015



APPLICATION NUMBER

LU/4341

ER 2 LM

ERF ERVEN NUMBER(S)

400943

ERF 2. LAMOTTE FRANSCHOEK.

DEAR SIR I HEREBY OBJECT TO  
THESE APPLICATION TO THE PERPOSE  
REZONING OF ERF 2.

THIS IS BECAUSE I NEED MORE  
INFORMATION.

HOW MANY HOUSES WILL THEY BE?

70 OR 140. IS TOO MANY, FOR THIS  
PEASE OF LAND.

I WANT TO NO WHO IS GOING TO  
MOVE THEIR. WHAT ABOUT OUR PEOPLE  
WHO ALSO WANT HOUSES IN OUR COMMUNITY  
WHAT ABOUT ~~PREPTE~~ WORK FOR THE PEOPLE  
THERE IS ALREADY A LOT UNEMPLOYMENT.

①

REF 10

JOHANNES AROSIAN / OFFICER STATIONER

10 LA MOTTE

11/17/2015

APPLICATION NR 44 4341

REF 2 LA MOTTE PHOENIX

LOC

DEAR SIR I HOPE TO OBJECT TO

THE APPLICATION TO THE PROPOSED  
REMOVING REF 2THIS IS TO OBJECT THE REMOVAL OF  
REF 2 BECAUSE THERE ARE SO MANY  
INFORMATION REGARDING THE  
REMOVAL YOU ARE BUILDWE CAN'T SEE THAT YOU WILL BUILD 70  
HOUSES ON THIS LANDWE WANT TO KNOW WHAT IS GOING TO  
HAPPEN TO THE LANDTHE LANDS WILL BE A LARGE PROBLEM  
THERE ARE SO MANY UNEMPLOYED  
PEOPLE IN LA MOTTE AREA.

(2)

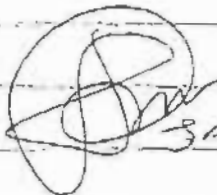
IT will be a problem for the  
La Motte village <sup>if</sup> more people will  
be not work <sup>now</sup> for the people

There are social problem in  
La Motte village

There was no meeting held in the  
La Motte community regarding the  
Housing for people who need it.

IT will be a big problem for  
new business venture in La  
Motte.

Johnnies arbitration service  
stick went to La Motte  
Franschaek

 Johnnies

Ulrich Vonmolendoff

Erf 2 Lm

**From:** Jean Jeffery <jeanjeffery@gmail.com>  
**Sent:** 15 December 2015 07:48 AM  
**To:** Dupre Lombaard  
**Cc:** Richard Friedman; Hein Koegelenberg; Gary Baumgarten; Swart Spuitpompe; Jennifer Ann Prinsloo; Widmark Moses; Piet Smit; Ulrich Vonmolendoff  
**Subject:** Application for rezoning: Erf 2, La Motte, Franschhoek - LU/4341  
**Attachments:** 2015 12 Letter to Municipality - OBJECTION to application for rezoning ERF 2 La Motte - container housing FINAL - for submission SIGNED.pdf

Good morning Dupre

Following the Planning & Economic Development Dept's refusal to grant me an extension to lodge an objection to this rezoning application I had no alternative but to submit an objection yesterday on behalf of the people I represent.

I have attached my objection letter for your information.

As you know, this was not my preferred route.

I was hoping to discuss it with you to find a positive and constructive way forward.

We can still do this - but we cannot rely on the report that was attached to the application. At best, it is an architect's sell of what container housing could be - it is not a well thought through plan for erf 2.

I went to see erf 2 yesterday - it is a scruffy, neglected piece of land with a concrete slab with manhole covers for a sewerage line in the middle.

Some well thought through houses there could create a win win win situation - win for more houses and win for improving the area and a win for the community.

The critical thing is going to be the number of houses - Piet Smit has said to me that the housing dept are "... more than happy to down-scale the number of units to 35"

I would like to see what 35 means - how much more than the existing density will it be? Even 35 may be too many?

I met with a few La Motte / Bosbou people yesterday (about growing vegetables on available land in the Franschhoek area). They are not averse to houses on this land BUT they are very concerned about the lack of information from the municipality and the possibility (per the report) of 70 to 140 houses.

Good luck with getting through everything in this crazy time of the year.

