



STELLENBOSCH

STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

Ref no.3/4/1/5

2024-01-24

NOTICE OF THE 19TH MEETING OF THE COUNCIL OF STELLENBOSCH MUNICIPALITY WEDNESDAY, 2024-01-24 AT 10:00

TO The Speaker, Cllr Q Smit [Chairperson]
The Executive Mayor, Ald GMM Van Deventer
The Deputy Executive Mayor, Cllr JS Fasser
The Council Whip, Cllr P Crawley

COUNCILLORS	RA Adams	RS Nalumango
	J Andrews	NR Ndalasi
	Ald JC Anthony	CD Noble
	ZJ Dalling	L Nkamisa
	MM Danana	M Nkopane
	I De Taillerfer	N Ntsunguzi
	R Du Toit	N Olayi
	A Ferns	WC Petersen
	E Groenewald	RO Pheiffer
	AJ Hanekom	WF Pietersen
	RB Hendrikse	MG Rataza
	P Johnson	Ald JP Serdyn
	J Joon	MJ Slabbert
	O Jooste	SR Schäfer
	X Kalipa	A Tomose
	N Mananga-Gugushe	RB Van Rooyen
	C Manuel	M Van Stade
EP Masimini	CA Van Wyk	
NE Mcombring	E Vermeulen	
XL Mdemka	J Williams	
NM Mkhontwana		

Notice is hereby given in terms of Section 29, read with Section 18(2) if the *Local Government: Municipal Structures Act, 117 of 1998*, as amended, that the **19TH MEETING** of the **COUNCIL** of **STELLENBOSCH MUNICIPALITY** will be held in the **COUNCIL CHAMBER, PLEIN STREET, STELLENBOSCH** on **WEDNESDAY, 24 JANUARY 2024** at **10:00** to consider the items on the Agenda.

**SPEAKER
CLLR Q SMIT**

A G E N D A
19TH MEETING OF COUNCIL
OF STELLENBOSCH MUNICIPALITY

2024-01-24

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7.1	18 TH COUNCIL MEETING: 2023-11-29

The minutes of the 18th Council meeting: 2023-11-29 is attached as **APPENDIX 1**.

FOR CONFIRMATION

APPENDIX 1



STELLENBOSCH

STELLENBOSCH • PNIEL • FRANSCHHOEK

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Ref no.3/4/1/5

2023-11-29

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MINUTES

**18TH MEETING OF THE
COUNCIL OF STELLENBOSCH MUNICIPALITY**

2023-11-29 AT 10:00

MINUTES
18TH MEETING OF COUNCIL
OF STELLENBOSCH MUNICIPALITY

2023-11-29

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MINUTES

**18TH MEETING OF THE COUNCIL
OF STELLENBOSCH MUNICIPALITY**

2023-11-29

PRESENT: The Speaker, Cllr Q Smit [Chairperson]
The Executive Mayor, Ald GMM Van Deventer
The Deputy Executive Mayor, Cllr JS Fasser
The Council Whip, Cllr P Crawley

COUNCILLORS:	RA Adams	RS Nalumango
	J Andrews	CD Noble
	Ald JC Anthony	L Nkamisa
	ZJ Dalling	M Nkopane
	MM Danana	N Ntsunguzi
	I De Taillerfer	N Olayi
	R Du Toit	WC Petersen
	A Ferns	RO Pheiffer
	E Groenewald	WF Pietersen
	AJ Hanekom	MG Rataza
	RB Hendrikse	Ald JP Serdyn
	P Johnson	MJ Slabbert
	J Joon	SR Schäfer
	O Jooste	A Tomose
	X Kalipa	RB Van Rooyen
	N Mananga-Gugushe	M Van Stade
	EP Masimini	CA Van Wyk
	NE Mcombring	E Vermeulen
	XL Mdemka	J Williams
	NM Mkhontwana	

OFFICIALS Municipal Manager (G Mettler)
Director: Community and Protection Services (G Boshoff)
Director: Corporate Services (A De Beer)
Director: Planning and Economic Development (A Barnes)
Director: Infrastructure (S Chandaka)
Acting Chief Financial Officer (M Steyl)
Chief Audit Executive (F Hoosain)
Senior Administration Officer (T Samuels)

1.	OPENING AND WELCOME
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The Speaker, Cllr Q Smit, extended a warm welcome to all present in the 18th Council meeting.

2.	MAYORAL ADDRESS
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- Last Council meeting for 2023, and everyone will acknowledge it was a very trying year. The flood and storm damage were the most severe, but we must also acknowledge great events like the winning the Rugby World Cup.
- Festive Market:
I hope all Councillors are supporting the Festive Market, that is open from 10h00 until 19h00 daily up to 1 December 2023. It is the first municipal festive market, and it is a great platform to provide local vendors the opportunity to sell their goods. If you have not been, there are some amazing items and food for sale, and it is ideal for Christmas presents.
- Festival of Lights:
All Councillors are also invited to the Festival of Lights on Saturday, 2 December 2023 and Sunday, 3 December 2023. The invitation to both the Festive Market and the Festival of Lights were circulated to your inbox and posted on the WhatsApp group for Councillors.
The Festival of Lights will be an amazing event:
Dates: 2 – 3 December 2023
Time: 18h00 – 22h00
Venue: Die Braak
Line up for Saturday evening: Emo Adams, Alistair Izobel, NV Funk, Don Vino, Vuvo Khumalo, Just Friends (stage band) and Nielo.
They will be supported by our local talent performers, who all auditioned at the various auditions held in respective areas to ensure we showcase the best of our local talent.
Sondagaand is dit die Gospelaand, met die gewilde Carols by Candlelight. Pamflette sal uitgedeel word met die lirieke van bekende Kersliedere op. Plaaslike kore en talent sal ook aan die verrigtinge deelneem, tesame met die orkes.
- Stellenbosch Municipality has partnered with The StartUp Tribe to bring all residents of the Greater Stellenbosch Municipal Area the Stellenbosch Entrepreneurship Academy! The online academy provides FREE practical courses to individuals wanting to start or grow their businesses. Please check out the information on the municipal website.
- We are currently within the 16 days of activism campaign to stop violence against women and children. Reach out, Respect and Report. Make sure you have all the important numbers close by and share these with friends and family. The important numbers are listed on our municipal website:
24-hour Rape Crisis helpline: 021 447 9762
GBV hotline: 0800 428 428
SAPS Crime Stop: 08600 10111
SAPS Domestic violence helpline: 0800 150 150
SAPS Childline: 116
- Anton Bredell, Western Cape Minister for Local Government, Environmental Affairs and Development Planning has launched the Provincial Fire Readiness initiative in Stellenbosch yesterday. The aim is to showcase the province's readiness to fight fires over the festive season. I urge everyone to please be careful when making open fires, especially over the summer and festive season. Our Fire Services teams are constantly on high alert.
- The Western Cape Province continues to record impressive growth in the number of tourists coming into the province. Stellenbosch is also heavily reliant on tourism, and I ask every resident of Stellenbosch to be a tourism ambassador. Be friendly, be helpful and help us to roll out the red carpet to both foreign and domestic tourists. Tourism boosts the economy and create jobs, and sustainable jobs. More tourists mean more jobs.
- With all the good news, we must be aware still of ESKOM and loadshedding. As recently as this past week, Eskom's stage 6 load shedding places severe pressure on our ability to ensure that we meet the regular water demand in our municipal area.

An average of 9 - 11 hours of electricity downtime on a day, means that our water supply operations are being affected, despite contingency measures we have in place.

Reservoirs do not always have enough time to refill to appropriate levels and this may lead to low water pressure or an interruption in supply. An appeal is herewith made to reduce water usage to mitigate the effects of load shedding.

This can be done by:

- adopting a general water-wise lifestyle
- taking shorter showers, instead of baths
- not irrigating gardens with municipal water
- using greywater or borehole water where possible
- limiting toilet flushes

We all can do our part to save water for the most essential purposes during load shedding times.

- Neem asseblief kennis dat daar geen normale herwinning / vullisverwyderingsdiens op Maandag, 25 Desember 2023 en Maandag, 1 Januarie 2024 gelewer sal word nie. Die geaffekteerde areas sal 'n diens op Saterdag, 23 Desember 2023 en Saterdag, 30 Desember 2023 ontvang. U word vriendelik versoek om geen herwinning / vullis op die betrokke datums uit te plaas nie, maar wel op die alternatiewe datums.
- Kabeldiefstal is besig om al hoe meer 'n groot probleem in gemeenskappe te word, en dit beïnvloed dienslewering en veiligheid. Help asseblief om kabeldiefstal te beperk deur dit onmiddelik aan te meld of inligting te deel wat kan lei tot arrestasies.
- Minister Bredell informed that the IDP of Stellenbosch Municipality conforms and is compliant. IDP already well underway.
- Stellenbosch Municipality received another clean audit.
- All Councillors: please travel safely and enjoy an amazing Festive Season.

3.	COMMUNICATION BY THE SPEAKER
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Opening and Welcome:

Executive Mayor
Deputy Mayor
Council whip
Members of the Mayoral Committee
MPAC Chair
All Councillors
Municipal Manager
Directors
Members of the administration
Members of the public

Birthdays – November 2023

Councillor Johanna Serdyn – 1 November
Councillor Ayanda Tomose – 3 November
Councillor Ralphton Adams – 4 November
Councillor Nomonde Mkhontwana – 9 November
Councillor Xoliswa Mdemka – 26 November
Councillor Xolile Kalipa - 28 November

Birthdays – December 2023

Councillor JC Anthony – 12 December
Councillor Elliot Masimini – 19 December

Councillor Charles Manuel – 25 December
 Councillor Wilfred Pietersen – 27 December
 Councillor Maynard Slabbert – 28 December
 Councillor Rozette Du Toit – 31 December

Municipal Manager – 22 November

RECESS

08 December 2023 – 5 January 2023

4.	COMMUNICATION BY THE MUNICIPAL MANAGER
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- 16 Days of Activism kicked off on 25 November until 10 December. Appealed to everyone to reach out if they see that something is not right.
- Safety, especially road safety is important! Two kids were killed in an accident in Klapmuts recently. Condolences to the families of these children. Please be safe.
- Condolences to the family of Mr Ronaldo Hartogh, who recently passed away. Mr Hartogh was an official of Stellenbosch Municipality and worked in the Maintenance Department.
- Congratulations to Stellenbosch Football Club on their win.
- The matric exams are drawing to an end. Suicide attempts may be on the rise. Please be vigilant in this regards.

Thank you.”

5.	DISCLOSURE OF INTERESTS
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The following Councillors disclosed their interest in items on the Agenda:

Cllr WF Pietersen	-	Item 11.3.2
Cllr M Van Stade	-	Item 11.3.2
Cllr S Schafer	-	Item 11.4.1

6.	APPLICATION FOR LEAVE OF ABSENCE
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6.1 The following applications for leave of absence were approved in terms of the Rules of Order By-law of Council:-

Cllr C Manuel	-	29 November 2023
Cllr O Jooste	-	29 November 2023
Cllr Z Ndalasi	-	29 November 2023

7.	CONFIRMATION OF THE MINUTES OF PREVIOUS MEETING/S
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7.1	17TH COUNCIL MEETING: 2023-10-25
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The minutes of the 17th Council meeting: 2023-10-25 **were confirmed as correct without any changes.**”

8.	STATUTORY MATTERS
8.1	INTEGRATED DEVELOPMENT PLAN (IDP) COMMUNITY INPUTS AND COMMENTS SUBMITTED WITHIN THE PUBLIC PARTICIPATION PERIOD IN SEPTEMBER AND OCTOBER 2023

Collaborator No: 758994
 IDP KPA Ref No: Good Governance and Compliance
 Meeting Date: 16 November 2023 & 29 November 2023

1. SUBJECT: INTEGRATED DEVELOPMENT PLAN (IDP) COMMUNITY INPUTS AND COMMENTS SUBMITTED WITHIN THE PUBLIC PARTICIPATION PERIOD IN SEPTEMBER AND OCTOBER 2023

2. PURPOSE

To submit the following to the Council for notification:

The IDP community inputs and comments submitted within the public participation period in September and October 2023 for the 2nd Review of the 5th Generation Integrated Development Plan (IDP) 2022 – 2027, attached as **ANNEXURE A**.

3. DELEGATED AUTHORITY

Council.

4. EXECUTIVE SUMMARY

In terms of legislation, a municipality is required to conduct a public participation process to solicit community input and comments in preparation for the review of the IDP and budget for the new financial year. In preparation for the drafting of the 2nd Review of the 5th Generation IDP 2022 – 2027, open days and stakeholder engagement were held.

The public participation period commenced on Monday, 04 September 2023 and the closing date for inputs and comments was on Wednesday, 04 October 2023 at 16:30. The public participation open days were held in specified venues from Tuesday, 12 September – Monday, 02 October 2023. A stakeholder engagement was facilitated on Wednesday, 04 September 2023.

The community inputs and comments were submitted to the relevant ward councillors to discuss with their respective ward committees and to review (if so required) their ward priorities for the 2024/25 financial year and / or outer financial years in line with the inputs received.

In addition, the community inputs and comments were also submitted to the various directorates to consider in their respective strategies, projects, programmes, and master plans.

18TH COUNCIL MEETING: 2023-11-29: ITEM 8.1**NOTED**

- (a) the community inputs and comments received during the September and October 2023 public participation process, attached as **ANNEXURE A**;
- (b) that the ward councillor will, in consultation with the ward committee, review the ward priorities of the respective ward; and
- (c) that the re-prioritised ward priorities and community inputs will be considered by the municipality for implementation in the 2024/25 and / or outer financial years.

FOR FURTHER DETAILS CONTACT:

NAME	Geraldine Mettler
POSITION	Municipal Manager
DIRECTORATE	Office of the Municipal Manager
CONTACT NUMBERS	021 – 808 8025
E-MAIL ADDRESS	Geraldine.Mettler@stellenbosch.gov.za
REPORT DATE	25 October 2023

8.2	ADJUSTMENTS BUDGET 2023/2024
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Collaborator No:

IDP KPA Ref No: Good Governance and Compliance

Meeting Date: 16 November 2023 & 29 November 2023

1. SUBJECT: ADJUSTMENTS BUDGET 2023/2024

2. PURPOSE

To present the 2023/2024 adjustments budget to Council for approval. The adjustments budget emanates from Unforeseen Expenditure incurred due to the Disaster in September 2023; the Grant rollover approvals received from Western Cape Provincial Government; and the reduction in Grants by National Treasury.

3. DELEGATED AUTHORITY

FOR APPROVAL BY MUNICIPAL COUNCIL

4. EXECUTIVE SUMMARY

Attached as **APPENDIX 1** is an executive summary by the Accounting Officer.

18TH COUNCIL MEETING: 2023-11-29: ITEM 8.2

RESOLVED (nem con)

- (a) that the Adjustments Budget for 2023/2024 as set out in **APPENDIX 1-5**, be approved;
- (b) that the Adjustments Budget Tables as prescribed by the Budgeting and Reporting Regulations, as set out in **APPENDIX 3**, be approved; and
- (c) that the Service Delivery and Budget Implementation Plan be adjusted accordingly inclusive of the non-financial information (performance measurement).

FOR FURTHER DETAILS CONTACT:

NAME	MONIQUE STEYL
POSITION	SENIOR ANAGER: FINANCIAL MANGEMENT SERVICES
DIRECTORATE	FINANCIAL SERVICES
CONTACT NUMBERS	021 808 8512
E-MAIL ADDRESS	Monique.Steyl@ Stellenbosch.gov.za
REPORT DATE	09 November 2023

8.3	MONTHLY FINANCIAL STATUTORY REPORTING: DEVIATIONS FOR OCTOBER 2023
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Collaborator No:

IDP KPA Ref No: Good Governance and Compliance

Meeting Date: 16 November 2023 & 29 November 2023

1. SUBJECT: MONTHLY FINANCIAL STATUTORY REPORTING: DEVIATIONS FOR OCTOBER 2023

2. PURPOSE

To comply with Regulation 36(2) of the Municipal Supply Chain Management Regulations and Section 36 of the Supply Chain Management Policy 2023/2024 to report the deviations to Council.

3. DELEGATED AUTHORITY

Council

FOR NOTING.

4. EXECUTIVE SUMMARY

Regulation 36(2) of the Municipal Supply Chain Management Regulations and Section 36 of the Supply Chain Management Policy (2023/2024) stipulate that SCM deviations be reported to Council. In compliance thereto, this report presents to Council the SCM deviations that occurred during October 2023.

18TH COUNCIL MEETING: 2023-11-29: ITEM 8.3

NOTED

the deviations as listed for the month of October 2023.

FOR FURTHER DETAILS CONTACT:

NAME	Dalleel Jacobs
POSITION	Senior Manager: Supply Chain Management
DIRECTORATE	Financial Services
CONTACT NUMBERS	021 808 8528
E-MAIL ADDRESS	Dalleel.Jacobs@stellenbosch.gov.za
REPORT DATE	09 November 2023

9.	REPORT BY THE MUNICIPAL MANAGER ON OUTSTANDING RESOLUTIONS
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No report submitted as outstanding resolutions serves at Section 80 Committees.

10.	ITEMS FOR NOTING
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10.1	REPORT/S BY THE EXECUTIVE MAYOR
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10.1.1	REPORT BY THE EXECUTIVE MAYOR ON THE MAYOR – RECTOR FORUM MEETING: 07 SEPTEMBER 2023
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Collaborator No:

IDP KPA Ref No: Good Governance

Meeting Date: 29 November 2023

1. SUBJECT: REPORT BY THE EXECUTIVE MAYOR ON THE MAYOR – RECTOR FORUM MEETING: 07 SEPTEMBER 2023

2. PURPOSE

To inform Council of the matters under discussion at the Mayor – Rector Forum meeting held on 07 September 2023.

3. DELEGATED AUTHORITY

For information.

4. EXECUTIVE SUMMARY

The Executive Mayor has since her election reported to Council on discussions that takes place at the regular meetings of the Mayor – Rector Forum. The meeting was held on 07 September 2023. The minutes is attached as **Annexure A**.

18TH COUNCIL MEETING: 2023-11-29: ITEM 10.1.1

NOTED

the report from the Executive Mayor on the Mayor – Rector Forum Meeting: 07 September 2023.

FOR FURTHER DETAILS CONTACT:

NAME	DONOVAN MULLER
POSITION	MANAGER: COUNCILLOR SUPPORT
DIRECTORATE	CORPORATE SERVICES
CONTACT NUMBERS	021 8088314
E-MAIL ADDRESS	<u>Donovan.Muller@stellenbosch.gov.za</u>
REPORT DATE	13 November 2023

10.2 REPORT/S BY THE SPEAKER

NONE

10.3 REPORT/S BY THE MUNICIPAL MANAGER**10.3.1 REPORT/S BY THE MUNICIPAL MANAGER**

Collaborator No:

IDP KPA Ref No: Good Governance and Compliance

Meeting Date: 29 November 2023

1. SUBJECT: DECISIONS TAKEN BY DIRECTORATES IN TERMS OF DELEGATED AUTHORITY FROM 1 JULY 2023 UNTIL 30 SEPTEMBER 2023**2. PURPOSE**

To report to Council on the decisions taken by the Municipal Manager and the Directors in terms of Council's System of Delegations for the period 1 July 2023 until 30 September 2023, in compliance with Section 63 of the Local Government: Municipal Systems Act, read in conjunction with the System of Delegations as approved by Council.

3. DELEGATED AUTHORITY

Municipal Council

4. EXECUTIVE SUMMARY

In view of the legislative stipulations, attached is a summary as **ANNEXURE 1** of decisions taken by each Directorate. The report is for noting purposes.

Furthermore, these delegations only indicate the delegations exercised as delegated by Council to the various Senior Managers.

18TH COUNCIL MEETING: 2023-11-29: ITEM 10.1.1**NOTED**

the decisions taken for the period 1 July 2023 until 30 September 2023, by the following Section 56 Managers:

- Municipal Manager – Ms G Mettler (1 July 2023 – 30 September 2023)
- Chief Financial Officer – Mr K Carolus (1 July 2023 – 30 September 2023)
- Director Infrastructure Services – Mr S Chandaka (1 July 2023 – 30 September 2023)
- Director Planning and Economic Development – Mr A Barnes (1 July 2023 – 30 September 2023)
- Director Corporate Services – Ms A de Beer (1 July 2023 – 30 September 2023)
- Director Community and Protection Services – Mr G Boshoff (1 July 2023 – 30 September 2023).

11.	CONSIDERATION OF ITEMS BY THE EXECUTIVE MAYOR: [ALD G VAN DEVENTER]
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11.1	PROTECTION SERVICES: (PC: CLLR R PHEIFFER)
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NONE

11.2	SPORTS, YOUTH AND CULTURE: [PC: CLLR JC ANTHONY]
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11.2.1	STANDARDIZATION OF LIBRARY HOURS AT THE MUNICIPAL PUBLIC LIBRARIES OF STELLENBOSCH WCO24
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Collaborator No: 753464

IDP KPA Ref No: Good Governance

Meeting Date: 16 November 2023 & 29 November 2023

1. SUBJECT: STANDARDIZATION OF LIBRARY HOURS AT THE MUNICIPAL PUBLIC LIBRARIES OF STELLENBOSCH WCO24

2. PURPOSE

2.1 To request Council to retract Council resolution of the 31st Council meeting: 2015-06-24: ITEM 7.8 which stated:

- (a) That council approve the amendment of library hours i.e. services be closed Good Friday, 24 and 31 December;
- (b) that library services be closed on the day before Good Friday at 12h00 and
- (c) that the library services at Cloeteville, Plein Street, Kayamandi and Groendal operate from 09h30 until 18h00 daily.

2.2 To gain council approval to standardize library operational hours at all of the Municipal Public Libraries within the Stellenbosch WCO24.

To schedule hours of opening for the maximum convenience of the residents, thereby ensuring the best possible access to library services and applying the principle of cost effectiveness.

3. DELEGATED AUTHORITY

Council

4. EXECUTIVE SUMMARY

At the Council meeting of 24 June 2015, a decision was taken that the libraries at Cloeteville, Plein Street, Kayamandi, Idas Valley and Groendal operate daily between 09h00 and 18h00. The detail of this decision is under the heading 6.6 Previous / Relevant Council Resolutions.

Secondly the resolution taken was that the staff at Cloetesville, Plein Street, Kayamandi, Idas valley and Groendal libraries are permitted to leave the workplace at 12h00 on the day before Good Friday, 24 and 31 December of each year.

The decision does not include the following libraries: Jamestown, Pniel, Franschhoek, Klappmuts and Koelenhof. Although the information cannot be verified, the reason why only certain libraries were permitted to close earlier is only because the staff at those libraries requested it.

18TH COUNCIL MEETING: 2023-11-29: ITEM 11.2.1

RESOLVED (majority vote)

- (a) that the Council resolution of the 31st Council meeting: 2015-06-24: ITEM 7.8 be rescinded;
- (b) that Council approves that opening and closing hours be standardized for all Municipal Public Libraries; and
- (c) that all municipal libraries are subject to the municipality policy regarding early closure of libraries and reduced hours of operation as recommended on “**ANNEXURE 1**”.

FOR FURTHER DETAILS CONTACT:

NAME	Sarala Majudith
POSITION	Manager: Library Services
DIRECTORATE	Community and Protection Services
CONTACT NUMBERS	021 808 8393
E-MAIL ADDRESS	Sarala.majudith@stellenbosch.gov.za
REPORT DATE	20 June 2023

11.3	CORPORATE SERVICES: (PC: CLLR L NKAMISA)
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11.3.1	AMENDMENT TO LONG-TERM LEASE AGREEMENT FOR FARM 377B, STELLENBOSCH: KIRSTEN EIENDOMTRUST
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Collaborator No: 759297
IDP KPA Ref No: Good Governance
Meeting Date: 16 November 2023 & 29 November 2023

1. SUBJECT: AMENDMENT TO LONG-TERM LEASE AGREEMENT FOR FARM 377B, STELLENBOSCH: KIRSTEN EIENDOMTRUST

2. PURPOSE

To obtain Council-approval for the amendment to the long-term lease agreement for Farm 377B, Stellenbosch currently being rented by Kirsten Eiendomstrust as the municipality needs the land for a sewerage pipeline.

3. DELEGATED AUTHORITY

Council

4. EXECUTIVE SUMMARY

On 27 March 1986 the municipality and Goedvertrouw Boerdery (Pty) Ltd entered into a lease agreement in respect of Farm 377B, Stellenbosch. The initial lease period was from 1 April 1982 to 31 March 2007. On 15 November 2000 an extension to the lease agreement was entered into between the municipality and Kirsten Eiendomstrust whereby it was agreed that the lease agreement will extend for a further 25 years from 01 April 2007 to 31 March 2032. There is an agreement in place and entered into prior to the asset transfer regulations coming into place in 2008. He is currently paying R41 948.46 per annum to lease the 16.27 hectare. This decision was taken before the current municipality (Stellenbosch Municipality WC024) was proclaimed. The election was held on 1 December 2000 and writer could not find a resolution of Council in that respect. It is likely that the decision was taken by the previous Manager Property Management.

The municipality entered into negotiations with various farm owners in respect of the registration of a servitude and access to a sewerage pipeline that runs through numerous farms, including Farm 377B. The majority of the farm owners have agreed to the registration of a servitude over their property and the servitude registrations have been registered at the deeds office. The lessee of Farm 377B did not provide his co-operation and an item served before Mayco in September 2023 to cancel the lease agreement in terms of the provisions of the agreement.

In terms of Clause 18.1.5 of the lease agreement the municipality has the right to terminate the agreement should the property be needed for any *bona fide* municipal purposes. As the municipality needs access to the pipeline and it is an essential service and we the Lessee is not prepared to co-operate to release the area where the pipeline is situated from the current lease agreement without the payment of money in relation to alleged loss of income plus interest thereon. The municipality does not pay interest unless a court compels us to. The municipality is further of the view that the lessee has no right to claim any loss of income. The municipality was always prepared and still is to reimburse the lessee for the fence that was damaged when the pipeline was installed. The item was referred back to have discussions again with the lessee to obtain his co-operation. He has now agreed to amend the current lease agreement to exclude the .71 hectare from the agreement and to allow access to the pipeline as and when needed by the municipality. The amended draft agreement is attached for approval.

18TH COUNCIL MEETING: 2023-11-29: ITEM 11.3.1**RESOLVED** (majority vote)

- (a) that Council takes note of the report; and
- (b) that Council notes and approves the amendment to the current agreement as per appendix 2.

FOR FURTHER DETAILS CONTACT:

<i>NAME</i>	<i>Annalene de Beer</i>
<i>POSITION</i>	<i>Director: Corporate Services</i>
<i>DIRECTORATE</i>	<i>Corporate Services</i>
<i>CONTACT NUMBERS</i>	<i>021-8088073</i>
<i>E-MAIL ADDRESS</i>	<i><u>annalene.debeer@stellenbosch.gov.za</u></i>
<i>REPORT DATE</i>	<i>2023-11-09</i>

11.3.2	POSSIBLE DISPOSAL OF A PORTION 7 OF ERF 3363 STELLENBOSCH (23 SIMONSBERG STREET)
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Collaborator No:

IDP KPA Ref No:

Meeting Date:

Good Governance

16 November 2023

1. SUBJECT: POSSIBLE DISPOSAL OF A PORTION 7 OF ERF 3363 STELLENBOSCH (23 SIMONSBERG STREET)

2. PURPOSE

To obtain Council's in principle approval for the disposal of Erf Portion 7 of Erf 3363 Stellenbosch situated at 23 Simonsberg Street.

3. DELEGATED AUTHORITY

For decision by Municipal Council.

4. EXECUTIVE SUMMARY

Stellenbosch Municipality is the registered owner Erf 3363 Stellenbosch. This is a large property which includes several residential properties, offices, the Beltana Depot and large portions of the Botmaskop Nature Area.

Portion 7 of Erf 3363 is better known as No. 23 Simonsberg Street, Stellenbosch. This property was used for staff housing and later as offices however the property has been vacant for some time now. The property has been vandalised and it is not intended to be used for municipal employee housing any further.

The vacant property is causing issues for the broader community due to the vandalization and the fact that the property is not maintained as it is vacant. Corporate Services Directorate therefore recommends that the property be alienated by way of public auction although it still falls under the housing rental properties portfolio. The property must still be subdivided from the bigger erf.

18TH COUNCIL MEETING: 2023-11-29: ITEM 11.3.2

the Speaker **RULED**

that this item be withdrawn.

FOR FURTHER DETAILS CONTACT:

NAME	Annalene de Beer
POSITION	Director: Corporate Services
DIRECTORATE	Corporate Services
CONTACT NUMBERS	021-8088018
E-MAIL ADDRESS	<u>annalene.debeer@stellenbosch.gov.za</u>
REPORT DATE	15/11/2023

11.3.3

RETURN ITEM: REPORT ON FRANSCHHOEK JEUGONTWIKKELINGSTRUST

Collaborator No:

IDP KPA Ref No: Good Governance and Compliance

Meeting Date: 16 November 2023 & 29 November 2023

1. SUBJECT: RETURN ITEM: REPORT ON FRANSCHHOEK JEUGONTWIKKELINGSTRUST**2. PURPOSE**

For Council to consider further action in the matter.

3. DELEGATED AUTHORITY

Council.

4. EXECUTIVE SUMMARY

Erf 580 was donated to the “Voortrekkerbeweging van Suid Afrika, Franschhoek Kommando”, however, the fall-back clause was activated during 2001. The “Voortrekkerbeweging” agreed to give the erf back on conditions. One of the conditions was that a Youth Trust be establishment. Subsequently, the Franschhoek Jeugontwikkelingstrust was established on 19 June 2002. The then Councillor, Andricus van der Westhuizen, was appointed as trustee to act on behalf of the Municipality when the Trust was registered.

The Trust Deed provided in clause 12 that in the event that the trustees unanimously, and in their discretion decide that the objective of the Trust is not fully fulfilled, they have the right to immediately end the trust, liquidate it and transfer the balance of its assets to the Stellenbosch Municipality. This provision was however amended to replace the Municipality as “beneficiary” of the assets of the Trust should the Trust be dissolved with a non-governmental charity organisation. The municipality has never received any feedback from the Trust regarding their actions to fulfil the objectives of the trust. Erf 2886, Franschhoek is registered in the name of the trust and belonged to the Municipality before donated to the trust. The land is currently littered with debris from the adjacent La Lude wine Estate and recently it has come to our attention that there are illegal occupants on the land. When this was brought to the attention of the trust the trust wrote an email to request the Municipality’s help with the illegal occupiers (**ANNEXURE 8**). Legally the municipality may not spend money on another landowner’s property and where the municipality has in past done so the owner undertook to pay the money back to the municipality. There is no such offer from the trust contained in the email. The current situation with illegal occupation and the trust’s inability to deal with it put that asset at risk of being invaded beyond control.

Despite the indication by email that there is information available none such information was forwarded to the municipality. The Municipality was removed as a “beneficiary” of the assets of the trust (after dissolution of the trust). Further, and as is detailed hereinbelow, Mr Andricus van der Westhuizen is no longer a Councillor at the Municipality which has the ultimate effect that the Municipality, as founder of the Trust, no longer has a representative as trustee and accordingly has no input into the activities of the trust or its assets.

The matter served before Council in August 2023 and was referred back to have discussions with the trust. The Municipality's attorneys had "without prejudice" meetings with two of the trustees and reports that the proposals made by the trust includes that they are willing to again amend the Trust Deed to provide that the municipality "beneficiary" of the assets of the trust (after dissolution) provided that it does not affect their status as an NGO. They also claim that they are operational. In terms of the trust Deed can decide if they are fulfilling the objectives of the trust. They have not been able to provide concrete evidence of any of the benefits for the greater community. No facility has been developed and all the plans brought forward is only on paper. There have been no clear developments that benefits the youth from what was presented. No information was forwarded to the municipality despite the request to send information.

Mr van der Westhuizen wrote a letter to the municipality dated 29 September 2023 and the copy of the letter is attached as **ANNEXURE 9**.

Our attorney's had an informal and without prejudice discussion with Mr van der Westhuizen and 1 of the other trustees on 3 October 2023. We are advised inter alia that council should take the following into consideration in making a decision on a way forward:

- a) The trust informed the attorney that they have plans with the property – allegedly for an international sport centre, but there are no official plans or agreements in place.
- b) It has been two decades since the trust was established and no concrete development has taken place and no information has been provided that the trust is achieving its objectives. The trust however leaves that decision in the hands of the trustees.
- c) The present illegal occupation is a big red flag.
- d) There is no way to know if the municipality's reinstatement as a will affect the Trust's status as an NGO and the municipality is advised not to agree to such a condition unless they are certain that the condition can be fulfilled.
- e) Even if the municipality is again added as "beneficiary" to the trust the municipality still has no representation on the trust and no guarantee that we will receive feedback or will not be removed as "beneficiary again.
- f) The municipality is not a "beneficiary" of the trust anymore as they have been removed unilaterally by the trustees and can therefore not be bound by any provision in the trust document about mediation and arbitration.
- g) The fact that the Municipality does not have a representative as trustee affects the Municipality's involvement in the trust decisions etc.

18TH COUNCIL MEETING: 2023-11-29: ITEM 11.3.3

RESOLVED (majority vote)

- (a) that Council takes note of the report;
- (b) that Council takes note of advice received; and
- (c) that council mandates the Municipal Manager to institute legal proceedings to obtain an order to:

-
- (i) set aside the amendment to the Trust Deed where the municipality was removed as a "beneficiary" of the trust irrespective of whether that affects the NGO status of the trust; and
- (ii) to allow the Municipality as one of the founding parties to appoint a trustee to replace Mr van der Westhuizen as the representative of the Municipality. This would again allow the three founding parties each to have a representative representing the founding parties in the pursuit of the objectives of the Trust.

FOR FURTHER DETAILS CONTACT:

<i>NAME</i>	Annalene de Beer
<i>POSITION</i>	Director
<i>DIRECTORATE</i>	Corporate Services
<i>CONTACT NUMBERS</i>	021 808 8018
<i>E-MAIL ADDRESS</i>	Annalene.deBeer@stellenbosch.gov.za
<i>REPORT DATE</i>	1 November 2023

11.3.4	REPORT ON POSSIBLE MANAGEMENT MODEL FOR RHENISH COMPLEX ERF 9672, STELLENBOSCH
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Collaborator No:

IDP KPA Ref No:

Meeting Date:

Good Governance

16 November 2023

1. SUBJECT: REPORT ON POSSIBLE MANAGEMENT MODEL FOR RHENISH COMPLEX ERF 9672, STELLENBOSCH

2. PURPOSE

To inform Council about a possible option for the management of the Rhenish complex that forms part of the heritage portfolio which Council requested the municipal manager to investigate solutions for the management and maintenance of the heritage buildings.

3. DELEGATED AUTHORITY

Council.

4. EXECUTIVE SUMMARY

The Rhenish Complex as its colloquially known is located on Erf 9672 Stellenbosch the subject complex is currently developed with a number of buildings – see **APPENDIX 1**. Council resolved as part of the resolution dealing with the property framework that it is recognised as one of the historic portfolio properties and that as such it would remain the property of the municipality whilst finding ways to manage and maintain the properties for the community.

The Historiese Huise van Suid-Afrika Limited submitted a written proposal which is attached as **APPENDIX 2** to the Municipality to get involved in the much-needed restoration, maintenance, management and sustainable use of the Rhenish complex. This includes what is commonly known as the PMU building where the ward offices are situated as well as the old information centre in Market street. The exact details of how this project is envisaged to work is not yet clear and they propose as a next step for the municipality to indicate its willingness to support and participate in the project and to enter into a non-binding memorandum of understanding that will allow the appointment of a project manager and the implementation of further steps to develop a model for the maintenance and management of the complex.

Historiese Huise van Suid Afrika has a long history of involvement with the preserving and management of historical assets all over the country and has the expertise of how to maintain and sustainably manage such historical buildings and properties. They have several of these properties as part of their own portfolio.

18TH COUNCIL MEETING: 2023-11-29: ITEM 11.3.4

RESOLVED (majority vote)

- (a) that Council takes note of the proposal from Historiese Huise van Suid Afrika;
- (b) that Council supports the Municipalities participation in the project;

- (c) that the Municipal Manager be authorised to enter into a non-binding memorandum of understanding to investigate how the project may be rolled out; and
- (d) that once the investigation is concluded the matter be resubmitted for Council consideration.

7.4	FINANCIAL SERVICES: (PC: CLLR J FASSER)
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NONE

7.5	HUMAN SETTLEMENTS: (PC: CLLR R DU TOIT)
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7.5.1	STELLENBOSCH MUNICIPALITY: DRAFT INTEGRATED HUMAN SETTLEMENT PLAN (IHSP) FOR THE PERIOD 2022 - 2027
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Collaborator No: 758926
IDP KPA Ref No: Good Governance and Compliance
Meeting Date: 16 November 2023

1. SUBJECT: STELLENBOSCH MUNICIPALITY: DRAFT INTEGRATED HUMAN SETTLEMENT PLAN (IHSP) FOR THE PERIOD 2022 – 2027

2. PURPOSE

To approve the draft Integrated Human Settlement Plan (IHSP), 2022 – 2027, compiled in accordance with the Provincial Department of Infrastructure (previously known as Provincial Department of Human Settlements) guidelines and aligned with the Integrated Development Plan (IDP) and Municipal Spatial Development Framework (MSDF), for public participation.

3. DELEGATED AUTHORITY

Council

4. EXECUTIVE SUMMARY

The National Housing Act 107 of 1997 requires that all municipalities must plan to facilitate the delivery of housing opportunities as part of their overall plan for their municipality.

The aim of the draft Integrated Human Settlements Plan (IHSP) is therefore:

- To outline the Municipality’s implementation plan in providing for the housing needs of its steadily growing and increasing population.
- to enable the Municipality to prepare funding applications for submission to the Provincial Department of Infrastructure, that are consistent with funding conditions and included in the municipal IDP and Housing Pipeline, as per Provincial Department of Infrastructure guidelines is a requirement; and
- To inform the municipal Housing Pipeline spanning over ten years reflected in five-year periods the funding required in the Provincial Department of Infrastructure’s Business Plan.

The development of the IHSP will therefore not only comply with the requirements of the National Housing Act whereby the municipality are obliged to facilitate the delivery of housing opportunities as part of their municipal but will also develop credible Housing Pipeline and operational models for human settlements development within the WC024.

The draft Integrated Human Settlements Plan is a component of the Integrated Development Plan (IDP) and therefore outlines the Human Settlements contribution to the Municipality's five-year Integrated Development Plan (2022 – 2027).

It should be further mentioned that the need for shelter within the Stellenbosch Municipal area is outlined in the Spatial Development Framework (SDF). By 2036, the need for subsidised housing was projected as 40 953 opportunities consisting of and separated between 17 847 indigent and 23 106 others (excluding privately funded).

The draft IHSP also commits to the following principle aligned with the IDP and SDF focus areas:

IDP & SDF Focus Areas	IHSP Principles	IHSP Implication
Valley of Possibility	Equal access	Require well located land
Safe Valley	Place Identify	Provide for amenities & safe communal spaces
Dignified Living	Well-being & individual capability.	Secured tenure (title or rental)
Good Governance and compliance	Corporate capabilities	Secured funds & services
Green & sustainable valley	Resource frugal	Healthy ecological infrastructure

18TH COUNCIL MEETING: 2023-11-29: ITEM 11.5.1

RESOLVED (majority vote)

- (a) that Council takes note that the process of public participation has been concluded;
- (b) that gentrification be investigated and that the necessary instruments (including policy) be developed to address the occurrence thereof which could be included in the Municipality's Spatial Development Framework; and
- (c) that the Integrated Human Settlements Plan be adopted by the Council.

FOR FURTHER DETAILS CONTACT:

NAME	Lester van Stavel
POSITION	Manager: Housing Development
DIRECTORATE	Planning & Economic Development, Integrated Human Settlements
CONTACT NUMBERS	021 808 8462
E-MAIL ADDRESS	Lester.vanstavel@stellenbosch.gov.za
REPORT DATE	

11.6	INFRASTRUCTURE SERVICES : (PC : CLLR P JOHNSON)
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11.6.1	STELLENBOSCH STATION PARKING AREA
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Collaborator No:	758593
IDP KPA Ref No:	Good Governance & Compliance
Meeting Date:	16 November 2023

1. SUBJECT: STELLENBOSCH STATION PARKING AREA

2. PURPOSE

That Council takes note of this report and approves the proposals contained herein.

3. DELEGATED AUTHORITY

Municipal Council.

4. EXECUTIVE SUMMARY

Taxi operators are currently using the Stellenbosch Station parking area as a holding and loading facility, which is problematic since adequate provision is not made for such a facility at this location. The lack of public parking spaces, increasing activities in taxi operators, lack of ablution facilities, increase in noise, litter etc are some of the complaints from the community that the municipality receives on a regular basis.

Following an internal assessment of the matter, it was confirmed that the Stellenbosch Station parking area must be re-established as a parking area, as it would address a parking need in the area and function as a park and ride when train services resume. Utilizing the area as a tour bus facility is not feasible since the Municipality has tour bus facilities earmarked for implementation in the medium term.

The Bergzicht Taxi Rank is proposed as the alternative ranking location for those with valid permits. The provision of an adequate relocation facility must be complete and operational before the Stellenbosch Station Parking area can be re-established as a parking area.

When taxi operators are relocated to the new facility, the Municipality should undertake assessments to determine the most appropriate parking management model. The most appropriate parking management model should be implemented ensuring that the parking area operates efficiently and ensuring that the concerns raised by the community are addressed.

18TH COUNCIL MEETING: 2023-11-29: ITEM 11.6.1

RESOLVED (majority vote)

- (a) that Council approves that provision for assessments is made to determine the most appropriate parking management model for the Stellenbosch Station parking area; and
- (b) that the outcome of the assessments be reported to Council for consideration.

11.6.2	DENNESIG NEIGHBOURHOOD PEDESTRIANISATION
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Collaborator No: 758590
 IDP KPA Ref No: Good Governance & Compliance
 Meeting Date: 16 November 2023

1. SUBJECT: DENNESIG NEIGHBOURHOOD PEDESTRIANISATION**2. PURPOSE**

That Council takes note of this report and approves the proposals contained herein.

3. DELEGATED AUTHORITY

Municipal Council.

4. EXECUTIVE SUMMARY

The Municipality aims is to promote and prioritize Non-Motorised Transport (NMT), as these were outcomes from IDP consultative processes and forms part of the Municipality's and National Government's Strategic Planning. The Municipality's Comprehensive Integrated Transport Plan also list the partial or full pedestrianization of streets in CBD (Central Business District) as a strategic transport intervention.

Urban Design Guidelines and a Transport Master Plan for the Dennesig Neighborhood was approved in 2019 after receiving multiple development proposals within the area. The objective is to change the character of the neighborhood and the behavior of motorists to create "living streets" that would prioritize pedestrians and cyclists.

Pedestrianization is therefore proposed along Dennesig Road (between Bird and Hofman Streets), along Hofman Street (between Paul Kruger and Dennesig Roads) and Paul Kruger Street in front of the church.

18TH COUNCIL MEETING: 2023-11-29: ITEM 11.6.2**RESOLVED** (majority vote)

- (a) that the content of this report be noted;
- (b) that the Dennesig neighborhood pedestrianization be accepted as the copy to be used in a Public Participation process;
- (c) that the Dennesig neighborhood pedestrianization be duly advertised for the purpose of a public participation process; and
- (d) that upon the completion of the public participation process, together with any comments/objections be resubmitted to Council for final approval and adoption.

FOR FURTHER DETAILS CONTACT:

NAME	Shane Chandaka
POSITION	Director Infrastructure Services
DIRECTORATE	Infrastructure Services
CONTACT NUMBERS	021 808 8213
E-MAIL ADDRESS	shane.chandaka@ Stellenbosch.gov.za
REPORT DATE	12 October 2023

11.6.3	REQUEST FOR APPROVAL OF THE 2023-2028 COMPREHENSIVE INTEGRATED TRANSPORT PLAN 2023-2028
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Collaborator No:

IDP KPA Ref No:

Meeting Date:

Good Governance & Compliance

16 November 2023

1. SUBJECT: REQUEST FOR APPROVAL OF THE 2023-2028 COMPREHENSIVE INTEGRATED TRANSPORT PLAN 2023-2028

2. PURPOSE

For Council to approve the 2023-2028 Comprehensive Integrated Transport Plan.

3. DELEGATED AUTHORITY

Municipal Council.

4. EXECUTIVE SUMMARY

The Provincial Minister of Infrastructure (previously Minister of Transport and Public Works) had designated Stellenbosch Municipality as a Type 1 Planning Authority, in terms of the National Land Transport Act 2009. Stellenbosch Municipality is therefore required by legislation to compile a Comprehensive Integrated Transport Plan (CITP). CITP's are valid for a five-year period, are overhauled / reviewed every 5 years and are updated annually.

The Comprehensive Integrated Transport Plan (CITP) presents the municipality's long-term transport vision and objectives, as well as providing the strategy that would enable the municipality to realize its transport vision.

The Draft CITP was tabled at Council on the 29 March 2023, where Council accepted the Draft CITP and approved it to proceed for public comment. The Draft CITP was advertised for public comment on the 6 April 2023, and the comment period closed on the 12 May 2023.

A considerable number of comments were received from the public when the Draft CITP was advertised for public comments.

Most notable among the comments were the following: The "Dualling of Dorp Street Project" and the proposed implementation of portions of the "Eastern Link Road".

Dorp Street Dualling: This project involves the dualling of a relatively short section (300m) of Dorp Street, between Adam Tas Road and Strand Street only. Some approval processes and consultants had been undertaken up to the Preliminary Design Phase.

During the CITP public participation process however, numerous comments and enquiries have been received with respect to the Dorp Street project. The Municipality has taken note of these comments and commissioned the project team to undertake more focussed public engagements and to review the design of the Dorp Street project. To address community concerns, the following will now be included into the design of the project:

- Insertion of a median break to improve access and mobility for local residents. To prohibit any possible any rat running across the median break, the Municipality will consider signage and enforcement.

- To offset the loss of some on-street parking bays along Dorp Street and Aan de Wagen Road, the Municipality has started processes to re-establish the public parking facility opposite Stellenbosch Station, providing alternative taxi ranking facilities at Bergsig Taxi rank for the taxis currently using this parking area.
- A further analysis of the traffic flows will be undertaken, to improve access for the local residents, and to ensure that households within the block are minimally affected by the project.

Ultimately the project will improve access to residents and businesses and alleviate the congestion of all vehicles wanting to enter and exit the CBD area. Municipal Officials will also be engaging with the public during, and up to the conclusion of the Design Phase.

Eastern Link Road: The matter was also raised during the CITP Public Participation phase of the now approved Roads Master Plan which was formally approved by Council. The road formally known as the Eastern Link Road cannot be constructed as initially envisaged. In summary the Municipality proposes, within the next 10 years, to implement the Wildebosch Extension north to Trumali (Phase 1), and thereafter the possible Wildebosch Extension south to Technopark Avenue as a Phase 2. To provide more clarity on the Municipality's position on the above portions of the Eastern Link Road, amendments to various paragraphs in the Plan were made, these amended paragraphs have been highlighted in yellow.

The Directorate has the view that the final document incorporates all relevant inputs from the engagements held and duly addresses comments received when the Draft CITP was advertised for public comment.

Favourable comments were also received on the Draft Transport Vision namely:

Stellenbosch Municipality has an integrated, effective and sustainable transport system, which unlocks economic opportunities and is accessible, safe, reliable and affordable to all communities serviced by the Municipality.

18TH COUNCIL MEETING: 2023-11-29: ITEM 11.6.3

RESOLVED (nem con)

- that Council takes note that, following extensive consultation sessions, the Draft Comprehensive Integrated Transport Plan (CITP) was published for public comment;
- that Council adopts the Transport Vision;
- that Council notes the comments received, and the Directorates view; and
- that Council approves the 2023-2028 Comprehensive Integrated Transport Plan.

FOR FURTHER DETAILS CONTACT:

NAME	Shane Chandaka
POSITION	<i>Director</i>
DIRECTORATE	<i>Infrastructure Services</i>
CONTACT NUMBERS	021 808 8213
E-MAIL ADDRESS	<u>Shane.chandaka@stellenbosch.gov.za</u>
REPORT DATE	6 November 2023

11.7	PARKS, OPEN SPACES AND ENVIRONMENT: (PC: J WILLIAMS)
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NONE

11.8	PLANNING AND LOCAL ECONOMIC DEVELOPMENT AND TOURISM: (PC: CLLR C VAN WYK)
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11.8.1	PRECINCT PLAN: FUTURE DEVELOPMENT AND UTILIZATION OF THE RHENISH COMPLEX AND SURROUNDS
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Collaborator No: 758683
IDP KPA Ref No: Valley of Opportunity
Meeting Date: 16 November 2023

1. SUBJECT:PRECINCT PLAN: FUTURE DEVELOPMENT AND UTILIZATION OF THE RHENISH COMPLEX AND SURROUNDS

2. PURPOSE OF REPORT

To obtain approval from Council for the precinct plan for the Rhenish Complex and Surrounding area.

3. DELEGATED AUTHORITY

Council

4. EXECUTIVE SUMMARY

The Directorate: Planning and Economic Development commissioned a study to evaluate and analyse all the existing planning and planning related documentation as it relates to the future utilization of the Rhenish Complex and surrounds and to prepare a consolidated precinct plan for the area for council's consideration and approval.

The report provides an urban design framework which serves as a precinct plan that guides the future utilization, preservation and development of the study area with a view to unlock the potential of this area to play an important role to activate the Rhenish complex as a key site of cultural and heritage significance.

Council approved the advertisement of the draft report for public comment on 29 March 2023. The report was advertised on 1 June 2023 for comment after which two comments were received. The final report is now submitted to Council for consideration and approval.

18TH COUNCIL MEETING: 2023-11-29: ITEM 11.8.1

RESOLVED (majority vote)

- (a) that Council approves the final precinct plan for the Future Development and Utilization of the Rhenish Complex and Surrounds attached hereto as **APPENDIX 1**;
- (b) that the approved precinct plan for the Future Development and Utilization of the Rhenish Complex and Surrounds serves as a guideline when Council considers further development on the land, consider applications for the lease of buildings or land and when considering applications on privately owned land adjacent to or that might have an impact on the Rhenish Complex and Surrounds; and

- (c) that the Municipal Manager be mandated to investigate and submit a proposal for an appropriate institutional mechanism for an overarching management structure for the role-out and implementation of the Rhenish complex and surrounds precinct plan which includes *inter alia* the management, security arrangements, restoration of buildings, development and maintenance and utilization of the properties, and that a report in this regard be submitted to the next Council meeting.

The following Councillors requested that their votes of dissent be minuted:

Councillors R Hendrikse; C Noble and M Van Stade.

11.8.2	REQUEST TO UNDERTAKE THE PUBLIC PARTICIPATION PROCESS (“PPP”) IN RESPECT OF THE DRAFT STELLENBOSCH MUNICIPALITY EVENTS BY-LAW, 2023
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Collaborator No: 758941
IDP KPA Ref No: Good Governance and Compliance
Meeting Date: 16 November 2023

1. SUBJECT: REQUEST TO UNDERTAKE THE PUBLIC PARTICIPATION PROCESS (“PPP”) IN RESPECT OF THE DRAFT STELLENBOSCH MUNICIPALITY EVENTS BY-LAW, 2023

2. PURPOSE

To provide Council with the pertinent facts in order to approve that the draft Stellenbosch Municipality Events By-Law, 2023 be advertised for a period of thirty (30) days to obtain public comment in respect of the subject draft bylaw.

3. DELEGATED AUTHORITY

Council

4. EXECUTIVE SUMMARY

The draft Events By-Law aims to replace the Stellenbosch Municipality Events By-Law and is aimed at updating the current bylaw, which was adopted during 2016.

A number of concerns were raised by Local Tourism Organisations and stakeholders within the tourism fraternity regarding the outdated bylaw, as well as the tedious land use application processes which deemed it necessary for the bylaw to be updated.

18TH COUNCIL MEETING: 2023-11-29: ITEM 11.8.2

RESOLVED (majority vote)

- (a) that Council take note of the draft Stellenbosch Municipality Events By-Law, 2023, attached as **APPENDIX 1** to this report, and
- (b) that Council approve that the draft Stellenbosch Municipality Events By-Law, 2023, be advertised for public comment for a period of thirty (30) days, whereafter same be resubmitted to Council for final consideration and subsequent approval in terms of the Local Government Municipal Systems Act No.32 of 2000.

11.8.3	APPOINTMENT OF ADDITIONAL BUILDING CONTROL OFFICER
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Collaborator No:	759197
IDP KPA Ref No:	Valley of Opportunity
Meeting Date:	16 November 2023

1. SUBJECT: APPOINTMENT OF ADDITIONAL BUILDING CONTROL OFFICER**2. PURPOSE**

Is to request to Council to appoint additional official, currently in the employ of the Municipality, as Building Control Officers (BCO's) to complement the existing appointed BCO to enhance service delivery.

3. DELEGATED AUTHORITY

Council

4. EXECUTIVE SUMMARY

A Local Authority is required to appoint a Building Control Officer (BCO) to perform the prescribed duties in terms of the National Building Regulations and Buildings Standards Act, 1977 (Act 103 of 1977), hereafter referred to as "the Act". The designation and appointment of a BCO in accordance with the Act is a requirement of the Act, which qualified person is permitted to make recommendation to the authorized decision maker to decide on a building plan application. The purpose of this Item is to request the Council to appoint an additional official in the employ of the Municipality as BCO in terms of the Act to consider the existing appointed BCO to enhance service delivery.

18TH COUNCIL MEETING: 2023-11-29: ITEM 11.8.3**RESOLVED** (nem con)

that the appointment as Building Control Officer in terms of such designation in Section 5 of the National Building Regulations and Buildings Standards Act, 1977 (Act 103 of 1977), of the following suitably qualified official, Mr Monray Lourens, in the employment of Stellenbosch Municipality), **BE APPROVED**.

FOR FURTHER DETAILS CONTACT:

NAME	Stiaan Carstens
POSITION	Senior Manager: Development Management
DIRECTORATE	Planning and Economic Development
CONTACT NUMBERS	021 808 8674
E-MAIL ADDRESS	Stiaan.Carstens@stellenbosch.gov.za
REPORT DATE	06 November 2023

11.8.4	APPROVAL OF THE CORE FESTIVE PERIOD AND ARRANGEMENTS FOR THE PROCESSING OF LAND USE AND BUILDING PLAN APPLICATIONS AND ASSOCIATED PUBLIC PARTICIPATION
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Collaborator No: 759199
 IDP KPA Ref No: Good Governance and Compliance
 Meeting Date: 16 November 2023

1. SUBJECT: APPROVAL OF THE CORE FESTIVE PERIOD AND ARRANGEMENTS FOR THE PROCESSING OF LAND USE AND BUILDING PLAN APPLICATIONS AND ASSOCIATED PUBLIC PARTICIPATION

2. PURPOSE

To seek approval for arrangements for the processing and associated public participation pertaining to land use planning and building plan applications over the festive period.

3. DELEGATED AUTHORITY

Council

4. EXECUTIVE SUMMARY

Land use and building development applications are subject to prescribed legislative timeframes and associated public participation processes. During the festive season most families undertake extended holiday breaks away from home, which presents a challenge when most staff is also on holiday breaks and during which notices are not received by potential interested and affected parties on land use applications. For this purpose, it has become a practice to determine a core festive period during which public participation is not permitted or, alternatively, that such periods are disregarded with the extension of notice periods, and that such core festive period is also not taken into account in the prescribed timeframes for the processing for such applications. It is consequently proposed to adopt these arrangements to ensure ongoing compliance with legislative prescripts on timeframes as well as fair administrative processes regarding public participation for any potential interested and affected parties.

18TH COUNCIL MEETING: 2023-11-29: ITEM 11.8.4

RESOLVED (majority vote)

that the core festive period determined as 14 December 2023 to 12 January 2024 **BE APPROVED** for the purpose:

- (a) That no serving or publishing of land use and land development application notices be undertaken during the determined core festive period.
- (b) That the determined core festive period is not taken into account for purposes of calculating the number of days for public participation and/ or the processing of land use and building development applications, and that any such periods affected be accordingly extended.
- (c) That any new land use and building plan applications submitted during the determined core festive period will not be administratively processed and that this period will also

not be taken into account for the purpose of calculating any of the legislative prescribed timeframes for the processing of land use and building plan applications.

- (d) That no appeal period can commence which will be affected by the core festive period and that no notifications of decisions on land use applications will be communicated after 1 December 2023, and only be communicated from 12 January 2024.

FOR FURTHER DETAILS CONTACT:

NAME	Stiaan Carstens
POSITION	Senior Manager: Development Management
DIRECTORATE	Planning and Economic Development
CONTACT NUMBERS	021 808 8674
E-MAIL ADDRESS	Stiaan.carstens@stellenbosch.gov.za
REPORT DATE	6 November 2023

11.8.5	TO REQUEST COUNCIL'S APPROVAL TO PILOT THE BICYCLE PARK AND WALK FACILITIES INITIATIVE WITHIN THE WC024 AREA FOR A PERIOD OF 12 MONTHS
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Collaborator No: 759241
IDP KPA Ref No: Good Governance and Compliance
Meeting Date: 16 November 2023

1. SUBJECT: TO REQUEST COUNCIL'S APPROVAL TO PILOT THE BICYCLE PARK AND WALK FACILITIES INITIATIVE WITHIN THE WC024 AREA FOR A PERIOD OF 12 MONTHS

2. PURPOSE

To request Council's approval to pilot the Bicycle Park and Walk Facilities concept within the WC024 for a period of twelve (12) months.

3. DELEGATED AUTHORITY

Municipal Council.

4. EXECUTIVE SUMMARY

The Municipality aims is to promote and prioritize Non-Motorised Transport (NMT), as these were outcomes from IDP consultative processes and forms part of the Municipality's and National Government's Strategic Planning.

Stellenbosch Trail Fund (STF) approached Stellenbosch Municipality with the concept idea of having Bicycle Park and Walk Facilities within the Central Business District, with each facility being no larger than 40m².

Three sites have been identified by Stellenbosch Trail Fund as possible Park and Walk facilities, being a portion of the Bloemhof parking, a portion of the Eikestad Mall Parking and a portion next to Town Hall. Comment from internal Departments have found these proposed sites to not all be suitable and have requested that the initiative be supported but that further discussion be had with the Stellenbosch Trail Fund around the identification of more suitable sites to accommodate such an initiative.

18TH COUNCIL MEETING: 2023-11-29: ITEM 11.8.5

RESOLVED (nem con)

- (a) that Council approve the request to pilot the initiative of Bicycle Park and Walk Facilities concept; and
- (b) that further consultation and engagement with Stellenbosch Trail Fund take place to identify more suitable Bicycle Park and Ride sites.

FOR FURTHER DETAILS CONTACT:

Name	Lesley van Gensen
Position	Manager: Economic Development and Tourism
Directorate	Planning and Economic Development
Contact Numbers	021 808 8179
E-mail Address	Lesley.vangensen@stellenbosch.gov.za
Report Date	01.11.2023

11.8.6	PERMISSION TO ALLOW FOR AN EXTENSION OF MOBILE UNITS TO TRADE AT PRE-DETERMINED SITES WITHIN THE WC024 AREA
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Collaborator No: 759296
IDP KPA Ref No: Good Governance and Compliance
Meeting Date: 16 November 2023

1. SUBJECT: PERMISSION TO ALLOW FOR AN EXTENSION OF MOBILE UNITS TO TRADE AT PRE-DETERMINED SITES WITHIN THE WC024 AREA

2. PURPOSE

Is to request approval for the extension of the pilot for mobile trucks / kiosks on predetermined sites for a period of one (1) year.

3. DELEGATED AUTHORITY

Council

4. EXECUTIVE SUMMARY

Mobile traders, often referred to as street vendors or food trucks, offer several benefits in cities. These mobile businesses have become increasingly popular and have a significant impact on urban areas. Some of the benefits are accessibility to the community, promotion of entrepreneurship. It acts as a stimulus for local economic development and growth and through this alleviating joblessness.

On the 9th Council Meeting dated 2022-11-23: ITEM 11.9.1 Council resolved as follows:

- a) that Council approves the request of the Directorate: Planning & Economic Development for the pilot period of one (1) year in order to issue permits to informal traders using mobile units to trade within pre-determined areas in accordance with the terms and conditions as set out under 6.2 of this report;
- b) that Council approve that such mobile informal trading also be allowed on the premises of the Stellenbosch Municipality's Traffic Department (Stellenbosch), Jan Marais Park, or any other identified municipal property, with approval from the user Department of such property; and
- c) that the Section: Economic Development & Tourism in consultation with the Director: Community & Safety Services and Directorate: Infrastructure Services allocate such trading bays and areas within the premises of the Traffic Department (Stellenbosch) or on any other pre-determined areas.

To date, four (4) mobile trading licences have been issued, however interest increased towards the end of this pilot. We anticipate ten mobile trading permits, inclusive of the current four, for the next year, which indicates a growth of 60%.

18TH COUNCIL MEETING: 2023-11-29: ITEM 11.8.6

RESOLVED (nem con)

that Council approves the extension of the Mobile Trading Pilot as approved in Council on 23 November 2022 for another year.

11.9	COMMUNITY SERVICES:(PC: CLLR X KALIPA)
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NONE

11.10	RURAL MANAGEMENT: (PC: CLLR J JOON)
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11.10.1	RETURN ITEM: REQUEST FOR THE ALLOCATION OF FARM No(s): 502BH PORTIONS 9 AND 10, AND 502BH PORTIONS 23 AND 24 TO EMERGING FARMERS IN ACCORDANCE WITH THE STELLENBOSCH MUNICIPALITY POLICY FOR MANAGEMENT OF MUNICIPAL AGRICULTURAL LAND, 2016
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Collaborator No: 758951
IDP KPA Ref No: Valley of Opportunity
Meeting Date: 16 November 2023

1. SUBJECT: RETURN ITEM: REQUEST FOR THE ALLOCATION OF FARM No(s): 502BH PORTIONS 9 AND 10, AND 502BH PORTIONS 23 AND 24 TO EMERGING FARMERS IN ACCORDANCE WITH THE STELLENBOSCH MUNICIPALITY POLICY FOR MANAGEMENT OF MUNICIPAL AGRICULTURAL LAND, 2016

2. PURPOSE

To provide Council with the pertinent facts in order to approve the request to allocate the subject two (2) agricultural land portions to emerging farmers as prescribed in the said Policy.

3. DELEGATED AUTHORITY

Executive Mayor in consultation with the Executive Mayoral Committee has the delegated powers, in terms of Stellenbosch Municipality: System of Delegations as amended on 22 June 2022 to approve lease agreements of Council properties for a period shorter than 10 years and a contract value of less than R5 million.

4. EXECUTIVE SUMMARY

Stellenbosch Council adopted "The Policy for the Management of Municipal Agricultural Land (2016)" with the purpose of availing agricultural land for emerging farmers. The item deals with the allocation of vacant municipal land to successful land applicants after Council resolved to advertise portions of vacant municipal agricultural land for leasing purposes to current and potential emerging farmers.

Portions 502BH 17 and 18; and Portion 502AU was allocated in terms of council resolution on 25 October 2023 and the Portion 502BH 9 and 10, and Portion BH 23 and 24 was referred back by the Mayoral Committee on 11 October 2023 for re-consideration.

18TH COUNCIL MEETING: 2023-11-29: ITEM 11.10.1**RESOLVED** (nem con)

- (a) that Council takes note of the process undertaken in allocating the two (2) municipal agricultural land units to emerging farmers. This process encompasses the minutes of a clarification meeting and the conclusions reached by the Operational Committee. The minutes are provided as **APPENDIX 1** for reference
- (b) that Council approves that Farm No.: 502BH, Portions 9 and 10, Stellenbosch Division, in extent of 5ha with 2ha of allocated water rights, be awarded to Veldt Boerdery, copy of application is attached as **APPENDIX 2**;
- (c) that Council approves that Farm No.: 502BH, Portions 23 and 24, Stellenbosch Division, in the extent of 5ha with 2ha of allocated water rights, be awarded to Herbal View Hydroponics, copy of application is attached as **APPENDIX 3**;
- (d) that Council approve that the land units awarded in (b) and (c) be leased for a period of less than 10 years, with the option of renewal; and
- (e) that Council take note that the monthly rental amount for emerging farmers is determined as per the calculation for the previously allocated tariff for emerging farmers

FOR FURTHER DETAILS CONTACT:

NAME	Mark Harris
POSITION	Senior Economic Development Officer
DIRECTORATE	Planning and Economic Development
CONTACT NUMBERS	021 808 8159
E-MAIL ADDRESS	<u>Mark.Harris@stellenbosch.gov.za</u>
REPORT DATE	29 September 2023

13.1	SCHEDULE OF PROPOSED DATES FOR MEETINGS OF COUNCIL, MAYORAL COMMITTEE, STANDING COMMITTEES AND OTHER COMMITTEES OF COUNCIL FOR THE 2023 CALENDAR YEAR
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Collaborator No:

IDP KPA Ref No: Good Governance

Meeting Date: 29 November 2023

1. SUBJECT: SCHEDULE OF PROPOSED DATES FOR MEETINGS OF COUNCIL, MAYORAL COMMITTEE, STANDING COMMITTEES AND OTHER COMMITTEES OF COUNCIL FOR THE 2024 CALENDAR YEAR

2. PURPOSE

To inform Council of the schedule of proposed dates for meetings of Council, Mayoral Committee, Standing Committees and other Committees of Council for the 2024 calendar year.

3. DELEGATED AUTHORITY

The Speaker determines the dates of Municipal Council meetings. Dates for other meetings are determined by the Speaker in consultation with the various chairpersons of the meetings. The Executive Mayor may determine dates for the Mayoral Committee.

4. EXECUTIVE SUMMARY

An annual schedule of proposed dates for meetings is compiled in the interest of good governance. Besides complying with legislated requirements, a schedule of proposed dates of meetings enables councillors to plan their events, engagements and community activities.

Section 19 of the Local Government: Municipal Systems Act, 32 of 2000, stipulates that:

“The municipal manager of a municipality must give notice to the public, in a manner determined by the municipal council, of the time, date and venue of every -

(a) ordinary meeting of the council; and

(b) special or urgent meeting of the council, except when time constraints make this impossible.”

In line with legislated requirements, the publishing of such a schedule of proposed dates for meetings in the media and on the municipal website, seeks to foster a healthy culture of public involvement and participation in Council affairs.

18TH COUNCIL MEETING: 2023-11-29: ITEM 13.1

RESOLVED (nem con)

- (a) that the schedule with the proposed dates for Council meetings, Mayoral Committee meetings, Standing Committees and other committees of Council for the 2024 calendar year (attached as **APPENDIX 1**), be noted;

-
- (b) that Council determines that the notice to the public of the time, date and venue of said meetings, as provided for in Section 19 of the Local Government: Municipal Systems Act, 32 of 2000, must be given on the Municipal website and in a newspaper that circulates in the WC024; and
- (c) that it be noted that the Speaker, as provided for in the Standing Rules of Order By-Law and the Systems Act, determines the dates of Council meetings and may call urgent- or special Council meetings over and above the proposed scheduled meetings and may vary dates in the schedule if and when needed.

NAME	<i>Annalene De Beer</i>
POSITION	<i>Director: Corporate Services</i>
DIRECTORATE	<i>Corporate Services</i>
CONTACT NUMBERS	<i>021-808 8018</i>
E-MAIL ADDRESS	<i><u>Annalene.DeBeer@stellenbosch.gov.za</u></i>
REPORT DATE	<i>14 November 2023</i>

13.2	STATUS REPORT ON ALTERNATIVE ENERGY GENERATION INITIATIVES
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Collaborator No:
IDP KPA Ref No: Green & Sustainable Valley
Meeting Date: 29 November 2023

1. SUBJECT: STATUS REPORT ON ALTERNATIVE ENERGY GENERATION INITIATIVES

2. PURPOSE

To inform Council about the progress with the development of alternative energy generation initiatives including a load shedding mitigation strategy and initiatives underway, in order to ultimately reduce the impact of electricity loadshedding on the Municipality.

3. DELEGATED AUTHORITY

Municipal Council.

4. EXECUTIVE SUMMARY

The Municipality appointed a service provider to investigate load shedding mitigation strategies to reduce the impact of load shedding.

The service provider has completed the initial investigations and presented the findings to the Municipal Manager and Chief Financial Officer.

This report is a summary of the main findings and proposals.

18TH COUNCIL MEETING: 2023-11-29: ITEM 13.2

NOTED

the progress in developing a load shedding mitigation strategy and the main findings and proposals presented to date.

FOR FURTHER DETAILS CONTACT:

NAME	Shane Chandaka
POSITION	<i>Director Infrastructure Services</i>
DIRECTORATE	<i>Infrastructure Services</i>
CONTACT NUMBERS	<i>021 808 8815</i>
E-MAIL ADDRESS	<i>shane.chandaka@stellenbosch.gov.za</i>
REPORT DATE	<i>08 November 2023</i>

14.	CONSIDERATION OF NOTICES OF QUESTIONS AND NOTICES OF MOTIONS RECEIVED BY THE SPEAKER
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NONE

15.	CONSIDERATION OF URGENT MOTIONS
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NONE

16.	URGENT MATTERS SUBMITTED BY THE MUNICIPAL MANAGER
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NONE

17.	REPORTS SUBMITTED BY THE SPEAKER
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17.1	REPORT TO COUNCIL BY THE SPEAKER ON PROPOSED SANCTIONS BY THE DISCIPLINARY COMMITTEE: CASE NUMBER 220422/01
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Collaborator No:

IDP KPA Ref No:

Good Governance

Meeting Date:

29 November 2023

1. SUBJECT: REPORT TO COUNCIL BY THE SPEAKER ON PROPOSED SANCTIONS BY THE DISCIPLINARY COMMITTEE: CASE NUMBER 220422/01

2. PURPOSE

For Council to consider the sanctions proposed by the disciplinary Committee in terms of the Municipal Structures Act 117 of 1998 and Regulations.

3. DELEGATED AUTHORITY

For consideration by Municipal Council.

4. EXECUTIVE SUMMARY

In terms of item 15 of Schedule 7 of the Municipal Structures Act, no 117 of 1998 and Regulations, Code of Conduct for Councillors.

Breached of Code – 1) IF the speaker of a municipal Council, on reasonable suspicion, is of the opinion that a provision of this Code has been breached, the speaker must-

- a) Authorise and investigation of the facts and circumstances of the alleged breach
- b) give the councillor a reasonable opportunity to reply in writing regarding the alleged breach; and
- c) report the matter to a meeting of the municipal council after paragraph (a) and (b) have been compiled with

Councillor Ayanda Tomose contravened the Code of Conduct for Councillors by refusing the appointed ward administrator for ward 12 to commence duty. The ward administrator was refused access to the office and was thus not able to perform her prescribed duties for which she was appointed. **Annexure A** contains the details of the complaint received.

18TH COUNCIL MEETING: 2023-11-29: ITEM 17.1

Cllr Tomose recused himself from the meeting for the duration of this matter.

RESOLVED (majority vote)

The recommendations of sanction to Council is in accordance with Schedule 7, Section 16 (2)(d) of the Municipal Structures Act No.117 of 1998.

Thus, Council accepts the recommendation that Councillor Ayanda Tomose, be fined 75 % of the total cost to company of a ward administrator, for a period of three (3) months to Stellenbosch Municipality. Cllr Tomose must pay back these costs to the Municipality between January 2024 – October 2026, before this term of offices comes to an end.

17.2	REPORT TO COUNCIL BY THE SPEAKER ON PROPOSED SANCTIONS BY THE DISCIPLINARY COMMITTEE: CASE NUMBER 220422/02/01
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Collaborator No:

IDP KPA Ref No:

Good Governance

Meeting Date:

29 November 2023

1. SUBJECT: REPORT TO COUNCIL BY THE SPEAKER ON PROPOSED SANCTIONS BY THE DISCIPLINARY COMMITTEE: CASE NUMBER 220422/02/01

2. PURPOSE

For Council to consider the sanctions proposed by the disciplinary Committee in terms of the Municipal Structures Act 117 of 1998 and Regulations.

3. DELEGATED AUTHORITY

For consideration by Municipal Council

4. EXECUTIVE SUMMARY

In terms of item 15 of Schedule 7 of the Municipal Structures Act, no 117 of 1998 and Regulations, Code of Conduct for Councillors.

Breached of Code – 1) IF the speaker of a municipal Council, on reasonable suspicion, is of the opinion that a provision of this Code has been breached, the speaker must-

- (a) Authorise and investigation of the facts and circumstances of the alleged breach
- (b) give the councillor a reasonable opportunity to reply in writing regarding the alleged breach; and
- (c) report the matter to a meeting of the municipal council after paragraph (a) and (b) have been compiled with.

Councillor Elliot Masimini contravened the Code of Conduct for Councillors by refusing the appointed ward administrator for ward 15 to commence duty. The ward administrator was refused access to the office and was thus not able to perform her prescribed duties for which she was appointed. **Annexure A** contains the details of the complaint received.

18TH COUNCIL MEETING: 2023-11-29: ITEM 17.2

Cllr Masimini recused himself from the meeting for the duration of this matter.

RESOLVED (majority vote)

The recommendations of sanction to Council is in accordance with schedule 7, Section 16 (2)(d) of the Municipal Structures Act No.117 of 1998.

Thus, Council accepts the recommendation that Councillor Elliot Masimini, be fined 50 % of the total cost to company of a Ward Administrator, for a period of four (4) months to Stellenbosch Municipality. Cllr Masimini must pay back these costs to the Municipality between January 2024 – October 2026, before this term of offices comes to an end.

17.3	REPORT TO COUNCIL BY THE SPEAKER ON PROPOSED FINDING BY THE DISCIPLINARY COMMITTEE: CASE NUMBER 220711/01
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Collaborator No:

IDP KPA Ref No:

Good Governance

Meeting Date:

29 November 2023

1. SUBJECT: REPORT TO COUNCIL BY THE SPEAKER ON PROPOSED FINDING BY THE DISCIPLINARY COMMITTEE: CASE NUMBER 220711/01

2. PURPOSE

For Council to take note of the finding from the disciplinary Committee in terms of the Municipal Structures Act 117 of 1998 and Regulations.

3. DELEGATED AUTHORITY

For noting by Municipal Council

4. EXECUTIVE SUMMARY

In terms of item 15 of Schedule 7 of the Municipal Structures Act, no 117 of 1998 and Regulations, Code of Conduct for Councillors.

Breached of Code – 1) IF the speaker of a municipal Council, on reasonable suspicion, is of the opinion that a provision of this Code has been breached, the speaker must-

- (a) Authorise and investigation of the facts and circumstances of the alleged breach
- (b) give the councillor a reasonable opportunity to reply in writing regarding the alleged breach; and
- (c) report the matter to a meeting of the municipal council after paragraph (a) and (b) have been compiled with.

Councillor Johannie Serdyn allegedly contravened the Code of Conduct for Councillors by interfering in an administrative process requesting documentation from the Property Management department by not following the Council Protocol. **Annexure A** contains the details of the complaint received. **Annexures B – E** is the communication between the initiator and Municipal officials.

18TH COUNCIL MEETING: 2023-11-29: ITEM 17.3

Ald Serdyn recused herself from the meeting for the duration of this matter.

NOTED

the finding by the Disciplinary Committee.

FOR FURTHER DETAILS CONTACT:

NAME	Office of the Speaker
POSITION	PA SPEAKER'S OFFICE
DIRECTORATE	CORPORATE SERVICES
CONTACT NUMBERS	021 808 8941
E-MAIL ADDRESS	
REPORT DATE	23 NOVEMBER 2023

17.4	REPORT TO COUNCIL BY THE SPEAKER ON PROPOSED FINDING BY THE DISCIPLINARY COMMITTEE: CASE NUMBER 220723/01
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Collaborator No:

IDP KPA Ref No:

Good Governance

Meeting Date:

29 November 2023

1. SUBJECT: REPORT TO COUNCIL BY THE SPEAKER ON PROPOSED FINDING BY THE DISCIPLINARY COMMITTEE: CASE NUMBER 220723/01

2. PURPOSE

For Council to take note of the finding from the disciplinary Committee in terms of the Municipal Structures Act 117 of 1998 and Regulations.

3. DELEGATED AUTHORITY

For noting by Municipal Council.

4. EXECUTIVE SUMMARY

In terms of item 15 of Schedule 7 of the Municipal Structures Act, no 117 of 1998 and Regulations, Code of Conduct for Councillors.

Breached of Code – 1) IF the speaker of a municipal Council, on reasonable suspicion, is of the opinion that a provision of this Code has been breached, the speaker must-

- (a) Authorise and investigation of the facts and circumstances of the alleged breach
- (b) give the councillor a reasonable opportunity to reply in writing regarding the alleged breach; and
- (c) report the matter to a meeting of the municipal council after paragraph (a) and (b) have been compiled with.

Councillor Elsabe Vermeulen allegedly contravened the Code of Conduct for Councillors by interfering in an administrative process. **Annexure A** contains the details of the complaint received. **Annexure B** is a written statement from an official and **Annexure C** communication from the initiator.

18TH COUNCIL MEETING: 2023-11-29: ITEM 17.4

Cllr Vermeulen recused herself from the meeting for the duration of this matter.

NOTED

the finding by the Disciplinary Committee.

FOR FURTHER DETAILS CONTACT:

<i>NAME</i>	Office of the Speaker
<i>POSITION</i>	PA SPEAKERS OFFICE
<i>DIRECTORATE</i>	CORPORATE SERVICES
<i>CONTACT NUMBERS</i>	021 808 8941
<i>E-MAIL ADDRESS</i>	
<i>REPORT DATE</i>	23 NOVEMBER 2023

17.5	REPORT TO COUNCIL BY THE SPEAKER ON PROPOSED FINDING BY THE DISCIPLINARY COMMITTEE: CASE NUMBER 220723/01
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Collaborator No:

IDP KPA Ref No: *Good Governance*

Meeting Date: 29 November 2023

1. SUBJECT: REPORT TO COUNCIL BY THE SPEAKER ON PROPOSED SANCTIONS BY THE DISCIPLINARY COMMITTEE: CASE NUMBER 220719/02

2. PURPOSE

For Council to consider the sanctions proposed by the disciplinary Committee in terms of the Municipal Structures Act 117 of 1998 and Regulations.

3. DELEGATED AUTHORITY

For consideration by Municipal Council

4. EXECUTIVE SUMMARY

In terms of item 15 of Schedule 7 of the Municipal Structures Act, no 117 of 1998 and Regulations, Code of Conduct for Councillors.

Breached of Code – 1) IF the speaker of a municipal Council, on reasonable suspicion, is of the opinion that a provision of this Code has been breached, the speaker must-

- (a) Authorise and investigation of the facts and circumstances of the alleged breach
- (b) give the councillor a reasonable opportunity to reply in writing regarding the alleged breach; and
- (c) report the matter to a meeting of the municipal council after paragraph (a) and (b) have been compiled with.

Councillor Elsabe Vermeulen allegedly contravened the Code of Conduct for Councillors by not acting in the best interest of the Municipality and in such a way that the integrity of the Municipality was compromised, bringing Council into disrepute.

Annexure A contains details of the complaint received. **Annexures B** and C affidavits from members of the public and **Annexure D** is the finding and sanction from the Disciplinary Committee.

18TH COUNCIL MEETING: 2023-11-29: ITEM 17.5

Cllr Vermeulen recused herself from the meeting for the duration of this matter.

RESOLVED (majority vote)

The recommendations of sanction to Council is in accordance with schedule 7, section 2(b) of the Municipal Structures Act No.117 of 1998.

Thus, Council accepts the recommendations of the Disciplinary Committee that Councillor Elsabe Vermeulen be reprimanded to conduct her behaviour according to the code of conduct for Councillors.

FOR FURTHER DETAILS CONTACT:

NAME	Office of the Speaker
POSITION	PA SPEAKERS OFFICE
DIRECTORATE	CORPORATE SERVICES
CONTACT NUMBERS	021 808 8941
E-MAIL ADDRESS	
REPORT DATE	23 NOVEMBER 2023

17.6	REPORT TO COUNCIL BY THE SPEAKER ON PROPOSED FINDING BY THE DISCIPLINARY COMMITTEE: CASE NUMBER 220723/01
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Collaborator No:

IDP KPA Ref No:

Good Governance

Meeting Date:

29 November 2023

1. SUBJECT: REPORT TO COUNCIL BY SPEAKER ON THE PROGRESS OF DISCIPLINARY CASES TO BE INVESTIGATED

2. PURPOSE

For Council to take note of the disciplinary cases that the Speaker has authorised the Municipal Manager to appoint a service provider to investigate the facts and circumstances in terms of the Municipal Structures Act 117 of 1998 and Regulations.

3. DELEGATED AUTHORITY

For Notification by Municipal Council.

4. EXECUTIVE SUMMARY

In terms of item 15 of Schedule 7 of the Municipal Structures Act, no 117 of 1998 and Regulations, Code of Conduct for Councillors.

Breached of Code – 1) IF the speaker of a municipal Council, on reasonable suspicion, is of the opinion that a provision of this Code has been breached, the speaker must-

- (a) Authorise and investigation of the facts and circumstances of the alleged breach
- (b) give the councillor a reasonable opportunity to reply in writing regarding the alleged breach; and
- (c) report the matter to a meeting of the municipal council after paragraph (a) and (b) have been compiled with.

18TH COUNCIL MEETING: 2023-11-29: ITEM 17.6

NOTED

the Disciplinary progress report.

FOR FURTHER DETAILS CONTACT:

NAME	Donovan Muller
POSITION	<i>Manager: Councillor Support</i>
DIRECTORATE	CORPORATE SERVICES
CONTACT NUMBERS	021 808 8314
E-MAIL ADDRESS	<i>Donovan.Muller@stellenbosch.gov.za</i>
REPORT DATE	23 November 2023

18.	REPORTS SUBMITTED BY THE EXECUTIVE MAYOR
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NONE

19.	MATTERS TO BE CONSIDERED IN-COMMITTEE
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SEE PINK DOCUMENTATION

The meeting adjourned at 14:20.

CHAIRPERSON:

DATE:

Confirmed onwith/without amendments.

8.	STATUTORY MATTERS
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8.1	TABLING OF THE DRAFT ANNUAL REPORT 2022/23
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Collaborator No:

IDP KPA Ref No: Good Governance and Compliance

Meeting Date: 17 January 2024 & 24 January 2024

1. SUBJECT: TABLING OF THE DRAFT ANNUAL REPORT 2022/23

2. PURPOSE

- a) To table to Council the Draft Annual Report 2022/23 for consideration and to be released for public comment.
- b) Furthermore, it is also the purpose of this submission, after the adoption of the Draft Annual Report 2022/23 by the Council, to refer the Draft Annual Report 2022/23 to the Municipal Public Accounts Committee (MPAC) to fulfil the role of an Oversight Committee and to make a recommendation to Council as contemplated in terms of Section 129(1) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA).

3. DELEGATED AUTHORITY

Council.

4. EXECUTIVE SUMMARY

The annual report must be tabled by the executive mayor within seven months after the end of the financial year. The draft annual report must be made public, and the municipal manager must invite the public to provide input into the draft report. It has become a practice for the MPAC to also invite the public to make verbal representations at meetings where the report is being discussed.

A schedule with proposed dates for the MPAC meetings is also attached hereto as **ANNEXURE A**. The Council resolved that MPAC has, as part of its terms of reference, the role of sitting as the Oversight Committee to consider the Draft Annual Report 2022/23.

5. RECOMMENDATIONS

- (a) that the Council takes note of the draft Annual Report 2022/23;
- (b) that the Council takes note that the Municipal Manager will make the draft Annual Report 2022/23 public for comment on the official website of the Stellenbosch Municipality, the local print media, and at the offices of the municipality for 21 days;
- (c) that the commencement of the public participation process will be the date the draft Annual Report 2022/23 is published on the municipal website;
- (d) that the Council refer the draft Annual Report 2022/23 (**ANNEXURE B**) to the MPAC to consider the draft Annual Report 2022/23 and to make a recommendation to the Council as contemplated in terms of Section 129(1) of the MFMA;

- (e) that the Council takes note of the proposed dates for the MPAC meetings where the draft Annual Report 2022/23 will be discussed, as detailed in **ANNEXURE A**. These dates are subject to change. The final dates will be published on the municipality's website and in the local media;
- (f) that the Council approves the MPAC's mandate to co-opt two members of the public with expertise in specific fields to assist and advise the MPAC; and
- (g) that the Council approves that the co-opted members can be remunerated in line with the recommendations of National Treasury Regulation in this regard.

Rates for additional nominated community members as per Treasury Regulation 20.2.2. The once-off preparation tariff was used as a guide since the National Treasury does not have guidance in that regard. Consultation must take place to decide if the rate will remain the same.

Tariff	Number of co-opted Members	Not exceeding no. of hours	Remuneration
Per-hour tariff for attendance of meeting as a member	2	45 hours	R 337.00 per hour
Once-off Tariff for duties performed in preparation	2	6 hours	R 2 698 (for six hours)

6. DISCUSSION

6.1 Background

The MFMA promotes transparency and accountability for the fiscal and financial affairs of all municipalities and municipal entities through in-year and annual reporting. This can be achieved where there is a clear link between the strategic objectives agreed upon with the community, the Integrated Development Plan (IDP), the Budget, the Service Delivery and Budget Implementation Plan (SDBIP), performance agreements of senior management and officials, in-year reports, annual financial statements, the annual performance report, and the annual report.

All this forms one process to ensure that the actual performance is reported against what was planned and contained in the IDP. In this manner, the annual reporting reflects financial and non-financial performance for the financial year that ended and was audited. It is therefore a post-financial year document.

It is necessary to gather and compile a variety of financial and non-financial performance data about the municipality for the annual report. It offers a reliable account of the municipality's operations and results for every financial year. It will eventually function as an important historical document for the town, demonstrating the advancement, expansion, and development of municipal performance and services.

In terms of Section 121(3) of the MFMA, the annual report of a municipality or municipal entity must include the following core components. These core components are normally annexed to the draft annual report:

- a) The Annual Financial Statements as submitted to the AGSA (Section 121(3)(a));
- b) the AGSA's audit report in terms of section 126(3) on those financial statements (Section 121(3)(b));
- c) the annual performance report of the municipality prepared by the municipality in terms of Section 46 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA) (Section 121(3)(c));

-
- d) the AGSA's audit report in terms of section 45(b) of the MSA (Section 121(3)(d)); and
 - e) particulars of any corrective action taken or to be taken in response to issues raised in the audit reports referred to in paragraphs (b) and (d) in the MFMA (Section 121(3)(g)).

The Council should take notice that the draft Annual Report 2022/23 must be submitted to the Council within seven months after the financial year, thereby satisfying Section 127(2) of the MFMA.

Furthermore, the Council should also take notice that the draft Annual Report 2022/23 is complete, as it contains all relevant information and all the core components listed in Section 121(3) of the MFMA.

6.2 Financial Implications

There are no financial implications beyond what was approved in the 2022/23 MTREF Budget.

6.3 Legal Implications

Section 121(3) of the MFMA states that the annual report of a municipality must include—

(a) the annual financial statements of the municipality, and in addition, if section 122(2) applies, consolidated annual financial statements, as submitted to the Auditor-General for audit in terms of section 126(1);

(b) the Auditor-General's audit report in terms of section 126(3) on those financial statements;

(c) the annual performance report of the municipality prepared by the municipality in terms of section 46 of the Municipal Systems Act;

(d) the Auditor-General's audit report in terms of section 45(b) of the Municipal Systems Act;

(e) an assessment by the municipality's accounting officer of any arrears on municipal taxes and service charges;

(f) an assessment by the municipality's accounting officer of the municipality's performance against the measurable performance objectives referred to in section 17(3)(b) for revenue collection from each revenue source and for each vote in the municipality's approved budget for the relevant financial year;

(g) particulars of any corrective action taken or to be taken in response to issues raised in the audit reports referred to in paragraphs (b) and (d);

(h) any explanations that may be necessary to clarify issues in connection with the financial statements;

(i) any information as determined by the municipality;

(j) any recommendations of the municipality's audit committee; and

(k) any other information as may be prescribed.

Section 127(2) of the MFMA states that, “*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 and of any municipal entity under the municipality’s sole or shared control.*”

Furthermore, Section 127(3) of the MFMA states that “*If the mayor, for whatever reason, is unable to table in the council the annual report of the municipality, or the annual report of any municipal entity under the municipality’s sole or shared control, within seven months after the end of the financial year to which the report relates, the mayor must— (a) promptly submit to the council a written explanation referred to in section 133(1)(a) setting out the reasons for the delay, together with any components of the annual report listed in section 121(3) or (4) that are ready; and (b) submit to the council the outstanding annual report or the outstanding components of the annual report as soon as may be possible.*”

6.4 Staff Implications

This report has no additional staff implications for the municipality.

6.5 Risk Implication

None.

6.6 Comments from Senior Management

6.6.1 Director: Community and Protection Services

Supported

6.6.2 Chief Financial Officer

Supported

6.6.3 Director: Infrastructure Services

Supported

6.6.4 Director: Corporate Services

Supported

6.6.5 Director: Planning and Economic Development

Supported

6.6.6 Comments from the Municipal Manager

Supported

RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2024-01-17: ITEM 6.1

- (a) that the Council takes note of the draft Annual Report 2022/23;
- (b) that the Council takes note that the Municipal Manager will make the draft Annual Report 2022/23 public for comment on the official website of the Stellenbosch Municipality, the local print media, and at the offices of the municipality for 21 days;
- (c) that the commencement of the public participation process will be the date the draft Annual Report 2022/23 is published on the municipal website;

- (d) that the Council refer the draft Annual Report 2022/23 (**ANNEXURE B**) to the MPAC to consider the draft Annual Report 2022/23 and to make a recommendation to the Council as contemplated in terms of Section 129(1) of the MFMA;
- (e) that the Council takes note of the proposed dates for the MPAC meetings where the draft Annual Report 2022/23 will be discussed, as detailed in **ANNEXURE A**. These dates are subject to change. The final dates will be published on the municipality's website and in the local media;
- (f) that the Council approves the MPAC's mandate to co-opt two members of the public with expertise in specific fields to assist and advise the MPAC; and
- (g) that the Council approves that the co-opted members can be remunerated in line with the recommendations of National Treasury Regulation in this regard.

Rates for additional nominated community members as per Treasury Regulation 20.2.2. The once-off preparation tariff was used as a guide since the National Treasury does not have guidance in that regard. Consultation must take place to decide if the rate will remain the same.

Tariff	Number of co-opted Members	Not exceeding no. of hours	Remuneration
Per-hour tariff for attendance of meeting as a member	2	45 hours	R 337.00 per hour
Once-off Tariff for duties performed in preparation	2	6 hours	R 2 698 (for six hours)

ANNEXURES

Annexure A: Schedule of MPAC Meetings
Annexure B: Draft Annual Report 2022/23

FOR FURTHER DETAILS CONTACT:

NAME	<i>Geraldine Mettler</i>
POSITION	<i>Municipal Manager</i>
DIRECTORATE	<i>Office of the Municipal Manager</i>
CONTACT NUMBERS	<i>021 808 8025</i>
E-MAIL ADDRESS	<i>mm@stellenbosch.gov.za</i>
REPORT DATE	<i>09 January 2024</i>

ANNEXURE A



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DRAFT MPAC MEETING SCHEDULE TO REVIEW THE DRAFT ANNUAL REPORT 2022/23

Date:	05, 07, 09, 19, 20 and 29 February
Time:	09:00
Venue:	Townhall
Objectives	
<ol style="list-style-type: none"> To discuss and evaluates the content of the Draft Annual Report 2022/23; and To ensure a credible annual and oversight report is recommended to Council for approval. 	

Date	Time	Activity	Responsible Officials
05 February 2024	09:00 – 10:00	Orientation	To be confirmed
	10:00 – 13:00	Review of Chapters 1, 2 and 3	MPAC and MM
07 February 2024	09:00 – 13:00	Review of chapters 4, 5 and 6	MPAC and MM
09 February 2024	10:00 – 12:00	Public Hearing	MPAC / Public / Council
19 February 2024	09:00 – 09:30	Feedback discussion on Chapters	Office of the MM: IDP/PMS/PP
	09:30 – 10:30		Directorate: Corporate Services MM, Director: Corporate Services and Snr Managers
	10:30 – 11:30		Directorate: Financial Services MM, CFO and Snr Managers
	11:30 – 12:30		Directorate: Infrastructure Services MM, Director: Infrastructure Services and Snr Managers
	12:30 – 13:30		Directorate: Planning and Economic Development MM, Director: Planning and Economic Development and Snr Managers
	13:30 – 14:30		Directorate: Community and Protection Services MM, Director: Community and Protection Services and Snr Managers
20 February 2024	09:00 – 12:00	Site Visit	MPAC
29 February 2024	09:00 -10:00	Signing off on Oversight Report 2022/23	MPAC

Cllr W Pietersen
MPAC Chairperson

ANNEXURE B



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DRAFT ANNUAL REPORT

2022/23

The Draft Annual Report is compiled in terms of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003)

List of Abbreviations

Abbreviation	Description
ABS	Access to Basic Services
ACDP	African Christian Democratic Party
AGSA	Auditor-General of South Africa
AH	Agri-Hub
AMEU	Association of Municipal Electricity Utilities
ANC	African National Congress
ANPR	Automatic Number Plate Recognition System
APAC	Audit and Performance Audit Committee
ATC	Adam Tas Corridor
BAC	Bid Adjudication Committee
BBBEE	Broad-Based Black Economic Empowerment
BEC	Bid Evaluation Committee
BICLS	Bulk Infrastructure Development Contribution Levies
BPAMS	Building Plan Approval Management System
CAC	Civic Amenity Centre
CAPEX	Capital Expenditure
CBD	Central Business District
CBP	Community-Based Planning
CCTV	Closed Circuit Television
CDW	Community-Development Worker
CEB	Compressed Earth Block
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CGI	Compliance and Governance Index
CIGFARO	Chartered Institute of Government Finance, Audit and Risk Officers
CITP	Comprehensive Integrated Transport Plan
CoCT	City of Cape Town
COGTA	Cooperative Governance and Traditional Affairs
COPE	Congress of the People
CRSES	Centre for Renewable and Sustainable Energy Studies
CWDM	Cape Winelands District Municipality
DA	Democratic Alliance
DAG	Development Action Group
DC	Development Cost
DCAS	Department of Cultural Affairs and Sport
DEA and DP	Department of Environmental Affairs and Development Planning
DEDAT	Department of Economic Development and Tourism
DEFF	Department of Environment, Forestry and Fisheries
DOE	Department of Education
DORA	Division of Revenue Act
DSD	Department of Social Development
DWS	Department of Water and Sanitation
ECD	Early Childhood Development

Abbreviation	Description
EE	Employment Equity
EHP	Emergency Housing Policy
EIA	Environmental Impact Assessment
EPWP	Expanded Public Works Programme
ESTA	Extension of Security of Tenure Act
FBAR	Final Basic Assessment Report
FPSU	Farmer Production Support Unit
GAMAP	Generally Accepted Municipal Accounting Practice
GDP-R	Gross Domestic Product - Regional
GRAP	Generally Recognised Accounting Practice
HCE	Housing Consumer Education
HDA	Housing Development Agency
HR	Human Resources
HSDG	Human Settlements Development Grant
IBR	Inverted Box Rib
ICT	Information and Communication Technology
IDP	Integrated Development Plan
IFRS	International Financial Reporting Standards
iGRAP	Interpretations of Standards of Generally Recognised Accounting Practice
IHSP	Integrated Human Settlement Plan
IIC	Infrastructure Innovation Committee
IMATU	Independent Municipal Trade Union
IMESA	Institute of Municipal Engineers of South Africa
IMFO	Institute for Municipal Finance Officers
INEP	Integrated National Electrification Programme
IPC	Integrated Planning Committee
IPPS	Independent Power Producers
IRDP	Integrated Residential Development Programme
ISAMAO	Institute of South African Municipal Accounting Officers
ISSP	Informal Settlement Support Programme
IUDG	Integrated Urban Development Grant
IWA	International Water Association
IWAA	Integrated Water Availability Assessment
IWMP	Integrated Waste Management Plan
IZS	Integrated Zoning Scheme
JPI	Joint Planning Initiative
JSE	Johannesburg Stock Exchange
KIWMF	Kraaifontein Integrated Waste Management Facility
KPA	Key Performance Area
KPI	Key Performance Indicator
LED	Local Economic Development
LETRP	Large Employer Trip Reduction Programme
LGMTEC	Local Government Medium Term Expenditure Committee
LGSETA	Local Government Sector Education and Training Authority

Abbreviation	Description
LM	Local Municipality
LR	Labour Relations
LUMS	Land Use Management System
LUPA	Land Use Planning Act
LUPO	Land Use Planning Ordinance
MAYCO	Executive Mayoral Committee
MERO	Municipal Economic Review Outlook
MFMA	Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003)
MGRO	Municipal Governance Review and Outlook
MIG	Municipal Infrastructure Grant
MILE	Municipal Institute of Learning
MINMAY	Provincial Ministers, Provincial Heads of Departments, Mayors and Municipal Managers
MIQ	Municipal Data and Intelligence
MM	Municipal Manager
MMC	Member of the Mayoral Committee
MMF	Municipal Managers Forum
MOBI	Municipal Benchmarking Initiative
MOU	Memorandum of Understanding
MPAC	Municipal Public Accounts Committee
MPC	Multipurpose Centre
MPI	Municipal Productivity Index
MRF	Material Recovery Facility
MSA	Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000)
mSCOA	Municipal Standard Chart of Accounts
mSDF	Municipal Spatial Development Framework
MTAB	Metropolitan Transport Advisory Board
MTECH	Medium Term Expenditure Committee
MVA	Mega Volt Amp
NDP	National Development Plan
NDOHS	National Department of Human Settlements
NDoPW&I	National Department of Public Works and Infrastructure
NDPW	National Department of Public Works
NEMA	National Environment Management Authority
NGO	Non-Governmental Organisation
NHBRC	National Housing Building Regulation Council
NMT	Non-Motorised Transport
NPO	Non-Profit Organisation
NRTLEC	National Road Traffic Legislation Enforcement Code
NT	National Treasury
OHS	Occupational Health and Safety
OPEX	Operating Expenditure
PDO	Predetermined Objectives
PDoHS	Provincial Department of Human Settlement
PIE	Prevention of Illegal Evictions

Abbreviation	Description
PMS	Performance Management System
PID	Project Initiation Document
PPDO	Provincial Predetermined Objectives
PPP	Public Private Partnership
PRASA	Passenger Rail Agency of South African
PSDF	Provincial Spatial Development Framework
PSP	Provincial Strategic Plan
PT	Provincial Treasury
RBIG	Regional Bulk Infrastructure Grant
REFSO	Renewable Energy Finance and Subsidy Office
RTIA	Road Traffic Infringement Agency
RTMC	Road Traffic Management Corporation
RTS	Refuse Transfer Station
RUMC	Rural-Urban Market Centre
SAB	South African Breweries
SABS	South African Bureau of Standards
SALGA	South African Local Government Association
SAMDI	South African Management Development Institute
SAMRAS	South African Municipal Resource Accounting System
SAMWU	South African Municipal Workers Union
SANEDI	South African National Energy Development Initiative
SANS	South Africa National Standards
SAPS	South African Police Service
SASSA	South African Social Security Agency
SCA	Stellenbosch Civic Association
SCMU	Supply Chain Management Unit
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Spatial Development Framework
SEDA	Small Enterprise Development Agency
SITA	State Information Technology Agency
SMME	Small Medium Micro Enterprises
SMS	Short Message Service
SOP	Standard Operating Procedure
SPA	Stellenbosch People's Alliance
SPLUMA	Spatial Planning and Land Use Management Act
SPV	Special Purpose Vehicles
SSI	Stellenbosch Safety Initiative
STOD	Sustainable Transit-Oriented Development Plan
SU	Stellenbosch University
SWWTW	Stellenbosch Wastewater Treatment Works
TASK	Tuned Assessment of Skills and Knowledge
TIATCP	Technical Innovation Agency Technical Centre Programme
VTS	Vehicle Testing System
WC	Western Cape

Abbreviation	Description
WCO24	Greater Stellenbosch
WCWDM	Water Conservation and Water Demand Management
WCWSS	Western Cape Water Supply System
WMO	Waste Management Officer
WoF	Working on Fire
WRC	Water Research Commission
WTP	Water Treatment Plan
WWF	World Wildlife Fund

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CHAPTER 1: EXECUTIVE MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: EXECUTIVE MAYOR'S FOREWORD



It is a privilege to present the Annual Report of Stellenbosch Municipality for the 2022/23 financial year. This report continues the tradition of the municipality's transparent reporting and aligns with the latest governance standards, including the 2016 King Report on Corporate Governance for South Africa (King IV) and international integrated reporting standards.

The dedication of both our municipal team and our residents, who have embraced our vision of transforming into a true Valley of Opportunity and Innovation, has inspired me in my role as Executive Mayor over the previous financial year.

Our municipality, with its diverse towns, remains a beacon for the rest of South Africa, demonstrating what can be achieved through collaborative efforts towards a shared vision of a better future.

I extend my gratitude to the residents, stakeholders, investors, and visitors for their ongoing support and constructive engagement. Your commitment keeps us accountable and propels us forward in realising our goals.

Building on the accomplishments of the previous financial year, often in the face of significant challenges, I am confident that together the municipality will continue to make substantial progress in the years ahead. The Stellenbosch Municipality, both in its management and political dimensions, stands resilient, providing a solid foundation to enhance the well-being of our community.

This report offers insights into the municipality's financial, operational, social, and environmental performance from 01 July 2022 to 30 June 2023. It also reflects on our progress towards the objectives outlined in the Integrated Development Plan (IDP).

Stellenbosch Municipality maintains a robust position with stringent financial controls and a commitment to good governance. Our unwavering stance against misconduct and corruption ensures that every public penny contributes to the welfare of our citizens.

The Council remains steadfast in prioritising the maintenance, upgrade, and development of our infrastructure. Special attention has been given to bulk infrastructure upgrades and critical infrastructure maintenance to ensure sustainable service delivery.

Team Stellenbosch's resilience and collaborative spirit, both within the government and among residents, are commendable. I extend my appreciation to every municipal employee contributing to excellent service delivery, making our municipality even greater. May this report inspire us all to intensify our efforts to position Stellenbosch as one of the best-run and financially stable municipalities in the country.

The content of this report aligns with key deliverables in the municipality's IDP and sector plans, reflecting our commitment to addressing challenges within our strategic focus areas and long-term vision.

I believe the 2022/23 Annual Report provides a comprehensive overview of the administration's financial, operational, social, and environmental performance for the past 12 months.

ADV GESIE VAN DEVENTER
EXECUTIVE MAYOR

COMPONENT B: MUNICIPAL MANAGER'S OVERVIEW



As we reflect on the accomplishments and challenges of the 2022/23 financial year, I am delighted to share that Stellenbosch Municipality has demonstrated commendable performance in service delivery, governance, and financial management.

The past year brought both trials and triumphs, with challenges like loadshedding testing the resilience of our residents, officials, management team, and stakeholders. Despite these hurdles, we collectively emerged stronger and more united.

This report offers insights into the municipality's performance over the past 12 months, highlighting our ability to navigate challenges

and maintain essential services.

While unavoidable delays affected construction projects, essential municipal service delivery and emergency services remained uninterrupted. The transition between the two councils during the local government election was seamless, a testament to the maturity of our organisation and its leadership.

I take pride in the clean audit opinion once again received from the Auditor General of South Africa (AGSA). This achievement reflects good management, effective control measures, and compliance with audit requirements. My heartfelt appreciation goes to the management team, officials, and the Council for their dedication to maintaining our clean audit status.

The Draft Annual Report for 2022/23 highlights the fiscal health of Stellenbosch Municipality, with all senior management positions filled and all municipal departments fully operational, albeit with some capacity constraints in our planning department.

Our caring local government has continued to make sizable investments in infrastructure development, maintenance, and upgrades under the guidance of our values of innovation, integrity, accountability, and transformation. Key priorities include safety and security, ensuring dignified living opportunities, and fostering an environment conducive to economic growth.

Our commitment is not rooted in promises but in measurable outcomes. We remain open to resident scrutiny, monitoring commitments, and taking action if they are unfulfilled. My gratitude to all municipal employees, management, and executives for their diligence, passion, and hard work over the past year. It is an honour to be part of a municipality dedicated to making a positive difference in the lives of its constituents.

I extend special thanks to our directors and senior management for their exemplary leadership and guidance. Your strategic vision has been instrumental in navigating the challenges faced and achieving the successes outlined in this report.

Stellenbosch is steadfast in overcoming these challenges that are within our control despite a challenging economic environment that includes higher-than-normal inflation, supply chain disruptions, the effects of climate change, and energy security issues. Collaboration with stakeholders will be instrumental in building resilience.

I extend sincere appreciation to the Executive Mayor and Mayoral Committee, the entire Council, the Audit and Performance Audit Committee (APAC), my management team, and all officials for their contributions towards realising our vision of becoming a true Valley of Opportunity and Innovation for all.

May this Draft Annual Report 2022/23 serve as a reflection on the past year's challenges and achievements, motivating us to strive for even greater accomplishments as we navigate the future together.

MS GERALDINE METTLER
MUNICIPAL MANAGER

COMPONENT C: EXECUTIVE SUMMARY AND MUNICIPAL OVERVIEW

1.1 Introduction

The Stellenbosch Municipal Draft Annual Report 2022/23 addresses the performance of the Stellenbosch Municipality in the Western Cape, South Africa, concerning its core legislative obligations. Local government must create a participatory framework that defines and enhances the relationship between elected leaders and their communities. This requires that the municipal councils provide regular and predictable reporting on programme performance and the general state of affairs in their locality.

The report reflects on the performance of the Stellenbosch Municipality for the period of 01 July 2022 to 30 June 2023. The layout of the annual report is prepared in terms of Section 121(1) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA), in terms of which the municipality must prepare for each financial year.

The Annual Report comprises six chapters with the following broad overview:

- ⚖ **Chapter 1:** An overview of the municipality's overarching strategy, accountability processes, social and demographic profile, and key highlights and challenges regarding finance, institutional transformation, and key basic service delivery.
- ⚖ **Chapter 2:** Details about the governmental workings of the municipality and addressing the key aspects of good governance.
- ⚖ **Chapter 3:** Highlights the municipality's performance for the year, with a focus on service delivery and the municipality's predetermined objectives.
- ⚖ **Chapter 4:** Provides insight into the municipality's human resources and organisational management areas, focussing on organisational structure and legislation.
- ⚖ **Chapter 5:** An overview of the municipality's financial performance, reflecting on the municipality's financial position, assets, cash flow, and intergovernmental grants received by the municipality.
- ⚖ **Chapter 6:** An overview of the audit key findings as per the Auditor-General of South Africa.

The purpose is to establish a transformed and well-governed municipal environment that remains robust and will continue to stimulate the growth and well-being of the constituents of the Stellenbosch municipal areas.

STRATEGIC OVERVIEW

Vision, Mission, and Values



1.2 Strategic Focus Areas

The strategic focus areas within a municipality are the building blocks of the Council's strategy. The focus areas, as depicted in the diagram below, illustrate the expansion of the vision statement and create structure around how the municipality will achieve its strategic goals.

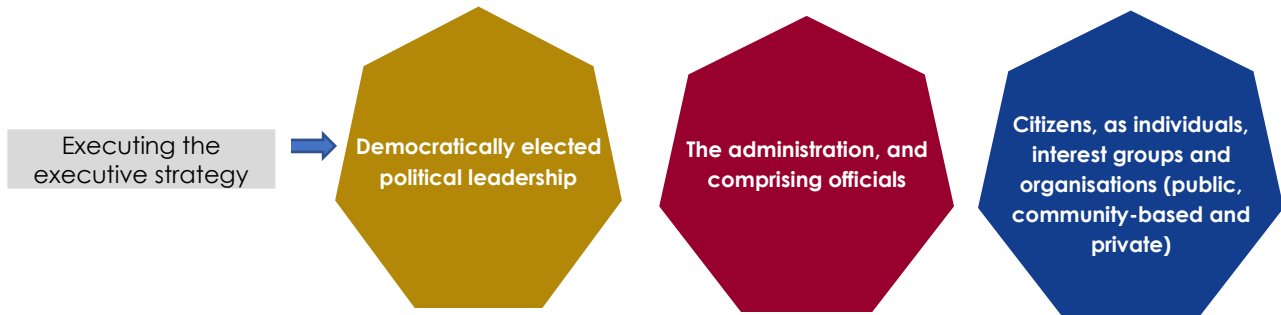
Table 1: Strategic focus areas

<p>SFA 1: Valley of Possibility</p>	<p>Predetermined Objectives</p> <ol style="list-style-type: none"> 1.1 Create an environment conducive to business development and job creation. 1.2 To facilitate and coordinate support for emerging entrepreneurs by utilising internal SCM processes and linking SMMEs with opportunities in the market. 1.3 To provide, upgrade, and maintain an effective engineering infrastructure to support effective service delivery. 1.4 To ensure the provision of non-motorised transport routes as a functional mode of transport.
<p>Predetermined Objectives</p> <ol style="list-style-type: none"> 2.1 Managing human use of the biosphere and its resources. 2.2 Enhancing the integrity of the environment is imperative for long-term sustainability. 2.3 Incorporating biodiversity into the environment is an imperative for long-term sustainability 2.4 Ensuring spatial sustainability. 2.5 Facilitate the efficient use of all forms of capital available to Stellenbosch. 2.6 Building human capacity and ability. 2.7 Efficient information management. 	<p>SFA 2: Green and Sustainable Valley</p>
<p>SFA 3: Safe Valley</p>	<p>Predetermined Objectives</p> <ol style="list-style-type: none"> 3.1 To implement an integrated safety strategy that incorporates multi-stakeholder engagement and social crime preventions. 3.2 To develop and implement institutional crime prevention strategies, with a focus on improved law enforcement and neighbourhood watches.
<p>Predetermined Objectives</p> <ol style="list-style-type: none"> 4.1 To develop and maintain sustainable human settlements that will meet the diverse range of housing needs. 4.2 To develop and implement a social infrastructure master plan for the upgrading and maintenance of social facilities in all wards. 4.3 To involve and build the capacity of stakeholders in the planning and management (governance) of the areas where they live. (Promote participatory planning and integrated implementation). 4.4 To provide access to basic services for households in the WC024 area. 	<p>SFA 4: Dignified Living</p>
<p>SFA 5: Good Governance and Compliance</p>	<p>Predetermined Objectives</p> <ol style="list-style-type: none"> 5.1 To develop, align, and implement effective management information systems. 5.2 An effective asset management system to optimise the use of municipal assets. 5.3 To manage integrated development planning and the efficient measurement of predetermined objectives as per the regulatory framework. 5.4 To involve the community in the planning and management of programmes and projects impacting their ward(s). 5.5 To review municipal governance processes as per the Risk-Based Audit Plan 5.6 A skilled and capable workforce that supports the growth objectives of the municipal area 5.7 A responsive, accountable, effective, and efficient local government system 5.8 To implement an effective revenue management system. 5.9 To provide accurate and relevant financial information for decision-making. 5.10 To develop and implement a responsive, accountable, effective, and efficient customer care structure and system.

1.3 Core Principles in Executing the Strategy

This section refers to the linkage between political leadership, the administration, and the community. The diagram below illustrates the three components a municipality should encompass:

Figure 1: Core principles for executing the strategy



For sustainable municipal management, political leadership and the administration must work together. Ultimately, democratically elected political leadership is responsible for policy direction. The administration provides advice and implements policy.

International best practice shows that the only way to carry out sustainable urban management is to engage in meaningful partnerships with communities, where communities take full responsibility for the development of their neighbourhoods. Stellenbosch Municipality is committed to ensure that the real social and economic development of its poorest communities is realised through extensive community input and ownership.

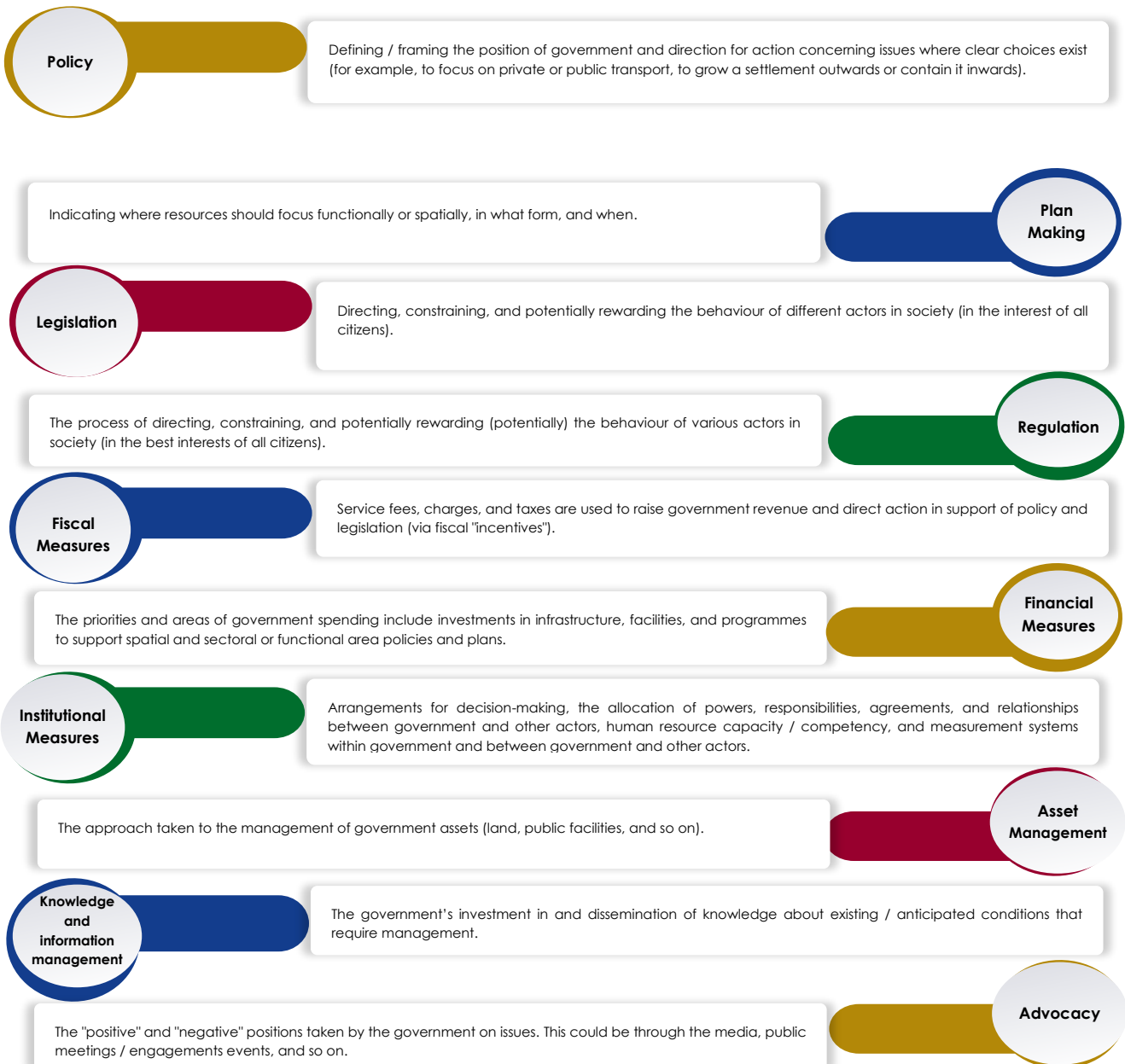
A component of community participation focuses on ward-based planning, where the desired outcome is to have a ward-based plan for each of the 22 wards. Ward-based plans are a form of participatory planning designed to promote community action with clear linkages to the IDP. These plans mobilise communities and citizens to take responsibility for their destinies and capture what communities see as their desired outcomes. These plans also help to fast-track the implementation of the IDP. This ensures that the focus areas of the IDP become the collective responsibility of community members, ward councillors, ward committees, the business community, NGOs and CBOs, and all other stakeholders in the greater Stellenbosch.

Participatory processes present an opportunity for visionary local leaders to implement a shared agenda and show tangible and measurable results through collectively addressing the ward priorities.

1.4 Alignment with Institutional Structures and Processes

The municipality focuses on prudent arrangements that provide internal and external alignment with its organisational strategies. This best supports the execution of the long-term goals and purposes, which require all stakeholder engagements, both external and internal, to be aligned with and committed to achieving the vision of the organisation. The administration strongly focuses on action against deliverables, which in turn creates effectiveness and efficiency in decision-making as well as delivering services to all citizens.

1.5 The tools of governance

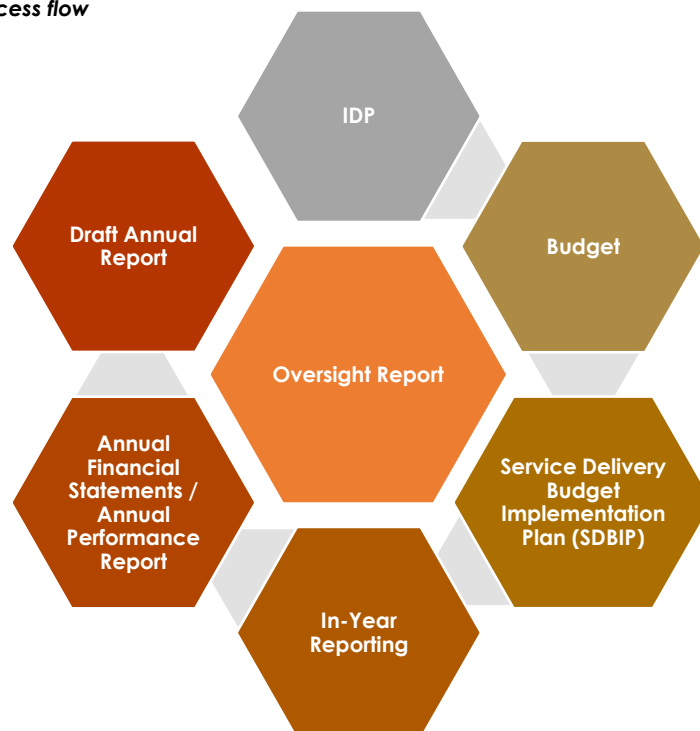


Planning techniques are used to bridge the gap between local experiential knowledge, the technical needs of strategy development, and the demand for strategic frameworks to be ready to cope with rapid decision-making to reduce the risk of unforeseen issues.

Through extensive, organised information-sharing and planning workshops, this procedure aims to establish a starting position about how to guide the development and administration of the town. The strategy becomes the overarching strategic framework, which is then built on with technical work.















To ensure alignment between the Council's strategic processes is adhered to, the municipal accountability cycle needs to be implemented:

Figure 2: Accountability Process flow



1.6 Demographical Overview of the Greater Stellenbosch at a Glance

Table 2: Socio-economic summary

Population Estimates, 2022		Actual households, 2021			
	Population 175 411		Households 59 626		
Education		2022		Poverty	2022
	Matric Pass Rate	84.7%		Gini-Coefficient	0.61
	Learner Retention Rate	82.0%		Poverty Head Count Ratio (UBPL)	66.68%
	Learner-Teacher Ratio	26.7			
Health					2021/22
	Primary Health Care Facilities	Immunisation Rate	Maternal Mortality Ratio (per 100 000 live births)	Teenage Pregnancies – Delivery rate to women U/18	
8 (excl. mobile / satellite clinics)		64.5%	60.2	12.5%	
Safety and Security		The annual number of reported cases in 2022/23			
	Residential Burglaries	DUI	Drug-related Crimes	Murder	Sexual Offences
869		251	1 463	77	207
Access to Basic Service Delivery		Percentage of households with access to basic services, 2022/23			
Water in dwelling	Refuse Removal	Electricity	Sanitation	Housing	
86.4% 	87.3% 	96.9% 	96.8% 	87.3% 	
Road Safety 2021/22		Labour, 2023		Socio-economic Risks	
Fatal Crashes	31	Unemployment Rate (narrow definition)	15.2%	Risk 1	Job Losses
Road User Fatalities	39			Risk 2	Low learner retention
				Risk 3	Low skills base (Labour)
Largest 3 sectors		Contribution to GDP, 2020			
Finance, insurance, real estate and business services		Wholesale and retail trade, catering and accommodation		Manufacturing	
25.7% 		18.1% 		17.2% 	

Source: Western Cape Local Government Social-Economic Profile 2022 and 2023 (Stellenbosch Municipality)
Statistics South Africa 2022

1.7 State of the Greater Stellenbosch

Stellenbosch Municipality is located at the edge of the City of Cape Town but still manages to retain its distinct small-town character. This undoubtedly gives Stellenbosch a strong competitive advantage – sharply contrasting with similarly sized towns located 400 km or more from the nearest metropolis. Aside from being a mere 50 km from Cape Town's central business district (CBD) and being flanked by the N1 and N2 main routes, Stellenbosch is also just 30 km away from the sea (at Somerset West / Strand) and only a few kilometres away from one of the most attractive mountain ranges of the Boland.

In addition, Stellenbosch is a mere 28 km from Cape Town International Airport, one of South Africa's top (air) links to the global economy, and not much further away from Cape Town harbour, the shipping portal to both the Atlantic and the Indian Oceans.

This convergence of environmental resources, scenic quality and business opportunities has two other mutually reinforcing spin-offs: The largest number of JSE-listed companies based in any small South African town have their headquarters in Stellenbosch and the town is home to a disproportionately high number of corporate CEOs and executives, which in turn means that it can sustain a comparatively high level of economic activity and consumer services for a town of its size. This results in other benefits throughout the value-add chain and for employment. The municipal area covers approximately 900 km².

The municipality's area of jurisdiction includes the towns of Stellenbosch and Franschhoek, as well as several rural communities such as Wemmershoek, La Motte, De Novo, Kylemore, Pniël, Johannesdal, Lanquedoc, Groot Drakenstein, Muldersvlei, Klappmuts, Elsenburg, Raithby, Jamestown, Koelenhof and Vlottenburg (most with a population of less than 5 000). Apart from formal settlement areas, the municipal area also includes several informal settlements.

Stellenbosch town is the second oldest town in South Africa, dating back to 1679 when an island in the Eerste River was named Stellenbosch by the then Governor of the Cape, Simon van der Stel. The first farming activities in the area were started in 1679. Today, the area has become primarily known for its extraordinary wines and fruits. The towns of Stellenbosch and Franschhoek are renowned for various architectural styles such as Dutch, Georgian, and Victorian, which reflect their heritage and traditions, but also divisions of the past.

The area houses excellent educational institutions, including the University of Stellenbosch and several prestigious schools. It has a strong business sector, varying from major South African businesses and corporations to smaller enterprises and home industries. The tourism industry alone is responsible for the creation of about 18 000 jobs in the area. Wine farms and cellars abound, and the area is the home of the very first Wine Route in South Africa.

Map 1: Divisional map of Stellenbosch



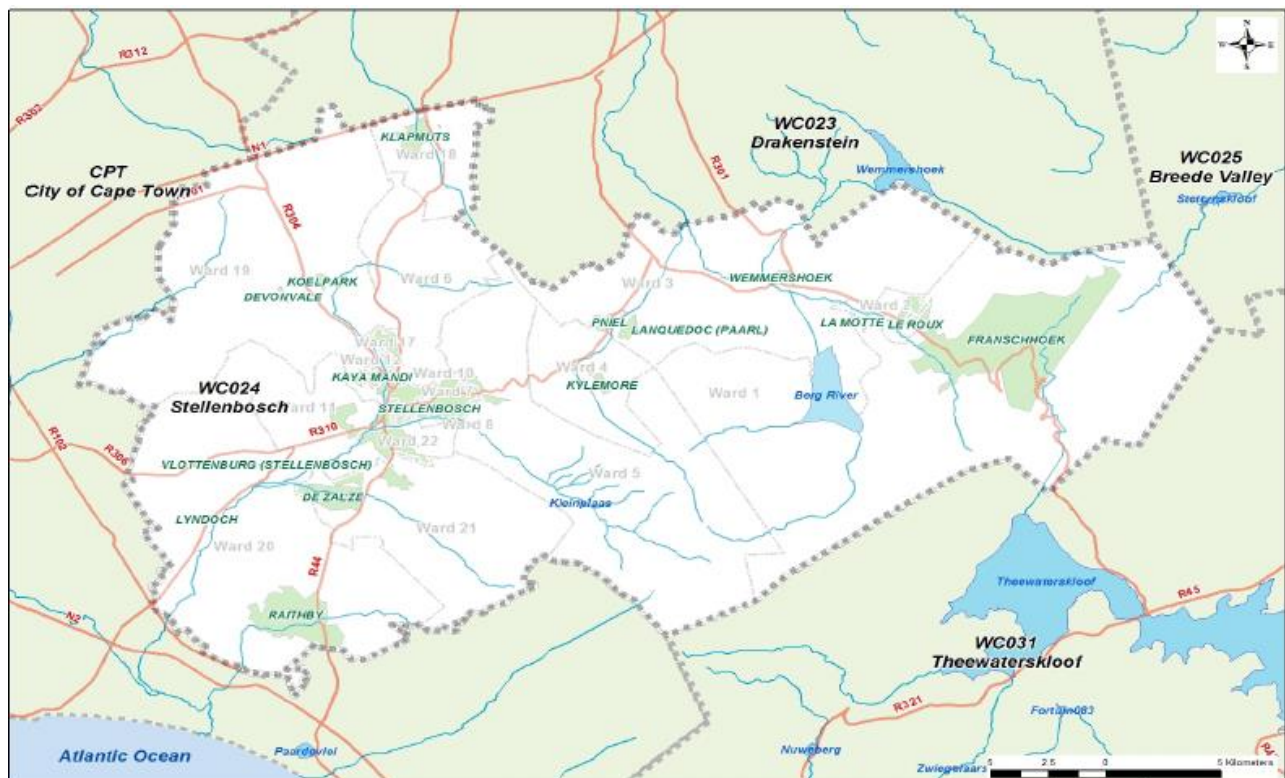
A variety of sports facilities are available. Coetzenburg, with its athletics and rugby stadiums, has delivered star performances over many generations. The municipal area is surrounded by arts and culture characters such as the Adam Small Theatre, Oude Libertas Amphitheatre (renowned for its summer season of music, theatre, and dance), Spier Amphitheatre, as well as Klein Libertas Theatre, Dorp Street at Theatre, and Aan de Braak Theatre.

The following municipalities share their borders with Stellenbosch Municipality:

- 🚦 The City of Cape Town (South);
- 🚦 Drakenstein Municipality (North);
- 🚦 Breede Valley Municipality (North-East); and
- 🚦 The Theewaterskloof Municipality (South-West).

Below is a map of the Stellenbosch Municipality's area of jurisdiction:

Map 2: Locality map of municipal boundaries



1.8 Ward Demarcation

The ward demarcation was structured according to the election outcomes on 01 November 2021 which increased from 22 to 23 wards for the year under review.

Table 3: Municipal Ward Demarcation

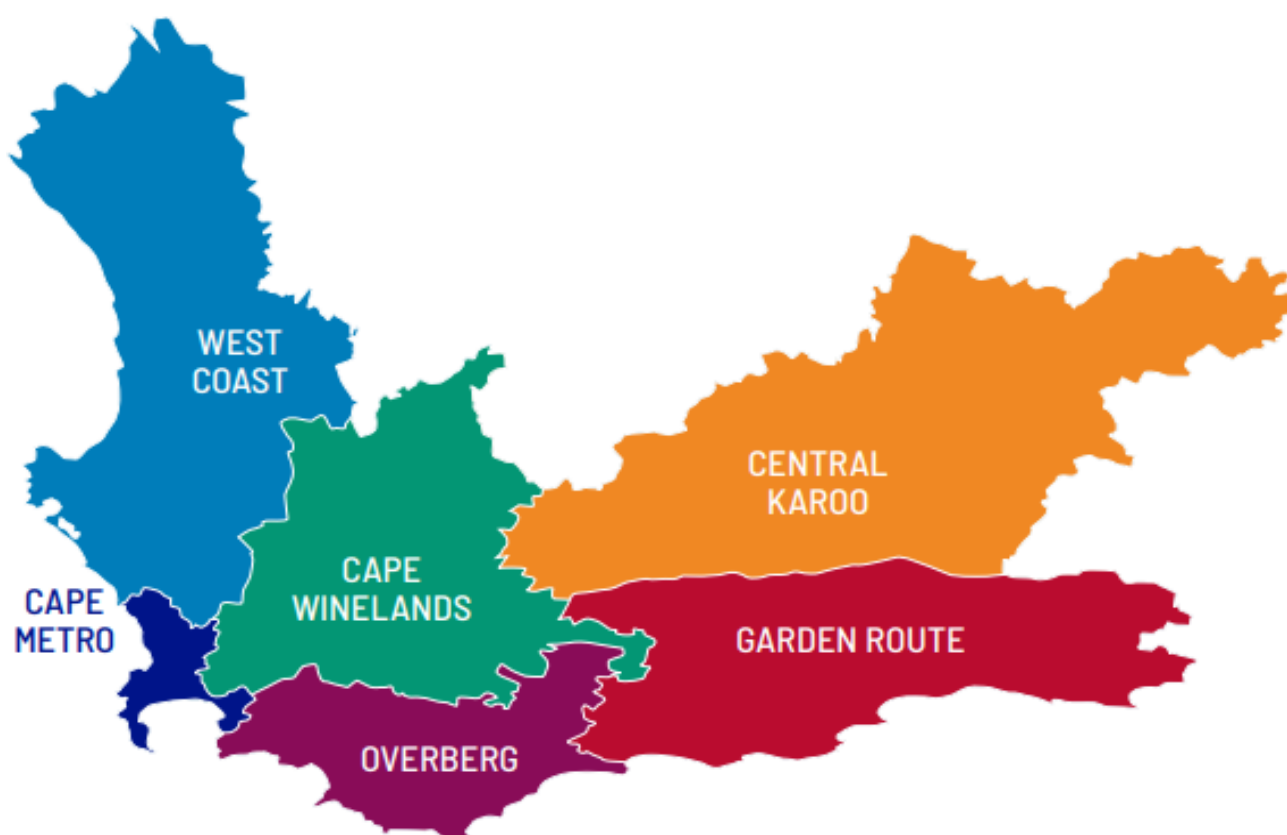
Ward	Areas
1	Mooiwater, Franschhoek Town and Surrounding Farms
2	Langrug, La Motte, Dennegeur, Groendal, Domaine des Anges
3	Lanquedoc, Meerlust, Wemmershoek to La Motte Wine Farm and Leopards Leap Wine Farm, Maasdorp
4	Kylemore, Johannesdal, Priël and Surrounding Farms
5	Ida's Valley (Hillside Village, La Gratitude Park (Kreefgat), The Ridge, La Roche, Lindida, Bloekomlaan (Moses / Martin) Lindley)
6	The Hydro, Rustenberg and Surrounding Farms, Kelsey Farm
7	Mostersdrift, Karindal, Rozendal, Uniepark, Simanswyk and Universiteitsoord
8	Stellenbosch University campus and university residence area; Coetzenburg, (partially;) Koloniesland, Victoria street, Bosman street, Noordwal east, Riebeck street
9	Stellenbosch CBD, Part of the US campus (residential areas within both these areas), the Southern border is the Eerste River, the Northern border is Merriman Street, the Eastern border is Die Laan and the Western border is Bird Street
10	Tenantville, Lakay Street, Titus Street, Langsuid Street up to Lakay Street, Tennant Street, Lapan Street, Bell Street, Bird Street, La Colline (Dr Malan Street, Dan Pienaar Street, Paul Roos Street, Tobruk Park, Irene Park, La Colline Road, Conde Street, Taylor Street, Mount Albert Street), Kromrivier Road, Jan Celliers Street, Hammanshand, Ds Botha Street, Voorplein Street, Bird Street, Langenhoven Street, Du Toit Station, Ryneveld Street, Karee Street, Oliehout Street, Banghoek Rd, Acedemia, Bosman Street, Smuts Rd, Joubert Street, De Beer Rd, De Villiers Rd from Ryneveld Street to Cluver Rd on the left-hand side
11	Boundaries of the ward are: Kridge Rd, Herte Street, Skone Uitsig Rd onto Alexander Street onto Du Toit Street toward Merriman Avenue towards Adam Tas Rd onto George Blake Street, Mark Street, Distillery Rd, Santhagen Rd, Swawel Avenue, Kanarie Rd, Tarentaal Rd, Bokmakierie Rd, Fisant Rd, Devon Valley Rd, Kiewiet Rd, Dagbreek Rd, Pelikaan Street, Patrys Rd, Hammerkop Rd, Loerie Rd, Muldersvlei Landgoed, and all areas in Onder Papegaaiberg and businesses
12	Kayamandi: Zone A, Chris Hani Drive, 10th and 13th Street, School Crescent, Snake Valley, Enkanini, Watergang, Watergang TRA 2 and Watergang Informal Settlements
13	Kayamandi: Zone J, Red Bricks, Zone K and L, Hostels, Dairy and University Hostels, Old Bricks Houses Red Roofs, Zwellitsha, Costaland
14	Kayamandi: Zone P, I, F, D and O, Costaland, Marikana, Watergang, Smarties (Mgabadel Street), Monde Crescent
15	Kayamandi: Zone M, N, O, 4 th and 5 th Avenue, 10 th , 12 th and 14 th Street, Long Street, Retreat Street, Forest Drive
16	The borders are Tenant Rd, Long Street, Crombi Rd to the end of Gabriels Rd. Asalea Rd, 2nd Road, Noble Rd, Bailey Rd, Eike Street, Curry Street, Hoop Rd, Pansy Rd, West Rd, Laai Rd, Anthony Rd, Carriem Rd, Archilles Rd, Bergstedt Rd, Davidse Rd, Cupido Rd, Pearce Rd, Robyn Rd, Gonzalves Rd, Hercules Rd, Chippendale Rd, Afrika Rd, Arnolds Rd, September Rd, Jakaranda Street, Short Rd, Quarry Rd, Middle Rd, Primrose Street, Pine (Bo en Onder), North End, Vredelust, Gemsbok, Daffodil Single, Steps, Sylvia Street, Eiland Street, Last Street (White City), Frikkadel Dorp, September Street
17	A part of Cloetesville (Lakay Rd towards Langstraat -Suid Rd, Kloof Street, Fir Street, Fontein Rd, Williams R towards Gabriels Rd towards February Rd, Valentyn Rd, Pool Rd, Raziet Rd, Orfell Rd, Rhode Rd, King Rd, Hine Rd, Hendrikse Rd, Rhode Rd), as well as Welgevonden, Green Oaks, Stellita Park, Weltevrede, Welgevonden Estate (Red Oak Rd, Belladonna Street, Wildeklawer Welgevonden Boulevard, Olive Rd, Sonnedou Rd, Mountain Silver Rd, Silver Oak Rd, Froetang Rd, Katbos Rd, Everlasting, Fynbos Street, Sourfig Street, Scarlet Crescent, Pin Oak Street, Evergreen, Autumn Close, Nenta, Cherrywood, Candelabra, Froetang, Candelabra, Kouter, Protea Street, Minaret, Gooseberry, Honeybush), Klein Welgevonden (La Belle Vie, Chablis) and the Municipal Flats in Rhode, Kloof and Long Streets, Bertha Wines and Weltevreden Estate, 15 Weltevreden Estate.) The borders of the ward are the R44 Klapmuts Road and Long Streets.
18	Klapmuts Town Centre, Bennitsville, Weltevrede Park, Klapmuts New Houses, Mandela City and La Rochelle Informal Settlement, Klapmuts Farms (The Purple Windmill, Arra Vineyards, Hidden Gems Wines, Gravel Junction Wine and Spirits Company, Wine Estate Le Bonheur, Anura Vinyard, Dalewood Farms, Blueberry Bar, Klapmuts Transfer Station, Trophy SA, DKL Transport Pty, Welgelee Estate).

Ward	Areas
19	De Novo, Kromme Rhee, Vaaldraai, Muldersvlei, Koelenhof and surrounding Farms, Koelenhof Station, Slayley, Hunting, Koelenhof Farms, Poutrey / Mariendahl, De Hoop, Nooitgedacht Village, Bottelary and Surrounding Farms, De Waalshof, Weltevrede 1, Weltevrede 2, Smartie Town.
20	Vlottenberg, Raithby, Mooiberge, Lynedoch
21	Brandwacht Aan Rivier, Paradyskloof, Stellenbosch Golf Course, Blaauwklippen / Stellenzicht Farms, De Zalze, Jamestown, Mountainview, Stellenbosch Airfield
22	Die Boord, Dalsig, Brandwacht, Krigeville, Libertas Farm
23	Dorp Street, Krige, Hamman Street, Schroder Rd, Die Braak, Bird Street from Dorp Street, Denniseg area, Muller Rd, Banghoek Road, Reyneveld Street, Plankenburg Industrial area and Kayamandi Corridor.

Source: Statistics South Africa and IEC

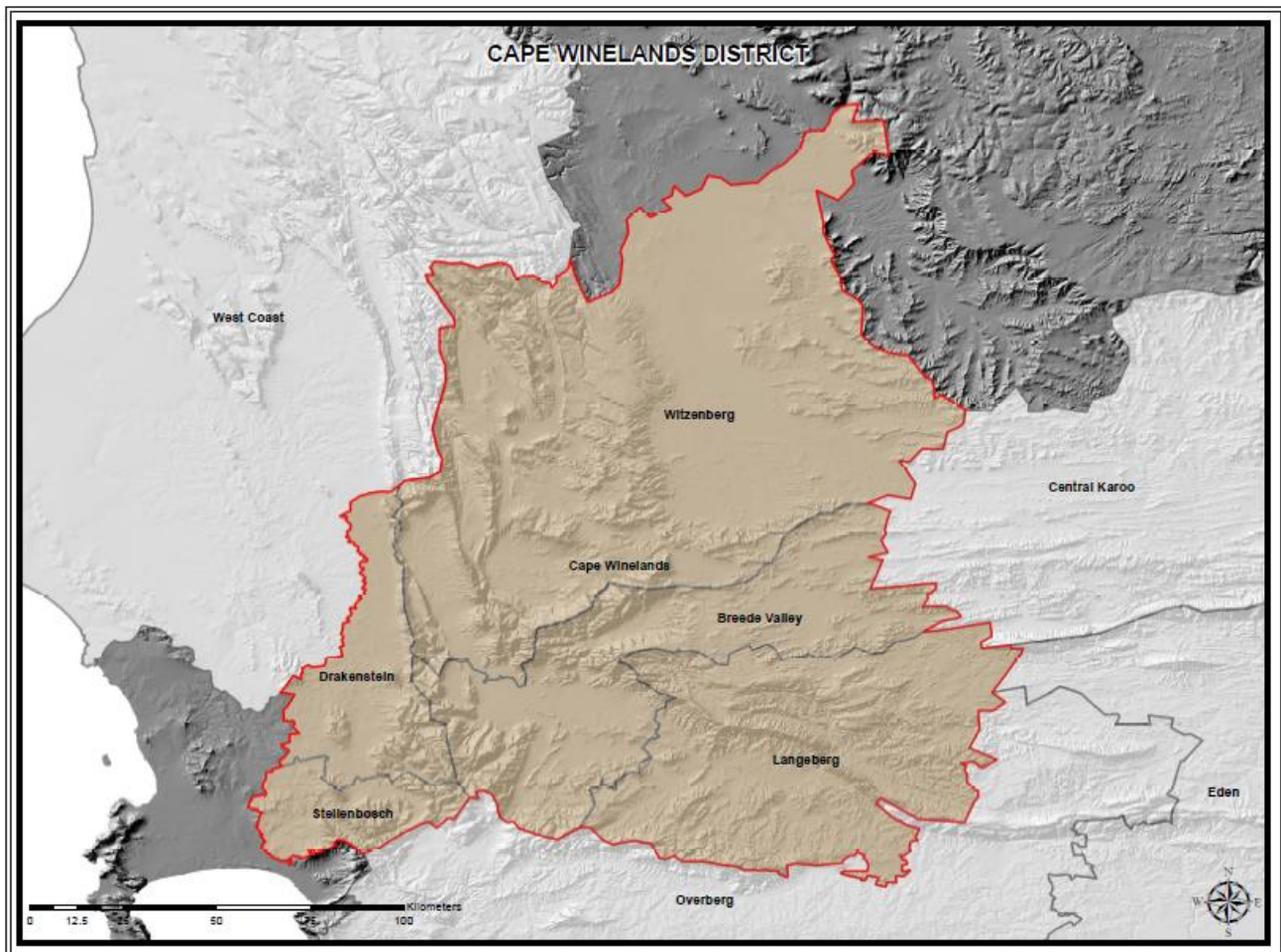
Below is a map of the Cape Winelands District concerning the provincial district boundaries:

Map 3: Locality of Cape Winelands in relation to Provincial Boundaries



Below is a map of the municipalities of the Cape Winelands District:

Map 4: Locality map of Stellenbosch Municipality in relation to Cape Winelands District Boundaries



The Cape Winelands District Municipality is located within proximity of the City of Cape Town, which offers excellent access to trade opportunities, routes, and infrastructure such as expanding broadband networks, an international airport (with direct flights to international cities), the second largest container port in the country, and a comprehensive road and rail network. This makes the Cape Winelands district ideally located as an investment destination. The Cape Winelands District municipal area incorporates Drakenstein, Stellenbosch, Breede Valley, Langeberg, and Witzenberg local municipalities.

1.9 Socio-Economic Context

All socio-economic information is primarily sourced from the census conducted by Statistics South Africa (Stats SA) for 2022, administrative data from sector departments, the Municipal Review and Outlook (MERO), Global Insight Regional Explorer and Quantec.

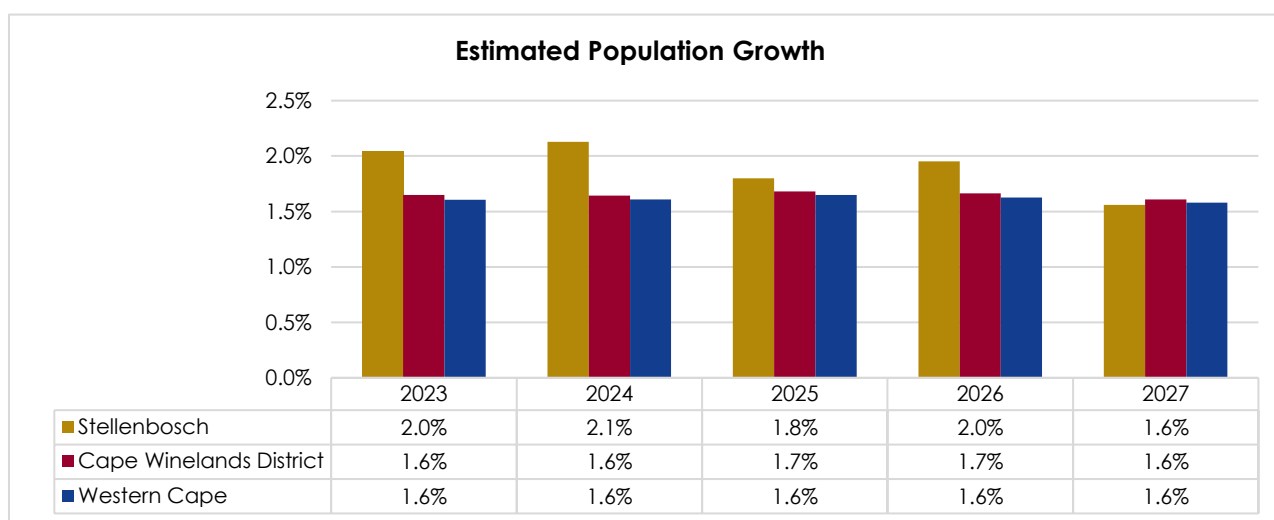
The GDPR performance, risk, and vulnerability factors can be read in detail within the Local Government Socio-economic Profile 2023 for the Stellenbosch municipal area.

1.9.1 Population Growth and Household

In 2022, the Stellenbosch municipal area, a prominent region within the Cape Winelands, accommodated 21 per cent of the area's population, totalling **175 411** individuals. Projections indicate a steady rise, estimating a population of **192 951** residents by 2027, marking an average annual population growth rate of 2.0 per cent during this period. This growth rate surpasses the Cape Winelands District's average annual population growth rate of 1.7 per cent by 0.3 percentage points. The socio-economic implications of this demographic shift are multifaceted, impacting various sectors including housing, employment, and education within the region.



Graph 1: Estimated Population Growth

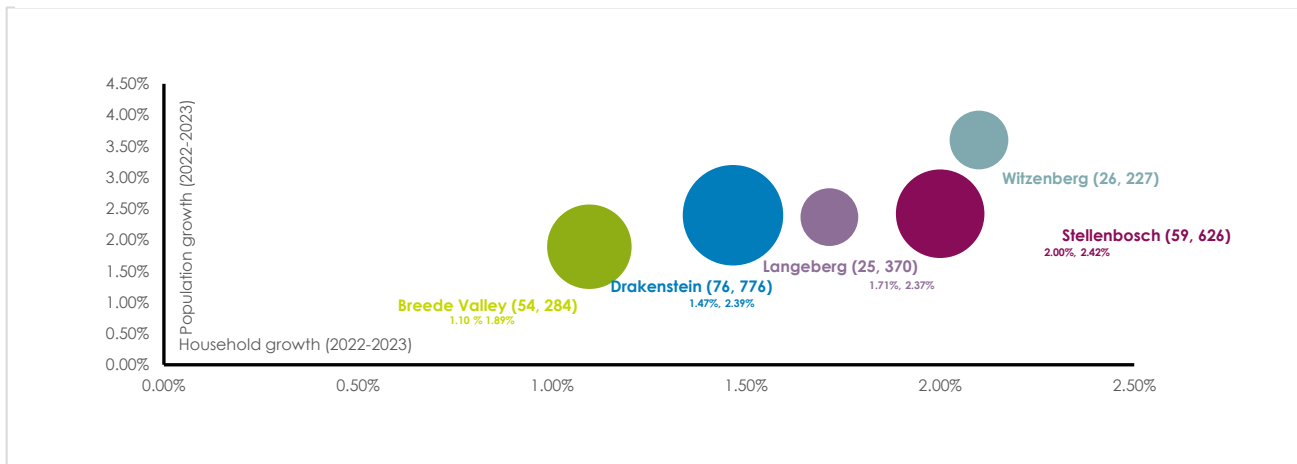


*Source: Western Cape Local Government Social-Economic Profile 2022 and 2023 (Stellenbosch Municipality)
Statistics South Africa 2022*

Household size refers to the number of people per household.

The average size of households is expected to remain an average of 2.9 individuals from 2022 to 2026. The trend of average household size could be attributed to a wide range of factors, including but not limited to underlying socio-economic factors like patterns in employment opportunities, educational access, and housing market dynamics that shape this trend.

Graph 2: Population and HH Growth



1.9.2 Population and urbanisation density

Population density is a vital metric, quantifying the number of individuals residing in a specific area. It is influenced by various factors such as economic conditions, social dynamics, connectivity, and accessibility, shaping the concentration of people within a defined region.



Amidst rapid urbanisation across the Western Cape, population density figures will aid public sector decision-makers in mitigating environmental, health, and service delivery risks. In 2022, the population density for WC024 was 245 recorded persons per square kilometer.

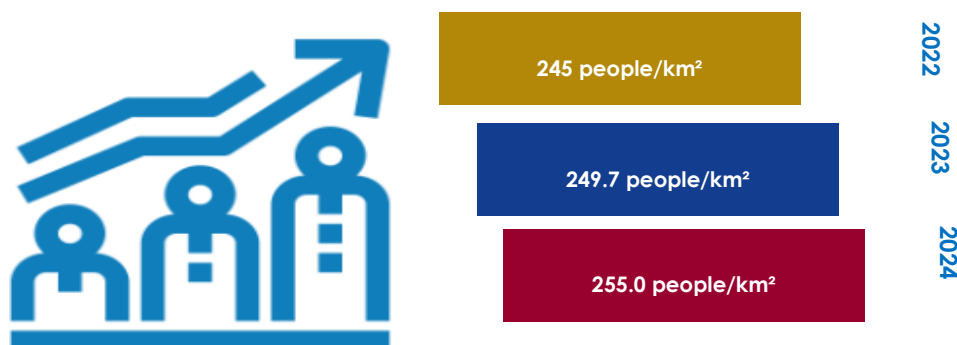
In order of highest to lowest, the table and figure depict the various local municipal areas compared as follows:

Table 4: Urbanisation Density per people/km²

Rapid Urbanisation density	Stellenbosch	Drakenstein	Breede Valley	Langeberg	Witzenberg
Population Density per people/km ²	245	194	51	27	14

Source: Western Cape Local Government Social-Economic Profile 2023 (Stellenbosch Municipality) Statistics South Africa 2022

Figure 3: Urbanisation Density within WC024



According to the above comparison, Stellenbosch has the highest density in the Cape Winelands District. This is helped a lot by the fact that the Municipal Spatial Development Framework (MSDF) says that urban development should stay within the limits of the urban edge.

The Stellenbosch Local Municipality displays a significant urbanisation trend, with approximately 75.8 per cent of its population residing in urban areas. Out of a total population of around 200 000, roughly 50 000 individuals inhabit rurally classified regions, representing a quarter of the total populace.

Within the urban landscape, the greater Stellenbosch area accommodates approximately 100 000 residents, distributed across various suburbs, including Kayamandi (40 000 inhabitants), Stellenbosch town (over 22 000 residents), Cloetesville, Ida's Valley, and others.

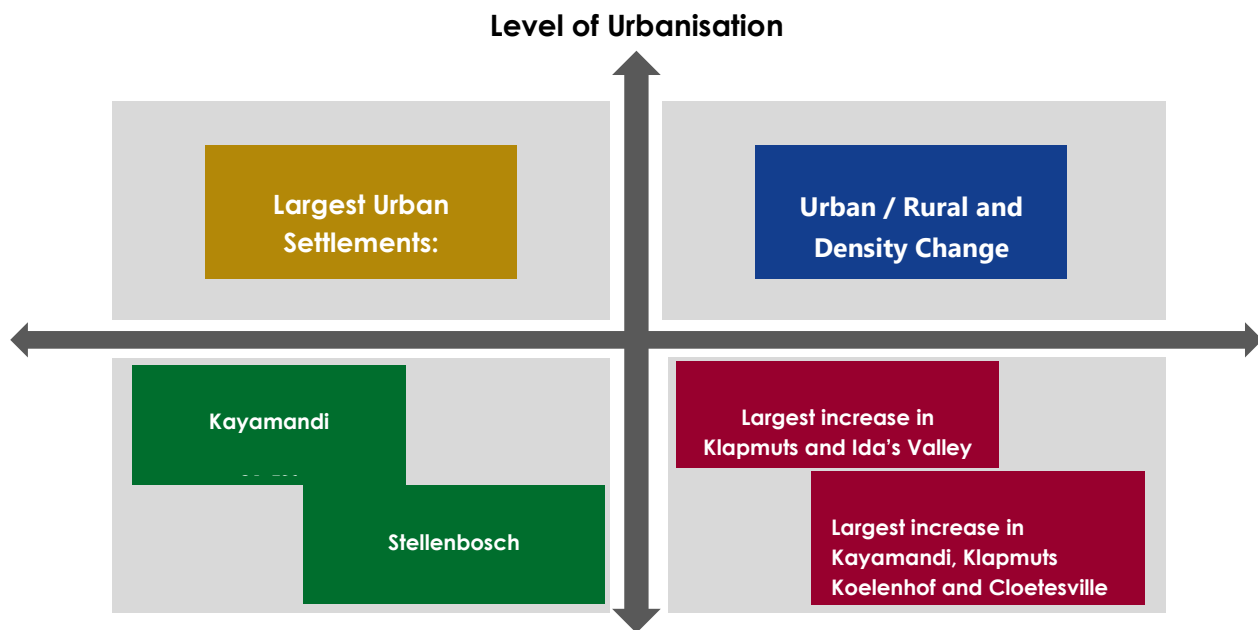
Noteworthy urbanisation growth has been observed in specific areas such as Klapmuts, Ida's Valley, Koelenhof, Cloetesville, Paradyskloof, and Franschhoek, while a population decline has been noted in Dalsig.

The relatively modest change in urbanisation percentage between 2001 and 2021 can be attributed to several factors. Despite a population increase from 30 000 to 50 000 in rural regions, the proportion it represented remained relatively stable during this period. Although Kayamandi contributes significantly to the urban population, its relative share has diminished due to the substantial growth in smaller suburbs and locations, including Klapmuts, Ida's Valley, and Paradyskloof, among others. The urban edge surrounding Kayamandi is under pressure, raising concerns about potential population overflow into rural areas and necessitating further verification and quantification. It is important to note that the demarcation of suburb boundaries in Stellenbosch complicates the comparison of urbanisation trends, requiring possible regrouping for accurate analysis. This nuanced understanding of urban and rural dynamics is crucial for informed socio-economic planning and development initiatives within the Stellenbosch municipality.

Map 5: Urbanisation trend



Figure 4: Level of urbanisation



1.9.3 Racial Split

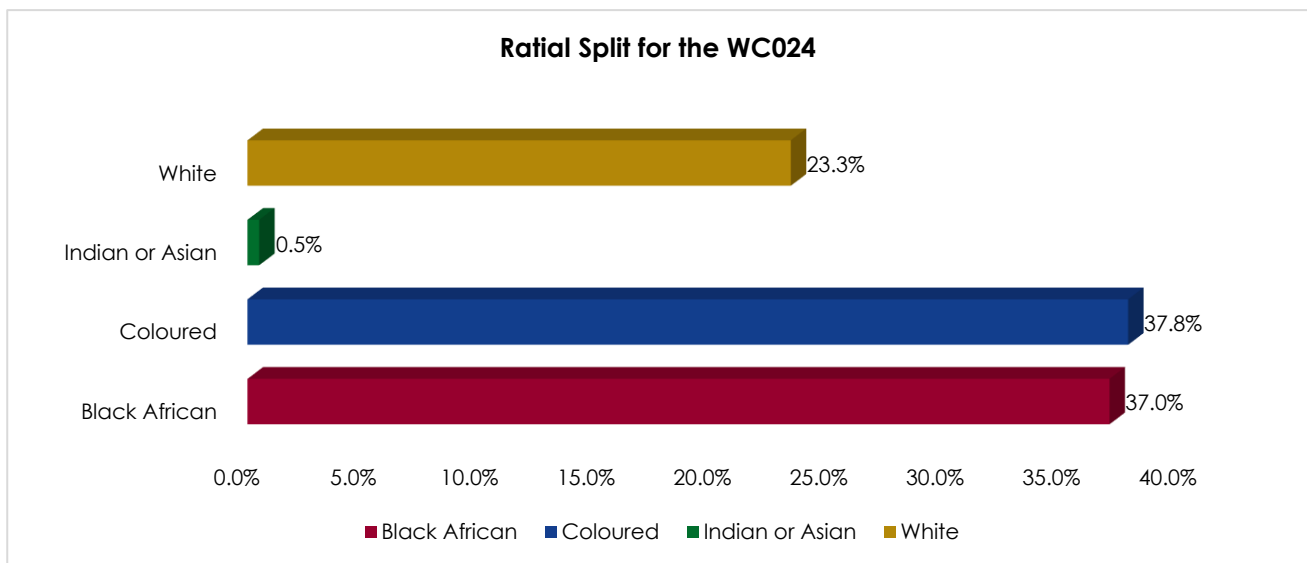
The race dynamics in the Stellenbosch municipal area present a diverse demographic landscape. Much of the population comprises Black African individuals, accounting for 37.0 per cent of the total, followed closely by the Coloured community, constituting 37.8 per cent. White residents make up 23.3 per cent of the population, while individuals categorised as Indian / Asian represent a smaller proportion at 0.5 per cent.

This cross-analysis highlights the intricate racial composition within the Stellenbosch community, underscoring the significance of cultural diversity and its potential impact on economic and social interactions.

The table and graph below indicate the ratio split within the Cape Winelands District.

Table 5: Racial Split

Race	Cape Winelands	Witzenberg	Drakenstein	Stellenbosch	Breede Valley	Langeberg
Black African	28.2%	30.1%	27.6%	37.0%	29.1%	19.4%
Coloured	61.8%	64.1%	61.8%	37.8%	62.3%	70.6%
Indian or Asian	0.4%	0.2%	0.4%	0.5%	0.5%	0.3%
White	9.6%	5.7%	10.2%	23.3%	8.1%	9.6%

Graph 3: Racial split for the WC024

1.9.4 Basic Service Delivery

The Constitution stipulates that every citizen has the right to adequate housing access and that the state must take reasonable legislative and other measures within its available resources to achieve the progressive realisation of this right. Access to housing also includes access to basic services such as potable water, basic sanitation, safe energy sources and refuse removal services, to ensure that households enjoy a decent standard of living.



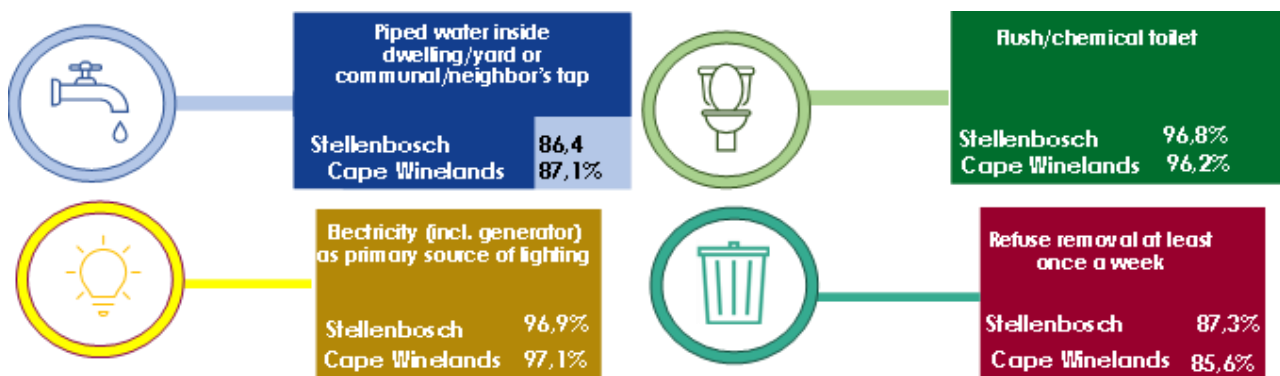
This section considers to what extent this has been achieved by reflecting on the latest available information from Quantec Research for 2021. The latest official statistics were collected by Statistics South Africa for the 2016 Community Survey; the 2021 Census will provide the updated official statistics. The information on free basic services is obtained from Statistics South Africa's Non-Financial Census of Municipalities Survey findings.

Housing and Household Services

During 2023, the Stellenbosch municipal area, which comprises 59 626 households, 87.3 per cent had access to formal housing, lower than the Cape Winelands District average of 88.8 per cent. The area also recorded a significantly higher proportion of informal dwellings, totalling 11.8 per cent, in contrast to the District's 10.3 per cent.

Service delivery access levels within the municipal area were considerably higher than the access to formal housing, with access to piped water access (86.4 per cent), flush or chemical toilet access (96.8 per cent), electricity access (including generators) for lighting (96.9 per cent), for lighting at 96.9 per cent and the removal of refuse at least weekly by the local authority at 87.3 per cent of households. These access levels were above the District figures for electricity and refuse removal services.

Figure 5: Service delivery access levels (HH)



Source: Western Cape Local Government Social-Economic Profile 2023 and Statistics South Africa 2022

Free Basic Services

The following table indicates the percentage of average registered indigent households that have access to free basic municipal services. The total indigent households exclude all informal households and include formal households that have been registered as indigent households. The total i.t.o. free basic electricity includes only indigent households claiming 100 kWh from the Stellenbosch Municipality. It also does not include the totals where the electricity distribution is conducted by ESKOM.

Per the approved Indigent Policy of the municipality, all households earning less than R6 500 per month will receive free basic services as prescribed by national policy and in terms of Stellenbosch Municipality's Indigent Policy.

The table below indicates the number of households receiving free basic services.

Table 6: Access to Free Basic Services

Year	Number of Households								
	Total no. of HH	Free Basic Water		Free Basic Sanitation		Free Basic Electricity		Free Basic Refuse Removal	
		Access	%	Access	%	Access	%	Access	%
2018/19	52 374	6 813	13.01	6 813	13.01	4 833	9.23	6 813	13.01
2019/20	52 374	6 666	100%	6 666	100%	4 932	100%	6 666	100%
2020/21	50 328	7 283	100%	7 283	100%	5 189	100%	7 283	100%
2021/22	50 328	4 681	100%	4 681	100%	4 982	84.25%	4 681	100%
2022/23	59 626	5 744	100%	5 744	100%	5 744	100%	5 744	100%

Source: Western Cape Local Government Social-Economic Profile 2023 and Statistics South Africa 2022

Municipalities offer free basic services to financially vulnerable households, and the number of households receiving these services in the Stellenbosch municipal area sharply declined in 2020. The strained economic conditions are anticipated to increase demand for these services, leading to a rise in the number of indigent households. However, this trend is area-specific and contingent on the qualifying criteria applied. These findings underscore the persistent challenges and socio-economic factors influencing housing and essential service access within the Stellenbosch municipal area, emphasising the need for targeted interventions to uphold citizens' constitutional rights and enhance overall living standards.

1.9.5 Gender Ratio

According to Stats SA, the Stellenbosch municipal area presented a gender ratio of 94.2, indicating that there are 94.2 men for every 100 women in the population. This ratio translates to 48.5 per cent males and 51.5 per cent females.



The slight increase in the ratio observed towards 2023 suggests a potential influx of working males to the area or a rise in female mortality rates. This demographic shift carries significant socio-economic implications, as it impacts workforce dynamics and social structures within the municipal area.

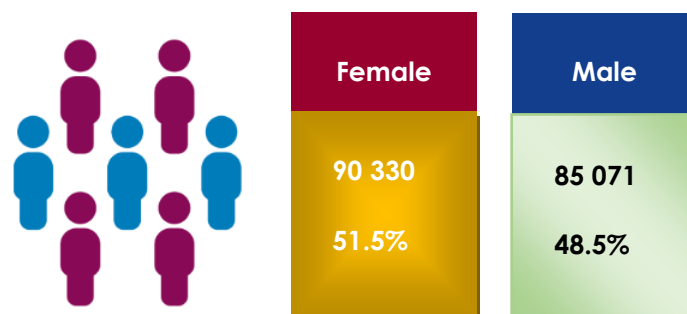
The table and figure below reflect the gender ratio within the Stellenbosch municipal area.

Table 7: Gender Ratio

Year	Cape Winelands	Witzenberg	Drakenstein	Stellenbosch	Breede Valley	Langeberg
2022	94,1	97.7	93.8	94,2	93.3	92.7
2023	98.7	110.0	98.4	96.2	94.4	96.9
2024	98.8	110.3	98.5	96.3	94.4	97.0
2025	98.9	110.6	98.6	96.3	94.3	97.1
2026	99.0	110.3	98.9	96.3	94.3	97.4

Source: Western Cape Local Government Social-Economic Profile 2023 and Statistics South Africa 2022

Figure 6: Ratio of % Females and Males



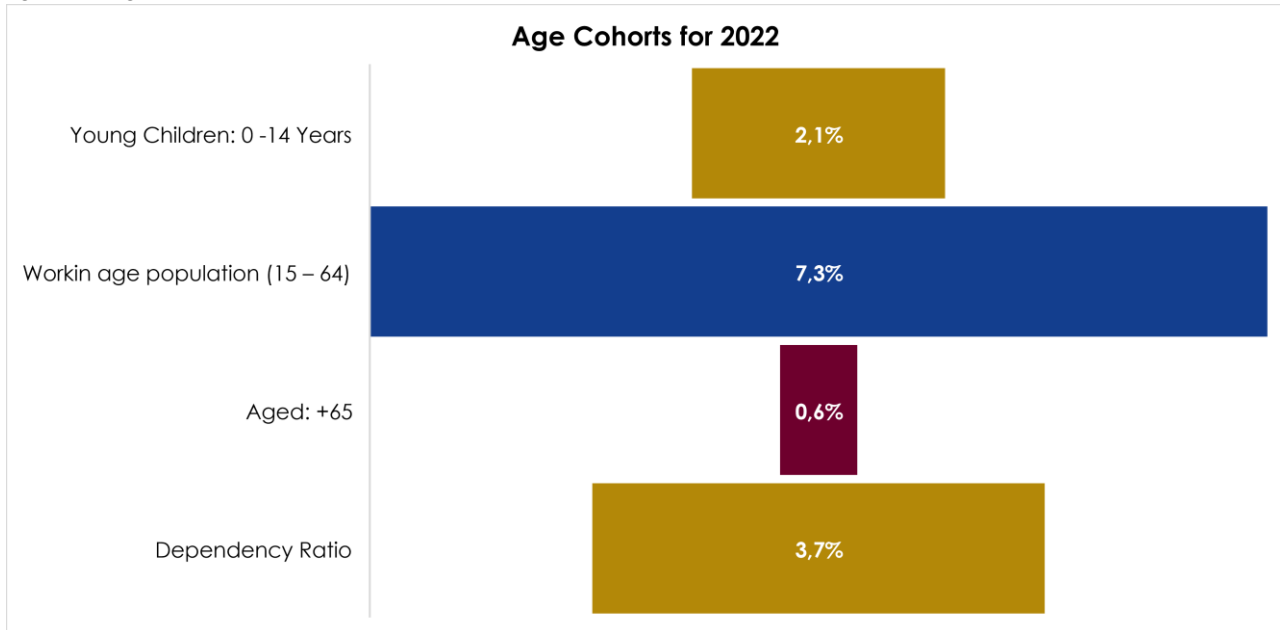
1.9.6 Age Cohorts

Within the Stellenbosch municipal area, a distinct age composition was apparent in 2022. The youth population was the largest, accounting for a substantial 73.1 per cent of residents.

Following closely behind were those between the ages of 35 and 64, who constituted 31.5 per cent of the population. This composition is primarily attributed to the presence of the acclaimed Stellenbosch University, which attracts students from across South Africa and around the world.

Additionally, the age composition of the population is analysed through dependency ratios, which highlight the proportion of individuals within the working age group (15 – 64) supporting dependents, including children and senior citizens. The higher dependency ratio in the graph below places increased strain on social systems and essential service delivery.

Figure 7: Age Cohorts



Source: Western Cape Local Government Social-Economic Profile 2022 and 2023 (Stellenbosch Municipality)

Statistics South Africa 2022

1.9.7 Education

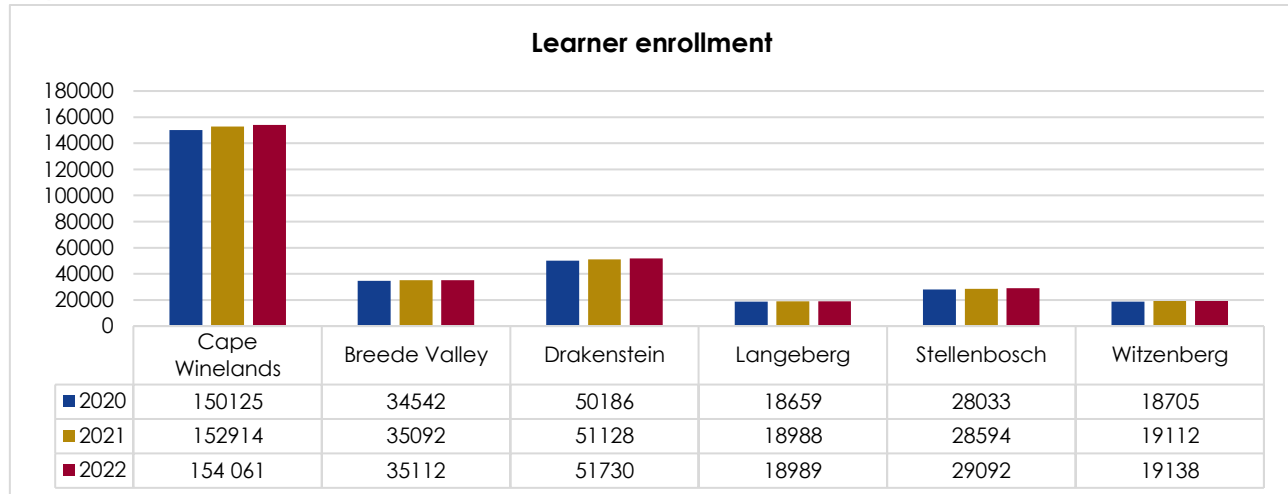
The socio-economic impact of education within municipalities is profound and complex, touching various aspects of community development and individual well-being. Quality education equips individuals with essential skills, knowledge, and critical thinking abilities, empowering them to participate meaningfully in the local economy. As the educational attainment level rises within a municipality, there is a corresponding increase in employment opportunities and higher earning potential for residents. Additionally, an educated workforce attracts investments and industries, fostering economic growth and stability. Education also plays a pivotal role in reducing poverty and promoting social equity by breaking the cycle of intergenerational poverty.

All the data below are sourced from the Local Government Socio-economic Profile 2023 for the Stellenbosch municipal area.

1.9.8 The learner enrollment, learner-teacher ratio, and learner retention rate

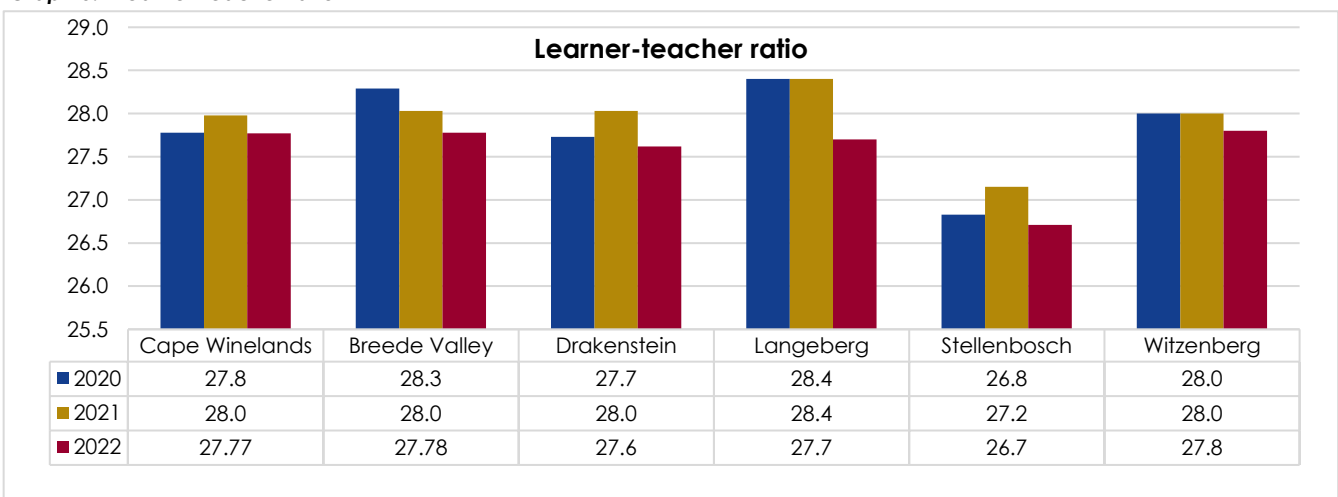
Learner enrolment in Stellenbosch experienced a notable surge from 28 033 enrolments in 2020 to 29 092 in 2022 which reflects an increase of 1 059 learners. It is evident that the educational growth depicts a positive socio-economic trend within the region, presenting an enhanced emphasis on education and potentially indicating improved access to educational facilities.

The graphs below depict the learner enrollments, learner-teacher ratio, and learner retention from 2020 to 2022.

Graph 4: Learner Enrollment

It is crucial to establish healthy learner-teacher ratios to see the schools' capacity to accommodate the students. Lower learner-teacher ratios are associated with enhanced teacher-student interaction, fostering better-quality education. The 2022 Schools Realities Publications emphasise that government-paid teachers face high learner-teacher ratios, indicating larger class sizes. Despite a minor decrease from 26.8 students per teacher in 2020 to 26.6 in 2022, the ratio remains within the recommended range of 35:1 to 40:1.

This suggests relatively uncrowded classrooms, aligning with established standards and ensuring a conducive learning environment, ultimately impacting the socio-economic landscape positively.

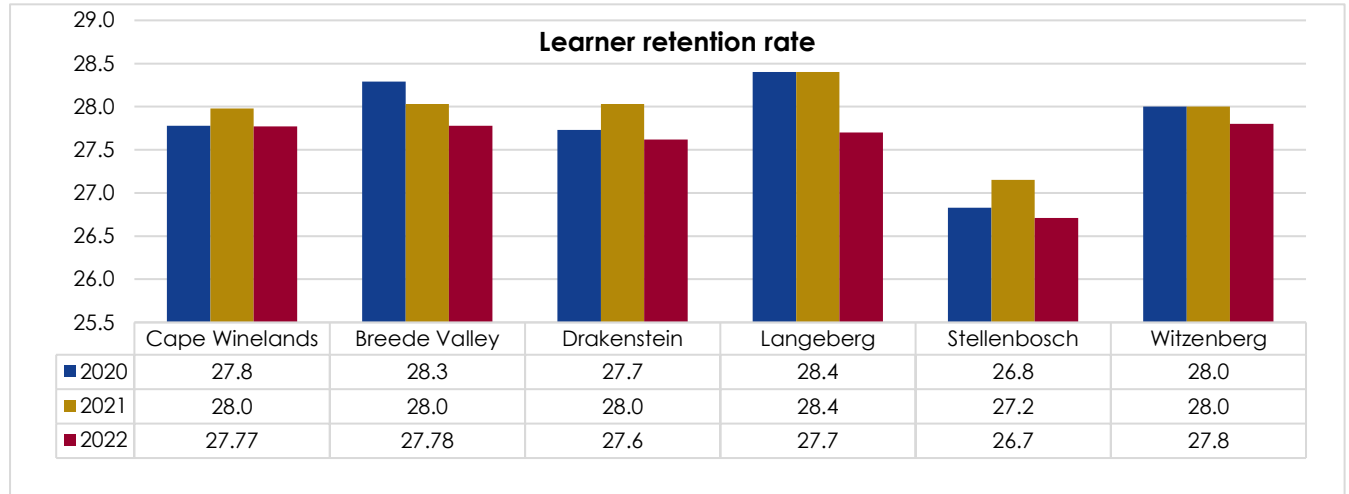
Graph 5: Learner-teacher ratio

The learner retention rate measures the proportion of learners in Grade 12 who remained in Grade 10 two years prior. This can reflect essential socio-economic factors and personal circumstances that have a significant impact on education.

The inverse of the learner-retention rate is commonly referred to as the drop-out rate. The learner retention rates are influenced by a wide array of factors, including low socio-economic background, student attitudes towards education, overcrowded classrooms, critical thinking skills, study skills and other personal circumstances which can make it difficult for the learner to focus on education. Despite the learner retention rate progressing in the Stellenbosch municipal area improving from 79.1

per cent in 2021 to 82 per cent in 2022, 18 per cent of the learners did not complete their studies. Addressing these factors is necessary for encouraging a more conducive learning environment, ensuring higher retention rates, and ultimately enhancing the region's overall socio-economic landscape.

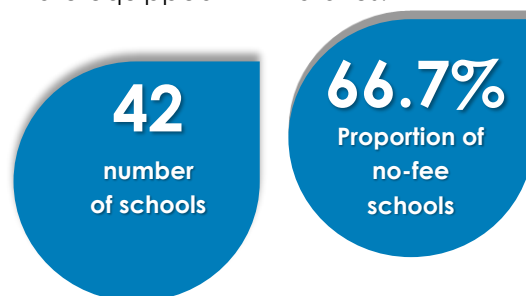
Graph 6: Learner retention rate



1.9.9 Education Infrastructure and facilities

The number of schools within the Stellenbosch municipal area is recorded at 42 in 2022. Over the Medium-Term Expenditure Framework (MTEF), a substantial budget has been allocated for vital upgrades, additions, and the construction of new facilities in specific schools. This allocation is slated for use in enhancing the infrastructure of key educational institutions, including Aviation, Elsenburg Agri School, New Klapmuts Primary and High Schools, and New Stellenbosch Primary School. Such investments signify a proactive approach to bolstering the educational landscape, fostering an environment conducive to quality learning.

The proportion of no-fee schools in the Stellenbosch municipal area remains at 66.7 per cent in 2022, whereby 71.4 per cent are equipped with libraries.



The provision of library facilities within schools emerges as a crucial factor in narrowing the academic achievement gap, granting students access to valuable information and directly correlating with improved educational outcomes.

1.9.10 Education Outcomes

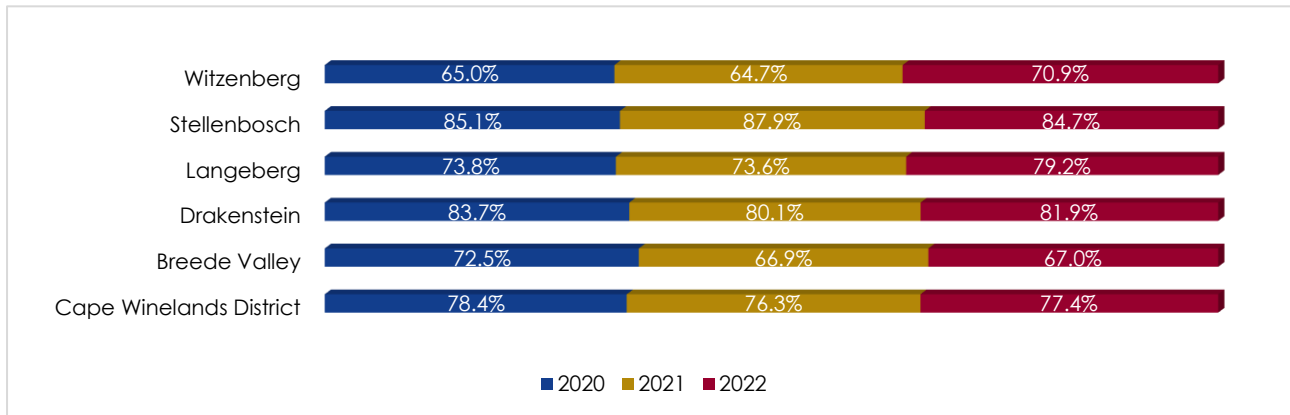
Education remains one of the key avenues through which the state is involved in the economy. In preparing individuals for future engagement in the labour market,



policy choices and decisions in the sphere of education play a critical role in determining the extent to which future economic and poverty reduction plans can be realised.

The graph below depicts the Matric pass rates from 2020 to 2022.

Graph 7: Education Outcomes



1.9.11 Healthcare Facilities

According to the LGSEP 2023, the Stellenbosch municipal area had 8 fixed primary healthcare facilities, comprising 7 fixed clinics, 1 community day centre as well as 6 mobile / satellite clinics. In addition to these primary healthcare facilities, there is one district hospital, 9 ART treatment sites and 13 TB clinics. The municipal area has 14 (17.9 per cent) out of the 78 primary healthcare facilities within the Cape Winelands district.



All the data below are sourced from the Local Government Socio-economic Profile 2023 for the Stellenbosch Municipal area and Department of Health.

The figure depicts the total healthcare facilities.

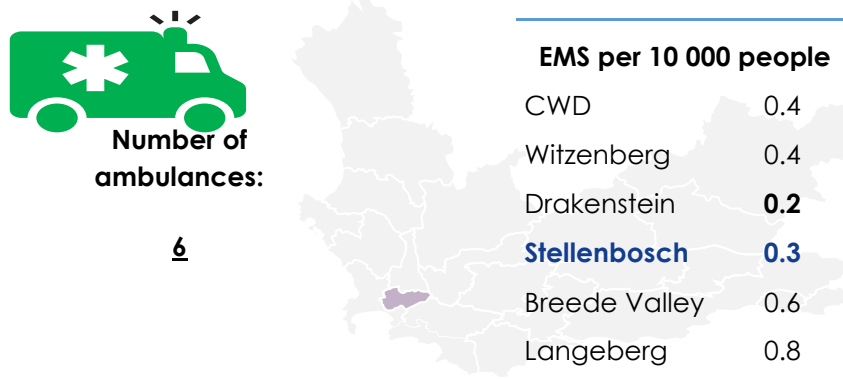
Figure 8: Healthcare facilities



1.9.12 Emergency Medical Services

The provision of more operational ambulances can provide greater coverage for emergency medical services. This number below only refers to provincial ambulances and excludes all private service providers, and it remained unchanged between 2021/22 and 2022/23.

Figure 9: EMS

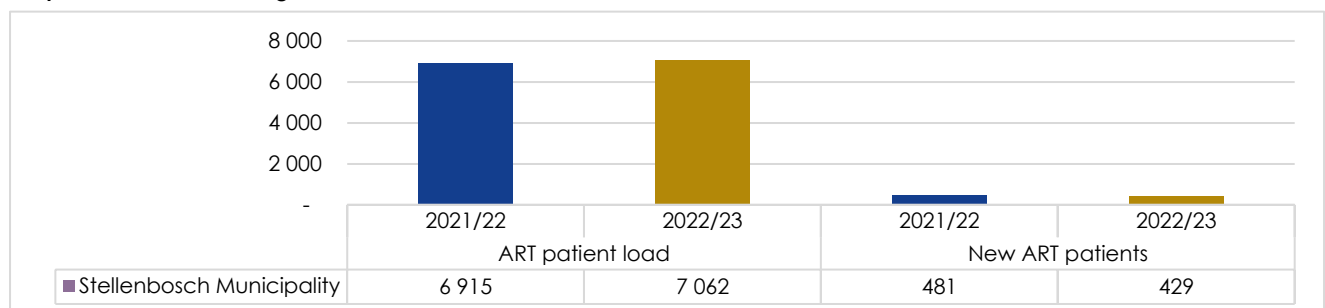


1.9.13 HIV / AIDS and TB

The number of patients adhering to their ART treatment plans in the municipal area showed a slight increase, from 6 915 registered patients in 2021/22 to 7 062 in 2022/23, while the number of new patients receiving ART declined from 481 to 429 during the same period. Similarly, the number of registered patients receiving TB treatment exhibited an average annual decrease of 9.7 per cent between 2021/22 and 2022/23.



Graph 8: HIV/AIDS Management



1.9.14 Child Health

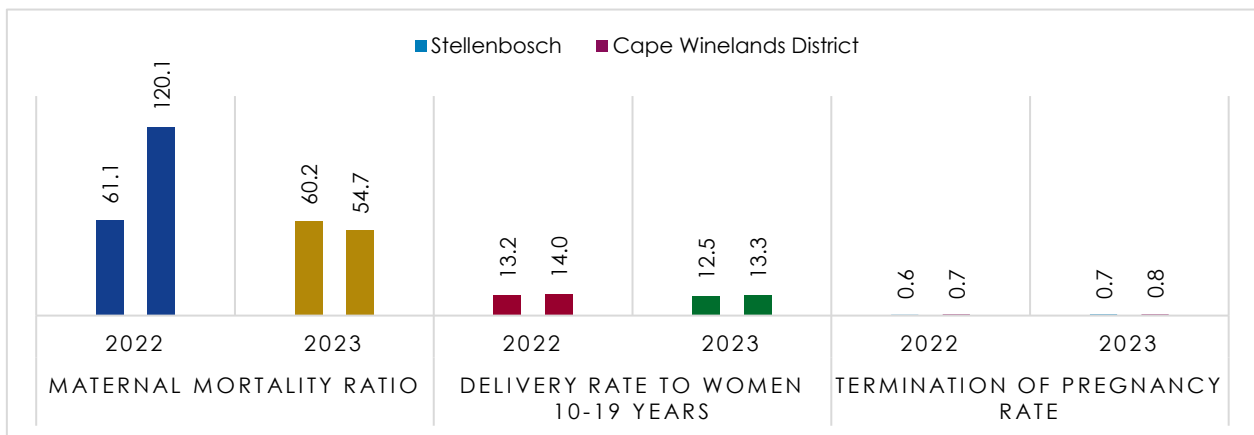
The immunisation coverage rate for children under the age of one in the municipal area worsened from 73.3 per cent to 64.5 per cent between 2021/22 and 2022/23. The overall Child Welfare and Development (CWD) rate also showed improvement, rising from 60.6 per cent to 62.2 per cent. However, there was a notable increase in malnourished children under the age of five, with severe acute malnutrition rising from 1.5 to 1.6 per 100 000 people between 2021/22 and 2022/23.



The CWD also increased from 1.8 per cent to 2.2 per cent while the provincial average changed from 0.9 to 1.3 per cent. The neonatal mortality rate (deaths per 1 000 live births before 28 days of life) for the municipal area declined from 6.3 in 2020/21 to 3.1 in 2021/22. The rate was still notably below the CWD average of 8.0. A total of 9.8 per cent of all babies born in a facility in the municipal area in 2021/22 weighed less than 2 500 grams, indicating possible challenges with long-term maternal malnutrition and poor health care during pregnancy.

1.9.15 Maternal Health

Graph 9: Maternal health



In 2021/22, the Stellenbosch municipal area recorded the lowest number of maternal deaths (61.1 per cent) and teenage pregnancies (13.2 per cent) in the CWD, however, this increased to 61.1 per cent (maternal deaths) and 13.2 per cent (teenage pregnancies) in 2021/22.

However, these numbers decreased to 60.2 per cent for maternal deaths and 12.5 per cent for teenage pregnancies in 2022/23. Meanwhile, the termination of pregnancy rate remained steady at 0.7 per cent during this period.

1.9.16 Safety and Security

All the data below are sourced from the Local Government Socio-economic Profile 2023 for the Stellenbosch Municipal area.

The dashboard below gives a snippet of the safety and security cases within the Cape Winelands Region:

Figure 10: Actual Numbers of reported crime



Government Social-Economic Profile 2022 and 2023 (Stellenbosch Municipality) and Department of Health

Drug-related Offences

Drug-related crimes refer to the situation where the perpetrator is found to have, been under the influence of, or selling illegal drugs.

Drug-related crime within the Stellenbosch area increased from 1 224 cases in 2021/22 to 1 463 cases in 2022/23. The Cape Winelands District's drug-related offences surged from 6 047 in 2021/22 to 6 783 in 2022/23. When considering the rate per 100 000 people, with 734 drug-related offences per 100 000 people in 2022/23, the Stellenbosch area's rate is above the district's rate of 700 per 100 000 population.

Murder

Murder is defined as the unlawful and intentional killing of another person.

Within the Stellenbosch area, the number of murders de-escalated from 90 cases in 2021/22, reaching 77 cases in 2022/23. The Stellenbosch municipal area's murder rate (per 100 000 people) decreased from 46 in 2021/22 to 38 in 2022/23, reflecting a similar trend in the Cape Winelands District, where the rate increased from 45 to 41 for the same period.

Sexual Offences

Sexual offences include rape (updated to the new definition of rape to provide for the inclusion of male rape), sex work, pornography, public indecency, and human trafficking.

In 2022/23, there were 207 sexual offences in the Stellenbosch area, compared to 989 reported cases in the Cape Winelands District. The incidence of sexual offences (per 100 000 people) in the Stellenbosch municipal area (104) was higher than that of the district (102) in 2022/23.

Driving under the influence (DUI)

A situation where the driver of a vehicle is found to be over the legal blood alcohol limit.

The number of cases of driving under the influence of alcohol or drugs in the Stellenbosch area declined from 262 in 2021/22 to 251 in 2022/23. This translates into a rate of 126 per 100 000 people in 2022/23, which is above the district's 79 per 100 000 people.

Residential Burglaries

The unlawful entry of a residential structure with the intent to commit a crime, usually theft.

Stellenbosch's rate of 436 residential burglaries per 100 000 people, which is well below the district's rate of 453 for 2022/23, indicates that the targeted strategies that were implicated to address these crime rates improved the safety and security in the community.

Common Assault

In Stellenbosch, the crime rate per 100 000 people for common assault showed a concerning upward trend with 510 reported incidents per 100 000 people, which increased from 527 in 2021/22 to 557 in 2022/23. This escalation in common assault cases per capita suggests a challenging security environment, which could potentially have socio-economic implications. Addressing this rising trend is vital to ensuring the safety and well-being of the community and fostering a secure environment for residents, businesses, and investors. Implementing effective crime prevention measures and community outreach initiatives may be essential to reversing this trend and creating a safer atmosphere conducive to economic growth and development.

Commercial Crime

In Stellenbosch, the crime rate per 100 000 people for commercial crime showed a steady upward trend over the analysed period. In 2020/21, there were 340 reported incidents per 100 000 people, which increased slightly to 443 in 2021/22 but then increased significantly to 528 in 2022/23. This fluctuation in commercial crime rates could indicate varying challenges faced by local businesses and law enforcement in combating economic offences. Addressing this issue is crucial as it directly impacts the business environment, investor confidence, and the overall economic stability of the municipality. Implementing robust measures to combat commercial crimes, such as fraud and embezzlement, is essential for fostering a secure and trustworthy business environment, supporting economic growth, and attracting investments in the Stellenbosch municipal area.