Warm regards

Jean

Jean Jeffery  
 +27 82 334 0875  
[jeanjeffery@gmail.com](mailto:jeanjeffery@gmail.com)

Erf 2 Lm

401014



On 11 December 2015 at 11:47, Jean Jeffery <[jeanjeffery@gmail.com](mailto:jeanjeffery@gmail.com)> wrote:  
 Dear Dupre







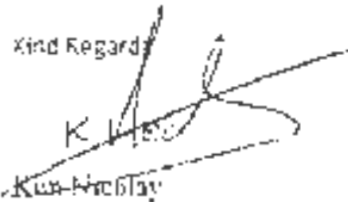
- housing. Where are these people currently living and how have they been made homeless and presumably jobless?
- There is very little information on the actual design proposal and how the transition between existing formal housing and new temporary housing will be dealt with.
  - Another issue is that the actual rezoning report received is lacking in crucial information, such as the background to this project, the process and events to date, the public participation process followed, the spatial planning and urban design information, the environmental and engineering information and other relevant information.

No development plan appears to have been included, which we request.

A statement on your page three reads "...the pedestrian orientated links that permeate the site (presumably you are referring to the paths between the containers)...provide a strong rural village atmosphere with emphasis on communal ownership". "We fail to understand how these containers will add to a rural atmosphere?"

- Without such information, it is not possible to support this rezoning in its current state.
- As an interested and affected party, we request to be informed of the full context and background to this project.

Kind Regards

  
K. H. Evans

K. H. Evans

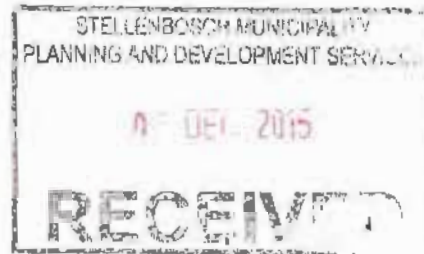
Per Pro Nicholas Evans - Arleena Shadow Properties

Email: [n.evans@arleena.co.uk](mailto:n.evans@arleena.co.uk)

Cell No 087 5875177

14/12/2015

Stellenbosch Municipality: Land Use Department  
 Plein Street  
 Stellenbosch  
 7600  
 ATT: Messrs L Ramakuwela./ B Mdada



4 December 2015

Dear Sir/s

**RE: OBJECTION TO PROPOSED CONTAINER HOUSING ERF 2 LA MOTTE**

We have been made aware of your intention to create a low income/temporary housing project utilising steel containers at the La Motte Village in Franschhoek. As our land and future business will be directly affected, we are unsure why we have not been notified of this development.

We are of the educated opinion, myself previously owning and managing a construction company and my wife with many years industry related experience as Project Manager in Construction, that we cannot foresee the success in creating adequate low cost housing with containers whilst attempting to establish a balanced relationship with the surrounding nature and neighbours.

Having dabbled in refurbishing shipping containers, it takes a lot of resources to keep it cool in summer and warm in winter.

The current and continued pollution of the Franschhoek River is already an issue and creating this urban village in this location presents endless issues and further destruction and pollution thereof.

We daily see the destruction of the land all along the river bed from our home with trees being chopped down for fire wood. This affects the stability of the river bank – and this is done by the existing inhabitants in this area and now this housing development will only increase the population and the total destruction of this natural piece of land along the Franschhoek River. There is no control or protection.

We also see no evidence of the environmental impact study (EIS) that would be necessary for such a proposed project. This would include clarification of sufficient available municipal services in the form of water supply, sewerage removal, general household waste management, storm water drainage and electrical power.

We object on the basis that the proposal seems to contravene the aims of this Council to:

- provide dignified living conditions
- to be of good governance and compliance
- to be responsible for supporting a preferred investment destination in Franschhoek
- claiming to be the "Safest Town - Greenest Municipality"

E2 Um

400332

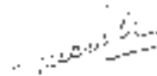
There is tremendous concern over crime and drug use in this vicinity and we feel this undignified development would increase these issues and will have an increased negative impact upon the social development of individuals and their families already residing close by. The lack of income barely provides for current families and would encourage an influx and overpopulation of these containers without any governance or control.

As a Council professing to understand the social needs of families and community development it is clear there is a complete lack of understanding with the audacity to even consider putting this proposal forward.