Damage to Property

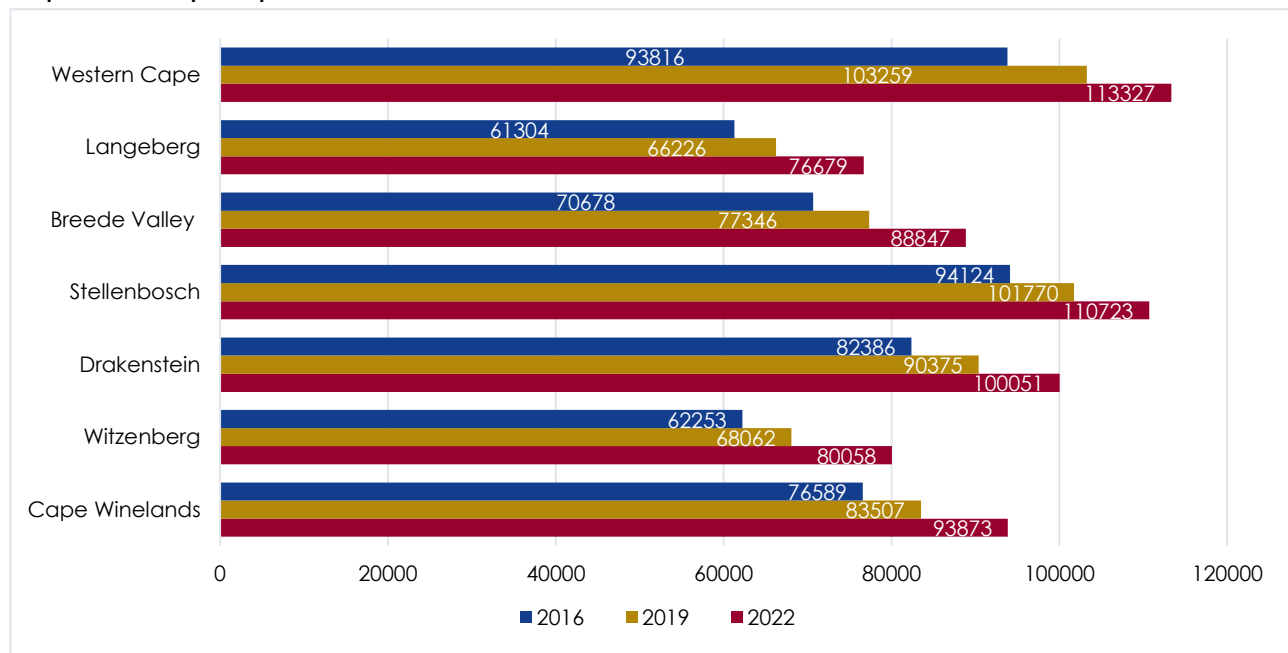
A stable atmosphere is conducive to economic growth and development in Stellenbosch. In Stellenbosch, the crime rate per 100 000 people for malicious damage to property demonstrated a consistent downward trend over the analysed period. In 2020/21, there were 434 reported incidents per 100 000 people, which decreased to 414 in 2021/22 and slightly increased to 419 in 2022/23. This fluctuation indicates a positive development in addressing property damage-related crimes in the area. Lower incidents of malicious damage to property contribute to a more secure environment, instilling confidence in residents and potential investors, which can positively impact the socio-economic landscape. This trend reflects efforts to maintain public safety, enhance security measures, and promote business confidence across the municipality.

1.9.17 Poverty

GDPR Per Capita

In terms of Gross Domestic Product per capita (GDPR), an increase is only witnessed when economic growth surpasses population growth. According to the LGSEP 2023, the real GDPR per capita was R93 873 whereby the Stellenbosch municipal area has grown significantly with a per capita income of R110 7, marking the highest figure in the Cape Winelands District for 2022. All the data below are sourced from the Local Government Socio-economic Profile 2023 for the Stellenbosch Municipal area.

Graph 10: GDPR per capita



Source: Western Cape Local Government Social-Economic Profile 2022 and 2023 (Stellenbosch Municipality)

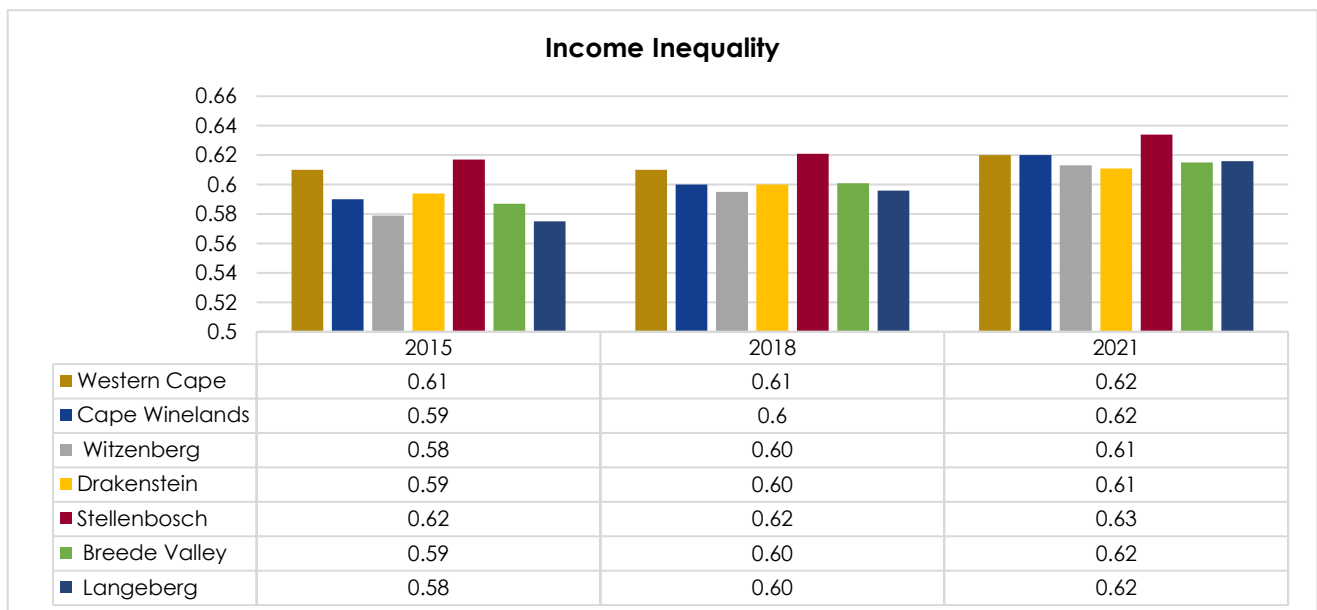
Despite a moderate regression in the period between 2016 and 2022, this highlights the municipality's robust economic potential, particularly noteworthy considering the recent economic challenges posed by the recession and the global COVID-19 pandemic, which impacted economic activities regionally and globally.

Income Inequality

South Africa suffers amongst the highest levels of inequality in the world when measured by the commonly used Gini index. Inequality manifests itself through a skewed income distribution, unequal access to opportunities, and regional disparities.

The National Development Plan (NDP) has set a target of reducing income inequality in South Africa from a Gini coefficient of 0.7 in 2010 to 0.6 by 2030. In the Cape Winelands District, income inequality worsened to 0.69 in 2022, a trend expected to exacerbate due to the potential aftermath of the COVID-19 pandemic. Stellenbosch improved its income inequality, with inequality levels declining from 0.63 in 2021 to 0.61 in 2022, aligning below the district's trajectory.

Graph 11: Income Inequality



Source: Western Cape Local Government Social-Economic Profile 2022 and 2023 (Stellenbosch Municipality)

a) Poverty Line¹

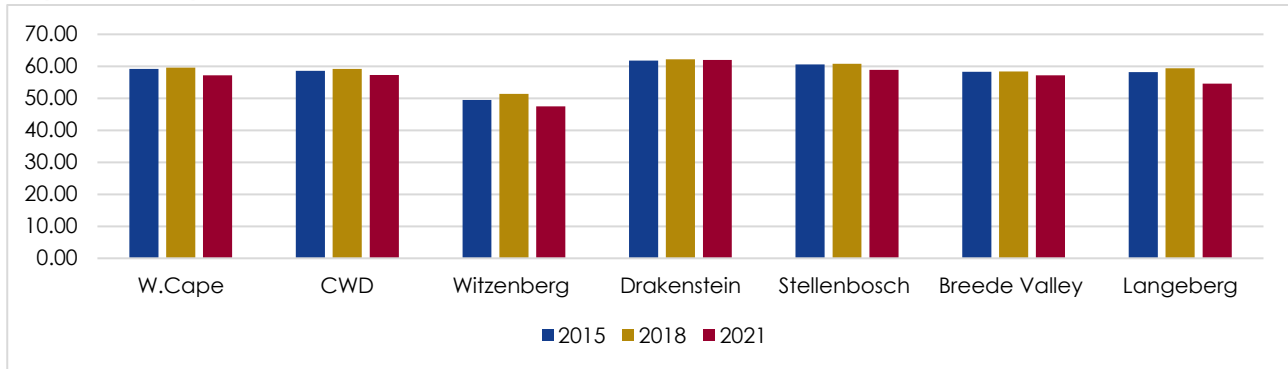
The Upper Bound Poverty Line² (UBPL) headcount ratio is the proportion of the population living below the UBPL i.e. that cannot afford to purchase adequate levels of food and non-food items.

Poverty affects the social development of communities through lower life expectancy, malnutrition and food insecurity, higher exposure to crime and substance abuse, lower educational attainment, and poor living conditions.

In 2022, 66.7 per cent of Stellenbosch's population fell below the UBPL. In 2022, 66.7 per cent of Stellenbosch's population fell below the UBPL, a slight improvement from 2016 and 2019. Stellenbosch and Drakenstein had the highest poverty rates in the Cape Winelands District, with Stellenbosch's 66.7 per cent slightly below the district's 64.8 per cent in 2022. Addressing these socio-economic challenges is essential for ensuring sustainable growth and development within the municipality.

¹ This refers to the amount of money that an individual will need to afford the minimum required daily energy intake. This is also commonly referred to as the "extreme" poverty line. Source- STATSASA, Statistical Release, 2019. P0310.1

² This refers to the food poverty line plus the average amount derived from non-food items of households whose food expenditure is equal to the food poverty line. Source- STATSASA, Statistical Release, 2019. P0310.1

Graph 12: Poverty Line

Source: Western Cape Local Government Social-Economic Profile 2022 and 2023 (Stellenbosch Municipality)

1.9.18 Economy Labour Market Performance

In 2022, monetary intermediation emerged as the primary driver of formal employment in the Stellenbosch municipal area, employing **14 117** individuals. Beverage manufacturing, predominantly in the wine industry, followed closely, providing jobs for 7 142 people. All the data below are sourced from the Local Government Socio-economic Profile 2023 for the Stellenbosch Municipal area.

Table 8: Top five sectors

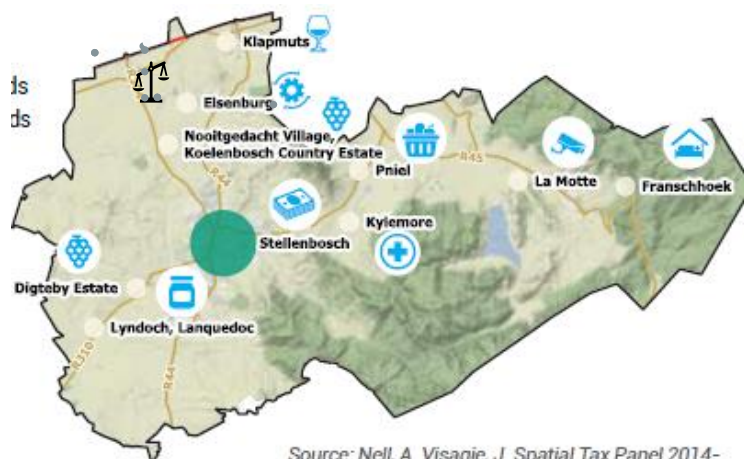
Sectors	Number of FTE Jobs
Monetary Intermediation	14 117
Manufacturing of beverages	7 142
Higher Education	5 450
Restaurants and mobile food service activities	4 864
Growing of perennial crops	4 761

5 Sectors
Jobs



The significant disparity in median monthly incomes between these sectors, with figures of R27 446 and R8 940 respectively, vividly illustrates the pervasive socioeconomic inequality within the municipality.

This inequality not only poses challenges to the well-being of residents but also carries implications for municipal revenue generation. Disparities in income levels can impact local tax revenues, potentially affecting the municipality's capacity to fund essential services and infrastructure projects.



Source: Nell, A. Visagie, J. Spatial Tax Panel 2014-

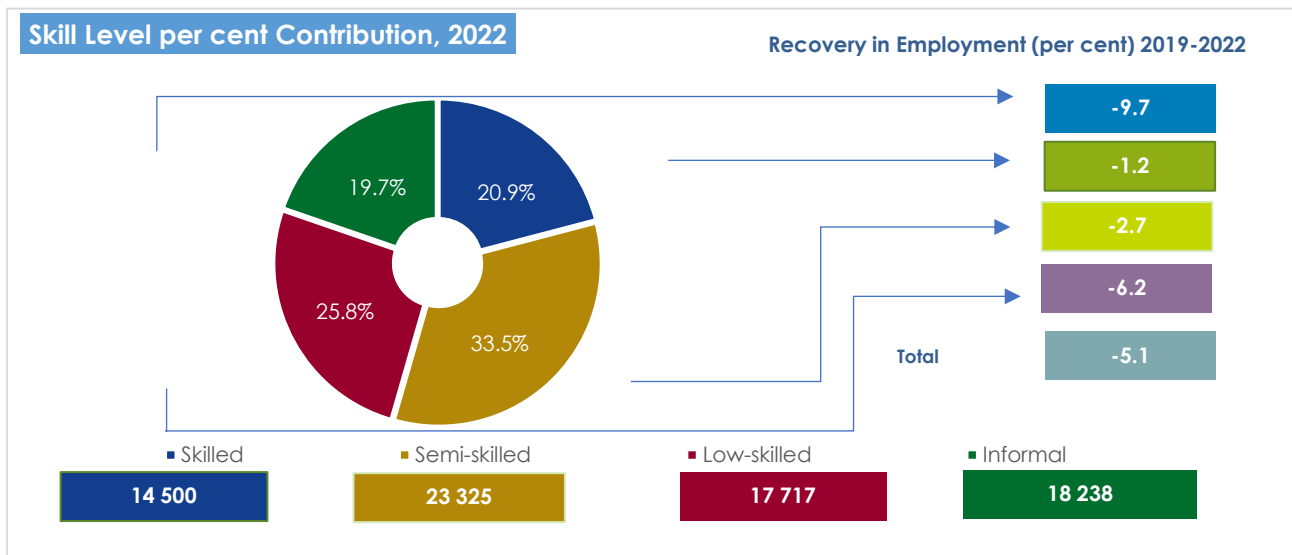
Addressing this inequality is crucial not only for social equity but also for sustaining a stable and prosperous municipal economy.

Formal and Informal Employment

The presence of Stellenbosch University and the diverse industries in the area have led to a significant workforce composition, with 20.9 per cent classified as skilled workers and 33.5 per cent as semi-skilled workers. Informal sector activities, particularly in trade, agriculture, and personal services, contribute

significantly to employment, accounting for 19.7 per cent of the workforce in 2021. However, a notable challenge exists for low-skilled workers, constituting 25.8 per cent of the workforce, as recent job creation trends have favoured semi-skilled and skilled workers, limiting opportunities for this demographic.

Graph 13: Skill level Contribution, 2022



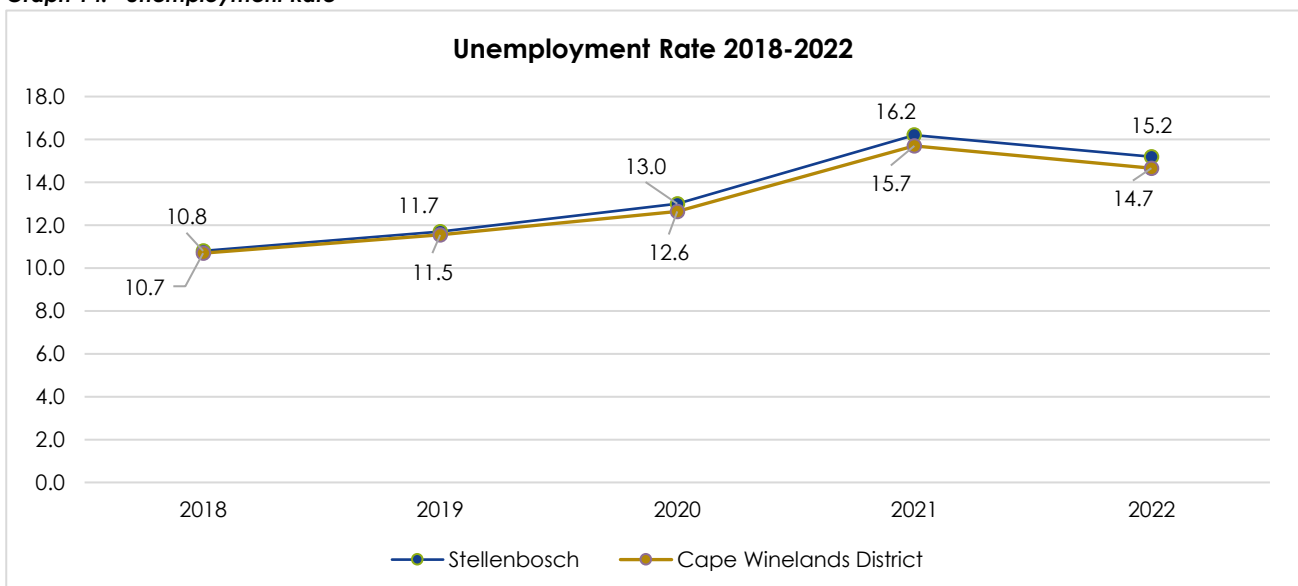
Source: Western Cape Local Government Social-Economic Profile 2023 (Stellenbosch Municipality)

Unemployment

It is crucial to facilitate the access to education and skills development initiatives in communities where high unemployment rates occur. Social transformation needs to be promoted and provide enough relevant opportunities and resources for affected demographic areas.

Not only does this initiative enhance the socio-economic landscape, but it also has implications for municipal revenue. A skilled and educated workforce can contribute to a more vibrant local economy, generating higher tax revenues to support municipal projects and services.

Graph 14: Unemployment Rate



Source: Western Cape Local Government Social-Economic Profile 2022 and 2023 (Stellenbosch Municipality)

Free Basic Services per basic service

The provision of free basic services is summarised in the tables below.

Table 9: Free basic electricity to indigent HH

Electricity			
Financial year	Indigent Households		
	No. of HH	Unit per HH (kWh)	Value R'000
2017/18	6 453	100	6 216
2018/19	6 813	100	8 415
2019/20	4 932**	100	6 888
2020/21	5 198	100	7 711
2021/22	4 982	100	24 289
2022/23	5 744	100	24 822

*Average for the year
**Only Indigent consumers who claimed free units

Table 10: Free basic water services to indigent HH

Water			
Financial year	Indigent Households		
	No. of HH	Unit per HH (kl)	Value R'000
2015/16	6 486	10	7 760
2016/17	5 686	10	7 280
2017/18	6 453	10	2 391
2018/19	6 813	6	2 634
2019/20	6 666	6	2 741
2020/21	7 283	6	3 178
2021/22	4 681	6	8 829
2022/23	5 744	6	8 385

*Average for the year

Table 11: Free basic sanitation to indigent HH

Sanitation			
Financial year	Indigent Households		
	No. of HH	Service per HH per week	Value R'000
2017/18	6 453	102.98	8 330
2018/19	6 813	112.25	9 177
2019/20	6 666	135.99	9 518
2020/21	7 283	145.73	11 075
2021/22	4 681	134.32	10 039
2022/23	5 744	143.05	9 434

*Average for the year

Table 12: Free basic refuse removal services to indigent

Refuse Removal			
Financial year	Indigent Households		
	No. of HH	Service per HH per week	Value R'000
2017/18	6 453	1	8 662
2018/19	6 813	1	9 543
2019/20	6 666	1	10 878
2020/21	7 283	1	17 926
2021/22	4 681	1	17 159
2022/23	5 744	1	13 889
*Average for the year			

1.10 Basic Service Delivery Highlights and Challenges

1.10.1 Key Basic Services Delivery Highlights

It should be noted that the detailed highlights and challenges will be discussed in Chapter 3 under each respective service.

The following key basic service areas were achieved by the municipality:

Table 13: Key Basic Service Delivery Highlights

Service Area	Highlight	Description
Roads and Transport	The Distillery Road Bridge	 This multi-disciplinary project had high historical significance and was completed in February 2023, marking it the first bridge upgrade undertaken by the Stellenbosch Municipality.
Water and Wastewater Services	Capital Upgrades on Wastewater Treatment Works	 Pniël WWTW Upgrade to 4.5MLD is completed. This WWTW is now able to treat current and future demand in the Dwarsriver Area, unlocking development.
	Capital Upgrades on Wastewater Treatment Works	 Wemmerhoek WWTW Phase 1 Upgrade is completed. The Phase 1 upgrade allowed for redundancy in sludge handling and the ability to cope with the effect of loadshedding on sludge handling. Designs for the Phase 2 Upgrade (Quality and Capacity Improvement) are 90% complete, and funding is ready for implementation starting in February 2024.
	Capital Upgrades on Water Storage	 Polkadraai Bulk Upgrade (Reservoirs and Pipelines) Phase 1 Upgrade: 70% complete, with Skilpadvlei Reservoir placed in operation. The Phase 1 upgrade will increase storage capacity in the area, and together with the Phase 2 upgrade (designs completed and ready for implementation in 2024/25), it will allow the transfer of water from Blackheath to Kayamandi.
	Improvements in disinfection	 The introduction of improved operational procedures and minor dosing equipment upgrades have improved the disinfection of drinking water municipal-wide, with a corresponding reduction of risk to consumers.
Electricity	Installation of 1 300 electrical connections in Enkanini	 2 300 of the 4 000 identified connections for Enkanini have been completed. The bulk infrastructure has also been upgraded to support the electrification of Enkanini.






















Service Area	Highlight	Description
	Completion of the Cost of Supply Study	The cost of supply study enables the municipality to understand the real cost of providing electricity. This study also assists the municipality in determining the annual tariffs.
	Completion of the Energy Masterplan	The Energy Masterplan enables the municipality to understand the potential sources that can be utilised within the WC024 other than conventional means of electricity generation.
	Completion of the Electricity Infrastructure Masterplan	The Electricity Infrastructure Masterplan informs the municipality of the required network upgrades, network refurbishment, enabling new developments, and ensuring that the lifecycle of the infrastructure is optimally utilised.
	Appointment of a service provider to holistically investigate alternative energy generation initiatives	The service provider has been appointed to holistically investigate all possible options to mitigate the impact of loadshedding.
Waste Management	Street bins	Additional street bins were procured and delivered in February 2023.
	Builders' rubble diverted	Total builders' rubble diverted 17 667 tons.
	Garden waste	Total garden waste diverted: 5 460 tons.
	Recycling	Year on year increase in recycling collection was 23%.
	Appointments of Area Cleaning Assistant Superintendents and 3x general workers for refuse collection	Two assistant superintendents and three general workers for refuse collection were appointed to enhance service delivery within the WC024.
	Inclusion of Franschhoek in the Recycling Programme	An appointed contractor provides a door-to-door service for collecting recyclable waste. 39 tons of recyclable waste were collected during this financial year.

1.10.2 Key Basic Services Challenges

Despite the highlights, challenges were experienced by the municipality, as outlined below; however, actions were put in place to address these challenges:

Table 14: Key Basic Service Challenges

Service Area	Challenge	Actions to address
Roads, Transport and Stormwater	Increasing demand to address backlogs, undertake maintenance and repair, for infrastructure upgrades and new infrastructure, and not sufficient resources to address all needs and demands.	Prioritise projects and accept that not all needs and demands will be met in the short term and will be effected incrementally as budgets permit.
Water and Wastewater Services	Staff shortages and resignations / retirements are continuing to impact operations.	The department is in the process of reviewing its organogram and places a lot of effort into recruitment.
	Depots and Plants: Disciplinary Issues.	The department is continuously addressing the items with counselling sessions and disciplinary processes.
	Impact of Loadshedding on water and wastewater infrastructure. Due to the continuous interruption of electricity supply because of loadshedding, the water and wastewater infrastructure was not designed to operate in such conditions.	Standby generators are used where possible.
	Infrastructure Vandalism: Vandalism of water and wastewater infrastructure is a challenge. It is	The municipality is investigating the safeguarding of critical infrastructure, but it remains a challenge due to budget constraints.

Service Area	Challenge	Actions to address
	evident that there is an increase in vandalism cases during loadshedding.	
	 Procurement processes to procure services / goods which impact the operations and maintenance of infrastructure and the implementation of capital projects.	 The municipality is considering more efficient means of procuring quickly and efficiently.
Electricity	 Installation of hot water load control devices: access to properties to install the hot water load control devices remains a challenge.	 Continuous visits and communication with these residents are ongoing.
	 Token Identifier: Access to properties to reset meters remains a challenge.	 Continuous visits and communication with these residents are ongoing.
	 Installation of 1 300 electrical connections to Enkanini : The consultant underperformed, which caused a delay in the completion of the project.	 Consultant was placed on terms that resulted in improved performance.
	 Bulk upgrades to enable the Enkanini Electrification project : The medium-voltage route had to be altered due to the encroachment of houses onto the road reserve, which forced the department to install their electrical cables in the middle of the road. The re-routing resulted in delays and additional costs for the project.	 The department embarked on a contract variation to complete the project.
	 Staff shortages are impacting service delivery; although the impact is not experienced by the public, staff's wellbeing is severely affected, which is a great concern to the department's management. Even though the electricity infrastructure and customers have grown over the years, the staff complement has decreased.	 Continuous engagement with executive management is ongoing.
	 Impact of loadshedding on electricity infrastructure  Due to the continuous interruption of electricity supply because of loadshedding, the electricity infrastructure is starting to show signs of malfunctioning as it was not designed to operate in such conditions.	 Investigations to improve the electricity infrastructure operations under these conditions are ongoing and attended to on an ad-hoc basis.
	 Illegal connections: The installation of illegal connections persists despite engagement with stakeholders.	 Engagement with stakeholders is ongoing, and on several occasions, the department embarked on an operation to remove these illegal connections.
 Infrastructure Vandalism: Vandalism of electricity infrastructure persists, and it appears that with loadshedding this act is on the increase.	 The department has requested the safeguarding of the critical infrastructure, but it remains a challenge due to budget constraints.	
Waste Management	 Absence of a Youth Environmental Coordinator (YCOP) to assist with social engagement and awareness.	 The municipality must explore filling the position within the department to increase social engagement and awareness.

Service Area	Challenge	Actions to address
	Increase in illegal dumping	Appointment of a Youth Environmental Coordinator (YCOP) to assist with social engagement and awareness.
	Staff Constraints	Effective and efficient recruitment and selection processes.

1.11 Financial Viability Highlights

Table 15: Municipal Viability Highlights

Highlight	Description
Long-Term Financial Plan	The municipality has developed a long-term financial planning tool that can be updated regularly for strategic planning.
Current ratio	The municipality maintained a very good current ratio of 1.92:1. This compares well with the norm of 1.5 to 2:1.
Collection rate	The municipality maintained a good collection rate for service debtors of 96%, which is above the norm of 97%. This indicates that the municipality's creditor control and debt collection processes are in place and the revenue is managed effectively.
Finance Charges	Finance charges represent 3.08% of the total operational expenditure. This compares favourably with the norm of 6% to 8%.
Liability Management	Capital costs (interest paid and redemption) represent 4.76% of total operating expenditure. This indicates that the municipality can take on additional financing from borrowing to invest in infrastructure projects.
mSCOA Specimen Financial Statements	The municipality implemented the National Treasury mSCOA specimen annual financial statements preparation template, where the financial statements are compiled utilising the data strings extracted from the financial system.
Debt Management	The municipality's total debt represents 26% of the total operational expenditure. This compares favourably with the norm of 45% and is an indication that the municipality can take on additional financing from borrowings.

1.12 Financial Viability Challenges

Table 16: Financial Viability Challenges

Challenge	Description
Financial Viability	The traceability of all debtors poses a challenge to the debt collection process. Low economic growth, an increase in unemployment, and above-inflation increases in the cost of water impact the affordability of municipal accounts.
Revenue Leakage	An integrated revenue enhancement approach was followed to combat revenue leakages.

1.13 Financial Overview

Table 17: Financial Viability and Management Financial Overview (000')

Details	Original budget	Adjustment Budget	Actual
	R'000		
Income			
Grants (Operating and Capital)	366 410	344 598	311 442
Taxes, Levies and Tariffs	1 666 592	1 632 137	1 582 733
Other	223 849	233 003	306 948
Sub-Total	2 256 851	2 209 738	2 201 123
Less Expenditure	2 102 065	2 119 665	1 947 880
Net surplus / (deficit)	154 786	90 073	253 243

1.13.1 Operating Ratios

Table 18: Operating Ratios

Detail	Expected norm	Actual	Variance
Employee Cost	35%-40%	27.86%	-(9%-15%)
Repairs and Maintenance	15%	2.67%	-12.33%
Finance Charges	15%	3.08%	-11.95%

Employee cost is below the national norm of between 35% to 40%, representing a positive outcome. Repairs and maintenance are below the norm, which indicates that expenditure on repairs and maintenance would have to be increased in future budgets to properly maintain the Council's assets. Finance charges are 11.95% lower than the norm of 15%, this can be attributed mainly to the municipality's ability to fund its capital programmes to some extent from its resources (CRR) and not external finance.

1.13.2 Total Capital Expenditure

Table 19: Total Capital Expenditure (000')

Detail	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	R'000							
Original Budget	452 759	463 792	418 057	528 041	558 276	375 751	406 054	409 273
Adjustment Budget	437 183	482 580	499 855	563 550	577 905	453 880	403 508	378 709
Actual	348 861	410 562	433 682	493 303	405 931	392 941	347 610	321 506

1.14 Municipal Standard Chart of Accounts

MFMA Circular No. 80: Municipal Financial Systems and Processes requirements in support of the Municipal Standard Chart of Accounts (mSCOA) issued in terms of the Local Government: Municipal Finance Management, 2003 (Act No. 56 of 2003) (MFMA). In the MFMA SCOA Circular 1, it was indicated that mSCOA is a business reform rather than a mere financial reform and requires a multi-dimensional relationship.

The mSCOA was implemented in Stellenbosch Municipality on 01 July 2017. The municipality is in continuous engagement with the service provider, National Treasury, and other municipalities through various working groups as well as online platforms to improve mSCOA compliance and functionality.

1.15 Organisational Development Overview

The municipality, regarding municipal transformation and organisational development, achieved the following highlights:

Table 20: Organisational development highlights

Highlight	Description
Filling of critical posts	Critical posts are filled as and when required with the availability of funds.
Organisational Stability	All staff placements were made in terms of the new organisational structure.

1.16 MFMA Competencies

In terms of Section 83(1) of the MFMA, the accounting officer, senior managers, chief financial officer, non-financial managers, and other financial officials of a municipality must meet the prescribed financial management competency levels that are key to the successful implementation of the MFMA. The National Treasury prescribed such financial management competencies in Government Notice 493, dated 15 June 2007.

To help the above officials get the required financial skills, the National Treasury created an outcome-based NQF Level 6 qualification in municipal finance management with the help of many stakeholders and key players in local government.

In terms of Government Notice 493 of 15 June 2007, "(1) No municipality or municipal entity may, with effect as of 1 January 2013 (exempted until 30 September 2015 as per Government Notice 179 of 14 March 2014), employ a person as a financial official if that person does not meet the competency levels prescribed for the relevant position in terms of these Regulations."

The table below provides details of the financial competency development progress as required by the regulation (Government Notice 493 of 15 June 2007):

Table 21: Financial Competency Development: Progress Report

Description	A Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total of A and B	Consolidated: Competency assessments completed (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials						
Accounting Officer	1	0	1	1	1	1
Chief Financial Officer	1	0	1	1	1	1
Senior Managers	4	0	4	4	4	4
Any other financial officials	1	0	1	1	1	1
Supply Chain Management Officials						
Heads of supply chain management units	1	0	1	1	1	1
Supply chain management senior managers	2	0	2	2	2	1

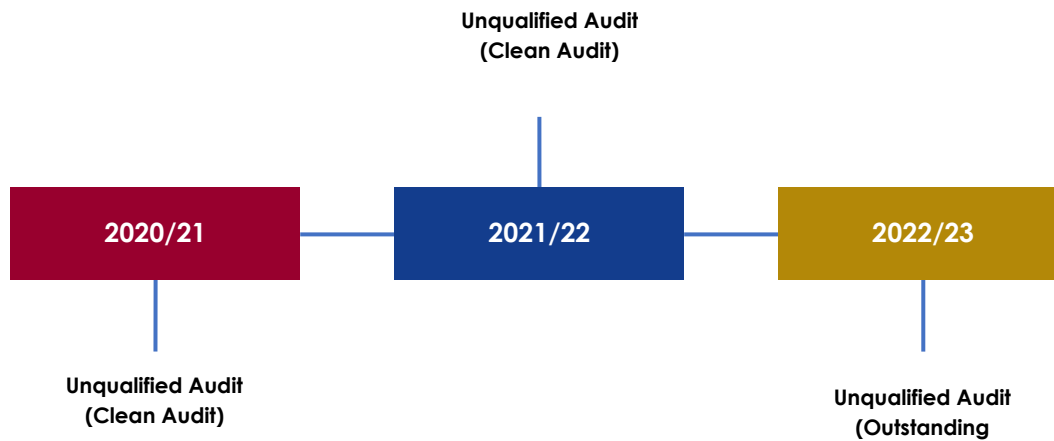
1.17 Auditor General of South Africa's Report

The Auditor-General of South Africa has a constitutional mandate and, as the Supreme Audit Institution (SAI) of South Africa, exists to strengthen the country's democracy by enabling oversight, accountability, and governance in the public sector through auditing, thereby building public confidence. In short, the Auditor-General checks the spending of public money by looking at whether it has been used ideally and for the purposes intended. This process is concluded by annually checking all government spending.

The audit outcomes of a municipality are based on the fair presentation and absence of significant misstatements in financial statements, performance information for predetermined objectives that was reliable and credible, and all financial / non-financial information that complied with laws and regulations.

The diagram below indicates the audit outcome progress from 2020/21 to 2022/23.

Figure 11: Audit Outcome Progress 2020/21 - 2022/23



CHAPTER 2: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

2.1 Introduction

Good governance is an approach to government that is committed to creating a system founded on strengthening democracy, promoting transparency, building public administrative capacity, responding to public needs, and respecting human rights. It is measured by eight factors: **participation, rule of law, transparency, responsiveness, consensus-oriented accountability, effectiveness and efficiency, equitability, and inclusivity**. Within the context of good governance, corruption is minimised, the views of minorities are considered, and the voices of the most vulnerable in society are heard in decision-making. It is also responsive to the present and future needs of society.

2.2 National Key Performance Indicators - Good Governance and Public Participation

The following table indicates the municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and Performance Management Regulations 796 of 2001 and Section 43 of the MSA. This key performance indicator is linked to the National Key Performance Area: Good Governance and Public Participation.

Table 22: National KPI - Good Governance and Public Participation

KPA and Indicators	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan.	85.08%	86.5%	87.5%	70.25%	86.57%	84.29%	84.79%

2.3 Performance Highlights - Good Governance and Public Participation

Table 23: Highlights of Good Governance and Public Participation

Highlight	Description
Audit Outcomes	Finalised (unqualified with no findings)
MSA Sections 79 and 80 Committees of Council	The establishment of functional S.80 and S.79 Committees of the Council and held meetings regularly.
Public Participation	The new Council had the opportunity to participate in the IDP sessions held in January 2022 and April 2022 with all 23 wards.
Communication	The municipality stays abreast with communication trends. Public participation has been rolled out via online streaming at satellite offices.
Compliance	The municipality adhered to all laws and regulations in terms of compliance.

2.4 Challenges - Good Governance and Public Participation

Table 24: Challenges of Good Governance and Public Participation

Description	Actions to address
Fraud and Corruption Management	Active reporting has been sustained via the fraud hotline, direct phone calls received, and walk-in responses. Regrettably, it has come to light that the fraud hotline and the Regulations for Senior Managers (Misconduct and Financial Misconduct) are being exploited to target individuals and management unjustly.

2.5 Public satisfaction with municipal services

No formal community surveys were developed; the community makes use of the social space to state their satisfaction or dissatisfaction with services, and the municipality will try its utmost to address the needs of the public.

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

2.6 Political Governance Structure

The Council performs both legislative and executive functions. It focuses on legislative, oversight, and participatory roles and has delegated its executive function to the Executive Mayor and the Mayoral Committee. Its primary role is to debate issues publicly as well as facilitate political debates and discussions. Apart from their functions as policymakers, councillors are also actively involved with community work and in the various social programmes in the municipal area.

Stellenbosch Municipality is represented by 45 councillors, of whom 23 were elected directly as ward councillors. The rest of the councillors were elected based on the proportion of votes cast for the different political parties. The political composition of the Council is as follows from the previous Council and the newly elected Council:

2.6.1 Council – 01 July 2022 to 30 June 2023

Below is a table that categorises the councillors within their specific political parties and wards.

Table 25: Council for the period 01 July 2022 to 31 May 2023

No.	Name of Councillor	Capacity	Political Party	Ward Councillor and Proportional (PR)
1.	G van Deventer (Adv)	Executive Mayor	DA	PR
2.	JS Fasser (Mr)	Deputy Executive Mayor including Human Settlements portfolio	DA	PR
3.	Q Smit (Mr)	Speaker	DA	PR
4.	A Hanekom (Mr)	Part-time	DA	PR
5.	S Schafer (Mr)	Part-time	DA	PR
6.	X Kalipa (Mr)	Part-time	DA	PR
7.	P Crawley (Ms)	Chief Whip	DA	PR
8.	X Mdemka (Ms)	Part - time	DA	PR
9.	N Olayi (Mr)	Part-time	DA	PR
10.	R Pheiffer (Mr)	Part-time	DA	Ward Councillor: Ward 1
11.	WC Petersen (Ms)	Part-time	DA	Ward Councillor: Ward 2
12.	C Manuel (Mr)	Part-time	DA	Ward Councillor: Ward 3

No.	Name of Councillor	Capacity	Political Party	Ward Councillor and Proportional (PR)
13.	R Adams (Mr)	MayCo Member	DA	Ward Councillor: Ward 4
14.	RB van Rooyen (Mr)	Part-time	DA	Ward Councillor: Ward 5
15.	NE Mcombring (Ms)	Part-time	DA	Ward Councillor: Ward 6
16.	A Ferns (Ms)	Part-time	DA	Ward Councillor: Ward 7
17.	C van Wyk (Ms)	MayCo Member	DA	Ward Councillor: Ward 8
18.	Z Dalling (Ms)	MayCo Member	DA	Ward Councillor: Ward 9
19.	R du Toit (Ms)	MayCo Member	DA	Ward Councillor: Ward 10
20.	J Serdyn (Ms)	Part-time	DA	Ward Councillor: Ward 11
21.	E Vermeulen (Ms)	Part-time	DA	Ward Councillor: Ward 16
22.	P Johnson (Mr)	MayCo Member	DA	Ward Councillor: Ward 17
23.	J Anthony (Ald)	Part-time	DA	Ward Councillor: Ward 18
24.	J Williams (Mr)	MayCo Member	DA	Ward Councillor: Ward 19
25.	J Joon (Mr)	MayCo Member	DA	Ward Councillor: Ward 20
26.	M Slabbert (from 8 March 2023)	Part-time	DA	Ward Councillor: Ward 21
27.	FJ Badenhorst (until 8 March 2023)	MayCo Member	DA	Ward Councillor: Ward 21
28.	E Groenewald (Ms)	Part-time	DA	Ward Councillor: Ward 22
29.	L Nkamisa (Mr)	MayCo Member	DA	Ward Councillor: Ward 23
30.	RS Nalumango (Ms)	Part-time	ANC	PR
31.	N Ntsunguzi (Ms)	Part-time	ANC	PR
32.	MG Rataza (Mr)	Part-time	ANC	PR
33.	N Mananga – Gugushe (Ms)	Part-time	ANC	PR
34.	A Tomose (Mr)	Part-time	ANC	Ward Councillor: Ward 12
35.	M Nkopane (Ms)	Part-time	ANC	Ward Councillor: Ward 13
36.	MM Danana (Mr)	Part-time	ANC	Ward Councillor: Ward 14
37.	EP Masiminini (Mr)	Part-time	ANC	Ward Councillor: Ward 15
38.	CD Noble (Mr)	Part-time	GOOD	PR
39.	RB Hendrikse (Ms)	Part-time	GOOD	PR
40.	M van Stade (Mr)	Part-time	GOOD	PR
41.	ZR Ndalasi (Mr)	Part-time	EFF	PR
42.	NM Mkhontwana (Ms)	Part-time	EFF	PR
43.	OL Jooste (Mr)	Part-time	ACDP	PR
44.	W Pietersen (Mr)	MPAC Chairperson	PDM	PR
45.	J Andrews (Mr)	Part-time	PA	PR
46.	I De Taillefer (Ms)	Part-time	VF Plus	PR

Table 26: Council from 01 June 2023 – 30 June 2023

No.	Name of Councillor	Capacity	Political Party	Ward Councillor and Proportional (PR)
1.	G van Deventer (Ms)	Executive Mayor	DA	PR
2.	JS Fasser (Mr)	Deputy Executive Mayor including Finance Portfolio	DA	PR
3.	Q Smit (Mr)	Speaker	DA	PR

No.	Name of Councillor	Capacity	Political Party	Ward Councillor and Proportional (PR)
4.	A Hanekom (Mr)	Part-time	DA	PR
5.	S Schafer (Mr)	Part-time	DA	PR
6.	X Kalipa (Mr)	MayCo Member	DA	PR
7.	P Crawley (Ms)	Chief Whip	DA	PR
8.	X Mdemka (Ms)	Part - time	DA	PR
9.	N Olayi (Mr)	Part-time	DA	PR
10.	R Pheiffer (Mr)	MayCo Member	DA	Ward Councillor: Ward 1
11.	WC Petersen (Ms)	Part-time	DA	Ward Councillor: Ward 2
12.	C Manuel (Mr)	Part-time	DA	Ward Councillor: Ward 3
13.	R Adams	Part-time	DA	Ward Councillor: Ward 4
14.	RB van Rooyen (Mr)	Part-time	DA	Ward Councillor: Ward 5
15.	NE Mcombring (Ms)	Part-time	DA	Ward Councillor: Ward 6
16.	A Ferns (Ms)	Part-time	DA	Ward Councillor: Ward 7
17.	C van Wyk (Ms)	MayCo Member	DA	Ward Councillor: Ward 8
18.	Z Dalling (Ms)	Part-time	DA	Ward Councillor: Ward 9
19.	R du Toit (Ms)	MayCo Member	DA	Ward Councillor: Ward 10
20.	J Serdyn (Ms)	Part-time	DA	Ward Councillor: Ward 11
21.	E Vermeulen (Ms)	Part-time	DA	Ward Councillor: Ward 16
22.	P Johnson (Mr)	MayCo Member	DA	Ward Councillor: Ward 17
23.	J C Anthony (Ald)	MayCo Member	DA	Ward Councillor: Ward 18
24.	J Williams (Mr)	MayCo Member	DA	Ward Councillor: Ward 19
25.	J Joon (Mr)	MayCo Member	DA	Ward Councillor: Ward 20
26.	M J Slabbert (Mr)	Part-time	DA	Ward Councillor: Ward 21
27.	E Groenewald (Ms)	Part-time	DA	Ward Councillor: Ward 22
28.	L Nkamisa (Mr)	MayCo Member	DA	Ward Councillor: Ward 23
29.	RS Nalumango (Ms)	Part-time	ANC	PR
30.	N Ntsunguzi (Ms)	Part-time	ANC	PR
31.	MG Rataza (Mr)	Part-time	ANC	PR
32.	N Mananga – Gugushe (Ms)	Part-time	ANC	PR
33.	A Tomose (Mr)	Part-time	ANC	Ward Councillor: Ward 12
34.	M Nkopane (Ms)	Part-time	ANC	Ward Councillor: Ward 13
35.	MM Danana (Mr)	Part-time	ANC	Ward Councillor: Ward 14
36.	EP Masiminini (Mr)	Part-time	ANC	Ward Councillor: Ward 15
37.	CD Noble (Mr)	Part-time	GOOD	PR
38.	RB Hendrikse (Ms)	Part-time	GOOD	PR
39.	M van Stade (Mr)	Part-time	GOOD	PR
40.	ZR Ndalasi (Mr)	Part-time	EFF	PR
41.	NM Mkhontwana (Ms)	Part-time	EFF	PR
42.	OL Jooste (Mr)	Part-time	ACDP	PR
43.	W Pietersen (Mr)	Full-time MPAC Chairperson	PDM	PR
44.	J Andrews (Mr)	Part-time	PA	PR
45.	I De Taillefer (Ms)	Part-time	VF Plus	PR

The table below indicates the Council meetings attendance for the 2022/23 financial year.

Table 27: Council meetings for the 2022/23 financial year

Meeting dates	Number of items (resolutions) submitted	Percentage Attendance of Council Meetings	Percentage Apologies for non-Attendance
22 June 2022	19	100%	4
27 July 2022	22	100%	2
24 August 2022	17	100%	4
26 October 2022	27	100%	2
23 November 2022	24	100%	5
12 January 2023 (Special Council)	1	100%	5
30 January 2023	16	100%	-
22 February 2023	10	100%	1
29 March 2023	18	100%	4
26 April 2023	22	100%	-
24 May 2023	23	100%	3
27 June 2023	15	100%	7
26 July 2023	23	100%	6

2.7 Executive Mayoral Committee

The Mayoral Committee assists the Executive Mayor of the municipality, who oversees the municipality's political executive branch. The Executive Mayor is at the centre of the system of governance since executive powers are vested in the executive mayor to oversee the day-to-day affairs of the municipality. This encompasses an overarching strategic and political responsibility. The key element of the executive model is that executive power is vested in the Executive Mayor, in addition, delegated powers by the Council were assigned. There was a reshuffle of the Mayco committee due to the resignation of Councillor Badenhorst. The new portfolios and committee were implemented on 01 May 2023.

Although accountable for the strategic direction and performance of the municipality, the Executive Mayor operates in consultation with the Mayoral Committee.

The Executive Mayoral Committee positions were occupied as follows:

Table 28: Executive Mayoral Committee

Executive Mayoral Committee 1 July 2022 – 31 May 2023		Executive Mayoral Committee 01 June 2023– 30 June 2022	
Name of member	Portfolio	Name of member	Portfolio
G van Deventer (Adv) [Ms]	Executive Mayor	Alderwoman Cllr G van Deventer	Executive Mayor
Cllr J Fasser	Deputy Executive Mayor, including Integrated Human Settlements	Cllr J Fasser	Deputy Executive Mayor, including Financial Services
Cllr R Adams	MayCo member: Chairperson: Sport, Youth and Culture	Cllr JC Anthony	MayCo member: Sport, Youth and Culture
Cllr FJ Badenhorst	MayCo member: Chairperson: Protection Services	Cllr R Du Toit	MayCo member: Human Settlement
Cllr Z Dalling	MayCo member: Chairperson: Infrastructure Services	Cllr P Johnson	MayCo member: Infrastructure

Executive Mayoral Committee 1 July 2022 – 31 May 2023		Executive Mayoral Committee 01 June 2023– 30 June 2022	
Name of member	Portfolio	Name of member	Portfolio
Cllr R Du Toit	MayCo member: Chairperson: Local Economic Development	Cllr J Joon	MayCo member: Rural Management
Cllr P Johnson	MayCo member: Chairperson: Finance	Cllr X Kalipa	MayCo member: Community Development
Cllr J Joon	MayCo member: Chairperson: Parks, Open Spaces, and Environment	Cllr L Nkamisa	MayCo member: Corporate Services
Cllr L Nkamisa	MayCo member: Chairperson: Corporate Services	Cllr R Pheiffer	MayCo member: Protection Services
Cllr C Van Wyk	MayCo member: Planning	Cllr C Van Wyk	MayCo member: Planning, LED, and Tourism
Cllr J Williams	MayCo member: Rural Management	Cllr J Williams	MayCo member: Parks, Open Spaces, and Environment

The table below indicates the dates of the Executive Mayoral Committee meetings and the number of reports submitted to the Council for the 2022/23 financial year.

Table 29: Executive Mayoral Committee Meetings held for the period 01 July 2022 – 30 June 2023

Meeting dates	Number of items submitted
20 July 2022	15
16 August 2022	11
14 September 2022	4
19 October 2022	16
16 November 2022	17
19 January 2023	9
15 February 2023	8
22 March 2023	19
19 April 2023	14
17 May 2023	12
14 June 2023	5

2.7.1 Portfolio Committees

In terms of Section 80 of the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998), if a council has an executive committee, it may, in terms of Section 79, appoint committees of councillors to assist the executive committee or executive mayor. Section 80 stipulates that committees are permanent committees that specialise in a specific functional area of the municipality and, in some instances, may make decisions on specific functional issues. They advise the executive committee on policy matters and make recommendations to the council.

The tables below show a comparison of the portfolio committees and meeting dates from 01 July 2022 until 31 May 2023 and the newly elected mayoral committee from 01 June 2022 until 30 June 2023.

2.7.1.1 Comparison of the Planning LED and Tourism - Portfolio Committee for the periods of 01 July 2022 - 31 May 2023 and 01 June 2023 – 30 June 2023

Table 30: Comparison of the Planning; LED and Tourism Committee

Period 01 July 2022 – 31 May 2023		Period 01 July 2022 – 31 May 2023		Period 01 June 2023 – 31 June 2023	
Planning Portfolio Committee		LED and Tourism Committee		Planning, LED, and Tourism Portfolio Committee	
Name of member	Capacity	Name of member	Capacity	Name of member	Capacity
Cllr C Van Wyk	Portfolio Chairperson	Cllr R Du Toit	Portfolio Chairperson	Cllr C Van Wyk	Portfolio Chairperson
Cllr JC Anthony	Committee member	Cllr N Mcombring	Committee member	Cllr A Hanekom	Committee member
Cllr M Danana	Committee member	Cllr R Pheiffer	Committee member	Cllr M Slabbert	Committee member
Cllr A Hanekom	Committee member	Cllr De Taillerfer	Committee member	Cllr M Danana	Committee member
Cllr R Hendrikse	Committee member			Cllr R Hendrikse	Committee member

2.7.1.2 Planning; LED and Tourism Portfolio Committee meetings for the periods of 01 July 2022 – 31 May 2023 and 01 June – 30 June 2023

Table 31: Planning; LED and Tourism Committee Portfolio Committee Meeting dates

Period 01 July 2022 – 31 May 2023		Period 01 July 2022 – 31 May 2023		Period 01 June 2023 – 31 June 2023	
Planning Portfolio Committee meeting dates		LED and Tourism Committee meeting dates		Planning Portfolio Committee meeting dates	
Meeting dates	Number of reports submitted	Meeting dates	Number of reports submitted	Meeting dates	Number of reports submitted
04 October 2022	2	06 September 2022	2	-	0
02 May 2023	4	06 October 2022	1	-	0
01 August 2023	2	03 November 2023	1	-	0
		06 December 2022	1	-	0
		07 February 2023	1	-	0
		02 March 2023	1	-	0
		06 April 2023	1	-	0
		04 May 2023	1	-	0

2.7.1.3 Comparison of the Infrastructure Committee for the periods of 01 July 2022 – 31 May 2023 and 01 June – 30 June 2023

Table 32: Infrastructure Services Portfolio Committee

Period 01 July 2022 – 31 May 2023		Period 01 June 2023 – 30 June 2023	
Infrastructure Portfolio Committee		Infrastructure Portfolio Committee	
Name of member	Capacity	Name of member	Capacity
Cllr Z Dalling	Portfolio Chairperson	Cllr P Johnson	Portfolio Chairperson
Cllr R van Rooyen	Committee member	Cllr R Van Rooyen	Committee member

Period 01 July 2022 – 31 May 2023		Period 01 June 2023 – 30 June 2023	
Infrastructure Portfolio Committee		Infrastructure Portfolio Committee	
Name of member	Capacity	Name of member	Capacity
Cllr N Mcombring	Committee member	Cllr N Mcombring	Committee member
Cllr R Nalumango	Committee member	Cllr R Nalumango	Committee member
Cllr Z Ndalasi	Committee member	Cllr Z Ndalasi	Committee member

2.7.1.4 Infrastructure Services Portfolio Committee meetings for the periods of 01 July 2022 – 31 May 2023 and 01 June – 30 June 2023

Table 51: Infrastructure Services Portfolio Committee Meeting dates

Period 01 July 2022 – 31 May 2023		Period 01 June 2023 – 30 June 2023	
Infrastructure Portfolio Committee meeting dates		Infrastructure Portfolio Committee meeting dates	
Meeting dates	Number of reports submitted	Meeting dates	Number of reports submitted
06 October 2022	8	01 June 2023	2
01 December 2022	2	-	0
02 March 2023	1	-	0

2.7.1.5 Comparison of the Financial Services Portfolio Committee for the periods of 01 July 2022 – 31 May 2023 and 01 June – 30 June 2023

Table 33: Financial Services Portfolio Committee

Period 01 July 2022 – 31 May 2023		Period 01 June 2023 – 30 June 2023	
Financial Services Portfolio Committee		Financial Services Portfolio Committee	
Name of member	Capacity	Name of member	Capacity
Cllr P Johnson	Portfolio Chairperson	Cllr J Fasser	Portfolio Chairperson
Cllr W Petersen	Committee Member	Cllr W Petersen	Committee member
Cllr E Groenewald	Committee Member	Cllr E Groenewald	Committee member
Cllr A Tomose	Committee Member	Cllr A Tomose	Committee member
Cllr R Hendrickse	Committee Member	Cllr R Hendrikse	Committee member

2.7.1.6 Financial Services Portfolio Committee meetings for the periods of 01 July 2022 – 31 May 2023 and 01 June – 30 June 2023

Table 34: Financial Services Portfolio Committee Meeting dates

Period 01 July 2022 – 31 May 2023		Period 01 June 2023 – 30 June 2023	
Financial Portfolio Committee meeting dates		Financial Portfolio Committee meeting dates	
Meeting dates	Number of reports submitted	Meeting dates	Number of reports submitted
-	0	-	0

2.7.1.7 Comparison of the Protection Services Portfolio Committee for the periods of 01 July 2022 – 31 May 2023 and 01 June – 30 June 2023

Table 35: Comparison of the Protection Services Portfolio Committee

Period 01 July 2022 – 31 May 2023		Period 01 June 2023 – 30 June 2023	
Protection Services Portfolio Committee		Protection Services Portfolio Committee	
Name of member	Capacity	Name of member	Capacity
Cllr R Badenhorst	Portfolio Chairperson	Cllr R Pheiffer	Portfolio Chairperson
Cllr C Manuel	Committee member	Cllr C Manuel	Committee member
Cllr A Hanekom	Committee Member	Cllr M Slabbert	Committee member
Cllr M Nkopane	Committee member	Cllr M Nkopane	Committee member
Cllr N Mkhontwana	Committee member	Cllr N Mkhontwana	Committee member

2.7.1.8 Protection Portfolio Committee meetings for the periods of periods of 01 July 2022 – 31 May 2023 and 01 June – 30 June 2023

Table 36: Protection Services Portfolio Committee Meeting Dates

Period 01 July 2022 – 31 May 2023		Period 01 June 2023 – 30 June 2023	
Protection Portfolio Committee meeting dates		Protection Portfolio Committee meeting dates	
Meeting dates	Number of reports submitted	Meeting dates	Number of reports submitted
03 August 2022	4	07 June 2023	0
07 September 2022	6	-	0
05 October 2022	2	-	0
01 February 2023	3	-	0
01 March 2023	3	-	0
03 May 2023	9	-	0

2.7.1.9 Comparison of the Human Settlements Portfolio Committee for the period of 01 July 2022 - 31 May 2023 and 01 June 2023 – 30 June 2023

Table 37: Human Settlements Portfolio Committee

Period 01 July 2022 – 31 May 2023		Period 01 June 2023 – 30 June 2023	
Human Settlements Portfolio Committee		Human Settlements Portfolio Committee	
Name of member	Capacity	Name of member	Capacity
Cllr J Fasser	Deputy Executive Mayor – Portfolio Chairperson	Cllr R Du Toit	Portfolio Chairperson
Cllr E Vermeulen	Committee member	Cllr E Vermeulen	Committee member
Cllr J Serdyn	Committee member	Cllr J Serdyn	Committee member
Cllr N Ntsunguzi	Committee member	Cllr N Ntsunguzi	Committee member

2.7.1.10 Human Settlements Portfolio Committee meetings for the period of 01 July 2022 - 31 May 2023 and 01 June 2023 – 30 June 2023

Table 38: Human Settlements Portfolio Committee meeting dates

Period 01 July 2022 – 31 May 2023		Period 01 June 2023 – 30 June 2023	
Human Settlements Portfolio Committee meeting dates		Human Settlements Portfolio Committee meeting dates	
Meeting dates	Number of reports submitted	Meeting dates	Number of reports submitted
01 March 2023	1	07 June 2023	3
05 April 2023	1	-	0

2.7.1.11 Comparison of the Rural Management Portfolio Committee for the periods of 01 July 2022 - 31 May 2023 and 01 June 2023 – 30 June 2023

Table 39: Rural Management Portfolio Committee

Period 01 July 2022 – 31 May 2023		Period 01 June 2023 – 30 June 2023	
Rural Management Portfolio Committee		Rural Management Portfolio Committee	
Name of member	Capacity	Name of member	Capacity
Cllr J Williams	Portfolio Chairperson	Cllr J Joon	Portfolio Chairperson
Cllr X Mdemka	Committee member	Cllr J Serdyn	Committee member
Cllr C Manuel	Committee member	Cllr C Manuel	Committee member
Cllr E Masimini	Committee member	Cllr E Masimini	Committee member

2.7.1.12 Rural Management Portfolio Committee meetings for the periods of 01 July 2022 - 31 May 2023 and 01 June 2023 – 30 June 2023

Table 40: Rural Management Portfolio Committee meeting dates

Period 01 July 2022 – 31 May 2023		Period 01 June 2023 – 30 June 2023	
Rural Management Portfolio Committee meeting dates		Rural Management Portfolio Committee meeting dates	
Meeting dates	Number of reports submitted	Meeting dates	Number of reports submitted
01 March 2023	1	07 June 2023	1

2.7.1.13 Comparison of the Youth, Sport and Culture Portfolio Committee for the periods of 01 July 2022 - 31 May 2023 and 01 June 2023 – 30 June 2023

Table 41: Youth, Sport and Culture Portfolio Committee

Period 01 July 2022 – 31 May 2023		Period 01 June 2023 – 30 June 2023	
Youth, Sport and Culture Portfolio Committee		Youth, Sport and Culture Portfolio Committee	
Name of member	Capacity	Name of member	Capacity
Cllr R Adams	Portfolio Chairperson	Ald J C Anthony	Portfolio Chairperson
Cllr R Pheiffer	Committee member	Cllr R Van Rooyen	Committee member
Cllr R van Rooyen	Committee member	Cllr N Mcombring	Committee member

Period 01 July 2022 – 31 May 2023		Period 01 June 2023 – 30 June 2023	
Youth, Sport and Culture Portfolio Committee		Youth, Sport and Culture Portfolio Committee	
Name of member	Capacity	Name of member	Capacity
Cllr C Noble	Committee member	Cllr C Noble	Committee member
Cllr J Andrews	Committee member	Cllr J Andrews	Committee member

2.7.1.14 Youth, Sport and Culture Portfolio Committee meetings for the periods of 01 July 2022 - 31 May 2023 and 30 June 2023 – 30 June 2023

Table 42: Rural Management Portfolio Committee meeting dates

Period 01 July 2022 – 31 May 2023		Period 01 June 2023 – 30 June 2023	
Youth, Sport and Culture Portfolio Committee meeting dates		Youth, Sport and Culture Portfolio Committee meeting dates	
Meeting dates	Number of reports submitted	Meeting dates	Number of reports submitted
04 August 2022	8	01 June 2023	4
01 September 2022	5		
13 October 2022	5		
03 November 2022	9		
02 February 2023	4		
02 March 2023	8		
04 May 2023	16		

2.7.1.15 Comparison of the Community Development (Parks, Open Spaces, Environment) Portfolio Committee for the periods of 01 July 2022 - 31 May 2023 and 30 June 2023 – 30 June 2023

Table 43: Community Development (Parks, Open Spaces, Environment) Portfolio Committee

Period 01 July 2022 – 31 May 2023		Period 01 June 2023 – 30 June 2023	
Community Development (Parks, Open Spaces, Environment) Portfolio Committee		Community Development (Parks, Open Spaces, Environment) Portfolio Committee	
Name of member	Capacity	Name of member	Capacity
Cllr J Joon	Portfolio Chairperson	Cllr J Williams	Portfolio Chairperson
Cllr E Vermuelen	Committee member	Cllr E Vermeulen	Committee member
Cllr A Hanekom	Committee member	Cllr Z Dalling	Committee member
Cllr M Nkopane	Committee member	Cllr M Nkopane	Committee member

2.7.1.16 Community Development (Parks, Open Spaces, Environment) Portfolio Committee meetings for the periods of 01 July 2022 - 31 May 2023 and 30 June 2023 – 30 June 2023

Table 44: Community Development (Parks, Open Spaces, Environment) Portfolio Committee meeting dates

Period 01 July 2022 – 31 May 2023		Period 01 June 2023 – 30 June 2023	
Community Development (Parks, Open Spaces, Environment) Portfolio Committee meeting dates		Community Development (Parks, Open Spaces, Environment) Portfolio Committee meeting dates	
Meeting dates	Number of reports submitted	Meeting dates	Number of reports submitted
10 August 2022	2	05 June 2023	3
12 September 2022	1		
10 October 2022	1	-	0
07 November 2022	2	-	0
06 March 2023	2	-	0
08 February 2023	2	-	0

2.7.1.17 Corporate Services Portfolio Committee for the period of 01 July 2022 until 30 June 2023

Table 45: Corporate Services Portfolio Committee

Period 01 July 2022 – 31 May 2023		Period 01 June 2023 – 30 June 2023	
Name of member	Capacity	Name of member	Capacity
Cllr L Nkamisa	Portfolio Chairperson	Cllr L Nkamisa	Portfolio Chairperson
Ald JC Anthony	Committee member	Cllr Z Dalling	Committee member
Cllr J Serdyn	Committee member	Cllr J Serdyn	Committee member
Cllr M Rataza	Committee member	Cllr M Rataza	Committee member
		Cllr I de Taillefer	Committee member

2.7.1.18 Corporate Services Portfolio Committee meetings for the period of 01 July 2022 until 30 June 2023

Table 46: Corporate Services Portfolio Committee Meeting Dates

Period 01 July 2022 – 30 June 2023	
Meeting dates	Number of reports
22 August 2022	1
05 September 2022	1
07 February 2023	1
07 March 2023	1
06 June 2023	1
01 August 2023	2

2.7.1.19 Community Services Portfolio Committee for the period of 01 June 2023 until 30 June 2023

Table 47: Community Services Portfolio Committee

Period 01 June 2023 – 30 June 2023	
Name of member	Capacity
Cllr X Kalipa	Portfolio Chairperson
Cllr N Mcombring	Committee member
Cllr R Van Rooyen	Committee member
Cllr M Nkopane	Committee member
Cllr N Mkhontwana	Committee member

2.7.1.20 Community Services Portfolio Committee meetings for the period of 01 June 2023 until 30 June 2023

Table 48: Community Services Portfolio Committee Meeting Dates

Period 01 June 2023 – 30 June 2023	
Meeting dates	Number of reports
03 August 2023	3
07 September 2023	2

2.7.2 Section 79 Committees

2.7.2.1 Municipal Public Accounts Committee (MPAC)

Table 49: MPAC Committee

Period 01 July 2022 – 30 June 2023	
Name of member	Capacity
Cllr W Pietersen	Chairperson
Cllr A Ferns	Committee Member
Cllr R Adams	Committee Member until 01 June 2023
Cllr N Olayi	Committee Member
Cllr N Gugushe	Committee Member
Cllr S Schafer	Committee Member (from 01 April 2023- replaced Cllr A Crombie)
Cllr O Jooste	Committee Member
Cllr A Crombie	Committee Member until March 2023 (passed away)
Cllr X Kalipa	Committee Member until 30 May 2023

Table 50: MPAC Meeting Dates

Period 01 July 2022 – 30 June 2023	
Meeting dates	Number of reports
19 August 2022	3
31 August 2022	1 (IN COMMITTEE)
20 April 2023	3
14 June 2023	4

2.7.2.2 Local Labour Forum (LLF)

Table 51: Local Labour Forum (LLF)

Period 01 July 2022 – 30 June 2023	
Name of member	Capacity
Cllr L Nkamisa	Deputy Chairperson
Cllr N Mananga-Gugushe	Committee Member
Cllr I De Tailerfer (Ms)	Committee Member
Cllr C Van Wyk	Committee Member
Cllr R Pheiffer	Committee Member

Table 52: Local Labour Forum Meeting Dates

Period 01 July 2022 – 30 June 2023	
Meeting dates	Number of reports
25 July 2022	4
29 August 2022	3
26 September 2022	6
31 October 2022	7
28 November 2022	8
30 January 2023	10
27 March 2023	6
24 April 2023	9
29 May 2023	9
31 July 2023	7
28 August 2023	7

2.7.2.3 Councillor Disciplinary Committee

Table 53: Councillor Disciplinary Committee Portfolio Committee

Period 01 July 2022 – 30 June 2023	
Name of member	Capacity
Cllr R Badenhorst	Chairperson for period 1/07/2022 – 6 Dec 2022
Cllr P Johnson	Chairperson from 31 Jan 2023 - current
Cllr C Van Wyk	Committee Member

Period 01 July 2022 – 30 June 2023	
Name of member	Capacity
Cllr J Fasser	Committee Member
Cllr N Rataza	Committee Member
Cllr R Hendrikse	Committee Member

Table 54: Councillor Disciplinary Committee Portfolio Committee meeting dates

Period 01 July 2022 – 30 June 2023	
Meeting dates	Number of reports
-	0

2.7.2.4 Rules Portfolio Committee

Table 55: Rules Portfolio Committee

Period 01 July 2022 – 30 June 2023	
Name of member	Capacity
Cllr Q Smit	Chairperson
Chief Whip P Crawley	Committee Member
Cllr J Andrews	Committee Member
Cllr I De Taillefer	Committee Member
Cllr O Jooste	Committee Member
Cllr Z Ndalasi	Committee Member
Cllr M Rataza	Committee Member
Cllr W Pietersen	Committee Member
Cllr W Van Stade	Committee Member

Table 56: Rules Portfolio Committee Meeting dates

Period 01 July 2022 – 30 June 2023	
Meeting dates	Number of reports
-	0

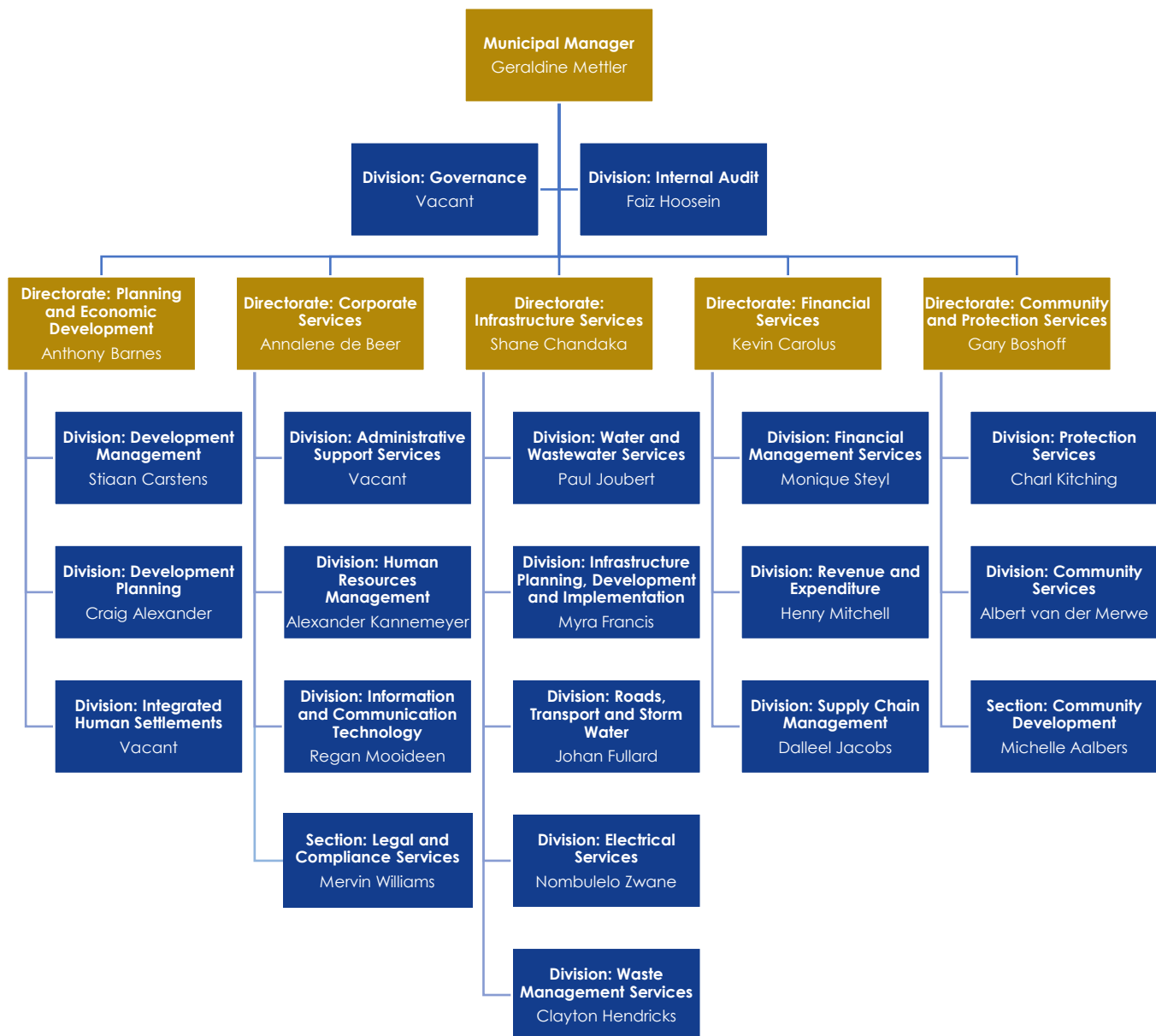
2.8 Strategic Governance Structure

The Municipal Manager is the Chief Accounting Officer of the municipality. The Municipal Manager is the head of the administration and primarily serves as the chief custodian of service delivery. The Municipal Manager is assisted by the Management Team, which reports directly to the Municipal Manager. The structure of the management team is outlined in the diagram below:

Table 57: Top Management Structure



Table 58: Macro Structure



COMPONENT B: PUBLIC ACCOUNTABILITY

MSA Section 15(b) requires a municipality to establish and organise its administration to facilitate a culture of accountability amongst its staff. Section 16(i) states that a municipality must develop a system of municipal governance that complements formal representative governance with a system of participatory governance. Section 18(i)(d) requires a municipality to supply its community with information concerning municipal governance, management, and development.

The participation outlined above is required in terms of the:

- ‡ preparation, implementation, and review of the IDP;
- ‡ establishment, implementation, and review of the performance management system;
- ‡ monitoring and review of performance, including the outcomes and impact of such performance; and
- ‡ preparation of the municipal budget.

2.9 Intergovernmental Relations

2.9.1 National Intergovernmental Structures

The Municipal Managers Forum, facilitated by the Department of Cooperative Government and Traditional Affairs (COGTA), meets twice per annum. New legislation and its implications, as well as challenges for local government, e.g., financial sustainability, professionalism, and oversight structures, are discussed.

The Directorate: Infrastructure Services is represented by the Director: Infrastructure Services as a member of the national WRC / SALGA Municipal Benchmarking Initiative in Water Services, which collaborates in a national programme towards the improvement of water services, co-driven by SALGA and the Water Research Commission (WRC) and in collaboration with eThekweni Municipality, MILE (Municipal Institute of Learning), representatives of other municipalities, the Institute of Municipal Engineers (IMESA), and the Department of Water and Sanitation (DWS).

2.9.2 Provincial Intergovernmental Structures

a) Office of the Municipal Manager

Stellenbosch Municipality is a keen participant in joint intergovernmental planning initiatives of the Provincial Government. MinMay (Provincial Ministers, Provincial Heads of Departments, Mayors, and Municipal Managers) and the Premier's Coordinating Forum are provincial forums for fruitful interaction regarding local government cooperation and challenges. These meetings are held biannually. The Provincial Municipal Managers Forum meets quarterly.

The Chief Audit Executive and Chief Risk Officer fora are held quarterly in conjunction with the Provincial Treasury, where all municipalities share best practices and consult on areas for improvement.

Stellenbosch is represented on the Provincial IDP Managers Forum and the Provincial Public Participation and Communication Forum, all of which are facilitated by the Provincial Department of Local Government.

b) Financial and Corporate Services

The Directorate: Financial Services participates in several provincial forums quarterly. The forums include the Supply Chain Management (SCM) Forum, the Municipal Property Rates Act Forum, the Management Accountants Forum, and the Chief Financial Officer Forum.

The Municipal Court is in full operation and collaborates with the Department of Justice regularly.

c) Planning and Economic Development

The municipality is represented by the Manager: Spatial Planning on the task team set up by DEA&DP to revise the Provincial Spatial Development Framework (PSDF). Through this inter-governmental process, Stellenbosch Municipality can provide input into the format and substance of this document that will have a legal bearing on all local municipalities in the Western Cape.

The DEA&DP and the municipality established a working group to consult monthly or more regularly as the need arises about environmental authorisation applications and land use (spatial planning) matters. Slow response times to applications by developers, entrepreneurs, farmers, service providers (Eskom, Telkom, cellular operators, etc.), waste management bodies, mining operators, and road authorities cause delayed investment and infrastructure provisions. This has negative effects on the economy, hence, the working group was established to increase the speed with which the applications are administered.

The working group consists of the technical role players, and it is overseen by the portfolio councillors of the municipality. This structure ensures prior commitment to and understanding of matters to be reported to the relevant portfolio committees or the council. The working group is administered by the DEA&DP, and meetings are in liaison with the Directorate: Planning and Economic Development, which must invite and ensure attendance by affected internal role players.

Monthly Technical Meetings between the PDoHS and Stellenbosch Municipality:

- a) The PDoHS and the municipality meet monthly to discuss all housing development policies and budget-related matters in housing delivery. During the meeting, the overall performance of each municipality is discussed in detail as well as mitigating options if the need arises.
- b) Applications for new and existing projects are also discussed with the PDoHS. The municipality receives information relating to beneficiary administration, outstanding approvals, informal settlement challenges, title deed transfers, farmworker evictions, and other matters concerning housing delivery. Legislation and court rulings are also discussed to ensure that senior officials are aware of any new implementation programmes, circulars, and legal precedents.
- c) The Section: Informal Settlements also represents the municipality at the bi-monthly Informal Settlements Support Programme (ISSP) meetings of the Provincial Settlements (PDoHS). The latter programme aims to interpret national and provincial guidelines concerning the upgrading of informal settlements. The purpose of these monthly meetings is to discuss best practices in informal settlements within the Cape Winelands region; and
- d) The Section: Informal Settlements furthermore collaborates between various municipal departments and Stats SA. The collaboration is aimed at regularising the municipality's data collection efforts into a format that is acceptable to Stats SA and that the collected data eventually will meet the standards as required by Stats SA.

e) Infrastructure Services

The Directorate participates in the Stellenbosch River Collaborative Steering Committee to develop a multi-stakeholder collaborative governance process within which to deal with issues of water quality and pollution in the Stellenbosch rivers. The participants include the Winelands Water Users Association, Stellenbosch Municipality, the Department of Water Affairs, the Department of Environmental Affairs, Cape Nature, the WWF, Wildlands, and key stakeholders in the wine industry such as Spier and the Distell Group.

The 3rd Generation Integrated Waste Management Plan (IWMP) gives direction regarding waste-to-energy, alternative waste management options, and waste management project proposals. This innovative approach was recognised by the DEA&DP when the municipality was requested to assist three other local municipalities in taking this approach. The municipalities of Beaufort West, Prins Albert, and Laingsburg were assisted in this manner by the visit of the Waste Management Department team, who trained their local officials as well as assisted with the first data collection exercise.

Stellenbosch Municipality is represented at the quarterly Waste Management Officers Forums, where best practices, changing legislation, feedback from national and provincial government policy changes, etc. are discussed to keep all municipalities in the Western Cape abreast of all issues about waste management. The Western Cape Recycling Action Group (RAG) quarterly forums, although more geared towards private-sector contributions to waste minimisation, also provide a platform for municipalities to engage with each other and the private sector for waste minimisation opportunities.

The Department: Electrical Services is extensively involved with other local municipalities' electricity departments through the Association of Municipal Electricity Utilities (AMEU). The AMEU promotes quality of service and management excellence amongst its members in the field of electricity supply and facilitates communication between its members and between members and the technical, economic, and political environment to influence that environment.

f) Community and Protection Services

Traffic Services liaises with Western Cape Government: Department Transport and Public Works continuously on matters related to transport administration and licencing, traffic law administration (motor-vehicle licencing), and the issuing of learner and driving licences.

The department further engages with RTIA, RTMC, the Director of Public Prosecutions, and the Department of Justice regarding legislative requirements and adherence.

To execute the Safely Home Programme, the department interacts with various engineering entities, such as provincial engineers and Cape Winelands District Council. The Western Cape Government developed the Provincial Strategic Plan (PSP), which gave rise to policies, programmes, and projects forming partnerships among government, citizens, civil society, and business. Various spheres of government are being engaged to co-create a culture of wellness and safety in the workplace and to promote wellness and safety through integrated service delivery models to address the social determinants of health through interaction with the Department of Education (DoE), the Department of Health Department, and SAPS.

The municipality engages in numerous partnerships to facilitate service delivery.

Table 59: Municipal Partnerships

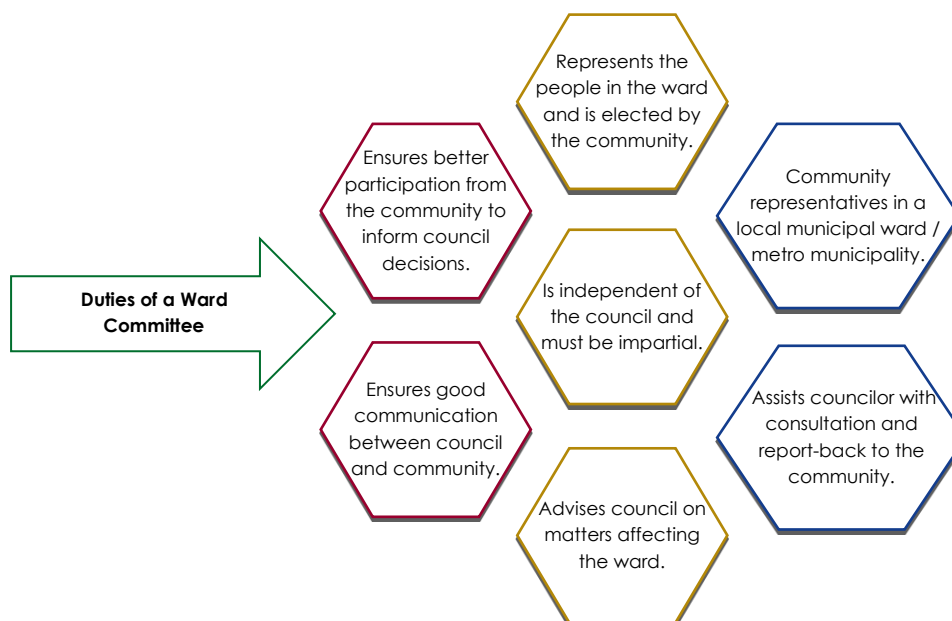
Name of Partner / Partnership	Purpose
Mayor / Rector Forum	A partnership with the University of Stellenbosch to ensure aligned development planning and that the municipality draws from the university's expertise and resources.
Memorandum of Cooperation between the Stellenbosch Municipality and Stellenbosch University (SU)	Cooperation in terms of closed-circuit television in the interest of the security of the town and the campus with a view to a crime-free university town.
Landfill Monitoring Committee	A partnership with the Devon Valley residents, whereby residents monitor the Stellenbosch landfill site.
IMESA (Institute for Municipal Engineers South Africa)	A partnership with IMESA aimed to strengthen knowledge and capacity related to municipal infrastructure and service delivery.
Integrated Development Committee (IPC)	A partnership with the university and other stakeholders aimed at exploring spatial and urban planning possibilities for Stellenbosch to meet the needs of the municipality and university.
Department of Social Development, DCAS, Cape Winelands District Municipality	Joint implementation of programmes focussing on common issues within WC024.
SALGA Municipal Benchmarking Initiative	The partnership is aimed at improving efficiency and effectiveness through comparative process benchmarking, peer-to-peer operational knowledge sharing, and iterative performance improvements.
Bergriver Improvement Programme	The partnership was formed to improve the quality of the stormwater run-off from the Langrug Informal Settlement. The project entails the implementation of biomimicry, waste recycling, and a sustainable urban drainage lab.
LTAB	The partnership was formed between political leaders to discuss land transport-related matters that affect transport in the area.
Transport Working Group	The Transport Working Group was established to discuss transport-related matters that affect Stellenbosch, including all relevant governmental institutions and other role players.
IPC	The Integrated Planning Committee is a working group between the City of Cape Town, Stellenbosch, Saldanha, Overstrand, Theewaterskloof, and Drakenstein Municipality that discusses all transport-related matters to effectively promote regional planning.
NMT Working Group	A working group that discusses all non-motorised transport matters in the Stellenbosch area. The group consists of NMT users, officials, representatives from the university, and the disabled fraternity.
Drought Steering Committee	This is a committee consisting of a panel of role players in the drought intervention plan, including consultants, to discuss, plan, manage, and act on the drought intervention strategies that culminated from various source documents, including WCWDM strategies, WSDP, audit reports, and various master plans and processes. It also oversees the SCM and construction phases of the plans.
GreenCape	The GreenCape partnership represents cooperation with the province's 110% green initiatives, focussing on alternative waste management initiatives and energy efficiency.
CSIR	The partnership is aimed at multidisciplinary research and development by supporting innovation in Stellenbosch.
Genius of Space	This initiative developed from and forms part of the Western Cape 110% Green Initiative. The Biomimicry Genius of Space project is a registered flagship project of 110% Green. This initiative combines two priorities of the Western Cape Government – the Berg River and the Green Economy – to find an innovative solution to water pollution in the Berg River.
General	Municipal Partnerships.
District Intergovernmental Structures	
District Coordinating Forum	This forum meets quarterly and seeks to promote and facilitate intergovernmental relations between the district municipality and the local municipalities in the district. The Stellenbosch Municipality participates in this forum and the Cape Winelands District Municipal Managers Forum and benefits from this involvement by being exposed to good practices in other municipalities and strengthening the relationship with the district municipality in forging joint partnerships in the interest of good governance and service delivery. The Cape Winelands District Municipality supports community development and uses indigenous sports to create social cohesion amongst communities in the district. Special focus and attention were given to communities in rural areas. The Stellenbosch, Drakenstein, and Breede Valley municipalities have participated in various indigenous

Name of Partner / Partnership	Purpose
	<p>games that were hosted by the Cape Winelands Municipality. The relationship between Stellenbosch Municipality and the district municipality has improved, and the Department: Community Services has managed to exceed all expectations. A targeted approach was followed, and sports were used as a catalyst to cement this relationship with the district.</p> <p>The areas that the Department of Community Services targeted were communication, sharing of resources, capacity building, and financial resources. The improved relationship between the district municipality and Stellenbosch Municipality enabled the communities to also participate in the provincial and national Indigenous Games.</p>

2.9.3 Ward Committees

Stellenbosch Municipality has a Ward Committee system in place, which plays a crucial role in achieving the aims of local governance and democracy, as mentioned in the Constitution of 1996. A ward committee is independent of the Council and not politically aligned. The figure below depicts the main duties of the ward committees.

Table 60: Duties of ward committees

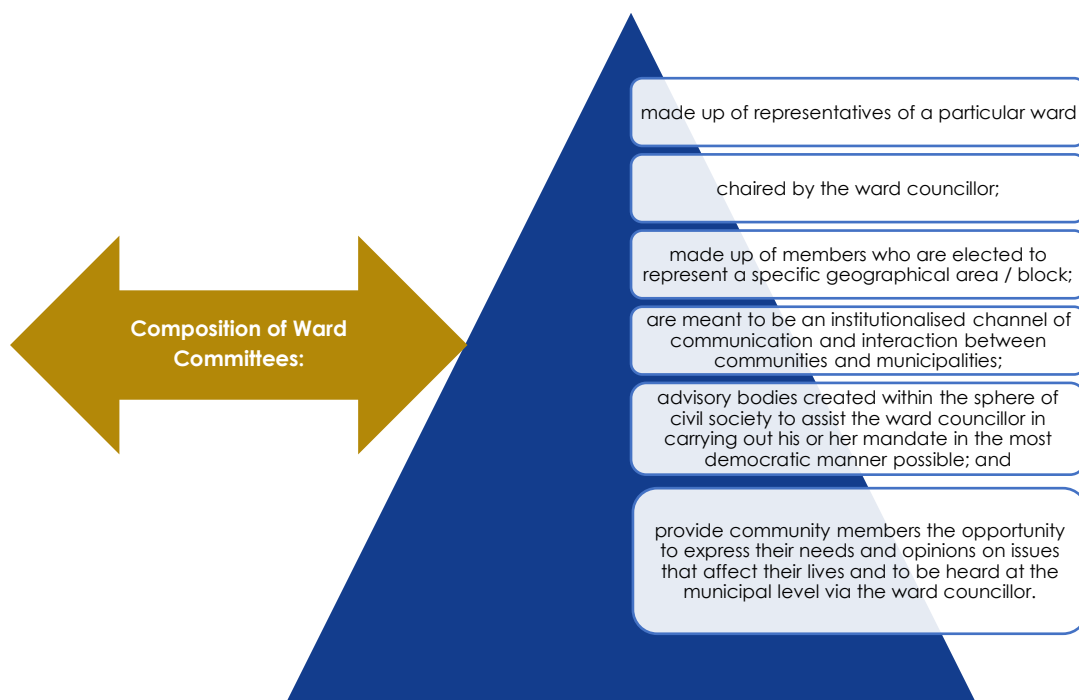


The dawn of democracy in 1994 brought about a new democratic local governance system that promotes certain basic values and principles. Such values and principles include transparency, accountability, an open and inclusive system of governance through community involvement in governance, and the planning and democratisation of development. This certainly placed South Africa on par with other democratic governments throughout the world and positioned it as a reputable reference for an effective decentralised system of government.

Participation remains a key pillar of good governance and constitutes an integral component in the policymaking process, development planning, and budgeting. Section 152 of the Constitution places the participation of communities at the centre of service delivery and other matters of local government. Correspondingly, the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998) and the MSA provide the legislative framework for the establishment of ward committees by municipalities.

Section 42 of the MSA stipulates that a municipality, through appropriate mechanisms, processes, and procedures established in terms of Chapter 4 of said Act, must involve the local community in the development, implementation, and review of the municipality's performance management system and allow the community to participate in the setting of appropriate key performance indicators and performance targets for the municipality.

A general understanding has emerged that a ward committee is an area-based committee whose boundaries coincide with ward boundaries.



Ward committees ought to be elected by the constituents of the ward. The maximum number of members for a ward committee is ten, and women ought to be adequately represented. The ward councillor is a member and functions as the chairman of the ward committee. While lacking formal authority, ward committees guide the ward councillor, who subsequently presents detailed recommendations to the council. The establishment and yearly revision of the IDP for the region are tasks that these committees perform with vital importance.

The ward committee supports the ward councillor, who receives reports on development, participates in development planning processes, and facilitates wider community participation. The municipality constantly strives to ensure that all ward committees' function optimally in terms of the provision of community information, convening meetings, ward planning, service delivery, IDP input, and performance feedback to communities.

Stellenbosch Municipality rolled out the establishment of the 23 ward committees from 24 January to 23 February 2022.

Ward committees in all 23 wards are operational, and all wards have access to a ward administrator, except Ward 5. During the review period of this annual report, the then-ward councillor for Ward 21, Rikus Badenhorst, resigned as ward councillor on 6 December 2022.

This left a vacancy in Ward 21, and the new ward councillor, Mynard Slabbert, was elected in a by-election on 8 March 2023. During this time (from the resignation of the ward councillor until the by-election), no ward committee meetings were held for Ward 21.

The filling of vacancies remains a problem for ward committees. Vacancies occur for a variety of reasons, and ward councillors find it difficult to fill the vacancies. The ward committee policy allows for the option of co-opting ward committee members. Vacancies must be filled within 60 days of the vacancy being declared, and all vacancies on ward committees for the review period were filled.

The tables below specify the ward committees from 1 July 2022 until 30 June 2023:

Ward 1: Franschhoek town, Bo-Hoek Farms, Mooiwater

Table 61: Ward 1 Committee Members

Period 1 July 2022 – 30 June 2023	
Name of representative	Capacity representing
Cllr R Pheiffer	Chairperson
R Plaatjies [resigned 04.05 2023]	Geographic Block 1 and 4
M Nyanga	Geographic Block 1
W Jeffhas	Geographic Block 2
B Mnqayi	Geographic Block 3
S Schäfer [resigned April 2023]	LED, Tourism and Agriculture
A Bauer	Youth Sports, Culture and Community Safety
A Killian	Infrastructure and Community Services
G Mihalopoulos	Town Planning and Property
A Tafeni [resigned 19.10.2022]	None
L Juries	Geographic Block 4
K Brown	Ward Administrator

Ward 2: Langrug, La Motte, Dennegeur, Groendal, Domaine des Anges

Table 62: Ward 2 Committee Members

Period 1 July 2022 – 30 June 2023	
Name of representative	Capacity representing
Cllr W Petersen	Chairperson
S Peters	Geographic Block 1- Boonzaaier Rd to Jaffhas Crescent
F Simons [resigned Sept 2022] C Atshipara [appointed 25.10.2022]	Geographic Block 2 – La Motte Village (80 houses)
J Petersen	Geographic Block 3 – Bosbou La Motte
N Fata	Geographic Block 4 – Zwalitsha Sections A, B, C, R, S + t
M Phori	Geographic Block 5- Inkanini Sections D, E, F, G, H, I, J
J Jacobs	Geographic Block 6 – Santa Rosa Street to R 45
J Manuel	Geographic Block 87– Skool Street to R 45
D Malan [Co-opted 25.10.2022]	Geographic Block 8 -Le Petite and Domain des Anges
N Joni [Co-opted 25.10.2022]	Geographic Block 9 – Mazaleni K, L, M, N, O, P, Q,
E Philander [Co-opted 25.10.2022]	Geographic Block 10 - Dennegeur
R Pearce	Ward Administrator

Ward 3: Lanquedoc, Meerlust, Wemmershoek, Maasdorp and Surrounding Farms

Table 63: Ward 3 Committee Members

Period 1 July 2022 – 30 June 2023	
Name of representative	Capacity representing
Cllr C Manuel	Chairperson
M Pieterse	Geographic Block 1
N Mkosana [Co-opted 27.10.2022]	Geographic Block 2
J Williams [Co-opted 27.10.2022]	Geographic Block 3
M Adams	Geographic Block 4
L Plaatjies	Geographic Block 5
M Krediet [Co-opted 27.10.2022]	Geographic Block 5
W Moses	Geographic Block 8
C Stuurman [Co-opted 27.10.2022]	
G Viljoen	Ward Administrator

Ward 4: Pniël, Kylemore and Johannesdal

Table 64: Ward 4 Committee Members

Period 1 July 2022 – 30 June 2023	
Name of representative	Capacity representing
Cllr R Adams	Chairperson
Y Carolissen	Geographic Block 2
S Jooste	Geographic Block 2
A Lackay	Geographic Block 3
K April	Geographic Block 3
A Williams	Geographic Block 5
S Phillips	Geographic Block 6
K Petersen	Geographic Block 7
E Parks	Ward Administrator
-	-

Ward 5: The Ridge, Lindida and Ida's Valley (Hydro in the direction of Ida's Valley and Omega Street to Jonkershoek)

Table 65: Ward 5 Committee Members

Period 1 July 2022 – 30 June 2023	
Name of representative	Capacity representing
Cllr R van Rooyen	Chairperson
N Rhode	Geographic Block 1
R Arends	Geographic Block 2
C Toutie	Geographic Block 3
J Meyer	Geographic Block 4
J Naude	Geographic Block 4
G Louw	Geographic Block 6
E Hendricks	Geographic Block 6
A Pieterse	Geographic Block 8
D February	-

Period 1 July 2022 – 30 June 2023	
Name of representative	Capacity representing
L Hendricks	-
D Jeffthas [resigned 27.01. 2023]	Ward Administrator

Ward 6: Ida's Valley and farms (Nietvoorbij, Timberlea, Morgenhof, Remhoogte, Muratie, Groenhof, Delheim, Lievland, Kanonkop, Uitkyk, Glenelly, Emerie, Laundry, Packham, L'Avenir)

Table 66: Ward 6 Committee Members

Period 1 July 2022 – 30 June 2023	
Name of representative	Capacity representing
Cllr N Mcombring	Chairperson
D Jones	Geographic Block 1
G August	Geographic Block 2
P Gordon	Geographic Block 4
M Davids	Geographic Block 5
O Bergstedt	Geographic Block 6
M Hendricks	Geographic Block 7
A Constable [co-opted in May 2023]	Geographic Block 8
P Constable	Geographic Block 8
L Leith [resigned 13.06.2022] C Abels [appointed 02.05.2023]	Ward Administrator

Ward 7: Mostertsdrift, Koloniesland, Karindal, Rozendal, Uniepark, Simonswyk, Universiteitsoord and De Weides

Table 67: Ward 7 Committee Members

Period 1 July 2022 – 30 June 2023	
Name of representative	Capacity representing
Cllr A Ferns	Chairperson
B Buys	Geographic Block 1
P Carstens	Geographic Block 2
A Marent-Hegewisch	Geographic Block 3
B Swanepoel	Geographic Block 4
D Botha	Geographic Block 5
J Wiese	Environment sector
J Turkstra	Elderly sector
W van Aswegen	Security sector
A Gantz	Business sector
D Poolman	Student sector
R Loffie-Eaton	Ward Administrator

Ward 8: University Areas: Marais, Merriman, Victoria Street, Bosman Street, Noordwal east, Riebeck Street

Table 68: Ward 8 Committee Members

Period 1 July 2022 – 30 June 2023	
Name of representative	Capacity representing
Cllr C van Wyk	Chairperson
L Erasmus	Geographic Block 1
M Khan	Geographic Block 1
M Wiehman	Geographic Block 2
S van der Bank	Geographic Block 2
A van Wyk	Geographic Block 3
M Swarts [co-opted 23.02.2023]	Geographic Block 4
R Segers	Ward Administrator

Ward 9: Eerste River, Krige Street, Merriman, Bosman, Victoria (lower part), Neethling, Plein Street, Church Street, Upper Dorp Street, Drostdy Street.

Table 69: Ward 9 Committee Members

Period 1 July 2022 – 30 June 2023	
Name of representative	Capacity representing
Cllr ZJ Dalling	Chairperson
A Louw	Geographic Block 1
M Slabber (co-opted 06.06.2023)	Geographic Block 1
W Sezoe	Geographic Block 2
J Meyer	Geographic Block 1
C van der Bank	Geographic Block 2
D Pieterse	Geographic Block 2
G Cillié [co-opted 07.02.2023]	Geographic Block 2
T Kumm	Geographic Block 3
K Morake	Geographic Block 3
D Hall	Geographic Block 4
T Hall (co-opted 06.06.2023)	Geographic Block 4
Dr L Combrinck	Geographic Block 5
R Segers	Ward Administrator

Ward 10: Tennant Street, Bell Street, Lappan Street, Lackey Street, Langstraat- Suid, La Colline – Faure Street, Dr Malan Street to Irene Park, Conde Street, Mount Albert, Taylor, Voorplein to Kromriver, Municipal Flats (Lavanda, Aurora, Phyllaria), Molteno Avenue to Paul Kruger Street and Banghoek Avenue

Table 70: Ward 10 Committee Members

Period 1 July 2022 – 30 June 2023	
Name of representative	Capacity representing
Cllr R du Toit	Chairperson
P Hough	Geographic Block 1
G Lamberts	Geographic Block 1

Period 1 July 2022 – 30 June 2023	
Name of representative	Capacity representing
D Smit	Geographic Block 2
S Adonis	Geographic Block 2
R Hind	Geographic Block 3
S Williams	Geographic Block 3
L Neff [Resigned 06.12.2022] J Blanckenberg [co-opted 02.08.2022]	Geographic Block 3
G Daniels	Geographic Block 3
N Nketane	Geographic Block 3
N Moffat	Ward Administrator

Ward 11: Dorp Street to Herte Street, Mark Street, Alexander Street, the bottom of Bird Street to the Stellenbosch Train Station, all areas in Onder-Papegaaiberg and surrounding businesses.

Table 71: Ward 11 Committee Members

Period 1 July 2022 – 30 June 2023	
Name of representative	Capacity representing
Cllr J Serdyn	Chairperson
E Schreiber	Geographic Block 2
R Fourie	Geographic Block 3
P Carinus	Geographic Block 4
C Roux	Geographic Block 4
S Spangenberg	Geographic Block 5
M Snyman	Geographic Block 5
F Malan	Geographic Block 5
I Fourie	Geographic Block 6
M Claassen	Geographic Block 6
F Liebenberg [co-opted in Nov 2022]	
R Segers	Ward Administrator

Ward 12: Kayamandi: Enkanini, Snake Valley, Watergang, Thubelitsha, New Watergang(106), Zone O (next to Enkanini), Chris Hani Drive, Municipal Flats (10th and 13th Street), School Crescent, Ekuphumleni, Siyahlala, Zone A, George Blake

Table 72: Ward 12 Committee Members

Period 1 July 2022 – 30 June 2023	
Name of representative	Capacity representing
Cllr A Tomose	Chairperson
T Naku	Geographic Block 1
P Lamla	Geographic Block 2
P Menze	Geographic Block 3
A Mxokozeli	Geographic Block 4
T Qhu	Geographic Block 5
T Gugushe	Geographic Block 6
Z Mantshi	Geographic Block 7
Y Makuleni	Geographic Block 8

Period 1 July 2022 – 30 June 2023	
Name of representative	Capacity representing
T Ntshinga	-
N Ntshwanti	-
G Zongolo	Ward Administrator

Ward 13: Kayamandi: Old Location from Lamla Street to Luyolo Street, Red Bricks, Old Hostels

Table 73: Ward 13 Committee Members

Period 1 July 2022 – 30 June 2023	
Name of representative	Capacity representing
Cllr M Nkopane	Chairperson
M Mgingqi [co-opted in September 2022]	Geographic Block 1
Z Ndlovu	Geographic Block 1
M Ndebe	Geographic Block 2
S Maxhavulana	Geographic Block 3
B Beni [co-opted in September 2022]	Geographic Block 4
S Lobi	Geographic Block 5
S Mngwazana	Geographic Block 6
M Zondiwe	Geographic Block 7
N Bhayibhile	Geographic Block 8
M Naku	Geographic Block 9
Z Mithi	Ward Administrator

Ward 14: Kayamandi: Zone I (Setona Street), Zone O (lower part) Mgabadelo Crescent, Monde Crescent, Costa Land, Strong Yard, Zone M (8th Avenue), Zone P

Table 74: Ward 14 Committee Members

Period 1 July 2022 – 30 June 2023	
Name of representative	Capacity representing
Cllr M Danana	Chairperson
L Magazi	Geographic Block 1
A Mpanyu	Geographic Block 1
D Mdunyelwa	Geographic Block 3
B Mbaqa	Geographic Block 4
A Bululu	Geographic Block 4
N Samente	Geographic Block 5
L Mbasane	Geographic Block 6
N Boyce	Geographic Block 7
N Mpemnyama	Geographic Block 8
N Nojoko [co-opted in October 2022]	-
E Mpemnyama	Ward Administrator

Ward 15: Kayamandi: Bassi Street, Vineyard Street, Mjandana Street, Zone O, N, X, M Long Street, Retreat Road, Forest Drive road, Thubelitsha / Watergang, Zone O Middle part (Fire Street), Municipal Workers Formal houses, 4,5,6,7and 8th Avenue, 10th Avenue and 11,1214th Close street

Table 75: Ward 15 Committee Members

Period 1 July 2022 – 30 June 2023	
Name of representative	Capacity representing
Cllr E Masimini	Chairperson
N Sesman	Geographic Block 1
T Lepheana	Geographic Block 3
M Nongogo	Geographic Block 6
N Kuni	Geographic Block 8
M Moni	Geographic Block 6
E Jumat	Geographic Block 5
L Xelenga	Geographic Block 2
L Gula	Geographic Block 4
N Nkopane [co-opted on 25.07.2022]	Geographic Block 7
S Garhane [co-opted on 25.07.2022]	Geographic Block 7
P Nyakaza	Ward Administrator

Ward 16: Long Street, Eike Street, Jakaranda Street, Short Street, Curry Street, Quarry Street, Primrose Street, Pine Street, Hoop Street, North End Street, Vredelust Street Noord Vredelust West Street, Laai Street, Last Street, Arnolds Street, Anthony Street, Carriem Street, Davidse Street, Cupido Street, Ismael Street, Crombi Street, Chippendale Street Bergstedt Street, Achilles Street, Africa Street, Cornelson Street Cloetesville

Table 76: Ward 16 Committee Members

Period 1 July 2022 – 30 June 2023	
Name of representative	Capacity representing
Cllr E Vermeulen	Chairperson
C Williams	Geographic Block 1
M Bailey	-
J Williams	Geographic Block 1
N Willemse	Geographic Block 1
P Fray	Geographic Block 2
M Fredericks	Geographic Block 2
A Flink	Geographic Block 3
M Johannes	Geographic Block 4
P Appollis	Geographic Block 4
J Isaacs	Geographic Block 4
Y Lamberts	Ward Administrator

Ward 17: Longstreet, Kloof Street, Fir Street, Williams Street, Rhode Street, Hendrickse Street, February Street, Weltevrede 2 and Welgevonden, King Street, Hine Street, Fontein Street, Wilger Street, Raziet Street, Pool Street, Valentyn Street, Ortell Street, King Street, Isaac Street, Stellita Park, Gabriel Street, Part of Lackay Street

Table 77: Ward 17 Committee Members

Period 1 July 2022 – 30 June 2023	
Name of representative	Capacity representing
Cllr P Johnson	Chairperson
G Jacobs	Geographic Block 2
L van der Rhee	Geographic Block 2
B Louw	Geographic Block 4
W Khan [co-opted in April 2023]	Geographic Block 5
M Burton [co-opted in April 2023]	Geographic Block 4
D Smith	Geographic Block 5
C Olivier [co-opted in April 2023]	Geographic Block 4
S Jacobs [resigned 06.07.2022] B Klaasen [appointed 03.01.2023]	Ward Administrator

Ward 18: Klapmuts and surrounding farms

Table 78: Ward 18 Committee Members

Period 1 July 2022 – 30 June 2023	
Name of representative	Capacity representing
Ald JC Anthony	Chairperson
G Wentzel	Geographic Block 1
W Johannes	Geographic Block 2
E Mbikwana	Geographic Block 3
S Hector	Geographic Block 4
N Peter	Geographic Block 5
N Chelesi	Geographic Block 6
P Nogwaza	Geographic Block 7
M Everts	Sport sector
Pastor W Cloete	Religious sector
G du Toit	Safety sector
M Maluqua	Ward Administrator

Ward 19: Elsenburg, Vaaldraai, Slaley, Kromme Rhee, De Novo, Bottelary and surrounding Farms, De Hoop, Simonsig and surrounding Farms, Weltevrede 1 and 2, Smartie Town.

Table 79: Ward 19 Committee Members

Period 1 July 2022 – 30 June 2023	
Name of representative	Capacity representing
Cllr J Williams	Chairperson
A Afrika	Elsenburg, Vaaldraai, Muldersvlei and Surrounding Farms.
J May	De Hoop, Koelenhof Railway Houses and Surrounding Farms.
A Kamfer	Groenland and Surrounding Farms.

Period 1 July 2022 – 30 June 2023	
Name of representative	Capacity representing
C Pedro	Koopmanskloof, Bellvue and Surrounding Farms.
R Kinnear	De Novo and Surrounding Farms.
A van der Westhuizen	Weltevrede 1
C Februarie	Smartie Town.
A September	Weltevrede. 2
C Wesso	Ward Administrator

Ward 20: Vlottenburg, Raithby, Lynedoch, Mooiberge, Meerlust and Polkadraai

Table 80: Ward 20 Committee Members

Period 1 July 2022 – 30 June 2023	
Name of representative	Capacity representing
Cllr J Joon	Chairperson
C Matthys	Raithby
D Fortuin [co-opted in March 2023]	Stellenboschkloof pad, Vlottenburg
R Muller	Mooiberge
I Johnson	Lynedoch
E Jacobs	Meerlust, Lynedoch
H Brink	Vlottenburg
B Moses [co-opted in March 2023]	Polkadraai, Vlaeberg
P Taai Bosch	Religious sector
J Casper	Health sector
J Fortuin	Ward Administrator

Ward 21: Jamestown, Paradyskloof, De Zalze, Techno Park, Blaauwklippen and surrounding farms

Table 81: Ward 21 Committee Members

Period 1 July 2022 – 30 June 2023	
Name of representative	Capacity representing
Cllr R Badenhorst [resigned 6 December 2022] Cllr M Slabber [elected 8 March 2023]	Chairperson
P de Wet	Geographic Block 1
A Verwey	Geographic Block 2
R Kriel	Geographic Block 2
R Spies	Geographic Block 3
S McNaughton	Geographic Block 4
W Adams	-
S de Wet	-
A Okkers	-
N Williams	Ward Administrator

Ward 22: Krigeville, Dalsig, Welgelegen, Brandwacht, Die Boord and Kleingeluk

Table 82: Ward 22 Committee Members

Period 1 July 2022 – 30 June 2023	
Name of representative	Capacity representing
Cllr E Groenewald	Chairperson
P Schaafsma	Geographic Block 1
C Neethling	Geographic Block 2
I Maree	Geographic Block 3
W Joubert	Geographic Block 4
H Slabber	Geographic Block 5
S Wilson	Geographic Block 6
A Pelser	Geographic Block 7
H Hill	Geographic Block 8
Prof P Kruger	Geographic Block 9
M Vlok	Geographic Block 10
N Gulube [resigned 19.07.2022] S Mogale [appointed 03.01.2023]	Ward Administrator

Ward 23: From Eerste Rivier, Piet Retief street, Mill street, Bird Street, Merriman Avenue, Ryneveld street, Jan Celliers Street, George Blake drive, Du Toit street, Bergzicht, Herte Street, Krige Street, Skone Uitsig

Table 83: Ward 23 Committee Members

Period 1 July 2022 – 30 June 2023	
Name of representative	Name of representative
Cllr L Nkamisa	Chairperson
J Venter	Geographic Block 1
M Serfontein	Geographic Block 1
M Maleka [co-opted in November 2022]	Geographic Block 2
A Nompume	Geographic Block 2
T Seyisi	Geographic Block 3
M Lokhat	Religious sector
T Dube	Education and Youth sector
L van Wyk	Education and Youth sector
L Nicolas	-
T Theron	-
N Gulube [resigned 19.07.2022] S Mogale [appointed 03.01.2023]	Ward Administrator

Table 84: Ward Committee Functionality

Ward Number	Number of reports submitted to the Office of the Speaker	Number of Public meetings	Meeting dates of ward committees		Committee functioning effectively (Yes/NO)
1	7	3	27/07/2022 31/08/2022 28/09/2022 26/10/2022	26/02/2023 22/02/2023 26/04/2023 21/06/2023	Yes
2	7	2	21/07/2022 29/08/2022	07/02/2023 23/03/2023	Yes

Ward Number	Number of reports submitted to the Office of the Speaker	Number of Public meetings	Meeting dates of ward committees		Committee functioning effectively (Yes/NO)
			13/09/2022 25/10/2022 29/11/2022	16/04/2023 25/05/2023 22/06/2023	
3	7	2	26/07/2022 30/08/2022 27/09/2022 27/10/2022	24/01/2023 23/03/2023 26/04/2023 18/05/2023 22/06/2023	Yes
4	7	2	28/07/2022 23/08/2022 25/08/2022 24/10/2022 14/12/2022	24/01/2023 22/05/2023 21/06/2023	Yes
5	7	1	02/08/2022 06/09/2022 11/10/2022 15/11/2022	07/02/2023 14/03/2023 02/05/2023 06/06/2023	Yes
6	7	3	02/08/2022 13/09/2022 06/10/2022 02/11/2022	02/02/2023 15/03/2023 05/04/2023 03/05/2023 31/05/2023	Yes
7	7	1	10/08/2022 08/09/2022 06/10/2022 16/11/2022 07/12/2022	08/02/2023 08/03/2023 19/04/2023 10/05/2023 14/06/2023	Yes
8	7	3	01/09/2022 29/09/2022 27/10/2022 16/11/2022	23/02/2023 25/05/2023	Yes
9	7	3	06/09/2022 11/10/2022 01/11/2022	07/02/2023 02/05/2023	Yes
10	7	1	02/08/2022 06/09/2022 04/10/2022 01/11/2022 06/12/2022	07/02/2023 15/03/2023 04/04/2023 02/05/2023 22/06/2023	Yes
11	7	2	13/07/2022 02/08/2022 13/09/2022 07/11/2022	14/02/2023 14/03/2023 11/04/2023 23/05/2023 13/06/2023	Yes
12	7	2	01/08/2022 05/09/2022 22/09/2022 03/10/2022 07/11/2022	23/01/2023 15/02/2023 07/03/2023 03/04/2023 08/05/2023 12/06/2023	Yes
13	7	2	28/07/2022 12/08/2022 06/09/2022 20/10/2022 22/11/2022 01/12/2022	30/01/2023 27/02/2023 29/03/2023 24/04/2023 16/05/2023 06/06/2023	Yes

Ward Number	Number of reports submitted to the Office of the Speaker	Number of Public meetings	Meeting dates of ward committees		Committee functioning effectively (Yes/NO)
14	7	1	26/07/2022 30/08/2022 25/20/2022 29/11/2022 06/12/2022	26/01/2023 28/02/2023 28/03/2023 24/04/2023 16/05/2023 06/06/2023	Yes
15	7	2	26/07/2022 30/08/2022 25/09/2022 25/10/2022 29/11/2022	23/02/2023 07/02/2023 07/03/2023 04/04/2023 06/06/2023	Yes
16	7		26/07/2022 18/08/2022 27/20/2022 29/11/2022	24/01/2023 07/02/2023 23/03/2023 11/04/2023 29/05/2023 13/06/2023	Yes
17	7	1	03/08/2022 31/10/2022 29/11/2022 12/12/2022	01/02/2023 25/04/2023 16/05/2023 06/06/2023	Yes
18	7	1	01/08/2022 21/08/2022 05/09/2022 24/10/2022 07/11/2022 14/12/2022	09/01/2023 06/02/2023 06/03/2023 24/04/2023 08/05/2023	Yes
19	7	2	23/07/2022 15/08/2022 05/09/2022 03/10/2022 07/11/2022 05/12/2022	25/01/2023 06/02/2023 23/03/2023 25/04/2023 18/05/2023 05/06/2023	Yes
20	7	5	01/08/2022 16/08/2022 13/09/2022 17/10/2022 06/12/2022	07/02/2023 14/03/2023 13/04/2023 09/05/2023	Yes
21	7	1	02/08/2022 06/09/2022 04/10/2022 01/11/2022	04/04/2023 02/05/2023 06/06/2023	Yes
22	7	3	27/07/2022 10/08/2022 14/09/2022 12/10/2022 09/11/2022	08/02/2023 08/03/2023 19/04/2023 03/05/2023 14/06/2023	Yes
23	7		05/07/2022 02/08/2022 23/09/2022 04/10/2022 01/11/2022	07/02/2023 07/03/2023 09/05/2023 06/06/2023	Yes

COMPONENT C: CORPORATE GOVERNANCE

Corporate governance is the set of processes, practices, policies, laws, and stakeholders affecting the way an institution is directed, administered, or controlled. Corporate governance also includes the relationships among the many stakeholders involved and the goals for which the institution is governed.

2.10 Risk Management

Section 62 of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA) states that the Accounting Officer should take all reasonable steps to ensure that the municipality has and maintains effective, efficient, and transparent systems of financial and risk management and internal control, as well as the effective, efficient, and economical use of the resources of the municipality.

This responsibility was delegated to the Chief Risk Officer. During the year under review, the following was done:

- ✦ continuous awareness-raising throughout the municipality;
- ✦ the Risk Management Committee was established to facilitate and govern the risk management process, with a term of reference, and has been operational since January 2013;
- ✦ the Chief Audit Executive has a seat on the Risk Management Committee, where all risk and fraud management-related activities are reported;
- ✦ the Risk Management Committee reports to the APAC;
- ✦ risk registers have also been completed at an operational level;
- ✦ the previous year's strategic registers were revisited, and an acceptable risk appetite was determined;
- ✦ the revised risk register was adopted by the Council; and
- ✦ risks were also identified that could prevent the achievement of the predetermined objectives and were noted in the SDBIP.

Although the Chief Risk Officer is responsible for coordinating and facilitating risk management at all levels within the municipality, the municipal manager and management are the drivers of risk management and the mitigation of risk exposure in the municipality.

As the new financial year started, conversations and assessments turned to the impact of the ongoing electricity and energy crisis. This was necessary as the municipality started to focus on the impact of continuous and persistent loadshedding, the sustainability of the national power supply, and how to manage the availability and cost of electricity over the next decade and beyond.

During the financial year, the municipality implemented the Barn Owl system. It is an electronic risk management system to ensure more accuracy and detail with ratings, reporting, and assessments to assist in providing information and reports to management. This is to assist and better inform managers when using risk management in the decision-making process. The top 5 risks identified for 2022/23 are as follows:

Table 85: The top 5 risks identified for 2022/23



a) Likelihood rating scale

Table 86: Risk likelihood rating scale

Impact and Likelihood Rating		
Likelihood Grading		
10	Certain	91% - 100% chance of occurring
9	Almost Certain	81% - 90% chance of occurring
8	Expected	71% - 80% chance of occurring
7	Probable	61% - 70% chance of occurring
6	Possible	51% - 60% chance of occurring
5	Potential	41% - 50% chance of occurring
4	Occasional	31% - 40% chance of occurring
3	Remote	21% - 30% chance of occurring
2	Improbable	11% - 20% chance of occurring
1	Rare	0% - 10% chance of occurring
Impact Grading		
10	Catastrophic	A critical event resulting in the long-term cessation of the majority or all core organisational activities. Inability to achieve the municipality's strategy and objectives. Requires external support.
9	Critical	A critical event resulting in the long-term cessation of several core organisational activities. Drastically reduced ability to achieve the municipality's strategy and inability to achieve most of the objectives. Requires intervention from the Council.
8	Major	A major event resulting in the long-term cessation of a core organisational activity. Severely reduced ability to achieve the municipality's strategy and inability to achieve certain objectives. The material at the organisational level.

Impact and Likelihood Rating		
Likelihood Grading		
		Requires intervention from the Municipal Manager and Audit Committee involvement.
7	Significant	Significant long-term disruption of services. Significantly reduced ability to achieve the municipality's strategy and objectives. Requires intervention from the Director.
6	Moderate	Short / medium-term disruption of services. Reduced ability to achieve the municipality's strategy and objectives. Requires intervention from the Head of the Department.
5	Marginal	Disruption of normal operations / services. Limited effect on the achievement of the municipality's strategy and objectives. Requires intervention from the Line Manager.
4	Immaterial	Irritation in rendering or receiving services. No material impact on the achievement of the municipality's strategy and objectives. Can be dealt with by senior staff.
3	Minor	The impact will be coped with in the short term through normal operational processes performed by staff
2	Insignificant	The impact of adverse events is minimal.
1	Negligible	The impact of the adverse event has little (if any) impact on services.

The rating determines the risk exposure. Through this management gets to understand the extent to which potential events might impact their objectives on a scale from 1 as a minimum and 100 as a maximum.

b) Inherent risk exposure

Table 87: Inherent risk exposure grid

Inherent Risk Exposure: the inherent risk exposure is determined by comparing the inherent risk rating against the risk appetite		
Inherent Risk Exposure		
Inherent Risk	Magnitude	Definition
0 -25	Low Risk	Level of inherent risk is within the risk appetite – Low level of a control intervention required if any.
26 -50	Moderate Risk	Unacceptable level of risk – Moderate level of control intervention is required to achieve an acceptable level of residual risk.
51 – 75	High Risk	Unacceptable level of risk – High level of control intervention is required to achieve an acceptable level of residual risk.
76 – 100	Extreme Risk	The extreme level of risk – Immediate level of control. Intervention is required to achieve an acceptable level of residual risk.

The strategic risk register below indicates all the focus areas, risks and mitigation measures taken to address these identified risks within the organisation.

2.10.1 Strategic Risks Identified

Table 88: Risk register

Strategic Risks						
Risk Item	Risk Description	Risk Background	Strategic Focus Areas	Impact Rating	Likelihood Ratings	Directorate
1	Availability and cost of electricity	Continuous and persistent loadshedding; sustainability of the national power supplier	Green and Sustainable Valley, Dignified Living	10	10	Directorate: Infrastructure Services
2	Increased risk of a land invasion	Legal precedents are set under the disaster management declaration, limiting the municipal scope to evict. Illegal invasions and land grabs. Compromising housing development and housing opportunities.	Dignified Living, Safe Valley, Financial Sustainability, Good Governance and Compliance	9	10	All Directorates
3	Economic downturn due to civil unrest, crime and continuous loadshedding.	Increase in criminal activities, civil unrest, and reputational risk due to the perceived increase in the said activities. The impact of prolonged loadshedding—not sufficient light at night as streetlights, CCTV cameras, and traffic lights are not functioning—can lead to more criminal activities.	Safe Valley, Dignified Living			Directorate Community and Protection Services
4	Scarcity of landfill space	Unavailability of suitable land; costs of SLAs and alternative waste disposal; legislative requirements, i.e., EIA applications and approvals, etc.	Green and Sustainable Valley	8	8	Directorate: Infrastructure Services
5	Increase in community unrest due to the fact that the growth in demand for housing exceeds the resources available for development.	Lack of bulk infrastructure; lack of identified and suitable land; unrealistic eviction judgements; housing backlogs; migration.	Dignified Living, Safe Valley	8	8	Directorate: Community and Protection Services
Operational Risks						
1	Insufficient burial space in the greater Stellenbosch	"Planning and funding; land availability. Insufficient funding. Compliance and impact of COVID-19 burials after experiencing a 2nd and 3rd wave."	Dignified Living	8	8	Directorate: Community and Protection Services
2	Timeous Capital Spending	A steady increase in budget allocation; growing population and demand for services; demand management.	Good Governance and Compliance	10	4	Directorate: Financial Services
3	COVID-19 Pandemic	Manage the COVID-19 pandemic within the context of the prescribed regulations, taking the possible 4th wave and intensity of new infections into account.	Safe Valley, Dignified Living	8	4	Transversal

Strategic Risks						
Risk Item	Risk Description	Risk Background	Strategic Focus Areas	Impact Rating	Likelihood Ratings	Directorate
4	Climate Change	Changing weather patterns, unpredictable rainfall, flash floods, droughts, natural disasters, and fires (seasonal and other).	Green and Sustainable Valley; Safe Valley	8	4	Office of the Municipal Manager
5	High Vacancy Rate	A skilled and capable workforce is necessary to support growth objectives, and quality and timeous service delivery need to be provided by all departments.	Good Governance and Compliance	8	4	Directorate: Corporate Services

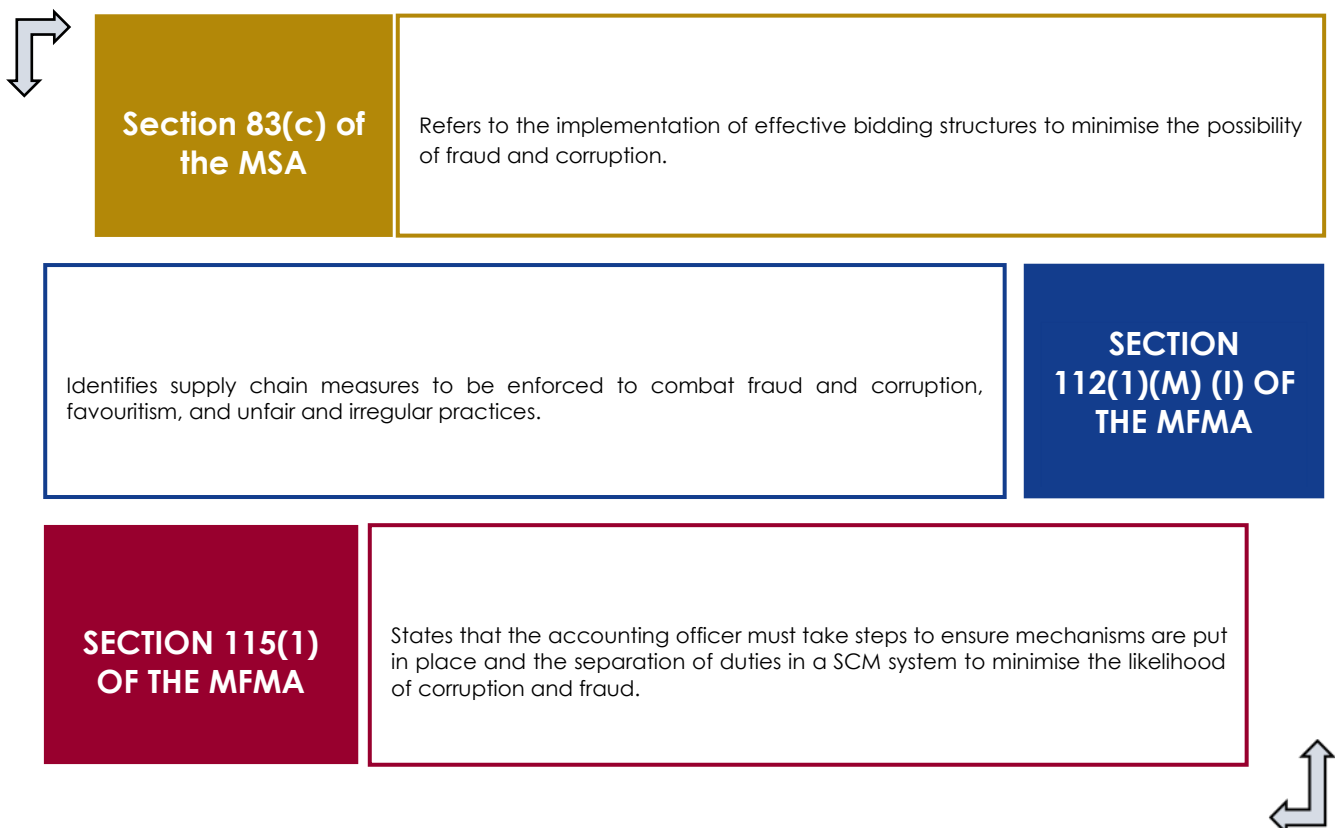
2.10.2 Anti-Corruption and Anti-Fraud

Management and the Council have taken ownership of combating fraud and corruption throughout the municipality

The Anti-Fraud and Corruption Prevention Plan was consulted with key internal stakeholders and the Audit and Audit Performance Committee. The Council approved a new plan in March 2023. The plan intends to strengthen fraud and corruption prevention at all levels within the municipality and re-invest in the management of fraud and corruption at all levels.

The fraud hotline, or tip-offline, is also fully functional and managed by an independent service provider. A toll-free number and e-mail service are available to members of the public to report any suspected fraudulent or corrupt activities.

Figure 12: Anti-Corruption and Anti-Fraud Legislation



2.11 Functions of the Audit and Performance Audit Committee (APAC)

The Municipal Audit and Performance Audit Committee's objectives and functions are based on Section 166(2)(a-e) of the MFMA, further supplemented by the Local Government: Municipal Planning and Performance Management Regulation, as well as the approved Audit and Performance Audit Committee Charter approved on 28 March 2018 by the Council.

The objectives of the APAC of the Stellenbosch Municipality are to:

- ✚ Assist the Council in discharging its duties relating to the safeguarding of the Council's assets;
- ✚ Develop and oversee the operation of an adequate internal process and control system;
- ✚ Oversee the preparation of accurate financial reporting and statements in compliance with all applicable legal requirements, corporate governance, and accounting standards;
- ✚ Provide support to the Council on the risk profile and risk management of the Council; and
- ✚ Ensure that there is an internal audit function in place and that the roles of the internal and external audit functions are coordinated.

The APAC is responsible for the oversight of internal controls, financial reporting, and compliance with regulatory matters and mainly makes recommendations to management.

The responsibilities of the APAC are further to review the:

- ✚ Effectiveness of the Council's system of internal control and risk management;
- ✚ Financial reporting and financial statements;
- ✚ Internal audit function;
- ✚ AGSA's report;
- ✚ Council's compliance with legislation and regulation;
- ✚ Compliance with the Council's Code of Conduct and Ethics; and
- ✚ Performance Management System to make recommendations in this regard to the Council.

The APAC members are as follows:

Table 89: Members of the Audit and Performance Audit Committee

Period 01 July 2022 – 30 June 2023	
Name of representative	Capacity
LC Nene	Chairperson (appointed 1 May 2022)
VJ Botto	Member (appointed 1 September 2017)
TW Lesihla	Member (appointed 1 September 2017)
J Williams (Ms)	Member (appointed 1 April 2019)

Table 90: APAC meetings held from 01 July 2022 to 30 June 2023

Period 01 July 2022 – 30 June 2023
Meeting dates
29 August 2022
29 November 2022
29 March 2023
29 June 2023
29 August 2022

The APAC advises the Council, political office-bearers, the Accounting Officer, and management of the municipality on matters concerning duties as described in the Audit and Performance Audit Committee Charter.

The APAC is also accountable for identifying major risks to which the Council is exposed and determining the extent to which those risks have been mitigated.

2.12 Internal Auditing

Section 165(2)(a), (b), and (c) of the MFMA requires that:

The internal audit unit of a municipality must:

- a. prepare a risk-based audit plan and an internal audit programme for each financial year; and
- b. advise the accounting officer and report to the Audit Committee on the implementation of the internal audit plan and matters relating to:
 - ✦ internal audit;
 - ✦ internal controls;
 - ✦ accounting procedures and practices;
 - ✦ risk and risk management;
 - ✦ performance management;
 - ✦ loss control; and
 - ✦ compliance with this Act, the annual Division of Revenue Act, and other applicable legislation.
- c. perform such other duties as may be assigned to it by the accounting officer.

Stellenbosch Municipality's internal audit function is performed by in-house staff. The main focus areas were compliance with applicable laws, regulations, policies, and procedures, which resulted in both assurances and consulting work. During the year under review, the internal audit activity was able to effectively execute 87% of the initially adopted risk-based audit plan.

In addition, process flowcharts for all identified audit areas have been documented, highlighting the key controls and / or control gaps for process owners / line managers to consider and implement. Follow-up reviews were conducted relating to previously reported matters during the previous financial year.

2.12.1 Risk Register and Three-Year Strategic Plan

Table 91: ✓ Confirms audit activity completed in the financial year

Audit Activity/ Audit Universe	Year 1	Year 2	Year 3	Combined Assurance Provider
	2022/23	2023/24	2024/25	
Statutory Internal Audits				
MFMA Compliance	✓	✓	✓	IA and AG
MSA Compliance	✓	✓	✓	IA and AG
DORA Compliance	✓	✓	✓	AG
Performance Management and SDBIP (Quarterly)	✓	✓	✓	IA

Audit Activity/ Audit Universe	Year 1	Year 2	Year 3	Combined Assurance Provider
	2022/23	2023/24	2024/25	
Risk-based audits (Auditable Areas)				
Office of the Municipal Manager: Pre-review of MM and Directors' performance evaluations	✓	✓	✓	IA
Financial Services: Supply Chain Management	✓	✓	✓	AG
Financial Services: Asset Management	✓	✓	✓	IA (rolled over from 2021/2022)
Financial Services: Expenditure Management	-	-	-	AG
Financial Services: Budget Process (Included in MFMA Audit)	N/A	N/A	N/A	AG
Financial Services: Revenue Management (Income and Debtors)		-	✓	IA
Financial Services: Cash Receipts, Banking, and Investments	-	-	-	AG
Financial Services: Accounting and Financial Reporting	-	-	-	AG
Financial Services: Year-end Inventory review – stores (direct assistance for the AG)	✓	✓	✓	IA
Corporate Services: Recruitment and Selection	✓	-	-	IA
Corporate Services: Information and Communication Technology	✓	✓	✓	Outsource
Corporate Services: Archives/ Records Management (Audit Conducted by Western Cape Provincial Government)	N/A	N/A	N/A	External Assurance
Corporate Services: Staff Regulations	-	✓	✓	IA
Planning and Economic Development: Housing Administration	-	✓	-	IA
Community and Protection Services: Traffic Services and Administration	-	-	✓	IA
Disaster and Climate Change Readiness Assessment	-	✓	✓	IA
Other				
Internal Quality Assurance review	✓	✓	✓	IA
State of Records review (direct assistance for the AG)	✓	✓	✓	IA
AG audit action plan	✓	✓	✓	IA
AG: Asset verification (Direct assistance)	✓	✓	✓	IA
AG: Employee verification (Direct assistance)	✓	✓	✓	IA
Governance	✓	✓	✓	IA
Risk Management	✓	✓	✓	IA
Follow up audits	✓	✓	✓	IA
Ad hoc review(s) / Special requests	✓	✓	✓	IA

Legend:

Legend					
No coverage					
High-risk (Annual audit of a business process)					
Medium risk					
Low risk					
Compliance (Statutory requirement)					

Risk assessment updates were performed during the 2022/23 financial year and all relevant risks were populated into an updated Risk Register for the municipality. This Risk Assessment Plan forms the basis of the **2022/23** financial year's Risk-Based Audit Plan. New updates to the Stellenbosch Municipality's risk profile were captured during **2022/23** in consultation with the Risk Management Committee. This will ensure that adequate audit coverage is obtained from Internal Audit in consultation with the AGSA and management.

2.12.2 Annual Risk-Based Audit Plan

The Risk-Based Audit Plan 2022/23 was implemented with the available resources. The table below provides details on audits completed.

Table 92: Annual Risk-Based Audit Plan

Audit Activity	Status
DoRA Compliance	Combined Assurance – AG
MGRO 1 and 2 (MGAP)	Report submitted to PT
Statutory audits	
Pre-determined Objectives	
Quarter 4	Final Report submitted
Quarter 1	Final Report submitted
Quarter 2	Final Report submitted
Quarter 3	Final Report submitted
Performance Reviews: MM and Directors (annual assessments)	Final Report submitted
Risk-based audits	
Office of the Municipal Manager: Pre-review of Municipal Manager and Directors performance evaluations	Finalised: Results submitted to Municipal Manager
Financial Services: Asset Management	Rolled over approved at APAC 29 March 2023
Financial Services: Revenue Management (Income and Debtors)	Final report: June 2023
Financial Services: Year-end Inventory review – stores (direct assistance for the AG)	Finalised
Corporate Services: Recruitment and Selection	Final report: March 2023
Corporate Services: Information and Communication Technology	In progress
Other scheduled audits	
Internal Quality Assurance Review	Report submitted: June 2023
State of Records review (direct assistance for the AG)	Ongoing
AG audit action plan	Q1: March 2023 Q2: June 2023
Governance Review	Ongoing
Follow-up audits: SCM: Tender Management Risk Management	Final report: March 2023

Audit Activity	Status
Development Contributions	
Ad hoc requests	
Ad hoc review(s) / Management requests / Consulting Activities: Visit Stellenbosch	Finalised

2.12.3 PMS Audits

The actual performance was subjected to an internal audit review, and the results of their findings were submitted to the APAC. Quarterly audits were performed and reported to the APAC.

2.13 Supply Chain Management

The Supply Chain Management (SCM) Policy applicable to the 2021/22 financial year was revised and adopted by the Council on 26 May 2021 (as Appendix 17 of the budget-related policies in the Council item) in terms of sections 17(1)–(3) of the MFMA.

The changes referred to above will ensure that the Department: SCM has the required legislative mandate to further streamline procedures and processes to promote more efficient and effective service delivery to all internal and external stakeholders.

2.13.1 Competitive bids over R200 000

The following table details the number of Bid Committee meetings held for the 2022/23 financial year:

Table 93: Bid Committee Meetings

Bid Specification Committee	Bid Evaluation Committee	Bid Adjudication Committee
46	220	64

The attendance figures of members of the Bid Specification Committee are as follows:

Table 94: Attendance of Members of the Bid Specification Committee

Member	% Attendance
Supply Chain Management Representative	100%
Relevant technical expert responsible for a function	100%

The attendance figures of members of the Bid Evaluation Committee are as follows:

Table 95: Attendance of Members of the Bid Evaluation Committee

Member	% Attendance
Supply Chain Management Representative	100%
Relevant technical expert responsible for a function	100%

The attendance figures of members of the Bid Adjudication Committee are as follows:

Table 96: Attendance of Members of Bid Adjudication Committee

Member	% attendance
Chief Financial Officer (Chairperson)	100%
Director Planning and Economic Development	100%
Director: Infrastructure Services	100%
Director: Community and Protection Services	100%
Director: Corporate Services	100%

The percentages indicated above include the attendance of those officials acting in the position of a bid committee member and / or chairperson.

2.13.2 Awards made by the Bid Adjudication Committee

The Bid Adjudication Committee awarded 72 bids with a value of R 159 363 190.41, excluding annual tenders awarded based on approved rates. The ten highest bids awarded by the bid adjudication committee are as follows:

Table 97: Ten Highest Bids Awarded by Bid Adjudication Committee

Bid Number	Title of bid	Directorate and Section	Successful Bidder	Value of bid awarded
B/SM 12/23	CONSTRUCTION OF NEW CELLS AND ASSOCIATED INFRASTRUCTURE AT STELLENBOSCH LANDFILL	Infrastructure Services	BURGER and WALLACE CONSTRUCTION (PTY) LTD	R91 230 000
B/SM 46/22	THE FRANSCHHOEK AREA OF STELLENBOSCH	Infrastructure Services	ADENCO CONSTRUCTION (PTY) LTD	R23 385 070.17
B/SM 17/23	ELECTRIFICATION OF INFORMAL HOUSES IN THE ENKANINI INFORMAL SETTLEMENT OF STELLENBOSCH FOR THE PERIOD ENDING JUNE 2024	Infrastructure Services	MONTHEO CONSTRUCTION GROUP	R22 316 374.38

2.13.3 Awards made by the Accounting Officer

In terms of paragraph 5.2 of the Council's SCM Policy, only the accounting officer may award a bid that is over R 10 million. The accounting officer may not sub-delegate the right to make such an award.

The table below indicates the bids awarded by the accounting officer:

Table 98: Awards made by the Accounting Officer

Bid Number	Title of bid	Directorate and Section	Value of bid awarded
B/SM 12/23	CONSTRUCTION OF NEW CELLS AND ASSOCIATED INFRASTRUCTURE AT STELLENBOSCH LANDFILL	Infrastructure Services	BURGER and WALLACE CONSTRUCTION (PTY) LTD
B/SM 46/22	THE FRANSCHHOEK AREA OF STELLENBOSCH	Infrastructure Services	ADENCO CONSTRUCTION (PTY) LTD
B/SM 17/23	ELECTRIFICATION OF INFORMAL HOUSES IN THE ENKANINI INFORMAL SETTLEMENT OF STELLENBOSCH FOR THE PERIOD ENDING JUNE 2024	Infrastructure Services	MONTHEO CONSTRUCTION GROUP

2.13.4 Objections Lodged

The table below indicates the total objections lodged during the year under review.

Table 99: Objections Lodged

Tender Nr	Description	Date of finalisation of the appeal
B/SM 26/22	Sindele Cleaning	15-Jul-22
B/SM 53/22	Uhambo	12-Oct-22
B/SM 59/22	Mailtronic	2022-11-24
B/SM 11/23	Max Amp Electrical	2023-03-29
B/SM 09/23	Grand Landscaping	2023-05-09
B/SM 59/23	Klaasen Cleaning	2023-06-30

The municipality also had six (6) appeals, which were resolved, along with one (1) objection, which was also dealt with.

2.13.5 Formal Quotations (above R30 000 and below R200 000) Procurement Processes

The number of formal quotations approved by the Snr. Manager: SCM for the year under review follows:

Table 100: Formal Quotations (above R 30 000 and below R 200 000)

Description	Financial Years					
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of Awarded Formal Quotations	206	203	145	122	8	91
Total Formal Quotations advertised	264	249	159	139	131	124
Percentage awarded	78.03%	81.53%	91.19%	88%	67.94%	73.39%

2.13.6 Deviation from the normal Procurement Processes

Paragraph 4.36 of the Council's SCM Policy allows the Accounting Officer to dispense with the official procurement process. The following table indicates the number of certificates of emergencies and deviations approved in terms of Section 4.36 of the SCM Policy.

Table 101: Deviation from Normal Procurement Process

Description	Financial Years				
	2018/19	2019/20	2020/21	2021/22	2022/23
<u>Certificate of Emergencies:</u> Approved by the Directors i.t.o. Section 4.36.4 of the SCM Policy	0	0	0	0	0
<u>Deviations:</u> Approved by the Accounting Officer i.t.o. Section 4.36.1 of the SCM Policy	42	32	19	12	17
TOTAL	42	32	19	12	17

Deviations from the normal procurement processes have been monitored closely to mitigate the risk associated with them.

2.13.7 Disposal Management

The system of disposal management envisages the following:

- ‡ immovable property is sold only at market-related prices, except when the public interest or the plight of the poor demand otherwise;
- ‡ movable assets are sold either by way of written price quotations, a competitive bidding process, an auction, or at market-related prices, whichever is most advantageous;
- ‡ firearms are not sold or donated to any person or institution within or outside the Republic unless approved by the National Conventional Arms Control Committee;
- ‡ immovable property is let at market-related rates, except when the public plight of the poor demands otherwise;

- ‡ all fees, charges, rates, tariffs, scales of fees, or other charges relating to the letting of immovable property are annually reviewed;
- ‡ where assets are traded in for other assets, the highest possible trade-in price is negotiated; and
- ‡ in the case of the free disposal of computer equipment, the Provincial Department of Education is first approached to indicate within 30 days whether any of the local schools are interested in the equipment.

The municipality complies with Section 14 of the MFMA, which deals with the disposal of capital assets, as well as with the Asset Transfer Regulations.

2.13.8 Supply Chain Management Performance Management

The SCM Policy requires that an internal monitoring system be established and implemented to determine, based on retrospective analysis, whether the SCM processes were followed and whether the objectives of the SCM policy were achieved.

Monitoring internal processes is an ongoing process. Procedure manuals for various SCM processes have been developed, approved, and are being implemented.

2.13.9 Service Providers Strategic Performance

Section 76(b) of the MSA states that KPIs should inform the indicators set for every municipal entity and service provider with whom the municipality has entered into a service delivery agreement. According to the AGSA's office:

- a) Service provider means a person or institution or any combination of persons and institutions that provide a municipal service;
- b) External service provider means an external mechanism referred to in Section 76(b) that provides a municipal service for a municipality; and
- c) A service delivery agreement means an agreement between a municipality and an institution or person mentioned in Section 76(b) in terms of which a municipal service is provided by that institution or person, either for its account or on behalf of the municipality.

Section 121(b) of the MFMA and Section 46 of the MSA further state that a municipality should include the following aspects related to service providers in its annual report:

- ‡ The performance of each service provider;
- ‡ A comparison of the performance with targets set for and performance in the previous financial year; and
- ‡ Measures are taken to improve performance.

2.13.10 B-BBEE Compliance Performance Information

Section 121(3)(k) of the MFMA indicates that the annual report of a municipality should include any other information as may be prescribed. The Broad-Based Black Economic Empowerment (B-BBEE) Act (Act 53 of 2003; as amended by Act 46 of 2013) read in conjunction with the B-BEE Regulations of 2016 states in Section 13G(1) that all spheres of government, public entities, and organs of state must report on their compliance with broad-based black economic empowerment in their annual financial statements and annual reports. Under the explanatory notice (Notice 1 of 2018) issued by the B-BBEE Commission, the following table provides details on the municipality's compliance concerning broad-based black economic empowerment, which only focuses on the organisational aspect of the compliance reform: It should be noted that a consultant is currently in the process of doing an in-depth rating of BBEE compliance in terms of supply chain and socio-economic activities.

a) Management Control

Table 102: B-BBEE Compliance Performance Information - Management Control

Category	% for each category	Race Classification			Gender		Disability
		A	C	W	F	M	
Directors	4 / 6 = 66.67%	0	4	2	2	4	0
Senior Management	18 / 25 = 72%	3	15	7	4	21	0

b) Skills Development

Table 103: B-BBEE Compliance Performance Information- Skills Development

Category	% for each category	Race Classification		Gender		Disability	Total amounts spend
		Category	Total	Category	Total		
Black Employees	278	A	996	F	79	None	Total Spent: R3 267 622 R3 071 564.68 (94% of the total spent)
		C	179	M	199		
		I	0				
Non-Black employees	19	W	19	F	2	None	R196 057.32 (6% of the total spent)
				M	17		
Black People on internships, apprenticeships, learnership	40	A	13	F	16	None	R424 790.86 (13% of total)
				M	24		
Unemployed black people on any programme under the learning programme matrix	2	C	2	M	2	None	R19 605.73 (0.6% of the total spent)
Black people absorbed at the end of learnership, internship and apprenticeship	0	0	0	0	0	None	0

2.14 By-laws and Policies

Section 11 of the MSA gives municipal councils the executive and legislative authority to pass and implement by-laws and policies.

By-laws and policies approved in the 2022/23 financial year are listed below.

Table 104: By-laws and Policies approved

By-laws and Policies Revised	Date Approved	Department
By-laws		
Stellenbosch Municipality Rules of Order By-law	27.07.2022	Corporate Services
Municipality's Stormwater By-law delegations and proposed admission of guilt fines	26.10.2022	Infrastructure Services
Municipality's Parking By-law delegations and proposed admission of guilt fines	26.10.2022	Infrastructure Services
Stellenbosch Municipality Integrated Waste Management By-law Delegation and Admission of Fines	26.10.2022	Infrastructure Services
Municipal Land use by-law	23.11.2022	Planning and Economic Development

By-laws and Policies Revised	Date Approved	Department
Policies (*Financial policies were approved by the Council for the 2022/23 financial year)		
Accounting Policy	25.05.2022	Finance
Borrowing, Funds and Reserves Policy	25.05.2022	Finance
Budget Implementation and Monitoring Policy	25.05.2022	Finance
Cash Management and Investment Policy	25.05.2022	Finance
Cost Containment Policy (2019-09-25)	25.05.2022	Finance
Credit Control and Debt Collection Policy	25.05.2022	Finance
Development Charges Policy	25.05.2022	Finance
Financing of External Bodies Performing Municipal Functions Policy	25.05.2022	Finance
Grants-In-Aid Policy	25.05.2022	Finance / Community and Protection Services
Indigent Policy	25.05.2022	Finance
Inventory Management Policy	25.05.2022	Finance
Irrecoverable Debt Policy	25.05.2022	Finance
Liquidity Policy	25.05.2022	Finance
Petty Cash Policy	25.05.2022	Finance
Preferential Procurement Policy	25.05.2022	Finance
Rates Policy	25.05.2022	Finance
SCM Policy for Infrastructure Procurement and Delivery Management	25.05.2022	Finance
Special Ratings Area Policy	25.05.2022	Finance
Supply Chain Management Policy	25.05.2022	Finance
Tariff Policy	25.05.2022	Finance
Travel and Subsistence Policy	25.05.2022	Finance
Virementation Policy	25.05.2022	Finance
Ward Allocation Policy	25.05.2022	Finance
Wayleave Policy	25.05.2022	Finance

2.15 Municipal Website

The municipal website is an integral part of a municipality's communication infrastructure and strategy. It serves as a tool for community participation, improves stakeholder involvement and facilitates stakeholder monitoring and evaluation of municipal performance. Section 75 of the MFMA requires that municipalities place key documents and information on their website, including the IDP, the annual budget, adjustments budgets and budget-related documents and policies.

Below is a website checklist to indicate compliance with Section 75 of the MFMA.

Table 105: Municipal Website Checklist

Documents Published on the Stellenbosch Municipality's Website	Yes / No	Publishing Date
Current annual and adjustments budgets and all budget-related documents	Yes	Within legislated period
All current budget-related policies	Yes	Within legislated period
Current annual and adjustment budgets and all budget-related documents	Yes	Within legislated period
All current budget-related policies	Yes	Within legislated period
The Annual Report 2022/23	-	Pending
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act for 2022/23	Yes	Within legislated period

Documents Published on the Stellenbosch Municipality's Website	Yes / No	Publishing Date
All service delivery agreements for 2022/23	Yes	Within legislated period
All long-term borrowing contracts for 2022/23	Yes	Within legislated period
All supply chain management contracts above a prescribed value for 2022/23	Yes	Within legislated period
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14(2) or (4) during 2022/23	Yes	Within legislated period

2.16 Communication

According to Section 75 of the MFMA, the municipal website is a crucial part of its communication infrastructure and strategy because it is a key tool for fostering stakeholder involvement, encouraging community participation, and facilitating the monitoring and evaluation of municipal performance. This platform plays a pivotal role in ensuring transparency and accessibility to key documents and information.

Local government, as outlined in the Constitution of the Republic of South Africa Act 1996, Section 152(1)(e), has a statutory obligation to encourage community involvement in municipal affairs. The Municipal Systems Act (MSA) further supports this by endorsing community participation. Stellenbosch Municipality, in line with its Communication Policy adopted in July 2020, is committed to high levels of transparency, accountability, and participatory democracy.

Effective communication platforms played a vital role during the year, contributing to transparency and community engagement. The municipality ensured the timely dissemination of information through various channels, including the municipal website, social media platforms, and traditional media outlets. Comprehensive responses to media inquiries, proactive release of statements, and positive news stories contributed to enhancing the municipality's corporate identity and brand.

The municipal website, regularly updated with official notices, tenders, news stories, and meeting agendas, remains a central hub for public engagement. Plans are underway to enhance user-friendliness and navigation for increased customer satisfaction. Social media platforms, including Facebook, Twitter, Instagram, and LinkedIn, have become effective tools for reaching a wider audience, disseminating alerts, and diverting traffic to the website.

Embracing the Digital Age:

In the digital age, the municipality recognises the significance of reaching more customers and residents through online media, social media, the municipal website, and various handheld devices. These platforms enable us to connect with a broader audience, ensuring that important information is accessible anytime, anywhere. As the municipality navigates this digital landscape, it aims to leverage technology to enhance communication, foster engagement, and meet the evolving needs of its community.

The municipality's growing Instagram and LinkedIn profiles, along with its expanding social media and online footprint, signify the municipality's commitment to staying connected with the community. In addition to traditional communication channels, the municipality distributes newsletters with account updates monthly, providing a comprehensive overview of municipal activities.

Building a Strong Stellenbosch Brand and Corporate Identity:

Beyond communication, the municipality is actively participating in building a strong Stellenbosch brand and corporate identity. Its involvement extends to creating a positive and recognisable image that resonates with the municipality's community and stakeholders.

Leading in Social Media Presence:

The municipality is proud to announce that it now boasts the largest Facebook page of any municipality in the Western Cape, apart from the metro. This achievement reflects the municipality's commitment to effectively engaging with its community and keeping them informed through the most widely used social media platform.

Communication Checklist:

- ✚ Regular updates on the municipal website;
- ✚ Active engagement on social media platforms (Facebook, Twitter, Instagram, LinkedIn);
- ✚ Placement of municipal advertisements in community and regional newspapers;
- ✚ Executive Mayor's monthly newsletter, pamphlets, posters, notice boards, and regular IDP / Ward meetings for community communication; and
- ✚ Establishment of an interdepartmental communication forum for improved internal communication.

This comprehensive approach to communication ensures that Stellenbosch Municipality remains transparent, responsive, and actively engages with its community and stakeholders.

Below is a communication checklist for compliance with the communication requirements.

Table 106: Communication Activities

Communication activities	Yes / No
Communication Unit	Yes
Communication Strategy	Yes
Communication Policy	Yes
Customer satisfaction surveys	No
Functional complaint management systems	Yes
Newsletters distributed at least quarterly	Yes

CHAPTER 3: SERVICE DELIVERY PERFORMANCE

3.1 Overview of performance within the organisation

This section provides an overview of the key service achievements of the municipality that came to completion during the 2022/23 financial year in terms of the deliverables achieved compared to the key performance objectives and indicators in the IDP.

To improve performance planning, implementation, measurement, and reporting, the municipality implemented the following actions:

- ‡ Departmental operational plans were developed for monitoring and reporting operational programmes. An electronic performance management system is operational within the municipality. The same system forms the basis for performance evaluations of the directors and the municipal manager; and
- ‡ The municipality endeavoured during the development of the TL SDBIP as well as with the development of the Departmental SDBIP that the “SMART” principle be adhered to in the setting of indicators and objectives. The emphasis was placed on ensuring that targets were specific and time-bound, thus making them measurable.

COMPONENT A: BASIC SERVICES

This component includes the municipal functions, basic service delivery highlights and challenges, details of services provided for water, wastewater (sanitation), electricity, waste management, housing services, and a summary of free basic services.

3.2 Municipal Functions

3.2.1 Analysis of Functions

The municipal functional areas are indicated below.

Table 107: Municipal Functional Areas i.t.o. the Constitution

Municipal Function	Yes / No
Constitution Schedule 4, Part B functions:	
Air pollution	Yes
Building regulations	Yes
Childcare facilities	Yes
Electricity and gas reticulation	Yes
Firefighting services	Yes
Local tourism	Yes
Municipal airports	No
Air pollution	Yes
Building regulations	Yes
Municipal planning	Yes
Municipal health services	No
Municipal public transport	Yes
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	No

KPA and Indicators	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Basic Service Delivery*								
Service for water, sanitation and refuse removal (Average)	7 042	5 686	6 453	6 813	6 666	7 283	4 681	4 744

Source: The data emanates from the Indigent Register of the Stellenbosch Municipality

3.4 Water Provision

Water is the most fundamental and indispensable of all available natural resources—fundamental to life, the environment, food production, hygiene, and power generation.

Poverty reduction / alleviation, and improved water management are closely linked. Schedule 4B of the Constitution lists water and sanitation services, limited to potable water supply systems and domestic wastewater and sewerage disposal systems, as a local government function.

Basic water is defined as 25 litres of potable water per day supplied within 200 meters of a household. Stellenbosch Municipality had no water restrictions in place during the year under review.

The municipality responded well to the rollout of further critical water and wastewater infrastructure, the expansion of supply for future storage and growth, as well as the upgrade and maintenance of existing systems. It was also required to successfully respond to emergency scenarios such as the flooding events in June 2023, which were the highest rainfall experienced in 43 years.

The municipality also successfully agreed with the Department of Water and Sanitation to participate in the Bergriver Voelvlei Augmentation Scheme, which would essentially secure the municipality additional water once the scheme is completed. This would be fundamental for additional water security for the future of Stellenbosch, in an increasingly water-scarce and climate-sensitive environment sensitive to climate change and “El Nina-like” possible shocks to the system.

The municipality supplies water to the consumers in their area of jurisdiction through the following six water supply systems:

- Stellenbosch: Eerste River treated at Ida's Valley WTP (own source);
- Stellenbosch: DWS allocation from Western Cape Water Supply Scheme (WCMS) via the tunnel treated at Paradyskloof WTP (Theewaterskloof Dam);
- Franschhoek: Du Toits River treated at Franschhoek WTP (own source);
- Dwarsrivier and rest of Franschhoek: potable water purchased from the City of Cape Town (Wemmershoek Line);
- Raithby, Klappmuts, Koelenhof, etc.: Potable water purchased from the City of Cape Town (Blackheath WTP, Faure WTP, and Wemmershoek Line); and
- Boreholes BH1: Die Braak, BH2: Meerlust, and BH3: Van der Stel, treated in Containerised Package Plants. This system was only used for a short while after the June floods caused damage to the bulk water supply line from the Wemmershoek Line. The Kylemore BH and Package Plant were then used to provide water to the Dwarsriver communities. The rest of the system wasn't utilised in the 2022/23 financial year.

Water is also supplied to an extensive industrial area as well.

The municipality manages three water treatment works, namely Ida's Valley, Paradyskloof, and Franschhoek, which is a microwater treatment plant. The potable water supply from these works amounted to 20.59 MI/d, and a further 9.57 MI/d was obtained from the City of Cape Town during the

2022/23 financial year, ensuring a supply of approximately 30.16 MI/d to the municipality's area of responsibility.

Areas supplied by the Wemmershoek Dam and Water Treatment Works include half of Franschhoek town, La Motte, Wemmershoek, Pniël, Boschendal, Johannesdal, Kylemore, Lanquedoc, Klapmuts, Koelenhof, Elsenburg, Devon Valley, and Muldersvlei. Areas supplied by Blackheath Water Treatment Works include Polkadraai, Spier, and Vlottenburg.

Areas supplied by Faure Water Treatment Works (from Steenbras Dam – City of Cape Town) are Faure, Jamestown, De Zalze, Raithby, and Lynedoch. Although the City of Cape Town manages these treatment projects, the Stellenbosch Municipality must monitor and take into account their effects on water quality and quantity.

Stellenbosch Municipality supplies potable water to the entire municipal area through a network and infrastructure consisting of 118 reservoirs / holding tanks / sumps, and sumps; water towers; 69 water pump stations; 41 pressure-reducing valve installations; and 704 kilometres of pipeline. A telemetry system is in charge of fully operating and controlling the system.

The total bulk water input into the water network for the 2022/23 financial year was 11 009 MI, with an annual average daily demand of 30 163 kl/day. 37.2% of the water supplied is purified from the municipality's water sources at the Ida's Valley and Franschhoek Water Treatment Plants. The balance is supplied by the City of Cape Town (31.7%) and from the treatment of raw water at Paradyskloof Water Treatment Plant, as supplied by the Department of Water and Sanitation (31.1%). Potable water supplied by the City of Cape Town is analysed monthly.

Ida's Valley and Paradyskloof Water Treatment Works are equipped with some analytical capabilities, and routine plant analyses are performed in-house. A full water quality monitoring programme is further performed for the municipality by an accredited external laboratory / contractor. Maintenance of equipment for all three plants is outsourced to external contractors.

Based on the municipality's International Water Association (IWA) Water Balance sheet for the 2022/23 financial year under review, the municipality recorded 27.4% for "non-revenue" water, which is an increase of 5.5% from the previous financial year and 21.9% for "non-revenue" water. Refer to the municipality's International Water Association (IWA) Water Balance Sheet extract below.

System input volume (SIV): July 2022 to June 2023 ; kL		10 827 196	100%
<small>(water demand in reticulation system)</small>			
Potable water system	Authorised consumption 85,01%	Revenue water 72,58%	Billed metered 7 858 877 72,58%
			Billed unmetered 0 0,00%
		Non-revenue water 27,42%	Un-billed 1 344 896 12,42%
			Commercial losses 0,00%
	Water losses 14,99%		Physical losses 1 623 423 14,99%
	Revenue water (Sales) kL	7 858 877	72,58%
	Non-revenue water (NRW) ; kL	2 968 319	27,42%
	Real network losses ; kL	1 623 423	14,99%

The real physical network losses are at 14.99%, which is close to the best practice value of 15%.

The table above is the International Water Association's table to compute the water balance and is also accepted in the Department of Water and Sanitation's reporting structure. This forms the basis of the information needed and what is currently used to calculate water losses. This is combined with

monitoring systems installed on all bulk water supply points to determine and ensure accurate data on the water provided. The consumption data for all water users is drawn from the financial system with a regular data download to determine the total water sold. The figure above is used as far as possible to reflect the water balance and water losses in the water systems. The water readings of all areas are also sent to the Department of Water and Sanitation on a quarterly basis to monitor and control water usage and allocations of water.

The municipality has developed a comprehensive Water Conservation and Water Demand Management (WC&WDM) strategy, which includes a 10-year financial plan. The strategy has two goals: the municipality will prioritise the implementation of WC&WDM and will ensure ongoing planning, management, monitoring, and an enabling environment. The WC&WDM initiatives include a Waterpipe Replacement Programme, indigent domestic leak repair and meter replacement programme, Stellenbosch water meter audit and Stellenbosch in-house water services operations and maintenance.

Stellenbosch Municipality is currently not implementing water restrictions. The current year has seen higher than average rainfall, and most bulk dams are full as at 30 June 2023. This, however, should not be seen as an indication that the probability of a future drought is low, and **the public should always be aware of the need to conserve water.**

The following table reflects the status of the dam levels supplying the WCWSS with water and the status of Stellenbosch's dam levels.

Table 109: Western Cape Dams

Major dams	2020	2021	2022	2023
	(%)	(%)	(%)	(%)
Berg River	81.2	100.8	87.9	100.9
Steenbras Lower	49.9	89.9	78.6	99.8
Steenbras Upper	99.6	84.6	85.8	100.5
Theewaterskloof	55.8	101.9	76.1	100.4
Voëlvllei	54.5	88.1	63.2	95.9
Wemmershoek	43.3	97.7	65.5	100.2
Total Stored (MI)	540 023	879 173	679 794	895 018
% Storage	59.7	97.4	75.2	99.6

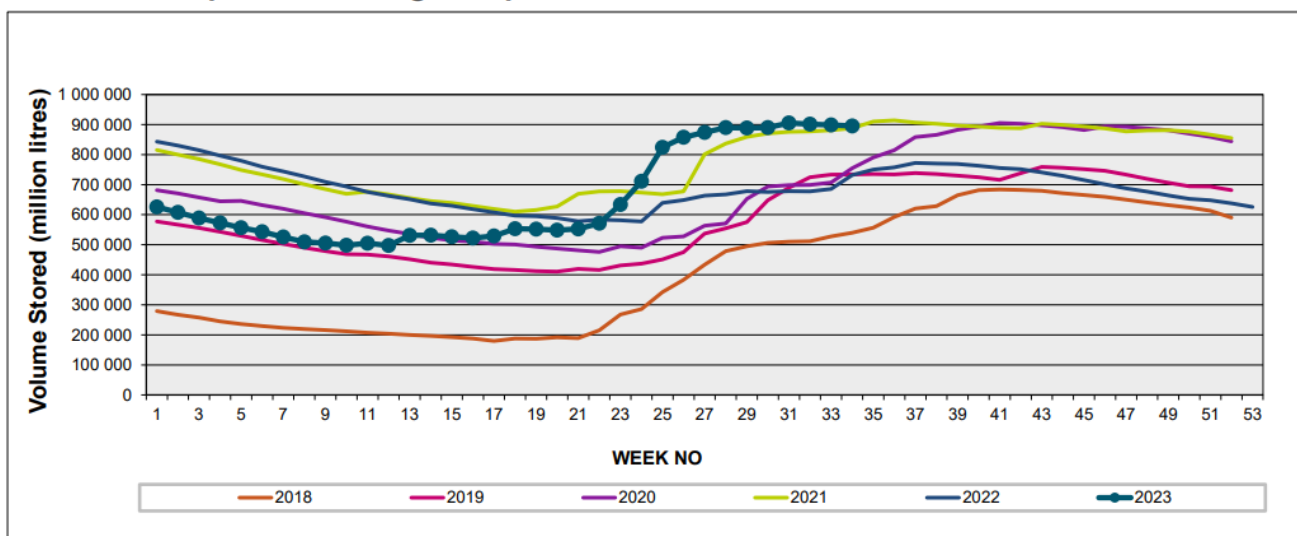
The table below depicts the Stellenbosch dams and overall water usage trends in the region (from the City of Cape Town Dam Levels Report, 21 August 2023):

Stellenbosch's own Dams

Table 110: Stellenbosch dams

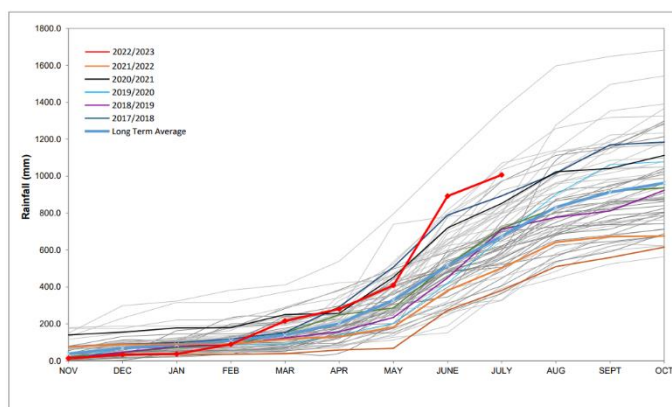
Ida's Valley 1	760 215
Ida's Valley 2	1 499 381

WCWSS Comparative Storage Graph

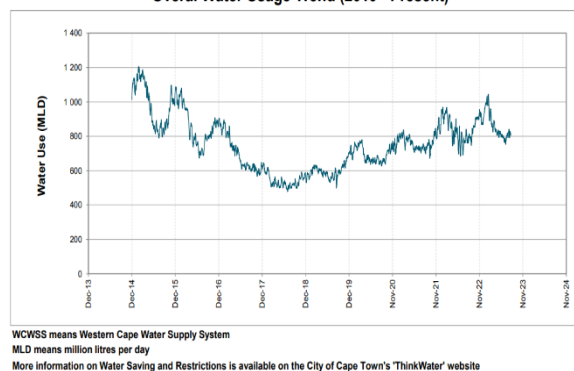


Accumulated Monthly Rainfall at Wemmershoek

Note: Wemmershoek station used due to long record and mountainous location



Overall Water Usage Trend (2010 - Present)



3.4.1 Service Statistics – Water Services

The table below outlines water usage totals per category:

Table 111: Total Use of Water

Total Use of Water (Mℓ)					
Year	Total Water into the System (Mℓ)	Total Water Sold (Mℓ)	Non-Revenue Water	% Non-Revenue Water	% Physical Water Loss
2014/15	14 876	11 556	3 320	22.3%	10.3%
2015/16	13 889	10 498	3 391	24.4%	12.4%
2016/17	12 220	9 572	2 648	21.8%	9.7%
2017/18	8 661	6 779	1 882	21.7%	8.2%
2018/19	8 058	6 380	1 676	20.8%	6.9%
2019/20	8 015	6 374	1 640	20.5%	6.5%
2020/21	10 003	7 701	1 815	18.1%	9.9%
2021/22	10 080	8 174	1 906	18.9%	9.7%
2022/23	10 827	7 858	2 968	27.4%	15%

The table below reflects the total use of water by sector in cubic meters:

Table 112: Total use of water by Sector (cubic meters)

Total use of water by Sector (cubic meters)					
Year	Agriculture	Forestry	Industrial / Commercial	Domestic	Unaccountable water losses
2022/23	0	0	2 895 329	4 963 773	2 621 624

3.4.2 Water Service Delivery Levels

As a priority, it is the responsibility of Stellenbosch Municipality to ensure that adequate and appropriate investments are made to ensure the progressive realisation of the rights of all people in its area of jurisdiction to receive at least a basic level of water and sanitation service. While the provision of basic water services is the most important and immediate priority, water services authorities are expected to provide intermediate and higher levels of services (for example, water on site) if it is practical and provided it is financially viable and sustainable to do so.

All water services provided by Stellenbosch Municipality to consumers within its borders are linked to the municipality's Tariff Policy and Tariff By-laws, and poor households are incorporated through the municipality's Indigent Policy. Many residents in the lowest income groups (living in informal areas) pose a major challenge to the municipality to provide suitable housing. Stellenbosch Municipality strives towards providing all households in the towns with a water connection inside the house and connecting all households to a waterborne sanitation system.

All the formal households in the urban areas of Stellenbosch Municipality's Management Area are provided with water connections and waterborne sanitation facilities inside households (higher level of service). Communal standpipes and ablution facilities are provided in the informal areas as a temporary emergency service. The municipality is aware of the fact that communal standpipes represent in all likelihood the weakest part of a network's water supply services, and constantly repairs and monitors the system of operation and maintenance thereof.

The table below specifies the different water service delivery levels per household:

Table 113: Water Service Delivery Levels

Description	2015/16 (audited)	2016/17 (audited)	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Household								
Water: (above minimum level)								
Piped water inside	37 902	37 989	38 027	40 321	42 615	38 120	38 120	49 420
Piped water inside the yard (but not in a dwelling)	3 596	3 596	3 596	3 596	3 596	3 596	3 596	1443 (479 standpipes on farms + 964-yard connections)
Using a public tap (within 200m from the dwelling)	8 491	9 238	9 699	11 327	12 955	10 504	10 504	11 117 (11 242-125) informal areas with communal services,
Other water supply (within 200m)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Minimum Service Level and Above Sub-Total	49 989	50 823	51 323	55 244	59 166	52 220	52 220	61 980
Minimum Service Level and Above Percentage	99.75	99.75	99.75	99%	98.93%	98%	98%	99.5%
Water: (below the minimum level)								
Using a public tap (more than 200m from the dwelling)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	125 (informal with no communal services)
Other water supply (more than 200m from dwelling)	125	N/A	N/A	N/A	N/A	N/A	N/A	120
No water supply	405	N/A	N/A	N/A	N/A	N/A	N/A	92
Below the Minimum Service Level Sub-Total	530	0	0	581	632	1 263	1 263	337
Below the Minimum Service Level Percentage	1.06	0	0	1%	1.07%	2%	2%	0.5%
Total Number of Households (formal and informal)	48 002	48 002	52 374	55 825	59 798	53 483	53 483	62 317
**2022/23 figures will be released upon the finalisation of the Water Services Development Plan (WSDP)								

Description	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Other toilet provisions (above the minimum service level)	0	0	2 336	2 386	2 386	2 386	10 876 (informal communal toilets)
Minimum Service Level and Above Sub-Total	39 132	39 252	44 595	46 219	48 609	48 609	61 282
Minimum Service Level and Above Percentage	97.51	97.01%	92.0%	98,1%	95.2%	95.2%	98.34%
Sanitation / sewerage: (below the minimum level)							
Bucket toilet	0	0	0	0	0	0	278 (Farms)
Other toilet provisions (below the minimum service level)	0	0	0	0	0	0	358 (148 pit toilets) + 210 (other farms)
No toilet provisions	0	0	0	0	0	0	399 (44 informal areas + 355 no toilets)
Below the Minimum Service Level Sub-Total	1 193	1 173	1 050	972	1 263	1 263	1 035
Below the Minimum Service Level Percentage	2.49	0	1.88%	2.11%	2.49%	2.49%	1.66%
Total Number of Households (formal and informal)	40 325	52 374	55 825	59 276	61 351	61 351	62 317
**2022/23 figures will be released upon the finalisation of the Water Services Development Plan (WSDP)							

The table below indicates the capital expenditure for the Section: Sanitation Services at 30 June 2023.

Table 117: Capital expenditure as at 30 June 2023: Section: Sanitation Services

Capital Projects	Adjustment Budget	Actual Expenditure	Variance from the Adjustment Budget
	R'000		
Upgrade of the WWTW: Pniël and Decommissioning of Franschoek	24 152	23 839	1.30%
Upgrade of the WWTW Wemmershoek	11 188	10 655	4.76%
Franschoek Sewer Network Upgrade (Langrug / Mooiwater)	4 000	3 728	6.81%
Sewerpipe Replacement	1 500	593	60.46%
New Development Bulk Sewer Supply WC024	679	495	27.09%
<i>Only the five largest capital projects are listed.</i>			

The Section: Sanitation Services has spent 92% of the capital budget for the financial year.

The table below indicates all major projects implemented by the Department: Water and Wastewater Services.

Table 118: Number of employees in the Department: Water and Wastewater Services

Job Level	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	Number			
18 – 22	1	1	1	0%
14 – 17	7	3	4	57%
9 – 13	44	32	12	27.2%
4 – 8	62	59	3	4.8%
3 – 0	111	102	9	8.1%
Total	225	197	28	12.4

3.6 Major projects implemented

The table below indicates all major projects implemented for the Department: Water and Wastewater Services.

Table 119: Major projects implemented

Project Name	Scope	Project Cost	Benefits, Impacts, and Goals Achieved	Other Comments
Capital Upgrades				
Water Treatment Works in Ida's Valley	Upgrading of existing works to increase the current treatment capacity.	R100M	Various upgrades and modifications to treatment works processes to increase treatment capacity.	Designs ceased after the concept design stage due to funding availability.
Phase 2: Upgrade to Wemmershoek (Franschhoek Valley) WWTW	The New Nereda Wemmershoek WWTW is unable to reliably produce compliant effluent and needs to be upgraded with tertiary treatment processes and increased treatment capacity.	R70M	Ensure allowance for future demand and economic growth and development in the greater Franschhoek and surrounding areas. Increase capacity from 3ML/day to 7ML/day in phases to eradicate Franschhoek WWTW challenges.	The tender for Phase 2 (capacity increase) is in the process of being advertised (the closing date of the tender is 29 January 2024). A service provider is assisting with the operations and maintenance of the plant as well as with staff training.
Upgrade of Pniël WWTW	The upgrade of existing WWTW.	R164M	Capacity increased to 4.5ML/day.	Activated sludge process with a belt press and a new UV disinfection system. Practical Completion: 28 February 2023.
Phase 1: Polkadraai Reservoir and Pipeline	Construct 2 reservoirs and upgrade the pipeline.	R103M	Form part of the Blackheath Augmentation System to allow water transfer from CoCT to Stellenbosch and the use of its source during the winter for the Polkadraai area.	The contractor was appointed on 17 August 2022 for a 60-week construction period. Construction is to be completed in November 2023.
Phase 2: Polkadraai Reservoir and Pipeline	New pipeline from Phase 1 reservoir to Papegaaiberg reservoir.	R30M	Form part of the Blackheath Augmentation System to allow water transfer from CoCT to Stellenbosch and the use of its source during the winter for the Polkadraai area.	The consultant design is complete. The tender will be advertised once the WUL is approved.

3.7 Electricity

The municipality's Electro-Technical Services Department continued to respond well to the challenges facing the electricity sector at present, with the rollout of bulk electrical infrastructure, the upgrading of informal settlements, and the upgrading and maintenance of current infrastructure.

Loadshedding continues to be experienced due to Eskom's challenges with the high number of increased stages of outages experienced during the year. The municipality has embarked on an alternative energy programme to investigate different aspects of alternative energy generation as well as a reduction in demand / usage, and / or shift towards renewable energy. As in the previous financial years, Stellenbosch Municipality continues to contribute to Eskom's electricity supply stability, mainly via the following projects:

a) The Demand-Side Management

The municipality continued during 2022/23 with the Energy and Demand Management project, replacing energy-inefficient streetlight fittings with energy-efficient (LED) fittings. The current identified projects will be completed, and the remaining ones will be re-prioritised.

To date, 95% of all conventional streetlight fittings in Franschhoek and 55% in Stellenbosch have been fitted with energy-efficient lights (LEDs).

Eskom handed over to the municipality all streetlight maintenance in Eskom areas of supply, with effect from February 2022. The Department is in the process of appointing a service provider to conduct a streetlight assessment and audit to prepare for the refurbishment of streetlight infrastructure as well as changing the conventional streetlights to energy-efficient streetlights. Due to the vast extent of the project, the municipality will implement it in a phased manner since the project is budget dependent.

b) Hot Water Load Control Project

The municipality has installed hot water load control devices in the Franschhoek and Stellenbosch areas. To date, **8 852** devices have been installed in Stellenbosch and 795 in Franschhoek, which enable the shedding of all geysers during peak times, thereby realising energy savings. In addition, all new developments are being issued with load control devices to help manage the energy demand. The department is experiencing challenges with access to properties for various reasons but continues to follow up with residents by visiting the premises.

c) Alternative Energy

Under previous circumstances, the Constitution did not allow local government to enter into the generation of electricity, and the Electricity Regulation Act did not allow municipalities to purchase electricity from any company other than Eskom. Through the promulgation of the Electricity Regulation Act Regulations on 16 October 2020, this changed, and municipalities are now allowed to generate electricity and purchase electricity from electricity generators other than Eskom.

Stellenbosch Municipality is investigating several initiatives to reduce the impact of loadshedding, namely:

1. The initial application was submitted to Eskom to be considered for loadshedding mitigation;
2. The successful appointment of a lead consulting project management firm and an in-house project manager;
3. The award of the supervisory control and data acquisition (SCADA) telemetry system contract in 2023;
4. The Council's approval was obtained and an advertisement for public participation was made for three land parcels to possibly be used for the construction of alternative energy plants;
5. Investigation of solar photovoltaic and battery storage to ensure business continuation at critical municipal buildings and critical water and wastewater treatment plants;
6. The municipality's participation in the Western Cape Government Municipal Energy Resilience projects; and
7. Preparation for the issuing of a Request for Proposals (RFP) for independent power producers (IPPs).

Thus, the municipality is taking a measured, incremental approach towards loadshedding mitigation within available budgets and simultaneously ensuring that the municipality's infrastructure is ultimately ready to absorb the future scenario of mitigation.

d) Electrification of Informal Settlements

Since the inception of the electrification project in **Enkanini** in 2021, the Department has implemented the project in a phased approach as indicated below:

Table 120: Electrification of Informal Settlements

Financial year	Phase	Project Description	Total number of connections	Value of connections	Value of bulk infrastructure
2021/22	Phase 2	Enkanini Ph2 and Bulk Infrastructure	800	R14 300 000	-
2022/23	Phase 3	Enkanini Electrification Ph3 and Bulk (Enkanini to Watergang)	1 300	R24 400 000	R4 300 000

e) Pniël take-over

The municipality continued with the network upgrade in the 2022/23 financial year. The table below indicates the progress and value of the project to date.

Table 121: Electricity network upgrades

Financial Year	Project Description	Actual Amount Spend on Pniël Upgrade
2020/21	General upgrade of Pniël / Johannesdal 11kV and 400V networks. The work included the replacement of minisubs. Constructing the first 11 kV ring in Johannesdal.	R3 231 988
2021/22	General upgrade of Pniël / Johannesdal 11kV and 400V networks. Work included the building of a new 1 km, 11 kV overhead line, the replacement of the mini-substation, and the installation of metering units.	R3 500 000
2022/23	General upgrade of Pniël / Johannesdal 11kV and 400V networks. Work included the refurbishment of an 11 kV switching substation, the procurement of switchgear, and installation.	R3 491 923.98

Each financial year, the municipality prioritises projects identified from the network assessment report by starting / addressing the critical infrastructure first.

The appointed electrical contractor will continue with the network upgrading in the 2023/24 financial year.

As part of the network upgrades, the refurbishment of an 11 kV switching substation is in progress and will be commissioned by December 2023.

f) Token Identifier

In November 2024, all prepayment meters will no longer be able to accept pre-paid tokens, as indicated by the STS Standard Token Specification Association. To ensure that pre-paid meters are compliant post-November 2024, all pre-payment meters need to be reset.

The table below indicates the total number of meters to be reset:

Table 122: Total electricity meters to be reset

Status of the project	Number of Meters
Stellenbosch Municipality's total number of prepaid meters	31 076
Total number of meters visited and reset	21 061
Total number of meters outstanding	10 015

3.7.1 The Electricity Service Delivery Statistics

Stellenbosch Municipality has four intake points, as indicated in the table below.

Table 123: Stellenbosch Municipality notified demand per intake point

Major Towns	Notified Maximum Demand (NMD)	Maximum Demand Growth (NMD)	Maximum Demand Peak (NMD)
Stellenbosch	60 MVA	3.769 MVA	54.974 MVA
Franschhoek	10 MVA	2.172 MVA	11.602 MVA
Cloetesville	16 MVA	2.943 MVA	15.173 MVA
Pniël	9 MVA	0.054 MVA	6.96 MVA

3.7.2 Electricity Losses

The electricity losses as at 30 June 2023 were 4.24%.

The table below specifies the different electricity service delivery levels per household.

Table 124: Access to basic electricity

Description	2016/17 (audited)	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Household							
<u>Energy: (above the minimum level)</u>							
Electricity (at least the minimum service level) (No. of conventional meters)	6 486	6 453	4 715	4 601	4 429	4 326	4 701
Electricity: prepaid (minimum service level) (No. of prepaid meters)	17 504	25 946	27 825	28 366	29 279	31 076	31 717
Below the Minimum Service Level Sub-Total	23 990	32 399	32 540	32 967	33 708	35 402	36 418
Below the Minimum Service Level Percentage	86.7	80.08	85.51	86.04	86.86	87.78	87.09
<u>Energy: (below the minimum level)</u>							
Electricity (< minimum service level)	0	0	0	0	0	0	0
Electricity: prepaid (< min. service level)	4 460	6 453	0	0	4 429	0	0
Other energy sources	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Below the Minimum Service Level Sub-Total	4 460	6 453	0	0	4 429	0	0
Below the Minimum Service Level Percentage	13.27	12.32	0	0	0	0	0
Total Number of Households	48 002	52 374	32 540	32 967	33 708	35 402	36 418
**2022/23 figures will be released upon the finalisation of the Water Services Development Plan (WSDP).							

The table below indicates the capital expenditure for the Department: Electricity Services at 30 June 2023.

Table 125: Capital expenditure as at 30 June 2023: Department: Electricity Services

Capital Projects	Adjustment Budget	Actual Expenditure	Variance from the Adjustment Budget
	R'000		
Enkanini Basic Services	24 050	17 216	28.42%
Alternative Energy	18 141	11 213	38.19%
Integrated National Electrification Programme	10 735	11 293	-5.20%
General System Improvements, Stellenbosch	9 700	9 743	-0.44%
Laterra Substation	5 976	5 886	1.51%

Only the five largest capital projects are listed.

The Department: Electricity Services has spent 84% of the capital budget for the financial year.

The table below indicates the total number of employees in the Department: Electricity Services.

Table 126: Total number of employees in the Department: Electricity Services

Job Level	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	Number			
18 – 22	1	1	0	0%
14 – 17	3	3	0	3%
9 – 13	27	22	5	18.5%
4 – 8	46	40	6	13%
3 – 0	12	10	2	16.6%
Total	89	76	13	14.6%

3.8 Waste Management, Refuse Collections, Waste Disposal and Recycling

3.8.1 Waste Management

The Department: Waste Management's key responsibility is to keep the municipal area waste-free by removing illegal dumping and providing a refuse collection and waste disposal service for all residents. The department also encourages waste minimisation through waste treatment, recovery, and recycling solutions.

Stellenbosch Municipality's Waste Management Department is known for hosting municipalities from throughout the country to showcase its good waste management practices, and during this financial year, uMngeni Local Municipality, KwaZulu-Natal, was hosted.

Vacancies within the department are still a major challenge, but the municipality has filled a few vacancies, namely, 2x Assistant Superintendent positions in the Area Cleaning Section and 3x General Workers positions in the Refuse Collection Section. Other challenges have been the landfill reaching its capacity, and all waste must be hauled and disposed of at a private landfill in Vissershok in the Cape Town area at a huge expense. The construction of the landfill expansion has started this year, which will create additional space by the end of the 2023/24 financial year. Illegal dumping remains a challenge, but the Department is busy embarking on initiatives such as a swap shop to create

awareness around recycling and littering.

3.8.2 Area Cleaning

Area cleaning within the municipal area is provided using a contractor that is responsible for cleaning the Stellenbosch CBD and the use of EPWP personnel. Area cleaning is an essential service and all teams have worked throughout all the different lockdown levels. This section employed temporary employees from local communities that were sourced from the municipal unemployment database to perform cleaning services in the streets, open spaces and around waste removal skips.

Area cleaning service is provided by means of blue bags and black bags. Where the municipality faces excessive illegal dumping, it provides plant machinery (digger loaders and tipper trucks) to clean and clear such areas.

The municipality faced damage or misuse to its waste infrastructure which then forced the municipality to remove these useful infrastructure as it no longer served its intended use.

The Area Cleaning Section has seen an increase in the illegal dumping of builder's rubble and green waste within the hotspot areas.

The services rendered by the Area Cleaning Section include but not limited to, street cleaning and emptying of litter bins.

Additional street bins were procured and delivered in the 2022/23 financial year. The specifications of these bins were amended to render a more robust bin with a small opening on top which makes it difficult to remove waste from the bin which prevent further littering.



Before



After

EPWP Employment Opportunities created in the 2022/23 financial year

The table below indicates the EPWP employment opportunities created in the 2022/23 financial year

Table 127: EPWP employment opportunities

July 22	Aug 22	Sept 22	Oct 22	Nov 22	Dec 22	Jan 23	Feb 23	Mar 23	Apr 23	May 23	June 23
204	200	200	233	243	276	216	263	229	229	332	406

3.8.3 Refuse Collection

Refuse collection is completed according to a weekly schedule for formal households, commercial properties, and industries. The municipality supplies 240 wheelie bins to all service points but excludes informal settlements where communal skips are provided and collected. This is a service that is provided 7 days a week.

Wheelie 240 litre bins

The following information is drawn from the available data regarding wheelie bin distribution during 2022/23 financial year:

Wheelie 240 litre bins

The following information is drawn from the available data regarding wheelie bin distribution during 2022/23 financial year:

Table 128: Refuse bins distribution

Bins	Total
Broken bins	548
New bins	554
Total	1 102

3.8.4 Waste Disposal and Waste

Waste Minimisation and Disposal

Recycling

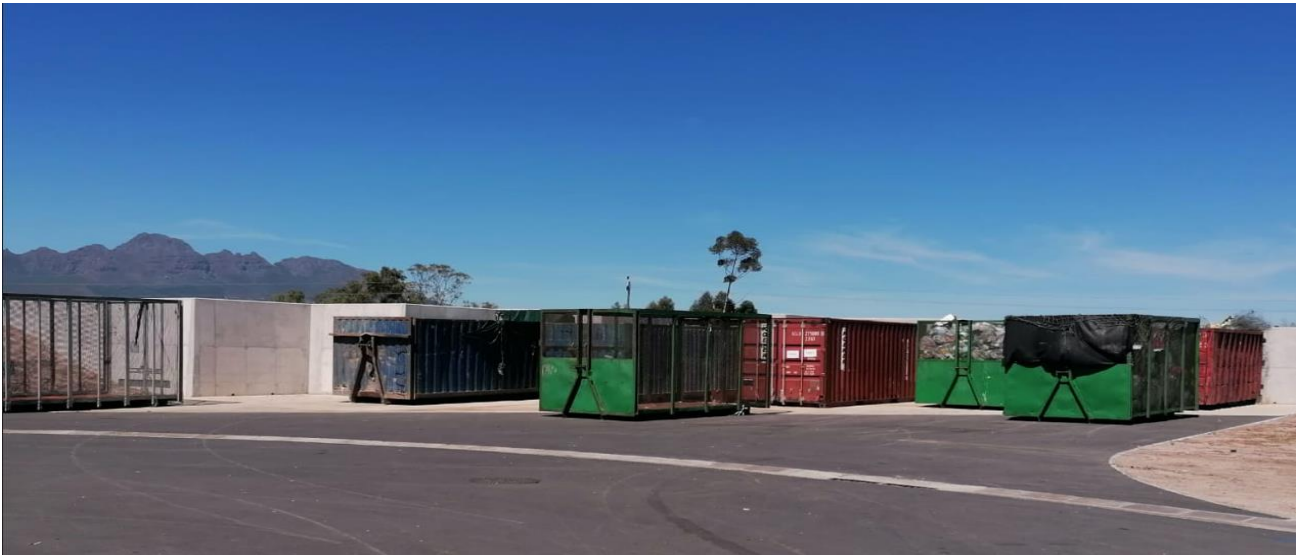
The Material Recovery Facility has been operational since 01 April 2021. For the period 01 July – 30 June 2023, volumes of recyclable waste managed and processed at the municipality's Material Recovery Facility varied from varied from 108 to 136 tons monthly. The highest volume was recorded in December 2022, with an average of 136 tons per month. Recyclables are being collected via a door-to-door collection service.

Figure 13: Operations underway inside the material recovery facility



The facility also features a public drop-off area, which will allow residents to bring garage and recyclable waste to dispose of responsibly.

Figure 14: Bins in Public Drop Off area



An additional household hazardous waste unit was placed at the Material Recovery Facility for the public to drop off their household hazardous waste, free of charge.

Figure 15: Stellenbosch Landfill Site



The Stellenbosch Landfill, situated on Devon Valley Road, is in the care and maintenance phase and receives limited waste. Cell 3 has filled up since August 2019. An expansion of the current landfill is underway.

Due to the lack of landfill airspace in Stellenbosch, the transfer of all general waste to the private landfill situated in the City of Cape Town area at Vissershok Waste Management commenced in August 2019 and is still ongoing.

All waste that was delivered by either Stellenbosch Municipal-owned vehicles or by way of contractors working for Stellenbosch Municipality as well as private users was transferred from the Klapmuts Transfer Station to the Vissershok Waste Management Facility for disposal.

The table below shows the landfill statistics for waste in tons and refers to the incoming waste loads and waste removed using the weighbridge, or beneficiated, for the 2022/23 financial year.

Table 129: Stellenbosch Landfill Site tonnages of waste

Waste Description	July 22	Aug 22	Sept 22	Oct 22	Nov 22	Dec 22	Jan 23	Feb 23	Mar 23	Apr 23	May 23	June 23
Area Clearing	155	144	363	317	244	259	474	189	349	266	359	107
Municipal Mixed Waste	2	4	0	0	0	0	0	0	0	0	0	0
Municipal Waste	9	53	69	47	15	42	69	40	80	29	22	9
Municipal Mixed Soil	31	34	0	0	0	0	0	0	0	0	0	0
Industrial Waste	33	44	55	89	77	66	56	42	54	27	48	37

Waste Description	July 22	Aug 22	Sept 22	Oct 22	Nov 22	Dec 22	Jan 23	Feb 23	Mar 23	Apr 23	May 23	June 23
Construction and Demolition Waste	1 425	1 145	1 701	1 701	2 829	1 278	1 293	1 307	2 261	1 390	1 234	959
Soil Clean Cover	220	20	54	6	9	0	0	0	0	0	0	0
Clean Cover to Road		0	0	0	0	0	0	0	0	0	3	6
Public Garden Waste	258	189	293	371	381	189	246	378	381	362	313	241
Municipal Garden Waste	15	12	21	10	19	9	7	18	22	22	15	9
Total Waste	2 148	1 646	2 556	2 540	3 575	1 842	2 147	1 974	3 147	2 096	1 994	1 368
Volumes Out												
Bricks	20	5	29	23	36	5	8	12	25	26	6	12
Crushed Material	6 240	758	656	44	157	15	0	9 403	2 168	1 059	2 180	3 883
Compost	1 486	374	36	590	408	591	597	822	550	66	829	1 179
Total	7 745	1 137	722	657	601	611	605	10 237	2 742	1 152	3 014	5 074

Only area cleaning volumes are landfilled, and all other waste types are either beneficiated, stockpiled, or used in another way on-site, e.g., soil as cover material and builders' rubble for the building of a road on site.

Crushing is also being done as part of the tender awarded to the current contractor that operates and manages the landfill site.

Brick reclaiming takes place under the strict control of the site supervisor, who limits, keeps records, and ensures that anyone entering the landfill is wearing protective clothing and is registered on the site's database as such.

Builders' Rubble Crushing

Figure 16: *Crushing of builders rubble done on site*



Green Waste Chipping

An appointed contractor is chipping green waste on-site at the Stellenbosch Landfill Site. Green waste is accepted at the landfill site, the Franschoek drop-off, and now also at the Klapmuts Refuse Transfer Station. Green waste from the respective sites is all transported to the landfill site, where it is chipped.

Figure 17: Area allocated for chipping of Green Waste on Stellenbosch Landfill Site



Brick Reclaiming



Klapmuts Transfer Station

The Klapmuts Refuse Transfer Station has a design capacity of 150 tons transfer capacity per day. Since August 2019, the Klapmuts Refuse Transfer Station has been utilised at near capacity to transfer waste to the Vissershok Waste Management Facility. Waste from all areas is transported in collection vehicles to the site and is transferred into open-top 30m³ bins for onward transport using three containers at a time by way of bulk transport to the Vissershok Waste Management Facility by an appointed contractor that renders this service.

The filling of bins is done with the use of two TLB machines and a hook-lift truck that replaces the filled bins with empty bins in the bays. Filled bins are then placed in a designated area, pending removal by the appointed contractor.