It is unclear why public funds that we as rate payers contribute to are wasted on this preposterous proposal and should rather be utilised on developing and improving existing housing developments like Groendal and Klasmuts

We consider this container proposal not to be in the best interests of the wider community and request receipt of our total objection to this proposal.

Yours sincerely



Alex & Erika McCormack  
La Motte Farm  
Partion 10407 La Motte  
Franschhoek  
7690  
Landline: 021 - 876 2219  
Cell: 0835255428 or 0829052606

123



Erf 2 La Motte

Stellenbosch Municipality

Plein Street.

Stellenbosch 7600

Attention: land use Department. L Ramakwela. B Mdaaa

Your ref Erf 2 La Motte

1<sup>st</sup> December 2015.

Sir,

**Objection to Container Housing at the La Motte village.**

Further to your letter dated 12<sup>th</sup> November 2015 addressed to Capensis Investments 428cc regarding the above proposal, we wish to add our objection in full to this proposal to build shipping container housing within such an area at the La Motte village in the Franschhoek valley.

This proposal we consider to be without merit in that further densification of an already economically deprived area and developments such as this will lead to further social fabric disintegration and economic degradation and should be rejected. The La Motte village area is under immense pressure from lack of jobs and economic development, the decline of the timber industry within the area adds to this problem. The pressure on existing services such as drainage, water and electrical power will further exacerbate the problem.

Whilst we recognize the need for low cost housing, it must be undertaken in responsible manner and within communities that can readily absorb the numbers of new comers and have the available social and economic infrastructure to accommodate this additional need

This modified container depot concept for temporary ( read permanent) housing is not an adequate solution to the need for housing, nor do we believe that the area can adequately contain such an influx and will quickly degenerate into another informal settlement of the worse kind. Nor do we believe that containers without extensive and expensive modification will be a proper substitute for the more formal norms of housing, these modified containers will be socially rejected by the community and quickly degenerate into a slum condition and social deprivation.

Would you please note our rejection and objection to your proposal as set out in your letter of the 12<sup>th</sup> November and acknowledge receipt of this letter

Yours sincerely,

Brian Howard

Shirley Kilian

Joe Kilian

Fransriet farm

Portion 2 of the farm La Motte

Erf 2 La Motte

348815



**STELLENBOSCH**  
STELLENBOSCH • ڤNIEL • FRANSCHOFFERK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

Directorate: Planning and Economic Development

---

**Appendix 5: Response to objections from the applicant**



STELLENBOSCH

STRAATWYSE • WATERS • FRANSCHHOEK



## MEMORANDUM

**DATE** : 13 April 2016  
**TO** : SENIOR TOWN PLANNER ( L Ramakwela)  
**FROM** : PROJECT MANAGER ( M Francis)  
**RE** : Rezoning application of Erf 2, La Motte, Franschhoek



### 1. PURPOSE

To respond on the objections of the rezoning application of Erf 2, La Motte that was advertised to the adjacent properties and affected/interested parties.

### 2. BACKGROUND

Stellenbosch Municipality, like so many other local authorities in South Africa is faced with huge challenges such as poverty, informal settlements, unemployment, overcrowded backyard dwellings and access to basic services. Whilst we remain committed to meet the housing-and service needs in a sustainable and integrated way, limited resources demands from us to seek for innovative ways to provide services and housing opportunities. As a result we identified Erf 2, La Motte as an innovative site for a project to partner with service-providers in show-casing innovative solutions in amongst other the following fields:

- Alternative construction methods for emergency housing
- Alternative energy sources and electricity-usage
- Water-conservation
- Sanitation-solutions

*E. M. Francis*

4-23396

Stellenbosch Municipality will purchase emergency units to be showcased on the site, whereby these units will be erected for the emergency housing need in the Franschhoek valley.

### 3. OBJECTIONS RECEIVED

The objections/comments received from the various departments and the neighboring land owners were investigated and herewith below the correspondence on the major aspects raised:



### 3.1. Health Department

The request for an Environmental Impact Assessment (EIA) is noted and it is important that the Town Planner take into consideration that the department is currently in the process to finalise the EIA.

### 3.2. Huguenot House

**Density** - The budget allocation will determine the amount of units that will be built. Currently the proposed number of units is between 50 and 60 units. The families that will occupy the units will come from the Franschoek valley.

Furthermore, current town planning policies, including the Stellenbosch SDF and IDP encourage mixed use development within the urban edge with mixed densities from low to high residential development and mixed income. Therefore the proposed pilot project aims to integrate high density with existing low to medium areas.

### 3.3. Fransvliet farm

**Services** - A service investigation report was done by GLS to determine the services required for the proposed development.

**Unemployment** - the families that will be accommodated in the proposed structures are from the area.

### 3.4. CPF Franschoek

**Community concerns** - no new families from outside the area will occupy the proposed structures.

### 3.5. La Motte Farm

**Container development** - There are many container innovative designs that provide housing for many and this approach has proven to be cost effective and sustainable. These containers will be built in accordance to SABS standards and guidelines to ensure that it is livable during all weather conditions.

**Environmental concerns** - The proposed pilot project development will be guided by the recommendations of the EIA to ensure that minimum impact to rivers and agricultural land occurs during development. The development of the units will be integrated with nature.

The proposed containers are converted into livable, inhabitable and dignified units that can be used on a daily basis. Council approved a prototype unit to demonstrate how a converted unit looks like.

### 3.6. Capensis Investments CC

Refer to 3.2 - comment of Huguenot house

### 3.7. Ms Sophia Phillips

**Density** - The budget allocation will determine the amount of units that will be built. Currently the proposed number of units is between 50 and 60 units. The families that will occupy the units will come from the Franschoek valley.

Furthermore, Current town planning policies, including the Stellenbosch SDF and IDP encourage mix use development within the urban edge with mixed densities from low to high residential development and mixed income. Therefore the proposed pilot project aims to integrate high density with existing low to medium areas.

**Unemployment** - the families that will be accommodated in the proposed structures are from the area

### 3.8. Farm Fleur Vue

**Unemployment** - the families that will be accommodated in the proposed structures are from the area.

**Safety and security** – the police forum engage with law enforcement of the municipality to patrol areas on a regular basis.

**Inadequate service capacity** – Temporary services will be used until services of the municipality are upgraded

**Adequate services** - GLS report were obtain to investigate which service upgrades are required to adhere to the community needs.

**Social services** – No impact / pressure will occur on existing social services as no new families will be accommodated in the proposed development.

**Values of properties** – the conversion of the containers are done to make the units dignified and sustainable.

### 3.9. Biosphere reserve

The proposed containers are converted into livable, inhabitable and dignified units that can be used on a daily basis. Council approved a prototype unit to demonstrate how a converted unit looks like.

**Environmental concerns** - The proposed pilot project development will be guided by the recommendations of the EIA to ensure that minimum impact to rivers and agricultural land occurs during development. The development of the units will be integrated with nature.

**Unemployment** - the families that will be accommodated in the proposed structures are from the area

### 3.10. La Motte, L'Ormarins, Moreson and Wolfkloof Farms

**Density** - The budget allocation will determine the amount of units that will be built. Currently the proposed number of units is between 50 and 60 units. The families that will occupy the units will come from the Franschhoek valley

Furthermore, Current town planning policies, including the Stellenbosch SDF and IDP encourage mix use development within the urban edge with mixed densities from low to high residential development and mixed income. Therefore the proposed pilot project aims to integrate high density with existing low to medium areas.

**Unemployment** - the families that will be accommodated in the proposed structures are from the area.



**STELLENBOSCH**  
STELLENBOSCH • 1912 • FRANSOORDIK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

Directorate: Planning and Economic Development

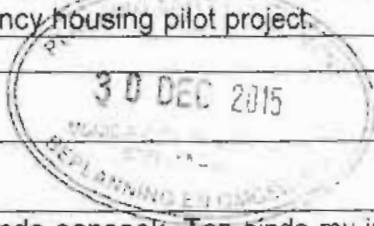
---

**Appendix 6: Comments from Municipal Engineering Services Department**

SYNSING/REF: Erf 2, La Motte      DATUM/DATE : 4 November 2015

- MEMO AAN :**
- Director : Verkeers Ing / Traffic Engineer (Tyrone King)
  - Director : Ing en Tegn Dienste / Engineering Dep (Tyrone King)      1099 LWR
  - Director : Elek Ing dienste/ Electrical Dept
  - Manager : Building Control
  - Director : Brandweerdienste / Fire Dept
  - Director: Corporate Services
  - Manager: Spatial Planning & Heritage section (ENVIRONMENT) Attn. S Van Der Merwe
  - Director : Gesondheidsdienste / Health Dept ( Winelands health)
  - Manager: Parks: **Portia Bolton**
  - Manager: Sports & Recreation
- Myf* 6/11/2015