The transfer of waste to and through Klappmuts Refuse Transfer Station commenced in August 2019 and for the period from 01 July 2022 until 30 June 2023 a total of 38 722 tons of general waste were transferred.

Franschhoek drop-off

The Franschhoek Drop-off Facility continued to provide a free service to the residents of Franschhoek and its surrounding areas to dispose of garden waste and bulky goods. A contractor is appointed to transport garden waste to Stellenbosch Landfill and bulky waste to Vissershok Private Landfill.

a) Development of additional waste disposal cells project

The Stellenbosch Landfill reached capacity in August 2019. All Stellenbosch waste is now being transferred to the private Vissershok Landfill. This represents a huge additional expense for the municipality. Thus, the project to design and construct the new cells is an important, high-priority project.

Zutari (Pty) Ltd. has been appointed as the municipality's consulting engineer and is responsible for the design, contract administration, and construction supervision. Zutari (Pty) Ltd. has completed the landfill design report and submitted the designs to the Department of Water and Sanitation and the Department of Environmental Affairs and Development Planning for approval. Once the designs are approved, construction will commence.

b) Projects continued in the 2022/23 financial year but initiated in the previous financial year(s):

i) Landfill gas extraction, flaring and electricity generation

Several investigations into the use of the landfill for harvesting and the beneficial utilisation of landfill gas have been undertaken. The most recent study document in a report recommended that an active landfill gas extraction and flaring system could still be considered for the Stellenbosch Landfill, mainly for the purpose of reducing anthropogenic emissions from the landfill site. Should a full-scale project of this nature be implemented, revenue to support the project could be derived from prevailing emission reduction markets, and factual operational data would provide further evidence upon which to accurately evaluate the potential for a power generation project component.

The municipality has appointed Ingerop (Pty) Ltd. to investigate and design landfill gas extraction and management infrastructure. The investigation will also determine if electricity generation will be feasible.

Compliance

For disposal facilities (landfills and transfer stations) to be operated in compliance with the relevant legislation, all landfills must be licenced and managed according to the conditions in the licence. Internal audits form part of these legal requirements. Audits were conducted quarterly in the months of September, December 2022, March, and June 2023 by waste management staff. Audits were conducted at the Stellenbosch Landfill Site, Klappmuts Transfer Station, and the Materials Recovery Facility.

(ii) External audits

Management practices at all sites must also be compliant with the norms and standards in terms of the National Environmental Management Waste Act (NEMWA), as well as with certain sections of the Minimum Requirements for Waste Disposal by Landfill (DWAF, 1998) and other relevant regulations.

To be able to assess whether waste management practices are according to all stated conditions, landfill owners must, on a regular basis (at least once per annum), obtain the services of an external auditor to do an independent landfill compliance audit.

To ensure compliance, external audits have been undertaken by an independent specialist consultant at the Stellenbosch landfill and at the Klappmuts Transfer Station in accordance with the waste management licence conditions. A review of the audit findings to ascertain improvements was carried out after six months.

(iii) Monitoring Committee

All landfills are established and operated in terms of a Waste Management Licence (WML) issued by either the National or Provincial Department of Environmental Affairs and Planning. In terms of the waste management licence, landfills are required to establish a monitoring committee. The objective of the Monitoring Committee is to provide a forum to enable the community to effectively participate in and monitor the operation, rehabilitation, closure, and ongoing monitoring of a landfill.

The Stellenbosch landfill has an active monitoring committee. Monitoring Committee meetings are attended by Department of Environmental Affairs and Department Planning officials, as well as officials of various municipal departments as and when required. The independent external auditor also attends the meeting as and when required to report on the findings of the annual external audit and the review audit. Meetings were held in a hybrid format, which implies that attendees are present either in person or via the online platform.

c) Waste Managers Officers Forum

The Waste Management Officer (WMO) for the Stellenbosch Municipality is the Senior Manager: Waste Management. Quarterly meetings of the Provincial Waste Managers Officers Forum take place at various venues across the province. The Waste Management Officer attends the meeting and reports on activities within the municipality; this also provides a forum to receive information from provincial officials and further networking with Waste Management Officers from other municipalities within the province.

These forums are also held on a district level, where municipal representatives from the Cape Winelands discuss waste-related matters within the district.

d) Social Engagement and Environmental clean-ups

Various awareness activities were conducted during the 2022/23 financial year, which included:

- ✚ An educational presentation on the material recovery facility was done at an old age facility;
- ✚ The Material Recovery Facility;
- ✚ Awareness Campaign in Cloetesville;
- ✚ Compost Bin Roll Out in Franschoek; and
- ✚ Swop Shop in Klappmuts.

During all these events, the focus was to minimise waste and present it in a way that the community could identify with and be convinced of the value of their contribution to responsible waste management.

The table below indicates the service levels of refuse removal as at 30 June 2023.

Table 130: Refuse removal service delivery levels

Description	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Household						
Refuse Removal: (Minimum level)						
Removed at least once a week	37 207	49 072	48 988	37 926	49 300	50 792
Minimum Service Level and Above Sub-Total	37 207	49 072	52 374	37 926	49 300	50 792
Minimum Service Level and Above Percentage	78.7	93.7	93.5	100%	100%	100%
Refuse Removal: (Below the minimum level)						
Removed less frequently than once a week	1 064	1 064	1 064	1 064	N/A	N/A
Using communal refuse collection	N/A	N/A	N/A	N/A	N/A	12 161
Using own refuse dump	5 358	6 453	2 323	N/A	N/A	N/A
Other rubbish disposal	766	N/A	N/A	N/A	N/A	N/A
No rubbish disposal	N/A	N/A	N/A	N/A	N/A	N/A
Below the Minimum Service Level Sub-Total	7 188	7 517	3 387	N/A	N/A	N/A
Below the Minimum Service Level Percentage	8.80	11.66	6.5	N/A	N/A	N/A
Total Number of Households	44 395	56 589	5 5761	38 990	49 300	62 953

The table below indicates the capital expenditure for Department: Waste Management Services as at 30 June 2023.

Table 131: Capital expenditure as at 30 June 2021: Department: Waste Management Services

Capital Projects	Adjustment Budget	Actual Expenditure	Variance from the Adjustment Budget
	R'000		
Expansion of the landfill site (new cells)	4 154	4 560	-9.76%
Landfill Gas to Energy	3 900	1 993	48.90%
Street refuse bins	1 049	752	28.33%
Major Drop-Offs: Construction (Franschhoek)	500	133	73.37%
Formalise skip areas	441	441	0%

Only the five largest capital projects are listed.

The Department: Waste Management Services has spent 79% of the capital budget for the financial year.

The table below indicates the total number of employees in the Department: Waste Management Services.

Table 132: Total number of employees in the Department: Waste Management Services

Job Level	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	Number			
18 – 22	1	1	0	0%
14 – 17	2	2	0	0%
9 – 13	7	3	4	57%
4 – 8	34	29	5	14.7%
3 – 0	28	28	0	0%
Total	72	63	9	12.5%

3.9 Integrated Human Settlements

3.9.1 Housing Development

The municipality has an important responsibility to plan for integrated human settlements by ensuring that all its citizens reside in developable, formalised, safe, and sustainable human settlements. This is accomplished by providing dignified living through national and provincial funding within closer proximity to employment opportunities, thereby improving the quality of life for all citizens.

The Department: Housing Development managed a capital expenditure budget of R6 989 620, which includes R3 265 534 from the allocated amount of R18 248 000 by the Provincial Department of Infrastructure (PDol) (Human Settlements branch), previously known as the Provincial Department of Human Settlements (PDoHS). Furthermore, the municipality, using its funds, budgeted R3 724 086 to expedite future projects. A staggering 96% of the budget allocated to the Department: Housing Development was spent on future projects in the financial year under review.

Communication from the PDol (Human Settlements Branch) on 22 April 2023 indicated the adjusted targets and funding allocation of the approved 2022/23 Human Settlement Development Grant (HSDG) and Informal Settlements Upgrade Partnership (ISUP) Grant Business Plans.

The list of projects, targets, and budget for the Stellenbosch Municipality for the 2022/23 financial year are stipulated in the tables below, as extracted from the said letter.

3.9.1.1 Housing Development Capital Budget

Table 133: Department: Housing Development capital budget

Sites	2022/23 Planned	
	Funding Source	Budget
Housing Projects	CRR	1 094 666
Housing Projects (Ida's Valley Housing Project)	HSDG	400 000
Cloetesville (380) FLISP	HSDG	1 100 000
Erf 64, Kylemore	CRR	1 162 500
Erf 7001 and other possible sites for mixed-use development in Cloetesville	CRR	525 000
Farms 81/2 and 82/9, Stellenbosch	CRR	34 500
Jamestown: Housing	CRR	700 000
Kayamandi Town Centre	HSDG	486 998
Lapland Precinct	CRR	207 420
Northern Extension: Feasibility	HSDG	1 278 536
Total		6 989 620

3.9.1.2 Human Settlement Development Grant (HSDG)

Table 134: Human Settlement Development Grant (HSDG)

Stellenbosch Municipality	2022/23 Planned		
	Sites	Units	Funding R'000
Vlottenburg Longlands (106 increased to 144) IRDP	0	106	16 748 000
Cloetesville (380) FLISP	0	0	1 100 000
Stellenbosch Ida's Valley (204)			400 000
Total	0	106	18 248 000

3.9.1.3 Informal Settlements Upgrade Partnership Grant (ISUPG)

Table 135: Informal Settlements Upgrade Partnership (ISUPG)

Stellenbosch Municipality	2022/23 Planned		
	Sites	Units	Funding R'000
ISSP Kayamandi Zone O (711) UISP	78	0	5 850 000
Langrug Franschhoek Mooiwater Dam Rehab and Basic Services	0	0	4 500 000
Total	78	0	10 350 000

3.9.2 Housing multi-year projects

The Department: Housing Development, whose main function is to plan for future housing developments, resorts to the Housing Pipeline, which, amongst other things, focuses on the following multi-year projects:

3.9.2.1 Erven 412, 217 and 284 Groendal, Franschhoek

The Department: Housing Development, together with the Department: Property Management, undertook a process to formulate a Call for Proposals in line with the approved Council agenda item.

A service provider was appointed to draft different site development options for the Council to consider for approval, after which the procurement process will continue.

Discussions with the Ward Councillors have been concluded as an enquiry was raised during the discussions on Erf 284. The user department has forwarded this enquiry to the PDol (previously known as PDoHS) and to the Directorate Corporate Services for further investigation to address any legalities. When all comments have been received, the item will be referred to the Council.

Figure 18: Aerial image of erven 412, 217 and 284, Groendal



3.9.2.2 Farms 81/2 and 81/9, Stellenbosch

In terms of the implementation of social housing programmes, the Stellenbosch Municipality has identified Portions 2 and 9 of Farm No. 81 Stellenbosch. This site is located between the Cloetesville and Kayamandi settlements.

The R304 to the west and the railway line to the east serve as its boundaries. The Plankenburg River traverses the site along its eastern boundary. The southern boundary of the property includes portions of the Kayamandi Tourism Centre as well as a bridge over the railway line. The Mount Simon residential development frames the northern boundary.

The Department: Housing Development liaised with the PDol, the Social Housing Regulation Authority (SHRA), and the National Association of Social Housing Organisations (NASHO) to obtain input in the finalisation of the specifications and criteria for a Call for Proposal.

Service providers were appointed to undertake a geotechnical investigation, a flood line study, and a traffic impact assessment on the site during the 2020/21 financial year.

The user department compiled a Request for Proposal (RFP) to invite delivery agents that can access SHRA Capital grants (Social Housing Institutions (SHIs) and / or Other Development Agency's (ODAs)) to submit a concept proposal to develop social housing on Farm 81/2 and Farm 81/9, Stellenbosch.

The amended tender was re-advertised on 02 September 2022, and the closing date for the tender was on 03 October 2022. Thereafter, a SCM procurement process followed, whereby the user department was instructed to verify the net profit value (NPV) calculation of the bidders.

For the tender to be further evaluated, a registered and accredited service provider assisted the Stellenbosch Municipality with the verification of the NPV, which has been appointed by the **National Association of Social Housing Organisations (NASHO)**.

The final report was anticipated to be received before the end of June 2023 to allow the user department to submit the NPV report to SCM for evaluation and appointment of a suitable SHI and / or ODA.

Figure 19: Aerial image of Farms 81/2 and 81/9, Stellenbosch



3.9.2.3 Erf 7001, Cloetesville

The goal of this development is the delivery of medium- to upper-GAP housing and is not aimed at BNG housing units (free houses). There is an urgent need for the property to be developed to create an integrated urban development (Cloetesville), providing housing.

Stellenbosch Municipality is essentially making the land available (via the ATR processes) to a developer to develop housing opportunities in the GAP market.

The PDol (Human Settlements Branch) approved the funding for the outer years after the business plan was gazetted in March 2022. Therefore, the user department could only appoint a service provider in May 2022, and the service level agreement was concluded in July 2022.

Figure 20: Aerial image of Erf 7001, Cloetesville



The service provider finalised the different conceptual urban designs, and three layout concepts were presented to the user department in December 2022. After input from the user department, the amended urban design and layout plan has been finalised and submitted to the Department: Land Use Planning to obtain development rights. The normal planning process will continue, whereby it will be referred to the Municipal Planning Tribunal (MPT) for a decision.

3.9.2.4 Farm 527, Jamestown (Phases 2 and 3)

The subject property is located on the southern edge of the suburb of Jamestown, east of the R44 between Stellenbosch and Somerset West. It is flanked by an existing cemetery on its western boundary and a sports field located centrally on its northern edge.

The site falls within an area characterised by medium- to high-density residential as well as non-residential uses that serve the local community of Jamestown.

Phase 1 of the development, consisting of 162 subsidised housing opportunities, was completed in November 2016.

It is therefore proposed that Phases 2 and 3 of Portion 7 of Farm 527 (site and service, 2-story walk-ups, GAP housing, high-income housing, and public open space) be made available simultaneously for development in the short to medium term.

Map 6: Proposed layout plan of Farm 527, Jamestown



The municipality went out on a procurement process seeking the services of a multidisciplinary team of professionals to undertake a broad conceptual urban design framework and to obtain town planning and development rights.

The process and timeframe for Phases 2 and 3 will be concluded over a period of two (2) years.

The PDol (Human Settlements Branch) approved the funding for the outer years after the business plan was gazetted in March 2022. Therefore, the user department could only appoint a service provider in June 2022. The service level agreement is in the process of being concluded.

The service provider compiled the land use application for phases 2 and 3.

The rezoning and subdivision application was submitted on 09 December 2022 to the Department: Land Use Planning, and the public participation process for the town planning application was concluded on 15 May 2023.

After several objections were received, the consultant and user departments submitted their comments for further evaluation. The application will be submitted to the MPT for a decision.

3.9.2.5 Kayamandi Town Centre

A service provider with the necessary multi-disciplinary team of professional consultants was appointed to conduct a feasibility study to assess the redevelopment of the town centre of Kayamandi and provide a holistic development picture of Kayamandi. The latter resulted in a framework for possible future development opportunities in Kayamandi and its environs.

The proposed typology mix is such that it will enhance the beauty and character of the Kayamandi Town Centre in that it will provide a mix of typologies to accommodate the old and the young. The proposal for walk-up units is also to provide maximum densification within the limited space available.

The proposed town planning layout consists of $\pm 1\ 800$ housing opportunities (2 to 3-story BNG walk-ups). The development parameters will include a mix of housing typologies, business units, and community facilities. This design methodology was utilised to suit the demand and the needs of the affected community.

The service provider submitted the Land Use Planning application in November 2022 to the Department: Land Use Planning for approval.

A request for exemption from the public participation provisions / requirements in terms of Section 60(1)(b) and (c) of the Western Cape Land Use Planning Act, 2014 (Act 3 of 2014) [LUPA] was approved, and the urban design proposals were circulated to internal departments for comment.

On 12 May 2023, comments were received from the Directorate: Infrastructure Services requesting a meeting and presentation with the service provider and the user department to explain the various aspects of the development.

Map 7: New urban design of the project



A new urban design concept has been proposed to deal with the multi-storey upgrading (3-storey walk-up units) of the Kayamandi Town Centre and was presented to the Directorate: Planning and Economic Development as well as to relevant officials for comments and inputs.

The planning application process is anticipated to be completed during the 2023/24 financial year.

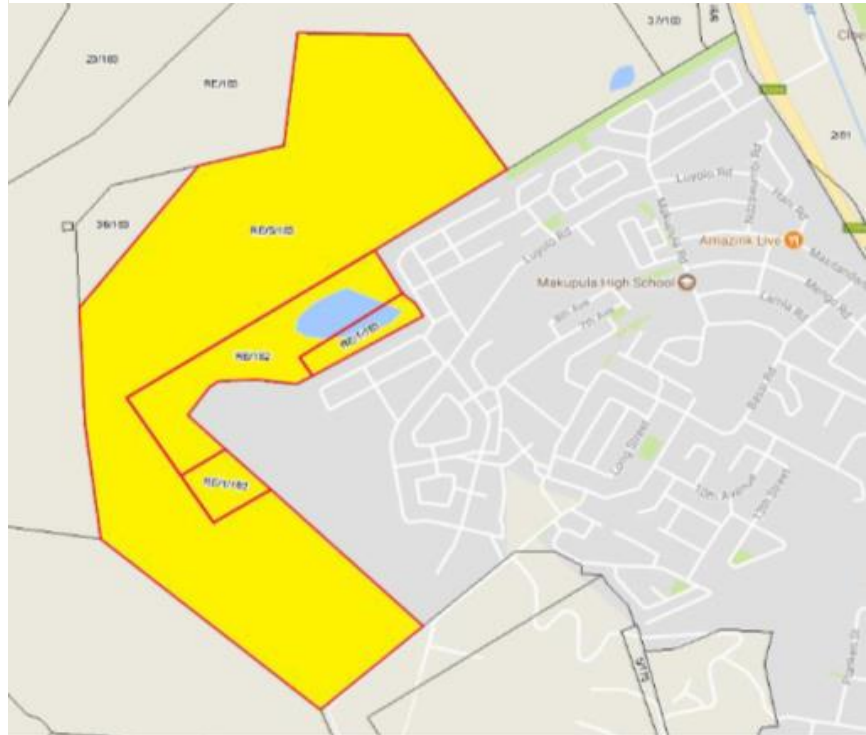
3.9.2.6 Northern Extension, Stellenbosch

The Northern Extension of Stellenbosch is situated north of Kayamandi, adjacent to Cloetesville and the Welgevonden Estate. The sites are located on the western side of the R304 (the main arterial from the north) to Stellenbosch.

The specific site has been earmarked to provide a mixed-use development that could yield $\pm 4\,000 - 5\,000$ residential opportunities to address the housing need experienced in Stellenbosch.

It should be noted that a portion of the development of the northern extension has been identified as a possible relocation area for the redevelopment of the Kayamandi Town Centre and other related projects.

Map 8: Location of the proposed development of the Northern Extension



All specialist studies have been completed. The draft market analysis study that was undertaken by DEA&DP was concluded in May 2022 and has been incorporated into the draft conceptual design layouts. The different conceptual design layout options were workshopped with various internal departments during June and August 2022, and the Department Heritage Western Cape comments were received in September 2022.

A Notice of Intent was submitted to Heritage Western Cape, and the service provider was informed that two additional specialist studies are required, namely an archaeological impact assessment and a visual impact assessment on the cultural landscape.

Consultants submitted the land use application to obtain development rights and await a MPT decision. It is envisaged that the development rights could be obtained during the 2023/24 financial year.

3.9.2.7 Erf 64, Kylemore

The identified property is 15.5ha, of which the municipality requires ± 8 ha for residential purposes.

A Special Power of Attorney was provided in November 2021 by the National Department of Public Works and Infrastructure (NDoPW&I) to HDA.

It should be noted that pre-feasibility studies were conducted more than 10 years ago and need to be reviewed and amended where necessary.

The Housing Development Agency (HDA) has been appointed to assist with the transfer of land from the NDoPW&I to the Stellenbosch Municipality. Furthermore, the required applications to obtain land use rights, the registration of diagrams / general plans with the Surveyor General, and the relevant funding applications to the PDol were attended to.

A public meeting was held on 01 September 2022, to inform the community of the status of the land transfer from the NDoPW&I and the process to obtain the development rights for the housing development on Erf 64. A Project Steering Committee (PSC) was elected at the public meeting to participate in the process.

Figure 21: Site layout of Erf 64, Kylemore



A PSC Social Compact workshop was held on 16 November 2022, with the elected PSC in Kylemore. A site inspection took place with the PDol (Human Settlements Branch) on 27 January 2023. The purpose of the site visit was to assess the property against the funding application that has been submitted to the PDol.

The HDA appointed a service provider in December 2022 to assist the HDA with the township establishment application. The environmental consultant commenced with the Basic Environmental Study process in May 2023 and has erected site notices for interested and affected parties to register for any comments.

The HDA has appointed various sub-consultants and is currently continuing with the specialist studies as per the scope of work. According to the project programme, the draft layout plan and motivation were submitted at the end of June 2023.

3.9.2.8 Langrug, Franschhoek

The aim of these projects is to incrementally upgrade Langrug and formalise existing development patterns to upscale the provision of basic services. The density of structures impeded the implementation of these planning interventions. Land invasions at Langrug exacerbated the implementation of these projects. To implement the in-situ upgrading projects, a decanting site is required to relocate households to create enough space for upgrading.

In the long term, the municipality plans to undertake detailed planning studies to unlock housing development opportunities, develop a phased approach implementation plan premised on detailed

designs for the provision of basic services and formalisation of Langrug, apply for development rights and installation of basic services, and identify suitable land for decanting.

The departments Housing Development, Informal Settlements, and the Project Management Unit, in collaboration with the PDol (Human Settlements Branch), have started technical engagements in May 2023 regarding the Langrug dam.

The meetings entail applying for funding to finalise the detailed planning of the rehabilitation of the freshwater dam and implement an in-situ upgrading project in Langrug.

There is currently no funding available on the business plan of the PDol for the 2022/23 financial year to plan and implement the project. The PDol will discuss making funding available during their adjustment budget in September 2023. Should funding becomes available, the studies will commence.

3.9.2.9 La Motte, Franschhoek

La Motte is a former Bosbou Hamlet situated approximately 3.5 km northwest of Franschhoek town on the Robertsvalei Road, close to where it intersects the R45. Originally built to house forestry workers, the village is made up of the original dwellings and a range of community facilities. During the construction phase of the Berg River Water Scheme, new houses were built adjacent to the existing settlement to temporarily house the construction workers; these houses are being transferred to identified beneficiaries.

The NDoPW&I, as custodians of the relevant portions of land, has been engaged to start the necessary procedures that would lead to the transfer

Figure 22: Aerial image of Langrug



Figure 23: Identified portions of land in Franschhoek



of the subject properties into the name of Stellenbosch Municipality for housing purposes. The municipality is currently awaiting feedback from the National Department of Public Works and Infrastructure.

The HDA has been appointed via an Implementation Protocol Agreement to assist with the transfer of land from the NDoPW&I to the Stellenbosch Municipality and to further attend to the required applications to obtain land use rights, the registration of diagrams / general plans with the Surveyor General, and the relevant applications to the PDol (Human Settlements Branch).

The HDA submitted a new request for the state land release for the subject property by NDoPW&I to HDA through a power of attorney.

The HDA is to submit a Project Feasibility Report (PFR) requesting funding for land use rights for the project on the release of the property. The submission to PDol will allow funding flow for the 2023/24 financial year.

The HDA estimates that the land may be transferred to the municipality in 2024/25 financial year. Planning studies and approvals will be finalised when the appropriate Power of Attorney (PoA) is received.

3.9.2.10 Meerlust, Franschhoek

Portion 1 of Farm Meerlust No. 1006, in the Franschhoek Valley known as Meerlust, has been identified for residential purposes. Ownership of the property currently vests with the NDoPW&I.

The site is located on the southern edge of the R45, close to the intersection of the R45 and the R310, and lies between Werda in the northwest and Allee Bleue, Lekkerwyn, and the Pickstones to the east.

A portion of this land currently accommodates the Meerlust Forestry Village (home to around 34 households), and the redevelopment of this village is an integral part of this project. Portion 1 of Farm Meerlust No. 1006 included in this proposed development concept is zoned agriculture, and an application therefore still needs to be made to obtain development rights for urban / residential development. The development of this area is therefore only possible in the medium to long term, as also indicated in the Stellenbosch Municipality Housing Pipeline (Annual Review 2017–2020). It will therefore be required of the prospective developer to do the necessary detailed feasibility studies (in addition to those already completed) and obtain the relevant planning and other approvals to enable township establishment for the proposed development.

The NDoPW&I, as custodians of the relevant portions of land, has been engaged to commence with the necessary procedures that would lead to the transfer of the subject properties into the name of Stellenbosch Municipality for housing development purposes.

The HDA is appointed to facilitate the transfer of land from the NDoPW&I to the Stellenbosch Municipality, guided by the desired development option, and to further attend to the required applications to obtain land use rights, the registration of diagrams / general plans with the Surveyor General, and the relevant applications to the PDol (Human Settlements Branch).

The PDol requested that a new Project Initiation Document (PID) be prepared for evaluation. The HDA will submit the PID application during the 2023/24 financial year to PDol, and if approved, the municipality will then be able to receive funding for planning progress.

3.9.2.11 Erf 2183, La Rochelle, Klapmuts

Erf 2183, Klapmuts, is located along Gomas Street, Klapmuts, approximately 1.5km off the R310 that links Stellenbosch to the N1. The site is located on the south-eastern edge of the town of Klapmuts and is bordered by vacant land to its southern and eastern boundaries, with a proposed new housing development on the western and northern boundaries towards Mandela City, Klapmuts.

Figure 24: Erf 2183, La Rochelle, Klapmuts



To provide for the dire housing need in the Klapmuts area, especially for current backyarders, this property was identified as a possible option for a “site-and-service” housing project.

A service provider has been appointed to undertake a subdivision application and registration of the diagrams in the Surveyor General's Office for Erf 2183, La Rochelle, Klapmuts.

The user department requested that the Ward Councillor engage with the Ward Committee and affected communities to provide three street names as requested by the Department: Land Use Planning.

A meeting was held on 29 August 2022, in Klapmuts with the La Rochelle Committee. The La Rochelle Committee provided the user department with possible street names as per the Street Name Policy of the Stellenbosch Municipality.

Erf 2183 Klapmuts is a zoned subdivisational area for the following uses: less formal residential zone, public open space zone, public road, and parking zone. A team of professional service providers has been appointed to attend to the subdivision of the property into residential ervens of approximately 40m² to 50m², the submission of all diagrams to the Surveyor-General's office for approval and registration, as well as the submission of all documents to the PDol (Human Settlements Branch) to obtain the relevant funding for this incremental housing project.

The service provider drafted conceptual subdivisational layouts and presented them to various internal departments for input.

The land use application has been submitted, and a formal public participation process will follow. Await a MPT decision.

3.9.2.1 Five housing projects in Kayamandi, Stellenbosch

A service provider was appointed to finalise township establishment by obtaining the necessary land use rights for each of the five projects situated in Kayamandi, Stellenbosch as well as submission of all diagrams in the Surveyor-General's office for registration and approval.

Table 136: Five housing projects in Kayamandi

Project Name	Site Area per ward	Development Provision	Comments
Project 4A (Erven 1080 to 1112, Kayamandi)	Ward 12	146 rental stocks	Township establishment was obtained, and all diagrams are submitted to the Surveyor General Office for registration.
Project 4 B (Red Bricks Hostels - Erven 112, 114, 115, 116)	Ward 13	51 units and 5 public open spaces	Township establishment was obtained, and all diagrams are submitted to the Surveyor General Office for registration.
Project 5A (175 Units - Erven 1123 – 1154)	Ward 15	175 higher-density units and public open spaces	Township establishment was obtained, and all diagrams are submitted to the Surveyor General Office for registration.
Project 5B (137 Units – Erven 513-522, 67 and 69 and a portion of Erf 523)	Wards 12 and 15	42 units	It should be noted that no power of attorney can be obtained for Project 5B since Erf 66 within Project 5B is private property. Therefore, the said matter has been referred to the Directorate: Corporate Services await outcome
Project 8 (Mpelazwe, Remainder Erf 288 Kayamandi, 65 units)	Ward 13	54 units	Township establishment was obtained, and all diagrams are submitted to the Surveyor General Office for registration.

3.9.2.2 Maasdorp Village

The Maasdorp Forest Village, which comprises portions 27 and 28 of Farm La Motte No. 1041 Paarl, is located north of the intersection of Main Road 191 (R45) and Divisional Road 1351, approximately four kilometres northeast of Franschhoek.

The site currently accommodates approximately 32 formal houses and outbuildings. The property is currently zoned for agricultural purposes and must be rezoned and subdivided to enable a formal township establishment accommodating the existing households, as otherwise determined by further investigations and community engagements.

In June 2018, a service provider was appointed to attend to the township establishment process for Maasdorp Forest Village, Franschhoek: portions 27 and 28 of Farm La Motte No 1041 Paarl, and future expansion on Portions 3 and 7 of Farm La Motte No 1041, Franschhoek; the project has later been referred to only as the detailed planning and design for the Township Establishment of Maasdorp Forest Village.

The lengthy process of the project is due to multiple challenges throughout the project. The survey process with the community and the collection of survey data have been completed. The outcome of the survey has been presented to the Department: Housing Development in September 2021 and factored into the Land Use Planning Application.

The service provider submitted the Land Use Planning Application to the Department: Land Use Planning, which was advertised for public participation in February 2023. The Department: Land Use Planning circulated the said application to internal departments for comments, whereby the service provider is addressing the comments received before the application can serve at the MPT for decision-making.

Planning decisions anticipated to be obtained during the 2023/24 financial year.

3.9.2.3 LAP Precinct

Stellenbosch Municipality, as identified in the approved Housing Pipeline, is progressively investigating the densification of existing rental stock. An investigation into the remainder of Erf 2149, better known as Lapland (Lavanda, Aurora, and Phyllaria), in Stellenbosch was conducted.

The Department: Housing Development appointed service providers to conduct three (3) special studies to investigate the suitability of the site for possible further development, namely structural integrity, geotechnical investigation, and the Traffic Impact Assessment (TIA). The studies were budgeted for during the 2022/23 financial year.

Figure 25: Locality map of Remainder of Erf 2149, Municipal Flats, Stellenbosch



The first study was to conduct a survey or assessment of the structural integrity / need for structural maintenance of the rental stock and to advise and report to the municipality on the estimates of maintenance / upgrade costs.

The second study was a geotechnical investigation to examine all aspects of the feasibility of establishing a high-density residential development (8 storey walk-ups) on Remainder of Erf 2149, Stellenbosch.

The third study was a Traffic Impact Assessment (TIA) to examine all aspects of the proposed high-density residential development (8 storey walk-ups), the impact on the surrounding road network, and possible mitigation of the anticipated traffic impact. The study also assessed the proposed site accesses and non-motorised and public transport aspects.

When a comprehensive feasibility study has been completed, the proposal will be referred to the Council for a decision.

3.9.3 Strategic document: Integrated Human Settlement Plan for Stellenbosch Municipality

It is compulsory that the Stellenbosch Municipality draft an Integrated Human Settlement Plan (IHSP) in line with the Western Cape Government: Department of Human Settlements.

The PDol guidelines require that Housing Pipeline's be informed by an IHSP aligned with the MSDF and IDP.

A service provider was appointed to compile an Integrated Human Settlement Plan for Stellenbosch Municipality.

The draft Integrated Human Settlement Plan has been submitted to the Council for approval to advertise the IHSP on 27 June 2023. This will allow the Department: Housing Development to advertise, during the first quarter of the 2023/24 financial year, the draft IHSP for public participation to obtain comments from external and internal stakeholders.

3.9.4 Informal Settlements

The Department: Informal Settlements is responsible for managing twenty-nine (29) informal settlements within the jurisdiction of the Stellenbosch Municipality. Recent surveys conducted by the Department: Informal Settlements and independent service providers indicate that the population of residents in these informal settlements is approximately 25 317 (Department: Informal Settlements Matrix, 2023). Notably, this population represents roughly one-sixth (1/6) of the overall municipal population, which stands at approximately 175 411 residents (the Socio-Economic Profile: Stellenbosch 2023).

Consequently, the Department: Informal Settlements plays a vital role in addressing the demands for basic services within these informal settlements. It collaborates with other departments to execute upgrading projects and provide essential services to the residents living in informal settlements.

One such initiative is the Enkanini Electrification Project, which entailed the electrification of 2 300 informal structures. The project encompassed a door-to-door verification of structures to determine beneficiaries, followed by the administration of 2 300 application forms for residents in Sections G, H, I (Phase 2), B, C, D, and F (Phase 3) to be registered on the municipal electrical system. Notably, the projects were a success due to the collaboration with the community of Enkanini.

Lastly, the Department: Informal Settlements is actively engaged in monitoring and reporting on the growth of informal settlements within the Stellenbosch municipal area, as well as the delivery of basic services to the informal settlements.

3.9.4.1 Survey of Backyard Dwellers in Kayamandi

Verification and administration of 2 300 electrification application forms for Sections B, C, D, F, G, H, and I in Enkanini. The Department: Informal Settlements completed in Phases 2 and 3 the verification of 2 300 households at Enkanini, Kayamandi.

The tables below reflect verification of households.

Table 137: Verification of households

Phase 2	Phase 3	Phase 4
1 000	1 300	1 000

This process resulted in 2 300 households receiving electricity for the first time since the establishment of Enkanini in 2006.

The Department: Informal Settlements is further engaged in a new process to verify and produce a beneficiary list for Phase 4, which is planned to yield a further 1 000 electrical connections in Enkanini. The electrification project from Phase 1 to Phase 4 on completion would have yielded 3 300 electrical connections to households residing in Enkanini, resulting in 100% coverage of structures.

3.9.4.2 Relocations

The Department: Informal Settlements was tasked with relocating families in Longlands and Kayamandi, respectively, for the Department: Project Management Unit (PMU) to implement the municipalities planned housing projects in both settlements.

Longlands, Vlottenburg

The department has successfully completed the relocation of 80 households and provided new wendy houses with access to basic services like water, sanitation, and electricity (see image).

Figure 26: The temporary relocation units (wendy houses) with access to basic services



Zone O, Kayamandi

The relocation of 55 households in Zone O, Kayamandi, had two phases. Phase 1 entailed the relocation of thirty-three (33) households to Watergang TRA2, which has been successfully completed. The households were provided with new Wendy houses with access to water, sanitation, and electricity.

Phase 2 entailed the relocation of 22 households, which were repositioned due to insufficient space at Watergang TRA2.

3.9.4.3 Provision of basic services

The Department: Informal Settlements facilitated the provision of new ablution services to residents at informal settlements.

Table 138: Number of ablution services

Watergang TRA 2	Mandela City	Watergang Informal Settlements	Longlands	Total
10 toilets 2 taps	10 toilets 4 taps	36 Toilets 21 taps	76 Toilets 76 taps	132 toilets and 103 taps

3.9.4.4 Survey of backyard dwellers in Franschhoek

The user department under tender B/SM 101/21 has completed the technical proposal document that will be forwarded to SCM, seeking to appoint a service provider from Panel C to undertake a demographic survey of backyarder dwellers in Groendal and Mooiwater, Franschhoek, in the 2023/24 financial year.

3.9.4.5 Informal Settlements – provision of basic service requirements

The Department: Informal Settlements continues to monitor and report on the provision of basic services in informal settlements. The table below illustrates the basic services required to meet the national standard of access to basic services.

Table 139: Provision of basic services

Item	Number of ablution facilities provided by the Council	Number of taps and tanks provided by the Council	Informal settlements with grid electricity	Number of Informal Settlements	Performance comment
Number of informal settlements recognised by the Council	-	-	-	27	-
Number of informal settlements not recognised by the Council	-	-	-	2 (Klapmuts Farm, Klapmuts, and COVID informal settlement, Lanquedoc)	Klapmuts farm-Settlement not recognised, land initially used for livestock farming with 32 structures. Over time more households erected structures. (2018 in-house survey). COVID is an illegal invasion of private property (2020).
Number of structures	-	-	-	21 202	-
Number of households	-	-	-	24 377	-
Number of structures	-	-	-	21 202	-
Number of households	-	-	-	24 377	-
Number of toilets provided	1 153	-	-	-	-
Number of toilets required	2 199	-	-	-	Shortfall of 1 046
Number of chemical toilets	119	-	-	-	-
Number of water taps provided	-	648	-	-	-
Number of water taps required	-	466	-	-	Surplus of 182
Number of water tanks	-	28	-	-	-
Electricity supplied	-	-	22	-	-
Electricity not supplied	-	-	7	-	-

3.9.4.6 Disaster and Emergencies

The Department: Informal Settlements assists the Department: Disaster Management in emergencies by verifying the data that is collected about the disaster victims against the data obtained during period surveys. These emergencies are mostly fire incidents in informal settlements and / or in the backyards of formal housing units. These incidents, to a lesser extent, also include flooding incidents and excessively strong winds.

Table 140: Total number of structures impacted by incidents in all areas. All verifications completed within 48 hours

Incidents reported in during for the period July 2022 – June 2023	Number of fires verified	Number of structures affected by fire	Number of people affected by fire	Number of structures affected by floods or Wind
Formal settlements (Backyard structures)	15	47	98	2
Informal settlements	60	212	938	0
Total number of fires and structures impacted by incidents all areas	75	259	1 036	2

3.9.4.7 Evictions

The municipality engages on a weekly basis with families that are being evicted through court proceedings. This process of meaningful engagement(s) includes the applicant, the respondent(s), the Chief: Legal Advisor of the municipality, Manager: Informal Settlements and Administrative Officer: Emergency Housing. The objective is to find an amicable solution, taking into consideration the municipality's Constitutional obligations.

Find below table indicates the number of eviction matters as at 30 June 2023.

Table 141: Number of evictions matters

Notices of evictions received	Number of meaningful engagements held	Court orders issued
20	15	5

3.9.4.8 Development proposals / strategy

The Department: Informal Settlements outlined a development strategy for every informal settlement within the municipal area. The full respective strategies are included under Cluster 1 to Cluster 5.

The strategy is premised on three pillars:

- ✦ a synopsis of existing basic services. This synopsis includes an analysis of the shortfalls in service provision;
- ✦ Cryptic demographic information of the heads of households, as well as a desktop risk analysis of the settlement; and
- ✦ the third pillar / component consists of development proposals. These proposals are aligned with three strategic documents, i.e., the IDP, the Spatial Development Framework (SDF), and the Housing Pipeline.

The development proposals are furthermore aligned with the budget cycle of the municipality, as is the Housing Pipeline, which is aligned, among others, with the provincial budget cycle.

3.9.5 Housing Administration

3.9.5.1 Transfer of housing stock

During the period under review, the municipality continued with the process to deal with the historic backlog and transfer of properties to beneficiaries of state-subsidised houses. A process action plan was devised in terms of which administrative procedures would be streamlined. A panel of attorneys was appointed to assist with the transfer of the identified properties. A total of 194 title deeds were transferred for the 2022/23 financial year. The transfers were completed in the following areas:

Table 142: Transfer of housing stock

Area	Total
Cloetesville	11
Kayamandi	94
Klapmuts	5
Kylemore	3
Pniël	1
Longlands	80
Total	194

The Department: Housing Administration is conducting continuous Housing Consumer Education (HCE) programmes with affected beneficiaries and addressing issues around title deeds. The municipality also appointed temporary field workers to assist with beneficiary administration, which includes tracing beneficiaries and conducting occupation surveys to ensure that title deeds are registered correctly.

The municipality partnered with an NGO that assists municipalities in dealing with the historic backlog in terms of property transfers. The NGO provides funding for the temporary appointment of staff to enhance capacity and provides funding to the municipality of R500 per title deed registered. The donation is used to appoint field workers to assist with the beneficiary administration of the transfer processes.

A total of 127 title deeds were handed over in the 2022/23 financial year.

Table 143: Total properties registered at the deeds office (during 2022/23)

Total properties registered at deeds office (during 2022/23)	
Historical project title deeds registered	114
New project title deeds registered*	80
Total erven	194

* Funding for the title deeds was provided through the Title Deed Restoration Programme. It is only given for houses of subsidies approved.

Figure 27: Title deed handover in Klapmuts on 24 November 2022



3.9.5.2 Housing Waiting list administration

The Department: Housing Administration continues with the “data-cleaning” process of applications that appear on the housing waiting list where vital information is outstanding. An area-based approach was used where staff members went out to the various areas and invited applicants to workshops during which the applicant’s information was updated. The entire Stellenbosch municipal area was covered during this programme.

The agreement with the PDol (previously known as the Provincial Department of Human Settlements (PDoHS)) to assist with the data clean-up of the Stellenbosch municipal waiting list continues. The waiting list is updated and verified regularly by the PDol to ensure that the number of people deemed to be on a “waiting status” is a true reflection of those persons who still require housing assistance within the greater Stellenbosch area.

The Western Cape Housing Demand Database has undergone an upgrade allowing online applications, as well as the additional functions of adding documentary proof. Stellenbosch Municipality has aligned itself with this software in the capturing of all housing demand data applications. The Housing Demand Database System is being updated regularly to ensure that the Council has credible data for planning for future housing projects to be implemented.

Housing beneficiary administration is also a key concern of the Department: Housing Administration in respect of new housing developments. The Longlands low-income housing development has been one of the developments that benefited in the 2022/23 financial year. A total of 98 houses were built and handed over to their successful beneficiaries in the 2022/23 financial year.

Figure 28: Houses handed over in Longlands Low Income Housing Development



Houses handed over in Longlands by Minister Tertuis Simmers and Executive Mayor Gesie van Deventer on 4 October 2022

3.9.5.3 Administration of public rental stock

On 25 June 2014, the Council adopted a policy for the Administration of Public Rental Stock. This document was the culmination of a collaboration between stakeholder departments within the municipality. The purpose of the policy is to ensure effective management and well-maintained assets that will improve the quality of life for residents. The Department: Housing Administration is busy with the review of the Human Settlements Administration and Allocation Policy, which will include the allocation and management of the public rental stock. This policy will be referred to the Council for adoption after due public participation processes have been completed.

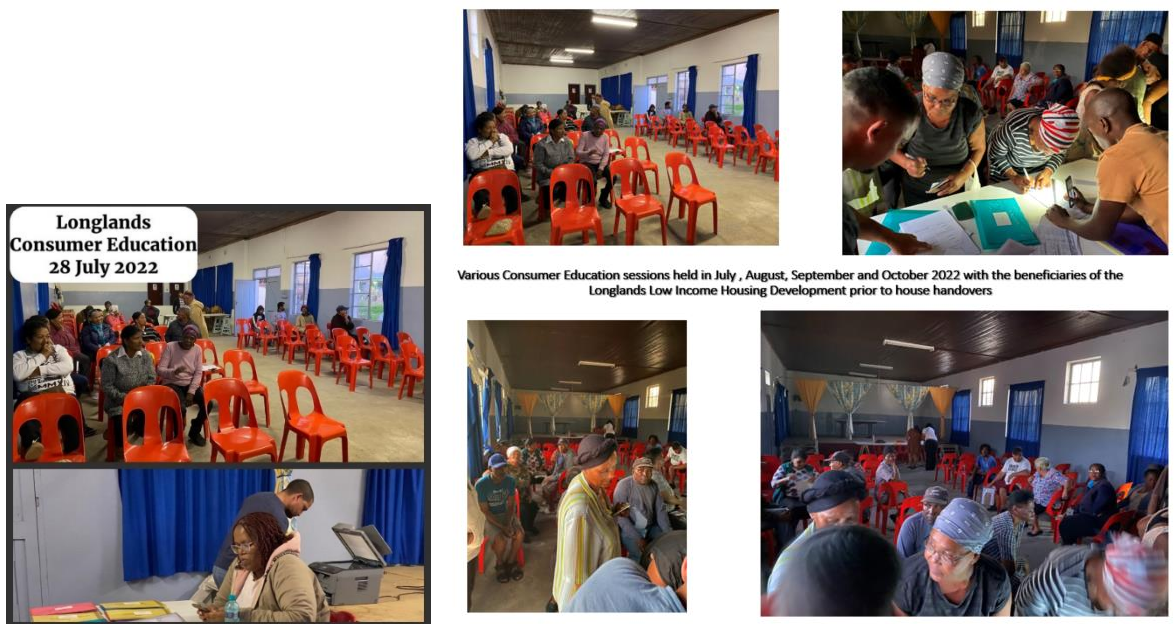
A caretaker programme was implemented in all public rental stock to deal with the increase in anti-social behavioural problems. This programme was implemented to ensure that communities “take” their neighbourhoods back into their own hands and to improve communication between the municipality and the tenants. The total number of caretakers appointed for all the public rental flats was eleven (11).

Anti-social behaviour and breach of contract complaints of tenants of rental units are referred to the Department: Legal Services for action.

3.9.5.4 Housing Consumer Education (HCE)

The HCE programmes were also held for beneficiaries of houses that were built between 1994 and 2010. These are houses that form part of the Title Deeds Restoration Programme. These beneficiaries are advised about the security of tenure, issues of inheritance, and the drafting of a will. A total of seventeen (17) HCE workshops were held during the 2022/23 financial year, inclusive of those held before formal title deed handovers, outreaches for the signing of deeds of sale, and completion of subsidy applications for the Longlands Housing Project. This total excludes those HCE sessions held with individual recipients of title deeds.

Figure 29: HCE and Public Participation



The Department: Housing Administration completed an audit of all its rental stock, both staff and public rental units, with regards to the occupancy of the units. For the Department: Housing Administration to update its records where necessary, interviews were conducted with affected households, resulting in the conclusion of lease agreements with the next of kin of deceased tenants. The Department: Housing Administration compared the findings of the surveys with regards to the legal occupancy of the rental units with existing information obtained from the records of the Finance Department. Interviews were conducted with occupants of flats where there appeared to be discrepancies, and detailed questionnaires were completed for every household. This enabled the Department: Housing Administration to evaluate whether the illegal occupants qualified for legalisation in terms of the criteria set out in the approved policy on the Unlawful Occupation of Municipal Rental Stock.

3.9.5.5 Maintenance of Rental Stock

The Department: Housing Administration integrated the complaints system of the Council, and all complaints about rental stock can now be monitored. Maintenance of all municipal stock resorted under the Directorate: Corporate Services. It was decided that the Department: Housing Administration is henceforth responsible for all maintenance of rental stock and that the Directorate: Corporate Services is responsible for all maintenance of municipal buildings.

Budgetary constraints were often the main reason why maintenance issues at rental stock could not be resolved. However, it should be mentioned that the Department: Housing Administration is now equipped with a budget to resolve the backlog on maintenance.

Two artisans for plumbing and carpentry are appointed to attend to the day-to-day complaints generated through the complaints system as well as those on an ad hoc or emergency basis.

3.9.5.6 Cleansing of Rental Stock

The rental stock was cleaned with the assistance of an appointed Expanded Public Works Programme (EPWP) workers, and the rental units are in pristine condition. Grass cutting teams are deployed in

public rental areas monthly to revitalise and beautify the areas, specifically Jan Cillier Street (Lavanda, Aurora, and Phyllaria flats), Longstreet blocks F-J, Kloof Street blocks A-D, Rhode Street (Melody, Monterey Mountview, and Monte Christo), Maisonnets (Eike Street, Primrose Street, Pine Street, and Jakaranda Street).

Figure 30: Cleaning services rendered at Rental Stock



3.9.5.7 TRA Management

The municipality is mandated, in respect of various pieces of legislation, to administer all matters relating effectively and professionally to informal settlements.

The Department: Housing Administration, in conjunction with informal settlements, effectively manages and controls 7 TRAs in the Stellenbosch municipal area to furnish every informal settler with a potential home.

The number of households in TRAs:

Table 144: TRA Statistics

Area	Number of households
Mandela City, Klapmuts	243
La Rochelle, Klapmuts	35
Devon Valley	30
Longlands, Vlottenburg	80
Mountainview, Jamestown	180
Watergang TRA 1, Kayamandi	262
Watergang TRA 2, Kayamandi	180
Meer lust Bosbou, Franschhoek	33

The Department: Housing Administration facilitates evictions, surveys, all levies, and service assistance

by channelling complaints to the correct user departments and all types of assistance until relocation to a project.

Currently, the municipality is assisting service providers with the relocation of families and fire victims in these TRAs.

Figure 31: TRAs raised in fires



3.9.5.8 Job Creation

A job creation programme was initiated via the EPWP, and as a result, 41 job opportunities were created, listed below:

- ✚ Twenty-one (21) EPWP workers were appointed to assist with the cleaning of the rental units, and this resulted in a decrease in complaints received from tenants as properties were in a neater state;
- ✚ Four (4) temporary field workers were also appointed to assist with the surveys of rental stock, temporary residential areas, and emergency housing. This was to ensure that the correct tenants occupied the flats and to identify issues like sub-letting or illegal activities; and
- ✚ Eight (8) Title Deeds Restoration Programmes were also appointed to assist with the transfer of state-subsidised houses and to eradicate the historic backlog in terms of the transfer of these houses.
- ✚ Two (2) administrative assistants were appointed to deal with complaints and document management.
- ✚ Two (2) team leaders were appointed to assist with task assignments and leadership with the general workers;
- ✚ Four (4) artisan assistants were appointed to assist the artisan carpenter and artisan plumber in the execution of their respective duties.

The table below indicates the capital expenditure for the Sections: Housing Administration and Housing Development as at 30 June 2023.

Table 145: Capital Expenditure as at 30 June 2023: Section: Housing Development

Capital Projects	Adjustment Budget	Actual Expenditure	Variance from the Adjustment Budget
	R'000		
Housing Projects (Social Housing Planning)	1 495	1 479	1.05%
Northern Extension: Feasibility	1 279	1 089	14.85%
Erf 64, Kylemore	1 163	1 153	0.80%
Erf 7001 Cloetesville (380) FLISP	1 100	1 100	0%
Jamestown: Housing	700	698	0.31%

Only the five largest capital projects are listed.

The Section: Housing Development has spent 96% of the capital budget for the financial year.

The tables below indicate the total number of employees in the Department: Integrated Human Settlements as at 30 June 2023.

Table 146: Total employees in the Department: Integrated Human Settlements

Job Level	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	Number			
18 – 22	1	1	0	0
14 – 17	0	1	0	0
9 – 13	1	1	0	0
4 – 8	0	0	0	0
3 – 0	0	0	0	0
Total	2	3	0	0

Table 147: Total employees in the Section: Housing Development (Falls within HIS)

Job Level	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	Number			
18 – 22	0	0	0	0%
14 – 17	1	1	0	0%
9 – 13	2	1	1	50%
4 – 8	0	0	0	0%
3 – 0	0	0	0	0%
Total	3	2	1	33.3%

Table 148: Total employees in the Section: Housing Administration (Falls within HIS)

Job Level	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	Number			
18 – 22	0	0	0	0%
14 – 17	3	3	0	0%
9 – 13	7	4	3	42.8%
4 – 8	6	4	2	33.3%
3 – 0	0	0	0	0%
Total	16	11	5	31.2%

Table 149: Total employees in the Section: Informal Human Settlements

Job Level	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	Number			
18 – 22	0	0	0	0%
14 – 17	1	1	0	0%
9 – 13	2	2	0	0%
4 – 8	4	3	1	25%
3 – 0	0	0	0	0%
Total	7	6	1	14.3%

3.10 Property Management

This section is also responsible for the contract management (leasing) and maintenance of all council-owned buildings and the construction / project management of all upgrading and / or new facilities. Some of the highlights of the past financial year include the following:

- ‡ Completion of Tender B/SM 99/21 on the upgrade / conversion of the residential unit into office space in Simonsberg Road / Stellenbosch;
- ‡ Completion on Tender B/SM B/SM 40/22: Internal refurbishment of the NPK Building on Erf 1852, Stellenbosch, for administrative offices for Stellenbosch Municipality; and
- ‡ Various fencing projects, including new fencing at Papplaas.

The planning phase of the following projects started with or was finalised:

- ‡ New Hygienic Services Tender;
- ‡ New Furniture Tender;
- ‡ New Plumbing and Irrigation Materials Tender;
- ‡ Appointment of an architect / draftsman for the alterations, renovations, and additional offices on Hofmann Street;
- ‡ Renovation of Municipal Courts Strongroom and Foyer Floor;
- ‡ Replacement roof sheets at Lavanda Flat in Lapland;
- ‡ Replacement of Lapland Ward Office Roof sheets;
- ‡ Installation of Floors at Traffic Department Offices in Joubert Street;
- ‡ Installation of mechanical ventilation and storage shelves at the Beltana Road Engineering Workshop;
- ‡ Renovations and construction of the divider wall at Beltana SCM Stores;
- ‡ Installation of hydroboils at the NPK Building;
- ‡ New drainage connection at Community Services Offices at 21 Simonsberg Road;
- ‡ Plastering and painting of internal and external walls at the Park Services Offices on Reservoir Street;

- ✚ Upgrading of Makapula Hall;
- ✚ Upgrading of the van der Stel Complex;
- ✚ Structural upgrading of Plein Street Complex;
- ✚ Structural upgrade to Jamestown Ward Office / Library; and
- ✚ Structural upgrade of the Ida's Valley Pavilion.

The following projects are in ongoing phases:

- ✚ Tender B/SM 24/22;
- ✚ Tender B/SM 66/22;
- ✚ Tender B/SM 27/22 - Upgrading of Dorp Street Flats; and
- ✚ FQ 70/22 77/23 Ramps at Lapland Flats.

Various projects / acquisitions were processed under the following term tenders:

- ✚ Furniture, tools, and equipment; the tender ended on 30 June 2023;
- ✚ Hygienic services: the tender ended on 30 June 2023;
- ✚ The tender for air conditioner maintenance and replacement ended 30 June 2023; and
- ✚ The rental of indoor plants ended on 30 June 2023.

The following term tenders / quotations were awarded:

- ✚ Tender 66/23: Structural Maintenance and Upgrading of the Stellenbosch Town Hall Complex;
- ✚ FQ 77/23 Ramps at Lapland Flats;
- ✚ Tender B/SM 31/23: Appointment of a Professional Architect to Monitor and Oversee Heritage Building Works / Alterations / Upgrades and to submit a close-out report for the Various heritage buildings;
- ✚ Tender B/SM 76/223 Lift Service Providers as Prescribed by Section 1 of the Lift, Escalator, and Passenger Conveyer Regulation, 2008 Issued in Terms of the Occupational Health and Safety Act of 1993 for a 2-Year Maintenance Contract until 30 June 2025 for the Lift at the Klappmuts Multi-Purpose Centre;
- ✚ FQ 79/22: Appointment of a Draughtsperson / Architectural Technologist to Draw As-Built Plans, Beltana Depot; and
- ✚ FQ 89/22: Appointment of a Draughtsperson / Architectural Technologist to Draw As-Built Plans—Rhenish Complex.

The table below indicates the service data statistics from the 2016/17 to 2022/23 financial years:

Table 150: Service Data Statistics – Property Management

Details	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Encroachment Agreements: New	22	16	2	0	0	0	0
Encroachment Agreements: Renewals	5	0	0	0	0	0	0
Lease Agreements: New	1	0	1	1	0	2	4
Lease Agreements: Renewals	2	2	0	1	0	2	0
Sales Agreements	3	0	0	3	0	0	2
Servitudes	-	0	5	2	0	0	0
Poster applications	30	25	35	8	N/A	N/A	0

The table below indicates the capital expenditure for the Section: Property Management and Building Maintenance as at 30 June 2023.

Table 151: Capital Expenditure as at 30 June 2023: Section: Property Management and Building Maintenance

Capital Projects	Adjustment Budget	Actual Expenditure	Variance from the Adjustment Budget
	R'000		
Upgrading of New Office Space: Ryneveld Street	18 593	18 561	0.17%
Upgrading Fencing	5 200	4 587	11.80%
Structural Upgrade: Heritage Building	1 978	276	86.05%
Structural Improvement: General	1 382	746	94.61%
Purchasing of land	939	0	100%

Only the five largest capital projects are listed.

The Section: Property Management and Building Maintenance has spent 84% of the capital budget for the financial year.

The table below indicates the total number of employees in the Section: Property Management and Building Maintenance.

Table 152: Total number of employees in the Section: Property Management and Building Maintenance

Job Level	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	Number			
18 – 22	0	0	0	0%
14 – 17	1	0	1	100%
9 – 13	6	5	1	16.6%
4 – 8	2	1	1	5%
3 – 0	0	0	0	0%
Total	9	6	3	33.3%

COMPONENT B: ROADS, TRANSPORT AND STORMWATER

3.11 Roads

This component includes roads, transport, traffic engineering, and stormwater.

A strategic lever of accelerated economic growth is a municipality's ability to enable mobility via different modes of transport to alleviate congestion and improve access times for residents, the indigent sector, tourists, students, and the business and industrial sectors to move efficiently throughout the municipal area. The transport strategies of the municipality also need to speak to growth shifts and enablement projects occurring around the municipal area, such as the widening of the R310 Baden Powell Drive and other key transport routes surrounding the WC024 area.

This also enables safety aspects such as access to fire and disaster scenarios, as well as safety elements for those who are using non-motorised means of transport or walking. The team also responded well to the flood-hit regions and transport infrastructure during June 2023. Some riverbanks were broken, foundations were exposed and at risk, some bridges were washed away, and some roads and piers were destabilised. The damage estimated by the flood-hit areas is more than R100 million, but the municipality moved quickly to stabilise and repair what needed to be urgently attended to, while the longer-term rehabilitation is set to take place.

3.11.1 Strategic Planning

Comprehensive Integrated Transport Plan (CITP)

The CITP present the municipality's long-term transport vision and objectives, as well as provide annual action plans and projects that would enable the municipality to realise its transport vision. The CITP will be synchronised with the annual updating of the IDP.

- ✦ A current review (2022 – 2027) of the CITP represents the 5-yearly overhaul of the plan and requires, inter alia, that:
- ✦ Every aspect of the previous CITP must be re-examined to see if it is still up-to-date;
- ✦ The previous CITP is revised and updated where necessary, and relevant new aspects are added,
- ✦ An update of the Transport Register be prepared;
- ✦ Reflect new revisions of the municipality's SDF, Roads Master Plan, and NMT Master Plan;
- ✦ Provide a revised Public Transport Plan dealing with the restructuring of the public transport network of services; and
- ✦ Provide an update on progress made with previously proposed action plans and projects and propose additional plans and projects.

The 2022 – 2027 review of the CITP is currently being finalised and is intended to serve before the Council in October 2023.

3.11.2 Transport Studies

The municipality commissioned the following transport studies:

- ✦ The municipality has concluded initial draft studies towards the development of a business model for an inclusive public transport service for persons with disabilities in Stellenbosch;

- ✦ ATC Transport Studies are currently underway to ensure that the required levels of accessibility within the corridor are achieved and the required levels of mobility on the provincial roads are maintained. The ATC Transport Studies will therefore align with the approved ATC MSDF and guidelines, promoting public transport and non-motorised transport within the corridor; and
- ✦ A Freight Strategy Study is currently underway to assess the routes typically utilised by freight vehicles in, around, and through the Stellenbosch Municipal Area, including Franschhoek, and to develop a strategic freight network for the area.

3.11.3 Master Planning and Projects

The municipality has approved its Non-Motorised Transport (NMT) Master Plan and Policy. The NMT Master Plan and Policy is a review, consolidation, and update of the NMT policy and NMT network and cycle plans, which were compiled in 2015.

The NMT Master Plan and Policy strive to promote and encourage alternative modes of transport, such as walking and cycling. They also aim to analyse the capacity of the current network, identify current and future NMT needs, and recommend improvements that will ensure an effective NMT network.

The NMT Master Plan and Policy further strives to position NMT as a consistent long-term municipal priority. The strategic objective of the NMT Master Plan is the implementation of a coherent, logical, and integrated NMT network for Stellenbosch.

The municipality is in the process of compiling a Sidewalk Accessibility Policy, where the municipality aims to improve sidewalk management and strive towards a safe environment for all sidewalk users. The policy therefore sets procedures in place that would improve safety and make sidewalks more accessible and user-friendly for pedestrians.

The main road networks through Stellenbosch currently operate at capacity and at times beyond capacity, resulting in traffic congestion. Analysis of the road networks and assessments of the public transport operations and facilities are periodically carried out to identify shortcomings and opportunities for improvements. The municipality has approved its Road Master Plan (RMP), which analyses the capacity of the current network and current and future needs and recommends infrastructure improvements that will aid in establishing an effective road network.

The municipality has compiled its draft Road Transport Safety Master Plan (RTSMP). The draft Road Transport Safety Master Plan is a review, consolidation, and update of the Transport Safety Master Plan (TSMP), which was compiled in 2015. The TSMP includes an audit of traffic safety interventions and identifies priority projects with low- to medium-cost engineering measures such as traffic calming, speed monitoring, roundabouts, etc. for implementation.

Extensive investigations, assessments, and analyses are undertaken when compiling master plans. The outputs of master planning are used to inform strategic plans, such as the CITP. Outputs from master plans also aid other municipal decision-making processes.

3.11.4 Road Construction and Intersection Upgrades

To reduce the effects of congestion, improve traffic flow, and increase traffic safety at intersections within Stellenbosch, various intersections were upgraded by the municipality through the Intersection Improvement Programme that commenced about 10 years ago.

The following has been completed in the 2022/23 financial year:

- ✚ Construction of R304 / Newinbosch Intersection.

The following intersection and road upgrades are currently in various stages of planning and design:

- ✚ Lower Dorp Street and its intersection with Strand Road (R44) and Adam Tas (R310);
- ✚ Adam Tas and R44 / Alexander;
- ✚ Adam Tas and R44 / Merriman;
- ✚ Phase 2: R44 / Helshoogte;
- ✚ Dualling Bird Street between R44 and Kayamandi;
- ✚ R45 / Le Roux Street Intersection;
- ✚ Extension of Wildebosch Road to Trumali;
- ✚ Techno-Park and Adam Tas Link Road;
- ✚ Minor Road Improvement Klapmuts; and
- ✚ Road development at the Jamestown Schools precinct.

3.11.4.1 Road Rehabilitation

During the 2022/23 financial year, the municipality resealed portions of the following roads in WC024:

Table 153: Road Rehabilitation

	Name	Length (m)	Width (m)	Area (m ²)
Stellenbosch	Adam Tas Road	195	8	1 560
	Strand Street (R44)	127.6	12.2	1 556.72
		142	11	1 562
	Pappegaai Road	140	11.2	1 568
	Die Laan	360	6	2 160
	Mark Street	350	11.2	3 920
	Skone Uitsig Street	77	8.6	662.2
	Soeteweide Street	210	7.2	1 512
	Webersvalley Road	37.5	9	337.5
	Pajorolaan	400	6	2 400
Fresno Street	270	6	1 620	
		2 309.1		18 858.42
Pniël	Silvermyn Street	450	7.5	3 375
	Lumley Avenue	420	6.5	2 730
	Arcade Street	200	5.6	1 120
	Simonsberg Street	220	5.6	1 232
	Pine Street	470	5.6	2 632
	Oak Street	130	5	650
	Hill Street	200	5.6	1 120
		2 090		12 859
Ida's Valley	Rustenberg Street	600	11.2	6 720
	Desch Road	197	6.2	1 221.4
	Sonnebloem Street	240	8.6	2 064
		1 037		10 005.4
Total L(m)=		54 361	Total Area(m²)=	41 722.82

3.11.4.2 Non-Motorised Transport (NMT)

In line with the municipality's NMT Master Plan, NMT infrastructure was rolled out and implemented to ensure continuous expansion of the NMT network.

During the 2022/23 financial year, sidewalks were constructed along portions of the following roads:

Stellenbosch CBD and Surrounding:

- ✦ Koch Road; and
- ✦ Strand Street, R44.

Technopark:

- ✦ Techno Ave.

Raithby:

- ✦ Herman Street.

Plankenbrug:

- ✦ George Blake Street.

3.11.4.3 Parking

The municipality embarked upon several interventions to improve the provision of parking in Stellenbosch CBD and Franschhoek. These interventions comprise the following:

- ✦ Reviewing and improving the parking management model; and the possible leasing of parking areas for improved management of these facilities;
- ✦ Construction and upgrading of identified parking areas in Stellenbosch and Franschhoek; and
- ✦ Feasibility studies and associated works for the establishment of a possible public-private partnership (PPP) project to implement and manage a bulk parking facility in Stellenbosch.

3.11.4.4 Traffic Signals

Stellenbosch Municipality, in collaboration with Stellenbosch University, continues with research and development to establish a real-time traffic signal control system for Stellenbosch. This research project will assist in addressing everyday congestion through the application of Smart Transportation Technology namely Traffic-Adaptive-Signal-Control (TASC). TASC refers to the real-time control of signalised intersections and enables the real-time adjustment of traffic signal timing to increase vehicle flows through the intersection, thereby reducing congestion.

During the 2022/23 financial year, traffic signal systems were upgraded, and devices were installed that would improve vehicle detection at the following intersections:

- ✦ R44 and Van Rheeede;
- ✦ R44 and Saffraan;
- ✦ R44 and Dorp;
- ✦ R44 (Strand) and R310 (Adam Tas);
- ✦ R310 and George Blake;
- ✦ R310 and Merriman; and
- ✦ R44 and R310 (Helshoogte Road).

3.11.4.5 Pedestrian Crossing

During the 2022/23 financial year, white pedestrian crossing block paving was implemented on the following roads:

Franschhoek

⚡	Hugenote	1x pedestrian crossing.
⚡	De Villiers	1x pedestrian crossing.
⚡	Groendal	1x pedestrian crossing.
⚡	Le Roux	1x pedestrian crossing.

Stellenbosch

⚡	Merriman	2x pedestrian crossings.
⚡	Jannasch	1x pedestrian crossing.
⚡	Dr Malan	2x pedestrian crossings.
⚡	Papegaai	1x pedestrian crossing.
⚡	Tarentaal	1x pedestrian crossing.
⚡	George Blake	1x pedestrian crossing.

Cloetesville

⚡	Lang Street	1x pedestrian crossing.
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Ida's Valley

⚡	Old Helshoogte	1x pedestrian crossing.
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3.11.4.6 Traffic Calming Implementation

During the 2022/23 financial year, traffic calming interventions were implemented along the following roads:

Franschhoek

⚡	Reservoir-East	1x raised intersection and 1 raised pedestrian.
⚡	Stiebeuel Street	1x raised pedestrian crossing.
⚡	Lamotte	3x speedhumps.

Pniël

⚡	Hill	1x speedhumps.
⚡	Silwermyl	1x speedhump rebuild.

Kylemore

⚡	Swart Street	1x speedhump rebuild.
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Stellenbosch

⚡	Omega	1x speedhump.
⚡	Krige	1x speedhump.

Cloetesville

⚡	Cupido	2x speedhumps.
⚡	Pine	3x speedhumps.
⚡	Silvia	

Paradyskloof

⚡	Paradyskloof	1x speedhumps and 1x raised pedestrian crossing.
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Jamestown

⚡	Webbersvalley	1x raised pedestrian crossing.
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♣	Stellenberg	1x speedhump.
♣	Rooiberg	1x speedhump.
♣	Overberg	1x speedhump.
♣	Coetzenberg	1x speedhump.

3.11.4.7 Bridges

The bridge crosses the Plankenbrug River and is located on the western edge of Stellenbosch, near the point where Adam Tas Road / R310 crosses the railway line. The Distillery Road Bridge is approximately 20m in length and consists of a single carriageway. It is the only access road into Bosman's Crossing, a small mixed-development area within Stellenbosch comprising various commercial developments and apartment complexes.

Construction of the Distillery Road Bridge commenced early in 2022 and was completed in March 2023. The structure's historical significance has been carefully considered in the design of the upgraded bridge. Heritage considerations included the retention and detail integration of the existing central stone pier (non-structural), the re-use of the stonework salvaged from the embankments for landscaping, and the design of cantilever walkways that are a visual reminder of the original bridge. One of the existing bollards located at the approach of the existing bridge was repainted, reinstated, and used as a spatial marker with a plaque conveying the historical importance of the site and the retention of the stone pier.

Permanent access into the Bosman's Crossing area was maintained by a half-width construction sequence, where a single traffic lane remained open while the adjacent construction work was performed. The 20m single-span bridge largely avoids complex construction works within the river and their impacts and improves the hydraulic capacity of the structure. In addition to this, there was significant cost and time savings due to the implementation of precast beams that were launched into place.

Provision was made for a wider road surface and sidewalk for either bridge approaches to accommodate two lanes of vehicles and pedestrian / non-motorised traffic in accordance with the planning requirements for this urban area. In support of the National Department of Public Works' EPWP, all unskilled workers were sourced from the identified local community and received training that was financed through the construction contract.

To preserve the picturesque treescape that characterises Stellenbosch, seven new indigenous trees were planted on the project site, and all disturbed areas were rehabilitated.

Figure 32: New Bridge constructed



The construction of a new bridge on the Lanquedoc Access Road that would better serve the Lanquedoc community is earmarked to commence in 2024.

The Kayamandi Pedestrian Bridge will link the communities of Kayamandi and Cloetesville and provide safe passage over the railway line and Plankenburg River. Construction of phase 1 of the bridge, i.e., its crossing over the railway line and Plankenburg River, is earmarked to commence in 2024.

3.11.5 Roads Statistics

The following graphs provide an overview of the total kilometres of road infrastructure and non-motorised transport from 2017/18 until 2022/23.

Figure 36: Tarred Road Infrastructure

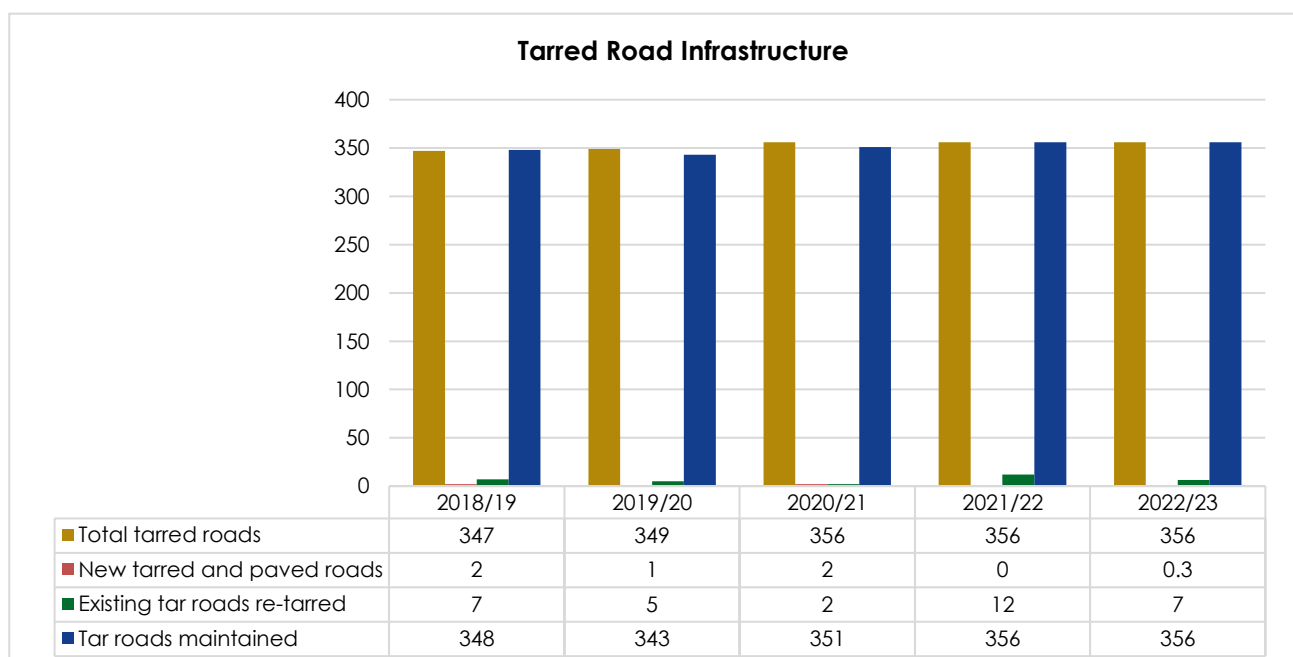
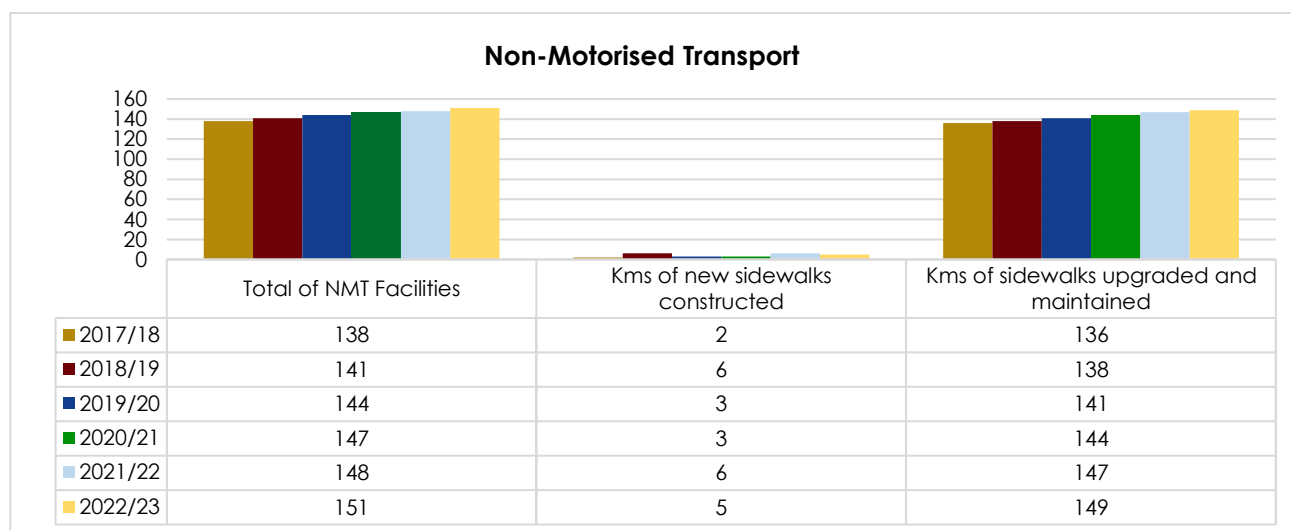


Figure 37: Non-Motorised Transport



The table below indicates the capital expenditure for the Section: Roads, Transport and Stormwater Services as at 30 June 2023.

Table 154: Capital Expenditure as at 30 June 2023: Roads, Transport and Stormwater Services

Capital Projects	Adjustment Budget	Actual Expenditure	Variance from the Adjustment Budget
	R'000		
Bridge Construction	19 394	19 394	0%
Ad hoc reconstruction of roads (WC024)	7 037	6 005	14.66%
Non-motorised transport implementation	4 689	4 466	4.76%
Reseal Roads: Stellenbosch and surrounding	4 200	4 941	-17.64%
Adam Tas, Technopark Link Road	2 200	2 129	3.24%

Only the five largest capital projects are listed.

The Section: Roads and Stormwater has spent 96% of the capital budget for the financial year.

The table below indicates the total number of employees in the Department: Roads, Stormwater, Transport, and Traffic Engineering as at 30 June 2023.

Table 155: Total number of employees in the Department: Roads, Stormwater, Transport and Traffic Engineering

Job Level	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	Number			
18 – 22	1	1	0	0%
14 – 17	3	3	0	0%
9 – 13	21	17	4	19%
4 – 8	15	15	0	0%
3 – 0	71	62	9	12.6%
Total	111	98	13	11.7%

3.12 Development Services and Project Management Development Services, Asset Management and Systems and Project Management Unit (PMU)

The Department: Asset Management and Systems, Development Services and Project Management Unit (PMU) are responsible for technical information management, asset management, wayleave management, development services, and project / programme management in the Directorate: Infrastructure Services.

During the 2022/23 financial year, the Section: Development Services facilitated the approval of land use applications and building plans, which led to a development contribution revenue of R28.6 million (cash payments). This revenue can be used on bulk infrastructure engineering projects to create capacity to accommodate further development and broaden the municipal income base in terms of property rates and taxes. The section also managed development contribution projects (projects implemented by developers in lieu of the payment of cash development contributions to the value of R192 million). The department continued to provide operational services in terms of wayleave applications, building plan assessments, land use applications, and project management.

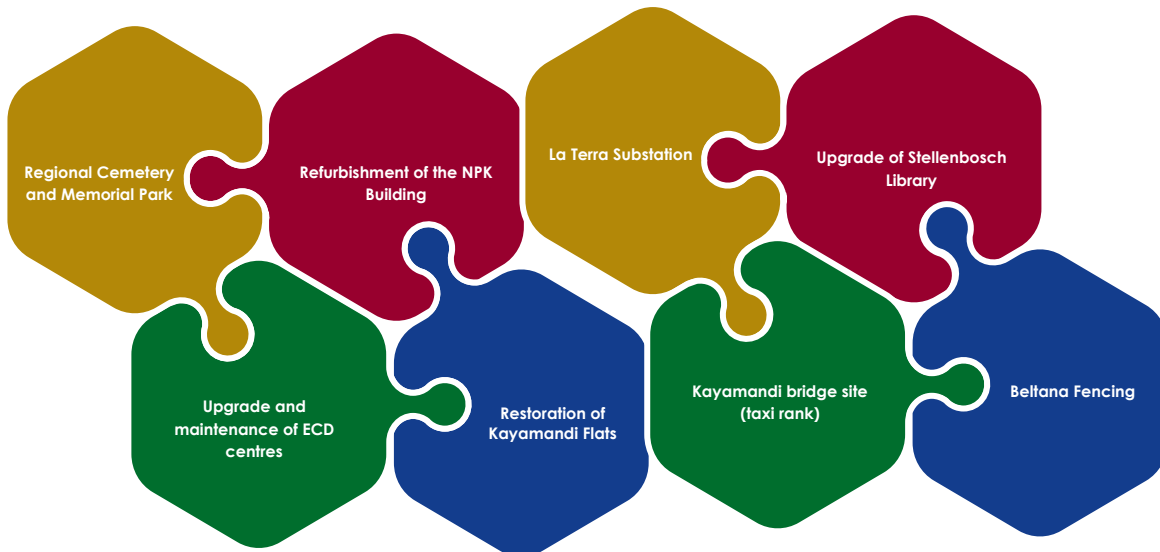
3.12.1 Project Management Unit (PMU)

The Project Management Unit (PMU) is a unit within the municipality that is dedicated to managing capital infrastructure projects. The unit is responsible for providing support to municipal departments to manage capital projects during the implementation, planning, and construction phases of new housing, informal settlements, infrastructure, and municipal facilities projects, including:

- ‡ Develop and maintain project management systems, procedures, and processes for the life cycle of implementing infrastructure projects;
- ‡ Specialise in rendering life-cycle project management services for all types of infrastructure projects;
- ‡ Manage cross-functional projects in conjunction with relevant departments;
- ‡ Engage with departments in the medium- to long-term planning and budgeting of capital projects;
- ‡ Assist with the compilation of the long-term budget for the Directorate;
- ‡ Manage and report on infrastructure implementation projects; and
- ‡ Management of Grant Funding programmes (CAPEX / RSEP / IUDG).

During the 2022/23 financial year, the Project Management Unit managed a capital expenditure budget of R10 870 099 million (of which R6 018 379 million was an allocation from the Informal Settlements Upgrading Partnership Grant (ISUPG)). The Project Management Unit achieved a capital expenditure of R9 029 381 million (83.07%) at the end of the 2022/23 financial year.

The PMU managed the following major projects for external directorates during the 2022/23 Financial year:



Herewith is a brief overview of the highlights of major multi-year projects that were managed by PMU during the 2022/23 financial year:

Longlands Housing Project

The Longlands housing project was approved by the Department of Human Settlements as a Development-Driven Individual Subsidy Programme (DDISP). The project was completed in November 2022 and comprises the construction of an access road from Vlottenburg Road, tarred streets, stormwater control, and individual water, sanitation, and electricity connections to 145 stands. The property has been transferred to the Stellenbosch Municipality during the year as part of the agreement between the parties.

98 subsidised top structures were constructed for beneficiaries residing on the property and beneficiaries from the waiting list who qualified for housing subsidies, with an additional 8 Enhanced Service Sites for beneficiaries who do not qualify for the top structure. The development also provided a Temporary Relocation Area (TRA) that accommodated 76 temporary wooden house structures. All families from the triangle site were relocated to the TRA.

Figure 33: Ministerial Handover Ceremony



Ida's Valley Housing Project, Erf 9445 Oak Tree Village

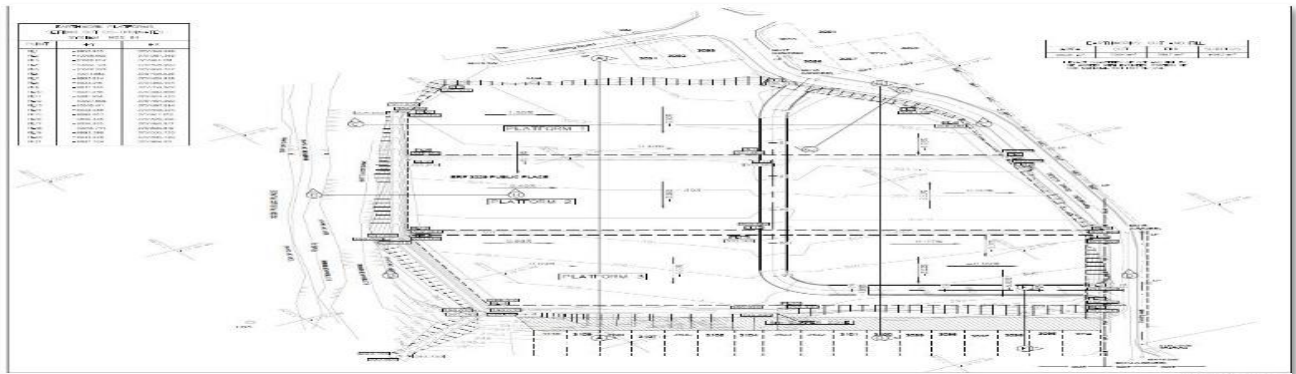
Figure 34: GAP Housing Project



Prior to the project, no development in Ida's Valley had occurred, which led to a massive need in the community for housing opportunities. The Stellenbosch Council made the land available for the development of a turnkey developer. The housing project was approved by the Department of Human Settlements as a second phase of the Ida's Valley housing project in terms of the Integrated Residential Development Programme (IRDP) for the installation of civil engineering services for the development of 166 sites. The final variation of the services was completed in March 2023. The construction of 166 GAP houses is still in progress, with an expected completion date of November 2023. 100 houses have been completed and handed over to the new owners during June 2023.

Rehabilitation of Erf 3229, Franschoek

Figure 35: Site rehabilitation and construction of bulk earthworks



The objective of this project is to establish a temporary relocation site to relocate families impacted by the proposed rehabilitation of the dam wall at Langrug Informal Settlement. Erf 3229 is currently used for illegal dumping of solid waste material and builder's rubble. Studies recently undertaken by the municipality indicated that the subject property is feasible for the proposed development of a decanting site. Approximately 236 sites will be serviced. The services include water, sanitation, and electrification of households.

The project is currently in the procurement stage. The estimated cost of the project is R18 million. The project is funded by the Department of Infrastructure and the Department of Mineral Resources and Energy.

Installation of Basic Services Kayamandi Watergang

Figure 36: Construction of basic services, Watergang Informal Settlement



The project entailed the provision of water taps and waterborne toilets. It was completed in December 2022. The project output was 36 waterborne toilets, 28 wash troughs, 26 water taps, and underground infrastructure (water and sewer pipes).

Upgrading of The Steps / Orlean Lounge

The project entails upgrading the 161 houses at Cloetesville.

Figure 37: Upgrading of the Steps / Orlean Lounge

The project is funded through municipal funding from the Capital Replacement Reserve (CRR). The project is multi-year; it commenced in January 2020. The project cost is R17 million.

Currently, 139 houses have been completed, and the families have moved back into their homes.

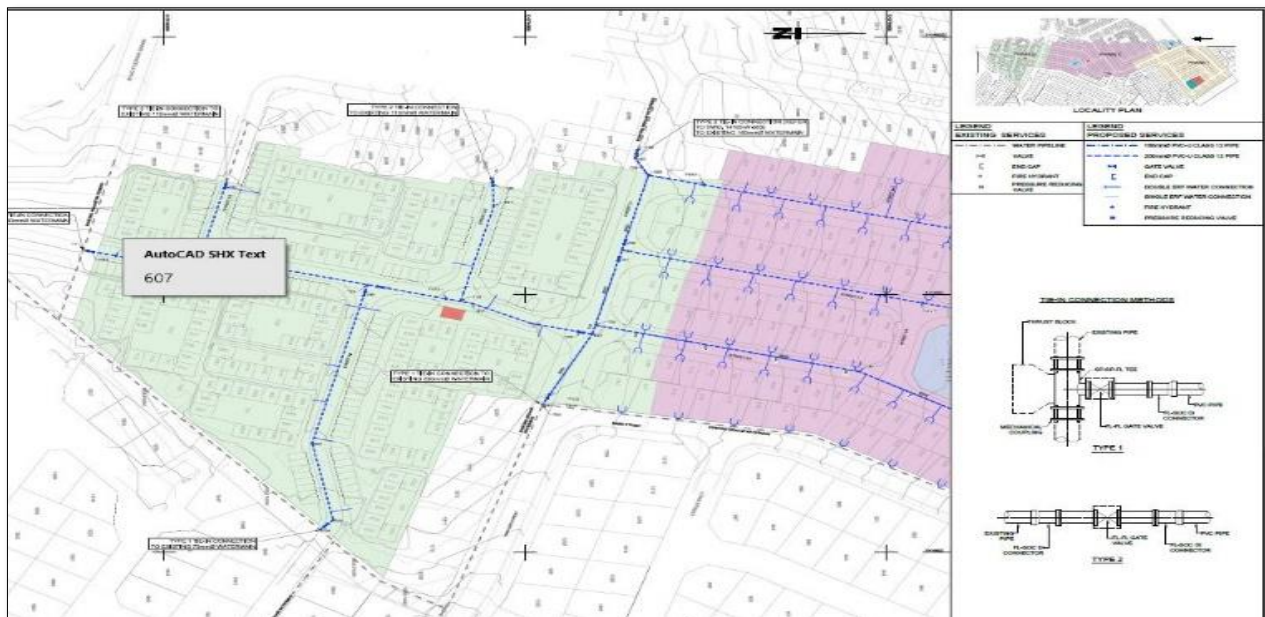


Kayamandi: Zone O, Housing Development

The budget of R13 350 000 was moved to the 2023/24 financial year due to the site not being established.

In the 2022/23 financial year, the Project Management Unit provided project / programme management support to municipal departments during the planning and implementation stages of capital projects mentioned below.

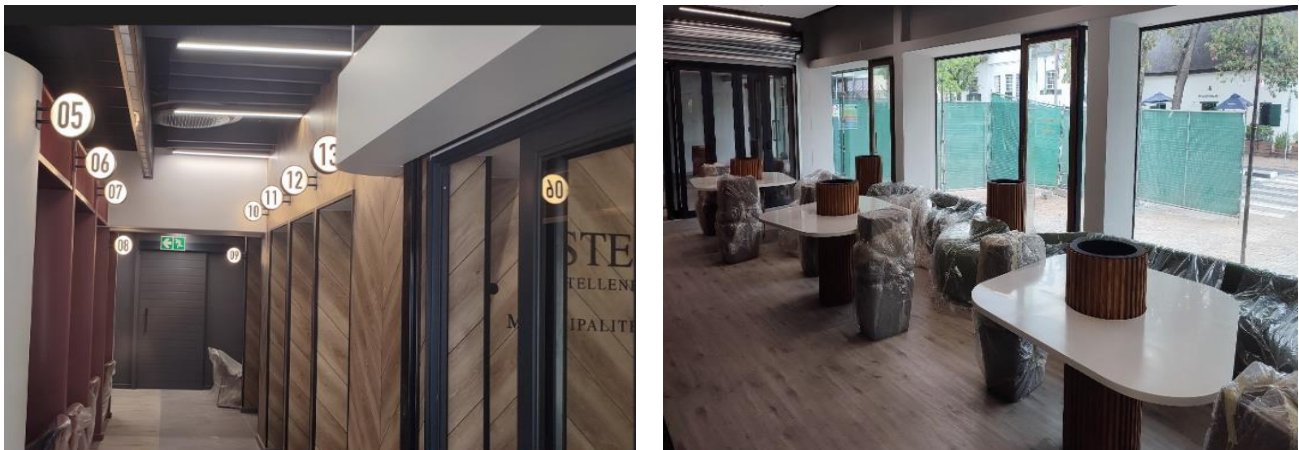
Figure 38: The upgrade of Zone O informal settlement



Upgrading of new office space: Ryneveld Street

The refurbishment is aimed at using the floor space to ensure that the maximum number of public officials can be accommodated within the building and reserving the ground floor area to accommodate a Customer Interface Centre (One-Stop-Shop) which is aimed at providing a high-tech and high-quality customer-orientated centre to provide fast, effective, and efficient municipal services to citizens.

Figure 39: Cashiers and enquiries



The project is completed, and the final completion certificate was issued.

Construction of the La Terra 11kv Switching Station, Franschhoek (Directorate: Electrical Services)

The Franschhoek distribution network has been identified as requiring expansion and strengthening to meet demand requirements, increase the reliability of the network, and de-load the existing electrical infrastructure.

The distribution network is fed from the Franschoek 66/11 kV substation and supplies the load in the Franschoek area.

The construction for the establishment of a new La Terra 11kV switching station is expected to be completed by November 2023.

Calcatta Bos Memorial Park (Directorate: Community and Protection Services)

The project is in the planning stage. The project output will be 40 000 grave sites. The cost to implement the project is estimated at R196 million. The consultants are busy with detailed designs and statutory approvals.

The project below is currently funded through the IUDG funding.

Map 9: Establishment of a Regional Public Cemetery and Memorial Park



Taxi Rank: Kayamandi (Bird Street): Section Transport Planning and Public Transport

The Project Management Unit is responsible for the management and administration of the Integrated Urban Development Grant (IUDG). The Integrated Urban Development Framework (IUDF) marks a new deal for South Africa's cities and towns. It sets a policy framework to guide the development of inclusive, resilient, and liveable urban settlements while addressing the unique conditions and challenges of integration facing South Africa's cities and towns. The key outcomes of the IUDF are spatial transformation and the creation of a growth model of compact, connected, coordinated, and integrated cities and towns.

Within the IUDF's Intermediate City Municipality (ICM) programme, which targets 39 municipalities, support is provided for the municipalities in the middle size and density range of the continuum. The purpose of the Intermediate City Municipality's support strategy is to help translate the Integrated Urban Development Framework policy into practical programmes of the action in the Intermediate City Municipality's. Stellenbosch Municipality achieved **99.42%** IUDG expenditure (**an allocation of R65 747 000**) for the 2022/23 financial year.

Table 156: Completed new taxi rank (Bird Street)

Practical completion was achieved on 30 May 2023. Final completion is scheduled for July 2023.

3.12.2 Asset Management and Systems

The Asset Management and Systems Unit is a two-functional unit within the Infrastructure Directorate, and its functions are concerned with the financial and physical accountability of all infrastructure assets (Asset Management). The other function (Wayleave Management) seeks to ensure protection (from damage, loss, etc.) of all existing infrastructure assets / services through regular inspections and monitoring of all works conducted on and around the municipality's assets. Additionally, this function aids in the documentation of internal (Stellenbosch Municipality-owned) and external (Stellenbosch Municipality-not owned) services or assets that are located within the road reserve of the municipal land.

This unit seeks to maximise municipal infrastructure management to support the current Strategic Focus Area 5: Good Governance and Compliance. As one of the largest economies nationally, the greater Stellenbosch area and municipality are significant providers of services. Deciding what to do, when, where, and for whose benefit is the difficult task that Infrastructure Asset Management addresses. Enhanced infrastructure capabilities also augment the achievement of the other four Strategic Focus Areas, i.e. 1: Valley of Possibility, 2: Green and Sustainable Valley, 3: Safe Valley, and 4: Dignified Living.

Municipalities are not only responsible for the provision of essential engineering services that include potable water supply, sanitation, electricity reticulation, the provision of roads and stormwater, and solid waste collection and disposal, but also for housing and shared community assets like cemeteries, parks, sports grounds, libraries, etc. While municipalities also have obligations towards governance, community safety and health, and development services, the success or failure of a municipality is substantially measured by the availability and quality of infrastructure services. As such, a municipality is an asset-intensive business.

The unit strives to comply with the recently introduced Generally Recognised Accounting Practice (GRAP) standard for local governments, which focuses attention on asset management. Additionally, this unit ensures compliance with the issued National Treasury asset management practices and reporting requirements. These requirements include identifying, componentising, valuing, and tracking the health of the municipal-owned assets, establishing programmes, providing resources to care for those assets, and reporting the status recorded of existing and new assets for sustainable development.

The collective value of the municipality's infrastructure assets, installed mainly in the public road reserve and on other municipal land, amounts to a considerable value. Without the collective support and coordination by the Asset Management and Systems' (Asset and Wayleaves Management) Unit, the financial and physical accountability and protection of the existing municipal infrastructure assets

would be difficult, if not practical, to manage by the individual infrastructure department. This unit strives to continuously improve its functions and systems to provide better and more efficient support to the internal departments and the public. Through these continuous improvement goals, this unit has improved its overall efficiency in Wayleave Management from 88% to 90% in the financial year 2022/23.

The table below provides a summary of the functional statistics of the Wayleave applications.

Table 157: Wayleave Applications

Activity	2022/23												Total
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	
Wayleave Applications - Received	22	46	31	32	33	3	26	20	19	27	56	30	345
Wayleave Applications - Commented on	21	41	28	28	27	3	26	17	15	26	48	29	309
Wayleave Applications - Approved	21	41	28	28	27	3	26	17	15	26	48	29	309
	%												
Wayleave Approval Rate	95	89	90	88	82	100	100	85	79	96	86	97	90
Wayleave Cancellation or Refusal Rate	5	11	10	13	18	0	0	15	21	4	14	3	10

3.12.3 Development Services

The Section: Development Services is a section within the municipality that is responsible for managing the approval of engineering services and the implementation stages of all new developments in the municipality to ensure that the impact on municipal services and the environment is adequately and responsibly mitigated. Additionally, this section is required to facilitate development to promote economic growth, stimulate job creation, expand the municipal revenue stream (Development Contributions (DCs) and new property rates), and ensure development contributes to the achievement of the strategic goals of the municipality, using the following activities:

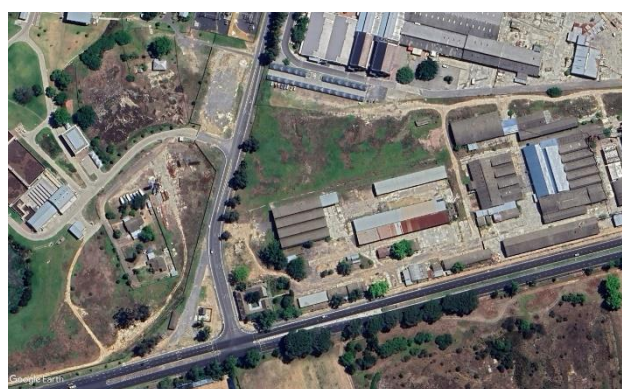
- ✦ The approval of new developments and monitoring and control of engineering projects implemented by developers;
- ✦ Provides ongoing technical support and guidance to ensure responsible and successful development;
- ✦ Plan, organise, coordinate, and control the activities, procedures, and outcomes associated with the evaluation and approval of land use and building plan applications, as well as the calculation and coordination of bulk infrastructure development charges;
- ✦ Plan, organise, coordinate, and control the activities, procedures, and outcomes associated with the engineering side of the rate clearance applications;
- ✦ Manages the implementation of specific developments and development contribution-linked infrastructure projects to ensure capacity for new developments; and
- ✦ Develops and provides input into strategic documents, policies, and guidelines related to the engineering aspects of development.

During the 2022/23 financial year, the Section: Development facilitated the approval of land use applications and building plans, which led to a DC revenue of **R28.6 million incl. VAT** (cash payments). This revenue can be used on bulk infrastructure engineering projects to create capacity to accommodate further development and broaden the municipal income base in terms of property rates and taxes.

The images below depict the projects for the 2022/23 financial year (all amounts stated are including VAT).

Devon Valley / Adam Tas Road and Vredenburg / Adam Tas Road re-alignment (Woodmill) R36m

Figure 40: Devon Valley / Adam Tas Road and Vredenburg / Adam Tas Road re-alignment (Woodmill)



Klapmuts Road intersection Upgrade (Potbelly and Mont Vernon) R2.8m

Figure 42: Klapmuts Road intersection Upgrade



Sewer crossing Bottelary Road (2.8m)

Figure 41: Sewer Crossing Bottelary Road (Devonbosch)



Vlottenburg New Outfall Sewer (Longlands) R5.6m

Figure 44: Cloetesville Bulk water upgrade (Voliere)



Cloetesville Bulk water upgrade (Voliere) R6.0m

Figure 43: Vlottenburg New Outfall Sewer (Longlands)



Koelenhof Bulk Water Project (Devonbosch) R 2.7 million

Figure 45: Koelenhof Bulk Water Project (Devonbosch)



R304 intersection upgrade (Newinbosch) R66m

Outfall Sewer upgrade (Newinbosch) R5.7m

Figure 46: R304 intersection upgrade (Newinbosch)



Figure 47: Outfall Sewer upgrade (Newinbosch)



During the 2022/23 financial year, the Section: Development Services initiated, facilitated, and managed development contribution projects (projects implemented by developers in lieu of the payment of cash development contributions) to the value of **R192 million (incl. VAT)**.

To provide more perspective on the above, the monthly and annual applications are summarised in the table below:

Table 158: Building Plans-and Land use Applications.

Activity	2022/23												Total
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	
Building Plans: Received	131	102	152	97	190	109	23	102	136	72	114	119	1 347
Building Plans: Commented on within 14 days	22	57	84	69	141	43	9	30	34	4	5	49	546
% within the deadline (target = 50%)	17%	40%	55%	71%	74%	39%	39%	29%	25%	6%	4%	40%	55%
Land-use Applications: Received	19	15	25	20	15	24	0	14	25	14	12	17	200
Land-use Applications: Commented on within 30 days	17	6	5	13	12	10	0	12	20	6	8	10	119
% within the deadline (target = 35%)	89%	40%	20%	65%	80%	42%	0	86%	80%	43%	67%	59%	60%

Despite of all the highlights some of the challenges were identified in the department:

Table 159: DC Challenges

Service Area	Challenge	Actions to address
Development	Vacant posts could not meet service delivery targets.	Two technician posts and one clerk post have recently been advertised.
Development	Dependence on other service departments to meet service delivery targets	Vacancies in other service departments have a negative effect on response times to development.
Development	Frequent Challenges in DC Calculations by Developers	Problematic areas in DC Policy need to be addressed. Collaboration with the Section: Land Use Planning is required. Inconsistencies regarding DCs between the DC Policy and the Land Use Planning By-law must also be addressed.
Development	DCs payable by schools and other social institutions are problematic for the developers of these facilities, frequently stating that they render the school, etc. unfeasible. This has a domino effect if the school / social facility is not built because the underlying social issue cannot be addressed.	The Council to consider if an automatic DCs exemption will be applicable to these types of land uses. Can be addressed in the next revision of the DC Policy (2024/25).

COMPONENT C: PLANNING AND ECONOMIC DEVELOPMENT

3.13 Spatial and Infrastructure Planning

a) Integrative Spatial Planning approach

Spatial planning is critical for delivering economic, social, and environmental benefits by creating more stable and predictable conditions for investment and development, securing community benefits from development, and promoting prudent use of land and natural resources for development. Spatial planning is therefore an important lever for promoting sustainable development and improving the quality of life.

Integrative spatial planning is informed by universal planning approaches and concepts, normative and developmental planning principles, norms, and standards. These informants provide clarity on the scope and focus for achieving spatial planning outcomes / benefits for creating positively performing areas that are generally regarded as successful and liveable settlements.

The characteristics of a desirable and successful settlement tend to be:

Figure 48: Characteristics of a settlement



To achieve these positively performing, successful, liveable settlements the following requirements are required of the planning system, namely:

- ✦ To achieve a greater mix of land uses and densities in the urban structure that provide a full range of urban functions—housing, employment, and services—in a pattern that minimises the need to travel great distances to work, shop, or conduct business. The efficient use of land needs to be compatible with social well-being and healthy environmental objectives;
- ✦ To initiate urban regeneration in inner city areas and main streets with high-density concentrations of mixed employment, residential, and other uses. These areas, with adequate investment in modernisation and renovation of the existing stock and infrastructure, can provide housing closer to services and a wider range of lifestyle opportunities;
- ✦ To enhance and support the regeneration of housing estates through innovative financing, technological and regulatory initiatives, and demonstration projects. Focusing on the elimination of barriers to investment will facilitate small-scale urban renewal through cooperative efforts and self-help;
- ✦ To enhance broad participation, improve community involvement, and build support for sustainable planning policies and programmes; to promote community identity through the creation of meeting places, public spaces, pedestrian networks, and the preservation of historic buildings and attractive streetscapes;
- ✦ To provide a range of cultural and recreational opportunities that correspond to diverse needs through efficient use of natural areas for passive recreation and cultural purposes; to maintain a system of integrated and interconnected open spaces, parks, and river valleys; and to protect the natural habitat and resources in the areas;
- ✦ To provide water and sewerage infrastructure that accommodates the needs of the local community while meeting the objectives of a healthy environment; to undertake considerable improvement of existing infrastructure to reduce the amount of untreated urban runoff wastewater discharge; and to increase the capacity of the existing infrastructure to accommodate urban growth and intensification; and
- ✦ To improve and expand the transport system to meet the challenges of readjustment in the urban economy and to sustain the competitiveness of public transport. To maximise efficiency, supplement conventional public transit with specialised services directed at specific market segments; and promote energy efficiency and alternative modes of transport.

b) The system of Integrative Spatial Planning

One of the legislated spatial planning system tools available to urban and regional planners is SDFs, a strategic and integrated spatial planning policy that must outline specific arrangements for prioritising, mobilising, sequencing, and implementing public and private infrastructural and land development investment in the priority spatial structuring areas as identified in these SDFs to give effect to the vision, goals, and objectives of the municipal IDP or related business plans of the government.

The MSDF covers the jurisdictional area of the municipality. In the case of the Stellenbosch Municipality, the MSDF must answer the following questions: “How is Stellenbosch going to develop over the next ten to thirty years? What kind of development will take place, where will it take place, and who will be responsible for what aspect of the development? What are the non-negotiables and fixes necessary to achieve the proposed development path, and which areas require more detailed studies / precinct plans?” all while maintaining the best and most sustainable use of resources.

With the reform in planning law, a shift in focus to an integrative spatial planning approach was facilitated. This shift results in:

- ✦ More effective coordination of sectoral actions that have a cross-sectional spatial dimension;
- ✦ Greater responsibility for operating the system for authorities at regional and local levels, while ensuring conformity and adequate support;
- ✦ More effective participation by local communities and other stakeholders;
- ✦ The ability of planning authorities to recoup a proportion of the financial gain from the allocation of development rights to private developers to provide or pay for externality effects and provide local community benefits; and
- ✦ The responsible consideration of environmental impacts of development so that any adverse impacts are mitigated and / or compensated for.

c) The local spatial strategy informants to the MSDF, its review and proposed amendments (2022/23)

The approved MSDF for 2019 was informed by various specialists and spatial strategies, namely:

- ✦ The development of scenarios of land demand to inform the development of a preferred 20-year growth strategy, development path, and nodal development concepts for SM. This work culminated in the status quo and Urban Development Strategy (UDS) documents in 2017;
- ✦ The Rural Area Plan (RAP), which provides an analysis and synthesis of the rural areas of Stellenbosch Municipality;
- ✦ Heritage surveys and inventories of large-scale landscape areas in the rural domain of the municipality inform proposed heritage areas (complementing previous inventory work completed for urban areas);
- ✦ Approved heritage inventory;
- ✦ Area-based planning investigations for parts of the municipality, notably Stellenbosch town, Klapmuts, and the area north of Kayamandi; and
- ✦ Capital Expenditure Framework, 2019.

Since the approval of the MSDF (2019), related work has focused on:

- ✦ Area-based planning investigations for the Adam Tas Corridor, located in Stellenbosch town, culminated in the approval and adoption of the Adam Tas Corridor Local Area SDF (ATC LASDF), 2022, and Development Guidelines. The catalytic initiative was done in partnership with the WCG: DEA&DP;
- ✦ In parallel, the Adam Tas Corridor Overlay Zone was developed, finalised, and adopted in May 2023;
- ✦ To confirm the spatial vision and implementation of the ATC LASDF, SM and the ATC's collective landowners signed a Memorandum of Understanding (MOU) in 2022. The Council approved the MOU in August 2022;
- ✦ As part of the IUDG in 2020 and 2021, the Capital Expenditure Framework (CEF) was updated to align with the municipal spatial vision, functional areas (FAs), and priority development areas (PDAs) for the municipality. This was done so that a socio-economic and developmental profile could be made for the municipality as well as for each of the FAs and PDAs. This input enabled extensive spatial demand quantification and the setting of programmatic long-term infrastructure investment targets required to realise the spatial vision of the municipality;

- ✦ A Capital Planning Forum (CPF) was established to coordinate sector plans, prioritising, mobilising, sequencing, and implementing public infrastructural and land development investment in the priority spatial structuring areas;
- ✦ An updated CEF was commissioned in 2023 due to the approval of the ATC LASDF, 2022, and the Development Guidelines. The updated CEF for 2023 has been adopted simultaneously with the amended MSDF process for 2023/24;
- ✦ The Inclusionary Zoning Policy identified in the MSDF implementation framework was completed and has been published for public comment. The intention is to finalise the policy in 2023. This was done in partnership with the WCG, DEA&DP, Development Action Group (DAG), City of Cape Town, and other metropolitan municipalities considering the development of the policy;
- ✦ Investigation of the Rhenish complex for economic development opportunities has been concluded in 2021/22. This is linked to the proposed urban revitalisation of Mill Square and its surrounds, as initiated by the Council in 2022. The precinct plan has undergone public participation, and the final policy will be submitted for adoption by the Council;
- ✦ The Klapmuts Concept Plan was approved as part of the MSDF in 2019 and confirmed by the Council in 2021. Support was given for the creation of an intergovernmental initiative for the development of Klapmuts by the Greater Cape Metropolitan Regional Spatial Implementation Framework (GCMRSIF) Intergovernmental Steering Committee. This was done so that the node could be planned and built together by Stellenbosch, Drakenstein, WCG through DEA&DP, and other government departments that were affected.
- ✦ Significant progress has been made in planning and land use decisions for an “Innovation Precinct” or “Smart City District” directly west of and adjacent to Klapmuts South. A land agreement with the University of Stellenbosch (US) to possibly establish university-related activities in this area is currently being negotiated. Phase 1–3 has been approved, and some amendments to land use approvals are currently under consideration;
- ✦ To support the cross-border catalytic project identified in the MSDF to unlock development in Klapmuts North and to make it possible for large manufacturing, logistics, and warehousing companies to move from Stellenbosch town (connected to the ATC LASDF) to Klapmuts, the Stellenbosch Municipality applied to the Demarcation Board in 2022 to change the municipal boundaries. The Council approved the submission in 2022, and the re-determination process is currently in progress, with feedback expected in 2023/24;
- ✦ The Council adopted the correction of Tables 20 and 28 within the approved MSDF in 2022;
- ✦ The amendment and adoption of the review of the Stellenbosch By-law on Municipal Land Use Planning have been finalised during 2022/23;
- ✦ The Housing Pipeline Review was approved in 2022, and the IHSP is being updated. The intention is to finalise and adopt the policy in 2023; and
- ✦ The CIP has been updated, and the intention is to finalise and adopt the policy in 2023.

In parallel to MSDF work, considerable progress has been made in collaboration with the Western Cape Government (WCG) through participation in the Greater Cape Metropolitan Regional Spatial Implementation Framework (GCMRSIF) Intergovernmental Steering Committee—on a continuous basis—with adjoining municipalities to discuss regional spatial development trends, cross-border challenges, opportunities, risks, and infrastructural constraints.

Continued partnership with all local municipalities within the Western Cape and the WCG: DEA&DP to share best practices and improve coordination on matters related to spatial planning and land use management through the Western Cape Planning Heads Forum.

The table below indicates the capital expenditure for the Department: Planning and Development Services as at 30 June 2023.

Table 160: Capital Expenditure as at 30 June 2023: Department: Planning and Development

Capital Projects	Adjustment Budget	Actual Expenditure	Variance from the Adjustment Budget
	R'000		
Furniture, Tools, and Equipment: Spatial Planning	163 18	16 318	0%

The Departments: Planning and Development have spent 100% of the capital budget for the financial year.

The table below indicates the total number of employees in the Department: Development Planning as at 30 June 2023.

Table 161: Total number of employees in the Department: Development Planning

Job Level	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	Number			
18 – 22	1	1	0	0
14 – 17	2	2	0	0
9 – 13	6	6	0	0
4 – 8	5	5	0	0
3 – 0	0	0	0	0
Total	14	14	0	0

The table below indicates the highlights and challenges experienced within the department as at 30 June 2023.

Table 162: Performance Highlights- Department: Development Planning

Highlight	Description
Local Spatial Development Framework for the Adam Tas Corridor	The local spatial development and development guidelines for the Adam Tas Corridor (ATC LSDF), which is a catalytic project listed in the MSDF, have been finalised and adopted by the Council in 2022.
Adam Tas Overlay Zone	The preparation of the ATC LSDF included drafting a concept overlay zone. The Council approved the overlay zone, and its promulgation is currently underway.
Review and amendments to the MSDF and CEF	The department embarked on a process to ensure a better alignment of the strategic and higher-order plans of the municipality with the approved MSDF, which required the review and amendment of the MSDF (including the Capital Expenditure Framework CEF). The Council approved the final amended MSDF and CEF on 27 June 2023.
Inclusionary Zoning (Housing) Policy	The MSDF proposed that an Inclusionary Zoning (Housing) policy be drafted through which the delivery of more affordable housing within new developments and / or targeted areas can be achieved. The Inclusionary Zoning Policy was adopted by the Council on 27 June 2023. Stellenbosch Municipality is the first intermediate city to adopt a policy of this nature.
Feasibility studies for land / building acquisition	Four studies for properties that could potentially be obtained by the Council, three of which are in the Adam Tas Corridor, were completed and submitted to management for consideration.
Precinct plan for the Rhenish complex	An urban design study and precinct plan for the Rhenish Complex in Stellenbosch, setting out the potential measures to preserve, develop, and activate the Rhenish Complex, was drafted, and published for public participation. The comments are currently being reviewed, and the amended policy will be transmitted to Council for approval during the latter part of 2023.
Intergovernmental relations	DEA&DP took the initiative to arrange for quarterly intergovernmental relations meetings for municipalities falling within the Greater Cape Metropole. The meetings have the mandate to discuss common issues and cross-boundary matters. All the department's senior staff attends the meetings.

3.14 Performance Challenges

Table 163: Performance Challenges- Department: Development Planning

Challenge	Actions to address
Approval of the Inclusionary Housing Zoning Policy	Stellenbosch is the first municipality (except the City of Johannesburg) to approve an Inclusionary Zoning Policy. The policy will require that developers contribute a certain percentage of the housing delivery to a specific income band (affordable) in exchange for offset incentives (i.e., up-zoning, density bonuses, etc.). There is a real risk that developers will view this requirement as a penalty, and considerable opposition can be expected from some developments. The process of implementing the policy will be challenging and may be challenged in a court of law.
Capacity	The total staff component of the Section: Spatial Planning amounts to four (4) officials, consisting of a manager, a senior planner, and a spatial and administrative officer. With the increase in projects undertaken in-house, as well as the need to develop LSDFs for each smaller town, as well as for the "Bosdorpe," and to facilitate and lead the implementation of the MSDF. Catalytic projects and the LSDF are currently placing the department under severe pressure. The Department: Development Planning notes that the organogram approved in 2017 does not meet the requirements to successfully fulfil the functions and mandate required by the Section and must be urgently reviewed and amended.

3.15 Local Economic Development (LED)

The table below indicates the highlights within the Section: LED and Tourism.

Table 164: LED Achievements

Achievement / Highlight	Description	Financial years				
		2018/19	2019/20	2020/21	2021/22	2022/23
Business Interventions	Business registrations	37	37	29	n/a	n/a
	Municipal Jobseekers Database Registrations	27	n/a	181	1 767	7 903
	Advice to walk-ins	1 795	n/a	334	19	n/a
	Workshops	12	15	1	0	n/a
	Business Licences	13	2	22	19	24
Informal Trading	The Section: Economic Development and Tourism has several informal trading sites: <ul style="list-style-type: none"> • Cloetesville; • Kayamandi; • Klapmuts; and • Ida's Valley. The only site not operational yet is Groendal, but this will be operational within the 2022/23 financial year.	n/a	n/a	n/a	3	4
Enterprise Development and Support	Training for Stellenbosch - based entrepreneurs did exceptionally well in the 2021/22 financial year. The municipality partnered with Ranyaka and Stellenbosch Network and provided eleven (11) SMME training and mentoring workshops during the 2021/22 financial year. The types of training and mentorship programmes delivered were as follows: <ul style="list-style-type: none"> • SALGA training: Rural Entrepreneurship Development Programme; • Construction Information Session; • SARS Workshop; • 5 x Google Workshops; • Canva Training; • Costing and Pricing Workshop; and • Marketing Workshop. The unit has also been very active with the processing of informal trading permits, ensuring active microbusiness trading in Stellenbosch.	n/a	n/a	3	11	22

Achievement / Highlight	Description	Financial years				
		2018/19	2019/20	2020/21	2021/22	2022/23
Vacant Agricultural Property	<p>In the 2022/23 financial year, Mayco resolved that the vacant municipal land that was advertised in 2020 be re-advertised and that the applicants who previously applied would still be eligible for the land. Four (4) portions of land were advertised on 25 May 2023 in line with the Policy for Management of Municipal Agricultural Land.</p> <p>In total, there are 27 applications, of which 16 were received and scored in the first round and 11 were received in the second round, which have also been scored. The awarding of the four portions of land will be awarded during the 2023/24 financial year.</p>	n/a	n/a	2	n/a	n/a

3.15.1 Economic Development and Tourism Challenges

The table below gives a brief description of all the challenges within the Section: Economic Development and Tourism during 2022/23.

Table 165: LED Challenges

Description	Actions to address
Human resources are insufficient to drive an effective economic development and tourism programme.	<p>The Directorate: Planning and Economic Development has since filled two critical positions within the unit, namely the Senior Economic Development Officer: Rural Development and Agricultural Support position and the Senior Economic Development Officer: Business Development position.</p> <p>The only concern now is that the current salary offering does not retain the required experienced, qualified, and well-trained staff to enable the Section to perform its functions for a substantial period.</p>

3.15.2 EPWP Job Creation 2022/23

The EPWP met the expected target of 1 400 as planned for the year 2022/23 with an actual of **1 449** job opportunities created.

The table below illustrates job creation through the EPWP for the 2022/23 financial year.

Table 166: Job Creation through EPWP Projects

EPWP Projects	Number of jobs created
External EPWP Grant Projects	
Cleaning of CBD	43
Public Ablutions	8
Ibhunga Cleaning	34
Mooiwater	3
BSM 22/22	5
Watergang Fencing	9
Enkanini Electrification Project	8
MRF	21
IG funded EPWP Projects	
EDT	30
WC024 Cleaning of Stormwater	19
Jan Marias Nature Reserve	3

EPWP Projects	Number of jobs created
EPWP Sport Facility Assistants	4
Alien Cleaning	21
SMCE IPDI Support Warriors	4
EPWP Fire Assistants	12
EPWP Disaster Assistants	10
EPWP Jonkershoek Picnic Site Assistants	7
Parks FHK Maintenance and Cleaning	18
Community Development Office Assistant	2
Maintenance and Cleaning of Alien Species (Cemetries)	20
Cleaning of Rental Stock	33
Assess Control Public Rental Flats	5
EPWP Jonkershoek Picnic Site Assistants	7
Parks FHK Maintenance and Cleaning	18
Community Development Office Assistant	2
Maintenance and Cleaning of Alien Species (Cemetries)	20
Cleaning of Rental Stock	33
Assess Control Public Rental Flats	5
Total Projects: 17	Total jobs: 174
Municipal Funded Projects	
Area Cleaning WC024	644
Wastewater Treatment and Network Sites	6
Stellenbosch Park Wardens	21
Rental Stock and TRA Survey	8
Maintenance of Municipal Rental Stock	10
EPWP Municipal Halls	15
Field Rangers	31
Ornamental Horticulture	51
Traffic Services: Parking Marshalls	205
Wastewater Treatment and Network Sites	45
Law Enforcement / Security Informal Trading Sites	32
Event Planning	1
Support Warriors	2
EPWP Sport Admin	1
EPWP Plumber / Carpenter	2
Complaints and Document Administration	2
EPWP Swimming Pool and Facilities Management	2
EPWP Ward Office Management	21
EPWP Sport Council	3
EPWP Irrigation	2
Wheelie Bin Logistics	1
EPWP Supply Chain Management	4
Urban Forestry	5
Tourism and Rural Development Initiatives	3
Library Cleaners	3
Title Deeds Restoration Programme	10
	Total Jobs: 1 449

Table 167: Jobs created per area

Jobs created per area					
Stellenbosch and Surrounds	Kayamandi	Franschhoek and surrounds	Dwarsriver Valley	Klapmuts	Rural areas
545	659	179	36	80	10

3.15.3 Tourism

Aim and function of the Tourism Section:

- ✚ Contextualise the strategic goals of tourism promotion and development funding;
- ✚ Regularise the operational functioning of external bodies appointed or supported by the municipality in its constitutional mandate towards both tourism and economic development;
- ✚ Ensure coordination of the activities of the funded entities;
- ✚ Ensure efficient oversight of funding and outcomes;
- ✚ Acknowledge and leverage private sector and independent initiatives;
- ✚ Develop sustainable tourism events and brands;
- ✚ Enable sponsorship opportunities for the commercialisation of events, brands, and other opportunities;
- ✚ Smooth cyclical tourism numbers by establishing, developing, and implementing off-peak tourism products and initiatives;
- ✚ Develop and package opportunities and venues for business tourism;
- ✚ Enable market participation for local businesses;
- ✚ Enable training, mentorship, and employment opportunities for local citizens; and
- ✚ Quantify the return on investment in events and funded entities.

Highlights:

During the 2022/23 financial year, the Economic Development and Tourism unit made a submission to the Department: Economic Development and Tourism for the Municipal Ease of Doing Business Fund. The municipality was successful in its application, and the Department funded the following projects:

- ✚ Development of an Overlay Zone;
- ✚ Updating of zoning maps and subsequent web-based zoning register;
- ✚ Process improvement in building plan applications; and
- ✚ Process improvement for land use applications.

Completion of Kayamandi Taxi Rank / Informal Trading Site

- ✚ Stellenbosch Municipality Festival of Lights.
- ✚ Stellenbosch Municipality re-launched the Stellenbosch Municipality Festival of Lights after a 2-year hiatus due to the COVID-19 pandemic. The festival was held on 10 and 11 December 2022 at the Die Braak.

Completion of Adam Tas Corridor Overlay Zone

The Adam Tas Corridor SDF and Development Guidelines were approved by the Council in October 2022 as the official spatial policy for the development of the area. Following the approval of the framework, Council also approved the process to obtain input from the public on the draft overlay zone in October 2022. The overlay zone is the mechanism through which the framework can be implemented.

Additional LTO funding for Visit Stellenbosch

During the Adjustment Budget for 2022/23 financial year, an additional amount of R787 950 was allocated to Visit Stellenbosch.

Job Seekers Database Outreach Programme

Several Job Seekers Outreach Programmes were run during the financial year. The Economic Development and Tourism Unit conducted seven outreach sessions to register more members of the community on the database between 13 February and 29 March 2023. The various sessions were held in the following wards: 1, 2, 3, 4, 5, 6, 16, and 17.

Stellenbosch University: Learning Practice Alliance:

Stellenbosch University, through the Learning Practice Alliance Unit, applied for a short-term lease agreement on Farm Portion No. 502BH, where they are involved in a project assessing the potential value of seven technologies to enhance the productivity of emerging farmers in the Stellenbosch Municipality.

The launch of the Car Guard initiative in Stellenbosch

A non-profit organisation partnered with Stellenbosch Municipality, SAPS, and leading private security companies in the area to launch the informal car guard project in Stellenbosch. The initiative aims to address the pressing issue of informal parking attendants. The primary objective is to enhance security and provide a safer environment for both residents and visitors in the Stellenbosch Central Business District.

The table below indicates the capital expenditure for the Section: Economic Development Tourism as at 30 June 2023.

Table 168: Capital Expenditure as at 30 June 2023: Section: Economic Development and Tourism

Capital Projects	Adjustment Budget	Actual Expenditure	Variance from the Adjustment Budget
	R'000		
Establishment of the Kayamandi Informal Trading Area	5 022	4 400	12.40%
Furniture, Tools, and Equipment: LED	557	508	8.91%
<i>Only the five largest capital projects are listed.</i>			

The Section: Local Economic Development and Tourism has spent 88% of the capital budget for the financial year.

The table below indicates the total number of employees in the Section: Economic Development and Tourism as at 30 June 2023.

Table 169: Total number of employees in the Section: Section: Economic Development and Tourism

Job Level	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	Number			
18 – 22	0	0	0	0%
14 – 17	1	1	0	0%
9 – 13	5	5	0	0%
4 – 8	2	1	1	50%
3 – 0	0	0	0	0%
Total	8	6	1	12.5%

3.15.4 Heritage and Resource Management

The Section: Heritage Resources Management is mandated to enable, facilitate, and manage cultural heritage development within the Stellenbosch municipal area through the formulation and implementation of long-term cultural heritage plans, strategies, policies, and guidelines that are appropriately integrated with the applicable sectoral plans of the municipality and aligned with the requirements of the National Heritage Resources Act, Act 25 of 1999.

Part of this work was to update the Stellenbosch Municipality Heritage Inventory, which was done in partnership with the Stellenbosch Heritage Foundation. The municipality intends to further expand on this partnership to ensure that the heritage inventory is continually updated.

The Section has also undertaken a process to review and amend the Stellenbosch Municipality Signage, Advertising, and Poster By-law with the Directorate: Engineering Services. This by-law will be adopted and promulgated during the 2022/23 financial year.

3.15.5 Geographic Information Systems (GIS)

The Section is responsible for managing, coordinating, and controlling the professional and technical processes associated with Geographic Information Systems (GIS) in respect of the municipality, Management of Information Systems (MIS) through research and evaluation of best practices and cost-effective approaches, and providing guidance and advice on the functionalities to internal departments to ensure that broader goals and service delivery objectives are accomplished and quality and professional standards maintained per agreed timeframes, budgets, and appropriate legislation.

The Section has assisted the Directorate: Planning and Economic Development with the development of electronic and online submissions of building plans and land use applications. Through this process, the Section has developed the Building Plan Application Management System ("BPAMS") and the Town Planning Application Management System ("TPAMS"). These systems will allow residents and potential developers to submit their development applications online and monitor the progress of their respective applications.

Currently, BPAMS is fully operational and will be launched with TPAMS during the next financial year.

COMPONENT D: COMMUNITY AND SOCIAL SERVICES

3.16 Libraries

Libraries play an important role in learning. The resources libraries provide help communities find the information they need. These days, people are turning more and more to the internet for information, but search engines like Google only provide information about the way questions are formulated. Often, this does not provide the user with the relevant information. With the plethora of information on the internet, it is becoming more and more difficult to find information than in a library catalogue. This only cements the fact that a library's core services are becoming much more important and should be funded as an essential service that uplifts communities and develops them holistically.

Over the last year, Stellenbosch Public Libraries have attempted to strive to maintain and record local history, offer free educational and recreational resources, build communities, contribute to the economy, and build partnerships with community organisations and businesses to assist with the promotion of literacy and numeracy as well as youth upliftment programmes.

In the promotion of educational resources, training, and development, the Stellenbosch Public Libraries have played an important role in supporting education and literacy. The municipality has provided countless resources, such as educational materials, trainings, courses, etc., to communities. These days, patrons enter public libraries to borrow recreational and self-development resources, to ask questions about job applications and resume writing, or to fill out government forms, including tax, academic institution applications, and health insurance paperwork. All these questions are answered by library staff without charge.

"Google can bring you back 100 000 answers. A librarian can bring you back the right one." – Neil Gaiman

Numerous outreach programmes were developed over the last year to rebuild communities after the COVID-19 pandemic. People come to libraries not only looking for information but also to uplift and develop themselves and their communities. Libraries have developed programmes such as Mothers and Baby Storytimes, reading clubs, and helping elderly people attend events and find ways to connect with people. While teenagers meet up in libraries with their study groups for team-building or school projects, the municipality is also seeing the development of libraries as community centres for communities to meet.

Libraries contribute to the economy of the town. Even though libraries are free to use for patrons, the role they play in developing communities is greatly underestimated. Public libraries provide access to information about business planning, market research, and finance opportunities for entrepreneurs who are looking for spaces to network, conduct research, use technology, and arrange meetings.

Technology in libraries can be innovative, offering access to expensive training programmes and skills courses that otherwise would not be available to everyone. Online training and development courses are available to communities through free wi-fi, and the internet services provided through the Premier's Office Rural Connectivity Programme. This programme allows communities access without spending enormous amounts of money on programmes they would otherwise not be able to access.

As a local authority responsible for the social and economic upliftment of its citizens, the municipality needs to develop flourishing, well-resourced libraries, thereby ensuring that future generations live productive, safe, and fulfilling lives. Libraries assist communities to reach their highest potential and

become responsible members of the community. This responsibility can only be addressed if libraries are seen as a vital part of the goals the municipality has set out to achieve.

Table 170: Total number of libraries

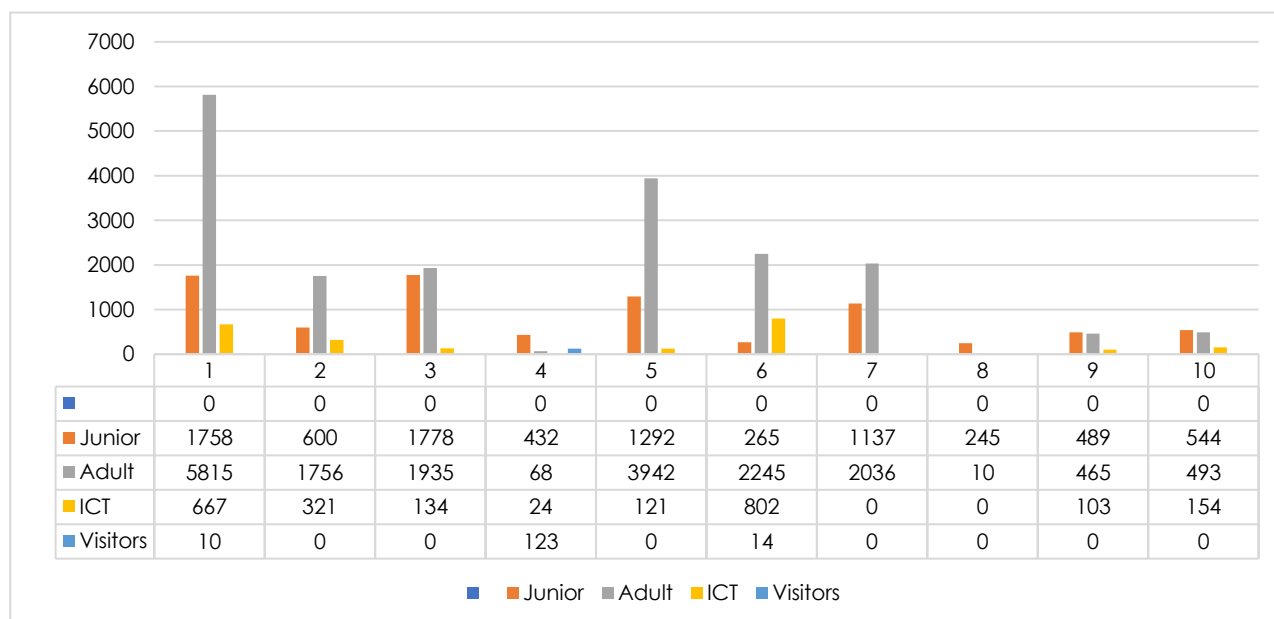
Item	Description	Total number
Libraries in the WCO24 Area	Public Libraries: ♣ Kayamandi, Cloetesville, Ida's Valley, Jamestown, Stellenbosch, Pniël, Groendal, and Franschhoek	8
	♣ School / public libraries ♣ Koelenhof and Klapmuts	2
	Library Manager	1
Library staff (permanent)	Senior Librarians	4
	Senior Library Assistant	4
	Library Assistants	22
	Library Aid / Cleaner	8
	IT Cadet	1
	Admin Assistant	1
	Book Shelver	1
Vacancies (including conditional grant-funded vacancies)	Senior Librarians	4
	Senior Library Assistant	3
	Library Assistants	12
	Library Aid / Cleaner	3
	IT Cadet	1
	Admin Assistant	1

Municipal public libraries continue to recuperate from the COVID-19 pandemic's repercussions. Regrettably, the Western Cape Public Libraries' database (SLims) experienced a catastrophic failure in July 2022. Consequently, membership and library circulation figures were profoundly impacted. The municipality resumed operations in August 2022, and library patrons are gradually resuming their visits; however, the figures have not yet recovered to pre-COVID-19 levels.

The public e-book service is gradually increasing in prominence. Once more, patrons are utilising library halls during library hours. Libraries have been required to rebrand their services in the past year. To maintain community interest in the libraries' resources and services, outreach and marketing initiatives have been expanded.

The graph below illustrates the membership statistics for the year under review.

Table 171: Libraries membership statistics



Libraries have over the last year endeavoured to strengthen the existing public and private partnerships with the communities within the WCO2 Area.

Table 172: Libraries partnerships

Library Partnerships		
Cloetesville		
Chennels Day Care	Day Care	A partnership with the Day Care to create a love for books through literacy activities in the form of storytelling, puppet shows, and song and dance activities.
Little builders crèche	Crèche	Assist with the promotion of literacy and numeracy by introducing 3–5-year-old toddlers to books and other ECD activities such as puzzles, lego, and storytelling.
Kayamandi		
Loxtion Foundation		The Loxtion Foundation assists the Kayamandi community. They create opportunities to discover talent amongst township youth and give them a platform to grow.
Pniël		
Dwarsrivier Tourism		Partnering to bring services to the community of Dwarsrivier. Hosting the event to enrich the community.
Community development		The partnership aimed to bring various services to the community of Dwarsrivier. Hosting the event to enrich the lives of the community.
Groendal Library		
Inceba Trust	Mother and Child Book Sharing	Focus on training illiterate parents to do book sharing with their children / grandchildren by looking at the pictures and telling the story.
Inceba Trust	Training of ECD employees	The Inceba Trust is responsible for the training, while the Groendal Library assists with storytelling and recommends books per theme.
Adopt-A-Crèche	Outreach to underprivileged children from an informal settlement	Teaching children basic hygiene, literacy, and numeracy skills by exposing them to ECD / crèche activities. Inceba trains the parents about the Parent and Child Book Sharing Programme.
Inceba Trust Toy Library	ECD Toy Library	The aim is to incorporate the toys into the ECD section at Groendal Library. As part of this initiative, free training will be presented to Stellenbosch Library staff, i.e., ECD programmes / activities and the usage of educational toys.

Library Partnerships		
ECD / Crèches	Wemmershoek, La Motte, Groendal, Langrug, and Bosbou areas	17 crèches are receiving block loans for books linked to their weekly theme. 2 visits per month for block loans and 1 storytelling / outreach per month are presented at each crèche.
CWP Community Work Programme	Unemployed people are employed through the CWP initiative.	The Community Work Programme (CWP) is a government programme aimed at alleviating poverty and curbing unemployment. The work rendered by the CWP workers includes cleaning the library, tidying shelves, and assisting with the preparation of new library material (covering of books, tattle-tape, etc.). The workers also maintain and clean the garden and outdoor areas.
READ-TO -LEAD	Literacy Project in Partnership with BED students: Stellenbosch University	A group of postgraduate Bachelor of Education students assist learners at schools to promote literacy and numeracy at schools.
Franschhoek Literacy Festival / Nali' Bali	Storytelling workshop	The workshop is aimed at exchanging ideas / guidelines for pre-school and primary educators / librarians, and authors.
ECD / Crèches	ECD creches in the Groendal area: "Informal creches "	ECD centers / crèches are invited to make use of the educational toys / books at the Groendal Library.
Groendal Housebound members	Book exchanges with housebound / elderly patrons	Bringing the library to the community. Visits are done twice a month to deliver library material to the housebound. Visit new potential members to form part of the outreach.
Community of Groendal	Friends of the Library	Currently in process of establishment: "Friends of the Groendal Library."
Maker-space	Children Gr R – Gr 12	Currently in discussions with Groendal Primer and retired educators in the Groendal / Franschhoek area to assist with the rollout of the "Makerspace "programme. The focus will be on S.T.E.M (science, technology, electronics, and mathematics). The idea is to expose the children to science, mathematics, technology, and electronics. The programme will be linked to the school curriculum.
Hospice Stellenbosch		Partnering to bring services to the community of Dwarsrivier. Hosting activity events to enrich the lives of the hospice community. And promote wellness within the community.
Stellenbosch Traffic Department		Partnership with the traffic department to teach young children about the importance of road safety.
Read to Rise		Partnering with the Read to Rise organisation to promote reading among young children.
Franschhoek		
Dennegeur Agri Village	Crèche	Bringing the library to the farm children. Storytelling and activities are done twice a month.
Franschhoek Museum	Combined programme	A combined effort to do outreach and literacy programmes.

Table 173: Library Services

Type of service	2018/19	2019/20	2020/21	2021/22	2022/23
Libraries					
Number of libraries	9	11	10	10	10
Library members	142 616	26 293	28 620	264 07	200 000
Books circulated	323 200	192 503	53 025	145 567	85 000
Exhibitions held: Adults	312	304	225	356	298
Exhibitions held: Children	316	232	160	176	156
Internet access points	32	36	20	20	20
Internet sessions granted to library users	53 013	17 818	5 406	8 067	12 504
Children's programmes	243	447	25	219	211
Number of children attending programmes	4 512	11 121	458	435	354
Visits by school groups	254	47	18	45	52

Type of service	2018/19	2019/20	2020/21	2021/22	2022/23
Libraries					
Book group meetings for adults – old age homes	102	128	0	100	85
Primary and Secondary Book Education sessions	975	25	7	3	10
Patrons visits @ Library	398 200	271 621	56 548	45 652	120 000
Library Hall usage	356	545	48	400	200
Total number of project and pamphlet files developed	N/A	696	170	176	50
Total number of books reviewed	N/A	214	209	198	80
In-House usage	N/A	77 783	1 868	2 456	10 000
Book group meetings for adults – old age homes	N/A	128	0	34	20
Primary and Secondary Book Education sessions	N/A	25	0	2	15

Challenges facing Libraries

With the assistance of Provincial Library Services, the municipality can offer an e-book service to its patrons. However, additional funding is needed to sustain this service. Unfortunately, being an underfunded mandate, the municipality is not able to invest additional funding in this vital service.

The municipality continues to be faced with the challenge of a lack of qualified and skilled staff. Libraries are highly under-resourced in terms of qualified personnel. The lack of sufficient funds and the moratorium on filling the numerous vacant positions within the section, coupled with the inadequate physical and digital resources, have ultimately resulted in low patronage of library facilities.

Unfortunately, even though many realise the importance of libraries within communities, there are many challenges that prevent libraries from fulfilling the community's needs. There are three major challenges. These are: (a) "underfunded mandate," (b) staff vacancies, and (c) repairs and maintenance of library buildings. The most challenging is that of employing trained, qualified staff in vacant positions, as well as the number of vacant positions that remain in municipal libraries. This situation does not allow libraries to function optimally.

The table below indicates the capital expenditure for the Section: Library Services as at 30 June 2023.

Table 174: Capital Expenditure as at 30 June 2023: Section: Library Services

Capital Projects	Adjustment Budget	Actual Expenditure	Variance from the Adjustment Budget
	R'000		
Upgrade the Stellenbosch Library	3 874	69	98.21%
Upgrading: Cloetesville Library	164	132	19.55%
Library Books	153	116	23.93%
Cloetesville: Furniture, Tools, and Equipment	16	11	33.39%
<i>Only the five largest capital projects are listed.</i>			

The Section: Libraries has spent 8% of the capital budget for the financial year.

The table below indicates the total number of employees in the Section: Library Services as at 30 June 2023.

Table 175: Total number of employees in the Section: Library Services

Job Level	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	Number			
18 – 22	1	1	0	0%
14 – 17	1	1	0	0%
9 – 13	10	10	0	0%
4 – 8	16	16	0	0%
3 – 0	0	0	0	0%
Total	28	28	0	0%

3.17 Cemeteries

Stellenbosch Municipality is responsible for the maintenance and management of six cemeteries in greater Stellenbosch. Jamestown, Pniël, and Groendal have reached their capacity, while Wemmershoek and Franschhoek South and North are fully operational. Onder-Papegaaiberg Cemetery is also at capacity; only reserved graves are available. A new cemetery in Kylemore is currently being established. The Jamestown cemetery suffered harm because of high underground water levels during this year's flood that hit Stellenbosch in June 2023. It became practically impossible for new graves to be dug in the area. Simultaneously, the municipality could not do any reopening of graves due to the underlying high-water levels.

Consultants were appointed (3 years + project) to assist Stellenbosch Municipality with the identification and planning of two regional cemetery sites to address the critical need for burial space within the municipality. This project is at an advanced stage of acquiring the required environmental, water, and land use approvals. All licenses have been received for the commencement of the new Stellenbosch Memorial Park situated alongside the R304 planned at the site known as the Calcatta bush.

The objective of the Section: Cemeteries is to provide adequate burial space and ensure a dignified burial.

The table below indicates the availability of airspace within the WC024 as of 30 June 2023:

Table 176: Waste airspace availability

Cemetery	Airspace	Status		
		Open	Full	Closed
Jamestown	Open	✓		
Onderpapegaaiberg	Open	✓		
Pniël	Reopening's		✓	
Groendal	Reopening's		✓	
Franschhoek South	Open	✓		
Kylemore	Not open yet			✓
Calcatta	Not open yet			✓

3.17.1 Income – Cemeteries

The table below indicates the income generated from the financial years of 2018/19 – 2022/23.

Table 177: Cemeteries Income

Gravesite locations	2018/19		2019/20		2020/21		2021/22		2022/23	
	Number of Burials	Income	Number of Burials	Income	Number of Burials	Income	Number of Burials	Income	Number of Burials	Income
Onder-Papegaaiberg	24	R50 389	103	R87 791	35	R25 033.80	45	R47606.76	65	R612 431.84
Jamestown	356	R900 294	478	R1 321 781	396	R937 642.21	324	R945 184.90	554	R1 355 202.05
Pniël	11	R7 855	17	R13 676	5	R9 740.42	15	R4 528.10	22	R12 993.95
Wemmershoek	9	R7 650	26	R27 219	9	R8 341.70	83	R18 187.41	5	R7 728.48
Franschhoek North Groendal	38	R40 710	39	R11 052	18	R4 056.18	10	R46 552.08	71	R44 597.62
Franschhoek South	54	R45 580	140	R80 172	30	R53 305.60	22	R109 943.04	41	R78 505.95

Challenges:

- There is a shortage of burial space;
- Strategic vacant positions cause a lack of skill transfer;
- There is a risk of skills not being transferred on time when staff retire / resign;
- to convert burial records to electronic soft copies (in progress as per the five-year plan);
- to promote alternative burial methods, such as, e.g., cremations, amongst various religious groups; and
- Shortages of cemetery training, especially formalised training.

The table below indicates the capital expenditure for the Section: Cemetery and Parks Services as at 30 June 2023.

Table 178: Capital Expenditure as at 30 June 2023: Cemetery and Parks Services

Capital Projects	Adjustment Budget	Actual Expenditure	Variance from the Adjustment Budget
	R'000		
Extension of Cemetery Infrastructure	1 000	870	13.04%
<i>Only the five largest capital projects are listed.</i>			

The Section: Cemeteries has spent 87% of the capital budget for the financial year.

The table below indicates the total number of employees in the Section: Cemeteries as at 30 June 2023.

Table 179: Total number of employees in the Section: Cemeteries

Job Level	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	Number			
18 – 22	1	1	0	0%
14 – 17	1	1	0	0%
9 – 13	3	2	1	33.3%
4 – 8	43	42	1	2.3%
3 – 0	28	27	1	3.5%
Total	76	73	3	3.9%

3.18 Child Care; Aged Care; Social Programmes– Community Development

The Department: Community Development is thankful to the municipal council for not cutting the departmental budget, which makes serving vulnerable communities still possible. The impact of the economic situation in the country is visible in local households and on the local streets. This is evident in the increased expectations from local government to deliver services not received from other spheres of government and the number of people trying to make a living being homeless.

Table 180: Service Statistics – Childcare, Aged Care, Social Programmes

Focus area	Description	Ward	Activity
Early Childhood Development Services / Children	<ul style="list-style-type: none"> ⚡ Capacity building of ECD practitioners; ⚡ Initiatives in awareness programmes (ECD children); ⚡ ECD Registration Compliance; ⚡ Strengthening and establishing ECD forums; ⚡ Transversal committees / ad hoc committees; and ⚡ Awareness Programmes. 	All	⚡ 45 ECD stakeholder organisations and the DoE participated in collective planning and information sharing to shape the ECD training and registration programmes according to local needs.
		All	⚡ ECD Registration Drive with 117 organisations in the ECD sector to identify and prioritise registration compliance obstacles experienced by ECDs and service organisations.
		All	⚡ The above drive and understanding shaped the Stellenbosch Municipality ECD Registration SOP.
		All	⚡ The SOP was workshopped along with other registration requirements at quarterly ECD workshops, resulting in a record number of 37 ECDs registered.
		18	⚡ 40 ECDs assisted with financial management and governance training.
		13, 15, 18	⚡ 25 ECD practitioners were trained in learning programmes and teaching aid development.
		11, 13-16, 21	⚡ 17 ECD practitioners attended the Remgro-sponsored policy development training.
		12-15	⚡ General health and safety training was provided to 20 ECD practitioners.
All	⚡ Emergency First Aid Respondent (EFAR) training was provided to 39 practitioners.		

Focus area	Description	Ward	Activity		
Persons with Disabilities		ALL	‡ The registration status of 128 ECD facilities was plotted on the GIS system.		
		3-5, 12-16, 18	‡ Holiday programmes reached 1 700 children.		
		5, 11, 20	‡ Back to School programme reaching 2 006 children.		
		1-6, 10-15, 18, 20, 21	‡ 26 foster parents and children participated in the parenting training session with DSD.		
		1-2	‡ Awareness session on bullying and the effects thereof was conducted with 1 815 children.		
		12-15	‡ 400 learners participated in the Help a Girl Child campaign at Ikhaya Primary.		
		6, 16, 18, 19	‡ 400 children participated in the Child Protection Week activities.		
	Awareness and Wellness programmes Universal Access	All	‡ 115 people with disabilities participated in the disability sports day.		
		All	‡ The municipality participated in and published a link to the review of the Disability Information Portal on the municipal website.		
		4-6, 11-13, 16-18, 20	‡ 55 youths from the community were trained in sign language.		
		7-11, 16, 17	‡ 45 people with disabilities participated in the Know Your Rights programme.		
		12-15	‡ 28 people with disabilities participated in the Heritage Day celebrations.		
		All	‡ 285 people and various organisations participated in the Walk with Disability Awareness programme on World Disability Day.		
		1, 2, 12-17	‡ 70 people with disabilities attended the information session on how to access EMS services.		
		4	‡ 46 carers were involved in an appreciation day for carers of people with disabilities.		
		All	‡ Five training sessions have been completed with the internal UA Champions, and two information sessions were done with internal departments.		
		Older Persons	Special Events, Awareness programmes and Capacity Building	3, 5-6, 12-14, 67-17, 20	‡ 148 elderly people participated in the Indigenous Games programme.
				4-6, 12-17	‡ 111 elderly people and people with disabilities participated in a mental health programme.
				1-6, 12, 14, 16-17, 20	‡ Nine clubs participated in regular Elderly Forum meetings where planning for services was done collaboratively.
1-6, 12, 14, 16-17, 20	‡ 28 people from nine elderly clubs participated in a follow-up capacity-building session.				

Focus area	Description	Ward	Activity
Gender		1-6, 12-17, 20	288 elderly people participated in the regional golden games.
		4-6, 12-13, 16-17, 20	Members of nine elderly clubs benefited from the CWDM Adult Diaper Relief Programme.
		4	14 elderly people from the Pniël club completed an ICT training session on basic MS programmes, internet searching, and email writing.
		1-6, 12-17, 20	100 elderly people participated in the Elderly Abuse Awareness Day.
	Special Events and Awareness programmes	All	Women's Day with 333 women.
		13-15, 18	Fatherhood Programme with 62 men
		1, 2, 13-16, 18	110 widows participated in an empowerment programme.
		12-15	Wellness day attended by 55 diabetics.
		3	Seven men and women participated in the breast cancer and men's health programmes.
		1-4, 12-19, 20-21	<ul style="list-style-type: none"> 16 Days of Activism: The launch was attended by 102 people as part of the transfer of deeds ceremony. 493 male and female youth participated in the GBV programme, Courageous Conversations. 36 mothers and daughters participated in the inter-generational dialogue on womanhood and GBV. 19 foster care parents completed the GBV training during 16 days of activism.
		All	Officials attended Roses on the River, the World Aids Day commemoration of @heart.
		All	285 women participated in the GBV and SUD awareness programmes.
		1, 2, 13-15, 18	70 women attended the Human Rights Programme.
		12-15	61 foster parents participated in the parenting programme.
Youth	Youth Empowerment programmes Youth Capacity Building Transversal committees / Ad hoc programmes	4	Life Skills Training by the National Youth Development Agency for 20 youths.
		1-4, 12-15	38 youth were trained at the e-Centre in basic MS applications.
		3-4	11 youth participated in an entrepreneurship training.
		1, 2, 12-15	125 youth participated in the DCAS Cape Winelands Drama Festival.
		1-3, 5-6, 12-17, 19	<ul style="list-style-type: none"> Accredited training to 24 youths in 5-star table attendance. Accredited training to 13 youths in plumbing. Accredited building maintenance training was done with 13 youths.
		1-6, 10-21, 23	46 youths were afforded an opportunity in the learner and driver's licence programme.

Focus area	Description	Ward	Activity
Grant in Aid		3, 4, 12-15, 18	<ul style="list-style-type: none"> 123 youth participated in the job-readiness programme in partnership with DSD.
		1-6, 10-21	<ul style="list-style-type: none"> Youth Day was celebrated by 125 youth.
		1-2	<ul style="list-style-type: none"> 68 Youth participated in a GBV dialogue.
	Donations to community organisations serving among others: youth, gender, ECDs, Old Age Homes, Health Organisations and Sport Clubs	All	<ul style="list-style-type: none"> 1 financial management workshop with 15 organisations. 3 compulsory clarification workshops with 211 organisations. 61 organisations attended the MOA signing workshop. See the table below regarding the approved donations. GiA Policy and SOP reviewed. A Know Your Status workshop was conducted with 16 community-based organisations.
People on the Street	Development, awareness raising through collaboration and services rendered	All	<ul style="list-style-type: none"> Mandela Day: Motivation and marketing of the public to support the Give Responsibly Campaign along with the NGOs associated with the campaign.
		All	<ul style="list-style-type: none"> 1 survey among people who are homeless was conducted.
		All	<ul style="list-style-type: none"> 69 people attended the Conversations Around Homelessness to increase civil society participation and understanding. One forum was established with monthly meetings to continue the conversations and develop action plans.
		All	<ul style="list-style-type: none"> Give Responsibly marketing via Facebook and during the festive season safety campaign.
		All	<ul style="list-style-type: none"> 201 parking marshals were trained on Give Responsibly to assist with communication with the public. 18 shops participate in the programmes through the sale of coupons. One mini-site on Give Responsibly was established on the Visit Stellenbosch website to make the information on Give Responsibly available to tourists through a QR code. 467 work opportunities were provided to people on the street through the Animal Welfare Walk a Dog project and the Stellenbosch Night Shelter Cleaning project.
		11-12, 15-16, 21	<ul style="list-style-type: none"> 130 women on the street benefited from a breast cancer wellness campaign. 50 women benefitted from a women's hygiene and wellness programme.
Social Relief of Distress	Provision of food parcels, blankets, mattresses, vanity packs and warm food	ALL	<ul style="list-style-type: none"> 1 880 individuals were assisted.

Focus area	Description	Ward	Activity
	according to the need due to disaster incidences		

The table below indicates the number of Grant in Aid applications recommended and approved for the year under review:

Table 181: Number of Grant in Aid applications recommended and approved

Subcategory	Applications Recommended and approved	Recommended Amount R
2021/22		
General Soc Dev	3	120 000
Partial Care	38	1 734 980
Disability	1	60 000
Elderly	3	120 000
Youth	9	480 000
Substance Abuse	1	40 000
Gender	0	0
Food Security	1	40 000
People who are homeless	1	1 547 470.15
Safety	1	40 000
Skills Development	7	309 700
Physical and Psychological Health	2	120 000
Environment	1	40 000
Sport Clubs	5	280 000
Art and Culture	5	200 000
Total	78	4 592 250.15

The table below indicates the total number of employees in the Section: Community Development as at 30 June 2023.

Table 182: Total number of employees in the Section: Community Development

Job Level	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	Number			
18 – 22	0	0	0	0%
14 – 17	1	1	0	0%
9 – 13	7	6	1	14.2%
4 – 8	3	2	1	33.3%
3 – 0	0	0	0	0%
Total	11	9	2	18%

COMPONENT E: ENVIRONMENTAL PROTECTION

3.19 Pollution Control, Bio-Diversity, Beautification, Open Spaces and Parks

Stellenbosch Municipality is continuously developing its capacity to protect the environment within its boundaries and to strive towards a municipality and communities that recognise the vital importance of their rich natural capital and manage these in a manner that ensures sustainability and fulfils the needs of all concerned. To this effect, Stellenbosch Municipality developed the Stellenbosch Environmental Management Framework in 2018, administered by the Department: Community Services.

Stellenbosch Municipality is compiling dedicated Environmental Management Plans (EMPs) for all its declared nature reserves as well as nature areas. The Council adopted the Mont Rochelle Nature Reserve EMP in 2022. Papegaaiberg Nature Reserve has an approved EMP, currently under review along with Jan Marais Park's EMP. The Council accepted the Paradyskloof Nature Area in 2019. A first draft EMP has been completed for the Ida's Valley Dam- / Botmaskop area, which will be advertised for public input by 31 December 2022. Stellenbosch Municipality has also completed an Invasive Alien Plant Management Plan, as required in terms of the National Environmental Management: Biodiversity Act (10 of 2004), and an Integrated Fire Management Plan to assist in the management of large vacant nature areas under the management of the Council.

An Air Quality Control By-law as well as a Noise Control Policy have been developed and adopted by the Council. The latter is implemented by a dedicated Air Quality / Noise Control Officer appointed within the Department: Community Services.

Air quality and noise complaints are captured in a central database and dealt with within the required timeframes. The following statistics included both air quality-related matters and noise complaints. All noise complaints are investigated in terms of the Western Cape Noise Control Regulations PN200/2013.

Table 183: Air Quality Complaints 2018

2018 Complaints	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
Fumes	2	2	3	3
Smoke	2	0	3	2
Dust	3	4	3	3
Burning of waste / tyres	0	0	0	0
Farmland burning	0	0	0	0
Crop spraying	0	0	0	0
Offensive odours	0	2	3	2
Unlicensed facilities	0	0	0	0
Noise	34	45	47	40
Other	1	0	0	0
Total	42	53	59	50

Table 184: Air Quality Complaints 2019

2019 Complaints	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
Fumes	3	4	2	4
Smoke	2	3	4	4
Dust	5	4	3	5
Burning of waste / tyres	0	0	0	2

2019 Complaints	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
Farmland burning	2	2	3	3
Crop spraying	0	0	0	2
Offensive odors	2	2	3	3
Unlicensed facilities	0	0	0	0
Noise	40	45	48	45
Other	2	0	0	1
Total	56	60	63	69

Table 185: Air Quality Complaints 2020

2020 Complaints	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
Fumes	16	2	6	7
Smoke	2	2	0	3
Dust	3	2	3	6
Burning of waste / tyres	0	1	1	1
Farmland burning	0	0	2	1
Crop spraying	1	0	2	1
Offensive odors	7	0	2	4
Unlicensed facilities	0	0	0	0
Noise	64	23	44	53
Other	0	0	0	0
Total	93	30	60	76

Table 186: Air Quality Complaints 2021

2021 Complaints	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
Fumes	15	15	7 (July. 21 only)	29
Smoke	5	3	0 (July. 21 only)	5
Dust	4	3	0 (July. 21 only)	6
Burning of waste / tyres	2	0	0 (July. 21 only)	2
Farmland burning	3	0	0 (July. 21 only)	0
Crop spraying	6	2	2 (July. 21 only)	0
Offensive odors	5	0	1 (July. 21 only)	3
Unlicensed facilities	0	0	0 (July. 21 only)	0
Noise	35	31	6 (July. 21 only)	41
Other	2	0	0 (July. 21 only)	0
Total	77	54	16 (July. 21 only)	86

Table 187: Air Quality Complaints 2022

2022 Complaints	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
Fumes	15	15	7 (July. 21 only)	29
Smoke	5	3	0 (July. 21 only)	5
Dust	4	3	0 (July. 21 only)	6
Burning of waste / tyres	2	0	0 (July. 21 only)	2
Farmland burning	3	0	0 (July. 21 only)	0
Crop spraying	6	2	2 (July. 21 only)	0
Offensive odors	5	0	1 (July. 21 only)	3
Unlicensed facilities	0	0	0 (July. 21 only)	0
Noise	35	31	6 (July. 21 only)	41
Other	2	0	0 (July. 21 only)	0
Total	77	54	16 (July. 21 only)	86

Table 188: Air Quality Complaints 2023

2022 Complaints	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
Fumes	8	11	21	19
Smoke	3	4	3	4
Dust	5	5	4	6
Burning of waste / tyres	1	2	3	2
Farmland burning	2	2	3	3
Crop spraying	1	0	2	4
Offensive odors	3	3	5	2
Unlicensed facilities	0	0	1	0
Noise	66	53	38	40
Other	0	0	0	1
Total	88	80	80	82

- ‡ Total noise complaints for 2018 = **166**
- ‡ Total noise complaints for 2019 = **178**
- ‡ Total noise complaints for 2020 = **184**
- ‡ Total noise complaints for 2021 = **72**
- ‡ Total noise complaints for 2022 = **122**
- ‡ Total noise complaints for 2023 = **197**

3.19.1 Environmental Implementation

Stellenbosch Municipality works closely with the Department of Environmental Affairs and Development Planning in reporting on illegal activities as well as administering the rehabilitation action of Section 30 (National Environmental Management Act, 107 of 1998) for emergency incidents.

3.19.2 Urban Forestry

The aim of the Urban Forestry Sub-section is to facilitate the planting, protection, blanking, maintenance, and long-term management of all trees located on municipal property through tree management (arboricultural) practices, thus promoting a sustainable development approach. This approach is geared towards making Stellenbosch Municipality the greenest municipality in South Africa through urban forestry practices, which guide investors towards future sustainable development.

The table below indicates the total number of employees in the Section: Environmental Management.

Table 189: Total number of employees in the Section: Environmental Management

Job Level	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	Number			
18 – 22	1	1	0	0%
14 – 17	2	2	0	0%
9 – 13	2	1	1	50%
4 – 8	11	10	1	9.7%
3 – 0	9	8	1	11.1%
Total	25	22	3	12%

COMPONENT E: SECURITY AND SAFETY

3.20 Law Enforcement

The primary role of Law Enforcement is by-law enforcement and the protection of municipal assets and staff. The function includes the monitoring and prevention of municipal land invasions, for which the responsibility is shared between Community and Protection Services and the Section: Informal Settlements.

A 24/7 control room is in place, as is the monitoring of crime-hot areas through CCTV cameras. Licence Plate Recognition Cameras (LPR) have been installed at all entrances / exits to Stellenbosch and Franschhoek towns, with several LPR cameras installed on minor roads that are used regularly by thoroughfare traffic to avoid congested areas during peak times. This has proven to be very successful in the combatting of crime and crime prevention initiatives.

Highlights:

- ‡ Weekly operational planning with key stakeholders (SAPS and other safety partners).
- ‡ Revamp of control room concluded and operational to ensure more efficient service delivery; and
- ‡ Purchasing a multi-purpose armoured vehicle to effectively deal with land invasions - tender process in progress.

Challenges:

- ‡ To render a 24/7 law enforcement patrol service;
- ‡ Increase and maintain surveillance of key places;
- ‡ Prevent land invasions;
- ‡ There is insufficient staff to fulfil operational requirements; and
- ‡ There is insufficient office space to accommodate departmental staff.

Law Enforcement attended to the following from 01 July 2022 to 30 June 2023:

Table 190: Law Enforcement highlights

Type of activity	2021/22	2022/23
Fines issued Section 56's and 341's	1 136	5 196
Liquor Compliance Inspections	83	51
Scrap metal / Bucket Shop Inspections	77	67
Law Enforcement Awareness sessions	40	33

3.20.1 Traffic Law Enforcement

Traffic Services is performing its functions as guided by the National Road Safety Strategy, with its main objectives being to achieve traffic safety on municipal roads, including the functions as defined in the municipality's IDP.

The National Road Safety Strategy provides all-year-round road safety initiatives. The municipality has increased its enforcement strategy in collaboration with stakeholders and affected parties. Operations like automatic number-plate recognition are conducted to improve compliance with and payment of traffic fines.

On-going objectives are to improve road user behaviour; reduce the incidence of traffic offences; speeding; drunk-driving and driving under the influence of narcotics; dangerous overtaking; the

removal of unfit road users from traffic; roadworthiness of vehicles; public transport compliance with regard to vehicles and drivers; provide sufficient and coordinated regulation of traffic on strategic roads; provide pedestrian education and compliance; eradicate corruption; ensure administrative compliance; and overall improve enforcement systems. This includes additional hours and Saturday operations at the Admin Section and a new approach to the law enforcement strategies.

3.20.2 Highlights and challenges for Traffic Law Enforcement

Traffic law enforcement strategies have managed to yield good results.

In the 2022/23 financial year, Traffic Service continued with the delivery of its Traffic and Pedestrian Safety Programme, which entails a team of two traffic officers who focus on the education of learners and farm workers regarding road safety issues. Lectures were presented at schools, and training was provided in respect of correct bicycle etiquette and the registration, training, and monitoring of scholar patrols throughout the municipality. 54 awareness initiatives on public safety were held at targeted schools in the municipal area.

Another area of concern was the education of farm workers in the municipal area. The focus was on traffic rules for pedestrians, which included safe crossing the road and the wearing of visible clothing, especially during winter, early in the mornings and late at night.

Jaywalking (which occurs when a pedestrian walks in or crosses a roadway that has traffic other than at a suitable crossing point disregarding traffic rules) has been another intervention, as many pedestrians are killed or injured while jaywalking.

Challenges:

- ⚠ Inadequate Human Resources: Limited Staff;
- ⚠ The capacity of the DLTC restricted the municipality to performing limited tests; and
- ⚠ Vehicle Testing Station infrastructure challenges and staff shortages.

Stellenbosch is rapidly becoming a preferred business and employment hub. The resources required to provide a quality service to the residents and business sector are inadequate and pose a significant challenge for the future. This limitation will have a negative impact on service delivery.

Service Statistics – Traffic Services

Table 191: Service Data for Traffic Services

Details	2021/22	2022/23
Drivers License Tests	2 2 11	2 095
Learner Driver License Tests	3 118	4 471
Number of 56's Notices Issued	34 400	43 504
Number of Section 341 Issued	28 062	29 867
Traffic Awareness Sessions	86	54
Number of camera speeding fines issued	357 144	372 420
Number of ANPR interventions	97	100
Number of public transport operations	258	261
Number of drunken driving operations	275	223

The tables below indicate the capital expenditure for the Section: Law Enforcement and Traffic Services as at 30 June 2023:

Table 192: Capital Expenditure as at 30 June 2023: Section: Traffic and Law Enforcement

Capital Projects	Adjustment Budget	Actual Expenditure	Variance from the Adjustment Budget
	R'000		
Vehicle Fleet: Law Enforcement	1 366	0	100%
Furniture, Tools, and Equipment: Traffic Services	199	141	28.93%
Install and upgrade CCTV / LPR cameras in WC024	1 234	391	68.34%
Install computerised access security systems and CCTV cameras at municipal buildings	1 351	0	100%
Law Enforcement Tools and Equipment	300	263	12.17%
<i>Only the five largest capital projects are listed.</i>			

The Section: Traffic and Law Enforcement has spent 20% of the capital budget for the financial year.

The tables below indicate the total number of employees in the Department: Protection Services as at 30 June 2023.

Table 193: Total number of employees in the office of the Senior Manager: Protection Services

Job Level	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	Number			
18 – 22	1	1	0	100
14 – 17	0	0	0	0
9 – 13	0	0	0	0
4 – 8	1	0	1	0
3 – 0	0	0	0	0
Total	2	1	1	50

Table 194: Total number of employees in the office of the Manager: Traffic Law Enforcement

Job Level	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	Number			
18 – 22	0	0	0	0
14 – 17	1	1	0	100
9 – 13	0	0	0	0
4 – 8	0	0	0	0
3 – 0	0	0	0	0
Total	1	1	0	100

Table 195: Total number of employees in the office of the Chief Traffic Services

Job Level	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	Number			
18 – 22	0	0	0	0
14 – 17	1	1	0	100
9 – 13	1	1	0	100
4 – 8	1	1	0	100
3 – 0	0	0	0	0
Total	3	3	0	100

Table 196: Total number of employees in Traffic Law Enforcement Services

Job Level	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	Number			
18 – 22	0	0	0	0
14 – 17	1	1	0	100
9 – 13	35	28	7	80
4 – 8	13	12	1	92.3
3 – 0	0	0	0	0
Total	49	41	8	83.6

Table 197: Total number of employees in Traffic Admin Services

Job Level	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	Number			
18 – 22	0	0	0	0
14 – 17	1	1	0	100
9 – 13	1	0	1	0
4 – 8	16	15	1	93.7
3 – 0	0	0	0	0
Total	18	16	2	88.8

Table 198: Total number of employees in Law Enforcement Services

Job Level	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	Number			
18 – 22	0	0	0	0
14 – 17	3	1	2	33.3
9 – 13	21	17	4	80.9
4 – 8	49	45	4	91.8
3 – 0	0	0	0	0
Total	73	63	10	86.3

3.21 Fire and Disaster Management

The Republic of South Africa's 1996 Constitution imposes legal obligations on the government to protect the health and safety of its citizens. Section 41(1)(b) determines that all spheres of government are required to "secure the well-being of the people of the Republic," while Section 152(1)(d) requires that local government "ensures a safe and healthy environment."

Consistent with South Africa's primary approach to adapting to the impact of climate change by strengthening the nation's resilience, the fire services must embrace climate adaptation by identifying and putting into effect appropriate policies, strategies, and measures. While there are several interventions that the fire service can put in place to contribute to this vision, the following are some of the measures that are being pursued by the Stellenbosch Municipal Fire Service:

- ✦ Construction of green and environmentally friendly fire stations and facilities;
- ✦ Better use of water for firefighting purposes, as well as usage of alternate environmentally friendly extinguishing mediums;
- ✦ Utilisation of less harmful and environmentally friendly foam;
- ✦ Reduction of emissions, especially during prolonged fire incidents; and
- ✦ Factoring climate change impacts in land-use planning; including the effects of urbanisation on flood characteristics and the urban island heat phenomena created by urban development.

Schedule 4, Part A of the Constitution, determines that disaster management is a functional area of concurrent national and provincial legislative competence, meaning that both national and provincial governments have a legal imperative to implement disaster management according to the requirements of the Constitution and the Disaster Management Act. This does not mean that municipalities (the local sphere of government) are exempt from disaster management responsibilities. Section 156(4) of the Constitution determines that national and provincial governments must assign to a municipality, by agreement and subject to any conditions, the administration of a matter listed in Part A, Schedule 4 (e.g., disaster management), which necessarily relates to local government, if that matter would most effectively be administered locally and if the municipality has the capacity to administer it.

The elevated levels of poverty in disadvantaged communities are an especially important factor in the progression of vulnerability to hazards. The most effective sphere of implementation and planning for disaster management is, without doubt, the local government (municipal) sphere. Disaster management is therefore a crucial function of the local government. Certain functions that are closely related to disaster management are included in Schedules 4 and 5 of Part B of the Constitution as functions that local government must provide, e.g., air pollution management, building regulations, firefighting services, municipal planning, municipal health care, and water and sanitation services.

It is therefore safe to say that disaster management forms an integral part of South African public services, and the primary responsibility for disaster management in the Republic rests with the government (in all the governments' spheres).

Highlights:

- ✦ Procurement of a mobile incident command vehicle.
- ✦ Commencement of the planning for the Jamestown satellite fire station.

Challenges:

- 📌 Fire risk in expanding informal settlements, compounded by loadshedding.

a) Service Statistics – Fire and Disaster Management**Table 199: Service Data for Fire and Disaster Management**

Details	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Total fires attended in the year	647	1 011	1 043	947	944	1 022	893
Total of other incidents attended in the year	1 952	1 655	1 511	1 740	3416	2 515	1 948
Average turnout time - urban areas (minutes)	8.25	8.25	8.25	8.25	8.25	8.25	8.25
Average turnout time - rural areas (minutes)	22.75	20.5	20	15	15	15	15
Firefighters in post at year-end	52	57	57	58	61	61	64
Total fire appliances at year-end	10	11	13	15	17	17	17
The average number of appliances off the road during the year	3	2	2	2	2	2	2
Total operational call outs	2 704	2 666	2 556	2 687	4 360	3 537	2 841
Immediate relief to victims	831	849	437	573	555	775	1 478
Emergency flood kits	300	184	118	372	37	0	82
Emergency housing kits	277	190	149	262	156	208	568
Meals (food parcels)	327	180	158	138	155	213	8 651 Meals / 328 Food Parcels
Blankets	315	526	473	479	497	601	984

The table below indicates the capital expenditure for the Section: Fire and Disaster Management as at 30 June 2023.

Table 200: Capital Expenditure as at 30 June 2023: Section: Fire and Disaster Management Services

Capital Projects	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget
	R'000		
Furniture, Tools, and Equipment: Fire	300 000	299 683	0.11%
Specialised Vehicles: Disaster Management	1 900 000	599 472.75	68.45%
Upgrading of Stellenbosch Fire Station	520 696	520 695.05	0%
<i>Only the 5 largest capital projects are listed</i>			

The Section: Fire and Disaster Management has spent 52% of the capital budget for the financial year.

The table below indicates the number of employees in the Section: Fire and Disaster Management as at 30 June 2023.

Table 201: Total number of employees in the Section: Fire and Disaster Management

Job Level	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	Number			
18 – 22	0	0	0	0
14 – 17	5	4	1	80
9 – 13	8	8	0	100
4 – 8	52	52	0	100
3 – 0	0	0	0	0
Total	63	62	1	98.4

COMPONENT F: SPORT AND RECREATION

3.22 Holiday resorts and campsites

The Stellenbosch Municipality is responsible for the management and maintenance of one picnic site, the Jonkershoek Picnic Site. This site is situated in the Jonkershoek Valley on the banks of the Eerste River. The picnic site attracts up to 15 840 visitors per annum due to its natural beauty and tranquillity set at the foothills of the Jonkershoek mountains and provides outdoor leisure for visitors, catering for braai and picnics along the river course.

3.22.1 Sports facilities and Swimming Pools

Table 202: Service Statistics – Holiday Resorts and Campsites

Type of service	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of resorts	1	1	1	1	1	1	1
% Occupation for the year for Jonkershoek picnic site (open from 1 September to 30 April)	PAX:15840 CARS:3372 Income: R448 701	PAX:13636 CARS:2434 Income: R403 579.74	PAX:20690 CARS:5246 Income: R648 115	PAX:12993 CARS:2063 Income: R462 832.73	PAX:0 CARS:0 Income: R0	PAX:10 585 CARS: 1757 Income: R380 269	PAX:5710 CARS: 1309 Income: R205 134.50

The Stellenbosch Municipality is responsible for the management and maintenance of seventeen (17) sports grounds in its municipal area. The picturesque beauty of the Stellenbosch Mountains surrounds these grounds. Ten (10) are in urban areas, and seven are in rural areas.

It is the municipality's goal to create active, healthy communities and to provide a sporting hub for all its residents and visitors by offering a wide range of well-maintained and well-managed sporting facilities.

Stellenbosch Municipality manages and maintains one swimming pool in the greater Stellenbosch area. The swimming pool is situated in Cloeteville and can accommodate two hundred and seventy-five (275) people at any time per day. The existing facility can host swimming galas and aims to further sports development and recreation.

3.22.2 Service Statistics Sport - Grounds and Swimming Pools

Table 203: Service Statistics Sports Grounds and Swimming Pool

Type of service	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of sport grounds / fields	17	17	17	17	17	14	15
Number of swimming pools	1	1	1	1	1	1	1
Number of stadiums	10	10	10	10	10	14	10

3.23 Community Halls and Facilities

Stellenbosch Municipality is the proud owner of two top-class town halls and nine community facilities that cater to residents and both national and international visitors.

The facilities are available throughout the year (365 days per annum) and can be booked for events such as meetings, weddings, training sessions, conferences, and community and social events.

Table 204: Total functions: Community Halls and Facilities

Type of service	2019/20	2020/21	2021/22	2022/23
Total functions at municipal halls				
Stellenbosch Town Hall	65	0	10	40
Klapmuts Centre	59	28	80	81
Eikestad Hall	142	17	74	80
Wemmershoek Hall	31	7	37	27
La Motte Community Hall	12	14	59	47
Franschhoek Town Hall	11	1	2	2
Groendal Community Hall	76	18	69	66
Kylemore Community Hall	20	19	36	35
Pniël Banquet Hall	44	15	34	50
Kayamandi Community Hall	N/A	N/A	27	152
Cloetesville Banquet Hall	N/A	N/A	5	65

The table below indicates the total revenue for Community Halls and Facilities.

Table 205: Total Revenue / Income: Community Halls and Facilities

Type of service	2019/20	2020/21	2021/22	2022/23
Stellenbosch Town Hall	R1 047 814.66	R0	R 100 935.38	R 384 455.10
Klapmuts Centre	R47 356	R23 475.60	R 62 892.64	R 50 824
Eikestad Hall	R93 475	R9 407.60	R 51 675.42	R 50 362.60
Wemmershoek Hall	R35 526	R3 662.63	R 18 385.53	R 10 926
La Motte Community Hall	R23 731	R7 068.61	R 30 293.54	R 18 379
Franschhoek Town Hall	R66 260.90	R9 403	R10 565.22	R 16 120
Groendal Community Hall	R61 394.10	R13 488.50	R 42 818.74	R 39 732
Kylemore Community Hall	R11 260.70	R10 855.72	R 25 718.23	R 23 001.48
Pniël Banquet Hall	R36 706.20	R8 522.12	R 30 556.39	R 30 347
Kayamandi Community Hall	-	-	R 5 214.69	R 24 996
Cloetesville Banquet Hall	-	-	R 815	R 17 130
Total				

The table below indicates the capital expenditure for the Section: Sport, Recreation and Halls as at 20 June 2023.

Table 206: Capital Expenditure: Section: Sport, Recreation and Halls

Capital Projects	Adjustment Budget	Actual Expenditure	Variance from Adjustment Budget (%)
	R'000		
Upgrade of Sport Facilities	3174	1605	49.43%
Upgrading of Parks	1 989	1 032	48.12%
Botmaskop: Security Fencing	2 765	1 981	28.36%
Jan Marais Nature Reserve: Upgrading and maintenance of the reserve	1 641	1 575	4.04%
Specialised Vehicles: Workshop	1 118	1 118	0%
<i>Only the 5 largest capital projects are listed</i>			

The Section: Sport, Recreation and Halls has spent 70% of the capital budget for the financial year.

The table below indicates the total number of employees in the Section: Sport, Recreation and Halls as at 20 June 2023.

Table 207: Total Employees: Community Halls and Facilities (Section: Sport, Recreation and Halls)

Job Level	Posts	Employees	Vacancies (full time equivalents)	Vacancies (as a % of total posts)
	Number			
18 – 22	1	1	0	100%
14 – 17	1	1	0	0%
9 – 13	1	1	0	0%
4 – 8	1	1	0	0%
3 – 0	12	11	1	8.33%
Total	16	15	1	6.25%

COMPONENT G: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes corporate policy offices, financial services, human resource services, ICT services and property services.

3.24 Financial Services

3.24.1 Service statistics

Table 208: Financial service statistics

Details of the types of accounts raised and recovered	2022/23		
	Billed in Year	Actual for accounts billed in a year	The proportion of value of accounts billed that were collected
	R		%
Property Rates	444 035 356	437 381 379	98.50%
Electricity	779 983 813	736 157 618	94.38%
Water	162 138 204	145 071 917	89.47%
Sanitation	106 739 375	99 852 079	93.55%
Refuse	89 836 854	79 123 326	88.07%

3.25 Human Resources Services

Stellenbosch Municipality views the Human Resources Management component as the governance of the organisation's employees. More commonly, human resources per se refers to the people or human capital appointed or employed by the organisation whose skills are used to reduce risk and maximise return on investment. The vision of the Department: Human Resources Management is undoubtedly to build partnerships with management at all levels of the organisation, to create a culture or working environment where employees are valued or appreciated, and to ensure a diverse, qualified, healthy, and highly motivated workforce focused on achieving critical outcomes through the development and administration of cost-effective and results-oriented human resources. Accordingly, the mission of the Department: Human Resources Management is to address and achieve the goals and challenges of Stellenbosch Municipality by providing services that promote a work environment that is characterised by fair treatment of staff, open communications, personal accountability, trust, and mutual respect. The municipality will seek and provide solutions to workplace issues that support and optimise the operating principles of the organisation.

The Department: Human Resources Management objectives for Stellenbosch Municipality include, but are not limited to:

- ✦ Helping the organisation achieve its goals;
- ✦ Ensuring effective utilisation and maximum development of human resources;
- ✦ Ensuring respect for human beings;
- ✦ Identifying and satisfying the needs of individuals;
- ✦ Ensuring reconciliation of individual goals with those of the organisation;
- ✦ Achieving and maintaining high morale among employees;
- ✦ Providing the organisation with well-trained and well-motivated employees;
- ✦ Increasing employees' job satisfaction and self-actualisation;
- ✦ Developing and maintaining the quality of work-life;

- ‡ Being ethically and socially responsive to the needs of the community;
- ‡ Developing the overall personality of each employee in its multidimensional aspect;
- ‡ Enhancing employees' capabilities to perform the present job; and
- ‡ Ensuring service excellence for the Stellenbosch municipal area.

Human resources services include:

- ‡ Strategic Human Resources Management;
- ‡ Labour Relations;
- ‡ Recruitment and Selection;
- ‡ Training and Development;
- ‡ Employee Assistance;
- ‡ Occupational Health and Safety;
- ‡ Employment Equity; and
- ‡ All Human Resources Administration.

Each director, manager, departmental head, superintendent, assistant superintendent, and foreman is responsible for setting objectives, delegating responsibilities and tasks, motivating staff, disciplining staff, developing skills and career paths, measuring performance, and generally guiding their staff. In these endeavours, management and line management are assisted by the Department: Human Resources Management, which provides policies, guidelines, support, systems, and specialised inputs.

The highlights for the Department: Human Resources Management in 2022/23 are the following:

- ‡ **269** employees were trained;
- ‡ **12** employees attended learnerships on construction roadworks;
- ‡ **3** employees have completed the Municipal Minimum Competency training;
- ‡ **15** students were placed in various directorates to gain practical work experience to obtain their qualifications. The amount spent was **R282 405**;
- ‡ **28** internal bursaries were awarded in the amount of **R527 015**;
- ‡ **8** external bursaries (Provincial Treasury) were awarded in the amount of **R319 000**;
- ‡ An amount of **R4 362 594** was spent on seminars, conferences, and workshops (Training);
- ‡ The total amount that was spent on training activities for the whole municipality was **R5 491 014** which is **0.90%** of the payroll budget spent.

The challenges for the Department: Human Resources Management in 2022/23 were the following:

- ‡ Shortage of conducive training venues; and
- ‡ The implementation of the Municipal Staff Regulations as promulgated (excluding Chapters 2 and 4) was implemented, and due to many and various interpretations, it will become challenging as it is implemented.

The table below indicates the total number of employees in the Department: Human Resource Management as at 20 June 2023:

Table 209: Total number of employees in the Department: Human Resources Management

Job Level	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	Number			
18 – 22	1	1	0	0%
14 – 17	2	2	0	0%
9 – 13	12	12	0	0%
4 – 8	3	2	1	33%
3 – 0	0	0	0	0%
Total	18	17	1	5.5%

3.26 Information and Communication Technology (ICT) Services

The Department of ICT committed its time in the 2022/23 financial year to reviewing ICT contracts and the purchase and replacement of computer software and hardware to further enable the various municipal business units.

a) Highlights:

- ✦ High-site wireless hardware links were procured and delivered during this time, with the plan to upgrade the municipal network to the outer-lying areas under the WC024 area. A rate tender for WAN infrastructure was approved to assist in shortening the municipality's turnaround time in commissioning new sites and improving current location services;
- ✦ Providing a critical support role in the Memorandum of Understanding (MOU) entered between Remgro and the municipality to provide needed communication infrastructure for the camera coverage of the Eerste River Footpaths rehabilitation project;
- ✦ The Department: ICT spent a large amount of its effort on once again reducing printing and office automation costs by participating in the newly approved National Treasury RT3-2022 contract. As a result of this contract, the municipality will continue to reduce its printer footprint and begin to centrally manage usage across printers. The many stand-alone office printers will continue to be replaced with shared departmental printers, further assisting in reducing costs;
- ✦ Successfully drafted and awarded a tender for the upgrade of the Council Chambers' audio and conferencing electronic system;
- ✦ Enhanced security levels against malware attacks and the like by implementing and successfully commissioning the supply and installation of next-generation firewalls with unified threat management and licensing;
- ✦ Implemented and successfully commissioned the network and communication network across all 4 floors of the newly acquired NPK building. This required that all data and voice communications be configured to be available and secured at all times and further enable communications from the building to the data centre for needed system / server access;
- ✦ Supported and enabled the installation of the queue management system to electronically enhance the customer interface centre, which is to be based on the ground floor of the NPK building to provide fast, effective, and efficient municipal services to citizens;
- ✦ Successfully extended the services of the municipality's e-mail protection and injection system, MimeCast, by introducing DMARC (Domain-based Message Authentication, Reporting, and Conformance), which is a standard that prevents spammers from using the municipality's domain to send email without its permission—also known as spoofing;
- ✦ Introduced and successfully rolled out security awareness training using MimeCast for all computer-enabled staff by way of guided security video clips to help harden the municipality's

security posture against malware attacks;

- ‡ The Global Information System ESRI GIS, in its 2nd year, developed a customer care module and revived the TREE APPLICATION MANAGEMENT SYSTEM (TRAMS). ESRI GIS continued with the upgrade of the BPAMS and TPAMS and began the development of incorporating the SAMRAS electronic signature to improve turnaround times in approval across all stages with the submission of plans;
- ‡ The upgrade of the backup infrastructure to accommodate and include all critical systems to ensure the sustainability of the ICT services continues to be streamlined and secured after the successful upgrade in the previous financial year;
- ‡ ICT continued streamlining and securing the Microsoft Office 365 and Windows 10 migration to improve collaboration within and between directorates by introducing added functionality within Teams and One Drive;
- ‡ Four quarterly GIS Forum meetings took place during the 2022/23 financial year; and
- ‡ Four quarterly ICT Steering Committee meetings took place during the 2022/23 financial year.

3.26.1 Service Statistics – Information and Communication Technology (ICT)

Table 210: Service Statistics – ICT

Details	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	%								
Ensure the availability of the network to ensure effective ICT systems for municipal processes.	98	98	99.9	99.9	99	99	99	99	99
Provide ICT support to all municipal departments by attending to requests within 4 working days.	97	98	98	98	98	98	98	98	98
Connecting all municipal sites to the ICT network.	100	100	100	100	100	100	100	100	100

The table below indicates the capital expenditure for the Department: ICT as at 30 June 2023.

Table 211: Capital expenditure - ICT services as at 30 June 2023

Capital Projects	Adjustment Budget	Actual Expenditure	Variance from the Adjustment Budget %
	R'000		
Public WI-FI Network	137	137	0%
Purchase and Replacement of computer / software and Peripheral devices	598	540	9.78%
Upgrade and Expansion of IT Infrastructure Platforms	7 380	5 274	28.55%

The Department: ICT has spent 73% of the capital budget for the financial year.

The table below indicates the number of employees in the Department: ICT as at 30 June 2023.

Table 212: Total number of employees in the Department: ICT

Job Level	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	Number			
18 – 22	1	1	0	0%
14 – 17	4	3	1	25%
9 – 13	7	6	1	14.2%
4 – 8	0	0	0	0%
3 – 0	0	0	0	0%
Total	12	10	2	16.6%

3.27 Legal Services

The Section: Legal Services, in conjunction with user departments, ensures and manages the implementation, monitoring, evaluation, and reporting of key service delivery objectives concerning Legal Services. During the year under review, 45 cases were registered at the High Court, Labour Court, and Magistrate's Court.

a) The main objectives are the following:

- ✚ Advise and manage litigations instituted by the municipality and against it;
- ✚ Provide legal advice, opinions, and input on policies, contracts, agreements, memoranda, legislation, by-laws, and regulations;
- ✚ Advising the Municipal Council, Mayco, and Portfolio Committees on items submitted to meetings;
- ✚ Ensuring by-laws are promulgated after consultation with user departments and approved by the Council; and
- ✚ Attend to new legislation and proclamations for comment as and when required.

b) Challenges:

- ✚ To deal with urgent requests for legal input to the Portfolio, Mayco, and the Council Committees;
- ✚ Lack of skilled administrative support for the Chief Legal Advisor; and
- ✚ Availability of a well-maintained legal library and reference resources.

The table below indicates the total number of employees in the Section: Legal Services as at 30 June 2023.

Table 213: Total number of employees in the Section: Legal Services

Job Level	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	Number			
18 – 22	0	0	0	0%
14 – 17	1	1	0	0%
9 – 13	0	0	0	0%
4 – 8	0	0	0	0%
3 – 0	0	0	0	0%
Total	1	1	0	100%

3.28 Municipal Court – Additional Court - Stellenbosch

The Municipal Court is responsible for the following prosecutions:

- ‡ Traffic by-laws;
- ‡ Provincial traffic by-laws;
- ‡ SAPS by-laws;
- ‡ Law enforcement by-laws;
- ‡ Fire by-laws;
- ‡ Building and Land Use Regulations, and all other by-law contraventions;
- ‡ Electrical By-laws; and
- ‡ Noise pollution.

a) **Mission Statement of the Municipal Court**

The Municipal Court aims to: -

- ‡ promote justice and service delivery;
- ‡ enhance revenue to invest in the community;
- ‡ "*Let Justice be seen to be done*"; and
- ‡ minimise crime and have a safer Stellenbosch.

The Municipal Court was established to:

- ‡ Support and secure good governance;
- ‡ Ease the burden on regular courts;
- ‡ Increase the speed of services;
- ‡ Allow for more successful prosecutions by applying specialist knowledge;
- ‡ Improve communications between the by-law prosecutors and enforcers;
- ‡ Support by-law enforcement;
- ‡ Ensure a user-friendly court; and
- ‡ Keeps members of the public who committed a minor crime (such as a traffic offence) away from hardened criminals.

The municipality is also looking into having an ad hoc court in Franschhoek / Klapmuts in the near future. This could be another boost for the Municipal Court's service to the community. Prosecuting some of the cases in the Paarl Magistrate's Court is also currently being considered.

The introduction of the Municipal Court has been an essential, strategic implementation that will benefit the whole community of Stellenbosch.

3.28.1 Statistical Report – Case Load

Table 214: Statistical Report Caseload 2022/23

Months:	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
Cases on the roll	329	1150	146	349	454	519	241	149	211	1 195	193	206
Withdrawn	2	3	6	2	9	3	6	0	7	4	0	1
Struck off the role	6	168	6	11	33	19	28	0	11	169	24	17
Warrants authorised	131	944	108	281	342	225	150	146	145	990	43	90
Deferment	0	0	0	0	0	0	0	0	0	0	0	0
Payments	12	31	7	22	33	9	24	3	21	13	20	13
Postponed	30	8	19	33	37	19	33	0	18	6	57	6
Mediations	0	0	0	0	0	0	0	0	0	0	0	0

3.28.2 Financial Report of the Municipal Court 2022/23

Table 215: Financial Report of the Municipal Court 2022/23

Month	Traffic Fines	SAPS Fines	Law Enforcement Fines	Contempt of Court Fines	Provincial Fines	Electricity	Building	Total Amount
Jul	254 750	0	1 950	30 000	4 750	1 000	0	292 450
Aug	334 800	0	3 880	35 700	2 800	1 000	0	378 180
Sep	386 700	0	1 550	53 400	10 250	0	0	451 900
Oct	393 050	200	0	60 300	6 600	0	0	460 150
Nov	581 975	0	2 040	68 050	10 850	0	0	662 915
Dec	129 000	0	650	3 600	0	0	0	133 250
Jan	288 850	0	100	45 600	10 900	0	2 800	348 250
Feb	404 950	0	750	57 600	5 550	0	0	468 850
Mar	382 040	0	4 160	57 300	250	0	0	443 750
Apr	231 020	0	350	39 300	3 700	0	0	274 370
May	353 490	0	3 200	62 700	4 650	0	6 400	430 440
June	380 101	0	700	60 900	2 200	0	7 400	451 301
Total	4 120 726	200	19 330	574 450	62 500	2 000	16 600	4 795 606

The table below indicates the total number of employees in the Section: Municipal Court as at 30 June 2023.

Table 216: Total number of employees in the Section: Municipal Court

Job Level	Posts	Employees	Vacancies (full-time equivalents)	Vacancies (as a % of total posts)
	Number			
18 – 22	0	0	0	0%
14 – 17	1	1	1	100%
9 – 13	0	0	0	0%
4 – 8	4	3	1	25%
3 – 0	0	0	0	0%
Total	5	4	2	40%

COMPONENT H: ORGANISATIONAL PERFORMANCE SCORECARD

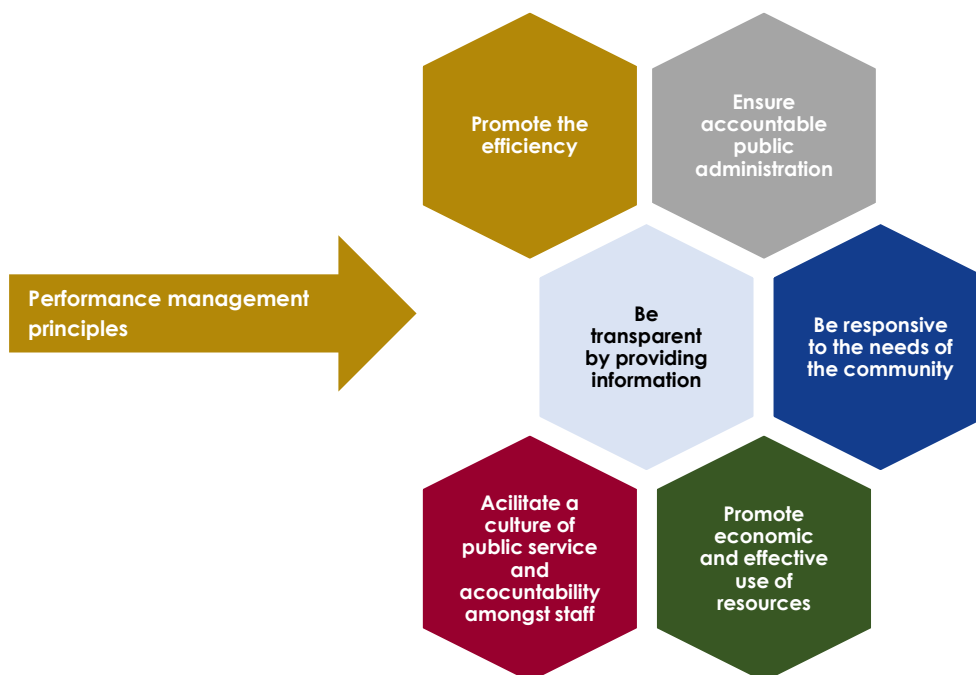
3.29 Performance Management

Performance management is a process that measures the implementation of the organisation's strategy as captured within the IDP. It is also a management tool to plan, monitor, measure, and review performance indicators to ensure efficiency, effectiveness, and the impact of service delivery by the municipality.