<b>Application</b>	Proposed rezoning of Erf 2, La Motte, Franschhoek from Authority Zone to Residential Zone III in order to make provision for an emergency housing pilot project.
<b>Adres / Address</b>	La Motte, Franschhoek
<b>Aansoek Datum / Application Date</b>	16 October 2015
<b>Aansoeker / Applicant</b>	Stellenbosch Municipality (Myra Francis)



Aangeheg vind u tersaaklike dokumentasie in verband met bogenoemde aansoek. Ten einde my in staat te stel om die aansoek aan die Beplanning- en Ontwikkelingskomitee vir oorweging voor te lê, word u versoek om my skriftelik van u kommentaar, indien enige, te voorsien.

Onderskei asseblief tussen algemene kommentaar op die meriete van die aansoek en enige voorwaardes wat u departement wil oplê indien die aansoek goedgekeur word.

Attached please find the relevant documentation regarding the abovementioned application. In order to enable us to submit the application to the Planning and Development committee for consideration, we request that you supply us with your written comment, if any.

Please intercept between general comment on the merits of the application and any conditions that your department would like to lay on if the application has been approved.

Geliewe die memorandum per hand aan my terug te besorg voor of op ..... **4 December 2015**  
 Please forward the memorandum by hand to me on or before:.....  
 (Datum/Date)

**B Mdoda**  
 For DIRECTOR: PLANNING AND ECONOMIC DEVELOPMENT

**ALGEMENE KOMMENTAAR:** .....

**GENERAL COMMENT:** *Traffic by: ① Traffic Impact Study is required.* *[Signature]* 2015/11/23

**VOORWAARDES/CONDITIONS:** .....

<b>HANDTEKENING / SIGNATURE</b>	<b>DATUM / DATE</b>
---------------------------------	---------------------

SEARCHED INDEXED

*Erf 2 LM*

400051



Enter Application Number:

1 of 1      100%      [Navigation icons]

**LANDUSE APPLICATION CONTROL CHECKLIST**

Application Type	REZONING				
Other					
Application No:	LJ4341	Erf File Number:	DRP 2_ LA MOTTE LJ4341		
Application Date:	27/11/15	Application Fee:	0.00      Receipt No.      22200		
Erf Number:	2	Portion:			
Street Name & No:	LA MOTTE FRAYSCHHOFFS	Suburb:	Town:      LA MOTTE		
Scheme:	Area 4 B	Ward Number:	Unknown      Ward Councilus:		
Restrictions:	None				
Extent of Site:	1.522ha				
Current Zoning:	Authority Zone	Current Land Use:	Vacant		
APPLICANT:		OWNER			
Name:	STEL FREDSCHMID FAMILY	Name:	STEL FREDSCH MUNICIPALITY		
Postal Address:	P.O. BOX 17 STELLENBOSCH 7552	Postal Address:	P.O. BOX 17 STELLENBOSCH 7552		
E-mail Address:	myra.fredsch@stel-fredsch.co.za	E-mail Address:	myra.fredsch@stel-fredsch.co.za		
Tel Number:		Tel Number:			
Fax Number:		Fax Number:			
Cell Number:	0799535052	Cell Number:	0799535052		
Description of Proposed Development (Objective)	Application made in terms of Section 18(2) of the Land Use Planning Ordinance, 1985 (Ordinance No. 11 of 1985) for the zoning of Erf 2, La Motte, Transkei Local Authority Zone to Residential Zone M in order to make provision for an emergency health centre.				
List of Outstanding Information:	None				
Advertise in Press:	None Post				
Registered Letters To:					
External Departments:	Dept of Agriculture & Forestry & (Pretoria), District Roads Engineer, Department of Environmental Affairs & Development Planning				
Internal Consultation:	Traffic Engineer:	YES	Wildlife Health:	YES	
Corporate Services:	City Engineers:	Yes	Environment:	Yes	
Fire Services:	Electrical Engineers:	YES	Heritage:	Yes	
Parks:	Building Control:	No	Storage:	NO	
Town Planner:	L.S.	Signature:	[Signature]	Date:	27/11/15
Mayor: Planning:	H.D.	Signature:	[Signature]	Date:	29/11/15





STELLENBOSCH MUNICIPALITY  
STELLENBOSCH·PNIEL·FRANSCHHOEK

# MEMORANDUM

DIREKTEUR: INGENIEURSDIENSTE  
DIRECTORATE: ENGINEERING SERVICES

---

To : Aan: Director: Planning + Economic Development  
 Att: Aandag B Mdoda  
 From : Van: Tyrone King (Development Services and Project Management)  
 Date : Datum: 8 December 2015  
 Our Ref : Ons Verw: Lupo 1099  
 Re : Insake: Erf 2, La Motte: Proposed rezoning

---

The town planning application dated 18 October 2015 refers.

The application for the following items refers:

- i. proposed rezoning of Erf 2, La Motte from Authority Zone to Residential Zone III in order to make provision for an emergency housing pilot project.

The application is supported but **cannot be recommended for approval** due to the lack of engineering services information as described below.

## 1. General

- 1.1 Please submit an engineering services report by a professional Engineer. The information required is listed in Annexure A attached. Further details can be found in our design guidelines document: <http://www.stellenbosch.gov.za/about-us/documents/municipal-policy/engineering-services/stellenbosch-municipality-design-guidelines-and-minimum-standards-for-civil-engineering-services-revision-no-0-june-2015>

**2. Waste Water and Sewage**

- 2.1 Further to the requirements of Annexure A, please indicate the method to be used to dispose of the waste water and sewage and details of the treatment process.

**3. Water**

- 3.1 There is currently insufficient capacity in the bulk water network to accommodate such a development. For instance, a new 1 megalitre reservoir is required and identified in the 2011 Water Master Plan, however, this project does not yet appear on the Medium Term Revenue and Expenditure Framework (MTREF: 3 year budget).
- 3.2 A technical report is required by GLS, to identify the network upgrades required to support the proposed development.
- 3.3 Unless sufficient funds are budgeted by the Municipality for the reservoir and other required network upgrades, it is unlikely that this project will be recommended for approval by this Directorate.

**4. Solid Waste**

- 4.1 It will be a condition of approval that solid waste must be removed from the site to a legal solid waste disposal site in accordance with the requirements of section 20 of the Environmental Conservation Act 1989 (Act 73 of 1989).

**5. Roads**


- 5.1 Please submit a Traffic Impact Study. For any queries, please contact Mr Nigel Winter (Head, Traffic Engineering). Tel: 021 808 8223; e-mail: [nigel.winter@stellenbosch.gov.za](mailto:nigel.winter@stellenbosch.gov.za)

**6. Development Contributions (DCs)**

6.1 DC's will be payable.

6.2 Please submit the preferred SDF so that the DCs can be calculated accordingly.

6.3 The applicability and amount of DCs will be determined based on the information provided in terms of the above.



**TYRONE KING Pr Tech Eng**

**HEAD: DEVELOPMENT SERVICES AND PROJECT MANAGEMENT (ENGINEERING SERVICES)**

W:\USERS\Tyrone (W Drive)\Developments - Land Use Applications\1099 - Erf 2, La Motte (SMun Emergency Housing)\1099 - Erf 2, La Motte (SMun Emergency Housing).doc



### A3 ENGINEERING REPORT

As mentioned in the above Section, the Developer has to submit a report by a professionally registered (with ECMA) engineer in support of his application for rezoning and/or subdivision/consolidation and/or design approval, where the most important aspects for the provision of municipal services for the new development are addressed. This report should be accompanied by a set of drawings with sufficient detail in order for the Director: Engineering Services to assess the application in terms of the requirements of this document. The following information is specifically required:

- |    |                  |   |
|----|------------------|---|
| a) | Background:      | <ul style="list-style-type: none"> <li>- Location of premises</li> <li>- Topography</li> <li>- Soil conditions</li> <li>- Existing structures on premises</li> <li>- Existing services on premises</li> <li>- 1:20, 1:50 and 1:100 Year flood line (when applicable)</li> </ul>   |
| b) | Water provision: | <ul style="list-style-type: none"> <li>- Average and peak daily water demand</li> <li>- Provisional design of internal distribution network</li> <li>- Connection to existing external system</li> <li>- Capacity of existing external system (as confirmed by the Municipality's master planning consultants)</li> <li>- Provision for connection of future systems</li> </ul> |
| c) | Sewerage:        | <ul style="list-style-type: none"> <li>- Average and peak daily sewage flow</li> <li>- Provisional design of internal network</li> <li>- Connection to existing external system</li> <li>- Capacity of existing external system (as confirmed by the Municipality's master planning consultants)</li> <li>- Provision for connection of future systems</li> </ul>               |
| d) | Storm water      | <ul style="list-style-type: none"> <li>- Provisional lay-out of internal network</li> <li>- Routes for overland run off during major storms</li> <li>- Capacity of existing external system</li> <li>- Provision for connection of future systems</li> <li>- Relationship of pre and post development run off and mitigation measures (where applicable)</li> </ul>             |
| e) | Roads:           | <ul style="list-style-type: none"> <li>- Provisional lay out of roads</li> <li>- Classification of roads in order of preference</li> <li>- Connection to existing road networks</li> </ul>  |
| f) | General:         | <ul style="list-style-type: none"> <li>- Location of servitudes (when applicable)</li> </ul>  |



**STELLENBOSCH**  
STELLENBOSCH • PNIEL • FRANSCHHOEK  
MUNISIPALITEIT • UNASIPALA • MUNICIPALITY



Our Ref/Ons Vers: Wayleave 703  
Your Ref/U Vers: Farm 90/57 Devon View

Datum/Date: 02/12/2015

Groeneveld Civil Engineering Construction (Pty) Ltd  
P O Box 8005  
UMEDAL  
7612

For Attention: Mr. Jeffrey Price

**SERVICES VERIFICATION LETTER: INSTALLATION AND TIE IN TO WATERMAIN ON FARM 90/57 DEVON VIEW, STELLENBOSCH**

Your application for a wayleave for the above mentioned matter refers.

Please consult with Ms. Joy Julius (Email: [joy.julius@stellenbosch.gov.za](mailto:joy.julius@stellenbosch.gov.za) or 0218088244) to arrange a site meeting for the identification of infrastructure of Engineering Services. Site meetings will take place on Tuesdays and Thursdays between 10h00 and 12h00 in such a manner that all the relevant personnel attend who identify infrastructure services.

This letter is only applicable to Engineering Services within the road reserve. Please contact all other services providers to indicate their services for example Telkom, Eskom and Neotel.

Section and Official	Signature
Water Network (Angus Urquhart)	<i>[Signature]</i>
Sewer Network (Boesie Lottar)	<i>[Signature]</i>

**COMMENTS FROM SECTIONS**

Water Network	<i>22 of 25 new pipes.</i>
Sewer Network	

**NB: WORK MAY NOT COMMENCE BEFORE THE ABOVE SECTIONS HAVE SIGNED THIS LETTER. A SIGNED COPY OF THIS PAGE MUST BE SUBMITTED TO THIS OFFICE BEFORE A WAYLEAVE APPROVAL WILL BE ISSUED.**

*[Signature]*

Willem Pratorius

ACTING MANAGER: DEVELOPMENT SERVICES & PROJECT MANAGEMENT

WP/jj W:\USERS\Joy\Harold Davids\Wayleaves\Service Verification Letter\SVL Groeneveld CBC App 703.doc



**STELLENBOSCH**  
STELLENBOSCH • 711 00 • 711 000 000

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

Directorate: Planning and Economic Development

---

**Appendix 7: Comments from the Department of Environmental Affairs & Development  
Planning**

25



Directorate: Development Management  
(Region 2)

FILE NR:	OUTGOING POST
EF2 LA Motte	
SCAN NR:	
401575	

REFERENCE: 16/3/3/6/6/B4/12/1344/15  
ENQUIRIES: Ms. Arabel McClelland  
DATE: 2015-12-22

The Municipal Manager  
Stellenbosch Municipality  
P.O. Box 17  
STELLENBOSCH  
7599