At a local government level, performance management is institutionalised through the legislative requirements of the performance management process. Performance management provides the mechanism to measure whether targets are met in line with strategic goals as set by the organisation.

Section 152 of the Constitution of the Republic of South Africa, 1996, deals with the objectives of local government and paves the way for performance management. The idea of an accountable government is important to meet the needs of Stellenbosch. The democratic values and principles in terms of Section 195(1) of the Constitution are also linked with the concept of performance management, concerning the principles of the following, among others:

Figure 49: Performance Management Principles



It is a statutory requirement, according to the MSA, to establish a performance management system and an IDP that must be aligned with the municipal budget. The monitoring of the organisational performance of the budget must be done against the IDP every quarter via the Service Delivery and Budget Implementation Plan (SDBIP). The report is made public after the council has been informed of the quarterly progress against set targets.

In addition, Regulation 7(1) of the Local Government: Municipal Planning and Performance Management Regulations of 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."

Performance management is not only relevant to the organisation but also to the individuals employed in the organisation, as well as the external service providers and municipal entities. This framework, inter alia, reflects the linkage between the IDP, the Budget and the SDBIP.

3.29.1 Legislative requirements

In terms of Section 46(1)(a) of the MSA, a municipality must prepare a performance report for each financial year that reflects the municipality's and any service provider's performance during the financial year. The report must furthermore indicate the development and service delivery priorities, the performance targets set by the municipality for the following financial year, and measures that were or are to be taken to improve performance.

3.29.2 Organisational performance

A strategic performance assessment indicates how well the municipality is meeting its objectives and which policies and processes are working. All government institutions must report on strategic performance to ensure that service delivery is efficient, effective, and economical. Municipalities must develop strategic plans and allocate resources for their implementation. The implementation must be monitored on an ongoing basis, and the results must be reported to various role players during the financial year to enable them to implement corrective measures when and where required.

This report highlights the strategic performance in terms of the municipality's Top-layer Service Delivery and Budget Implementation Plan (SDBIP), high-level performance in terms of the strategic objectives of the municipality, and performance on the National Key Performance Indicators prescribed in terms of Section 43 of the MSA.

The Performance Management Policy 2021/22 is currently under review to be aligned with the new Staff Regulation 809.

3.29.3 Governance Framework for the IDP, Budget and Performance Management

The draft review of the 5th Generation IDP was tabled in March 2022 and advertised for public comment thereafter. Stellenbosch Municipal Council adopted the 5th Generation IDP (2022 / 2027) together with the 2022/23 MTREF Budget on 25 May 2022.

The IDP is the principal planning instrument that guides and informs the municipal budget. The MSA requires each municipality in South Africa to prepare a strategic plan to guide all development and management within the municipal area. The IDP sets out the development priorities of Stellenbosch Municipality over the next five years. The IDP must guide and determine municipal planning and project implementation. The 2022/23 budget was based on the IDP and other spheres of government and service providers.

The IDP is a strategic tool that guides all the activities of local government in consultation with residents and stakeholders. In keeping with the more evolved and strategic approach to this IDP, the implementation plan focuses on only the key strategic programmes, projects, and initiatives that will support the achievement of the priorities during the five-year term of office. Its focus is on development in a broader sense, and it is a structured plan that informs budget priorities, decision-making, and the allocation of resources.

The focus of the IDP is varied and includes the provision of basic municipal services, measures for building and transforming municipal capacity, measures to assist in expanded livelihood opportunities for citizens, enterprise development, building dignified and safe living environments, and, crucially, exploring new ways of working and living together. It directs and is informed by different aspects of the municipality's work, including how the municipality is structured politically and administratively, the municipal budget, the sector plans and service delivery and budget implementation plans of different municipal services, and how the municipality manages its performance.

The three-year budget sets out the revenue-raising and expenditure plan of the municipality for approval by the Council under the MFMA. The allocation of funds needs to be aligned with the priorities in the IDP.

The IDP must be reflected in the performance agreements of the relevant staff and, through the budget, in the service delivery and budget implementation plan (SDBIP). The key performance management instrument of the municipality is the SDBIP. Linked to the IDP, the SDBIP forms the basis of the performance contracts of directors and quarterly, mid-year, and annual performance reviews of senior management, directorates, and the municipality.

3.29.4 Service Delivery and Budget Implementation Plan

The organisational performance is evaluated using a municipal scorecard (Top-layer SDBIP). Performance objectives, as reflected in the municipal scorecard, are required to be practical, measurable, and based on the key performance indicators.

It also allocates responsibility to directorates to deliver the services in terms of the IDP and the budget.

The purpose of performance reporting is to report specifically on the implementation and achievement of IDP outcomes. This section should provide an overview of the achievements of a municipality in terms of the strategic intent and deliverables achieved as stated in the IDP. The Top-layer (strategic) SDBIP is the municipality's strategic plan and shows the strategic alignment between the different documents (IDP, budget, and performance agreements).

The organisational performance is evaluated using a Municipal Scorecard (TL SDBIP) at an organisational level and through the Service Delivery and Budget Implementation Plan (SDBIP) at departmental levels.

The SDBIP is a plan that converts the IDP and Budget into measurable indicators of how, where, and when the strategies, objectives, and normal business processes of the municipality are implemented. It also allocates responsibilities to directorates to deliver the services in terms of the IDP and Budget.

MFMA Circular No. 13 is a clarification of the Municipal Budget and Reporting Regulations, Schedule A 1, GenN 393 in GG32141 of 2009 and prescribes that the:

- ✚ IDP and Budget must be aligned;
- ✚ The Budget must address the strategic priorities;
- ✚ SDBIP should indicate what the municipality is going to do during the next 12 months; and
- ✚ SDBIP should form the basis for measuring the performance against goals set during the budget / IDP processes.

3.29.5 The municipal Scorecard (Top-layer SDBIP)

The municipal scorecard (Top-layer SDBIP) consolidates service delivery targets set by the Council as advised by senior management and provides an overall picture of the performance of the municipality, reflecting performance in its strategic priorities for the 2022/23 financial year. The scorecard is the performance evaluation tool and is used during informal and formal performance reviews.

Components of the Top-layer SDBIP include:

A one-year detailed plan with the following components:

- ‡ Monthly projections of revenue to be collected from each source;
- ‡ Monthly projections of expenditure (operating and capital) and revenue for each vote;
- ‡ Quarterly projections of service delivery targets and performance indicators for each vote;
- ‡ Ward information for expenditure and service delivery; and
- ‡ A detailed capital works plan broken down by ward over three years.

Top-layer KPIs were prepared based on the following:

- ‡ Key performance indicators (KPIs) for the programmes / activities identified to address the strategic objectives as documented in the IDP in cooperation with the community, which identify developmental priorities;
- ‡ KPIs identified during the IDP and KPIs that need to be reported to key municipal stakeholders; and
- ‡ KPIs to address the required national minimum reporting requirements.

3.29.6 Amendment of the Top-layer SDBIP

The TL SDBIP 2022/23 was reviewed once during the financial year under review and submitted to the Council for approval on 22 June 2022 and revised on 30 January 2023.

The municipality utilises an electronic web-based, real-time performance-based system on which KPI owners update actual performance monthly. KPI owners 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;
- ‡ A performance comment; and
- ‡ Actions to improve performance include the submission of corrective measures to meet the set target for the reporting interval in question if the target is not achieved.

It is the responsibility of every KPI owner to maintain a portfolio of evidence to support actual performance results updated and provide it to the internal auditor and AGSA upon request during the quarterly and annual audit testing.

3.29.7 Monitoring of the Service Delivery and Budget Implementation Plan (SDBIP)

Municipal performance is measured as follows:

In terms of section 72(1)(a) of the MFMA:

- ✦ The accounting officer must, by 25 January of each year, assess the performance of the municipality during the first half of the financial year;
- ✦ A report on such an assessment must, in terms of Section 72(1)(b) of the MFMA, be submitted to the Mayor, Provincial and National Treasury; and
- ✦ Once the Mayor has considered the report, it must be submitted to the Council by 31 January in terms of Section 54 of the MFMA.

Quarterly assessment i.t.o. Section 52(d) of the MFMA:-

Assess the performance of the municipality during the first half of the financial year.

The Executive Mayor, who must provide general political guidance over the fiscal and financial affairs of the municipality, is required by Section 52(d) of the MFMA to submit a report on the implementation of the budget and the financial situation of the municipality to the Council within 30 days after the end of each quarter.

The actual performance was audited by the Department: Internal Audit (IA), and the results of their findings were submitted to the APAC:

- ✦ Quarter 1 (July to September);
- ✦ Quarter 2 (October to December);
- ✦ Quarter 3 (January to March); and
- ✦ Quarter 4 (April to June).

Other municipal personnel

The municipality has implemented individual performance management for employees at the three highest levels of management.

Municipal Manager and Managers Directly Accountable to the Municipal Manager

The MSA prescribes that the municipality must enter into performance-based agreements with the municipal manager and managers directly reporting to the municipal manager, i.e., MSA Section 56 managers. Performance agreements must be reviewed annually and published in the public interest. This process and the format are further regulated by Regulation 805 (August 2006), MSA.

The revised (latest) performance plans for the municipal manager and MSA Section 56 appointments for the 2022/23 financial year were signed on 02 March 2023 as prescribed. They include performance agreements for the:

- ‡ Municipal Manager;
- ‡ Chief Financial Officer;
- ‡ Director: Corporate Services;
- ‡ Director: Planning and Local Economic Development;
- ‡ Director: Community and Protection Services; and
- ‡ Director: Infrastructure Services.

Table 217: Performance Management Governance

	Performance Management Policy	All MSA s57/56 Performance contracts signed	Audit Committee	Municipal Public Accounts Committee (MPAC)	Quarterly Performance Reporting to the Council	Annual Performance Reporting to the Council
In place?	√	√	√	√	√	√

In the paragraphs below, the performance achieved is illustrated against the Top-layer SDBIP according to the IDP strategic objectives. The following table explains the method by which the overall assessment of actual performance against targets set for the key performance indicators (KPIs) of the SDBIP is measured:

Table 218: Performance Assessment Criteria

Colour	Category	Explanation
	KPI Not Yet Measured	KPIs with no targets or actual results for the selected period
	KPI Not Met	Actual vs. target less than 75%
	KPI Almost Met	Actual vs. target between 75% and 100%
	KPI Met	Actual vs. target 100% achieved
	KPI Well Met	Actual vs. target more than 100% and less than 150% achieved
	KPI Extremely Well Met	Actual vs. target of more than 150% achieved

The TL SDBIP (the Municipal Scorecard) consolidates service delivery targets set by the Council / Senior Management and provides an overall picture of performance for the municipality, reflecting performance on its strategic priorities.

3.29.8 Overall Performance per Municipal Strategic Focus Area

The following table illustrates the municipality's overall performance per Municipal Strategic Focus Area (SFA). The Annual Performance Report 2022/23 was submitted to the Stellenbosch Municipal Council as well as the AGSA in terms of the MSA, Sections 46(1) and (2).

The graph and table below give a clear indication of what was reported to the Council on the municipality's performance in terms of the five (5) National Government's Key Performance Areas for local government, which are (1) Basic Service Delivery; (2) Local Economic Development; (3) Municipal Institutional Transformation and Development; (4) Municipal Financial Viability and Management; and (5) Good Governance and Public Participation.

Graph 15: Percentage of performance summary per SFA

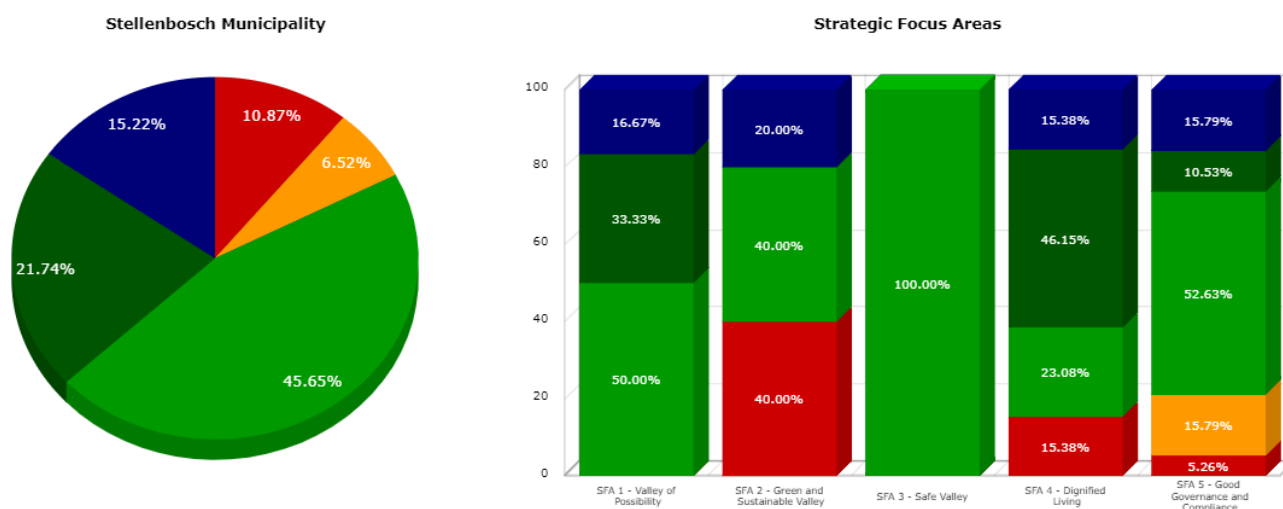


Table 219: Performance summary per Municipal Strategic Focus Area (SFA)

Stellenbosch Municipality		Municipal Strategic Focus Areas (SFAs)				
		SFA 1 - Valley of Possibility	SFA 2 - Green and Sustainable Valley	SFA 3 - Safe Valley	SFA 4 - Dignified Living	SFA 5 - Good Governance and Compliance
KPI Not Yet Measured	-	-	-	-	-	-
KPI Not Met	5 (10.87%)	-	2 (40%)	-	2 (15.38%)	1 (5.26%)
KPI Almost Met	3 (6.52%)	-	-	-	-	3 (15.79%)
KPI Met	21 (45.65%)	3 (50%)	2 (40%)	3 (100%)	3 (23.08%)	10 (52.63%)
KPI Well Met	10 (21.74%)	2 (33.33%)	-	-	6 (46.15%)	2 (10.53%)
KPI Extremely Well Met	7 (15.22%)	1 (16.67%)	1 (20%)	-	2 (15.38%)	3 (15.79%)
Total:	46 100%	6 13.04%	5 10.87%	3 6.52%	13 28.26%	19 41.30%

CHAPTER 4: ORGANISATIONAL DEVELOPMENT PERFORMANCE

4.1 Introduction to the Municipal Workforce

Stellenbosch Municipality, as of 30 June 2023, employed **1 147** officials (excluding councillors and non-permanent positions) who individually and collectively contributed to the achievement of the municipality's objectives. The primary objective of Human Resource Management is to render an innovative HR service that addresses both skills development and an administrative function.

4.2 Employment Equity

The Employment Equity Act (1998), Chapter 3, Section 15(1), states that affirmative action measures are measures designed to ensure that suitably qualified people from designated groups have equal employment opportunities and are equitably represented in all occupational categories and levels in the workforce of a designated employer. The national performance indicator also refers to the "number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan". The following table provides clarity on the employment equity status.

Table 220: EE Targets / Actual by Racial Classification

Financial Year	African			Coloured			Indian			White		
	Target June	Actual June	Target reached	Target June	Actual June	Target reached	Target June	Actual June	Target reached	Target June	Actual June	Target reached
2018/19	334	372	111.4%	497	651	131%	23	4	17%	75	94	125.3%
2019/20	334	383	111.4%	497	680	137%	23	4	17%	75	96	128%
2020/21	334	395	118.3%	497	660	132.8%	23	4	17%	75	83	110.67%
2021/22	334	387	115.9%	497	671	135.01%	23	4	17%	75	79	105.3%
2022/23	334	391	117%	497	674	135.6%	23	4	17.4%	75	78	104%

Table 221: Targets / Actual by Gender Classification

Financial Year	Male			Female			Disability		
	Target June	Actual June	Target reached	Target June	Actual June	Target reached	Target June	Actual June	Target reached
2018/19	681	750	110.1%	670	371	55.3%	10	10	100%
2019/20	681	760	111.6%	670	398	59.4%	10	10	100%
2020/21	681	737	108.22%	670	405	60.45%	10	10	100%
2021/22	681	735	107.9%	670	406	60.6%	10	10	100%
2022/23	681	727	106.7%	670	420	62.5%	10	6	60%

4.3 Occupational Categories - Race

The table below categorises the number of employees by race within the occupational levels.

Table 222: Occupational Categories – Race

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top Management and Councillors	9	16	1	4	6	4	0	11	51
Senior management	0	6	1	4	1	2	0	0	14
Professionally qualified and experienced specialists and mid-management	6	27	1	12	11	17	1	10	85
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	50	115	1	24	57	94	0	18	359
Semi-skilled and discretionary decision-making	88	167	0	6	57	90	0	3	411
Unskilled and defined decision-making	97	118	0	0	24	33	0	0	272
Total permanent	250	449	4	50	156	240	1	42	1 192
Non-permanent employees (incl. EPWP, conditional grants, and provincial grants)	16	22	0	1	25	31	0	0	95
Grand total	266	471	4	51	181	271	1	42	1 287

4.4 Directorates by Race

The table below categorises the number of employees by race within the different Directorates:

Table 223: Directorates by Race

Directorate	Male				Female				Total
	A	C	I	W	A	C	I	W	
Office of the Mayor	9	13	0	4	6	3	0	10	45
Office of the Municipal Manager	0	2	0	1	5	6	0	2	16
Financial Services	10	37	1	2	20	50	0	6	126
Planning and Economic Development	7	20	0	5	16	27	0	8	83
Corporate Services	6	25	0	1	15	21	0	5	73
Community and Protection Services	77	131	1	21	58	95	1	8	392
Infrastructure Services	141	221	2	16	36	38	0	1	457
Total permanent	250	449	4	50	156	240	1	42	1 192
Non-permanent employees (incl. EPWP, conditional grants, and provincial grants)	16	22	0	1	25	31	0	0	95
Grand total	266	471	4	51	181	271	1	42	1 287

4.5 Vacancy Rate

The approved organogram for the municipality had **1 120 (funded)** posts based on the 2017/18 financial year. On 01 July 2018, the approved organogram of 25 October 2017 was implemented, which brought about a total post compliment of **1 873** posts and was further reviewed and revised with another **123** posts, which made the total post compliment **1 996** posts on 27 February 2019. The actual positions filled in the 2022/23 financial year are indicated in the tables below by post-level and by functional level.

A total of **142** posts were vacant and funded at the end of 2022/23, resulting in a vacancy rate of **11%**.

The table below indicates the vacancies within the municipality:

Table 224: Vacancy rate per post and functional level

Per Post Level		
Post Level	Filled	Vacant
Top Management (MM and MSA section 57 Managers)	6	0
Senior Management	14	0
Middle management	85	11
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	359	65
Semi-skilled	411	44
Unskilled and defined decision-making	272	22
Total	1 147	142
Per Functional Level		
Functional area	Filled	Vacant
Office of the Mayor	45	0
Office of the Municipal Manager	16	0
Financial Services	126	10
Planning and Economic Development	83	15
Corporate	73	11
Community and Protection Services	392	32
Infrastructure Services	457	74
Total	1 192	142

4.6 Turnover rate

A high turnover rate may be costly to a municipality and might negatively affect productivity, service delivery, and institutional memory / organisational knowledge. Below is a table that shows the turnover rate in the municipality.

The table below indicates the turnover rate over the last four financial years.

Table 225: Turn-over Rate

Financial year	Total no appointments at the end of each Financial Year	New appointments	Number of terminations during the year	Turn-over Rate
2018/19	1 121	55	39	3.47%
2019/20	1 158	60	51	4.40%
2020/21	1 142	48	61	5.34%
2021/22	1 140	82	82	7.19%
2022/23	1 137	96 (incl promotion)	71	62

4.7 Managing the Municipal Workforce

Managing the municipal workforce refers to analysing and coordinating employee behaviour.

An occupational injury is a personal injury, disease, or death resulting from an occupational accident. Compensation claims for such occupational injuries are calculated according to the seriousness of the injury / disease and can be costly to a municipality. An occupational injury will influence the loss of man-hours and, therefore, financial and productivity performance.

Table 226: Injuries per Directorate

Directorates	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Office of the Municipal Manager	1	1	0	0	0	0	0
Financial Services	3	0	0	2	4	0	0
Planning and Economic Development Services	0	3	3	2	10	12	10
Corporate Services	1	1	1	7	9	5	7
Community and Protection Services	54	73	49	36	21	35	64
Infrastructure Services	64	42	32	42	77	57	69
Total	130	125	86	92	121	109	150

Injuries in operational services are normally higher due to the nature of work and the constant handling of equipment and machinery.

4.8 Sick Leave

The number of sick days taken by employees has an impact on costs and service delivery. The monitoring of sick leave identifies certain patterns or trends. Once patterns of concern are identified, corrective actions are taken.

The total number of employees that have taken sick leave during the 2022/23 financial year shows a decrease of **1096.71** working days when compared to the 2021/22 financial year.

The table below indicates the total number of sick leave days taken within the different directorates.

Table 227: Table 185: Sick Leave as at 30 June 2023

Directorate	2021/22	2021/22 (%)	2022/23	2022/23 (%)
Office of the Municipal Manager	129	30.23	83	19.45
Financial Services	812	26.25	667	21.75
Planning and Economic Development	436	20.19	449	21.59
Corporate Services	572.44	28.62	480.79	25.76
Community and Protection Services	2 386	23.12	1 915.93	19.21
Infrastructure Services	2 538.5	20.69	2 181.51	19.20
Total	6 873.94	22.71	5 777.23	21.16

4.9 Human Resources Policies and Plans

Policies and plans guide fair and consistent staff treatment and a consistent approach to the management of staff.

The table below shows the status of the Human Resources policies and plans:

Table 228: Approved Policies for the year under review

Name of policy	Date approved / revised
Employment Equity Policy	23 November 2022
Work From Home Policy	26 July 2023

Table 229: Policies still to be developed

Policies still to be developed	
Name of policy	Proposed date of approval
HIV / Aids Policy (review)	In the 2023/24 financial year
Incapacity due to ill health / Injury Policy	In the 2023/24 financial year
Sexual Harassment Policy	In the 2023/24 financial year

The Department: Human Resources Management submits policies to the Local Labour Forum regularly for review purposes.

4.10 Capacity Building of the Municipal Workforce

The Skills Development Act, 1998 (Act No. 97 of 1998) and the MSA require that employers supply employees with the necessary training to develop their human resource capacity. Section 55(1)(f) states that, as head of administration, the Municipal Manager is responsible for the management, utilisation, and training of staff.

4.11 Skills Matrix

The table below indicates the number of employees who received training in the year under review.

Table 230: Number of employees that received training

Management level	Gender	Number of employees identified for training at the start of the year	Number of employees that received training
MM and S57	Female	0	0
	Male	0	1
Legislators, senior officials, and managers	Female	8	4
	Male	9	8
Professionals	Female	1	5
	Male	2	6
Associate professionals and Technicians	Female	16	8
	Male	33	7
Community and Personal Services	Female	0	0
	Male	0	0
Clerks	Female	24	10
	Male	4	4
Service and sales workers	Female	43	30
	Male	81	53
Skilled, Agricultural, Fishery, Craft and Related Trades Workers	Female	11	7
	Male	51	35
Plant and machine operators and assemblers	Female	0	0
	Male	26	14
Elementary occupations	Female	28	7

Management level	Gender	Number of employees identified for training at the start of the year	Number of employees that received training
	Male	178	70
Sub-total	Female	131	71
	Male	384	198
Total		515	269

4.12 Skills Development – Training Provided and Budget Allocation

The table below indicates that a total of **R4 805 444** was spent on the workplace skills plan. This represents **0.82%** when compared to the total salary budget of the municipality in the 2022/23 financial year.

Municipalities are required, in terms of the Skills Development Act, to spend at least 1% of their salary budget on their workplace skills plan.

Table 231: Budget allocated and spent for skills development

Year	Total personnel budget	Total Allocated	Total Spend	% Spent
	R	R	R	
2020/21	R 532 497 021	R 532 497 021	R 3 300 217	0.62%
2021/22	R 598 305 199	R 5 838 508	R 3 267 622	0.55%
2022/23	R 588 075 877	R 4 500 000	R 4 805 444	0.82%

4.13 Managing the Municipal Workforce Expenditure

4.13.1 Personnel Expenditure

The percentage of personnel expenditure is essential in the budgeting process as it reflects current and future efficiency. The table below indicates the percentage of the municipal budget that was spent on salaries and allowances for the past five financial years, and the municipality is well below the national norm of between 35 to 40%.

Table 232: Personnel Expenditure as % of Total Operating Expenditure

Financial year	Total expenditure salary and allowances	Total operating expenditure	Percentage
	R	R	%
2017/18	407 801	1 307 335	31%
2018/19	444 711	1 508 629	29%
2019/20	481 583	1 661 441	29%
2020/21	544 391	1 809 977	30%
2021/22	550 719	1 925 898	29%
2022/23	542 779	1 947 880	28%

Below is a summary of Councillor and staff benefits for the year under review.

Table 233: Councillor and staff benefits

Financial year	2021/22	2022/23		2022/23
Description	Actual	Original Budget	Adjusted Budget	Actual
	R'000			
Councillors (Political Office Bearers Plus Other)				
Salary	15 253	19 011	17 697	19 152
Pension Contributions	438	0	467	511
Medical Aid Contributions	156	0	126	115
Motor Vehicle Allowance	2 039	0	720	985
Cell Phone and Other Allowances	1 929	2 051	1 836	2 002
Sub-Total - Councillors	19 815	21 062	20 846	22 765
% Increase / (Decrease) on Actual	3.63%	5.92%	4.95%	12.96%
Other Municipal Staff				
Basic Salaries and Wages	341 185	381 998	357 974	347 682
Pension and UIF Contributions	53 202	61 481	59 381	59 000
Medical Aid Contributions	25 682	27 138	27 138	27 108
Overtime	35 056	47 383	35 383	40 403
Performance Bonus	1 242	1 399	1 399	1 249
Motor Vehicle Allowance	9 473	11 416	11 412	8 857
Cellphone Allowance	1 884	2 611	2 626	2 172
Housing Allowances	2 798	2 918	2 918	2 716
Other benefits and allowances	55 904	52 550	51 250	46 349
Payments instead of leave	1 690	6 985	6 985	-42
Other Municipal staff				
Long service awards	52	4 501	2 230	5 150
Post-retirement benefit obligations	22 551	24 084	29 380	2 136
Sub-Total - Other Municipal Staff	550 719	624 464	588 076	542 779
% Increase / (Decrease)	1.16%	11.81%	6.35%	-1.46%
Total municipality	570 534	645 526	608 922	565 544
% Increase / (Decrease)	1.37%	11.62%	6.30%	-0.88%

CHAPTER 5: FINANCIAL PERFORMANCE

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

The Statement of Financial Performance provides an overview of the financial performance of the municipality and focuses on the financial health of the municipality.

5.1 Financial Summary

The table below indicates a summary of the financial performance for the 2022/23 financial year.

Table 234: Financial Performance

Description	2021/22	2022/23		2022/23 Variance		
	Actual	Original Budget	Adjustment Budget	Actual	Original Budget	Adjustment Budget
	R'000			%		
Financial Performance						
Property rates	414 446	438 941	438 941	444 035	-1.16%	-1.16%
Service charges	1 090 198	1 227 651	1 193 196	1 138 698	7.25%	4.57%
Investment revenue	18 770	20 397	35 417	42 250	-107.14%	-19.29%
Transfers recognised - operational	196 208	213 380	224 854	211 107	1.07%	6.11%
Other own revenue	336 518	203 414	197 546	264 698	-30.13%	-33.99%
Total revenue (excluding capital transfers and contributions)	2 042 353	2 103 783	2 089 954	2 100 788	0.14%	-0.52%
Employee costs	550 719	624 464	590 886	542 779	13.08%	8.14%
Remuneration of councillors	19 815	21 062	20 846	22 765	-8.09%	-9.21%
Depreciation and asset impairment	213 746	213 118	214 993	231 679	-8.71%	-7.76%
Finance charges	44 332	67 799	68 069	59 928	11.61%	11.96%
Materials and bulk purchases	559 177	551 412	543 925	544 002	1.34%	-0.01%
Transfers and grants	13 364	14 355	18 888	17 758	-23.71%	5.98%
Other expenditure	524 745	609 853	662 057	528 968	13.26%	20.10%
Total Expenditure	1 925 898	2 102 063	2 119 664	1 947 880	7.33%	8.10%
Surplus / (Deficit)	9 541					
Transfers recognised - capital	92 852	120 030	119 744	100 335	16.4%	16.2%
Contributions recognised - capital and contributed assets	357	33 000	0	0	100.0%	0%
Surplus / (Deficit) after capital transfers and contributions	223 451					
Capital expenditure and funds sources						
Capital expenditure						
Transfers recognised - capital	116 481	140 000	94 368	8 3467	40.38%	11.55%
Public contributions and donations	2 070	0	0	0	0%	0%
Borrowing	128 766	120 030	119 744	100 335	16.41%	16.21%
Internally generated funds	100 293	136 790	143 714	137 704	-0.67%	4.18%
Total sources of capital funds	347 610	396 820	357 826	321 506	56.12%	31.94%
Financial position						
Total current assets	751 388	644 346	787 241	955 338	-48.26%	-21.35%
Total non-current assets	5 994 848	6 274 346	6 158 816	6 076 313	3.16%	1.34%
Total current liabilities	436 156	339 918	462 294	498 795	-46.74%	-7.90%
Total non-current liabilities	791 468	877 341	889 359	733 525	16.39%	17.52%

Description	2021/22	2022/23			2022/23 Variance	
	Actual	Original Budget	Adjustment Budget	Actual	Original Budget	Adjustment Budget
	R'000				%	
Community wealth / equity	5 518 611	5 701 434	5 594 405	5 799 331	-1.72%	-3.66%
Net cash from (used) operating	345 407	348 204	338 897	433 938	-24.62%	-28.04%
Net cash from (used) investing	-428 959	-409 273	-442 236	-346 495	15.34%	21.65%
Net cash from (used) financing	109 779	92 883	92 883	23 213	75.01%	75.01%
Cash / cash equivalents at the year-end	137 877					
Cash backing / surplus reconciliation						
Cash and investments available	443 400	435 450	435 450	580 301	-33%	-33%
Application of cash and investments	406 090	285 553	285 553	361 775	-27%	-27%
Balance - surplus (shortfall)	37 310	149 897	149 897	218 526	-46%	-46%
Asset management						
Asset register summary (WDV)	5 574 143	5 835 067	5 721 220	5 634 083	3.44%	1.52%
Depreciation	218 693	213 118	214 993	231 679	-8.71%	-7.76%
Renewal of Existing Assets	4 210	31 358	26 673	20 533	34.52%	23.02%
Repairs and Maintenance	64 350	75 195	69 114	55 115	26.70%	20.25%
Free Services						
Cost of Free Basic Services provided	6 134	3 537	4 844	4 519	-27.76%	6.71%
The revenue cost of free services provided	59 462	57 014	54 808	52 011	8.78%	5.10%
Households below the minimum service level						
Water:	1	-	-	-	-	-
Sanitation / sewerage:	1	-	-	-	-	-
Energy:	2	-	-	-	-	-
Refuse:	4	-	-	-	-	-
Variances are calculated by dividing the difference between the actual and original / adjustments budget by the budget. This table is aligned.						

The table below shows a summary of performance against budgets.

Table 235: Performance against Budgets

Financial Year	Revenue				Operating expenditure			
	Budget	Actual	Diff.	%	Budget	Actual	Diff.	%
	R'000				R'000			
2016/17	1 490 495	1 534 354	43 859	2.94%	1 450 845	1 316 387	134 458	9.27%
2017/18	1 778 647	1 609 729	-168 918	-9.50%	1 575 255	1 363 953	211 302	13.41%
2018/19	1 738 394	1 629 667	-108 727	-6.25%	1 719 105	1 508 629	210 476	12.24%
2019/20	1 834 539	1 742 596	-91 943	-5.01%	1 778 284	1 661 441	116 843	6.57%
2020/21	1 930 252	1 805 680	-124 572	-6.45%	1 830 891	1 812 392	18 499	1.01%
2021/22	2 116 591	2 042 353	-74 238	-3.51%	1 977 679	1 925 898	51 781	2.62%
2022/23	2 209 698	2 201 123	8 575	0.39%	2 119 665	1 947 880	171 785	8.10%

5.2 Revenue Collection by Vote

The table below indicates the Revenue collection performance by vote for the 2022/23 financial year.

Table 236: Revenue collection performance by vote

Vote Description	2021/22	2022/23			2022/23 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustment Budget
	R'000				%	
Municipal Manager	-	0	550	550	0%	0%
Planning and Development	25 576	22 480	20 807	20 807	7.44%	0%
Infrastructure Services	1 330 905	1 517 037	1 463 618	1 405 955	7.32%	3.94%
Community and Protection Services	166 824	170 618	163 950	188 870	-10.70%	-15.20%
Corporate Services	5 787	11 657	9 691	11 557	0.86%	-19.25%
Financial Services	513 261	535 021	551 082	573 384	-7.17%	-4.05%
Total Revenue by Vote	2 042 353	2 256 813	2 209 698	2 201 123	2.47%	0.39%

5.3 Revenue Collection by Source

The table below indicates the Revenue collection performance by source for the 2022/23 financial year.

Table 237: Revenue Collection by Source

Description	2021/22	2022/23			2022/23 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustment Budget
	R'000				%	
Property rates	414 445	438 941	438 941	444 035	-1.16%	-1.16%
Service Charges	1 076 411	1 227 651	1 193 196	1 138 698	7.25%	5%
Rentals of facilities and equipment	12 173	15 538	10 099	12 373	20.37%	-23%
Interest earned - external investments	18 770	20 397	35 417	42 250	-107.14%	-19%
Interest earned - outstanding debtors	12 858	11 391	18 339	19 886	-74.58%	-8%
Dividends received	0	0	0	0	0%	0%
Fines	122 657	124 995	124 995	146 658	-17.33%	-17%
Licences and permits	7 809	5 934	7 483	8 408	-41.69%	-12%
Agency services	3 019	4 281	3 192	3 438	19.69%	-8%
Transfers recognised - operational	196 208	213 380	224 854	211 107	1.07%	6%
Transfers recognised - capital	92 852	153 030	119 744	100 335	34.43%	16%
Other revenue	71 084	41 313	33 478	73 935	-78.96%	-121%
Gains on the disposal of PPE	0	0	0	0	0%	0%
Total Revenue (excluding capital transfers and contributions)	2 028 286	2 256 851	2 209 738	2 201 123	2.47%	0.39%

5.4 Operational Services Performance

The table below indicates the operational services performance for the 2022/23 financial year.

Table 238: Operational Services Performance: Expenditure

Description	2021/22	2022/23			2022/23 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustment Budget
	R'000					%
Operating Cost						
Water	135 888	133 949	146 396	159 960	-19.42%	-9.27%
Wastewater (Sanitation)	136 215	178 634	159 251	143 425	19.71%	9.94%
Electricity	627 110	671 953	659 940	851 029	-26.65%	-28.96%
Waste Management	131 189	132 524	142 674	117 588	11.27%	17.58%
Housing	23 144	31 972	33 682	18 389	42.49%	45.41%
Component A: sub-total	1 053 546	1 149 032	1 141 942	1 290 390	-12.30%	-13%
Roads and Stormwater	108 786	115 315	115 188	8 728	92.43%	92.42%
Component B: sub-total	108 786	115 315	115 188	8 728	92.43%	92.42%
Town Planning and Spatial Planning	25 966	12 303	11 928	-	100%	100%
Local Economic Development	14 518	13 147	13 726	1 928	85.34%	85.96%
Component C: sub-total	40 484	25 449	25 654	1 928	92.42%	92.49%
Libraries	9 855	19 492	16 867	10 798	44.60%	35.98%
Cemeteries	4 779	6 047	6 201	4 979	17.66%	19.70%
Community development	12 930	15 188	14 800	179	98.82%	98.79%
Component D: sub-total	27 565	40 726	37 867	15 956	60.82%	57.86%
Environmental Protection	-	-	-	-	0%	0%
Component E: sub-total	0	0	0	0	0%	0%
Traffic services	218 992	223 440	240 150	121 920	45.44%	49.23%
Fire Services and Disaster Management	52 954	52 992	55 971	941	98.22%	98.32%
Component F: sub-total	271 946	276 432	296 121	122 861	55.55%	58.51%
Holiday Resorts and Campsites	539	452	437	427	5.46%	2.22%
Sports grounds, parks, swimming pools	71 405	83 555	84 800	1 249	98.50%	98.53%
Community Halls, Facilities and Thusong Centres	4 753	5 298	5 448	579	89.07%	89.37%
Component G: sub-total	76 697	89 305	90 686	2 256	97.47%	97.51%

Description	2021/22	2022/23			2022/23 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustment Budget
	R'000					%
Office of the MM	17 555	18 607	16 774	-0	100%	100%
Financial Services	93 037	257 344	187 851	572 686	-122.54%	-204.86%
Administration	103 056	89 235	103 102	100 885	-13.06%	2.15%
Property and contract management	29 755	42 786	42 316	9 406	78.02%	77.77%
HR	42 393	61 738	66 685	1 278	97.93%	98.08%
IT	45 009	53 372	51 493	-2	100%	100%
Internal Audit	9 335	12 257	12 541	550	95.51%	95.61%
Legal Services	6 735	8 835	7 803	2	99.98%	99.97%
Component H: sub-total	346 875	544 173	488 564	684 805	-25.84%	-28.66%
Total Expenditure	1 925 898	2 240 434	2 196 021	2 126 923	5.07%	3.25%

In this table, operational income is offset against operational expenditure leaving a net operational expenditure total for each service. Variances are calculated by dividing the difference between the actual and original / adjustments budget by the budget.

5.5 Financial Performance Per Municipal Function

The tables below indicate the financial performance per municipal function for the 2022/23 financial year.

5.5.1 Water Services

Table 239: Financial Performance: Water Services

Description	2021/22	2022/23			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	(159 914)	-181 107	-186 866	-174 277	7%
Expenditure:					
Employees	35 941	36 962	33 962	30 863	9%
Repairs and Maintenance	2 842	7 411	6 211	5 541	11%
Other	97 105	89 577	106 223	123 556	-16%
Total Operational Expenditure	135 888	133 949	146 396	159 960	-9%
Net Operational (Service)	(24 026)	-47 158	-40 470	-14 317	-3%

Variances are calculated by dividing the difference between the actual and original budget by the actual.

5.5.2 Sanitation Services

Table 240: Financial Performance: Sanitation Services

Description	2021/22	2022/23			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	(142 904)	-149 836	-151 151	-149 402	1%
Expenditure:					
Employees	39 179	46 980	42 980	39 837	7%
Repairs and Maintenance	12 162	8 325	9 525	6 219	35%
Other	84 874	123 330	106 746	97 368	9%
Total Operational Expenditure	136 215	178 634	159 251	143 425	10%
Net Operational (Service)	(6 689)	28 797	8 100	-5 977	174%

Variances are calculated by dividing the difference between the actual and original budget by the actual.

5.5.3 Electricity Services

Table 241: Financial Performance: Electricity Services

Description	2021/22	2022/23			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	(794 640)	-919 816	-896 140	-850 173	5%
Expenditure:					
Employees	30486	32 234	32 234	33 196	-3%
Repairs and Maintenance	5552	10 995	9 757	8 881	9%
Other	591071	628 724	617 948	808 953	-31%
Total Operational Expenditure	627 110	671 953	659 940	851 029	-29%
Net Operational (Service)	(167 530)	-247 862	-236 200	856	100%

Variances are calculated by dividing the difference between the actual and original budget by the actual.

5.5.4 Waste Management Services (Refuse collections, Waste disposal and Recycling)

Table 242: Financial Performance: Waste Management Services (Refuse Collections, Waste Disposal, and Recycling)

Description	2021/22	2022/23			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	(119 478)	-133 289	-134 256	-130 709	3%
Expenditure:					
Employees	26 551	34 283	34 283	32 039	7%
Repairs and Maintenance	4 294	3 751	5 192	4 732	9%
Other	100 344	94 489	103 198	80 817	22%
Total Operational Expenditure	131 189	132 524	142 674	117 588	18%
Net Operational (Service)	11 711	-765	8 418	-13 121	256%

Variances are calculated by dividing the difference between the actual and original budget by the actual.

5.5.5 Integrated Human Development

Table 243: Financial Performance: Integrated Human Settlement Personnel Expenditure

Description	2021/22	2022/23			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	(23 185)	-12 136	-11 061	-20 609	-86%
Expenditure:					
Employees	17 495	21 886	20 886	18 089	13%
Repairs and Maintenance	916	493	587	-76	113%
Other	4 733	9 593	12 209	375	97%
Total Operational Expenditure	23 144	31 972	33 682	18 389	45%
Net Operational (Service)	-41	19 836	22 622	-2 221	110%

Variances are calculated by dividing the difference between the actual and original budget by the actual.

5.5.6 Roads and Stormwater

Table 244: Financial Performance: Roads and Stormwater

Description	2021/22	2022/23			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	(59 638)	-545	-4 295	-9 321	-117%
Expenditure:					
Employees	32 029	34 989	34 989	33 109	5%
Repairs and Maintenance	18 875	18 731	16 306	16 114	1%
Other	57 881	61 595	63 893	-40 495	163%
Total Operational Expenditure	108 786	115 315	115 188	8 728	92%
Net Operational (Service)	49 148	114 771	110 893	-593	101%
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

5.5.7 Town and Spatial Planning

Table 245: Financial Performance: Town Planning and Spatial planning

Description	2021/22	2022/23			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	(23)	-	-	-	-
Expenditure:					
Employees	24 445	11 166	11 166	10 584	5%
Repairs and Maintenance	-	-	-	-	-
Other	1 521	1 137	762	-10 584	1489%
Total Operational Expenditure	25 966	12 303	11 928	-	100%
Net Operational (Service)	25 942	12 303	11 928	-	0%
Variances are calculated by dividing the difference between the actual and original budget by the actual.					

5.5.8 Local Economic Development (LED)

Table 246: Financial Performance: Local Economic Development (LED)

Description	2021/22	2022/23			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	(5 138)	-968	-1 968	-1 928	2%
Expenditure:					
Employees	6 963	3 053	3 053	4 310	-41%
Repairs and Maintenance	63	-	-	-	0
Other	7 491	10 094	10 674	-2 382	122%
Total Operational Expenditure	14 518	13 147	13 726	1 928	86%
Net Operational (Service)	9 379	12 181	11 761	-	0%

Variations are calculated by dividing the difference between the actual and original budget by the actual.

5.5.9 Libraries

Table 247: Financial Performance: Libraries

Description	2021/22	2022/23			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	(9 969)	-14 252	-18 096	-10 793	40%
Expenditure:					
Employees	8 414	17 017	11 707	8 456	28%
Repairs and Maintenance	151	159	342	53	84%
Other	1 291	2 315 951	4 817 691	2 289	52%
Total Operational Expenditure	9 855	19 492	16 867	10 798	36%
Net Operational (Service)	(114)	5 240	-1 230	5	100%

Variations are calculated by dividing the difference between the actual and original budget by the actual.

5.5.10 Community Development

Table 248: Financial Performance: Community Development

Description	2021/22	2022/23			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	(74)	-81	-196	-179	9%
Expenditure:					
Employees	5 511	5 120	5 120	4 894	4%
Repairs and Maintenance	17	30	30	20	32%
Other	7 402	10 038	9 650	-4 736	149%
Total Operational Expenditure	12 930	15 188	14 800	179	99%
Net Operational (Service)	12 856	15 107	14 604	-0	100%

Variances are calculated by dividing the difference between the actual and original budget by the actual.

5.5.11 Cemeteries

Table 249: Financial Performance: Cemeteries

Description	2021/22	2022/23			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	(1 205)	-3 597	-1 340	-1 362	-2%
Expenditure:					
Employees	3 466	3 954	3 954	3 344	15%
Repairs and Maintenance	333	577	489	273	44%
Other	980	1 515	1 757	1 362	22%
Total Operational Expenditure	4 779	6 047	6 201	4 979	20%
Net Operational (Service)	3 574	2 449	4 861	3 617	26%

Variances are calculated by dividing the difference between the actual and original budget by the actual.

5.5.12 Traffic Services and Law Enforcement

Table 250: Financial Performance: Traffic Services

Description	2021/22	2022/23			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	(150 633)	-148 685	-140 456	-163 167	-16%
Expenditure:					
Employees	65 680	80 328	67 412	70 929	-5%
Repairs and Maintenance	2 404	3 815	3 314 634	1 946	41%
Other	150 908	139 298	169 424	49 045	71%
Total Operational Expenditure	218 992	223 440	240 150	121 920	49%
Net Operational (Service)	68 359	74 755	99 694	-41 246	141%

Variations are calculated by dividing the difference between the actual and original budget by the actual.

5.5.13 Fire Services and Disaster Management

Table 251: Financial Performance: Fire Services and Disaster Management Personnel Expenditure

Description	2021/22	2022/23			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	(761)	-1 116	-913	-931	-2%
Expenditure:					
Employees	43 134	44 303	43 003	44 086	-3%
Repairs and Maintenance	2 214	1 348	2 348	1 779	24%
Other	7 607	7 342	10 621	-44 924	523%
Total Operational Expenditure	52 954	52 992	55 971	941	98%
Net Operational (Service)	52 193	51 876	55 058	10	100%

Variations are calculated by dividing the difference between the actual and original budget by the actual.

5.5.14 Holiday Resorts and Campsites

Table 252: Financial Performance: Holiday Resorts and Campsites

Description	2021/22	2022/23			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	(546)	-773	-522	-427	18%
Expenditure:					
Employees	478	337	337	124	63%
Repairs and Maintenance	2	-	-	-	0
Other	59	115	100	303	-203%
Total Operational Expenditure	539	452	437	427	2%
Net Operational (Service)	(7)	-321	-85	-	100%

Variances are calculated by dividing the difference between the actual and original budget by the actual.

5.5.15 Sport grounds, Parks and Swimming Pools

Table 253: Financial Performance: Sport Grounds, Parks and Swimming Pools

Description	2021/22	2022/23			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	(3 687)	-2 109	-2 115	-1 759	17%
Expenditure:					
Employees	39 491	50 179	46 379	40 460	13%
Repairs and Maintenance	10 419	1 567	1 728	1 699	2%
Other	21 495	31 810	36 694	-40 910	211%
Total Operational Expenditure	71 405	83 555	84 800	1 029	99%
Net Operational (Service)	67 718	81 445	82 685	-729	101%

Variances are calculated by dividing the difference between the actual and original budget by the actual.

5.5.16 Office of the Municipal Manager

Table 254: Financial Performance: Office of the Municipal Manager

Description	2021/22	2022/23			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	-	-	-	-	-
Expenditure:					
Employees	15 810	13 228	12 028	15 282	-27%
Repairs and Maintenance	11	76	76	24	69%
Other	1 735	5 303	4 670	-15 306	428%
Total Operational Expenditure	17 555	18 607	16 774	-	100%
Net Operational (Service)	17 555	18 607	16 774	-	

Variances are calculated by dividing the difference between the actual and original budget by the actual.

5.5.17 Human Resource Services

Table 255: Financial Performance: Human Resource Services

Description	2021/22	2022/23			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	(1 202)	-608	-914	-1 278	-40%
Expenditure:					
Employees	32 473	41 125	44 140	11 008	75%
Repairs and Maintenance	-	48	48	-	100%
Other	9 920	20 565	22 497	(9 730)	143%
Total Operational Expenditure	42 393	61 738	66 685	1 278	98%
Net Operational (Service)	41 191	61 129	65 771	(0)	100%

Variances are calculated by dividing the difference between the actual and original budget by the actual.

5.5.18 Information and Communication Technology (ICT) Services

Table 256: Financial Performance: Information and Communication Technology (ICT) Services

Description	2021/22	2022/23			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	0	-	-	-	0
Expenditure:					
Employees	8 078	9 220	9 220	8 323	10%
Repairs and Maintenance	468	970	756	599	21%
Other	36 463	43 182	41 516	-8 924	121%
Total Operational Expenditure	45 009	53 372	51 493	-2	100%
Net Operational (Service)	45 009	53 372	51 493	-2	100%

Variances are calculated by dividing the difference between the actual and original budget by the actual.

5.5.19 Legal Services

Table 257: Financial Performance: Legal Services

Description	2021/22	2022/23			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	(150)	-1	-1	-2	-44%
Expenditure:					
Employees	1 701	1 669	1 669	2 112	-27%
Repairs and Maintenance	-	-	-	-	-
Other	5 034	7 165	6 134	-2 110	134%
Total Operational Expenditure	6 735	8 835	7 803	2	100%
Net Operational (Service)	6 585	8 833	7 802	-0	100%

Variances are calculated by dividing the difference between the actual and original budget by the actual.

5.5.20 Property Management

Table 258: Financial Performance: Property and Contract Management

Description	2021/22	2022/23			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	(4 129)	-10 250	-7 909	-9 570	-21%
Expenditure:					
Employees	8 129	9 083	8 783	7 470	15%
Repairs and Maintenance	3 184	16 105	11 924	7 146	40%
Other	18 441	17 598	21 609	-5 210	124%
Total Operational Expenditure	29 755	42 786	42 316	9 406	78%
Net Operational (Service)	25 626	32 536	34 407	-164	100%

Variances are calculated by dividing the difference between the actual and original budget by the actual.

5.5.21 Financial Services

Table 259: Financial Performance: Financial Services

Description	2021/22	2022/23			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	(511 652)	-535 000	-550 746	-573 084	-4%
Expenditure:					
Employees	57 196	63 333	59 333	57 665	3%
Repairs and Maintenance	109	166	166	91	45%
Other	35 732	193 846	128 352	514 930	-301%
Total Operational Expenditure	93 037	257 344	187 851	572 686	-205%
Net Operational (Service)	(414 875)	-277 656	-362 896	-398	100%

Variances are calculated by dividing the difference between the actual and original budget by the actual.

5.5.22 Internal Audit

Table 260: Financial Performance: Internal Audit

Description	2021/22	2022/23			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	0	-	-550	-550	0%
Expenditure:					
Employees	3 995	5 412	3 012	3 884	-29%
Repairs and Maintenance	-	-	-	-	-
Other	5 340	6 845	9 529	-3 334	135%
Total Operational Expenditure	9 335	12 257	12 541	550	96%
Net Operational (Service)	3 995	12 257	11 991	0	100%

Variances are calculated by dividing the difference between the actual and original budget by the actual.

5.5.23 Administration

Table 261: Financial Performance: Administration

Description	2021/22	2022/23			
	Actual (Audited Outcome)	Original Budget	Adjustment Budget	Actual	Variance to Budget
	R'000				
Total Operational Revenue	(44 044)	-142 546	-99 863	-101 012	-1%
Expenditure:					
Employees	40 219	39 683	39 506	45 189	-14%
Repairs and Maintenance	204	607	267	47	82%
Other	62 632	48 945	63 329	55 649	12%
Total Operational Expenditure	103 056	89 235	103 102	100 885	2%
Net Operational (Service)	59 012	-53 311	3 239	-127	104%

Variances are calculated by dividing the difference between the actual and original budget by the actual.

5.6 Grants

5.6.1 Grant Performance

The municipality had a total amount of **R225 million** for operational expenditure available that was received in the form of grants from the national and provincial governments during the 2022/23 financial year. The performance in the spending of these grants is summarised as follows:

Table 262: Grant Performance

Description	2021/22	2022/23		2022/23 Variance		
	Actual	Budget	Adjustment Budget	Actual	Original Budget	Adjustment Budget
	R'000				%	
National Government:	168 531	189 399	189 399	188 219	24%	24%
Equitable Share	157 136	179 634	179 634	179 634	0%	0%
Financial Management Grant	1 550	1 550	1 550	1 550	0%	0%
EPWP	5 998	4 928	4 928	3 748	24%	24%
Integrated Urban Development Grant	3 847	3 287	3 287	3 287	0%	0%
Provincial Government:	27 834	34 839	34 209	24 946	28%	27%
Community Development Workers Operational Support Grant	38	38	38	38	0%	0%
Library Services: Conditional Grant	9 672	14 112	14 112	10 627	24%	24%
WC Financial Management Support Grant	-	0	550	550	0%	0%
Local Government Public Employment Support Grant	1 800	0	0	-	0%	0%
Municipal Accreditation and Capacity Building Grant	77	256	256	669	-161%	-161%
Financial Management Capacity Building Grant	395	0	320	319	0%	0%
Human Settlements Development Grant	15 202	18 248	16 748	6 954	62%	0%
Maintenance and Construction of Transport Infrastructure	0	495	495	495	0%	0%
Title Deeds Restoration Grant	432	0	0	940	0%	0%
Municipal Library Support Grant	150	0	0	3 102	0%	0%
Western Cape Municipal Energy Resilience Grant (WC MER Grant)		1 690	1 690	1 184	30%	1 690
Housing consumer education	68	0	0	68	0%	0%
District Municipality:	500	500	1 099	599	-20%	45%
Cape Winelands District Grant Long-Term Financial Plan	500	500	984	484	3%	51%
Cape Winelands Disaster Grant COMMUNITY SAFETY	0	0	115	115	0%	0%
Other Grant Providers:	18	0	0	0	0%	0%
LG SETA Discretionary	0	0	0	0	0%	0%
DBSA Grant	18	0	0	0	0%	0%
Total Operating Transfers and Grants	196 209	224 738	224 707	213 764	4.88%	4.87%

5.6.2 Level of Reliance on Grants and Subsidies

Table 263: Reliance on Grants

Financial year	Total grants and subsidies received	Total Operating Revenue	Percentage
	R'000		%
2016/17	227 752	1 534 354	14.84
2017/18	211 190	1 609 728	13.12
2018/19	233 433	1 541 685	15.14
2019/20	285 026	1 742 596	16.36
2020/21	264 637	1 805 680	14.66
2021/22	289 061	2 028 289	14.25
2022/23	317 123	2 201 123	14.41

Developer's contributions have been excluded from the grant item to express only allocations and not policy-related revenue, which NT allocates to capital revenue. It would distort the reliance on grant calculation if excluded from the above ratio.

5.7 Asset Management

Asset management is practised within the organisation based on a comprehensive Asset Management Policy. The Asset Management Policy provides direction for the management, accounting, and control of property, plant, and equipment (assets) owned or controlled by the municipality to ensure the following:

- ✚ Implementation of the approved Asset Management Policy as required in terms of section 63 of MFMA;
- ✚ Verify assets in the possession of the Council annually, during the financial year;
- ✚ Keep a complete and balanced record of all assets in the possession of the Council;
- ✚ Report in writing all asset losses, where applicable, to the Council; and
- ✚ Those assets are valued and accounted for under a statement of GRAP.

5.8 Repairs and Maintenance

Table 264: Repairs and Maintenance Expenditure

Description	2021/22	2022/23			2022/23 Variance
	Actual	Original Budget	Adjustment Budget	Actual	Budget variance
	R'000				
Repairs and Maintenance Expenditure	64 350	75 195	69 114	55 115	20.25%

5.9 Financial Ratios Based on Key Performance Indicators

Table 265: Liquidity Ratio

Description	Basis of calculation	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Current Ratio	Current assets / current liabilities	2.18	2.02	2.09	1.82	1.48	1.68	1.90
Current Ratio adjusted for aged debtors	Current assets - debtors > 90 days / current liabilities	2.18	1.38	1.39	1.01	0.71	0.85	1.03

Description	Basis of calculation	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Liquidity Ratio	Monetary Assets / Current Liabilities	1.51	1.92	1.98	1.66	1.36	1.61	1.84

5.10 IDP Regulation Financial Viability Indicators

Table 266: IDP Regulation Financial Viability of Indicators

Description	Basis of calculation	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Cost Coverage	(Available cash + investments) / monthly fixed operational expenditure	5.71	4.59	4.70	2.21	1.83	2.26	3.10
Total Outstanding Service Debtors to Revenue	Total outstanding service debtors / annual revenue received for services	10.22	18.09	28.05	22.02	21.64	30.47	25.95
Debt Coverage	(Total operating revenue - operating grants) / debt service payments due within the financial year)	47.16	46.81	43.81	-0.64	29.27	26.86	22.65

5.11 Borrowing Management

Table 267: Borrowing Management

Description	Basis of calculation	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Capital Charges to Operating Expenditure	Interest and Principal Paid / Operating Expenditure	1.21%	2.31%	2.09%	3.44%	3.04%	3.37%	4.76%

5.12 Employee Costs

Table 268: Employee Costs

Description	Basis of calculation	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Employee costs	Employee costs / (total revenue - capital revenue)	26.84	28.80%	29.09%	29.99%	32.45%	28.70	26.25%

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

5.13 Capital Expenditure

5.13.1 Capital Expenditure by Assets Programme

Table 269: Capital Expenditure by Asset Programme

Description	2022/23		
	Original Budget	Adjustment Budget	Actual Expenditure
	R'000		
Capital Expenditure by Asset Class			
Infrastructure	329 801	292 624	254 320
Roads Infrastructure	63 811	60 059	70 760
Roads	32 411	32 630	52 536
Road Structures	29 200	25 292	11 702
Road Furniture	1 700	1 600	6 231
Stormwater Infrastructure	0	0	0
Stormwater Conveyance	500	537	291
Electrical Infrastructure	77 396	84 279	66 615
Power Plants	0	19 311	0
HV Substations	13 731	4 175	9 892
MV Switching Stations	0	-	0
MV Networks	41 150	52 661	
MV Substations	15 915	2 354	
LV Networks	6 350	5 768	56 723
Capital Spares	250	10	
Water Supply Infrastructure	77 294	92 840	72 410
Dams and Weirs	0	0	0
Boreholes	0	0	0
Reservoirs	32 569	74 872	61 895
Water Treatment Works	1 500	612	
Bulk Mains	16 125	7 769	3 946
Distribution	25 600	9 337	6 569
Capital Spares	1 500	250	
Sanitation Infrastructure	53 300	45 217	36 082
Pump Station	500	500	0
Reticulation	1 800	300	593
Wastewater Treatment Works	39 500	37 238	34 994
Outfall Sewers	11 500	7 179	495
Toilet Facilities	0	0	0
Capital Spares	0	0	0
Solid Waste Infrastructure	57 300	9 529	8 241
Landfill Sites	44 000	3 400	3 968
Waste Transfer Stations	500	529	
Waste Drop-off Points	600	600	3 313
Waste Separation Facilities	500	500	337
Capital Spares	11 700	4 500	623
Information and Communication Infrastructure	700	700	212
Data Centres			75

Description	2022/23		
	Original Budget	Adjustment Budget	Actual Expenditure
	R'000		
Capital Spares	700	700	137
Community Assets			
Community Facilities	18 685	18 203	12 764
Halls	2 500	500	
Centres	200	200	
Fire / Ambulance Stations	0	0	576
Testing Stations	0	0	0
Theatres	0	0	0
Libraries	2 900	3 989	172
Cemeteries / Crematoria	7 000	1 000	870
Police	0	0	0
Public Open Space	0	0	0
Nature Reserves	4 370	5 411	3 160
Public Ablution Facilities	0	0	0
Stalls	0	4 832	
Taxi Ranks / Bus Terminals	0	0	1 601
Capital Spares	1 215	1 771	1 917
Sport and Recreation Facilities	500	500	4 468
Outdoor Facilities	7 761	4 809	1 646
Heritage assets	7 761	4 809	1 646
Heritage assets			
Historic Buildings	7 000	2 500	276
Conservation Areas	7 000	2 500	276
Investment Properties			
Revenue Generating	3 500	6 500	-
Improved Property	0	0	0
Unimproved Property	0	0	0
Non-revenue Generating	0	0	0
Improved Property	0	0	0
Unimproved Property	3 500	6 500	0
Other assets			
Operational Buildings	18 400	27 035	33 599
Municipal Offices	0	0	0
Yards	17 700	25 075	19 423
Stores	0	0	0
Training Centres	0	0	0
Manufacturing Plant	0	0	0
Depots	0	0	0
Capital Spares	200	521	0
Housing	0	0	0
Social Housing	0	0	0
Biological or Cultivated Assets	500	1 439	14 176
Biological or Cultivated Assets	250	250	5 143
Intangible Assets	250	250	5 143
Licences and Rights	200	200	207

Description	2022/23		
	Original Budget	Adjustment Budget	Actual Expenditure
	R'000		
Computer Software and Applications	200	200	
Computer Equipment			207
Computer Equipment	6 100	7 141	6 955
Furniture and Office Equipment	6 100	7 141	6 955
Furniture and Office Equipment	570	2 436	2 125
Machinery and Equipment	570	2 436	2 125
Machinery and Equipment	13 204	10 845	2 686
Transport Assets	13 204	10 845	2 686
Transport Assets	3 800	6 166	1 785
Land	3 800	6 166	1 785
Land			-
Total Capital Expenditure	409 271	378 709	321 506

5.13.2 Sources of Finance

The table below indicates the capital expenditure by funding source for the 2022/23 financial year.

Table 270: Capital Expenditure by Funding Source

Details	2022/23			
	Original Budget (OB)	Adjustment Budget	Actual	Adjustment Budget Variance
	R'000			%
Source of finance				
External Loans	140 000	94 368	83 467	11.55%
Public Contributions and Donations	0	0	0	0%
Grants and Subsidies	120 030	119 744	100 335	16.21%
Other	136 790	143 714	137 704	4.18%
Total	396820	357826	321506	10.15%
				%
External Loans	35.3%	26.37%	25.96%	1.56%
Public Contributions and Donations	0%	0%	0%	0%
Grants and Subsidies	30.2%	33.46%	31.21%	6.74%
Own Funding	34.5%	40.16%	42.83%	-6.64%
				%
Water and Sanitation	103 969	126 268	114 008	9.71%
Electricity	77 396	88 418	73 795	16.54%
Housing	15 185	7 070	6 815	3.61%
Roads and Stormwater	63 911	60 157	57 611	4.23%
Other	148 811	96 796	69 277	28.43%
Total	409 272	378 709	321 506	15.10%
				%
Water and Sanitation	25.40%	33.34%	35.46%	-6.36%
Electricity	18.91%	23.35%	22.95%	1.69%
Housing	3.71%	1.87%	2.12%	-13.54%

Details	2022/23			
	Original Budget (OB)	Adjustment Budget	Actual	Adjustment Budget Variance
	R'000			%
Roads and Stormwater	15.62%	15.88%	17.92%	-12.81%
Other	36.36%	25.56%	21.55%	15.70%

5.13.3 Capital Spending On 5 Largest Projects

Projects with the highest capital expenditure in 2022/23.

Table 271: Capital Expenditure on the 5 Largest Projects

Name of Project	2022/23			Variance 2022/23	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance	Adjustment Variance
				%	
New Reservoir and Pipeline: Vlottenburg	20 569 470	63 036 050	60 895 069	-196%	3.40%
Upgrade of WWTW: Pniël and Decommissioning of Franschoek	14 000 000	24 151 641	23 838 772	-70%	1.30%
Enkanini Basic Services	24 050 000	24 050 000	17 216 151	28%	28.42%
Bridge Construction	15 000 000	19 393 898	19 393 898	-29%	0%
Upgrading of New Office Space: Ryneveld Street	15 000 000	18 593 446	18 560 933	-24%	0.17%

5.13.4 Integrated Urban Development Grant (IUDG)

Table 272: Integrated Urban Development Grant (IUDG)

Details	Budget	Adjustment Budget	Actual	Variance Budgets
	R'000			%
Bulk Water Supply Pipeline and Reservoir - Jamestown	6 000 000	999 466	999 466	0%
New Reservoir and Pipeline: Vlottenburg	5 000 000	22 385 293	22 385 293	0%
Upgrade of WWTW: Pniël and Decommissioning of Franschoek		10 151 641	10 151 641	0%
Upgrade of WWTW: Klapmuts	2 959 650	0	0	0%
Upgrade of WWTW Wemmershoek	17 500 000	6 923 250	6 923 250	0%
Ad hoc Reconstruction of Roads (WC024)	3 000 000	5 469 168	5 469 168	0%
Bridge Construction	15 000 000	15 000 000	15 000 000	0%
Kayamandi Pedestrian Bridge (R304, River and Railway Line)	6 000 000	530 832	530 832	0%
Extension of Cemetery Infrastructure	7 000 000	1 000 000	1 000 000	0%
Basic Salary and Wages	3 287 350	3 287 350	3 287 350	0%
Bulk Water Supply Pipeline and Reservoir - Jamestown	6 000 000	999 466	999 466	0%
New Reservoir and Pipeline: Vlottenburg	5 000 000	22 385 293	22 385 293	0%
Upgrade of WWTW: Pniël and Decommissioning of Franschoek	0	10 151 641	10 151 641	0%
Upgrade of WWTW: Klapmuts	2 959 650	0	0	0%
Upgrade of WWTW Wemmershoek	17 500 000	6 923 250	6 923 250	0%
Ad hoc Reconstruction of Roads (WC024)	3 000 000	5 469 168	5 469 168	0%
Total	65 747 000	65 747 000	65 747 000	0%

5.14 Cash Flow

Table 273: Cash flow

Description	2021/22	2022/23		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
R'000				
Cash Flow from Operating Activities				
Receipts				
Ratepayers and Other	1 577 430	2 116 233	1 897 615	1 629 829
Government Grants	304 960	366 630	331 578	315 539
Interest	18 770	20 397	35 417	42 250
Payments				
Employee Costs	-562 598	-2 073 904	-1 856 200	-579 747
Suppliers	-957 436	0	0	-911 739
Finance Costs	-34 428	-66796	-54839	-46 712
Transfers and Grants	-13 364	-14355	-14675	-17 758
Net Cash from / (Used) Operating Activities	333 334	348 205	338 896	431 662
Cash Flow from Investing Activities				
Receipts				
Proceeds on Disposal of PPE	1 690	0	0	1 757
Proceeds on Disposal of Biological Assets	-	0	0	0
Movement in Non-Current Receivables	-	0	-6 721	0
Payments				
Purchase of PPE	-335 489	0	0	0
Movement in Non-Current Receivables	-	0	0	0
Movement in Investments	-83 089	0	0	-26 245
Capital assets		-409 273	-435 516	-319 731
Net Cash from / (Used) Investing Activities	-416 888	-409 273	-442 237	-344 219
Cash Flow from Financing Activities				
Receipts				
Proceeds from other Financial Liabilities	109 779	140 000	140 000	69 244
Increase in consumer deposits	0	0	0	0
Payments				
Repayment of Borrowing	0	-47 117	-47117	-46 031
Prior period error	-	-	-	-
Net Cash from / (Used) Financing Activities	109 779	92 883	92 883	23 213
Net Increase / (Decrease) in Cash Held	26 225	31 815	-10 458	110 656
Cash / Cash Equivalents at the Year-Begin:	111 650	217695	443 400	137 878
Cash / Cash Equivalents at the Year-End:	137 875	249 510	432 942	248 534

5.15 Gross Outstanding Debtors per Service

Table 274: Gross Outstanding Debtors per Service

Financial year	Rates	Trading services	Trading services	Housing rentals	Other	Total
		(Electricity and Water)	(Sanitation and Refuse)			
(R'000)						
2019/20	44 671	138 830	54 968	27 194	188 755	454 418
2021/22	49 872	262 980	69 220	29 192	216 025	627 289
Difference	5 201	124 150	14 252	1998	27 270	172 871
% growth year on year	10%	47%	21%	7%	13%	28%
2022/23	56 526	323 873	86 820	31 363	252 067	750 649
Difference	6 654	60 893	17 600	2 171	36 042	123 360
% growth year on year	12%	19%	20%	7%	14%	16%

Note: Figures exclude provision for bad debt.

5.16 Debtors Age Analysis

Table 275: Debtors Age Analysis

Financial year	Less than 30 days	Between 30-60 days	Between 60-90 days	Between 90-120 days	More than 120 days	Total
	(R'000)					
2020/21	98 357	17 589	18 889	11 414	323 471	469 720
2021/22	224 149	16 533	16 880	17 537	352 191	627 289
Difference	125 792	-1 056	-2 009	6123	28 720	157 569
% growth year on year	56%	-6%	-12%	35%	8%	25%
2022/23	278 937	14 865	16 267	13 531	427 049	750 649
Difference	54 788	-1 668	-613	-4 006	74 858	123 360
% growth year on year	20%	-11%	-4%	-30%	18%	16%

Note: Figures exclude provision for bad debt.

5.17 Borrowing and Investments

The municipality's cash position is monitored daily, and any cash not required immediately to meet cash flow requirements is invested every month at approved institutions, strictly in accordance with the Council's approved Cash and Investment Policy.

5.18 Actual Borrowings

Table 276: Actual Borrowings

Instrument	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	R'000						
Long-Term Loans	186 386	173 302	318 800	292 930	368 997	478 736	501 950

5.19 Municipal Investments

Table 277: Municipal Investments

Investment type	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	R'000						
Deposits - Bank	575 418	505 618	398 164	306 637	222 434	305 522	331 767

CHAPTER 6: AUDITOR GENERAL OF SOUTH AFRICA AUDIT FINDINGS

6.1 Introduction

This chapter provides allowances details on the audit outcomes for the past two financial years with the corrective steps implemented.

COMPONENT A: AUDITOR-GENERAL OF SOUTH AFRICA OPINION 2021/22

6.2 Auditor General of South Africa Report 2021/22

Table 278: Auditor General of South Africa Report 2020/21

2021/22	
Audit Report Status:	Finalised (unqualified with no findings)
2021/22	
Issue raised	Corrective step implemented
Emphasis of matter:	
Restatement of corresponding figures	
As disclosed in note 63 to the financial statements, the corresponding figures for 30 June 2021 were restated as a result of errors in the financial statements of the municipality at, and for the year ended, 30 June 2022.	None required
Material Impairments	
As disclosed in note 5 to the financial statements, the municipality provided for the impairment of receivables from exchange transactions of R204,3 million (2020/21: R167,1 million).	None required
As disclosed in note 6 to the financial statements, the municipality provided for the impairment of receivables from non-exchange transactions of R187,6 million (2020/21: R173,2 million).	None required
Material losses	
None	
Material Non-Compliance	
None	
Annual financial statements	
I have audited the financial statements of the Stellenbosch Municipality set out on pages 7 to 131, which comprise the statement of financial position as at 30 June 2022, the statement of financial performance, the statement of changes in net assets, the cash flow statement, and the statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.	None required
In my opinion, the financial statements present fairly, in all material respects, the financial position of the Stellenbosch Municipality as at 30 June 2022 and its financial performance and cash flows for the year ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 9 of 2021 (Dora).	None required

COMPONENT B: AUDITOR-GENERAL OPINION 2022/23

6.3 Auditor General of South Africa Report 2022/23

Table 279: Auditor General of South Africa Report 2021/22

2022/23	
Audit Report Status:	Finalised (unqualified with no findings)
2022/23	
Issue raised	Corrective step implemented
Emphasis of matter:	
Restatement of corresponding figures	
As disclosed in note 64 to the financial statements, the corresponding figures for 30 June 2022 were restated as a result of errors in the financial statements of the municipality, and for the year ended 30 June 2023.	None required
Material Impairments	
As disclosed in note 5 to the financial statements, the municipality provided for the impairment of trade and other receivables from exchange transactions of R238,8 million (2021/22: R204,3 million).	None required
As disclosed in note 6 to the financial statements, the municipality provided for the impairment of trade and other receivables from non-exchange transactions of R230,1 million (2021/22: R187,6 million).	None required
Material losses	
None	
Material Non-Compliance	
None	
Annual financial statements	
I have audited the financial statements of the Stellenbosch Municipality set out on pages 6 to 130, which comprise the statement of financial position as at 30 June 2023, statement of financial performance, statement of changes in net assets, cash flow statement, and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.	None required
In my opinion, the financial statements present fairly, in all material respects, the financial position of the Stellenbosch Municipality as at 30 June 2023, and its financial performance and cash flows for the year ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2022 (Dora).	None required

ANNEXURE A: ANNUAL FINANCIAL STATEMENTS 2022/23



STELLENBOSCH

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Stellenbosch Municipality
Annual Financial Statements
for the year ended 30 June 2023

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

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The reports and statements set out below comprise the annual financial statements presented to the provincial legislature:

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Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

General Information

Legal form of entity	Municipality in terms of section 1 of the Local Government: Municipal Structures Act (Act 117 of 1998) read with section 155 (1) of the Constitution of the republic of South Africa (Act 108 of 1996)
Legislation governing the municipality's operations	Constitution of the Republic of south Africa (Act 108 of 1998) Municipal Finance Management Act (Act 56 of 2003) Local Government: Municipal Systems Act (Act 32 of 2000) Local Government: Municipal Structures Act (Act 117 of 1998) Municipal Property Rates Act (act of 6 2004) Division of Revenue Act (Act 1 of 2007)
Nature of business and principal activities	The provision of services (electricity, water, sanitation and refuse) to communities in a sustainable manner, to promote social and economic development; and to promote a safe and healthy environment
Mayoral committee	
Portfolio	Councillor
Executive mayor and chairperson of mayoral committee	G van Deventer
Deputy executive mayor	J Fasser
Speaker	Q Smit
Council WIP	P Crawley
MMC Human settlements	J Fasser
MMC Youth, sport and culture	R Adams
MMC Planning	C Van Wyk
MMC Rural management	J Williams
MMC Community development (parks, open spaces environment)	J Joon
MMC Corporate services	L Nkamisa
MMC Financial services	P Johnson
MMC Protection services	R Badenhorst (resigned 1 December 2022)
MMC Local economic development and tourism	R Du Toit
MMC Infrastructure	Z Dalling

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

General Information

Council Members

Nr	Surname	Initials	Nr	Surname	Initials
1	Jooste	O	18	Pietersen	W
2	Rataza	M	19	De Taillefer	I
3	Mananga-Gugushe	N	20	Pfeiffer	R
4	Ntsunguzi	N	21	Petersen	W
5	Nalumango	R	22	Manuel	C
6	Crawley	P	23	Van Rooyen	R
7	Kalipa	X	24	Mcombring	N
8	Mdemka	X	25	Ferns	N
9	Hanekom	A	26	Vermeulen	E
10	Crombie	A	27	Serdyn	J
11	Olayi	N	28	Tomose	A
12	Mkhontwana	N	29	Nkopane	M
13	Ndalasi	Z	30	Danana	M
14	Noble	C	31	Masimini	E
15	Van Stade	M	32	Anthony	JC
16	Hendrikse	R	33	Groenewald	E
17	Andrews	J			

Executive management

Position

Municipal Manager
 Chief Financial Officer (CFO)
 Director: Infrastructure
 Director: Corporate Services
 Director: Planning and Economic Development
 Director: Community and Protection Services

Name

G Mettler
 K Carolus
 P Chandaka
 A de Beer
 A Barnes
 G Boshoff

Members of the Audit Committee

Chairperson:

Mr L Nene

Members:

Mr V Botto
 Mr T Lesihla
 Ms J Williams

Registered head office

Plein Street
 Stellenbosch
 7600

Physical address

Plein Street
 Stellenbosch
 7600

Postal address

P O Box 17
 Stellenbosch
 7600

Bankers

First National Bank

Auditors

Auditor-General of South Africa (AGSA)

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Abbreviations

ASB	Accounting Standards Board
CIGFARO	Chartered Institute of Government, Finance, Audit and Risk Officers
COID	Compensation for Occupational Injuries and Diseases
DBSA	Development Bank of South Africa
DORA	Division of Revenue Act
DSACR	Department of Sport, Arts, Culture and Recreation
GRAP	Generally Recognised Accounting Practice
HDF	Housing Development Fund
IAS	International Accounting Standards
IPSAS	International Public Sector Accounting Standards
LGSETA	Local Government Services Sector Education and Training Authority
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
MMC	Member of Mayoral Committee
MPAC	Municipal Public Accounts Committee
MPRA	Municipal Property Rates Act
MSIG	Municipal System Improvement Grant
MSCOA	Municipal standard chart of accounts
SALGA	South African Local Government Association
SAPS	South African Police Services
SCM	Supply Chain Management
SRAC	Sports, Recreation, Arts and Culture

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Accounting Officer's Responsibilities and Approval

The Accounting Officer is required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the Accounting Officer to ensure that the annual financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and was given unrestricted access to all financial records and related data.

The annual financial statements were prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) as well as relevant interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

I, as the Accounting Officer acknowledges that I am ultimately responsible for the system of internal financial control established by the municipality and place considerable importance on maintaining a strong control environment. To enable me to meet these responsibilities, I have set standards for internal control aimed at reducing the risk of error or deficit in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the municipality and all employees are required to maintain the highest ethical standards in ensuring the municipality's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the municipality is on identifying, assessing, managing and monitoring all known forms of risk across the municipality. While operating risk cannot be fully eliminated, the municipality endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

I am of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

Although, I am primarily responsible for the financial affairs of the municipality, this is supported by the municipality's external auditors.

I would like to bring the following material matters to your attention:

I certify that the salaries, allowances and benefits of councillors as disclosed in note 36 to these annual financial statements are within the upper limits of the framework envisaged in section 219 of the Constitution of the Republic of South Africa, read with the Remuneration of Public Office Bearers Act, Act 20 of 1998 and the Minister of Provincial and Local Government's determination in accordance with the Act.

The external auditors, being the Auditor-General of South Africa (AGSA), are responsible for independently reviewing and reporting on the municipality's annual financial statements.

The annual financial statements set out in terms of Section 126(1) of the Municipal Finance Management Act (Act 56 of 2003), which have been prepared on the going concern basis, I have signed on behalf of the municipality on 31 August 2023:



Accounting Officer
Geraldine Mettler

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Statement of Financial Position as at 30 June 2023

	Note(s)	2023 R	2022 Restated* R
Assets			
Current Assets			
Cash and cash equivalents	3	248 533 953	137 877 710
Short term investments	4	331 767 247	305 522 446
Receivables from exchange transactions	5	217 629 743	169 893 585
Receivables from non-exchange transactions	6	68 615 257	67 176 042
Inventories	7	36 030 865	29 030 067
Other receivables from exchange transactions	8	40 746 627	26 259 756
VAT Control	9	12 014 194	18 651 433
		955 337 886	754 411 039
Non-Current Assets			
Investment property	10	425 076 488	425 500 055
Property, plant and equipment	11	5 634 083 486	5 574 142 601
Intangible assets	12	6 098 776	7 067 124
Biological assets	13	5 142 777	5 142 777
Heritage assets	14	1 312 802	1 036 828
Long-term receivables	15	4 598 731	6 720 631
		6 076 313 060	6 019 610 016
Total Assets		7 031 650 946	6 774 021 055
Liabilities			
Current Liabilities			
Consumer deposits	16	23 688 825	22 154 833
Employee benefits	17	58 283 915	59 586 346
Lease liabilities	18	694 514	2 118 022
Borrowings	19	55 046 811	51 902 261
Payables from exchange transactions	20	327 287 591	270 924 532
Payables from non-exchange transactions	21	33 793 304	29 696 273
		498 794 960	436 382 267
Non-Current Liabilities			
Employee benefits	17	191 200 001	204 100 717
Borrowings	19	446 903 149	426 834 231
Provisions	22	95 421 976	160 533 093
		733 525 126	791 468 041
Total Liabilities		1 232 320 086	1 227 850 308
Net Assets		5 799 330 860	5 546 170 747
Net assets presented by:			
Reserves		162 490 627	162 490 627
Accumulated surplus		5 636 840 240	5 383 680 114
Total Net Assets		5 799 330 867	5 546 170 741

* See Note 64

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Statement of Financial Performance

	Note(s)	2023 R	2022 Restated* R
Revenue			
Exchange Revenue			
Services charges - Electricity	27	779 983 813	756 431 257
Services charges - Waste management	27	89 836 854	84 651 895
Services charges - Waste water management	27	106 739 375	102 285 414
Services charges - Water	27	162 138 204	146 829 883
Rental	28	12 373 336	12 172 871
Interests on investments	29	42 250 158	18 770 341
Interest earned from receivables	26	16 467 413	10 428 555
Licences or permits	30.1	8 407 621	7 809 443
Agency services	31	3 438 321	3 019 961
Operational revenue	32	44 253 512	41 523 373
Sales of goods and rendering of services	33	29 681 293	29 561 419
Total Exchange Revenue		1 295 569 900	1 213 484 412
Non-Exchange Revenue			
Property rates	23	444 035 356	414 445 896
Transfers and subsidies	24	311 441 843	290 767 474
Fines, penalties and forfeits	25	146 657 768	122 932 562
Interest earned from receivables	26	3 418 263	2 430 082
Total Non-Exchange Revenue		905 553 230	830 576 014
Total Revenue		2 201 123 130	2 044 060 426
Expenditure			
Employee related cost	35	542 779 491	549 554 622
Remuneration of councillors	36	22 764 757	19 815 248
Irrecoverable Debts Written Off	37	91 945 701	84 984 896
Depreciation and amortisation	38	231 679 002	218 693 121
Impairment losses	39	1 572 668	2 722 872
Finance costs	40	59 928 458	44 332 364
Bulk Purchases	41	544 002 101	559 429 390
Inventory consumed	42	64 172 062	44 620 431
Contracted services	43	228 438 291	208 232 448
Transfers and subsidies	44	17 758 255	13 363 879
Operational Cost	45	131 489 785	113 472 212
Operating leases	46	9 292 497	14 990 534
Loss on disposal of assets	34	639 332	3 063 675
Inventories (write-down)	49	389 307	115 859
Contribution to allowance for doubtful debt	48	70 722 081	51 711 364
Contribution to/from provision	47	(69 693 846)	6 287 548
Total Expenditure		1 947 879 942	1 935 390 463
Surplus for the year		253 243 188	108 669 963

* See Note 64

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Statement of changes in net assets

	Self insurance reserve	Capital replacement reserve	Total reserves	Accumulated surplus	Total net assets
	R	R	R	R	R
Opening balance as previously reported	9 885 492	152 605 135	162 490 627	5 237 481 913	5 399 972 540
Adjustments					
Correction of errors	-	-	-	37 585 530	37 585 530
Balance at 01 July 2021 as restated*	9 885 492	152 605 135	162 490 627	5 275 067 443	5 437 558 070
Surplus for the year	-	-	-	108 669 963	108 669 963
Total changes	-	-	-	108 669 963	108 669 963
Opening balance as previously reported	9 885 492	152 605 135	162 490 627	5 383 654 343	5 546 144 970
Adjustments					
Correction of errors	-	-	-	(57 292)	(57 292)
Restated* Balance at 01 July 2022 as restated*	9 885 492	152 605 135	162 490 627	5 383 597 051	5 546 087 678
Surplus for the year	-	-	-	253 243 188	253 243 188
Total changes	-	-	-	253 243 188	253 243 188
Balance at 30 June 2023	9 885 492	152 605 135	162 490 627	5 636 840 240	5 799 330 867

Note(s)

* See Note 64

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Cash Flow Statement

	Note(s)	2023 R	2022 Restated* R
Cash flows from operating activities			
Receipts			
Sale of goods and services		1 629 828 847	1 577 430 245
Grants received		315 538 874	304 960 171
Interest		42 250 158	18 770 341
Payments			
Cash paid to employees		(579 747 395)	(562 598 154)
Cash paid to suppliers		(911 738 692)	(940 126 481)
Grants paid		(17 758 255)	(13 363 879)
Finance costs		(46 712 396)	(34 427 551)
Net cash from(used) operating activities	50	431 661 141	350 644 692
Cash flows from investing activities			
Receipts			
Capital asset sales		1 756 981	1 690 446
Payments			
Capital assets additions		(319 730 545)	(352 797 846)
Short term investments		(26 244 801)	(83 088 826)
Net cash flows from investing activities		(344 218 365)	(434 196 226)
Cash flows from financing activities			
Receipts			
Increase in consumer deposits		-	-
Net movement in borrowings		23 213 468	109 779 473
Net cash flows from financing activities		23 213 468	109 779 473
Net increase/(decrease) in cash		110 656 244	26 227 939
Cash and cash equivalents at year begin		137 877 710	111 649 771
		248 533 954	137 877 710

* See Note 64

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
	R	R	R	R	R	
Statement of Financial Performance						
Revenue by source						
Service charges - electricity revenue	812 307 977	-	812 307 977	779 983 813	(32 324 164)	BD1
Service charges - water revenue	176 782 708	-	176 782 708	162 138 204	(14 644 504)	
Service charges - sanitation revenue	109 133 951	-	109 133 951	106 739 375	(2 394 576)	
Service charges - refuse revenue	94 971 363	-	94 971 363	89 836 854	(5 134 509)	
Rental of facilities and equipment	10 098 683	-	10 098 683	12 373 336	2 274 653	
Interest earned - external investments	35 417 421	-	35 417 421	42 250 158	6 832 737	
Interest earned - outstanding debtors	18 338 651	-	18 338 651	19 885 676	1 547 025	
Fines, penalties and forfeits	124 955 174	-	124 955 174	146 657 768	21 702 594	
Licenses and permits	7 482 512	-	7 482 512	8 407 621	925 109	
Agency services	3 191 727	-	3 191 727	3 438 321	246 594	
Transfer and subsidies	224 854 074	-	224 854 074	211 107 092	(13 746 982)	
Other revenue	33 478 047	-	33 478 047	73 934 805	40 456 758	BD2
Property rates	438 941 447	-	438 941 447	444 035 356	5 093 909	
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	119 744 363	-	119 744 363	100 311 831	(19 432 532)	
Transfers and subsidies - capital (in-kind - all)	-	-	-	22 920	22 920	
Total revenue	2 209 698 098	-	2 209 698 098	2 201 123 130	(8 574 968)	
Expenditure						
Employee related costs	(590 885 967)	-	(590 885 967)	(542 779 491)	48 106 476	BD3
Remuneration of councillors	(20 845 768)	-	(20 845 768)	(22 764 757)	(1 918 989)	
Debt impairment	(101 341 971)	-	(101 341 971)	(162 667 782)	(61 325 811)	BD4
Depreciation & asset impairment	(214 992 797)	-	(214 992 797)	(233 251 670)	(18 258 873)	BD5
Finance charges	(68 069 222)	-	(68 069 222)	(59 928 458)	8 140 764	
Bulk purchases - Electricity	(543 925 482)	-	(543 925 482)	(521 011 668)	22 913 814	
Inventory consumed	(95 163 689)	-	(95 163 689)	(87 162 495)	8 001 194	
Contracted Services	(296 871 290)	-	(296 871 290)	(228 438 291)	68 432 999	BD6
Transfers and subsidies	(18 887 921)	-	(18 887 921)	(17 758 255)	1 129 666	
Other expenditure	(168 680 400)	-	(168 680 400)	(71 088 436)	97 591 964	BD7
Losses	-	-	-	(1 028 639)	(1 028 639)	
Total expenditure	(2 119 664 507)	-	(2 119 664 507)	(1 947 879 942)	171 784 565	
Surplus before taxation	90 033 591	-	90 033 591	253 243 188	163 209 597	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	90 033 591	-	90 033 591	253 243 188	163 209 597	

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
	R	R	R	R	R	
Statement of Financial Position						
Assets						
Current Assets						
Cash	58 302 899	-	58 302 899	150 801 893	92 498 994	BD8
Call investment deposits	377 148 246	-	377 148 246	429 499 307	52 351 061	
Consumer Debtors	226 702 355	-	226 702 355	281 559 598	54 857 243	
Other debtors	96 265 446	-	96 265 446	57 446 223	(38 819 223)	
Inventory	28 822 182	-	28 822 182	36 030 865	7 208 683	
	787 241 128	-	787 241 128	955 337 886	168 096 758	
Non-Current Assets						
Long term receivables	6 720 629	-	6 720 629	4 598 731	(2 121 898)	
Investment property	418 370 723	-	418 370 723	425 076 488	6 705 765	
Property, plant and equipment	5 718 887 391	-	5 718 887 391	5 634 083 486	(84 803 905)	BD9
Biological	5 392 777	-	5 392 777	5 142 777	(250 000)	
Intangible	5 907 467	-	5 907 467	6 098 776	191 309	
Other non-current assets	3 536 828	-	3 536 828	1 312 802	(2 224 026)	
	6 158 815 815	-	6 158 815 815	6 076 313 060	(82 502 755)	
Total Assets	6 946 056 943	-	6 946 056 943	7 031 650 946	85 594 003	
Liabilities						
Current Liabilities						
Borrowings	(55 632 448)	-	(55 632 448)	(55 046 811)	585 637	
Consumer deposits	(22 754 832)	-	(22 754 832)	(23 688 825)	(933 993)	
Trade and other payables	(285 553 124)	-	(285 553 124)	(361 775 409)	(76 222 285)	BD10
Provisions	(98 353 337)	-	(98 353 337)	(58 283 915)	40 069 422	BD11
	(462 293 741)	-	(462 293 741)	(498 794 960)	(36 501 219)	
Non-Current Liabilities						
Borrowing	(518 104 857)	-	(518 104 857)	(446 903 149)	71 201 708	BD12
Provisions	(371 253 671)	-	(371 253 671)	(286 621 977)	84 631 694	BD11
	(889 358 528)	-	(889 358 528)	(733 525 126)	155 833 402	
Total Liabilities	(1 351 652 269)	-	(1 351 652 269)	(1 232 320 086)	119 332 183	
Net Assets	5 594 404 674	-	5 594 404 674	5 799 330 860	204 926 186	
Net Assets						
Net Assets Attributable to Owners of Controlling Entity						
Accumulated Surplus/(Deficit)	5 555 307 849	-	5 555 307 849	5 636 840 240	81 532 391	BD13
Reserves						
Reserves	39 096 825	-	39 096 825	162 490 620	123 393 795	BD13
Total Net Assets	5 594 404 674	-	5 594 404 674	5 799 330 860	204 926 186	

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
	R	R	R	R	R	
Cash Flow Statement						
Cash flows from operating activities						
Receipts						
Property rates	416 367 524	-	416 367 524	447 453 619	31 086 095	CF1
Service charges	1 361 417 083	-	1 361 417 083	1 155 165 659	(206 251 424)	CF2
Other revenue	119 830 211	-	119 830 211	27 209 569	(92 620 642)	CF7
Transfers and Subsidies - Operational	256 503 349	-	256 503 349	211 107 092	(45 396 257)	CF3
Transfers and Subsidies - Capital	75 074 650	-	75 074 650	104 431 782	29 357 132	CF3
Interest	35 417 421	-	35 417 421	42 250 158	6 832 737	
	2 264 610 238	-	2 264 610 238	1 987 617 879	(276 992 359)	
Payments						
Suppliers and employees	(1 856 199 651)	-	(1 856 199 651)	(1 491 486 087)	364 713 564	CF4
Finance cost	(54 838 969)	-	(54 838 969)	(46 712 396)	8 126 573	
Transfers and Grants	(14 675 062)	-	(14 675 062)	(17 758 255)	(3 083 193)	
	(1 925 713 682)	-	(1 925 713 682)	(1 555 956 738)	369 756 944	
Net cash flows from operating activities	338 896 556	-	338 896 556	431 661 141	92 764 585	
Cash flows from investing activities						
Decrease (increase) in non-current receivables	(6 720 629)	-	(6 720 629)	-	6 720 629	
Capital assets	(435 515 512)	-	(435 515 512)	(319 730 545)	115 784 967	CF5
Proceeds from sale of PPE	-	-	-	1 756 981	1 756 981	
Short term investments	-	-	-	(26 244 801)	(26 244 801)	
Net cash flows from investing activities	(442 236 141)	-	(442 236 141)	(344 218 365)	98 017 776	
Cash flows from financing activities						
Borrowing long term/refinancing	140 000 000	-	140 000 000	69 244 295	(70 755 705)	CF6
Repayment of borrowing	(47 117 209)	-	(47 117 209)	(46 030 827)	1 086 382	
Net cash flows from financing activities	92 882 791	-	92 882 791	23 213 468	(69 669 323)	
Net increase/(decrease) in cash and cash equivalents	(10 456 794)	-	(10 456 794)	110 656 244	121 113 038	
Cash and cash equivalents at the beginning of the year	443 400 169	-	443 400 169	137 877 710	(305 522 459)	
Cash and cash equivalents at the end of the year	432 943 375	-	432 943 375	248 533 954	(184 409 421)	

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

The annual financial statements of Stellenbosch Municipality for the year ended 30 June 2023 were authorised for issue by the Accounting Officer on 31 August 2023.

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), including any interpretations, guidelines and directives, issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003).

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand. All figures are rounded to the nearest Rand.

The annual financial statements have been prepared in accordance with the Finance Management Act (MFMA) and effective Standards of Generally Recognised Accounting Practice (GRAP), including any interpretations and directives issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act, (Act No 56 of 2003)

In the absence of an issued and effective Standard of GRAP, accounting policies for material transactions, events or conditions were developed in accordance with paragraphs 8, 10 and 11 of GRAP 3 as read with Directive 5.

The principal accounting policies adopted in the preparation of these annual financial statements are set out below.

1. Summary of significant accounting policies

1.1 Going concern assumption

These annual financial statements were prepared based on the expectation that the municipality will continue to operate as a going concern for at least the next 12 months.

1.2 Housing development reserve

The Housing Development Fund was established in terms of the Housing Act, (Act No. 107 of 1997). Loans from national and provincial government used to finance housing selling schemes undertaken by the municipality were extinguished on 1 April 1998 and transferred to a Housing Development Fund. Housing selling schemes, both complete and in progress as at 1 April 1998, were also transferred to the Housing Development Fund. In terms of the Housing Act, all proceeds from housing developments, which include rental income and sales of houses, must be paid into the Housing Development Fund. Monies standing to the credit of the Housing Development Fund can be used only to finance housing developments within the municipal area subject to the approval of the Provincial MEC responsible for housing.

1.3 Capital replacement reserve (CRR)

In order to finance the acquisition of infrastructure and other items of property, plant and equipment from internal sources, amounts are transferred from the accumulated surplus/(deficit) to the CRR in terms of the Annual Budget. The cash in the designated CRR bank account can only be utilised to finance items of property, plant and equipment. The CRR is reduced and the accumulated surplus/(deficit) is credited by a corresponding amount when the amounts in the CRR are utilised.

1.4 Self-insurance reserve

The municipality has a Self-insurance reserve to set aside amounts to offset potential losses or claims that cannot be insured externally. The balance of the self-insurance fund is invested in short-term investments. Claims are settled by transferring a corresponding amount from the self-insurance reserve to the accumulated surplus.

1.5 Accumulated surplus

The accumulated surplus/deficit represent the net difference between the total assets and the total liabilities of the municipality. Any surpluses and deficits realised during a specific financial year are credited/debited against accumulated surplus/deficit. Prior year adjustments, relating to income and expenditure, are debited/credited against accumulated surplus when retrospective adjustments are made.

1.6 Materiality

Material omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor.

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.6 Materiality (continued)

Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The Framework for the Preparation and Presentation of Financial Statements states that users are assumed to have a reasonable knowledge of government, its activities, accounting, and a willingness to study the information with reasonable diligence. Therefore, the assessment takes into account how users with such attributes could reasonably be expected to be influenced in making and evaluating decisions.

1.7 Significant judgements and estimates

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are insignificant to the annual financial statements are set out below:

Sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Revenue recognition

Accounting Policy 1.23.1 on Revenue from Exchange Transactions and Accounting Policy 1.23.2 on Revenue from Non-exchange Transactions describes the conditions under which revenue will be recorded by the management of the municipality

In concluding judgement, management considered the detailed criteria for recognition of revenue as set out in GRAP 9: Revenue from Exchange Transactions and, in particular, whether the municipality, when goods are sold, had transferred to the buyer the significant risks and rewards of ownership of the goods and when services are rendered, whether the service has been rendered. The management of the municipality is satisfied that recognition of the revenue in the current year is appropriate

The IGRAP 1 amendments did not have any impact on Traffic Fines revenue issued in terms of the current Criminal Proceedings Act system but will only have an effect on fines issued in terms of the Amended Act (AARTO) that is expected to become effective on 1 July 2021. As the legislation is new, the possible impact cannot at this stage be determined. The legislation itself will significantly increase Traffic Fines revenue based on higher fine amounts being pronounced in Schedule 3 of the Amendment Act.

The iGRAP 20 interpretation is not regarded as having an effect, as the principles of revising revenue (e.g., incorrect tariff or appeal) is already applied by the municipality.

Impairment of financial assets

Accounting Policy 1.13 Financial Instruments, referring to the paragraph on impairment of financial assets, describes the process followed to determine the value with which financial assets should be impaired. In making the estimation of the impairment, the management of the municipality considered the detailed criteria of impairment of financial assets as set out in GRAP 104: Financial Instruments - Recognition and Measurement. The management of the municipality is satisfied that impairment of financial assets recorded during the year is appropriate. Details of the impairment loss calculation are provided in the applicable notes to the annual financial statements.

Useful lives of assets

As described in Accounting Policy 1.10 and 1.11 the municipality depreciates its property, plant and equipment and intangible assets over the estimated useful lives of the assets, taking into account the residual values of the assets at the end of their useful life, which is determined when the assets are brought into use. The review of useful life and residual values of assets are only reviewed if one of the indicators of potential review is triggered.

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.7 Significant judgements and estimates (continued)

Employee benefit obligation

The municipality obtains actuarial valuations of its employee benefit obligations. The employee benefit obligations of the municipality that were identified are post-retirement health benefit obligations and long-service awards. The estimated liabilities are recorded in accordance with the requirements of GRAP 25. Details of the liabilities and the key assumptions made by the actuaries in estimating the liabilities are provided in the applicable notes to the annual financial statements.

The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

Impairment of non-financial assets

The recoverable amounts of cashgenerating units have been determined based on the higher of valueinuse calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions.

The recoverable amounts of individual assets have been determined based on the higher of valueinuse calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions.

It is reasonably possible that the assumptions may change which may then impact our estimations and may then require a material adjustment to the carrying value of tangible assets.

Value in use of cash generating assets

The municipality reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including economic factors such as inflation and interest

Value in use of non-cash generating assets

The municipality reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. If there are indications that the impairment may have occurred, the remaining service potential of the asset is determined. The most appropriate approach selected to determine the remaining service potential is dependent on the availability of data and the nature of the impairment.

Allowance for slow moving, damaged and obsolete stock

An allowance for stock to write stock down to the lower of cost or net realisable value. Management have made estimates of the selling price and direct cost to sell on certain inventory items. The write down is included in the operation surplus note.

Provisions

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions are included in note 22 - Provisions.

A qualified environmental engineer calculates the provision. The provision represents the best estimate or net present value of the expected future cash flows to rehabilitate the landfill site at yearend. The professional engineer determines the cost of rehabilitation and the remaining useful life of each site. Interest rates linked to prime were used to calculate the effect of the time value of money.

Effective interest rate

The municipality used the prime interest rate to discount future cash flows.

Allowance for doubtful debts

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.7 Significant judgements and estimates (continued)

On debtors an impairment loss is recognised in surplus and deficit when there is objective evidence that it is impaired. The impairment is measured as the difference between the debtors carrying amount and the present value of estimated future cash flows discounted at the effective interest rate, computed at initial recognition.

Impairment of statutory receivables

If there is an indication that a statutory receivable, may be impaired, the municipality measures the impairment loss. The impairment loss is measured as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, are reduced, either directly or through the use of an allowance account. The amount of the loss is recognised in surplus or deficit.

In estimating the future cash flows, the municipality considers both the amount and timing of the cash flows that it will receive in future. Consequently, where the effect of the time value of money is material, the municipality discounts the estimated future cash flows using a rate that reflects the current risk free rate and, if applicable, any risks specific to the statutory receivable, or group of statutory receivables, for which the future cash flow estimates have not been adjusted.

An impairment loss recognised in prior periods for a statutory receivable are revised if there has been a change in the estimates used since the last impairment loss was recognised, or to reflect the effect of discounting the estimated cash flows

Pre-paid electricity

Pre-paid electricity is only recognised as income once the electricity is consumed. The pre-paid electricity balance (included under payables) represents the best estimate of electricity sold at year-end, which is still unused.

1.8 Biological assets that form part of an agricultural activity

The municipality recognises biological assets that form part of an agricultural activity or agricultural produce when and only when:

- the municipality controls the asset as a result of past events;
- it is probable that future economic benefits or service potential associated with the asset will flow to the municipality; and
- the fair value or cost of the asset can be measured reliably

Biological assets that form part of an agricultural activity are measured at their fair value less costs to sell.

A gain or loss arising on initial recognition of biological assets that form part of an agricultural activity or agricultural produce at fair value less costs to sell and from a change in fair value less costs to sell of a biological assets that form part of an agricultural activity, is included in surplus or deficit for the period in which it arises.

Where market determined prices or values are not available, the present value of the expected net cash inflows from the asset, discounted at a current market-determined pre-tax rate where applicable, is used to determine fair value.t

Where fair value cannot be measured reliably, biological assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

The municipality classifies biological assets as consumables which consist of timber in the form of pine trees. All biological assets are held for sale.

Agricultural produce harvested from an entity's biological assets shall be measured at its fair value less costs to sell at the point of harvest. Such measurement is the cost at that date when applying GRAP 12 or another applicable Standard of GRAP.

Item	Useful life
Trees in plantation forest	indefinite

1.9 Investment property

Investment property is property (land or a building - or part of a building - or both) held to earn rentals or for capital appreciation or both, rather than for:

- use in the production or supply of goods or services; or for
- Administrative purposes, or
- Sale in ordinary course of operations.

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.9 Investment property (continued)

Investment property is recognised as an asset when, it is probable that the future economic benefits or service potential that is associated with the investment property will flow to the municipality, and the cost or fair value of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Where investment property is acquired through a non-exchange transaction, its cost is its fair value as at the date of acquisition.

Costs include costs incurred initially and costs incurred subsequently to add to, or to replace a part of, or service a property. If a replacement part is recognised in the carrying amount of the investment property, the carrying amount of the replaced part is derecognised.

Subsequent measurement – cost model

Investment property is, subsequent to initial measurement, carried at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided to write down the cost, less estimated residual value by equal installments over the useful life of the property, which is as follows:

Item	Useful life
Property-Land	indefinite
Property-buildings	30-99 years

Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits or service potential are expected from its disposal.

Gains or losses arising from the retirement or disposal of investment property is the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in surplus or deficit in the period of retirement or disposal.

Compensation from third parties for investment property that was impaired, lost or given up is recognised in surplus or deficit when the compensation becomes receivable.

The nature OR type of properties classified as held for strategic purposes are as follows:

The municipality separately discloses expenditure to repair and maintain investment property in the notes to the annual financial statements (see note 10).

The municipality discloses relevant information relating to assets under construction or development, in the notes to the annual financial statements (see note 10).

When classification is difficult, the criteria used to distinguish investment property from owner -occupied property and from property held for sale in the ordinary course of operations, are as follows:

All properties held to earn market-related rentals or for capital appreciation or both and that are not used for administrative purposes, and that will not be sold within the next 12 months are classified as Investment Properties

A building owned by the municipality (or held by the municipality under a finance lease) and leased out under one or more operating leases

Transfers to, or from, investment property shall be made when, and only when, there is a change in use, evidenced by:

- (a) commencement of owner-occupation, for a transfer from investment property to owner-occupied property;
- (b) commencement of development with a view to sale, for a transfer from investment property to inventories;
- (c) end of owner-occupation, for a transfer from owner-occupied property to investment property; or
- (d) commencement of an operating lease (on a commercial basis) to another party, for a transfer from inventories to investment property.

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.10 Property, plant and equipment

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one period. The municipality elected the cost model for Property, plant and equipment.

The cost of an item of property, plant and equipment is recognised as an asset if, and only if

- if it is probable that future economic benefits or service potential associated with the item will flow to the municipality, and
- the cost or fair value of the item can be measured reliably.

Initial recognition and measurement

Property, plant and equipment are initially recognised at cost on its acquisition date. The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the municipality. Trade discounts and rebates are deducted in arriving at the cost. The cost also includes the necessary costs of dismantling and removing the asset and restoring the site on which it is located.

Where an asset is acquired through a non-exchange transaction, its cost is its fair value as at date of acquisition.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the municipality is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Recognition of costs in the carrying amount of an item of property, plant and equipment ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Major spare parts and standby equipment which are expected to be used for more than one period are included in property, plant and equipment. In addition, spare parts and standby equipment which can only be used in connection with an item of property, plant and equipment are accounted for as property, plant and equipment.

Major inspection costs which are a condition of continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised. Subsequent to initial measurement property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Incomplete construction work

Incomplete construction work is stated at historical cost. Depreciation only commences when the asset is available for use

Impairment

Where the carrying amount of an item of property, plant and equipment is greater than the estimated recoverable service amount, it is written down immediately to its recoverable service amount and an impairment loss is charged to the statement of financial performance.

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.10 Property, plant and equipment (continued)

Depreciation

Property, plant and equipment are depreciated on the straightline basis over their expected useful lives to their estimated residual value.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Land	Straight-line	indefinite
Machinery and equipment	Straight-line	1-66
Furniture and office equipment	Straight-line	2-24
Transport assets	Straight-line	4-21
Computer equipment	Straight-line	5-23
Community assets	Straight-line	4-50
Other property, plant and equipment	Straight-line	6-99
Capital restoration asset	Straight-line	5-30
Electrical infrastructure	Straight-line	10-100
Water supply infrastructure	Straight-line	10-100
Solid waste infrastructure	Straight-line	10-50
Roads infrastructure	Straight-line	10-100
Information and communication infrastructure	Straight-line	3-15
Waste water network	Straight-line	10-100
Stormwater infrastructure	Straight-line	10-50

The depreciable amount of an asset is allocated on a systematic basis over its useful life.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately

The depreciation method used reflects the pattern in which the asset's future economic benefits or service potential are expected to be consumed by the municipality. The depreciation method applied to an asset is reviewed at least at each reporting date and, if there has been a significant change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate

The municipality assesses at each reporting date whether there is any indication that the municipality expectations about the residual value and the useful life of an asset have changed since the preceding reporting date. If any such indication exists, the municipality revises the expected useful life and/or residual value accordingly. The change is accounted for as a change in an accounting estimate.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Items of property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

The municipality separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note 11).

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.11 Intangible assets

Initial recognition and measurement

An asset is identifiable if it either:

- is separable, i.e. is capable of being separated or divided from the municipality and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable assets or liability, regardless of whether the entity intends to do so; or
- arises from binding arrangements (including rights from contracts), regardless of whether those rights are transferable or separable from the municipality or from other rights and obligations. A binding arrangement describes an arrangement that confers similar rights and obligations on the parties to it as if it were in the form of a contract.

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the municipality; and
- the cost or fair value of the asset can be measured reliably

The municipality assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

If the expected useful life of the asset is different from previous estimates, the amortisation period shall be changed accordingly. If there has been a change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the amortisation method shall be changed to reflect the changed pattern. Such changes shall be accounted for as changes in accounting estimates in accordance with GRAP 3.

Subsequent measurement

Subsequent to initial measurement intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

If the expected useful life of the asset is different from previous estimates, the amortisation period shall be changed accordingly. If there has been a change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset, the amortisation method shall be changed to reflect the changed pattern. Such changes shall be accounted for as changes in accounting estimates in accordance with GRAP 3.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Depreciation method	Average useful life
Internally generated: Capital development	Straight-line	5 - 7 years
Computer software	Straight-line	3 - 30 years
Service operating and land rights	Straight-line	5 - 30 years

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.11 Intangible assets (continued)

Derecognition

Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of an intangible asset shall be included in surplus or deficit when the asset is derecognised.

1.12 Heritage assets

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.

Initial recognition and measurement

The municipality recognises a heritage asset as an asset if it is probable that future economic benefits or service potential associated with the asset will flow to the municipality, and the cost or fair value of the asset can be measured reliably.

Where the municipality holds a heritage asset, but on initial recognition it does not meet the recognition criteria because it cannot be reliably measured, information on such a heritage asset is disclosed in note 14 Heritage assets.

Initial measurement

Heritage assets are measured at cost.

Where a heritage asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

Subsequent measurement

Subsequent to initial measurement classes of heritage assets are carried at cost less any accumulated impairment losses.

Impairment

The municipality assesses at each reporting date whether there is an indication that it may be impaired. If any such indication exists, the municipality estimates the recoverable amount or the recoverable service amount of the heritage asset.

Reference to impairment paragraphs can be made to note 1.17, 1.18 and 1.19.

Compensation from third parties for heritage assets that have been impaired, lost or given up, shall be included in surplus or deficit when the compensation becomes receivable.

Dererecognition

The municipality derecognises heritage asset on disposal, or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of a heritage asset is included in surplus or deficit when the item is derecognised (unless the Standard of GRAP on leases requires otherwise on a sale and leaseback).

Transfers

Transfers from heritage assets are only made when the particular asset no longer meets the definition of a heritage asset.

Transfers to heritage assets are only made when the asset meets the definition of a heritage asset.

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.13 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or a residual interest of another entity. Financial instruments are classified into three categories namely, financial instruments at fair value, financial instruments at amortised cost or financial instruments at cost. The municipality determines the classification of its financial instruments at initial recognition.

1.13.1 Classification of financial instruments

Financial assets

A financial asset is any asset that is a cash or contractual right to receive cash. In accordance with GRAP 104 the Financial Assets of the municipality are classified as follows into the three categories allowed by this standard:

Financial asset at amortised cost being a non-derivative financial asset with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months, which are classified as non-current assets.

Financial assets measured at fair value being financial assets that meet either of the following conditions:

- Derivatives;
- Combined instruments that are designated at fair value;
- Instruments held for trading;
- Non-derivative financial assets or financial liabilities with fixed or determinable payments that are designated at fair value at initial recognition; or
- Financial instruments that do not meet the definition of financial instruments at amortised cost or financial instruments at cost.

Financial assets measured at cost being investments in residual interests that do not have a quoted market price in an active market, and whose fair value cannot be reliably measured.

The municipality has the following types of financial assets as reflected on the face of the Statement of financial position or in the notes thereto:

Type of financial asset	Classification in terms of GRAP 104
Long-term receivables	Financial assets at amortised cost
Consumer debtors	Financial assets at amortised cost
Other debtors	Financial assets at amortised cost
Short-term investment deposit - Call	Financial assets at amortised cost
Bank balances and cash	Financial assets at amortised cost

Cash includes cash on hand (including petty cash) and cash with banks (including call deposits). Cash equivalents are short-term highly liquid investments, readily convertible into known amounts of cash that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value. For the purposes of the Cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks, net of bank overdrafts. The municipality categorises cash and cash equivalents as financial assets at amortised cost.

Financial liabilities

A financial liability is a contractual obligation to deliver cash or another financial asset to another entity.

The following main categories of financial liabilities and the classification determining how they are measured exist:

- Financial liabilities measured at amortised cost; or
- Financial liabilities measured at fair value.

The municipality has the following types of financial liabilities as reflected on the face of the Statement of financial position or in the notes thereto:

Type of financial liability	Classification in terms of GRAP 104
Long-term liabilities	Financial liability at amortised cost
Current portion of long-term liabilities	Financial liability at amortised cost
Other creditors	Financial liability at amortised cost

Stellenbosch Municipality

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Accounting Policies

1.13 Financial instruments (continued)

1.13.2 Initial and subsequent measurement

Initial recognition and measurement

A financial instruments is recognised, when the municipality becomes a party to the contractual provisions of the instrument, and are initially measured at fair value. In the case of a financial instruments not subsequently measured at fair value, transaction costs that are directly attributable to the acquisition or issue of the financial instruments are added or deducted from the fair value, as appropriate on initial recognition.

Subsequent measurement – Financial assets

Financial assets consist of cash and cash equivalents, deposits, receivables and investments.

Receivables are subsequently measured at amortised cost using the effective interest rate method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

A provision for impairment of receivables is established when there is objective evidence that the municipality will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. Changes in the carrying amount of the provision is recognised in the Statement of financial performance. When a receivable is considered uncollectible, it is written off against the provision. Any gains or losses arising from the change in fair value of investments measured at fair value are recognised in the Statement of financial performance.

Trade and other receivables (excluding Value Added Taxation, prepayments and operating lease receivables), loans to municipal entities and loans that have fixed and determinable payments that are not quoted in an active market are classified as financial assets at amortised cost.

Financial assets measured at fair value are initially measured at fair value plus directly attributable transaction costs. They are subsequently measured at fair value with unrealised gains or losses recognised directly in equity until the investment is derecognised, at which time the cumulative gain or loss recorded in equity is recognised in the Statement of financial performance, or determined to be impaired, at which time the cumulative loss recorded in equity is recognised in the Statement of financial performance.

Subsequent measurement – Financial Liabilities

Financial liabilities consist of payables, interest bearing loans and bank overdrafts. These liabilities are subsequently measured at amortised cost, using the effective interest rate method. Finance costs are expensed in the Statement of financial performance in the period in which they are incurred except where stated otherwise (see accounting policy on borrowing costs).

Bank borrowings, consisting of interest-bearing short-term bank loans, repayable on demand and overdrafts are recorded at the proceeds received. Finance costs are accounted for using the accrual basis and are added to the carrying amount of the bank borrowing to the extent that they are not settled in the period that they arise.

Prepayments are carried at cost less any accumulated impairment losses.

Stellenbosch Municipality

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1.13 Financial instruments (continued)

1.13.3 Derecognition

Financial assets

The municipality derecognises financial assets only when the contractual rights to the cash flows from the asset expires or it transfers the financial assets and substantially all the risks and rewards of ownership of the asset to another entity, except when Council approves the write-off of financial assets due to non-recoverability.

If the municipality neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the municipality recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the municipality retains substantially all the risks and rewards of ownership of a transferred financial assets, the municipality continues to recognise the financial assets and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities

The municipality derecognises financial liabilities when, and only when, the municipality's obligations are discharged, cancelled or they expire.

An exchange between an existing borrower and lender of debt instruments with substantially different terms shall be accounted for as having extinguished the original financial liability, and a new financial liability recognised. Similarly, a substantial modification of the terms of an existing financial liability or a part of it (whether or not attributable to the financial difficulty of the debtor) shall be accounted for as having extinguished the original financial liability and having recognised a new financial liability.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, shall be recognised in surplus or deficit. Any liabilities that are waived, forgiven or assumed by another entity by way of a nonexchange transaction, are accounted for in accordance with GRAP 23.

1.13.4 Fair value measurement considerations

The best evidence of fair value is quoted prices in an active market. If the market for a financial instruments is not active, the municipality establishes fair value using a valuation technique. The chosen valuation technique makes maximum use of market inputs and relies as little as possible on municipality-specific inputs.

1.14 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

When a lease includes both land and buildings elements, the municipality assesses the classification of each element separately

Entity as lessee - operating leases

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

The aggregate benefit of incentives is recognised as a reduction of rental expense over the lease term on a straight- line basis.

Any contingent rent is expensed in the period in which they are incurred.

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Accounting Policies

1.15 Inventory

Initial measurement:

Inventories are initially measured at cost except where inventories are acquired through a non-exchange transaction, then their costs are their fair value as at the date of acquisition.

Inventories shall be recognised as an asset if, and only if:

- (a) it is probable that future economic benefits or service potential associated with the item will flow to the entity;
- (b) and the cost of the inventories can be measured reliably.

Subsequently inventories are measured at the lower of cost and net realisable value.

Inventories are measured at the lower of cost and current replacement cost where they are held for:

- distribution at no charge or for a nominal charge; or
- consumption in the production process of goods to be distributed at no charge or for a nominal charge.

Net realisable value is the estimated selling price in the ordinary course of operations less the estimated costs of completion and the estimated costs necessary to make the sale, exchange or distribution.

Current replacement cost is the cost the municipality incurs to acquire the asset on the reporting date.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs. The cost of inventories is assigned using the weighted average cost formula. The same cost formula is used for all inventories having a similar nature and use to the municipality.

When inventories are sold, the carrying amounts of those inventories are recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expenses are recognised when the goods are distributed, or related services are rendered. The amount of any write-down of inventories to net realisable value or current replacement cost and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value or current replacement cost, are recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.16 Landfill site

Site restoration and dismantling cost - The municipality has an obligation to dismantle, remove and restore items of property, plant and equipment. Such obligations are referred to as 'decommissioning, restoration and similar liabilities'. The cost of an item of property, plant and equipment includes:

- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located;
- changes in the measurement of an existing decommissioning, restoration and similar liability that result from change in the estimated timing or amount of the outflow of resources embodying economic benefits or service potential required to settle the obligation, or a change in discount rate; and
- the obligation the municipality incurs for having used the items during a particular period for purposes other than to produce inventories during that period.

If the related asset is measured using the cost model:

- (a) subject to (b), changes in the liability are added to, or deducted from, the cost of the related asset in the current period;
- (b) if a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in surplus or deficit; and
- (c) if the adjustment results in an addition to the cost of an asset, the municipality considers whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If it is such an indication, the asset is tested for impairment by estimating its recoverable amount or recoverable service amount, and any impairment loss is recognised in accordance with the accounting policy on impairment of cash-generating assets and/or impairment of non-cash-generating assets

Stellenbosch Municipality

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Accounting Policies

1.17 Impairment of property, plant and equipment, investment property, intangible assets and heritage assets

The municipality classifies all assets held with the primary objective of generating a commercial return as cash-generating assets. A commercial return means that the return charged by the entity is commensurate with the risk associated with holding the asset and the asset is intended to generate positive cash inflows. All other assets are classified as non-cash-generating assets.

1.18 Impairment of cash-generating assets

Cash-generating assets are assets managed with the objective of generating a commercial return. An asset generates a commercial return when it is deployed in a manner consistent with that adopted by a profit-oriented entity

Cash generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortisation).

Carrying amount is the amount at which an asset is recognised in the statement of financial position after deducting any accumulated depreciation and accumulated impairment losses thereon.

A cash generating unit is the smallest identifiable group of assets used with the objective of generating a commercial return that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets.

Costs of disposal are incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

Depreciation (Amortisation) is the systematic allocation of the depreciable amount of an asset over its useful life.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

Recoverable amount of an asset or a cash generating unit is the higher its fair value less costs to sell and its value in use.

Useful life is either:

- the period of time over which an asset is expected to be used by the municipality; or
- the number of production or similar units expected to be obtained from the asset by the municipality.

Management has judged all assets as non cash generating assets.

Identification

When the carrying amount of a cash-generating asset exceeds its recoverable amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable amount of the asset.

Value in use

Value in use of a cash-generating asset is the present value of the estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life.

When estimating the value in use of an asset, the municipality estimates the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal and the municipality applies the appropriate discount rate to those future cash flows.

Discount rate

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money, represented by the current risk-free rate of interest and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

Stellenbosch Municipality

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Accounting Policies

1.18 Impairment of cash-generating assets (continued)

Recognition and measurement (individual asset)

If the recoverable amount of a cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Cash-generating units

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the municipality determines the recoverable amount of the cash-generating unit to which the asset belongs (the asset's cash-generating unit).

If an active market exists for the output produced by an asset or group of assets, that asset or group of assets is identified as a cash-generating unit, even if some or all of the output is used internally. If the cash inflows generated by any asset or cash-generating unit are affected by internal transfer pricing, the municipality use management's best estimate of future price(s) that could be achieved in arm's length transactions in estimating:

- the future cash inflows used to determine the asset's or cash-generating unit's value in use; and
- the future cash outflows used to determine the value in use of any other assets or cash-generating units that are affected by the internal transfer pricing.

Cash-generating units are identified consistently from period to period for the same asset or types of assets, unless a change is justified.

The carrying amount of a cash-generating unit is determined on a basis consistent with the way the recoverable amount of the cash-generating unit is determined.

An impairment loss is recognised for a cash-generating unit if the recoverable amount of the unit is less than the carrying amount of the unit. The impairment is allocated to reduce the carrying amount of the cash-generating assets of the unit on a pro rata basis, based on the carrying amount of each asset in the unit. These reductions in carrying amounts are treated as impairment losses on individual assets.

In allocating an impairment loss, the entity does not reduce the carrying amount of an asset below the highest of:

- its fair value less costs to sell (if determinable);
- its value in use (if determinable); and
- zero.

The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other cash-generating assets of the unit.

Where a non-cash-generating asset contributes to a cash-generating unit, a proportion of the carrying amount of that non-cash-generating asset is allocated to the carrying amount of the cash-generating unit prior to estimation of the recoverable amount of the cash-generating unit.

Stellenbosch Municipality

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Accounting Policies

1.18 Impairment of cash-generating assets (continued)

Reversal of impairment loss

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a cash-generating asset may no longer exist or may have decreased. If any such indication exists, the entity estimates the recoverable amount of that asset.

An impairment loss recognised in prior periods for a cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a cash-generating asset is recognised immediately in surplus or deficit

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the cash-generating asset is adjusted in future periods to allocate the cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

A reversal of an impairment loss for a cash-generating unit is allocated to the cash-generating assets of the unit pro rata with the carrying amounts of those assets. These increases in carrying amounts are treated as reversals of impairment losses for individual assets. No part of the amount of such a reversal is allocated to a non-cash-generating asset contributing service potential to a cash-generating unit.

In allocating a reversal of an impairment loss for a cash-generating unit, the carrying amount of an asset is not increased above the lower of:

- its recoverable amount (if determinable); and
- the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior periods.

The amount of the reversal of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit.

In assessing whether there is any indication that an asset may be impaired, the municipality will consider, as a minimum, the following indications:

External sources:

- (a) During the period, an asset's market value has declined significantly more than would be expected as a result of the passage of time or normal use.
- (b) Significant changes with an adverse effect on the entity have taken place during the period, or will take place in the near future, in the technological, market, economic or legal environment in which the entity operates or in the market to which an asset is dedicated.
- (c) Market interest rates or other market rates of return on investments have increased during the period, and those increases are likely to affect the discount rate used in calculating an asset's value in use and decrease the asset's recoverable amount materially

Internal sources:

- (d) Evidence is available of obsolescence or physical damage of an asset.
- (e) Significant changes with an adverse effect on the entity have taken place during the period, or are expected to take place in the near future, in the extent to which, or manner in which, an asset is used or is expected to be used. These changes include the asset becoming idle, plans to discontinue or restructure the operation to which an asset belongs, plans to dispose of an asset before the previously expected date, and reassessing the useful life of an asset as finite rather than indefinite.
- (f) A decision to halt the construction of the asset before it is complete or in a usable condition.
- (g) Evidence is available from internal reporting that indicates that the economic performance of an asset is, or will be, worse than expected.

Stellenbosch Municipality

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Accounting Policies

1.19 Impairment of non-cash-generating assets

Non cash generating assets are assets other than cash generating assets

Identification

When the carrying amount of a non-cash-generating asset exceeds its recoverable service amount, it is impaired.

The municipality assesses at each reporting date whether there is any indication that a non-cash-generating asset may be impaired. If any such indication exists, the municipality estimates the recoverable service amount of the asset.

Irrespective of whether there is any indication of impairment, the entity also tests a non-cash-generating intangible asset with an indefinite useful life or a non-cash-generating intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable service amount. This impairment test is performed at the same time every year. If an intangible asset was initially recognised during the current reporting period, that intangible asset was tested for impairment before the end of the current reporting period.

In assessing whether there is any indication that an asset may be impaired, an entity shall consider, as a minimum, the following indications:

External sources of information

- (a) Cessation, or near cessation, of the demand or need for services provided by the asset.
- (b) Significant long-term changes with an adverse effect on the entity have taken place during the period or will take place in the near future, in the technological, legal or government policy environment in which the entity operates.

Internal sources of information

- (c) Evidence is available of obsolescence or physical damage of an asset.
- (d) Significant long-term changes with an adverse effect on the entity have taken place during the period, or are expected to take place in the near future, in the extent to which, or manner in which, an asset is used or is expected to be used. These changes include the asset becoming idle, plans to discontinue or restructure the operation to which an asset belongs, plans to dispose of an asset before the previously expected date and reassessing the useful life of an asset as finite rather than indefinite.
- (e) A decision to halt the construction of the asset before it is complete or in a usable condition.
- (f) Evidence is available from internal reporting that indicates that the service performance of an asset is, or will be, significantly worse than expected.

Value in use

Value in use of non-cash-generating assets is the present value of the non-cash-generating assets remaining service potential.

The present value of the remaining service potential of a non-cash-generating assets is determined using the following approach:

Depreciated replacement cost approach

The present value of the remaining service potential of a non-cash-generating asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the current reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

The replacement cost and reproduction cost of an asset is determined on an "optimised" basis. The rationale is that the municipality would not replace or reproduce the asset with a like asset if the asset to be replaced or reproduced is an overdesigned or overcapacity asset. Overdesigned assets contain features which are unnecessary for the goods or services the asset provides. Overcapacity assets are assets that have a greater capacity than is necessary to meet the demand for goods or services the asset provides. The determination of the replacement cost or reproduction cost of an asset on an optimised basis thus reflects the service potential required of the asset.

Stellenbosch Municipality

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Accounting Policies

1.19 Impairment of non-cash-generating assets (continued)

Recognition and measurement

If the recoverable service amount of a non-cash-generating asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. This reduction is an impairment loss.

An impairment loss is recognised immediately in surplus or deficit.

After the recognition of an impairment loss, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

Reversal of an impairment loss

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for a non-cash-generating asset may no longer exist or may have decreased. If any such indication exists, the municipality estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for a non-cash-generating asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable service amount. The increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for a non-cash-generating asset is recognised immediately in surplus or deficit.

After a reversal of an impairment loss is recognised, the depreciation (amortisation) charge for the non-cash-generating asset is adjusted in future periods to allocate the non-cash-generating asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

1.20 Employee benefits

Employee benefits are all forms of consideration given by a municipality in exchange for service rendered by employees.

A qualifying insurance policy is an insurance policy issued by an insurer that is not a related party of the reporting municipality, if the proceeds of the policy can be used only to pay or fund employee benefits under a defined benefit plan and are not available to the reporting municipality's own creditors (even in liquidation) and cannot be paid to the reporting municipality, unless either:

the proceeds represent surplus assets that are not needed for the policy to meet all the related employee benefit obligations; or

the proceeds are returned to the reporting municipality to reimburse it for employee benefits already paid.

Termination benefits are employee benefits payable as a result of either:

a municipality's decision to terminate an employee's employment before the normal retirement date; or

an employee's decision to accept voluntary redundancy in exchange for those benefits.

Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) that are not due to be settled within twelve months after the end of the period in which the employees render the related service.

Vested employee benefits are employee benefits that are not conditional on future employment.

Composite social security programmes are established by legislation and operate as multi-employer plans to provide postemployment benefits as well as to provide benefits that are not consideration in exchange for service rendered by employees.

Stellenbosch Municipality

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Accounting Policies

1.20 Employee benefits (continued)

A constructive obligation is an obligation that derives from a municipality's actions where by an established pattern of past practice, published policies or a sufficiently specific current statement, the municipality has indicated to other parties that it will accept certain responsibilities and as a result, the municipality has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Short-term employee benefits include items such as:

wages, salaries and social security contributions;

short-term compensated absences (such as paid annual leave and paid sick leave) where the compensation for the absences is due to be settled within twelve months after the end of the reporting period in which the employees render the related employee service;

bonus, incentive and performance related payments payable within twelve months after the end of the reporting period in which the employees render the related service; and

non-monetary benefits (for example, medical care, and free or subsidised goods or services such as housing, cars and cellphones) for current employees.

When an employee has rendered service to the municipality during a reporting period, the entity recognise the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service:

as a liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the municipality recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and

as an expense, unless another Standard requires or permits the inclusion of the benefits in the cost of an asset.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The municipality measure the expected cost of accumulating compensated absences as the additional amount that the entity expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The municipality recognises the expected cost of bonus, incentive and performance related payments when the municipality has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the entity has no realistic alternative but to make the payments.

The costs of all short-term employee benefits such as leave pay, are recognised during the period in which the employee renders the related service.

Liabilities for staff bonuses are recognised as they accrue to employees. The liability at year-end is based on the bonus accrued at year-end for each employee.

A provision, in respect of the liability relating to the anticipated costs of performance bonuses payable to Section 57 employees, is recognised as it accrues to Section 57 employees. Municipal entities' performance bonus provisions are based on the employment contract stipulations as well as previous performance bonus payment trends.

Leave pay

Liabilities for annual leave are recognised as they accrue to employees. Liability is based on the total accrued leave days owing to employees and is reviewed annually.

Stellenbosch Municipality

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Accounting Policies

1.20 Employee benefits (continued)

Post-employment benefits: Defined contribution plans

A defined contribution plan is a plan under which the municipality pays fixed contributions into a separate entity. The municipality has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to service in the current or prior periods.

When an employee has rendered service to the entity during a reporting period, the entity recognises the contribution payable to a defined contribution plan in exchange for that service:

- as a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the reporting date, an entity recognises that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- as an expense, unless another Standard requires or permits the inclusion of the contribution in the cost of an asset.

Post-employment benefits: Defined benefit plans

Defined benefit plans are post-employment benefit plans other than defined contribution plans. In this aspect defined contribution plans can be considered as the pension fund.

Current service cost is the increase in the present value of the defined benefit obligation resulting from employee service in the current period.

Interest cost is the increase during a period in the present value of a defined benefit obligation which arises because the benefits are one period closer to settlement.

Past service cost is the change in the present value of the defined benefit obligation for employee service in prior periods, resulting in the current period from the introduction of, or changes to, post-employment benefits or other long-term employee benefits. Past service cost may be either positive (when benefits are introduced or changed so that the present value of the defined benefit obligation increases) or negative (when existing benefits are changed so that the present value of the defined benefit obligation decreases). In measuring its defined benefit liability the entity recognises past service cost as an expense in the reporting period in which the plan is amended.

Plan assets comprise assets held by a long-term employee benefit fund and qualifying insurance policies.

The present value of a defined benefit obligation is the present value, without deducting any plan assets, of expected future payments required to settle the obligation resulting from employee service in the current and prior periods.

The return on plan assets is interest, dividends or similar distributions and other revenue derived from the plan assets, together with realised and unrealised gains or losses on the plan assets, less any costs of administering the plan (other than those included in the actuarial assumptions used to measure the defined benefit obligation) and less any tax payable by the plan itself.

The entity account not only for its legal obligation under the formal terms of a defined benefit plan, but also for any constructive obligation that arises from the entity's informal practices. Informal practices give rise to a constructive obligation where the entity has no realistic alternative but to pay employee benefits. An example of a constructive obligation is where a change in the entity's informal practices would cause unacceptable damage to its relationship with employees.

The amount recognised as a defined benefit liability is the net total of the following amounts:

- the present value of the defined benefit obligation at the reporting date;
- minus the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly;
- plus any liability that may arise as a result of a minimum funding requirement

The amount determined as a defined benefit liability may be negative (an asset). The entity measures the resulting asset at the lower of:

- the amount determined above; and
- the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. The present value of these economic benefits is determined using a discount rate which reflects the time value of money.

Any adjustments arising from the limit above is recognised in surplus or deficit

Stellenbosch Municipality

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Accounting Policies

1.20 Employee benefits (continued)

The entity determines the present value of defined benefit obligations and the fair value of any plan assets with sufficient regularity such that the amounts recognised in the audited annual financial statements do not differ materially from the amounts that would be determined at the reporting date.

The entity recognises the net total of the following amounts in surplus or deficit, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

- current service cost;
- interest cost
- the expected return on any plan assets and on any reimbursement rights;
- actuarial gains and losses
- past service cost;
- the effect of any curtailments or settlements; and
- the effect of applying the limit on a defined benefit asset (negative defined benefit liability)

The entity uses the Projected Unit Credit Method to determine the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost. The Projected Unit Credit Method (sometimes known as the accrued benefit method pro-rated on service or as the benefit/years of service method) sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

In determining the present value of its defined benefit obligations and the related current service cost and, where applicable, past service cost, a entity shall attribute benefit to periods of service under the plan's benefit formula. However, if an employee's service in later years will lead to a materially higher level of benefit than in earlier years, a entity shall attribute benefit on a straight-line basis from:

- the date when service by the employee first leads to benefits under the plan (whether or not the benefits are conditional on further service); until
- the date when further service by the employee will lead to no material amount of further benefits under the plan, other than from further salary increases.

Actuarial valuations are conducted on an annual basis by independent actuaries separately for each plan. The results of the valuation are updated for any material transactions and other material changes in circumstances (including changes in market prices and interest rates) up to the reporting date.

The entity recognises gains or losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs. The gain or loss on a curtailment or settlement comprises:

- any resulting change in the present value of the defined benefit obligation; and
- any resulting change in the fair value of the plan assets.

Before determining the effect of a curtailment or settlement, the entity re-measure the obligation (and the related plan assets, if any) using current actuarial assumptions (including current market interest rates and other current market prices).

When it is virtually certain that another party will reimburse some or all of the expenditure required to settle a defined benefit obligation, the right to reimbursement is recognised as a separate asset. The asset is measured at fair value. In all other respects, the asset is treated in the same way as plan assets. In surplus or deficit, the expense relating to a defined benefit plan is presented as the net of the amount recognised for a reimbursement.

The entity offsets an asset relating to one plan against a liability relating to another plan when the entity has a legally enforceable right to use a surplus in one plan to settle obligations under the other plan and intends either to settle the obligations on a net basis, or to realise the surplus in one plan and settle its obligation under the other plan simultaneously.

Actuarial assumptions

Actuarial assumptions are unbiased and mutually compatible.

Financial assumptions are based on market expectations, at the reporting date, for the period over which the obligations are to be settled.

The rate used to discount post-employment benefit obligations (both funded and unfunded) reflect the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the post-employment benefit obligations.

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Accounting Policies

1.20 Employee benefits (continued)

Post-employment benefit obligations are measured on a basis that reflects:

- estimated future salary increases;
- the benefits set out in the terms of the plan (or resulting from any constructive obligation that goes beyond those terms) at the reporting date; and
- estimated future changes in the level of any state benefits that affect the benefits payable under a defined benefit plan, if, and only if, either:
 - Those changes were enacted before the reporting date; or
 - past history, or other reliable evidence, indicates that those state benefits will change in some predictable manner, for example, in line with future changes in general price levels or general salary levels.

Assumptions about medical costs take account of estimated future changes in the cost of medical services, resulting from both inflation and specific changes in medical costs.

Other long term employee benefit

The municipality provides post-retirement health care benefits, housing subsidies and gratuities upon retirement to some retirees.

Long term service awards is payable after 10 years of continuous service and after every 5 years thereafter to employees. Additional to this employees shall be entitled to a 14th cheque for continuous employment on their 30th and every 5th year onward. Furthermore a retirement gift is payable on retirement to employees with 10 years or more service. The provision is an estimate of the long service award based on historical staff turnover based on historical staff turnover. No other long service benefits are provided to employees.

The entitlement to post-retirement health care benefits is based on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment. Independent qualified actuaries carry out valuations of these obligations. The municipality also provides a gratuity and housing subsidy on retirement to certain employees. An annual charge to income is made to cover both these liabilities.

Actuarial gains and losses arising from the experience adjustments and changes in actuarial assumptions are recognised in the Statement of financial performance in the period that it occurs. Interest cost on employee benefit obligation is recognised as part of employee related cost.

The amount recognised as a liability for other long-term employee benefits is the net total of the following amounts:

the present value of the defined benefit obligation at the reporting date;

minus the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly.

The municipality shall recognise the net total of the following amounts as expense or revenue, except to the extent that another Standard requires or permits their inclusion in the cost of an asset:

current service cost;

interest cost;

the expected return on any plan assets and on any reimbursement right recognised as an asset;

actuarial gains and losses, which shall all be recognised immediately;

past service cost; and

the effect of any curtailments or settlements.

Termination benefits

The municipality recognises termination benefits as a liability and an expense when the entity is demonstrably committed to either:

terminate the employment of an employee or group of employees before the normal retirement date; or

provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

Stellenbosch Municipality

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Accounting Policies

1.20 Employee benefits (continued)

The municipality is demonstrably committed to a termination when the entity has a detailed formal plan for the termination and is without realistic possibility of withdrawal. The detailed plan includes [as a minimum]:

the location, function, and approximate number of employees whose services are to be terminated;

the termination benefits for each job classification or function; and

the time at which the plan will be implemented.

Implementation begins as soon as possible and the period of time to complete implementation is such that material changes to the plan are not likely.

Where termination benefits fall due more than twelve months after the reporting date, they are discounted using an appropriate discount rate. The rate used to discount the benefit reflects the time value of money. The currency and term of the financial instrument selected to reflect the time value of money is consistent with the currency and estimated term of the benefit.

In the case of an offer made to encourage voluntary redundancy, the measurement of termination benefits shall be based on the number of employees expected to accept the offer.

1.21 Provisions

Provisions are recognised when:

- the municipality has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

Where discounting is used, the carrying amount of a provision increases in each period to reflect the passage of time. This increase is recognised as an interest expense.

A provision is used only for expenditures for which the provision was originally recognised. Provisions are not recognised for future operating deficits.

If the municipality has a contract that is onerous, the present obligation (net of recoveries) under the contract is recognised and measured as a provision.

Stellenbosch Municipality

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Accounting Policies

1.21 Provisions (continued)

Environmental rehabilitation provisions

At year end a provision is raised for the rehabilitation of landfill sites. The provision is the net present value of the future cash flows to rehabilitate damaged land at year end.

As the related asset is measured using the cost model:

changes in the liability is added to, or deducted from, the cost of the related asset in the current period;

the amount deducted from the cost of the asset does not exceed its carrying amount. If a decrease in the liability exceeds the carrying amount of the asset, the excess is recognised immediately in surplus or deficit;

if the adjustments result in an addition to the cost of an asset, the municipality considers whether this is an indication that the new carrying amount of the asset may be fully recoverable. If there is such an indication, the municipality tests the asset for impairment by estimating its recoverable amount or recoverable service amount, and accounts for any impairment loss, in accordance with the accounting policy on impairment of assets as described in the accounting policy on impairment of cash-generating assets and/ or impairment of non-cash generating assets.

The adjusted depreciable amount of the asset is depreciated over its useful life. Therefore, once the related asset has reached the end of its useful life, all subsequent changes in the liability is recognised in surplus or deficit as they occur.

1.22 Contingent assets and contingent liabilities

Contingent liabilities represent a possible obligation that arises from past events and whose existence will be confirmed only by an occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality.

A contingent liability can also arise as a result of a present obligation that arises from past events but which is not recognised as a liability either because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets represent possible assets that arise from past events and whose existence will be confirmed only by an occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the municipality.

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in the notes to the municipality.

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.23 Revenue

Revenue is the gross inflow of economic benefits or service potential during the reporting period when those inflows result in an increase in net assets, other than increases relating to contributions from owners.

An exchange transaction is one in which the municipality receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction

Recognition and measurement

Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and volume rebates.

1.23.1 Revenue from exchange transactions

Service charges

Service charges relating to electricity and water are based on consumption. Meters are read on a monthly basis and are recognised as revenue when invoiced. Provisional estimates of consumption, based on the consumption history, are made monthly when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced, except at year-end when estimates of consumption up to year-end are recorded as revenue without being invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period. In respect of estimates of consumption between the last reading date and the reporting date, an accrual is made based on the billings done during July and August. The billing and invoiced amounts done in July are recognized in total as an accrual as all billing in July pertains to services rendered prior 30 June. An estimate is then made based on August billing pertaining to services rendered up until 30 June.

Service charges relating to refuse removal are recognised on a monthly basis in arrears by applying the approved tariff to each property that has improvements. Tariffs are determined per category of property usage, and are levied monthly based on the number of refuse containers on each property, regardless of whether or not all containers are emptied during the month.

Service charges from sewerage and sanitation are based on the number of sewerage connections on each developed property using the tariffs approved from Council and are levied monthly.

The municipality accounts for availability charges as an exchange transaction.

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction shall be recognised by reference to the stage of completion of the transaction at the reporting date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- (a) the amount of revenue can be measured reliably;
- (b) it is probable that the economic benefits or service potential associated with the transaction will flow to the entity
- (c) the stage of completion of the transaction at the reporting date can be measured reliably; and
- (d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

interest is levied on outstanding debtors using the effective interest rate method.

Rentals on facilities and equipment are recognised on the straight-line basis over the term of the lease agreement

Pre-paid electricity

Revenue from the sale of electricity prepaid units is recognised when all the following conditions have been satisfied:

The municipality has transferred to the buyer the significant risks and rewards of ownership of the goods.

The municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.

The amount of revenue can be measured reliably.

It is probable that the economic benefits or service potential associated with the transaction will flow to the municipality.

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.23 Revenue (continued)

The costs incurred or to be incurred in respect of the transaction can be measure reliably.

Interest earned and rentals received

Interest earned on investments is recognised in the statement of financial performance on the time proportionate basis that takes into account the effective yield on the investment.

Traffic charges

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service is rendered by applying the relevant authorised tariff. This includes the issuing of licences and permits.

Income from agency services

Income for agency services is recognised on a monthly basis once the income collected on behalf of agents has been quantified. The income recognised is in terms of the agency agreement.

Sale of goods

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the municipality has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the municipality retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue recognition of unclaimed deposits

Unclaimed deposits older than three (3) years are recognised as revenue.

1.23.2 Revenue from non-exchange transactions

Rates and taxes

Other than services in-kind not recognised in terms of paragraph .99, an inflow of resources from a non-exchange transaction that meets the definition of an asset shall be recognised as an asset when, and only when:

- (a) it is probable that the future economic benefits or service potential associated with the asset will flow to the entity; and
- (b) the fair value of the asset can be measured reliably.

The municipality recognises an asset in respect of taxes when the taxable event occurs and the asset recognition criteria are met.

Resources arising from taxes satisfy the definition of an asset when the municipality controls the resources as a result of a past event (the taxable event) and expects to receive future economic benefits or service potential from those resources.

Resources arising from taxes satisfy the criteria for recognition as an asset when it is probable that the inflow of resources will occur and their fair value can be reliably measured.

The municipality analyses the taxation laws to determine what the taxable events are for the various taxes levied.

The taxable event for property tax is the passing of the date on which the tax is levied, or the period for which the tax is levied, if the tax is levied on a periodic basis.

Taxation revenue is determined at a gross amount. It is not reduced for expenses paid through the tax system.

Rebates and discounts are offset against the revenue. As per iGRAP 1, there is no intention to collect this revenue

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.23 Revenue (continued)

Fines

Fines constitute both spot fines and camera fines. Fines are recognised when the receivable meets the definition of an asset and satisfies the criteria for recognition as an asset. It is measured at the best estimate, based on past experience, of the amount of revenue the municipality is entitled to collect.

Subsequent to initial recognition and measurement, the municipality assess the collectability of the revenue and recognises a separate impairment loss where appropriate.

Donations and contributions

Donations and funding are recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. Where the agreement contains a stipulation to return the asset, other future economic benefits or service potential, in the event of non-compliance to these stipulations and would be enforced by the transferor, a liability is recognised to the extent that the criteria, conditions or obligations have not been met. Where such requirements are not enforceable, or where past experience has indicated that the transferor has never enforced the requirement to return the transferred asset, other future economic benefits or service potential when breaches have occurred, the stipulation will be considered a restriction and is recognised as revenue.

Transfers and subsidies

The municipality recognises an asset in respect of transfers when the transferred resources meet the definition of an asset and satisfy the criteria for recognition as an asset.

Transferred assets are measured at their fair value as at the date of acquisition.

Unconditional grants

Equitable share allocations are recognised in revenue at the start of the financial year.

Conditional grants

Conditional grants recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. Where the agreement contains a stipulation to return the asset, other future economic benefits or service potential, in the event of non-compliance to these stipulations and would be enforced by the transferor, a liability is recognised to the extent that the criteria, conditions or obligations have not been met. Where such requirements are not enforceable, or where past experience has indicated that the transferor has never enforced the requirement to return the transferred asset, other future economic benefits or service potential when breaches have occurred, the stipulation will be considered a restriction and is recognised as revenue.

Interest earned on grants received and invested is treated in accordance with grant conditions. If it is payable to the funder it is recorded as part of the creditor and if it is the municipality's interest it is recognised as interest earned in the Statement of financial performance.

Interest earned on unspent grants and receipts

Interest earned on unspent grants and receipts is treated in accordance with grant conditions. If it is payable to the funder it is recorded as part of the creditor and if it is the municipality's interest it is recognised as interest earned in the Statement of financial performance in accordance with GRAP 9.

Services received in-kind

Services in-kind that are significant to the municipality's operations and/or service delivery objectives are recognised as assets and the related revenue when it is probable that the future economic benefits or service potential will flow to the municipality and the fair value of the assets can be measured reliably.

Where services in-kind are not significant to the municipality's operations and/or service delivery objectives and/or do not satisfy the criteria for recognition, the municipality discloses the nature and type of services in-kind received during the reporting period.

Stellenbosch Municipality

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Accounting Policies

1.24 Statutory receivables

1.24.1 Identification

Statutory receivables are receivables that arise from legislation, supporting regulations, or similar means, and require settlement by another entity in cash or another financial asset.

The cost method is the method used to account for statutory receivables that requires such receivables to be measured at their transaction amount, plus any accrued interest or other charges (where applicable) and, less any accumulated impairment losses and any amounts derecognised.

Nominal interest rate is the interest rate and/or basis specified in legislation, supporting regulations or similar means.

The transaction amount for a statutory receivable means the amount specified in, or calculated, levied or charged in accordance with, legislation, supporting regulations, or similar means.

In estimating the future cash flows, an entity considers both the amount and timing of the cash flows that it will receive in future. Consequently, where the effect of the time value of money is material, an entity discounts the estimated future cash flows using a rate that reflects the current risk free rate and, if applicable, any risks specific to the statutory receivable or group of statutory receivables, for which the future cash flow estimates have not been adjusted.

1.24.2 Recognition

The municipality recognises statutory receivables as follows:

- if the transaction is an exchange transaction, using the policy on Revenue from exchange transactions;
- if the transaction is a non-exchange transaction, using the policy on Revenue from non-exchange transactions (Taxes and transfers); or
- if the transaction is not within the scope of the policies listed in the above or another Standard of GRAP, the receivable is recognised when the definition of an asset is met and, when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the transaction amount can be measured reliably.

1.24.3 Measurement

The municipality initially measures statutory receivables at their transaction amount.

The municipality measures statutory receivables after initial recognition using the cost method. Under the cost method, the initial measurement of the receivable is changed subsequent to initial recognition to reflect any:

- interest or other charges that may have accrued on the receivable (where applicable);
- impairment losses; and
- amounts derecognised.

Where the municipality levies interest on the outstanding balance of statutory receivables, it adjusts the transaction amount after initial recognition to reflect any accrued interest. Accrued interest is calculated using the nominal interest rate.

Interest on statutory receivables is recognised as revenue in accordance with the accounting policy on Revenue from exchange transactions or the accounting policy on Revenue from non-exchange transactions (Taxes and transfers), whichever is applicable.

Other charges

Where the municipality is required or entitled to levy additional charges in terms of legislation, supporting regulations, by-laws or similar means on overdue or unpaid amounts, these charges are accounted for in terms of the municipality's accounting policy on Revenue from exchange transactions or the policy on Revenue from non-exchange transactions (taxes and transfers).

1.24.4 Impairment

The municipality assesses at each reporting date whether there is any indication that a statutory receivable, or a group of statutory receivables, may be impaired.

In assessing whether there is any indication that a statutory receivable, or group of statutory receivables, may be impaired, the municipality considers, as a minimum, the following indicators:

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.24 Statutory receivables (continued)

significant financial difficulty of the receivable, which may be evidenced by an application for debt counselling, business rescue or an equivalent.

it is probable that the receivable will enter sequestration, liquidation or other financial re-organisation.

a breach of the terms of the transaction, such as default or delinquency in principal or interest payments (where levied).

adverse changes in international, national or local economic conditions, such as a decline in growth, an increase in debt levels and unemployment, or changes in migration rates and patterns.

If there is an indication that a statutory receivable, or a group of statutory receivables, may be impaired, the municipality measures the impairment loss as the difference between the estimated future cash flows and the carrying amount. Where the carrying amount is higher than the estimated future cash flows, the carrying amount of the statutory receivable, or group of statutory receivables, is reduced through the use of an allowance account. The amount of the losses is recognised in surplus or deficit.

An impairment loss recognised in prior periods for a statutory receivable is revised if there has been a change in the estimates used since the last impairment loss was recognised, or to reflect the effect of discounting the estimated cash flows.

Any previously recognised impairment loss is adjusted by adjusting the allowance account. The adjustment does not result in the carrying amount of the statutory receivable, or group of statutory receivables exceeding what the carrying amount of the receivable(s) would have been had the impairment loss not been recognised at the date the impairment is revised. The amount of any adjustment is recognised in surplus or deficit.

1.24.5 Derecognition

The municipality derecognises a statutory receivable, or a part thereof, when:

- the rights to the cash flows from the receivable are settled, expire or are waived;
- the municipality transfers control of the statutory receivable and substantially all the risks and rewards of ownership of the asset to another entity; or
- the municipality, despite having retained some significant risks and rewards of ownership of the receivable, has transferred control of the receivable to another party and the other party has the practical ability to sell the receivable in its entirety to an unrelated third party, and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. In this case, the entity:
 - derecognise the receivable; and
 - recognise separately any rights and obligations created or retained in the transfer.

The carrying amounts of any statutory receivables transferred are allocated between the rights or obligations retained and those transferred on the basis of their relative fair values at the transfer date. The entity considers whether any newly created rights and obligations are within the scope of the Standard of GRAP on Financial Instruments or another Standard of GRAP. Any difference between the consideration received and the amounts derecognised and, those amounts recognised, are recognised in surplus or deficit in the period of the transfer.

1.25 Principal-agent arrangements

Identification

An agent is an entity that has been directed by another entity (a principal), through a binding arrangement, to undertake transactions with third parties on behalf of the principal and for the benefit of the principal.

A principal is an entity that directs another entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit.

A principal-agent arrangement results from a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).

Stellenbosch Municipality

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Accounting Policies

1.25 Principal-agent arrangements (continued)

Identifying whether an entity is a principal or an agent

When the municipality is party to a principal-agent arrangement, it assesses whether it is the principal or the agent in accounting for revenue, expenses, assets and/or liabilities that result from transactions with third parties undertaken in terms of the arrangement.

The assessment of whether a municipality is a principal or an agent requires the municipality to assess whether the transactions it undertakes with third parties are for the benefit of another entity or for its own benefit.

Binding arrangement

The municipality assesses whether it is an agent or a principal by assessing the rights and obligations of the various parties established in the binding arrangement.

Where the terms of a binding arrangement are modified, the parties to the arrangement re-assess whether they act as a principal or an agent.

Assessing which entity benefits from the transactions with third parties

When the municipality in a principal-agent arrangement concludes that it undertakes transactions with third parties for the benefit of another entity, then it is the agent. If the municipality concludes that it is not the agent, then it is the principal in the transactions.

The municipality is an agent when, in relation to transactions with third parties, all three of the following criteria are present:

- It does not have the power to determine the significant terms and conditions of the transaction.
- It does not have the ability to use all, or substantially all, of the resources that result from the transaction for its own benefit.
- It is not exposed to variability in the results of the transaction.

Where the municipality has been granted specific powers in terms of legislation to direct the terms and conditions of particular transactions, it is not required to consider the criteria of whether it does not have the power to determine the significant terms and conditions of the transaction, to conclude that it is an agent. The municipality applies judgement in determining whether such powers exist and whether they are relevant in assessing whether the municipality is an agent.

Recognition

The municipality, as a principal, recognises revenue and expenses that arise from transactions with third parties in a principal-agent arrangement in accordance with the requirements of the relevant Standards of GRAP.

The municipality, as an agent, recognises only that portion of the revenue and expenses it receives or incurs in executing the transactions on behalf of the principal in accordance with the requirements of the relevant Standards of GRAP.

The municipality recognises assets and liabilities arising from principal-agent arrangements in accordance with the requirements of the relevant Standards of GRAP.

1.26 Borrowing costs

Borrowing costs are interest and other expenses incurred by a municipality in connection with the borrowing of funds.

Borrowing costs are recognised as an expense in the Statement of financial performance in the period in which they are incurred.

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised to the cost of the asset. All other borrowing costs are recognised as an expense in the period in which it is incurred. The capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation is disclosed in the notes below.

1.27 Comparative of actual information to budgeted information

Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current year. Refer to note 61 for detail.

Stellenbosch Municipality

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Accounting Policies

1.28 Unauthorised expenditure

Unauthorised expenditure means:

- overspending of a vote or a main division within a vote; and
- expenditure not in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

All expenditure relating to unauthorised expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.29 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. All expenditure relating to fruitless and wasteful expenditure is recognised as an expense in the Statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the Statement of financial performance.

1.30 Irregular expenditure

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), and the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the economic entity's supply chain management policy. Irregular expenditure excludes unauthorised expenditure.

All expenditure relating to irregular expenditure is recognised as an expense in the statement of financial performance in the year that the expenditure was incurred. The expenditure is classified in accordance with the nature of the expense, and where recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.31 Related parties and related party transactions

A related party is a person or an entity with the ability to control or jointly control the other party, or exercise significant influence over the other party, or vice versa, or an entity that is subject to common control, or joint control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Joint control is the agreed sharing of control over an activity by a binding arrangement, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).

An entity is related to the Municipality if any of the following conditions apply:

- the entity is a member of the same economic entity (which means that each controlling entity, controlled entity and fellow controlled entity is related to the others).
- one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of an economic entity of which the other entity is a member).
- both entities are joint ventures of the same third party.
- one entity is a joint venture of a third entity, and the other entity is an associate of the third entity.
- the entity is a post-employment benefit plan for the benefit of employees of either the Municipality or an entity related to the Municipality. If the reporting entity is itself such a plan, the sponsoring employers are related to the entity.
- the entity is controlled or jointly controlled by a person identified in (a).
- a person identified in (a) has significant influence over that entity or is a member of the management of that entity (or its controlling entity).

A person is considered to be a close member of the family of another person if they:

- are married or live together in a relationship similar to a marriage or are separated by no more than two degrees of natural or legal consanguinity or affinity.

Stellenbosch Municipality

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Accounting Policies

1.31 Related parties and related party transactions (continued)

Management (formerly known as “Key Management”) includes all persons having the authority and responsibility for planning, directing and controlling the activities of the Municipality, including:

- all members of the governing body of the Municipality;
- a member of the governing body of an economic entity who has the authority and responsibility for planning, directing and controlling the activities of the Municipality;
- any key advisors of a member, or sub-committees, of the governing body who has the authority and responsibility for planning, directing and controlling the activities of the Municipality; and
- the senior management team of the Municipality, including the chief executive officer or permanent head of the Municipality, unless already included in (a).

Management personnel include:

- All directors or members of the governing body of the Municipality, being the Executive Mayor, Deputy Mayor, Speaker and members of the Mayoral Committee. Other persons having the authority and responsibility for planning, directing and controlling the activities of the reporting Municipality being the Municipal Manager, Chief Financial Officer, and all other managers reporting directly to the Municipal Manager or as designated by the Municipal Manager.

Related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

Significant influence is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies.

Key management as well as their close family members, and/or entities are related parties if one party has the ability, directly or indirectly, to control or jointly control the other party or exercise significant influence over the other party in making financial and/or operating decisions.

Management are those persons responsible for planning, directing and controlling the activities of the municipality including those charged with the governance of the municipality in accordance with legislation, in instances where they are required to perform such functions.

Close members of the family of a person are considered to be those family members who may be expected to influence, or be influenced by, that management in their dealings with the municipality.

The municipality is exempt from disclosure requirements in relation to related party transactions if that transaction occurs within normal supplier and/or client/recipient relationships on terms and conditions no more or less favourable than those which it is reasonable to expect the municipality to have adopted if dealing with that individual entity or person in the same circumstances and terms and conditions are within the normal operating parameters established by that reporting entity's legal mandate.

Where the municipality is exempt from the disclosures in accordance with the above, the municipality discloses narrative information about the nature of the transactions and the related outstanding balances, to enable users of the entity's financial statements to understand the effect of related party transactions on its annual financial statements.

1.32 Change in accounting policies, estimates and errors

Changes in accounting policies that are affected by management have been applied retrospectively in accordance with GRAP 3 requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the change in policy. In such cases the municipality shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

Changes in accounting estimates are applied prospectively in accordance with GRAP 3 requirements. Details of changes in estimates are disclosed in the notes to the annual financial statements where applicable.

Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with GRAP 3 requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the municipality shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

1.33 Commitments

Items are classified as commitments when an entity has committed itself to future transactions that will normally result in the outflow of cash.

Stellenbosch Municipality

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Accounting Policies

1.33 Commitments (continued)

Disclosures are required in respect of unrecognised contractual commitments.

Commitments are not recognised in the statement of financial position as a liability, but are included in the disclosure notes in the following cases:

- approved and contracted commitments;
- where the expenditure has been approved and the contract has been awarded at the reporting date; and
- where disclosure is required by a specific standard of GRAP.

1.34 Value Added Tax

The municipality accounts for Value Added Tax on the cash (receipt) basis.

1.35 Budget information

The approved budget is prepared on an accrual basis and presented by economic classification linked to performance outcome objectives.

The approved budget covers the fiscal period from 2022/07/01 to 2023/06/30.

The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

Material variances are determined in accordance with the municipalities materiality framework. These material differences will be explained in the financial statements under note for budget differences referenced to the statement of budget comparison.

1.36 Events after reporting date

Events after reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The municipality will adjust the amount recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The municipality will disclose the nature of the event and an estimate of its financial effect or a statement that such estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

1.37 Presentation currency

These annual financial statements are presented in South African Rand, which is the functional currency of the municipality.

1.38 Construction contracts and receivables

Construction contract is a contract, or a similar binding arrangement, specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and function or their ultimate purpose or use.

Contractor is an entity that performs construction work pursuant to a construction contract.

A contractor is an entity that enters into a contract to build structures, construct facilities, produce goods, or render services to the specifications of another entity either itself or through the use of subcontractors. The term "contractor" thus includes a general or prime contractor, a subcontractor to a general contractor, or a construction manager.

1.39 Segment information

A segment is an activity of an entity:

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Accounting Policies

1.39 Segment information (continued)

- that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity);
- whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity and in assessing its performance; and
- for which separate financial information is available.

Reportable segments are the actual segments which are reported on in the segment report. They are the segments identified above or alternatively an aggregation of two or more of those segments where the aggregation criteria are met.

Segmental information was based and identified on the MFMA S71 monthly budget statement/reports that are reviewed by senior management and council to make strategic decisions and in monitoring segment performance. The disclosure of information about segments in these reports is organised around the type of service delivered, in a standardised format, namely the C2 schedule.

The municipality manages its assets and liability as a whole and is not reviewed on a segregated basis for each town. Segment reporting per geographical area is not deemed relevant.

Measurement

The amount of each segment item reported is the measure reported to management for the purposes of making decisions about allocating resources to the segment and assessing its performance. Adjustments and eliminations made in preparing the entity's financial statements and allocations of revenues and expenses are included in determining reported segment surplus or deficit only if they are included in the measure of the segment's surplus or deficit that is used by management. Similarly, only those assets and liabilities that are included in the measures of the segment's assets and segment's liabilities that are used by management are reported for that segment. If amounts are allocated to reported segment surplus or deficit, assets or liabilities, those amounts are allocated on a reasonable basis.

If management uses only one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities in assessing segment performance and deciding how to allocate resources, segment surplus or deficit, assets and liabilities are reported in terms of that measure. If management uses more than one measure of a segment's surplus or deficit, the segment's assets or the segment's liabilities, the reported measures are those that management believes are determined in accordance with the measurement principles most consistent with those used in measuring the corresponding amounts in the entity's financial statements.

1.40 Offsetting

Financial assets and liabilities are offset and the net amount reported on the Statement of financial position only when there is a legally enforceable right to set off the recognised amount, and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

1.41 Current year comparatives

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are also reclassified and restated, unless such comparative reclassification and / or restatement is not required by a Standard of GRAP. The nature and reason for such reclassifications and restatements are also disclosed.

Where material accounting errors, which relate to prior periods, have been identified in the current year, the correction is made retrospectively as far as is practicable and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable and the prior year comparatives are restated accordingly.

The presentation and classification of items in the current year is consistent with prior periods.

1.42 Cash and cash equivalents

Cash includes cash on hand (including petty cash) and cash with banks (including call deposits). Cash equivalents are short-term highly liquid investments, readily convertible into known amounts of cash and are subject to an insignificant risk of change in value. Cash and cash equivalents are carried at amortised cost. Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdraft are expensed as incurred. Amounts owing in respect of bank overdrafts are carried at amortised cost.

Stellenbosch Municipality

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Accounting Policies

1.42 Cash and cash equivalents (continued)

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks, net of bank overdrafts.

1.43 Housing arrangements

The Accounting Standards Board issued the guideline on Accounting for Arrangements Undertaken in terms of the National Housing Programme.

Where the municipality acts as a project manager in a housing arrangement, it is regarded as an agent in terms of the principles of GRAP 109 - Accounting by Principals and Agents.

Where the municipality is regarded as an agent, costs related to the construction of top structures and the related recovery thereof (revenue) is not be recognised in the Statement of financial performance of the municipality.

Where the municipality is identified as a project developer, the construction of the houses is performed by the municipality or by the appointment of a sub-contractor to undertake the construction on the municipality's behalf. The municipality applies the GRAP 11, Construction Contracts to account for these construction activities.

Where the municipality is regarded as the project developer and if the outcome of the construction contract can be estimated reliably, then contract revenue is recognised in profit or loss in proportion to the stage of completion of the contract. The stage of completion is assessed with reference to surveys of work performed. Otherwise, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. Contract revenue will be in the form of a grant from the Department of Human settlements and presented and disclosed under transfers and subsidies in the Statement of financial performance.

Contract costs are recognised as an expense in the period in which they are incurred. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Contract revenue shall comprise: (a) the initial amount of revenue agreed in the contract; and (b) variations in contract work, claims and incentive payments to the extent that: (i) it is probable that they will result in revenue; and (ii) they are capable of being reliably measured.

Contract costs shall comprise: (a) costs that relate directly to the specific contract; (b) costs that are attributable to contract activity in general and can be allocated to the contract on a systematic and rational basis; and (c) such other costs as are specifically chargeable to the customer under the terms of the contract.

An expected deficit on a construction contract to which paragraph .49 applies shall be recognised as an expense immediately in accordance with paragraph .49.

1.44 Grants-in-aid

The municipality transfers money to individuals, organizations and other sectors of government from time to time. When making these transfers, the municipality does not:

- Receive any goods or services directly in return, as would be expected in a purchase or sale transaction;
- Expect to be repaid in future; or
- Expect a financial return, as would be expected from an investment.

These transfers are recognised in the annual financial statements as expenses in the period that the events giving rise to the transfer occurred.

1.45 Consumer deposits

The municipality recognises consumer deposits as a current liability when the municipality becomes a party to the contract i.e. when the deposit is made. The consumer deposit is recognised as a liability as the municipality has an obligation to pay the money back to the consumer once the consumer account is closed. As the timing of when a consumer will close their account is unknown, the consumer deposits are classified as a current liability.

Stellenbosch Municipality

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Accounting Policies

1.46 Unspent conditional grants

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent where the obligations have not been met, a liability is recognised.

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023 R	2022 R
2. New standards and interpretations		
2.1 Standards and interpretations issued, but not yet effective		
The municipality has not applied the following standards and interpretations, which have been published and are mandatory for the municipality's accounting periods beginning on or after 01 July 2023 or later periods:		
Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
<ul style="list-style-type: none"> • Guideline: Guideline on Accounting for Landfill Sites • GRAP 25 (as revised): Employee Benefits • iGRAP 7 (as revised): Limit on defined benefit asset, minimum funding requirements and their interaction • Guideline: Guideline on the Application of Materiality to Financial Statements • GRAP 104 (as revised): Financial Instruments 	<ul style="list-style-type: none"> No effective date determined No effective date determined No effective date determined No effective date determined No effective date determined 	<ul style="list-style-type: none"> Unlikely there will be a material impact Unlikely there will be a material impact Unlikely there will be a material impact Unlikely there will be a material impact Unlikely there will be a material impact
3. Cash and cash equivalents		
3.1 Cash and cash equivalents		
Cash and cash equivalents consist of the following:		
Call deposits and investments		
Deposit taking institutions (Call account)	97 732 060	41 771 848
Cash at bank		
Bank account	150 787 174	96 091 642
Cash on hand	14 719	14 220
Total cash and cash equivalents	248 533 953	137 877 710
The municipality had the following current accounts:		
FNB - Primary (62869253684)	140 578 930	94 086 615
FNB - Lamotte Trust (62869255169)	3 291 277	2 591 239
FNB - Charitable (62869253733)	74 216	136 678
FNB - Longlands (63010520062)	2 056 639	-
	146 001 062	96 814 532
Reconciling the bank accounts to the cash book		
Bank statement balance at end of the year	140 578 930	94 086 615
Net movement/reconciling items	4 786 112	(4 066 485)
Cash book balance at the end of the year	145 365 042	90 020 130

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023 R	2022 R
4. Short term investments		
Short term investments	331 767 247	305 522 446
Nedbank Investments		
Opening balance	183 783 985	162 000 471
Deposits	200 000 000	179 061 482
Interest accrued	13 160 966	7 413 957
Withdrawals	(187 676 925)	(164 691 923)
	209 268 026	183 783 987
Standard Bank Investments		
Opening balance	81 126 949	60 433 150
Deposits	210 000 000	80 938 518
Interest Accrued	9 194 172	6 639 615
Withdrawals	(300 321 121)	(66 884 331)
	-	81 126 952
ABSA Investments		
Opening balance	40 611 507	-
Deposits	270 000 000	40 000 000
Withdrawals	(196 623 836)	-
Interest Accrued	8 511 548	611 507
	122 499 219	40 611 507

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

		2023 R	2022 R
5. Receivables from exchange transactions			
Consumer receivables from exchange transactions	5.1		
Electricity		153 776 401	108 881 514
Waste management		8 386 476	7 580 904
Waste water management		8 361 990	8 133 394
Water		44 517 033	42 986 897
Service charges		1 940 655	1 582 321
		216 982 555	169 165 030
Other consumer receivables from exchange transactions	5.2		
Property rental debtors		647 188	728 555
Total receivables from exchange transactions		217 629 743	169 893 585

The amount disclosed in this note is net of impairment. Refer to note 5.1 & 5.2 for the amount before the provision (gross) and the actual value of the provision.

Stellenbosch Municipality incorrectly billed a debtor for electricity provided and requested payment of the outstanding amount of R45 276 728. The debtor has now declared a dispute and indicated that they are only liable for payment of up to 6 months and not 3 years as the Municipality alleged. The disputed amount only relates to electricity and has been included as part of the electricity gross balance.

5.1 Consumer receivables

The average credit period for consumer receivables is 30 days. No interest is charged on trade receivables for the first 30 days from the date of the invoice. Thereafter interest is charged at the prime rate per annum on the outstanding balance. The municipality strictly enforces its approved credit control policy to ensure the recovery of consumer receivables.

The management of the municipality is of the opinion that the carrying value of consumer receivables approximate their fair values.

The fair value of consumer receivables was determined after considering the standard terms and conditions of agreements entered into between the municipality and consumer receivables as well as the current payment ratio's of the municipality's consumer receivables.

Controlling entity

	2023			2022		
	Gross	Impairment	Total	Gross	Impairment	Total
Consumer receivables from exchange transactions						
Electricity	167 445 130	(13 668 729)	153 776 401	123 618 935	(14 737 421)	108 881 514
Waste management	47 653 550	(39 267 074)	8 386 476	36 940 022	(29 359 118)	7 580 904
Waste water management	39 166 733	(30 804 743)	8 361 990	32 279 437	(24 146 043)	8 133 394
Water	156 427 621	(111 910 588)	44 517 033	139 361 334	(96 374 437)	42 986 897
Service charges	14 328 610	(12 387 955)	1 940 655	12 794 236	(11 211 915)	1 582 321
Total consumer receivables from exchange transactions	425 021 644	(208 039 089)	216 982 555	344 993 964	(175 828 934)	169 165 030

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

5. Receivables from exchange transactions (continued)

5.1.1 Ageing of consumer receivables

2023

	Not due				Past due		
	Total	Current (0-30 days)	31 - 60 days	61 - 90 days	91 - 120 days	121 - 365 days	365+ days
Consumer receivables from exchange transactions							
Total by debt type							
Electricity	167 445 130	112 898 755	402 841	322 645	276 106	42 950 590	10 594 193
Waste management	47 653 550	6 565 621	909 712	829 378	842 814	7 545 965	30 960 060
Waste water management	39 166 733	8 450 127	634 612	591 810	581 043	4 878 344	24 030 797
Water	156 427 621	33 932 918	2 685 373	2 899 798	3 297 217	15 548 336	98 063 979
Service charges	14 328 610	1 117 784	293 812	161 997	169 090	1 651 860	10 934 067
Total by debt type	425 021 644	162 965 205	4 926 350	4 805 628	5 166 270	72 575 095	174 583 096

2022

	Not due				Past due		
	Total	Current (0-30 days)	31 - 60 days	61 - 90 days	91 - 120 days	121 - 365 days	365+ days
Consumer receivables from exchange transactions							
Total by debt type							
Electricity	123 618 935	107 748 522	659 891	453 287	338 488	2 798 640	11 620 107
Waste management	36 940 022	6 631 198	806 034	658 205	575 212	4 261 991	24 007 382
Waste water management	32 279 437	7 397 227	595 674	499 521	411 083	3 125 904	20 250 028
Water	139 361 334	40 145 591	3 101 438	2 684 633	2 373 921	13 409 500	77 646 251
Service charges	12 794 236	1 177 046	194 392	252 773	226 778	1 332 251	9 610 996
Total by debt type	344 993 964	163 099 584	5 357 429	4 548 419	3 925 482	24 928 286	143 134 764

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023 R	2022 R				
5. Receivables from exchange transactions (continued)						
5.1.2 Consumer debt past due not impaired						
2023						
	Total	31 - 60 days	61 - 90 days	91 - 120 days	121 - 365 days	365+ days
Consumer receivables from exchange transactions						
Electricity	42 596 126	167 806	114 382	100 460	41 614 869	598 609
Waste management	2 305 092	138 864	100 678	85 806	497 097	1 482 647
Waste water management	1 751 004	96 168	71 042	55 132	334 974	1 193 688
Water	11 748 805	436 972	404 096	332 473	1 220 927	9 354 337
Service charges	396 004	47 391	15 686	12 824	89 775	230 328
Total consumer receivables	58 797 031	887 201	705 884	586 695	43 757 642	12 859 609
2022						
	Total	31 - 60 days	61 - 90 days	91 - 120 days	121 - 365 days	365+ days
Consumer receivables from exchange transactions						
Electricity	923 357	259 272	143 054	101 332	299 065	120 634
Waste management	864 334	171 560	127 226	72 121	214 828	278 599
Waste water management	717 677	138 044	110 113	53 936	154 594	260 990
Water	2 765 663	483 449	400 052	242 384	759 529	880 249
Service charges	348 388	45 742	36 432	32 846	151 306	82 062
Total consumer receivables	5 619 419	1 098 067	816 877	502 619	1 579 322	1 622 534

The Council regards receivables from exchange transactions to be due for outstanding amounts more than 30 days to be past due.

The water and electricity accrual is in respect of consumption between the last meter reading date and the reporting date, an accrual is made based on the average monthly consumption of consumers. The estimate of the consumption are being recorded as revenue without being invoiced.

5.2 Other receivables from exchange transactions

	2023			2022		
	Gross	Impairment	Total	Gross	Impairment	Total
Property rental debtors	31 363 488	(30 716 300)	647 188	29 191 965	(28 463 410)	728 555

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

5. Receivables from exchange transactions (continued)

5.2.1 Ageing of other receivables from exchange transactions

2023

	Not due			Past due			
	Total	Current (0 - 30 days)	31 - 60 days	61 - 90 days	91 - 120 days	120 - 365 days	365+ days
Property rental debtors	31 363 488	537 829	200 891	620 592	342 711	1 538 555	28 122 910

2022

	Not due			Past due			
	Total	Current (0 - 30 days)	31 - 60 days	61 - 90 days	91 - 120 days	121 - 365 days	365+ days
Property rental debtors	29 191 965	983 999	214 238	352 169	165 527	1 111 659	26 364 373

5.2.2 Other receivables from exchange transactions past due not impaired

2023

	Past due					
	Total	31 - 60 days	61 - 90 days	91 - 120 days	121 - 365 days	365+ days
Property rental debtors	308 358	12 717	117 523	13 791	79 166	85 161

2022

	Past due					
	Total	31 - 60 days	61 - 90 days	91 - 120 days	121 - 365 days	365+ days
Property rental debtors	261 644	36 051	88 450	20 761	47 011	69 371

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023	2022
	R	R

5. Receivables from exchange transactions (continued)

The impairment provision calculation is calculated by assessing each individual debtor and assessing the probability of future payment using a formula considering historical trends in relation to the individual debtors payment history.

Reconciliation of allowance for impairment

Balance at the beginning of the year	(204 292 344)	(167 113 151)
Contributions to the allowance	(34 463 045)	(37 179 193)
	(238 755 389)	(204 292 344)

Government debt as at 30 June 2022

	Rates	Services	Interest	Sundry	Total
Nat. dept of Public Works	135 040	919 892	6 145	15 418	1 076 495
Prov. dept of Transport and Public Works	117 379	25 485	8 757	11 250	162 871
Western Cape Education department	906	1 619 815	1 281	128	1 622 130
Department of Health	-	532 340	242	204	532 786
Dept of local government and housing	8 163	21 836	2 932	3 277	36 208
Other government departments	236	168 359	84	1 016	169 695
	261 724	3 287 727	19 441	31 293	3 600 185

Government debt as at 30 June 2023

	Rates	Services	Interest	Sundry	Total
Nat. dept of Public Works	505 359	2 371 551	75 405	14 535	2 966 850
Prov. dept of Transport and Public Works	161 211	101 463	22 662	14 907	300 243
Western Cape Education department	962	1 630 167	1 439	177	1 632 745
Department of Health	-	439 026	-	-	439 026
Dept of local government and housing	5 921	96 932	8 028	3 825	114 706
Other government departments	536	2 330	93	1 175	4 134
	673 989	4 641 469	107 627	34 619	5 457 704

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

		2023 R	2022 R
6. Receivables from non-exchange transactions			
Consumer receivables	6.1		
Property rates		26 914 714	17 745 120
Other receivables			
Accrued income		10 460 788	18 645 756
Fines		31 239 755	30 785 166
		41 700 543	49 430 922
Total receivables		68 615 257	67 176 042

6.1 Receivables from non-exchange transactions

	2023			2022		
	Gross	Impairment	Total	Gross	Impairment	Total
Consumer receivables						
Property rates	56 526 392	(29 611 678)	26 914 714	49 872 415	(32 127 295)	17 745 120
Other receivables						
Accrued income	10 460 788	-	10 460 788	18 645 756	-	18 645 756
Fines	227 276 286	(196 036 531)	31 239 755	186 301 512	(155 516 346)	30 785 166
	237 737 074	(196 036 531)	41 700 543	204 947 268	(155 516 346)	49 430 922
Total	294 263 466	(225 648 209)	68 615 257	254 819 683	(187 643 641)	67 176 042

Stellenbosch Municipality

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Notes to the Annual Financial Statements

6. Receivables from non-exchange transactions (continued)

6.1.1 Ageing of receivables from non-exchange transactions

2023

	Not due			Past due			
	Total	Current (0-30 days)	31 - 60 days	61 - 90 days	91 - 120 days	121 - 365 days	365+ days
Consumer receivables							
Property rates	56 526 392	23 623 391	990 992	1 056 224	767 734	7 219 197	22 868 854
Other receivables							
Accrued income	10 460 788	3 364 603	-	-	-	-	7 096 185
Fines	227 276 286	88 445 568	8 746 531	9 784 651	7 254 698	41 515 430	71 529 408
	237 737 074	91 810 171	8 746 531	9 784 651	7 254 698	41 515 430	78 625 593
	294 263 466	115 433 562	9 737 523	10 840 875	8 022 432	48 734 627	101 494 447

2022

	Not due			Past due			
	Total	Current (0-30 days)	31 - 60 days	61 - 90 days	91 - 120 days	121 - 365 days	365+ days
Consumer receivables							
Property rates	49 872 415	20 164 932	913 466	773 029	616 688	6 230 126	21 174 174
Other receivables							
Accrued income	18 645 756	13 361 240	-	-	-	-	5 284 516
Fines	186 301 512	28 255 472	10 048 047	11 206 219	7 544 529	40 192 188	89 055 057
	204 947 268	41 616 712	10 048 047	11 206 219	7 544 529	40 192 188	94 339 573
	254 819 683	61 781 644	10 961 513	11 979 248	8 161 217	46 422 314	115 513 747

No debtors were pledged as security.

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023 R	2022 R
6. Receivables from non-exchange transactions (continued)		
Statutory receivables included in receivables from non-exchange transactions above are as follows:		
Property rates	22 431 818	17 745 120
Fines	31 239 755	30 785 166
	53 671 573	48 530 286
Financial asset receivables included in receivables from non-exchange transactions above		
Accrued Income	10 460 788	18 645 756
Reconciliation of allowance for impairment		
Balance at beginning of the year	(187 643 641)	(173 186 777)
Contributions to allowance	(42 487 464)	(14 456 864)
	(230 131 105)	(187 643 641)

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023 R	2022 R				
6. Receivables from non-exchange transactions (continued)						
6.1.2 Ageing of impaired receivables from non-exchange transactions past due not impaired						
2023						
	Past due					
	Total	31-60 days	61 - 90 days	91 - 120 days	121 - 365 days	365+ days
Consumer receivables						
Property rates	3 240 924	340 214	282 168	203 989	1 250 253	1 164 300
Other receivables						
Fines	115 566 990	9 874 613	6 598 643	6 453 124	31 654 993	60 985 617
	118 807 914	10 214 827	6 880 811	6 657 113	32 905 246	62 149 917
2022						
	Past due					
	Total	31 - 60 days	61 - 90 days	91 - 120 days	121- 365 days	365+ days
Consumer receivables						
Property rates	1 911 656	373 269	259 228	170 442	573 671	535 046
Other receivables						
Fines	94 827 622	6 028 828	6 723 731	4 526 717	24 115 312	53 433 034
	96 739 278	6 402 097	6 982 959	4 697 159	24 688 983	53 968 080

Statutory receivables general information

Transaction(s) arising from statute

Property rates related transactions arise in terms of the Municipal Property Rates Act, 6 of 2004, Municipal Finance Management Act, 56 of 2003, as well as the Property Rates Policy of the municipality approved by Council as part of the Budget Process.

Traffic fines arise from the National Road Traffic Act 93 of 1996, National Road Traffic Regulations 2000, National Land Transport Act 5 of 2009 and Criminal Procedure Act 51 of 1971. Prosecutor performs prosecutorial functions in terms of a general delegation awarded by the National Prosecuting Authority and is subject to the control of the Control Prosecutor at the Magistrate's Court in Stellenbosch.

VAT transactions arise from the Value Added Tax Act 89 of 1991. VAT is an indirect tax on the consumption of goods and services in the economy. VAT is levied on all goods and services subject to certain exemptions, exceptions, deductions and adjustments provided for in the Value Added Tax Act 89 of 1991.

Determination of transaction amount

Property rates transaction amounts are determined in line with the Annual Tariff List of the municipality approved by Council as part of the Budget Process in terms of the Municipal Finance Management Act, 56 of 2003.

The municipality makes use of estimates to determine the amount of revenue that it is entitled to collect. Where settlement discounts or reductions in the amount payable are offered, the municipality considers past history in assessing the likelihood of these discounts or reductions being taken up by receivables.

VAT transactions amounts are determined in line with the Value Added Tax Act 89 of 1991. VAT increased from 14% to 15% from 1 April 2018.

Interest or other charges levied/charged

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023	2022
	R	R

6. Receivables from non-exchange transactions (continued)

Interest or other charges levied on Property rates balances are in line with the Annual Tariff List of the municipality approved by Council as part of the Budget Process in terms of the Municipal Finance Management Act, 56 of 2003. "Interest" means a charge levied, on all arear accounts calculated at an interest rate which is one percent higher than the prime interest rate.

Traffic fines: Additional charges includes contempt of court fees / warrant of arrest fee determined in terms of the Criminal Procedure Act.

The rates and interest charges are determined by the Value Added Tax Act 89 of 1991.

Basis used to assess and test whether a statutory receivable is impaired

The basis used to assess Property Rates receivables is to look at the extent to which debtors on an individual basis defaulted on payments already due and an assessment of their ability to make payments based on their historical collection trend.

The basis used to assess Traffic fine receivables is to look at the extent to which debtors per group of fines (Municipal fines, Provincial fines) defaulted on payments already due and an assessment of their ability to make payments based on their historical collection trend.

No impairment on VAT Receivable, balance expected to be fully recoverable

Discount rate applied to the estimated future cash flows

Interest is calculated using the nominal interest rate as stipulated in the municipal by-laws (Prime plus 1%). This rate is also considered an appropriate discount rate.

Main events and circumstances that led to the recognition or reversal of impairment losses on statutory receivables

Significant impairment losses recognised or reversed

Traffic Fines: Impairment Recognised: Annually the outstanding receivables are assessed in terms of the value of fines issued in comparison to the receipts generated from such fines. The remaining balance is considered recoverable based on this payment percentage.

7. Inventories

Consumables	390 563	799 798
Materials and supplies	9 830 691	2 918 628
Water	2 562 783	1 889 813
Housing stock	9 100 000	9 275 000
Land	14 146 828	14 146 828
Total Inventories	36 030 865	29 030 067

R 64 172 062 (2022: R 44 620 431) of total inventory was recognised as an expense in the current year.

The amount of write-down of inventories recognised as an expense and a reduction in inventory carrying value is R 389 807 (2022: R 115 859). The circumstances relating to the write down is as a result of stock adjustments and shortages on general stock items as reported and approved accordingly.

No inventories were pledged as securities.

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023 R	2022 R
8. Other receivables from exchange transactions		
Deposits	1 895 810	1 776 546
Goods received/Invoice received	441 213	-
Other receivable	4 065 462	3 572 756
Licensing and registration	3 290 273	3 022 422
Special rating area	470 538	503 304
Prepayments and advances	30 583 331	17 384 728
Total	40 746 627	26 259 756
9. VAT Control		
VAT Receivable/(Payable)	12 014 194	18 651 433

The municipality is registered for VAT on the payment/ cash basis.

VAT meets the definition of a statutory receivable as per the accounting policy. For statutory receivable information regarding VAT refer to note 6.

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023 R	2022 R
10. Investment property		
10.1 Reconciliation of carrying value		
Opening carrying value		
Cost	438 586 232	438 586 232
Accumulated depreciation and impairment losses	(13 086 177)	(12 834 293)
	425 500 055	425 751 939
Depreciation	38 (423 567)	(251 884)
Closing carrying value	425 076 488	425 500 055
Cost	438 586 232	438 586 232
Accumulated depreciation and impairment losses	(13 509 744)	(13 086 177)
	425 076 488	425 500 055

A register containing the information required by section 63 of the Municipal Finance Management Act is available for inspection at the registered office of the municipality.

There were no restrictions placed on any investment properties.

Maintenance of investment property

There were no repairs and maintenance expensed on rental properties. This is mainly due to the fact that rental agreements as entered into with the lessee states maintenance of these properties will be for the lessee's expense.

Amounts recognised in surplus or deficit

Rental revenue from Investment property	12 373 336	12 172 870
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Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

11. Property, plant and equipment

11.1 Summary

	2023			2022		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Land	488 622 998	(27 052 477)	461 570 521	488 622 998	(27 052 477)	461 570 521
Transport Assets	177 457 549	(84 643 772)	92 813 777	177 804 358	(77 003 630)	100 800 728
Electrical Infrastructure	1 492 698 720	(498 647 037)	994 051 683	1 445 743 911	(453 699 182)	992 044 729
Water Supply Infrastructure	1 938 401 583	(530 076 192)	1 408 325 391	1 861 997 700	(472 713 615)	1 389 284 085
Sanitation Infrastructure	1 319 793 887	(269 222 031)	1 050 571 856	1 283 712 546	(232 294 932)	1 051 417 614
Solid Waste Infrastructure	74 439 429	(16 755 590)	57 683 839	66 824 336	(14 629 744)	52 194 592
Other Infrastructure	33 804 325	(18 754)	33 785 571	27 553 251	-	27 553 251
Machinery and Equipment	75 347 766	(53 250 321)	22 097 445	76 955 727	(50 011 802)	26 943 925
Furniture and Office Equipment	55 318 049	(39 861 574)	15 456 475	51 203 564	(32 537 843)	18 665 721
Computer Equipment	79 515 792	(50 866 718)	28 649 074	69 427 051	(40 319 517)	29 107 534
Information and Communication Infrastructure	4 710 254	(3 581 367)	1 128 887	4 504 233	(3 090 765)	1 413 468
Capital Restoration Asset	-	-	-	35 090 800	(27 633 546)	7 457 254
Roads Infrastructure	1 385 786 510	(528 252 455)	857 534 055	1 315 899 047	(480 095 818)	835 803 229
Storm water Infrastructure	83 900 854	(48 712 073)	35 188 781	83 610 258	(47 628 015)	35 982 243
Community Assets	174 973 936	(34 619 182)	140 354 754	157 781 452	(25 965 929)	131 815 523
Other Assets	546 752 348	(111 880 971)	434 871 377	513 153 957	(101 065 773)	412 088 184
- Operational Building	358 526 214	(76 916 366)	281 609 848	337 311 590	(66 126 414)	271 185 176
- Housing Selling Schemes	188 226 134	(34 964 605)	153 261 529	175 842 367	(34 939 359)	140 903 008
Total	7 931 524 000	(2 297 440 514)	5 634 083 486	7 659 885 189	(2 085 742 588)	5 574 142 601

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

11. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Disposals	Transfers made	Depreciation	Impairment loss	Total
Land	461 570 521	-	-	-	-	-	461 570 521
Transport Assets	100 800 728	1 785 342	(800 349)	-	(7 399 276)	(1 572 668)	92 813 777
Electrical Infrastructure	992 044 729	66 614 868	-	(19 660 059)	(44 947 855)	-	994 051 683
Water Supply Infrastructure	1 389 284 085	72 409 987	(315 773)	(399 104)	(52 653 804)	-	1 408 325 391
Sanitation Infrastructure	1 051 417 614	36 081 340	-	-	(36 927 098)	-	1 050 571 856
Solid Waste Infrastructure	52 194 592	7 617 494	-	-	(2 128 247)	-	57 683 839
Other infrastructure	27 553 251	6 251 073	(18 753)	-	-	-	33 785 571
Machinery and Equipment	26 943 925	2 685 750	(1 002)	-	(7 531 228)	-	22 097 445
Furniture and Office Equipment	18 665 721	2 125 111	(2 535)	-	(5 331 822)	-	15 456 475
Computer Equipment	29 107 534	6 955 476	(1 983)	-	(7 411 953)	-	28 649 074
Information and Communication Infrastructure	1 413 468	211 675	(152)	-	(496 104)	-	1 128 887
Capital restoration asset	7 457 254	-	(7 457 254)	-	-	-	-
Roads Infrastructure	835 803 229	70 470 097	(582 635)	-	(48 156 636)	-	857 534 055
Storm water Infrastructure	35 982 243	290 596	-	-	(1 084 058)	-	35 188 781
Community Assets	131 815 523	14 409 061	(509 732)	-	(5 360 098)	-	140 354 754
Other Assets	412 088 184	33 598 392	(163 400)	-	(10 651 801)	-	434 871 377
- Operational Building	271 185 176	19 422 544	-	-	(8 997 874)	-	281 609 848
- Housing Selling Schemes	140 903 008	14 175 848	(163 400)	-	(1 653 927)	-	153 261 529
	-	-	-	-	-	-	-
	5 574 142 601	321 506 262	(9 853 568)	(20 059 163)	(230 079 980)	(1 572 668)	5 634 083 486

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

11. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2022

	Opening balance	Additions	Disposals	Transfers made	Other changes, movements	Depreciation	Impairment loss	Total
Land	464 776 420	-	(3 205 899)	-	-	-	-	461 570 521
Transport Assets	106 209 036	4 599 801	(518 208)	-	-	(9 489 901)	-	100 800 728
Electrical Infrastructure	938 767 486	75 859 177	-	12 064 387	-	(34 646 321)	-	992 044 729
Water Supply Infrastructure	1 416 698 160	22 647 755	-	131 592	-	(47 470 550)	(2 722 872)	1 389 284 085
Sanitation Infrastructure	1 017 791 262	67 461 027	-	-	-	(33 834 675)	-	1 051 417 614
Solid Waste Infrastructure	50 176 933	3 823 259	-	-	-	(1 805 600)	-	52 194 592
Other Infrastructure	1 470 153	26 083 098	-	-	-	-	-	27 553 251
Machinery and Equipment	44 342 821	1 879 170	(4 821)	-	-	(19 273 245)	-	26 943 925
Furniture and Office Equipment	15 377 518	5 084 702	(5 075)	-	-	(1 791 424)	-	18 665 721
Computer Equipment	22 636 025	9 627 956	(61 635)	-	-	(3 094 812)	-	29 107 534
Information and Communication Infrastructure	1 206 693	591 272	(53)	-	-	(384 444)	-	1 413 468
Capital Restoration Asset	5 466 095	-	-	-	2 843 415	(852 256)	-	7 457 254
Roads Infrastructure	811 846 086	71 285 720	-	-	-	(47 328 577)	-	835 803 229
Storm water Infrastructure	37 001 512	13 500	-	-	-	(1 032 769)	-	35 982 243
Community Assets	96 180 801	40 993 007	-	-	-	(5 358 285)	-	131 815 523
Other Assets	417 607 722	5 539 306	(476 888)	-	-	(10 581 956)	-	412 088 184
- Operational Building	279 926 778	-	-	-	-	(8 741 602)	-	271 185 176
- Housing selling schemes	137 680 944	5 539 306	(476 888)	-	-	(1 840 354)	-	140 903 008
	5 447 554 723	335 488 750	(4 272 579)	12 195 979	2 843 415	(216 944 815)	(2 722 872)	5 574 142 601

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023 R	2022 R
11. Property, plant and equipment (continued)		
11.2 Property, plant and equipment under construction		
Work in Progress		
The following assets were still in the process of being constructed at year end:		
Intangible assets	1 526 450	1 526 450
Electrical infrastructure	158 850 446	92 235 577
Water supply infrastructure	162 444 760	91 556 079
Waste water Infrastructure	261 594 598	225 513 259
Waste infrastructure	13 900 974	6 283 479
Machinery and equipment	-	164 532
Computer equipment	-	120 584
Roads infrastructure	69 841 942	50 488 543
Stormwater infrastructure	3 381 244	3 090 648
Community assets	20 264 305	20 720 143
Other Assets - Operational buildings	12 431 016	8 997 501
Other Assets - Housing selling schemes	17 863 483	12 417 714
Furniture and office equipment	-	814
Other Infrastructure	27 534 496	27 553 251
Transport Assets	-	1 572 668
	749 633 714	542 241 242

There were no projects that were significantly delayed or halted during the current financial year. Significant delays are regarded as projects which has not seen any progress for a period exceeding 12 months.

11.3 Property, plant and equipment pledged as security

No assets have been pledged as security during the current financial year.

11.4 Maintenance of property, plant and equipment

11.4.1 Maintenance of property, plant and equipment by nature and type of expenditure

Expenditure incurred to repair and maintain property, plant and equipment included in the Statement of Financial Performance

Property, plant and equipment	55 115 009	64 350 486
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Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023 R	2022 R
12. Intangible assets		
12.1 Reconciliation of carrying value		
2023		
	Computer software	Total
Opening carrying value as at 01 July 2022		
Cost	17 943 517	17 943 517
Accumulated depreciation and impairment	(10 876 393)	(10 876 393)
	7 067 124	7 067 124
Additions from acquisitions	207 100	207 100
Amortisation	38 (1 175 448)	(1 175 448)
	(968 348)	(968 348)
Closing carrying value as at 30 June 2023	6 098 776	6 098 776
Cost	18 150 617	18 150 617
Accumulated amortisation and impairment	(12 051 841)	(12 051 841)
	6 098 776	6 098 776
2022		
	Computer software	Total
Opening carrying value as at 01 July 2021		
Cost	17 943 517	17 943 517
Accumulated depreciation and impairment	(9 379 971)	(9 379 971)
	8 563 546	8 563 546
Amortisation	38 (1 496 422)	(1 496 422)
Closing carrying value as at 30 June 2022	7 067 124	7 067 124
Cost	17 943 517	17 943 517
Accumulated amortisation and impairment	(10 876 393)	(10 876 393)
	7 067 124	7 067 124

Pledged as security

There were no items of intangible assets that were pledged as security in the current financial year.

Restricted title

There were no items of intangible assets that that a restricted title in the current financial year.

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023 R	2022 R
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13. Biological assets**13.1 Reconciliation of carrying value**

	2023		2022	
	Biological assets measured at fair value	Total	Biological assets measured at fair value	Total
Opening carrying value	5 142 777	5 142 777	5 142 777	5 142 777
Additions from acquisitions	-	-	-	-
Disposals through sales	-	-	-	-
Gains / Losses on disposals	-	-	-	-
Harvests	-	-	-	-
	5 142 777	5 142 777	5 142 777	5 142 777

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023		2022	
	R		R	
13. Biological assets (continued)				
2023 - Nature and quantities of each biological asset				
	Opening Balance	Decrease due to harvest	Fair value movement	Total
Botmanskop Plantation	293 463	-	-	293 463
Paradyskloof Plantation	4 849 313	-	-	4 849 313
	5 142 776	-	-	5 142 776
2022 - Nature and quantities of each biological asset				
	Opening Balance	Decrease due to harvest	Fair value movement	Total
Botmanskop plantation	293 463	-	-	293 463
Paradyskloof Plantation	4 849 313	-	-	4 849 313
	5 142 776	-	-	5 142 776

The determination of fair value was as follows:

Principle:

Price determination was done on the basis of current sale value of the tender for the current year i.e. R602.10/m³ excluding 15% VAT. This value was given to all trees as the estimated yield takes into consideration the age of the trees. The harvestable age starts from 20 years old where the minimum estimated yield would be 100m³/ha.

It must also be noted that this yield is based on optimum growing conditions and the existing microclimates, and thus the yield might vary per compartment. Refer to the Forestry Handbook p204 which can be obtained at the municipal offices.

Description of the Biological Assets

Botmanskop plantation (Block E)

Some compartments remain which can be harvested at a later stage due to the age of the trees.

Paradyskloof plantation (Block G)

Some compartments remain which can be harvested at a later stage due to the age of the trees.

Strategy to mitigate risks

The strategy to mitigate risks attached to this category of assets is to prevent the spread of runaway veld fires by maintaining fire breaks.

Pledged as security

There were no items of biological assets pledged as security in the current financial year.

Non-Financial Information

Quantities of each biological asset (In hectares)

Botmanskop Plantation	10	10
Paradyskloof Plantation	32	32
	42	42

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023 R	2022 R		
14. Heritage assets				
14.1 Reconciliation of carrying value				
2023				
	Land and buildings	Monuments and parks	Other assets	Total
Opening carrying value as at 01 July 2022				
Cost	-	892 883	143 945	1 036 828
Additions from acquisitions			275 974	275 974
Closing carrying value as at 30 June 2023	275 974	892 883	143 945	1 312 802
Cost	275 974	892 883	143 945	1 312 802
2022				
		Monuments and parks	Other assets	Total
Opening carrying value as at 01 July 2021				
Cost		892 883	143 945	1 036 828
Accumulated impairment losses		-	-	-
		892 883	143 945	1 036 828
Cost		892 883	143 945	1 036 828
Accumulated impairment losses		-	-	-
		892 883	143 945	1 036 828

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023 R	2022 R
14. Heritage assets (continued)		
14.2 Heritage assets pledged as security		
There were no heritage assets pledged as security during the current financial year.		
Heritage assets used for more than one purpose		
A significant portion of the following heritage assets are used for office accommodation and is therefore included in the balance of property, plant and equipment:		
The following heritage assets are used by the municipality for more than one purpose		
Neethlingshuis and De Withuis	62 337 914	62 697 588
58 - 60 Andringa Street	1 858 476	1 868 632
35B Mark Street	3 121 213	3 130 455
127 Dorp Street, Transvalia, Alma & Bosmanshuis flats	12 618 351	12 649 326
116 - 118 Dorp Street, Voorgelegen - offices	5 516 951	5 537 263
4 Reservoir West, Mooiwater	2 056 781	2 064 905
34 Mark Street, Rynse Komplex; Toy Museum, Tourism	8 118 351	8 149 326
PMU Building, Alexander Street, Burger Huis	1 558 009	1 564 611
Merriman, Bergzicht Training Centre, Oude Libertas Theatre & Restaurant	61 652 545	61 846 119
Die Laan, Landbou Saal	4 329 471	4 336 326
	163 168 062	163 844 551
Expenditure incurred to repair and maintain heritage assets		
The expenditure relating to repairs and maintenance of these buildings is included in the statement of financial performance and disclosed under note 11 to the financial statements.		
There was no repairs and maintenance expenditure incurred on other remaining heritage assets.		
15. Long-term receivables		
Consumer receivables	5.1	
Electricity	554 827	1 183 521
Waste management	534 875	1 067 766
Waste water management	417 415	846 283
Water	2 139 941	3 519 805
Services charges	564 882	1 327 555
Property rates	369 630	738 862
Total	4 581 570	8 683 792
Transferred to current receivables	-	(2 034 864)
Total non-current consumer receivables	4 581 570	6 648 928
Other receivables		
Public organisation	71 703	119 134
Transferred to current receivables	8	(54 542)
Total non-current other receivables	17 161	71 703

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023 R	2022 R
16. Consumer deposits		
Electricity	12 362 360	12 025 674
Posters	290 106	290 106
Refuse	204 420	205 629
Rental properties	1 820 589	1 747 191
Water	8 452 937	7 387 820
Wayleave	558 413	498 413
Total	23 688 825	22 154 833

Deposits are released on termination of the contract or when the contractual services are delivered.

17. Employee benefits

Non-current employee benefits

Post employment health care benefits	17.1	166 384 001	179 494 000
Long-service awards benefits	17.2	24 816 000	24 606 717
		191 200 001	204 100 717

Current employee benefits

Post employment health care benefits	17.1	9 772 000	9 664 001
Long-service awards benefits	17.2	3 142 020	3 122 303
Bonus	17.3	14 629 565	13 928 763
Staff leave	17.4	30 740 330	32 871 279
		58 283 915	59 586 346
Total employee benefits		249 483 916	263 687 063

17.1 Post employment health care benefits

The municipality provides certain post-retirement health care benefits by funding the medical aid contributions of qualifying retired members of the municipality. According to the rules of the Medical Aid Funds, with which the municipality is associated, a member (who is on the current Conditions of Service) is entitled to remain a continued member of such medical aid fund on retirement, in which case the municipality is liable for a certain portion of the medical aid membership fee. The municipality operates an unfunded defined benefit plan for these qualifying employees. The plan is treated as a defined benefit plan under GRAP 25. No other post-retirement benefits are provided to these employees.

The most recent actuarial valuations of plan assets and the present value of the defined benefit obligation were carried out at 30 June 2023 by C Weiss of the Actuarial Society of South Africa. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

The members of the Post-employment Health Care Benefit Plan are made up as follows:

	Number	Number
In-service members (Employees)	688	673
Continuation members (Retirees)	168	175
In service employees (Non-members)	454	472
Total members	1 310	1 320

The liability in respect of past service has been estimated as follow:

In-service members (Employees)	66 382 000	67 805 000
In-service non-members (Employees)	7 341 000	8 309 000
Continuation members (Retirees)	102 433 001	113 044 001
Total liability	176 156 001	189 158 001
Non-current	166 384 001	179 494 000
Current	9 772 000	9 664 001

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023 R	2022 R			
17. Employee benefits (continued)					
Total liability	176 156 001	189 158 001			
The principal assumptions used for the purposes of the actuarial valuations were as follow:					
Rates of interest					
Discount rate	12.32%	11.74%			
Health care cost inflation rate	7.94%	8.37%			
Net effective discount rate	4.06%	3.11%			
Normal retirement age					
The average retirement age for all active employees was assumed to be 62 years.					
Amounts recognised in the statement of financial position					
The amounts recognised in the statement of financial position is as follows:					
Present value of unfunded obligations	176 156 001	189 158 001			
Amounts recognised in the statement of financial performance					
The amounts recognised in the statement of financial performance is as follows:					
Current service cost	5 820 000	5 572 000			
Interest cost	21 656 000	17 958 000			
Actuarial loss/ (gain) recognised in the year	(30 656 325)	(10 615 342)			
Total post-retirement benefit included in employee related costs	35 (3 180 325)	12 914 658			
Movements in the present value of the defined benefit obligation					
Opening balance	189 158 001	185 720 001			
Current service cost	5 820 000	5 572 000			
Interest cost	21 656 000	17 958 000			
Actual employer benefit payments	(9 821 675)	(9 476 658)			
Actuarial loss/ (gain) recognised in the year	(30 656 325)	(10 615 342)			
Present value of fund obligation at the end of the year	176 156 001	189 158 001			
Sensitivity analysis on the Accrued Liability (R Millions)					
Assumption	Change	In-service	Continuation	Total	% change
Central assumptions		73.723	102.433	176.156	
Health care inflation	1%	87.850	111.481	199.331	13%
	-1%	62.395	94.515	156.910	-11%
Discount rate	1%	62.881	94.868	157.749	(11)%
	-1%	87.370	111.188	198.558	13%
Post retirement mortality	1 yr	71.949	99.080	171.029	(3)%
	(1)	75	106	181	3
Average retirement age	- 1 year	80.455	102.433	182.888	4%
Continuation of membership at retirement	(10)%	64.537	102.433	166.970	(5)%

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

		2023 R	2022 R		
17. Employee benefits (continued)					
Sensitivity analysis on Current-service and Interest Costs					
Assumption	Change	Current-service cost	Interest cost	Total	% Change
Central assumptions		5 820 000	21 656 000	27 476 000	
Health care inflation	1%	7 194 000	24 789 000	31 983 000	16%
	(1)%	4 758 000	19 080 000	23 838 000	-14%
Discount rate	1%	4 837 000	20 802 000	25 639 000	-7%
	(1)%	7 098 000	22 611 000	29 709 000	8%
Post-retirement mortality	+1 yr	5 669 000	20 963 000	26 632 000	-3%
	-1 yr	5 974 000	22 349 000	28 323 000	3%
Average retirement age	-1 yr	6 182 000	22 460 000	28 642 000	4%
Membership continuation	-10%	5 121 000	20 518 000	25 639 000	-7%

Mortality Rates

Post retirement: PA (90) ultimate Mortality table was used.

Pre-retirement: The SA 85-90 ultimate table adjusted for female lives, was used.

Continuation of Membership

With the appointment of ARCH Actuarial Consulting for the year ending 30 June 2023.

17.2 Long-service awards benefits

Provision for long-service awards	17.2.1	27 958 020	27 729 020
Less: Transfer to current portion		(3 142 020)	(3 122 303)
Total non-current benefit		24 816 000	24 606 717
Non-current		24 816 000	24 606 717
Current		3 142 020	3 122 303
Total liability		27 958 020	27 729 020

Long-service awards

The municipality operates a funded defined benefit plan for all its employees. Under the plan, a Long Service Award is payable after 10 years of continuous service and every 5 years thereafter to employees. The provision is an estimate of the long-service based on historical staff turnover. No other long-service benefits are provided to employees.

The most recent actuarial valuations of plan assets and the present value of the defined benefit obligation were carried out at 30 June 2023 by Arch consulting. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

At year end 1142 (2022: 1145) employees were eligible for Long Services Awards.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Discount rate	11.38%	11.12%
General Salary inflation	6.62%	7.3%
Net effective discount rate	4.47%	3.56%

GRAP 25 defines the determination of the Discount Rate Assumption to be used as follows:

The discount rate that reflects the time value of money is best approximated by reference to market yields at the reporting date on government bonds. Where there is no deep market in government bonds with a sufficiently long maturity to match the estimated maturity of all the benefit payments, an entity uses current market rates of the appropriate term to discount shorter term payments, and estimates the discount rate for longer maturities by extrapolating current market rates along the yield curve.

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023 R	2022 R
17. Employee benefits (continued)		
Amounts recognised in the statement of financial position		
The amounts recognised in the statement of financial position are as follow:		
Present value of unfunded obligations	27 958 020	27 729 020
Amounts recognised in the statement of financial performance		
The amounts recognised in the statement of financial performance are as follow:		
Current service cost	2 224 000	2 183 000
Interest cost	2 926 000	2 408 000
Actuarial losses / (gains) recognised	(2 139 584)	(1 161 853)
Total expense included in employee related costs	35 3 010 416	3 429 147
17.2.1 Provision for long service awards		
Movements in the present value of the defined benefit obligation		
Opening Balance	27 729 020	27 466 000
Increases	2 224 000	2 183 000
Increases (Passage of Time/Discounted Rate)	2 926 000	2 408 000
Reductions (Payments, remeasurement etc.)	(4 921 000)	(4 327 980)
Closing balance	27 958 020	27 729 020
17.3 Bonus		
Provision for bonus	17.3.1 14 629 565	13 928 763
Less: Transfer to current portion	(14 629 565)	(13 928 763)
Total non-current benefit	-	-
Current	14 629 565	13 928 763
Amounts recognised in the statement of financial position		
The amounts recognised in the statement of financial position are as follow:		
Present value of unfunded obligations	14 629 565	13 928 763
Amounts recognised in the statement of financial performance		
The amounts recognised in the statement of financial performance are as follow:		
17.3.1 Provision for bonus		
Movements in the present value of the defined benefit obligation		
Opening Balance	13 928 763	13 782 725
Increases	700 802	146 038
Closing balance	14 629 565	13 928 763
17.4 Staff leave		
Provision for staff leave	17.4.1 30 740 330	32 871 279
Less: Transfer to current portion	(30 740 330)	(32 871 279)
Total non-current benefit	-	-

Stellenbosch Municipality

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Notes to the Annual Financial Statements

	2023 R	2022 R
17. Employee benefits (continued)		
Current	30 740 330	32 871 279
Amounts recognised in the statement of financial position		
The amounts recognised in the statement of financial position are as follow:		
Present value of unfunded obligations	30 740 330	32 871 279
17.4.1 Provision for staff leave		
Movements in the present value of the defined benefit obligation		
Opening Balance	32 871 279	30 542 342
Increases	602 366	5 754 363
Reductions (Payments, remeasurement etc.)	(2 733 315)	(3 425 426)
Closing balance	30 740 330	32 871 279

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023 R	2022 R
18. Lease liabilities		
18.1 Carrying value of lease liabilities		
2023		
	Cost	Total
Carrying value as at 30 June 2023		
Operating lease liability	694 514	694 514
Transferred to current liabilities	(694 514)	(694 514)
Total non-current liabilities	-	-
2022		
	Cost	Total
Carrying value as at 30 June 2022		
Operating lease liability	2 118 022	2 118 022
Transferred to current liabilities	(2 118 022)	(2 118 022)
Total non-current liabilities	-	-

Leasing arrangements

The municipality as a lessee

Operating Leases relate to Property, Plant and Equipment with lease terms not longer than 5 years, with an option to extend for a further period. All operating lease contracts contain market review clauses in the event that the municipality exercises its option to renew. The municipality does not have an option to purchase the leased asset at the expiry of the lease period.

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023 R	2022 R
19. Borrowings		
Annuity loans from the Development Bank of South Africa have settlement periods of 14 to 15 years with fixed interest varying from 9.25% to 11.10% per annum.		
Annuity loans from Nedbank Limited have settlement periods of 10 years with fixed interest rates varying from 9.7% to 8.8% per annum..		
Annuity loan from Standard Bank has a settlement period of 10 years with fixed interest rate of 11% per annum.		
Total borrowings		
Annuity and Bullet Loans	501 949 960	478 736 492
Less: Current portion transferred to current liabilities		
Annuity and Bullet Loans	(55 046 811)	(51 902 261)
Non-current borrowings	446 903 149	426 834 231
20. Trade and other payables from exchange transactions		
Bulk purchases	20.1 73 788 181	63 264 302
Contractors	20.2 36 012 306	36 264 018
Control and clearing accounts	20.3 4 061 961	5 712 212
Other payables	20.4 213 425 143	165 684 000
Total	327 287 591	270 924 532
Current	327 287 591	270 924 532
20.1 Bulk purchases		
Bulk water	308 973	361 253
Bulk electricity	73 479 208	62 903 049
Total	73 788 181	63 264 302
20.2 Contractors		
Retentions	36 012 306	36 264 018
20.3 Control and clearing accounts		
Group life control	899 695	899 696
Salary Control	3 162 266	4 812 516
Total	4 061 961	5 712 212
20.4 Other payables		
Auditor-General of South Africa	-	16 507
Payables and accruals	155 225 477	112 382 367
Unallocated deposits	32 759 210	28 026 906
Advance payments	25 440 456	25 258 220
Total	213 425 143	165 684 000

Payables are being paid within 30 days as prescribed by the MFMA. This credit period granted is considered to be consistent with the terms used in the public sector, through established practices and legislation. Discounting of trade and other payables on initial recognition is not deemed necessary.

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

21. Payables from non-exchange transactions

		2023				2022			
		Opening balance	Funds received	Funds utilised	Closing balance	Opening balance	Funds received	Funds utilised	Closing balance
Capital									
Monetary allocations	21.1	16 210 162	101 704 298	(99 583 330)	18 331 130	7 856 814	93 656 409	(87 197 219)	14 316 004
Operational									
Monetary allocations	21.2	13 571 809	215 419 199	(213 528 834)	15 462 174	7 563 661	197 088 782	(189 272 174)	15 380 269
Total		29 781 971	317 123 497	(313 112 164)	33 793 304	15 420 475	290 745 191	(276 469 393)	29 696 273

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

21. Payables from non-exchange transactions (continued)

21.1 Capital monetary allocations

	2023				2022			
	Opening balance	Funds received	Funds utilised	Closing balance	Opening balance	Funds received	Funds utilised	Closing balance
Departmental agencies and accounts								
National departmental agencies	-	-	-	-	307 361	-	(307 361)	-
District municipalities								
Western Cape	146 959	-	-	146 959	146 959	-	-	146 959
National government								
Integrated National Electrification Programme Grant	8 382 170	28 350 000	(28 701 855)	8 030 315	-	23 400 000	(15 017 830)	8 382 170
Intergrated Urban Development Grant	-	62 459 650	(62 459 650)	-	-	53 093 950	(53 093 950)	-
Total	8 382 170	90 809 650	(91 161 505)	8 030 315	-	76 493 950	(68 111 780)	8 382 170
Private enterprises								
Other transfers private enterprises	440 392	-	-	440 392	1 162 743	-	(808 050)	354 693
Provincial government								
Western Cape	7 240 641	10 894 648	(8 421 825)	9 713 464	6 239 751	17 162 459	(17 970 028)	5 432 182
Total capital monetary allocations	16 210 162	101 704 298	(99 583 330)	18 331 130	7 856 814	93 656 409	(87 197 219)	14 316 004

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

21. Payables from non-exchange transactions (continued)

21.2 Operational monetary allocations

	2023				2022			
	Opening balance	Funds received	Funds utilised	Closing balance	Opening balance	Funds received	Funds utilised	Closing balance
District municipalities								
Western Cape	484 000	615 000	(599 000)	500 000	-	984 000	(500 000)	484 000
National government								
Expanded Public Works Programme Integrated Grant	-	4 928 000	(3 747 841)	1 180 159	-	5 998 000	(5 998 000)	-
Local Government Financial Management Grant	-	1 550 000	(1 550 000)	-	-	1 550 000	(1 550 000)	-
Integrated Urban Development Grant	-	3 287 350	(3 287 350)	-	-	3 847 050	(3 847 050)	-
Equitable Share	-	179 634 000	(179 634 000)	-	-	157 136 000	(157 136 000)	-
Total	-	189 399 350	(188 219 191)	1 180 159	-	168 531 050	(168 531 050)	-
Non-profit institutions								
National Research Foundation	102 000	-	-	102 000	102 000	-	-	102 000
Private enterprises								
Other transfers private enterprises	5 334 735	2 365 413	(103 401)	7 596 747	4 719 413	656 235	(40 913)	5 334 735
Provincial government								
Western Cape	7 412 499	23 039 436	(24 607 242)	5 844 693	2 522 145	26 899 025	(20 200 211)	9 220 959
Public corporations								
Other transfers public corporations	238 575	-	-	238 575	220 103	18 472	-	238 575
Total operational monetary allocations	13 571 809	215 419 199	(213 528 834)	15 462 174	7 563 661	197 088 782	(189 272 174)	15 380 269

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023	2022
	R	R

21. Payables from non-exchange transactions (continued)

The nature and extent of government grants recognised in the annual financial statements and an indication of other forms of government assistance from which the municipality has directly benefited and unfulfilled conditions and other contingencies attaching to government assistance that has been recognised.

These amounts are invested in a ring-fenced investment until utilised.

An amount of R3 873 630 in relation to provincial grants: libraries was approved to be rolled over from the 2021/2022 financial year. The split was as follows:

R2 065 169.69 Capital; and
R1 808 460.21 Operating.

From this rollover, the user department requested and received approval from the transferring department that the operating funds be utilised as Capital. The total amount approved for roll-over was the transferred to the Capital opening balance in the note disclosed above.

22. Provisions

Landfill sites

Non-current

22.1 Landfill sites

Opening Balance	160 533 093	141 497 318
Increases/ (Decreases)	(77 151 099)	9 130 963
Increases (Passage of Time/Discounted Rate)	12 039 982	9 904 812
Closing balance	95 421 976	160 533 093

Landfill site provision

The municipality has a present obligation to rehabilitate the landfill site which stems from licensing agreements 16/2/7/G203/D16/Z1/P331) issued in terms of the Environmental Conservation Act, 1989 (Act 73 of 1989)

In terms of the licensing of the landfill refuse sites, the municipality will incur licensing and rehabilitation costs of R95 421 976 (2022: R160 533 093) to restore the site at the end of its useful life.

The unwinding of the provision for landfill site for the current year was R12 039 982 (2022: R9 904 812) was included in the finance cost in the statement of financial performance.

Cells 1 and 2 have reached full capacity and must be rehabilitated. The expected future cash outflows for cells 1 and 2 should commence in the 2025/2026 financial year. Cell 3 has come into use at the end of 30 June 2013 financial year and is the current landfill site in use. The expected future cash outflows is between July 2044 and July 2048 for cell 3.

The provision has been determined based on an independent valuation performed by a firm of consulting engineers as at 30 June 2023

Key cost parameters:

- Estimated post closure rehabilitation time 3 years
- Inflation rate 5.6% (2022: 7.4%)
- Discount rate 11.25% (2022: 7.75%)

Refer to note 47 for contribution to the provision.

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023 R	2022 R
23. Property rates		
Agricultural property	19 435 922	18 490 474
Business and commercial properties	157 319 688	166 626 428
Public benefit organisations	38 949	24 424
Public service purposes properties	9 564 881	9 290 588
Residential properties	243 560 455	216 061 713
Vacant land	14 115 461	3 952 269
Total	444 035 356	414 445 896

Assessment Rates are levied on the value of land and improvements, which valuation is performed every four years. Interim valuations are processed on an annual basis to consider any changes in individual property values, due to amendments. The current Valuation Roll came into effect on 01 July 2021. With reference to Section 78 of the Local Government: Municipal Property Rates Act, No. 6,2004, five reviews have been finalised and one supplementary valuation has been performed during the financial year and implemented accordingly.

The following assessment rates were charged for the period ending June 2023:

Residential Property – R 0.004759

Business and Commercial Property – R 0.009993

Agricultural Property – R 0.001189

Public Service Purposes – R 0.009993

Public Service Infrastructure – R 0.001189

Public Benefit Organization – R 0.001189

Vacant Residential – R 0.009518

Vacant other – R 0.019035

Property Rates are levied monthly on property owners' accounts and are payable the 7th of each month. Property owners may request to pay their Rates annually, which amount will be levied in July and must be paid by the 7th of October annually. Interest on outstanding accounts for Property Rates is levied as per Council's Credit Control and Debt Collection Policy.

Relief Measures

The relief measures on property rates are generally described in paragraph 8 of the approved Property Rates Policy of the Municipality. This includes the specific under mentioned relief measures:

Rebate and gross monthly household income for Qualifying senior citizens and Disabled persons:

Gross monthly household income %

Up to R8 000 - 100%

From R8 001 to R 10 000 - 75%

From R10 001 to R12 000 - 50%

From R12 001 to R15 000 - 25%

Municipal valuation threshold value

On qualifying residential properties, property owners will receive a rebate up to a maximum value of R250 000, which amount includes a value of R15 000 as per Section 17(1)(h) of the Local Government: Municipal Property Rates Act, No. 6, 2004, and an additional value of R235 000 reduction granted as per paragraph 8.2.1(ii) of the approved Property Rates Policy.

Paragraph 8.2.1 (ii) is only applicable on properties with valuations up to R5 000 000.

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

		2023 R	2022 R
23. Property rates (continued)			
Stellenbosch special rebate			
A rebate of 20% may be granted as per paragraph 8.6 of the approved Rates policy of the municipality.			
Other rebates			
Rebates have also been granted to qualifying non-profit organizations and to organizations who qualified for any other rebate as defined in the Property Rates Policy. Any other exclusions or exemptions have been granted in accordance with the Local Government: Municipal Property Rates Act, No. 6, 2004.			
24. Transfers and subsidies - Revenue			
Operational			
Monetary allocations	24.1	211 107 092	196 208 355
Capital			
Allocations in-kind	24.2	22 920	50 000
Monetary allocations	24.3	100 311 831	94 509 119
Total transfers and subsidies: Capital		100 334 751	94 559 119
Total		311 441 843	290 767 474
24.1 Monetary allocations: Operational			
District municipalities		599 000	500 000
National governments		8 585 191	11 395 051
National revenue fund		179 633 999	157 135 999
Provincial government		22 288 902	27 177 305
Total		211 107 092	196 208 355
24.2 Allocations in-kind: Capital			
Private enterprises		-	50 000
Public corporations		22 920	-
Total		22 920	50 000
24.3 Monetary allocations: Capital			
Departmental agencies and accounts		-	307 361
National government		91 161 505	68 111 780
Provincial governments		9 150 326	26 089 978
Total		100 311 831	94 509 119
Included in above are the following transfers and subsidies received:			
Conditional grants received		137 829 497	133 609 190
Unconditional grants received		179 634 000	157 136 000
		317 463 497	290 745 190
Grant revenue is recognised when all the conditions of the grant has been met.			
25. Fines, penalties and forfeits			
Fines	25.1	146 657 768	122 932 562

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023 R	2022 R
25. Fines, penalties and forfeits (continued)		
25.1 Fines		
Traffic fines		
Municipal fines	146 459 602	122 762 554
Other fines		
Building fines	11 044	23 478
Law enforcement	126 077	31 865
Overdue books	20 021	40 372
Pound fees	41 024	74 293
	198 166	170 008
Total	146 657 768	122 932 562
26. Interest earned from receivables		
Exchange receivables	26.1 16 467 413	10 428 555
Non-exchange receivables	26.2 3 418 263	2 430 082
Total	19 885 676	12 858 637
26.1 Interest earned from exchange receivables		
Consumer receivables		
Electricity	1 870 939	1 484 989
Service charges	1 044 584	684 532
Waste management	2 806 309	1 584 304
Waste water management	2 231 528	1 400 356
Water	8 514 053	5 274 374
	16 467 413	10 428 555
26.2 Interest earned from non-exchange receivables		
Consumer receivables		
Property rates	3 418 263	2 430 082
27. Service charges		
Electricity		
Electricity sales	779 983 813	756 431 257
Waste management		
Waste management sales	89 836 854	84 651 895
Waste water management		
Waste water management sales	106 739 375	102 285 414
Water		
Water sales	162 138 204	146 829 883
Total service charges	1 138 698 246	1 090 198 449
The amounts disclosed above for service charges are in respect of services rendered which are billed to the consumers on a monthly basis according to approved tariffs.		
28. Rental		
Rental from fixed property	12 373 336	12 172 871

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

		2023 R	2022 R
29. Interests on investments			
Bank accounts		5 423 264	2 318 032
Financial assets		-	15 296
Short-term investments and call accounts		36 826 894	16 437 013
Total		42 250 158	18 770 341
30. Licences or permits			
Exchange revenue	30.1	8 407 621	7 809 443
30.1 Licenses and permits - Exchange revenue			
Market porters		164 642	100 913
Road and transport		8 240 238	7 708 008
Trading		2 741	522
Total		8 407 621	7 809 443
31. Agency services			
Provincial		3 438 321	3 019 961
<p>The municipality collects license fees on behalf of the Provincial Government Western Cape and receives a 12% agency fee.</p> <p>The municipality, as an agent, recognises only the portion of the revenue and expenses it receives or incurs in executing the transactions on behalf of the principal in accordance with the requirements of the relevant Standards of GRAP.</p> <p>No resources are held by the municipality on behalf of the principle.</p>			
32. Operational revenue			
Administrative Handling Fees		284 601	296 143
Breakages and Losses Recovered		2 691	7 794
Collection Charges		2 727 349	2 599 387
Incidental Cash Surpluses		5 657	5 977
Inspection fees		29 644	3 658
Insurance Refund		1 065 491	970 346
Merchandising, Jobbing and Contracts		4 860 840	6 087 144
Recovery Maintenance		614 166	159 765
Request for information		58 649	106 127
Skills Development Levy Refund		864 945	807 097
Staff and Councillors Recoveries		629 244	7 718
Development Charges		33 110 235	30 472 217
Total		44 253 512	41 523 373

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023 R	2022 R
33. Sales of goods and rendering of services		
Application Fees for Land Usage	1 138 591	485 946
Building Plan Approval	6 783 438	8 561 312
Cemetery and Burial	1 106 042	999 722
Clearance Certificates	464 612	456 411
Computer Services	13 800	-
Construction Contract Revenue	-	287 846
Encroachment Fees	5 533 562	3 825 308
Entrance Fees	1 037 941	566 516
Fire Services	182 325	93 716
Housing (Boarding Services)	351 907	-
Legal Fees	-	147 140
Library Fees	917	1 573
Special rating area	7 983 666	7 523 406
Parking Fees	4 422 045	5 612 297
Photo copies, Faxes and Telephone charges	65 744	56 117
Removal of Restrictions	131 196	405 436
Sale of Goods	460 209	537 773
Re-allocation Fees	5 298	900
Total	29 681 293	29 561 419
34. Gain/(Loss) on disposal of fixed and intangible assets		
Gains/(losses) on disposals	(639 332)	(3 063 675)

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023 R	2022 R
35. Employee related cost		
Municipal staff including Senior Management	542 779 491	549 554 622
Senior Management Costs		
Basic Salary	8 058 591	7 272 858
Performance bonus	1 230 008	1 242 165
Contribution to pension fund, UIF, SDL	996 649	967 454
Car allowance	500 930	553 984
Cell phone allowance	241 400	133 000
Leave	-	345 326
Housing allowance	18 000	18 000
Acting allowance	5 261	5 461
	11 050 839	10 538 248
35.1 Municipal staff costs		
Basic salary	339 618 066	333 628 987
Bonuses	19 026	-
Service-related benefits	90 831 154	86 923 203
Allowances	14 123 027	14 216 037
Bargaining council	233 077	227 044
Group life insurance	7 034 390	5 804 754
Medical	26 984 782	25 564 279
Pension	55 643 449	52 554 036
Post-retirement benefit costs	27 476 000	23 530 000
Post-retirement benefit: Actuarial (Gains)/Loss	(30 656 325)	(10 615 342)
Long service awards: Actuarial (Gains)/Loss	(2 139 584)	(1 161 833)
Leave gratuity contribution/(Reversal)	(42 432)	6 106 278
Unemployment insurance	2 685 159	2 707 469
Total	531 809 789	539 484 912
35.2 Senior management costs		
Municipal Manager - G Mettler		
Basic salary	1 358 591	1 313 408
Performance bonus	258 074	263 283
Contribution to pension fund, UIF, SDL	332 871	337 255
Car allowance	180 000	150 604
Cellphone allowance	40 800	22 800
Leave	-	273 667
	2 170 336	2 361 017
Chief Financial Officer - K Carolus		
Basic salary	1 076 049	956 889
Performance bonus	210 323	204 782
Contributions to Pension Fund, Medical Aid, UIF, SDL	245 776	234 604
Car allowance	243 978	241 563
Cellphone allowance	40 800	22 800
Housing allowance	18 000	18 000
	1 834 926	1 678 638
Director: Planning and Development - A Barnes		
Basic salary	1 269 894	1 152 374
Performance bonus	165 211	159 754
Contribution to pension fund, UIF, SDL	311 901	298 955
Cellphone allowance	40 800	22 800
	1 787 806	1 633 883

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023 R	2022 R
35. Employee related cost (continued)		
Director: Corporate Services - A de Beer		
Basic salary	1 552 174	1 415 915
Performance bonus	210 453	204 782
Contribution to pension fund, UIF, SDL	35 342	33 817
Cellphone allowance	40 800	22 800
	1 838 769	1 677 314
Director: Corporate and protection services - G Boshoff		
Basic salary	1 492 174	1 354 425
Performance bonus	210 732	204 782
Contribution to pension fund, UIF, SDL	37 377	35 808
Car allowance	60 433	61 323
Cellphone allowance	40 800	22 800
Acting allowance	2 877	-
	1 844 393	1 679 138
Director: Infrastructure Services - P Chandaka		
Basic salary	1 312 093	1 079 847
Performance bonus	-	204 782
Contribution to pension fund, UIF, SDL	33 382	27 015
Car allowance	16 520	100 494
Cellphone allowance	37 400	19 000
Acting allowance	-	5 461
Leave	-	71 659
	1 399 395	1 508 258
36. Remuneration of councillors		
Executive mayor	1 025 458	921 503
Chief whip	774 160	679 629
Speaker	827 459	739 077
Deputy executive mayor	845 360	751 959
Executive committee	8 081 224	6 607 660
All other councillors	11 211 096	10 115 420
Total	22 764 757	19 815 248
Executive Mayor - G van Deventer		
Basic salary	803 458	698 553
Travel allowance	180 000	180 135
Cellphone allowance	40 800	39 342
Data card allowance	1 200	3 473
	1 025 458	921 503
Deputy Executive Mayor - J Fassler		
Basic salary	768 759	451 541
Cellphone allowance	40 800	25 742
Data card allowance	1 200	2 271
Trevelling	2 578	-
	813 337	479 554

Stellenbosch Municipality

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Notes to the Annual Financial Statements

	2023 R	2022 R	
36. Remuneration of councillors (continued)			
Speaker - Q Smit			
Basic salary	605 459	346 541	
Travel allowance	180 000	105 000	
Cellphone allowance	40 800	25 742	
Data card allowance	1 200	2 271	
	827 459	479 554	
Council Whip - P Crawley			
Basic salary	526 585	282 056	
Travel allowance	167 957	97 974	
Cellphone allowance	40 800	26 390	
Data card allowance	1 200	2 328	
Pension fund contributions	37 618	20 462	
	774 160	429 210	
Executive committee			
Basic salary	6 205 720	5 209 887	
Travel allowance	299 089	739 275	
Cellphone allowance	381 418	376 914	
Data card allowance	10 500	33 257	
Pension fund contributions	230 356	200 806	
Medical aid benefits	34 560	47 520	
Back pay	32 023	-	
	7 193 666	6 607 659	
All other councillors			
Basic salary	9 389 428	7 736 174	
Travel allowance	154 916	742 534	
Cellphone allowance	1 278 245	1 236 790	
Data card allowance	38 386	109 185	
Pension fund contributions	239 635	192 881	
Medical aid benefits	83 520	97 854	
	11 184 130	10 115 418	
37. Bad debt written off			
Electricity	154 306	373 181	
Refuse	904 123	426 880	
Sewerage	781 479	424 045	
Water	4 536 770	2 907 506	
Housing rental	582 310	395 817	
Rates	2 007 210	626 437	
Traffic fines	82 979 503	79 831 030	
	91 945 701	84 984 896	
38. Depreciation and amortisation			
Amortisation			
Intangible assets	12.1	1 175 448	1 496 422
Depreciation			
Investment property	10.1	423 567	251 884
Property, plant and equipment	11	230 079 987	216 944 815
		230 503 554	217 196 699
Total		231 679 002	218 693 121

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

		2023 R	2022 R
39. Impairment losses			
Property, plant and equipment		1 572 668	2 722 872
40. Finance cost			
Interest	40.1	59 928 458	44 332 364
40.1 Interest cost			
Financial liabilities			
• Annuity loans		46 712 396	34 510 711
Discounting of financial instruments	20	1 176 080	(922 251)
Interest costs non-current provisions	22	12 039 982	9 904 812
Transfers and subsidies payable	21	-	839 092
Total		59 928 458	44 332 364
41. Bulk Purchases			
Electricity: Eskom		521 011 668	528 011 715
Water		22 990 433	31 417 675
Total		544 002 101	559 429 390
42. Inventory consumed			
Consumables		39 239 118	23 808 085
Housing stock		150 000	345 000
Materials and supplies		24 782 944	20 467 346
Total		64 172 062	44 620 431
43. Contracted services			
Consultants and professional services	43.1	25 003 332	27 628 960
Contractors	43.2	83 207 943	82 880 513
Outsourced services	43.3	120 227 016	97 722 975
Total		228 438 291	208 232 448
43.1 Consultants and professional services			
Business advisory services			
Audit committee		296 411	364 375
Business and financial management		3 793 067	3 074 693
Forensic investigators		279 541	-
Human resources		54 110	132 862
Organisational		-	96 787
Project management		11 993 539	13 690 224
Research and advisory		650 055	2 226 504
Valuer and assessors		936 051	1 636 061
Total business advisory services		18 002 774	21 221 506
Laboratory services			
Water		1 707 535	1 065 759

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023 R	2022 R
43. Contracted services (continued)		
Legal services		
Issue of summons	78 970	20 838
Legal advice and litigation	5 214 053	5 320 857
Total legal services	5 293 023	5 341 695
Total consultants and professional services	25 003 332	27 628 960
43.2 Contractors		
General services		
Bore waterhole drilling	7 614	-
Catering services	940 929	115 010
Employee wellness	92 875	9 289
Event promoters	1 638 094	-
Forestry	1 858 713	4 671 452
Gardening services	147 486	460 381
Gas	1 337	-
Graphic designers	146 789	56 330
Interior decorator	199 849	26 524
Management of informal settlements	6 899 621	1 645 862
Medical services	55 716	19 652
Pest control and fumigation	80 396	73 119
Plants, flowers and other decorations	708 526	408 573
Preservation/Restoration/Dismantling/Cleaning services	266 900	566 917
Sewerage services	6 414 822	6 163 179
Stage and sound crew	145 195	51 800
Tracing agents and debt collectors	2 206 910	2 007 251
Transportation	1 721 769	3 505 361
Total general services	23 533 541	19 780 700
Maintenance services		
Maintenance of buildings and facilities	7 106 472	6 838 531
Maintenance of equipment	3 443 803	2 656 949
Maintenance of unspecified assets	43 686 063	46 929 414
Total maintenance service	54 236 338	56 424 894
Trading services		
Prepaid electricity vendors	5 438 064	6 674 919
Total contractor	83 207 943	82 880 513
43.3 Outsourced services		
Business and advisory services		
Accounting and Auditing	128 530	-
Project Management	1 958 390	1 389 847
Research and Advisory	-	516 145
Total business and advisory services	2 086 920	1 905 992

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023 R	2022 R
43. Contracted services (continued)		
General services		
Animal Care	11 650	102 221
Catering Services	17 884	507 403
Cleaning Services	1 513 186	476 670
Clearing and Grass Cutting Services	1 705 461	2 662 480
Drivers Licence Cards	721 725	802 300
Internal Auditors	172 328	1 500
Litter Picking and Street Cleaning	3 106 885	4 293 304
Medical Services	636	-
Personnel and Labour	806 560	371 735
Professional Staff	303 600	592 528
Refuse Removal	53 682 787	47 196 621
Traffic Fines Management	9 646 176	8 424 289
Translators, Scribes and Editors	-	1 300
Transport Services	313 299	147 600
Total general services	72 002 177	65 579 951
Trading services		
Security Services	46 137 919	30 237 032
Total outsourced services	120 227 016	97 722 975
44. Transfers and subsidies - Expenditure		
Operational		
Allocations in-kind	44.1 4 264 641	-
Monetary allocations	44.2 13 493 614	13 363 879
Total transfers and subsidies: Operational	17 758 255	13 363 879
44.1 Allocations in-kind: Operational		
Households	4 264 641	-
44.2 Monetary allocations: Operational		
Households	962 361	807 629
Non-profit institutions	12 531 253	12 556 250
Total	13 493 614	13 363 879

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023 R	2022 R
45. Operational Cost		
Achievements and Awards	17 754	12 439
Advertising, Publicity and Marketing	2 110 817	1 528 667
Assets less than the Capitalisation Threshold	163 991	415 926
Bank Charges, Facility and Card Fees	1 803 393	1 578 109
Bargaining Council	6 845 910	4 301 799
Bursaries (Employees)	527 015	514 009
Cleaning Services	2 583	2 276
Commission	1 832 347	2 419 679
Communication	10 328 853	10 571 338
Deeds	2 348	-
Drivers Licences and Permits	12 660	22 365
Entertainment	7 380	52 958
External Audit Fees	8 104 988	5 413 885
External Computer Service	23 831 956	24 478 474
Full Time Union Representative	154 242	55 940
Hire Charges	11 816 150	6 209 994
Honoraria (Voluntarily Workers)	48 165	35 500
Indigent Relief	4 519 318	6 134 237
Insurance Underwriting	8 060 258	6 393 368
Learnerships and Internships	348 216	141 346
Licences	1 734 225	1 641 313
Management Fee	8 969 582	9 778 480
Municipal Services	15 209 418	11 501 460
Office Decorations	19 374	36 983
Printing, Publications and Books	324 046	521 208
Professional Bodies, Membership and Subscription	199 497	186 468
Registration Fees	4 373 990	2 194 586
Resettlement Cost	36 945	26 043
Road Worthy Test	-	404
Samples and Specimens	1 024 635	1 167 422
Search Fees	56 260	46 790
Signage	-	1 800
Skills Development Fund Levy	4 805 444	4 684 477
Storage of Files (Archiving)	81 361	56 647
Supplier Development Programme	28 125	530 650
System Access and Information Fees	55 193	47 765
Travel Agency and Visa's	23 217	-
Travel and Subsistence	729 760	298 092
Uniform and Protective Clothing	8 575 384	7 957 561
Vehicle Tracking	639 319	663 982
Workmen's Compensation Fund	4 065 666	1 847 772
Total	131 489 785	113 472 212

The following principle agent arrangements were in place in relation to the expenditure as contained in note 45 to the annual financial statements:

Pay@ (Agent) provides the Municipality with payment service solutions on behalf of the Municipality. Pay@ pays over the monies generated from the payment services to the Municipality. The municipality recognises 100% of the money's collected as revenue from exchange transactions and the fee to be paid to Pay@ (as stipulated in the relevant service schedule or based on Pay@'s standard prevailing rates), is recognized as an expense.

EasyPay (Agent) is a payment platform used to collect municipal service payments from third parties. These payments are accepted by EasyPay on behalf of the Municipality (Principal), from third parties. A service charge is levied by EasyPay for collection of the payments. This fee is recognised as commissions paid.

SPS (Agent) collects parking tariffs from motorists on behalf of the Municipality. SPS pays over the tariffs collected to the Municipality, minus the service charge levied. The municipality recognises 100% of the tariff as revenue from exchange transactions and the service charges incurred to SPS is recognized as an expense. This service provider was only utilised in the prior year (2021-2022).

Stellenbosch Municipality

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Notes to the Annual Financial Statements

	2023 R	2022 R
45. Operational Cost (continued)		
<p>Syntell (Agent) sells and collects money from the sale of prepaid electricity on behalf of the Municipality. Syntell pays over the monies collected to the Municipality, minus the collection fee levied, determined at a rate specific in the Service Level Agreement. The municipality recognises 100% of the money's collected as revenue from exchange transactions and the collection fee paid to Syntell (which includes costs incurred on debit or credit card electricity sales and cash handling fees incurred), is recognized as an expense.</p> <p>TMT (Agent) manages the collection of traffic fines (both legacy fines issue before 1 July 2017 and fines issued after this date), on behalf of the Municipality. TMT pays over the monies collected to the Municipality. The municipality recognises 100% of the money's collected as revenue from non - exchange transactions and the fee incurred to TMT is recognized as an expense.</p> <p>These arrangements are subject to standard terms and conditions upon termination.</p> <p>None of the municipalities assets are under the custodianship of the agents.</p>		
46. Operating leases		
Furniture and Office Equipment	2 033 762	2 930 829
Investment Properties	6 068 633	10 368 396
Machinery and Equipment	1 190 102	1 691 309
Total	9 292 497	14 990 534
47. Contribution to Provision		
Landfill site	(69 693 846)	6 287 548
48. Contribution to allowance for doubtful debt		
Contribution to exchange transactions	31 475 278	33 515 674
Contribution to non-exchange transactions	39 246 803	18 195 690
	70 722 081	51 711 364
49. Inventories losses/write-down		
Inventory	389 307	115 859

Stellenbosch Municipality

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Notes to the Annual Financial Statements

	2023 R	2022 R
50. Net cash from/(used) operating activities		
Surplus after capital transfers and contributions	253 243 188	108 669 963
Adjustments for:		
Depreciation and amortisation	231 678 995	218 693 121
Bad debts written off	91 945 701	84 984 896
Impairment Losses	1 572 668	2 722 872
(Gains) / Losses on disposal of assets	639 332	3 063 675
Finance Cost	12 039 982	9 904 813
Increase / (Decrease) in provisions	(77 151 099)	9 130 963
Increase / (Decrease) employee benefit	(14 203 146)	6 771 716
Increase / (Decrease) operating Lease - Straight Lining	(1 423 508)	(1 621 452)
Other non-cash movements	(83 074)	(57 003)
Debtors Impairment	70 722 081	51 711 364
Fair value adjustment	1 176 080	-
Inventory losses	539 307	460 859
Other changes, movements in PPE	-	(12 195 979)
Other non cash movements in Assets	(2 258 793)	17 309 097
Rehabilitation provision capitalised	7 457 254	(2 843 415)
Movement in working capital		
(Increase) / Decrease in receivables from non-exchange transactions	(125 672 731)	(108 373 237)
(Increase) / Decrease in inventory	12 519 058	23 824 253
(Increase) / Decrease in receivables from exchange transactions	(86 170 424)	(54 817 116)
(Increase) / Decrease in other receivables from exchange	(14 486 871)	3 048 496
(Increase) / Decrease in Long-term receivables	945 820	1 160 041
Increase / (Decrease) in unspent grants	4 097 031	14 192 697
Increase / (Decrease) in VAT receivable	6 637 239	858 308
Increase / (Decrease) in consumer deposits	1 533 992	1 147 001
Increase / (Decrease) in payable from non-exchange	56 363 059	(27 101 241)
Net cash flows from operating activities	431 661 141	350 644 692

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023 R	2022 R
51. Financial instruments disclosure		
Categories of financial instruments		
2023		
Financial assets		
	At amortised cost	Total
Cash and cash equivalents	248 533 953	248 533 953
Receivables from exchange	217 629 743	217 629 743
Other receivables from exchange	6 431 810	6 431 810
Receivables from non-exchange	10 460 788	10 460 788
Short term investments	331 767 247	331 767 247
Long term receivables	4 598 731	4 598 731
	819 422 272	819 422 272
Financial liabilities		
	At amortised cost	Total
Consumer deposits	23 688 825	23 688 825
Borrowings	501 949 960	501 949 960
Payables from exchange transactions	294 053 688	294 053 688
	819 692 473	819 692 473
2022		
Financial assets		
	At amortised cost	Total
Cash and cash equivalents	137 877 710	137 877 710
Receivables from exchange	169 893 585	169 893 585
Other receivables from exchange	5 852 606	5 852 606
Receivables from non-exchange	18 645 756	18 645 756
Short term investments	305 522 446	305 522 446
Long term receivables	6 720 631	6 720 631
	644 512 734	644 512 734
Financial liabilities		
	At amortised cost	Total
Consumer deposits	22 154 833	22 154 833
Borrowings	478 736 492	478 736 492
Payables from exchange transactions	236 931 678	236 931 678
	737 823 003	737 823 003
<p>We draw to your attention, the payables from exchange transactions in the comparative year contains an error. This was due to the salary control and group life control accounts being erroneously included. The effects of this error is represented as follows:</p>		
Payables from exchange transactions		
Amount previously reported		- 241 129 880
Salary and group life correction		- (4 198 202)
		- 236 931 678

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023	2022
	R	R

52. Risk management

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Council, which has built an appropriate liquidity risk management framework for the management of the municipality's short, medium and long-term funding and liquidity management requirements. The municipality manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The table below analyses the municipality's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amount disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

At 30 June 2023	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Consumer deposits	23 688 825	-	-	-
Borrowings	104 080 467	104 080 467	278 469 805	244 345 506
Payables from exchange transactions	294 053 688	-	-	-
At 30 June 2022	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Consumer deposits	22 160 472	-	-	-
Borrowings	92 860 606	92 860 606	259 571 387	266 345 634
Payables from exchange transactions	236 931 678	-	-	-

We draw to the users attention the following prior period error which refers to the maturity analysis disclosed in this note. The amount previously disclosed did not include the undiscounted interest as disclosed below.

Borrowings: Less than 1 year - Undiscounted interest previously excluded	-	40 958 345
Borrowings: Between 1 and 2 years - Undiscounted interest previously excluded	-	42 002 718
Borrowings: Between 2 and 5 years - Undiscounted interest previously excluded	-	93 979 516
Borrowings: More than 5 years - Undiscounted interest previously excluded	-	55 961 702
	-	232 902 281

Risk from biological assets

The municipality is exposed to financial risks arising from changes in wood prices. The municipality does not anticipate that wood prices will decline significantly in the foreseeable future. The municipality has not entered into derivative contracts to manage the risk of a decline in wood prices. The municipality reviews its outlook for wood prices regularly in considering the need for active financial risk management.

Interest rate risk management

Interest Rate Risk is defined as the risk that the fair value or future cash flows associated with a financial instrument will fluctuate in amount as a result of market interest changes.

Potential concentrations of interest rate risk consist mainly of variable rate deposit investments, long-term receivables, consumer debtors, other debtors, bank and cash balances.

The municipality limits its counterparty exposures from its money market investment operations by only dealing with well established financial institutions of high credit standing. No investment with a tenure exceeding twelve months shall be made without consultation with the councillor responsible for financial matters.

In the case of receivables whose accounts become in arrears, it is endeavoured to collect such accounts by "levying of penalty charges", "demand for payment", "restriction of services" and, as a last resort, "handed over for collection", whichever procedure is applicable in terms of Council's Credit Control and Debt Collection Policy.

Stellenbosch Municipality

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2023	2022
R	R

52. Risk management (continued)

Long-term receivables and other debtors are individually evaluated annually at the reporting date for impairment or discounting. A report on the various categories of receivables are drafted to substantiate such evaluation and subsequent impairment / discounting, where applicable.

The municipality is not exposed to interest rate risk as the municipality borrows funds at fixed interest rates.

The municipality's exposures to interest rates on Financial Assets and Financial Liabilities are detailed in the Credit Risk Management section of this note.

Interest Rate Sensitivity Analysis

The municipality had no variable rate long-term financial instruments at year-end requiring an Interest Rate Sensitivity Analysis.

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023 R	2022 R
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52. Risk management (continued)

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the municipality. The municipality has a sound credit control and debt collection policy and obtains sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The municipality uses other publicly available financial information and its own trading records to assess its major customers. The municipality's exposure of its counterparties are monitored regularly.

Potential concentrations of credit rate risk consist mainly of long-term receivables, consumer debtors, other debtors, bank and cash balances.

The municipality limits its counterparty exposures from its investment operations (financial assets that are neither past due nor impaired) by only dealing with well-established financial institutions of high credit standing. The credit exposure to any single counterparty is managed by setting transaction / exposure limits, which are included in the municipality's Investment Policy. These limits are reviewed annually by the Chief Financial Officer and authorised by the Council.

Receivables from exchange transactions comprise of a large number of ratepayers, dispersed across different industries and geographical areas within the jurisdiction of the municipality. Ongoing credit evaluations are performed on the financial condition of these receivables. Receivables from exchange transactions are presented net of the allowance for impairment.

Receivables from non-exchange transactions comprise of a large number of ratepayers, dispersed across different industries and geographical areas within the jurisdiction of the municipality. Ongoing credit evaluations are performed on the financial condition of these receivables. Receivables from non - exchange transactions are presented net of the allowance for impairment.

The municipality establishes an allowance for impairment that represents its estimate of anticipated losses in respect of receivables. Receivables are provided for based on estimated irrecoverable amounts, determined by reference to a non payment rate.

In the case of debtors whose accounts become in arrears, it is endeavoured to collect such accounts by "levying of penalty charges", "demand for payment", "restriction of services" and, as a last resort, "handed over for collection", whichever procedure is applicable in terms of Council's Credit Control and Debt Collection Policy.

Long-term Receivables and Other Debtors are individually evaluated annually at reporting date for impairment or discounting. A report on the various categories of debtors is drafted to substantiate such evaluation and subsequent impairment / discounting, where applicable.

Payment to accounts of consumer debtors who are unable to pay, are renegotiated as an ongoing customer relationship in response to an adverse change in the circumstances of the customer.

The municipality does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The municipality defines counterparties as having similar characteristics if they are related entities. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings.

There is no collateral held for security in respect of consumer debtors.

The maximum credit and interest risk exposure in respect of the relevant financial instruments is as follows:	2023	2022
Cash and cash equivalents	248 529 665	137 877 710
Short term investments	331 767 247	305 522 446
Receivables from exchange transactions	217 629 743	169 893 585
Other receivables from exchange transactions	6 431 810	5 852 606
Receivables from non-exchange transactions	10 460 788	18 645 756
Long term receivable	4 598 731	6 720 631

Foreign currency risk management

The municipality's activities do not expose it to the financial risks of foreign currency and therefore has no formal policy to hedge volatilities in the interest rate market.

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023 R	2022 R
52. Risk management (continued)		
Other price risks		
The municipality is not exposed to equity price risks arising from equity investments as the municipality does not trade these investments.		
53. Commitments		
Authorised capital expenditure		
Already contracted for but not provided for		
• Property, plant and equipment - Infrastructure assets	236 525 122	176 428 333
• Property, plant and equipment - other assets	67 895 389	18 169 063
	304 420 511	194 597 396
Total capital commitments		
Already contracted for but not provided for	304 420 511	194 597 396
Total commitments		
Total commitments		
Authorised capital expenditure	304 420 511	194 597 396

This committed expenditure relates to property, plant and equipment and will be financed by available bank facilities, retained surpluses, existing cash resources, funds internally generated.

The amounts as disclosed are VAT inclusive.

The comparative year contains an error in relation to the prior year audited financial statements. The effects of this is represented as follows:

Commitments

Amount previously reported - Property, plant and equipment - Infrastructure assets	-	174 098 225
Amount previously reported - other assets	-	17 449 135
Correction of error - Property, plant and equipment - Infrastructure assets	-	2 330 108
Correction of error - other assets	-	719 928
	-	194 597 396

54. Related party disclosures

Loans granted to related parties

In terms of the MFMA, the municipality may not grant loans to its councillors, management, staff and public with effect from 01 July 2004. Loans, together with conditions thereof granted prior to this date are disclosed in note 15 in the annual financial statements.

Remuneration of management

Compensation of key management and personnel is set out in notes 35 and 36 respectively in the annual financial statements.

All Councillors and Employees have disclosed their interest in related parties and no one has the ability to control or exercise significant influence over Council in making financial and operating decisions.

Stellenbosch Municipality

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Notes to the Annual Financial Statements

				2023	2022
				R	R
55. Awards to close family members - SCM Regulation 45					
Awards to close family members of persons in the service of Stellenbosch Municipality					
				2023	2022
Supplier name	Employee name	Relationship	Department		
**Kemanzi (Pty) Ltd - B/SM 71/22 (Rates)	JN Du Toit	Spouse	Department of Local Government	626 501	-
** - FQ 22/23				169 740	-
#Conlog (Pty) Ltd - B/SM 03/23	N Moodley	Spouse	Department of Health	-	-
*Eugene Mark Hartley Redhills Electronics - FQ 18/23	L Hartley	Spouse	Education Department	200 000	-
Zutari (Pty) Ltd - B/SM 93/23	HC Alschlager	Spouse	Special Investigations Unit	1 498 896	-
	MR Marques	Spouse	Department of internal affairs	-	-
	K Nadasen	Spouse	National Department of Public Works	-	-
	TJ Ndala	Spouse	School Principle	-	-
- BSM 98/21				-	6 316 500
- B/SM 118/21				-	2 016 515
- B/SM 121/21				-	867 329
- B/SM 115/21				-	3 819 344
*Ikapa Reticulation - B/SM 10/23	Cindy Schuyler Davids	Child	Education Department	20 472 196	-
- B/SM 54/21				-	-
- B/SM 52/21				-	-
# Ganwa Consulting & Development B/SM 101/21	NW Ngomane	Spouse	Transnet	-	-
Stellemploy B/SM 117/21	Viginia Jumat	Child	Stellenbosch Municipality	-	380 926
# Webber & Wentzel B/SM 54/22 (Rates)	Jennifer Abraham	Parent	Department of Education	-	-
	Clive Truter	Parent	Department of Education	-	-
	Anlerie Marelese	Parent	West Coast Education District	-	-
	Truter			-	-
	Esther Watson	Parent	Department of public service	-	-
	Johannes Cornelius	Parent	Beaufort West Municipality	-	-
	Louw Smit			-	-
	Busisiwe Thembekile Mahlangu	Parent	Department Of Education	-	-
	Nicoas Dias	Spouse	City of Cape Town	-	-
	Khomotso Nonyane	Spouse	Petro SA	-	-
	Irma Brink	Mother	Department Of Education - Free State	-	-
	Alison Smith	Parent	South African Airways	-	-
	Sizi Qolohle	Parent	National Treasury	-	-

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Notes to the Annual Financial Statements

				2023 R	2022 R
55. Awards to close family members - SCM Regulation 45 (continued)					
	Hein Prinsloo	Parent	Development Bank of Southern Africa	-	-
	Jolande Botha	Parent	Department of Education	-	-
	Paul van den Brink	Spouse	Wesgro	-	-
	Barbara Watson	Parent	Independent Non-executive Director of the PIC	-	-
	Mark Rutherford-Jones	Spouse	Nedbank South Africa	-	-
	Pieter Coetzee	Parent	Tshwane metro Police Department	-	-
	Sizi Solohle	Parent	National Treasury	-	-
**Ian Dickie and Company (Pty) Ltd - FQ 17/23	Deon Samuels	Spouse	SA Police Service	44 040	-
- FQ 32/22				-	30 171
Nedbank B/SM 81/23	Venisha Subramoney	Spouse	Department of Education	104 882 421	-
*Rhode Security & Fire CC T/A Rhotech FQ 59/23	Re Matthee	Spouse	Correctional Services	200 000	-
*Cape Petroleum FQ 95/23	Lydia B. Mdyogolo	Spouse	Educator: Ntwasahlobo	151 510	-
# Kemp & Associates B/SM 54/22 (Rates)	Mervin Williams	Spouse	Stellenbosch Municipality	-	-
# Van Der Spuy (Wp) Inc BSM 54/22 (Rates)	Mariaan Van Zyl	Spouse	Head Mistress Paarl Girls High School	-	-
**Van Zyl Kruger Inc B/SM 54/22	Peter Marais	Parent	Member Of Parliament	48 832	-
# Etienne Walter Vermaak B/SM 54/22 (Rates)	JMC Vermaak	Spouse	Phamacist @ Department of Health	-	-
# Herold Gie Attorneys B/SM 54/22 (rates)	K Meyer	Parent	Senior Clerk @ City of Cape Town	-	-
Empa structures B/SM 05/23	Gaylon Petersen	Wife	Driver City of Cape Town	414 102	-
Adapt IT Holding Limited D/SM 13/23	Dudley	Spouse	Sanral	335 942	-
	Muziwanadoda				
	Siyothozoza Mbmabo				
*Resource Innovation Africa D/SM 14/23	Kaveesh Ramdoe	Spouse	Ethekweni Municipality	1 187 049	-
*Red Ant Security D/SM 17/23	Noxolo Lesiela	Spouse	Mogale City Local Municipality	1 670 153	-
Steven Happie B/SM 116/21	Franciska Happie	Spouse	City of Cape Town	-	106 095
Wilstan book supplies FQ 22/22	Valencia Beukes	Spouse	City of Cape Town	-	121 665
	Williams				
Ducharme Assets FQ 128/22	Lamahlabi Mbekeni	Spouse	Dept of Rural Development	-	164 450
JVZ Construction B/SM 124/21	RE Matthee	Spouse	Correctional services	-	2 369 349
				131 901 382	16 192 344

Awards to close family members actual award amount is disclosed in the note above. In the event that an award amount is not present, an estimate will be made for that award. These are demarcated with an *. In the event that an estimate is not possible, actual expenditure will be disclosed. These are demarcated with a **. In the event that none of these options are probable these awards will be demarcated with a #.

The comparative information in this note has been restated due to awards included erroneously in the disclosure. The financial effect of this error is denoted below:

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023 R	2022 R
55. Awards to close family members - SCM Regulation 45 (continued)		
Nature of error		
Amount previously reported	-	60 704 134
Awards erroneously included	-	(44 511 790)
	-	16 192 344

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023 R	2022 R
56. Unauthorised, irregular, fruitless and wasteful expenditure		
56.1 Unauthorised expenditure		
The municipality incurred no unauthorised expenditure in both the current and previous financial year.		
56.2 Irregular expenditure		
Opening balance as previously reported	26 402 075	99 389 541
Add: Irregular expenditure - current	30 992 707	42 119 538
Add: Irregular expenditure – prior period	7 434 902	2 974 982
Less: Amounts written-off – current	(34 700 110)	(118 081 987)
Closing balance	30 129 574	26 402 074
Incidents/cases identified in the current year include those listed below:		
Irregular expenditure was identified as it breached the procurement process in terms of the Supply Chain Management Policy	12 751 493	3 505 672
The Auditor-General, in its findings during the 2019/2020 financial year, identified that the Municipality awarded that does not comply with Preferential Procurement Regulations 2017.	25 676 116	41 588 848
The Auditor-General, in its findings during the 2017/2018 financial year, identified that the Municipality did not include a specific condition that local production and content is applicable when inviting bidders to tender (advertisement). Furthermore the Municipality also did not include the local production and content in the bid documents (MBD 6.2) and the suppliers declared accordingly. The Auditor-General concluded that the tender award does not comply with Preferential Procurement Regulations 2017.		
Total	38 427 609	45 094 520
56.3 Fruitless and wasteful expenditure		
Opening balance previously reported	-	-
Due to an investigation performed externally, the outcome concluded that the expenditure was not fruitless and wasteful. The effect of this prior period error is displayed below:		
Nature of error		
Amount previously reported	-	4 266 953
Correction of error	-	(4 266 953)
	-	-

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023 R	2022 R
57. Additional disclosure in terms of Municipal Finance Management Act		
Contributions to SALGA		
Opening balance	7 205	-
Current year subscription / fee	6 316 571	6 052 817
Early settlement discount	(315 829)	(301 881)
Amount paid - current year	(6 000 742)	(5 743 731)
Amount paid - previous years	(7 205)	-
	-	7 205
Audit fees		
Opening balance	16 509	98 101
Current year audit fee	9 323 542	6 225 849
Amount paid - current year	(9 323 542)	(6 307 441)
Amount paid - previous years	(16 509)	-
	-	16 509
PAYE, UIF and SDL		
Current year subscription / fee	92 036 184	89 222 633
Amount paid - current year	(92 036 184)	(89 222 633)
	-	-
Pension and Medical Aid Deductions		
Current year subscription / fee	129 984 910	124 436 807
Amount paid - current year	(129 984 910)	(124 436 807)
	-	-
VAT		
VAT receivable	656 182 536	809 391 586
VAT payable	(644 051 025)	(790 745 186)
	12 131 511	18 646 400

All VAT returns have been submitted by the due date throughout the year.

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023 R	2022 R
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57. Additional disclosure in terms of Municipal Finance Management Act (continued)

Councillors' arrear consumer accounts

There were no councillor arrear accounts more than 90 days as at 30 June 2023.

Distribution Losses

In terms of section 125(2)(d)(i) of the Municipal Finance Management Act, the municipality experienced the following distribution losses for the year under review.

Electrical distribution losses (KW)

System Input	344 236 600	393 194 417
Sales	(329 632 095)	(355 429 150)
	14 604 505	37 765 267

Electricity losses are calculated as 4.24% (2022: 9.6%). Electricity losses are within the industry norm.

Water distribution losses (KL)

System Input	10 827 196	10 660 846
Sales	(7 858 877)	(8 669 713)
	2 968 319	1 991 133

Water losses are calculated as 27.42% (2022: 18.7%). Water losses are within the industry norm.

58. Retirement benefit information

The municipality makes provision for post-retirement benefits to eligible Councillors and employees who belong to different pension schemes. These funds are governed by the Pension Funds Act and include both defined benefit and defined contribution schemes.

The only obligation of the municipality with respect to the retirement benefit plans is to make the specified contributions. Where councillors / employees leave the plans prior to full vesting of the contributions, the contributions payable by the municipality are reduced by the amount of forfeited contributions.

These schemes are subject to a tri-annual, bi-annual or annual actuarial valuation as set out hereunder.

SALA Pension fund

The SALA Pension Fund operates both as a defined benefit and defined contribution scheme.

The statutory valuation performed as at 1 July 2021 stated that the net assets of the fund amounted to R12 238 000 (30 June 2018: R14 299 000), with funding levels of 85.5% (30 June 2018: 96%). The actuary recommended that employers continue to contribute at the current rate of 19.18% of pensionable salary.

The actuaries are satisfied with the investment strategy of the fund.

The nature of the assets is, in their opinion, suitable for the nature of the liabilities of the Fund as defined in the rules of the fund. The matching of assets with the liabilities of the Fund is adequate; and the insurance arrangements are appropriate compared to the cover provided can be regarded as financially sound at the valuation date.

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

2023	2022
R	R

58. Retirement benefit information (continued)

LA retirement Fund (Previously Cape Joint Pension Fund)

The LA RETIREMENT FUND operates both as a defined benefit and defined contribution scheme.

Defined benefit scheme

The contribution rate of the defined benefit scheme is 27%; 9% by the members and 18% by their councils. The actuarial valuation report at 30 June 2022 disclosed an actuarial valuation amounting to R1 391 841 000 (30 June 2021: R1 486 110 000), with a net accumulated surplus of R144 158 000 (2021: R69 420 000), with a funding level of 111,6% (2021: 104.9%).

Defined contribution scheme

The actuarial valuation report at 30 June 2021 indicated that the defined contribution scheme of the fund is in a sound financial position, with net assets amounting to R1 976 184 (2021: R2 082 488 000) and with a funding level of 100% (2021: 100%).

Cape Joint Retirement Fund (CRF)

The most recent statutory valuation performed as at 30 June 2022 revealed that the assets of the fund amounted to R36 502 914 (2021:R34 148 000 000), with funding levels of 131,6% and 100,4% (2021:133% and 100.5%) for the Pensions Account and the Share Account respectively. The contribution rate paid by the members 9% and the municipalities 18% is sufficient to fund the benefits accruing from the fund in the future. The actuary certified that the structure of the assets is appropriate relative to the nature of the liabilities, given normal circumstances and that the Fund is in a sound financial condition as at the valuation date.

Municipal Councillors Pension Fund

The Municipal Councillors Pension Fund operates as a defined contribution scheme. The statutory valuation performed as at 30 June 2018 stated that the net assets of the fund amounted to R1 798 030 000 (30 June 2017: R1 480 549 000), with funding levels of 103.26% (30 June 2017: 101.31%). The contribution rate paid by the members (13,75 %) and council (15 %) is sufficient to fund the benefits accruing from the fund in the future. The Actuary certified that the Fund was in a sound financial condition as at 30 June 2018, in that the assets of the fund were sufficient to cover the accrued service liabilities including the recommended Contingency Reserves in full.

The Municipal Workers Retirement Fund (Previously South African Municipal Workers Union National Provident Fund)

The Municipal Workers Retirement Fund is a defined contribution scheme. Members contribute at a rate of not less than 7.5% of salaries, as required by the Rules. The employers contribute at a total rate of not less than 18%. From 1 July 2017, members and employers that fall under other bargaining councils or forums are not bound by the above minimum contribution rates. The statutory valuation performed as at 30 June 2021 stated that the assets of the fund amounted to R 10 866 257 0000 (30 June 2020: R9 021 008 000), with funding levels of 100% (30 June 2020: 100%). As a percentage of members' Fund Credits, the investment smoothing reserve has increased to 6.5% over the valuation period.

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

2023	2022
R	R

58. Retirement benefit information (continued)

National Fund for Municipal Workers

The fund operates as a defined contribution fund and in terms of the rules of the fund category A and category C members contribute at a rate as agreed upon by the Local Authority and the member, subject to an absolute minimum contribution of 2% and 5% of their remuneration respectively. Category C-Members, appointed after 1 July 2012, who are not part of the Schedule shall make monthly contributions to the Fund equal to 7.5% of their pensionable salary.

The most recent statutory valuation performed as at 30 June 2019 stated that the net assets of the fund amounted to R17 107 067 000 (30 June 2018: R15 393 671 000), with funding levels of 100.40% (30 June 2018: 100.46%). The actuary certified that the assets of the fund are sufficient to cover 100.40% of the members' liabilities, also that it can be expected that the funding level of a fund of this nature will fluctuate around 100%, for example due to timing differences in investment and receipt of monies, slight mismatching of assets and liabilities and processing errors.

The Local Authority must contribute in respect of category A and category C members such an amount as agreed between the Local Authority and the fund, subject to a minimum contribution rate of 2% and 5% of their remuneration respectively. Category B members are members who belong to both category A and C and the Local Authority must, on behalf of such members, not contribute less than 7% of their remuneration. The contribution rates stipulated above include the amount payable towards the insured risk benefits policy.

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

	2023 R	2022 R
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59. Going concern

We draw attention to the fact that at 30 June 2023, the municipality had an accumulated surplus of R 5 623 651 021.

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

60. Deviations from SCM regulations - SCM Regulation 36

In terms of section 36 of the municipality SCM regulations, any deviations from SCM policy needs to be approved by the accounting officer and noted by Council. The awards listed below have been approved by the accounting officer and noted by Council.

All deviations considered by the accounting officer are processed in terms of the SCM regulations and the municipality's SCM

policy. This process entails being assessed by the SCM Bid Adjudication Committee in terms of the stipulated criteria for emergency procurements and circumstances where it is impractical or not possible to follow the official procedure.

Deviation from, and ratification of minor breaches of, the procurement processes

In terms of section 36(2) of the Supply Chain Management Policy approved by Council it is stipulated that bids where the formal procurement processes could not be followed, must be noted in the annual financial statements.

SCM paragraph
reference

36 (1)(a) i	Dispense with the official procurement processes in an emergency	6 298 623	3 563 056
36 (1)(a) ii	Dispense with official procurement processes if such goods or services are produced or available from a single source or sole provider.	335 943	9 139 368
36 (1)(a) v	Dispense with official procurement processes in any other exceptional case where it is impractical or impossible to follow the official procurement processes.	26 804 533	30 902 451

Total deviations

33 439 099	43 604 875
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The deviations rand value disclosed is representative of the award value. In the event of a rates based award, an estimate is utilised based on certain projected provisions. In the event that an award value is not present, nor an estimate due to certain conditions, the actual expenditure incurred will be disclosed.

A prior period disclosure error has been corrected in the comparative disclosed figures. The error was caused by certain awards that were erroneously included. The effects of the disclosure can be seen below:

Deviations prior period disclosure error:

Amount previously disclosed	-	59 279 072
Adjustment for 36(1)(a)(i)	-	(12 892 802)
Adjustment for 36(1)(a)(ii)	-	366 883
Adjustment for 36(1)(a)(v)	-	(3 148 278)
	-	43 604 875

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

2023	2022
R	R

61. Budget information

The budget has been prepared on the accrual basis of accounting in accordance with the prescripts of the Municipal budget regulations as well as MFMA budget circulars. In accordance with the Municipal budget regulations, the classification basis the municipality presents its budget is per economic as well as per functional classification (per Vote (Department) and GFS classification). It should be noted that minor budget differences between the basis the budget is prepared (accrual basis and prescripts of NT guidance) and actual financial results (accrual basis in accordance with GRAP) exists, mainly related to technical GRAP adjustments required. These differences are not material and as the basis of preparation is the same (accrual basis) no restatements have been made to the financial information compared to the budgeted amounts, but where found to be material is explained below:

Explanation of variances between approved and final budget amounts

The materiality framework of the municipality informs the determining base ranges. The framework outlines all principles and guiding practices to allow management to enforce a consistent application of the framework's guidelines. With regard to reporting, the understandability and transparency to users of the financial statements was a determining factor when deciding on the base %.

BD1 - Service Charges - Revenue from Service Charges: Electricity: Industrial was R34mil less than anticipated due to loadshedding being implemented

BD2 - Other Revenue - Development Charges revenue is R25mil more than budgeted. Development Charges to the amount of R20.9 million were received from December 2022 until June 2023

BD3 - Employee related cost -Included in the Actual of Employee related Cost is a R30.6mil actuarial gain on post employment medical benefit which was not budgeted for. This therefore reduces the total Employee related cost expenditure by R30.6mil overall

BD4 - Debt Impairment - The variance is due to the actual Contribution to impairment loss on receivables for non-exchange and exchange transactions being more than anticipated

BD5 Depreciation - The variance is due to the addition of legacy assets and the unbundled historical work-in-progress assets

BD6 - Contracted services - Savings were identified on Contractors to the value of R27.7mil.

BD7 - Other expenditure- The material variance is due to the negative R69.7mil contributions from provisions

BD8 - Cash - Loan repayments were only effected in the new financial year.

BD9 - Property, plant and equipment - Legacy assets movements were effected in the current year.

BD10 - Trade and other payables - An increase in payables was due to an increase in eskom bulk electricity and loan repayments which were not effected in the current financial year.

BD11 - Provisions - A decrease in material costs and change in interest rate caused the variance to grow larger.

BD12- Borrowings - An additional loan was taken up in the current financial year

BD13- Reserves - An increase in the surplus for the current financial year has contribution to this variance.

CF1 - . The municipality overcollected in the current year

Stellenbosch Municipality

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Notes to the Annual Financial Statements

2023	2022
R	R

61. Budget information (continued)

CF2 - The municipality under collected this period.

CF3 - The difference stems from amounts in relation to rollover funding that was received and budgeted for in the prior year.

CF4 - The municipality had a underspending on employee related cost, bulk purchases and paid less suppliers than anticipated

CF5 - The municipality had an underspending on its capital expenditure budget.

CF6 - The municipality required less funding than anticipated from borrowings

CF7 - Over estimation during forecasting of other revenue.

Stellenbosch Municipality

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Notes to the Annual Financial Statements

	2023 R	2022 R
62. Contingent liabilities		
SHAHIEDA JACOBSS/ STELLENBOSCH MUNICIPALITY	200 000	200 000
Shahieda Jacobs instituted legal proceedings against Stellenbosch Municipality and a municipal official for alleged sexual harassment and unfair discrimination in the Labour Court. The Municipality filed its Statement of Response to the Plaintiff's Statement of Claim. .		
RICMAL GREEN (PTY) LTD & ANOTHER / THE UNLAWFUL OCCUPIERS & OTHERS	200 000	200 000
Ricmal Green (Pty) Ltd applied for an interdict that the National Minister of Agriculture, Deputy Minister of Agriculture and the National Government be interdicted and restrained from placing any third parties in occupation of the Property or in any way encouraging, promoting, supporting and or allowing any persons to come onto the farm to occupy the Property. That the persons attempting to occupy the Property be interdicted and restrained from entering onto or remaining on the Property and erecting or attempting to erect any form of structure, be it temporary, permanent or semi-permanent of nature on the Property. Ricmal Green (Pty) Ltd also applied for an urgent eviction application in terms of rule 6(12) against all unlawful occupiers of the Property listed in Annexure A to be ordered to vacate the Property and should they fail/refuse that the Sheriff be ordered to evict them from the Property. Stellenbosch Municipality is sited as Seventh Respondent to the matter. No relief is sought against the Municipality unless the Municipality oppose the application. The Municipality was joined as the Property is situated within its jurisdiction and its statutory and/or constitutional obligations as regards the occupiers. The Municipality is supporting the application of the Applicants and filed an explanatory affidavit		
ANGELA ADELINE MOGOLEGENG / STELLENBOSCH MUNICIPALITY	100 000	100 000
Angela Adeline Mogolegeng applied for Default Judgment against Stellenbosch Municipality for alleged unfair labour practice in relation to failure to promote and/or demotion and alleged that she is being unfairly discriminated against		
SPS / STELLENBOSCH MUNICIPALITY	100 000	100 000
MZ Loghdey t/a Street Parking Solutions submitted a tender, which was awarded to him. The tender was implemented on or about 1 April 2019. A dispute arose between the parties around various issues in terms of the tender. Clause 27.1 of the GCC provides that if any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation. Clause 27.2 provides further if, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party. Clause 27.3 provides that should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law. Notwithstanding the above clause 27.4 provides that notwithstanding any reference to mediation and/or court proceedings herein the parties shall continue to perform their respective obligations under the contract unless they otherwise agree and the purchaser shall pay the supplier any monies due for goods delivered and/or services rendered according to the prescripts of the contract. Both SPS and the Municipality alleged that certain conditions of the tender/contract was breached and that mediation is required to solve the dispute. A mediator was appointed and a date for the mediation need to be set to argue the matter.		

Stellenbosch Municipality

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Notes to the Annual Financial Statements

	2023 R	2022 R
62. Contingent liabilities (continued)		
VAN DER WESTHUIZEN, K / STELLENBOSCH MUNICIPALITY	50 000	50 000
Kyla van der Westhuizen issued summons against the Municipality for damages to her vehicle, VW Polo Cross 2015 model for allegedly colliding with a pothole. The Municipality defended the matter and filed its plea in the matter. Discovery affidavit was served and filed and a court date needs to be obtained to argue the matter.		
MHLENZE, N R / STELLENBOSCH MUNICIPALITY	325 469	325 469
Nomzi Renee Mlenze is applying to the Labour Court for condonation of the non-compliance with the time periods envisaged by the Labour Court in terms of the applicable Rules. Mlenze is employed at Stellenbosch Municipality as Senior Clerk: Accounts in the Finance Department.		
SIPHO DYIDI / STELLENBOSCH MUNICIPALITY	-	200 000
Sipho Dyidi is employed as Superintendent: Collections in the Department: Infrastructure Services who instituted legal proceedings against Stellenbosch Municipality in the Labour Court for overtime work in the amount of 111 hours, but the Municipality allegedly did not logged or captured his overtime.		
OCTOFIN COMMERCIAL (PTY) LTD / TURN AROUND	200 000	200 000
Octofin Commercial (Pty) Ltd instituted legal action against Turn Around Investments 22 (Pty) Ltd and Stellenbosch Municipality and applied for an order reviewing and setting aside the decision of the Municipality taken on 9 June 2020 to grant a permanent departure of the building line applicable to Turn Around Investment property, i.e Erf 15713 Stellenbosch. .		
STELLENBOSCH MUNICIPALITY / GREEN SPOT RECYCLING (PTY) LTD, THEIR DIRECTORS/ANY ILLEGAL OCCUPIERS AND ILLEGAL USERS OF THE LA MOTTE DEPOT	200 000	200 000
Green Spot Recycling (Pty) Ltd occupied a section of the La Motte Depot and have been operating a recycling company without any formal agreement with Stellenbosch Municipality.		
STELLENBOSCH MUNICIPALITY / DUWAINE KLEYNHANS AND ADRIAN KLEYNHANS AND ALL THOSE WHO ARE OCCUPYING THE HOUSE UNDER OR THROUGH THEM	100 000	100 000
Mr Phillips Kleynhans was allowed as caretaker by the Toy and Miniature Museum to occupy the flat at 118 Dorp Street, Stellenbosch. Mr Phillip Kleynhans passed away on or about 30 November 2016 and his right to occupy the flat in terms of his employment agreement terminated. Duwaine Kleynhans and Adrian Kleynhans are still occupying the flat and was given notice that any right of occupation of the flat at 118 Dorp Street, Stellenbosch which flows from the right of occupation of Mr Phillip Kleynhans employment contract with the Toy and Miniature Museum was terminated and that they should vacate the flat by 31 March 2020		
FRANSCHHOEK CLAIMANT'S TRUST / EXECUTIVE MAYOR: STELLENBOSCH MUNICIPALITY & OTHERS	300 000	200 000
The Franschhoek Claimant's Trust instituted review proceedings in terms of section 6 and 8 of PAJA reviewing and setting aside the Executive Mayor's decision, in her capacity as the appeal authority, to revoke the development and related approvals, granted by the Stellenbosch Municipal Planning Tribunal to the Franschhoek Claimant's Trust ("FC Trust") in respect of Erf 1692 Franschhoek ("the Property").		

Stellenbosch Municipality

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Notes to the Annual Financial Statements

	2023 R	2022 R
62. Contingent liabilities (continued)		
WASTEWANT WASTE MANAGEMENT (PTY) LTD / STELLENBOSCH MUNICIPALITY AND RESOURCE INNOVATIONS AFRICA (PTY) LTD	-	200 000
Wastewant Waste Management (Pty) Ltd ("Wastewant") instituted review proceedings against the decision of Stellenbosch Municipality ("the Municipality"), wherein the Municipality set aside the decision by the Bid Adjudication Committee ("BAC") to award Tender B/SM12/21 to Wastewant. Reviewing the decision of the Municipality dated 23 February 2021, wherein the Municipality awarded tender B/SM12/21 to Resource Innovations Africa (Pty) Ltd. Reviewing and declaring invalid the Appeal Authority's decision in terms of Section 62(3) of the Systems Act, to revoke the decision of the BAC, as same detracted from the rights, which accrued to Wastewant.		
STELLENBOSCH MUNICIPALITY/ILLEGAL OCCUPIERS OF THE OPEN SPACE CLOSE TO THE R44	100 000	100 000
Illegal structures were erected on the open space next to Rietenbos Primary School, Cloetesville ("the Property") close to R44. The Municipality is in the process of instituting eviction proceedings against the illegal occupiers.		
STELLENBOSCH MUNICIPALITY / SURITA LAYMAN & OTHERS	200 000	200 000
Erf 7802 Stellenbosch was incorrectly transferred to Surita Layman. Stellenbosch Municipality is applying for a rectification transfer directing that the transfer of the immovable property situated at Erf 7802 Stellenbosch to Surita Layman be set aside and an order directing the Municipality to transfer the Property to both Surita Layman and Margaret Louisa Layman		
MICHAEL SACHAR /STELLENBOSCH MUNICIPALITY	129 030	129 030
Mr Michael Sachar alleged that his Land Rover Discovery 4 3.0 TD/SD V6 Se motor vehicle on 6 August 2020 collided with a large pot hole at or near Main Road (R45 near BP Garage) Franschoek..		
STELLENBOSCH MUNICIPALITY / THE CHILDREN MR BESS AND LLEGAL OCCUPIERS	100 000	100 000
Eviction application against the children of Mr Johnny Bess, who was employed by Stellenbosch Municipality and retired from the employ of the Municipality on or about 31 July 2006. Mr Bess passed on and his children continued to occupy the house. There are various complaints from community members that the children who are currently occupying the house are involved in alleged drug dealing and anti-social behaviour. The house is vandalised and not maintained. The surrounding homeowners handed in a petition demanding that the children be evicted from the house due to an increase in illegal activities from the house, which is making living with them unbearable.		
STELLENBOSCH MUNICIPALITY / ILLEGAL OCCUPIERS OF ERF 290 RAITHBY ALSO KNOWN AS PORTION C(TRANSPORT ZONE II – PUBLIC ROAD)	100 000	100 000
Erf 150 Raithby was subdivided in terms of section 25 of the Land Use Planning Ordinance, 15 of 1985 ("LUPO") into three portions namely, Portion A, Portion B, Portion C and Remainder Portion. Portion C will be utilized for road purposes. Erf 150 Raithby was divided into Erf 288 Raithby, Erf 289 Raithby, Remainder Erf 150 Raithby and Erf 290 Raithby the zoning which is Transport Zone II for a public road. The Municipality is in the process of instituting eviction and demolition proceedings against the illegal occupiers.		

Stellenbosch Municipality

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Notes to the Annual Financial Statements

	2023 R	2022 R
62. Contingent liabilities (continued)		
STELLENBOSCH MUNICIPALITY/ THATO RUBUSHA	300 000	300 000
Review application instituted by Stellenbosch Municipality setting aside the Arbitration Award made under WCP121702 under the South African Local Government Bargaining Council to pay her compensation for additional work done.		
FORMER EMPLOYEES / SOUTH AFRICAN LOCAL GOVERNMENT BARGAINING COUNCIL & OTHERS	200 000	200 000
This matter involves an application on behalf of the Municipality to be joined as co-applicant together with eThekweni Municipality in an application for the review and setting aside of the Amended Municipal Property Rates Regulations promulgated on 12 March 2010. The Municipality has been joined successfully as co-applicant.		
This matter involves an application on behalf of the Municipality to be joined as co-applicant together with eThekweni Municipality in an application for the review and setting aside of the Amended Municipal Property Rates Regulations promulgated on 12 March 2010. The Municipality has been joined successfully as co-applicant.		
THAPELO MBASA SMITH AND OTHERS / STELLENBOSCH MUNICIPALITY	200 000	200 000
Thapelo Mbas Smith & Others applied for an interim interdict against Stellenbosch Municipality & Others pending the determination of the final relief sought in Part B of the Notice of Motion. The Municipality did not oppose the interim interdict but opposed the Review application instituted by Thapelo Mbas Smith & Others against the Municipality declaring inter alia the Municipality's decision, taken on 13 November 2020, to acquire, or accept the donation of, the Property from the Trust, to be unlawful and invalid. The Municipality subsequently filed its answering affidavit in the matter.		
LABOUR COURT REVIEW -MATUSA OBO REVONAH ANTHONY ("ANTHONY") / STELLENBOSCH MUNICIPALITY- STE10/0318	150 000	150 000
MATUSA obo Revona Anthony obtained an arbitration award against Stellenbosch Municipality in terms of which she was reinstated and certified the arbitration award in terms of section 143(3) of the LRA. They instructed the sheriff to attached the movable properties of the Municipality to be sold in execution. The Municipality instituted review proceedings against the arbitration award and stay the execution of the arbitration award.		
WS SMIT N.O & OTHERS / STELLENBOSCH MUNICIPALITY	-	200 000
Community members illegally occupied Portion 5 of Farm 183 Stellenbosch also known as Watergang. An eviction application was subsequently instituted and Acting Judge Martin granted an eviction order against the illegal occupiers. The illegal occupiers filled an appeal against the eviction order granted by Acting judge Martin which appeal is still pending. The appeal, or any proceedings before the Supreme Court or Higher Court should leave to appeal be granted and any other actions flowing from the Interdict need to be oppose.		
STELLENBOSCH MUNICIPALITY / ISAYA NKUKUMANA	-	200 000
Opinion and Review application against decision of the Chairperson in the disciplinary hearing of Isaya Nkunkumana to have the ruling on the sanction issued against Isaya Nkunkumana reviewed and set aside. Review application with condonation application was finalised and served on the respective parties.		

Stellenbosch Municipality

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	2023 R	2022 R
62. Contingent liabilities (continued)		
SURREY HOLMES (PTY) LTD/ STELLENBOSCH MUNICIPALITY	200 000	600 000
Surrey Holmes instituted a review application against Stellenbosch Municipality for its alleged failure to make a decision in terms of section 6(2) (g) of the Promotion of Administrative Justice Act 3 of 2000 (PAJA) and directing the Municipality to perform its duties and exercise its powers by; accepting and considering the amended ceiling height of the Attic Room. The review application was opposed by the Municipality. The Municipality is in the process to provide the Rule 53 records.		
STELLENBOSCH MUNICIPALITY / LEELYN MANAGEMENT CC	200 000	200 000
Opinion and institution of Monetary claim against Leelyn Management CC for alleged parking revenue collected on behalf of the Municipality which was not paid over by Leelyn Management CC to the Municipality.		
JVZ CONSTRUCTION (PTY) LTD / STELLENBOSCH MUNICIPALITY	-	700 000
JVZ Construction instituted review proceedings against Stellenbosch Municipality's decision to cancel Bid No B/SM50/20: The Construction of Skilpadvlei Reservoir and Associated Work ("the Reservoir tender") and Bid B/SM51/20: The Construction of Skilpadvlei Bulk Water Supply and Associated Works ("the Water Supply Tender"). Directing the Municipality to adjudicate and award the Reservoir tender and the Water Supply tender and to pay JVZ's cost of the matter.		
STELLENBOSCH MUNICIPALITY / OSCAN INVESTMENTS ENTERPRICE (PTY) LTD	485 200	485 200
Property owner of Erf 1727 Stellenbosch erected a fence which encroach on municipal public open space. The Municipality needs to apply for a demolition order if the owner refuse/fail to remove the illegal wooden fence. Notice was served on the property owner to address the issues highlighted in the letter of refusal of the building plan and to resubmit the building plan together with the requested information and documents required alternatively to have the illegal fence removed. Should the property owner not comply with the notice served, the Municipality will proceed with the demolition application of the illegal fence.		
STELLENBOSCH MUNICIPALITY / FRANCOIS JANSEN	-	50 000
Application for eviction of unlawful occupants from municipal property.		
STELLENBOSCH MUNICIPALITY / TANIA WASMUTH AND OTHERS	50 000	50 000
Application for eviction of unlawful occupants from municipal property.		
STELLENBOSCH MUNICIPALITY / COBUS VISAGIE	50 000	50 000
Approximately R684 000.00 owed by Cobus Visagie for a tender to harvest wood.		
SECURITEM (PTY) LTD/STELLENBOSCH MUNICIPALITY	200 000	200 000
Securitem instituted legal action against the Municipality to pay VAT on top of their tender price. The Municipality is of the view that VAT was included in the tender price submitted by SECURITEM and opposed the application.		

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	2023 R	2022 R
62. Contingent liabilities (continued)		
FUSION PROPERTIES 233 CC / THE MUNICIPALITY OF STELLENBOSCH	33 465 000	33 465 000
<p>This matter involves a summons issued against the Municipality for alleged damages pursuant to the sale of certain immovable property belonging to the Municipality. The amount claimed is R32 115 000.00 together with interest calculated at the rate of 9% per annum from 28 July 2015. The Municipality is defending the action. Pleadings have closed, however, the action is currently stayed. The Plaintiff, having been unsuccessful in its appeals against the High Court's judgment to furnish security, must now furnish security prior to proceeding with the action. The Plaintiff's attorneys of record have, however, withdrawn and the Plaintiff has not taken any steps to advance the matter since February 2021..</p>		
INDEPENDENT SCHOOLS ASSOCIATION OF SOUTHERN AFRICA / ETHEKWINI MUNICIPALITY / STELLENBOSCH MUNICIPALITY & OTHERS	-	250 000
<p>This matter involves an application on behalf of the Municipality to be joined as co-applicant together with eThekweni Municipality in an application for the review and setting aside of the Amended Municipal Property Rates Regulations promulgated on 12 March 2010. The Municipality has been joined successfully as co-applicant.</p>		
STELLENBOSCH MUNICIPALITY / KLAPMUTS MEDIATION	250 000	250 000
<p>Municipality under obligation to provide emergency housing to evictees of various eviction orders in Klappmuts. Klappmuts community has threatened violence against evictees and destruction of property should the municipality proceed to utilise Klappmuts housing facilities for evictees rather than for members of the Klappmuts community. Independent expert mediator appointed to facilitate mediation which is currently pending. Mediator had meetings with the community and a committee was elected to discuss the matter and proposals made. The chairperson of the Committee was not available for a period to attend meetings and new proposed dates were arranged by the mediator for such meetings. The community still refuse the Municipality to implement emergency housing.</p>		
STELLENBOSCH MUNICIPALITY/ NE PROPERTIES (PTY) LTD	200 000	200 000
<p>Application to declare the dissolution of NE Industries void in terms of section 83(4) of the Companies Act and to direct the Companies and Intellectual Property Commission of South Africa to restore NE Industries' name to the register of companies. NE Industries was deregistered and its name was removed from the register of companies on 16 July 2010 due to its failure to file its annual returns. NE Industries is the single largest debtor on the Municipality's debtor's book. The Municipality wants to collect the outstanding amount due to it but established that NE Industries was deregistered as a result of its failure to file its annual returns and its name was removed from the register of companies.</p>		
STELLENBOSCH MUNICIPALITY / IMATU ON BEHALF OF EMPLOYEES	-	200 000
<p>Review application instituted against the arbitrator's award by Commissioner Der Vlieger-Seynhaeve including application for condonation and to oppose the application for contempt of court proceedings instituted by IMATU obo Deidre Jeffthas</p>		
STELLENBOSCH MUN / MOFFAT & OTHERS	100 000	100 000
<p>Kyla van der Westhuizen issued summons against the Municipality for damages to her vehicle, VW Polo Cross 2015 model for allegedly colliding with a pothole. The Municipality defended the matter and filed its plea in the matter. Discovery affidavit was served and filed and a court date needs to be obtained to argue the matter.</p>		

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	2023 R	2022 R
62. Contingent liabilities (continued)		
STELLENBOSCH MUNICIPALITY / CHOISY –LE-ROI OWNERS (PTY) LTD	200 000	200 000
Review application instituted by the owner of Erf 13500 Technopark, Stellenbosch against the appeal judgment of the Executive Mayor. The Municipality served and filed notice of opposition against the application. Rule 53 record was subsequently filed at court. Choisy-le-Roi supplemented their application and the Municipality served and filed its answering affidavit. A court date needs to be obtained to argue the matter.		
STELLENBOSCH MUNICIPALITY / FORMER EMPLOYEE	200 000	200 000
Review Application instituted in the Labour Court against the disciplinary sanction of the chairperson in the disciplinary hearing of Leon Lourens. Leon Lourens was found guilty on three charges, which involves dishonesty but was not dismissed by the chairperson. The Municipality has served and filed its founding affidavit to have the ruling of the chairperson set aside and replace for a dismissal. The Municipality is in the process of transcribing the recordings of the hearing whereafter Leon Lourens will provide its answering affidavit in the matter.		
DEON GARDEN & CONSTRUCTION CC / STELLENBOSCH MUNICIPALITY	200 000	200 000
Monetary claim in the amount of R4 374 192.67 including interest at a rate of 7.75% per annum for alleged damages suffered by Deon Garden & Construction CC. The Municipality defended the claim instituted and is in the process of finalising its plea in the matter..		
STELLENBOSCH MUNICIPALITY / EX-EMPLOYEES WHO OCCUPY THE DEVON VALLEY HOUSING STOCK	200 000	200 000
Eviction of ex-employees who occupy the Devon Valley Housing Stock of the Municipality which can only be utilised by employees working in Engineering Directorate		
LJ TURNKEY INVESTMENTS (PTY) LTD / STELLENBOSCH MUNICIPALITY	1 552 000	1 552 000
LJ Turnkey Investments (Pty) Ltd ("LJ Turnkey") issued summons against Stellenbosch Municipality for alleged damages suffered by LJ Turnkey as a result of the Municipality allegedly refusing to consider its application submitted for a determination of zoning as contemplated in section 15(2)(m) of the Land Use Planning By-law.		
STELLENBOSCH MUNICIPALITY / LJ TURNKEY INVESTMENTS (PTY) LTD	250 000	250 000
The owner of Portion 9 of Farm 100 Stellenbosch ("the Property") applied for a declaratory order that the Property is being utilised for residential purposes and thus effectively allows them to utilise the Property for student accommodation. The Municipality opposed the declaratory order and filed its answering affidavit. The Municipality has instituted a counter-application in the form of, amongst others, interdict proceedings against the owner's illegal utilisation of the property for student and/or any other rental accommodation. The Municipality has also instituted a chamber book application to compel the owner, LJ Turnkey Investments (Pty) Ltd, to serve and file its answering affidavit in the counter-application. LJ Turnkey Investments (Pty) Ltd has now served its replying affidavit in the main application as well as it answering affidavit in the counter (interdict) application. LJ Turnkey Investments (Pty) Ltd also filed a Notice of Intention to Amend and an application to have certain parts or paragraphs of the Municipality's affidavits struck out. The Municipality has filed its replying affidavit in the counter-application and the matter has been set down for hearing on 17 October 2022. This matter does not involve any amounts claimed.		

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	2023 R	2022 R
62. Contingent liabilities (continued)		
STELLENBOSCH MUNICIPALITY / JW ANGUS PROPERTIES (PTY) LTD AND JUNO CORP	250 000	250 000
Interdict application instituted against JW Angus Properties (Pty) Ltd, the owner of erven 144 Klapmuts and 149 Klapmuts, who is operating or allowing Juno Corp to utilise Erf 144 Klapmuts and 149 Klapmuts for industrial related activities such as operating a Wash Bay for trucks on Erf 149 Klapmuts and utilising Erf 144 Klapmuts for parking of trucks, storage of trucks in contravention of the approved zoning of the Property and to operate a business that uses trucks to collect and transport waste..		
STELLENBOSCH MUNICIPALITY / GAYNOR SKIPPERS AND ALL OTHER ILLEGAL OCCUPIERS	100 000	100 000
Eviction of Gaynor Skippers and all other illegal occupiers who illegally occupy the road reserve, Torrey Street, Jamestown		
FORMER EMPLOYEE / STELLENBOSCH MUNICIPALITY	200 000	200 000
Application instituted by Elizabeth Rhoda against Stellenbosch Municipality to have her reinstated retrospectively with accumulated benefits and salary or adjustments and that the Municipality pay compensation to her in the amount of 12 months' salary including the cost of suit as well as a condonation application for the late submission of her application. The application was opposed by the Municipality and the Municipality is in the process to serve and file its Statement of Defence.		
DB PROPERTY DEVELOPMENT COMPANY (PTY) LTD / EXECUTIVE MAYOR: STELLENBOSCH MUNICIPALITY & OTHERS	500 000	-
On 2 June 2020 the Director: Planning and Economic Development approved, subject to certain conditions, DB Property Development Company (Pty) Ltd ("DB Property") land use application for the rezoning, consent use, departure and temporary departure in relation to Portion 43 of Farm No 65 Stellenbosch Division ("the Property"). On 22 June 2020 DB Property submitted an appeal to the Executive Mayor against the two conditions. On 24 May 2021 the Executive Mayor, acting in her capacity as the Appeal Authority, issued her appeal decision dismissing DB Property's appeal against these two conditions. DB Property instituted review proceedings and applied setting aside two conditions of the 2020 Approval in terms of section 6 and 8 of the Promotion of Administrative Justice Act, 3 of 2000..		
CHRISTO HENRY BOLTNEY / STELLENBOSCH MUNICIPALITY	100 000	-
Christo Henry Boltney ("Boltney") sued the Municipality for injuries obtained due to falling into an open manhole, which had no manhole cover. The insurer defended the matter on the Municipality's behalf and appointed attorneys whereafter a notice of intension to defend the matter was filed on 29 March 2018. According to Boltney, the attorneys appointed delivered a notice of withdrawal on 5 July 2018 and on 4 June 2019 served a notice of bar to be served on the Municipality by the sheriff. Despite a notice of bar being served, the Municipality failed to deliver its plea. The applicant applied for default judgment. Attorneys was appointed to defend the application for default judgment. The parties agree to allow the Municipality to file its plea in the matter, which the Municipality subsequently filed. The Plaintiff filed its Rule 37 Questionnaire in this matter.		

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	2023 R	2022 R
62. Contingent liabilities (continued)		
STELLENBOSCH MUNICIPALITY // CABZUS (PTY) LTD	200 000	-
<p>Cabzus (Pty) Ltd instituted review proceedings against the Municipality reviewing and setting aside the decision taken on 13 April 2022 requiring Cabzus to pay an alternative building plan fee in the amount of R652 801.41 and or the refusal as communicated to Cabzus on 24 June 2022 to reconsider the imposition of the alternative building plan fee and ordering the Municipality to repay the amount of R652 801.41 including interest thereon.</p> <p>The Municipality opposed the application and filed its notice of opposition. The Rule 53 record was also filed.</p> <p>We await Cabzus supplementary affidavit in this matter.</p>		
STELLENBOSCH MUNICIPALITY/ FRANSCHHOEK JEUGSENTRUM TRUST	100 000	-
<p>Legal opinion requested from attorneys to establish whether the trustees including Mr Van der Westhuizen were entitled to amend the trust deed and clause 12 thereof without a resolution from Stellenbosch Municipal Council and if not what legal steps can be taken against them.</p> <p>Opinion obtained to apply to Court for a declaratory order.</p>		
MUNICIPAL LANDFILL SITE	-	-
<p>The municipality has a present obligation to rehabilitate the landfill site which stems from licensing agreements 16/2/7/G203/D16/Z1/P331) issued in terms of the Environmental Conservation Act, 1989 (Act 73 of 1989), E13/2/10/7-B4/37-WL0077/11 issued in terms of the National Environmental Management: Waste Act, 2008 (Act no. 59 of 2008) (NEMWA) and license number 19/2/5/1/B4/46/WL0118/14 issued in terms of NEMWA. The obligation is immediately enforceable upon closure of the landfill site. As part of these licensing obligations, the municipality is responsible for post-closure obligations namely, ground water monitoring, decommissioning, monitoring committee and gas monitoring. The duration of the time for the cost to be incurred is contingent on the decision making of the regional director as stipulated in the licence conditions. At 30 June 2023, a decision has not been made by the regional director on the post-closure obligations for the municipality as per the licence agreements, as a result thereof, a reliable estimate of the costs to be incurred cannot be reliable estimated due to the uncertainty of the key events contained within the licencing conditions. .</p>		
STELLENBOSCH MUNICIPALITY/ ELIZABETH RHODA	200 000	-
<p>Unfair discrimination referred by Elizabeth Rhoda to the CCMA under case number WECT4519-18 on or during 13 March 2018 under section 10(2) of the Employment Equity Act. Rhoda submitted that the discrimination was ongoing since 2015 and that no condonation was required. She did not apply for condonation and the commissioner found against her. Rhoda took the matter on review and the Labour Court found in her favour. Rhoda applied for a date to set her unfair discrimination dispute under case number WECT4519-18 down for hearing and to have the directive of 12 August 2021 reviewed and set aside.</p> <p>The matter was argued before the CCMA and pursuant thereto set down for conciliation. The dispute remains unresolved and a certificate was issued by the CCMA that the dispute remains unresolved and that same should be referred to the Labour Court.</p>		

Stellenbosch Municipality

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	2023 R	2022 R
62. Contingent liabilities (continued)		
STELLENBOSCH MUNICIPALITY/ HANNIEL TRUST (TENDER)	200 000	-
<p>Hanniel Trust instituted review proceedings against Stellenbosch Municipality refusing the Trust's application in terms of section 15(2) of the Planning By-law for the removal of conditions 1.B and 3B in Title Deed T.57549/2006, and (ii) a Consent Use on Erf 275 Klapmuts for Transport Purposes (goods).</p> <p>The Municipality opposed the application and filed the Rule 53 record. Hanniel Trust provided an undertaking not to utilise the property in contravention of the zoning until such time as the review application is finalised. We await the supplementary affidavit of the Hanniel Trust.</p>		
	42 906 699	43 906 699

Stellenbosch Municipality

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2023	2022
R	R

63. Segment information

General information

Identification of segments

The municipality is organised and reports to management on the basis of four major functional areas. These four functional segments are governance and administration, community and public safety, economic and environmental services as well as trading services. The segments were organised around the type of service delivered and the target market.

Information reported about these segments is used by management as a basis for evaluating the segments' performances and for making decisions about the allocation of resources. The disclosure of information about these segments is also considered appropriate for external reporting purposes.

Reportable segments are identified based on activities performed of the municipality that generates economic benefits or service potential including internal services that contribute to achieving the municipality's objectives without necessarily generating net cash inflows.

Management has only identified segment information for which data is reported on and reviewed during the decision making process of the municipality. Aspects relating to GRAP 18 paragraph 21 (a) - (j) which does not form part of the review process of the management reports will not form part of the segment information.

Segmental reporting was based and identified on the MFMA S71 monthly budget statements/reports that are reviewed by senior management and council to make strategic decisions and in monitoring segment performance. The disclosure of information about segments in these reports are organised around the type of service delivered, in a standardised format namely the C2 schedule. This is considered appropriate for external reporting purposes to achieve the objectives of GRAP 18.

Types of goods and/or services by segment

These reportable segments as well as the goods and/or services for each segment are set out below:

Reportable segment	Goods and/or services
Community and public safety	Primary services providing community safety, crime prevention and law enforcement.
Governance and administration	Primary services in relation to financial management, financial and governance decision making.
Economic and environmental services	Urban and developmental planning in accordance with therelevant laws and regulations. Environmental planning and protection for long term sustainability.
Trading services	Primary basic service provision including water, electricity, sanitation and refuse.

Stellenbosch Municipality

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	2023		2022		
	R		R		
63. Segment information (continued)					
2023					
	Community and public safety	Economic and environmental services	Trading services	Governance and administration	Total
Segment revenue					
External revenue from non-exchange transactions	15 532 596	230 422 659	134 199 757	525 398 218	905 553 230
External revenue from exchange transactions	21 222 599	35 635 441	1 179 934 324	16 527 378	1 253 319 742
Interest revenue	-	-	-	42 250 158	42 250 158
Total	36 755 195	266 058 100	1 314 134 081	584 175 754	2 201 123 130
Segment expenses					
Total segment expenses	(248 106 928)	(228 455 112)	(921 496 199)	(256 646 701)	(1 654 704 940)
Depreciation and amortisation	(21 771 487)	(59 374 301)	(134 445 581)	(16 087 633)	(231 679 002)
Interest expense	-	-	(58 752 378)	(1 176 080)	(59 928 458)
Contribution to/from provisions	-	-	69 693 846	-	69 693 846
Debt impairment	(3 256 570)	(40 520 185)	(23 735 813)	(3 209 512)	(70 722 080)
Inventory losses/write downs	(25 000)	-	-	(364 308)	(389 308)
Cost of housing sold	(150 000)	-	-	-	(150 000)
Total	(273 309 985)	(328 349 598)	(1 068 736 125)	(277 484 234)	(1 947 879 942)
Surplus for the year	(236 554 790)	(62 291 498)	245 397 956	306 691 520	253 243 188
Other information					
Total capital expenditure	15 395 152	73 678 259	199 782 628	31 111 831	319 967 870

Stellenbosch Municipality

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Notes to the Annual Financial Statements

					2023 R	2022 R
63. Segment information (continued)						
2022						
	Community and public safety	Economic and environmental services	Trading services	Governnance and admin	Other	Total
Segment revenue						
External revenue from non-exchange transactions	34 623 159	200 437 102	116 927 729	478 588 023	-	830 576 013
External revenue from exchange transactions	14 528 847	43 932 378	1 115 952 619	20 197 673	102 555	1 194 714 072
Interest revenue	-	-	15 296	18 755 045	-	18 770 341
Total	49 152 006	244 369 480	1 232 895 644	517 540 741	102 555	2 044 060 426
Segment expenses						
Total segment expenses	(218 440 294)	(262 650 164)	(868 736 705)	(264 309 765)	-	(1 614 136 928)
Depreciation and amortisation	(20 317 177)	(48 137 739)	(121 729 729)	(28 508 474)	-	(218 693 119)
Interest expense	-	-	(44 415 523)	83 159	-	(44 332 364)
Contribution to/from provisions	-	-	(6 287 548)	-	-	(6 287 548)
Debt impairment	-	(15 626 017)	(30 448 104)	(5 637 244)	-	(51 711 365)
Inventory losses/write downs	5 000	-	-	110 859	-	115 859
Cost of housing sold	(345 000)	-	-	-	-	(345 000)
Total	(239 097 471)	(326 413 920)	(1 071 617 609)	(298 261 465)	-	(1 935 390 465)
Surplus for the year	(189 945 465)	(82 044 440)	161 278 035	219 279 276	102 555	108 669 961
Other information						
Total capital expenditure	45 072 208	93 897 819	172 584 668	23 934 055	-	335 488 750

Measurement of segment surplus or deficit, assets and liabilities

Basis of accounting for transactions between reportable segments

The accounting policies of the segments are the same as those described in the summary of significant accounting policies..

Information about geographical areas

All the municipality's operations are located in the Republic of South Africa in the Cape Winelands area. Information to report on different geographical areas is not available would be expensive and impractical to develop.:

Stellenbosch Municipality

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Notes to the Annual Financial Statements

64. Prior period error and reclassification

The following restatements and adjustments occurred which are set out below:

64.1 Adjustments of Statement of financial position items

2023

	Note	As previously reported	Correction of error	Re-classification	Restated
Assets					
Current assets					
Cash and cash equivalents	3	137 877 710	-	-	137 877 710
Short term investments	5	305 522 446	-	-	305 522 446
Receivables from exchange transactions	6	169 893 585	-	-	169 893 585
Receivables from non-exchange transactions	8	67 176 042	-	-	67 176 042
Inventories	7	29 030 067	-	-	29 030 067
Other receivables from exchange transactions	4	23 237 334	-	-	23 237 334
VAT Control		18 651 433	-	-	18 651 433
		751 388 617	-	-	751 388 617
Non-current assets					
Investment property	10	411 892 012	15 848 043	-	427 740 055
Property, plant and equipment	11	5 562 988 212	11 154 389	-	5 574 142 601
Intangible assets	12	7 067 124	-	-	7 067 124
Biological assets	13	5 142 777	-	-	5 142 777
Heritage assets	14	1 036 828	-	-	1 036 828
Long-term receivables	15	6 720 631	-	-	6 720 631
		5 994 847 584	27 002 432	-	6 021 850 016
Total assets		6 746 236 201	27 002 432	-	6 773 238 633
Net assets and liabilities					
Current liabilities					
Consumer deposits	16	22 154 833	-	-	22 154 833
Employee benefits	20	60 750 863	(1 164 517)	-	59 586 346
Lease liabilities	21	2 118 022	-	-	2 118 022
Borrowings	19	51 902 261	-	-	51 902 261
Trade and other payables	18	267 827 729	74 382	-	267 902 111
Payables from non-exchange transactions	17	31 403 223	(1 706 950)	-	29 696 273
		436 156 931	(2 797 085)	-	433 359 846
Non-current liabilities					
Employee benefits	19	204 100 717	-	-	204 100 717
Borrowings	18	426 834 231	-	-	426 834 231
Provisions	17	160 533 093	-	-	160 533 093
		791 468 041	-	-	791 468 041
Total net assets					
Reserves		162 490 627	-	-	162 490 627
Accumulated surplus		5 356 120 602	29 791 993	-	5 385 912 595
		5 518 611 229	29 791 993	-	5 548 403 222
Total net assets and liabilities		6 746 236 201	26 994 908	-	6 773 231 109

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Notes to the Annual Financial Statements

64. Prior period error and reclassification (continued)

64.2 Adjustments of Statement of financial performance items

2023

	Note	As previously reported	Correction of error	Re-classification	Restated
Revenue					
Non-exchange revenue					
Property rates	23	414 445 896	-	-	414 445 896
Transfers and subsidies	24	289 060 524	1 706 950	-	290 767 474
Fines, penalties and forfeits	25	122 933 462	-	-	122 932 562
Interest on receivables	26	2 430 082	-	-	2 430 082
		828 869 964	1 706 950	-	830 576 014
Exchange revenue					
Services charges - Electricity	27	756 431 257	-	-	756 431 257
Services charges - Water	27	146 829 883	-	-	146 829 883
Services charges - Waste water management	27	102 285 414	-	-	102 285 414
Services charges - Waste management	27	84 651 895	-	-	84 651 895
Rental	28	12 172 871	-	-	12 172 871
Interest on investments	29	18 770 341	-	-	18 770 341
Interest earned from receivables	26	10 428 555	-	-	10 428 555
Licences or permits	30	7 809 443	-	-	7 809 443
Agency services	31	3 019 961	-	-	3 019 961
Operational revenue	32	11 051 156	-	30 472 217	41 523 373
Sales of goods and rendering of services	33	60 032 736	-	(30 472 217)	29 561 419
		1 213 483 512	-	-	1 213 484 412
Total revenue		2 042 353 476	1 706 950	-	2 044 060 426
Expenditure					
Employee related cost	35	(550 719 139)	1 164 517	-	(549 554 622)
Remuneration of councillors	36	(19 815 248)	-	-	(19 815 248)
Depreciation and amortisation		(84 984 896)	-	-	(84 984 896)
Depreciation, amortisation and impairment	38	(211 023 051)	(7 677 589)	-	(218 700 640)
Impairment losses		(2 722 872)	-	-	(2 722 872)
Finance costs	40	(44 332 364)	-	-	(44 332 364)
Bulk Purchases	41	(559 177 188)	-	(252 202)	(559 429 390)
Inventory consumed	42	(44 872 633)	-	252 202	(44 620 431)
Contracted services	43	(208 232 448)	-	-	(208 232 448)
Transfers and subsidies	44	(13 363 879)	-	-	(13 363 879)
Operational Cost	45	(113 472 212)	-	-	(113 472 212)
Operating leases	46	(14 990 534)	-	-	(14 990 534)
Contribution to/from provision		(6 287 548)	-	-	(6 287 548)
Contribution to allowance for doubtful debt		(51 711 364)	-	-	(51 711 364)
Loss on disposal of assets	39	(76 275)	(2 987 400)	-	(3 063 675)
Inventory (write down)		(115 859)	-	-	(115 859)
Total expenditure		(1 925 897 510)	(9 500 472)	-	(1 935 397 982)

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

64. Prior period error and reclassification (continued)

64.3 Correction of errors

The following prior period errors adjustments occurred:

Property, plant and equipment

Items of property, plant and equipment was identified as not present on the fixed asset register. Consequently these items were capitalised on the fixed asset register. Movable items were also not found during the annual stock take, these items consequently disposed of in the fixed asset register. There were also changes in residual values in the current year. The effect of these items are presented below:

Nature of error

Amount previously reported	- 5 562 988 212
Correction of error - Accumalated surplus	- 18 749 630
Correction of error - Payables from exchange	- 74 381
Correction of error - Depreciation reversal	- (7 670 070)
	- 5 574 142 153

Investment property

Investment property items were erroneously excluded from the fixed asset register.

Nature of error

Amount previously reported	- 411 892 012
Additions to the fixed asset register - Accumalated surplus	- 16 330 000
Disposals of property, plant and equipment	- (481 500)
Correction of error - Depreciation	- (448)
	- 427 740 064

Employee Benefits

An amount of R1 164 517 was incorrectly paid out an incorrect vote. This was subsequently corrected. The contra leg for this correction was the employee related cost.

Nature of error

Amount previously reported	- 60 750 863
Correction of error - Employee related costs	- (1 164 517)
	- 59 586 346

Payables from non-exchange transactions

Revenue recognised erroneously in relation of grants received.

Nature of error

Amount previously reported	- 31 403 223
Correction of error - Transfers and subsidies	- (1 706 950)
	- 29 696 273

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

64. Prior period error and reclassification (continued)

Loss of disposal of assets

This error relates to items of property, plant and equipment which was disposed of in prior years.

Nature of error

Amount previously reported	-	(76 275)
Correction of error - Assets disposed	-	(2 987 400)
	-	(3 063 675)

64.4 Reclassification

Operational revenue/Sale of goods and rendering of services

The development charges was reclassified from sale of good and rendering of services to operational revenue. This reclassification comes as part of the change in the mSCOA chart.

Nature of reclassification

Sale of goods and rendering of services	-	30 472 217
Operational revenue	-	(30 472 217)
	-	-

Inventory Consumed/Bulk purchases

An item previously utilised under inventory consumed has now formed part of the bulk purchases line item.

Nature of reclassification

Inventory consumed	-	(252 202)
Bulk purchases	-	252 202
	-	-

Stellenbosch Municipality

Annual Financial Statements for the year ended 30 June 2023

Notes to the Annual Financial Statements

65. Additional disclosure in terms of the Broad-Based Black Economic Empowerment Act

Information on compliance with the Broad-Based Black Economic Empowerment Act (B-BBEE) is included in the Annual Report under the section titled Employment Equity.

66. Events after the reporting date

The subsequent approval of the upper limits in relation to remuneration of councillors provides evidence of a condition that existed at the reporting date, which is the unrecognised contingent liability as well as the councillors performing the services during the year. The above event constitutes an adjusting event after the reporting period in terms of paragraph 7 of GRAP 14 and will affect the payables from exchange transactions and the remuneration of councillors line items in the annual financial statements.

ANNEXURE B: ANNUAL PERFORMANCE REPORT 2022/23



STELLENBOSCH

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Annual Performance Report

2022/23

(01 July 2022 – 30 June 2023)

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1. PURPOSE

The Annual Performance Report 2022/23 is hereby submitted to the Stellenbosch Municipal Council in terms of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA), Sections 46(1) and (2). The report covers the municipality's performance information from 01 July 2022 to 30 June 2023 and focuses on the implementation of the Top Layer (TL) Service Delivery and Budget Implementation Plan (SDBIP) 2022/23, concerning the objectives as encapsulated in the municipality's Integrated Development Plan (IDP) for the year under review.

The format of the report will reflect the Stellenbosch Municipality's Key Performance Indicators (KPIs) per Strategic Focus Area (SFA).

This report will also endeavour to report to the Council on the municipality's performance in terms of the five (5) National Government's Key Performance Areas for local government, which are (1) Basic Service Delivery; (2) Local Economic Development; (3) Municipal Institutional Transformation and Development; (4) Municipal Financial Viability and Management; and (5) Good Governance and Public Participation.

2. LEGISLATIVE REQUIREMENTS

This Annual Performance Report has been compiled in compliance with the requirements of Section 46(1) of the MSA, which stipulates that:

- (1) A municipality must prepare for each financial year a performance report reflecting—
 - (a) the performance of the municipality and each external service provider during that financial year;
 - (b) a comparison of the performance referred to in paragraph (a) with targets set for performance in the previous financial year; and
 - (c) measures taken to improve performance.

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." Performance management is not only relevant to the organisation as a whole but is also applicable to the individuals employed in the organisation as well as the external service providers.

3. MUNICIPAL OVERVIEW

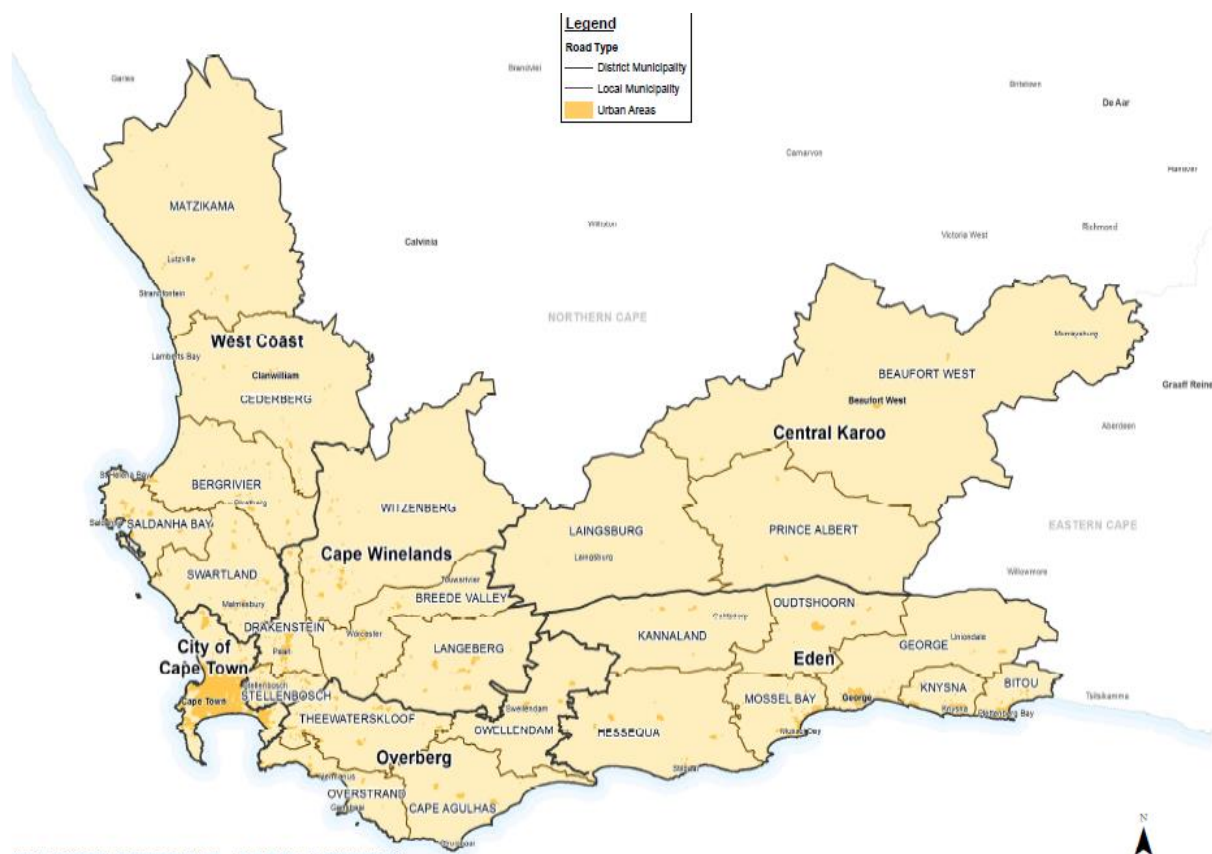
Stellenbosch town is the second-oldest town in South Africa, dating back to 1679, when an island in the Eerste River was named Stellenbosch by the then Governor of the Cape, Simon van der Stel. The first farming activities in the area started that year. Today, the area has become primarily known for its extraordinary wines, fruit, world-renowned cultural landscapes, and exceptional scenic quality. The towns of Stellenbosch and Franschhoek are renowned for various architectural styles such as Dutch, Georgian, and Victorian, which reflect their rich heritage and traditions but also the divisions of the past.

The area houses excellent educational institutions, including the University of Stellenbosch, Boland College, sports and culinary institutions, and several prestigious schools. It has a strong business sector, ranging from major South African businesses and corporations to smaller enterprises and home industries. The tourism industry alone is responsible for the creation of about 18 000 jobs in the area. The area's numerous wine farms and cellars are very popular, and the area is the home of the very first wine route in South Africa.

The town boasts a variety of sports facilities. Coetzenburg, with its athletics and rugby stadiums, has hosted star performances over many generations, while the Danie Craven Stadium is the home of Maties Rugby, the largest rugby club in the world. The municipal area has several theatres, which include the University's HB Thom Theatre, Spier Amphitheatre, Dorpstraat Theatre, Aan de Brak Theatre, and Oude Libertas Amphitheatre, all well-known for their summer seasons of music, theatre, and dance.

Limited municipal resources require an increase in multi-sectoral partnerships to address the broad spectrum of needs in the community. The municipality cannot address the challenges of Stellenbosch on its own, not only because of limited resources but also because it does not control all the variables impacting the growth and development of the town. Welfare and community organisations play a leading role in helping to meet the needs of previously neglected communities. The business sector also plays a key role in shaping the economic development of the municipal area.

Figure 3:1 Location of the Stellenbosch Municipality



3.1 Vision

“An Integrated Valley of Opportunity and Innovation”

3.2 Socio-economic status

Table 1: Total population

Total population		
2020/21	2021/22	202/23
192 879*	196 036**	199 325***

* DLG 2020 Socio-Economic Profile- Stellenbosch Municipality

** Western Cape, Social – Economic Profile 2021

***Western Cape, Social – Economic Profile 2022

Table 2: Total number of households

Households	2020/21	2021/22	2022/23
Number of households in the municipal area	52 374*	52 374*	52 374*
Number of registered indigent households in the municipal area	7 283	4 681	5 744

*STATSSA, 2011

Table 3: Access to Services

Community Survey 2016	Stellenbosch	Cape Winelands District
Formal main dwelling	34 071	191 077
	65,1%	81,0%
Water (piped inside dwelling / within 200m)	51 581	232 605
	98,5%	98,6%
Electricity (primary source of lighting)	51 386	228 650
	98,1%	96,9%
Sanitation (flush / chemical toilet)	47 594	218 483
	90,9%	92,6%
Refuse removal (at least weekly)	37 207	192 974
	71,0%	81,8%

Source: Western Cape, Socio-Economic Profile 2018

4. PERFORMANCE MANAGEMENT OVERVIEW

To improve planning, implementation, measurement, and reporting, the municipality implemented the following actions:

- Departmental operational plans were developed for monitoring and reporting operational programmes;
- An electronic performance management system is operational within the municipality. The same system forms the basis of the performance evaluations of the Directors and the Municipal Manager; and
- The municipality endeavoured during the development of the TL SDBIP as well as with the development of the Departmental SDBIP that the "SMART" principle be adhered to in the setting of indicators and targets. Emphasis was placed on ensuring that indicators and targets were specific and time-bound, thus making them measurable.

Table 4: Performance Management System Checklist

	Performance Management Policy	All MSA s57/56 Performance contracts signed	Audit Committee	Municipal Public Accounts Committee (MPAC)	Quarterly Performance Reporting to Council	Annual Performance Reporting to Council
In place?	√	√	√	√	√	√

4.1 Top Layer Service Delivery and Budget Implementation Plan

The organisational performance is evaluated using a Municipal Scorecard (the TL SDBIP) at the organisational level and through the Service Delivery and Budget Implementation Plan (SDBIP) at the directorate and departmental levels.

The SDBIP is a plan that converts the IDP and Budget into measurable indicators of how, where, and when the municipality's strategies, objectives, and normal business processes are implemented. It also allocates responsibilities 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 the next 12 months; and
- The SDBIP should form the basis for measuring performance against goals set during the budget / IDP processes.

The TL SDBIP 2022/23 was prepared as described in the paragraphs below and approved by the Executive Mayor on 22 June 2022.

The approved TL SDBIP 2022/23 was revised in February 2023. These revisions were made in line with the adjustment budget, internal audit findings, and (if any) recommendations made by the Auditor General of South Africa (AGSA).

The overall assessment of actual performance against targets set for the Key Performance Indicators as documented in the SDBIP is illustrated in terms of the following assessment methodology:

Table 5: Performance Assessment Criteria

Colour	Category	Explanation
N/A	KPI Not Yet Measured	KPIs with no targets or actual results for the selected period
R	KPI Not Met	Actual vs. target less than 75%
O	KPI Almost Met	Actual vs. target between 75% and 100%
G	KPI Met	Actual vs. target 100% achieved
G2	KPI Well Met	Actual vs. target more than 100% and less than 150% achieved
B	KPI Extremely Well Met	Actual vs. target more than 150% achieved

The TL SDBIP (the Municipal Scorecard) consolidates service delivery targets set by Council / Senior Management and provides an overall picture of performance for the municipality as a whole, reflecting performance on its strategic priorities. The TL SDBIP is a detailed one-year plan, and the necessary components should include:

- Monthly projections of revenue to be collected for each source;
- Expected revenue to be collected, not billed;
- Monthly projections of expenditure (operating and capital) and revenue for each vote;
- Quarterly projections of service delivery targets and performance indicators for each vote;
- Non-financial, measurable performance objectives in the form of targets and indicators; and
- A detailed capital project plan broken down by ward over three years.

4.2 Departmental Service Delivery and Budget Implementation Plan

The Departmental Service Delivery and Budget Implementation Plan (the detailed SDBIP) captures each Directorate's performance. Unlike the TL SDBIP, which reflects on the strategic performance of the municipality, the Departmental SDBIP 2022/23 provides a comprehensive picture of the performance per directorate, department, and section. It was compiled by the directors and senior managers for their respective departments and sections and consists of objectives, indicators, and targets derived from the approved TL SDBIP 2022/23.

5. PLANNED TARGETS VS ACTUAL RESULTS FOR THE 2022/23 FINANCIAL YEAR

This section of the Annual Performance Report 2022/23 will report on the municipality's actual performance against the planned targets as derived from the municipality's IDP. Because the municipality has developed five (5) Strategic Focus Areas (SFAs), the performance reporting will follow these themes.

5.1 Municipal Performance per National Key Performance Indicator

5.1.1 Municipal Transformation and Institutional Development

Table 6: NKPA- Municipal Transformation and Institutional Development

INDICATOR	MUNICIPAL ACHIEVEMENT 2021/22	MUNICIPAL ACHIEVEMENT 2022/23
The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan	3	3
The percentage of a municipality's budget actually spent on implementing its workplace skills plan	R 2 567 666 / R 598 305 199 x 100 = 0.43%	R 5 491 014 / R 611 731 735 = 0.89%

5.1.2 Basic Service Delivery

Table 7: NKPA- Basic Service Delivery

INDICATOR	MUNICIPAL ACHIEVEMENT 2021/22*	MUNICIPAL ACHIEVEMENT 2022/23*
The percentage of households earning less than R6,500 per month with access to free basic services (In the case of Stellenbosch Municipality- the percentage of registered Indigent households is being reported)	100%	100%
The percentage of households with access to basic level of water	100%	100%
The percentage of households with access to basic level of sanitation	100%	100%
The percentage of households with access to basic level of electricity	100%	100%
The percentage of households with access to basic level of solid waste removal	100%	100%

*The percentage of households with access to a basic level of water, sanitation, electricity and solid waste services is based on formal households only. The information on informal households and backyard dwellings was not taken into account.

5.1.3 Local Economic Development

Table 8: NKPA- Local Economic Development

INDICATOR	MUNICIPAL ACHIEVEMENT 2021/22	MUNICIPAL ACHIEVEMENT 2022/23
The number of jobs created through the municipality's local economic development initiatives including capital projects	1 439	1 449

5.1.4 Municipal Financial Viability and Management

Table 9: NKPA- Municipal Financial Viability and Management

INDICATOR	MUNICIPAL ACHIEVEMENT 2021/22	MUNICIPAL ACHIEVEMENT 2022/23
Debt coverage ((Total operating revenue - operating grants received) / Debt service payments due within the year)	17.55%	33.22%
Service debtors to revenue (Total outstanding service debtors / Annual revenue received for services)	15.56%	30%
Cost coverage ((Available cash + investments) / Monthly fixed operating expenditure)	3	4.04

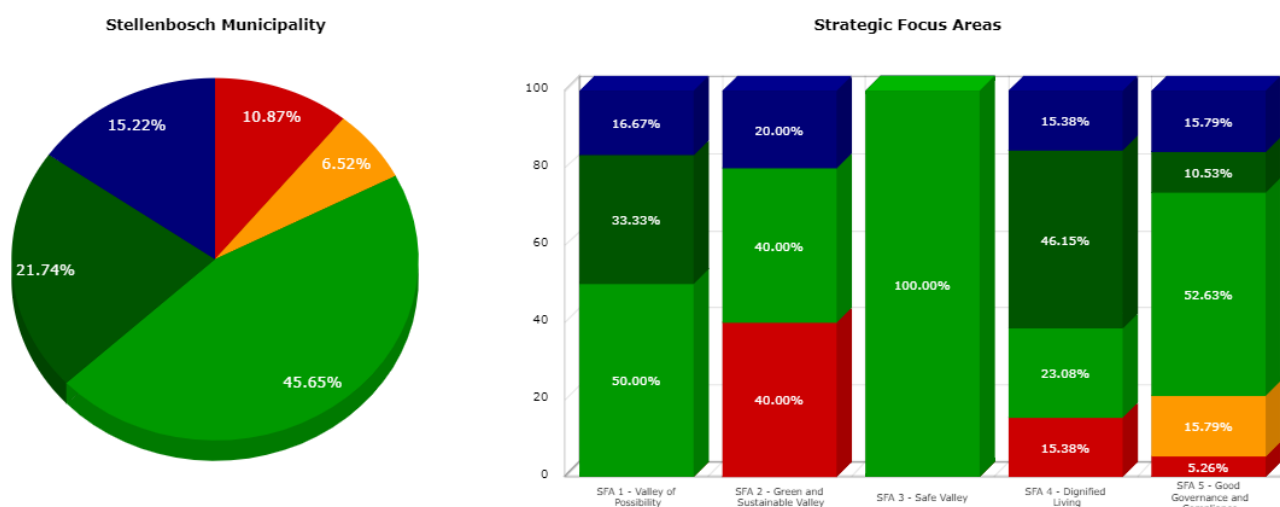
5.1.5 Good Governance and Public Participation

Table 10: NKPA- Good Governance and Public Participation

INDICATOR	MUNICIPAL ACHIEVEMENT 2021/22	MUNICIPAL ACHIEVEMENT 2022/23
The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan	84.29%	84.79%

5.2 Overall Performance per Municipal Strategic Focus Area

The following graph and table illustrate the Municipality's overall performance per Municipal Strategic Focus Area (SFA).



Stellenbosch Municipality		Municipal Strategic Focus Areas (SFAs)				
		SFA 1 - Valley of Possibility	SFA 2 - Green and Sustainable Valley	SFA 3 - Safe Valley	SFA 4 - Dignified Living	SFA 5 - Good Governance and Compliance
KPI Not Yet Measured	-	-	-	-	-	-
KPI Not Met	5 (10.87%)	-	2 (40%)	-	2 (15.38%)	1 (5.26%)
KPI Almost Met	3 (6.52%)	-	-	-	-	3 (15.79%)
KPI Met	21 (45.65%)	3 (50%)	2 (40%)	3 (100%)	3 (23.08%)	10 (52.63%)
KPI Well Met	10 (21.74%)	2 (33.33%)	-	-	6 (46.15%)	2 (10.53%)
KPI Extremely Well Met	7 (15.22%)	1 (16.67%)	1 (20%)	-	2 (15.38%)	3 (15.79%)
Total:	46	6	5	3	13	19
	100%	13.04%	10.87%	6.52%	28.26%	41.30%

Table and Graph 11: Overall performance per SFA- 01 July 2022 – 30 June 2023

5.2.1 SFA 1 - Valley of Possibility

SFA 1 - VALLEY OF POSSIBILITY											
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	Overall Performance 01 July 2022 to 30 June 2023			Performance comments / Reason(s) for deviation from target (under and over performance)	Improvement Plan(s) to correct deviation from target (underperformance)
							Target	Actual	R		
TL6	KPI001	Submission of the Economic Development Strategy to the MayCo	Number of Economic Development Strategies submitted to the MayCo by 31 May	New KPI	1	1	1	1	G		
TL7	KPI003	The number of jobs created through the municipality's local economic development initiatives including capital projects (NKPI Proxy - MSA, Reg. S10(d))	Number of job opportunities created through the municipality's local economic development initiatives including capital projects by 30 June	1 439	1 400	1 400	1 400	1 449	G2		
TL8	KPI004	Submission of Land-use applications to the Municipal Planning Tribunal (MPT) within 120 days from the conclusion of the administrative processing of the application	Percentage of Land-use applications submitted to the MPT within 120 days from the conclusion of the administrative processing of the application	66.66%	80%	75%	75%	100%	G2	15 / 15 x 100 = 100%	
TL9	KPI005	Provide training opportunities to entrepreneurs and Small, Medium and Micro Enterprises (SMMEs)	Number of quarterly training opportunities provided to entrepreneurs and SMMEs	11	4	4	4	22	B		
TL10	KPI006	Submission of the revised Spatial Development Framework (SDF) submitted to the Council	Number of revised SDFs submitted to the Council by 30 June	New KPI	1	1	1	1	G		
TL11	KPI007	Submission of the revised Housing Pipeline (document) to the MayCo	Number of revised Housing Pipelines (document) submitted to the MayCo by 31 May	1	1	1	1	1	G		

Summary of Results: SFA 1 - Valley of Possibility

N/A	KPIs with no targets or actuals in the selected period	0
R	KPI Not Met	0
O	KPI Almost Met	0
G	KPI Met	3
G2	KPI Well Met	2
B	KPI Extremely Well Met	1
Total KPIs		6

5.2.2 SFA 2 - Green and Sustainable Valley

SFA 2 - GREEN AND SUSTAINABLE VALLEY											
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	Overall Performance 01 July 2022 to 30 June 2023			Performance comments / Reason(s) for deviation from target (under and over performance)	Improvement Plan(s) to correct deviation from target (underperformance)
							Target	Actual	R		
TL14	KPI020	Conduct an External Audit of the Stellenbosch Municipal Waste Disposal Facilities	Number of external audits of the Stellenbosch Municipal Waste Disposal Facilities conducted by 30 June	1	1	1	1	1	G		
TL15	KPI021	Implementation of identified waste minimisation projects	Number of identified waste minimisation projects implemented by 30 June	2	2	2	2	2	G		
TL16	KPI014	Process building plan applications of <500sqm within 30 days after the date of receipt	Percentage of building plan applications of <500sqm processed within 30 days after the date of receipt	62.35%	75%	70%	70%	42.91%	R	<p>587 / 1 368 x 100 = 42.91%</p> <p>A Building Plan Process Investigation was completed and submitted to the Municipal Manager in March 2023. A BDM Action Plan to address the outcomes of the independent building plan process investigation was completed and submitted in June 2023 for implementation as of 01 July 2023.</p> <p>A new BDM Policy, operational guidelines, and procedures were developed. A new draft BDM Bylaw has been developed and is to be submitted to the Council for approval</p>	<p>BDM staff capacity constraints have been addressed with the appointment of an additional plans examiner, who will assume duty on 01 August 2023. A further request for additional BDM capacity will be submitted to the Municipal Manager and CFO. Micro-organogram changes to the BDM organogram are in process and will be submitted to the MM for consideration. Staff capacity constraints within internal commenting directorates (specifically Infrastructure Services) need to be addressed. Funding has been secured from the WCG for the upgrade</p>

SFA 2 - GREEN AND SUSTAINABLE VALLEY

Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	Overall Performance 01 July 2022 to 30 June 2023			Performance comments / Reason(s) for deviation from target (under and over performance)	Improvement Plan(s) to correct deviation from target (underperformance)
							Target	Actual	R		
										before the public can participate.	of the Building Plan Application Management System (BPAMS), which is currently in process. A BDM Action Plan to address the outcomes of the independent building plan process investigation has been developed and is currently being implemented.
TL17	KP022	Wastewater quality measured to the Department of Water and Sanitation's License Conditions for physical and micro parameters	Percentage of wastewater quality compliance as per the analysis certificate, measured quarterly	51.75%	70%	70%	70%	46.04%	R	Stage 6 load-shedding had an impact on the Stellenbosch Waste Water Treatment Plant, necessitating ongoing maintenance and the replacement of some equipment. The effluent discharge limits have been discussed with the Department of Water and Sanitation for relaxation of their limits.	A number of upgrades and repairs have been instituted at the various plants, such as the renewal of pumps and inlet screens, the ordering of a standby generator for the dewatering facility, etc. In addition, an experienced service provider has been hired to assist with the operation and maintenance of the plants while the vacant positions are filled.
TL19	KPI016	Reduce organic waste	Percentage of organic waste reduced by 30 June	42%	20%	20%	20%	51.30%	B	Total Waste = 962 m3 / Total Waste Entering landfill = 1 875 m3 x 100 = 51.30%	

Summary of Results: SFA 2 - Green and Sustainable Valley

N/A	KPIs with no targets or actuals in the selected period	0
R	KPI Not Met	2
O	KPI Almost Met	0
G	KPI Met	2
G2	KPI Well Met	0
B	KPI Extremely Well Met	1
Total KPIs		5

5.2.3 SFA 3 - Safe Valley

SFA 3 - SAFE VALLEY											
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	Overall Performance 01 July 2022 to 30 June 2023			Performance comments / Reason(s) for deviation from target (under and over performance)	Improvement Plan(s) to correct deviation from target (underperformance)
							Target	Actual	R		
TL20	KPI024	Submission of the revised Disaster Management Plan to the Municipal Manager	Number of revised Disaster Management Plans submitted to the Municipal Manager by 31 March	1	1	1	1	1	G		
TL21	KPI025	Submission of the revised Safety and Security Strategy to the Municipal Manager	Number of revised Safety and Security Strategies submitted to the Municipal Manager by 30 April	1	1	1	1	1	G		
TL22	KPI026	Submission of the revised Traffic Management Plan to the Municipal Manager	Number of revised Traffic Management Plans submitted to the Municipal Manager by 31 March	1	1	1	1	1	G		

Summary of Results: SFA 3 - Safe Valley

N/A	KPIs with no targets or actuals in the selected period	0
R	KPI Not Met	0
O	KPI Almost Met	0
G	KPI Met	3
G2	KPI Well Met	0
B	KPI Extremely Well Met	0
Total KPIs		3

5.2.4 SFA 4 - Dignified Living

SFA 4 - DIGNIFIED LIVING											
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	Overall Performance 01 July 2022 to 30 June 2023			Performance comments / Reason(s) for deviation from target (under and over performance)	Improvement Plan(s) to correct deviation from target (underperformance)
							Target	Actual	R		
TL23	KPI027	Installation of new standpipes	Number of new standpipes installed by 30 June	0	50	50	50	26	R	The Informal Settlements Department will use the Informal Settlements Upgrade Partnership Grant to secure funding for standpipes. Some instances require a budget and / or adequate land rights (which cannot be installed on private or non-municipal land).	A new SOP is being developed so that the Informal Settlements Department can apply for funding promptly. Target areas will be identified upfront, and budget applications will be made in advance to avoid delays. Facilitation of land rights will also be effected at an earlier stage in the project pipeline.
TL24	KPI028	Provision of waterborne toilet facilities in informal settlements as identified by the Department: Integrated Human Settlements	Number of waterborne toilet facilities provided in Informal settlements as identified by the Department: Integrated Human Settlements by 30 June	New KPI	50	50	50	56	G2		
TL25	KPI032	Registered indigent formal households with access to free basic water (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent formal households with access to free basic water, measured quarterly	100%	100%	100%	100%	100%	G	5 744 / 5 744 x 100 = 100%	
TL26	KPI029	Limit unaccounted electricity to less than 9% annually {(Number of Electricity Units Purchased and / or Generated - Number of Electricity Units Sold (incl. Free basic electricity)) / Number of	Percentage of average electricity losses, measured by 30 June	9.60%	<9%	<9%	<9%	4.24%	B	(344 236 600kWh – 329 632 095kWh) / 344 236 600 x 100 = 4.24%	

SFA 4 - DIGNIFIED LIVING											
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	Overall Performance 01 July 2022 to 30 June 2023			Performance comments / Reason(s) for deviation from target (under and over performance)	Improvement Plan(s) to correct deviation from target (underperformance)
							Target	Actual	R		
		Electricity Units Purchased and/or Generated) x 100}									
TL27	KPI030	Water quality measured quarterly ito the SANS 241 physical and micro parameters	Percentage of water quality level as per the analysis certificate, measured quarterly	95%	90%	90%	90%	94.81%	G2		
TL28	KPI031	Limit unaccounted water to less than 25%	Percentage of average unaccounted water, measured by 30 June	18.70%	<25%	<25%	<25%	27.42%	R	2 968 319kl / 10 827 196kl x 100 = 27.42% Illegal water connections have an impact on unaccounted water, which increases system input volume. Reduction in physical losses (lowering unaccounted volume) is done through pipe replacement and leak detection and correction.	Law enforcement is investigating instances of reported illegal water connections. An increased budget for leak detection and pipe replacement has been motivated for in 2023/24 financial year.
TL29	KPI033	Registered indigent formal households with access to free basic electricity provided by the municipality (NKPI Proxy - MSA, Reg. S10(a), (b)	Percentage of registered indigent formal households with access to free basic electricity provided by the municipality, measured quarterly	100%	65%	65%	65%	100%	B	5 744 / 5 744 x 100 = 100%	
TL30	KPI034	Registered indigent formal households with access to free basic refuse removal (NKPI Proxy - MSA, Reg. S10(a), (b)	Percentage of registered indigent formal households with access to free basic refuse removal, measured quarterly	100%	100%	100%	100%	100%	G	5 744 / 5 744 x 100 = 100%	

SFA 4 - DIGNIFIED LIVING											
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	Overall Performance 01 July 2022 to 30 June 2023			Performance comments / Reason(s) for deviation from target (under and over performance)	Improvement Plan(s) to correct deviation from target (underperformance)
							Target	Actual	R		
TL31	KPI035	Registered indigent formal households with access to free basic sanitation (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent formal households with access to free basic sanitation, measured quarterly	100%	100%	100%	100%	100%	G	5 744 / 5 744 x 100 = 100%	
TL32	KPI036	Formal households with access to water (NKPI Proxy - MSA, Reg. S10(a))	Number of formal households with access to water, measured quarterly	26 825	26 000	26 000	26 000	26 895	G2		
TL33	KPI037	Formal households with access to electricity (NKPI Proxy - MSA, Reg. S10(a))	Number of formal households with access to electricity, measured quarterly	26 825	26 000	26 000	26 000	26 895	G2		
TL34	KPI038	Formal households with access to refuse removal (NKPI Proxy - MSA, Reg. S10(a))	Number of formal households with access to refuse removal, measured quarterly	26 825	26 000	26 000	26 000	26 895	G2		
TL35	KPI039	Formal households with access to sanitation (NKPI Proxy - MSA, Reg. S10(a))	Number of formal households with access to sanitation, measured quarterly	26 825	26 000	26 000	26 000	26 895	G2		

Summary of Results: SFA 4 - Dignified Living

N/A	KPIs with no targets or actuals in the selected period	0
R	KPI Not Met	2
O	KPI Almost Met	0
G	KPI Met	3
G2	KPI Well Met	6
B	KPI Extremely Well Met	2
Total KPIs		13

5.2.5 SFA 5 - Good Governance and Compliance

SFA 5 - GOOD GOVERNANCE AND COMPLIANCE											
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	Overall Performance 01 July 2022 to 30 June 2023			Performance comments / Reason(s) for deviation from the target (under over-performance)	Improvement Plan(s) to correct deviation from target (underperformance)
							Target	Actual	R		
TL1	KPI059	Submission of the revised Communication Policy to the MayCo	Number of revised Communication Policies submitted to the MayCo by 30 June	New KPI	1	1	1	1	G		
TL2	KPI044	Employment equity appointments made within the financial year in the three highest levels of management	Percentage of employment equity appointments made within the financial year in the three highest levels of management, measured by 30 June	33.30%	50%	50%	50%	37.50%	O	3 / 8 x 100 = 37.50% At each shortlisting panel meeting, the statistics and underrepresented target groups are indicated to the panel. In some instances, there are no qualifying candidates from the underrepresented groups. It also happens in some instances that candidates on the shortlist from underrepresented groups do not perform well enough in the interview to be appointed.	Critical vacancies had to be filled thereby appointing qualifying candidates. Measures are in place on the criteria to be followed when shortlisting is done on candidates within the EE target groups.
TL3	KPI049	Submission of the Auditor General of South Africa (AGSA) Audit Action Plan (AAP) to the APAC	Number of AGSA Audit Action Plans submitted to the APAC by 28 February	1	1	1	1	1	G		
TL4	KPI053	Submission of the draft Integrated Development Plan (IDP) to the Council	Number of draft IDPs submitted to the Council by 31 March	1	1	1	1	1	G		

SFA 5 - GOOD GOVERNANCE AND COMPLIANCE

Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	Overall Performance 01 July 2022 to 30 June 2023			Performance comments / Reason(s) for deviation from the target (under over-performance)	Improvement Plan(s) to correct deviation from target (underperformance)
							Target	Actual	R		
TL5	KPI041	Submission of the revised Integrated Zoning Scheme to the MayCo	Number of revised Integrated Zoning Schemes submitted to the MayCo by 30 June	New KPI	1	1	1	2	B	The ATC Overlay Zone, as an amendment to the IZS, was submitted and approved by the Council on 24 May 2023. Furthermore, the request to undertake the PPP for the Draft Outdoor Dining and Events Overlay Zone served at the Special Council Meeting in June 2023.	
TL12	KPI055	Submission of the revised Wastewater Master Plan to the Municipal Manager	Number of revised Wastewater Master Plans submitted to the Municipal Manager by 30 June	New KPI	1	1	1	0	R	Capacity constraints affected the achievement of this indicator. The Manager: Water and Wastewater Planning post has been vacant for the duration of the 2022/23 financial year. Despite this, the Wastewater Master Plan has been commissioned but could not be finalised on or before 30 June 2023.	A consultant has been successfully appointed and is finalising the Wastewater Master Plan. The plan will be completed and submitted to the Municipal Manager by 30 September 2023.
TL13	KPI060	Submission of the revised Comprehensive Integrated Transport Plan	Number of revised CITPs submitted to the Municipal Manager by 30 June	1	1	1	1	1	G		

SFA 5 - GOOD GOVERNANCE AND COMPLIANCE

Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	Overall Performance 01 July 2022 to 30 June 2023			Performance comments / Reason(s) for deviation from the target (under over-performance)	Improvement Plan(s) to correct deviation from target (underperformance)
							Target	Actual	R		
		(CITP) to the Municipal Manager									
TL18	KPI058	Submission of an Integrated Property Maintenance Plan to the Municipal Manager	Number of Integrated Property Maintenance Plans submitted to the Municipal Manager by 30 June	New KPI	1	1	1	1	G		
TL36	KPI042	Financial viability measured in terms of the available cash to cover fixed operating expenditure (NKPI Proxy - MSA, Reg. S10(g)(iii))	Cost coverage as at 30 June annually [(Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment] / Monthly Fixed Operational Expenditure excluding (Depreciation)	3	4	4	4	4.04	G2	(R 248 533 953 + R 331 767 247 – R 33 427 725) / (R 1 621 533 417 / 12)	
TL37	KPI043	Achieve an average payment percentage of 96% by 30 June (Gross Debtors Opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off) / Billed Revenue x 100	(Gross Debtors Opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off) / Billed Revenue x 100	96%	96%	96%	96%	95.06%	○	R 326 768 954.23 + R 1 619 451 674.53 - R 416 752 461.54 - (-R 9 986 950.17) / R 1 619 451 674.53 = 95.06%	The municipality will install water management devices during the financial year of 2023/2024. In addition, no payment arrangements will be permitted on current accounts. The municipality will also employ attorneys to collect debts from account holders who are in arrears.
TL38	KPI040	Actual expenditure on the approved Capital Budget for the municipality by 30 June (NKPI - MSA, Reg. S10(c))	Percentage of the approved Capital Budget for the municipality actually spent by 30 June	84.29%	90%	90%	90%	84.79%	○	(R 321 098 081.33 / R 378 709 141) x 100 = 84.79%	Supply chain management indicators were developed and allocated to each

SFA 5 - GOOD GOVERNANCE AND COMPLIANCE

Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	Overall Performance 01 July 2022 to 30 June 2023			Performance comments / Reason(s) for deviation from the target (under over-performance)	Improvement Plan(s) to correct deviation from target (underperformance)
							Target	Actual	R		
											Snr Manager in the Departmental SDBIP 2022/23. These indicators are also aligned to the Demand Management Plan.
TL39	KPI045	The percentage of the actual payroll budget spent on implementing the Municipal Workplace Skills Plan (NKPI Proxy-MSA, Reg. S10(f))	Percentage of the municipality's payroll budget actually spent on implementing its Workplace Skills Plan ((Total Actual Training Expenditure / Total Annual payroll Budget) x100), measured by 30 June	0.43%	0.20%	0.20%	0.20%	0.89%	B	R 5 491 014 / R 611 731 735 x 100 = 0.89%	
TL40	KPI046	Financial viability measured in terms of the municipality's ability to meet its service debt obligations (NKPI Proxy - MSA, Reg. S10(g)(i))	Debt coverage ratio ((Total operating revenue - operating grants received) / (Debt service payments due within the year)) measured by 30 June	17.55%	15%	15%	15%	33.22%	B	(R 2 042 353 476 - R 213 587 080) / R 55 046 811 = 33.22%	
TL41	KPI047	Financial viability measured in terms of the outstanding service debtors (NKPI Proxy - MSA, Reg. S10(g)(ii))	Service debtors to revenue ratio - (Total outstanding service debtors / revenue received for services) measured by 30 June	15.56%	27%	27%	27%	30%	G2	R 467 219 209 / R 1 582 735 669 x 100 = 30%	
TL42	KPI054	Submission of the IDP / Budget / SDF time schedule (process plan) to the Council	Number of IDP / Budget / SDF time schedules (process plan) submitted to the Council by 31 August	1	1	1	1	1	G		
TL43	KPI051	Submission of the revised Information and Communication Technology (ICT) Backup Disaster Recovery Plan to the ICT Steering Committee	Number of revised ICT Backup Disaster Recovery Plans submitted to the ICT Steering Committee by 31 March	1	1	1	1	1	G		

SFA 5 - GOOD GOVERNANCE AND COMPLIANCE

Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	Overall Performance 01 July 2022 to 30 June 2023			Performance comments / Reason(s) for deviation from the target (under over-performance)	Improvement Plan(s) to correct deviation from target (underperformance)
							Target	Actual	R		
TL44	KPI052	Submission of the revised Strategic ICT Plan to the ICT Steering Committee	Number of revised Strategic ICT Plans submitted to the ICT Steering Committee by 31 March	1	1	1	1	1	G		
TL45	KPI048	Submission of the revised Risk-Based Audit Plan (RBAP) to the Audit and Performance Audit Committee (APAC)	Number of revised RBAPs submitted to the APAC by 30 June	1	1	1	1	1	G		
TL46	KPI050	Submission of the revised Strategic Risk Register (SRR) to the Risk Management Committee	Number of revised SRRs submitted to the Risk Management Committee by 30 June	1	1	1	1	1	G		

Summary of Results: SFA 5 - Good Governance and Compliance

N/A	KPIs with no targets or actuals in the selected period	0
R	KPI Not Met	1
O	KPI Almost Met	3
G	KPI Met	10
G2	KPI Well Met	2
B	KPI Extremely Well Met	3
Total KPIs		19


 GERALDINE METTLER
 MUNICIPAL MANAGER

DATE: 31 August 2023

**ANNEXURE C: AUDIT AND PERFORMANCE AUDIT COMMITTEE
ANNUAL REPORT 2022/23**



STELLENBOSCH

STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

Report of the Audit and Performance Audit Committee

This report of the Audit and Performance Audit Committee of Stellenbosch Municipality is in respect of the 2022/2023 financial year. The Audit and Performance Audit Committee has complied with its responsibilities in terms of Section 166 of the MFMA and applicable National Treasury Regulations. The Committee has also regulated its affairs and discharged its responsibilities concordant to the approved Audit Committee Charter. The Committee's operation is guided by the MFMA, the King IV report on Corporate Governance and International Institute of Internal Auditor's Standards.

The Committee consisted of four independent members, elected by the Council: Linda Nene (Chairperson), Tsepo Lesihla, Vincent Botto and June Williams. Members Lesihla and Botto's term came to an end on 31 August 2023. Council appointed Ms Ruth Strydom and Ms Reyhana Gani on 27 September 2023 to fill these vacancies. The Municipal Manager, Chief Financial Officer, Directors, Chief Audit Executive, Senior Manager Governance, Chief Risk Officer, MPAC Chairperson, and External Auditors are permanent invitees to the Committee meetings.

Execution of Functions

The Audit and Performance Audit Committee has executed its duties and responsibilities during the financial year in accordance with its terms of reference as they relate to the Council's accounting, external and internal auditing processes, internal control, governance, predetermined objectives and performance monitoring, compliance with laws and regulations, risk management, combined assurance and information technology governance and financial reporting practices.

During the year under review, the Committee, amongst other matters,

1.1 In respect of the External Auditors and the External Audit

- i. Approved the External Auditors' (Auditor-General of RSA) terms of engagement and strategy, the audit plan and budgeted audit fees payable;
- ii. Engaged and interrogated extensively the Audit report and management report of the Auditor General at the Audit and Performance Audit Committee meeting dated 28th November 2023;
- iii. Considered the audit outcome of the Municipality extensively and communicated the Audit and Performance Audit Committee's satisfaction and congratulated the Accounting Officer and Management on the Clean Audit Outcome;

- iv. Based on the audit outcome recommendations were made by the Audit and Performance Audit Committee on the other important matters as well as control deficiencies identified in the Auditor-Generals' management report;
- v. Management have been requested by the Audit and Performance Audit Committee to improve business processes impacting the annual financial statements compilation and reconciliations of transactions, more specially to limit repeat findings relating to errors on the AFS;
- vi. Management are urged to strengthen controls to adequately monitor non-compliance with laws and regulations on a timely basis;
- vii. Management were requested to concentrate on accurate presentation and review of the annual financial statements submitted to the Auditor General for audit;
- viii. The supervision and review process needs to be interrogated to prevent, detect and correct misstatements on a timely basis and the controls designed to monitor compliance with regulations that are not always able to prevent or report the instances of non-compliance in a timely manner to allow for corrective action; and
- ix. The quality of submitted financial statements can still be improved on; thus, management is encouraged to develop action plans early to allow for the improvement in the next reporting cycle.

1.2 In respect of the Annual Financial Statements (AFS)

- i. Confirmed the going concern as the basis of preparation of the annual financial statements;
- ii. Examined, reviewed and interrogated the annual financial statements, performance report as well as financial information disclosed to the public prior to submission and approval by Council;
- iii. Reviewed reports on the adequacy of the portfolio and specific impairments and impairment of other assets;
- iv. Ensured that the annual financial statements fairly represented the financial position of the Stellenbosch Municipality as at the end of the financial year in accordance with South African Standards of GRAP and in the manner required by the MFMA and DORA;
- v. Considered the appropriateness of accounting treatments, significant unusual transactions and management accounting judgements;
- vi. Considered the appropriateness of the accounting policies adopted by Management and changes thereto;
- vii. Through the Chairperson, met separately over the course of the year with the Chief Audit Executive and the Municipal Manager;
- viii. Reviewed any significant legal and tax matters that could have a material impact on the financial statements; and
- ix. Noted that there were no material reports or complaints received concerning accounting practices, internal financial controls, content of annual financial statements, internal controls and related matters.

1.3 In respect of Internal Control and Internal Audit

- i. Reviewed and approved the internal audit mandate, annual and three-year rolling audit plans and evaluated the independence, effectiveness and performance of the Internal Audit Department and compliance with its mandate;
- ii. Considered reports of the Internal and external auditors on Council's system of internal control, including internal financial controls and maintenance of effective internal control systems;
- iii. Reviewed significant issues raised by the internal audit process and the adequacy of corrective action in response to such findings;
- iv. Reviewed significant differences of opinion between the internal audit function and Management and noted that there were no material issues of difference raised and all matters were addressed and resolved;

- v. Assessed the adequacy of the performance of the internal audit function and found it to be effective in providing assurance;
- vi. Reviewed and monitored the quality assurance and improvement plan submitted by internal audit as required by the IIA Standards;
- vii. Assessed the adequacy and sufficiency of available internal audit resources and found these to be limited, as more resources would be required to evaluate the control weaknesses and high-risk areas identified in both the corporate strategic risk, external audit and the audit universe;
- viii. Received limited assurance that proper and adequate accounting records were maintained and that systems have been integrated to compile accurate AFS free of errors which needed adjustments after the AGSA's review;
- ix. Based on the above, the Committee's opinion at the date of this report is that there were some breakdowns in internal control, including internal financial controls, for the year under review in the following areas (it is noted that management are in the process of addressing these concerns):
 - Revenue Management – Income and debtors
 - Recruitment and Selection
 - Pre-determined objectives
 - Monthly or regular reconciliations of assets, debtors, and creditors
 - Compilation of mid-year or interim AFS
- x. In addition, the Committee noted Management's improved responses to conclude on internal findings from the prior and current year as reported in the internal audit follow up reports.

1.4 In respect of Legal and Compliance with Laws and Regulations

- i. Reviewed with management matters that could have a material impact on Council;
- ii. Monitored compliance with the MFMA and other key legislation applicable to the Municipality, requirements of National and Provincial Treasury, Council's policies, and all other applicable legislation and codes of good governance;
- iii. Reviewed reports from the internal and external auditors detailing the extent of compliance.

1.5 In respect of Risk Management, Combined Assurance and Information Technology

During the period under review, Management presented Strategic and Operational Risk profiles for the Municipality to the Audit and Performance Audit Committee who:

- i. Considered and reviewed reports from Management on risk management, including fraud risks and information technology risks as they pertain to financial reporting and the going concern assessment;
- ii. In respect of the coordination of assurance activities, the Committee reviewed the plans and work outcomes of the external and internal auditors and concluded that these were adequate to address all significant financial, operational and compliance risks facing the Municipality;
- iii. Noted the progress made in terms of Combined Assurance and the co-ordination between assurance providers to mitigate the top 10 strategic risks facing the Municipality as well as the emerging risks;
- iv. The Audit and Performance Audit Committee took cognisance that Information Technology and IT systems controls improved in the Auditor General's Management report. Member Tsepo Lesihla, ICT expert, has been appointed to the ICT committee to support management in this respect.

1.6 In respect of Pre-Determined Objectives (PDO's)

The Audit and Performance Audit Committee:

- i. The quality of submitted performance information in the Management report is indicated as satisfactory. There were no material findings reported on performance information by the Auditor General and Internal Audit, respectively.
- ii. Internal audit has also provided the Audit and Performance Audit Committee with reports on performance on a quarterly basis and no critical findings have been raised.

1.7 In respect of the Finance Function

The Audit and Performance Audit Committee:

- i. Considered the existing expertise, resources and experience of the organisation-wide finance functional capacity and has noted that the improvement year on year on the quality of the annual financial statements submitted to the Committee and the AGSA. The number of misstatements corrected on the annual financial statements are noted and impact of external factors recognised. Management intends to report on an action plan in this respect.
- ii. The Chief Financial Officer should continue to ensure appropriate measures are in place for the accurate and timeous submission of information to the Office of the Auditor-General.

1.8 Independence of the External Auditors

The Audit and Performance Audit Committee is satisfied that the Audit General of RSA (AGSA) were independent of the Council. This conclusion was arrived at, inter alia, after taking into account the following factors:

- i. The presentations made by the Auditor-General to the Audit and Performance Audit Committee;
- ii. The Auditors' independence was not impaired by any consultancy, advisory or other work undertaken by the auditors; and

1.9 General

- i. The Audit and Performance Audit Committee has monitored quarterly the Municipality's implementation plan for audit issues raised in the prior year and are satisfied that the matters have been adequately addressed and resolved. Of all the matters raised in the 2022/2023 audit outcome, one (1) has been repeat a finding. The Audit and Performance Committee has raised its concern around the repeat findings and the other important matters raised in the Auditor-General's Management Report. The Municipal Manager has given assurance that all of these will be addressed as urgent and tracked for the 2023/2024 financial year.
- ii. The Audit and Performance Audit Committee concurs and accepts the conclusions of the External Auditor on the annual financial statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor-General.

Stellenbosch Municipality has increasingly been stable in the areas of second and third levels of assurance and governance over a three-year period. There has also been stability in the leadership over the past five financial years. The areas for concern, and where attention is required are highlighted above. The Audit and Performance Committee has made recommendations in these areas which management have committed to.

1.10 Conclusion

I am extremely grateful to the members of the Committee for their dedication and high levels of professionalism and diligence in their duties, as well as their flexibility in accommodating last-minute calls to duty. We are fortunate to have the diversity of skills and expertise available to the Municipality. It would be amiss not to convey on behalf of the Committee our appreciation to the Mayor, the entire Council and its Committees for the leadership, support and oversight they have provided during the year.

Finally, the Audit and Performance Audit Committee would like to express its appreciation to Management, Internal Audit, Risk Management and the Auditor General of South Africa for the support and co-operation extended during the financial year and for providing the relevant information to enable the Audit and Performance Audit Committee to compile this report. This past year was again challenging, however Stellenbosch Municipality should be proud of its elected and appointed leaders for taking control and driving an agenda of sustainability and service delivery and improving its audit results in the process, during a time of great fluidity.

On behalf of the Audit and Performance Audit Committee.



Mr Linda C. Nene FIIA SA, CPrac (SA), CCSA, CRMA
Chairperson Audit and Performance Audit Committee
11 January 2024

**ANNEXURE D: REPORT OF THE AUDITOR GENERAL OF SOUTH
AFRICA 2022/23**

Report of the auditor-general to the Western Cape Provincial Parliament and council on the Stellenbosch Municipality

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Stellenbosch Municipality set out on pages 6 to 130, which comprise the statement of financial position as at 30 June 2023, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Stellenbosch Municipality as at 30 June 2023 and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) and the requirements of the Municipal Finance Management Act 56 of 2003 (MFMA) and the Division of Revenue Act 5 of 2022 (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the municipality in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

6. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Restatement of corresponding figures

7. As disclosed in note 64 to the financial statements, the corresponding figures for 30 June 2022 were restated as a result of errors in the financial statements of the municipality at, and for the year ended 30 June 2023.

Material Impairments

8. As disclosed in note 5 to the financial statements, the municipality provided for the impairment of trade and other receivables from exchange transactions of R238,8 million (2021-22: R204,3 million).

9. As disclosed in note 6 to the financial statements, the municipality provided for the impairment of trade and other receivables from non-exchange transactions of R230,1 million (2021-22: R187,6 million).

Other matter

10. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited disclosure notes

11. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

Responsibilities of the accounting officer for the financial statements

12. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the GRAP and the requirements of the MFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
13. In preparing the financial statements, the accounting officer is responsible for assessing the municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern, and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the auditor-general for the audit of the financial statements

14. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
15. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

16. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected strategic focus area presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.
17. I selected the following strategic focus area presented in the annual performance report for the year ended 30 June 2023 for auditing. I selected a strategic focus area that measures the municipality's performance on its primary mandated functions and that is of significant national, community or public interest.

Strategic focus area	Page numbers	Purpose
Strategic focus area 4 – dignified living	15 to 17	Provision of basic services to all citizens in the greater Stellenbosch area to ensure that everyone has access to a dignified life, sustainable human settlements and develop and implement social infrastructure.

18. I evaluated the reported performance information for the selected strategic focus area against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the municipality's planning and delivery on its mandate and objectives.
19. I performed procedures to test whether:
- the indicators used for planning and reporting on performance can be linked directly to the municipality's mandate and the achievement of its planned objectives
 - the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
 - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
 - the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
 - the reported performance information is presented in the annual performance report in the prescribed manner
 - there is adequate supporting evidence for the achievements reported and for the measures taken to improve performance.
20. I performed the procedures for the purpose of reporting material findings only and not to express an assurance opinion or conclusion.
21. I did not identify any material findings on the reported performance information for the selected strategic focus area.

Other matter

22. I draw attention to the matter below.

Achievement of planned targets

23. The annual performance report includes information on reported achievements against planned targets and measures taken to improve performance.
24. The municipality plays a key role in delivering services to South Africans. The table that follows provides information on the achievement of planned targets and lists the key service delivery indicators that were not achieved as reported in the annual performance report. Measures taken to improve performance are included in the annual performance report on pages 15 to 17.

Strategic focus area 4 – dignified living

<i>Targets achieved: 85%</i>		
<i>Budget spent: 109%</i>		
Key service delivery indicator not achieved	Planned target	Reported achievement
TL23 - Installation of new standpipes	50	26
TL28 - Limit unaccounted water to less than 25%	<25%	27,42%

Report on compliance with legislation

25. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the municipality's compliance with legislation.
26. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
27. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the municipality, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
28. I did not identify any material non-compliance with the selected legislative requirements.

Other information in the annual report

29. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and the selected strategic focus area presented in the annual performance report that have been specifically reported on in this auditor's report.
30. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.
31. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected strategic focus area presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
32. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, and if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

33. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
34. I did not identify any significant deficiencies in internal control.

Other reports

35. I draw attention to the following engagements conducted by various parties. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.
36. During the 2021-22 financial year the public protector investigated allegations of improper conduct and maladministration at the Stellenbosch Municipality. These allegations related to irregularities in the appointment of two senior officials at the municipality. The public protector's report was submitted to the municipality on 30 March 2022. On 21 June 2022, the municipality submitted a response to the public protector and pursued a review application. The review application was heard by a high court on 28 November 2022. The high court set aside the findings of the public protector. This matter has therefore been concluded.

37. On 18 October 2022 the municipality appointed a service provider to investigate instances of irregular and fruitless and wasteful expenditure that was included in notes 55.2 and 55.3 to the 2021-22 financial statements. This expenditure was incurred on information technology licences procured from various service providers. The investigation was to determine whether unauthorised, irregular and/or fruitless and wasteful expenditure was incurred as a result of the software upgrades of licences purchased, whether legislated procurement processes were followed with the respective service providers and whether evidence of misconduct by officials for the appointment of the service providers exist. The investigation was concluded during August 2023. Recommendations were made to the municipality to improve its current supply chain management control environment relating to filing of procurement documentation, bid specification committee minutes and the supply chain management checklist. It also recommended a review of its information and communication technology strategic plan as it relates to the identification of technology needs. Irregular expenditure was confirmed on one of the contracts and the other contracts were confirmed to not result in irregular or fruitless and wasteful expenditure. This has been appropriately disclosed in notes 56.2 and 56.3 to the 2022-23 financial statements. This matter has therefore been concluded.

Auditor - General

Cape Town

30 November 2023



A U D I T O R - G E N E R A L
S O U T H A F R I C A

Auditing to build public confidence

Annexure to the auditor's report

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

Auditor-general's responsibility for the audit

Professional judgement and professional scepticism

As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for the selected strategic focus area and on the municipality's compliance with selected requirements in key legislation.

Financial statements

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the municipality to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a municipality to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Municipal Finance Management Act 56 of 2003	Section 1 – paragraph (a), (b) & (d) of the definition: irregular expenditure Section 1 – definition: service delivery and budget implementation plan Sections 11(1), 13(2), 14(1), 14(2)(a), 14(2)(b), 15, 24(2)(c)(iv), 29(1) Sections 29(2)(b), 32(2), 32(2)(a), 32(2)(a)(i), 32(2)(a)(ii), 32(2)(b) Sections 32(6)(a), 32(7), 53(1)(c)(ii), 54(1)(c), 62(1)(d), 62(1)(f)(i) Sections 62(1)(f)(ii), 62(1)(f)(iii), 63(1)(a), 63(2)(a), 63(2)(c), 64(2)(b) Sections 64(2)(c), 64(2)(e), 64(2)(f), 64(2)(g), 65(2)(a), 65(2)(b), 65(2)(e) Sections 72(1)(a)(ii), 112(1)(j), 116(2)(b), 116(2)(c)(ii), 117, 122(1) Sections 126(1)(a), 127(2), 127(5)(a)(i), 127(5)(a)(ii) Sections 129(1), 129(3), 133(1)(a), 133(1)(c)(i), 133(1)(c)(ii), 170 Sections 171(4)(a), 171(4)(b)
MFMA: Municipal Budget and Reporting Regulations, 2009	Regulations 71(1), 71(2), 72
MFMA: Municipal Investment Regulations, 2005	Regulations 3(1)(a), 3(3), 6, 7, 12(2), 12(3)
MFMA: Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, 2014	Regulations 5(4), 6(8)(a), 6(8)(b), 10(1)
MFMA: Municipal Supply Chain Management Regulations, 2005	Regulations 5, 12(1)(c), 12(3), 13(b), 13(c), 13(c)(i), 16(a), 17(1)(a) Regulations 17(1)(b), 17(1)(c), 19(a), 21(b), 22(1)(b), 22(2), 27(2)(a) Regulations 27(2)(e), 28(1)(a)(i), 28(1)(a)(ii), 29(1)(a), 29(1)(b) Regulations 29(5)(a)(ii), 29(5)(b)(ii), 32, 36(1), 36(1)(a), 38(1)(c) Regulations 38(1)(d)(ii), 38(1)(e), 38(1)(g)(i), 38(1)(g)(ii), 38(1)(g)(iii), 43 Regulations 44, 46(2)(e), 46(2)(f)
Municipal Systems Act 32 of 2000	Sections 25(1), 26(a), 26(c), 26(h), 26(i), 29(1)(b)(ii), 29(3)(b), 34(a), 34(b) Sections 38(a), 41(1)(a), 41(1)(b), 41(1)(c)(ii), 42, 43(2), 56(a), 57(2)(a) Sections 57(4B), 57(6)(a), 66(1)(a), 66(1)(b), 67(1)(d), 74(1), 96(b)

Legislation	Sections or regulations
MSA: Municipal Planning and performance Management Regulations, 2001	Regulations 2(1)(e), 2(3)(a), 3(3), 3(4)(b), 3(6)(a), 7(1), 8, 9(1)(a), 10(a) Regulations 12(1), 15(1)(a)(i), 15(1)(a)(ii)
MSA: Municipal Performance Regulations for Municipal Managers and Managers directly Accountable to Municipal Managers, 2006	Regulations 2(3)(a), 4(4)(b), 8(1), 8(2), 8(3)
MSA: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014	Regulations 17(2), 36(1)(a)
MSA: Disciplinary Regulations for Senior Managers, 2011	Regulations 5(2), 5(3), 5(6), 8(4)
Division of Revenue Act 5 of 2022	Section 11(6)(b), 12(5), 16(1); 16(3)
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations	Regulations 17, 25(7A)
Municipal Property Rates Act 6 of 2004	Section 3(1)
Preferential Procurement Policy Framework Act 5 of 2000	Sections 2(1)(a), 2(1)(f)
Preferential Procurement Regulations, 2017	Regulations 4(1), 4(2), 5(1), 5(3), 5(6), 5(7), 6(1), 6(2), 6(3), 6(6), 6(8) Regulations 7(1), 7(2), 7(3), 7(6), 7(8), 8(2), 8(5) 9(1), 10(1), 10(2) Regulations 11(1), 11(2)
Preferential Procurement Regulations, 2022	Regulations 4(1), 4(2), 4(3), 4(4), 5(1), 5(2), 5(3), 5(4)
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)

8.2	MFMA SECTION 52 REPORTING UP TO DECEMBER 2023
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Collaborator No:

IDP KPA Ref No: Good Governance and Compliance

Meeting Date: 24 January 2024

1. SUBJECT: MFMA SECTION 52 REPORTING UP TO DECEMBER 2023

2. PURPOSE

To comply with section 52(d) of the Municipal Finance Management Act and report to Council on the implementation of the budget; and service delivery budget plan of the Municipality for the 2nd quarter of the 2023/24 financial year.

3. DELEGATED AUTHORITY

THE EXECUTIVE MAYOR TO SUBMIT TO COUNCIL

In terms of section 52 (d) of the Municipal Finance Management Act:

“The mayor of a municipality—

(d) must, within 30 days of the end of each quarter; submit a report to the council on the implementation of the budget and the financial affairs of the municipality.”

4. EXECUTIVE SUMMARY

The Executive Mayor must provide general political guidance over the fiscal and financial affairs of the Municipality and is required by Section 52(d) of the Municipal Finance Management Act to submit a report on the implementation of the budget and the financial and non-financial performance of the Municipality, to the Council within 30 days after end of each quarter.

The Section 52 report is a summary of the budget performance. It compares the implementation of the budget to the commitments made and contained in the Service Delivery and Budget Implementation Plan (SDBIP) and is intended to enable Council to give effect to their oversight responsibility.

This report provides the overall performance of the Municipality for the period 1 October 2023 to 31 December 2023.

5. RECOMMENDATION

that Council notes Section 52 Report (including quarterly performance report) for second quarter of the financial year.

6. DISCUSSION / CONTENTS

6.1 Background

To comply with section 52 (d) of the Municipal Finance Management Act and report to Council on the budget; financial and service delivery budget implementation plan of the Municipality for the 2nd quarter of the financial year. The report is indicated under **APPENDIX 1**.

6.2 Discussion

This report illustrates the implementation of the budget as well as the non-financial performance of the municipality for quarter 1.

In terms of the Municipal Finance Management Act (MFMA) Section 52(d) *“must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality;”*

6.3 Financial Implications

None

6.4 Legal Implications

The recommendations in this report comply with Council’s policies and all applicable legislation.

6.5 Staff Implications

This report has no staff implications to the Municipality.

6.6 Previous / Relevant Council Resolutions:

None

6.7 Risk Implications

None

6.8 Comments from Senior Management:

The item was not circulated for comment except to Municipal Manager.

6.8.1 Municipal Manager:

Supports the recommendations

ANNEXURES

Appendix 1 : Section 52 Report – Second Quarter

FOR FURTHER DETAILS CONTACT:

NAME	Monique Steyl
POSITION	Senior Manager Financial Management Services
DIRECTORATE	Financial Services
CONTACT NUMBER	021 – 808 8512
E-MAIL ADDRESS	Monique.Steyl@ Stellenbosch.gov.za
REPORT DATE	16 January 2024

APPENDIX 1



STELLENBOSCH

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MUNISIPALITEIT • UMASIPALA • MUNICIPALITY

QUARTERLY BUDGET MONITORING REPORT

2nd Quarter 2023/24



QUALITY CERTIFICATE

I, Geraldine Mettler, the Municipal Manager of Stellenbosch Municipality, hereby certify that the quarterly report the period ending December 2023 has been prepared in accordance with Section 52 of the Municipal Finance Management Act and regulations made under the Act and accordingly submit the required quarterly statement on the state of Stellenbosch Municipality's budget reflecting the particulars up until the end of December 2023.

Name: Geraldine Mettler

Municipal Manager of Stellenbosch Municipality- WC024

Signature _____



Date: 16 January 2024

To Council

In accordance with Section 52(d) of the Municipal Finance Management Act, I submit the required report on the implementation of the budget and the financial situation of Stellenbosch Municipality reflecting the particulars of the second quarter of the financial year 2023/24.

The submission of this report forms part of my general responsibilities as the Mayor of Stellenbosch Municipality. The purpose of the report serves to inform Council on the financial affairs of Stellenbosch Municipality and to enable Council to fulfil its oversight responsibility in this regard.



.....
Advocate G M van Deventer
Executive Mayor
Date: 16 January 2024

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1. Recommendations

These recommendations are linked to the responsibilities of the Mayor under Section 52 of the MFMA.

- (a) That the content of the quarterly budget statement and supporting documentation be noted.

2. Executive Summary

2.1 Introduction

The mayor, who must provide general political guidance over the fiscal and financial affairs of the Municipality, is required by Section 52(d) of the Municipal Finance Management Act to submit a report on the implementation of the budget and the financial situation of the Municipality, to the Council within 30 days after end of each quarter.

This report is a summary of the main budget issues arising from the monitoring process. It compares the implementation of the budget to the commitments/promises made and contained in the Service Delivery and Budget Implementation Plan (SDBIP) and is intended to inform and enable the Council with a view of giving effect to Council's oversight responsibility.

2.2 Summary of 2023/24 budget progress / implementation

The following table summarises the overall position of the capital and operating budgets.

The above figures are explained in more detail throughout this report.

Detail	Capital Expenditure	Operating Expenditure	Operating Revenue (excluding capital transfers and contributions)
Original Budget	504 799 865	2 258 348 868	2 284 927 328
Adjustment Budget	561 998 374	2 397 743 562	2 284 701 093
Plan to Date (SDBIP)	219 590 731	1 022 264 213	1 016 320 162
Actual	126 244 901	1 217 514 201	1 180 894 415
Variance to SDBIP	(93 345 830)	195 249 988	164 574 253
Year to date % Variance to SDBIP	-42,51%	19,10%	16,19%

3. Operating Revenue

The following table shows the actual operating revenue per National Treasury Reporting regulations against that planned in the SDBIP for the 2nd Quarter of 2023/24.

Operating Revenue by Source

Description	ORIGINAL BUDGET	ADJUSTMENT BUDGET
Exchange Revenue		
Service charges - Electricity	913 669 187,00	913 669 187,00
Service charges - Water	185 621 843,00	185 621 843,00
Service charges - Waste Water Management	108 646 667,00	108 646 667,00
Service charges - Waste Management	107 653 574,00	107 653 574,00
Sale of Goods and Rendering of Services	22 189 670,00	22 189 670,00
Agency services	3 357 697,00	3 357 697,00
Interest	-	-
Interest earned from Receivables	15 412 628,00	15 412 628,00
Interest earned from Current and Non Current	41 192 661,00	41 192 661,00
Rental from Fixed Assets	10 603 901,00	10 603 901,00
Licence and permits	7 871 599,00	7 871 599,00
Operational Revenue	19 345 609,00	19 345 609,00
Non-Exchange Revenue		
Property rates	473 588 918,00	473 588 918,00
Fines, penalties and forfeits	131 570 078,00	131 570 078,00
Transfer and subsidies - Operational	240 910 500,00	240 910 500,00
Interest	3 292 796,00	3 292 796,00
Total Revenue (excluding capital transfers and contributions)	2 284 927 328	2 284 927 328

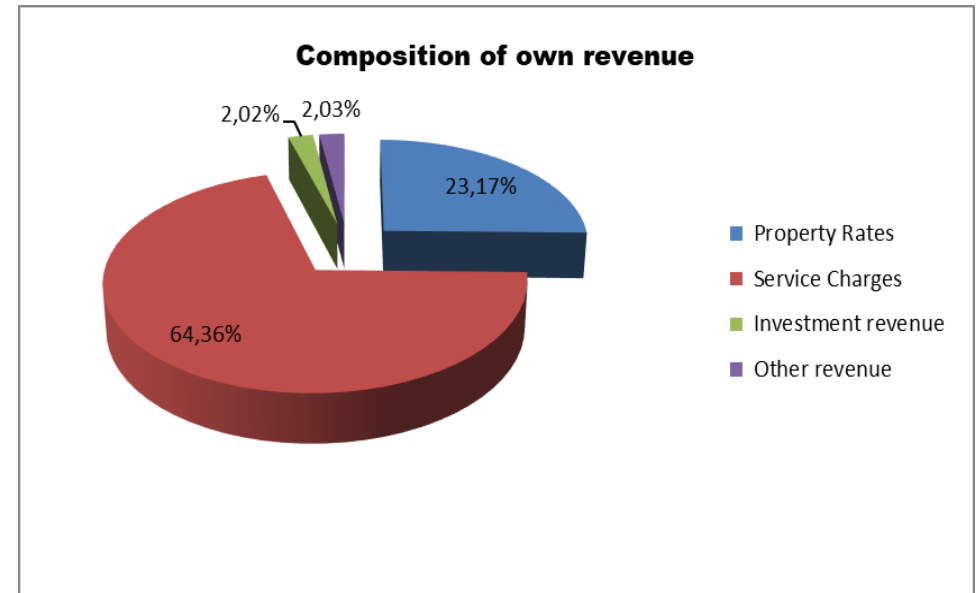
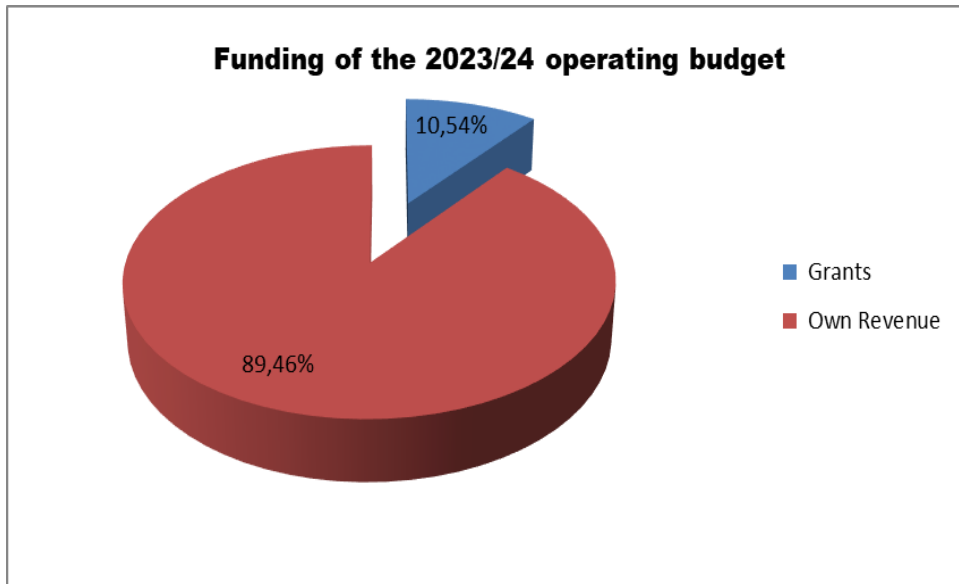
QUARTER 2 2023/24		
PLANNED	ACTUAL	VAR
138 030 826	205 116 074	-49%
46 504 505	43 882 841	6%
25 583 955	27 357 032	-7%
21 100 313	21 814 491	-3%
4 920 154	4 797 250	2%
727 334	660 829	0
-	-	0%
3 744 266	5 314 733	-42%
10 298 166	14 461 912	-40%
3 233 308	1 996 090	38%
2 046 747	1 656 361	19%
1 175 632	14 150 513	-1104%
91 050 207	102 057 552	-12%
37 240 206	9 624 759	74%
47 929 119	57 595 521	-20%
969 762	1 148 848	-18%
434 554 500	511 634 805	-18%

QUARTER 2 2022/23		
PLANNED	ACTUAL	VAR
194 446 807	172 482 424	11%
39 987 486	46 537 011	-16%
25 185 258	25 538 028	-1%
20 852 712	20 818 378	0%
-	-	0%
1 070 343	727 334	32%
		0%
2 937 083	4 969 841	-69%
5 099 331	10 525 469	-106%
3 884 478	2 302 772	41%
		0%
		0%
92 292 103	93 930 530	-2%
31 238 796	40 698 568	-30%
53 797 180	56 471 851	-5%
-	-	0%
482 603 252	484 627 505	-0,42%

NB: - The “year to date actual for property rates income” refers to the total billed for the year and not actual receipts.