Attention: L. Ramakuwela/B. Mdoda

Tel: (021) 808 8645/90  
Fax: (021) 886 6899

Dear Sir/Madam

**RE: APPLICATION FOR REZONING: ERF NO. 2, LA MOTTE, FRANSCHHOEK**

1. The correspondence dated 12 November 2015, received by the Department on the same day, refers.
2. Following review of the information submitted to this Department, the following is noted:
  - 2.1. It is proposed to rezone Erf no. 2, La Motte, Franschhoek from Authority Zone to Residential Zone III.
  - 2.2. The proposed rezoning will make provision for an emergency housing pilot project on the site.
  - 2.3. Erf no. 2 is 1.522ha in extent and situated on the northern edge of the rural settlement of La Motte.
  - 2.4. The site was previously used as a waste water treatment works but is now vacant.
  - 2.5. A wetland has been identified on the north eastern portion of the site and excluded from the proposed development footprint. It is proposed to incorporate this into the project as public open space.
  - 2.6. Existing access, infrastructure and services will be utilised.
3. On 4 December 2014 the Minister of Environmental Affairs promulgated regulations in terms of Chapter 5 of the National Environmental Management Act, 1998 (Act No. 107 of 1998) ("NEMA"), viz. the Environmental Impact Assessment ("EIA") Regulations, 2014 (Government Notice ("GN") No. R. 982, R. 983, R. 984 and R. 985 in Government Gazette No. 38282 of 4 December 2014). These regulations came into effect on 8 December 2014. The EIA Regulations, 2014 replace the EIA Regulations that were promulgated in 2010 and also introduce new provisions regarding EIA's.

4. In light of the above, your attention is drawn to the listed activities in terms of the NEMA EIA Regulations, 2014 as defined in GN No. R. 983, R. 984 and R. 985 of 2 December 2014. Please be advised that the proposed establishment of the emergency housing pilot project within an urban area will not constitute any listed activities in terms of the NEMA EIA Regulations, 2014 on the basis that the identified wetland areas are excluded from the development footprint. Environmental authorisation is therefore not required from this Department prior to the development thereof.
5. However, should any revision of the proposed development constitute a listed activity(ies) in terms of the NEMA EIA Regulations, 2014 as defined in GN No. R. 983, R. 984 and/or R. 985 an application must be submitted and environmental authorisation obtained before such activity(ies) may commence.
6. The applicant is reminded of his/her general duty of care and the remediation of environmental damage. Section 26(1) of NEMA specifically states that "Every person who causes, has caused or may cause significant pollution or degradation of the environment must take reasonable measures to prevent such pollution or degradation from occurring, continuing or recurring, or in so far as such harm to the environment is prevented by law or cannot reasonably be avoided or stopped, to minimise and rectify such pollution or degradation of the environment."
7. Please note that the applicant must comply with any other statutory requirements that may be applicable to the undertaking of the activity.
8. Your interest in the future of our environment is greatly appreciated.
9. The Department reserves the right to revise its comments and request further information from you based on any new or revised information received.

Yours faithfully,

**HEAD OF COMPONENT  
 ENVIRONMENTAL IMPACT MANAGEMENT SERVICES  
 DEPARTMENT OF ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING**



**Appendix 8: Comments from Manager: Spatial Planning, Heritage and Environment**



# STELLENBOSCH

STELLENBOSCHE • PNIF • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

*Spatial Planning, Heritage and Environment*

To : **Head: Customer Interface & Administration**  
 From : **Manager: Spatial Planning, Heritage & Environment**  
 Date : **22 September 2017**  
 Re : **Application for rezoning on Erf 2 (La Motte), Franschhoek**

I refer to your request for comment on the above application.

1) **Opinion / reasoning:**

26 SEP 2017

In terms of the approved Stellenbosch Municipality MSDP, the subject property falls within the urban edge of La Motte and densification and infill development is encouraged.

2) **Supported / not supported:**

In principle, this department therefore supports the proposal but will need more information with regards to the type of development, density, number of units etc. in order to do a proper evaluation of the application.

*B de la Bat*

**B de la Bat**

**MANAGER: SPATIAL PLANNING, HERITAGE AND ENVIRONMENT**

FILE NR.	
E 2 La Motte	
SCAN NR.	
COLLABORATOR NR.	213217