Stellenbosch municipality is not dependant on grant funding to fund the operating budget as is evident in the graph below.

Own revenue consists mainly of service charges at 64.36 per cent of the 2 044 016 828 billion own revenue budget.



Operating Revenue Variance Report

The variances between actual operating revenue and the planned operating revenue contained in the SDBIP are explained per revenue source and are as follows:

Revenue by Source

3.1 Property Rates

Property rates are billed monthly, however, some consumers applied to have their property rates and service charges for sanitation and refuse to be billed annually. In the current financial year less, consumers applied to be billed annually compared to previous financial years. Although it has resulted in an underperformance of R6 291 757, the budgeted revenue for the financial year is still attainable.

3.2 Service charges - electricity revenue

The municipality has billed R116 605 968 more electricity charges than initially anticipated. The over performance is due to a relief from prolonged load shedding outages and an increase in demand. Considering the consumption over the past 6 months of the current financial year, the actual electricity revenue billed over the past 3 financial years as well as the tariff increase of 17.61%, the current budget of R913 669 167 is deemed attainable. It is recommended that the budget not be adjusted during the Mid-year adjustment process.

3.3 Service charges - water revenue

The municipality has billed R6 856 219 less water charges than initially anticipated. The underbilling in water revenue is a result of a decrease in consumption. Considering the monthly average billing (R12 882 235) as well as the tariff increase of 6.0%, the current budget of R176 782 707 is deemed unattainable. It is recommended that the budget be reduced with approximately R13 755 346 during the Mid-year adjustment budget process.

3.4 Service charges - Waste Water Management

The municipality has billed R3 995 745 more sanitation charges than initially anticipated. The largest over performances were noted for general sanitation charges (R2 189 931) and Industrial wastewater (R1 234 967). Considering the consumption over the past 6 months of the current financial year (average: R9 764 913), the annual consumption over the past 3 financial years (R100 554 518) as well as the tariff increase of 6.5%, the current budget of R108 646 667 is deemed insufficient. It is recommended that the budget be increased with approximately R5 030 768 during the Mid-year adjustment budget process.

3.5 Service charges - Refuse revenue

The municipality has billed R2 683 007 more refuse charges than initially anticipated. Considering the average billings over the past 6 months of the current financial year (R8 751 827), as well as the tariff increase of 9.10%, the current budget of R94 971 363 is deemed attainable. It is recommended that the budget not be adjusted during the mid-year adjustment process.

3.6 Interest Earned- External Investments

An over performance was noted for interest earned on external investments to the amount of R8 147 892. The variance is mainly attributed to increases in the interest rates in the past few years and the municipality has also invested additional funds. Considering the monthly average over the past 6 months (R4 790 704) it is recommended that the budget be increased with R2 974 857 during the Mid-year adjustment process.

3.7 Interest earned – outstanding debtors

An over performance was noted for the interest earned on outstanding debtors. This is due to the increases in the prime interest rate and the overall increase in debt. Considering the monthly average over the past 6 months (R1 721 516), the current budget of R15 412 628 is insufficient. It is recommended that the budget be increased with R1 911 089 during the Mid-year adjustment budget process.

3.8 Licences and permits

An under performance is noted for licences and permits to the amount of R136 405. The underperformance is due to less licences and permit renewals as well as accompanying applications being received than initially anticipated. Considering the actuals generated over the past 3 financial years (average: R7 675 689) and a monthly average over the past 6 months of the current financial year (R624 552), the current budget of R7 871 599 is deemed as attainable. No adjustment to the budget is recommended during the Mid-year adjustment budget process.

3.9 Rental of facilities and equipment

An under performance is noted for the Rental of facilities and equipment to the amount of R236 660. Considering the average of the actuals generated over the past three (3) financial years amounting to R11 850 241 and the average monthly revenue (R717 175), the current budget of R10 603 901 is deemed insufficient due to the annual levies that must still be billed. It is recommended that the budget be increased by R2 974 857 during the mid-year adjustment process.

3.10 Operational Revenue

An over performance is noted for other revenue to the amount of R24 043 517, this is due to an increase in Development Charges. Considering the actual revenue in the first half of the financial year which amounted to R27 004 094 with a monthly average of R4 500 682, it is recommended that the budget be increased by R28 198 774 during the Mid-year adjustment budget process.

3.11 Fines, penalties, and forfeits

An underperformance was noted to the amount of R22 326 824. The recognition of traffic fines in terms of iGRAP 1 will be done monthly, including the journal processed on the financial system. It should be noted that no journal was processed during November and December 2023 and will reflect in the next reporting period. The budget is deemed to be insufficient. It is recommended that the budget be increased by R23 966 884 during the mid-year adjustment process.

4. Operating Expenditure

The following table illustrates the actual operating expenditure for each Directorate against planned expenditure in the SDBIP for the 2nd Quarter of 2023/24.

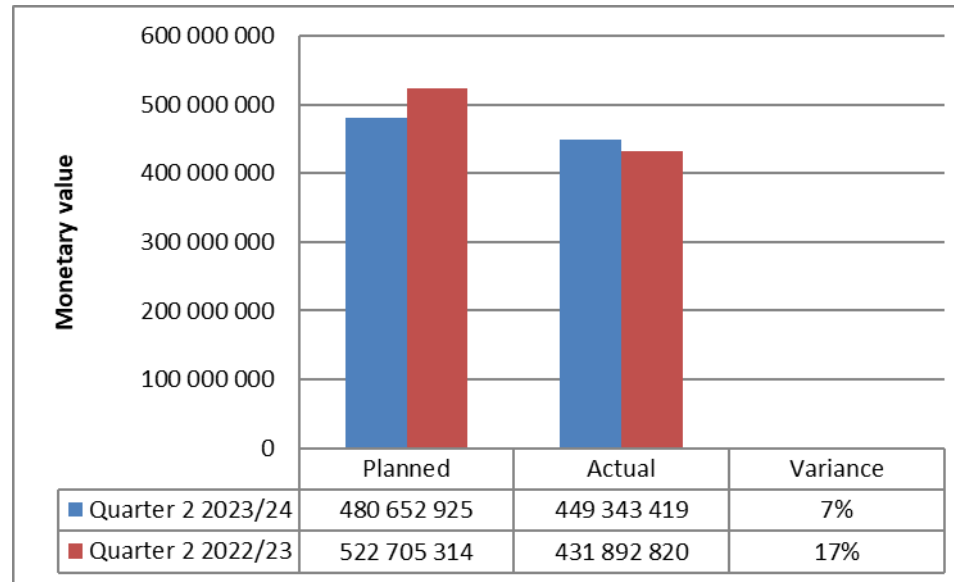
Operating Expenditure (Per Directorate):

DIRECTORATE	ORIGINAL BUDGET	AMENDED BUDGET
Municipal Manager	17 841 031	17 841 031
Planning & Development	93 402 566	93 402 566
Infrastructure Services	1 366 656 493	1 367 889 492
Community and Protection Services	422 902 773	422 902 773
Corporate Services	234 756 698	234 397 464
Financial Services	122 789 307	122 789 307
TOTALS	2 258 348 868	2 259 222 633

QUARTER 2 2023/24	
PLANNED	ACTUALS
4 251 261	4 618 651
24 164 301	19 742 755
289 114 647	288 274 708
88 059 340	75 826 062
44 657 769	32 616 164
30 405 607	28 265 079
480 652 925	449 343 419

QUARTER 2 2022/23	
PLANNED	ACTUALS
7 233 666	8 739 596
19 774 549	26 480 119
261 798 409	251 808 533
107 780 932	80 620 117
49 588 292	40 897 034
76 529 466	23 347 421
522 705 314	431 892 820

During the second quarter of the financial year the directorates spent R449 343 419, 7% less than the planned expenditure. At the same period last year, the directorate spent R431 892 820, 17% less than the planned expenditure.



The year on year comparison for the second quarter is 93.49% actual spending rate of the planned operating budget for the financial year 2023/24, compared to a 82.63% actual spending rate for the same period in the previous financial year.

Operating Expenditure Variance Report

The variances between actual operating expenditure and planned operating expenditure contained in the SDBIP are explained per item and are as follows:

4.1 Planning and Development Services

The Planning and Development Services directorate planned to spend R42 315 095 of the amended budget. The year- to- date actual expenditure incurred amounted to R28 777 566 which resulted in an underperformance of R13 537 529. The items that attributed to the underperformance are as follows:

4.1.1 Expenditure: Contracted Services: Consultants and Professional Services: Business and Advisory: Research and Advisory

The user department planned to spend R668 875 of the amended budget. No expenditure has been incurred to date. The user department indicated that the tender for the small, medium, and micro enterprises has been advertised and closed on the 22nd of November 2023 and it is currently finalising the technical report. The compilation of Economic Intelligence Report (BER) has been completed and will serve at the Bid Adjudication Committee.

4.2 Infrastructure Services

The Infrastructure Services directorate planned to spend R547 967 048 of the amended budget. The year-to-date actual expenditure incurred amounted to R515 869 447 which resulted in an underperformance of R32 097 061. The items that attributed to the underperformance are as follows:

4.2.1 Expenditure: Contracted Services: Contractors: Maintenance of Equipment (Sewerage Network)

The user department planned to spend R3 934 896 of the amended budget. The year-to-date expenditure incurred amounted to R2 242 731. Orders to the amount of R1 130 413 have been loaded onto the financial system. The user department indicated that they are awaiting payment of work that has already been completed, additional funds will be requested during the mid-year budget as the current budget is insufficient.

4.2.2 Expenditure: Contracted Services: Contractors: Maintenance of Unspecified Assets (Sewerage Network)

The user department planned to spend R5 227 933 of the amended budget. The year- to- date actual expenditure incurred amounted to R3 102 773. Orders to the amount of R2 125 660 have been loaded onto the financial system. An improvement will be seen in the next reporting period.

4.2.3 Expenditure: Contracted Services: Consultants and Professional Services: Business and Advisory: Project Management (Human Settlement Development Grant)

The user department planned to spend R8 690 000 of the amended budget. No expenditure has been incurred to date. The user department indicated that an amendment to the total project balance will be made during the mid-year adjustment budget process.

4.2.4 Expenditure: Contracted Services: Contractors: Prepaid Electricity Vendors

The user department planned to spend R1 931 670 of the amended budget. The year- to- date actual expenditure incurred amounted to R1 122 978. Orders to the amount of R4 370 905 have been loaded onto the financial system. An improvement will be seen in the next reporting period.

4.2.5 Expenditure: Contracted Services: Outsourced Services: Business and Advisory: Project Management

The user department planned to spend R1 500 000 of the amended budget. The year- to- date actual expenditure incurred amounted to R405 598. Orders to the amount of R1 309 726 have been loaded onto the financial system. An improvement will be seen in the next reporting period.

4.2.6 Expenditure: Inventory Consumed: Materials and Supplies (Traffic Engineering)

The user department planned to spend R1 417 870 of the amended budget. The year- to- date actual expenditure incurred amounted to R563 719. Orders to the amount of R583 896 have been loaded onto the financial system. An improvement will be seen in the next reporting period.

4.3 Community and Protection Services

The Community and Protection Services directorate planned to spend R154 804 045 of the amended budget. The year-to-date actual expenditure incurred amounted to

R95 825 938 which resulted in an underperformance of R58 978 107. The items that attributed to the underperformance are as follows:

4.3.1 Expenditure: Transfers and Subsidies: Operational: Allocations In-kind: Households: Social Assistance: Social Relief

The user department planned to spend R1 849 834 of the amended budget. The year- to- date actual expenditure incurred amounted to R354 154. Orders to the amount of R1 851 927 have been loaded onto the financial system. The user department indicated that expenditure is dependent on the frequency of incidents and due to limited storage space to store fire kits, it is not procured in bulk.

4.3.2 Expenditure: Contracted Services: Contractors: Plants, Flowers, and Other Decorations

The user department planned to spend R561 299 of the amended budget. The year- to- date actual expenditure incurred amounted to R289 830. The user department indicated that not all the upgrades have been carried out and have been put on hold to commence at a later stage.

4.3.3 Expenditure: Transfers and Subsidies: Operational: Monetary Allocations: Non-profit institutions: SPCA

The user department planned to spend R1 500 000 of the amended budget. No expenditure has been incurred to date. The user department indicated that the grant-in-aid process is currently in progress and applications have been received. The Item will be submitted to the grant-in-aid committee.

4.4 Corporate Services

The Corporate Services directorate planned to spend R86 125 262 of the amended budget. The year-to-date actual expenditure incurred amounted to R51 974 610 which resulted in an underperformance of R34 150 652. The items that attributed to the underperformance are as follows:

4.4.1 Expenditure: Operational Cost: Registration Fees: Seminars, Conferences, Workshops and Events: National

The user department planned to spend R1 534 861 of the amended budget. The year-to-date actual expenditure incurred amounted to R914 350. Orders to the amount of R1 605 730 have been loaded onto the financial system. An improvement will be seen in the next reporting period.

4.4.2 Expenditure: Operational Cost: External Computer Service: Software Licences

The user department planned to spend R13 429 085 of the amended budget. The year-to-date actual expenditure incurred amounted to R11 238 542. The user department indicated that the licenses will be renewed and paid before the end of June 2024.

4.4.3 Expenditure: Operational Cost: Skills Development Fund Levy

The user department planned to spend R2 407 263 of the amended budget. No expenditure has been incurred to date. The expenditure is in direct correlation with employee related costs and the municipality is currently experiencing technical issues with regards to the integration of the employee related costs on the financial system, the three months of this quarter have not yet been integrated hence the underperformance.

4.5 Financial Services

The Financial Services directorate planned to spend R56 105 813 of the amended budget. The year-to-date actual expenditure incurred amounted to R40 132 916 which resulted in an underperformance of R15 972 897. The items that attributed to the underperformance are as follows:

4.5.1 Expenditure: Operational Cost: Insurance Underwriting: Premiums

The user department planned to spend R7 506 269 of the amended budget. The year-to-date actual expenditure incurred amounted to R5 888 213. The user department indicated that the insurance underwriting premiums are a once-off payment and have already been paid and the amount as less than initially anticipated.

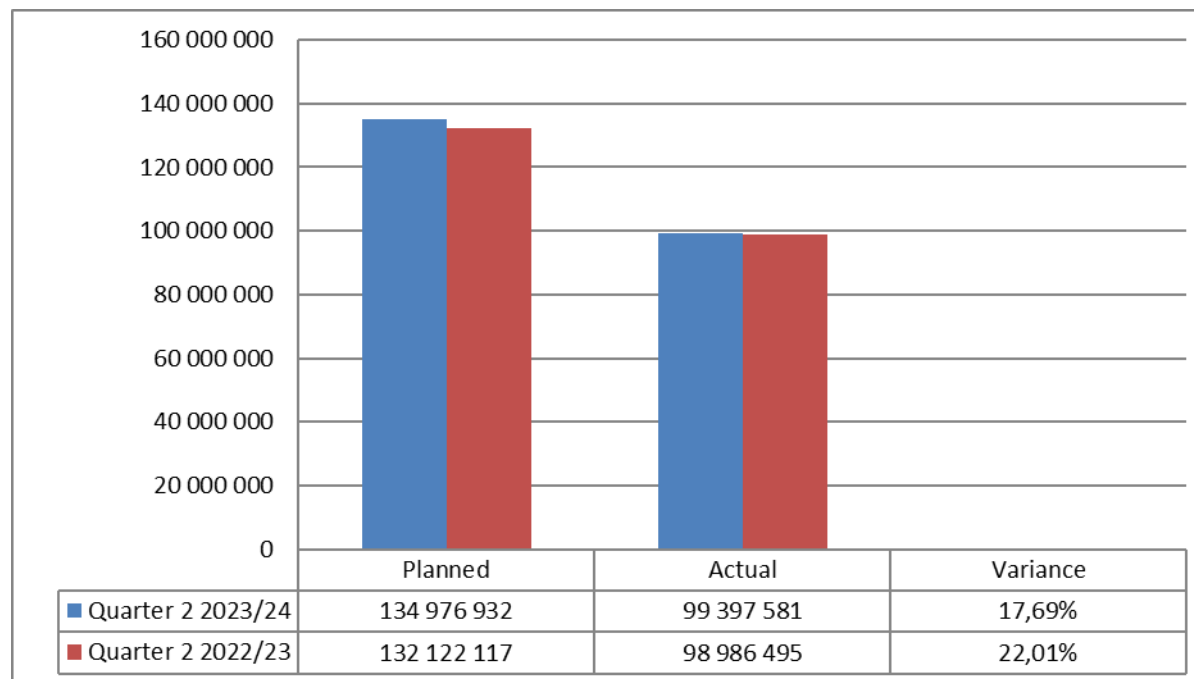
5. Capital Expenditure

The following table illustrates the actual capital expenditure per directorate against the planned in the SDBIP for the 2nd Quarter of 2023/24.

DIRECTOR	ORIGINAL BUDGET	AMENDED BUDGET
Municipal Manager	40 000	40 000
Planning & Development	9 043 500	9 245 897
Infrastructure Services	436 423 363	472 752 590
Community and Protection Services	24 642 002	38 307 873
Corporate Services	33 901 000	39 733 166
Financial Services	750 000	1 918 848
TOTALS	504 799 865	561 998 374

QUARTER 2 2023/24		
PLANNED	ACTUAL EXPENDITURE	VAR %
38 206	33 049	-13%
1 451 818	529 325	-64%
118 590 780	88 456 620	-25%
5 442 020	4 305 141	-21%
8 235 450	6 073 445	-26%
1 218 658	-	-100%
134 976 932	99 397 581	-26%

QUARTER 1 2022/23		
PLANNED	ACTUAL EXPENDITURE	VAR %
18 000	38 203	100%
3 167 707	3 714 640	17%
111 605 435	78 891 310	-29%
7 466 304	1 415 415	-81%
9 714 004	14 877 118	53%
150 667	49 809	-67%
132 122 117	98 986 495	-25%



The year-on-year comparison for the end of the second quarter is [R99 397 581/ R561 998 374] 17.69% of the total capital budget of R539 909 625 for the 2023/24 financial year compared to a [R98 986 495/ R464 483 073] 21.31% spending rate for the same period in the previous financial year.

Capital Expenditure Variance Report

The variances between actual capital expenditure and the planned capital expenditure contained in the SDBIP are explained per directorate and are as follows:

5.1 Planning and Development

The Directorate planned to spend R2 024 452 of the amended budget. The year-to-date actual expenditure incurred amounted to R944 164. This resulted in an underperformance of R1 080 288. The projects that attributed to the underperformance are as follows:

5.1.1 Erf 7001 Cloetesville (380) FLISP

The user department planned to spend R729 396 of the amended budget. The year-to-date actual expenditure incurred amounted to R123 781. The user department indicated that they require a reduction in the mid-year adjustment budget due to the approved tender coming in below the estimate. The pre-planning land-use application has been submitted.

5.1.2 Erven 81/2 and 82/9, Stellenbosch

The user department planned to spend R200 000 of the amended budget. No expenditure has been incurred to date. The user department indicated that the tender for the appointment of a service provider to obtain development rights had been submitted to serve at the Bid Specifications Committee in December 2023.

5.1.3 Housing Projects (Social housing planning)

The user department planned to spend R200 000 of the amended budget. No expenditure has been incurred to date. The user department indicated that a social housing specialist will be appointed for the roll out of the social housing projects. The tender was submitted to on 17 November 2023. An amount of R630 000 will be transferred to the 2024/2025 financial year for the compilation of the feasibility studies and to apply for new restructuring zones.

5.2 Community and Protection Services

The Directorate planned to spend R11 736 788 of the amended budget. The year-to-date actual expenditure incurred amounted to R4 462 021. This resulted

in an underperformance of R7 274 767. The projects that attributed to the underperformance are as follows:

5.2.1 Upgrade of Sport Facilities

The user department planned to spend R3 561 030 of the amended budget. The year-to-date actual expenditure incurred amounted to R954 375. Orders to the amount of R1 684 269 have been loaded onto the financial system. The user department indicated that the tender for the appointment of a consultant will serve at the Bid Adjudication Committee.

5.2.2 Botmaskop: Security Fencing

The user department planned to spend R768 843 of the amended budget. The year-to-date actual expenditure incurred amounted to R234 075. The user department indicated that the project has been completed and the remaining funds will be moved to supplement a shortfall on another project.

5.2.3 Install and Upgrade CCTV/ LPR Cameras In WC024

The user department planned to spend R1 204 076 of the amended budget. No expenditure has been incurred to date. The user department indicated that the project will be placed on hold due to challenges identified where corrective actions are needed. The specifications for the tender will be affected and will cause further delay with the roll-out of the project.

5.2.4 Install Computerized Access Security Systems and CCTV Cameras At Municipal Buildings

The user department planned to spend R1 477 829 of the amended budget. The year-to-date actual expenditure incurred amounted to R24 730. The user department indicated that the tenders for biometrics and intrusions have been submitted and will serve at the Bid Specifications Committee.

5.2.5 Installation of Boreholes

The user department planned to spend R500 000 of the amended budget. No expenditure has been incurred to date. The user department indicated that the funds will be moved to supplement a shortfall on another project.

5.2.6 Jonkershoek Picnic Site upgrades

The user department planned to spend R648 405 of the amended budget. The year-to-date actual expenditure incurred amounted to R42 174. Orders to the amount of R234 435 have been loaded into the financial system. The user department indicated that a service provider has been appointed however additional funds are required or the installation of Clearview fencing at Jan Marais Nature Reserve.

5.3 Infrastructure Services

The Directorate planned to spend R191 604 974 of the amended budget. The year-to-date actual expenditure incurred amounted to R113 329 820. This resulted in an underperformance of R78 725 154. The projects that attributed to the underperformance are as follows:

5.3.1 Bien don 66/11kV substation new

The user department planned to spend R6 890 890 of the amended budget. The year-to-date expenditure incurred amounted to R459 432. Orders to the amount of R1 649 000 have been loaded onto the financial system. The user department indicated that delays pertaining to the approval of the evaluation report resulted in a ripple effect on the timeframes that had been set for the project. The budget will be reduced with approximately R11 360 350 during the Mid-year adjustment budget process.

5.3.2 Expansion of the landfill site (New cells)

The user department planned to spend R38 447 653 of the amended budget. The year-to-date actual expenditure incurred amounted to R25 660 830. Orders to the amount of R24 968 675 have been loaded onto the financial system. The user department indicated that the project is currently in progress however, construction was delayed by three weeks due to rainy weather. Additional funds have been requested in the Mid-year adjustment process to ensure completion as per the project timeframes.

5.3.3 Landfill Gas to Energy

The user department planned to spend R11 907 263 of the amended budget. No expenditure has been incurred to date. Orders to the amount of R3 034 886 have been loaded onto the financial system. The user department indicated that a tender was advertised and will serve at the Bid Evaluation Committee for the appointment of a contractor.

5.3.4 Laterra Substation

The user department planned to spend R16 042 044 of the amended budget. The year-to-date actual expenditure incurred amounted to R11 453 012. Orders to the amount of R11 399 524 have been loaded onto the financial system. The user department indicated that the project is currently underway.

5.3.5 New Reservoir & Pipeline: Vlottenburg

The user department planned to spend R31 939 500 of the amended budget. The year-to-date actual expenditure incurred amounted to R18 669 445. Orders to the amount of R14 119 186 have been loaded onto the financial system. The user department indicated that Phase 1 is currently under construction. A consultant has been appointed and is currently busy with the completion of the tender documents for the appointment of a contractor for the construction of the second phase and it is envisaged to commence in the 2024/2025 financial year.

5.3.6 General System Improvements - Franschhoek

The user department planned to spend R3 246 420 of the amended budget. The year-to-date actual expenditure incurred amounted to R1 505 285. Orders to the amount of R1 616 593 have been loaded onto the financial system. An improvement will be seen in the next reporting period.

5.3.7 Bulk Water Supply Klapmuts

The user department planned to spend R5 250 000 of the amended budget. No expenditure has been incurred to date. Orders to the amount of R10 695 707 have been loaded onto the financial system. The user department indicated that a contractor has been appointed and is expected to commence work in January 2024, they anticipate that the project will take four months to complete.

5.3.8 Bulk Water Supply Pipeline & Reservoir - Jamestown

The user department planned to spend R7 500 00 of the amended budget. The year-to-date expenditure incurred amounted to R1 184 473. Orders to the amount of R18 050 234 have been loaded onto the financial system. This is a multi-year project and the funds that could not be utilized will be moved to the 2024/2025 financial year.

5.3.9 New Reservoir & Pipeline: Vlottenburg

The user department planned to spend R33 348 676 of the amended budget. The year-to-date expenditure incurred amounted to R25 956 348. Orders to the

amount of R6 832 273 have been loaded onto the financial system. The user department indicated that the funds cannot be fully spent in the current financial issue due to delays in obtaining environmental authorisations for cemeteries. A portion of the funds that will not be utilized will be moved to the 2024/205 financial year and the remainder to the Digteby sewer pipe project.

5.4 Corporate Services

The Directorate planned to spend R12 924 323 of the amended budget. The year-to-date actual expenditure incurred amounted to R7 467 466. This resulted in an underperformance of R5 456 857. The projects that attributed to the underperformance are as follows:

5.4.1 Structural Improvement: General

The user department planned to spend R3 307 209 of the amended budget. The year-to-date actual expenditure incurred amounted to R871 545. Orders to the amount of R1 592 260 have been loaded onto the financial system. The user department indicated that a contractor has been appointed and is currently on site.

5.4.2 Structural Upgrade: Heritage Building

The user department planned to spend R3 741 426 of the amended budget. The year-to-date actual expenditure incurred amounted to R1 101 243. Orders to the amount of R5 157 531 have been loaded onto the financial system. The user department indicated that the project is a multi-year project, and they envisage completion to be in the 2023/2024 financial year.

5.4.3 Server Storage expansion and upgrades

The user department planned to spend R2 749 677 of the amended budget. No expenditure has been incurred to date. Orders to the amount of R4 092 248. The user department indicated that the tender for the project is currently in place, and they will commence with spending. An improvement will be seen in the next reporting period.

6. Investments and Borrowings

6.1 Investments

ACC. NR	BANK	Type/ Period	INTEREST RATE	MATURITY DATE	OPENING BALANCE AS AT 1 JULY 2023	QUARTER 2		TOTAL INVESTMENTS/ WITHDRAWALS	INTEREST CAPITALISED FOR THE QUARTER UNDER REVIEW	INTEREST ACCRUED YTD	CLOSING BALANCE YTD
						INVEST	WITHDRAWAL				
	ABSA BANK										
93-6748-9415	A#9415	CALL	8,900%		97 732 102,17	-	30 000 000,00	(30 000 000,00)	2 185 616,61	4 394 461,76	72 126 563,93
20-8097-3316	A#3316	FIXED/4 MTHS	8,550%	14-Jul-23	51 253 219,18	-	-	(51 405 479,45)	-	152 260,27	(0,00)
20-8103-0741	A#0741	FIXED/3 MTHS	8,550%	19-Jul-23	71 246 000,00	-	-	(71 536 164,38)	-	290 164,38	0,00
20-8116-1722	A#1722	FIXED/6 MTHS	9,780%	8-Jan-24	-	-	-	94 518 353,02	2 329 968,04	4 406 678,68	98 925 031,70
					220 231 321,35	-	30 000 000,00	(58 423 290,82)	4 515 584,65	9 243 565,10	171 051 595,63
	NEDBANK										
03/7881123974/...024	N#024	FIXED / 12 MTHS	5,800%	12-Oct-22	-	-	-	-	-	-	-
03/7881123974/...025	N#025	FIXED / 6 MTHS	6,100%	22-Sep-22	-	-	-	-	-	-	-
03/7881123974/...026	N#026	FIXED / 12 MTHS	7,950%	21-Jun-23	(0,01)	-	-	-	-	-	-
03/7881123974/...028	N#028	FIXED / 12 MTHS	9,050%	13-Oct-23	106 471 369,86	-	109 050 000,00	(109 050 000,00)	297 534,25	2 578 630,14	-
03/7881123974/...030	N#030	FIXED / 12 MTHS	9,540%	15-Mar-24	102 796 657,53	-	-	-	2 404 602,74	4 809 205,48	107 605 863,01
03/7881123974/...031	N#031	FIXED / 12 MTHS	10,300%	10-Jul-24	-	-	-	105 481 646,98	2 738 476,95	5 179 293,36	110 660 940,34
					209 268 027,39	-	109 050 000,00	(3 568 353,02)	5 440 613,94	12 567 128,98	218 266 803,36
	FNB										
76204315420	F#5420	FIXED 3 MNTHS	9,000%	17-Jan-24	-	120 000 000,00	-	120 000 000,00	2 189 589,04	2 189 589,04	122 189 589,04
					-	-	-	-	-	-	-
					-	120 000 000,00	-	120 000 000,00	2 189 589,04	2 189 589,04	122 189 589,04
					-	-	-	-	-	-	-
INVESTMENT TOTAL					429 499 348,74	120 000 000,00	(139 050 000,00)	58 008 356,16	12 145 787,63	24 000 283,12	511 507 988,03

6.2 Borrowings

Lending Institution	Balance 1/10/2023	Received Quarter 2 2024	Interest Capitalised Quarter 2 2024	Capital Repayments Quarter 2 2024	Balance 31/12/2023	Percentage	Sinking Funds
							(R'000)
DBSA@ 11.1%	7 433 651	-	-	1 708 673	5 724 978	11,10%	
DBSA@ 10.25%	26 553 667	-	-	3 883 115	22 670 551	10,25%	
DBSA @ 9.74%	61 169 896	-	-	3 462 228	57 707 669	9,74%	
NEBANK @ 9.70%	113 406 823	-	-	7 206 980	106 199 843	9,70%	
NEBANK @ 8.8%	88 636 094	-	-	3 945 267	84 690 827	6,73%	
STANDARD BANK @ 11.00%	135 505 535	-	-	4 622 056	130 883 478	11,00%	
NEDBANK @9.70%	69 244 294	-	-	2 065 325	67 178 969	9,70%	
TOTAL	501 949 960	-	-	26 893 645	475 056 315		

7. Allocations and grant receipts and expenditure for the 2nd Quarter of 2023/24

OPERATING & CAPITAL GRANTS	TOTAL 2022/23	EXPECTED ALLOCATION	OPENING BALANCE 1 JULY 2023	CAPITAL DEBTORS	ACCUMULATED ACTUAL RECEIPTS	ACCUMULATED ACTUAL EXPENDITURE	QUARTER 2 RECEIPTS	QUARTER 2 ACTUAL EXPENDITURE	UNSPENT CONDITIONAL GRANTS - 31 DECEMBER 2023
Unconditional Grant:Equitable Share	200 841 000	200 841 000	-		141 068 000	57 442 707	57 384 000	29 062 612	83 625 293
Grand Total (Unconditional Grants)	200 841 000	200 841 000	-	-	179 634 000	51 339 778	57 384 000	29 062 612	83 625 293
EPWP Integrated Grant for Municipalities	4 786 000	4 786 000	-		3 350 000	608 943	2 153 000	608 943	2 741 057
Local Government Financial Management Grant	1 550 000	1 550 000	-		1 550 000	85 374	-	85 374	1 464 626
Integrated National Electrification Programme (Municipal) Grant	22 750 000	22 750 000	-		15 350 000	7 185 923	9 350 000	6 039 028	8 164 077
Integrated Urban Development Grant	59 410 000	59 410 000	-		36 000 000	27 650 269	12 000 000	19 247 125	8 349 731
Community Development Workers Operational Support Grant	38 000	38 000	-		38 000	-	38 000	-	38 000
Community Library Service Grant	11 252 000	11 252 000	-		7 502 000	1 053 345	3 751 000	1 053 345	6 448 655
Financial Management Support Grant	-	-	-		-	-	-	-	-
Human Settlements Development Grant	23 645 665	22 413 000	1 232 665	6 364 601	-	617 785	-	492 433	-617 785
Informal Settlements Upgrading Partnership Grant:	18 633 000	18 633 000	-		-	3 920 275	-	2 962 718	-3 920 275
Title Deeds Restoration Grant	1 503 000	1 503 000	-		-	177 100	-	-	-177 100
Municipal Accreditation and Capacity Building Grant	245 000	245 000	-		-	19 120	-	-	-19 120
Maintenance and Construction of Transport Infrastructure	345 000	345 000	-	450 000	-	-	-	-	-
Regional Socio-Economic Project/violence through urban upgrading (RSEP/VPJU)	1 000 000	1 000 000	-		1 000 000	278 413	-	-	721 587
Cape Winelands District Grant	500 000	-	500 000		-	-	-	-	-
Western Cape Municipal Energy Resilience Grant (WC MER Grant)	-	-	-		244 000	-	-	-	244 000
EMERGENCY MUNICIPAL LOAD SHEDDING RELIEF GRANT	6 175 000	-	6 175 000		-	-	-	-	-
Khaya Lam Free Market Foundation	102 000	-	102 000		-	-	-	-	-
Grand total (Conditional Grants)	151 934 665	143 925 000	8 009 665	6 814 601	65 034 000	41 596 548	27 292 000	30 488 967	23 437 452

8. Personnel Expenditure

In terms of Section 66 of the MFMA, all expenditure incurred by the municipality on staff salaries, wages, allowances, and benefits must be reported to council.

Employee - Related Costs	Original Budget	Adjustments Budget	Quarter 2 Budget	Quarter 2 Actual	YTD Budget	YTD Actual	YTD %
Basic Salary and Wages	371 654 806	372 850 242	93 073 146	90 373 870	186 071 171	90 373 870	24%
Bonus	29 944 562	29 944 562	29 213 602	2 068 041	29 381 249	2 068 041	7%
Acting and Post Related Allowances	828 139	828 139	207 027	106 414	414 054	106 414	13%
Non Structured	38 106 984	38 106 984	9 563 903	10 577 104	19 087 521	10 577 104	28%
Standby Allowance	13 941 228	13 941 228	3 485 316	3 578 596	6 970 632	3 578 596	26%
Travel or Motor Vehicle	12 005 630	12 005 630	3 036 939	2 407 481	6 046 948	2 407 671	20%
Accommodation, Travel and Incidental	39 540	39 540	23 835	41 329	47 670	41 329	105%
Bargaining Council	160 407	160 407	39 882	81 459	79 926	81 459	51%
Cellular and Telephone	2 745 713	2 745 713	667 725	508 713	1 335 450	508 713	19%
Current Service Cost	6 060 476	6 060 476	1 515 120	-	3 030 240	-	0%
Essential User	656 632	656 632	164 157	234 489	328 314	234 489	36%
Entertainment	-	-	-	-	-	-	0%
Fire Brigade	3 082 530	3 082 530	770 634	718 325	1 541 268	718 325	23%
Group Life Insurance	5 271 974	5 271 974	1 323 911	1 865 364	2 646 808	1 865 364	35%
Housing Benefits	3 057 120	3 057 120	771 526	690 143	1 541 029	690 143	23%
Interest Cost	19 795 274	19 795 274	-	-	-	-	0%
Leave Gratuity	7 522 722	7 522 722	940 341	-	1 880 682	-	0%
Leave Pay	-	-	-	-	-	-	0%
Long Term Service Awards	2 402 222	2 402 222	600 555	-	1 201 110	-	0%
Medical	28 434 382	28 434 382	7 108 635	9 423 438	14 217 270	9 423 438	33%
Non-pensionable	228 827	228 827	57 207	16 589	114 414	16 589	7%
Pension	61 143 718	61 143 718	15 269 556	14 963 134	30 539 113	14 963 134	24%
Scarcity Allowance	823 560	823 560	205 890	1 208 733	411 780	1 208 733	147%
Shift Additional Remuneration	4 414 274	4 414 274	1 103 565	1 096 132	2 207 130	1 096 132	25%
Structured	2 583 399	2 583 399	684 714	658 884	1 130 892	658 884	26%
Unemployment Insurance	2 789 430	2 789 430	696 786	654 432	1 393 572	654 432	23%
Totals	617 693 549	618 888 985	170 523 972	141 272 674	311 618 243	141 272 864	23%

During the second quarter of the financial year the directorates spent R141 272 864, 54.66% less than the planned expenditure of R311 618 243. This overspending is a result of the employee related costs not being integrated onto the financial system due to system related issues that the municipality is working to resolve.

9. Withdrawals

<i>Consolidated Quarterly Report for period 01/10/2023 to 31/12/2023</i>				
Date	Payee	Amount in R'000	Description and Purpose (including section reference e.g. sec 11(f))	Authorised by (name)
Monthly	Provincial Government Western Cape	7 251 208	The Municipality acts as an agent for PAWC for collection of licencing fees. S 11(e)(i)	Acting Director: Community and Protection Services
Monthly	VERSO Group Insurance and Sanlam Group Insurance	2 146 378	Group Insurance. S11(e) (ii)	Council
Ad Hoc	Investment Management	120 000 000	Investment in accordance with the Cash Management and Investment Policy. S11(h)	Accounting Officer (Municipal Manager)

10. Cost Containment Reporting

Measures	Cost Containment In - Year Report										
	Original Budget	Amended Budget	Quarter 1		Saving/ (Over spending)	Quarter 2		Saving/ (Over spending)	YTD		Saving/ (Over spending)
			Budget	Actual		Budget	Actual		Total YTD Budget	Total YTD Actual	
Use of consultants	47 012 591	46 858 592	5 935 595	1 468 631	4 466 964	5 276 033	2 875 733	2 400 300	11 211 628	4 344 363	6 867 265
Vehicles used for political office -bearer	-	-	-	-	-	-	-	-	-	-	-
Accommodation, Travel and Incidental costs	14 764 079	14 758 081	3 267 571	208 500	3 059 071	3 451 587	2 735 768	715 819	6 719 158	2 944 268	3 774 890
Sponsorships, events and catering	3 241 938	4 574 758	349 512	183 640	165 872	2 259 638	2 595 987	- 336 349	2 609 150	2 779 627	- 170 477
Communication	15 797 204	15 799 204	1 389 496	1 667 164	- 277 668	3 823 564	2 788 909	1 034 655	5 213 060	4 456 072	756 988
Other related expenditure items	45 453 089	45 453 089	11 073 361	19 890	11 053 471	11 357 456	12 332 121	- 974 665	22 430 817	12 352 011	10 078 806
Grand Total	126 268 901	127 443 724	22 015 535	3 547 825	18 467 710	26 168 278	23 328 517	2 839 761	48 183 813	26 876 341	21 307 472

The largest year to date overspending was noted for Sponsorships, events and catering related expenditure items of which the largest component relates to Contractors: Catering Services.

Item for report	Item longcode	Description	Original Budget	Amended Budget	Quarter 1		Saving/ (Over spending)	Quarter 2		Saving/ (Over spending)	YTD		Saving/ (Over spending)		
					Budget	Actual		Budget	Actual		Total YTD Budget	Total YTD Actual			
Accommodation, Travel and Incidental	IE0050010010010050050000000000000000	Allowance:Travel or Motor Vehicle	134 446	134 446	33 612	-	33 612	33 612	-	33 612	67 224	-	67 224		
	IE0050010020010050050000000000000000	Allowance:Travel or Motor Vehicle	268 891	268 891	67 224	-	67 224	67 224	176	67 048	134 448	176	134 272		
	IE0050010020010050070000000000000000	Allowance:Accommodation, Travel and Incidental	-	-	-	-	-	-	-	-	-	-	-		
	IE0050010040010050050000000000000000	Allowance:Travel or Motor Vehicle	-	-	-	-	-	-	-	-	-	-	-		
	IE0050010070010050050000000000000000	Allowance:Travel or Motor Vehicle	-	-	-	-	-	-	-	-	-	-	-		
	IE0050010090010050070000000000000000	Allowance:Accommodation, Travel and Incidental	-	-	-	-	-	-	-	-	-	-	-		
	IE0050010100010050050000000000000000	Allowance:Travel or Motor Vehicle	-	-	-	-	-	-	-	-	-	-	-		
	IE0050010110010050050000000000000000	Allowance:Travel or Motor Vehicle	-	-	-	-	-	-	-	-	-	-	-		
	IE0050010140010050070000000000000000	Allowance:Accommodation, Travel and Incidental	-	-	-	-	-	-	-	-	-	-	-		
	IE0050010170010050050000000000000000	Allowance:Travel or Motor Vehicle	-	-	-	-	-	-	-	-	-	-	-		
	IE0050020010050010000000000000000000	Allowances:Accommodation, Travel and Incidental	38 540	38 540	9 636	-	9 636	9 636	19 528	-	9 892	19 272	19 528	256	
	IE0050020010050060000000000000000000	Allowances:Travel or Motor Vehicle	11 404 727	11 404 727	2 859 781	190	2 859 591	2 886 711	2 392 029	494 682	5 746 492	2 392 219	3 354 273		
	IE0080010010030000000000000000000000	Allowances and Service Related Benefits:Travelling	190 800	190 800	47 700	-	47 700	47 700	30 000	17 700	95 400	30 000	65 400		
	IE0080020010030000000000000000000000	Allowances and Service Related Benefits:Travelling	19 052	19 052	4 761	-	4 761	4 761	-	4 761	9 522	-	9 522		
	IE0080030010030000000000000000000000	Allowances and Service Related Benefits:Travelling	190 800	190 800	47 700	-	47 700	47 700	30 000	17 700	95 400	30 000	65 400		
	IE0080040010030000000000000000000000	Allowances and Service Related Benefits:Travelling	-	-	-	-	-	-	-	-	-	-	-		
	IE0080050010030000000000000000000000	Allowances and Service Related Benefits:Travelling	171 475	171 475	42 867	-	42 867	42 867	27 993	14 874	85 734	27 993	57 741		
	IE0080060010030000000000000000000000	Allowances and Service Related Benefits:Travelling	191 190	191 190	47 796	-	47 796	47 796	71 712	-	23 916	95 592	71 712	23 880	
	IE0100390000000000000000000000000000	Travel Agency and Visa's	81 600	81 600	22 817	2 140	20 677	-	4 255	-	4 255	22 817	6 395	16 422	
	IE0100570010010000000000000000000000	Travel and Subsistence:Domestic:Accommodation	632 281	642 283	16 527	61 442	-	44 915	53 210	58 657	-	5 447	69 737	120 099	50 362
	IE0100570010020000000000000000000000	Travel and Subsistence:Domestic:Daily Allowance	389 047	340 047	46 684	64 832	-	18 148	68 386	22 935	45 451	115 070	87 767	27 303	
	IE0100570010030000000000000000000000	Travel and Subsistence:Domestic:Food and Beverage (Served)	317 728	317 728	337	22 509	-	22 172	55 147	65 806	-	10 659	55 484	88 315	32 831
	IE0100570010040000000000000000000000	Travel and Subsistence:Domestic:Incidental Cost	29 340	34 340	460	1 696	-	1 236	-	1 881	-	1 881	460	3 577	3 117
	IE0100570010050010000000000000000000	Travel and Subsistence:Domestic:Transport without Operator:Car Rental	49 039	59 039	-	4 019	-	4 019	551	-	3 113	3 664	551	906	355
	IE0100570010060010000000000000000000	Travel and Subsistence:Domestic:Transport with Operator:Other Transport Provider	49 339	49 339	-	-	-	-	-	900	-	900	-	900	-
	IE0100570010060020010000000000000000	Travel and Subsistence:Domestic:Transport with Operator:Public Transport:Air Transport	605 784	623 784	19 669	51 672	-	32 003	86 286	13 009	73 277	105 955	64 680	41 275	
Sponsorships, events and catering	IE0030030100000000000000000000000000	Contractors:Catering Services	1 169 709	2 269 709	349 512	183 640	165 872	351 978	675 987	-	324 009	701 490	859 627	158 137	
	IE0030010060000000000000000000000000	Outsourced Services:Catering Services	-	-	-	-	-	-	-	-	-	-	-		
	IE0100020050000000000000000000000000	Advertising, Publicity and Marketing:Gifts and Pro	32 229	32 229	-	-	-	-	-	-	-	-	-		
	IE0030030140000000000000000000000000	Contractors:Event Promoters	2 040 000	2 272 820	-	-	-	1 907 660	1 920 000	-	12 340	1 907 660	1 920 000	12 340	
Communication	IE0100150010000000000000000000000000	Communication:Cellular Contract (Subscription and	3 193 977	3 193 977	-	336 177	-	336 177	1 006 351	505 278	501 073	1 006 351	841 455	164 896	
	IE0100150020000000000000000000000000	Communication:Licences (Radio and Television)	102 000	102 000	-	-	-	-	-	-	-	-	-		
	IE0100150040000000000000000000000000	Communication:Radio and TV Transmissions	2 632 620	2 632 620	-	581 897	-	581 897	964 278	601 448	362 830	964 278	1 183 345	219 067	
	IE0100150030000000000000000000000000	Communication:Postage/Stamps/Frinking Machines	2 263 000	2 265 000	195 135	247 114	-	51 979	329 646	356 299	-	26 653	524 781	603 413	78 632
	IE0100150070000000000000000000000000	Communication:SMS Bulk Message Service	250 000	250 000	-	-	-	-	28 551	24 234	4 317	28 551	24 234	4 317	
	IE0100150090000000000000000000000000	Communication:Telemetric Systems	-	-	-	-	-	-	-	-	-	-	-		
	IE0050020010050030000000000000000000	Allowances:Cellular and Telephone	2 576 625	2 576 625	639 399	-	639 399	639 399	530 514	108 885	1 278 798	530 514	748 284		
IE0100150080000000000000000000000000	Communication:Telephone, Fax, Telegraph and Telex	4 778 982	4 778 982	554 962	501 975	52 987	855 339	771 135	84 204	1 410 301	1 273 110	137 191			
Other related expenditure items	IE0100230030000000000000000000000000	Entertainment:Senior Management	40 800	40 800	-	18 200	-	18 200	-	-	-	18 200	18 200		
	IE0100230020000000000000000000000000	Entertainment:Total for All Other Councillors	53 040	53 040	-	-	-	-	-	-	-	-			
	IE0100230010000000000000000000000000	Entertainment:Executive Mayor	254 592	254 592	-	1 690	-	1 690	5 274	-	5 274	5 274	1 690	3 584	
	IE0100230040000000000000000000000000	Entertainment:Deputy Executive Mayor	-	-	-	-	-	-	-	-	-	-			
	IE0100230050000000000000000000000000	Entertainment:Speaker	-	-	-	-	-	-	-	-	-	-			
	IE0100230060000000000000000000000000	Entertainment:Chief Whip	-	-	-	-	-	-	-	-	-	-			
	IE0100230070000000000000000000000000	Entertainment:Executive Committee	-	-	-	-	-	-	-	-	-	-			
	IE0100230080000000000000000000000000	Entertainment:Section 79 committee chairperson	-	-	-	-	-	-	-	-	-	-			
	IE0050020010050090120020000000000000	Overtime:Non Structured	38 106 984	38 106 984	9 523 618	-	9 523 618	9 563 903	10 577 104	-	1 013 201	19 087 521	10 577 104	8 510 417	
	IE0050020010050090120040000000000000	Overtime:Shift Additional Remuneration	4 414 274	4 414 274	1 103 565	-	1 103 565	1 103 565	1 096 132	7 433	2 207 130	1 096 132	1 110 998		
IE0050020010050090120030000000000000	Overtime:Structured	2 583 399	2 583 399	446 178	-	446 178	684 714	658 884	25 830	1 130 892	658 884	472 008			
Grand Total			126 268 901	127 443 724	22 015 535	3 547 825	18 467 710	26 168 278	23 328 517	2 839 761	48 183 813	26 876 341	21 307 472		

Table C2: Monthly Budget Statement – Financial Performance (standard classification)

WC024 Stellenbosch - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Q2 Second Quarter

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		585 336	607 693	602 310	61 485	367 366	348 442	18 924	5%	602 310
Executive and council		624	1 205	1 205	36	372	500	(127)	-26%	1 205
Finance and administration		584 162	606 488	601 106	61 450	366 994	347 943	19 051	5%	601 106
Internal audit		550	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		197 351	179 869	184 398	1 326	48 898	74 490	(25 592)	-34%	184 398
Community and social services		23 288	14 918	19 258	501	4 711	4 645	66	1%	19 258
Sport and recreation		1 073	1 242	1 242	1	101	335	(233)	-70%	1 242
Public safety		162 526	147 892	147 892	280	39 595	62 335	(22 739)	-36%	147 892
Housing		10 464	15 817	16 006	543	4 490	7 175	(2 685)	-37%	16 006
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		105 522	113 925	114 891	7 148	39 927	5 170	34 757	672%	114 891
Planning and development		94 388	106 375	107 607	6 100	33 606	4 999	28 607	572%	107 607
Road transport		10 012	6 826	6 559	1 045	6 211	93	6 118	6588%	6 559
Environmental protection		1 121	725	725	4	110	78	32	41%	725
<i>Trading services</i>		1 314 143	1 487 296	1 496 144	146 761	761 323	594 162	167 161	28%	1 496 144
Energy sources		858 023	979 174	1 017 968	85 657	495 381	378 981	116 401	31%	1 017 968
Water management		174 310	196 564	209 137	18 825	85 950	93 112	(7 162)	-8%	209 137
Waste water management		151 046	160 222	136 276	23 089	96 504	64 379	32 124	50%	136 276
Waste management		130 764	151 336	132 763	19 190	83 488	57 690	25 798	45%	132 763
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	2 202 352	2 388 783	2 397 744	216 720	1 217 514	1 022 264	195 250	19%	2 397 744
Expenditure - Functional										
<i>Governance and administration</i>		279 354	362 614	362 805	7 593	92 126	147 794	(55 668)	-38%	362 805
Executive and council		39 253	42 363	42 613	461	7 434	19 359	(11 926)	-62%	42 613
Finance and administration		226 666	314 447	314 388	7 111	82 997	125 961	(42 965)	-34%	314 388
Internal audit		13 434	5 804	5 804	21	1 696	2 474	(778)	-31%	5 804
<i>Community and public safety</i>		482 675	433 048	432 221	6 589	113 107	155 916	(42 808)	-27%	432 221
Community and social services		43 151	52 702	52 702	508	14 560	23 586	(9 026)	-38%	52 702
Sport and recreation		55 283	81 085	80 205	354	15 276	34 588	(19 313)	-56%	80 205
Public safety		345 733	268 165	268 218	3 784	72 769	84 801	(12 032)	-14%	268 218
Housing		38 508	31 096	31 096	1 944	10 502	12 940	(2 438)	-19%	31 096
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		156 428	220 371	220 548	3 401	47 427	99 580	(52 153)	-52%	220 548
Planning and development		74 847	98 596	98 446	1 403	22 647	45 089	(22 442)	-50%	98 446
Road transport		65 219	103 690	103 190	1 510	20 190	47 473	(27 283)	-57%	103 190
Environmental protection		16 362	18 085	18 912	488	4 590	7 018	(2 429)	-35%	18 912
<i>Trading services</i>		1 035 174	1 242 315	1 244 048	73 366	484 962	491 643	(6 681)	-1%	1 244 048
Energy sources		649 872	768 674	768 840	46 906	325 187	305 592	19 595	6%	768 840
Water management		140 084	146 032	142 302	8 693	48 539	52 210	(3 671)	-7%	142 302
Waste water management		171 976	176 993	182 558	15 911	68 442	83 441	(14 999)	-18%	182 558
Waste management		73 241	150 616	150 349	1 855	42 794	50 399	(7 605)	-15%	150 349
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	1 953 631	2 258 349	2 259 623	90 949	737 623	894 933	(157 310)	-18%	2 259 623
Surplus/ (Deficit) for the year		248 721	130 434	138 121	125 771	479 891	127 331	352 560	277%	138 121

Table C2: Monthly Budget Statement – Financial Performance, reflects the operating revenue and operating expenditure in the standard classifications which are the Government Finance Statistics Functions and Sub-functions. The main functions are Governance and Administration; Community and public safety; Economic and environmental services; and Trading services.

Table C3: Monthly Budget Statement – Financial Performance (revenue & expenditure by municipal vote)

WC024 Stellenbosch - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Q2 Second Quarter

Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		550	-	-	-	-	-	-	-	-
Vote 2 - PLANNING AND DEVELOPMENT SERVICES		20 629	26 357	26 547	1 011	9 223	11 779	(2 556)	-21,7%	26 547
Vote 3 - INFRASTRUCTURE SERVICES		1 406 076	1 589 956	1 599 770	153 437	796 408	594 651	201 757	33,9%	1 599 770
Vote 4 - COMMUNITY AND PROTECTION SERVICES		190 311	164 777	169 116	786	44 518	67 392	(22 875)	-33,9%	169 116
Vote 5 - CORPORATE SERVICES		11 557	10 179	10 219	606	3 970	3 866	103	2,7%	10 219
Vote 6 - FINANCIAL SERVICES		573 229	597 514	592 091	60 879	363 396	344 576	18 820	5,5%	592 091
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	2 202 352	2 388 783	2 397 744	216 720	1 217 514	1 022 264	195 250	19,1%	2 397 744
Expenditure by Vote	1									
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		25 844	17 841	17 841	54	5 043	7 516	(2 473)	-32,9%	17 841
Vote 2 - PLANNING AND DEVELOPMENT SERVICES		78 814	93 403	93 403	3 146	28 778	42 315	(13 538)	-32,0%	93 403
Vote 3 - INFRASTRUCTURE SERVICES		1 160 770	1 366 656	1 367 889	74 889	515 869	547 967	(32 098)	-5,9%	1 367 889
Vote 4 - COMMUNITY AND PROTECTION SERVICES		429 596	422 903	422 903	5 123	95 826	154 804	(58 978)	-38,1%	422 903
Vote 5 - CORPORATE SERVICES		165 702	234 757	234 397	2 317	51 693	86 125	(34 433)	-40,0%	234 397
Vote 6 - FINANCIAL SERVICES		92 906	122 789	122 789	5 243	40 133	56 106	(15 973)	-28,5%	122 789
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	1 953 631	2 258 349	2 259 223	90 772	737 341	894 833	(157 492)	-17,6%	2 259 223
Surplus/ (Deficit) for the year	2	248 721	130 434	138 521	125 948	480 173	127 431	352 742	276,8%	138 521

Table C3: Monthly Budget Statement – Financial Performance, reflects the operating revenue and operating expenditure by municipal vote. The municipal directorates are Municipal Manager; Planning Development; Infrastructure Services; Community and Protection Services; Corporate Services; and Financial Services. The operating expenditure budget is approved by Council on the municipal vote level.

Table C4: Monthly Budget Statement – Financial Performance (revenue & expenditure)

WC024 Stellenbosch - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q2 Second Quarter

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue		1 287 586	1 435 565	1 435 565	120 643	726 514	573 918	152 596	27%	1 435 565
Service charges - Electricity		779 984	913 669	913 669	68 183	451 885	335 279	116 606	35%	913 669
Service charges - Water		162 138	185 622	185 622	17 453	77 293	84 150	(6 856)	-8%	185 622
Service charges - Waste Water Management		106 739	108 647	108 647	9 240	58 589	54 594	3 996	7%	108 647
Service charges - Waste management		89 837	107 654	107 654	7 289	52 511	49 828	2 683	5%	107 654
Sale of Goods and Rendering of Services		21 698	22 190	22 190	1 073	10 535	9 768	767	8%	22 190
Agency services		3 438	3 358	3 358	38	1 572	1 474	98	7%	3 358
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		16 467	15 413	15 413	1 780	10 329	6 845	3 484	51%	15 413
Interest earned from Current and Non Current Assets		42 250	41 193	41 193	4 712	28 744	20 596	8 148	40%	41 193
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		12 373	10 604	10 604	644	4 303	4 540	(237)	-5%	10 604
Licence and permits		8 408	7 872	7 872	266	3 747	3 884	(136)	-4%	7 872
Operational Revenue		44 254	19 346	19 346	9 966	27 004	2 961	24 044	812%	19 346
Non-Exchange Revenue		814 431	849 362	849 136	90 459	454 380	442 402	11 978	3%	849 136
Property rates		452 019	473 589	473 589	34 518	278 539	284 831	(6 292)	-2%	473 589
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		146 658	131 570	131 570	27	32 437	54 763	(22 327)	-41%	131 570
Licence and permits		-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational		211 107	240 911	240 684	55 571	141 320	101 213	40 106	40%	240 684
Interest		3 418	3 293	3 293	343	2 082	1 594	488	31%	3 293
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		1 084	-	-	-	-	-	-	-	-
Other Gains		145	-	-	-	3	-	3	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		2 102 017	2 284 927	2 284 701	211 102	1 180 894	1 016 320	164 574	16%	2 284 701
Expenditure By Type										
Employee related costs		542 779	617 694	618 622	0	141 273	311 618	(170 345)	-55%	618 622
Remuneration of councillors		22 765	22 097	22 097	-	3 538	11 048	(7 510)	-68%	22 097
Bulk purchases - electricity		521 012	636 393	636 393	41 956	281 960	252 243	29 717	12%	636 393
Inventory consumed		87 162	100 449	98 166	1 304	33 208	27 062	6 146	23%	98 166
Debt impairment		75 205	16 684	16 684	-	-	-	-	-	16 684
Depreciation and amortisation		233 295	220 283	220 283	-	82 656	108 963	(26 307)	-24%	220 283
Interest		59 928	59 688	59 688	25 147	25 147	29 844	(4 697)	-16%	59 688
Contracted services		228 438	288 868	290 895	14 630	92 918	83 322	9 596	12%	290 895
Transfers and subsidies		17 758	20 636	19 799	389	10 936	9 685	1 251	13%	19 799
Irrecoverable debts written off		91 946	94 958	94 958	3	31	355	(325)	-91%	94 958
Operational costs		71 085	180 599	182 037	7 520	65 956	60 793	5 164	8%	182 037
Losses on Disposal of Assets		1 723	-	-	-	-	-	-	-	-
Other Losses		534	-	-	-	-	-	-	-	-
Total Expenditure		1 953 631	2 258 349	2 259 623	90 949	737 623	894 933	(157 310)	-18%	2 259 623
Surplus/(Deficit)		148 386	26 578	25 078	120 153	443 271	121 387	321 885	0	25 078
Transfers and subsidies - capital (monetary allocations)		100 312	103 856	113 042	5 618	36 620	5 944	30 676	0	113 042
Transfers and subsidies - capital (in-kind)		23	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		248 721	130 434	138 121	125 771	479 891	127 331			138 121
Income Tax		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		248 721	130 434	138 121	125 771	479 891	127 331			138 121
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		248 721	130 434	138 121	125 771	479 891	127 331			138 121
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany /Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		248 721	130 434	138 121	125 771	479 891	127 331			138 121

Table C5: Monthly Budget Statement – Capital Expenditure

WC024 Stellenbosch - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Q2 Second Quarter

Vote Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		39	40	40	6	37	38	(1)	-2%	40
Vote 2 - PLANNING AND DEVELOPMENT SERVICES		11 214	7 824	8 013	5	907	1 914	(1 007)	-53%	8 013
Vote 3 - INFRASTRUCTURE SERVICES		263 370	432 123	468 453	41 112	113 501	189 550	(76 049)	-40%	468 453
Vote 4 - COMMUNITY AND PROTECTION SERVICES		13 868	20 492	28 400	625	3 916	8 717	(4 801)	-55%	28 400
Vote 5 - CORPORATE SERVICES		30 209	30 201	35 101	44	6 497	10 855	(4 358)	-40%	35 101
Vote 6 - FINANCIAL SERVICES		571	250	1 419	-	4	1 262	(1 258)	-100%	1 419
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4.7	319 271	490 930	541 426	41 792	124 863	212 337	(87 474)	-41%	541 426
Single Year expenditure appropriation	2									
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 2 - PLANNING AND DEVELOPMENT SERVICES		524	1 220	1 233	16	37	110	(73)	-66%	1 233
Vote 3 - INFRASTRUCTURE SERVICES		-	4 300	4 300	259	(171)	2 055	(2 226)	-108%	4 300
Vote 4 - COMMUNITY AND PROTECTION SERVICES		1 625	4 150	9 907	235	546	3 020	(2 474)	-82%	9 907
Vote 5 - CORPORATE SERVICES		569	3 700	4 633	-	970	2 069	(1 099)	-53%	4 633
Vote 6 - FINANCIAL SERVICES		-	500	500	-	-	-	-	-	500
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	2 718	13 870	20 573	509	1 382	7 254	(5 872)	-81%	20 573
Total Capital Expenditure	3	321 989	504 800	561 998	42 301	126 245	219 591	(93 346)	-43%	561 998
Capital Expenditure - Functional Classification										
Governance and administration		31 388	34 691	41 692	50	7 509	14 225	(6 716)	-47%	41 692
Executive and council		39	40	40	6	37	38	(1)	-2%	40
Finance and administration		31 348	34 651	41 652	44	7 472	14 186	(6 715)	-47%	41 652
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		15 395	28 606	42 123	654	4 534	11 425	(6 891)	-60%	42 123
Community and social services		2 323	7 285	13 446	15	2 193	389	1 805	464%	13 446
Sport and recreation		4 620	6 461	10 070	627	1 414	6 510	(5 096)	-78%	10 070
Public safety		1 638	6 966	10 523	-	290	3 032	(2 742)	-90%	10 523
Housing		6 815	7 894	8 083	12	637	1 494	(858)	-57%	8 083
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		78 737	95 480	109 632	7 858	18 162	29 101	(10 939)	-38%	109 632
Planning and development		13 953	19 800	23 045	1 554	5 249	7 890	(2 641)	-33%	23 045
Road transport		58 013	73 080	83 649	6 092	12 356	20 292	(7 936)	-39%	83 649
Environmental protection		6 772	2 600	2 938	211	558	919	(361)	-39%	2 938
Trading services		196 469	346 023	368 551	33 740	96 040	164 840	(68 800)	-42%	368 551
Energy sources		73 934	113 188	119 582	12 100	35 554	51 217	(15 663)	-31%	119 582
Water management		73 907	117 150	122 873	9 000	28 731	53 409	(24 677)	-46%	122 873
Waste water management		40 101	53 140	56 230	1 861	5 795	7 520	(1 725)	-23%	56 230
Waste management		8 527	62 545	69 865	10 779	25 959	52 694	(26 735)	-51%	69 865
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	321 989	504 800	561 998	42 301	126 245	219 591	(93 346)	-43%	561 998
Funded by:										
National Government		91 031	79 190	76 440	7 155	34 836	40 998	(6 162)	-15%	76 440
Provincial Government		8 543	24 666	36 603	1 537	4 816	6 829	(2 013)	-29%	36 603
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		17 178	24 118	27 846	1 043	3 565	7 286	(3 721)	-51%	27 846
Transfers recognised - capital		116 751	127 974	140 888	9 735	43 217	55 114	(11 896)	-22%	140 888
Borrowing	6	84 534	200 000	210 901	24 307	50 671	105 621	(54 950)	-52%	210 901
Internally generated funds		120 704	176 826	210 209	8 259	32 357	58 856	(26 499)	-45%	210 209
Total Capital Funding	7	321 989	504 800	561 998	42 301	126 245	219 591	(93 346)	-43%	561 998

Table C5: Monthly Budget Statement – Capital Expenditure consists of three sections:
Appropriations by vote; Standard classification and funding portion.

Table C6: Monthly Budget Statement – Financial Position

WC024 Stellenbosch - Table C6 Monthly Budget Statement - Financial Position - Q2 Second Quarter

Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD Actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		580 301	428 557	512 093	901 865	512 093
Trade and other receivables from exchange transactions		248 213	219 378	258 423	290 194	258 423
Receivables from non-exchange transactions		46 437	113 233	76 034	91 436	76 034
Current portion of non-current receivables		-	-	-	-	-
Inventory		36 031	28 822	34 744	46 138	34 744
VAT		12 014	17 358	11 767	87 595	11 767
Other current assets		5 961	5 349	5 961	2 465	5 961
Total current assets		928 958	812 698	899 023	1 419 694	899 023
Non current assets						
Investments		-	-	-	-	-
Investment property		425 076	418 091	427 036	427 175	427 036
Property, plant and equipment		5 634 040	6 004 827	5 968 716	5 673 987	5 968 716
Biological assets		5 143	5 643	5 493	5 181	5 493
Living and non-living resources		-	-	-	-	-
Heritage assets		1 313	3 537	1 313	1 313	1 313
Intangible assets		6 099	4 514	4 705	6 068	4 705
Trade and other receivables from exchange transactions		4 582	6 649	4 582	4 582	4 582
Non-current receivables from non-exchange transactions		17	72	17	17	17
Other non-current assets		-	-	-	-	-
Total non current assets		6 076 270	6 443 332	6 411 862	6 118 322	6 411 862
TOTAL ASSETS		7 005 228	7 256 030	7 310 885	7 538 015	7 310 885
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Financial liabilities		55 047	63 043	62 457	28 153	62 457
Consumer deposits		23 689	22 755	23 689	24 214	23 689
Trade and other payables from exchange transactions		323 552	278 475	309 774	240 947	309 774
Trade and other payables from non-exchange transactions		28 945	6 113	21 579	61 610	21 579
Provision		58 284	74 461	61 116	54 203	61 116
VAT		-	3 472	3 542	117 726	3 542
Other current liabilities		-	-	-	-	-
Total current liabilities		489 517	448 318	482 155	526 853	482 155
Non current liabilities						
Financial liabilities		447 598	655 062	584 555	447 601	584 555
Provision		120 238	204 748	133 789	120 238	133 789
Long term portion of trade payables		-	-	-	-	-
Other non-current liabilities		166 384	199 852	186 179	166 384	186 179
Total non current liabilities		734 220	1 059 662	904 523	734 223	904 523
TOTAL LIABILITIES		1 223 736	1 507 980	1 386 679	1 261 076	1 386 679
NET ASSETS	2	5 781 491	5 748 050	5 924 206	6 276 940	5 924 206
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		5 622 922	5 561 338	5 604 704	5 980 036	5 604 704
Reserves and funds		171 887	186 712	319 502	171 887	319 502
Other		-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	5 794 809	5 748 050	5 924 206	6 151 923	5 924 206

Table C7: Monthly Budget Statement – Cash Flow

WC024 Stellenbosch - Table C7 Monthly Budget Statement - Cash Flow - Q2 Second Quarter

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		1 249 264	481 350	481 350	158 919	798 847	274 971	523 876	191%	481 350
Service charges		920 983	1 479 263	1 489 909	71 509	569 638	593 314	(23 675)	-4%	1 489 909
Other revenue		43 508	146 227	158 943	4 677	35 696	53 505	(17 810)	-33%	158 943
Transfers and Subsidies - Operational		1 235	240 911	240 644	0	2	114 141	(114 138)	-100%	240 644
Transfers and Subsidies - Capital		52	103 856	101 106	-	-	50 553	(50 553)	-100%	101 106
Interest		5 423	41 193	41 193	583	4 744	20 596	(15 852)	-77%	41 193
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		341 567	(2 000 844)	(2 021 650)	(74 029)	(518 591)	(811 264)	(292 673)	36%	(107 046)
Interest		-	(42 802)	(42 802)	-	-	(21 401)	(21 401)	100%	(42 802)
Transfers and Subsidies		(4 786)	(20 636)	(20 636)	-	-	(10 318)	(10 318)	100%	(20 636)
NET CASH FROM/(USED) OPERATING ACTIVITIES		2 557 246	428 518	428 057	161 659	890 337	264 097	(626 240)	-237%	2 342 661
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	-		-
Decrease (increase) in non-current receivables		(2 122)	-	-	-	-	-	-		-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-		-
Payments										
Capital assets		(297 952)	(576 970)	(642 535)	(48 441)	(173 221)	252 586	425 807	169%	642 535
NET CASH FROM/(USED) INVESTING ACTIVITIES		(300 074)	(576 970)	(642 535)	(48 441)	(173 221)	252 586	425 807	169%	642 535
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	200 000	200 000	-	-	-	-		200 000
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-		-
Payments										
Repayment of borrowing		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	200 000	200 000	-	-	-	-		200 000
NET INCREASE/ (DECREASE) IN CASH HELD		2 257 173	51 548	(14 478)	113 219	717 116	516 683			3 185 196
Cash/cash equivalents at beginning:		443 400	432 641	582 203		878 253	582 203			878 253
Cash/cash equivalents at month/year end:		2 700 573	484 189	567 725		1 595 370	1 098 887			4 063 449

Investments and Borrowings

Supporting Table SC5: Monthly Budget Statement – Investment Portfolio

WC024 Stellenbosch - Supporting Table SC5 Monthly Budget Statement - investment portfolio - Q2 Second Quarter

Investments by maturity Name of institution & investment ID	Ref	Period of	Type of	Capital	Variable or	Interest	Commission	Commission	Expiry date	Opening	Interest to	Partial /	Investment	Closing
		Investment	Investment	Guarantee	Fixed	Rate *	Paid (Rands)	Recipient	of	balance	be realised	Premature	Top Up	Balance
R thousands		Yrs/Months		(Yes/ No)	interest rate				investment			Withdrawal		
												(4)		
Municipality														
A#9415		CALL ACCO	Deposits - B	No	Yes	8,40%	No	No	12/10/2024	101 433	694	(30 000)	-	72 127
N#028		1Y	Deposits - B	No	Yes	9,05%	No	No	13/10/2023	0	-		-	0
N#030		1Y	Deposits - B	No	Yes	9,54%	No	No	15/03/2024	106 796	810		-	107 606
A#3316		4M	Deposits - Bank	(03)	Yes	8,55%	No	No	16/07/2023	(0)	-		-	(0)
A#0741		3M	Deposits - Bank	(03)	Yes	8,55%	No	No	19/07/2023	0	-		-	0
N#031		1Y	Deposits - Bank	(03)	Yes	10,30%	No	No	11/07/2024	109 738	923		-	110 661
A#1722		6M	Deposits - Bank	(03)	Yes	9,78%	No	No	11/12/2023	98 140	785		-	98 925
F#5420		3M	Deposits - Bank	(03)	Yes	9,00%	No	No	17/01/2024	121 272	917		-	122 190
-		-								-	-		-	-
-		-								-	-		-	-
Municipality sub-total										537 379	4 129		-	511 508
TOTAL INVESTMENTS AND INTEREST	2									537 379	4 129		-	511 508

Supporting Table SC6: Monthly Budget Statement – Transfers and grant receipts

WC024 Stellenbosch - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Q2 Second Quarter

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands										
RECEIPTS:										
Operating Transfers and Grants										
National Government:		186 112	207 177	206 910	57 384	88 584	2 538	86 046	3390,0%	6 069
Operational Revenue:General Revenue:Equitable Share		179 634	200 841	200 841	57 384	83 684	-	83 684		-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		4 928	4 786	4 519	-	3 350	2 259	1 091	48,3%	4 519
Local Government Financial Management Grant [Schedule 5B]		1 550	1 550	1 550	-	1 550	279	1 271	456,1%	1 550
Integrated Urban Development Grant		3 287	2 971	2 971	-	-	1 485	(1 485)	-100,0%	2 971
Provincial Government:		29 994	30 763	30 763	38	7 784	15 240	(7 456)	-48,9%	30 763
Library Services: Conditional Grant		14 112	11 252	11 252	-	7 502	5 626	1 876	33,3%	11 252
Municipal Accreditation and Capacity Building Grant		256	245	245	-	-	-	-		245
Specify (Add grant description)		6 954	-	-	-	-	-	-		-
Title Deeds Restoration Grant		-	1 503	1 503	-	-	752	(752)	-100,0%	1 503
Maintenance and Construction of Transport Infrastructure		495	345	345	-	-	173	(173)	-100,0%	345
Community Development Workers Operational Support Grant		38	38	38	38	38	-	38		38
Western Cape Municipal Energy Resilience Grant (WC MER Grant)		1 184	-	-	-	244	-	244		-
HUMAN SETTLEMENTS DEVELOPMENT GRANT		6 954	17 380	17 380	-	-	8 690	(8 690)	-100,0%	17 380
District Municipality:		615	-	-	-	-	-	-		-
Cape Winelands District Grant		500	-	-	-	-	-	-		-
Cape winelands community safety		115	-	-	-	-	-	-		-
Other grant providers:		2 365	-	-	-	564	-	564		-
Private Enterprises		2 365	-	-	-	564	-	564		-
Total Operating Transfers and Grants	5	219 086	237 940	237 673	57 422	96 932	17 778	79 154	445,2%	36 832
Capital Transfers and Grants										
National Government:		90 810	79 190	76 440	12 000	51 350	38 220	13 130	34,4%	76 440
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		28 350	22 750	20 000	-	15 350	10 000	5 350	53,5%	20 000
Integrated Urban Development Grant		62 460	56 440	56 440	12 000	36 000	28 220	7 780	27,6%	56 440
Provincial Government:		10 895	24 666	24 666	1 000	1 000	12 333	(11 333)	-91,9%	24 666
EMERGENCY MUNICIPAL LOAD SHEDDING RELIEF GRANT		6 175	-	-	-	-	-	-		-
HUMAN SETTLEMENTS DEVELOPMENT GRANT		-	5 033	5 033	-	-	2 516	(2 516)	-100,0%	5 033
Development of Sport and Recreational Facilities		220	-	-	-	-	-	-		-
Informal Settlements Upgrading Partnership Grant: Provinces (Beneficiaries)		4 500	18 633	18 633	-	-	9 317	(9 317)	-100,0%	18 633
RSEP/ VPUU		-	1 000	1 000	1 000	1 000	500	500	100,0%	1 000
District Municipality:		-	-	-	-	-	-	-		-
Specify (Add grant description)		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
Departmental Agencies and Accounts		-	-	-	-	-	-	-		-
Foreign Government and International Organisations		-	-	-	-	-	-	-		-
Households		-	-	-	-	-	-	-		-
Non-Profit Institutions		-	-	-	-	-	-	-		-
Private Enterprises		-	-	-	-	-	-	-		-
Public Corporations		-	-	-	-	-	-	-		-
Higher Educational Institutions		-	-	-	-	-	-	-		-
Parent Municipality / Entity		-	-	-	-	-	-	-		-
Transfer from Operational Revenue		-	-	-	-	-	-	-		-
Total Capital Transfers and Grants	5	101 704	103 856	101 106	13 000	52 350	50 553	1 797	3,6%	101 106
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	320 791	341 796	338 779	70 422	149 282	68 331	80 951	118,5%	137 938

Supporting Table SC7 (1) Monthly Budget Statement – transfers and grant expenditure

WC024 Stellenbosch - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - Q2 Second Quarter

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		188 219	210 148	209 881	8 269	49 868	2 570	47 298	1840,7%	(9 039)
Operational Revenue:General Revenue:Equitable Share		179 634	200 841	200 841	8 269	49 173	–	49 173		–
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		3 748	4 786	4 519	–	609	2 291	(1 682)	-73,4%	(4 519)
Local Government Financial Management Grant [Schedule 5B]		1 550	1 550	1 550	–	85	279	(193)	-69,4%	(1 550)
Integrated Urban Development Grant		3 287	2 971	2 971	–	–	–	–		(2 971)
Provincial Government:		20 424	30 763	30 763	–	1 072	3 767	(2 694)	-71,5%	(30 804)
Library Services: Conditional Grant		10 628	11 252	11 252	–	1 053	3 639	(2 586)	-71,1%	(11 252)
Municipal Accreditation and Capacity Building Grant		256	245	245	–	19	118	(99)	-83,9%	(245)
Title Deeds Restoration Grant		6 954	–	–	–	–	–	–		(1 503)
Maintenance and Construction of Transport Infrastructure		495	345	345	–	–	–	–		(345)
Financial Management Capability Building Grant		319	–	–	–	–	–	–		(41)
Community Development Workers Operational Support Grant		38	38	38	–	–	9	(9)	-100,0%	(38)
Financial Management Support Building Grant		550	–	–	–	–	–	–		–
Western Cape Municipal Energy Resilience Grant (WC MER Grant)		1 184	–	–	–	–	–	–		–
HUMAN SETTLEMENTS DEVELOPMENT GRANT		–	17 380	17 380	–	–	–	–		(17 380)
District Municipality:		599	–	–	–	–	–	–	–	–
Cape Winelands District Grant		484	–	–	–	–	–	–		–
Cape winelands community safety		115	–	–	–	–	–	–		–
Other grant providers:		103	–	–	10	36	–	36	–	–
Private Enterprises		103	–	–	10	36	–	36		–
Public Corporations		–	–	–	–	–	–	–		–
Higher Educational Institutions		–	–	–	–	–	–	–		–
Parent Municipality / Entity		–	–	–	–	–	–	–		–
Total operating expenditure of Transfers and Grants:		209 346	240 911	240 644	8 279	50 976	6 336	44 640	704,5%	(39 843)
Capital expenditure of Transfers and Grants										
National Government:		91 162	79 190	76 440	7 155	34 836	3 428	31 409	916,4%	(76 440)
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		28 702	22 750	20 000	–	7 186	3 428	3 758	109,7%	(20 000)
Integrated Urban Development Grant		62 460	56 440	56 440	7 155	27 650	–	27 650		(56 440)
Provincial Government:		7 650	24 666	25 899	1 537	1 743	(2 516)	4 259	-169,2%	(36 603)
Specify (Add grant description)		–	–	–	–	–	–	–		–
Library Services: Conditional Grant		69	–	–	–	–	–	–		(4 339)
HUMAN SETTLEMENTS DEVELOPMENT GRANT		1 576	5 033	5 033	–	618	(2 516)	3 134	-124,5%	(5 223)
Development of Sport and Recreational Facilities		220	–	–	–	–	–	–		–
Informal Settlements Upgrading Partnership Grant: Provinces (Beneficiaries)		4 786	18 633	19 866	1 537	846	–	846		(19 866)
EMERGENCY MUNICIPAL LOAD SHEDDING RELIEF GRANT		–	–	–	–	–	–	–		(6 175)
Specify (Add grant description)		–	–	–	–	–	–	–		–
RSEP/ VPUU		1 000	1 000	1 000	–	278	–	278		(1 000)
District Municipality:		–	–	–	–	–	–	–	–	–
Specify (Add grant description)		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–	–	–
Departmental Agencies and Accounts		–	–	–	–	–	–	–		–
Foreign Government and International Organisations		–	–	–	–	–	–	–		–
Households		–	–	–	–	–	–	–		–
Non-Profit Institutions		–	–	–	–	–	–	–		–
Private Enterprises		–	–	–	–	–	–	–		–
Public Corporations		–	–	–	–	–	–	–		–
Higher Educational Institutions		–	–	–	–	–	–	–		–
Parent Municipality / Entity		–	–	–	–	–	–	–		–
Transfer from Operational Revenue		–	–	–	–	–	–	–		–
Total capital expenditure of Transfers and Grants		98 812	103 856	102 338	8 692	36 579	911	35 668	3915,0%	(113 042)
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		308 158	344 766	342 982	16 972	87 555	7 247	80 307	1108,1%	(152 886)

Supporting Table SC7 (2) Monthly Budget Statement – expenditure against approved roll-overs

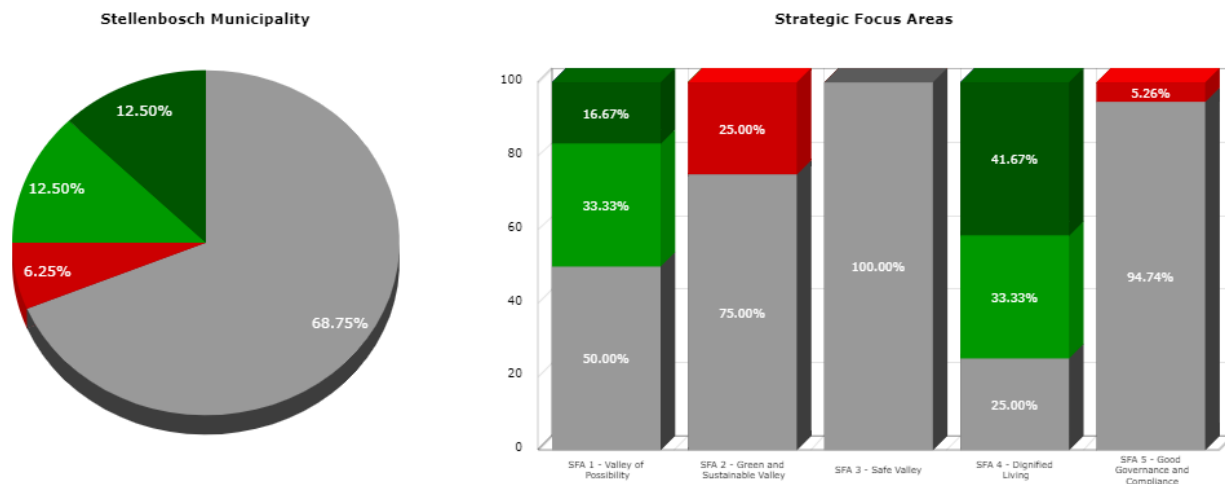
WC024 Stellenbosch - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - Q2 Second Quarter

Description	Ref	Budget Year 2023/24				
		Approved Rollover 2022/23	Monthly Actual	YearTD Actual	YTD Variance	YTD Variance %
R thousands						
EXPENDITURE						
Operating expenditure of Approved Roll-overs						
National Government:		-	-	-	-	
Operational Revenue:General Revenue:Equitable Share			-	-	-	
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]			-	-	-	
Provincial Government:		41	-	-	(41)	-100,0%
Financial Management Capacity Building Grant		41	-	-	(41)	-100,0%
District Municipality:		500	-	-	(500)	-100,0%
Cape Winelands District Grant		500	-	-	(500)	-100,0%
Other grant providers:		-	-	-	-	
Departmental Agencies and Accounts			-	-	-	
Foreign Government and International Organisations			-	-	-	
Households			-	-	-	
Non-profit Institutions			-	-	-	
Private Enterprises			-	-	-	
Public Corporations			-	-	-	
Higher Educational Institutions			-	-	-	
Parent Municipality / Entity			-	-	-	
Total operating expenditure of Approved Roll-overs		541	-	-	(541)	-100,0%
Capital expenditure of Approved Roll-overs						
National Government:		-	-	-	-	
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]			-	-	-	
Integrated Urban Development Grant			-	-	-	
Provincial Government:		11 937	-	-	(11 937)	-100,0%
EMERGENCY MUNICIPAL LOAD SHEDDING RELIEF GRANT		6 175	-	-	(6 175)	-100,0%
Informal Settlements Upgrading Partnership Grant: Provinces (Beneficiaries)		1 233	-	-	(1 233)	-100,0%
Library Services: Conditional Grant		4 339	-	-	(4 339)	-100,0%
HUMAN SETTLEMENTS DEVELOPMENT GRANT		190	-	-	(190)	-100,0%
District Municipality:		-	-	-	-	
Specify (Add grant description)			-	-	-	
Other grant providers:		-	-	-	-	
Departmental Agencies and Accounts			-	-	-	
Foreign Government and International Organisations			-	-	-	
Households			-	-	-	
Non-Profit Institutions			-	-	-	
Private Enterprises			-	-	-	
Public Corporations			-	-	-	
Higher Educational Institutions			-	-	-	
Parent Municipality / Entity			-	-	-	
Transfer from Operational Revenue			-	-	-	
Total capital expenditure of Approved Roll-overs		11 937	-	-	(11 937)	-100,0%
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS		12 478	-	-	(12 478)	-100,0%

12. QUARTERLY PERFORMANCE ASSESSMENT REPORT 2023/24, Q2 (01 October – 31 December 2023)

12.1 OVERALL PERFORMANCE OF THE MUNICIPALITY

(a) Dashboard summary per Municipal Strategic Focus Area (SFA) for the 2nd Quarter (01 October – 31 December 2023) of the 2023/24 financial year.



Stellenbosch Municipality		Municipal Strategic Focus Areas (SFAs)				
		SFA 1 - Valley of Possibility	SFA 2 - Green and Sustainable Valley	SFA 3 - Safe Valley	SFA 4 - Dignified Living	SFA 5 - Good Governance and Compliance
KPI Not Yet Measured	33 (68.75%)	3 (50%)	6 (75%)	3 (100%)	3 (25%)	18 (94.74%)
KPI Not Met	3 (6.25%)	-	2 (25.00%)	-	-	1 (5.26%)
KPI Almost Met	-	-	-	-	-	-
KPI Met	6 (12.50%)	2 (33.33%)	-	-	4 (33.33%)	-
KPI Well Met	6 (12.50%)	1 (16.67%)	-	-	5 (41.67%)	-
KPI Extremely Well Met	-	-	-	-	-	-
Total:	48	6	8	3	12	19
	100%	12.50%	16.67%	6.25%	25%	39.58%

Table: 1 Overall performance for Quarter 1 per SFA- 01 October – 31 December 2023

13. ACTUAL PERFORMANCE AND CORRECTIVE MEASURES TO BE IMPLEMENTED

13.1 SFA 1 - Valley of Possibility

SFA 1 - Valley of Possibility										
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 October – 31 December 2023				
						Target	Actual	R	Performance Comment	Corrective Measures
TL52	KPI061	Submission of the revised Economic Development Strategy to the MayCo	Number of revised Economic Development Strategies submitted to the MayCo by 31 May	1	1	0	0	N/A		
TL53	KPI003	The number of jobs created through the municipality's local economic development initiatives including capital projects (NKPI Proxy - MSA, Reg. S10(d))	Number of job opportunities created through the municipality's local economic development initiatives including capital projects by 30 June	1 100	1 100	660	857	G2		
TL54	KPI004	Submission of Land-use applications to the Municipal Planning Tribunal (MPT) within 120 days from the conclusion of the administrative processing of the application	Percentage of Land-use applications submitted to the MPT within 120 days from the conclusion of the administrative processing of the application	75%	75%	75%	75%	G	No MPT meetings were required to be held in quarter 2 (October - December 2023) because no land use applications were needed to serve at the MPT during this period. Therefore, a result of 75% is being reported to cancel out the target of 75%.	
TL55	KPI005	Provide training opportunities to entrepreneurs and Small, Medium and Micro Enterprises (SMMEs)	Number of quarterly training opportunities provided to entrepreneurs and SMMEs	4	4	1	1	G		
TL56	KPI006	Submission of the revised Spatial Development Framework (SDF) to the Council	Number of revised SDFs submitted to the Council by 30 June	1	1	0	0	N/A		
TL57	KPI007	Submission of the revised Housing Pipeline (document) to the MayCo	Number of revised Housing Pipelines (document) submitted to the MayCo by 31 May	1	1	0	0	N/A		

Summary of Results: SFA 1 - Valley of Possibility

KPI Not Yet Measured	3
KPI Not Met	0
KPI Almost Met	0
KPI Met	2
KPI Well Met	1
KPI Extremely Well Met	0
Total KPIs	6

13.2 SFA 2 - Green and Sustainable Valley

SFA 2 - Green and Sustainable Valley										
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 October – 31 December 2023				
						Target	Actual	R	Performance Comment	Corrective Measures
TL60	KPI020	Conduct an external audit of the Stellenbosch Municipal Waste Disposal Facilities	Number of external audits of the Stellenbosch Municipal Waste Disposal Facilities conducted by 30 June	1	1	0	0	N/A		
TL61	KPI021	Implementation of identified waste minimisation projects	Number of identified waste minimisation projects implemented by 30 June	2	2	0	0	N/A		
TL62	KPI014	Process building plan applications of <500sqm within 30 days after the date of receipt	Percentage of building plan applications of <500sqm processed within 30 days after the date of receipt	60%	60%	60%	42.50%	R	<p>242 / 569 x 100 = 42.50%</p> <p>The implementation of the Building Plan Application Management System (BPAMS) Phase 1 upgrades scheduled for October 2023 could only be implemented as of January 2024. As a result, the upgrades did not have the desired impact on the performance in quarter 2. It is envisaged that the implementation of the Phase 1 upgrades will have a 5% increase in performance outputs in quarter 3.</p>	<p>To achieve the performance objective, additional capacity expansion within the BDM section is required. An internal revision has been made to the BDM organisational structure; in January 2024, the Municipal Manager will be presented with a proposed new organisational structure.</p> <p>The BPAMS Phase 2a upgrades had to be delayed and will be concluded and implemented at the end of March 2024. This will result in a further minimum 5% increase in performance outputs in quarter 3. BPAMS Phase 2b upgrades will then be engaged and concluded on 30 June 2024.</p> <p>A revised organisational design structure for the Building Development</p>

SFA 2 - Green and Sustainable Valley

Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 October – 31 December 2023				
						Target	Actual	R	Performance Comment	Corrective Measures
										Management Section will be submitted to the Municipal Manager for consideration in January 2024.
TL63	KP022	Wastewater quality measured ito the Department of Water and Sanitation's License Conditions for physical and micro parameters	Percentage of wastewater quality compliance as per the analysis certificate, measured quarterly	70%	70%	70%	43.33%	R	A service provider was tasked with facilitating enhanced operational efficiency, repairing malfunctioning equipment, and implementing preventive maintenance measures. Conversations with DWS on the discharge limits for both Stellenbosch and Wemmershoek WWTWs have concluded that the current technology employed at these wastewater treatment plants is incapable of meeting the required special limits. The objective is to revise restrictions to enhance overall limitations that guarantee effluent releases meet the same criteria as regular river water.	Upgrades to the Wemmershoek WWTW: Phase 2 construction tender advertised (closing date is 29 January 2024, with a 70-week construction period) Upgrades to the Klapmuts WWTW are to be started in the 2024/25 financial year (a consultant is to be appointed in January 2024).
TL65	KPI016	Reduce organic waste	Percentage of organic waste reduced by 30 June	20%	20%	0%	0%	N/A		
TL94	KPI011	Construction of a new landfill cell at Stellenbosch Landfill Facility	Number of new landfill cells constructed at the Stellenbosch Landfill Facility by 30 June	1	1	0	0	N/A		
TL95	KPI019	Submission of a Service Level Charter to the Municipal Manager	Number of Service Level Charters submitted to the Municipal Manager by 30 June	1	1	0	0	N/A		
TL96	KPI010	Upgrade the telemetry monitoring system	Number of telemetry monitoring systems upgraded by 30 June	1	1	0	0	N/A		

Summary of Results: SFA 2 - Green and Sustainable Valley

KPI Not Yet Measured	6
KPI Not Met	2
KPI Almost Met	0
KPI Met	0
KPI Well Met	0
KPI Extremely Well Met	0
Total KPIs	8

13.3 SFA 3 - Safe Valley

SFA 3 - Safe Valley										
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 October – 31 December 2023				
						Target	Actual	R	Performance Comment	Corrective Measures
TL66	KPI024	Submission of the revised Disaster Management Plan to the Municipal Manager	Number of revised Disaster Management Plans submitted to the Municipal Manager by 31 March	1	1	0	0	N/A		
TL67	KPI025	Submission of the revised Safety and Security Strategy to the Municipal Manager	Number of revised Safety and Security Strategies submitted to the Municipal Manager by 30 April	1	1	0	0	N/A		
TL68	KPI026	Submission of the revised Traffic Management Plan to the Municipal Manager	Number of revised Traffic Management Plans submitted to the Municipal Manager by 31 March	1	1	0	0	N/A		

Summary of Results: SFA 3 - Safe Valley

KPI Not Yet Measured	3
KPI Not Met	0
KPI Almost Met	0
KPI Met	0
KPI Well Met	0
KPI Extremely Well Met	0
Total KPIs	3

13.4 SFA 4 - Dignified Living

SFA 4 - Dignified Living										
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 October – 31 December 2023				
						Target	Actual	R	Performance Comment	Corrective Measures
TL70	KPI028	Provision of waterborne toilet facilities in informal settlements as identified by the Department: Integrated Human Settlements	Number of waterborne toilet facilities provided in Informal settlements as identified by the Department: Integrated Human Settlements by 30 June	20	20	0	0	N/A		
TL71	KPI032	Registered indigent formal households with access to free basic water (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent formal households with access to free basic water, measured quarterly	100%	100%	100%	100%	G	6 256 / 6 256 x 100 = 100%	
TL72	KPI029	Limit unaccounted electricity to less than 9% annually {(Number of Electricity Units Purchased and / or Generated - Number of Electricity Units Sold (incl. Free basic electricity)) / Number of Electricity Units Purchased and/or Generated} x 100}	Percentage of average electricity losses, measured by 30 June	<9%	<9%	0%	0%	N/A		
TL73	KPI030	Water quality measured quarterly into the SANS 241 physical and micro parameters	Percentage of water quality level as per the analysis certificate, measured quarterly	90%	90%	90%	95.80%	G2		

SFA 4 - Dignified Living

Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 October – 31 December 2023				
						Target	Actual	R	Performance Comment	Corrective Measures
TL74	KPI031	Limit unaccounted water to less than 25%	Percentage of average unaccounted water, measured by 30 June	<25%	<25%	0%	0%	N/A		
TL75	KPI033	Registered indigent formal households with access to free basic electricity provided by the municipality (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent formal households with access to free basic electricity provided by the municipality, measured quarterly	100%	100%	100%	100%	G	6 256 / 6 256 x 100 = 100%	
TL76	KPI034	Registered indigent formal households with access to free basic refuse removal (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent formal households with access to free basic refuse removal, measured quarterly	100%	100%	100%	100%	G	6 256 / 6 256 x 100 = 100%	
TL77	KPI035	Registered indigent formal households with access to free basic sanitation (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent formal households with access to free basic sanitation, measured quarterly	100%	100%	100%	100%	G	6 256 / 6 256 x 100 = 100%	
TL78	KPI036	Formal households with access to water (NKPI Proxy - MSA, Reg. S10(a))	Number of formal households with access to water, measured quarterly	27 000	27 000	27 000	27 191	G2		
TL79	KPI037	Formal households with access to electricity (NKPI Proxy - MSA, Reg. S10(a))	Number of formal households with access to electricity, measured quarterly	27 000	27 000	27 000	27 191	G2		
TL80	KPI038	Formal households with access to refuse removal (NKPI Proxy - MSA, Reg. S10(a))	Number of formal households with access to refuse removal, measured quarterly	27 000	27 000	27 000	27 191	G2		
TL81	KPI039	Formal households with access to sanitation (NKPI Proxy - MSA, Reg. S10(a))	Number of formal households with access to sanitation, measured quarterly	27 000	27 000	27 000	27 191	G2		

Summary of Results: SFA 4 - Dignified Living

KPI Not Yet Measured	3
KPI Not Met	0
KPI Almost Met	0
KPI Met	4
KPI Well Met	5
KPI Extremely Well Met	0
Total KPIs	12

13.5 SFA 5 - Good Governance and Compliance

SFA 5 - Good Governance and Compliance										
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 October – 31 December 2023				
						Target	Actual	R	Performance Comment	Corrective Measures
TL47	KPI059	Submission of the revised Communication Policy to the MayCo	Number of revised Communication Policies submitted to the MayCo by 31 May	1	1	0	0	N/A		
TL48	KPI044	Employment equity appointments made within the financial year in the three highest levels of management	Percentage of employment equity appointments made within the financial year in the three highest levels of management, measured by 30 June	50%	50%	0%	0%	N/A		
TL49	KPI049	Submission of the Auditor General of South Africa (AGSA) Audit Action Plan (AAP) to the APAC	Number of AGSA Audit Action Plans submitted to the APAC by 31 July	1	1	0	0	N/A		
TL50	KPI053	Submission of the draft Integrated Development Plan (IDP) to the Council	Number of draft IDPs submitted to the Council by 31 March	1	1	0	0	N/A		
TL51	KPI062	Submission of the revised Integrated Zoning Scheme to the MayCo	Number of revised Integrated Zoning Schemes submitted to the MayCo by 30 June	1	1	0	0	N/A		
TL58	KPI055	Submission of the revised Wastewater Master Plan to	Number of revised Wastewater Master Plans submitted to the	1	1	0	0	N/A		

SFA 5 - Good Governance and Compliance										
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 October – 31 December 2023				
						Target	Actual	R	Performance Comment	Corrective Measures
		the Municipal Manager	Municipal Manager by 30 June							
TL59	KPI060	Submission of the updated Comprehensive Integrated Transport Plan (CITP) to the Municipal Manager	Number of updated CITPs submitted to the Municipal Manager by 30 June	1	1	0	0	N/A		
TL82	KPI042	Financial viability measured in terms of the available cash to cover fixed operating expenditure (NKPI Proxy - MSA, Reg. S10(g)(iii))	Cost coverage as at 30 June annually [(Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation)	2	2	0	0	N/A		
TL83	KPI043	Achieve an average payment percentage of 96% by 30 June (Gross Debtors Opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off) / Billed Revenue x 100	(Gross Debtors Opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off) / Billed Revenue x 100	96%	96%	0%	0%	N/A		
TL84	KPI040	Actual expenditure of the approved Capital Budget for the municipality by 30 June (NKPI - MSA, Reg. S10(c))	Percentage of the approved Capital Budget for the municipality actually spent by 30 June	90%	90%	30%	22.46%	R	R126 244 901 / R561 998 865 x 100 = 22.46%	An extensive evaluation of performance was carried out during the mid-year adjustments budget process. As a result, projects will be rescheduled in subsequent financial years where tenders have not yet been finalised.
TL85	KPI045	The percentage of the payroll budget spent on implementing the Municipal Workplace Skills Plan (NKPI Proxy- MSA, Reg. S10(f))	Percentage of the municipality's payroll budget actually spent on implementing its Workplace Skills Plan ((Total Actual Training Expenditure / Total Annual payroll Budget) x 100), measured by 30 June	0.20%	0.20%	0%	0%	N/A		
TL86	KPI046	Financial viability measured in terms of the municipality's ability to meet its service debt	Debt coverage ratio ((Total operating revenue - operating grants received) / (Debt service payments	15%	15%	0%	0%	N/A		

SFA 5 - Good Governance and Compliance										
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 October – 31 December 2023				
						Target	Actual	R	Performance Comment	Corrective Measures
		obligations (NKPI Proxy - MSA, Reg. S10(g)(i))	due within the year)) measured by 30 June							
TL87	KPI047	Financial viability measured in terms of the outstanding service debtors (NKPI Proxy - MSA, Reg. S10(g)(iii))	Service debtors to revenue ratio - (Total outstanding service debtors / revenue received for services) measured by 30 June	27%	27%	0%	0%	N/A		
TL88	KPI054	Submission of the IDP / Budget / SDF time schedule (process plan) to the Council	Number of IDP / Budget / SDF time schedules (process plan) submitted to the Council by 31 August	1	1	0	0	N/A		
TL89	KPI051	Submission of the revised Information and Communication Technology (ICT) Backup Disaster Recovery Plan to the ICT Steering Committee	Number of revised ICT Backup Disaster Recovery Plans submitted to the ICT Steering Committee by 31 March	1	1	0	0	N/A		
TL90	KPI052	Submission of the revised Strategic ICT Plan to the ICT Steering Committee	Number of revised Strategic ICT Plans submitted to the ICT Steering Committee by 31 March	1	1	0	0	N/A		
TL91	KPI048	Submission of the revised Risk-Based Audit Plan (RBAP) to the Audit and Performance Audit Committee (APAC)	Number of revised RBAPs submitted to the APAC by 30 June	1	1	0	0	N/A		
TL92	KPI050	Submission of the revised Strategic Risk Register (SRR) to the Risk Management Committee	Number of revised SRRs submitted to the Risk Management Committee by 30 June	1	1	0	0	N/A		
TL93	KPI056	Submission of the revised Electrical Master Plan to the Council	Number of revised Electrical Master Plans submitted to the Council by 30 June	1	1	0	0	N/A		

KPI Not Yet Measured	18
KPI Not Met	1
KPI Almost Met	0
KPI Met	0
KPI Well Met	0
KPI Extremely Well Met	0
Total KPIs	19

Summary of Results: SFA 5 - Good Governance and Compliance

14. STRATEGIC PERFORMANCE CONCLUSION

- (a) Out of the 48 Key Performance Indicators (KPIs) listed on the Top layer SDBIP 2023/24, 31 were not measured during quarter 2 (01 October – 31 December 2023). 03 of the measured KPIs were not achieved, 6 were met and 6 were well met.

	KPI Not Yet Measured	33
	KPI Not Met	3
	KPI Almost Met	0
	KPI Met	6
	KPI Well Met	6
	KPI extremely well met	0
	Total KPIs	48

Summary of Results: Strategic Focus Areas 1 - 5

8.3	SECTION 72 REPORT: MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT FOR 2023/2024
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Collaborator No:

IDP KPA Ref No: Good Governance and Compliance

Meeting Date: 24 January 2024

1. SUBJECT: SECTION 72 REPORT: MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT FOR 2023/2024

2. PURPOSE

To submit the Section 72 report (Mid-year Budget and Performance Assessment Report) to Council.

3. DELEGATED AUTHORITY

FOR NOTING

In terms of Section 54 of the Municipal Finance Management Act (MFMA), 56 of 2003.

4. EXECUTIVE SUMMARY

This report provides the progress made by the Municipality in terms of the Service Delivery Budget and Implementation Plan (SDBIP) for the period 1 July 2023 to 31 December 2023.

5. RECOMMENDATIONS

After reviewing the mid-year budget and performance assessment for the period ending 31 December 2023, the following are recommended:

- (a) that Council take note of the report and more specifically the assessment and forecasts contained in the report;
- (b) that Council take note that an Adjustments Budget will be tabled to Council as a result of the following:
 - the appropriation of additional allocations received and increased realistically anticipated revenue during the financial year;
 - the reprioritization of projects in line with being completed by the communicated cut-off dates to facilitate year- end preparation;
- (c) that Council note the performance of the Municipality against the set objectives contained in Appendix 1 - Section 2; and
- (d) that the Accounting Officer attend to ensuring that Directors put the necessary corrective measures in place to ensure that projects are managed proactively in a bid to ensure that Council meet its strategic objectives contained in the Service Delivery and Budget Implementation Plan.

6. DISCUSSION / CONTENTS**6.1 Background**

In terms of the Municipal Finance Management Act (MFMA) Section 72(1) the Accounting Officer of the municipality must by 25 January each year assess:

- (a) the performance of the municipality during the first half of the financial year; taking into account the following:
 - (i) the monthly statements referred to in Section 71 for the first half of the financial year;
 - (ii) the municipality's 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;
 - (iii) the past year's annual report, and progress on resolving problems identified in the annual report; and
- (b) submit a report on such assessment to-
 - (i) the mayor of the municipality;
 - (ii) the National Treasury; and
 - (iii) the relevant Provincial Treasury

Once the Mayor has considered the section 72 report, it must be submitted to Council by the 31st of January of each year in terms of section 54 (1) (f) of the MFMA.

The statements as referred to in section 71 (1) of the MFMA for the first half of the financial year, specifically the sixth month, is incorporated into the mid-year budget and performance assessment in accordance with section 72 (2) of the MFMA.

As part of the review in terms of Section 72 (3) the Accounting Officer must:

- (a) make recommendations on whether an adjustments budget is necessary; and
- (b) recommend revised projections for revenue and expenditure to the extent that this may be necessary.

6.2 Discussion

The Financial Mid-year Performance is reported on in **APPENDIX 1** (Section 1). This report encapsulates the performance of the first six months of the financial year and places emphasis on the positive as well as the areas of concern.

The condensed comparative statement report for operating revenue and operating expenditure for the period ending 31 December 2023 can be found in the budget performance analysis of the attached report. It should however be noted that the following services included in the Operating Revenue relate to actual levied amounts against consumer accounts and not actual cash received:

- Property Rates
- Property Rates-Penalties imposed and collection charges
- Service Charges
 - Electricity
 - Refuse Removal
 - Sewerage
 - Water
- Interest earned-Outstanding Debtors

It is important to note that in the past the following services were levied for the full year and minimal movement was seen for the rest of the financial year:

- Property Rates
- Refuse Removal
- Sewerage

Due to the implementation of mSCOA all services are levied on a monthly basis and consumers must apply if they want annual levies for above services.

6.2.1 Operating Revenue

Service charges - electricity revenue

The municipality has billed R116 605 968 more electricity charges than initially anticipated. The over performance is due to a relief from prolonged load shedding outages and an increase in demand. Considering the consumption over the past 6 months of the current financial year, the actual electricity revenue billed over the past 3 financial years as well as the tariff increase of 17.61%, the current budget of R913 669 167 is deemed attainable. It is recommended that the budget not be adjusted during the Mid-year adjustment process.

Service charges - water revenue

The municipality has billed R6 856 219 less water charges than initially anticipated. The underbilling in water revenue is a result of a decrease in consumption. Considering the monthly average billing (R12 882 235) as well as the tariff increase of 6.0%, the current budget of R176 782 707 is deemed unattainable. It is recommended that the budget be reduced with approximately R13 755 346 during the Mid-year adjustment budget process.

Service charges - Waste Water Management

The municipality has billed R3 995 745 more sanitation charges than initially anticipated. The largest over performances were noted for general sanitation charges (R2 189 931) and Industrial wastewater (R1 234 967). Considering the consumption over the past 6 months of the current financial year (average: R9 764 913), annual consumption over the past 3 financial years (R100 554 518) as well as the tariff increase of 6.5%, the current budget of R108 646 667 is deemed insufficient. It is recommended that the budget be increased with approximately R5 030 768 during the Mid-year adjustment budget process.

Service charges - Refuse revenue

The municipality has billed R2 683 007 more refuse charges than initially anticipated. Considering the average billings over the past 6 months of the current financial year (R8 751 827), as well as the tariff increase of 9.10%, the current budget of R94 971 363 is deemed attainable. It is recommended that the budget not be adjusted during the mid-year adjustment process.

Interest Earned- External Investments

An over performance was noted for interest earned on external investments to the amount of R8 147 892. The variance is mainly attributed to increases in the interest rates in the past few years and the municipality has also invested additional funds. Considering the monthly average over the past 6 months (R4 790 704) it is

recommended that the budget be increased with R2 974 857 during the Mid-year adjustment process.

Interest earned – outstanding debtors

An over performance was noted for the interest earned on outstanding debtors. This is due to the increases in the prime interest rate and the overall increase in debt. Considering the monthly average over the past 6 months (R1 721 516), the current budget of R15 412 628 is insufficient. It is recommended that the budget be increased with R1 911 089 during the Mid-year adjustment budget process.

Fines, penalties and forfeits

An underperformance was noted to the amount of R22 326 824. The recognition of traffic fines in terms of iGRAP 1 will be done monthly, including the journal processed on the financial system. It should be noted that no journal was processed during November and December 2023 and will reflect in the next reporting period. The budget is deemed to be insufficient. It is recommended that the budget be increased by R23 966 884 during the mid-year adjustment process.

Licences and permits

An under performance is noted for licences and permits to the amount of R136 405. The underperformance is due to less licences and permit renewals as well as accompanying applications being received than initially anticipated. Considering the actuals generated over the past 3 financial years (average: R7 675 689) and a monthly average over the past 6 months of the current financial year (R624 552), the current budget of R7 871 599 is deemed as attainable. No adjustment to the budget is recommended during the Mid-year adjustment budget process.

Rental of facilities and equipment

An under performance is noted for the Rental of facilities and equipment to the amount of R236 660. Considering the average of the actuals generated over the past three (3) financial years amounting to R11 850 241 and the average monthly revenue (R717 175), the current budget of R10 603 901 is deemed insufficient due to the annual levies that must still be billed. It is recommended that the budget be increased by R2 974 857 during the mid-year adjustment process.

Transfers and subsidies

The transfers and subsidies will be reduced with R13 032 000 during the Mid-year Adjustment budget process. An increase of R624 000 relates to operating grants and a decrease of R20 156 000 relates to capital grants. The following changes will be incorporated;

- An increase in the budget due to additional as well as new grant allocations in respect of the following;
 - Western Cape Financial Management Capability Grant to the amount of R200 000.
 - Provincial Contribution towards the Accelation of Housing delivery to the amount of R6 500 000.
 - Municipal Energy Resilience to the amount of R244 000.
- A decrease in the grant funding in respect of the following;

- Informal Settlements Upgrading Partnership Grant: Provinces (Beneficiaries) to the amount of R4 283 000.
- Human Settlements Development Grant to the amount of R15 873 000.

Operational revenue

An over performance is noted for other revenue to the amount of R24 043 517. Considering the actual revenue in the first half of the financial year amounting to R27 004 094 with an average of R4 500 682. it is recommended that the budget be increased by R28 198 774 during the Mid-year adjustment budget process. The adjustment has been necessitated due to the following:

- Operational Revenue: Development Charges: An over performance of R25 300 306 has been noted. Considering the monthly average over the past 6 months of R4 216 717 it renders the current budget amounting to R13 169 208 as insufficient. It is recommended that the budget be increased by 22 648 062 during the Mid-year adjustment process.
- Operational Revenue: Merchandising, Jobbing and Contracts. The line-item budget will be increased based on the year-to-date actual amounts and historical trends. It is recommended that the budget be increased with R3 941 287 during the Mid-year adjustment process

6.2.2 Operating Expenditure

The expenditure to date reflects an under spending of R157 310 275 when comparing the financial performance of the first six months to the pro-rata budget.

It should be noted that the budget items reflected an under spending when compared to the year-to-date budget and are as follows:

- Employee costs: An underperformance of R170 345 379 is noted against the year-to-date budget projections. This is largely due to the salary integration not being completed on the financial system due to system related issues. The employee related cost budget will be reduced based on the year-to-date actual amounts and historical trends with R1 533 164 during the mid-year adjustment budget process.
- Remuneration of Councillors: An underperformance of R7 510 396 is noted against the year-to-date budget projections. This is largely due to the salary integration not being completed on the financial system due to system related issues. No adjustment to the budget is recommended during the Mid-year adjustment budget process.
- Depreciation and asset impairment: An underperformance of R26 306 519 is noted against the year-to-date budget projections. Considering the actual monthly average over the past 6 months of the current financial year (R13 776 040), the current budget of R220 283 469 is deemed as unattainable and based on the year-to-date actual amounts and historical trends, it is recommended that the budget be increased with approximately R17 785 187 during the mid-year adjustment budget process.
- Finance charges: An underperformance of R4 696 889 is noted against the year-to-date budget projections. This is largely due to the monthly budget projections that will be amended during the Mid-year adjustment budget process. Considering the actuals incurred over the past 3 financial years (average: R47 605 817) and a monthly average over the past 6 months of the current financial year (R4 191 225), the budget of R59 668 487 is deemed to be unattainable and it is recommended that it be reduced with approximately R9 246 246.

-
- Bulk purchases: An over performance of R29 717 046 is noted for bulk purchases. The over performance is a result of a reduction in loadshedding and an increase in demand due to the seasonal changes. Invoices for December amounting to R 45 149 029 have also not yet been paid and will reflect in the next reporting period. Considering the actual expenditure incurred in the first half of the financial year amounting to R281 960 124 with an average of R54 518 192, no adjustment to the budget is recommended during the Mid-year adjustment budget process.
 - Contracted Services: An over performance of R9 596 222 is noted against the year-to-date budget projections. Considering the actual expenditure incurred in the first half of the financial year amounting to R92 917 824 with an average of R15 486 304. it is recommended that the budget be increased by R5 662 126 during the Mid-year adjustment budget process.
 - The overperformance is due to the following:
 - Contracted Services: Contractors: Maintenance of Unspecified Assets: The user department planned to spend R13 378 319 of the adjusted budget. The year-to-date actual expenditure incurred amounted to R18 742 036. Orders to the amount of R17 526 056 have been loaded on the financial system.
 - Contracted Services: Contractors: Management of Informal Settlements: The user department had no planned expenditure on the adjusted budget. The year-to-date actual expenditure incurred amounted to R1 977 975. Orders to the amount of R1 218 089 have been loaded on the financial system.
 - Contracted Services: Contractors: Sewerage Service: The user department planned to spend R2 648 623 of the adjusted budget. The year-to-date actual expenditure incurred amounted to R3 250 953. Orders to the amount of R3 500 582 have been loaded on the financial system.
 - Contracted Services: Outsourced Services: Refuse Removal: The user department planned to spend R17 332 920 of the adjusted budget. The year-to-date actual expenditure incurred amounted to R18 893 938. Orders to the amount of R34 295 277 have been loaded on the financial system.
 - Contracted Services: Outsourced Services: Security Services: The user department planned to spend R15 158 714 of the adjusted budget. The year-to-date expenditure incurred amounted to R21 270 573. Orders to the amount of R5 375 388 have been loaded onto the financial system.
 - Contracted Services: Outsourced Services: Traffic Management: The user department planned to spend R3 044 698 of the adjusted budget. The year-to-date actual expenditure incurred amounted to R4 080 674. Orders to the amount of R1 182 195 have been loaded onto the financial system.
 - Transfers and subsidies: An over performance of R1 251 038 is noted against the year-to-date budget projections. The over performance is distorted as a result of the monthly projections which will be adjusted during the Mid-year adjustment budget process. The major contributor to the over performance is as follows;

-
- Transfers and Subsidies: Operational: Monetary Allocations: Non-profit institutions: Tourism: The user department planned to spend R2 890 845 of the adjusted budget. The year-to-date actual expenditure incurred amounted to R6 359 855.
 - Transfers and Subsidies: Operational: Monetary Allocations: Households: Social Security Payments: Social Assistance: Grant in Aid. The user department planned to spend R3 444 176 of the adjusted budget. The year-to-date actual expenditure incurred amounted to R4 139 594. The user department indicated that Grant in aid donations for organisations serving vulnerable groups and communities and additional donations outstanding will be paid on a monthly basis
 - Other expenditure: An over performance of R5 163 606 against a year-to-date budget of R60 792 873 has been noted. The underspending is largely due to the following;
 - Operational Cost: External Audit Fees: The user department planned to spend R5 101 536 of the adjusted budget. The year-to-date expenditure incurred amounted to R7 344 101. The user department indicated that the audit fees were higher than anticipated on the budget cash flow.

Various other line items were also identified where additional funds are requested due to operational pressure. This will be addressed in the Mid-Year Adjustments Budget and will result in an envisaged budget increase with an amount of approximately R6 853 475 for other expenditure.

6.2.3 Mid-year Non-Financial Performance Assessment

Non-Financial Mid-year Performance is reported on in **Appendix 1 - Section 2**. It covers the overall performance of the Municipality on the Key Performance Indicators (KPI's) that are assessed in the period from 1 July 2023 to December 2023. The performance of the first six 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.

6.3 Financial Implications

The financial implications in this report will be dealt with in the adjustments budget.

6.4 Legal Implications

The recommendations in this report comply with Council's policies and all applicable legislation.

6.5 Staff Implications

This report has no staff implications to the Municipality.

6.6 Previous / Relevant Council Resolutions:

The previous resolution relevant to this item was made on:

- 10th Council meeting, 30th January 2023, item 8.2

6.7 Risk Implications

none

6.8 Comments from Senior Management:**6.8.1 Municipal Manager:**

Agree with the recommendations

ANNEXURES

Appendix 1: Mid-Year Budget and Performance Assessment For 2023/2024

FOR FURTHER DETAILS CONTACT:

NAME	Kevin Carolus
POSITION	Chief Financial Officer
DIRECTORATE	Financial Services
CONTACT NUMBERS	021 – 808 8528
E-MAIL ADDRESS	Kevin.Carolus@ Stellenbosch.gov.za
REPORT DATE	12 January 2024

APPENDIX 1



STELLENBOSCH

STELLENBOSCH • PNIEL • FRANSCHHOEK

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MID YEAR BUDGET AND PERFORMANCE ASSESSMENT

DECEMBER 2023



APPENDIX 1 – SECTION 1

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BUDGET & FINANCIAL PERFORMANCE OF STELLENBOSCH MUNICIPALITY AS AT 31 DECEMBER 2023

1. PURPOSE

The mid-year report is used as a management tool to assess the Municipality's performance and financial position against the approved budget by analyzing trends and patterns for the first six months of the 2023/2024 financial year, with a view of giving effect to the Mayor and Council's oversight role and to recommend the need for an adjustment budget as envisaged by the Municipal Finance Management Act.

2. LEGISLATIVE BACKGROUND

In terms of Section 72 (1) (a) of the Local Government Municipal Finance Management Act No. 56 of 2003 (MFMA) the Accounting Officer must by the 25th of January of each year assess the performance of the Municipality during the first half of the financial year. A report on such assessment must then be submitted to the Mayor, Provincial Treasury and National Treasury in terms of Section 72 (1) (b) of the Act. Once the Mayor has considered the report in terms of Section 54 (1) (f) of the MFMA, she must table the report with recommendations to Council by 31 January of each year.

3. BUDGET PERFORMANCE ANALYSIS

3.1 Overview of Operating Revenue and Expenditure performance for the period July to December 2023.

Description	Adjusted Budget	YearTD Budget	YearTD Actual	YTD Variance	Year-to-date Variance %
Revenue					
Exchange Revenue					
Service charges - Electricity	913 669 187,00	335 279 035,00	451 885 002,68	-116 605 967,68	-35%
Service charges - Water	185 621 843,00	84 149 626,00	77 293 407,08	6 856 218,92	8%
Service charges - Waste Water Management	108 646 667,00	54 593 730,00	58 589 475,32	-3 995 745,32	-7%
Service charges - Waste management	107 653 574,00	49 827 957,00	52 510 964,15	-2 683 007,15	-5%
Sale of Goods and Rendering of Services	22 189 670,00	9 767 950,00	10 535 340,24	-767 390,24	-8%
Agency services	3 357 697,00	1 474 432,00	1 572 460,42	-98 028,42	-7%
Interest earned from Receivables	15 412 628,00	6 845 397,00	10 329 096,50	-3 483 699,50	-51%
Interest earned from Current and Non Current Assets	41 192 661,00	20 596 332,00	28 744 223,76	-8 147 891,76	-40%
Rental from Fixed Assets	10 603 901,00	4 539 712,00	4 303 051,85	236 660,15	5%
Licence and permits	7 871 599,00	3 883 716,00	3 747 310,65	136 405,35	4%
Operational Revenue	19 345 609,00	2 960 577,00	27 004 094,18	-24 043 517,18	-812%
Non-Exchange Revenue					
Property rates	473 588 918,00	284 830 849,00	278 539 091,93	6 291 757,07	2%
Fines, penalties and forfeits	131 570 078,00	54 763 398,00	32 436 574,32	22 326 823,68	41%
Transfer and subsidies - Operational	240 684 265,00	101 213 467,00	141 319 521,14	-40 106 054,14	-40%
Interest	3 292 796,00	1 593 984,00	2 081 926,24	-487 942,24	-31%
Other Gains	-	-	2 874,81	-2 874,81	0%
Total Revenue (excluding capital transfers and contributions)	2 284 701 093,00	1 016 320 162,00	1 180 894 415,27	164 574 253,27	-16%

Description	Adjusted Budget	YearTD Budget	YearTD Actual	YTD Variance	Year-to-date Variance %
Expenditure By Type					
Employee related costs	618 621 984,00	311 618 243,00	141 272 863,64	170 345 379,36	55%
Remuneration of councillors	22 096 514,00	11 048 196,00	3 537 799,66	7 510 396,34	68%
Bulk purchases - electricity	636 392 814,00	252 243 078,00	281 960 123,97	-29 717 045,97	-12%
Inventory consumed	98 166 249,00	27 062 030,00	33 207 878,59	-6 145 848,59	-23%
Debt impairment	16 684 048,00	-	-	-	0%
Depreciation and amortisation	220 283 469,00	108 962 760,00	82 656 241,02	26 306 518,98	24%
Interest	59 688 487,00	29 844 241,00	25 147 351,47	4 696 889,53	16%
Contracted services	290 895 394,00	83 321 602,00	92 917 824,24	-9 596 222,24	-12%
Transfers and subsidies	19 798 529,00	9 684 856,00	10 935 894,60	-1 251 038,60	-13%
Irrecoverable debts written off	94 958 000,00	355 425,00	30 572,86	324 852,14	91%
Operational costs	182 037 145,00	60 792 873,00	65 956 478,51	-5 163 605,51	-8%
Total Expenditure	2 259 622 633,00	894 933 304,00	737 623 028,56	-157 310 275,44	18%

Below follows a synopsis of significant revenue and expenditure variances:

Operating Revenue

Property Rates and Service Charges

Property rates and service charges refuse are billed monthly. However, some consumers applied to have their property rates and service charges billed annually.

Property Rates

Property rates are billed monthly, however, some consumers applied to have their property rates and service charges for sanitation and refuse to be billed annually. In the current financial year less, consumers applied to be billed annually compared to previous financial years. Although it has resulted in an underperformance of R6 291 757, the budgeted revenue for the financial year is still attainable.

Service charges - electricity revenue

The municipality has billed R116 605 968 more electricity charges than initially anticipated. The over performance is due to a relief from prolonged load shedding outages and an increase in demand. Considering the consumption over the past 6 months of the current financial year, the actual electricity revenue billed over the past 3 financial years as well as the tariff increase of 17.61%, the current budget of R913 669 167 is deemed attainable. It is recommended that the budget not be adjusted during the Mid-year adjustment process.

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reduced with approximately R13 755 346 during the Mid-year adjustment budget process.

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An over performance was noted for interest earned on external investments to the amount of R8 147 892. The variance is mainly attributed to increases in the interest rates in the past few years and the municipality has also invested additional funds. Considering the monthly average over the past 6 months (R4 790 704) it is recommended that the budget be increased with R2 974 857 during the Mid-year adjustment process.

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An over performance was noted for the interest earned on outstanding debtors. This is due to the increases in the prime interest rate and the overall increase in debt. Considering the monthly average over the past 6 months (R1 721 516), the current budget of R15 412 628 is insufficient. It is recommended that the budget be increased with R1 911 089 during the Mid-year adjustment budget process.

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The transfers and subsidies will be reduced with R13 032 000 during the Mid-year Adjustment budget process. An increase of R624 000 relates to operating grants and a decrease of R20 156 000 relates to capital grants.

The following changes will be incorporated:

- An increase in the budget due to additional as well as new grant allocations in respect of the following;
 - Western Cape Financial Management Capability Grant to the amount of R200 000.
 - Provincial Contribution towards the Acceleration of Housing delivery to the amount of R6 500 000.
 - Municipal Energy Resilience to the amount of R244 000.
- A decrease in the grant funding in respect of the following:
 - Informal Settlements Upgrading Partnership Grant: Provinces (Beneficiaries) to the amount of R4 283 000.
 - Human Settlements Development Grant to the amount of R15 873 000.

Operational revenue

An over performance is noted for other revenue to the amount of R24 043 517, this is due to an increase in Development Charges. Considering the actual revenue in the first half of the financial year which amounted to R27 004 094 with a monthly average of R4 500 682, it is recommended that the budget be increased by R28 198 774 during the Mid-year adjustment budget process.

The adjustment has been necessitated due to the following:

- Operational Revenue: Development Charges: An over performance of R25 300 306 has been noted. Considering the monthly average over the past 6 months of R4 216 717 it renders the current budget amounting to R13 169 208 as insufficient. It is recommended that the budget be increased by 22 648 062 during the Mid-year adjustment process.
- Operational Revenue: Merchandising, Jobbing and Contracts. The line-item budget will be increased based on the year-to-date actual amounts and historical trends. It is recommended that the budget be increased with R3 941 287 during the Mid-year adjustment process

Operational expenditure

The expenditure to date reflects an under spending of R157 310 275 when comparing the financial performance of the first six months to the pro-rata budget.

It should be noted that the budget items reflected an under spending when compared to the year-to-date budget and are as follows:

- Employee costs: An underperformance of R170 345 379 is noted against the year-to-date budget projections. This is largely due to the salary integration not being completed on the financial system due to system related issues. The employee related cost budget will be reduced based on the year-to-date actual amounts and historical trends with R1 533 164 during the mid-year adjustment budget process.
- Remuneration of Councilors: An underperformance of R7 510 396 is noted against the year-to-date budget projections. This is largely due to the salary integration not being completed on the financial system due to system related issues. No adjustment to the budget is recommended during the Mid-year adjustment budget process.
- Depreciation and asset impairment: An underperformance of R26 306 519 is noted against the year-to-date budget projections. Considering the actual monthly average over the past 6 months of the current financial year (R13 776 040), the current budget of R220 283 469 is deemed as unattainable and based on the year-to-date actual amounts and historical trends, it is recommended that the budget be increased with approximately R17 785 187 during the mid-year adjustment budget process.
- Finance charges: An underperformance of R4 696 889 is noted against the year-to-date budget projections. This is largely due to the monthly budget projections that will be amended during the Mid-year adjustment budget process. Considering the actuals incurred over the past 3 financial years (average: R47 605 817) and a monthly average over the past 6 months of the current financial year (R4 191 225), the budget of R59 668 487 is deemed to be unattainable and it is recommended that it be reduced with approximately R9 246 246.
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- Contracted Services: An over performance of R9 596 222 is noted against the year-to-date budget projections. Considering the actual expenditure incurred in the first half of the financial year amounting to R92 917 824 with an average of R15 486 304. it is recommended that the budget be increased by R5 662 126 during the Mid-year adjustment budget process.
- The overperformance is due to the following:
 - Contracted Services: Contractors: Maintenance of Unspecified Assets: The user department planned to spend R13 378 319 of the adjusted budget. The year-to-date actual expenditure incurred amounted to R18 742 036. Orders to the amount of R17 526 056 have been loaded on the financial system.
 - Contracted Services: Contractors: Management of Informal Settlements: The user department had no planned expenditure on the adjusted budget. The year-to-date actual expenditure incurred amounted to R1 977 975. Orders to the amount of R1 218 089 have been loaded on the financial system.
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 - Contracted Services: Outsourced Services: Refuse Removal: The user department planned to spend R17 332 920 of the adjusted budget. The year-to-date actual expenditure incurred amounted to R18 893 938. Orders to the amount of R34 295 277 have been loaded on the financial system.
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 - Contracted Services: Outsourced Services: Traffic Management: The user department planned to spend R3 044 698 of the adjusted budget. The year-to-date actual expenditure incurred amounted to R4 080 674. Orders to the amount of R1 182 195 have been loaded onto the financial system.
- Transfers and subsidies: An over performance of R1 251 038 is noted against the year-to-date budget projections. The over performance is distorted as a result of the monthly projections which will be adjusted during the Mid-year adjustment budget process. The major contributor to the over performance is as follows;
 - Transfers and Subsidies: Operational: Monetary Allocations: Non-profit institutions: Tourism: The user department planned to spend R2 890 845

of the adjusted budget. The year-to-date actual expenditure incurred amounted to R6 359 855.

- Transfers and Subsidies: Operational: Monetary Allocations: Households: Social Security Payments: Social Assistance: Grant in Aid. The user department planned to spend R3 444 176 of the adjusted budget. The year-to-date actual expenditure incurred amounted to R4 139 594. The user department indicated that Grant in aid donations for organisations serving vulnerable groups and communities and additional donations outstanding will be paid on a monthly basis
- Other expenditure: An over performance of R5 163 606 against a year-to-date budget of R60 792 873 has been noted. The underspending is largely due to the following;
 - Operational Cost: External Audit Fees: The user department planned to spend R5 101 536 of the adjusted budget. The year-to-date expenditure incurred amounted to R7 344 101. The user department indicated that the audit fees were higher than anticipated on the budget cash flow.

Various other line items were also identified where additional funds are requested due to operational pressure. This will be addressed in the Mid-Year Adjustments Budget and will result in an envisaged budget increase with an amount of approximately R6 853 475 for other expenditure.

3.2 Overview of Capital Budget performance for the period July to December 2023

	Approved Adjustment Budget	Planned	Actuals	Variance (Planned vs Actuals)	Variance (Planned vs Actuals)%
Municipal Manager	40 000	38 206	37 298	-908	-2,38%
Planning & Development Services	9 245 897	2 024 452	944 164	-1 080 288	-53,36%
Infrastructure Services	472 752 590	191 604 974	113 329 820	-78 275 154	-40,85%
Corporate Services	39 733 166	12 924 323	7 467 466	-5 456 857	-42,22%
Community and Protection Services	38 307 873	11 736 788	4 462 021	-7 274 767	-61,98%
Financial Services	1 918 848	1 261 988	4 131	-1 257 857	-99,67%
Grand Total	561 998 374	219 590 731	126 244 901	-93 345 830	-42,51%

Expenditure on the Capital Budget for the six months ended 31 December 2023 is R126 244 901 representing 22.46% capital spending performance measured against the total capital budget of R561 998 374 which is lower than the spending performance of 26.17% for the same period in December 2022.

Period	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23
Total Capital Budget	613 274 958	483 710 958	471 680 164	464 483 073	561 998 374
Actual Spending	202 978 608	147 011 293	115 911 658	121 567 496	124 862 914
Spending Performance	33,10%	30,39%	24,57%	26,17%	22,22%

This spending only represents actual payments, whilst orders for work still in progress amount to R182 692 256. What is of concern is that R252 297 224 worth of capital projects have not yet been provisionally committed. The capital budget will have to be adjusted to make the necessary amendments to various projects in order to accelerate progress on the priorities identified.

An underspending amounting to R93 345 830 on the Capital expenditure has been noted. The budget will be decreased with approximately R72 317 130 during the Mid-year adjustment budget process. The adjustment has been necessitated due to the following:

3.2.1 Droë Dyke 100 TOD

The project will be reduced with the full grant allocation to the amount of R1 400 000 during the mid-year adjustment process to be aligned with the latest funding allocation letter received from the Provincial Department of Human Settlements.

3.2.2 La Motte Old Forest Station (±430 services & ±430 units)

The project will be reduced with the full grant allocation to the amount of R1 500 000 during the mid-year adjustment process to be aligned with the latest funding allocation letter received from the Provincial Department of Human Settlements.

3.2.3 Bien don 66/11kV substation new

The user department planned to spend R6 890 890 of the amended budget. The year-to-date expenditure incurred amounted to R459 432. Orders to the amount of R1 649 000 have been loaded onto the financial system. The user department indicated that delays pertaining to the approval of the evaluation report as well enablement issues such as land transfer and acquisition, resulted in a ripple effect on the timeframes that had been set for the project. The budget will be reduced with approximately R11 360 350 during the Mid-year adjustment budget process.

3.2.4 Franschoek Mooiwater 236

The user department planned to spend R1 000 000 of the amended budget. The year-to-date expenditure incurred amounted to R206 096. Orders to the amount of R506 294 have been loaded onto the financial system. The user department indicated that the construction tender was approved but implementation was however delayed as the funds had not yet been gazetted by the Provincial Department of Human Settlements. The budget will be reduced with approximately R4 000 000 during the Mid-year adjustment budget process.

3.2.5 Bulk Water Supply Pipeline & Reservoir - Jamestown

The user department planned to spend R7 500 00 of the amended budget. The year-to-date expenditure incurred amounted to R1 184 473. Orders to the amount of R18 050 234 have been loaded onto the financial system. The user department indicated that the project had initially been delayed due to insufficient funding at the time, but construction eventually commenced in November 2023. This is a multi-year project and the funds that could not be utilized will be moved to the 2024/2025 financial year. The budget will be reduced with approximately R13 716 870 during the Mid-year adjustment budget process.

3.2.6 New Reservoir & Pipeline: Vlottenburg

The user department planned to spend R33 348 676 of the amended budget. The year-to-date expenditure incurred amounted to R25 956 348. Orders to the amount of R6 832 273 have been loaded onto the financial system. The user department indicated that the funds cannot be fully spent in the current financial year due to delays in obtaining environmental authorisations. A portion of the funds that will not be utilized will be moved to the 2024/205 financial year and the remainder to the Digteby sewer pipeline project. The budget will be reduced with approximately R14 000 000 during the Mid-year adjustment budget process.

3.2.7 Waterpipe Replacement

The user department planned to spend R250 000 of the amended budget. The year-to-date expenditure incurred amounted to R294 213. Orders to the amount of R333 335 have been loaded onto the financial system. The user department indicated that the project has been delayed due to the expiry of the pipe replacement tender and the implementation of the consultant tender roster first. This is a multi-year tender and funds will be moved to the 2024/2025 financial year for completion of the project. The budget

will be reduced with approximately R4 700 000 during the Mid-year adjustment budget process.

3.2.8 Upgrade of WWTW Wemmershoek

The user department planned to spend R2 650 000 of the amended budget. The year-to-date expenditure incurred amounted to R2 820 201. Orders to the amount of R2 109 488 have been loaded onto the financial system. The user department indicated that the project has been delayed due to changes in the approach to the technology aspects of the tender. This is a multi-year tender and funds will be moved to the 2024/2025 financial year for completion of the project. The budget will be reduced with approximately R12 000 000 during the Mid-year adjustment budget process.

3.2.9 Upgrade of WWTW: Klapmuts

The user department planned to spend R1 050 000 of the amended budget. No expenditure has been incurred to date. The user department indicated that the project has been delayed due to the cancellation of the original consultant appointment and the implementation of the new consultant roster tender. This is a multi-year tender and funds will be moved to the 2024/2025 financial year for completion of the project. The budget will be reduced with approximately R11 000 000 during the Mid-year adjustment budget process.

3.3 Financial performance analysis

3.3.1 Liquidity Analysis- Acid Test Ratio

The liquidity position of the municipality was 2.6:1 as at 31 December 2023 and has improved from 1.94:1 as at 31 December 2022. This indicates that funding could be made available immediately to cover short-term commitments. The municipality is operating within the ambit of the norm of 1.5:1.

3.3.2 Financial Performance – Net Operating Surplus Margin

The municipality's net operating surplus margin has improved from 30.95% as at 31 December 2022 to 37.54% as at 31 December 2023. The positive ratio indicates that the municipality is able to generate a surplus which will assist to contribute towards its capital funding requirements and ensure sustainable service delivery.

3.3.3 Cost Coverage Ratio

The municipality's cost coverage ratio has increased from 7 months at 31 December 2022 to 8 months at 31 December 2023. The ratio is above the norm of 1 to 3 months. This ratio indicates the municipality's ability to meet at least its monthly fixed operating commitments from cash and short-term investment without collecting any additional revenue, during that month.

3.3.4 Debtors collection rate

The debtor's collection rate has decreased from 99% at 31 December 2022 to 91% at 31 December 2023. Cognisance should be taken that the percentage includes the collection of arrear debt. The municipality will continue to enforce strict credit control procedures to ensure an improvement is evident during the next 6 months of the current financial year. The 97% is below the National Treasury norm of 95%.

3.3.5 Liability Management

3.3.5.1 Cost required to service borrowings

The municipality's cost required to service borrowings has increased marginally from 4.51% at 31 December 2022 to 7.06% at 31 December 2023. The ratio depicts the borrowing or payment obligation expressed as a percentage of total operating expenditure. The municipality is within the norm of 6% to 8%.

3.3.5.2 Affordability of total borrowings

The municipality's affordability of borrowings has decreased from 22.17% at 31 December 2022 to 19.98% as at 31 December 2023. The municipality is well below the norm of 45% and has the capacity to increase funding from borrowings.

3.4 Outstanding Debtors

Below is an analysis of the outstanding consumer debtors as at 31 December 2023 compared to the position as at 31 December 2022:

Debtors' Age Analysis as at 31 December 2023:

WC024 Stellenbosch - Supporting Table SC3 Monthly Budget Statement - aged debtors - Mid-Year Assessment

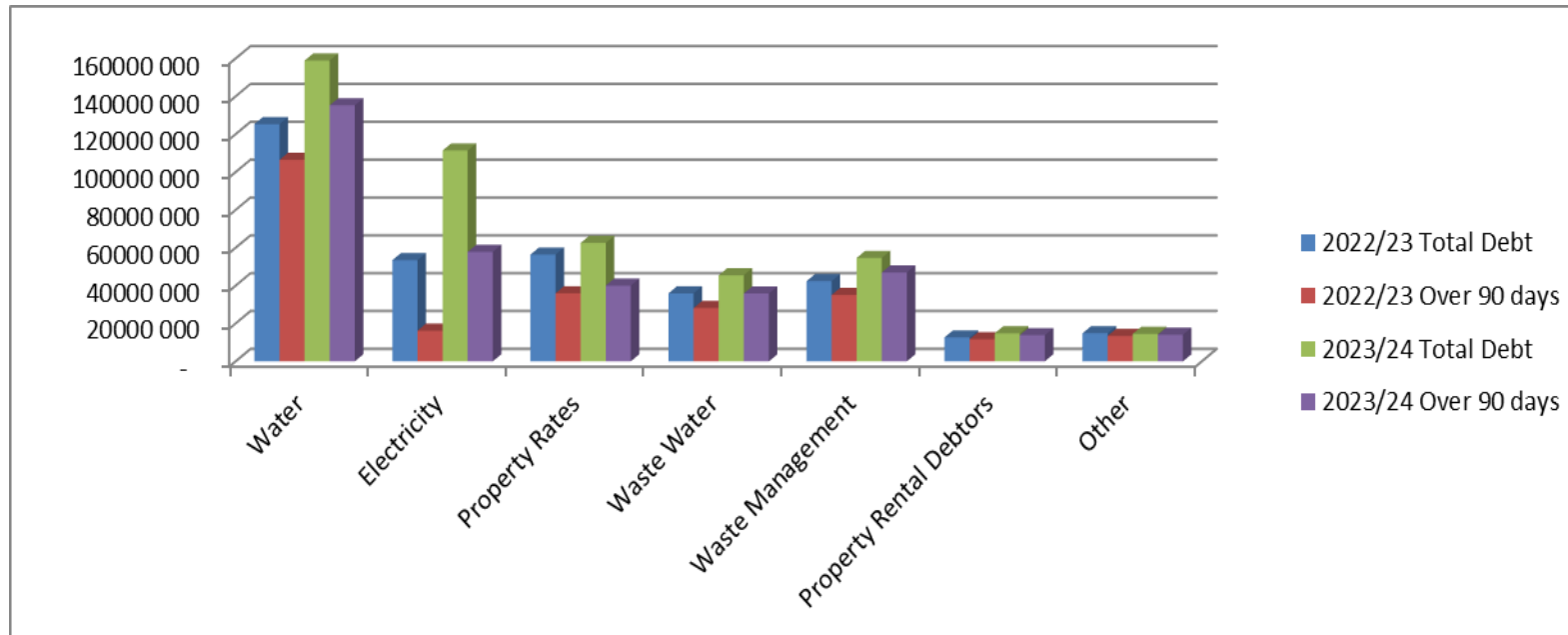
Description	NT Code	Budget Year 2023/24										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days		
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	17 981	2 834	2 848	135 289	-	-	-	-	158 951	135 289	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	46 103	2 832	4 613	57 869	-	-	-	-	111 416	57 869	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	20 606	1 034	880	40 006	-	-	-	-	62 525	40 006	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	8 244	697	660	35 860	-	-	-	-	45 461	35 860	-	-
Receivables from Exchange Transactions - Waste Management	1600	5 717	994	966	46 961	-	-	-	-	54 637	46 961	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	520	211	223	13 851	-	-	-	-	14 805	13 851	-	-
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	339	52	31	14 110	-	-	-	-	14 533	14 110	-	-
Total By Income Source	2000	99 509	8 652	10 222	343 945	-	-	-	-	462 328	343 945	-	-
2022/23 - totals only													
Debtors Age Analysis By Customer Group													
Organs of State	2200	3 876	137	107	2 280	-	-	-	-	6 400	2 280	-	-
Commercial	2300	20 078	2 342	4 073	60 333	-	-	-	-	86 826	60 333	-	-
Households	2400	57 189	5 619	5 564	253 128	-	-	-	-	321 499	253 128	-	-
Other	2500	18 366	553	478	28 205	-	-	-	-	47 602	28 205	-	-
Total By Customer Group	2600	99 509	8 652	10 222	343 945	-	-	-	-	462 328	343 945	-	-

Debtors' Age Analysis as at 31 December 2022:

WC024 Stellenbosch - S supporting Table SC3 Monthly Budget Statement - aged debtors - Mid-Year Assessment

Description	NT Code	Budget Year 2022/23										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.to Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days		
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	14 410	2 425	2 029	106 453	-	-	-	-	125 316	106 453	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	36 269	511	510	16 203	-	-	-	-	53 493	16 203	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	18 492	1 042	921	35 962	-	-	-	-	56 417	35 962	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	6 274	803	655	28 177	-	-	-	-	35 910	28 177	-	-
Receivables from Exchange Transactions - Waste Management	1600	5 367	982	946	35 068	-	-	-	-	42 364	35 068	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	561	219	212	11 655	-	-	-	-	12 647	11 655	-	-
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	958	200	277	13 419	-	-	-	-	14 854	13 419	-	-
Total By Income Source	2000	82 331	6 182	5 550	246 938	-	-	-	-	341 001	246 938	-	-
2021/22 - totals only										-	-		
Debtors Age Analysis By Customer Group													
Organs of State	2200	2 958	151	110	764	-	-	-	-	3 982	764	-	-
Commercial	2300	14 564	285	155	19 726	-	-	-	-	34 730	19 726	-	-
Households	2400	48 418	5 312	4 781	196 177	-	-	-	-	254 689	196 177	-	-
Other	2500	16 391	434	503	30 271	-	-	-	-	47 600	30 271	-	-
Total By Customer Group	2600	82 331	6 182	5 550	246 938	-	-	-	-	341 001	246 938	-	-

The abovementioned data set indicates that consumer debt increased by R121 327 099 from December 2022 to December 2023. The increase can be largely attributed to the water debt increase of R33 634 873 and electricity debt increase of R57 923 218. Debtors over 90 days have also increased with R97 007 292 over same period.



Subsidies and Rebates:

Number of registered indigent families 31 December 2022: 17 869

Formal Indigents: 5 789

Informal Indigents: 12 080

Number of registered indigent families 31 December 2023: 18 447

Formal Indigents: 6 256

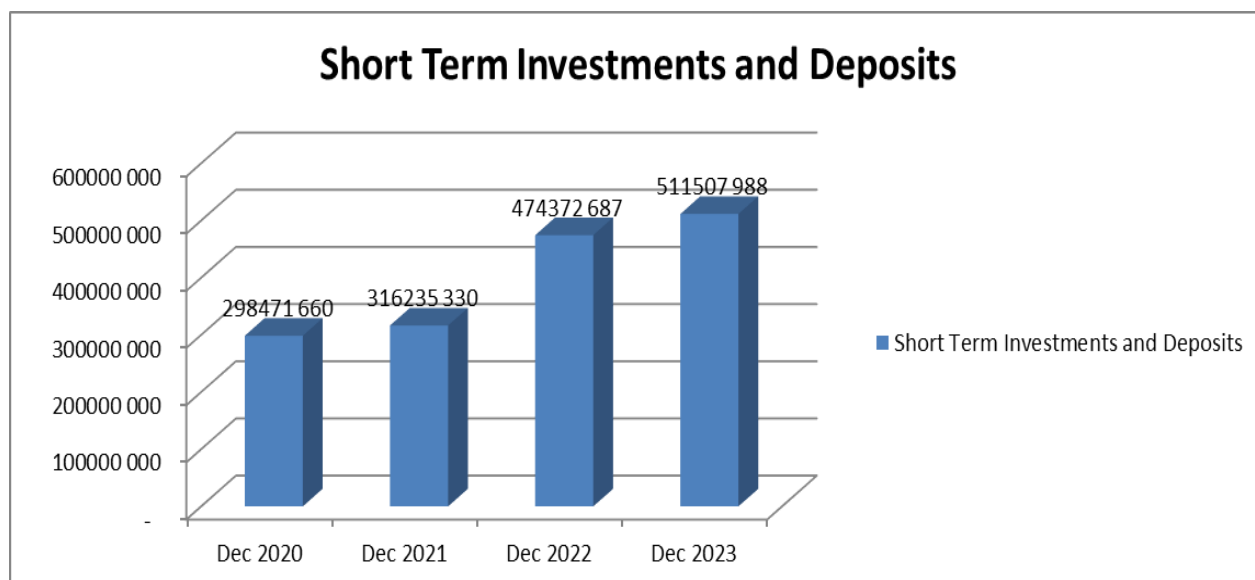
Informal Indigents: 12 191

The informal indigent households have increased by 111 households due to an incline in the number of applications received, whilst the number of formal indigents decreased by 467. The municipality continuously ensures that there is increased community awareness regarding indigent applications and rebates available. An overall increase of 939 indigent households has been noted from December 2022 to December 2023.

3.5 Investments

The investment portfolio increased from R474 372 687 as at 31 December 2022 to R511 507 988 as at 31 December 2023.

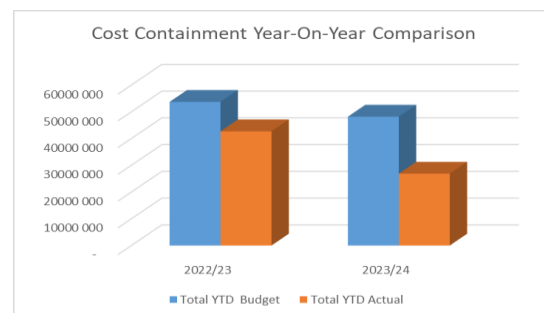
Description	Dec-20	Dec-21	Dec-22	Dec-23	%Increase
Short Term Investments and Deposits	298 471 660	316 235 330	474 372 687	511 507 988	7,83%



There is an incline in the investment's portfolio. This variance is mainly attributed to increases in the interest rates. Furthermore, with the increased revenue, the municipality has also managed to increase its investment portfolio in comparison to the previous financial years.

3.6 Cost Containment Reporting

Measures	COST CONTAINMENT REPORTING							
	31-Dec-23				31-Dec-22			
	Amended Budget	Total YTD Budget	Total YTD Actual	Saving/ (Over spending)	Amended Budget	Total YTD Budget	Total YTD Actual	Saving/ (Over spending)
Use of consultants	46 858 592	11 211 628	4 344 363	6 867 265	37 644 715	11 102 002	9 251 456	1 850 546
Vehicles used for political office - beare	-	-	-	-	-	-	-	-
Accommodation, Travel and Incidental cos	14 758 081	6 719 158	2 944 268	3 774 890	12 783 370	5 250 288	5 213 130	37 158
Sponsorships, events and catering	4 574 758	2 609 150	2 779 627	170 477	3 314 355	2 233 698	2 197 969	35 729
Communication	15 799 204	5 213 060	4 456 072	756 988	17 121 276	7 254 061	4 939 326	2 314 735
Other related expenditure items	45 453 089	22 430 817	12 352 011	10 078 806	55 539 005	27 872 678	21 097 436	6 775 242
Grand Total	127 443 724	48 183 813	26 876 341	21 307 472	126 402 721	53 712 727	42 699 317	11 013 410



Description	2022/23	2023/24
Total YTD Budget	53 712 727	48 183 813
Total YTD Actual	42 699 317	26 876 341

The municipality has implemented the Cost Containment policy as from 1 October 2019. The purpose of the policy is to regulate spending and to implement cost containment measures at Stellenbosch Local Municipality. As depicted above the municipality has achieved a saving of R21 307 472 when compared to the year-to-date budget projections at the end of December 2023. The year-on-year comparison however depicts a decrease of R15 822 976 when compared to December 2022. The largest decrease can be attributed to Other related expenditure items (R8 745 426 or 41%).

Item for report	Description	31-Dec-23						31-Dec-22			
		Original Budget	Amended Budget	YTD		Saving/ (Overspending)	Amended Budget	YTD		Saving/ (Overspending)	
				Total YTD Budget	Total YTD Actual			Total YTD Budget	Total YTD Actual		
	Business and Advisory:Accounting and Auditing	-	-	-	-	-	200 000,00	-	-	-	
	Business and Advisory:Audit Committee	817 800,00	1 077 800,00	175 623,00	279 471,00	- 103 848,00	960 000,00	154 625,00	110 625,00	44 000,00	
	Business and Advisory:Business and Financial Manag	5 657 859,00	5 579 859,00	494 942,00	536 485,17	- 41 543,17	5 926 863,00	1 963 475,00	705 541,37	1 257 933,63	
	Business and Advisory:Commissions and Committee	-	-	-	-	-	-	-	-	-	
	Business and Advisory:Communications	8 262,00	8 262,00	-	-	-	8 100,00	-	-	-	
	Business and Advisory:Human Resources	334 642,00	334 642,00	44 020,00	-	-	328 080,00	19 800,00	44 020,00	- 24 220,00	
	Business and Advisory:Occupational Health and Safe	-	-	-	-	-	-	-	-	-	
	Business and Advisory:Organisational	110 160,00	110 160,00	-	33 150,00	- 33 150,00	208 000,00	-	-	-	
	Business and Advisory:Project Management	20 332 130,00	20 198 154,00	9 050 366,00	183 639,59	8 866 726,41	11 912 111,00	6 088 015,00	6 669 412,28	- 581 397,28	
	Business and Advisory:Research and Advisory	5 452 217,00	6 046 372,00	674 643,00	87 776,00	586 867,00	4 870 481,00	794 937,00	5 768,41	789 168,59	
	Business and Advisory:Qualification Verification	-	-	-	-	-	-	-	-	-	
	Business and Advisory:Quality Control	-	-	-	-	-	-	-	-	-	
	Business and Advisory:Valuer and Assessors	3 954 965,00	3 954 965,00	335 888,00	1 064 522,88	- 728 634,88	1 953 417,00	1 077 935,00	335 886,92	742 048,08	
	Business and Advisory:Forensic Investigators	565 781,00	565 781,00	20 000,00	198 193,48	- 178 193,48	604 687,00	302 344,00	20 000,00	282 344,00	
	Infrastructure and Planning:Architectural	-	-	-	-	-	55 000,00	27 500,00	-	27 500,00	
	Engineering:Civil	-	-	-	-	-	-	-	-	-	
	Engineering:Structural	-	-	-	-	-	-	-	-	-	
	Infrastructure and Planning:Land and Quantity Surv	-	-	-	-	-	-	-	-	-	
	Laboratory Services:Water	2 798 855,00	2 075 202,00	494 324,00	387 539,39	- 881 863,39	2 743 976,00	-	475 910,95	- 475 910,95	
	Legal Cost:Legal Advice and Litigation	6 493 080,00	6 453 080,00	910 017,00	1 558 478,46	- 648 461,46	7 366 000,00	669 333,00	884 290,80	- 214 957,80	
	Legal Cost:Issue of Summons	486 840,00	454 315,00	453,00	15 107,48	- 14 654,48	508 000,00	4 038,00	-	4 038,00	
Vehicles used for political office -bearers	N/A	-	-	-	-	-	-	-	-	-	
	Allowance:Travel or Motor Vehicle	134 446,00	134 446,00	67 224,00	-	67 224,00	127 800,00	20 000,00	90 000,00	- 70 000,00	
	Allowance:Travel or Motor Vehicle	268 891,00	268 891,00	134 448,00	176,00	134 272,00	255 600,00	40 000,00	-	40 000,00	
	Allowance:Accommodation, Travel and Incidental	-	-	-	-	-	-	-	-	-	
	Allowance:Travel or Motor Vehicle	-	-	-	-	-	-	-	-	-	
	Allowance:Travel or Motor Vehicle	-	-	-	-	-	-	-	-	-	
	Allowance:Accommodation, Travel and Incidental	-	-	-	-	-	-	-	-	-	
	Allowance:Travel or Motor Vehicle	-	-	-	-	-	-	-	-	-	
	Allowance:Travel or Motor Vehicle	-	-	-	-	-	-	-	-	-	
	Allowance:Accommodation, Travel and Incidental	-	-	-	-	-	-	-	-	-	
	Allowance:Travel or Motor Vehicle	-	-	-	-	-	-	-	-	-	
	Allowances:Accommodation, Travel and Incidental	38 540,00	38 540,00	19 272,00	19 528,00	- 256,00	35 784,00	15 055,00	25 185,73	- 10 130,73	
	Allowances:Travel or Motor Vehicle	11 404 727,00	11 404 727,00	5 746 492,00	2 392 219,21	3 354 272,79	10 840 999,00	4 829 980,00	4 360 069,86	469 910,14	
	Allowances and Service Related Benefits:Travelling	190 800,00	190 800,00	95 400,00	30 000,00	65 400,00	-	-	90 000,00	- 90 000,00	
	Allowances and Service Related Benefits:Travelling	19 052,00	19 052,00	9 522,00	-	9 522,00	-	-	-	-	
	Allowances and Service Related Benefits:Travelling	190 800,00	190 800,00	95 400,00	30 000,00	65 400,00	-	-	90 000,00	- 90 000,00	
	Allowances and Service Related Benefits:Travelling	-	-	-	-	-	-	-	-	-	
	Allowances and Service Related Benefits:Travelling	171 475,00	171 475,00	85 734,00	27 992,80	57 741,20	-	-	95 764,66	- 95 764,66	
	Allowances and Service Related Benefits:Travelling	191 190,00	191 190,00	95 592,00	71 712,32	23 879,68	-	-	219 869,89	- 209 869,89	
	Operational Cost:Travel Agency and Visa's	81 600,00	81 600,00	22 817,00	6 395,00	16 422,00	80 000,00	36 996,00	22 817,00	14 179,00	
	Travel and Subsistence:Non-employees	632 281,00	642 283,00	69 737,00	120 098,66	- 50 361,66	379 336,00	67 148,00	67 535,84	- 387,84	
	Travel and Subsistence:Domestic:Accommodation	389 047,00	340 047,00	115 070,00	87 767,21	-	138 404,00	29 892,00	31 740,00	-	
	Travel and Subsistence:Domestic:Daily Allowance	317 728,00	317 728,00	55 484,00	88 315,40	-	297 871,00	56 692,00	55 483,11	-	
	Travel and Subsistence:Domestic:Food and Beverag	29 340,00	34 340,00	460,00	3 577,44	-	93 751,00	24 789,00	460,00	-	
	Travel and Subsistence:Domestic:Incidental Cost	49 039,00	59 039,00	551,00	905,65	-	42 195,00	4 750,00	550,52	-	
	Travel and Subsistence:Domestic:Transport without C	49 339,00	49 339,00	-	900,00	-	44 450,00	9 750,00	-	-	
	Travel and Subsistence:Domestic:Transport with Ope	605 784,00	623 784,00	105 955,00	64 680,32	-	447 180,00	115 236,00	73 653,84	-	
	Contractors:Catering Services	1 169 709,00	2 269 709,00	701 490,00	859 626,83	- 158 136,83	1 250 678,00	323 698,00	548 368,00	- 224 670,00	
	Outsourced Services:Catering Services	-	-	-	-	-	32 080,00	10 000,00	11 941,30	- 1 941,30	
	Advertising, Publicity and Marketing:Gifts and Pro	32 229,00	32 229,00	-	-	-	31 597,00	-	-	-	
	Contractors:Event Promoters	2 040 000,00	2 272 820,00	1 907 660,00	1 920 000,00	- 12 340,00	2 000 000,00	1 900 000,00	1 637 659,70	262 340,30	
	Communication:Cellular Contract (Subscription and	3 193 977,00	3 193 977,00	1 006 351,00	841 455,12	164 895,88	4 355 517,00	2 017 954,00	1 006 350,24	1 011 603,76	
	Communication:Licences (Radio and Television)	102 000,00	102 000,00	-	-	-	100 000,00	20 000,00	-	20 000,00	
	Communication:Radio and TV Transmissions	2 632 620,00	2 632 620,00	964 278,00	1 183 345,27	- 219 067,27	2 581 000,00	826 931,00	964 278,25	- 137 347,25	
	Communication:Postage/Stamps/Frinking Machines	2 263 000,00	2 265 000,00	524 781,00	603 413,19	- 78 632,19	2 646 000,00	861 815,00	522 780,03	339 034,97	
	Communication:SMS Bulk Message Service	250 000,00	250 000,00	28 551,00	24 234,44	4 316,56	264 000,00	24 029,00	28 551,30	- 4 522,30	
	Communication:Telemetric Systems	-	-	-	-	-	-	-	-	-	
	Allowances:Cellular and Telephone	2 576 625,00	2 576 625,00	1 278 798,00	530 514,26	-	2 464 965,00	1 193 809,00	1 007 063,94	-	
	Communication:Telephone, Fax, Telegraph and Telex	4 778 982,00	4 778 982,00	1 410 301,00	1 273 110,10	137 190,90	4 709 794,00	2 309 523,00	1 410 301,75	899 221,25	
	Entertainment:Senior Management	40 800,00	40 800,00	-	18 200,00	- 18 200,00	5 500,00	2 748,00	-	2 748,00	
	Entertainment:Total for All Other Councillors	53 040,00	53 040,00	-	-	-	104 000,00	52 000,00	-	52 000,00	
	Entertainment:Executive Mayor	254 592,00	254 592,00	5 274,00	1 690,00	3 584,00	249 600,00	124 800,00	5 273,90	119 526,10	
	Entertainment:Deputy Executive Mayor	-	-	-	-	-	-	-	-	-	
	Entertainment:Speaker	-	-	-	-	-	-	-	-	-	
	Entertainment:Chief Whip	-	-	-	-	-	-	-	-	-	
	Entertainment:Executive Committee	-	-	-	-	-	-	-	-	-	
	Entertainment:Section 79 committee chairperson	-	-	-	-	-	-	-	-	-	
	Overtime:Non Structured	38 106 984,00	38 106 984,00	19 087 521,00	10 577 104,26	8 510 416,74	47 382 530,00	23 794 438,00	17 695 431,96	6 099 006,04	
	Overtime:Shift Additional Remuneration	4 414 274,00	4 414 274,00	2 207 130,00	1 096 131,85	1 110 998,15	5 398 676,00	2 699 340,00	2 168 071,18	531 268,82	
	Overtime:Structured	2 583 399,00	2 583 399,00	1 130 892,00	658 884,41	472 007,59	2 398 699,00	1 199 352,00	1 228 659,13	- 29 307,13	
	Grand Total	126 268 901,00	127 443 724,00	48 183 813,00	26 876 341,19	20 527 814,09	126 402 721,00	53 712 727,00	42 699 316,86	10 747 443,55	

4. PAST YEAR'S ANNUAL REPORT AND PROGRESS ON RESOLVING PROBLEMS IDENTIFIED IN THE ANNUAL REPORT

The audit process for the 2022/2023 financial year has been completed by the Auditor General of South Africa.

The municipality received a clean audit (financially unqualified with no other material findings) during the 2022/2023 financial year.

Areas for improvement as identified during the previous year's audit will be encapsulated in an Audit Action Plan which will address the areas of concern. This plan and the implementation thereof will be monitored by senior management as well as the Audit Committee. The GRAP disclosure checklist in addition to the findings raised in the previous audit will be used to mitigate the risk of recurring audit findings.

5. RECOMMENDATIONS FROM THE ACCOUNTING OFFICER

After having assessed the performance of the municipality for the first half of the year (ended 31 December 2023), the following is recommended:

- a) That the Executive Mayor tables this report to Council as the contents indicate the need to approve an adjustment budget.
- b) That the revised projections as contained in this report inform the adjustment budget.

6. RECOMMENDATIONS FROM THE EXECUTIVE MAYOR

- a) Council take note of the report and more specifically the assessment and forecasts contained in the report,
- b) Council take note that an Adjustments Budget will be compiled and tabled to Council as a result of the following:
 - Operational Budget detail to be adjusted to reflect realistically anticipated revenue and expenditure as envisaged by the detail contained in the report to accompany the adjustment budget.
 - Appropriate additional revenue that has become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programs already budgeted for.
 - Authorize the utilization of projected savings in one vote towards spending in another vote due to the reprioritization of projects in line with revised completion dates; and
 - To correct any errors in the annual budget.

QUALITY CERTIFICATE

I, Geraldine Mettler, the Municipal Manager of Stellenbosch Municipality, hereby certify that the mid-year budget and performance assessment for the period 1 July 2023 to December 2023 has been prepared in accordance with Section 72 of the Municipal Finance Management Act and Regulations made under the Act and accordingly submit the required report on the state of Stellenbosch Municipality's performance.

Name: Geraldine Mettler

Municipal Manager of Stellenbosch Municipality - WC024

Signature: _____



Date: _____

15 January 2024

**MID YEAR BUDGET AND
PERFORMANCE
ASSESSMENT
PART A**

Table C2: Monthly Budget Statement – Financial Performance (standard classification)

WC024 Stellenbosch - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Mid-Year Assessment

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		585 336	607 693	602 310	61 485	367 366	348 442	18 924	5%	602 310
Executive and council		624	1 205	1 205	36	372	500	(127)	-26%	1 205
Finance and administration		584 162	606 488	601 106	61 450	366 994	347 943	19 051	5%	601 106
Internal audit		550	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		197 351	179 869	184 398	1 326	48 898	74 490	(25 592)	-34%	184 398
Community and social services		23 288	14 918	19 258	501	4 711	4 645	66	1%	19 258
Sport and recreation		1 073	1 242	1 242	1	101	335	(233)	-70%	1 242
Public safety		162 526	147 892	147 892	280	39 595	62 335	(22 739)	-36%	147 892
Housing		10 464	15 817	16 006	543	4 490	7 175	(2 685)	-37%	16 006
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		105 522	113 925	114 891	7 148	39 927	5 170	34 757	672%	114 891
Planning and development		94 388	106 375	107 607	6 100	33 606	4 999	28 607	572%	107 607
Road transport		10 012	6 826	6 559	1 045	6 211	93	6 118	6588%	6 559
Environmental protection		1 121	725	725	4	110	78	32	41%	725
<i>Trading services</i>		1 314 143	1 487 296	1 496 144	146 761	761 323	594 162	167 161	28%	1 496 144
Energy sources		858 023	979 174	1 017 968	85 657	495 381	378 981	116 401	31%	1 017 968
Water management		174 310	196 564	209 137	18 825	85 950	93 112	(7 162)	-8%	209 137
Waste water management		151 046	160 222	136 276	23 089	96 504	64 379	32 124	50%	136 276
Waste management		130 764	151 336	132 763	19 190	83 488	57 690	25 798	45%	132 763
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	2 202 352	2 388 783	2 397 744	216 720	1 217 514	1 022 264	195 250	19%	2 397 744
Expenditure - Functional										
<i>Governance and administration</i>		279 354	362 614	362 805	7 593	92 126	147 794	(55 668)	-38%	362 805
Executive and council		39 253	42 363	42 613	461	7 434	19 359	(11 926)	-62%	42 613
Finance and administration		226 666	314 447	314 388	7 111	82 997	125 961	(42 965)	-34%	314 388
Internal audit		13 434	5 804	5 804	21	1 696	2 474	(778)	-31%	5 804
<i>Community and public safety</i>		482 675	433 048	432 221	6 589	113 107	155 916	(42 808)	-27%	432 221
Community and social services		43 151	52 702	52 702	508	14 560	23 586	(9 026)	-38%	52 702
Sport and recreation		55 283	81 085	80 205	354	15 276	34 588	(19 313)	-56%	80 205
Public safety		345 733	268 165	268 218	3 784	72 769	84 801	(12 032)	-14%	268 218
Housing		38 508	31 096	31 096	1 944	10 502	12 940	(2 438)	-19%	31 096
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		156 428	220 371	220 548	3 401	47 427	99 580	(52 153)	-52%	220 548
Planning and development		74 847	98 596	98 446	1 403	22 647	45 089	(22 442)	-50%	98 446
Road transport		65 219	103 690	103 190	1 510	20 190	47 473	(27 283)	-57%	103 190
Environmental protection		16 362	18 085	18 912	488	4 590	7 018	(2 429)	-35%	18 912
<i>Trading services</i>		1 035 174	1 242 315	1 244 048	73 366	484 962	491 643	(6 681)	-1%	1 244 048
Energy sources		649 872	768 674	768 840	46 906	325 187	305 592	19 595	6%	768 840
Water management		140 084	146 032	142 302	8 693	48 539	52 210	(3 671)	-7%	142 302
Waste water management		171 976	176 993	182 558	15 911	68 442	83 441	(14 999)	-18%	182 558
Waste management		73 241	150 616	150 349	1 855	42 794	50 399	(7 605)	-15%	150 349
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	1 953 631	2 258 349	2 259 623	90 949	737 623	894 933	(157 310)	-18%	2 259 623
Surplus/ (Deficit) for the year		248 721	130 434	138 121	125 771	479 891	127 331	352 560	277%	138 121

Table C2: Monthly Budget Statement – Financial Performance, reflects the operating revenue and operating expenditure in the standard classifications which are the Government Finance Statistics Functions and Sub-functions. The main functions are Governance and Administration; Community and Public safety; Economic and Environmental services; and Trading Services.

Table C3: Monthly Budget Statement – Financial Performance (revenue & expenditure by municipal vote)

WC024 Stellenbosch - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Mid-Year

Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands										
Revenue by Vote										
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	1	550	-	-	-	-	-	-	-	-
Vote 2 - PLANNING AND DEVELOPMENT SERVICES		20 629	26 357	26 547	1 011	9 223	11 779	(2 556)	-21,7%	26 547
Vote 3 - INFRASTRUCTURE SERVICES		1 406 076	1 589 956	1 599 770	153 437	796 408	594 651	201 757	33,9%	1 599 770
Vote 4 - COMMUNITY AND PROTECTION SERVICES		190 311	164 777	169 116	786	44 518	67 392	(22 875)	-33,9%	169 116
Vote 5 - CORPORATE SERVICES		11 557	10 179	10 219	606	3 970	3 866	103	2,7%	10 219
Vote 6 - FINANCIAL SERVICES		573 229	597 514	592 091	60 879	363 396	344 576	18 820	5,5%	592 091
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	2 202 352	2 388 783	2 397 744	216 720	1 217 514	1 022 264	195 250	19,1%	2 397 744
Expenditure by Vote										
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER	1	25 844	17 841	17 841	54	5 043	7 516	(2 473)	-32,9%	17 841
Vote 2 - PLANNING AND DEVELOPMENT SERVICES		78 814	93 403	93 403	3 146	28 778	42 315	(13 538)	-32,0%	93 403
Vote 3 - INFRASTRUCTURE SERVICES		1 160 770	1 366 656	1 367 889	74 889	515 869	547 967	(32 098)	-5,9%	1 367 889
Vote 4 - COMMUNITY AND PROTECTION SERVICES		429 596	422 903	422 903	5 123	95 826	154 804	(58 978)	-38,1%	422 903
Vote 5 - CORPORATE SERVICES		165 702	234 757	234 397	2 317	51 693	86 125	(34 433)	-40,0%	234 397
Vote 6 - FINANCIAL SERVICES		92 906	122 789	122 789	5 243	40 133	56 106	(15 973)	-28,5%	122 789
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	1 953 631	2 258 349	2 259 223	90 772	737 341	894 833	(157 492)	-17,6%	2 259 223
Surplus/ (Deficit) for the year	2	248 721	130 434	138 521	125 948	480 173	127 431	352 742	276,8%	138 521

Table C3: Monthly Budget Statement – Financial Performance, reflects the operating revenue and operating expenditure by municipal vote. The municipal directorates are Municipal Manager; Planning Development; Human Settlements; Engineering Services; Community and Protection Services; Corporate Services; and Financial Services. The operating expenditure budget is approved by Council on the municipal vote level.

Table C4: Monthly Budget Statement – Financial Performance (revenue & expenditure)

WC024 Stellenbosch - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Mid-Year Assessment

Description	Ref	2022/23		Budget Year 2023/24						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue		1 287 586	1 435 565	1 435 565	120 643	726 514	573 918	152 596	27%	1 435 565
Service charges - Electricity		779 984	913 669	913 669	68 183	451 885	335 279	116 606	35%	913 669
Service charges - Water		162 138	185 622	185 622	17 453	77 293	84 150	(6 856)	-8%	185 622
Service charges - Waste Water Management		106 739	108 647	108 647	9 240	58 589	54 594	3 996	7%	108 647
Service charges - Waste management		89 837	107 654	107 654	7 289	52 511	49 828	2 683	5%	107 654
Sale of Goods and Rendering of Services		21 698	22 190	22 190	1 073	10 535	9 768	767	8%	22 190
Agency services		3 438	3 358	3 358	38	1 572	1 474	98	7%	3 358
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		16 467	15 413	15 413	1 780	10 329	6 845	3 484	51%	15 413
Interest earned from Current and Non Current Assets		42 250	41 193	41 193	4 712	28 744	20 596	8 148	40%	41 193
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		12 373	10 604	10 604	644	4 303	4 540	(237)	-5%	10 604
Licence and permits		8 408	7 872	7 872	266	3 747	3 884	(136)	-4%	7 872
Operational Revenue		44 254	19 346	19 346	9 966	27 004	2 961	24 044	812%	19 346
Non-Exchange Revenue		814 431	849 362	849 136	90 459	454 380	442 402	11 978	3%	849 136
Property rates		452 019	473 589	473 589	34 518	278 539	284 831	(6 292)	-2%	473 589
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		146 658	131 570	131 570	27	32 437	54 763	(22 327)	-41%	131 570
Licence and permits		-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational		211 107	240 911	240 684	55 571	141 320	101 213	40 106	40%	240 684
Interest		3 418	3 293	3 293	343	2 082	1 594	488	31%	3 293
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		1 084	-	-	-	-	-	-	-	-
Other Gains		145	-	-	-	3	-	3	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		2 102 017	2 284 927	2 284 701	211 102	1 180 894	1 016 320	164 574	16%	2 284 701
Expenditure By Type										
Employee related costs		542 779	617 694	618 622	0	141 273	311 618	(170 345)	-55%	618 622
Remuneration of councillors		22 765	22 097	22 097	-	3 538	11 048	(7 510)	-68%	22 097
Bulk purchases - electricity		521 012	636 393	636 393	41 956	281 960	252 243	29 717	12%	636 393
Inventory consumed		87 162	100 449	98 166	1 304	33 208	27 062	6 146	23%	98 166
Debt impairment		75 205	16 684	16 684	-	-	-	-	-	16 684
Depreciation and amortisation		233 295	220 283	220 283	-	82 656	108 963	(26 307)	-24%	220 283
Interest		59 928	59 688	59 688	25 147	25 147	29 844	(4 697)	-16%	59 688
Contracted services		228 438	288 868	290 895	14 630	92 918	83 322	9 596	12%	290 895
Transfers and subsidies		17 758	20 636	19 799	389	10 936	9 685	1 251	13%	19 799
Irrecoverable debts written off		91 946	94 958	94 958	3	31	355	(325)	-91%	94 958
Operational costs		71 085	180 599	182 037	7 520	65 956	60 793	5 164	8%	182 037
Losses on Disposal of Assets		1 723	-	-	-	-	-	-	-	-
Other Losses		534	-	-	-	-	-	-	-	-
Total Expenditure		1 953 631	2 258 349	2 259 623	90 949	737 623	894 933	(157 310)	-18%	2 259 623
Surplus/(Deficit)		148 386	26 578	25 078	120 153	443 271	121 387	321 885	0	25 078
Transfers and subsidies - capital (monetary allocations)		100 312	103 856	113 042	5 618	36 620	5 944	30 676	0	113 042
Transfers and subsidies - capital (in-kind)		23	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		248 721	130 434	138 121	125 771	479 891	127 331			138 121
Income Tax		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		248 721	130 434	138 121	125 771	479 891	127 331			138 121
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		248 721	130 434	138 121	125 771	479 891	127 331			138 121
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		248 721	130 434	138 121	125 771	479 891	127 331			138 121

Table C5: Monthly Budget Statement – Capital Expenditure

Table C5: Monthly Budget Statement – Capital Expenditure consists of three sections: Appropriations by vote; Standard classification and funding portion.

WC024 Stellenbosch - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Mid-Year Assessment

Vote Description	Ref	2022/23		Budget Year 2023/24						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		39	40	40	6	37	38	(1)	-2%	40
Vote 2 - PLANNING AND DEVELOPMENT SERVICES		11 214	7 824	8 013	5	907	1 914	(1 007)	-53%	8 013
Vote 3 - INFRASTRUCTURE SERVICES		263 370	432 123	468 453	41 112	113 501	189 550	(76 049)	-40%	468 453
Vote 4 - COMMUNITY AND PROTECTION SERVICES		13 868	20 492	28 400	625	3 916	8 717	(4 801)	-55%	28 400
Vote 5 - CORPORATE SERVICES		30 209	30 201	35 101	44	6 497	10 855	(4 358)	-40%	35 101
Vote 6 - FINANCIAL SERVICES		571	250	1 419	-	4	1 262	(1 258)	-100%	1 419
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	319 271	490 930	541 426	41 792	124 863	212 337	(87 474)	-41%	541 426
Single Year expenditure appropriation	2									
Vote 1 - OFFICE OF THE MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 2 - PLANNING AND DEVELOPMENT SERVICES		524	1 220	1 233	16	37	110	(73)	-66%	1 233
Vote 3 - INFRASTRUCTURE SERVICES		-	4 300	4 300	259	(171)	2 055	(2 226)	-108%	4 300
Vote 4 - COMMUNITY AND PROTECTION SERVICES		1 625	4 150	9 907	235	546	3 020	(2 474)	-82%	9 907
Vote 5 - CORPORATE SERVICES		569	3 700	4 633	-	970	2 069	(1 099)	-53%	4 633
Vote 6 - FINANCIAL SERVICES		-	500	500	-	-	-	-	-	500
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	2 718	13 870	20 573	509	1 382	7 254	(5 872)	-81%	20 573
Total Capital Expenditure	3	321 989	504 800	561 998	42 301	126 245	219 591	(93 346)	-43%	561 998
Capital Expenditure - Functional Classification										
Governance and administration		31 388	34 691	41 692	50	7 509	14 225	(6 716)	-47%	41 692
Executive and council		39	40	40	6	37	38	(1)	-2%	40
Finance and administration		31 348	34 651	41 652	44	7 472	14 186	(6 715)	-47%	41 652
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		15 395	28 606	42 123	654	4 534	11 425	(6 891)	-60%	42 123
Community and social services		2 323	7 285	13 446	15	2 193	389	1 805	464%	13 446
Sport and recreation		4 620	6 461	10 070	627	1 414	6 510	(5 096)	-78%	10 070
Public safety		1 638	6 966	10 523	-	290	3 032	(2 742)	-90%	10 523
Housing		6 815	7 894	8 083	12	637	1 494	(858)	-57%	8 083
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		78 737	95 480	109 632	7 858	18 162	29 101	(10 939)	-38%	109 632
Planning and development		13 953	19 800	23 045	1 554	5 249	7 890	(2 641)	-33%	23 045
Road transport		58 013	73 080	83 649	6 092	12 356	20 292	(7 936)	-39%	83 649
Environmental protection		6 772	2 600	2 938	211	558	919	(361)	-39%	2 938
Trading services		196 469	346 023	368 551	33 740	96 040	164 840	(68 800)	-42%	368 551
Energy sources		73 934	113 188	119 582	12 100	35 554	51 217	(15 663)	-31%	119 582
Water management		73 907	117 150	122 873	9 000	28 731	53 409	(24 677)	-46%	122 873
Waste water management		40 101	53 140	56 230	1 861	5 795	7 520	(1 725)	-23%	56 230
Waste management		8 527	62 545	69 865	10 779	25 959	52 694	(26 735)	-51%	69 865
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	321 989	504 800	561 998	42 301	126 245	219 591	(93 346)	-43%	561 998
Funded by:										
National Government		91 031	79 190	76 440	7 155	34 836	40 998	(6 162)	-15%	76 440
Provincial Government		8 543	24 666	36 603	1 537	4 816	6 829	(2 013)	-29%	36 603
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		17 178	24 118	27 846	1 043	3 565	7 286	(3 721)	-51%	27 846
Transfers recognised - capital		116 751	127 974	140 888	9 735	43 217	55 114	(11 896)	-22%	140 888
Borrowing	6	84 534	200 000	210 901	24 307	50 671	105 621	(54 950)	-52%	210 901
Internally generated funds		120 704	176 826	210 209	8 259	32 357	58 856	(26 499)	-45%	210 209
Total Capital Funding	7	321 989	504 800	561 998	42 301	126 245	219 591	(93 346)	-43%	561 998

References

Table C6: Monthly Budget Statement – Financial Position

Table C6: Monthly Budget Statement – Financial Position consists of three sections: Assets; Liabilities and Community wealth/equity.

WC024 Stellenbosch - Table C6 Monthly Budget Statement - Financial Position - Mid-Year Assessment

Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD Actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		580 301	428 557	512 093	901 865	512 093
Trade and other receivables from exchange transactions		248 213	219 378	258 423	290 194	258 423
Receivables from non-exchange transactions		46 437	113 233	76 034	91 436	76 034
Current portion of non-current receivables		–	–	–	–	–
Inventory		36 031	28 822	34 744	46 138	34 744
VAT		12 014	17 358	11 767	87 595	11 767
Other current assets		5 961	5 349	5 961	2 465	5 961
Total current assets		928 958	812 698	899 023	1 419 694	899 023
Non current assets						
Investments		–	–	–	–	–
Investment property		425 076	418 091	427 036	427 175	427 036
Property, plant and equipment		5 634 040	6 004 827	5 968 716	5 673 987	5 968 716
Biological assets		5 143	5 643	5 493	5 181	5 493
Living and non-living resources		–	–	–	–	–
Heritage assets		1 313	3 537	1 313	1 313	1 313
Intangible assets		6 099	4 514	4 705	6 068	4 705
Trade and other receivables from exchange transactions		4 582	6 649	4 582	4 582	4 582
Non-current receivables from non-exchange transactions		17	72	17	17	17
Other non-current assets		–	–	–	–	–
Total non current assets		6 076 270	6 443 332	6 411 862	6 118 322	6 411 862
TOTAL ASSETS		7 005 228	7 256 030	7 310 885	7 538 015	7 310 885
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		55 047	63 043	62 457	28 153	62 457
Consumer deposits		23 689	22 755	23 689	24 214	23 689
Trade and other payables from exchange transactions		323 552	278 475	309 774	240 947	309 774
Trade and other payables from non-exchange transactions		28 945	6 113	21 579	61 610	21 579
Provision		58 284	74 461	61 116	54 203	61 116
VAT		–	3 472	3 542	117 726	3 542
Other current liabilities		–	–	–	–	–
Total current liabilities		489 517	448 318	482 155	526 853	482 155
Non current liabilities						
Financial liabilities		447 598	655 062	584 555	447 601	584 555
Provision		120 238	204 748	133 789	120 238	133 789
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		166 384	199 852	186 179	166 384	186 179
Total non current liabilities		734 220	1 059 662	904 523	734 223	904 523
TOTAL LIABILITIES		1 223 736	1 507 980	1 386 679	1 261 076	1 386 679
NET ASSETS	2	5 781 491	5 748 050	5 924 206	6 276 940	5 924 206
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		5 622 922	5 561 338	5 604 704	5 980 036	5 604 704
Reserves and funds		171 887	186 712	319 502	171 887	319 502
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	5 794 809	5 748 050	5 924 206	6 151 923	5 924 206

Table C7: Monthly Budget Statement – Cash Flow

Table C7: Monthly Budget Statement – Cash Flow consists of four sections: cash flow from operating activities; cash flows from investing activities; cash flows from financing activities and net increase/ (decrease) in cash held.

WC024 Stellenbosch - Table C7 Monthly Budget Statement - Cash Flow - Mid-Year Assessment

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		1 249 264	481 350	481 350	158 919	798 847	274 971	523 876	191%	481 350
Service charges		920 983	1 479 263	1 489 909	71 509	569 638	593 314	(23 675)	-4%	1 489 909
Other revenue		43 508	146 227	158 943	4 677	35 696	53 505	(17 810)	-33%	158 943
Transfers and Subsidies - Operational		1 235	240 911	240 644	0	2	114 141	(114 138)	-100%	240 644
Transfers and Subsidies - Capital		52	103 856	101 106	-	-	50 553	(50 553)	-100%	101 106
Interest		5 423	41 193	41 193	583	4 744	20 596	(15 852)	-77%	41 193
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		341 567	(2 000 844)	(2 021 650)	(74 029)	(518 591)	(811 264)	(292 673)	36%	(107 046)
Interest		-	(42 802)	(42 802)	-	-	(21 401)	(21 401)	100%	(42 802)
Transfers and Subsidies		(4 786)	(20 636)	(20 636)	-	-	(10 318)	(10 318)	100%	(20 636)
NET CASH FROM/(USED) OPERATING ACTIVITIES		2 557 246	428 518	428 057	161 659	890 337	264 097	(626 240)	-237%	2 342 661
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	-		-
Decrease (increase) in non-current receivables		(2 122)	-	-	-	-	-	-		-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-		-
Payments										
Capital assets		(297 952)	(576 970)	(642 535)	(48 441)	(173 221)	252 586	425 807	169%	642 535
NET CASH FROM/(USED) INVESTING ACTIVITIES		(300 074)	(576 970)	(642 535)	(48 441)	(173 221)	252 586	425 807	169%	642 535
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	200 000	200 000	-	-	-	-		200 000
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-		-
Payments										
Repayment of borrowing		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	200 000	200 000	-	-	-	-		200 000
NET INCREASE/ (DECREASE) IN CASH HELD		2 257 173	51 548	(14 478)	113 219	717 116	516 683			3 185 196
Cash/cash equivalents at beginning:		443 400	432 641	582 203		878 253	582 203			878 253
Cash/cash equivalents at month/year end:		2 700 573	484 189	567 725		1 595 370	1 098 887			4 063 449



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APPENDIX 1 – SECTION 2

Mid-year Performance Assessment Report 2023/24

01 July – 31 December 2023

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1. INTRODUCTION

In terms of Section 72(1)(a) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA), the accounting officer must, by 25 January of each year, assess the performance of the municipality during the first half of the financial year. A report on such an assessment must, in terms of Section 72(1)(b) of the MFMA, be submitted to the Mayor, Provincial and National Treasury.

Once the Mayor has considered the report, it must be submitted to the Council by 31 January in terms of Section 54 of the MFMA.

The Mid-year Performance Assessment Report and supporting tables for Stellenbosch Municipality are prepared per MFMA Circular 13 and the Municipal Budget and Reporting Regulations.

2. FINANCIAL PERFORMANCE

A report assessing the municipality's financial performance for the period 01 July – 31 December 2023 will be submitted to the Council together with this item.

3. SERVICE DELIVERY PERFORMANCE ANALYSIS

CREATING A CULTURE OF PERFORMANCE

3.1.1 Performance Framework

Performance management is prescribed by Chapter 6 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA), and the Local Government: Municipal Planning and Performance Management Regulations, 796 of August 2001. Section 7(1) of the aforementioned regulation 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 responsibilities of the different role players."* This framework, *inter alia*, reflects the linkage between the Integrated Development Plan (IDP), Budget, Service Delivery and Budget Implementation Plan (SDBIP) and individual as well as service provider performance.

3.1.2 Implementation of Performance Management

The 5th Generation IDP 2022 – 2027 was approved by Council on 25 May 2023. Performance is evaluated using a municipal scorecard (the Top Layer (TL) Service Delivery and Budget Implementation Plan (SDBIP)) at the organisational level and through the Departmental SDBIP at the departmental level.

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 are implemented. It also allocates responsibilities to directorates to deliver services in terms of the IDP and Budget.

The Executive Mayor prepared and approved the TL SDBIP on 20 June 2023.

3.1.3 Monitoring Performance

The SDBIP is loaded on an electronic web-based system (after approval). The web-based system sends automated e-mails to the users of the system as a reminder to all staff responsible for updating their actual performance against the Key Performance Indicator (KPI) and targets for the previous month's performance. The actual results against the monthly targets set are discussed at the

executive management level to determine early warning indicators as well as to discuss corrective measures if needed. The Quarter 1 Performance Assessment Report 2022/23 (01 July – 30 September 2022) was submitted to the Executive Mayoral Committee and Council for review in October 2022 and thereafter to the Internal Audit Section for auditing. The Quarter 2 (01 October – 31 December 2022) Performance Assessment Report will follow a similar process and will be submitted to the Council meeting in January 2024.

Table 0:1: Explanation of colour codes

Colour	Category	Explanation
	KPI Not Yet Measured	KPIs with no targets or actual results for the selected period
	KPI Not Met	Actual vs. target less than 75%
	KPI Almost Met	Actual vs. target between 75% and 100%
	KPI Met	Actual vs. target 100% achieved
	KPI Well Met	Actual vs. target more than 100% and less than 150% achieved
	KPI Extremely Well Met	Actual vs. target of more than 150% achieved

OVERALL SERVICE DELIVERY PERFORMANCE

3.2.1 Performance against the National Key Performance Indicators

The following tables indicate the municipality's performance in terms of the National Key Performance Indicators (NKPIs) required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and Section 43 of the MSA. These key performance indicators are linked to the National Key Performance Areas (NKPAs).

a) Municipal Transformation and Institutional Development

Table 0:2: Municipal Transformation and Institutional Development

INDICATOR	ANNUAL TARGET	MUNICIPAL TARGET	MUNICIPAL ACHIEVEMENT
		01 July – 31 December 2023	01 July – 31 December 2023
The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan <i>*The Stellenbosch Municipality use a % to measure this indicator.</i>	50%*	N/A	N/A
The percentage of a municipality's budget actually spent on implementing its workplace skills plan	0.20%	N/A	N/A

b) Basic Service Delivery

Table 0:3: Basic Service Delivery

INDICATOR	ANNUAL TARGET	MUNICIPAL TARGET	MUNICIPAL ACHIEVEMENT
		01 July – 31 December 2023	01 July – 31 December 2023
The percentage of households earning less than R 6 500 per month with access to free basic services <i>(In the case of Stellenbosch Municipality- the percentage of registered indigent households is being reported)</i>	100%	100%	100% <i>(6 256 / 6 256 x 100 = 100%)</i>
Percentage of formal households with access to basic level of water	100%	100%	100% <i>(6 256 / 6 256 x 100 = 100%)</i>
Percentage of formal households with access to basic level of sanitation	100%	100%	100% <i>(6 256 / 6 256 x 100 = 100%)</i>
Percentage of formal households with access to basic level of electricity	100%	100%	100% <i>(6 256 / 6 256 x 100 = 100%)</i>
Percentage of formal households with access to basic level solid waste removal	100%	100%	100% <i>(6 256 / 6 256 x 100 = 100%)</i>

c) Local Economic Development

Table 0:4: Local Economic Development

INDICATOR	ANNUAL TARGET	MUNICIPAL TARGET	MUNICIPAL ACHIEVEMENT
		01 July – 31 December 2023	01 July – 31 December 2023
The number of jobs created through municipality's local economic development initiatives including capital projects	1 100	660	857

d) Municipal Financial Viability and Management

Table 0:5: Municipal Financial Viability and Management

INDICATOR	ANNUAL TARGET	MUNICIPAL TARGET	MUNICIPAL ACHIEVEMENT
		01 July – 31 December 2023	01 July – 31 December 2023
Debt coverage (Total operating revenue-operating grants received)/ debt service payments due within the year)	15%	N/A	N/A
Service debtors to revenue – (Total outstanding service debtors/ revenue received for services)	27%	N/A	N/A
Cost coverage (Available cash+ investments)/ Monthly fixed operating expenditure	2	N/A	N/A

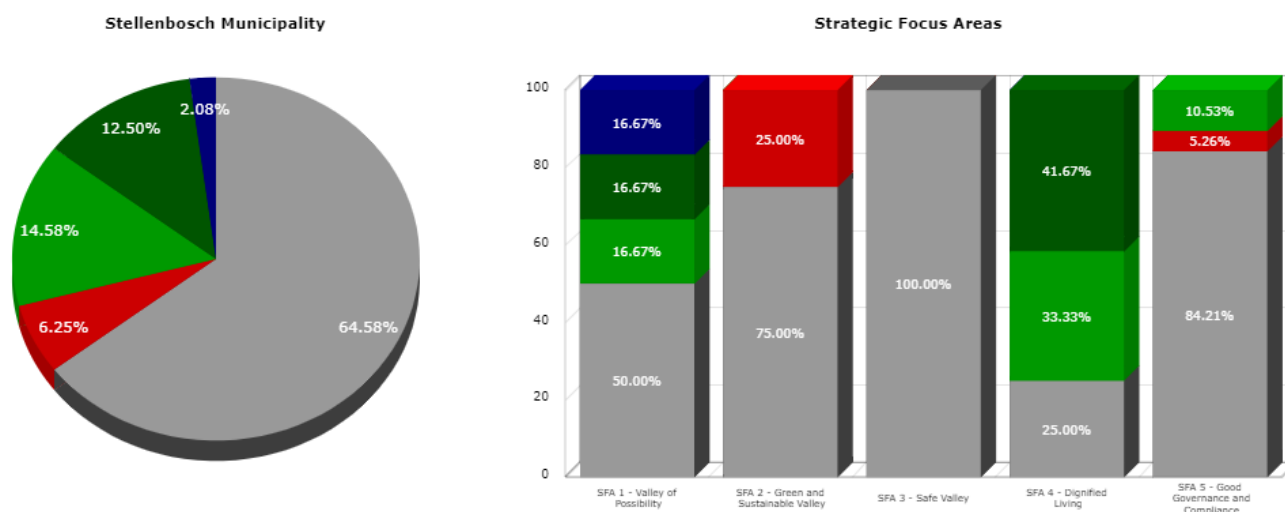
e) Good Governance and Public Participation

Table 0:6: Good Governance and Public Participation

INDICATOR	ANNUAL TARGET	MUNICIPAL TARGET	MUNICIPAL ACHIEVEMENT
		01 July – 31 December 2023	01 July – 31 December 2023
The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan	90%	30%	22.46% <i>R126 244 901 / R561 998 865 x 100 = 22.46%</i>

3.2.2 Summary Performance against the Municipal Strategic Focus Areas

The graph below illustrates the performance of Stellenbosch Municipality against the municipality's Strategic Focus Areas (SFAs) for the period 01 July – 31 December 2023, as derived from the municipality's Integrated Development Plan (IDP). The graph indicates the KPIs measured during the first two quarters of the 2023/24 financial year. As at 31 December 2023, 31 out of the 48 were not yet evaluated. This means that for the first six months of the 2023/24 financial year, only 17 KPIs were measured. Of the 17 KPIs, **14 were achieved** and **three were not achieved**. This translates to an achievement rate of **82.35%** of the planned targets as at 31 December 2023. As noted in the report below, the necessary corrective measures will be implemented to attain the planned targets by 30 June 2024.



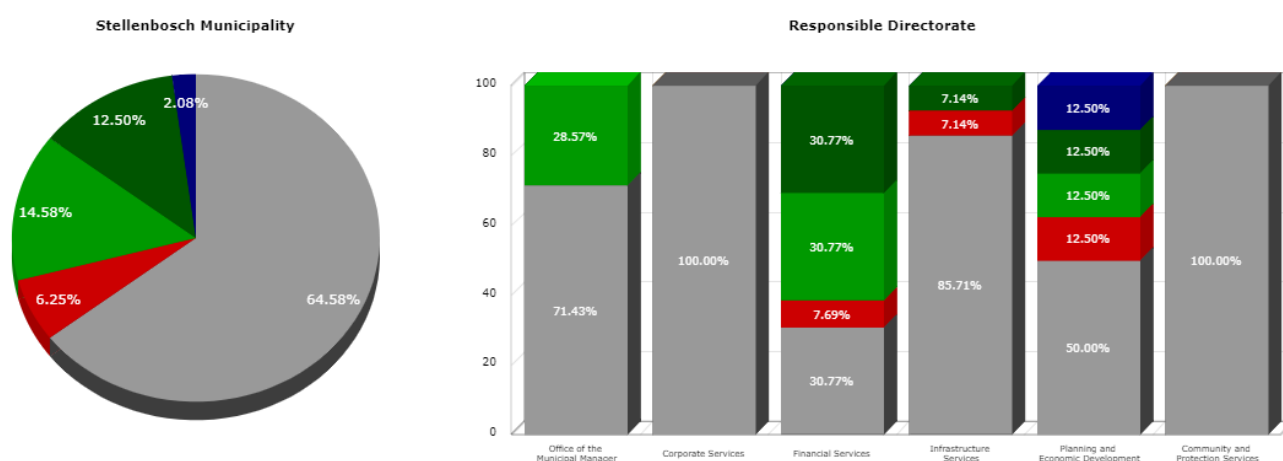
Stellenbosch Municipality		Municipal Strategic Focus Areas (SFAs)				
		SFA 1 - Valley of Possibility	SFA 2 - Green and Sustainable Valley	SFA 3 - Safe Valley	SFA 4 - Dignified Living	SFA 5 - Good Governance and Compliance
KPI Not Yet Measured	31 (64.58%)	3 (50%)	6 (75%)	3 (100%)	3 (25%)	16 (84.21%)
KPI Not Met	3 (6.25%)	-	2 (25%)	-	-	1 (5.26%)
KPI Almost Met	-	-	-	-	-	-
KPI Met	7 (14.58%)	1 (16.67%)	-	-	4 (33.33%)	2 (10.53%)
KPI Well Met	6 (12.50%)	1 (16.67%)	-	-	5 (41.67%)	-
KPI Extremely Well Met	1 (2.08%)	1 (16.67%)	-	-	-	-
Total:	48	6	8	3	12	19
	100%	12.50%	16.67%	6.25%	25%	39.58%

Table 0:7: Summary Performance against the Municipal Strategic Focus Areas- 01 July – 31 December 2023

3.2.3 Summary Performance per Municipal Directorate

The implementation of each TL SDBIP 2023/24 KPI is entrusted to a specific directorate for management purposes. As depicted in the graph below, the performance of the various directorates concerning the KPIs they oversee is illustrated.

The graph only indicates the KPIs measured during the first six months of the 2023/24 financial year. As at 31 December 2023, a total of 17 KPIs of the 48 were measured. Of the 17 KPIs, **14 were achieved** and **three were not achieved**. This translates to an achievement rate of **82.35%** of the planned targets as at 31 December 2023. As noted in the report below, the necessary corrective measures will be implemented to attain the planned targets by 30 June 2024. As noted in the report below, the necessary corrective measures will be implemented to attain the planned targets by 30 June 2024.



Stellenbosch Municipality		Municipal Directorates					
		Office of the Municipal Manager	Corporate Services	Financial Services	Infrastructure Services	Planning and Economic Development	Community and Protection Services
KPI Not Yet Measured	31 (64.58%)	5 (71.43%)	3 (100%)	4 (30.77%)	12 (85.71%)	4 (50%)	3 (100%)
KPI Not Met	3 (6.25%)	-	-	1 (7.69%)	1 (7.14%)	1 (12.50%)	-
KPI Almost Met	-	-	-	-	-	-	-
KPI Met	7 (14.58%)	2 (28.57%)	-	4 (30.77%)	-	1 (12.50%)	-
KPI Well Met	6 (12.50%)	-	-	4 (30.77%)	1 (7.14%)	1 (12.50%)	-
KPI Extremely Well Met	1 (2.08%)	-	-	-	-	1 (12.50%)	-
Total:	48	7	3	13	14	8	3
	100%	14.58%	6.25%	27.08%	29.17%	16.67%	6.25%

Table 0:8: Overall Performance per Municipal Directorate- 01 July – 31 December 2023

4. ADJUSTMENT BUDGET

Regulation 23 of the Local Government: Municipal Budget and Reporting Regulations provide, *inter alia*, the following:

“An adjustment budget may be tabled in the Municipal Council at any time after the Mid-year Budget and Performance Assessment has been tabled in the Council, but not later than 28 February of each year. Furthermore, except under certain circumstances, only one adjustment budget may be tabled in Council during a financial year.”

A revised Top Layer SDBIP will be submitted with the Adjustments Budget to the Council in January 2024 with the necessary motivation where key performance indicators require adjustment / amendment(s) because of the Adjustments Budget.

5. OUTSTANDING MATTERS ON THE PAST YEAR'S ANNUAL REPORT (2021/22)

As prescribed in Section 72(1)(a)(iii) of the MFMA, the accounting officer must assess the performance of the municipality in the first six months, considering the past year's annual report and progress on resolving the problems identified in the annual report. Please refer to **Annexure B** for details regarding progress made with the implementation of corrective measures to address the KPIs that have not been met in the TL SDBIP 2022/23.

6. SUMMARY AND CHALLENGES

Annexure A is the unaudited Top Layer SDBIP report for the period 01 July – 31 December 2023 of the 2023/24 financial year, which measures the Stellenbosch Municipality's overall performance per SFA. The report, furthermore, includes the performance comments and corrective measures indicated for targets not achieved.

GERALDINE METTLER
MUNICIPAL MANAGER

DATE:

7. ANNEXURES

Annexure A — Top Layer SDBIP 2023/24 per Municipal SFA and assessment of targets achieved (Mid-year Assessment)

Annexure B — Progress made with the implementation of corrective measures of KPIs not met in the Top Layer SDBIP for 2022/23

7.1 ANNEXURE A — TOP LAYER SDBIP 2023/24 PER MUNICIPAL SFA AND ASSESSMENT OF TARGETS ACHIEVED (MID-YEAR ASSESSMENT)

a) SFA 1 - Valley of Possibility

SFA 1 - Valley of Possibility																
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2023			01 October – 31 December 2023			Overall Performance for the period 01 July – 31 December 2023			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
TL5 2	KPI061	Submission of the revised Economic Development Strategy to the MayCo	Number of revised Economic Development Strategies submitted to the MayCo by 31 May	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL5 3	KPI003	The number of jobs created through the municipality's local economic development initiatives including capital projects (NKPI Proxy - MSA, Reg. S10(d))	Number of job opportunities created through the municipality's local economic development initiatives including capital projects by 30 June	1 100	1 100	330	656	B	660	857	G2	660	857	G2		

SFA 1 - Valley of Possibility																
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2023			01 October – 31 December 2023			Overall Performance for the period 01 July – 31 December 2023			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
TL5 4	KPI004	Submission of Land-use applications to the Municipal Planning Tribunal (MPT) within 120 days from the conclusion of the administrative processing of the application	Percentage of Land-use applications submitted to the MPT within 120 days from the conclusion of the administrative processing of the application	75%	75%	75%	75%	G	75%	75%	G	75%	75%	G	3 / 4 x 100 = 75%	
TL5 5	KPI005	Provide training opportunities to entrepreneurs and Small, Medium and Micro Enterprises (SMMEs)	Number of quarterly training opportunities provided to entrepreneurs and SMMEs	4	4	1	2	B	1	1	G	2	3	B		
TL5 6	KPI006	Submission of the revised Spatial Development Framework (SDF) to the Council	Number of revised SDFs submitted to the Council by 30 June	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL5 7	KPI007	Submission of the revised Housing Pipeline (document) to the MayCo	Number of revised Housing Pipelines (document) submitted to the MayCo by 31 May	1	1	0	0	N/A	0	0	N/A	0	0	N/A		

Summary of Results: SFA 1 - Valley of Possibility

KPI Not Yet Measured	3
KPI Not Met	0
KPI Almost Met	0
KPI Met	1
KPI Well Met	1
KPI Extremely Well Met	1
Total KPIs	6

b) SFA 2 - Green and Sustainable Valley

SFA 2 - Green and Sustainable Valley																
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2023			01 October – 31 December 2023			Overall Performance for the period 01 July – 31 December 2023			Overall performance comment	Overall corrective measure
						Target †	Actual	R	Target †	Actual	R	Target †	Actual	R		
TL60	KPI020	Conduct an external audit of the Stellenbosch Municipal Waste Disposal Facilities	Number of external audits of the Stellenbosch Municipal Waste Disposal Facilities conducted by 30 June	1	1	0	0	N/A	0	0	N/A	0	0	N/A		

SFA 2 - Green and Sustainable Valley																
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2023			01 October – 31 December 2023			Overall Performance for the period 01 July – 31 December 2023			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
TL6 1	KPI021	Implementation of identified waste minimisation projects	Number of identified waste minimisation projects implemented by 30 June	2	2	0	0	N/A	0	0	N/A	0	0	N/A		
TL6 2	KPI014	Process building plan applications of <500sqm within 30 days after the date of receipt	Percentage of building plan applications of <500sqm processed within 30 days after the date of receipt	60%	60%	60%	44.13 %	R	60%	42.50 %	R	60%	43.22 %	R	<p>The implementation of the Building Plan Application Management System (BPAMS) Phase 1 upgrades scheduled for October 2023 could only be implemented as of January 2024. As a result, the upgrades did not have the desired impact on performance for the first six months of the 2023/24 financial year. It is envisaged that the implementation of the Phase 1 upgrades, as of January 2024, will result in a 5% increase in performance outputs by the end of Quarter 3.</p>	<p>To achieve the performance objective, additional capacity expansion within the BDM section is required. A revised organisational design structure for the Building Development Management Section has been compiled and will be submitted to the Municipal Manager for consideration in January 2024.</p> <p>The BPAMS Phase 2A upgrades had to be delayed and will be concluded and implemented at the end of March 2024. This will result in a further minimum 5%</p>

SFA 2 - Green and Sustainable Valley																
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2023			01 October – 31 December 2023			Overall Performance for the period 01 July – 31 December 2023			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
																increase in performance outputs in quarter 3. BPAMS Phase 2B upgrades will then be engaged and concluded on 30 June 2024.
TL6 3	KP022	Wastewater quality measured to the Department of Water and Sanitation's License Conditions for physical and micro parameters	Percentage of wastewater quality compliance as per the analysis certificate, measured quarterly	70%	70%	70%	46.33 %	R	70%	43.33 %	R	70%	44.83 %	R	A service provider was tasked with facilitating enhanced operational efficiency, repairing equipment, and implementing preventive maintenance measures. Conversations with DWS on the discharge limits for both Stellenbosch and Wemmershoek WWTWs have concluded that the current technology employed at these wastewater treatment plants is incapable of meeting the required special limits. The objective is to revise restrictions to	Upgrades to the Wemmershoek WWTW: Phase 2 construction tender advertised (closing date is 29 January 2024, with a 70-week construction period) Upgrades to the Klapmuts WWTW are to be started in the 2024/25 financial year (a consultant is to be appointed in January 2024).

SFA 2 - Green and Sustainable Valley																
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2023			01 October – 31 December 2023			Overall Performance for the period 01 July – 31 December 2023			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
															enhance overall limitations that guarantee effluent releases meet the same criteria as regular river water.	
TL6 5	KPI016	Reduce organic waste	Percentage of organic waste reduced by 30 June	20%	20%	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A		
TL9 4	KPI011	Construction of a new landfill cell at Stellenbosch Landfill Facility	Number of new landfill cells constructed at the Stellenbosch Landfill Facility by 30 June	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL9 5	KPI019	Submission of a Service Level Charter to the Municipal Manager	Number of Service Level Charters submitted to the Municipal Manager by 30 June	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL9 6	KPI010	Upgrade the telemetry monitoring system	Number of telemetry monitoring systems upgraded by 30 June	1	1	0	0	N/A	0	0	N/A	0	0	N/A		

Summary of Results: SFA 2 - Green and Sustainable Valley

	KPI Not Yet Measured	6
	KPI Not Met	2
	KPI Almost Met	0
	KPI Met	0
	KPI Well Met	0
	KPI Extremely Well Met	0
Total KPIs		8

c) SFA 3 - Safe Valley

SFA 3 - Safe Valley																
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2023			01 October – 31 December 2023			Overall Performance for the period 01 July – 31 December 2023			Overall performance comment	Overall corrective measure
						Target †	Actual	R	Target †	Actual	R	Target †	Actual	R		
TL66	KPI024	Submission of the revised Disaster Management Plan to the Municipal Manager	Number of revised Disaster Management Plans submitted to the Municipal Manager by 31 March	1	1	0	0	N/A	0	0	N/A	0	0	N/A		

SFA 3 - Safe Valley																
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2023			01 October – 31 December 2023			Overall Performance for the period 01 July – 31 December 2023			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
TL67	KPI025	Submission of the revised Safety and Security Strategy to the Municipal Manager	Number of revised Safety and Security Strategies submitted to the Municipal Manager by 30 April	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL68	KPI026	Submission of the revised Traffic Management Plan to the Municipal Manager	Number of revised Traffic Management Plans submitted to the Municipal Manager by 31 March	1	1	0	0	N/A	0	0	N/A	0	0	N/A		

Summary of Results: SFA 3 - Safe Valley

KPI Not Yet Measured	3
KPI Not Met	0
KPI Almost Met	0
KPI Met	0
KPI Well Met	0
KPI Extremely Well Met	0
Total KPIs	3

d) SFA 4 - Dignified Living

SFA 4 - Dignified Living																
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2023			01 October – 31 December 2023			Overall Performance for the period 01 July – 31 December 2023			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
TL70	KPI028	Provision of waterborne toilet facilities in informal settlements as identified by the Department: Integrated Human Settlements	Number of waterborne toilet facilities provided in Informal settlements as identified by the Department: Integrated Human Settlements by 30 June	20	20	0	0	N/A	0	0	N/A	0	0	N/A		
TL71	KPI032	Registered indigent formal households with access to free basic water (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent formal households with access to free basic water, measured quarterly	100%	100%	100%	100%	G	100%	100%	G	100%	100%	G	6 256 / 6 256 x 100 = 100%	
TL72	KPI029	Limit unaccounted electricity to less than 9% annually {(Number of Electricity Units Purchased and / or Generated - Number of Electricity Units Sold (incl. Free basic electricity)) / Number of	Percentage of average electricity losses, measured by 30 June	<9%	<9%	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A		

SFA 4 - Dignified Living																
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2023			01 October – 31 December 2023			Overall Performance for the period 01 July – 31 December 2023			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
		Electricity Units Purchased and/or Generated) x 100}														
TL7 3	KPI030	Water quality measured quarterly ito the SANS 241 physical and micro parameters	Percentage of water quality level as per the analysis certificate, measured quarterly	90%	90%	90%	90%	G	90%	95.80%	G2	90%	92.90%	G2		
TL7 4	KPI031	Limit unaccounted water to less than 25%	Percentage of average unaccounted water, measured by 30 June	<25%	<25%	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A		
TL7 5	KPI033	Registered indigent formal households with access to free basic electricity provided by the municipality (NKPI Proxy - MSA, Reg. S10(a), (b)	Percentage of registered indigent formal households with access to free basic electricity provided by the municipality, measured quarterly	100%	100%	100%	100%	G	100%	100%	G	100%	100%	G	6 256 / 6 256 x 100 = 100%	
TL7 6	KPI034	Registered indigent formal households with access to free basic refuse	Percentage of registered indigent formal households with access to free	100%	100%	100%	100%	G	100%	100%	G	100%	100%	G	6 256 / 6 256 x 100 = 100%	

SFA 4 - Dignified Living																
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2023			01 October – 31 December 2023			Overall Performance for the period 01 July – 31 December 2023			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
		removal (NKPI Proxy - MSA, Reg. S10(a), (b))	basic refuse removal, measured quarterly													
TL77	KPI035	Registered indigent formal households with access to free basic sanitation (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent formal households with access to free basic sanitation, measured quarterly	100%	100%	100%	100%	G	100%	100%	G	100%	100%	G	6 256 / 6 256 x 100 = 100%	
TL78	KPI036	Formal households with access to water (NKPI Proxy - MSA, Reg. S10(a))	Number of formal households with access to water, measured quarterly	27 000	27 000	27 000	27 036	G2	27 000	27 191	G2	27 000	27 191	G2		
TL79	KPI037	Formal households with access to electricity (NKPI Proxy - MSA, Reg. S10(a))	Number of formal households with access to electricity, measured quarterly	27 000	27 000	27 000	27 036	G2	27 000	27 191	G2	27 000	27 191	G2		
TL80	KPI038	Formal households with access to refuse removal (NKPI Proxy - MSA, Reg. S10(a))	Number of formal households with access to refuse removal, measured quarterly	27 000	27 000	27 000	27 036	G2	27 000	27 191	G2	27 000	27 191	G2		
TL81	KPI039	Formal households with access to	Number of formal households with	27 000	27 000	27 000	27 036	G2	27 000	27 191	G2	27 000	27 191	G2		

SFA 4 - Dignified Living																
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2023			01 October – 31 December 2023			Overall Performance for the period 01 July – 31 December 2023			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
		sanitation (NKPI Proxy - MSA, Reg. S10(a))	access to sanitation, measured quarterly													

Summary of Results: SFA 4 - Dignified Living

	KPI Not Yet Measured	3
	KPI Not Met	0
	KPI Almost Met	0
	KPI Met	4
	KPI Well Met	5
	KPI Extremely Well Met	0
Total KPIs		12

e) SFA 5 - Good Governance and Compliance

SFA 5 - Good Governance and Compliance																
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2023			01 October – 31 December 2023			Overall Performance for the period 01 July – 31 December 2023			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
TL47	KPI059	Submission of the revised Communication Policy to the MayCo	Number of revised Communication Policies submitted to the MayCo by 31 May	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL48	KPI044	Employment equity appointments made within the financial year in the three highest levels of management	Percentage of employment equity appointments made within the financial year in the three highest levels of management, measured by 30 June	50%	50%	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A		
TL49	KPI049	Submission of the Auditor General of South Africa (AGSA) Audit Action Plan (AAP) to the APAC	Number of AGSA Audit Action Plans submitted to the APAC by 31 July	1	1	1	1	G	0	0	N/A	1	1	G		
TL50	KPI053	Submission of the draft Integrated Development Plan (IDP) to the Council	Number of draft IDPs submitted to the Council by 31 March	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL51	KPI062	Submission of the revised Integrated	Number of revised Integrated Zoning	1	1	0	0	N/A	0	0	N/A	0	0	N/A		

SFA 5 - Good Governance and Compliance																
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2023			01 October – 31 December 2023			Overall Performance for the period 01 July – 31 December 2023			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
		Zoning Scheme to the MayCo	Schemes submitted to the MayCo by 30 June													
TL58	KPI055	Submission of the revised Wastewater Master Plan to the Municipal Manager	Number of revised Wastewater Master Plans submitted to the Municipal Manager by 30 June	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL59	KPI060	Submission of the updated Comprehensive Integrated Transport Plan (CITP) to the Municipal Manager	Number of updated CITPs submitted to the Municipal Manager by 30 June	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL82	KPI042	Financial viability measured in terms of the available cash to cover fixed operating expenditure (NKPI Proxy - MSA, Reg. S10(g) (iii))	Cost coverage as at 30 June annually [(Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure	2	2	0	0	N/A	0	0	N/A	0	0	N/A		

SFA 5 - Good Governance and Compliance																
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2023			01 October – 31 December 2023			Overall Performance for the period 01 July – 31 December 2023			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
			excluding (Depreciation)													
TL83	KPI043	Achieve an average payment percentage of 96% by 30 June (Gross Debtors Opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off) / Billed Revenue x 100	(Gross Debtors Opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off) / Billed Revenue x 100	96%	96%	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A		
TL84	KPI040	Actual expenditure of the approved Capital Budget for the municipality by 30 June (NKPI - MSA, Reg. S10(c))	Percentage of the approved Capital Budget for the municipality actually spent by 30 June	90%	90%	10%	4.97%	R	30%	22.46%	R	30%	22.46%	R	R126 244 901 / R561 998 865 x 100 = 22.46%	An extensive evaluation of performance was carried out during the mid-year adjustments budget process. As a result, projects will be rescheduled in subsequent financial years where tenders have not yet been finalised.
TL85	KPI045	The percentage of the payroll budget spent on implementing the Municipal Workplace Skills	Percentage of the municipality's payroll budget actually spent on implementing its Workplace Skills Plan ((Total Actual	0.20%	0.20%	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A		

SFA 5 - Good Governance and Compliance																
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2023			01 October – 31 December 2023			Overall Performance for the period 01 July – 31 December 2023			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
		Plan (NKPI Proxy-MSA, Reg. S10(f))	Training Expenditure / Total Annual payroll Budget) x 100), measured by 30 June													
TL86	KPI046	Financial viability measured in terms of the municipality's ability to meet its service debt obligations (NKPI Proxy - MSA, Reg. S10(g)(i))	Debt coverage ratio ((Total operating revenue - operating grants received) / (Debt service payments due within the year)) measured by 30 June	15%	15%	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A		
TL87	KPI047	Financial viability measured in terms of the outstanding service debtors (NKPI Proxy - MSA, Reg. S10(g)(ii))	Service debtors to revenue ratio - (Total outstanding service debtors / revenue received for services) measured by 30 June	27%	27%	0%	0%	N/A	0%	0%	N/A	0%	0%	N/A		
TL88	KPI054	Submission of the IDP / Budget / SDF time schedule (process plan) to the Council	Number of IDP / Budget / SDF time schedules (process plan) submitted to the Council by 31 August	1	1	1	1	G	0	0	N/A	1	1	G		

SFA 5 - Good Governance and Compliance																
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2023			01 October – 31 December 2023			Overall Performance for the period 01 July – 31 December 2023			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
TL89	KPI051	Submission of the revised Information and Communication Technology (ICT) Backup Disaster Recovery Plan to the ICT Steering Committee	Number of revised ICT Backup Disaster Recovery Plans submitted to the ICT Steering Committee by 31 March	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL90	KPI052	Submission of the revised Strategic ICT Plan to the ICT Steering Committee	Number of revised Strategic ICT Plans submitted to the ICT Steering Committee by 31 March	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL91	KPI048	Submission of the revised Risk-Based Audit Plan (RBAP) to the Audit and Performance Audit Committee (APAC)	Number of revised RBAPs submitted to the APAC by 30 June	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL92	KPI050	Submission of the revised Strategic Risk Register (SRR) to the Risk Management Committee	Number of revised SRRs submitted to the Risk Management Committee by 30 June	1	1	0	0	N/A	0	0	N/A	0	0	N/A		
TL93	KPI056	Submission of the revised Electrical Master Plan to the Council	Number of revised Electrical Master Plans submitted to	1	1	0	0	N/A	0	0	N/A	0	0	N/A		

SFA 5 - Good Governance and Compliance																
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Original Annual Target	Revised Annual Target	01 July – 30 September 2023			01 October – 31 December 2023			Overall Performance for the period 01 July – 31 December 2023			Overall performance comment	Overall corrective measure
						Target	Actual	R	Target	Actual	R	Target	Actual	R		
			the Council by 30 June													

Summary of Results: Planning and Economic Development

	KPI Not Yet Measured	16
	KPI Not Met	1
	KPI Almost Met	0
	KPI Met	2
	KPI Well Met	0
	KPI Extremely Well Met	0
Total KPIs		19

7.2 ANNEXURE B — PROGRESS MADE WITH THE IMPLEMENTATION OF CORRECTIVE MEASURES OF KPIS NOT MET IN THE TOP LAYER SDBIP FOR 2022/23

a) SFA 2 - Green and Sustainable Valley

SFA 2 - GREEN AND SUSTAINABLE VALLEY												
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	Overall Performance 01 July 2022 to 30 June 2023			Performance comments / Reason(s) for deviation from target (under and over-performance)	Improvement Plan(s) to correct deviation from target (underperformance)	Progress as at 31 December 2023
							Target	Actual	R			
TL16	KPI014	Process building plan applications of <500sqm within 30 days after the date of receipt	Percentage of building plan applications of <500sqm processed within 30 days after the date of receipt	62.35%	75%	70%	70%	42.91%	R	<p>$587 / 1\ 368 \times 100 = 42.91\%$</p> <p>A Building Plan Process Investigation was completed and submitted to the Municipal Manager in March 2023. A BDM Action Plan to address the outcomes of the independent building plan process investigation was completed and submitted in June 2023 for implementation as of 01 July 2023. A new BDM Policy, operational guidelines, and procedures were developed. A new draft BDM Bylaw has been developed and is to be submitted to the Council for approval before the public can participate.</p>	<p>BDM staff capacity constraints have been addressed with the appointment of an additional plans examiner, who will assume duty on 01 August 2023. A further request for additional BDM capacity will be submitted to the Municipal Manager and CFO. Micro-organogram changes to the BDM organogram are in process and will be submitted to the MM for consideration. Staff capacity constraints within internal commenting directorates (specifically Infrastructure Services) need to be addressed. Funding has been secured from the WCG for the upgrade of the</p>	<p>The implementation of the Building Plan Application Management System (BPAMs) Phase 1 upgrades scheduled for October 2023 could only be implemented as of January 2024. As a result, the upgrades did not have the desired impact on the performance of the first six months of the 2023/24 financial year. It is envisaged that the implementation of the Phase 1 upgrades, as of January 2024, will result in a 5% increase in performance outputs by the end of Quarter 3.</p> <p>To achieve the performance objective, additional capacity expansion within the BDM section</p>

SFA 2 - GREEN AND SUSTAINABLE VALLEY												
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	Overall Performance 01 July 2022 to 30 June 2023			Performance comments / Reason(s) for deviation from target (under and over-performance)	Improvement Plan(s) to correct deviation from target (underperformance)	Progress as at 31 December 2023
							Target	Actual	R			
TL17	KP022	Wastewater quality measured into the Department of Water and Sanitation's License Conditions for physical and micro parameters	Percentage of wastewater quality compliance as per the analysis certificate, measured quarterly	51.75%	70%	70%	70%	46.04%	R	Stage 6 load-shedding had an impact on the Stellenbosch Waste Water Treatment Plant, necessitating ongoing maintenance and the replacement of some equipment. The effluent discharge limits have been discussed with the	A number of upgrades and repairs have been instituted at the various plants, such as the renewal of pumps and inlet screens, the ordering of a standby generator for the dewatering facility, etc.	A new employee, working at the Wastewater Treatment Works (WWTWs), has taken up the role of Superintendent: Maintenance. Furthermore, the specialised service provider for the

SFA 2 - GREEN AND SUSTAINABLE VALLEY												
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	Overall Performance 01 July 2022 to 30 June 2023			Performance comments / Reason(s) for deviation from target (under and over-performance)	Improvement Plan(s) to correct deviation from target (underperformance)	Progress as at 31 December 2023
							Target	Actual	R			
										Department of Water and Sanitation for relaxation of their limits.	In addition, an experienced service provider has been hired to assist with the operation and maintenance of the plants while the vacant positions are filled.	operations and maintenance of the WWTWs has been assisting with the necessary plant equipment repair and / or maintenance, which is producing favourable outcomes. Ongoing employee training is also taking place at the plants.

b) SFA 4 – Dignified Living

SFA 4 - DIGNIFIED LIVING												
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	Overall Performance 01 July 2022 to 30 June 2023			Performance comments / Reason(s) for deviation from target (under and over-performance)	Improvement Plan(s) to correct deviation from target (underperformance)	Progress as at 31 December 2023
							Target	Actual	R			
TL23	KPI027	Installation of new standpipes	Number of new standpipes installed by 30 June	0	50	50	50	26	R	The Informal Settlements Department will use the Informal Settlements Upgrade Partnership Grant to secure funding for standpipes. Some instances require a budget and / or adequate land rights (which cannot be installed on private or non-municipal land).	A new SOP is being developed so that the Informal Settlements Department can apply for funding promptly. Target areas will be identified upfront, and budget applications will be made in advance to avoid delays. Facilitation of land rights will also be effected at an earlier stage in the project pipeline.	Infrastructure Services
TL28	KPI031	Limit unaccounted water to less than 25%	Percentage of average unaccounted water, measured by 30 June	18.70%	<25%	<25%	<25%	27.42%	R	2 968 319kl / 10 827 196kl x 100 = 27.42% Illegal water connections have an impact on unaccounted water, which increases system input volume. Reduction in physical losses (lowering unaccounted volume) is done through pipe replacement and leak detection and correction.	Law enforcement is investigating instances of reported illegal water connections. An increased budget for leak detection and pipe replacement has been motivated for in 2023/24 financial year.	Infrastructure Services

c) SFA 5 – Good Governance and Compliance

SFA 5 - GOOD GOVERNANCE AND COMPLIANCE												
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	Overall Performance 01 July 2022 to 30 June 2023			Performance comments / Reason(s) for deviation from the target (under over-performance)	Improvement Plan(s) to correct deviation from target (underperformance)	Progress as at 31 December 2023
							Target	Actual	R			
TL2	KPI044	Employment equity appointments made within the financial year in the three highest levels of management	Percentage of employment equity appointments made within the financial year in the three highest levels of management, measured by 30 June	33.30%	50%	50%	50%	37.50%	○	<p>$3 / 8 \times 100 = 37.50\%$</p> <p>At each shortlisting panel meeting, the statistics and underrepresented target groups are indicated to the panel. In some instances, there are no qualifying candidates from the underrepresented groups. It also happens in some instances that candidates on the shortlist from underrepresented groups do not perform well enough in the interview to be appointed.</p>	Critical vacancies had to be filled thereby appointing qualifying candidates. Measures are in place on the criteria to be followed when shortlisting is done on candidates within the EE target groups.	Critical vacancies had to be filled, thereby appointing qualifying candidates. Measures are in place for the criteria to be followed when shortlisting candidates within the EE target groups. It should also be noted that in terms of the national standard, the levels referred to for this indicator are the MM, MSA Section 56 managers, and managers reporting to the Section 56 managers, and the appointments are subject to vacancies and the availability of qualifying candidates.
TL12	KPI055	Submission of the revised Wastewater Master Plan to the Municipal Manager	Number of revised Wastewater Master Plans submitted to the Municipal Manager by 30 June	New KPI	1	1	1	0	R	Capacity constraints affected the achievement of this indicator. The Manager: Water and Wastewater Planning post has been vacant for the duration of the 2022/23 financial year. Despite this, the Wastewater Master Plan	A consultant has been successfully appointed and is finalising the Wastewater Master Plan. The plan will be completed and submitted to the Municipal Manager	The draft Water and Wastewater Master Plan is being finalised at present. The Manager: Water and Wastewater Planning post has not been filled yet due to the prioritisation of maintenance and

SFA 5 - GOOD GOVERNANCE AND COMPLIANCE												
Ref	IDP Ref	KPI Name	Description of Unit of Measurement	Past Year Performance	Original Annual Target	Revised Annual Target	Overall Performance 01 July 2022 to 30 June 2023			Performance comments / Reason(s) for deviation from the target (under over-performance)	Improvement Plan(s) to correct deviation from target (underperformance)	Progress as at 31 December 2023
							Target	Actual	R			
										has been commissioned but could not be finalised on or before 30 June 2023.	by 30 September 2023.	operations staff first, as per the wastewater indicator above. The post will be advertised in January 2024.
TL37	KPI043	Achieve an average payment percentage of 96% by 30 June (Gross Debtors Opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off) / Billed Revenue x 100	(Gross Debtors Opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off) / Billed Revenue x 100	96%	96%	96%	96%	95.06%	○	R 326 768 954.23 + R 1 619 451 674.53 - R 416 752 461.54 - (-R 9 986 950.17) / R 1 619 451 674.53 = 95.06% The increase in the interest rate had an impact on consumers' available earnings to pay their debtors' accounts.	The municipality will install water management devices during the financial year of 2023/2024. In addition, no payment arrangements will be permitted on current accounts. The municipality will also employ attorneys to collect debts from account holders who are in arrears.	Financial Services
TL38	KPI040	Actual expenditure on the approved Capital Budget for the municipality by 30 June (NKPI - MSA, Reg. S10(c))	Percentage of the approved Capital Budget for the municipality actually spent by 30 June	84.29%	90%	90%	90%	84.79%	○	(R 321 098 081.33 / R 378 709 141) x 100 = 84.79%	Supply chain management indicators were developed and allocated to each Snr Manager in the Departmental SDBIP 2022/23. These indicators are also aligned to the Demand Management Plan.	Infrastructure Services

8.4	MID-YEAR ADJUSTMENTS BUDGET FOR 2023/2024
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Collaborator No:

IDP KPA Ref No: Good Governance and Compliance

Meeting Date: 17 January 2024 & 24 January 2024

1. SUBJECT: MID-YEAR ADJUSTMENTS BUDGET FOR 2023/2024

2. PURPOSE

To table the adjustments budget as envisaged by section 28 of the Municipal Finance Management Act (Act No.56 of 2003), for the 2023/2024 financial year, for approval. The Western Cape Adjustments Appropriation Act, 2023, was enacted on 28 November 2023 and arising from this, grant allocations were amended for Stellenbosch Municipality, for the 2023/24 financial year.

3. DELEGATED AUTHORITY

Approval is required by the Municipal Council.

4. EXECUTIVE SUMMARY

Attached as **APPENDIX 1** is an executive summary by the Accounting Officer.

5. RECOMMENDATIONS

- (a) that the Adjustments Budget for 2023/2024 as set out in **APPENDIX 1**, be approved;
- (b) that the following capital projects be adjusted over the MTREF (2023 - 2026) as follows:

Project	2024/2025
Housing Projects (Social housing planning)	1 130 000
Flats: Interior Upgrading - Kayamandi	1 650 000
Expansion of the landfill site (New cells)	30 000 000
Landfill Gas to Energy	22 000 000
Transfer Station: Stellenbosch Planning and Design	1 029 000
Waste Minimization Projects	800 000
Alternative Energy	40 984 801
Bien don 66/11kV substation new	47 420 700
Bien don 66/11kV substation new	847 227
General Systems Improvements - Stellenbosch	872 000
Jan Marais Upgrade: Remove Existing Tx and replace with 20MVA	2 359 587
Uninterrupted Power Supply for buildings	2 872 000
Bulk Water Supply Pipe and Reservoir: Stellenbosch	2 219 352
Bulk Water Supply Pipe and Reservoir: Kayamandi	298 093
Bulk Water Supply Pipe Line & Pumpstations: Franschoek	10 000 000
Bulk Water Supply Pipe: Idas Valley/Papegaaiberg and Network Upgrades	2 000 000
Bulk Water Supply Pipeline & Reservoir - Jamestown	13 716 870
Dwarsriver Bulk Supply Augmentation and Network Upgrades	7 320 153

Project	2024/2025
New Reservoir & Pipeline: Vlottenburg	5 630 324
Reservoirs and Dam Safety	1 950 000
Water Treatment Works: Franschhoek	2 500 000
Water Treatment Works: Idasvalley	1 174 131
Waterpipe Replacement	8 700 000
Franschhoek Sewer Network Upgrade (Langrug/Mooiwater)	272 213
Industrial Effluent Monitoring	1 500 000
Refurbish Plant & Equipment - Raithby WWTW	8 500 000
Sewerpipe Replacement	5 750 000
Upgrade Auto-Samplers	200 000
Upgrade of WWTW Wemmershoek	57 000 000
Upgrade of WWTW: Klappmuts	48 000 000
Bridge Assessment and Design	1 000 000
Lanquedoc Access road and Bridge	13 609 906
River Rehabilitation Implementation	2 600 000
Upgrade Stormwater Retention Facilities	1 200 000
Bird Street Dualling - Adam Tas to Kayamandi	5 500 000
Main road intersection improvements: Helshoogte rd/La Colline	400 000
Stellenbosch Tour Bus Parking	600 000
Kayamandi: Upgrading of Makapula Hall	3 000 000
Structural Maintenance/Upgrade: Beltana	4 000 000
Structural Upgrade: Jamestown Ward Office and Library	3 900 000

- (c) that that the Adjustments Budget Tables as prescribed by the Budgeting and Reporting Regulations, as set out in **APPENDIX 2**, be approved; and
- (d) that the Service Delivery and Budget Implementation Plan be adjusted accordingly inclusive of the non-financial information (performance measurement).

6. DISCUSSION / CONTENTS

6.1 Background/ Legislative Framework

In terms of section 28 (2) (a), (b), (d) and (f) of the Municipal Finance Management Act:

“(2) An adjustments budget—

- (a) must adjust the revenue and expenditure estimates downwards if there is material under-collection of revenue during the current year;*
- (b) may appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for;*
- (d) may authorise the utilisation of projected savings in one vote towards spending under another vote;*
- (f) may correct any errors in the annual budget;...”.*

According to regulation 23 (1) and (3) of the Municipal Budget and Reporting Regulations:

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

(3) If a national or provincial adjustments budget allocates or transfers additional revenues to a municipality, the mayor of the municipality must, at the next available council meeting, but within 60 days of the approval of the relevant national or provincial adjustments budget, table an adjustments budget referred to in section 25(2)(b) of the Act in the municipal council to appropriate these additional revenues”

6.2 Discussion**Capital Adjustments Budget**

During the mid-year budget and performance assessment process, inclusive of taking into account actual spending as at 31 December 2023, it was identified that the approved three year capital budget had to be adjusted to make necessary amendments to various projects in order to accelerate progress on the priorities identified. The approved three capital budget increased with R 66 775 554 from R 1 655 899 813 to R 1 722 675 367. The tables below illustrates the adjustments per directorate over the three financial years.

Approved Capital Budget:

Directorate	Approved Budget 2023/2024	Approved Budget 2024/2025	Approved Budget 2025/2026	Total Capital Budget
Municipal Manager	40 000	40 000	40 000	120 000
Planning & Development Services	9 245 897	29 835 000	31 450 000	70 530 897
Infrastructure Services	472 752 590	494 235 464	445 965 975	1 412 954 029
Corporate Services	39 733 166	19 620 000	9 270 000	68 623 166
Community and Protection Services	38 307 873	46 865 000	16 080 000	101 252 873
Financial Services	1 918 848	250 000	250 000	2 418 848
TOTALS	561 998 374	590 845 464	503 055 975	1 655 899 813

Capital Adjustments Budget:

Directorate	Adjustment Budget 2023/2024	Adjustment Budget 2024/2025	Adjustment Budget 2025/2026	Total Capital Budget
Municipal Manager	40 000	40 000	40 000	120 000
Planning & Development Services	4 619 500	19 115 000	31 450 000	55 184 500
Infrastructure Services	413 449 956	649 340 049	445 965 975	1 508 755 980
Corporate Services	34 583 166	26 220 000	9 270 000	70 073 166
Community and Protection Services	37 114 547	32 928 326	16 080 000	86 122 873
Financial Services	1 918 848	250 000	250 000	2 418 848
TOTALS	491 726 017	727 893 375	503 055 975	1 722 675 367

Operational Adjustment Budget

With the process followed during the mid-year budget and performance assessment, taking into consideration projected spending or projected billed revenue versus what was actually processed, it was identified that the approved operational budget should be adjusted accordingly. Refer to **Appendix 1** for detail.

Material changes to the operating budget:

Operational Revenue Budget

- **Water Service Charges:** The municipality has billed R6 856 218 less revenue than initially anticipated. The largest underperformance was noted for the sale of conventional water. This decline in billings is as a result of the decline in consumption. Considering the monthly average over the past 6 months it is recommended that the budget be adjusted downwards with R13 755 346.
- **Wastewater Service Charges:** The municipality has billed R3 995 745 more revenue than initially anticipated. The largest overperformance was noted for the sale of sanitation charges and industrial wastewater. This incline in billing is a result of an increase in usage. Considering the monthly average over the past 6 months it is recommended that the budget be adjusted upwards at R5 030 768.
- **Fines, penalties and forfeits:** The fines revenue budget will increase due to the increase in fines issued. Considering the issued fines, it is recommended that the budget increase with R23 966 884.
- **Interest earned - external investments:** An over performance was noted for interest earned – external investments to the amount of R8 147 891. Considering the monthly average over the past 6 months R4 790 704 it is recommended that the budget be increased by R2 974 857 during the mid-year adjustment process.
- **Rental of facilities and equipment:** An under performance is noted for the Rental of facilities and equipment to the amount of R236 660 and the annual billings are levied in March 2024. It is recommended that the budget be increased by R2 409 848 during the mid-year adjustment process.
- **Interest earned – outstanding debtors:** An over performance was noted for the interest earned on outstanding debtors. This is due to the increases in the prime interest rate and the overall increase in debt. It is recommended that the budget be increased with R1 911 089 during the mid-year adjustment budget process.

Transfers and subsidies: The transfers and subsidies will be decreased with R13 032 000 during the Mid-year Adjustment budget process. An decrease of R17 380 000 relates to operating grants and an increase of R4 348 000 relates to capital grants. The following changes will be incorporated;

- An increase in the budget due to additional as well as new grant allocations in respect of the following;
 - Western Cape Financial Management Capability Grant to the amount of R200 000.
 - Provincial contribution towards the acceleration of housing delivery to the amount of R6 500 000.

- Municipal Energy Resilience grant to the amount of R244 000.
- Library services replacement funding to the amount of R180 000.

Herewith attached **ANNEXURE A** that refers to the revised allocation letter approved by the Department of Human Settlements for the Human Settlement Development grant, as well as the Informal Settlements Upgrading Partnership Grant: Provinces.

- A decrease in the grant funding in respect of the following;
 - Informal Settlements Upgrading Partnership Grant: Provinces (Beneficiaries) to the amount of R4 283 000.
- A decrease in the grant funding in respect of the following;
 - Human Settlements Development Grant to the amount of R15 873 000.

(This amount pertains to funds gazetted and expensed in the previous financial year and will be utilised to clear the existing debtor)
- **Other Revenue:** The municipality has re-assessed the Other revenue budget and anticipates that a upward adjustment of R 28 198 774 will be necessitated during the Mid-year adjustment budget process.
 - Operational Revenue: Development Charges. The municipality has re-assessed the development charges and anticipates that an upward adjustment of R22 648 062 will be necessitated during the Mid-year adjustment budget process.
 - Operational Revenue: Merchandising, Jobbing and Contracts. The line-item budget will be increased based on the year-to-date actual amounts and historical trends. It is recommended that the budget be increased with R3 941 287 during the Mid-year adjustment process.

Operational Expenditure Budget

Various line items were adjusted (detail included in **APPENDIX 1**) due to requests received from user departments and operational pressure to increase efficiencies.

There are line items where we noted an overspending when compared to the year-to-date budget and we anticipate that additional funds will be required, over and above those already included and approved in the annual budget.

Material changes to the operational expenditure budget:

- Employee related cost: The employee related cost budget will be reduced based on the year-to-date actual amounts and historical trends with R1 533 164 during the mid-year adjustment budget process.
- Debt impairment: The debt impairment will be increased based on the year-to-date actual amounts and historical trends with R54 369 068 during the mid-year adjustment budget process.
- Contracted services: Security Services. Due to the increase in sites which includes Franschhoek, Digteby, Cloeteville Substation, NPK Building, Kayamandi Corridor, etc as well as armed security services instead of previous normal guards, as per requests from other user departments, this necessitates an increase in R19 847 000 during the mid-year adjustment budget process.

- Depreciation and amortization: The depreciation and amortization budget will be increased based on the year-to-date actual amounts and historical trends with R17 785 187 during the mid-year adjustment budget process.
- Irrecoverable debt written off: The irrecoverable debt written off budget will be increased based on the year-to-date actual amounts and historical trends with R20 754 979.
- Finance cost: The finance cost budget will be increased based on the repayment of the external loan's amortization table with R9 246 246.

6.3 Financial Implications

The financial implications are covered in the appendixes to the item.

6.4 Legal Implications

The item is compliant with the relevant legislative framework.

6.5 Staff Implications

This report has no staff implications to the Municipality.

6.6 Previous / Relevant Council Resolutions:

Adjustments Budget 2023/2024 - 16 and 27 November 2023.

6.7 Risk Implications

Addressed in the item.

6.8 Comments from Senior Management:

Inputs from all Directorates were incorporated into the adjustments budget.

RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2024-01-17: ITEM 6.2

- that the Adjustments Budget for 2023/2024 as set out in **APPENDIX 1**, be approved;
- that the following capital projects be adjusted over the MTREF (2023 - 2026) as follows:

Project	2024/2025
Housing Projects (Social housing planning)	1 130 000
Flats: Interior Upgrading - Kayamandi	1 650 000
Expansion of the landfill site (New cells)	30 000 000
Landfill Gas to Energy	22 000 000
Transfer Station: Stellenbosch Planning and Design	1 029 000
Waste Minimization Projects	800 000
Alternative Energy	40 984 801
Bien don 66/11kV substation new	47 420 700
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General Systems Improvements - Stellenbosch	872 000
Jan Marais Upgrade: Remove Existing Tx and replace with 20MVA	2 359 587
Uninterrupted Power Supply for buildings	2 872 000
Bulk Water Supply Pipe and Reservoir: Stellenbosch	2 219 352
Bulk Water Supply Pipe and Reservoir: Kayamandi	298 093
Bulk Water Supply Pipeline & Pumpstations: Franschoek	10 000 000

Project	2024/2025
Bulk Water Supply Pipe: Idas Valley/Papegaaiberg and Network Upgrades	2 000 000
Bulk Water Supply Pipeline & Reservoir - Jamestown	13 716 870
Dwarsriver Bulk Supply Augmentation and Network Upgrades	7 320 153
New Reservoir & Pipeline: Vlottenburg	5 630 324
Reservoirs and Dam Safety	1 950 000
Water Treatment Works: Franschoek	2 500 000
Water Treatment Works: Idasvalley	1 174 131
Waterpipe Replacement	8 700 000
Franschoek Sewer Network Upgrade (Langrug/Mooiwater)	272 213
Industrial Effluent Monitoring	1 500 000
Refurbish Plant & Equipment - Raithby WWTW	8 500 000
Sewerpipe Replacement	5 750 000
Upgrade Auto-Samplers	200 000
Upgrade of WWTW Wemmershoek	57 000 000
Upgrade of WWTW: Klapmuts	48 000 000
Bridge Assessment and Design	1 000 000
Lanquedoc Access road and Bridge	13 609 906
River Rehabilitation Implementation	2 600 000
Upgrade Stormwater Retention Facilities	1 200 000
Bird Street Dualling - Adam Tas to Kayamandi	5 500 000
Main road intersection improvements: Helshoogte rd/La Colline	400 000
Stellenbosch Tour Bus Parking	600 000
Kayamandi: Upgrading of Makapula Hall	3 000 000
Structural Maintenance/Upgrade: Beltana	4 000 000
Structural Upgrade: Jamestown Ward Office and Library	3 900 000

- (c) that that the Adjustments Budget Tables as prescribed by the Budgeting and Reporting Regulations, as set out in **APPENDIX 2**, be approved; and
- (d) that the Service Delivery and Budget Implementation Plan be adjusted accordingly inclusive of the non-financial information (performance measurement).

Attachments

- Appendix 1 - Budget documentation
Appendix 2 - Adjustments budget 23/24 (B-schedule)
Appendix 3 - Quality certificate

(KINDLY NOTE: THE APPENDICES WILL BE DISTRIBUTED UNDER SEPARATE COVER IN DUE COURSE)

FOR FURTHER DETAILS CONTACT:

NAME	MONIQUE STEYL
POSITION	SENIOR MANAGER: FINANCIAL MANGEMENT SERVICES
DIRECTORATE	FINANCIAL SERVICES
CONTACT NUMBERS	021 808 8512
E-MAIL ADDRESS	Monique.Steyl@stellenbosch.gov.za
REPORT DATE	11 January 2024

8.5	REVISED TOP LAYER SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2023/24
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Collaborator No:

IDP KPA Ref No: Good Governance and Compliance

Meeting Date: 17 January 2024 & 24 January 2024

1. SUBJECT: REVISED TOP LAYER SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 2023/24

2. PURPOSE

To obtain the Council's approval for the revisions made to the Top Layer (TL) Service Delivery and Budget Implementation Plan (SDBIP) 2023/24.

3. DELEGATED AUTHORITY

Council

4. EXECUTIVE SUMMARY

The TL SDBIP 2023/24 was approved by the Executive Mayor on 27 June 2023. It is common practice for a municipality, as provided for in the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA), to review its performance indicators and targets after approving the adjustments budget.

All the necessary changes, which must be deleted or amended, are indicated with a strikethrough and an underline, respectively (for ease of reference). It should be noted that the TL SDBIP 2023/24 is the in-year plan of the municipality, and amendments made to the TL SDBIP 2023/24 must be read in conjunction with the Integrated Development Plan (IDP). Therefore, changes made in the Revised TL SDBIP 2023/24 are considered to be made in the IDP as well.

The reasons for the amendments to the following KPIs are as follows:

- a) KPI004 – Editorial change made.
- b) KPI010 – The wording of the deliverable was revised.
- c) KPI049 – The target date of the deliverable was revised from 01 July to 31 March.
- d) KPI060 – The wording of the deliverable was revised.
- e) KPI061 – The KPI was removed as it was achieved in the previous financial year.
- f) KPI062 – The wording of the deliverable was revised.

Any detected spelling, grammatical and or alignment errors in the document were also corrected where needed.

5. RECOMMENDATIONS

- (a) that the Revised TL SDBIP 2023/24 be approved;
- (b) that the Revised TL SDBIP 2023/24 be published on the Municipal Website; and
- (c) that the Revised TL SDBIP 2023/24 be submitted to:
 - i. Internal Audit Unit (for notification);
 - ii. Department of Local Government: Western Cape;

- iii. Provincial Treasury: Western Cape;
- iv. Auditor General of South Africa; and
- v. National Treasury.

6. DISCUSSION

6.1 Background

In terms of the MFMA, the mayor must take all reasonable steps to ensure that the municipality's TL SDBIP is approved within 28 days after the municipal budget is approved.

The Draft Top Layer SDBIP 2023/24 was made public for public participation in April 2023 as part of the Integrated Development Plan (IDP) and Budget consultative process.

The municipal manager, CFO, and Directors as well as all the managers, participated in the setting of key performance indicators (KPIs) and targets.

The TL SDBIP 2023/24 was approved by the Executive Mayor on 27 June 2023, after the approval of the IDP and Budget in May 2023. The Council should note that the provisions of the MFMA allow the Executive Mayor to approve the TL SDBIP within 28 days after the approval of the Budget.

6.2 Financial Implications

There are no financial implications beyond that which was approved in the 2023/24 MTRF Budget and Adjustments Budget.

6.3 Legal Implications

In terms of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA), section 54(1)(c) *“On receipt of a statement or report submitted by the accounting officer of the municipality in terms of section 71 or 72 the mayor must- the mayor must, consider and, if necessary, make any revisions to the service delivery and budget implementation plan, provided that revisions to the service delivery targets and performance indicators in the plan may only be made with the approval of the council following approval of an adjustments budget”*

6.4 Staff Implications

This report has no additional staff implications for the municipality.

6.5 Risk Implication

Addressed in the item content.

6.6 Previous Council Decisions

None

6.7 Comments from Senior Management

6.7.1 Director: Community and Protection Services Supported.

6.7.2 Chief Financial Officer

Supported.

6.7.3 Director: Infrastructure Services

Supported.

6.7.4 Director: Corporate Services

Supported.

6.7.5 Director: Planning and Economic Development

Supported.

6.7.6 Comments from the Municipal Manager

Supported.

RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2024-01-17: ITEM 6.3

- (a) that the Revised TL SDBIP 2023/24 be approved;
- (b) that the Revised TL SDBIP 2023/24 be published on the Municipal Website; and
- (c) that the Revised TL SDBIP 2023/24 be submitted to:
 - i. Internal Audit Unit (for notification);
 - ii Department of Local Government: Western Cape;
 - iii Provincial Treasury: Western Cape;
 - iv Auditor General of South Africa; and
 - v. National Treasury.

ANNEXURES**Annexure A:** Revised Top Layer Service Delivery and Budget Implementation Plan 2023/24**FOR FURTHER DETAILS CONTACT:**

NAME	<i>Geraldine Mettler</i>
POSITION	<i>Municipal Manager</i>
DIRECTORATE	<i>Office of the Municipal Manager</i>
CONTACT NUMBERS	<i>021 – 808 8025</i>
E-MAIL ADDRESS	<i>mm@stellenbosch.gov.za</i>
REPORT DATE	<i>11 January 2024</i>

ANNEXURE A



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**REVISED TOP LAYER SERVICE
DELIVERY AND BUDGET
IMPLEMENTATION PLAN 2023/24**

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1. MUNICIPAL MANAGER'S QUALITY CERTIFICATE

I, Geraldine Mettler, the Municipal Manager of the Stellenbosch Municipality, hereby submit the Revised Top Layer (TL) Service Delivery and Budget Implementation Plan (SDBIP) for the 2023/24 financial year for consideration by the Executive Mayor. This Revised TL SDBIP 2023/24 has been prepared in terms of the stipulated requirements as documented in the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) and regulations made under this Act.

GERALDINE METTLER
MUNICIPAL MANAGER

Date: _____

2. EXECUTIVE MAYOR'S CERTIFICATE OF APPROVAL

I, Gesie Van Deventer, in my capacity as the Executive Mayor of the Stellenbosch Municipality, hereby submit the Revised Top Layer (TL) Service Delivery and Budget Implementation Plan (SDBIP) for the 2023/24 financial year to the Council for approval, as required in terms of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) and the regulations made under this Act.

ADV. GESIE VAN DEVENTER
EXECUTIVE MAYOR

Date: _____

3. IMPLEMENTATION, MONITORING AND REVIEW – ONE YEAR

The Local Government: Municipal Finance Management, 2003 (Act No. 56 of 2003) (MFMA) requires that municipalities prepare a Service Delivery and Budget Implementation Plan (SDBIP) as a strategic financial management tool to ensure that budgetary decisions that are adopted by municipalities for the financial year are aligned with their strategic planning tool, the Integrated Development Plan (IDP). The SDBIP is a contract between Council, the administration and the community. It gives effect to the IDP and budget of the municipality.

The municipal budget shall give effect to the Strategic Focus Areas (SFAs) as contained in the IDP. The Top Layer (TL) Service Delivery and Budget Implementation Plan (SDBIP) shall contain details on the execution of the budget and information on programmes and projects. Quarterly, half-yearly and annual performance reports must also be submitted to the Council to monitor the implementation of the predetermined objectives as contained in the IDP.

The SDBIP is a one-year detailed implementation plan which gives effect to the IDP and Budget of the Municipality. It is a contract between the administration, Council and community expressing the goals and objectives set by the Council as quantifiable outcomes that can be implemented by the administration over the next twelve months. This provides the basis for measuring the performance in service delivery against end-year targets and implementing the budget.

Indicators developed for the Stellenbosch Municipality address the SFAs of the municipality. The municipality utilises the one-year TL SDBIP to ensure that it delivers on its service delivery mandate by indicating clear indicators and targets. These indicators also form the basis of the performance plans of the Municipal Manager and Directors, hence, the Municipal Manager and Directors are being evaluated on the approved TL SDBIP indicators.

REVISED TOP LAYER SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) 2023/24: PER STRATEGIC FOCUS AREA (SFA)

4.1 SFA 1 - VALLEY OF POSSIBILITY

SFA 1 – Valley of Possibility													
IDP Ref No	Directorate	Indicator (Activity / Project / Programme / Key Initiative)	Unit of Measurement	Indicator Type	Wards	5-year target	Baseline (Actual result (2021/22))	Annual Target 2023/24	TOP LAYER: Service Delivery and Budget Implementation Plan (2023/24)				Delivery Indicator
									Q1	Q2	Q3	Q4	
KPI003	Planning and Economic Development	The number of jobs created through the municipality's local economic development initiatives including capital projects (NKPI Proxy - MSA, Reg. S10(d))	Number of job opportunities created through the municipality's local economic development initiatives including capital projects by 30 June	Programme	ALL	1 100 per annum	1 439	1 100 job opportunities created through the municipality's local economic development initiatives including capital projects by 30 June	330 (330)	660 (660)	990 (990)	1 100 (1 100)	Output
KPI004	Planning and Economic Development	Submission of Land-use applications to the Municipal Planning Tribunal (MPT) within 120 days from the conclusion of the administrative processing of the application	Percentage of Land-use applications submitted to the MPT within 120 days from the conclusion of the administrative processing of the application	Programme	ALL	75% per annum	66.66%	75% of land-use applications submitted to the Municipal MPT within 120 days from the conclusion of the administrative processing of the application	75%	75%	75%	75%	Output
KPI005	Planning and Economic Development	Provide training opportunities to entrepreneurs and Small, Medium and Micro Enterprises (SMMEs)	Number of quarterly training opportunities provided to entrepreneurs and SMMEs	Programme	All	4 per annum	11	4 quarterly training opportunities provided to entrepreneurs and SMMEs	1 (1)	1 (2)	1 (3)	1 (4)	Output
KPI006	Planning and Economic Development	Submission of the revised Spatial Development Framework (SDF) to the Council	Number of revised SDFs submitted to the Council by 30 June	Programme	All	1 per annum	1	1 revised SDF submitted to the Council by 30 June	n/a	n/a	n/a	1	Output
KPI007	Planning and Economic Development	Submission of the revised Housing Pipeline (document) to the MayCo	Number of revised Housing Pipelines (document) submitted to the MayCo by 31 May	Programme	ALL	1 per annum	1	1 revised Housing Pipeline (document) submitted to the MayCo by 31 May	n/a	n/a	n/a	1	Output

SFA 1 – Valley of Possibility													
IDP Ref No	Directorate	Indicator (Activity / Project / Programme / Key Initiative)	Unit of Measurement	Indicator Type	Wards	5-year target	Baseline (Actual result (2021/22))	Annual Target 2023/24	TOP LAYER: Service Delivery and Budget Implementation Plan (2023/24)				Delivery Indicator
									Q1	Q2	Q3	Q4	
KPI061	Planning and Economic Development	Submission of the revised Economic Development Strategy to the MayCo	Number of revised Economic Development Strategies submitted to the MayCo by 31 May	Programme	ALL	1 per annum	1	1 revised Economic Development Strategy submitted to the MayCo by 31 May	n/a	n/a	n/a	1	Output

4.2 SFA 2 - GREEN AND SUSTAINABLE VALLEY

SFA 2 – Green and Sustainable Valley													
IDP Ref No	Directorate	Indicator (Activity / Project / Programme / Key Initiative)	Unit of Measurement	Indicator Type	Wards	5-year target	Baseline (Actual result (2021/22))	Annual Target 2023/24	TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2023/24)				Delivery Indicator
									Q1	Q2	Q3	Q4	
KPI010	Infrastructure Services	Installation of the SCADA Master Station Upgrade the telemetry monitoring system	Number of the SCADA Master Stations installed by 30 June Number of telemetry monitoring systems upgraded by 30 June	Project	All	1 per annum	New KPI	1 SCADA Master Station installed by 30 June 1 telemetry monitoring system upgraded by 30 June	n/a	n/a	n/a	1	Output
KPI011	Infrastructure Services	Construction of a new landfill cell at the Stellenbosch Landfill Facility	Number of new landfill cells constructed at the Stellenbosch Landfill Facility by 30 June	Project	All	1 per annum	New KPI	1 new landfill cell constructed at the Stellenbosch Landfill Facility by 30 June	n/a	n/a	n/a	1	Output
KPI014	Planning and Economic Development	Process building plan applications of <500sqm within 30 days after the date of receipt	Percentage of building plan applications of <500sqm processed within 30 days after the date of receipt	Programme	All	60% per annum	62.35%	60% of building plan applications of <500sqm processed within 30 days after the date of receipt	60%	60%	60%	60%	Outcome
KPI016	Infrastructure Services	Reduce organic waste	Percentage of organic waste reduced by 30 June	Programme	All	20% per annum	42%	20% of organic waste reduced by 30 June	n/a	n/a	n/a	20%	Output
KPI019	Infrastructure Services	Submission of a Service Level Charter to the Municipal Manager	Number of Service Level Charters submitted to the Municipal Manager by 30 June	Key Initiative	All	1 per annum	New KPI	1 Service Level Charter submitted to the Municipal Manager by 30 June	n/a	n/a	n/a	1	Output
KPI020	Infrastructure Services	Conduct an external audit of the Stellenbosch Municipal Waste Disposal Facilities	Number of external audits of the Stellenbosch Municipal Waste Disposal Facilities conducted by 30 June	Programme	All	1 per annum	1	1 external audit of the Stellenbosch Municipal Waste Disposal Facilities conducted by 30 June	n/a	n/a	n/a	1	Output

SFA 2 – Green and Sustainable Valley

IDP Ref No	Directorate	Indicator (Activity / Project / Programme / Key Initiative)	Unit of Measurement	Indicator Type	Wards	5-year target	Baseline (Actual result (2021/22))	Annual Target 2023/24	TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2023/24)				Delivery Indicator
									Q1	Q2	Q3	Q4	
KPI021	Infrastructure Services	Implementation of identified waste minimisation projects	Number of identified waste minimisation projects implemented by 30 June	Programme	All	2 per annum	2	2 identified waste minimisation projects implemented by 30 June	n/a	n/a	1 (1)	1 (2)	Output
KP022	Infrastructure Services	Wastewater quality measured to the Department of Water and Sanitation's License Conditions for physical and micro parameters	Percentage of wastewater quality compliance as per the analysis certificate, measured quarterly	Programme	All	70% per annum	51.75%	70% of wastewater quality compliance as per the analysis certificate, measured quarterly	70%	70%	70%	70%	Outcome

4.3 SFA 3 - SAFE VALLEY

SFA 3 – Safe Valley													
IDP Ref No	Directorate	Indicator (Activity / Project / Programme / Key Initiative)	Unit of Measurement	Indicator Type	Wards	5-year target	Baseline (Actual result 2021/22)	Annual Target 2023/24	TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2023/24)				Delivery Indicator
									Q1	Q2	Q3	Q4	
KPI024	Community and Protection Services	Submission of the revised Disaster Management Plan to the Municipal Manager	Number of revised Disaster Management Plans submitted to the Municipal Manager by 31 March	Programme	All	1 per annum	1	1 revised Disaster Management Plan submitted to the Municipal Manager by 31 March	n/a	n/a	1	n/a	Output
KPI025	Community and Protection Services	Submission of the revised Safety and Security Strategy to the Municipal Manager	Number of revised Safety and Security Strategies submitted to the Municipal Manager by 30 April	Programme	All	1 per annum	1	1 revised Safety and Security Strategy submitted to the Municipal Manager by 30 April	n/a	n/a	n/a	1	Output
KPI026	Community and Protection Services	Submission of the revised Traffic Management Plan to the Municipal Manager	Number of revised Traffic Management Plans submitted to the Municipal Manager by 31 March	Programme	All	1 per annum	1	1 revised Traffic Management Plan submitted to the Municipal Manager by 31 March	n/a	n/a	1	n/a	Output

4.4 SFA 4 - DIGNIFIED LIVING

SFA 4 – Dignified Living													
IDP Ref No	Directorate	Indicator (Activity / Project / Programme / Key Initiative)	Unit of Measurement	Indicator Type	Wards	5-year target	Baseline (Actual result (2021/22))	Annual Target 2023/24	TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2023/24)				Delivery Indicator
									Q1	Q2	Q3	Q4	
KPI028	Infrastructure Services	Provision of waterborne toilet facilities in informal settlements as identified by the Department: Integrated Human Settlements	Number of waterborne toilet facilities provided in Informal settlements as identified by the Department: Integrated Human Settlements by 30 June	Programme	All	20 per annum	0	20 waterborne toilet facilities provided in Informal settlements as identified by the Department: Integrated Human Settlements by 30 June	n/a	n/a	n/a	20	Output
KPI029	Infrastructure Services	Limit unaccounted electricity to less than 9% annually {(Number of Electricity Units Purchased and / or Generated - Number of Electricity Units Sold (incl. Free basic electricity)) / Number of Electricity Units Purchased and/or Generated} x 100}	Percentage of average electricity losses, measured by 30 June	Programme	All	<9% per annum	9.60%	<9% of average electricity losses, measured by 30 June	n/a	n/a	n/a	<9%	Outcome
KPI030	Infrastructure Services	Water quality measured quarterly ito the SANS 241 physical and micro parameters	Percentage of water quality level as per the analysis certificate, measured quarterly	Programme	All	90% per annum	95%	90% of water quality level as per the analysis certificate, measured quarterly	90%	90%	90%	90%	Outcome
KPI031	Infrastructure Services	Limit unaccounted water to less than 25%	Percentage of average unaccounted water, measured by 30 June	Programme	All	<25% per annum	18.70%	<25% of average unaccounted water, measured by 30 June	n/a	n/a	n/a	<25%	Outcome
KPI032	Financial Services	Registered indigent formal households with access to free basic water (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent formal households with access to free basic water, measured quarterly	Programme	All	100% per annum	100%	100% of registered indigent formal households with access to free basic water, measured quarterly	100%	100%	100%	100%	Outcome

SFA 4 – Dignified Living													
IDP Ref No	Directorate	Indicator (Activity / Project / Programme / Key Initiative)	Unit of Measurement	Indicator Type	Wards	5-year target	Baseline (Actual result (2021/22))	Annual Target 2023/24	TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2023/24)				Delivery Indicator
									Q1	Q2	Q3	Q4	
KPI033	Financial Services	Registered indigent formal households with access to free basic electricity provided by the municipality (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent formal households with access to free basic electricity provided by the municipality, measured quarterly	Programme	All	100% per annum	100%	100% of registered indigent formal households with access to free basic electricity provided by the municipality, measured quarterly	100%	100%	100%	100%	Outcome
KPI034	Financial Services	Registered indigent formal households with access to free basic refuse removal (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent formal households with access to free basic refuse removal, measured quarterly	Programme	All	100% per annum	100%	100% of registered indigent formal households with access to free basic refuse removal, measured quarterly	100%	100%	100%	100%	Outcome
KPI035	Financial Services	Registered indigent formal households with access to free basic sanitation (NKPI Proxy - MSA, Reg. S10(a), (b))	Percentage of registered indigent formal households with access to free basic sanitation, measured quarterly	Programme	All	100% per annum	100%	100% of registered indigent formal households with access to free basic sanitation, measured quarterly	100%	100%	100%	100%	Outcome
KPI036	Financial Services	Formal households with access to water (NKPI Proxy - MSA, Reg. S10(a))	Number of formal households with access to water, measured quarterly	Programme	All	27 000 per annum	26 825	27 000 formal households with access to water, measured quarterly	27 000 (27 000)	27 000 (27 000)	27 000 (27 000)	27 000 (27 000)	Outcome
KPI037	Financial Services	Formal households with access to electricity (NKPI Proxy - MSA, Reg. S10(a))	Number of formal households with access to electricity, measured quarterly	Programme	All	27 000 per annum	26 825	27 000 formal households with access to electricity, measured quarterly	27 000 (27 000)	27 000 (27 000)	27 000 (27 000)	27 000 (27 000)	Outcome
KPI038	Financial Services	Formal households with access to refuse removal (NKPI Proxy - MSA, Reg. S10(a))	Number of formal households with access to refuse removal, measured quarterly	Programme	All	27 000 per annum	26 825	27 000 formal households with access to refuse removal, measured quarterly	27 000 (27 000)	27 000 (27 000)	27 000 (27 000)	27 000 (27 000)	Outcome

SFA 4 – Dignified Living													
IDP Ref No	Directorate	Indicator (Activity / Project / Programme / Key Initiative)	Unit of Measurement	Indicator Type	Wards	5-year target	Baseline (Actual result (2021/22))	Annual Target 2023/24	TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2023/24)				Delivery Indicator
									Q1	Q2	Q3	Q4	
KPI039	Financial Services	Formal households with access to sanitation (NKPI Proxy - MSA, Reg. S10(a))	Number of formal households with access to sanitation, measured quarterly	Programme	All	27 000 per annum	26 825	27 000 formal households with access to sanitation, measured quarterly	27 000 (27 000)	27 000 (27 000)	27 000 (27 000)	27 000 (27 000)	Outcome

4.5 SFA 5 - GOOD GOVERNANCE AND COMPLIANCE

SFA 5 – Good Governance and Compliance													
IDP Ref No	Directorate	Indicator (Activity / Project / Programme / Key Initiative)	Unit of Measurement	Indicator Type	Wards	5-year target	Baseline (Actual result 2021/22)	Annual Target 2023/24	TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2023/24)				Delivery Indicator
									Q1	Q2	Q3	Q4	
KPI040	Financial Services	Actual expenditure of the approved Capital Budget for the municipality by 30 June (NKPI - MSA, Reg. S10(c))	Percentage of the approved Capital Budget for the municipality actually spent by 30 June	Programme	All	90% per annum	84.29%	90% of the approved Capital Budget for the municipality actually spent by 30 June	10%	30%	60%	90%	Input
KPI042	Financial Services	Financial viability measured in terms of the available cash to cover fixed operating expenditure (NKPI Proxy - MSA, Reg. S10(g)(iii))	Cost coverage as at 30 June annually [(Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment] / Monthly Fixed Operational Expenditure excluding (Depreciation)	Programme	All	2 per annum	3	2	n/a	n/a	n/a	2 (months)	Input
KPI043	Financial Services	Achieve an average payment percentage of 96% by 30 June (Gross Debtors Opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off) / Billed Revenue x 100	(Gross Debtors Opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off) / Billed Revenue x 100	Programme	All	96% per annum	96%	96%	n/a	n/a	n/a	96%	Input
KPI044	Office of the Municipal Manager	Employment equity appointments made within the financial year in the three highest levels of management	Percentage of employment equity appointments made within the financial year in the three highest levels of management, measured by 30 June	Programme	All	50% per annum	33.30%	50% of employment equity appointments made within the financial year in the three highest levels of management, measured by 30 June	n/a	n/a	n/a	50%	Output

SFA 5 – Good Governance and Compliance

IDP Ref No	Directorate	Indicator (Activity / Project / Programme / Key Initiative)	Unit of Measurement	Indicator Type	Wards	5-year target	Baseline (Actual result 2021/22)	Annual Target 2023/24	TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2023/24)				Delivery Indicator
									Q1	Q2	Q3	Q4	
KPI045	Corporate Services	The percentage of the payroll budget spent on implementing the Municipal Workplace Skills Plan (NKPI Proxy - MSA, Reg. S10(f))	Percentage of the municipality's payroll budget actually spent on implementing its Workplace Skills Plan ((Total Actual Training Expenditure / Total Annual payroll Budget) x 100), measured by 30 June	Programme	All	0.20% per annum	0.43%	0.20% of the municipality's payroll budget actually spent on implementing its Workplace Skills Plan ((Total Actual Training Expenditure / Total Annual payroll Budget) x 100), measured by 30 June	n/a	n/a	n/a	0.20%	Input
KPI046	Financial Services	Financial viability measured in terms of the municipality's ability to meet its service debt obligations (NKPI Proxy - MSA, Reg. S10(g)(i))	Debt coverage ratio ((Total operating revenue - operating grants received) / (Debt service payments due within the year)) measured by 30 June	Programme	All	15% per annum	17.55%	15%	n/a	n/a	n/a	15%	Input
KPI047	Financial Services	Financial viability measured in terms of the outstanding service debtors (NKPI Proxy - MSA, Reg. S10(g)(ii))	Service debtors to revenue ratio – (Total outstanding service debtors / revenue received for services) measured by 30 June	Programme	All	27% per annum	15.56%	27%	n/a	n/a	n/a	27%	Input
KPI048	Office of the Municipal Manager	Submission of the revised Risk-Based Audit Plan (RBAP) to the Audit and Performance Audit Committee (APAC)	Number of revised RBAPs submitted to the APAC by 30 June	Programme	All	1 per annum	1	1 revised RBAP submitted to the APAC by 30 June	n/a	n/a	n/a	1	Output
KPI049	Office of the Municipal Manager	Submission of the Auditor General of South Africa (AGSA) Audit Action Plan (AAP) to the APAC	Number of AGSA Audit Action Plans submitted to the APAC by 31 March July	Programme	All	1 per annum	1	1 AGSA Audit Action Plan submitted to the APAC by 31 March July	$\frac{n/a}{1}$	n/a	$\frac{1}{n/a}$	n/a	Output
KPI050	Office of the Municipal Manager	Submission of the revised Strategic Risk Register (SRR) to the Risk Management Committee	Number of revised SRRs submitted to the Risk Management Committee by 30 June	Programme	All	1 per annum	1	1 revised SRR submitted to the Risk Management Committee by 30 June	n/a	n/a	n/a	1	Output

SFA 5 – Good Governance and Compliance

IDP Ref No	Directorate	Indicator (Activity / Project / Programme / Key Initiative)	Unit of Measurement	Indicator Type	Wards	5-year target	Baseline (Actual result 2021/22)	Annual Target 2023/24	TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2023/24)				Delivery Indicator
									Q1	Q2	Q3	Q4	
KPI051	Corporate Services	Submission of the revised Information and Communication Technology (ICT) Backup Disaster Recovery Plan to the ICT Steering Committee	Number of revised ICT Backup Disaster Recovery Plans submitted to the ICT Steering Committee by 31 March	Programme	All	1 per annum	1	1 revised ICT Backup Disaster Recovery Plan submitted to the ICT Steering Committee by 31 March	n/a	n/a	1	N/A	Output
KPI052	Corporate Services	Submission of the revised Strategic ICT Plan to the ICT Steering Committee	Number of revised Strategic ICT Plans submitted to the ICT Steering Committee by 31 March	Programme	All	1 per annum	1	1 revised Strategic ICT Plan submitted to the ICT Steering Committee by 31 March	n/a	n/a	1	N/A	Output
KPI053	Office of the Municipal Manager	Submission of the draft Integrated Development Plan (IDP) to the Council	Number of draft IDPs submitted to the Council by 31 March	Programme	All	1 per annum	1	1 draft IDP submitted to the Council by 31 March	n/a	n/a	1	N/A	Output
KPI054	Office of the Municipal Manager	Submission of the IDP / Budget / SDF time schedule (process plan) to the Council	Number of IDP / Budget / SDF time schedules (process plan) submitted to the Council by 31 August	Programme	All	1 per annum	1	1 IDP / Budget / SDF time schedule (process plan) submitted to the Council by 31 August	1	n/a	n/a	N/A	Output
KPI055	Infrastructure Services	Submission of the revised Wastewater Master Plan to the Municipal Manager	Number of revised Wastewater Master Plans submitted to the Municipal Manager by 30 June	Programme	All	1 per annum	New KPI	1 revised Wastewater Master Plan submitted to the Municipal Manager by 30 June	n/a	n/a	n/a	1	Output
KPI056	Infrastructure Services	Submission of the revised Electrical Master Plan to the Council	Number of revised Electrical Master Plans submitted to the Council by 30 June	Key Initiative	All	1 per annum	New KPI	1 revised Electrical Master Plan submitted to the Council by 30 June	n/a	n/a	n/a	1	Output
KPI059	Office of the Municipal Manager	Submission of the revised Communication Policy to the MayCo	Number of revised Communication Policies submitted to the MayCo by 31 May	Programme	All	1 per annum	New KPI	1 revised Communication Policy submitted to the MayCo by 31 May	n/a	n/a	n/a	1	Output

SFA 5 – Good Governance and Compliance

IDP Ref No	Directorate	Indicator (Activity / Project / Programme / Key Initiative)	Unit of Measurement	Indicator Type	Wards	5-year target	Baseline (Actual result 2021/22)	Annual Target 2023/24	TOP LAYER: Service Delivery and Budget Implementation Plan (SDBIP 2023/24)				Delivery Indicator
									Q1	Q2	Q3	Q4	
KPI060	Infrastructure Services	Submission of the updated Comprehensive Integrated Transport Plan (CITP) <u>2023 - 2028</u> to the <u>MayCo Municipal Manager</u>	Number of updated CITPs <u>2023 - 2028</u> submitted to the <u>MayCo Municipal Manager</u> by 30 June	Programme	All	1 per annum	1	1 updated CITP <u>2023 - 2028</u> submitted to the <u>MayCo Municipal Manager</u> by 30 June	n/a	n/a	n/a	1	Output
KPI062	Planning and Economic Development	Submission of the <u>draft</u> revised Integrated Zoning Scheme to the MayCo	Number of <u>draft</u> revised Integrated Zoning Schemes submitted to the MayCo by 30 June	Programme	All	1 per annum	New KPI	1 revised Integrated Zoning Schemes submitted to the MayCo by 30 June	n/a	n/a	n/a	1	Output

8.6	OVERSIGHT ROLE OF COUNCIL: SUPPLY CHAIN MANAGEMENT POLICY-REPORT ON THE IMPLEMENTATION OF THE SUPPLY CHAIN MANAGEMENT POLICY OF STELLENBOSCH MUNICIPALITY: QUARTER 2 (01 OCTOBER 2023 – 31 DECEMBER 2023)
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Collaborator No:

IDP KPA Ref No: Good Governance and Compliance

Meeting Date: 17 January 2024 & 24 January 2024

1. SUBJECT: OVERSIGHT ROLE OF COUNCIL: SUPPLY CHAIN MANAGEMENT POLICY-REPORT ON THE IMPLEMENTATION OF THE SUPPLY CHAIN MANAGEMENT POLICY OF STELLENBOSCH MUNICIPALITY: QUARTER 2 (01 OCTOBER 2023 – 31 DECEMBER 2023)

2. PURPOSE

To submit to Management a report for the period 01 October 2023 – 31 December 2023 on the implementation of Council's Supply Chain Management Policy. The report covers the performance of the various delegated functions and the implementation thereof.

3. FOR DECISION BY MUNICIPAL COUNCIL

Section 6 (3) & 4 of the SCM Policy 2023/2024, determines that the Accounting Officer must within 10 days at the end of each quarter; submit a report on the implementation of the SCM Policy to the Executive Mayor. This report must be made public in accordance with section 21A of the Municipal Systems Act (32 of 2000).

4. EXECUTIVE SUMMARY

On a quarterly basis the Accounting Officer must submit a report on the implementation of the Supply Chain Management Policy to the Executive Mayor. In terms of the SCM Regulations and Council's SCM Policy the SCM unit has been delegated to perform powers and functions that related to the procurement of goods and services, disposal of goods no longer needed, the selection of contractors to aid in the provision of municipal services.

5. RECOMMENDATIONS

- (a) that Council approves this report and **ANNEXURE A** attached to the report, and
- (b) that the report be made public in accordance with section 21A of the Municipal Systems Act.

6 DISCUSSION/CONTENTS

6.1 Background

SCM must report within 10 days before the end of each quarter on the implementation of the SCM System.

6.2 Constitutional and Policy Implications

Paragraph 2(1) of Council's SCM Policy determines that all officials and other role players in the supply chain management system of the Stellenbosch Municipality must implement the SCM Policy in a way that gives effect to section 217 of the Constitution and Part 1 of Chapter 11 of the Municipal Finance Management Act (56 of 2003) and other applicable provisions of the Act; is fair, equitable, transparent, competitive and cost-effective; complies with the Regulations and any norms and standards that may be prescribed in terms of section 168 of the MFMA; is consistent with other applicable legislation; does not undermine the objective for uniformity in supply chain management systems between organs of state in all spheres; and is consistent with

national economic policy concerning the promotion of investments and doing business with the public sector.

Paragraph 6(1) of the Supply Chain Management Policy of Council determines that the Council of Stellenbosch municipality reserves the right to maintain oversight over the implementation of the SCM Policy as approved and amended from time to time. Paragraph 6(3) of the above stated Policy determines that the Accounting Officer must within 10 days of the end of each quarter; submit a report on the implementation of the Supply Chain Management Policy to the Executive Mayor.

6.3 Environmental implications

None.

6.4 Financial Implications

The financial implications are the transactions for the procurement of goods and services that were processed during the 01 October 2023 – 31 December 2023 and the payments that will derive from these commitments.

6.5 Legal Implications

The Municipal Finance Management Act (section 112) stipulates that the SCM Policy should comply with a prescribed framework as set out in section 112(1) and section 112(2) that stipulates that the regulatory framework for the municipal supply chain management must be fair, equitable, transparent, competitive, and cost-effective. Reporting back in terms of paragraph 6(3) of the SCM Policy 2023/2024 to the Executive Mayor and Council on the implementation of the supply chain management system and processes enables the Executive Mayor and Council to maintain the oversight role over the implementation of the SCM Policy as approved by Council.

6.6 Staff Implications

None.

6.7 Previous / Relevant Council Resolutions

None.

6.8 Comments from Senior Management

Report not circulated for comments.

RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2024-01-17: ITEM 6.4

- (a) that Council approves this report and **ANNEXURE A** attached to the report, and
- (b) that the report be made public in accordance with section 21A of the Municipal Systems Act.

APPENDICES

ANNEXURE A: Report for the period 01 October 2023 – 31 December 2023 on the Implementation of Council's Supply Chain Management Policy

FOR FURTHER DETAILS CONTACT:

NAME	<i>Dalleel Jacobs</i>
CONTACT NUMBERS	<i>021 808 8137</i>
E-MAIL ADDRESS	<i>Dalleel.Jacobs@stellenbosch.gov.za</i>
DIRECTORATE	<i>Financial Services</i>
REPORT DATE	<i>03 January 2024</i>

ANNEXURE A

STELLENBOSCH MUNICIPALITY

IMPLEMENTATION OF SYSTEM – SUPPLY CHAIN MANAGEMENT (SCM)

**SECTION 6 (3) OF SCM REGULATIONS:
OVERSIGHT ROLE OF COUNCIL OVER THE IMPLEMENTATION OF SCM POLICY**

PERIOD: 01 OCTOBER 2023 – 31 DECEMBER 2023

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLE- MENTED	COMMENTS
3(1)(a)	Prepare and submit a draft supply chain management policy complying with regulation 2 to the council of the municipality for adoption.	Accounting Officer	Chief Financial Officer	YES	Done
3(1)(b)	Review at least annually the implementation of the policy.	Accounting Officer	Chief Financial Officer	YES	Done
3(1)(c)	Submit when considered necessary, proposals for amendment of the policy by the Council.	Accounting Officer	Chief Financial Officer	YES	The SCM Policy are part of the budget related policies that are annually reviewed.
3(2)(a)	Make use of any Treasury guidelines determining standards for municipal supply chain management policies, and submit to the council that guidelines standard or modified version therefore, as a draft policy.	Accounting Officer	Chief Financial Officer	YES	All NT guidelines are included in standard documents and the municipalities SCM policy is aligned with the Model SCM policy of NT.
3(2)(b)	Ensure that a draft policy submitted to council that differs from the guideline standard complies with Regulation 2.	Accounting Officer	Chief Financial Officer	YES	Not Applicable
3(1)(c)	Report any deviation from the guideline standard to the National Treasury and relevant provincial treasury	Accounting Officer	Chief Financial Officer	YES	Not Applicable
3(4)	Must, in terms of section 62(1)(f)(iv) take all reasonable steps to ensure that the municipality has and implements a supply chain management policy as set out in Regulation 2	Accounting Officer	Chief Financial Officer	YES	Done

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
5(2)(a)	Make a final award above R10 million (VAT included).	Accounting Officer (after considering recommendation of Bid Adjudication Committee)		YES	In the second quarter, there were five (5) final award above R10 million.
5(2)(b)	Make a final award above R200 000(VAT included), but not exceeding R10 million (VAT included).	Accounting Officer	Bid Adjudication Committee	YES	In the second quarter, there were sixteen (16) final awards above R200 000 but not exceeding R10 million.
5(2)(c)	Make a final award not exceeding R200 000(VAT included) including the appointment of consultants	Accounting Officer	CFO and Senior Manager - SCM and Senior Accountants	YES	Operational Delegations are in place with clear segregation of duties as stipulated in MFMA section 115 (b)
5(3)	Submit to the officials referred to in regulation 5(4) within five days of the end of each month a written report containing particulars of each final award, except procurements made out of petty cash, made during that month, including – (a) the amount of the award; (b) the name of the person to whom the award was made; (c) the reason why the award was made to that person; and (d) the BEE/HDI status of that entity/person.	Bid Adjudication Committee (refer regulation 5(4)(a) Chief Financial Officer – 5(4)(b)	Chief Financial Officer Senior Manager SCM	YES	The awards made were submitted on the following dates within this quarter: 03 November 2023 05 December 2023 03 January 2024
6(1)	Maintain oversight over the implementation of the supply chain management policy	Municipal Council		YES	The Supply Chain Management policy has been submitted to council in the last quarter of the previous financial year as part of the Budget Related policies.

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
6(2)(a)(i)	Submit a report to council within 30 days of the end of each financial year on the implementation of the supply chain management policy of the municipality.	Accounting Officer		YES	Done
6(2)(a)	Immediately submit a report to council whenever there are serious and material; problems in the implementation of the supply chain management policy, including such a report from any municipal entity as envisaged by this Regulation 6(2)(a)(iii)	Accounting Officer		N/A	To date no serious or material problems occurred in implementing the SCM policy.
6(3)	Submit a report to the mayor of the municipality within ten days of each quarter on the implementation of the supply chain management policy.	Accounting Officer	Chief Financial Officer	YES	Done.
7(1)	Establish a supply chain management unit.	Accounting Officer	Chief Financial Officer	YES	Unit operates under direct supervision of CFO
12(1)	<p><u>Direct that:</u></p> <p>a) cash purchases up to transaction value as defined I Council's Petty Cash policy</p> <p>b) one verbal quotation be obtained for any specified procurement of a transaction value lower than R2,000 (VAT included);</p> <p>c) written or verbal quotations for procurement of goods and/or services of a transaction value between R 2, 000.00 and R 10 000.00 (VAT included)</p> <p>d) formal written price quotations for procurement of goods and/or services of a transaction value between R 10,000.00 and R 200,000.00</p> <p>e) a competitive bidding process be followed for any specific procurement of a transaction value higher than R200 000.</p>	Accounting Officer	Operational delegations in place	YES	Done

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
12(2)(a)	Allow the Accounting Officer to lower, but not to increase, the different threshold values specified in sub regulation(1).	Accounting Officer	Chief Financial Officer	YES	Delegated officials act within delegated thresholds.
14(1)(a)(ii)	Invite prospective providers of goods and services at least once a year through newspaper commonly circulating locally, the website of the municipality	Accounting Officer	Senior : Manager SCM	YES	To be advertised in quarter three
14(1)(b)	Specify the listing criteria for accredited prospective providers.	Accounting Officer	Chief Financial Officer	YES	Listing criteria is contained within the registration form.
14(1)(c)	Disallow the listing of any prospective provider whose name appears on the National Treasury's database as a person prohibited from doing business with the public sector.	Accounting Officer		YES	SCM consult National Treasury's database of defaulters before awarding of tenders and quotations
14(2)	Update the list of prospective providers at least quarterly to include any additional prospective providers and any new commodities or types of services.	Municipal Council	Chief Financial Officer	YES	Done
15	Requesting reconciliation's on petty cash purchases on a monthly basis.	Chief Financial Officer	Manager: Expenditure section	YES	Done
16(c)	If it is not possible to obtain at least three written quotations, record and report quarterly to the accounting officer, or another official designated by the accounting officer, the reasons for this.	Accounting Officer	Chief Financial Officer	YES	Reports were submitted on the following dates within this quarter: 03 November 2023 05 December 2023 03 January 2024

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
16(e)	Record the name of potential providers requested to provide written quotation with their quoted prices.	Accounting Officer	Chief Financial Officer	YES	Reports were submitted on the following dates within this quarter: 03 November 2023 05 December 2023 03 January 2024
17(1)(c)	Approve the recorded reasons for not obtaining at least three written price quotations.	Chief Financial Officer	Senior Manager SCM & CFO: below R200,000 Accountants: Acquisitions, Contracts and SCM: Accountant Demand and Chief Buyer : below R200,000	YES	
17(1)(d)	Record the names of the potential formal written price quotation providers and their written quotations.	Accounting Officer	Senior Manager : Supply Chain Management	YES	
17(2)	Report to the CFO within three days at the end of the month on any approvals given during that month by that the designed official referred to in sub-regulation (1) (c).	Chief Financial Officer	Senior Manager: Supply Chain Management	YES	
18 (a)	All requirements in excess of R30,000 (VAT included) by means of formal written price quotations should be advertised for at least 7 days on the website and municipal official website.	Chief Financial Officer	Senior Manager: Supply Chain Management	YES	
18 (b)	When using the list of accredited prospective providers, it should promote ongoing competition amongst providers by inviting providers to submit quotations on a rotational basis.	Chief Financial Officer	Senior Manager: Supply Chain Management	YES	Done
18(c)	Must take all reasonable steps to ensure that the procurement of goods and services through written quotations or formal written price quotations is not abused.	Accounting Officer	Chief Financial Officer	YES	Quotations and Formal written quotations are placed on the website and only opened on the closing date and time and mitigate the risks during the calling for quotations.

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
18(d)	Notify the Accounting Officer or CFO in writing on a monthly basis of all written quotations and formal written price quotations accepted by the official acting in terms of a sub-delegation	Chief Financial Officer	Senior Manager : Supply Chain Management	YES	Reports were submitted on the following dates within this quarter: 03 November 2023 05 December 2023 03 January 2024
22 (b) (i)	The publication notice must contain the closure date for the submission of bids, which may not be less than 3 weeks in case of transactions over R10m (VAT included), or which are of long term nature, or 14 days in any other case, from date on which the advertisement is placed in a newspaper.	Accounting Officer	Bid Specifications Committee	YES	For quarter two, thirty-four (34) tenders specifications served before the Bid Specifications committee.
22(2)	The Accounting Officer may determine the closure date for the submission of bids which is less than the 30 days or 14 days requirement, but only if such shorter period can be justified on the grounds of urgency or emergency or any exceptional case where it is impractical or impossible to follow the official procurement process.	Accounting Officer		YES	None
23(a) (i)(ii)	The handling, opening and recording of bids should be (i) be opened in public (ii) must be opened at the same time and as soon as possible after the period for the submission of bids has expired;	Accounting Officer	Senior Manager: Supply Chain Management	YES	Done
23 (c)	(ii) make the register available for public inspection (iii) publish the entries in the register and the bid results on the website of the municipality	Accounting Officer	Senior Manager: Supply Chain Management	YES	Done
24(1)	Negotiate the final terms of a contract with bidders identified through a competitive bidding process as preferred bidders, provided that such negotiation –	Accounting Officer	Relevant user department Head of Department or Director	YES	Provision for the signing of a Form of Tender/Service Level Agreement with successful vendors is being made in

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	<p>(a) does not allow any preferred bidder a second or unfair opportunity;</p> <p>(b) is not to the detriment of any other bidder; and</p> <p>(c) does not lead to a higher price than the bid submitted.</p> <p>Minutes of such negotiations must be kept.</p>				the tender documents
26(1)(b)	Appoint the members of the bid specification, evaluation and adjudication committees, taking into account Section 117 of the MFMA.	Accounting Officer		YES	Done
26(1)(c)	Appoint a neutral or independent observer to a bid specification, evaluation or adjudication committee for an attendance and oversight process when this is appropriate for ensuring fairness and promoting transparency.	Accounting Officer		N/A	Not Applicable
26(3)	Apply the committee system to formal written price quotations.	Accounting Officer		N/A	Committee system is applied for goods/services above R200 000
27(1)	Compile specifications for the procurement of goods and services by the municipality.	Accounting Officer	Bid Specifications Committee, upon advice of the relevant user department	YES	The Director signs for items to serve on Specification committee.
27(2)(g)	Approve specifications compiled by the bid specification committee prior to publication of the invitation for bids.	Accounting Officer	Bid Specifications Committee, upon advice of the relevant user department	YES	The specifications are accompanied with a questionnaire that the relevant department has to complete. Meetings are held according pre-determined schedule.
28(1)(a)	Evaluate bids in accordance with – (i) the specifications for a specific procurement ; and (ii) the points system as must be set out in the supply chain management policy of the municipality in terms of Regulation 27(2)(f)	Accounting Officer	Bid Evaluation Committee upon advice of the relevant user department.	YES	Have regular BEC scheduled meetings.

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
	and a prescribed in terms of the Preferential Procurement Policy Framework Act.				
28(1)(b)	Evaluate each bidder's ability to execute the contract.	Accounting Officer	Bid Evaluation Committee, upon advice from SCM	YES	Currently part of the Standard Evaluation Report
28(1)(c)	Check in respect of the recommended bidder whether municipal rates and taxes and municipal service charges are not in arrears.	Accounting Officer	Bid Evaluation Committee	YES	Has a screening list that has to be completed.
28(1)(d)	Submit to the adjudication committee a report and recommendations regarding the award of the bid or any other related matter.	Bid Evaluation Committee		YES	Currently part of the Standard Evaluation Report
29(1)(a)	Consider the report and recommendations of the bid evaluation committee where the award value exceeds R200 000 (VAT incl.) and make the award up to value of R10m (as per delegated authority)	Accounting Officer	Bid Adjudication Committee	YES	In the second quarter there were eleven (11) BAC meetings
29(1)(b)(i)	For bids above R10 million, the SCM BAC will make recommendation to the Municipal Manager to make the final award.	Accounting Officer		YES	In the second quarter there were five (5) final awards above R10 million.
29(1)(b)(ii)	Make another recommendation to the accounting officer on how to proceed with the relevant procurement.	Accounting Officer		YES	None.
29(3)	Appoint the chairperson of the bid adjudication committee.	Accounting Officer		YES	Delegations given is kept for record purposes
29(5)(a)	If a bid adjudication committee decides to award a bid other than the one recommended by the bid evaluation committee, the bid adjudication committee must prior to awarding the bid – (i) check in respect of the preferred bidder whether that bidder's municipal rates and taxes and municipal service charges are not in arrears; and (ii) notify the accounting officer.	Bid Adjudication Committee		YES	None

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29(5)(b)	<p>(i) After due consideration of the reasons for the deviation, ratify or reject the decision of the bid adjudication committee referred to in Regulation 29(5)(a); and</p> <p>(ii) If the decision of the bid adjudication committee is rejected, refer the decision of the adjudication committee back to that committee for reconsideration.</p>	Accounting Officer		YES	None
29(6)	Refer any recommendation made by the evaluation committee or adjudication committee back to that committee for reconsideration of the recommendation.	Accounting Officer		YES	One (1) tender was referred back to the BEC in the second quarter
29(7)	Comply with Section 114 of the MFMA within ten working days.	Accounting Officer		YES	Not applicable
31(1)	Request the State Information Technology Agency (SITA) to assist the municipality with the acquisition of IT related goods or services through a competitive bidding process.	Accounting Officer	Bid Adjudication Committee	YES	Not Applicable
31(2)	Enter into a written agreement to regulate the services rendered by, and the payments made to, SITA.	Accounting Officer		YES	Not Applicable
31(3)	<p>Notify SITA together with a motivation of the IT needs of the municipality if –</p> <p>(a) the transaction value of IT related goods or services required by the municipality in any financial year will exceed R50 million (VAT incl); or</p> <p>(b) the transaction value of a contract to be procured by the municipality whether for one</p>	Accounting Officer		YES	Not Applicable

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	or more years exceeds R50 million.				
31(4)	Submit to the Council, the National Treasury, the relevant provincial treasury and the Auditor General the SITA comments and the reasons for rejecting or not following such comments if the municipality disagrees with SITA's comments.	Accounting Officer	Senior Manager: Supply Chain Management	YES	Not Applicable
32(1)	To procure goods or services for the municipality under a contract secured by another organ of state, but only if – (a) the contract has been secured by that organ of state by means of a competitive bidding process applicable to that organ of state; (b) the municipality has no reason to believe that such contract was not validly procured; (c) there are demonstrable discounts or benefits for the municipality; and that other organ of state and the provider have consented to such procurement in writing.	Accounting Officer	Bid Adjudication Committee	YES	None
35(1)	Procure consulting services above the value of R200 000 (VAT incl.) provided that any Treasury guidelines in respect of consulting services or CIDB guidelines in respect of services related to the build environment and construction works are taken into account when such procurements are made.	Accounting Officer	Bid Adjudication Committee	YES	Tender in place.
35(4)	Ensure that copyright in any document produced, and the patent rights or ownership in any plant, machinery, thing, system or process designed or devised, by a consultant in the course of the consultancy service is vested in the municipality.	Municipal Council	Relevant user Department	YES	Not Applicable

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLE- MENTED	COMMENTS
36(1)(a)	<p>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 –</p> <ul style="list-style-type: none"> (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 worker of art or historical objects where specifications are difficult to compile; (iv) acquisition of animals or zoos; or (v) in any other exceptional case where it is impractical or impossible to follow the official procurement processes (vi) any contract relating to the publication of notices and advertisements by or on behalf of the municipality (vii) any purchase on behalf of the municipality at a public auction (viii) any contract with an organ of state, local authority or a public utility corporation or company (ix) any contract in respect of which compliance therein would not be in the public interest or interest of Council (x) ad-hoc repairs to plant and equipment where it is not possible to ascertain the nature or extent of the work required in order to call for bids (xi) workshop strip & quote 	Accounting Officer	BAC considers deviations and recommend to the Accounting Officer.	YES	Delegations are in place for BAC to recommend deviations to the Accounting Officer. Records and recordings are kept of all meetings. Departments draft memorandums and table items at BEC for consideration and recommendation to the BAC. The BAC upon approval will recommend deviation to the Accounting –Officer.
36(1)(b)	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	Accounting Officer		YES	Done

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	technical nature.				
36(2)	Record the reasons for any deviations in terms of Regulations 36(1)(a) and (b); and Report them to the next meeting of the Council and include as a note to the annual financial statements.	Municipal Council	Accounting Officer	YES	Done
37(2)	Decide to consider an unsolicited bid but only if – (a) the product or service offered is a demonstrably or proven unique innovative concept; (b) the product or service will be exceptionally beneficially to, or have exceptional cost advantages for, the municipality; (c) the person who made the bid is the sole provider of the product or service; and (d) the reasons for not going through the normal bidding processes are found to be sound by the accounting officer.	Accounting Officer		NO	None
37(4)	Submit written comments received pursuant to Regulation 37(3), including any responses from the unsolicited bidder, to the National Treasury and the relevant provincial treasury for comment.	Accounting Officer		NO	None
37(5)	Consider and may award the bid or make recommendations to the accounting officer depending on the delegations to the adjudication committee.	Accounting Officer	Bid Adjudication Committee	YES	None
37(7)	When considering an unsolicited bid, take into account where considering an unsolicited bid –	Accounting Officer		NO	None

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
	(i) any comments submitted by the public; and any written comments and recommendations of the National Treasury or the relevant provincial treasury.				
37(8)	Submit to the Auditor General, the relevant provincial treasury and the National Treasury the reasons for rejecting or not following any recommendations of the National Treasury or provincial treasury in regard to the unsolicited bid.	Accounting Officer	Senior Manager: Supply Chain Management	NO	None
38(1)(a)	Take all reasonable steps to prevent abuse of the supply chain management system.	Accounting Officer	Chief Financial Officer	YES	The National Treasury Code of Conduct has been circulated and communicated to municipal staff at various formal and informal meetings.
38(1)(b)	Investigate any allegations against an official or other role player of fraud, corruption, favoritism, unfair or irregular practices or failure to comply with the supply chain management policy, and when justified – (i) take appropriate steps against such official or other role player; or (ii) report any alleged criminal conduct to the South African Police Service.	Accounting Officer	Internal Audit	YES	None
38(1)(c)	Check the National Treasury's database prior to awarding any contract to ensure that no recommended bidder, or any of its directors, is listed as a person prohibited from doing business with the public sector.	Accounting Officer	Senior Manager: Supply Chain Management	YES	The National Treasury website information of the List of Defaulters is currently used to verify.
38(1)(d)	Reject any bid from a bidder – (i) if any municipal rates and taxes or municipal service charges owed by that bidder or any directors to the municipality are in arrears for	Accounting Officer	Bid Adjudication Committee Senior Manager: Supply Chain Management	YES	Bid Evaluation checklist is in place

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
	<p>more than three months;</p> <p>(ii) who during the last five years has failed to perform satisfactorily on a previous contract with the municipality or any other organ of state after written notice was given to that bidder that performance was unsatisfactory.</p>				
38(1)(e)	Reject a recommendation for the award of a contract if the recommended bidder, or any of its directors, has committed a corrupt or fraudulent act in competing for the particular contract.	Accounting Officer	Bid Adjudication Committee Senior Manager: Supply Chain Management	YES	Bid Evaluation checklist is in place
38(1)(f)	<p>Cancel a contract awarded to a person if – the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract; or</p> <p>(i) an official or other role player committed any corrupt or fraudulent act during the bidding process or the execution of the contract that benefited that person.</p>	Accounting Officer	Bid Adjudication Committee Senior Manager: Supply Chain Management	YES	Bid Evaluation checklist is in place
38(1)(g)	<p>Reject the bid of any bidder if that bidder or any of its directors –</p> <p>(i) has abused the supply chain management system of the municipality or has committed any improper conduct in relation to such system;</p> <p>(ii) has been convicted for fraud or corruption during the last five years;</p> <p>(iii) has willfully neglected or reneged on or failed to comply with any government, municipal or</p>	Accounting Officer	Bid Adjudication Committee Senior Manager: Supply Chain Management	YES	Bid Evaluation checklist is in place

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
	<p>other public sector contract during the past five years; or</p> <p>(iv) has been listed in the Register for Tender Defaulters in terms of Section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).</p>				
38(2)	Inform the National Treasury and relevant provincial treasury in writing of any actions taken in terms of Regulation 38(1)(b)(ii), (e)	Accounting Officer	Bid Adjudication Committee Senior Manager: Supply Chain Management	YES	Bid Evaluation checklist is in place
40(1)	The Supply chain policy must provide for an effective system of disposal management for the disposal or letting of assets, including unserviceable, redundant or obsolete assets, subject to sections 14&90 of MFMA	Municipal Council	Chief Financial Officer	YES	Delegations are in place
40(2) a	<p>A Supply Chain management policy must specify the ways in which assets may be disposed of, including by –</p> <p>(i) Transferring the asset to another organ of state in terms of a provision of the MFMA enabling the transfer of assets</p> <p>(ii) Transferring the asset to another organ of state at market related value or, when appropriate, free of charge</p> <p>(iii) Selling the asset</p> <p>(iv) Destroying the asset</p>	Municipal Council	Chief Financial Officer	YES	As per delegations
40(2) (b)	Stipulate that –	Municipal Council		YES	Not Applicable

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
	Immoveable property may be sold only at market related prices except when public interest or the plight of the poor demands otherwise				
40(2)(b)(ii)	Movable assets may be sold either by way of written price quotations, a competitive bidding process, auction or at market related prices, whichever is the most advantageous to the municipality	Accounting Officer	Chief Financial Officer	YES	As per delegations
40(2)(b)(iii)	In the case of the free disposal of computer equipment, the Provincial Department of Education must first be approached to indicate within 30 days whether any of the local schools are interested in the equipment.	Accounting Officer	Chief Financial Officer	N/A	Not Applicable
40(2)(b)(iv)	In the case of the disposal of firearms, the National Conventional Arms Control Committee has approved any sale or donation of firearms to any person or institution within or outside the Republic	Accounting Officer		N/A	Not Applicable
40(2)(c)(ii)	All fees, charges, rates, tariffs, scales of fees or other charges relating to the letting of immovable property are annually reviewed	Municipal Council		YES	Not Applicable
40(2)(d)	Ensure that where assets are traded in for other assets, the highest possible trade-in is negotiated	Municipal Council		N/A	None
40(2)(b)(iii)	In the case of the free disposal of computer equipment, the provincial department of education is first approached to indicate within 30 days whether any of the local schools are interested in the equipment.			N/A	Not Applicable
41(1)	A Supply chain management policy must provide for	Accounting Officer	Internal Audit	YES	Busy implementing a system for risk

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
	an effective system of risk management for the identification, consideration and avoidance of potential risks in the supply chain management system				management
42	Establish and implement an internal monitoring system in order to determine, on a retrospective analysis, whether the authorized supply chain management processes were followed and whether the objectives of this policy were achieved.	Accounting Officer	Chief Financial Officer	YES	Implemented a system for performance management in SCM
43(2)	Check with SARS whether a person's tax matters are in order before making an award to such person.	Municipal Council	Senior Manager: Supply Chain Management	YES	The Tax Clearance of vendors registered on the Central Supplier Database are checked regularly and before awards are made.
45	Disclose in the notes to the annual financial statements of the municipality particulars of any award of more than R2,000 to a person who is a spouse, child or parent of a person in the service of the state, or has been in the service of the state in the previous twelve months, including – (a) the name of that person; (b) the capacity in which that person is in the service of the state; and (c) the amount of the award.	Municipal Council	Chief Financial Officer	YES	This information was disclosed within financial statements of the municipality.
46(3)(a)	Keep a register of all declarations in terms of Regulation 46(2)(d) and (e).	Accounting Officer	Senior Manager: Supply Chain Management	YES	SCM keep record of it.
46(3)(b)	Declarations must be made to the mayor of the municipality who must ensure that such declarations are recorded in the register.	Accounting Officer	Chief Financial Officer	YES	Declarations are kept at SCM section and hard copy on file.

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46(4)	Adopt the National Treasury's code of conduct and Schedule 2 of the Systems Act for supply chain management practitioners and other role players involved in supply chain management.	Accounting Officer	Senior Manager: Supply Chain Management Council's Speaker	YES	Code of conduct are circulated annually to all officials
47(2)	Report any alleged contravention of Regulation 47(1) to the National Treasury for considering whether the offending person, and any representative or intermediate through which such person is alleged to have acted, should be listed in the National Treasury's database of persons prohibited from doing business with the public sector.	Accounting Officer	Chief Financial Officer	YES	Not Applicable
48	Disclose to the National Treasury and the relevant provincial treasury any sponsorship promised, offered or granted to the municipality whether directly or through a representative or intermediate, by any person who is – (a) a provider or prospective provider of goods or services to the municipality; or (b) a recipient or prospective recipient of goods disposed or to be disposed, of by the municipality.	Accounting Officer	Senior Manager: Supply Chain Management	YES	None.
49	Persons aggrieved by decisions or actions taken in the implementation of this supply chain management system, may lodge within 14 days of the decision or action, a written objection or complaint against the decision or action.	Accounting Officer		YES	Have an administrative process in place.
50(1)	Appoint an independent and impartial person to assist in the resolution of disputes between the municipality and other persons and to deal with objections, complaints or queries as described more fully in Regulation 49.	Accounting Officer		YES	Done.
50(1)(a)	Responsible to assist the person appointed in terms	Accounting Officer		YES	Done

REG. NO.	CRYPTIC DESCRIPTION OF POWER OR DUTY	POWER CURRENTLY RESIDING	DELEGATED	IMPLEMENTED	COMMENTS
	of Regulation 50(1) to perform his or her functions effectively.				
50(4)(b)	Appointed must submit monthly reports to the Accounting Officer on all disputes, objections, complaints or queries received, attended to or resolved.	Accounting Officer		YES	The appointed official is responsible for the submission of the monthly report to the Municipal Manager.
51	Service provider that acts on behalf of municipality to provide any service or act as a collector of fees, service charges or taxes and the compensation payable to service provider, contract must stipulate a cap on compensation payable to the service provider; that such compensation must be performance based.	Accounting Officer		YES	Done

8.7	MANAGEMENT OF CONTRACTS OR AGREEMENTS AND CONTRACTOR PERFORMANCE AS AT 01 JULY 2023 – 31 DECEMBER 2023 MFMA S116(2)(d) REPORT
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Collaborator No:

IDP KPA Ref No: Good Governance and Compliance

Meeting Date: 17 January 2024 & 24 January 2024

1. SUBJECT: MANAGEMENT OF CONTRACTS OR AGREEMENTS AND CONTRACTOR PERFORMANCE AS AT 01 JULY 2023 – 31 DECEMBER 2023 MFMA S116(2)(d) REPORT

2. PURPOSE

To report in accordance with MFMA, Section 116(2)(d) on the management of contracts or agreements and the performance of contractors.

3. DELEGATED AUTHORITY

None

4. EXECUTIVE SUMMARY

The report indicates the performance of service providers who were active on contracts secured by means of a competitive bidding process for the period 01 July 2023 to 31 December 2023.

5. RECOMMENDATION

that the MFMA S116(2)(d) report on the management of contracts or agreements and contractor performance from 01 July 2023 to 31 December 2023 be noted.

6. DISCUSSION / CONTENTS

6.1 Background

6.1.1 Oversight role of council

The Council must maintain oversight over the implementation of the SCM Policy and Chapter 11 of the MFMA. For such oversight the accounting officer must regularly submit a report on the management of contracts or agreements and the performance of contractors to the Council of the municipality in terms of MFMA S116(2)(d).

6.1.2 Legislative Requirement

MFMA S116(2)(d):

“The accounting officer of a municipality or municipal entity must-

(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 contract.”

6.2 Discussion

Contract Management Performance Monitoring has been institutionalized within the Supply Chain Management unit for active contracts as per the contract register.

Monitoring of contracts includes the monitoring of contracts awarded in previous financial years which are still active. The total active contracts amount to 319.

Active contracts - does not include service providers appointed on a panel tender not used yet. Additionally, it does not include service providers appointed for if and when the preferred service provider cannot deliver.

To note: This is a month-to-month monitoring tool and the totals below refer to the number of contracts which fell in the rating category from 01 July 2023 until 31 December 2023. This does not mean that the contract remained in the category for the entire period.

Based on the contract monitoring tool the table below depicts the details of a satisfactory, average and poor performance rating:

#	Description of Performance Rating	Total
3	Satisfactory: The quality of service or goods delivery is in compliance with the agreement. Where needed, corrective or preventative action has been taken or agreed upon.	276
2	Average: The quality of the service is fair but needs monitoring and improvement to move to satisfactory standard	23
1	Unsatisfactory: Quality of service or goods delivery is unacceptable. Council either has or must consider termination of the agreement and all services if not improved urgently.	20

All contracts in the contract register (available upon request) up to 31 December 2023 were monitored in terms of the contractor's performance.

When user departments fail to find amicable solutions for contract management issues, it will be referred to our legal services department for assistance and resolution. Comments of Contract Management underneath relating to the unsatisfactory contract's:

#	Contract description	Actions being taken
BSM 027 22	Upgrade / maintenance: dorp street flats	Bidder shows improvement, with constant monitoring. Project completed.
BSM 010 23	Domestic leak repair, water meter replacement and pressure management	Bidder shows improvement, with constant monitoring.
BSM 048 22 . 4	Supply and delivery of rescue tools and equipment for the period ending 30 June 2025	Bidder will be monitored, improvement can only be measure with the next order.
BSM 073 22 . 2	Appointment of a registered professional service provider (s) to provide autioneering services to dispose of municipal moveable assets and immoveable assets until 30 June 2025	Referred to the legal department. Contract terminated.
BSM 013 22 . 14	Supply and erecting of fences as and when required for various projects until 30 June 2025	A letter was sent to the bidder. The bidder was also requested to quote as per tendered rates.
BSM 013 22 . 13	Supply and erecting of fences as and when required for various projects until 30 June 2025	A letter was sent to the bidder. The bidder was also requested to quote as per tendered rates.
BSM 013 22 . 4	Supply and erecting of fences as and when required for various projects until 30 June 2025	A letter was sent to the bidder. The bidder was also requested to quote as per tendered rates.

BSM 123 21	Zone o, kayamandi, housing project: construction of internal civil engineering services - phase 3	Bidder was warned of their poor performance and a new program was requested.
BSM 094 21 . 1	Supply and delivery of toilet paper and hand towel paper for a contract period ending 30 June 2024	Bidder will be monitored, improvement can only be measure with the next order.
BSM 062 23 . 2	Supply, delivery and off-loading of materials for water & sewer connections for the contract period 1 July 2023 ending 30 June 2026	Bidder have an opportunity to rectify.
BSM 062 23 . 3	Supply, delivery and off-loading of materials for water & sewer connections for the contract period 1 July 2023 ending 30 June 2026	Bidder have an opportunity to rectify.
BSM 013 21 - ESLM.3	Professional electrical engineering services for electrification of informal houses in the Enkanini informal settlement in Stellenbosch	Placed on terms for poor performance.
BSM 017 23	Electrification of informal houses in the enkanini informal settlement of Stellenbosch for the period ending 30 June 2024	Placed on terms for poor performance.
BSM 051 22 . 7	Supply, delivery and offloading of coffee, tea, sugar, coffee creamer and longlife milk – (refreshments): period 1 July 2022 to 30 June 2025	Bidder have an opportunity to rectify.
BSM 053 22 . 2	Supply, delivery and offloading of sabs tested and approved personal protective clothing and personal protective equipment until 30 June 2025	Bidder have an opportunity to rectify.
BSM 053 22 . 3	Supply, delivery and offloading of sabs tested and approved personal protective clothing and personal protective equipment until 30 June 2025	Bidder have an opportunity to rectify.
BSM 069 23 . 7	Supply, delivery and off-loading of cleaning materials and equipment for a period 1 July 2023 ending 30 June 2024	Bidder will be monitored, improvement can only be measure with the next order.
BSM 069 23 . 9	Supply, delivery and off-loading of cleaning materials and equipment for a period 1 July 2023 ending 30 June 2024	Bidder will be monitored, improvement can only be measure with the next order.
BSM 069 23 . 10	Supply, delivery and off-loading of cleaning materials and equipment for a period 1 July 2023 ending 30 June 2024	Bidder have an opportunity to rectify.
BSM 053 23 . 15	Supply, delivery and offloading of water meters for the contract period 1 July 2023 ending 30 June 2026	Bidder have an opportunity to rectify.

6.3 Financial Implications

There are no financial implications should the recommendations as set out in the report be accepted.

6.4 Legal Implications

The recommendations in this report comply with Council's policies and all applicable legislation.

6.5 Staff Implications

This report has no additional staff implications to the Municipality.

6.6 Previous / Relevant Council Resolutions:

None.

6.7 Risk Implications

This report has no risk implications for the Municipality.

6.8 Comments from Senior Management:

No comments requested accept from Municipal Manager.

6.8.1 Municipal Manager:

Agree with the recommendations.

RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2024-01-17: ITEM 6.5

that the MFMA S116(2)(d) report on the management of contracts or agreements and contractor performance from 01 July 2023 to 31 December 2023 be noted.

8.8	MONTHLY FINANCIAL STATUTORY REPORTING: DEVIATIONS FOR NOVEMBER AND DECEMBER 2023
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Collaborator No:

IDP KPA Ref No: Good Governance and Compliance

Meeting Date: 17 January 2024 & 24 January 2024

1. SUBJECT: MONTHLY FINANCIAL STATUTORY REPORTING: DEVIATIONS FOR NOVEMBER AND DECEMBER 2023

2. PURPOSE

To comply with Regulation 36(2) of the Municipal Supply Chain Management Regulations and Section 36 of the Supply Chain Management Policy 2023/2024 to report the deviations to Council.

3. DELEGATED AUTHORITY

Council

FOR NOTING.

4. EXECUTIVE SUMMARY

Regulation 36(2) of the Municipal Supply Chain Management Regulations and Section 36 of the Supply Chain Management Policy (2023/2024) stipulate that SCM deviations be reported to Council. In compliance thereto, this report presents to Council the SCM deviations that occurred during November and December 2023.

5. RECOMMENDATION

that Council notes the deviations as listed for the months of November and December 2023.

6. DISCUSSION / CONTENTS

6.1 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.

6.2 Discussion

Reporting the deviations as approved by the Accounting Officer for November and December 2023:

The following deviations were approved with the reasons as indicated below:

DEVIATION NUMBER	CONTRACT DATE	NAME OF CONTRACTOR	CONTRACT DESCRIPTION	REASON	SUBSTANTIATION WHY SCM PROCESS COULD NOT BE FOLLOWED	TOTAL CONTRACT PRICE R
D/SM 7/24	2023/11/01	Evolution Technology Group	Appointment of Evolution Technology Group (ETG) for printing services on a month-to-month basis	Exceptional case and it is impractical or impossible to follow the official procurement processes	<p>Printing services is a critical service and as such the Municipality cannot be without printing services for any space of time.</p> <p>The deviation will ensure that there is no interruption in this critical service.</p> <p>The Municipality appointed Evolution Technology Group (ETG) for printing services on a deviation on 30 June 2023 for a maximum period of 4 months while the municipality concludes its participation on National Treasury's Transversal Tender (RT3-2022) for printing services.</p> <p>The municipality selected a service provider on the transversal tender and requested a contract from it. The service provider submitted a contract to the municipality on 11 September 2023 for a period 1 November 2023 to 30 October 2026 (36 months). The service provider was informed that the contract cannot exceed three financial years and the municipality that the contract commences on 1 November 2023 and end on 30 June 2025 (32 months). The service provider engaged with National Treasury on the municipality's request for the contract period to end 30 June 2025 (32 months).</p>	R2 480 012.22 (Inc. Vat)

					<p>The service provider advised that after engaging with National Treasury and as per the terms and conditions of the transversal tender, the initial contract must be for a period of 36 months. This response was received on 30 October 2023. In view of their unwillingness to budge on the contract period the municipality must follow its own procurement process.</p> <p>Therefor it is impractical or impossible to follow the official procurement processes due to the time constraints and the equipment that is currently in use.</p> <p>The municipality is currently paying no leasing fees for the equipment and only paying for usage. Therefor it is also value for money.</p>	
D/SM 9/24	2023/11/10	Exeo Khokela Civil engineering Construction (Pty) Ltd	Extensive infrastructure damages caused by heavy rains in the western Cape over long weekend of Heritage Day (24-26 September) discovered after 6 October 2023	Emergency	<p>Heavy rains from the 24 – 26 September 2023 caused severe infrastructure damage. The storm led to huge damages to road, electricity and water and wastewater infrastructure which made it impossible to deliver essential services to the affected areas. Gravity sewers and pipelines transports raw sewage by gravity to the Wastewater Treatment Works. Damage to these pipelines is an emergency, as it can result in substantial sewerage spills. This will essentially cause extensive damage to the natural environment, including increased risk to human health, farming activities and pollution to ground water resources.</p> <p>The Water and Wastewater Services department attended to each critically damaged pipeline (Water and Wastewater) as soon as damages were discovered.</p> <p>The department only became aware of the damage to the 110mm Diameter Gravity sewer/pipeline in Elands Road going past Dirkie Uys Street, Franschoek on the 23rd of October 2023 when a site meeting was called by effected property owners. The delay in the municipality</p>	R 578 726.00 (Inc. Vat)

					<p>discovering the damaged infrastructure was due to the extensive damage to the roads in the vicinity. An approximate length of 950 meters of the pipeline was damaged.</p> <p>Temporary road repairs and clearing of debris, allowed access and thus the subsequent discovery of the damaged infrastructure. The Municipality is required under the National Environmental Management Act, 1998 (NEMA), Section 28 (3) (c) to "cease, modify or control any act, activity or process causing pollution or degradation;" and Section 28 (3) (c) to "eliminate any source of the pollution or degradation;"</p> <p>No interim measure is possible as installing gravity sewers above ground is not feasible for transporting sewer by gravity.</p>	
D/SM 10/24	2023/11/30	Mpact Plastic containers (Pty) Ltd	Supply and delivery of 240 litre wheelie bins	Exceptional case and it is impractical or impossible to follow the official procurement processes	<p>The Municipality currently uses wheelie bins for collection of household waste. Wheelie bins are needed for new households, applications for additional bins and replacement of bins.</p> <p>Tender B/SM 76/21 was awarded to Jobe Environmental Systems (Pty) LTD in July 2021 for the provision of wheelie bins.</p> <p>The Municipality informed Jobe Environmental Systems (Pty) LTD of its intention to procure wheelie bins on 29 August 2023 and subsequently a purchase order was sent to the service provider on 07 September 2023 and an email confirmation was received for delivery on 20 September 2023. Various follow ups were made, and another delivery date was provided, which was 5 October 2023.</p> <p>On 12 October 2023 a letter was sent to Jobe Environmental Systems (Pty) LTD requiring the service provider to deliver goods on or before 19 October 2023 or provide reasons why the tender should not be cancelled.</p>	R1 329 400 and spare parts rates

					<p>On the 19 October 2023 confirmation email was received, confirming that the estimated time of arrival is the 30 October 2023. By end November 2023 no wheelie bins have been provided by the service provider and there's no new estimated time of arrival provided.</p> <p>Tender B/SM 76/21 was terminated due to poor performance by the service provider and a new tender process has been initiated with B/SM 42/24. The new tender was approved by the Bid Specification Committee and will be advertised in 2024</p> <p>This deviation will allow the Municipality to procure/receive wheelie bins before the factory close on 14 December 2023. The Municipality has been awaiting the bins from Jobe Environmental Services (PTY) LTD since, 7 September 2023. This has resulted in a delay in providing much needed wheelie bins to residents.</p> <p>This is an exceptional case, and it is impractical or impossible to follow the official procurement processes to procure and deliver wheelie bins before the festive season.</p>	
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6.3 Legal Implications

The regulation applicable is:

GNR.868 of 30 May 2005: Municipal Supply Chain Management Regulations: Deviations from and ratification of minor breaches of, procurement processes.

6.4 Staff Implications:

No additional staff implications.

6.5 Previous / Relevant Council Resolutions:

None.

6.6 Risk Implications

That the market may not be tested. The measures in place to deal with deviations mitigate the risk to an acceptable level. The auditor general also audit the deviations during the yearly audit.

6.7 Comments from Senior Management:

The item was not circulated for comment except to Municipal Manager.

6.7.1 Municipal Manager

Supports the recommendations.

RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2024-01-17: ITEM 6.6

that Council notes the deviations as listed for the months of November and December 2023.

FOR FURTHER DETAILS CONTACT:

<i>NAME</i>	Dalleel Jacobs
<i>POSITION</i>	Senior Manager: Supply Chain Management
<i>DIRECTORATE</i>	Financial Services
<i>CONTACT NUMBERS</i>	021 808 8137
<i>E-MAIL ADDRESS</i>	Dalleel.Jacobs@stellenbosch.gov.za
<i>REPORT DATE</i>	03 January 2023

9.	REPORT BY THE MUNICIPAL MANAGER ON OUTSTANDING RESOLUTIONS
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No report submitted as outstanding resolutions serves at Section 80 Committees.

10.	ITEMS FOR NOTING
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10.1	REPORT/S BY THE EXECUTIVE MAYOR
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10.1.1	REPORT ON THE DECISIONS TAKEN BY THE EXECUTIVE MAYOR FOR THE QUARTER: OCTOBER 2023 – DECEMBER 2023
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Collaborator No:

IDP KPA Ref No:

Meeting Date:

Good Governance

24 January 2024

1. SUBJECT: REPORT ON THE DECISIONS TAKEN BY THE EXECUTIVE MAYOR FOR THE QUARTER: OCTOBER 2023 – DECEMBER 2023

2. PURPOSE

To inform Council of the decisions taken by the Executive Mayor from October 2023 to December 2023 (see **APPENDIX 1**).

3. DELEGATED AUTHORITY

As per the delegations from Council and powers vested in the Executive Mayor by legislation.

For Notification

4. EXECUTIVE SUMMARY

In terms of the Municipal Structures Act 117 of 1998 Section 56 (5) it is stated that:

“An Executive Mayor must report to the municipal council on all decisions taken by the Executive Mayor.”

5. RECOMMENDATION

that Council take note of the decisions by the Executive Mayor.

6. DISCUSSION / CONTENTS

6.1 Background

In terms of the Municipal Structures Act 117 of 1998 Section 56 (5) it is stated that:

“An Executive Mayor must report to the municipal council on all decisions taken by the Executive Mayor.”

6.2 Discussion

Council approved delegations to the Executive Mayor and legislation also contains powers that are vested in the Executive Mayor on which reports are made for notification.

The Executive Mayor also takes decisions in consultation with the Mayoral committee. The decisions of the 2022/23 financial year will be reported in a separate item.

6.3 Financial Implications

Dealt with in terms of the approved budget.

6.4 Legal Implications

The decisions are in line with approved delegations or powers vesting in the Executive Mayor.

6.5 Staff Implications

This report has no additional staff implications to the Municipality.

6.6 Previous / Relevant Council Resolutions

Item 10.1.2 – Council meeting: 2023-10-25

6.7 Risk Implications

Risk implications are mitigated when decisions taken are in line with approved powers and functions.

6.8 Comments from Senior Management

The report was not circulated for comment. The Executive Mayor discusses relevant issues with the Municipal Manager who takes up actions with the Directors directly.

ANNEXURES

Annexure 1: Decisions taken by the Executive Mayor in the period October 2023 to December 2023.

Appendix 1: Appeal lodged in terms of section 79(2) of the Stellenbosch Municipal Land Use Planning By-Law (2015): Application for a consent use: erf 224, Raithby (LU/12275)

Appendix 2: Appeal lodged in terms of section 79(2) of the Stellenbosch Municipal Land Use Planning By-Law (2015): Application for rezoning, permanent departure and permissions i.t.o the zoning scheme: erf 76, Franschoek (LU/12422)

FOR FURTHER DETAILS CONTACT:

NAME	DONOVAN MULLER
POSITION	MANAGER: COUNCILLOR SUPPORT
DIRECTORATE	CORPORATE SERVICES
CONTACT NUMBERS	021 8088314
E-MAIL ADDRESS	Donovan.Muller@stellenbosch.gov.za
REPORT DATE	04 January 2024

ANNEXURE 1

DELEGATIONS EXERCISED FOR PERIOD [OCTOBER – DECEMBER 2023]

EXECUTIVE MAYOR

Delegation	Category	Report Subject and Recommendations	Date Received	Date Resolved	Resolution and Comments (if any)
110	FINANCE	S 71 monthly budget monitoring report for August 2023	14/09/2023	14/09/2023	Approved
110	FINANCE	S 71 monthly budget monitoring report for September 2023	13/10/2023	13/10/2023	Approved
110	FINANCE	S 71 monthly budget monitoring report for October 2023	14/11/2023	14/11/2023	Approved
110	FINANCE	S 52 Quarterly budget monitoring report 1 st quarter 2023/24	25/10/2023	25/10/2023	Approved
LUP 63	PLANNING	APPEAL LODGED IN TERMS OF SECTION 79(2) OF THE STELLENBOSCH MUNICIPAL LAND USE PLANNING BY-LAW (2015): APPLICATION FOR A CONSENT USE: ERF 224, RAITHBY [LU/12275]	12/12/2022	27/10/2023	Vary [see attached document – APPENDIX 1]
LUP 63	PLANNING	APPEAL LODGED IN TERMS OF SECTION 79(2) OF THE STELLENBOSCH MUNICIPAL LAND USE PLANNING BY-LAW (2015): APPLICATION FOR REZONING, PERMANENT DEPARTURE AND PERMISSIONS I.T.O THE ZONING SCHEME: ERF 76, FRANSCHHOEK (LU/12422)	16/01/2023	27/10/2023	Revoke [see attached document – APPENDIX 2]

APPENDIX 1

NOTICE OF DECISION OF APPEAL AUTHORITY

APPEAL LODGED IN TERMS OF SECTION 79(2) OF THE STELLENBOSCH MUNICIPAL LAND USE PLANNING BY-LAW (2015): APPLICATION FOR A CONSENT USE: ERF 224, RAITHBY

DECISION OF APPEAL AUTHORITY

The Appeal Authority hereby, in terms of Section 81(7) of the Stellenbosch Municipal Land Use Planning By-law 2015:

Tick the appropriate box:

CONFIRM		VARY	X	REVOKE	
THE DECISION OF THE AUTHORISED DECISION MAKER ON THE 24 JANUARY 2022 TO APPROVE IN TERMS OF SECTION 60 OF THE STELLENBOSCH MUNICIPAL LAND USE PLANNING BY- LAW DATED 20 OCTOBER 2015, APPLICATION FOR A CONSENT USE: ERF 224 RAITHBY					

A. BACKGROUND

1. The abovementioned appeal refers.
2. The Authorised Decision Maker on 24 January 2022, **Approved**, in terms of Section 60 of the Stellenbosch Municipal Land Use Planning By-law, promulgated by Notice no 354/2015 dated 20 October 2015, the application for a consent use to utilize the existing building (approved cottage) as a Guest house and to allow the use of the outdoor space to the east of the wine cellar as outdoor wine tasting and picnic area.
3. The Municipality received an appeal relating to the abovementioned application on the 31st of January 2022 from Viridus Works on behalf of Yonder Hill Wine Farming, in terms of Section 79(2) of the Stellenbosch Municipality By-Law (2015.)

4. It should be noted that the appeal received, was not against the full decision of the Authorised Decision Maker; it was only against condition 3.6 relating to the payment of the development contribution, which was a condition imposed by the Director: Engineering Services as contained in their Memo dated 1 July 2021.
5. The appellant informed all objectors of the appeal submission and requested comments on the grounds of appeal, however no comments were received.
6. The appeal assessment report was drafted hereafter, based on all documentation provided.
7. In order to comply with Section 81 (6) of the Stellenbosch Municipality Land Use Planning By-Law (2015), an inspection of the documents must be held before the handover to the Appeal Authority for consideration and decision making and the appeal assessment report was forwarded electronically to Messrs. Lombaard and Naude on the 23rd of November 2022. Mr Naude submitted comments relating to the appeal assessment report on the 28th of November 2022.
8. Mr Naude, in his correspondence dated 28 November 2022, requested an oral hearing to make presentations before the Appeal Authority. The Appeal Authority granted the request, and the oral hearing was held on the 27th of January 2023.
9. After careful perusal and consideration of all the relevant information, which included the relevant provisions of the By-law, the documentation submitted in the land use application, the written appeal, the report of the relevant Authorised Employee, as well as various written submissions which was made by the interested parties, I have taken the following decision.

B. APPEAL RESOLUTION

1. The appeal submitted against the approval of the Authorised Decision Maker dated 24 January 2022, in respect of the application for A Consent Use for Erf 224 Raithby, **BE UPHELD** and that the subject decision **BE VARIED** in terms of Section 81(7)(b) of the Stellenbosch Municipal Land Use Planning By-law, 2015, as follows:

- 1.1 The application in terms of Section 15(2)(o) of the Stellenbosch Municipal Land Use Planning Bylaw, promulgated by notice number 354/2015, dated 20 October 2015 for a **Consent Use** to utilize the existing building (approved cottage) as a Guest house and to allow the use of the outdoor space to the east of the wine cellar as outdoor wine tasting and picnic area

BE APPROVED in terms of Section 60 of the said By-law.

2. That such approval is subject to the following conditions imposed in terms of Section 66 of the said By-law:
 - 2.1 The approval applies only to the application under consideration as indicated on site plan drawn by bartel vijoen architect dated 26/11/2020 and shall not be construed as authority to depart from any other legal prescriptions or requirements from Council.
 - 2.2 The approval granted shall not exempt the applicant from complying with any other legal prescriptions or requirements that might have a bearing on the proposed use.

2.3 The outdoor wine tasting, and picnic area shall be limited to 800 m² and the guest house (converted cottage together with the main house) shall be limited to 7 bedrooms.

2.4 The consent use shall be subservient or related to the dominant agricultural use of the property.

2.5 The conditions imposed by the Deputy Director: Western Cape Transport and Public works: Roads as contained in their Memorandum dated 21 June 2021, attached as **Annexure F**, be complied with.

2.6 The conditions imposed the Director: Engineering Services as contained in their Memorandum dated 18 October 2023, attached as **Annexure H**, be complied with.

2.7 The approval will lapse if not confirmed within 5 years from date of final notification of approval of the application.

3. The reasons for the above decision are as follows:

3.1 The trip generation rate for "Outdoor Function/Picnic areas" have been significantly reduced based on a decision taken by Council during a Special Council Meeting dated 27 September 2023;

3.2 There were changes in the Development Charges tariff structure and rates between the 2021/22 and 2023/24 financial year, including the introduction of an "Outdoor Function/Picnic Areas "development charge category;

3.3 The farm is located outside the urban edge; therefore a 50% reduction is applied to the actual trip generation, resulting in a significantly reduced

development charge amount compared to a development inside the urban edge.

4. Matters on the application TO BE NOTED:

4.1 Building plans be approved by the Municipality prior to any building work commencing.

SIGNATURE:  **DATE:** 27 October 2023

Adv. Gesie van Deventer

EXECUTIVE MAYOR

(Appeal Authority in terms of Section 79(1) of the Stellenbosch Municipal Land Use Planning By-Law)

APPENDIX 2

NOTICE OF DECISION OF APPEAL AUTHORITY

APPEAL LODGED IN TERMS OF SECTION 79(2) OF THE STELLENBOSCH MUNICIPAL LAND USE PLANNING BY-LAW (2015): APPLICATION FOR REZONING, PERMANENT DEPARTURE AND PERMISSIONS I.T.O THE ZONING SCHEME: ERF 76, FRANSCHHOEK (LU/12422)

DECISION OF APPEAL AUTHORITY

The Appeal Authority hereby, in terms of Section 81(7) of the Stellenbosch Municipal Land Use Planning By-law 2015:

CONFIRM		VARY		REVOKE	X
THE DECISION OF THE AUTHORISED DECISION MAKER ON THE 22 JULY 2022 TO REFUSE IN TERMS OF SECTION 60 OF THE STELLENBOSCH MUNICIPAL LAND USE PLANNING BY-LAW DATED 20 OCTOBER 2015, THE APPLICATION FOR REZONING, PERMANENT DEPARTURE AND PERMISSIONS I.T.O THE ZONING SCHEME: ERF 76, FRANSCHHOEK					

A. BACKGROUND

1. The abovementioned appeal refers.
2. The Authorised Decision Maker on 22 July 2022, **Refused**, in terms of Section 60 of the Stellenbosch Municipal Land Use Planning By-law, promulgated by Notice no 354/2015 dated 20 October 2015, the application to permit the development of 3 (three) dwelling units (flats) and to permit additions to the existing building.
3. The Municipality received an appeal relating to the abovementioned application on the 11th of August 2022 from Mrs Barbara Orpen in terms of Section 79(2) of the Stellenbosch Municipality Land Use Planning By-law (2015).
4. Comments relating to the grounds of appeal were received from the objectors Dawn and Tom Darlington, on the 31st of August 2022.

5. The appeal assessment report was drafted hereafter, based on all documentation provided.
6. In order to comply with Section 81(6) of the Stellenbosch Municipality Land Use Planning By-law (2015), an inspection of the documents must be held before the handover to the Appeal Authority for consideration and decision making. The appeal assessment report was forwarded electronically to all role-players on the 19th of December 2022. Comments relating to the appeal assessment report were received from Mrs Orpen on the 28th of December 2022.
7. It should be noted, during the initial appeal, the appellant submitted a request for an oral hearing. The Appeal Authority subsequently granted the request for an oral hearing which was held on the 27th of July 2023.
8. After careful perusal and consideration of all the relevant information, which included the relevant provisions of the By-law, the documentation submitted in the land use application, the written appeal, the report of the relevant Authorised Employee, as well as various written submissions which was made by the interested parties, I have taken the following decision.

B. APPEAL RESOLUTION

1. The appeal submitted against the refusal of the Authorised Decision Maker dated 22 July 2022, in respect of the application for Rezoning, Permanent Departure and Permissions i.t.o the Zoning Scheme: Erf 76, Franschhoek, **BE UPHELD** and that the subject decision **BE REVOKED** in terms of Section 81(7)(b) of the Stellenbosch Municipal Land Use Planning By-law (2015), and accordingly **BE DECIDED** as follows:

1.1 The following applications in terms of Section 15(2) of the Stellenbosch Municipal Land Use Planning By-law, promulgated by notice number 354/2015, dated 20 October 2015 on Erf 76, Franschhoek, namely:

1.1.1 The rezoning of Erf 76 in terms of Section 15(2)(a) of the subject By-law from Conventional Residential Zone to Multi-Residential Zone to permit the development of a maximum of 3 (three) flats on the property;

1.1.2 The following permanent departures in terms of Section 15(2)(b) of the subject By-law to accommodate the existing structures only:

- a) To relax the street building line on Louis Botha Street from 4,5m to 1,25m,
- b) To relax the street building line on Akademie Street from 4,5m to 1,75m, and
- c) To relax the common building line adjacent to Erf 658, Franschhoek, from 4,5m to 0m.

1.1.3 The permission in terms of Section 15(2)(g) of the By-law to permit additions to the existing building as well as the removal of trees as stipulated in Section 246(1)(a) and (c) of the By-law;

BE APPROVED in terms of Section 60 of the said By-law subject to conditions imposed in terms of Section 66 of the said By-law.

2. Conditions of Approval.

2.1 The approval only applies to the application under consideration and shall not be construed as authority to depart from any other legal prescriptions or

requirements from Stellenbosch Municipality or other legislation or By-laws or Regulations that may be applicable.

2.2 The development and associated building plans to be submitted are subject to site development plan approval, and must be undertaken generally in accordance with the following referenced plans, all drawn by Oliver Dods Architect, attached as **Annexure A**:

- (a) Proposed Addition Ground Storey Layout plan, with Drawing No. 1904-02 and Rev. A dated 18/06/2021,
- (b) Proposed Addition First Storey Layout plan, with Drawing No. 1904-03 and dated 08/10/2020, and
- (c) Proposed Addition Elevations and Sections plan, with Drawing No. 1904-04 and Rev. A dated 18/06/2021.

2.3 A site development plan must be submitted to the municipality and be approved prior to the submission and approval of any building plans, and which site development plan must indicate, but not necessarily be limited to, the following information:

- (a) The position, use and extent of all existing and proposed building structures that are approved,
- (b) Elevations and cross sections of all existing and proposed building structures that are approved,
- (c) Details of all existing and new proposed access points, access ways, parking areas and parking provisions in compliance with parking requirements,
- (d) Details of any existing and new outdoor recreational areas, facilities and other shared areas such as storage and refuse areas,

- (e) Details of landscaping proposals including trees to be preserved, removed or planted, or paving where applicable, and
 - (f) Details of proposed fencing or walls around the perimeter of the land unit.

- 2.4 A decision letter from Heritage Western Cape (HWC) and a copy of the HWC approved and stamped plans must be submitted along with the building plans.

- 2.5 The conditions imposed by the Directorate: Infrastructure Services as contained in their memorandum dated 06/08/2021, attached as **Annexure B** must be complied with.

- 2.6 Development charges are payable in accordance with the prevailing and applicable Council Tariffs at the time of payment prior to the submission of any building plans, or as may be agreed on in writing with the Director Infrastructure Services.

- 2.7 Should the full extent of permissible development rights, as approved herein-above, not be implemented initially or development is phased, pro rata Development Charges will be levied in accordance with the extent to which the development rights will be implemented, provided that the remaining development contributions will be levied for the remaining permissible development rights when implemented in future. Remaining Development Charges will be levied in accordance with the prevailing and applicable Council Tariffs at the time of payment prior to the transfer of the first property or submission of any building plans, whichever occurs first, or as may be agreed on in writing with the Director Infrastructure Services.

- 2.8 A restrictive condition must be registered in the subject title deed of the property that limits the development rights to a maximum number of 3 (three) flats, which title restriction must be registered prior to the submission and approval of any building plans.
- 2.9 A restrictive condition must be registered in the subject title deed of the property that limits the development rights to a maximum of 2 (two) storeys and 8,5m height, which title restriction must be registered prior to the submission and approval of any building plans.
- 2.10 The following development parameters associated with Multi-Unit Residential zoning and the primary use of flats, or as otherwise restricted, will apply to any and all additions or the redevelopment of the subject property following this approval:
- (a) Building Lines on all boundaries – 4,5m
 - (b) Coverage – 50%
 - (c) Height – 2 Storeys and 8,5m
 - (d) Floor Area – 75%
- 2.11 The aesthetic appearance of any future additions or the redevelopment of the subject property will, to the satisfaction of the Municipality, be sensitive towards the prevailing single residential character of the surrounding area.
- 2.12 Any new access points, access ways, parking areas and outdoor recreational areas and facilities next to or in close proximity to the boundary to any neighbouring property must, to the satisfaction of the Municipality, be undertaken with the necessary sensitivity to the privacy and tranquillity of such neighbouring property.

- 2.13 The existing outbuilding consisting of the garage and domestic accommodation unit must be converted to uses ordinarily associated with flats and may not be used as additional dwelling units or a domestic accommodation unit. The new use of the outbuilding must be indicated on the building plan to be submitted and approved.
3. The following applications in terms of the Section 15(2) of the Stellenbosch Municipal Land Use Planning By-law, promulgated by notice number 354/2015, dated 20 October 2015, on Erf 76, Franschoek, namely:
- 3.1 The permission in terms of Section 15(2)(g) of the By-law to exceed the height for the new dwelling unit (which is to be constructed on top of the existing cottage) from 8,5m to 9,2m as measured from the existing ground level to top of roof or top of parapet as stipulated in Section 252(2)(a) of the By-law;
- 3.2 The permanent departure in terms of Section 15(2)(b) of the subject By-law to relax the common building line adjacent to Erf 658, Franschoek from 4,5m to 0m to accommodate the new proposed building works to the existing outbuilding;

BE REFUSED in terms of Section 60 of the said By-law.

4. The reasons for the above decisions are as follow:
- 4.1 The nature and scale of the existing buildings and proposed additions, which will still portray a single residential character, will not detract from the prevailing context of a low-density residential area within the Franschoek Urban Conservation Area.

- 4.2 The preservation of the prevailing residential character of the area can be safeguarded through conditions of approval.
- 4.3 The application for permission to exceed the 8,5m height restriction applicable to the Franschhoek Urban Conservation Zone is no longer applicable as the site and elevation plans were amended to comply with the said height restriction.
- 4.4 The Zoning Scheme By-law definition of flats makes provision for outbuildings which are ordinarily associated therewith. The definition of outbuildings includes examples of uses such as garages, storage, a laundry, or other uses ordinarily associated with flats. However, the definition of outbuildings further states that a domestic accommodation unit is only permitted in an outbuilding which is associated with a dwelling house, and for that reason a domestic accommodation unit is not permitted for flats.
5. Matters to be noted:
- 5.1 Any changes to existing municipal infrastructure due to this proposal will be for the account of the owner.
- 5.2 The applicant to apply, at own cost to the Registrar of Deeds to make appropriate entries in, and endorsements on, any relevant register or title deed to reflect the additional restrictive conditions.

SIGNATURE: 

DATE: 27 October 2023

Adv. Gesie van Deventer

EXECUTIVE MAYOR

(Appeal Authority in terms of Section 79(1) of the Stellenbosch Municipal Land Use Planning By-Law)

10.2	REPORT/S BY THE SPEAKER
10.2.1	QUARTERLY REPORT – WARD COMMITTEE FUNCTIONING 2ND QUARTER OF 2023/2024 FINANCIAL YEAR

Collaborator No:

IDP KPA Ref No:

Meeting Date:

Good Governance

24 January 2024

**1. SUBJECT: QUARTERLY REPORT – WARD COMMITTEE FUNCTIONING
2ND QUARTER OF 2023/2024 FINANCIAL YEAR**

2. PURPOSE

For Council to take note of the Functioning of Ward Committees within the Stellenbosch municipal areas.

3. DELEGATED AUTHORITY

For Notification by Municipal Council

4. EXECUTIVE SUMMARY

In terms of section 73 of the Local Government: Municipal Structures Act, no 117 of 1998 and Regulations, Ward Committees must be established for each ward within the municipal area within 120 days after the election.

The system of delegations of the Stellenbosch Municipality (S6 and S7) designates the Speaker of Stellenbosch Municipality to facilitate the establishment of Ward Committees in line with the provisions and stipulations of the Municipal Structures Act and Council's policy for the establishment of Ward Committees.

At the Council meeting of 30 March 2022, Council noted the establishment of Ward Committees for all 23 wards within the Stellenbosch Municipality.

Wards who did not have the full complement of Ward Committees members were allowed to co-opt members in line with Council Policy and Procedures for Ward Committees. All ward committees are fully functional and are performing all duties as set out in the Policy and Procedures for Ward Committees.

Attached herewith as ANNEXURE A is a table outlining the functioning of all Ward Committees for the period October - December 2023, including dates and number of Ward Committee meetings held to date.

5. RECOMMENDATIONS

- (a) that Council note the functioning of Ward Committees in all 23 wards
- (b) that Council take note of the number of Ward Committee and Sector meetings held to date in all 23 wards from October - December 2023.

6. DISCUSSION / CONTENTS

6.1 Background

In terms of In terms of the Policy and Procedures for Ward Committees amended and adopted by Council on 23 November 2021, the Speaker of Council is the custodian of Ward Committees. The Speaker must, in collaboration with Ward Councillors, regulate and monitor the frequency of ward committee and community report back meetings and must through his/her office ensure functionality of ward committees, as outlined in

paragraphs 15(1) and 15(3 and 4) of Council's Policy and Procedures for Ward Committees.

In terms of section 73 of the Local Government: Municipal Structures Act, no 117 of 1998 and Regulations, Ward Committees must be established for each ward within the municipal area within 120 days after the election.

6.2 Discussion

At the meeting of 30 March 2022 Council noted the establishment of Ward Committees for all 23 wards within the Stellenbosch Municipality.

Wards who did not have the full complement of Ward Committees members were allowed to co-opt members in line with Council Policy and Procedures for Ward Committees. The following wards co-opted new members in the 2nd quarter of 2023/2024 Financial Year:

- Ward 4 – 2 new members
- Ward 22 – 2 new members

All ward committees are fully functional and are performing all duties as set out in the Policy and Procedures for Ward Committees.

Attached herewith as ANNEXURE A is a table outlining the functioning of all Ward Committees, including dates and number of Ward Committee meetings for the period October - December 2023.

6.3 Financial Implications

As per the approved budget.

6.4 Legal Implications

The recommendations in this report comply with approved delegations, legislation and Council policies.

6.5 Staff Implications

Ward Administrators have been appointed to assist with the functioning of Ward Committees. Where vacancies exist, there are processes in place to fill the vacancies.

6.6 Previous / Relevant Council Resolutions:

6TH COUNCIL MEETING: 2022-07-27: ITEM 13.2

- (a) that Council notes the final report on the establishment of the ward committees and the current vacancies on ward committees;
- (b) that Council notes the filling of vacancies during the 2nd round of elections for wards 15 and 19;
- (c) that it be noted that Ward Committees may co-opt members where vacancies exists and inform council accordingly.

6.7 Risk Implications

This report addresses the risk implications for the Municipality.

6.8 Comments from Senior Management:

The report was not circulated for comment

ANNEXURES

Annexure A: Summary of Ward Committee and Public Meetings held: October - December 2023

FOR FURTHER DETAILS CONTACT:

<i>NAME</i>	Jacqueline Beerwinkel
<i>POSITION</i>	<i>EXECUTIVE SUPPORT OFFICER</i>
<i>DIRECTORATE</i>	<i>CORPORATE SERVICES</i>
<i>CONTACT NUMBERS</i>	<i>021808 8618</i>
<i>E-MAIL ADDRESS</i>	<i>Jacqueline.Beerwinkel@ Stellenbosch.gov.za</i>
<i>REPORT DATE</i>	<i>24 January 2024</i>

ANNEXURE A

**ANNEXURE A: SUMMARY OF WARD COMMITTEE AND PUBLIC MEETINGS HELD:
OCTOBER - DECEMBER 2023.**

WARD COMMITTEE MEETINGS: OCTOBER - DECEMBER 2023					
Wards	No of WC Members	No of WC Meetings	Meeting dates (WC)	Public / Report back meetings	IDP attendance of w comm
1	7	2	25/20/2023; 13/11/2023	15/11/2023	
2	10	2	02/11/2023; 06/12/2023		
3	10	2	05/10/2023; 07/12/2023		
4	7	3	18/10/2023; 30/11/2023; 07/12/2023		
5	10	3	12/10/2023; 07/11/2023; 05/12/2023	09/11/2023	
6	8	2	06/10/2023; 02/11/2023	28/11/2023	
7	10	2	25/10/2023; 08/11/2023		
8	7	1	26/10/2023		
9	10	2	07/10/2023; 07/11/2023		
10	8	2	03/10/2023; 05/11/2023		
11	10	3	30/11/2023; 16/11/2023; 05/12/2023		
12	8	3	09/10/2023; 13/11/2023; 27/11/2023		
13	10	3	19/10/2023; 21/11/2023; 05/12/2023		

Wards	No of WC Members	No of WC Meetings	Meeting dates (WC)	Public / Report back meetings	IDP attendance of w comm
14	10	3	12/10/2023; 14/11/2023; 05/12/2023	10/10/2023	
15	10	3	03/10/2023; 07/11/2023; 05/12/2023		
16	10	2	07/10/2023; 23/11/2023		
17	7	2	07/11/2023; 05/12/2023		
18	10	3	09/10/2023; 13/11/2023/ 04/12/2023		
19	8	2	18/10/2023; 30/11/2023		
20	9	1	21/11/2023	10/10/2023; 19/10/2023	
21	7	2	03/10/2023; 07/11/2023		
22	10	2	12/10/2023; 09/11/2023	22/11/2023	
23	10	2	03/10/2023; 07/11/2023		

10.3	REPORT/S BY THE MUNICIPAL MANAGER
10.3.1	DECISIONS TAKEN BY DIRECTORATES IN TERMS OF DELEGATED AUTHORITY FROM 1 OCTOBER 2023 UNTIL 31 DECEMBER 2023

Collaborator No:

IDP KPA Ref No:

Meeting Date:

Good Governance and Compliance

24 January 2024

1. SUBJECT: DECISIONS TAKEN BY DIRECTORATES IN TERMS OF DELEGATED AUTHORITY FROM 1 OCTOBER 2023 UNTIL 31 DECEMBER 2023

2. PURPOSE

To report to Council on the decisions taken by the Municipal Manager and the Directors in terms of Council's System of Delegations for the period 1 October 2023 until 31 December 2023, in compliance with Section 63 of the Local Government: Municipal Systems Act, read in conjunction with the System of Delegations as approved by Council.

3. DELEGATED AUTHORITY

Municipal Council

4. EXECUTIVE SUMMARY

In view of the legislative stipulations, attached is a summary as **ANNEXURE 1** of decisions taken by each Directorate. The report is for noting purposes.

Furthermore, these delegations only indicate the delegations exercised as delegated by Council to the various Senior Managers.

5. RECOMMENDATIONS

that Council takes note of the decisions taken for the period 1 October 2023 until 31 December 2023, by the following Section 56 Managers:

- Municipal Manager – Ms G Mettler (1 October 2023 – 31 December 2023)
- Chief Financial Officer – Mr K Carolus (1 October 2023 – 31 December 2023)
- Director Infrastructure Services – Mr S Chandaka (1 October 2023 – 31 December 2023)
- Director Corporate Services – Ms A de Beer (1 October 2023 – 31 December 2023)
- Director Community and Protection Services – Mr G Boshoff (1 October 2023 – 31 December 2023).

6. DISCUSSION / CONTENTS

6.1 Background

Section 63 of the Local Government Municipal Systems Act 32 of 2000 reads as follows:

"A political structure, political office bearer, Councillor or staff member of a municipality to whom a delegating authority has been delegated or sub-delegated a power or duty, must report to the delegating authority at such intervals as the delegating authority may require, on decisions taken in terms of that delegated or sub-delegated power or duty since the last report."

6.2 Discussion

The report outlines the delegations exercised to the various Senior Managers as delegated by Council.

6.3 Financial Implications

As per approved budget.

6.4 Legal Implications

Compliance with Council's System of Delegations and all applicable legislation.

ANNEXURES

Delegations exercised by Directorates: 1 October 2023 – 31 December 2023.

FOR FURTHER DETAILS CONTACT:

<i>NAME</i>	<i>G Mettler</i>
<i>POSITION</i>	<i>Municipal Manager</i>
<i>DIRECTORATE</i>	<i>Office of the Municipal Manager</i>
<i>CONTACT NUMBERS</i>	<i>021 808 8025</i>
<i>E-MAIL ADDRESS</i>	<i>municipal.manager@stellenbosch.gov.za</i>
<i>REPORT DATE</i>	<i>17 January 2024</i>

ANNEXURE A

DIRECTORATE: OFFICE OF THE MUNICIPAL MANAGER

DELEGATION	CATEGORY	REPORT SUBJECT AND RECOMMENDATIONS	DATE RECEIVED	DATE RESOLVED	RESOLUTION AND COMMENTS
SC13	17(C)	Deviation – Appointment of service provider for armed security	29/09/2023	29/09/2023	Approved
C95	Section 120(1), MFMA	User agreement – STB Mun//Cloetesville Neighbourhood Safety Initiative Operations Centre	29/09/2023	29/09/2023	Approved. Service charges will be covered out of the ward allocation Ward 17 as agreed with ward councillors Johnson
SC5	4(1)	BSM 95/23 – Supply, delivery and fit of furniture for Stellenbosch Municipality WC024 from 1/07/2023 – 30/06/2026	29/09/2023	29/09/2023	Approved
MM10	Section 55(1)(f)-(h), Systems Act	Appointment of presiding officer and employment representative for disciplinary action	3/10/2023	3/10/2023	Approved
SC13	17(C)	Deviation – Appointment of service provider	3/10/2023	3/10/2023	Approved
MM17	Section 62(2), Systems Act	Appeal: KFC Engineering and Industrial Supplies - Section 62 of MSA – BSM62/23 Supply, delivery and offloading of materials for water and sewer connections for 1/07/2023 – 30/06/2026	4/10/2023	4/10/2023	Approved
AD3	General	Approval of advertisement – Land use Inspectors X2	4/10/2023	4/10/2023	Approved
LEG	General	Departmental Report – Case No: 1597/2022 - Eviction	5/10/2023	5/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Approval of overtime – IDP Staff – IDP Public Participation Open days from 12-18 September 2023	5/10/2023	5/10/2023	Approved
TR1	Skills Development Act/NSA	MOA – Senior Clerk: IDP – Fire Warden Training	5/10/2023	5/10/2023	Approved
LPC5		Approval of poster application – WXV2	5/10/2023	5/10/2023	Approved
MM24	Section 66(1)(d), Systems Act	Task Final Outcome Report - LUM	6/10/2023		Approved
LPC5		Approval of poster application – Stellenbosch Kersmark	9/10/2023	9/10/2023	Approved
CM3	Authority to communicate the acceptance of tenders, quotations or offers for the	FQ/SM 46/24 - Approval of technical evaluation report – Appointment of a service provider to host a cocktail and sit-down dinner for the ILGM Conference	9/10/2023	9/10/2023	Please negotiate. Price is too high. Person to call meeting with SP to negotiate price and look at

	procurement of goods / services i.t.o council's supply chain policy, valued up to R200 000 (vat inclusive)				offering and make the necessary adjustments. Please also note that ILGM informed me that the numbers of attendees increased. Final number to be supplied. At this stage we bound by ILGM confirmation
LPC5		Approval of poster application – Koos Viljoen and Friends	9/10/2023	9/10/2023	Approved
LPC5		Approval of poster application – DA Campaign	9/10/2023	9/10/2023	Approved
EL1	Section 18(2)	Report – Emergency Municipal Loadshedding relief grant September 2023	9/10/2023	9/10/2023	Approved
MM10	Section 55(1)(f)-(h), Systems Act	Appointment of presiding officer and employer representative – Disciplinary action – Corporate services	9/10/2023	9/10/2023	Approved
LPC5		Approval of poster application - Kermis	9/10/2023	9/10/2023	Approved
SC5	4(1)	BSM 100/23: Design, manufacture, supply, delivery, and installation of high voltage (66kv) circuit breakers and 66KV control panels at primary substations	9/10/2023	9/10/2023	Approved
MM10	Section 55(1)(f)-(h), Systems Act	Appointment of presiding officer and employer representative – Disciplinary action – Community and Protection services	9/10/2023	9/10/2023	Approved
	SCM	Approval of DMP 2023/24 – 1 st quarter	10/10/2023	10/10/2023	Approved
H02	Housing Department	Allocation of staff rental unit – 3 Eike Street Cloetesville	10/10/2023	10/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Approval of overtime – October 2023 – Informal Settlements Department	10/10/2023	10/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Approval of annual leave – Chief financial officer	10/10/2023	10/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Approval of flexi-hours – Snr Economic Development Officer - LED	10/10/2023	10/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Approval of flexi-hours – Snr Heritage Planner – Development Planning	10/10/2023	10/10/2023	Approved
SC5	4(1)	BSM 01/24 – Supply, delivery, and installation of generators for the period ending 30/06/2024	10/10/2023	10/10/2023	Approved
MM84	Section 66, MFMA	Approval of cellphone allowance – Technician – Traffic Engineering	10/10/2023	10/10/2023	Approved
MM84	Section 66, MFMA	Approval of cellphone allowance – Snr Professional Officer WWTW X2	10/10/2023	10/10/2023	Approved

MM109	Section 79(1)(b), MFMA	Approval of delegations exercised – September 2023 - PED	10/10/2023	10/10/2023	Approved
MM109	Section 79(1)(b), MFMA	Approval of delegations exercised – September 2023 – Infrastructure Services	10/10/2023	10/10/2023	Approved
SC5	4(1)	BSM 102/23 – Design, manufacture, supply, delivery, offloading and installation of medium voltage metal enclosed switchgear and ring main units for period ending 30/06/2026	13/10/2023	13/10/2023	Approved
AD3	General	Approval of advertisement – Temporary supervisor – Jonkershoek picnic site	13/10/2023	13/10/2023	Approved
AD3	General	Approval of advertisement – General worker Jonkershoek picnic site	13/10/2023	13/10/2023	Approved
AD3	General	Approval of advertisement – Cashiers X2 Cloeteville swimming pool	13/10/2023	13/10/2023	Approved
AD3	General	Approval of advertisement – Cleaners X2 – Cloeteville swimming pool	13/10/2023	13/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Approval for working from home/emote work – IDP/PMS/PP Staff X4	16/10/2023	16/10/2023	Approved
AD3	General	Approval of advertisement – Pollution Officer	16/10/2023	16/10/2023	Approved
AD3	General	Approval of advertisement - Millwright	16/10/2023	16/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Approval of invoice – IMPSA 05/23	16/10/2023	16/10/2023	Approved
C50	Section 14(2) of the MFMA (read with section 90, MFMA)	Deed of Sale and transfer Erf 248 La Motte	17/10/2023	17/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Approval of flexi hours – X3 LED	17/10/2023	17/10/2023	Approval granted for 07:30 – 16:00
HR2	Conditions of Service (SALGBC)	Approval of appointment – General worker – beautification X2	17/10/2023	17/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Approval of appointment – Clerk Development - PED	17/10/2023	17/10/2023	Approved. As per panel recommendation, underrepresented candidates scored on standard.
MM10	Section 55(1)(f)-(h), Systems Act	Appointment of presiding officer and employer representative – disciplinary action – Corporate services X2	18/10/2023	18/10/2023	Approved
MM84	Section 66, MFMA	MOA – Transport Allowance – Snr Planner Projects - LUM	19/10/2023	19/10/2023	Approved
AD3	General	Approval of advertisement – Snr Foreman Construction – Roads and Stormwater	20/10/2023	20/10/2023	Approved

AD3	General	Approval of advertisement – Manager Waste Minimisation and Disposal – Waste management	20/10/2023	20/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Approval of invoice – Hof0041517	20/10/2023	20/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Approval of Annual leave – Manager IDP/PMS/PP	20/10/2023	20/10/2023	Approved
LPC5		Approval of poster application – Garden town	20/10/2023	20/10/2023	Approved
	Regulations on Cost containment	Approval of catering services – EEA workshop session – HR Department	20/10/2023	20/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Extension of overtime leave for 6 months – Financial Services	20/10/2023	20/10/2023	Approved
LPC5		Approval of poster application – Twilight Christmas market	20/10/2023	20/10/2023	Approved
MM166C	Section 33	POA – Erf 718 Kayamandi	20/10/2023	20/10/2023	Approved
AD3	General	Approval of advertisement – buyer Stores and disposal Management - SCM	20/10/2023	20/10/2023	Approved
H02	Housing Department	Allocation of staff rental unit – 7 Boonzaaier Weg Franschoek	23/10/2023	23/10/2023	Approved. Details of family members to be included. We need to know how many people will move in and sign that they will move out to ensure we don't sit with issue later, please also include the rental amount.
LEG7	General	Approval of affidavit ito Reg 68(1) of the Deeds Registries Act 47 of 1937	23/10/2023	23/10/2023	Approved
AD3	General	Approval of advertisement – Electrical Assistant X2	23/10/2023	23/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Approval of standby – November 2023 Chief Fire and Disaster Management	23/10/2023	23/10/2023	Approved
MM10	Section 55(1)(f)-(h), Systems Act	Appointment of presiding officer and employer representative – Community and Protection services	24/10/2023	24/10/2023	Approved
CM5	General provisions	SLA – He and She Driver Training Centre//STB Mun	24/10/2023	24/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Approval of study leave – MM office	24/10/2023	24/10/2023	Approved
CL10	Section 59(1) of MSA	Application for donation – NG Kerk Stellenbosch-Noord	24/10/2023	24/10/2023	Recommended for approval
CL10	Section 59(1) of MSA	Application for donation – Cape Winelands Farmworkers sport and recreation association	24/10/2023	24/10/2023	Recommended for approval

CL10	Section 59(1) of MSA	Application for donation – Willy's Funeral Services	24/10/2023	24/10/2023	Recommended for approval
MM82	Section 62(1)(f)(iv), MFMA	Approval of invoice – AUT9719052 – FNB	24/10/2023	24/10/2023	Approved
WSB23	Section 89(2)	Approval of water leakage rebate – Account 80030005	24/10/2023	24/10/2023	Approved
C70	Section 34(1), MFMA	Transfer Payment Agreement (TPA) WCG Department of Infrastructure – Capacity Building Clerks	24/10/2023	24/10/2023	Approved
MM24	Section 66(1)(d), Systems Act	Task final Outcome Report – LUM, Spatial Planning and LED	24/10/2023	24/10/2023	Approved. For implementation 1/08/2023. FOR received only on 24/10/2023, follow-up with PAC why changes on there side led to this FOR being submitted late. In previous instances back-pay was allowed to 1/08/2023. Hence in line with parity/fairness backpay to 1/08/2023 all allowance included.
C95	Section 120(1), MFMA	MOU – STB Mun//Stellcare – Cleaning and Grass cutting	24/10/2023	24/10/2023	Approved
MM10	Section 55(1)(f)-(h), Systems Act	Appointment of presiding officer and employer representative - Disciplinary action – Community and Protection Services -	24/10/2023	24/10/2023	Approved
LEG	General	Departmental Report Erf 8491 - Case No 9272/23	26/10/2023	26/10/2023	Approved
	Housing	Allocation of sites in phase 2C (86 service sites) Kayamandi for non-qualifiers residing in zone o as per council decision	26/10/2023	26/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Approval of appointment – Assistant Fire Chief – Community and Protection services	26/10/2023	26/10/2023	Approved
		Response to grievance outcomes – Electrical services	26/10/2023	26/10/2023	Approved
MM17	Section 62(2), Systems Act	Appeal ito Section 62 MSA – BSM 48/23 Various training programmes for STB Mun from 1/07/2023 – 30/06/2026 – Saiwed Pty Ltd	26/10/2023	26/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Approval of invoice – IN100866 – Hornbill group	26/10/2023	26/10/2023	Approved

C95	Section 120(1), MFMA	MOU between STB Mun//Helmi Dreijer – Improve the town of STB by ensuring that CCTV systems are operating sufficiently	27/10/2023	27/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Approval of appointment – Clerk Rates and Taxes – Financial services	31/10/2023	31/10/2023	Approved
DELEGATION	CATEGORY	REPORT SUBJECT AND RECOMMENDATIONS	DATE RECEIVED	DATE RESOLVED	RESOLUTION AND COMMENTS
LPC5		Approval of poster application – Stellenbosch basaar	1/11/2023	1/11/2023	Approved
LEG	General	Departmental Report – Case 19/2023	1/11/2023	1/11/2023	Approved
C95	Section 120(1), MFMA	MOU between STB Mun//REMGRO Management Limited	1/11/2023	1/11/2023	Approved
EL1	Section 18(2)	NERSA 2022/23 Electricity distribution forms	1/11/2023	1/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Approval of invoice – INV130790 – Nexia SAB & T	1/11/2023	1/11/2023	Approved
		Permission for reimbursement of accommodation expenses for competent person GMR 2(1) for site inspections planned	3/11/2023	3/11/2023	Approved. I have asked input from both CFO and Corporates services as it relates to the contract provision and council policy. Corporate services opinion was received, no input from CFO received in writing other than an email from Rochelle that says that CFO can support given the importance of OHS and the mandatory inspection. I hereby approve to deviate from policy as allowed for by S&T policy for 5 days accommodation and travel expense. Please ensure that all inspections are scheduled within period.

CL10	Section 59(1) of MSA	Application for donation – Young Ideas Club	3/11/2023	3/11/2023	Recommended for approval
TR1	Skills Development Act/NSA	LGSETA discretionary Grant Application 2023/24 – LGSETA bursaries	3/11/2023	3/11/2023	Approved
SC13	17(C)	Deviation – Appointment of ETG for printing services on a month to month basis	3/11/2023	3/11/2023	Approved
WSB23	Section 89(2)	Approval for water leakage rebate– Section 89 – Account 80670522	3/11/2023	3/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Approval of appointment – General worker Grass cutting – Community and Protection services	3/11/2023	3/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Approval of appointment – General worker Beautification Community and Protection services	6/11/2023	6/11/2023	Approved
	Regulations on Cost containment	Request for catering services – Community Safety Forum workshop	7/11/2023	7/11/2023	Approved
MM84	Section 66, MFMA	Approval of cellphone allowance- Snr Technician Disposal – Infrastructure services	7/11/2023	7/11/2023	Approved
CM5	General provisions	SLA Coalition training and skills development//STB Mun	7/11/2023	7/11/2023	Approved
		Stellenbosch Club Flying Club – submission of plans for the construction of Hanger 66 at the Stellenbosch Airfield	10/11/2023	10/11/2023	Approved
TR1	Skills Development Act/NSA	MMCL Training – Communications Department	10/11/2023	10/11/2023	Approved
TR1	Skills Development Act/NSA	Graphic design – Higher Certificate – Communications department	10/11/2023	10/11/2023	Approved
CM3	Authority to communicate the acceptance of tenders, quotations or offers for the procurement of goods / services i.t.o council's supply chain policy, valued up to R200 000 (vat inclusive)	FQ/SM 57/24 – Technical report – Design, binding and printing of 2024 corporate diaries and desk calendars for the STB Mun	13/11/2023	13/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Approval of invoice – Media 24	13/11/2023	13/11/2023	Approved
MM84	Section 66, MFMA	Approval of cellphone allowance – Manager GIS	13/11/2023	13/11/2023	Approved
MM84	Section 66, MFMA	MOA Transport Allowance – Manager GIS	13/11/2023	13/11/2023	Approved

MM10	Section 55(1)(f)-(h), Systems Act	Appointment of presiding officer and employer representative – Community and Protection services – disciplinary action	13/11/2023	13/11/2023	Approved
LPC5		Approval of poster application – Registration weekend – VF Plus	13/11/2023	13/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Approval of standby – December 2023 - Chief fire and Disaster	20/11/2023	20/11/2023	Approved. Please let one know how this situation will change as there is a new Assistant Station Officer for Fire services appointed from 1 December 2023
SC5	4(1)	BSM 85/2023 Appointment of private armed security service for the greater WC024 for the period ending 30/06/2026	20/11/2023	20/11/2023	Approved
MM10	Section 55(1)(f)-(h), Systems Act	Appointment of presiding officer and employer representative – disciplinary action – Community and protection services	21/11/2023	21/11/2023	Approved
	Regulations on Cost containment	Request for catering services – council meeting 29/11/2023	21/11/2023	21/11/2023	Approved
		SOP – Asset Management	22/11/2023	22/11/2023	Approved
MM166C	Section 33	POA and notarial deeds of servitude – Farm 1316 Stellenbosch	22/11/2023	22/11/2023	Approved
	Regulations on Cost containment	Approval to use petty cash to host a farewell function Water service	22/11/2023	22/11/2023	Approved
	Regulations on Cost containment	Request to review and adjust the emergency services refreshment directive tariff for food parcels for Infrastructure services	22/11/2023	22/11/2023	Approved
AD3		Approval of advertisement – Clerk support and data – Electrical services	23/11/2023	23/11/2023	Approved
AD3	General	Approval of advertisement – Operator/Supervisor Collections – Waste management	23/11/2023	23/11/2023	Approved
AD3	General	Approval of advertisement – Manager – Operations and Maintenance – Electrical services	23/11/2023	23/11/2023	Approved
LPC5		Approval of poster application – Skepend Market	23/11/2023	23/11/2023	Approved
MM109	Section 79(1)(b), MFMA	Approval of delegations – October 2023 – Infrastructure services	23/11/2023	23/11/2023	Approved
HO2	Housing Department	Allocation of staff rental units – Jamestown and Onder-papegaaiberg Cemetery houses	23/11/2023	23/11/2023	Approved
LPC5		Approval of poster application – Stellenbosch Festival of lights	23/11/2023	23/11/2023	Approved

		Quality certificate – Unforeseen Expenditure and Grant Adjustments budget	24/11/2023	24/11/2023	Approved
SC5	4(1)	BSM 38/23 – Supply, delivery and offloading of materials and (b) hire of equipment	28/11/2023	28/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Approval of invoice – FNB November 2023	28/11/2023	28/11/2023	Approved
TR1	Skills Development Act/NSA	SLA – STB Mun//SA Fire and Medical Academy	28/11/2023	28/11/2023	Approved
TR1	Skills Development Act/NSA	First Addendum to the MOA between Department of Mineral Resources and energy//STB Mun	29/11/2023	29/11/2023	To be approved only after adjustments budget is approved by Council.
CL10	Section 59(1) of MSA	Application for donation – Stellenbosch Work Centre for adult people with disabilities	30/11/2023	30/11/2023	Recommended for approval
EL1	Section 18(2)	Intent to reallocate funds for 2023/24 Fin year electrification projects – Department of Minerals, Resources and Energy	30/11/2023	30/11/2023	Approved
DELEGATION	CATEGORY	REPORT SUBJECT AND RECOMMENDATIONS	DATE RECEIVED	DATE RESOLVED	RESOLUTION AND COMMENTS
MM84	Section 66, MFMA	Approval of cellphone allowance- Supervisor Infrastructure services	1/12/2023	1/12/2023	Approved
		Request for catering services – Strategic session – Ward administrators	1/12/2023	1/12/2023	Approved. The department tried all means possible to allow the SP to make move on the tender. First delivery did take place after delays tax compliance and material. Second order was also mirrored with similar delays which necessitate the termination notice and specification for new tender whenever services needed in interim which necessitate this deviation to supply the must needed service to the communities. Proper disposal of

					waste is important from both a health and safety point of view and from environmental point. Deviation unavoidable. I need to emphasis that department try to follow due process and this deviation is not as a result of poor planning. Department to follow process as outlined in GCC re breach of contract to recover losses incurred as a result of breach.
SC13	17(C)	Deviation – Supply and delivery of 240 litre wheelie bins	1/12/2023	1/12/2023	Approved
MM84	Section 66, MFMA	Approval of cellphone allowance X11 – Infrastructure services	1/12/2023	1/12/2023	Approved
MM84	Section 66, MFMA	Approval of cellphone allowance – Technical Officer PED	1/12/2023	1/12/2023	Approved
MM166C	Section 33	POA and Notorial deed of servitude Erf 328 Pniel	4/12/2023	4/12/2023	Approved
MM166C	Section 33	POA – portion 2 Farm 352 Stellenbosch	4/12/2023	4/12/2023	Approved
LEG7	General	Approval of affidavit ito Section 4(1)(b)	4/12/2023	4/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Approval of annual leave – Risk Management	4/12/2023	4/12/2023	Approved
LEG7	General	Founding affidavit – Steb Mun//Green Spot Recycling Pty Ltd	6/12/2023	6/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Approval of recruitment and appointment of seasonal fire fighters	6/12/2023	6/12/2023	Approved
HO2	Housing Department	Allocation of staff rental unit House 2 Banghoek Street, Stellenbosch – Snr Manager SCM	21/12/2023	21/12/2023	Approved
HO2	Housing Department	Extension of lease agreement – 8 Teen die Bult – Snr Manager Revenue and Expenditure	21/12/2023	21/12/2023	Approved
MM84	Section 66, MFMA	Approval of cellphone allowance - LUM	21/12/2023	21/12/2023	Approved
	4(1)	BSM 05/24 – Electrification of informal houses in the Enkanini informal settlement of Stellenbosch for the period ending 30/06/2024 – Phase 4	21/12/2023	21/12/2023	Approved

	4(1)	BSM 109/23 – The upgrade of the Lanquedoc access road and bridge	21/12/2023	21/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Acceptance of acting appointment – Manager Informal Human Settlements Department as Acting Director PED	21/12/2023	21/12/2023	Approved
ACTING MUNICIPAL MANAGER – MR KEVIN CAROLUS					
CL10	Section 59(1) of MSA	Application for donation – Work for community	8/12/2023	8/12/2023	Recommended for approval
HR2	Conditions of Service (SALGBC)	Approval of appointment – Artisan/Foreman water metering	11/12/2023	11/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Approval of appointment – Artisan/Foreman sewer networking	11/12/2023	11/12/2023	Approved
C95	Section 120(1), MFMA	Deed of Indemnity between STB Mun//Siesta Trust//Zirki Buys du Toit – Erf 1714 Stellenbosch	11/12/2023	11/12/2023	Approved
CM5	General provisions	SLA STB Mun//Tjeka Training Matters	11/12/2023	11/12/2023	Approved
MM10	Section 55(1)(f)-(h), Systems Act	Appointment of presiding officer and employer representative - disciplinary action – Community and Protection Services	11/12/2023	11/12/2023	Approved
EL1	Section 18(2)	Emergency municipal loadshedding relief grant – November 2023	11/12/2023	11/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Approval of standby – Chief Fire Officer – January 2024	13/12/2023	13/12/2023	Approved
MM109	Section 79(1)(b), MFMA	Approval of delegations exercised – October 2023- PED	13/12/2023	13/12/2023	Approved
MM84	Section 66, MFMA	Request to consider that the Snr Manager Development Planning be offered the scarcity allowance as from 1/12/2023 and thereby retain the services in the employ of the STB Mun	13/12/2023	13/12/2023	Declined
HR2	Conditions of Service (SALGBC)	Replacement for overtime – Fire and Disaster (9/12/2023)	14/12/2023	14/12/2023	Approved
LPC5		Approval of poster application – SAADA Cape Fair	14/12/2023	14/12/2023	Approved
	Regulations on Cost containment	Travel claim – Stronger cities network - Director Community and Protection services	14/12/2023	14/12/2023	Approved
MM84	Section 66, MFMA	Approval of cellphone allowance X2 – Infrastructure services	14/12/2023	14/12/2023	Approved
MM10	Section 55(1)(f)-(h), Systems Act	Appointment of presiding officer and employer representative – disciplinary action – Community and Protection services	14/12/2023	14/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Approval of appointment – Accountant Stores	14/12/2023	14/12/2023	Approved

HR2	Conditions of Service (SALGBC)	Approval of appointment – Seasonal General worker	18/12/2023	18/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Approval of appointment – Traffic Officers X6	18/12/2023	18/12/2023	Approved
LEG	General	Addendum to Agreement – STB Mun//IEC Kreefgat, Kylemore community hall, Priel banquet all, Stellenbosch town hall, Wemmershoek community hall, La Motte community hall, Eikestad hall	18/12/2023	18/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Approval of flexi hours – Snr Manager Revenue and Expenditure	18/12/2023	18/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Fixed contracts – mini recruitment process for the parking Supervisors and Admin clerks	18/12/2023	18/12/2023	Approved

DIRECTORATE: FINANCIAL SERVICES

Delegation	Category	Report Subject and Recommendations	Date Received	Date Resolved	Resolution and Comments (if any)
HR2	Conditions of Service (SALGBC)	Overtime/Standby pre-approval – Various sections within Finance	02-10-2023	02-10-2023	Approved
HR2	Conditions of Service (SALGBC)	MOA for Employees within Financial Services	02-10-2023	03-10-2023	Approved
M122	Section 115(1)(a), MFMA	BSM 01/24 Supply, Delivery and Installation of generators for the period ending 30 June 2024	10-10-2023	10-10-2023	Approved
CM3	General provisions	SCM letters approved Tenderers	10-10-2023	10-10-2023	Approved
M122	Section 115(1)(a), MFMA	BSM 102/23 Design, Manufacture, Supply, Delivery, Offloading and Installation of medium voltage metal enclosed switchgear and ring main units for the period up to June 2026	13-10-2023	13-10-2023	Approved
CM3	General provisions	SCM letters approved Tenderers	13-10-2023	13-10-2023	Approved
M122	Section 115(1)(a), MFMA	BSM 02/24 the Appointment of a suitable and highly qualified contractor for the Supply, Design and Installation of optic fiber network between our main building and 3 office buildings.	20-10-2023	20-10-2023	Approved
M122	Section 115(1)(a), MFMA	BSM 08/24 Appointment of an event organiser to organise the Stellenbosch festival of lights over a period of one financial year 2023 /2024.	20-10-2023	20-10-2023	Approved
M122	Section 115(1)(a), MFMA	BSM 103/23 Appointment of a panel of service providers for the Supply and Delivery of turfgrass management and	20-10-2023	20-10-2023	Approved

		support field preparation supplies for s period until 30 June 2026.			
CM3	General provisions	SCM letters approved Tenderers	20-10-2023	20-10-2023	Approved
VPR2	Paragraph 6f	Capital Virementations- All Directorates	25-10-2023	25-10-2023	Approved
Delegation	Category	Report Subject and Recommendations	Date Received	Date Resolved	Resolution and Comments (if any)
HR2	Conditions of Service (SALGBC)	Overtime/Standby pre-approval – Various sections within Finance	02-11-2023	02-11-2023	Approved
HR2	Conditions of Service (SALGBC)	MOA for Employees within Financial Services	02-11-2023	03-11-2023	Approved
M122	Section 115(1)(a), MFMA	BSM 64/23 Recyclable waste collection, processing of the recyclable material at a license MRF (Matrial Recovery Facility) and offering waste awareness education services until 30 June 2026.	10-11-2023	10-11-2023	Approved
CM3	General provisions	SCM letters approved Tenderers	10-11-2023	10-11-2023	Approved
VPR2	Paragraph 6f	Capital Virementations- All Directorates	13-11-2023	14-11-2023	Approved
M122	Section 115(1)(a), MFMA	BSM 108/23 Technical review and assistance with the financial statements for a period ending 30 June 2026	17-11-2023	17-11-2023	Approved
M122	Section 115(1)(a), MFMA	BSM 67/23 Supply and Delivery of PPE and Uniforms for Traffic, Law Enforcement, Disaster Management and Fire and Rescue for a period staring 1 July 2023 to 30 June 2026	17-11-2023	17-11-2023	Approved
M122	Section 115(1)(a), MFMA	BSM 13/24 Hygienic services for Stellenbosch Municipality for a period ending 30 June 2026	17-11-2023	17-11-2023	Approved
M122	Section 115(1)(a), MFMA	BSM 28/24 Appointment of a service provider for the Supply and Construction of timber frame structures as emergency housing for a period ending 30 June 2024	17-11-2023	17-11-2023	Approved
CM3	General provisions	SCM letters approved Tenderers	17-11-2023	17-11-2023	Approved
M122	Section 115(1)(a), MFMA	BSM 85/23 Appointment of private armed security service for the greater WC024 for a period ending 30 June 2026	20-11-2023	20-11-2023	Approved
CM3	General provisions	SCM letters approved Tenderers	20-11-2023	20-11-2023	Approved
M122	Section 115(1)(a), MFMA	BSM 106/23 Supply of digital aerial photography (orthophotos and oblique imagery) for Stellenbosch Municipality (WC024)	29-11-2023	29-11-2023	Approved
CM3	General provisions	SCM letters approved Tenderers	29-11-2023	29-11-2023	Approved

Delegation	Category	Report Subject and Recommendations	Date Received	Date Resolved	Resolution and Comments (if any)
HR2	Conditions of Service (SALGBC)	Overtime/Standby pre-approval – Various sections within Finance	02-12-2023	04-12-2023	Approved
VPR2	Paragraph 6f	Operational Virementations- Financial Services	04-12-2023	05-12-2023	Approved
M122	Section 115(1)(a), MFMA	BSM 91/23 Horticultural maintenance, cleaning, clearing, weeding, litter picking of various gardens, grounds, play parks and municipal facilities throughout Stellenbosch WC024 on a weekly basis as per specific section needs or as prescribed by the facility for period ending 30 June 2026.	12-12-2023	12-12-2023	Approved
M122	Section 115(1)(a), MFMA	BSM 96/23 Purchasing of small plant equipment until 30 June 2024.	12-12-2023	12-12-2023	Approved
M122	Section 115(1)(a), MFMA	BSM 23/24 Selling of pinelogs once off to the highest bidder	12-12-2023	12-12-2023	Approved
M122	Section 115(1)(a), MFMA	BSM 19/24 Supply and Delivery of a fire fighting foam concentrate for the period ending 30 June 2026	12-12-2023	12-12-2023	Approved
CM3	General provisions	SCM letters approved Tenderers	12-12-2023	12-12-2023	Approved
M122	Section 115(1)(a), MFMA	BSM 16/24 Supply, Deliver, Install, Configure and Commission batteries for UPS System.	14-12-2023	14-12-2023	Approved
M122	Section 115(1)(a), MFMA	BSM 11/24 Supply, Delivery, and Offloading of water and wastewater Treatment and disinfection chemicals for a period of 12 months.	14-12-2023	14-12-2023	Approved
CM3	General provisions	SCM letters approved Tenderers	14-12-2023	14-12-2023	Approved
M122	Section 115(1)(a), MFMA	BSM 05/24 Electrification of Informal Houses in the Enkanini Informal Settlement of Stellenbosch for the period ending 30 June 2024: Phase 4	21-12-2023	21-12-2023	Approved
M122	Section 115(1)(a), MFMA	BSM 51/23 Deliver and Offloading plumbing materials, plumbing tools and irrigation items for the contract period ending 30 June 2026.	21-12-2023	21-12-2023	Approved
CM3	General provisions	SCM letters approved Tenderers	21-12-2023	21-12-2023	Approved
VPR2	Paragraph 6f	Capital Virementations- All Directorates	21-12-2023	21-12-2023	Approved

DIRECTORATE: INFRASTRUCTURE SERVICES

Delegation	Category	Report Subject and Recommendations	Date Received	Date Resolved	Resolution and Comments (if any)
To exercise all powers conferred upon the Municipality by applicable legislation relating to the supply of water and matters incidental thereto	WS1 Section 11, WSA	Water restrictions exemption: Borehole registrations: 1– Application to drill 0 – Residential Applications 0 – Commercial Applications 0 – Public Buildings Applications 0 – Grey water Applications	27/10/2023	30/10/2023	Approved
		Notice 142/2023 Interruption in water supply to Mark Str, Stellenbosch due to upgrades on the water network. 26/10/2023 from 10:00 – 16:00.		22/10/2023	Approved
		Notice 141/2023 Interruption in water supply to Andringa Plaza, Neethling and Victoria Str as well as Stellenbosch Conservatory, due to upgrades on the water network. 25/10/2023 from 10:00 – 16:00.		25/10/2023	Approved
To permit co-generation of electricity	EI12 Section 2(4)	SMALL-SCALE EMBEDDED GENERATION (SSEG) APPROVAL Connect a 5 kVA peak grid-tied Hybrid installation at Erf 5513, 15 Elberthaweg, Die Boord, Stellenbosch Connect a 12.21 kW peak grid-tied hybrid installation at Erf 8146, 34 Speciosa Str, Paradyskloof, Stellenbosch Connect a 12.2 kVA peak grid-tied Hybrid installation at Erf 1607, 22 Van der Stel Str, Mostertdrift, Stellenbosch Connect a 5 kVA peak grid-tied Hybrid installation at Erf 14888 12 Melkbos Str, Welgevonden, Stellenbosch Connect a 5.5 kVA peak grid-tied Hybrid installation at Erf 8161, 21 Speciosa Str, Paradyskloof, Stellenbosch		19/10/2023	Approved
02/10/2023	Approved				
02/10/2023	Approved				
25/10/2023	Approved				
25/10/2023	Approved				
25/10/2023	Approved				

		<p>Connect a 8 kVA peak grid-tied Hybrid installation at Erf 12020, 18 Holly Oak Str, Welgevonden, Stellenbosch</p> <p>Connect a 15 kVA peak grid-tied Hybrid installation at Erf 15762, 3 Berg Bosch, De Bosch Estate, Stellenbosch</p> <p>Connect a 5 kVA peak grid-tied Hybrid installation at ERF 14226, 13 Belladonna Street, Welgevonden, Stellenbosch</p> <p>Connect a 8.8 kVA peak grid-tied Hybrid installation at Erf 8299, 5 Chardonnay Street, Die Boord, Stellenbosch</p> <p>Connect a 5 kVA peak grid-tied Hybrid installation at Erf 14226, 13 Belladonna Street Welgevonden Stellenbosch</p>		<p>25/10/2023</p> <p>25/10/2023</p> <p>25/10/2023</p> <p>25/10/2023</p>	<p>Approved</p> <p>Approved</p> <p>Approved</p> <p>Approved</p>
To authorize a staff member, co to gain access to any property for the purpose of conducting inspection, tests or maintenance works	<p>EL18</p> <p>Section 10</p>	<p>MUNICIPAL NOTICE:</p> <p>Notice 140/2023</p> <p>Supply of electricity disconnected on 02/11/2023</p> <p>Area affected: Paradyskloof farms, Vriesenhof, The Gables, Dillon Lewis, Kabouterbos and Oakdale</p>		23/10/2023	Approved
To exercise all powers conferred upon the municipality by applicable legislation and by-laws relating to the collection, removal, storage and disposal of refuse and other offensive	<p>WM1</p> <p>Section 7 – 9, NEMWA</p>	<p>MUNICIPAL NOTICE:</p> <p>Notice 139/2023</p> <p>Issuing of new / replacement wheelie bins</p>		16/10/2023	Approved
The Municipality may enter into a written agreement with an applicant to provide services	<p>Stellenbosch Municipality:</p> <p>Land Use Planning By-Law Section 82 (4) LUP68</p>	<p>SECOND ADDENDUM TO SERVICES LEVEL AGREEMENT</p> <p>Agreement entered into between Stellenbosch Municipality, Remgro Management Services Limited and Rembrandt van Rijn Proprietary Limited</p>		18/10/2023	Approved
Delegation	Category	Report Subject and Recommendations	Date Received	Date Resolved	Resolution and Comments (if any)

To exercise all powers conferred upon the Municipality by applicable legislation relating to the supply of water and matters incidental thereto	WS1 Section 11, WSA	Water restrictions exemption: Borehole registrations: 1– Application to drill 0 – Residential Applications 2– Commercial Applications 0 – Public Buildings Applications 0 – Grey water Applications	15/11/2023 01 and 03/11/2023	15/11/2023 01 and 03/11/2023	Approved Approved
To permit co-generation of electricity	EI12 Section 2(4)	SMALL-SCALE EMBEDDED GENERATION (SSEG) APPROVAL Connect a 8 kVA peak grid-tied Hybrid installation at Erf 4353, 6 Coligny Str, Dalsig, Stellenbosch Connect a 5 kVA peak grid-tied Hybrid installation at Erf 16749, 4 Bordeaux, Nuutgevonden, Stellenbosch Connect a 8 kVA peak grid-tied Hybrid installation at Erf 4483, 15 Hamerkop Str, Onder Papegaaiberg, Stellenbosch		22/11/2023 12/11/2023 22/11/2023	Approved Approved Approved
To authorize a staff member, co to gain access to any property for the purpose of conducting inspection, tests or maintenance works	EL18 Section 10	MUNICIPAL NOTICE: Notice 157/2023 Reviewing electricity meters – Ward 13 and 14 Kayamandi		16/11/2023	Approved
To exercise all powers conferred upon the municipality by applicable legislation and by-laws relating to the collection, removal, storage and	WM1 Section 7 – 9, NEMWA	MUNICIPAL NOTICE: Notice 148/2023 Refuse / recycling collection during festive season		15/11/2023	Approved

Delegation	Category	Report Subject and Recommendations	Date Received	Date Resolved	Resolution and Comments (if any)
disposal of refuse and other offensive					
To exercise all powers conferred upon the Municipality by applicable legislation relating to the supply of water and matters incidental thereto	WS1 Section 11, WSA	Water restrictions exemption: Borehole registrations: 0 – Application to drill 0 – Residential Applications 0 – Commercial Applications 0 – Public Buildings Applications 0 – Grey water Applications			Approved Approved
To authorize a staff member, co to gain access to any property for the purpose of conducting inspection, tests or maintenance works	EL18 Section 10	MUNICIPAL NOTICE: Notice 164/2023 Reviewing electricity meters – Onder Papegaaiberg and Cloetesville		07/12/2023	Approved
To authorize a staff member, co to gain access to any property for the purpose of conducting inspection, tests or maintenance works	EL18 Section 10	MUNICIPAL NOTICE: Notice 161/2023 Supply of electricity disconnected on 05/12/2023 Area affected: Rhodes Foods Group Factory, Boschendal Notice 162/2023 Supply of electricity disconnected on 06/12/2023 Area affected: Rhodes Foods Group Factory, Boschendal		01/12/2023 01/12/2023	Approved Approved
Decision to construct and maintain roads, sidewalks and walkways	RSB1 Roads and Streets By-Law S3	Notice 165/2023 R44 / Hendrickse Street Intersection – Temporary Closure Notice 159/2023 Dennesig Neighbourhood “woonerf” promoting pedestrianisation.		19/12/2023 19/12/2023	Approved Approved

To permit co-generation of electricity	EI12 Section 2(4)	<p>SMALL-SCALE EMBEDDED GENERATION (SSEG) APPROVAL</p> <p>Connect a 5 kVA peak grid-tied Hybrid installation at Erf 5940, 1 Peeka Str, Die Boord, Stellenbosch</p> <p>Connect a 6.84 kVA installation at Erf 641, 28A Akademie Str, Franschhoek.</p> <p>Connect a 5 kVA installation at Erf 688, 11 Daniel Hugo Str, Franschhoek.</p>		<p>14/12/2023</p> <p>14/12/2023</p> <p>14/12/2023</p>	<p>Approved</p> <p>Approved</p> <p>Approved</p>
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DIRECTORATE: CORPORATE SERVICES

Delegation	Category	Report Subject and Recommendations	Date Received	Date Resolved	Resolution and Comments (if any)
HR2	Conditions of Service (SALGBC)	Addendums to fixed term contracts for; R Clarke, H Hoppie and R John	2/10/2023	2/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Eskom in the amount of R7031.45	2/10/2023	2/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Turner and Townsend in the amount of R144 960.00	2/10/2023	2/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Execuflora in the amount of R917.70	2/10/2023	2/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Execuflora in the amount of R6260.60	2/10/2023	2/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Addendums to fixed term contracts for E Bronner, F.H Bronner, E Booysen, E George, M Jacobs, N Sobutyu, E Gerber and M Haffit	2/10/2023	2/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Cell phone allowance for Trudene Boshoff	2/10/2023	2/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Sure Travel in the amount of R12 069.00 (accommodation) deputy mayor	4/10/2023	4/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for KMZ Supplies in the amount of R488.88	4/10/2023	4/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Payment of ward committee members in the amount of R104 794	4/10/2023	4/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Tjek aanvraag (medical claim) for DR Louw in the amount of R11130	4/10/2023	4/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Travel claim (Cape Winelands district municipality) for A Kannemeyer	4/10/2023	4/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for ARP (townhall complex – Stellenbosch) in the amount of R475 260.70	4/10/2023	4/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Sanitec (Waco Africa) in the amount of R114 290.36	4/10/2023	4/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Sanitec (Waco Africa) in the amount of R7 311.82	4/10/2023	4/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Memorandum for Justification of standby for ICT technicians	4/10/2023	4/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Standby authorization for ICT technicians	4/10/2023	4/10/2023	approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Telkom payments	4/10/2023	4/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Linares Architects in the amount of R25 983.10	5/10/2023	5/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Procure Supplies and media in the amount of R283.80	5/10/2023	5/10/2023	
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Office Tech in the amount of R441.93	5/10/2023	5/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Avalon in the amount of R2817.05	5/10/2023	5/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Izwi in the amount of R1311.00	5/10/2023	5/10/2023	Approved

MM82	Section 62(1)(f)(iv), MFMA	Invoice for Izwi in the amount of R49 152.92	5/10/2023	5/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Izwi in the amount of R227 125	5/10/2023	5/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Avalon in the amount of R39 213.99	5/10/2023	5/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Yvette Cloete (legal invoice) in the amount of R6368.25	5/10/2023	5/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Adv.Etienne Vermaak (legal invoice) in the amount of R8655	5/10/2023	5/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Adv.Etienne Vermaak (legal invoice) in the amount of R14 060	5/10/2023	5/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice: Yvette Cloete (legal invoice) in the amount of R6638.28	5/10/2023	5/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Timesheets for Y Buthelezi and R Anthony	6/10/2023	6/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Timesheets for M Jacobs, J Maletzky and Y van den Berg	6/10/2023	6/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for office tech in the amount of R665.57	6/10/2023	6/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Timesheets and attendance for N Sobutyu, E Gerber, P Coollen and M Haffit	9/10/2023	9/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Timesheets and attendance for D Muller	9/10/2023	9/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Office for you in the amount of R678.50	9/10/2023	9/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Office for your in the amount of R1339.75	9/10/2023	9/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Office for your in the amount of R9582.26	9/10/2023	9/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Eskom in the amount of R3271.80	9/10/2023	9/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Turner and Townsend in the amount of R149 960	9/10/2023	9/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Bambana Management in the amount of R101 197.00	11/10/2023	11/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Office for you in the amount of R1339.75	11/10/2023	11/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Sterling Holdings in the amount of R82 604.04	12/10/2023	12/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Sterling Holdings in the amount of R13 050.02	12/10/2023	12/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Elecarbo Industrial Supplies in the amount of R50 708.72	12/10/2023	12/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Elecarbo Industrial Supplies in the amount of R1204.05	12/10/2023	12/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Telkom in the amount of R371.75	12/10/2023	12/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice: Izwi in the amount of R1311	12/10/2023	12/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice: Nex Xon in the amount of R93 135.98	12/10/2023	12/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for First Technology in the amount of R55 200	12/10/2023	12/10/2023	Approved

HR2	Conditions of Service (SALGBC)	Fixed term contract for M Morris	12/10/2023	12/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Medical Claim for Dr. Serfontein	13/10/2023	13/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Payment of Ward Committee members in the amount of R10 185	16/10/2023	16/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Elerect: Stephanus Nel t/a in the amount of R3 956.00	16/10/2023	16/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Office Tech stationery in the amount of R5129.26	16/10/2023	16/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for ETG in the amount of R2378.15	16/10/2023	16/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for ETG in the amount of R1975.96	16/10/2023	16/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Sterling Holdings in the amount of R82 604.04	16/10/2023	16/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Elcarbo Industrial in the amount of R2105.13	16/10/2023	16/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Ignite advisory Services in the amount of R11 812.11	17/10/2023	17/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Steve Happie in the amount of R10 830	17/10/2023	17/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Steve Happie in the amount of R32 490	17/10/2023	17/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Steve Happie in the amount of R16 245	17/10/2023	17/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Steve Happie in the amount of R43 320	17/10/2023	17/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Steve Happie in the amount of R64 980	17/10/2023	17/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Steve Happie in the amount of R16 245	17/10/2023	17/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Parkerson Thomas in the amount of R1558.88	19/10/2023	19/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Steve Happie in the amount of R59 865.00	19/10/2023	19/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoices for ETG (Council Support printers) in the amount of R22 225.84	19/10/2023	19/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice: AC digital in the amount of R6302.00	19/10/2023	19/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for sterling holdings in the amount of R99 700.12	20/10/2023	20/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Direct payment for Methodist church of South Africa in the amount of R1500	20/10/2023	20/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Office for you in the amount of R1339.75	20/10/2023	20/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Cinnamon Caterers in the amount of R13000	20/10/2023	20/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Swartz bus services in the amount of R3800	20/10/2023	20/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Bathrooms 4 U Stellenbosch in the amount of R667.00	20/10/2023	20/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice: He and she driver training centre in the amount of R121 720.50	20/10/2023	20/10/2023	Approved

MM82	Section 62(1)(f)(iv), MFMA	Invoice for Eskom (Mountain Breeze) in the amount of R30 741.30	20/10/2023	20/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Elerect Staphanus Nel t/a in the amount of R2242.50	20/1/2023	20/1/2023	Approved
HR2	Conditions of Service (SALGBC)	Direct payment for Octofin (office space hire) in the amount of R756 288.12	23/10/2023	23/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Timesheet for M Morris	24/10/2023	24/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Esri in the amount of R2 095 912.03	2/10/2023	2/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Addendum to fixed term contract for S October	25/10/202	25/10/202	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Sure Travel in the amount of R4 000	25/10/2023	25/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Ubuntu in the amount of R1 495 371.39	25/10/2023	25/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Gijima in the amount of R31 273.41	25/10/2023	25/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Gijima in the amount of R31 273.41	25/10/2023	25/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Forefront technician in the amount of R1 339 420.90	25/10/2023	25/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Sanitech in the amount of R114 290.36	26/10/2023	26/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Sanitech in the amount of R7311.82	26/10/2023	26/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	ETG (RIN0043773) in the amount of R6613.64	26/10/2023	26/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	ETG (RIN0044150) in the amount of R1975.96	27/10/2023	27/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	ETG (RIN0044516) in the amount of R1975.96	27/10/2023	27/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	ETG (RIN0043756) in the amount of R2460.63	27/10/2023	27/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	ETG (RIN0043755) in the amount of R2431.75	27/10/2023	27/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	ETG (RIN0044132) in the amount of R2378.15	27/10/2023	27/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	ETG (RIN0044497) in the amount of R2589.42	27/10/2023	27/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	ETG (RIN0044506) in the amount of R11265.80	27/10/2023	27/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	ETG (RIN0044510) in the amount of R1127.18	27/10/2023	27/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	ETG (RIN0044512) in the amount of R5572.05	27/10/2023	27/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice: Xicombe MIH JV in the amount of R569 200.26	30/10/2023	30/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice: First technology in the amount of R55 200.00	31/10/2023	31/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice: Graylink in the amount of R522 381.75	31/10/2023	31/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Fatima Nel Cinnamon Caterers in the amount of R6970	31/10/2023	31/10/2023	Approved

Delegation	Category	Report Subject and Recommendations	Date Received	Date Resolved	Resolution and Comments (if any)
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Graylink in the amount of R5554.50	1/11/2023	1/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Addendum to fixed term contract for H Hoppie	2/11/2023	2/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Sanitech in the amount of R7311.82	2/11/2023	2/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Standby authorization for ICT technicians	2/11/2023	2/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Izwi in the amount of R2100.00	2/11/2023	2/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Izwi in the amount of R49 152.92	2/11/2023	2/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Izwi in the amount of R227 125.00	2/11/2023	2/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Izwi in the amount of R69 483.00	2/11/2023	2/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Gijima in the amount of R31 273.41	2/11/2023	2/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for IMQS in the amount of R77 299.89	2/11/2023	2/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for He and she driver training centre in the amount of R12 650.97	6/11/2023	6/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Travel claim for Provincial Skills development facilitator Mossel Bay (M Langeveldt)	6/11/2023	6/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice: Sterling holdings in the amount of R99 750.00	6/11/2023	6/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Sterling holdings in the amount of R13 050.00	6/11/2023	6/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Schwabe Basson and themaat Inc. in the amount of R1033.50	7/11/2023	7/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Timesheets for Y van den Berg, E Maletzky and M Jacobs	7/11/2023	7/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for izwi in the amount of R960.00	8/11/2023	8/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Media 24 in the amount of R8 756.10	8/11/2023	8/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Telkom Services rendered	8/11/2023	8/11/2023	Approved
		Standby authorization for A Williams	8/11/2023	8/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Avalon in the amount of R7372.31	8/11/2023	8/11/2023	approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Nex Xon Systems in the amount of R58 832.05	8/11/2023	8/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Fatima Nel t/a Cinnamon Caterers in the amount of R6400.00	8/11/2023	8/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Timesheets for the ward admin support staff	8/11/2023	8/11/2023	
HR2	Conditions of Service (SALGBC)	Timesheets for Council support staff	8/11/2023	8/11/2023	Approved

HR2	Conditions of Service (SALGBC)	Timesheets for office support staff (office cleaners) R Anthony and Y Buthulezi	8/11/2023	8/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Forefront in the amount of R1 339 420.90	9/11/2023	9/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Avalon in the amount of R7372.31	9/11/2023	9/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Timesheets for Municipal Court staff: P Coolen, M Haffit, N Sobuty and E Gerber	9/11/2023	9/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Timesheet for M Morris	9/11/2023	9/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Timesheet for Z Maqhashli	10/11/2023	10/11/2023	Approved
VRP 2	Paragraph 6f	Budget virementation in the amount of R2 699 677.00 (Transfer of ICT funds)	13/11/2023	13/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoices for Telkom Services in the amount of R294 594.60	13/11/2023	13/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Forefront in the amount of R1 540 334.04	13/11/2023	13/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Business Engineering in the amount of R93 150.00	13/11/2023	13/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Vodacom Services in the amount of R115 123.00	13/11/2023	13/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Eskom (La Motte office) in the amount of R3381.85	14/11/2023	14/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Integralek technologies in the amount of R4439.58	14/11/2023	14/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Media 24 in the amount of R8756.10	14/11/2023	14/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for He and She driver training centre in the amount of R12 650.97	14/11/2023	14/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for He & She driver training centre in the amount of R12 650.97	14/11/2023	14/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Ms Ireland for an amount of R19 413.67	14/11/2023	14/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Graylink in the amount of R59 306.60	14/11/2023	14/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Ms Ireland for an amount of R19 413.67	14/11/2023	14/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Fatima Nel in the amount of R20 000.00	14/11/2023	14/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Timesheets for D Muller (Council support)	14/11/2023	14/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for African spear trading in the amount of R86 523.21	15/11/2023	15/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Kaddon Projects in the amount of R489031	15/11/2023	15/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Kaddon Projects in the amount of R5022.86	15/11/2023	15/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Kaddon projects in the amount of R3646.13	15/11/2023	15/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Bowie lifts in the amount of R3 000.00(x2)	15/11/2023	15/11/2023	Approved

MM82	Section 62(1)(f)(iv), MFMA	Invoice for Ubuntu in the amount of R81 702.27	17/11/2023	17/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Graylink in the amount of R648 127.35	17/11/2023	17/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Izwi in the amount of R256 222.30	17/11/2023	17/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Linares architects in the amount of R23 023.00	20/11/2023	20/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Eskom in the amount of R16 973.85	20/11/2023	20/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for projects and development in the amount of R301 044.65	21/11/2023	21/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Xigombe MIV JV in the amount of R449 284.13	21/11/2023	21/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Vodacom in the amount of R70 703.24	21/11/2023	21/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for CHM Vuwani in the amount of R11 293.00	21/11/2023	21/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Fixed term contract for J Lewis	21/11/2023	21/11/2023	Approved
VRP 2	Paragraph 6f	Budget virementation for wellness day expenditure in the amount of R164 200.00	21/11/2023	21/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Addendum to fixed term contract for C de Wet	22/11/2023	22/11/2023	Approved
HR2	Conditions of Service (SALGBC)	EPWP fixed term contracts for T Kampler, N Magida, R Pietersen, B Green, B Mdoko, D Arendse, E Adams, A Williams and A de koker	22/11/2023	22/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Keep the dream in the amount of R6000	22/11/2023	22/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice he & she driver training centre for R8433.98	22/11/2023	22/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice he & she driver training centre for R12 650.97	22/11/2023	22/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Ebee's food delight in the amount of R15 000.00	22/11/2023	22/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Ebee's food delights in the amount of R26 500	22/11/2023	22/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Nu-Law firearms compliance for R42 833.96	24/11/2023	24/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for He & she driver training centre in the amount of R12 650.97	24/11/2023	24/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Adjuvo Enterprises for the amount of R16 376	24/11/2023	24/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Waco Africa (sanitech) for the amount of R7311.82	27/11/2023	27/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Waco Africa (sanitech) for the amount of R114 290.58	27/11/2023	27/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Media 24 for the amount of R1639.40	27/11/2023	27/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Media 24 in the amount of R18 443.70	27/11/2023	27/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Izwi in the amount of R49 152.92	30/11/2023	30/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Izwi in the amount of R227 125.00	30/11/2023	30/11/2023	Approved

Delegation	Category	Report Subject and Recommendations	Date Received	Date Resolved	Resolution and Comments (if any)
HR2	Conditions of Service (SALGBC)	Fixed term contract for B Ntshazana, T Gasa, R Roman	1/12/2023	1/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Elerect Stephanus Nel in the amount of R2 242.50	4/12/2023	4/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Elerect Stephanus Nel in the amount of R23 971.77	4/12/2023	4/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for He & she driver centre in the amount of R12075.00	4/12/2023	4/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Adjuvo Enterprise in the amount of R65 550.00	4/12/2023	4/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Office technology in the amount of R4025	4/12/2023	4/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for kings catering in the amount of R27 686.25	4/12/2023	4/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for He & she driver training centre in the amount of R8433.98	4/12/2023	4/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for keep the dream in the amount of R45 500	4/12/2023	4/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for he & she driver centre in the amount of R12 075	4/12/2023	4/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Timesheet for Y van den berg	4/12/2023	4/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Execuflora in the amount of R917.70	4/12/2023	4/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Execuflora in the amount of R6260.60	4/12/2023	4/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Execuflora in the amount of R917.70	4/12/2023	4/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Standby authorization for ICT technicians	6/12/2023	6/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Timesheet for M Jacobs, J Maletzky	6/12/2023	6/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Ram traders in the amount of R7500.00	6/12/2023	6/12/2023	approved
HR2	Conditions of Service (SALGBC)	Timesheets for (Council Support)	6/12/2023	6/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Steven Happie for R8950	6/12/2023	6/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Steven Happie for R17 900	6/12/2023	6/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Steven Happie for R8950.00	6/12/2023	6/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Steven Happie for R17 900	6/12/2023	6/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Steven Happie for 2685.00	6/12/2023	6/12/2023	Approved

MM82	Section 62(1)(f)(iv), MFMA	Invoice for Kings Catering for R19 348.75	6/12/2023	6/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Timesheet for Municipal Court staff	6/12/2023	6/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Timesheets for Y Buthelezi, R Anthony, and M Morris	7/12/2023	7/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Timesheet for E Maletzky	7/12/2023	7/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Standby authorization for ICT technicians	8/12/2023	8/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for bidvest waltons in the amount of R19 265.45	8/12/2023	8/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Telkom services for an amount of R281 201.85	8/12/2023	8/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Ubuntu in the amount of R134 189.82	8/12/2023	8/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Fixed term contract for A Marais	8/12/2023	8/12/2023	Approved
HR2	Conditions of Service (SALGBC)	EPWP contracts for X Sambane, J Samson, J Galon, A Manqata	8/12/2023	8/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Flowers in the foyer for the amount R2416.15	8/12/2023	8/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Linares Architects for the amount of R23 680.80	12/12/2023	12/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Media 24 for a amount of R16 394.40	12/12/2023	12/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Direct payment for ST Idas Primary School in the amount of R1250.00	12/12/2023	12/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Payment of ward committee members in the amount of R88 410.00	12/12/2023	12/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Parkerson Thomas in the amount of R6100.66	12/12/2023	12/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Vodacom Services in the amount of R115 123.06	12/12/2023	12/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Cinnamon Caterers in the amount of R14 725.00	12/12/2023	12/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Integratek technology in the amount of R4439.58	13/12/2023	13/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Airwise air-conditioning Umoya in the amount of R48 116	13/12/2023	13/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Direct payment for Octofin (office rental) in the amount of R733 263.51	13/12/2023	13/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for AR Projects and development for R473 833.24	13/12/2023	13/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Galeb trading in the amount of R11 364	13/12/2023	13/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for African Spear trading in the amount of R31 273.41	13/12/2023	13/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Gijima in the amount of R31 273.41	13/12/2023	13/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Kaddon projects for the amount of R7 974.41	14/12/2023	14/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Xigombe for an amount of R320 782.95	14/12/2023	14/12/2023	Approved

MM82	Section 62(1)(f)(iv), MFMA	Invoice for Ushalomali cleaning services for R846521.76	14/12/2023	14/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Drakenstein Municipality in the amount of R17 897.00	14/12/2023	14/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Steven Happie in the amount of R13 425.00	14/12/2023	14/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for office tech in the amount of R2369.81	14/12/2023	14/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Steven happie in the amount of R31 325	14/12/2023	14/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice Ebee's food delight for R26 900	14/12/2023	14/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Ebee's food delight for R15 800	14/12/2023	14/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Cinnamon Caterers for R13 750	14/12/2023	14/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Ward committee members payment for R31 815.00	14/12/2023	14/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for KMZ Supplies in the amount of R968.45	14/12/2023	14/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Keep the dream in the amount of R17 500	14/12/2023	14/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoices for ETG (printer hire charges) in the amount of R22 688.93	18/12/2023	18/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoices for Vodacom in the amount of R124 428.88	18/12/2023	18/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for First technology in the amount of R55 200	18/12/2023	18/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for AC Digital in the amount of R4526.40	18/12/2023	18/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Acting allowance for S Adams	18/12/2023	18/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for office tech in the amount of R898.01	18/12/2023	18/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for office tech in the amount of R669.65	18/12/2023	18/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Addendum to fixed term contract for R Anthony and Y Buthulezi	18/12/2023	18/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Elerect Stephanus Nel in the amount of R23 971.77	18/12/2023	18/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Execuflora in the amount of R6260.60	18/12/2023	18/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Execuflora in the amount of R917.70	18/12/2023	18/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Contempt of Court in the amount of R135 000	18/12/2023	18/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Fixed term contract for V Sims	18/12/2023	18/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Payment of ward committee members in the amount of R48 160	19/12/2023	19/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for ebee's catering in the amount of R15 000	19/12/2023	19/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Ebee's catering in the amount of R24 750	19/12/2023	19/12/2023	Approved

HR2	Conditions of Service (SALGBC)	Addendums to fixed term contracts for: R Anthony, Y Buthelezi, N Sobutyu, E Gerber, M Haffit, J Maletzky, Y van den Berg, M Jacobs, E George, E Bronner, F.H Bronner and E Booysen	20/12/2023	20/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Swarz bus services in the amount of R5000	20/12/2023	20/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for :Lynne Stokes in the amount of R5175	20/12/2023	20/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Fixed term contracts for C Hanekom and J Pheiffer	22/12/2023	22/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Payment of Annual Bonus for Mr. A Barnes	22/12/2023	22/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Special leave application for J Jafta	22/12/2023	22/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Invoice for Jonty Engineering in the amount of R15 354.50	22/12/2023	22/12/2023	Approved

DIRECTORATE: COMMUNITY AND PROTECTION SERVICES

Delegation	Category	Report Subject and Recommendations	Date Received	Date Resolved	Resolution and Comments (if any)
MM10	Section 55(1)(f)-(h),	Disciplinary complaint form: T Dimayi, C Pietersen	02/10/2023	02/10/2023	Approved
MM22	Section 66 (1) (c) Systems Act	Letter of appointments: EPWP fixed term: N Jolumpu, R van Graan, Karelse	02/10/2023	02/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Attendance Register & Overtime: K Alkaster	02/10/2023	02/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Tax Invoice: Media24 (R8756.10)	11/10/2023	11/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	11x Radio tracking invoices – September 2023	11/10/2023	11/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Tjek aanvraag: 02/10 – 08/10/23 (R951 460.08)	11/10/2023	12/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Tax invoice: Southern Sky Operations (R13 830), Graylink Media (R8119.00)	11/10/2023	12/10/2023	Approved
LPC3	Gatherings Act 205 of 1993 Events bylaw pn 7564 dated 12/02/2016	Gartherings Act: Operation Dudula	11/10/2023	12/10/2023	Approved
LPC3	Gatherings Act 205 of 1993 Events bylaw pn 7564 dated 12/02/2016	Gartherings Act: A21 Campaign	11/10/2023	12/10/2023	Approved

MM22	Section 66 (1) (c) Systems Act	EPWP contract extension: M Hollenbach	11/10/2023	12/10/2023	Approved
MM22	Section 66 (1) (c) Systems Act	Letter of appointment: R Johannes	12/10/2023	13/10/2023	Approved
AD3	General	Approval of advertisement: General Worker Beautification x2	12/10/2023	13/10/2023	Approved
AD3	General	Approval of advertisement: General Worker Grass Cutting	12/10/2023	13/10/2023	Approved
MM22	Section 66 (1) (c) Systems Act	Letter of appointment: EPWP Contracts: Parks Fhk Maintenance & Cleaning	12/10/2023	13/10/2023	Approved
MM10	Section 55(1)(f)-(h),	Disciplinary Complaint Form; Paul Fortuin	12/10/2023	13/10/2023	Approved
AD3	General	Advert: Foreperson Sport	12/10/2023	13/10/2023	Approved
CM3	Authority to communicate the acceptance of tenders, quotations or offers for the procurement of goods / services i.t.o council's supply chain policy, valued up to R200 000 (vat inclusive)	FQ: Supply and Deliver Kitchen appliances and furniture	12/10/2023	13/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Tax invoice: Office Tech (R528.40)	13/10/2023	16/10/2023	Approved
TR1	Skills Development Act/NSA	MOA: B Smith, M Okkers	13/10/2023	16/10/2023	Approved
CM3	Authority to communicate the acceptance of tenders, quotations or offers for the procurement of goods / services i.t.o council's supply chain policy, valued up to R200 000 (vat inclusive)	FQ: Supply of falcon mowers to the municipality	13/10/2023	16/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Planned overtime: 21-22 October 2023 (Traffic)	13/10/2023	16/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Amended overtime: 11 October 2023 (Traffic)	13/10/2023	16/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Planned overtime: 13-14 October 2023 (Law Enf)	13/10/2023	16/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Overtime: Fire and Disaster (15 October 2023)	17/10/2023	17/10/2023	Approved

MM82	Section 62(1)(f)(iv), MFMA	Tax invoices: Mafoko Security (R37 389.71, R2 964 936.49, R21 561.92)	19/10/2023	19/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Planned overtime: 21-22 October 2023 (Law Enforcement)	19/10/2023	20/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Approved Standby roster – Traffic Services (November 2023)	19/10/2023	20/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Tax invoices: ETG (R2378.15, R1975.96)	19/10/2023	20/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Tax invoices: TMT 9R1 20 939.50)	19/10/2023	20/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Tax invoices: Fidelity (R215 093.100, R1 069 780.31)	24/10/2023	24/10/2023	Approved
LEG	General	MOU between Stellenbosch Municipality and Remgro Management Limited	24/10/2023	24/10/2023	Approved
MM22	Section 66 (1) (c) Systems Act	Approval of appointment: Ass Fire Chief 20/10/2023	20/10/2023	25/10/2023	Approved
MM22	Section 66 (1) (c) Systems Act	EPWP contract appointment letters: Z Gungqashe, B Mdoko, Z Ndyalivani, J Brown, K Oncker, S Nikani	25/10/2023	25/10/2023	Approved
MPF10	MFMA	Refund payment for the use of Paradyskloof Clubhouse – Mr de Wet	25/10/2023	25/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Approval for overtime exceeding 60 hours (Ornamental Horticulture)	25/10/2023	25/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Approval for overtime exceeding 60 hours (Ornamental Horticulture)	25/10/2023	25/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Standby: Manager Traffic and Law Enf (Nov & December)	25/10/2023	26/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Standby: Manager Fire and Disaster (November)	25/10/2023	26/10/2023	Approved
LEG	General	MOU: Stellenbosch Municipality and Helmi Dreijer	25/10/2023	26/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Updating of payday/reporting lines: Petrus Mabumbulu	26/10/2023	27/10/2023	Approved
CM3	Authority to communicate the acceptance of tenders, quotations or offers for the procurement of goods / services i.t.o council's supply chain policy, valued up to R200 000 (vat inclusive)	Questionnaire: Mowing/grass cutting of various areas in Stellenbosch	26/10/2023	27/10/2023	Approved

HR2	Conditions of Service (SALGBC)	Standby: November (Fire and Disaster)	26/10/2023	27/10/2023	Approved
MM10	Section 55(1)(f)-(h),	Disciplinary Complaint Form: Apollis Fransman	26/10/2023	27/10/2023	Approved
MM10	Systems Act	Disciplinary Form: S Pekeur, S Maqazana, M Noxyi	30/10/2023	31/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Termination letter: N Sodyolose	30/10/2023	31/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Planned overtime + Operational Plan: 28-29 October 2023 (Law Enforcement)	30/10/2023	31/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Planned overtime: 27-28 October 2023 (Law Enforcement)	30/10/2023	31/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Additional staff on overtime: Fire and Disaster	30/10/2023	31/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Planned overtime: 27-28 October 2023 (Law Enforcement)	30/10/2023	31/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Planned overtime: 4-5 November (Traffic)	31/10/2023	31/10/2023	Approved
HR2	Conditions of Service (SALGBC)	Resignation letter: S Asja,, F Nomabhunga	31/10/2023	31/10/2023	Approved
TR1	Skills Development Act/NSA	MOA: Basic Traffic officer training – D Prichard, M September, S Magwaza, S Kulati, S Neels, C Peteni, E Janse van Rensburg	31/10/2023	31/10/2023	Approved
TR1	Skills Development Act/NSA	MOA: Advance Driving – M Williams, M September, S van Zyl, M Okkers, R Jacobs, S Sishuba, G Botes, D Prichard, T Malgas, R Banies, B Heathcote	31/10/2023	31/10/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Tax Invoice: Order 10635 (R1567.22)	31/10/2023	31/10/2023	Approved
Delegation	Category	Report Subject and Recommendations	Date Received	Date Resolved	Resolution and Comments (if any)
HR2	Conditions of Service (SALGBC)	Attendance Register: L Pedro, K Alkaster, C Kitching, M Aalbers	01/11/2023	02/11/2023	Approved
AD3	General	Approval of advertisement: Supervisor Driver: Pniel/Fhoek/Klapmuts/Dwarsriver	01/11/2023	02/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Termination of EPWP contract: R Van Wyk	01/11/2023	02/11/2023	Approved
MM23	Section 66(1)(c), Systems Act	Acting: T Leibrandt – 10 November until 1 December 2023	02/11/2023	03/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Seasonal Fire Fighters	02/11/2023	03/11/2023	Approved
	Cost Containment Regulations	Refreshments for CSF Workshop – 5 December 2023	02/11/2023	03/11/2023	Approved

HR2	Conditions of Service (SALGBC)	Standby Requirements – Law Enforcement (1-30 Nov)	02/11/2023	03/11/2023	Approved
VRP2	Paragraph 6f	Veriment: Uniform and Protective Clothing (R150 000)	02/11/2023	03/11/2023	Approved
VRP2	Paragraph 6f	Veriment: FTE (R200 000)	02/11/2023	03/11/2023	Approved
VRP2	Paragraph 6f	Veriment: Design and implement electronic Urban Forestry Management Tool (R1 000 000)	02/11/2023	03/11/2023	Approved
CM3	Authority to communicate the acceptance of tenders, quotations or offers for the procurement of goods / services i.t.o council's supply chain policy, valued up to R200 000 (vat inclusive)	Questionnaire: Cloetesville Library upgrade of foyer and counter area replacement of floor tiles, repurposing and painting of shelves and circulation counter	02/11/2023	03/11/2023	Approved
AD3	General	Approval of advert: Library Aid/Cleaner x1	02/11/2023	03/11/2023	Approved
CM3	Authority to communicate the acceptance of tenders, quotations or offers for the procurement of goods / services i.t.o council's supply chain policy, valued up to R200 000 (vat inclusive)	Questionnaire: Supply and deliver and installation of portable toilets at Mont Rochelle NR Gatehouse	02/11/2023	03/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Working from Home Applications: J Felix, C Kitching, T Leibrandt, N Mohamed, S Majudith (1 Nov 2023 until 31 Jan 2024)	02/11/2023	03/11/2023	Approved
MM10	Section 55(1)(f)-(h), Systems Act	Disciplinary Complaint Form: E Michael	02/11/2023	03/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Approved overtime and standby: Community Services (November)	02/11/2023	03/11/2023	Approved
VRP2	Paragraph 6f	Veriment: Uniform and Protective Clothing (R50 000)	02/11/2023	03/11/2023	Supported
VRP2	Paragraph 6f	Veriment: Hire Charges (R500 000)	02/11/2023	03/11/2023	Supported
MM22	Section 55 (1)(e), Systems Act	Shortlisting: Cashier Bloemhof	02/11/2023	03/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Resignation: N Makina	06/11/2023	06/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Planned overtime: DLTC (November0	06/11/2023	06/11/2023	Approved

HR2	Conditions of Service (SALGBC)	Planned overtime: Traffic Administration (November)	06/11/2023	06/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Planned overtime: Traffic Admin MVR (November)	06/11/2023	06/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Planned overtime: 4-5 November (Law Enforcement)	06/11/2023	06/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Planned overtime: Traffic Admin Court Section (November)	06/11/2023	06/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Planned overtime: 11-12 November (Traffic)	06/11/2023	06/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Leave in lieu of overtime: T Leibrandt (Oct)	06/11/2023	07/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Request for incapacitation: M Chettiar	06/11/2023	07/11/2023	Approved
MM22	Section 66 (1) (c) Systems Act	Letter of appointment: EPWP – L Isaac	06/11/2023	07/11/2023	Approved
VRP2	Paragraph 6f	Veriment: Extension of cemeteries - R1 000 000 + R500 000	06/11/2023	07/11/2023	Approved
VRP2	Paragraph 6f	Creation of Ukey: In-kind household social assistance social relief	06/11/2023	07/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Approved overtime: 1-31 October 2023 (Law Enforcement)	07/11/2023	08/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Overtime and Standby: Law Enforcement (October)	07/11/2023	08/11/2023	Approved
MPF10	MFMA	Utilize pool vehicle: G Hansen (9-15 November 2023)	07/11/2023	08/11/2023	Approved
MM10	Section 55(1)(f)-(h), Systems Act	Disciplinary Complaint form: M Slingers	07/11/2023	08/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Approved overtime: Traffic Administration 1-31 October	07/11/2023	08/11/2023	Approved
MM22	Section 55 (1)(e), Systems Act	Shortlisting: CSF Coordinator	07/11/2023	08/11/2023	Approved
MM22	Section 66 (1) (c) Systems Act	Letter of appointment EPWP: B Ayford	08/11/2023	09/11/2023	Approved
VRP2	Paragraph 6f	Veriment: FTE 9R331 002)	08/11/2023	09/11/2023	Supported
HR2	Conditions of Service (SALGBC)	Approval for standby exceeding 14 days for October (E Malgas)	08/11/2023	09/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Planned overtime: 7 November 2023 (Law Enforcement)	08/11/2023	09/11/2023	Approved
MM10	Section 55(1)(f)-(h), Systems Act	Formal Investigation Report: N Mkhutyukelwa, T September	09/11/2023	10/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Exceeding of 40-hour overtime threshold (Pool, Jacobs)	09/11/2023	10/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Approved standby roster – December and January (Traffic Services)	09/11/2023	10/11/2023	Approved

LPC3	Gatherings Act 205 of 1993 Events bylaw pn 7564 dated 12/02/2016	Gartherings act: Stellenbosch Disability Network – 18/11/2023	10/11/2023	10/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Late submission: EPWP contracts Community Services	10/11/2023	10/11/2023	Approved
MM22	Section 66 (1) (c) Systems Act	Appointment as IMPS -SA exco national member	10/11/2023	10/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Approval of planned overtime - Community Development (September)	10/11/2023	13/11/2023	Approved
VRP2	Paragraph 6f	Veriment: FTE (R19 350)	14/1/2023	14/11/2023	Approved
	Community Services	Application to hire venue: Groendal Community Hall	14/1/2023	14/11/2023	Approved
VRP2	Paragraph 6f	Veriment: City Cleanliness and Clean Up (R50 000)	14/1/2023	14/11/2023	Approved
VRP2	Paragraph 6f	Veriment: Furniture and office Equipment (R16 000)	14/1/2023	14/11/2023	Approved
VRP2	Paragraph 6f	Veriment: Law Enforcement Contracted Services (R153 000)	14/1/2023	14/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Leave application: L Pedro	15/11/2023	16/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Standby: Chief Fire and Disaster (December 2023)	15/11/2023	16/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Standby: Fire and Disaster (December 2023)	15/11/2023	16/11/2023	Approved
VRP2	Paragraph 6f	Veriment: Training of EPWP workers (R106 080.00)	15/11/2023	16/11/2023	Approved
VRP2	Paragraph 6f	Veriment; Franschoek Library Consumables (R8000)	15/11/2023	16/11/2023	Supported
HR2	Conditions of Service (SALGBC)	Additional overtime for November: Parks Stellenbosch	15/11/2023	16/11/2023	Supported
MM10	Section 55(1)(f)-(h),	Disciplinary complaint form: C Christiaans	15/11/2023	16/11/2023	Approved
MM10	Systems Act	Formal investigation report: M Wanza	15/11/2023	16/11/2023	Approved
MM10	Section 55(1)(f)-(h),	Formal investigation report: A Nomeva	15/11/2023	16/11/2023	Approved
MPF10	MFMA	Approval to utilize pool vehicle: Halls	15/11/2023	16/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Tax invoice: Fidelity (R215 093.10, R1150.00, R396 407.32, R12 282.00, R396 407.32)	15/11/2023	16/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Approval of appointment: General Worker Halls	15/11/2023	16/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Cancellation of leave: A Fransman	17/11/2023	17/11/2023	Approved
VRP2	Paragraph 6f	Virement: Specialized Vehicles Workshop (R700 000)	17/11/2023	17/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Planned overtime: 18-19 November 2023 (Traffic Services)	17/11/2023	20/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Standby: Community Development (December)	17/11/2023	20/11/2023	Approved
VRP2	Paragraph 6f	Virement: Upgrading of Parks (R500 000)	17/11/2023	20/11/2023	Approved

MM82	Section 62(1)(f)(iv), MFMA	Tax invoices: ETG (R2378,15 + R1975.96)	20/11/2023	21/11/2023	Approved
	Finance	MDB Contracts x6: BSM 103/23	20/11/2023	21/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Termination of EPWP contracts: S Nikani, Z Gunqashe, Ndyalivani, K Oncker, J Brown	20/11/2023	21/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Extension of EPWP contracts: S Hammers, R Van Wyk	20/11/2023	21/11/2023	Approved
VRP2	Paragraph 6f	Creation of Ukey: Salaries, Wages and Allowances (EPWP Jonkershoek)	20/11/2023	21/11/2023	Approved
VRP2	Paragraph 6f	Virement: EPWP Jonkershoek Picnic Site (R206 318.00)	20/11/2023	21/11/2023	Supported
HR2	Conditions of Service (SALGBC)	Seasonal fire fighters	20/11/2023	21/11/2023	Approved
	Cost Containment Regulations	S & T: P Jansen (Provincial Thusong Forum Meeting in George)	20/11/2023	21/11/2023	Approved
TR1	Skills Development Act/NSA	Self Defence Training: Law Enforcement	21/11/2023	22/11/2023	Approved
TR1	Skills Development Act/NSA	Self Defence Training: C Kitching	21/11/2023	22/11/2023	Approved
TR1	Skills Development Act/NSA	First Aid Level 1-3 Training: Law Enforcement	21/11/2023	22/11/2023	Approved
TR1	Skills Development Act/NSA	Drivers License Training Code B: Law Enforcement	21/11/2023	22/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Addendum to approved planned overtime: MVR Section	21/11/2023	22/11/2023	Approved
VRP2	Paragraph 6f	Creation of Ukey: Contractors Medical Services + Veriment (R100 000)	21/11/2023	22/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Letter of appointment: M Mthetheli	21/11/2023	22/11/2023	Approved
	HR	Resignation letter; S Pekeur, I Roodt	21/11/2023	22/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Planned overtime: J Damane	21/11/2023	22/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Amended overtime: 16 November (Traffic Services)	21/11/2023	22/11/2023	Approved
MPF10	MFMA	Refund payment for the use of Paradyskloof Clubhouse – J Musto	21/11/2023	22/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Amended overtime: 18-19 November (Traffic Services)	21/11/2023	22/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Planned overtime for Correctional Services operation with Cloetesville SAPS (15-16 November) Law Enforcement	21/11/2023	22/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Planned overtime: 16 November (Law Enforcement)	21/11/2023	22/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Planned overtime: 18-19 November (Law Enforcement)	21/11/2023	22/11/2023	Approved

	Finance	Reduction fee: Sportsmans Warehouse Winelands Marathon	22/11/2023	22/11/2023	Approved
TR1	Skills Development Act/NSA	MOA: N Hendricks (Computer), S Mntwini (Advanced driving	22/11/2023	22/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Tax invoice: Premier Express Inn George (R2540.00)	22/11/2023	22/11/2023	Approved
TR1	Skills Development Act/NSA	Training: Self Defence – J Felix	22/11/2023	22/11/2023	Approved
TR1	Skills Development Act/NSA	Training: Self Defence – Traffic Services	22/11/2023	22/11/2023	Approved
TR1	Skills Development Act/NSA	Training: Self Defence – Fire Servicesx2	22/11/2023	22/11/2023	Approved
CM3	Authority to communicate the acceptance of tenders, quotations or offers for the procurement of goods / services i.t.o council's supply chain policy, valued up to R200 000 (vat inclusive)	Questionnaire: Supply and delivery of 4x4 fire fighting vehicle with fully automatic transmission	22/11/2023	22/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Tax invoice 10598: GP Towing (R1700.00)	22/11/2023	22/11/2023	Approved
AD3	General	Approval of advertisement: Operatorx1 Parks Stellenbosch	22/11/2023	22/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Approved overtime and standby matrix: Community Services (December)	23/11/2023	23/11/2023	Approved
MM22	Section 66 (1) (c) Systems Act	Approval of appointment: Seasonal General Workerx2	23/11/2023	23/11/2023	Approved
MM22	Section 66 (1) (c) Systems Act	Approval of appointment: General Worker grass cutting	23/11/2023	23/11/2023	Approved
MM22	Section 66 (1) (c) Systems Act	Approval of appointment: Cashierx2	23/11/2023	23/11/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Tax invoices: Media 24 9R3891 + R8 756.10)	23/11/2023	23/11/2023	Approved
MPF10	MFMA	Approval to utilize pool vehicle from 27/11 until 04/12/2023 (Halls)	23/11/2023	23/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Planned overtime: 17-24 November (Law Enforcement)	27/11/2023	27/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Planned overtime: 25-26 November (Law Enforcement)	27/11/2023	27/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Recommendation letter to extend EPWP contract: S Ntshwanti	27/11/2023	27/11/2023	Approved

	HR	Updating of Payday: M Mzana (Sport)	30/11/2023	30/11/2023	Approved
CM3	Authority to communicate the acceptance of tenders, quotations or offers for the procurement of goods / services i.t.o council's supply chain policy, valued up to R200 000 (vat inclusive)	Request for extension of submission of Tender Specifications for the provision of traffic law enf equipment, back-office systems and related services	30/11/2023	30/11/2023	Approved
CM3	Authority to communicate the acceptance of tenders, quotations or offers for the procurement of goods / services i.t.o council's supply chain policy, valued up to R200 000 (vat inclusive)	Questionnaire: Supply, installation and commissioning as well as maintenance of biometric access....	30/11/2023	30/11/2023	Approved
	EPWP	Request for continuation of the Internal Parking Management Project for Stellenbosch Municipality	30/11/2023	30/11/2023	Approved
MM22	Section 55 (1)(e), Systems Act	Shortlisting: Temporary Lifeguards	30/11/2023	30/11/2023	Approved
MM23	Section 66(1)(c), Systems Act	Acting: R Banies (27/11 – 29/12)	30/11/2023	30/11/2023	Approved
VRP2	Paragraph 6f	Virement: FTE 9R12 500)	30/11/2023	30/11/2023	Supported
HR2	Conditions of Service (SALGBC)	Request for overtime – FOL, URC rugby	30/11/2023	30/11/2023	Approved
TR1	Skills Development Act/NSA	MOA: T Ramat, P Sibanda, N Mngqibisa	30/11/2023	30/11/2023	Approved
	Cost Containment Regulations	S & T: G Solomons (TCF Plettenberg Bay)	30/11/2023	30/11/2023	Approved
CM3	Authority to communicate the acceptance of tenders, quotations or offers for the procurement of goods / services i.t.o council's supply chain policy, valued up to	Questionnaire: Supply and delivery and maintenance of traffic law enf equipment, alcohol testing devices	30/11/2023	30/11/2023	Approved

Delegation	Category	Report Subject and Recommendations	Date Received	Date Resolved	Resolution and Comments (if any)
TR1	Skills Development Act/NSA	MOA: Y Hendricks, G Hansen, G Afrika (Computer Training)	04/11/2023	05/11/2023	Approved
MPF10	MFMA	Approval to utilize a pool vehicle from 5-11 December 2023	04/11/2023	05/11/2023	Approved
HR2	Conditions of Service (SALGBC)	Letter of appointment EPWP contracts: S Tshwili, R Pietersen	07/12/2023	07/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Attendance Register: A van der Merwe	07/12/2023	07/12/2023	Approved
MM22	Section 66 (1) (c) Systems Act	Approval of appointment: Seasonal lifeguardsx2	07/12/2023	07/12/2023	Approved
VRP2	Paragraph 6f	Creation of Ukey: Upgrade of sport facilities	07/12/2023	07/12/2023	Approved
VRP2	Paragraph 6f	Virement: Upgrade of Sport facilities (R212 001.00)	07/12/2023	07/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Updating payday/reporting lines: D Patience	07/12/2023	07/12/2023	Approved
CM3	Authority to communicate the acceptance of tenders, quotations or offers for the procurement of goods / services i.t.o council's supply chain policy, valued up to R200 000 (vat inclusive)	Questionnaire: Installation of Gym Equipment	07/12/2023	07/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Approval for additional overtime hours initiation schools – Cultatta and Franschhoek	07/12/2023	08/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Approval for 20 additional overtime hours – November (Palmer)	07/12/2023	08/12/2023	Approved
VRP2	Paragraph 6f	Creation of Ukey: Sales of goods and rendering of services	07/12/2023	08/12/2023	Approved
VRP2	Paragraph 6f	Virement: FTE (R150 000)	07/12/2023	08/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Planned overtime: Traffic DLTC (December)	11/12/2023	12/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Planned overtime for weekend 2-3 December (Law Enforcement)	11/12/2023	12/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Amended overtime: 21 November (Traffic Services)	11/12/2023	12/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Amended overtime: 8 December (Traffic Services0	11/12/2023	12/12/2023	Approved

HR2	Conditions of Service (SALGBC)	Planned overtime: December (Traffic Admin)	11/12/2023	12/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Planned overtime: 25-26 November (Traffic)	11/12/2023	12/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Planned overtime: Traffic Admin	11/12/2023	12/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Planned overtime: Traffic Admin (R Jacobs)	11/12/2023	12/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Planned overtime: Traffic Admin Court (December)	11/12/2023	12/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Standby: Fire and Disaster (January 2024)	11/12/2023	12/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Standby: Chief Fire and Disaster (January 2024)	11/12/2023	12/12/2023	Approved
VRP2	Paragraph 6f	Virements: Vehicle Fleet Law Enforcement (R2 447 983 + R230 000)	12/12/2023	12/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Overtime exceeding 40 hours November (Parks)	12/12/2023	12/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Planned overtime: 9-10 December 2023 (Law Enforcement)	12/12/2023	12/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Approval to utilize a pool vehicle from 12-19 December 2023	12/12/2023	12/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Tax invoice: Cinnamon Caterers (R16900)	12/12/2023	12/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Letter of appointment EPWP: S Mvubu	12/12/2023	12/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Additional overtime: 9 December (Law Enforcement)	12/12/2023	12/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Replacement for overtime – Fire and Disaster	12/12/2023	12/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Tax invoice: B & J Century Civils (R200 001.10)	12/12/2023	12/12/2023	Approved
MPF10	MFMA	Refund payment Paradyskloof clubhouse (X Mdemka)	12/12/2023	13/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Resignation letters: Z Ngcwazitshe, L van Niekerk	12/12/2023	13/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Tax invoices: ETG (R1975.96 + R2378.15)	13/12/2023	13/12/2023	Approved
TR1	Skills Development Act	Application for Bursary: 2024 studies (D Mfesane)	13/12/2023	14/12/2023	Approved
MM10	Section 55(1)(f)-(h), Systems Act	Formal investigation Report: A Nomeva	13/12/2023	14/12/2023	Approved
MM10	Section 55(1)(f)-(h), Systems Act	Disciplinary Complaint form: M Adams	13/12/2023	14/12/2023	Approved

HR2	Conditions of Service (SALGBC)	Changing/Updating reporting lines: Law Enf	14/12/2023	18/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Termination letter: S Ntshwanti	14/12/2023	18/12/2023	Approved
LEG	General	IEC: Annexure A – Addendums for Eikestad Hall, La Motte, Wemmershoek, Stellenbosch Town Hall, Pniel, Kylemore, Kreefgat, Cloetesville	14/12/2023	18/12/2023	Approved
	Cost Containment Regulations	S & T: A Royi – Western Cape Natis User Group 23-24 November 2023 in Plettenberg Bay	14/12/2023	18/12/2023	Approved
TR1	Skills Development Act/NSA	MOA: P Valentine (Computer Training)	14/12/2023	18/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Attendance Register: M Aalbers (December)	14/12/2023	18/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Termination letter: F Jacques, E Anthony, N Ndelibanzi, B Khadoyi	14/12/2023	18/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Letter of appointment: M Ndelibanzi, F Jacobs, E Anthony, B Khadoyi	14/12/2023	18/12/2023	Approved
MPF10	MFMA	Refund payment: C Dunston	14/12/2023	18/12/2023	Approved
MM23	Section 66(1)(c), Systems Act	Acting: N Pindani (14/12 – 4/01)	14/12/2023	18/12/2023	Approved
MPF10	MFMA	Utilization of pool vehicle – Halls (20/12 – 24/12)	18/12/2023	19/12/2023	Approved
	SCM	MDB Contracts: BSM 85/23	18/12/2023	19/12/2023	Approved
MPF10	MFMA	Refund payment: MRNR (A Stander)	18/12/2023	19/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Planned overtime: 15-7 Dec (Traffic)	19/12/2023	19/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Planned overtime: 16-17 Dec (Law Enf)	19/12/2023	19/12/2023	Approved
HR2	Conditions of Service (SALGBC)	Planned overtime: 15 Dec (Law Enf)	19/12/2023	19/12/2023	Approved
MM82	Section 62(1)(f)(iv), MFMA	Tax invoice: Swey Design (R9999.26)	19/12/2023	19/12/2023	Approved

11.	CONSIDERATION OF ITEMS BY THE EXECUTIVE MAYOR: [ALD G VAN DEVENTER]
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11.1	PROTECTION SERVICES: (PC: CLLR R PHEIFFER)
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NONE

11.2	SPORTS, YOUTH AND CULTURE: [PC: CLLR JC ANTHONY]
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NONE

11.3	CORPORATE SERVICES: (PC: CLLR L NKAMISA)
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11.3.1	POSSIBLE DISPOSAL OF ERF 5 WEMMERSHOEK
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Collaborator No: 761556

IDP KPA Ref No: Good Governance

Meeting Date: 17 January 2024 & 24 January 2024

1. SUBJECT: POSSIBLE DISPOSAL OF ERF 5 WEMMERSHOEK

2. PURPOSE

To obtain Council's in principle approval for the disposal of Erf 5 Wemmershoek.

3. DELEGATED AUTHORITY

For decision by Municipal Council.

4. EXECUTIVE SUMMARY

In 2007 the Cape Winelands Municipality donated several properties in La Motte and Wemmershoek to the Stellenbosch Municipality. Erf 5 Wemmershoek was one of the properties donated in the Deed of Donation and was registered in the name of the Municipality in 2012.

The current zoning of the erf is "Local Business Zone" and the property is situated next to the Community Hall in Wemmershoek.

The erf has always been vacant and several enquiries have been received from the public about the intentions of council with this property. In 2021 the ward councillor for Wemmershoek made a request that this property, amongst others, be considered for disposal by way of tender or public auction. Council must therefore consider the way forward for the erf.

5. RECOMMENDATIONS

- (a) that Council confirms that the property is not needed to provide the minimum basic municipal services; and
- (b) For consideration

6. DISCUSSION / CONTENT**6.1 Background**

Stellenbosch Municipality is the registered owner Erf 5 Wemmershoek situated next to the Community Hall. Attached as **APPENDIX 1** is a WinDeed report as proof of ownership. The municipal valuation for Erf 5 is R 25 000.00.

6.2. DISCUSSION**6.2.1 Location and context**

The property is located next to the Community Hall in Wemmershoek. Council owns several properties in this area. This is a vacant property.



Fig 1. Location



Fig 2. View of Erf

6.2.3 Ownership

The ownership of the property vests with Stellenbosch Municipality by virtue of Title Deed T29444/2012. See copy of Windeed record attached as **APPENDIX 1**.

6.2.4 Legal Framework**6.2.4.1: Municipal Finance management act, no 56 of 2003 (MFMA)**

In terms of section 14(1) of the MFMA “a municipality may not transfer ownership as a result of a sale or other transaction or otherwise permanently dispose of a capital asset needed to provide the minimum level of basic municipal services.”

Further, in terms of sub-section (2)” a municipality may transfer ownership or otherwise dispose of a capital asset other than one contemplated in subsection (1), but only after the municipal council, in a meeting open to the public—

- (a) has decided on reasonable grounds that the asset is not needed to provide the minimum level of basic municipal services; and
- (b) has considered the fair market value of the asset and the economic and community value to be received in exchange for the asset.”

In terms of subsection (5) “any transfer of ownership of a capital asset in terms of subsection (2) must be fair, equitable, transparent, competitive and consistent with the supply chain management policy which the municipality must have and maintain in terms of section 111.”

6.2.4.2 Municipal Asset Transfer Regulations(ATR)

In terms of Regulation 5 of the ATR :-

- “1) A municipality may transfer or dispose of a non-exempted capital asset only after—
- (a) the accounting officer has in terms of regulation 6 conducted a public participation process to facilitate the determinations a municipal council must make in terms of section 14(2)(a) and (b) of the Act; and
- (b) the municipal council—
 - (i) has made the determinations required by section 14(2)(a) and (b)* and
 - (ii) has as a consequence of those determinations approved in principle that the capital asset may be transferred or disposed of.
- (2) Sub-regulation (1)(a) must be complied with only if the capital asset proposed to be transferred or disposed of is a high value *capital asset.

* i.e. in excess of R50M

6.2.4.3 Property Management Policy

In terms of par.7.2.1of the policy, “**unless otherwise provided for in this policy***, the disposal of Viable Immovable property shall be effected-

- (a) by means of a process of **public competition**; and
- (b) **at market value** except when the public interest or the plight of the poor demands

Further, in terms of par.7.2.3, before alienating Immovable property or rights in Immovable property the Municipality shall be satisfied that **alienation is the appropriate methodology and that reasonable economic, environmental and social return cannot be derived whilst ownership of the Immovable property or Property rights is retained by the Municipality.**

In term of par.9.1 of the Policy, the Municipality may use any of the following methods, depending on the circumstances pertaining the specific Immovable property:

- a) *The type of a formal tender may vary, depending on the nature of the transaction:*
 - i) *Outright tender may be appropriate where the Immovable property ownership is not complex, and the Municipality is seeking obligations to be placed on the successful tenderer which are clear and capable of specification in advance.*
 - ii) *Qualified tenders/call for proposals will be appropriate where the Immovable property ownership position is complex or the development proposals for the Immovable property are insufficiently identified or otherwise incapable of detailed specification at the pre-tender stage.*
 - iii) *Call for proposals on a build-operate transfer (B.O.T) basis will be used if a developer is required to undertake the construction, including the financing, of a facility on Municipal-owned land, and the operation and maintenance thereof. The developer operates the facility over a fixed term during which it is allowed to charge facility users appropriate fees, rentals and charges not exceeding those proposed in its bid or as negotiated and incorporated in the contract, to enable the developer to recover its investment and operating and maintenance expenses in the project. The developer transfers the facility to the municipality at the end of the fixed term.*
- b) *The nature of the formal tender process is that a legally binding relationship is formed between the parties when the Municipality accepts a tender in writing. It is essential therefore, that every aspect of the disposal is specified in the tender documents. The tender documents could include a contract for sale or lease which could be completed with the tenderer's details, the tender price and be signed by the tenderer. A binding legal agreement is created upon the acceptance in writing of a tender by the Municipality.*
- c) *Such a process may, depending on the nature of the transaction, include a two-stage or two- envelope bidding process (proposal call) in terms of which only those bidders that meet the pre-qualification criteria specified in the first stage are entitled to participate in the second stage.*

Should Council approve the disposal of the erf by way of public auction a reserve price must be determined by an independent valuator;

The buyer will be responsible for the payment of the costs for the transfer and possible rezoning of the property;

The item will be returned to council after the auction for a final decision.

It is recommended that a provision be built in that the successful bidder has to take occupation and transfer of the property within 6 months after the auction has been finalised.

6.3 Financial Implications

The disposal is recommended on market related prices set as a reserved price.

The municipal value of the entire property is R 25 000.00 and a valuator will have to be appointed to determine the value of the specific portion. The valuation report will be paid by the municipality.

6.4 Legal Implications

All legal implications have been addressed in the item.

6.5 Staff Implications

No additional staff implications.

6.6 Previous / Relevant Council Resolutions

None.

6.7 Risk Implications

Addressed in the item.

6.8 Comments from Senior Management

The item has not been circulated yet.

RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2024-01-17: ITEM 7.3.2

- (a) that Council confirms that the property is not needed to provide the minimum basic municipal services;
- (b) that Council in principle approve the disposal of erf 5 Wemmershoek through a public auction; and
- (c) that a valuation be obtained to be used as the reserve price for the auction process.

ANNEXURES

Appendix 1: Windeed Erf 5 Wemmershoek

FOR FURTHER DETAILS CONTACT:

NAME	Annalene de Beer
POSITION	Director
DIRECTORATE	Corporate Services
CONTACT NUMBERS	021-8088018
E-MAIL ADDRESS	annalene.debeer@stellenbosch.gov.za
REPORT DATE	11/01/2024

APPENDIX 1

WinDeed Database D/O Property

WEMMERSHOEK, 5, 0, CAPE TOWN

Lexis® WinDeed



Any personal information obtained from this search will only be used as per the Terms and Conditions agreed to and in accordance with applicable data protection laws including the Protection of Personal Information Act, 2013 (POPI), and shall not be used for marketing purposes.

SEARCH CRITERIA

Search Date	2023/08/23 08:25	Erf Number	5
Reference	-	Portion Number	-
Report Print Date	2023/08/23 08:25	Township Remaining Extent	NO
Township	WEMMERSHOEK	Search Source	WinDeed Database
Deeds Office	Cape Town		

PROPERTY INFORMATION

Property Type	ERF	Diagram Deed Number	T29444/2012
Township	WEMMERSHOEK	Local Authority	STELLENBOSCH MUN
Erf Number	5	Province	WESTERN CAPE
Portion Number	0	Remaining Extent	NO
Registration Division	PAARL RD	Extent	517.0000SQM
Previous Description	-	LPI Code	C05500180000000500000

OWNER INFORMATION (1)

MUN STELLENBOSCH		Owner 1 of 1	
Company Type	LOCAL AUTHORITY	Document	T29444/2012
Registration Number	-	Microfilm / Scanned Date	-
Name	MUN STELLENBOSCH	Purchase Price (R)	1
Multiple Owners	NO	Purchase Date	2007/05/31
Multiple Properties	NO	Registration Date	2012/06/19
Share (%)	-		

ENDORSEMENTS (1)

#	Document	Institution	Amount (R)	Microfilm / Scanned Date
1	GENERAL PLAN FROM	TOWN WEMMERSHOEK ,ERF 2 ,PRTN	-	0000000000 00 *

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11.4	FINANCIAL SERVICES: (PC: CLLR J FASSER)
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NONE

11.5	HUMAN SETTLEMENTS: (PC: CLLR R DU TOIT)
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NONE

11.6	INFRASTRUCTURE SERVICES : (PC : CLLR P JOHNSON)
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NONE

11.7	PARKS, OPEN SPACES AND ENVIRONMENT: (PC: J WILLIAMS)
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NONE

11.8	PLANNING AND LOCAL ECONOMIC DEVELOPMENT AND TOURISM: (PC: CLLR C VAN WYK)
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NONE

11.9	COMMUNITY SERVICES:(PC: CLLR X KALIPA)
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NONE

11.10	RURAL MANAGEMENT: (PC: CLLR J JOON)
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NONE

11.11	MUNICIPAL MANAGER
11.11.1	MUNICIPAL PARTNERSHIP FOR HUMAN RIGHTS: PROGRESS REPORT BY THE MUNICIPAL MANAGER

Collaborator No:

IDP KPA Ref No: Good Governance and Compliance

Meeting Date: 17 January 2024 & 24 January 2024

1. SUBJECT: MUNICIPAL PARTNERSHIP FOR HUMAN RIGHTS: PROGRESS REPORT BY THE MUNICIPAL MANAGER

2. PURPOSE

- 2.1 To report to Council in terms of Council Item 11.11.1 of the 17th Council meeting of 25 October 2023 . See attached **ANNEXURE 1**, in particular reference to resolution and resolution (g), respectively of the minutes of this meeting.

Resolution (d): “that Council take note of the Municipal Manager’s progress report / feedback .”

Resolution (g): “That Council re-evaluate and confirm the delegates / representatives from Stellenbosch Municipality that will serve on the Steering Group created by the multi-year agreement, by no later than end January of every calender year.”

To report on the procedure as suggested by ICLD on how to implement Resolution (g) See attached **ANNEXURE 2**.

- 2.2 To bring to Council’s attention the proposed pilot project for the upgrading / re-imagining of the Upper George Blake Avenue area.

3. DELEGATED AUTHORITY

Council.

4. EXECUTIVE SUMMARY

Stellenbosch Municipality entered into a partnership agreement with Jönköping Municipality on the topic of Human Rights on 17 December 2020, which culminated in a multi-year agreement in December 2022. Therefore, and in accordance with the reporting standards created in the preceding years, the Municipal Manager must provide an annual report and / or alternatively an interim progress report to Council (as and when required), detailing the relevant activities undertaken during the reporting period.

The feedback to Council will deal with the following:

- 4.1 Visit by representatives from Stellenbosch Municipality to Jönköping Municipality;
- 4.2 Report on Steering Group / Committee meetings and activities;
- 4.3 Proposals for the multi-year programme;

-
- 4.4 The conclusion of the International Training Programme of Swedish International Centre for Local Democracy;
 - 4.5 The alignment of the municipal partnership programme with the; Stellenbosch Municipality's Employee Wellness Programme; and
 - 4.6 Pilot Project – Upper George Blake Avenue - Urban and Social Revitalisation Project

5. RECOMMENDATIONS

- (a) that Council takes note of the visit by representatives of Stellenbosch Municipality to Jönköping Municipality during December 2023;
- (b) that Council take note of the Municipal Manager's progress report / feedback dated 25 October 2023;
- (c) that Council takes note of the integration between the Employee Wellness Programme (EWP) and the Municipal Partnership Programme (MPP);
- (d) that Council takes note of the guidelines by ICLD for changing Steering Group members;
- (e) that Council re-evaluate and confirm the delegates / representatives from Stellenbosch Municipality that will serve on the Steering Group created by the multi-year agreement, by no later than end January of every calendar year;
- (f) that Council takes cognizance that the ICLD requires an annual inter-partnership visit, i.e. that Stellenbosch Municipality visits Jönköping Municipality in Sweden once a year for the duration of the multi-year programme; and
- (g) that Council takes note of the proposed pilot project for upgrading / re-imagining of the Upper George Blake Avenue (RUGBA) area.

6. DISCUSSION / CONTENTS

6.1 Background

Abbreviations

ATC	-	Adam Tas Corridor
GBA	-	George Blake Avenue
ICLD	-	Swedish International Centre for Local Democracy
ITP	-	International Training Programme
NS	-	NORMSTORM
GBP	-	Gender Based Planning
EWP	-	Employee Wellness Programme
MPP	-	Municipal Partnership Programme
SDG	-	Sustainable Development Goal

6.1.1 Stellenbosch Municipality visit to Jönköping Municipality

Representatives from Stellenbosch Municipality visited Jönköping Municipality during December 2023. The visit started off with a shock to the system, as the representatives left South Africa as the longest day (continuous daylight) approached with average daily temperatures above 30 degree Celsius. They were met with days with 4-5 hours of daylight and temperatures that maxed out around zero (0) degrees Celsius.

Notwithstanding, the Swedes had a full programme planned which centered around gender issues and energy. This visit included visits to NGO's that concentrated on gender issues as well as assisting refugees and asylum seekers in Sweden. A special needs children's school was also part of the visit and the stark contrast between our education opportunity and that of the Swedes was almost tangibly visible.

The visit also concentrated on energy, in particular what steps the Swedes have taken to obtain energy from waste and other alternative sources. It was abundantly clear that the Swedes could not rely on sunlight as a source of alternative energy. According to them, the battery technology necessary to maximise the type of energy has not been developed yet and therefore this type of energy is not a viable option for the Swedes.

6.1.2 Swedish International Centre for Local Democracy guidelines for changing Steering Committee Member

6.2 Background on Steering Group

ICLD requires the municipal partnership to operate on 2 levels, i.e. the Project level and the Steering Group (SG) level. The project level reports to the SG. Therefore, in essence the Steering Group plays an oversight and guiding role to the various project groups. Thus, a SG can manage several projects. For example, in our municipal partnership one project would be the interpretation and implementation of NORMSTORM concept in collaboration with various stakeholders and the collaboration of ideas and best practices with respect to energy.

6.3 ICLD guidelines on Steering Groups

ICLD's primary guideline for SG formation by the respective municipalities is as follows:

- i that a member from the ruling party is selected to serve on the SG
- ii that a member from the official opposition party is selected to serve on the SG
- iii that these members are preferably female
- iv that 2 members from the administration is selected, and that at least one (1) of these members is a female.
- v Refer 40th Council Meeting dated 27 January 2021 Item 11.10.2 for the adoption and implementation of the above-mentioned ICLD guidelines.

6.4 ICLD's clarification correspondence

As can be observed from the above, the original guideline did not specify how a change in SG members can be effected and accordingly ICLD was requested to provide some clarity on the matter (**ANNEXURE 2**), as well as the extract from the ICLD feedback hereunder. The ICLD confirmed that a change can be effected, however:

- i the change should be in collaboration with ICLD and

- ii that ICLD must approve the change.

Extract 1: Guideline regarding SG's from ICLD

Recommendation

ICLD recommends that the steering group are intact during the whole implementation period of the project. The ones that are engaged from the start has a better understanding of the project and have been participating in the process until the current state of the project.

The success of the project is essential for the progress and development of the municipalities involved, and the network of steering group members are also affecting the results of all partnerships engaged in the network for a positive change for the citizens.

In case the municipality need to change a member in the steering group it requires a close dialogue with ICLD and the partner municipality, to make sure the change will contribute to the results needed in the network. ICLD must approve the change in writing to the region/municipality before implementation.

Your sincerely


Johan Lilja
Secretary General - ICLD

6.5 SM Interpretation of the Guideline

It is the view of Stellenbosch Municipality that ICLD must only be informed of the name change or representative change and that Stellenbosch Municipality deals with the vetting of the representatives in terms of the ICLD guidelines and confirms the selection through a Council meeting prior to the end of January of every calender year (**ANNEXURE 1**).

It is therefore proposed that the guideline be changed as follows:

- i. that ICLD is informed (timeously) of the change and
- ii. that ICLD is provided with reasons for the change.
- iii that ICLD endorses the change as provided by the relevant local authority

6.6 Stellenbosch scenario

Proposed interventions and programmes that Stellenbosch Municipality will / must undertake in collaboration with Jönköping Municipalilty.

Table 1: Short-term interventions

1. Convince ICLD that the final conference must be held in Stellenboch
2. SG to visit a Ward meeting;
3. It was requested that a public meeting must be attended by the SG (if a public meeting has been arranged for the period of their next visit);

4. SG requests attendance to a Council meeting (preferably the meeting of February 2024);
5. Walk through the the Upper George Blake area;
6. Attendance to the Street Soiree;
7. SG meeting in February 2024;
8. Discussion on the follow up meeting for representatives to visit the Swedish Municipality.

6.7 Draft implementation strategy (Stellenbosch Municipality)

Table 2: Medium-term interventions

Driving the RUGBA, i.e. re-imagining the upper George Blake Avenue area.

The Swedish International Centre for Local Democracy requires that, once the Inception Phase of a municipal partnership has commenced, the partnering municipalities must visit each other to determine if the match between the municipalities can result in a plausible future relationship. If the municipality are a match they should visit each other annually. It was therefore incumbent for Jönköping Municipality to visit Stellenbosch Municipality and *visa versa* in order to ascertain if the above is achievable and sustainable.

6.7.1 Employee Wellness Programme

The Employee Wellness Programme is a key element of the municipal collaboration. It is with keen interest that our Swedish counterparts are observing this programme from abroad especially the intertwining of gender matters in the workplace, as well as in less stressed environments such as the Employee Wellness Day activities.

Zumba

The Wellness Day was held on 1 December 2023, and it had a very specific and tangible gender focus. The Wellness Day to some extent concentrated on breaking down gender barriers and norms and one of the successes of this day has been the Zumba dancing event. This type of dancing / fitness regime is “normally” associated with females; however, the male employee population emphatically broke down this gender biased barrier.

In-her-shoes (GBV)

The second gender barrier breaker could however not be implemented, mainly because of poor comprehension, insufficient marketing and surprisingly age-old gender biases. The idea was that predominantly heterosexual males would wear woman’s high heeled shoes as part of the EWP day to underscore the phrase “**in-her-shoes**”. It is suspected that this would create a lighter moment, but more important address or make aware the seriousness of the GBV issues.

The original date of the EWP had to be cancelled as a result of the storm(s) in August 2023 and the damages that was experienced in the Western Cape area. The resultant mop up operations had to take priority over the EWP.

6.8 Alternative Energy

Stellenbosch Municipality representatives met with representatives of Jönköping Energi. The latter is the energy company of the Jönköping municipality. One of the interesting things undertaken by the Jönköping Municipality that the combination of heating, electricity and the provision of fibre by the municipality. The Jönköping Municipality generates up to 30% of their energy by means of alternative energy sources. Most of the energy derives through the incineration of household waste.

Creating heat is a by-product of this process. This heat is also sold to the public as heating in their winter and cooling in their summer. During the visit it was indicated that the municipality also buys biomass and household waste from neighbouring countries in order meet their incineration requirements and accordingly their energy needs. There are several programmes in operation dealing with the collection and recycling of the waste as a product of energy.

6.9 Waste Management

The Swedes and recycling are synonymous. There are all kinds of recycling happening across the country especially in Jönköping Municipality in particular. Their Waste Management Systems are impeccable and a study of these systems as a best practice could be undertaken.

They have for example a multi-bin system that is premised on sorting at the source. Moreover, this system is supported by a system of fines for transgressing the waste collection service. According to the representatives the number of fines has significantly tapered down as the populace begins to understand the system.

6.10 Pilot Project – Re-imagining Upper George Blake Avenue (RUGBA) Urban and Social Revitalisation Project

George Blake Avenue (GBA) links Kayamandi to the Adam Tas Corridor (ATC) development. The ATC is the primary development corridor for Stellenbosch Municipality for the foreseeable future. GBA is the secondary vehicular movement link between Kayamandi and Stellenbosch Town Centre. It is however the primary pedestrian link between Kayamandi and Stellenbosch Town centre.

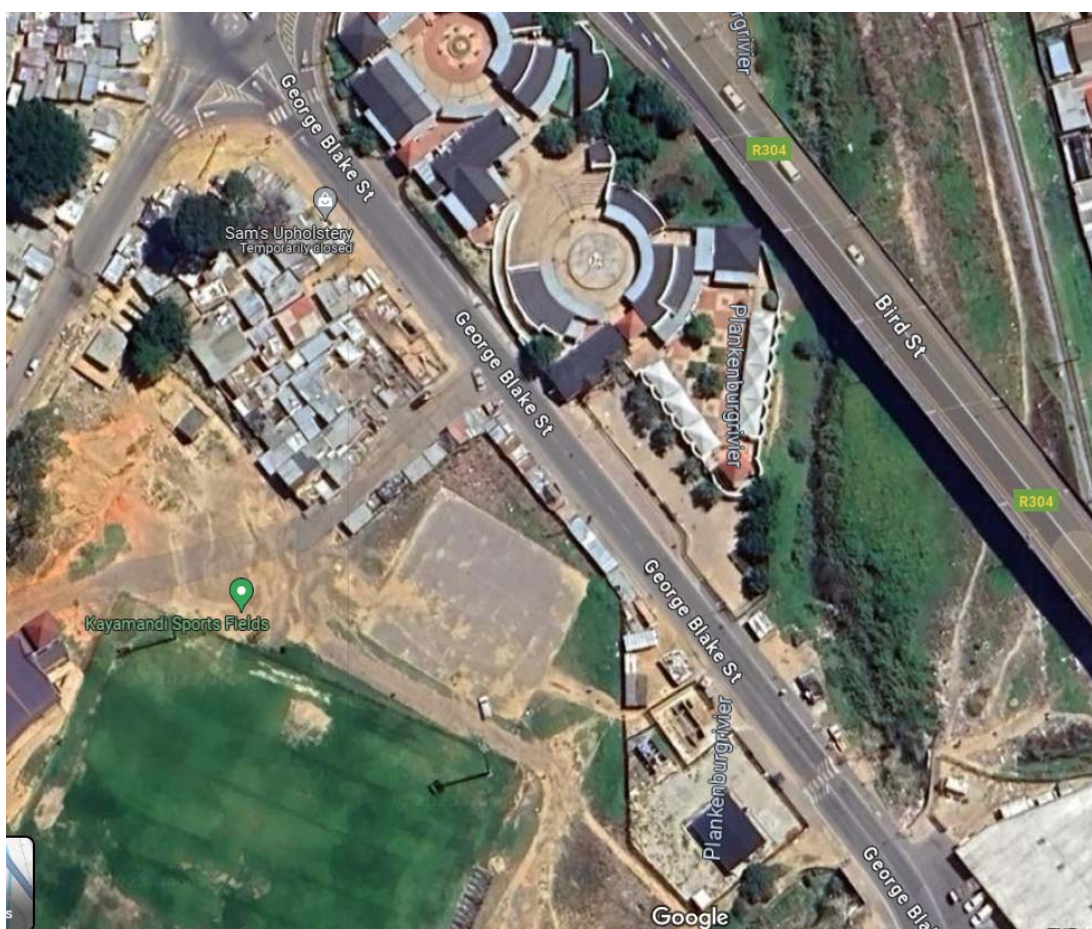
The GBA precinct however consists of various planning sections with diverse needs and requirements. The partnership seeks to concentrate its pilot project in the upper GBA area, i.e. between the pedestrian crossing and the circle (see image below).

It is the understanding that there are several (as yet unconfirmed) organisations that are interested working in this particular section of the GBA. It is therefore proposed that these organisations are brought into the fold and that a joint and collaborative effort is made to the upgrading of the Upper GBA area.

In essence the proposed pilot project draws its development principles from the ATC and the just energy transition concept. The proposal includes the deployment of solar lighting panels, integrated with a message board that portrays a GBV message. The full detail and design of the solar lighting and message board has not been finalised and will be presented to Council in a follow-up progress report or a dedicated Council item.

It is understood that this is a complex project with various dynamics that will play out over time. Therefore, the project will in all likelihood be subdivided into smaller projects in order to achieve the partnership goals and also to give the community a chance to adapt to and accept the proposals.

Image1: Upper George Blake Area



6.11 Way Forward

- It is proposed that all Ward meetings must henceforth have an item on GBV;
- That the representatives attend the Swedish International Centre for Local Democracy required visits to Jönköping in Sweden as part of the multi-year programme;
- An item will be annually submitted to Council will include amongst others the revised MOU, the annual revision of delegates / representatives;
- That the GBA project be accepted by Council in principle.

Image 2: View from the turning circle in Upper George Blake Avenue towards the pedestrian crossing and Stellenbosch Town centre.



7. **Financial Implications**

None. Swedish International Centre for Local Democracy covers all costs directly associated to the project(s), as well as the cost for accommodation and travelling as and when required.

8. **Legal Implications**

None

9. **Staff Implications**

None

6.10 **Previous / Relevant Council Resolutions**

17TH COUNCIL MEETING: 2023-10-25: ITEM 11.11.1

RESOLVED (nem con)

- (a) that Council takes note of the visit by representatives of Jönköping Municipality during February 2023;
- (b) that Council takes note of the visit to Gaborone Botswana during March 2023 by a delegation from Stellenbosch Municipality as part of the International Training Programme;
- (c) that Council takes note of the training in Lusaka, Zambia during December 2022 and October 2023 by a delegation from Stellenbosch Municipality as part of the International Training Programme;
- (d) that Council takes note of the Municipal Manager's progress report / feedback;
- (e) that Council takes note of the approval multi-year application by Swedish International Centre for Local Democracy; and

-
- (f) that Council takes note of the integration between the Employee Wellness Programme and the Municipal Partnership Programme.
 - (g) that Council re-evaluate and confirm the delegates / representatives from Stellenbosch Municipality that will serve on the Steering Group created by the multi-year agreement, by no later than end January of every calendar year.
 - (h) that Council takes cognizance that the International Centre for Local Democracy requires an annual inter-partnership visit, i.e., that Stellenbosch Municipality visits Jönköping Municipality in Sweden once a year for the duration of the multi-year programme.

8TH COUNCIL MEETING: 2022-10-26: ITEM 13.5**RESOLVED (nem con)**

- (a) that Council takes note of the visit to Jönköping Municipality by a delegation from Stellenbosch Municipality;
- (b) that Council takes note of the visit to Lund Municipality by a delegation from Stellenbosch Municipality as part of the International training programme;
- (c) that Council takes note of the Municipal Manager's progress report / feedback;
- (d) that Council takes note for the multi-year application;
- (e) that the Municipal Manager submits an updated (interim) report to Council as soon as the final application to the International Commission for Local Democracy is approved by the latter;
- (f) that the possibility of a Twinning Agreement be investigated and the results be reported to Council; and
- (g) that Council takes note of the training in Lusaka, Zambia during December 2022.

3RD COUNCIL MEETING: 2022-03-30: ITEM 11.11.7**RESOLVED (nem con)**

- (a) that Council takes note of the Municipal Manager's progress report / feedback;
- (b) that Council take note of the visit to Stellenbosch Municipality by a delegation of from Jönköping Municipality;
- (c) that the Municipal Manager submits an updated report to Council as soon as the final application to Swedish International Centre for Local Democracy is approved by the latter; and
- (d) that Council appoints the following office bearers, as representatives to the Swedish International Centre for Local Democracy:
 - (i) Cllr Z Dalling (Ms)
 - (ii) Cllr M Nkopane (Ms)

40th COUNCIL MEETING: 2021-01-27: ITEM 11.10.2**RESOLVED (majority vote)**

- a) that Council takes note of the requirement to identify and confirm the appointment of two (2) suitable Councillors to represent the Municipality in this partnership;
- b) that Council takes note of the requirements to identify and confirm the appointment of two (2) suitable Officials to represent the Municipality in this partnership;
- c) that Council takes note that the traveling and accommodations requirements for the four (4) staff members will be covered by Swedish International Centre for Local Democracy;
- d) that Council takes note of the fact that there currently are international travel restrictions in place as a result of the ongoing Covid 19 pandemic;
- e) that Council confirms the appointment of Cllrs WC Petersen (Ms) and Z Dalling (Ms) – with Cllr E Groenewald (Ms) to be second- to represent the Municipality in this partnership, who's particulars will be recorded in the Inception Application; and
- f) that Council confirms the appointment of the Municipal Manager, Ms Geraldine Mettler, and the Manager: Housing Administration, Ms Rotanda Swartbooi, as the two (2) suitable Officials to represent the Municipality in this partnership.

39th COUNCIL MEETING: 2020-11-25: ITEM 11.10.1

During deliberation on the matter, Cllr P Sitshoti (Ms) requested that the topic of Human Rights be discussed with Council before the partnership is undertaken. The Speaker replied that her request is NOTED.

RESOLVED (majority vote with 1 abstention)

- a) that Council notes the invitation by ICLD annexed hereto as "**APPENDIX 1**";
- b) that Council approves that Stellenbosch Municipality enters into a partnership with a Swedish Municipality on the topic of Human Rights;
- c) that the Municipal Manager be authorized to negotiate the terms of the partnership agreement with the identified Swedish Municipality as per the requirements of the Inception Phase of the partnership; and
- d) that the Municipal Manager submits a report to Council subsequent to the conclusion of the Inception Phase, i.e. after one (1) year or as soon as practically possible thereafter.

6.11 Risk Implications

This report has no risk implications for the Municipality.

6.12 Comments from Senior Management

No comments required.

RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2024-01-17: ITEM 7.11.1

- (a) that Council takes note of the visit by representatives of Stellenbosch Municipality to Jönköping Municipality during December 2023;
- (b) that Council takes note of the Municipal Manager's progress report / feedback dated 25 October 2023;
- (c) that Council takes note of the integration between the Employee Wellness Programme (EWP) and the Municipal Partnership Programme (MPP);
- (d) that Council takes note of the guidelines by ICLD for changing Steering Group members;
- (e) that Council re-evaluate and confirm the delegates / representatives from Stellenbosch Municipality that will serve on the Steering Group created by the multi-year agreement, by no later than end January of every calendar year;
- (f) that Council takes cognizance that the ICLD requires an annual inter-partnership visit, i.e. that Stellenbosch Municipality visits Jönköping Municipality in Sweden once a year for the duration of the multi-year programme; and
- (g) that Council takes note of the proposed pilot project for upgrading / re-imagining of the Upper George Blake Avenue (RUGBA) area.

ANNEXURES**ANNEXURE 1** – Minutes of 17th Meeting of Council: 2023-10-25: Item 11.11.1**ANNEXURE 2** - Change of Steering Group Members**FOR FURTHER DETAILS CONTACT:**

<i>NAME</i>	<i>Geraldine Mettler</i>
<i>POSITION</i>	<i>Municipal Manager</i>
<i>DIRECTORATE</i>	<i>Municipal Manager</i>
<i>CONTACT NUMBERS</i>	<i>021- 808 8025</i>
<i>E-MAIL ADDRESS</i>	<i>municipal.manager@stellenbosch.gov.za</i>
<i>REPORT DATE</i>	<i>2024-01-04</i>

ANNEXURE 1

11.11	MUNICIPAL MANAGER
11.11.1	MUNICIPAL PARTNERSHIP FOR HUMAN RIGHTS: PROGRESS REPORT BY THE MUNICIPAL MANAGER

Collaborator No: 11/2/5/2/2

IDP KPA Ref No: Good governance and compliance

Meeting Date: Mayco: 11 October 2023 & 17th Council: 25 October 2023

1. SUBJECT: MUNICIPAL PARTNERSHIP FOR HUMAN RIGHTS: PROGRESS REPORT BY THE MUNICIPAL MANAGER

2. PURPOSE

To report to Council in terms of Council Item 13.5 of the 8th Council meeting of 26 October 2022 . See attached **ANNEXURE 1**, in particular reference to resolution (e) of the minutes of this meeting.

Resolution (e): “that the Municipal Manager submits an updated (interim) report to Council as soon as the final application to Swedish International Centre for Local Democracy (ICLD) is approved by the latter.”

3. DELEGATED AUTHORITY

Council.

4. EXECUTIVE SUMMARY

Stellenbosch Municipality entered into a partnership agreement with Jönköping Municipality on the topic of Human Rights on 17 December 2020, which culminated in a multi-year agreement in December 2022. Therefore, and in accordance with the reporting standards created in the preceding years, the Municipal Manager must provide an annual report to Council, detailing the relevant activities undertaken during the reporting period.

The feedback to Council will deal with the following:

- 4.1 The conclusion of the Inception Phase of the Swedish International Centre for Local Democracy Programme;
- 4.2 The application to the Swedish International Centre for Local Democracy for a multi-year project;
- 4.3 Visit by representatives from Jönköping Municipality;
- 4.4 Establishment of a Steering Group / Committee;
- 4.5 Proposals for the multi-year programme;
- 4.6 The International Training Programme of Swedish International Centre for Local Democracy;
- 4.7 The alignment of the municipal partnership programme with the Stellenbosch Municipality’s Employee Wellness Programme; and
- 4.8 Visit to neighbouring countries by representatives from the Stellenbosch Municipality (in accordance with the International Training Programme).

17TH COUNCIL MEETING: 2023-10-25: ITEM 11.11.1**RESOLVED** (nem con)

- (a) that Council takes note of the visit by representatives of Jönköping Municipality during February 2023;
- (b) that Council takes note of the visit to Gaborone Botswana during March 2023 by a delegation from Stellenbosch Municipality as part of the International Training Programme;
- (c) that Council takes note of the training in Lusaka, Zambia during December 2022 and October 2023 by a delegation from Stellenbosch Municipality as part of the International Training Programme;
- (d) that Council takes note of the Municipal Manager's progress report / feedback;
- (e) that Council takes note of the approval multi-year application by Swedish International Centre for Local Democracy; and
- (f) that Council takes note of the integration between the Employee Wellness Programme and the Municipal Partnership Programme.
- (g) that Council re-evaluate and confirm the delegates / representatives from Stellenbosch Municipality that will serve on the Steering Group created by the multi-year agreement, by no later than end January of every calendar year.
- (h) that Council takes cognizance that the International Centre for Local Democracy requires an annual inter-partnership visit, i.e., that Stellenbosch Municipality visits Jönköping Municipality in Sweden once a year for the duration of the multi-year programme.

FOR FURTHER DETAILS CONTACT:

NAME	Geraldine Mettler
POSITION	Municipal Manager
DIRECTORATE	Municipal Manager
CONTACT NUMBERS	021- 808 8025
E-MAIL ADDRESS	municipal.manager@stellenbosch.gov.za
REPORT DATE	2023-10-18

ANNEXURE 2

Change of Steering Group Members

Introduction

In cases when the municipality want to change members in the steering group, ICLD are referring to the guidelines that the municipality in its contract need to adhere to. It requires a formal decision from the municipality with valid arguments to replace the current members in the steering group. All this is to avoid any decision that goes against the condition against anti corruption set by Sida.

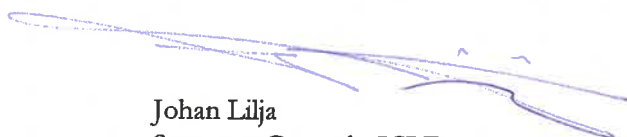
Recommendation

ICLD recommends that the steering group are intact during the whole implementation period of the project. The ones that are engaged from the start has a better understanding of the project and have been participating in the process until the current state of the project.

The success of the project is essential for the progress and development of the municipalities involved, and the network of steering group members are also affecting the results of all partnerships engaged in the network for a positive change for the citizens.

In case the municipality need to change a member in the steering group it requires a close dialogue with ICLD and the partner municipality, to make sure the change will contribute to the results needed in the network. ICLD must approve the change in writing to the region/municipality before implementation.

Your sincerely



Johan Lilja
Secretary General - ICLD

12.	MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC): [CLLR WF PIETERSEN]
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NONE

13.	REPORTS BY THE MUNICIPAL MANAGER
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13.1	CIRCULAR 1/2024: OUTCOMES OF MUNICIPAL BOUNDARY REDETERMINATION PROPOSALS AS DECIDED BY THE MUNICIPAL DEMARCATION BOARD IN TERMS OF THE LCOAL GOVERNMENT: MUNICIPAL DEMARCATION ACT, ACT NO. 27 OF 1998
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Collaborator No:

IDP KPA Ref No: Good Governance

Meeting Date: 24 January 2024

1. SUBJECT: CIRCULAR 1/2024: OUTCOMES OF MUNICIPAL BOUNDARY REDETERMINATION PROPOSALS AS DECIDED BY THE MUNICIPAL DEMARCATION BOARD IN TERMS OF THE LCOAL GOVERNMENT: MUNICIPAL DEMARCATION ACT, ACT NO. 27 OF 1998

2. PURPOSE

To provide Council with an update regarding the municipal boundary determination process, following the consideration of public meetings and formal investigations in terms of Local Government: Municipal Demarcation Act, Act No. 27 of 1998 ("MDA"), and to provide information in respect of the publication of notices in the Provincial Gazette regarding the boundaries as redetermined by the MDB in terms of Section 21 of the MDA.

This report aims to provide Council with the outcomes / decisions made by the Municipal Demarcation Board ("MDB") in respect of the three (3) submissions affecting Stellenbosch Municipality.

3. DELEGATED AUTHORITY

Council.

4. EXECUTIVE SUMMARY

The Municipal Demarcation Board (MDB) initiated the process of municipal boundary redetermination and three (3) proposals were submitted from the public – including the municipality – for consideration during May 2023 and the municipality supported the two proposals contained in DEM8250 (Stellenbosch Municipality submission) and DEM 8252 (City of Cape Town submission); and objects to DEM8251 (private submission).

The MDB conducted formal investigations and public hearing during August 2023 to October 2023 on the proposed municipal boundary re-determinations.

The MDB issued its decision in this regard, which have been published in the Provincial Gazette from 12 January 2024.

5. RECOMMENDATIONS

- (a) that Council **takes note** of MDB Circular 1/2024 and the extract of Annexure A to this Circular related to the outcomes the Municipal Boundary Redetermination Proposals that have an impact on Stellenbosch Municipality, attached as **Appendices 1 and 2 respectively**;
- (b) that Council **take note** of the resolution of the Municipal Demarcation Board (“MDB”) **TO NOT PROCEED** to Section 21 of the MDA, in respect of DEM8250 related to the inclusion of Klapmuts North into the Stellenbosch Municipal Area, as the proposal does not meet the demarcation criteria, thereby not supporting the Municipality’s submission, copy of outcome attached as **Appendix 2**;
- (c) that Council **take note** of the reasons for the above outcome (DEM8250) as requested by the Department, that was submitted on 16 January 2024, copy attached as **Appendix 3**;
- (d) that Council **take note** of the resolution of the Municipal Demarcation Board (“MDB”) **TO NOT PROCEED** to Section 21 of the MDA, in respect of DEM8251 related to a public received proposal to include a portion of the Farm Hazendal No. 222, located within the City of Cape Town into the Stellenbosch Municipal Area, as the proposal does not meet the demarcation criteria, thereby not supporting the submission of members of the public, see **Appendix 2**;
- (e) that Council **take note** that the above proposal DEM8251, was not supported by Council and the decision is therefore in accordance with the Council resolution at its 13th Council Meeting dated 26 April 2023 to object to this proposal;
- (f) that Council **take note** of the resolution of the Municipal Demarcation Board (“MDB”) **TO PROCEED** to Section 21 of the MDA, in respect of DEM8252 related to a submission of the City of Cape Town to exclude Farm 115, Stellenbosch Division from Stellenbosch Municipality and to include the property into the City of Cape Town, see **Appendix 2**. This submission was supported by Council and is therefore in accordance with the Council resolution at its 13th Council Meeting dated 26 April 2023;
- (g) that Council **take note** that the above submission, DEM8252 will be published in the Provincial Gazette for objections;
- (h) that Council also **take note** the **objection period** for the decisions from the MDB is 30 calendar days from the date of publication within the Provincial Gazette, therefore such objections must reach the MDB **by no later than 10 February 2024**. The published notice will provide the modes of communication to be used for the objection process.

6. DISCUSSION / CONTENTS

6.1. Background

The Municipal Demarcation Board (MDB) determines municipal boundaries in terms of the Municipal Demarcation Act (No. 27 of 1998), and the process was opened for the municipal boundary redetermination process in November 2021. The period for submission of proposals closed on 31 March 2022 during which various proposals relating to the Stellenbosch municipal boundary was received from the public and the municipality itself.

The MDB analysed and categorized the proposals submitted and determined that three (3) proposals - including the municipal submission - will be considered in terms of Section 26 of the MDA for the Stellenbosch municipal boundary redetermination.

The section 26 notice was published on 30 March 2023 in the newspapers with a closing date for providing inputs on or before 30 April 2023.

Between August 2023 and October 202, the MDB conducted formal investigations and public meetings regarding the submissions and the Department's Representatives attended the public hearings and provided inputs on the submissions DEM8250, Klappmuts North Inclusion. Circular

During December 2023, the MDB considered the outcomes from the public meetings and formal investigations, and the MDB resolved to not proceed with DEM8250, and reason for submitted for this decision of the MDB.

6.2 Discussion

The reason which were submitted is attached as Appendix 3, but is summarized as follows:

No	MDB Reasons	Departmental response
1	<p>S25(a)(vi) of MDA:</p> <p>The submission will have a negative impact on especially commercial and industrial linkages as Klappmuts North is an industrial area Drakenstein Municipality.</p>	<p>The submission of Stellenbosch Municipality clearly note that area, although identified as an Industrial / Commercial node in the Klappmuts North LSDF, does not have the required bulk infrastructure to enable the development of the area. Stellenbosch Municipality has invested significantly in bulk infrastructure in Klappmuts South and can make provision to provide engineering services to enable the area in question.</p> <p>The current land use for the area is predominantly agricultural small holdings.</p>
2	<p>S24(iii) and S25(b) of the MDA:</p> <p>The submission will have a negative affect including the promotion of social and economic development and the need for cohesive, integrated and unfragmented areas, including metropolitan areas.</p>	<p>The submission of Stellenbosch Municipality indicated that the Klappmuts North Area has not public facilities and that such facilities are located in the Klappmuts South which s in the municipal district of Stellenbosch Municipality.</p> <p>The submission further clearly indicated that currently the main Klappmuts Town is located to the South and that the transport master plan and the MSDF will be amended to ensure integration of the communities and facilities, it further notes</p>

		<p>that in the event that infrastructure is provided by Stellenbosch Municipality, the property owners will have to pay multiple accounts to the respective municipality.</p> <p>The submission clearly noted that there is currently limited economic opportunities in Klapmuts North Area, and inclusion will allow Stellenbosch Municipality to extend its services to the area, which is closely located to the nearest town, which is Klapmuts South across the N1.</p>
3	There is no concurrence between the municipalities on the demarcation of Klapmuts North.	<p>The finding is correct, as this was evident from the objections submitted to the MDB by Drakenstein Municipality, and also the testimony at the public meetings.</p> <p>This is however only one criteria to consider. The submission of Stellenbosch Municipality provided detailed substantiating documentation regarding the ability of Stellenbosch Municipality to meet all the other criteria as required in terms of the MDA.</p>

It must be noted that should Council resolve to object the decision of the MDB, it must submit such objections within thirty (30) calendar days from the date of publication in the Provincial Gazette, and the estimated date of such publication as submitted by the MDB was 12 January 2024, therefore the closing date for objections is 10 February 2024.

6.3. Financial Implications

There are no financial implications should the recommendations as set out in the report be accepted.

6.4. Legal Implications

The recommendations in this report comply with Council's policies and all applicable legislation.

6.5. Staff Implications

This report has no additional staff implications to the Municipality.

6.6. Previous / Relevant Council Resolutions:

The following Council approvals are applicable:

3rd COUNCIL MEETING: 2022-03-30: ITEM 16.1**RESOLVED** (nem con)

- (a) that Council take note and support the submission of the proposal to request the inclusion of Klapmuts North within the municipal boundaries of Stellenbosch Municipality (WC024), ...and
- (b) that Council does not support the request of Terraplan Associates to include the properties located within the 450ha area into the municipal boundaries of the City of Cape Town at this stage, and further discussion must be held between the City of Cape Town in respect of the detail of this proposal.

13TH COUNCIL MEETING: 2023-04-26: ITEM 11.8.3

During deliberations on the matter, Speaker RULED that this item stands down to obtain the correct amendments. When the meeting returned to this item, bullet points (a) and (c) in the resolution was amended as follows:

RESOLVED (majority vote with 3 abstentions)

- (a) that Council supports and approves the representations provided on the proposed Stellenbosch municipal boundary redetermination (DEM8250) as detailed motivation provided in annexure E;
- (b) that Council supports the representations provided on the proposed Stellenbosch municipal boundary redetermination (DEM8251) and objects to this proposal;
- (c) that Council supports and approves the representations provided on the proposed Stellenbosch municipal boundary redetermination (DEM 8252); and
- (d) that Council approves these submissions for submission to the Municipal Demarcation Board.

15TH COUNCIL MEETING: 2023-07-26: ITEM 11.8.3**RESOLVED** (majority vote)

- (a) that Council takes note of Circular 2/2023 related to the outcomes of the process following Class 2 – 4 Major Municipal Boundary Redetermination Proposals, attached as APPENDIX 1;
- (b) that Council takes note of the resolution of the Municipal Demarcation Board (“MDB”) to proceed with to Public Meeting and Formal Investigation in respect of DEM8251, which proposal that Council objected to;
- (c) that Council takes note of the resolution of the Municipal Demarcation Board (“MDB”) to proceed to Formal Investigation in respect of DEM8252, which proposal Council supported;
- (d) that Council takes note that the proposal DEM8250, related to the inclusion of Klapmuts North into the Stellenbosch Municipal Area does not form part of Circular 2/2023 as the proposal is receiving further consideration by the Board and the outcomes thereof will be communicated in due course,

- (e) that Council approves that the notice be placed in the local newspapers and also on the municipal website to inform the public of Circular 2/2023 and encourage the members of the public to provide their inputs in respect of the municipal boundary redetermination proposals DEM8251 and DEM8252, and also to participate in the forthcoming public meetings and / or formal investigations; and
- (f) that Council supports the recommendation that the public meetings and / or formal investigations be conducted as part of the Draft Integrated Development Planning (“IDP”) Public Participation Meetings scheduled for September 2023.

6.7 Risk Implications

This report has no risk implications for the Municipality.

APPENDICES

- Appendix 1: Circular 1/2024 Municipal Boundary Re-Determination Process
- Appendix 2: Extract of Annexure A to MDB Circular 1/2024 the proposed the MDB's Resolutions
- Appendix 3: Reasons of the MDB Resolution regarding DEM8250, Inclusion of Klapmuts North within the administrative boundaries of Stellenbosch Municipality

FOR FURTHER DETAILS CONTACT:

NAME	<i>Craig Alexander Pr Pln</i>
POSITION	<i>Senior Manager: Development Planning</i>
DIRECTORATE	<i>Planning & Economic Development</i>
CONTACT NUMBERS	<i>021 808 8196</i>
E-MAIL ADDRESS	<i>Craig.alexander@stellenbosch.gov.za</i>
REPORT DATE	<i>16 January 2024</i>

APPENDIX 1



CIRCULAR 1 OF 2024

**To: Minister of Cooperative Governance and Traditional Affairs
 Minister of Finance
 MECs of Provincial Departments responsible for Local Government
 Chairpersons of National & Provincial Houses of Traditional & Khoisan Leaders
 President of South African Local Government Association
 Chairperson of Independent Electoral Commission
 Mayors of affected Metropolitan, District and Local Municipalities
 National House of Traditional & Khoisan Leaders
 Provincial House of Traditional & Khoisan Leaders
 Speakers of all Metropolitan, District and Local Municipalities
 Director General of Department of Cooperative Governance
 HOD's of Provincial Departments responsible for Local Government
 PEO's of Independent Electoral Commission
 Municipal Managers Metropolitan, District and Local Municipalities
 Chief Surveyor General
 Chief Electoral Officer
 Chief Executive Officer of SALGA
 Statistician – General
 Members of extended Ward Delimitation and Boundary Determination Committee
 Members of Local Elections Technical Committee**

Dear Sir/Madam,

CIRCULAR 1/2024 MUNICIPAL BOUNDARY RE-DETERMINATIONS PROCESS

PURPOSE

1. To provide an update regarding the municipal boundary redetermination process following the consideration of public meetings and formal investigations in the respective sections 28, 29 and 30 of the Local Government: Municipal Demarcation Act No. 27 of 1998 (MDA).
2. To provide information on the publication of notices in the Provincial Gazettes regarding the boundaries as redetermined by the MDB in terms of section 21 of the MDA.

3. To request municipalities and all other stakeholders to share information and encourage any person(s) aggrieved by the MDB determinations to submit objections withing 30 days from the date of publication of the relevant provincial Gazette.

INTRODUCTION AND BACKGROUND

4. In March and April 2023, the MDB published section 26 notices for Batch 1 proposals in the relevant newspapers circulating in the affected areas to make known its intention to consider such and invited views and representations from members of the public. Proposals for Batch 2 were published in the month of May 2023.
5. The MDB received an overwhelming response and or rather positive feedback from members of the public and stakeholders at the time is an indication of a resounding success of MDB's effort to realise public's involvement in the public consultation process.
6. Between August and October 2023, the MDB conducted both formal investigations and public meetings on proposed municipal boundary re-determinations as listed in Circulars 2 and 3 of 2023.

RESOLUTIONS OF THE BOARD FOLLOWING FORMAL INVESTIGATIONS AND PUBLIC MEETINGS.

7. On 13 December 2023, the MDB considered the outcomes from public meetings and formal investigations.
8. The Board resolved to either proceed and re-determine municipal boundaries or not proceed with the proposed municipal boundary re-determination. Resolutions of the Board per province and per proposal are provided and listed in **Annexure A**.
9. Decisions on other matters as far as they relate to specific major redetermination proposals were deferred by the board considering the following reasons, amongst others:
 - a. They are multifaceted and complicated proposals that requires extensive and indepth analysis to not only determine their feasibility but also the possible impact or consequences they might have on the current municipal spatial configuration, administrations and financial conditions in the area and explore other options that might be available; and

- b. MDB intends to subject them to further research, public consultations and stakeholder engagements before a decision is taken on whether to re-determine municipal boundaries or not.
10. All matters indicated as “not proceeding” to section 21 publications are considered closed.
 11. All matters indicated as deferred are not closed and will remain with the MDB until such time the processes outlined above (paragraph 9) are completed and decisions are taken at a later stage as may be determined by the MDB.
 12. Table 1 below indicates the number of proposals arranged per province per category of Board resolution. A total of sixty-three (63) proposals are proceeding to section 21 and a total of hundred and thirty-two (132) proposals are closed, with a total of thirteen (13) proposals deferred.

Table 1: Number Proposals per category of recommendations per Province

PROVINCE	NO. OF DEMS TO PROCEED TO SECTION 21 PUBLICATION	NO. OF DEMS NOT TO PROCEED	THE PROPOSED RE-DETERMINATION DEFERRED
Eastern Cape	7	27	3
Free State	6	25	3
Gauteng	2	3	-
KwaZulu-Natal	29	49	1
Limpopo	8	12	4
Mpumalanga	2	2	1
Northern Cape	4	3	-
North West	4	5	1
Western Cape	1	6	-
TOTAL	63	132	13

PUBLICATION OF SECTION 21 NOTICES AND INVITATION FOR SUBMISSION OF OBJECTIONS

13. In an instance where the MDB has resolved to proceed and re-determine municipal boundaries in terms of section 21 of the MDA. The MDB will publish notices in the relevant provincial Gazettes inviting anyone aggrieved by the decision of the Board to submit objections in writing. It is envisaged that provincial Gazettes will be published as follows:

Table 2: Estimated dates for publication of provincial Gazettes:

PROVINCE	ESTIMATED PUBLICATION DATE <i>(Note that this may change without notice)</i>
Eastern Cape	08 January 2024
Free State	12 January 2024
Gauteng	10 January 2024
KwaZulu-Nata	11 January 2024
Limpopo	12 January 2024
Mpumalanga	12 January 2024
Northern Cape	08 January 2024
North West	09 January 2024
Western Cape	12 January 2024

14. Objections should reach the MDB in a period not less than 30 calendar days from the date of publication of the relevant provincial gazette. In this regard, members of the public are encouraged to be on the look out for provincial Gazettes early in January 2023. The notice will provide details on the modes of communication to be utilised for the process.
15. All objections will be considered in terms of the demarcation criteria as set out in section 24 and 25 of the MDA.

MUNICIPAL BOUNDARY RE-DETERMINATION PROCESS GOING FORWARD

16. After the closing date for submission of objections, the MDB will consider all objections received and, in terms of section 21(5) publish its final decisions in relevant provincial gazettes. That will mark the end of the municipal boundary re-determination process.
17. All matters indicated as deferred will remain with the MDB until such time the processes outlined above (paragraph 9) are completed and decisions are taken at a later stage as may be determined by the MDB. These matters will not form part of the final list of redermination cases that will be handed over to the IEC and MECs.
18. Final municipal boundaries will, thereafter, be handed over the Independent Electoral Commission (IEC) to proceed in terms of section 23 of the MDA.

19. Following the publication of determination by the IEC, Members of the Provincial Executive Committee (MEC) responsible for local government will determine the date of effect of the newly re-determined municipal boundaries.
20. Table 1 below provides an overall municipal boundary redetermination programme. The MDB envisages to formally conclude the process in February 2024.

TABLE 3: PROGRAMME FOR THE MUNICIPAL BOUNDARY RE-DETERMINATION PROCESS

ACTIVITIES	START DATE	END DATE
Intention to consider the re-determination of municipal boundaries in terms of Section 26 of the MDA (Publication of Notice in Newspaper allowing 30 days for submissions)	January 2023	April 2023
The Board must consider all views and representations and resolve to determine or re-determine municipal boundaries, decide to hold public meetings, conduct investigation committee hearings, or do both	March 2023	June 2023
Hold Public Meetings	August 2023	October 2023
Conduct Investigation committee hearings in terms of Section 29 and 30 of MDA	August 2023	October 2023
The Board considers all inputs from research studies, public meetings and investigation hearings and determine or re-determine municipal boundaries in terms of Section 21 of the MDA (Publication in Provincial Gazettes allowing 30 days to lodge objections)	November 2023	January 2024

The Board must consider all objections received and resolve to confirm, vary or withdraw the determination or re-determination. The final decision must be published in the provincial gazette in terms of Section 21(5) of the MDA	January 2024	February 2024
The IEC, Minister of Finance and MECs for local government and all other stakeholders must be notified of the final decision	February 2024	February 2024
NATIONAL & PROVINCIAL ELECTIONS	May 2024	August 2024
WARD DELIMITATION FOR 2026 LOCAL ELECTIONS	September 2024	October 2025

21. For any further queries please contact the MDB at info@demarcation.org.za (not for submission of written objections) or call Mr Fazel Hoosen at 012 342 2481.

Regards,



MR TM MANYONI

CHAIRPERSON: MUNICIPAL DEMARCATION BOARD

DATE: 13.12.2023

IMPORTANT INFORMATION

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Gauteng	Mr Daniel Sebake	daniel@demarcation.org.za	012 342 2481
KwaZulu Natal	Mr Mthobisi Manzini	mthobisi@demarcation.org.za	012 342 2481
Limpopo	Mr Tshifhiwa Nethanani	tshifhiwa@demarcation.org.za	012 342 2481
Mpumalanga	Ms Hester Marais	hester@demarcation.org.za	012 342 2481
Northwest	Ms Liz Mazibuko	liz@demarcation.org.za	012 342 2481
Northern Cape	Mr Smiso Dlamini	smiso@demarcation.org.za	012 342 2481
Western Cape	Ms Naomi Ramokgopa	naomi@demarcation.org.za	012 342 2481

N:B Contact details hereto are not for submission of section 21 objections.

APPENDIX 2

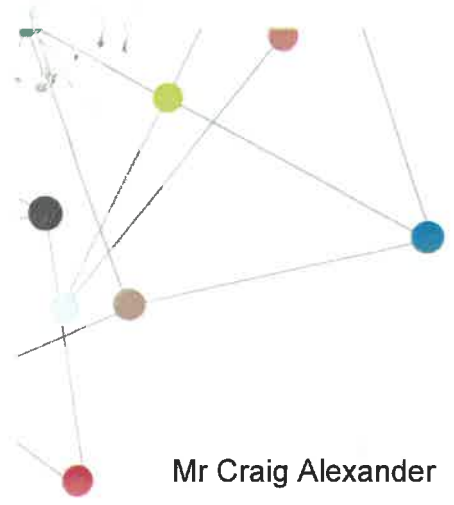
Annexure A - MDB Circular 1/2024

PROVINCE	DEM NUMBER	DESCRIPTION	BOARD RESOLUTION
Northern Cape	DEM8503	In terms of Section 21 of the Local Government Municipal Demarcation Act, 1998 (Act No 27 of 1998) the Municipal Demarcation Board has re-determined the municipal boundaries of Siyancuma Local Municipality (NC078) and Thembelihle Local Municipality (NC076) by excluding Witput Hotel (the Grange) voting district from the municipal area of Siyancuma Local Municipality (NC078), and by including it into the municipal area of Thembelihle Local Municipality (NC076).	Proceed to Section 21 of MDA - Publish a notice in the provincial gazette for objections
Northern Cape	DEM8504	In terms of Section 21 of the Local Government Municipal Demarcation Act, 1998 (Act No 27 of 1998) the Municipal Demarcation Board has re-determined the municipal boundaries of Siyancuma Local Municipality (NC078), Pixley Ka Seme District Municipality (DC07), !Kheis Local Municipality (NC084) and ZF Mgcawu District Municipality (DC08) by excluding Tsebe Primary School voting district from the municipal areas of Siyancuma Local Municipality (NC078) and Pixley Ka Seme District Municipality (DC07), and by including it into the municipal areas of !Kheis Local Municipality (NC084) and ZF Mgcawu District Municipality (DC08).	Proceed to Section 21 of MDA - Publish a notice in the provincial gazette for objections
Northern Cape	DEM8505	In terms of Section 21 of the Local Government Municipal Demarcation Act, 1998 (Act No 27 of 1998) the Municipal Demarcation Board has re-determined the municipal boundaries of Sol Plaatje Local Municipality (NC091), Frances Baard District Municipality (DC09), Siyancuma Local Municipality (NC078) and Pixley Ka Seme District Municipality (DC07), by excluding Rietfontein Navorsingstasie voting district from the municipal areas of Siyancuma Local Municipality (NC078) and Pixley Ka Seme District Municipality (DC07), and by including it into the municipal areas of Sol Plaatje Local Municipality (NC091) and Frances Baard District Municipality (DC09).	Proceed to Section 21 of MDA - Publish a notice in the provincial gazette for objections
Northern Cape	DEM8506	Proposed redetermination of the municipal boundaries of Tsantsabane Local Municipality (NC085), ZF Mgcawu District Municipality (DC08) and John Taolo Gaetsewe District Municipalities (DC45) by excluding Tsantsabane Local Municipality (NC085) from the municipal area of ZF Mgcawu District Municipality (DC08), and by including it into the municipal area of John Taolo Gaetsewe District Municipality (DC45).	Do not Proceed to Section 21 of MDA - The proposal does not meet demarcation criteria.
Western Cape	DEM8250	Proposed redetermination of the municipal boundaries of the Stellenbosch Local Municipality (WC024) and Drakenstein Local Municipality (WC023) by excluding Klapmuts north community from Drakenstein Local Municipality (WC023) and including it into the municipal area of Stellenbosch Local Municipality (WC024).	Do not Proceed to Section 21 of MDA - The proposal does not meet demarcation criteria.

Annexure A - MDB Circular 1/2024

PROVINCE	DEM NUMBER	DESCRIPTION	BOARD RESOLUTION
Western Cape	DEM8251	Proposed redetermination of the municipal boundaries of the Stellenbosch Local Municipality (WC024), Cape Winelands District Municipality (DC02), and City of Cape Town Metropolitan Municipality (CPT) by excluding the farm HASSENDAL 222 ST Stellenbosch from the City of Cape Town Metropolitan Municipality (CPT), and by including it into the municipal areas of Stellenbosch Local Municipality (WC024) and Cape Winelands District Municipality (DC02); by excluding Kruis Road and Bottlary Road Reserves from the municipal areas of Stellenbosch Local Municipality (WC024) and Cape Winelands District Municipality (DC02), and by including it into the municipal area of City of Cape Town Metropolitan Municipality (CPT).	Do not Proceed to Section 21 of MDA - The proposal does not meet demarcation criteria.
Western Cape	DEM8252	In terms of Section 21 of the Local Government Municipal Demarcation Act, 1998 (Act No 27 of 1998) the Municipal Demarcation Board has re-determined the municipal boundaries of the Stellenbosch Local Municipality (WC024), Cape Winelands District Municipality (DC02), and City of Cape Town Metropolitan Municipality (CPT) by excluding Farm 115 ST from the municipal area of Stellenbosch Local Municipality and Cape Winelands District Municipality (DC02), and by including it into the municipal area of the City of Cape Town Metropolitan Municipality (CPT).	Proceed to Section 21 of MDA - Publish a notice in the provincial gazette for objections
Western Cape	DEM8253	Proposed redetermination of the municipal boundaries of the Beaufort West Local Municipality (WC053) and Prince Albert Local Municipality (WC052), by excluding Leeu-Gamka town from the municipal area of Prince Albert Local Municipality (WC052), and by including it into the municipal area of Beaufort West Local Municipality (WC053).	Do not Proceed to Section 21 of MDA - The proposal does not meet demarcation criteria.
Western Cape	DEM8254	Proposed redetermination of the municipal boundaries of the Theewaterkloof Local Municipality (WC031), Overberg District Municipality (DC03), and City of Cape Town Metropolitan Municipality (CPT) by excluding the remainder of farms CN301, CN300, CN 94, portion 6 of farm CN287, portion 2 of farm CN829 and farm CN95 from the municipal areas of Theewaterkloof Local Municipality (WC031) and Overberg District Municipality (DC03), and by including them into the municipal area of City of Cape Town Metropolitan Municipality (CPT).	Do not Proceed to Section 21 of MDA - The proposal does not meet demarcation criteria.
Western Cape	DEM8262	In terms of Section 21 of the Local Government Municipal Demarcation Act, 1998 (Act No 27 of 1998) the Municipal Demarcation Board has re-determined the municipal boundaries of Swellendam Local Municipality (WC034), Overberg District Municipality (DC03), and Hessequa Local Municipality (WC042), Garden Route District Municipality (DC04), by excluding portion 9 of Farm 457 from the municipal areas of Swellendam Local Municipality (WC034) and Overberg District Municipality (DC03), and by including it into the municipal area of Hessequa Local Municipality (WC042), Garden Route District Municipality (DC04).	Proceed to Section 21 of MDA - Publish a notice in the provincial gazette for objections

APPENDIX 3



Mr Craig Alexander
Senior Manager: Development Planning
Stellenbosch Local Municipality
PO Box 17
STELLENBOSCH
7599

Dear Mr Alexander,

MUNICIPAL BOUNDARY RE-DETERMINATIONS – DEM8250

1. The Municipal Demarcation Board (MDB) hereby takes this opportunity to thank you for your assistance during the municipal boundary redetermination process.
2. In May 2023, the MDB published section 26 notices for Batch 2 proposals in the relevant newspapers circulating in the affected areas to make known its intention to consider such and invited views and representations from members of the public.
3. The MDB received an overwhelming response and or feedback from members of the public and stakeholders at the time is an indication of a resounding success of MDB's effort to realise public's involvement in the public consultation process.
4. Between August and October 2023, the MDB conducted formal investigations and public meetings on proposed municipal boundary re-determinations as listed in Circulars 3 of 2023.
5. In December 2023, the MDB considered the outcomes from public meetings and formal investigations.
6. The Board resolved to not proceed with DEM8250 for the following reasons:
 - i. The proposed re-determination will have a negative impact on Section 25(a) of MDA, especially Section 25(a)(vi) commercial and industrial linkages as Klapmuts North is an industrial area in Drakenstein municipality.

- ii. The municipal boundary change would also negatively affect Section 24(a) including (iii) the promotion of social and economic development and Section 25(b) of MDA - the need for cohesive, integrated and unfragmented areas, including metropolitan areas.
 - iii. There is no concurrence between the two municipalities on the demarcation of Klapmuts North.
7. For any further queries please contact the MDB at info@demarcation.org.za or call Mr Fazel Hoosen at 012 342 2481.

Regards,



MR M MOROKA

CEO: MUNICIPAL DEMARCATION BOARD

DATE: 16-01-2024

13.2	AMENDMENT OF SYSTEM OF DELEGATIONS FOR LAND USE PLANNING
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Collaborator No:

IDP KPA Ref No: **Good Governance**

Meeting Date: **24 January 2024**

1. SUBJECT: AMENDMENT OF SYSTEM OF DELEGATIONS FOR LAND USE PLANNING

2. PURPOSE

To amend the system of delegation for land use planning to assign the authority to land use inspectors to review compliance of building plan application with the provisions of the Zoning Scheme Bylaw.

3. DELEGATED AUTHORITY

Council

4. EXECUTIVE SUMMARY

Council adopted an amended Bylaw on Municipal Land Use Planning, as well as the updated system of delegations for the associated statutory operations of the land use planning functionality, vide item 11.8.1 on 24 May 2023 (Effective from 1 July 2023).

In its quest to constantly improve work performance, which includes the optimal application of available human resource capital, the Department proposes to amend the system of delegations to include and permit the functionalities of Senior Land Use Inspector and Land Use Inspector to review and comment on building plan applications for its compliance to the Zoning Scheme Bylaw.

5. RECOMMENDATIONS

that the amendment of Delegation LUP 137 attached as **ANNEXURE "A"**, of the system of delegations associated with the statutory operations of the land use planning functionality, as approved by Council Vide Item 11.8.1 on 24 May 2023, to include and permit the functionalities of Senior Land Use Inspector and Land Use Inspector to comment on building plan applications, **BE APPROVED** in terms of Section 59 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000).

6. DISCUSSION / CONTENTS

6.1 Background

Council adopted an amended Bylaw on Municipal Land Use Planning, as well as the updated system of delegations for the associated statutory operations of the land use planning functionality, vide item 11.8.1 on 24 May 2023 (Effective from 1 July 2023).

The Department is constantly striving towards its quest to improve work performance, which includes ensuring the optimal application of available human resource capital with a reasonable division of the workload.

Building plan applications makes out a significant part of this workload, and which needs to be reviewed by Land Use Management to ensure compliance with the land use rights and development parameters of the Zoning Scheme Bylaw. This workload has steadily increased from 1085 building plans in 2021/ 2022 to 1342 building plans in 2022/ 2023. This financial year this figure is already on 667, with the expected peak during the second half of a financial year. This workload puts a huge strain on the capacity of the town planners.

Compliance management covers the broad function to review and ensure compliance of any developments, land use and associated applications with, inter alia, the Zoning Scheme Bylaw. Land Use Enforcement is a dedicated function assisting towards this end, and for which purpose qualified town planners are employed as land use inspectors to provide dedicated capacity to undertake this functionality.

These land use inspectors are therefore ably suitable to undertake this function to scrutinise and review building plan applications for compliance to land use rights and development parameters of the Zoning Scheme By-law.

6.3 Financial Implications

There are no financial implications for the proposed amendment of the subject system of delegations.

6.4 Legal Implications

There are no legal implications associated with the proposed amendment of LUP 137 of the subject system of delegations and will ensure that accurate authority is established for the operations of the land use planning functionality.

6.5 Staff Implications

The staff to whom further sub delegations are done will have to perform those functions if and when required, which will ensure the efficient application of available human resource capital.

6.6 Previous / Relevant Council Resolutions

Adoption of the current system of delegations associated with the Stellenbosch Bylaw on Land Use Planning by Council Vide Item 11.8.1 on 24 May 2023.

6.7 Risk Implications

There are no risks implications associated with the proposed amendment of LUP 137 of subject system of delegations.

6.8 Comments from Senior Management:

No comments solicited.

6.8.7 Municipal Manager

Supports the item.

ANNEXURES

ANNEXURE A: Proposed amendment of LUP 137 of the system of delegations for the Stellenbosch Bylaw on Municipal Land Use Planning, 2023.

FOR FURTHER DETAILS CONTACT:

NAME	<i>Stiaan Carstens</i>
POSITION	<i>Senior Manager: Development Management</i>
DIRECTORATE	<i>Planning and Economic Development</i>
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REPORT DATE	<i>18 January 2024</i>

ANNEXURE A



STELLENBOSCH MUNICIPALITY

SYSTEM OF DELEGATIONS: STELLENBOSCH MUNICIPAL BYLAW - LAND USE PLANNING 2023

AND RELATED LAND USE PLANNING MANDATES

AMENDMENT of Delegation LUP 137 as Approved by Council Vide Item 11.8.1 on 24 May 2023 - EFFECTIVE 1 JULY 2023

POWERS / DUTIES CONFERRED ON COUNCIL						
ITEM NUMBER	LEGISLATIVE MANDATE	DESCRIPTION OF POWER OR DUTY	RESPONSIBILITY / DELEGATED FROM	DELEGATED TO	SUB-DELEGATED TO	CONDITIONS / LIMITATIONS / INSTRUCTION TO ASSIST
GENERAL : POWERS AND DUTIES OF ASSOCIATED MATTERS RELATED TO LAND USE PLANNING FUNCTIONS						
LUP 137	Performing powers and functions associated with matters related to land use planning functionality	To comment on Building Plans	Council	Director: Planning and Economic Development	Senior Manager Development Planning. Senior Manager Development Management. Manager Spatial Planning Manager Land Use Management. Principle Planner. Senior Planner. Planner Senior Land Use Inspector Land Use Inspector	

13.3	SUPPLY CHAIN MANAGEMENT POLICY AND PREFERENTIAL PROCUREMENT POLICY
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Collaborator No:

BUDGET KPA Ref No: Good Governance and Compliance

Meeting Date: 24 January 2024

1. SUBJECT: SUPPLY CHAIN MANAGEMENT POLICY AND PREFERENTIAL PROCUREMENT POLICY

2. PURPOSE

To request council to approve the draft revised Preferential Procurement and Supply Chain Management Policies.

3. DELEGATED AUTHORITY

COUNCIL

4. EXECUTIVE SUMMARY

Stellenbosch Municipality approved a new Preferential Procurement Policy on 12 January 2023. However, a difference in interpretation arose between the Auditor – General, Provincial Treasury as well as several Municipalities in the Western Cape pertaining to the allocation of specific goals for goods and services under R30 000.00 (Thirty Thousand Rand). To address the interpretation challenges and eliminate any ambiguity the Municipality's Preferential Procurement Policy will be revised to include the allocation of specific goals for procurement of goods and services under R30 000.00 (Thirty Thousand Rand).

Amendments to the Supply Chain Regulations as per Government Gazette of 14 December 2023, No, 49863, issued by National Treasury also requires a revision to the Municipality's Supply Chain Management Policy. These amendments are to ensure the effective functioning of our Supply Chain Management system. Before the policies can be approved the draft revised policy must be advertised for public comment.

5. RECOMMENDATIONS

- a) that Council approved the draft revised Preferential Procurement and Supply Chain Management Policies attached as Appendix 1 and Appendix 2; and
- (b) that the revised Preferential Procurement and Supply Chain Management Policies be advertised for public comment, whereafter same be resubmitted to Council for final consideration and approval.

6. DISCUSSION / CONTENTS

6.1 BACKGROUND

6.1.1 PREFERENTIAL PROCUREMENT POLICY

Stellenbosch Municipality approved a new Preferential Procurement Policy on 12 January 2023. However, a difference in interpretation aroused between the Auditor – General, Provincial Treasury as well as several Municipalities in the Western Cape pertaining to the allocation of specific goals for goods and services under R30 000.00 (Thirty Thousand Rand). To address the interpretation challenges and eliminate any ambiguity the Municipality's Preferential Procurement Policy will be revised to include the allocation of specific goals for procurement of goods and services under R 30 000.00 (Thirty Thousand Rand).

6.1.2 SUPPLY CHAIN MANAGEMENT POLICY

The Minister of Finance has in terms of section 168 (1) of the Local Government: Municipal Finance Management Act, 2003 (Act No 56 of 2003), made amendments to the Supply Chain Management Regulations published under General Notice No ,868 of 30 May 2005 and as amended by Government Notice No. R31 of 20 January 2017.

The amendments to the Supply Chain Management Regulations were published in the Government Gazette on 14 December 2023 and requires revisions to the Municipality's Supply Chain Management Policy.

6.2 DISCUSSION

6.2.1 PREFERENTIAL PROCUREMENT POLICY (APPENDIX 1)

The Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000)-[PPPFA] was promulgated by the Minister in response to the Constitutional provision and allow Municipalities to develop its own Preferential Procurement Policies and to implement such policies in line with the PPPFA framework.

Section 2 (1) (d) (i) and (ii) of the Preferential Procurement Policy Framework Act, 2000 refers to specific goals which may include:

- (i) contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination based on race, gender or disability.
- (ii) implementing the programmes of the Reconstruction and Development Programme (RDP) as published in *Government Gazette* 16085 dated 23 November 1994.

Considering the above provisions within the PPPFA, Act 2000, the Stellenbosch Municipality developed and approved a new Preferential Procurement Policy in conjunction with the other municipalities in the Western Cape as well as the Provincial Treasury and this policy seek to give effect to the above-mentioned sections within the Preferential Procurement Policy Framework Act. The approved Preferential Procurement Policy is a combination of BBEEE points together with points for local enterprizes within the boundaries of WC024.

However, the approved Preferential Procurement Policy requires a minor amendment pertaining to the procurement of Goods and Services under R 30 000.00 (Thirty Thousand Rand) for the allocation of specific goals.

6.2.2 SUPPLY CHAIN MANAGEMENT POLICY (APPENDIX 2)

Amendments to the Supply Chain Management Regulations as per Government Gazette of 14 December 2023, No, 49863, issued by National Treasury also requires a revision to the Municipality's Supply Chain Management Policy. These amendments are to ensure the effective functioning of the Municipality's Supply Chain Management system.

The most notable amendment to the Supply Chain Management Regulations is the increases in the thresholds for formal written price quotations and for the competitive bidding process. The new thresholds are as follows:

- Formal written price quotations for procurement of a transaction value over R2000 up to R300 000 (VAT included), in the case of a local municipality.
- A competitive bidding process for procurement above a transaction value of R300 000 (VAT included), in the case of a local municipality.

The Government Gazette with the amendments to the Supply Chain Management Regulations is attached as **APPENDIX 3**.

6.3 Financial Implications

As per the approved budget

6.4 Legal Implications**LEGISLATIVE FRAMEWORK**

Constitution of the Republic of South Africa, Section 217
 Local Government: Municipal Systems Act, No. 32 of 2000
 Local Government: Municipal Finance Management Act, No. 56 of 2003,
 Preferential Procurement Policy Framework Act, 2000,
 Preferential Procurement Regulation, 2017 (entire regulations)
 Gazetted Preferential Procurement Regulations 2022
 Gazetted Supply Chain Management Amendments Regulations of 14 December 2023

The item is compliant with the relevant legislative framework.

6.5 Staff Implications

No additional staff implications

6.6 Previous / Relevant Council Resolutions:

Council resolution 12 January 2023.

6.7 Risk Implications

Addressed in the item

6.8 Comments from Senior Management:

None requested

6.8.1 *Municipal Manager:*

Supports the recommendations

ANNEXURES

Appendix 1: New Preferential Procurement Policy

Appendix 2: Amendments to the Current Supply Chain Management Policy

Appendix 3: Local Government: Municipal Finance Management Act, 2003 – Amendments to regulations regarding Supply Chain Management

FOR FURTHER DETAILS CONTACT:

NAME	DALLEEL JACOBS
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REPORT DATE	17 January 2024

APPENDIX 1

STELLENBOSCH MUNICIPALITY



PREFERENTIAL PROCUREMENT POLICY

2023/2024

Version 2

STELLENBOSCH MUNICIPALITY



PREFERENTIAL PROCUREMENT POLICY

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1. Definitions

In this policy, unless the context indicates otherwise, any word or expression to which a meaning has been assigned in the Act must bear the meaning so assigned—

"Acceptable Tender" mean any tender which, in all respects, complies with the specification and conditions of tender as set out in tender document

"Black designated groups" has the meaning assigned to it in the codes of good practice issued in terms of section 9 (1) of the BBBEEA.

"Black people" has the meaning assigned to it in section 1 of the BBBEEA.

"Designated group" means black designated groups, black people, women, people with disabilities; or small enterprises which are enterprises, owned, managed, and controlled by previously disadvantaged persons and which is overcoming business impediments arising from the legacy of apartheid.

"Disability" means in respect of a person, a permanent means, in respect of a person, a permanent impairment of a physical, intellectual, or sensory function, which results in restricted, or lack of, ability to perform an activity in the manner, or within the range, considered normal for a human being.

"EME" means

- (1) exempted micro enterprise in terms of a code of good practice on black economic empowerment issued in terms of a code of good practice on black economic empowerment issued in terms of section 9(1) of the BBBEEA.
- (2) an entity with an annual turnover of R10 000 00.000 (ten million Rand) or less

"Historically disadvantaged individual (HDI)" means a South African citizen –

- (1) who, due to the apartheid policy that had been in place, had no franchise in national elections prior to the introduction of the Constitution of the Republic of South Africa, 1983 (Act No 110 of 1983); and / or
- (2) who is a female; and / or
- (3) who has a disability:

Provided that a person who obtained South African citizenship on or after the coming to effect of the Interim Constitution, is deemed not to be an HDI.

"highest acceptable tender" means a tender that complies with all specifications and conditions of tender and that has the highest price compared to other tenders;

"lowest acceptable tender" means a tender that complies with all specifications and conditions of tender and that has lowest price compared to other tenders;

"Locality" means the local suppliers and/or service providers that business offices are within the Municipal area.

"Large Enterprises" is a company with an annual turnover in excess of R50 million.

“Market Analysis” means a technique used to identify market characteristics for specific goods or services

“Municipal Area” means the Stellenbosch Municipality Municipal area (WC024)

“National Treasury” has the meaning assigned to it in section 1 of the Public Finance Management Act, 1999 (Act No. 1 of 1999);

“Objective Criteria” for the purpose of section 2(1)f of the procurement Act must be criteria other than the additional to criteria relating to equity ownership by HDI’s or whether or not a bidder was located in a particular province or municipal area

“price” means an amount of money tendered for goods or services, and includes all applicable taxes less all unconditional discounts;

“Proof of B-BBEE status level of contributor” means the B-BBEE status level certificate issued by an authorized body or person

- 1) a sworn affidavit as prescribed by the B-BBEE Codes of Good Practice; or
- 2) any other requirement prescribed in terms of the Broad-Based Black Economic Empowerment Act.

“Qualifying Small Enterprise (QSE)” is a company with a turnover between R10 million and R50 million

“Rand value” means the total estimated value of a contract in Rand, calculated at the time of the tender invitation;

“Region” means the district and/or Cape Winelands District Municipality.

“Rural area” means-

- 1) a separately populated area in which people farm or depend on natural resources, including villages and small towns that are dispersed through the area; or
- 2) an area including a large settlement which depends on migratory labour and remittances and government social grants for survival and may have a traditional land tenure system.

“Specific goals” means specific goals as contemplated in section 2(1)(d) of the Act which may include contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender and disability including the implementation of programmes of the Reconstruction and Development Programme as published in Government Gazette No. 16085 dated 23 November 1994;

“SMME” means small, medium and micro enterprises namely Exempted Micro Enterprises and Qualifying Small Enterprises

“Tender” means a written offer in the form determined by a Municipality in response to an invitation to provide goods or services through price quotations, competitive tendering process or any other method envisaged in legislation;

“tender for income-generating contracts” means a written offer in the form determined by an organ of state in response to an invitation for the origination of

income-generating contracts through any method envisaged in legislation that will result in a legal agreement between the organ of state and a third party that produces revenue for the organ of state, and includes, but is not limited to, leasing and disposal of assets and concession contracts, excluding direct sales and disposal of assets through public auctions;

“**The Act**” means the Preferential Procurement Policy Act, 2000 (Act No. 5 of 2000).

“**Youth**” has the meaning assigned to it in section 1 of the National Youth Development Agency Act, 2008 (Act No. 54 of 2008).

2. Introduction

The Constitution of the Republic of South Africa, 1996, provides in sections 152(1)(c) and 152(2) that local government must promote social and economic development and that the municipality must strive within its financial and administrative capacity, to achieve the objects set out in subsection 152(1).

The Constitution provides in section 217 that an organ of state must contract for goods or services in accordance with a procurement system which is fair, equitable, transparent, competitive, and cost effective and to implement a policy to grant preferences within a framework prescribed by National Legislation.

The Broad-Based Black Economic Empowerment Act, 2003 requires: “ (1) Every organ of state and public entity must apply any relevant code of good practice issued in terms of this Act in (b) developing and implementing a preferential procurement policy

The Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000)- [PPPFA] was promulgated by the Minister in response to the Constitutional provision and allow for a Municipality to develop a preferential procurement policy and to implement such policy within the PPPFA framework.

Section 2 (1) (d) (i) and (ii) of the Preferential Procurement Policy Framework Act, 2000 refers to specific goals which may include:

- (i) contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender or disability;
- (ii) implementing the programmes of the Reconstruction and Development Programme (RDP) as published in *Government Gazette* 16085 dated 23 November 1994.

The RDP (1994), as basis for development in South Africa, was meant to provide a holistic, integrated, coherent socio-economic policy that is aimed at mobilising people and resources to work towards the upliftment of the material and social conditions of local communities to build sustainable livelihoods for these communities.

In terms of Section 2 (1)(d)(ii), the following activities may be regarded as a contribution towards achieving the goals of the RDP, in addition to the awarding of

preference points in favour of HDIs (published in Government Gazette No. 16085 dated 23 November 1994):

- (i) The promotion of South African owned enterprises;
- (ii) The promotion of export orientated production to create jobs;
- (iii) The promotion of SMMEs;
- (iv) The creation of new jobs or the intensification of labour absorption;
- (v) The promotion of enterprises located in a specific province for work to be done or services to be rendered in that province;
- (vi) The promotion of enterprises located in a specific region for work to be done or services to be rendered in that region;
- (vii) The promotion of enterprises located in a specific municipal area for work to be done or services to be rendered in that municipal area;
- (viii) The promotion of enterprises located in rural areas;
- (ix) The empowerment of the work force by standardising the level of skill and knowledge of workers;
- (x) The development of human resources, including by assisting in tertiary and other advanced training programmes, in line with key indicators such as percentage of wage bill spent on education and training and improvement of management skills; and
- (xi) The upliftment of communities through, but not limited to, housing, transport, schools, infrastructure donations, and charity organisations.

3. Purpose, and Objectives

a) The purpose of this policy is to:

- i) Provide for categories of preference in awarding of bids;
- ii) Provide for the advancement of persons or categories of persons disadvantaged by unfair discrimination; and
- iii) Clarify the mechanisms how the above items in par 1.1 (a) (i) and (ii) will be implemented.

b) Objectives

- a) Promote Black-Based Black Economic Empowerment (B-BBEE) - enterprises providing services and goods.
- b) Promote Small Medium and Micro Enterprises (SMME's), Joint Ventures, Consortiums, and partnerships in the municipal area.
- c) Implement recognised best procurement practises through effective planning, strategic purchasing, and contract management.

The policy rests upon certain core principles of behaviour as set out in the Constitution and ratified by the Constitutional Certification Judgements. In this context, the policy will be applied in accordance with a system, which is fair, equitable, transparent, competitive, and cost-effective in terms of Section 217 of the Constitution.

This policy strives to ensure that the objectives for uniformity in the supply chain management systems between Municipalities/Municipal entities, is not undermined and that consistency with the SCM and LED policies in line with sections 152(1)(c) and 152(2).

4. Application of preference point system

- 4.1 The Municipality will, in the tender documents, stipulate —
- (a) the preference point system applicable; and
 - (b) any specific goal as envisaged in section 2(1)(d) and (e) of the Preferential Procurement Act.
- 4.2 If it is unclear whether the 80/20 or 90/10 preference point system applies—
- (a) an invitation for tender for income-generating contracts, that either the 80/20 or 90/10 preference point system will apply and that the highest acceptable tender will be used to determine the applicable preference point system; or; or
 - (b) any other invitation for tender, that either the 80/20 or 90/10 preference point system will apply and that the lowest acceptable tender will be used to determine the applicable preference point system..

5. 80/20 preference point system for acquisition of goods or services with Rand value equal to or below R50 million

- 5.1 The following formula must be used to calculate the points out of 80 for price in respect of a tender with a Rand value equal to or below R50 million, inclusive of all applicable taxes:

$$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where-

P_s = Points scored for price of tender under consideration;

P_t = Price of tender under consideration; and

P_{\min} = Price of lowest acceptable tender.

- 5.2 A maximum of 20 points may be awarded to a tenderer for the specified goals for the tender.
- 5.3 The points scored for the specific goal must be added to the points scored for the price and the total must be rounded off to the nearest two decimal places.
- 5.4 Subject to section 2(1)(f) of the Act, the contract must be awarded to the tendering scoring the highest points.

6. 90/10 preference point system for acquisition of goods or services with Rand value above R50 million

- 6.1 The following formula must be used to calculate the points out 90 for price in respect of a tender with a Rand value above R50 million, inclusive of all applicable taxes:

$$P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where-

P_s = Points scored for price of tender under consideration;

P_t = Price of tender under consideration; and

P_{\min} = Price of lowest acceptable tender.

- 6.2 A maximum of 10 points may be awarded to a tenderer for the specified goals for the tender.
- 6.3 The points scored for the specific goal must be added to the points scored for price and the total must be rounded off to the nearest two decimal places..
- 6.4 Subject to section 2(1)(f) of the Act, the contract must be awarded to the tenderer scoring the highest points.

7. 80/20 preference points system for tenders to for income-generating contracts with Rand value equal to or below R50 million

- 7.1 The following formula must be used to calculate the points for price in respect of an invitation for tender for income-generating contracts, with a Rand value equal to or below R50 million, inclusive of all applicable taxes:

$$P_s = 80 \left(1 + \frac{P_t - P_{\max}}{P_{\max}} \right)$$

Where-

P_s = Points scored for price of tender under consideration;

P_t = Price of tender under consideration; and

P_{max} = Price of highest acceptable tender.

- 7.2 A maximum of 20 points may be awarded to a tenderer for the specific goal specified for the tender.
- 7.3 The points scored for the specific goal must be added to the points scored for price and the total must be rounded off to the nearest two decimal places.
- 7.4 Subject to section 2(1)(f) of the Act, the contract must be awarded to the tenderer scoring the highest points.

8. **90/10 preference point system for tenders for income-generating contracts with Rand value above R50 million**

- 8.1 The following formula must be used to calculate the points for price in respect of a tender for income-generating contracts, with a Rand value above R50 million inclusive of all applicable taxes:

$$P_s = 90 \left(1 + \frac{P_t - P_{max}}{P_{max}} \right)$$

Where-

- P_s = Points scored for price of tender under consideration;
- P_t = Price of tender under consideration; and
- P_{max} = Price of highest acceptable tender.

- 8.2 A maximum of 10 points may be awarded to a tenderer for the specific goal specified for the tender.
- 8.3 The points scored for the specific goal must be added to the points scored for price and the total must be rounded off to the nearest two decimal places.
- 8.4 Subject to section 2(1)(f) of the Act, the contract must be awarded to the tenderer scoring the highest points.

9. **Specified contract participation goals**

- 9.1 The tendering conditions will stipulate the specific goals, as contemplated in section 2(1)(d)(ii) of the Preferential Procurement Act, be attained.
- 9.2 A maximum of 20 points (80/20 preference points system) or 10 (90/10 preference points system), must be allocated for specific goals. These goals are:-

(a) contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender or disability;

(b) Promotion of enterprises located in the municipal area (WCO24)

9.3 Regarding par 9.2 (a) at least 50% of the 20/10 points must be allocated to promote this goal and points will be allocated in terms of the BBEE scorecard as follows.

B-BBEE Status Level of Contributor	Number of Points for 80/20 Preference Points System	Number of Points for 90/10 Preference Points System
1	20	10
2	18	9
3	16	8
4	12	5
5	8	4
6	6	3
7	4	2
8	2	1
Non-compliant contributor	0	0

9.4 A tenderer must submit proof of its BBEE status level contributor.

9.5 A tenderer failing to submit proof of BBEE status level of contributor –

9.5.1 may only score in terms of the 80/90-point formula for price; and

9.5.2 scores 0 points out of 10/5 BBEE status level of contributor, which is in line with section 2 (1) (d) (i) of the Act, where the supplier or service provider did not provide proof thereof.

9.6 Regarding par 9.2(b) a maximum of 50% of the 20/10 points must be allocated to promote this goal. Maximum points will be allocated as follows.

Locality of supplier	Number of Points for 80/20 Preference Points System	Number of Points for 90/10 Preference Points System
Within the boundaries of the municipality	10	5
Outside of the boundaries of the municipality	0	0

The maximum will be proportionately adjusted depending on the number of points allocated for this goal. E.G., 40% will equate to 8/4 points.

9.7 The policy should not include Pre-qualification goals.

9.8 Any specific goal for which a point may be awarded, must be clearly specified in the invitation to submit a tender.

- 9.9 A tenderer failing to submit proof of required evidence to claim preferences for other specified goals, which is in line with section 2 (1) (d) (ii) of the Act.
- (i) may only score in terms of the 80/90-point formula for price; and
 - (ii) scores 0 points out of 10/5 of the relevant specific goals where the supplier or service provider did not stipulate.
- 9.10 The preference points scored by a tenderer must be added to the points scored for price.
- 9.11 The points scored must be rounded off to the nearest two decimal places.
- 9.12 The contract must be awarded to the tenderer scoring the highest procurement points.

10 Application of Specified contract participation goals in Various thresholds

- 10.1 The preference point scoring system will be applicable for all procurement as per the Preferential Procurement Regulations of November 2022, in excess of R 30 000,00.
- 10.2 If the specific goal of locality is identified for a specific procurement, the delegated official/committee must approve the specific goal (locality), and the point scoring must be specifically indicated in the invitation to tender and scored accordingly.
- 10.3 If the specific goal of locality is not identified for a specific procurement, the maximum points for the specified goals for the tender must be allocated to BBBEE points.

11. Criteria for breaking deadlock in scoring

- 11.1 If two or more tenderers score an equal total number of points, the contract must be awarded to the tenderer that scored the highest points for specific goals.
- 11.2 If two or more tenderers score an equal total number of points, the objective criteria in addition to those contemplated in paragraphs (d) and (e) justify the award to the tenderer that scored the highest points in terms in accordance with section 2(1)(f) of the Act.
- 11.3 If two or more tenderers score equal total points in all respects, the award must be decided by the drawing of lots.

12. Award of contracts to tenderers not scoring highest points

- 12.1 A contract may be awarded to a tenderer that did not score the highest points only in accordance with section 2(1)(f) of the Act.

13. Remedies

- 13.1 If a Municipality is of the view that a tenderer submitted false information regarding a specific goal, it must—
- a) inform the tenderer; accordingly, and
 - b) give the tenderer an opportunity to make representations within 14 days as to why the tender may not be disqualified or, if the tender has already been awarded to the tenderer, the contract should not be terminated in whole or in part—
- 13.2 After considering the representations referred to in par 13 (1)(b), the Municipality may—
- (a) if it concludes that such false information was submitted by the tenderer—
 - (i) disqualify the tenderer or terminate the contract in whole or in part; and
 - (ii) if applicable, claim damages from the tenderer;

14. Performance Management

The specific goals achieved through the application of the Preferential Procurement Framework Act, 2000 will be monitored in terms of the elements embedded in the Supply Chain Management Policy.

15. Reporting

The Accounting Officer must align its reporting requirements to the Council as per SCM Regulation 6 to also report on progress with the implementation of this Policy

16. Repeal of regulations

- 16.1 Subject to this regulation, the Preferential Procurement Regulations, 2017 published in Government No. 40553 of 20 January 2017, are hereby repealed with effect from the date referred to in subsection 17.
- 16.2 Any tender advertised before the date referred to in subsection 17 must be dealt with in terms of the Preferential Procurement Regulations, 2017.

17. Short title and commencement

This Policy is called the Stellenbosch Preferential Procurement Policy, 2022/23 and take effect on ce approved by council-16 January 2023.

APPENDIX 2

STELLENBOSCH MUNICIPALITY



SUPPLY CHAIN MANAGEMENT POLICY

2023/24



STELLENBOSCH MUNICIPALITY
SUPPLY CHAIN MANAGEMENT POLICY

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Definitions

- 1.1. In this Policy, unless the context otherwise indicates, a word or expression to which a meaning has been assigned in the Act has the same meaning as in the Act, and
- 1.1.1. “**Act**” means the Municipal Finance Management Act, No. 56 of 2003;
- 1.1.2. “**Bid**” means a written offer in a prescribed or stipulated form in response to an invitation by the municipality for the provision of goods, services or construction works through price quotations, advertised competitive bidding process or proposals;
- 1.1.3. “**Bidder**” means any person submitting a competitive bid or a quotation;
- 1.1.4. “**Closing time**” means the time and day specified in the bid documents for the receipt of bids;
- 1.1.5. “**Competitive bidding process**” means a competitive bidding process referred to in paragraph 12(1)(b)(i) of this Policy;
- 1.1.6. “**Competitive bid**” means a bid in terms of a competitive bidding process;
- 1.1.7. “**Contract**” means the agreement which is concluded when the municipality accepts, in writing, a competitive bid or quotation submitted by a supplier;
- 1.1.8. “**Contract manager**” means an official of the Municipality who is responsible for the planning for the planning and execution of a transaction involving the procurement of goods, services or works;
- 1.1.9. “**Contractor**” means any person or entity whose competitive bid or quotation has been accepted by the municipality;
- 1.1.10. “**Delegated authority**” means any person or committee delegated with authority by the municipality in terms of the provisions of the Municipal Finance Management Act;
- 1.1.11. “**Department**” means a section within a specific directorate in terms of the municipal organigram;
- 1.1.12. “**Electronic format**” means a bid submitted by a bidder via email or made available through a cloud storage services;
- 1.1.13. “**Emergency dispensation**” means emergency as referred to in paragraph 36(1)(a)(i) of this policy under which one or more of the following is in existence that warrants an emergency dispensation;
- (a) The possibility of human injury or death;
 - (b) The prevalence of human suffering or deprivation of rights;
 - (c) The possibility of damage to property, or suffering and death of livestock and animals;
 - (d) The interruption of essential services, including transportation and communication facilities or support services critical to the effective functioning of the municipality as a whole;
 - (e) The possibility of serious damage occurring to the natural environment;

- (f) The possibility that failure to take necessary action may result in the municipality not being able to render an essential community service;
 - (g) The possibility that the security of the state could be compromised; or
 - (h) The prevailing situation, or imminent danger, should be of such a scale and nature that it could not readily be alleviated by interim measures, in order to allow time for the formal procurement process. Emergency dispensation shall not be granted in respect of circumstances other than those contemplated above.
- 1.1.14. **“Final award”**, in relation to bids or quotations submitted for a contract, means the final decision on which a bid or quote is accepted;
- 1.1.15. **“Formal written price quotation”** means quotations referred to in paragraph 12 (1) (d) of this Policy;
- 1.1.16. **“Green procurement”** means the procurement of environmentally friendly products and services;
- 1.1.17. **“in the service of the state”** means to be –
- (a) A member of –
 - (i) Any municipal council;
 - (ii) Any provincial legislature; or
 - (iii) The National Assembly or the National Council of Provinces;
 - (b) A member of the board of directors of any municipal entity;
 - (c) An official of any municipality or municipal entity;
 - (d) An employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the public Finance Management Act, 1999 (Act No.1 of 1999);
 - (e) A member of the accounting authority of any national or provincial public entity; or
 - (f) An employee of Parliament or a provincial legislature;
- 1.1.18. **“Long term contract”** means a contract with a duration period exceeding one year and does not have the same meaning as contracts of a long term nature referred to in paragraph 22(1)(b)(vi) of this policy;
- 1.1.19. **“Long term nature contract”** means a contract as defined by section 33(1) of the Municipal Finance Management Act imposing financial obligations on the Municipality beyond the first three years covered in the approved annual budget;
- 1.1.20. **“List of accredited prospective providers”** means the list of accredited prospective providers in terms of Central Supplier Database (CSD) of National Treasury;
- 1.1.21. **“Other applicable legislation”** means any other legislation applicable to municipal supply chain management, including but not limited to the following –

- (a) The Preferential Procurement Policy Framework Act;
 - (b) The Broad-Based Black Economic Empowerment Act; ~~and~~
 - (c) The Construction Industry Development Board Act;
 - (d) The Local Government: Municipal Systems Act;
 - (e) The Competition Act; and
 - (f) The Promotion of Administrative Justice Act.
- 1.1.22. **“Policy”** means the Supply Chain Management Policy of Stellenbosch municipality as amended from time to time;
- 1.1.23. **“Parent municipality”** has the meaning assigned to it in section 1 of the Municipal Systems Act;
- 1.1.24. **“Petty Cash”**, means the procurement of goods and services through the supply chain management requisition and order system by means of one ~~verbal and~~ written quotation below a determined amount in relation with the Petty Cash Policy;
- 1.1.25. **“Single source”**: refers to when the competition exist in the market, but from a selected few suppliers due to technical capabilities and abilities comply with the requirements of the municipality;
- 1.1.26. **“Sole Supplier”**: It refers in instances where there is no competition and only one service provider exist in the market, with sole distribution rights and/or patent rights or manufacturer;
- 1.1.27. **“Strip and quote”**: When the repairs and maintenance on our machines, vehicles are done by one supplier and/or strip-and-quote, for example a municipal vehicle that needs repairs enters the workshop, however to do the repairs, the vehicle has to be send to a supplier that determines what repairs should be done;
- 1.1.28. **“Supplier database”** means the list of accredited prospective providers which the municipality or municipal entity must keep in terms of the Regulation 14 of the Supply Chain Management Regulations;
- 1.1.29. **“Treasury guidelines”** means any guidelines on supply chain management issued by the Minister in terms of section 168 of the Act;
- 1.1.30. **“Trust”** means the agreement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person;
- 1.1.31. **“Trustee”** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person;
- 1.1.32. **“The Act”** means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);
- 1.1.33. **“The Regulations”** means the Local Government: Municipal Finance Management Act, 2003, Municipal Supply Chain Management Regulations published by Government Notice 868 of 2005;

1.1.34. **“The PPPF Regulations”** means Preferential Procurement Policy Regulations, 2017 Published under Government Notice R32 in Government Gazette 40553 of 20 January 2017; and

1.1.35. ~~“Written or verbal quotations” means quotations referred to in paragraph 12(1)(b) & (c) of this Policy.~~ **“Unconditional Award”** means final awards made by the BAC/Accounting officer of which any appeals lodged by aggrieved service providers must be referred to the court of law

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CHAPTER 1**IMPLEMENTATION OF SUPPLY CHAIN MANAGEMENT POLICY****2. SUPPLY CHAIN MANAGEMENT POLICY**

- (1) All officials and other role players in the supply chain management system of the Stellenbosch Municipality must implement this Policy in a way that –
 - (a) Gives effect to –
 - (i) Section 217 of the Constitution; and
 - (ii) Part 1 of Chapter 11 and other applicable provisions of the Act;
 - (b) Is fair, equitable, transparent, competitive and cost effective;
 - (c) Complies with –
 - (i) The Regulations; and
 - (ii) Any minimum norms and standards that may be prescribed in terms of section 168 of the Act;
 - (d) Is consistent with other applicable legislation;
 - (e) Does not undermine the objective for uniformity in supply chain management systems between organs of state in all spheres; and
 - (f) Is consistent with national economic policy concerning the promotion of investments and doing business with the public sector.
- (2) The municipal entity must, in addition to complying with subparagraph (1), apply this Policy, to the extent determined by the parent municipality, in a way that is consistent with the supply chain management policy of the parent municipality.
- (3) This Policy applies when the Stellenbosch Municipality –
 - (a) Procures goods or services;
 - (b) Disposes goods no longer needed;
 - (c) Selects contractors to provide assistance in the provision of municipal services otherwise than in circumstances where Chapter 8 of the Municipal Systems Act applies; or
 - (d) Selects external mechanisms referred to in section 80(1)(b) of the Municipal Systems Act for the provision of municipal services in circumstances contemplated in section 83 of that Act.

- (4) This Policy, except where provided otherwise, does not apply in respect of the procurement of goods and services contemplated in section 110(2) of the Act, including –
- (a) Water from the Department of Water Affairs or a public entity, another municipality or a municipal entity; and
 - (b) Electricity from Eskom or another public entity, another municipality or a municipal entity.

3. AMENDMENT OF THE SUPPLY CHAIN MANAGEMENT POLICY

- (1) The Accounting Officer must –
- (a) At least annually review the implementation of this Policy; and
 - (b) When the Accounting Officer considers it necessary, submit proposals for the amendment of this Policy to the Stellenbosch Council.
- (2) If the Accounting Officer submits proposed amendments to the Stellenbosch Council that differs from the model policy issued by the National Treasury, the Accounting Officer must -
- (a) Ensure that such proposed amendments comply with the Regulations; and
 - (b) Report any deviation from the model policy to the National Treasury and the relevant provincial treasury.
- (3) When amending this supply chain management policy, the need for uniformity in supply chain practices, procedures and forms between organs of state in all spheres, particularly to promote accessibility of supply chain management systems for small businesses must be taken into account.

4. DELEGATION OF SUPPLY CHAIN MANAGEMENT POWERS AND DUTIES

- (1) The Stellenbosch Council hereby delegates all powers and duties to the Accounting Officer, which are necessary to enable the Accounting Officer –
- (a) To discharge the supply chain management responsibilities conferred on Accounting Officers in terms of –
 - (i) Chapter 8 or 10 of the Act; and
 - (ii) This Policy;
 - (b) To maximize administrative and operational efficiency in the implementation of this Policy;
 - (c) To enforce reasonable cost-effective measures for the prevention of fraud, corruption, favouritism and unfair and irregular practices in the implementation of this Policy; and

- (d) To comply with his or her responsibilities in terms of section 115 and other applicable provisions of the Act.
- (2) Sections 79 and 106 of the Act apply to the sub-delegation of powers and duties delegated to an Accounting Officer in terms of subparagraph (1).
- (3) The Accounting Officer may not sub-delegate any supply chain management powers or duties to a person who is not an official of Stellenbosch Municipality or to a committee, which is not exclusively composed of officials of the Stellenbosch Municipality.
- (4) This paragraph may not be read as permitting an official, to whom the power to make final awards has been delegated, to make a final award in a competitive bidding process otherwise than through the committee system provided for in paragraph 26 of this Policy.

5. SUB-DELEGATIONS

- (1) The Accounting Officer may in terms of section 79 or 106 of the Act sub-delegate any supply chain management powers and duties, including those delegated to the Accounting Officer in terms of this Policy, but any such sub-delegation must be consistent with subparagraph (2) of this paragraph and paragraph 4 of this Policy.
- (2) The power to make a final award –
 - (a) Above R 10 million (VAT included) may not be sub-delegated by the Accounting Officer;
 - (b) Above R 200,000 (VAT included), but not exceeding R 10 million (VAT included), may be sub-delegated but only to –
 - (i) The Bid Adjudication Committee of which the Chief Financial Officer or a senior manager is a member; or
 - (ii) Accounting Officer of the municipality, after due consideration of all facts was done; and
 - (c) Below R 200,000 (VAT included) to be disposed by delegated official according approved delegatory power and functions issued by Accounting Officer.
- (3) The Bid Adjudication Committee to which the power to make final awards has been sub-delegated in accordance with subparagraph (2) must within five days of the end of each month submit to the official referred to in subparagraph (4) a written report containing particulars of each final award made by such official or committee during that month, including –
 - (a) The amount of the award;

- (b) The name of the person to whom the award was made; and
 - (c) The reason why the award was made to that person.
- (4) A written report referred to in subparagraph (3) must be submitted –
- (a) To the Accounting Officer, in the case of an award by –
 - (i) The Bid Adjudication Committee of which the Chief Financial Officer or a senior manager is a member; or
 - (b) To the Chief Financial Officer or the senior manager responsible for the relevant bid, in the case of an award by –
 - (i) The Bid Adjudication Committee of which the Chief Financial Officer or a senior manager is not a member.
- (5) Subparagraphs (3) and (4) of this policy do not apply to procurements out of petty cash.
- (6) This paragraph may not be interpreted as permitting an official to whom the power to make final awards has been sub-delegated, to make a final award in a competitive bidding process otherwise than through the committee system provided for in paragraph 26 of this Policy.
- (7) No supply chain management decision-making powers may be delegated to an advisor or consultant.

6. OVERSIGHT ROLE OF COUNCIL

- (1) The Stellenbosch Council reserves its right to maintain oversight over the implementation of this Policy.
- (2) For the purposes of such oversight the Accounting Officer must –
- (i) Within 30 days of the end of each financial year, submit a report on the implementation of this Policy and the supply chain management policy of any municipal entity under the sole or shared control of the municipality, to the council of the municipality; and
 - (ii) Whenever there are serious and material problems in the implementation of this Policy, immediately submit a report to Council.
- (3) The Accounting Officer must, within 10 days of the end of each quarter, submit a report on the implementation of the supply chain management policy to the Executive Mayor.
- (4) The reports must be made public in accordance with section 21A of the Municipal Systems Act.

7. SUPPLY CHAIN MANAGEMENT UNIT

- (1) A supply chain management unit is hereby established to implement this Policy.
- (2) The supply chain management unit operates under the direct supervision of the Chief Financial Officer or an official to whom this duty has been delegated in terms of section 82 of the Act.

8. TRAINING OF SUPPLY CHAIN MANAGEMENT OFFICIALS

- (1) The training of officials involved in implementing this Policy should be in accordance with any Treasury guidelines on supply chain management training.

CHAPTER 2

SUPPLY CHAIN MANAGEMENT SYSTEM

9. FORMAT OF SUPPLY CHAIN MANAGEMENT SYSTEM

- (1) This Policy provides systems for –
- (i) Demand management;
 - (ii) Acquisition management;
 - (iii) Logistics management;
 - (iv) Disposal management;
 - (v) Risk management; and
 - (vi) Performance management.

PART 1: DEMAND MANAGEMENT**10. SYSTEM OF DEMAND MANAGEMENT**

- (1) The Accounting Officer must establish and implement an appropriate demand management system in order to ensure that the resources required by Stellenbosch Municipality support its operational commitments and its strategic goals outlined in the Integrated Development Plan.
- (2) The demand management system must –
 - (a) Include timely planning and management processes to ensure that all goods and services required by Stellenbosch Municipality are quantified, budgeted for and timely and effectively delivered at the right locations and at the critical delivery dates, and are of the appropriate quality and quantity at a fair cost;
 - (b) Take into account any benefits of economies of scale that may be derived in the case of acquisitions of a repetitive nature;
 - (c) Provide for the compilation of the required specifications to ensure that its needs are met; and
 - (d) To undertake appropriate industry analysis and research to ensure that innovations and technological benefits are maximized.
- (3) Green procurement must be incorporated as far as reasonably possible for all specifications of goods, services and construction works.
- (4) In the development of bid specifications, innovative mechanisms should be explored to render the service or product more resource and energy efficient.

PART 2: ACQUISITION MANAGEMENT

11. SYSTEM OF ACQUISITION MANAGEMENT

- (1) The Accounting Officer must implement the system of acquisition management set out in this Part in order to ensure –
- (a) That goods and services are procured by Stellenbosch Municipality in accordance with authorised processes only;
 - (b) That expenditure on goods and services is incurred in terms of an approved budget in terms of section 15 of the Act;
 - (c) That the threshold values for the different procurement processes are complied with;
 - (d) That bid documentation, evaluation and adjudication criteria, and general conditions of a contract, are in accordance with any applicable legislation; and
 - (e) That any Treasury guidelines on acquisition management are properly taken into account.
- (2) Unless otherwise indicated in the bid documents, the Municipality shall not be liable for any expenses incurred by prospective bidders in the preparation and / or submission of a bid or quotation.

12. RANGE OF PROCUREMENT PROCESSES

- (1) Goods and / or services may only be procured by way of –

~~(a) Cash purchases administered by the Expenditure Division up to a transaction value as defined in Council's Petty Cash Policy;~~

~~(a)~~

~~(b) Petty cash purchases through one verbal request and or verbal /written quotation for the procurement of goods through the supply chain management requisition and order system of a transaction value between R 0 and R 2,000 (VAT included);~~

~~(b) Removed~~

~~(c) formal written price quotations for procurement of a transaction value over R2000 up to R300 000 (VAT included).~~

~~(c) Written or verbal quotations for procurement of goods and/or services of a transaction value between R 2,000 and R 10,000 (VAT included);~~

~~(d) a competitive bidding process for procurement above a transaction value of R300 000 (VAT included).~~

~~(d) Formal written quotations for procurement of goods and/or services of a transaction value between R 10,000 and R 200,000;~~

~~(e) Procurements above a transaction value of R 200,000 (VAT included); and~~

~~(f) The procurement of long term contracts.~~

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- (2) The Accounting Officer may, in writing-
- (a) Lower, but not increase, the different threshold values specified in subparagraph (1); or
 - (b) Direct that –
 - (i) ~~Written quotations are obtained for any specific procurement of a transaction value lower than R 2,000; Removed~~
 - (ii) ~~Formal W~~written price quotations be obtained for any specific procurement of a transaction value lower than R 10,000; or
 - (iii) A competitive bidding process be followed for any specific procurement of a transaction value ~~higher-lower~~ than R 2300,000.
- (3) Goods or services may not deliberately be split into parts or items of a lesser value merely to avoid complying with the requirements of the policy. When determining transaction values, a requirement for goods or services consisting of different parts or items must as far as possible be treated and dealt with as a single transaction.

13. GENERAL PRECONDITIONS FOR CONSIDERATION OF WRITTEN QUOTATIONS OR BIDS

- (1) A written quotation or bid may not be considered unless the provider who submitted the quotation or bid –
- (a) Has furnished that provider's –
 - (i) Full name;
 - (ii) Identification number or company or other registration number; and
 - (iii) Tax reference number and VAT registration number, if any;
 - (b) Has authorised the Stellenbosch Municipality to obtain a tax clearance by means of the Tax Compliance Status Pin from, from the South African Revenue Services and Central Supplier Database Number (CSD) that the provider's tax matters are in order; and
 - (c) Has indicated –
 - (i) Whether he or she is in the service of the state, or has been in the service of the state in the previous twelve months;
 - (ii) If the provider is not a natural person, whether any of its directors, managers, principal shareholders or stakeholder is in the service of the state, or has been in the service of the state in the previous twelve months; or
 - (iii) Whether a spouse, child or parent of the provider or of a director, manager, shareholder or stakeholder referred to in sub-paragraph (ii) is in the service of the state, or has been in the service of the state in the previous twelve months.

14. LISTS OF ACCREDITED PROSPECTIVE PROVIDERS

- (1) The Accounting Officer must –

- (a) Keep a list of accredited prospective providers of goods and services that must be used for the procurement requirements through ~~written or verbal quotations and~~ formal written price quotations;
 - (b) At least once a year through newspapers commonly circulating locally, the website and any other appropriate ways, invite prospective providers of goods or services to apply for evaluation and listing as accredited prospective providers;
 - (c) Specify the listing criteria for accredited prospective providers as stated within the database registration forms; and
 - (d) Disallow the listing of any prospective provider whose name appears on the National Treasury's database as a person prohibited from doing business with the public sector.
- (2) The list must be updated at least quarterly to include any additional prospective providers and any new commodities or types of services. Prospective providers must be allowed to submit applications for listing at any time.
- (3) The list must be compiled per commodity and per type of service.

15. PETTY CASH PURCHASES

- (1) The Accounting Officer must establish the conditions for the procurement of goods by means of cash purchases and petty cash purchases referred to in paragraph 12(1)(a) and (b) of this Policy, which must include conditions –
- (a) determining the terms on which a manager may delegate responsibility for cash purchases and petty cash purchases to an official reporting to the manager;
 - (b) limiting the maximum number of cash purchases and petty cash purchases or the maximum amounts per month for each manager;
 - (c) excluding any types of expenditure from cash purchases and petty cash purchases, where this is considered necessary;
 - (d) requiring a monthly reconciliation report from each manager to the Chief Financial Officer, including –
 - (i) the total amount of cash purchases and petty cash purchases for that month; and
 - (ii) receipts and appropriate documents for each purchase; and
 - (e) any other conditions determined by the Chief Financial Officer.
- (2) Cash purchases will be dealt with in terms of the Petty Cash Policy of Council.
- (3) Petty cash purchases will be dealt with in terms of the Supply Chain Management Policy of Council.

16. WRITTEN OR VERBAL QUOTATIONS

- (1) ~~Removed~~The conditions for the procurement of goods or services through written or

~~verbal quotations are as follows—~~

~~Quotations must be obtained from at least three different providers preferably from, but not limited to, providers whose names appear on the list of accredited prospective providers of the Stellenbosch Municipality, provided that if quotations are obtained from providers who are not listed, such providers must meet the listing criteria set out in paragraph 13 of this Policy;~~

~~(b) Where no suitable providers are available from the list of accredited prospective providers, quotations may be obtained from other possible providers;~~

~~(c) To the extent feasible, providers must be requested to submit such quotations in writing;~~

~~(d) If it is not possible to obtain at least three quotations, the reasons must be recorded and reported quarterly to the Accounting Officer or another official designated by the Accounting Officer;~~

~~(e) The Accounting Officer must record the names of the potential providers requested to provide such quotations with their quoted prices; and~~

~~(f) If a quotation was submitted verbally, the order may be placed only against written confirmation by the selected provider.~~

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17. FORMAL WRITTEN PRICE QUOTATIONS

(1) The conditions for the procurement of goods or services through formal written price quotations are as follows: -

(a) Quotations must be obtained in writing from at least three different providers whose names appear on the list of accredited prospective providers of the Stellenbosch Municipality. Quotations may be obtained from providers who are not listed, provided that such providers meet the listing criteria set out in paragraph 13 of this Policy;

(b) Where no suitable providers are available from the list of accredited prospective providers, quotations may be obtained from other possible providers not registered on the municipal supplier database;

(c) If it is not possible to obtain at least three quotations, the reasons must be recorded and approved by the Chief Financial Officer or an official designated by the Chief Financial Officer;

(d) The Accounting Officer must record the names of the potential providers and their written quotations; and

(e) For the obtaining of quotations for services, Stellenbosch Municipality will utilize their notice boards.

(2) A designated official referred to in subparagraph (1)(c) must within three days of the end of each month report to the Chief Financial Officer on any approvals given during that month by that official in terms of that subparagraph.

18. PROCEDURES FOR PROCURING GOODS OR SERVICES THROUGH ~~WRITTEN OR VERBAL QUOTATIONS AND~~ FORMAL WRITTEN PRICE QUOTATIONS

- (1) The procedure for the procurement of goods or services through ~~written or verbal quotations~~ or formal written price quotations is as follows –
- (a) When using the list of accredited prospective providers the Accounting Officer must promote on-going competition amongst providers by inviting providers to submit quotations on a rotation basis;
 - (b) Where no suitable providers are available from the list of accredited prospective providers, quotations may be obtained from other possible providers not registered on the municipal supplier database;
 - i. All requirements in excess of R 30,000 (VAT included) that are to be procured by means of formal written price quotations must, in addition to the requirements of paragraph 17, be advertised for at least seven days on the website and an official notice board of the Stellenbosch Municipality;
 - ii. ~~The municipality will follow a preferred bidding process in the event that the market did not respond in terms of the sourcing of quotations on the website for seven (7) days and if no responsive bids was received.~~
 - (c) ~~Offers received must be evaluated on a comparative basis taking into account unconditional discounts; The accounting officer must take all reasonable steps to ensure that the procurement of goods and services through formal written quotations are not abused;~~
 - (d) The Accounting Officer or Chief Financial Officer must on a monthly basis be notified in writing of all ~~written or verbal quotations and~~ formal written price quotations accepted by an official acting in terms of a sub-delegation;

~~(e) Offers below R 30,000 (VAT included) must be awarded based on compliance to specification and conditions of contract, ability and capability to deliver the goods and services and lowest price; Offers received must be evaluated on a comparative basis taking into account~~
 - ~~(e) unconditional discounts;-~~
 - (f) Acceptable offers, which are subject to the preference points system (PPPFA and associated regulations), must be awarded to the bidder who scored the highest points; and
 - (g) Stellenbosch Municipality will maintain a proper record keeping system.

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19. COMPETITIVE BIDS

- (1) Goods or services above a transaction value of R 2300,000 (VAT included) and long term contracts may only be procured through a competitive bidding process, subject to paragraph 11(2) of this Policy.
- (2) No requirement for goods or services above an estimated transaction value of R 2300,000 (VAT included), may deliberately be split into parts or items of lesser value merely for the sake of procuring the goods or services otherwise than through a competitive bidding process.

20. PROCESS FOR COMPETITIVE BIDDING

- (1) The procedures for the following stages of a competitive bidding process are as follows:-
- (a) Compilation of bidding documentation as detailed in paragraph 21;
 - (b) Public invitation of bids as detailed in paragraph 22;
 - (c) Site meetings or briefing sessions as detailed in paragraph 22;
 - (d) Handling of bids submitted in response to public invitation as detailed in paragraph 23;
 - (e) Evaluation of bids as detailed in paragraph 28;
 - (f) Award of contracts as detailed in paragraph 29;
 - (g) Administration of contracts;
 - (h) After approval of a bid, the Accounting Officer and the bidder must enter into a written agreement;
 - (i) Proper record keeping; and
 - (j) Original / legal copies of written contracts agreements must be kept in a secure place for reference purposes.

21. BID DOCUMENTATION FOR COMPETITIVE BIDS

- (1) The criteria to which bid documentation for a competitive bidding process must comply, must –
- (a) Take into account –
 - (i) The general conditions of contract and any special conditions of contract, if specified;
 - (ii) Any Treasury guidelines on bid documentation; and
 - (iii) The requirements of the Construction Industry Development Board, in the case of a bid relating to construction, upgrading or refurbishment of buildings or infrastructure;
 - (b) Include the preference points system to be used, goals as contemplated in the Preferential Procurement Regulations and evaluation and adjudication criteria, including any criteria required by other applicable legislation;
 - (c) Compel bidders to declare any conflict of interest they may have in the transaction for which the bid is submitted;
 - (d) If the value of the transaction is expected to exceed R 10 million (VAT included), require bidders to furnish –
 - (i) If the bidder is required by law to prepare annual financial statements (AFS) for auditing, their audited AFS –

- (aa) For the past three years; or
- (bb) Since their establishment if established during the past three years;
- (ii) A certificate signed by the bidder certifying that the bidder has no undisputed commitments for municipal services towards a municipality or other service provider in respect of which payment is overdue for more than 30 days;
- (iii) Particulars of any contracts awarded to the bidder by an organ of state during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract;
- (iv) A statement indicating whether any portion of the goods or services are expected to be sourced from outside the Republic, and if so, what portion and whether any portion of payment from the municipality or municipal entity is expected to be transferred out of the Republic; and
- (e) Stipulate that disputes must be settled by means of mutual consultation, mediation, adjudication (with or without legal representation), or, when unsuccessful, in a South African court of law;
- (f) The period for which bids are to remain valid and binding must be indicated in the bid documents; and
- (g) A provision for the termination of the contract in the case of non- or under-performance and objections and complaints must be included in the bid documentation.

22. PUBLIC INVITATION FOR COMPETITIVE BIDS

- (1) The procedure for the invitation of competitive bids is as follows –
 - (a) Any invitation to prospective providers to submit bids must be by means of a public advertisement in a newspaper commonly circulating locally, the website of the Stellenbosch Municipality or any other appropriate ways (which may include an advertisement in the Government Tender Bulletin); and
 - (b) The information contained in a public advertisement, must at least include
 - (i) The closure date for the submission of bids, which may not be less than 30 days in the case of transactions over R10 million (VAT included), or which are of a long term nature, or 14 days in any other case, from the date on which the advertisement is placed in a newspaper, subject to subparagraph (2) of this policy; and
 - (ii) A statement that bids may only be submitted on the bid documentation provided by the Stellenbosch Municipality
 - (iii) Contact details for further enquiries.
- (2) The Accounting Officer may determine a closure date for the submission of bids which is less than the 30 or 14 days requirement, but only if such shorter period can be justified on the grounds of urgency or emergency or any exceptional case where it is impractical or impossible to follow the official procurement process.

- (3) Bids submitted must be sealed and must clearly indicate the bid number on the outside of the envelope for which the bid is being submitted.
- (4) Where bids are requested by the Municipality in electronic format, such bids must be supplemented by sealed hard copies.
- (5) The municipality may require bidders to submit section(s) of their bid in electronic format, but only after the bid closing date. If the electronic copy differs from the original hard copy, the original hard copy will be binding.

23. PROCEDURE FOR HANDLING, OPENING AND RECORDING OF COMPETITIVE BIDS AND FORMAL WRITTEN PRICE QUOTATIONS IN EXCESS OF R 30,000

- (1) The procedures for the handling, opening and recording of bids are as follows
 - (a) Bids –
 - (i) Must be opened only in public;
 - (ii) must be opened at the same time and as soon as possible after the period for the submission of bids has expired; and
 - (iii) Received after the closing time should not be considered and returned unopened immediately; and
 - (b) Any bidder or member of the public has the right to request that the names of the bidders who submitted bids in time must be read out and, if practical, also each bidder's total bidding price;
 - (c) No information, except the provisions in subparagraph (b), relating to the bid should be disclosed to bidders or other persons until the successful bidder is notified of the award;
 - (d) The Accounting Officer must –
 - (i) Record in a register all bids received in time;
 - (ii) Make the register available for public inspection; and
 - (iii) Publish the entries in the register and the bid results on the website.
 - (e) The bidder shall choose a *domicilium citandi et executandi* in the Republic and unless notice of the change thereof has duly been given in writing, it shall be the address stated in the bid.
 - (f) Opening of bid procedures –
 - (i) At the specified closing time on the closing date the applicable bid box shall be closed;
 - (ii) The bid box shall be opened in public as soon as practical after the closing time by at least two officials from the Supply Chain Management Unit and the Security Officer on duty;
 - (iii) It is the responsibility of the bidder to ensure that their bid is placed in the correct bid box. The municipality will not on its own initiative redirect any bid if it is placed in an incorrect bid box before the closing time of submissions.

- (iv) Immediately after the opening of the bid box all bids shall be opened in public;
 - (v) At the official opening of the bids, the bids shall in all cases be read out in terms of the name of the bidder and, if practical, the amount of the bid;
 - (vi) As soon as a bid or technical proposal has been opened the bid / proposal shall be stamped with the official stamps, and endorsed with the opening officials' signatures;
 - (viii) The name of the bidder, and where possible, the bid sum shall be recorded in a bid opening record kept for that purpose; and The responsible officials who opened the bidding documentation received shall forthwith place their signatures on the bid opening record (register) and shall ensure that the bid opening record, indicating at least the bid price of each bidder, the BBBEE status level contribution of each bidder and where applicable the local content percentages of the goods offered are made available for public inspection and are published on the municipality's website.
- (g) Site Inspections / clarification meeting –
- (i) Site inspections / clarifications meeting, where applicable, will be compulsory.
 - (ii) If site inspections / clarification meeting are to be held, full details must be included in the bid notice. Service providers that are late for the commencement of the site inspection/clarification meeting will be disqualified.
 - (iii) Minutes of all site inspection/clarification meetings must be kept for record purposes
 - (iv) Any proposed Addendums to the advertised bid document must be tabled at the Bid Specification Committee Meeting for consideration and approval.
- (h) Bid validity periods
- (i) The validity period is calculated from the bid closure date and bids shall remain in force and binding for a period of six (6) months as indicated in the invitation to bid and the bid documents, subject to any other applicable legislation and instructions from the National Treasury for specific types of procurement.
 - (ii) The period of validity may be extended by the SCM Department, provided that the original bid validity period has not expired and that all bidders are given an opportunity to extend such period.
 - (iii) Any such extension shall be agreed to by a bidder in writing.

Bidders who fail to respond to such a request before the validity of their bid expires, or who decline such a request shall not be considered further in the bid evaluation process.
 - (iv) All bidders who indicated the acceptance of the extension of the bid

validity period, bids will be considered for evaluation purposes.

- (v) If the validity of all bids expired without it being awarded within the bid validity period, including any extensions thereof allowable in terms of applicable legislation, the bid must be cancelled and published in the same media in which the original bid invitation appeared.
 - (vi) All bidders must be notified in writing of the cancellation of a bid.
- (i) Samples
- (i) The call for samples should be limited to where samples are called for in the bid documents, samples (marked with the bid and item number as well as the bidder's name and address) shall be delivered separately (to the bid) to the addressee mentioned in the bid documents by no later than the closing time of the bid.
 - (ii) Bids may not be included in parcels containing samples.
 - (iii) If samples are not submitted as required in the bid documents, then the part of the bid for which no sample is provided shall be declared invalid.
 - (iv) Samples shall be supplied by a bidder at his / her own expense and risk. Stellenbosch Municipality shall not be obliged to pay for such samples or compensate for the loss thereof, unless otherwise specified in the bid documents, and shall reserve the right to return such samples or to dispose of them at its own discretion.
 - (v) If a bid is accepted for the supply of goods according to a sample submitted by the bidder, that sample will become the contract sample. All goods/materials supplied shall comply in all respects to that contract sample.
- (j) Bid Sum
- (i) A bid will not necessarily be invalidated if the amount in words and the amount in figures do not correspond, in which case the amount in words shall be read out at the bid opening.

24. NEGOTIATIONS WITH PREFERRED BIDDERS

- (1) The Accounting Officer may negotiate the final terms of a contract with bidders identified through a competitive bidding process as preferred bidders, provided that such negotiation –
 - (a) Does not allow any preferred bidder a second or unfair opportunity;
 - (b) Is not to the detriment of any other bidder; and
 - (c) Does not lead to a higher price than the bid as submitted.
- (2) Minutes of such negotiations must be kept for record purposes.

25. TWO-STAGE BIDDING PROCESS

- (1) A two-stage bidding process is allowed for –
 - (a) Large complex projects;
 - (b) Projects where it may be undesirable to prepare complete detailed technical specifications; or
 - (c) Long term projects with a duration period exceeding three years.
- (2) In the first stage technical proposals on conceptual design or performance specifications should be invited, subject to technical as well as commercial clarifications and adjustments.
- (3) In the second stage final technical proposals and priced bids should be invited.

26. COMMITTEE SYSTEM FOR COMPETITIVE BIDS

- (1) A committee system for competitive bids is hereby established, consisting of the following committees for each procurement or cluster of procurements as the Accounting Officer may determine as issued within the directive and stating the terms of reference of each bid committee –
 - (a) A Bid Specifications Committee;
 - (b) A Bid Evaluation Committee; and
 - (c) A Bid Adjudication Committee.
- (2) The Accounting Officer appoints the members of each committee, taking into account section 117 of the Act; and
- (3) The committee system must be consistent with –
 - (a) Paragraph 27, 28 and 29 of this Policy;
 - (b) Any other applicable legislation; and
 - (c) The Accounting Officer may apply the committee system to formal written price quotations.

27. BID SPECIFICATIONS COMMITTEES

- (1) A Bid Specifications Committee must compile the specifications for each procurement of goods or services by the Stellenbosch Municipality.
- (2) Specifications –
 - (a) Must be drafted in an unbiased manner to allow all potential suppliers to offer their goods or services;
 - (b) Must take account of any accepted standards such as those issued by Standards South Africa, the International Standards Organisation, or an authority accredited or recognised by the South African National Accreditation System with which the equipment or material or workmanship should

comply;

- (c) Must, where possible, be described in terms of performance required rather than in terms of descriptive characteristics for design;
 - (d) May not create trade barriers in contract requirements in the forms of specifications, plans, drawings, designs, testing and test methods, packaging, marking or labelling of conformity certification;
 - (e) May not make reference to any particular trade mark, name, patent, design, type, specific origin or producer unless there is no other sufficiently precise or intelligible way of describing the characteristics of the work, in which case such reference must be accompanied by the word "equivalent";
 - (f) Must indicate the preference points system set out in the Preferential Procurement Regulations 2017;
 - (g) Must be approved by the Accounting Officer prior to publication of the invitation for bids in terms of paragraph 22 of this Policy; and
 - (h) The Accounting Officer may sub-delegate the requirements in sub-paragraph 2(g) above to the Chairperson of the Bid Specifications Committee.
- (3) A Bid Specifications Committee must be composed of one or more officials of the Stellenbosch Municipality preferably the manager responsible for the function involved, and may, when appropriate, include external and / or internal specialist advisors.
- (4) No person, advisor or corporate entity involved with the Bid Specifications Committee, or director of such a corporate entity, may bid for any resulting contracts.

28. BID EVALUATION COMMITTEES

- (1) A Bid Evaluation Committee must –
- (a) Evaluate bids in accordance with –
 - (i) The specifications for a specific procurement; and
 - (ii) The points system set out in terms of paragraph 27(2)(f);
 - (b) Evaluate each bidder's ability to execute the contract;
 - (c) Check in respect of the recommended bidder whether municipal rates and taxes and municipal service charges are not in arrears; and
 - (d) Submit to the adjudication committee a report and recommendations regarding the award of the bid or any other related matter.
- (2) A Bid Evaluation Committee must as far as possible be composed of
- (a) Officials from departments requiring the goods or services; and
 - (b) At least one supply chain management practitioner of the Stellenbosch Municipality.
- (3) The relevant user department's official shall carry out a preliminary evaluation of all

valid bids received and shall submit a bid evaluation report to the Bid Evaluation Committee for consideration.

- (4) Any evaluation of a bid shall consider the bids received and shall note for inclusion in the evaluation report, a bidder –
 - (a) Whose bid does not comply with the provisions of paragraph 38 of this Policy;
 - (b) Whose bid does not comply with the provisions of paragraph 13 of this Policy;
 - (c) Whose bid is not in compliance with the specification;
 - (d) Whose bid is not in compliance with the terms and conditions of the bid documentation;
 - (e) Who is not registered and verified on the municipality's supplier database within seven days of the closing time for bids. In this regard bid documentation shall state that the responsibility for registration and verification rests solely with the bidder;
 - (f) Who, in the case of construction works acquisitions, does not comply with the requirements of the Construction Industry Development Board Act regarding registration of contractors. Verification of compliance with this requirement shall be by means of Stellenbosch Municipality's Supplier Database;
 - (g) Whose tax status are non-compliant and cannot be verified with the South African Revenue Services (SARS) certifying that the taxes of the bidder are in order or that suitable arrangements have been made with SARS; and
 - (h) Who fails to comply with any applicable Bargaining Council agreement.
- (5) Bids shall be evaluated according to the following as applicable –
 - (i) Bid price (corrected if applicable and brought to a comparative level where necessary);
 - (ii) The unit rates and prices;
 - (iii) The bidder's ability to fulfil its obligations in terms of the bid documents;
 - (iv) Any qualifications to the bid;
 - (v) The bid ranking obtained in respect of Preferential Procurement as required by Stellenbosch Municipality's Preferential Procurement Policy;
 - (vi) The financial standing of the bidder, including its ability to furnish the required institutional guarantee, where applicable; and
 - (vii) Any other criteria specified in the bid documents.
- (6) The Bid Evaluation Committee shall check in respect of the recommended bidder whether municipal rates and taxes and municipal service charges are not in arrears.
- (7) The evaluation of bids on an equitable basis may be considered during the evaluation process.
- (8) Additional information or clarification of bids may be called for if required.

- (9) Alternative bids may be considered, provided that a bid free of qualifications and strictly in accordance with the bid documents is also submitted. Stellenbosch Municipality shall not be bound to consider alternative bids. The alternative offer is to be submitted with the main offer together with a schedule that compares the specifications of the bid documents with the alternative offer.
- (10) If a bidder requests in writing, after the closing of bids, that his/her bid be withdrawn, then such a request may be considered and reported in the bid evaluation report.
- (11) If, after bids have been brought to a comparative level, two or more scores equal total adjudication points, regulation 11(5) of the Preferential Procurement Regulations of 2017 will apply.
- (12) If two or more bids are equal in all respects after applying regulation 11(5), the Bid Evaluation Committee shall draw lots to decide on the recommendation for award.
- (13) All disclosures of conflict of interest shall be considered by the Bid Evaluation Committee and if the conflict of interest is of a material nature, this shall be reported to the Bid Adjudication Committee.
- (14) The relevant User Department in consultation with the SCM Unit may, before the bid is considered by the Bid Evaluation Committee, provide a reasonable opportunity to a bidder who made an innocent error and / or omission in their bid document, to correct the innocent error and / or omission, provided that such opportunity will not unduly prejudice any of the other bidders.
- (15) In an event as described in sub-paragraph 14, bidders shall be afforded a minimum of two (2) working days up to a maximum of five (5) working days (in consultation with the relevant User Department or the Manager: Supply Chain Management) from time of notification to correct such innocent errors and / or omissions. If no response is received from such bidders at the deadline the bid may be deemed to be non-responsive.

29. BID ADJUDICATION COMMITTEES

- (1) A Bid Adjudication Committee must –
 - (a) Consider the report and recommendations of the Bid Evaluation Committee; and
 - (b) Either –
 - (i) Depending on its delegations, make a final award or a recommendation to the Accounting Officer to make the final award; or
 - (ii) Make another recommendation to the Accounting Officer how to proceed with the relevant procurement.
- (2) A Bid Adjudication Committee must consist of at least four senior managers of the Stellenbosch Municipality, which must include –
 - (a) The Chief Financial Officer or, if the Chief Financial Officer is not available, another manager in the budget and treasury office reporting directly to the

Chief Financial Officer and designated by the Chief

Financial Officer;

- (b) At least one senior supply chain management practitioner who is an official of the Stellenbosch Municipality; and
 - (c) A technical expert in the relevant field who is an official, if such an expert exists.
- (3) The Accounting Officer must appoint the chairperson of the committee. If the chairperson is absent from a meeting, the members of the committee who are present must elect one of them to preside at the meeting.
- (4) Neither a member of a Bid Evaluation Committee, nor an advisor or person assisting the evaluation committee, may be a member of a Bid Adjudication Committee.
- (a) If the Bid Adjudication Committee decides to award a bid other than the one recommended by the Bid Evaluation Committee, the Bid Adjudication Committee must prior to awarding the bid–
 - (i) Check in respect of the preferred bidder whether that bidder's municipal rates and taxes and municipal service charges are not in arrears; and
 - (ii) Notify the Accounting Officer.
 - (b) The Accounting Officer may –
 - (i) After due consideration of the reasons for the deviation, ratify or reject the decision of the Bid Adjudication Committee referred to in paragraph (a); and
 - (ii) If the decision of the Bid Adjudication Committee is rejected, refer the decision of the adjudication committee back to that committee for reconsideration.
- (6) The Accounting Officer may at any stage of a bidding process, refer any recommendation made by the evaluation committee or the adjudication committee back to that committee for reconsideration of the recommendation.
- (7) The Accounting Officer must comply with section 114 of the Act within 10 working days

30. PROCUREMENT OF BANKING SERVICES

- (1) A contract for banking services –
 - (a) Must be procured through competitive bids;
 - (b) Must be consistent with section 7 or 85 of the Act; and
 - (c) May not be for a period of more than five years at a time.
- (2) The process for procuring a contract for banking services must commence at least

nine months before the end of an existing contract.

- (3) The closure date for the submission of bids may not be less than 60 days from the date on which the advertisement is placed in a newspaper in terms of paragraph 22(1). Bids must be restricted to banks registered in terms of the Banks Act, 1990 (Act No. 94 of 1990).

31. PROCUREMENT OF IT RELATED GOODS OR SERVICES

- (1) The Accounting Officer may request the State Information Technology Agency (SITA) to assist with the acquisition of IT related goods or services through a competitive bidding process.
- (2) Both parties must enter into a written agreement to regulate the services rendered by and the payments to be made to SITA.
- (3) The Accounting Officer must notify SITA together with a motivation of the IT needs if –
- (a) The transaction value of IT related goods or services required in any financial year will exceed R 50 million (VAT included); or
 - (b) The transaction value of a contract to be procured whether for one or more years exceeds R 50 million (VAT included).
- (4) If SITA's comments on the submission and the Stellenbosch Municipality disagree with such comments, the comments and the reasons for rejecting or not following such comments must be submitted to the council, the National Treasury, the relevant provincial treasury and the Auditor General.

32. PROCUREMENT OF GOODS AND SERVICES UNDER CONTRACTS SECURED BY OTHER ORGANS OF STATE

- (1) The Accounting Officer may procure goods or services under a contract secured by another organ of state, but only if –
- (a) The contract has been secured by that other organ of state by means of a competitive bidding process applicable to that organ of state;
 - (b) There is no reason to believe that such contract was not validly procured;
 - (c) There are demonstrable discounts or benefits to do so; and
 - (d) That other organ of state and the provider has consented to such procurement in writing.
- (2) Subparagraphs (1)(c) and (d) do not apply if –
- (a) A municipal entity procures goods or services through a contract secured by its parent municipality; or
 - (b) A municipality procures goods or services through a contract secured by a municipal entity of which it is the parent municipality.
- (3) If paragraph (1) is complied with, Stellenbosch Municipality must request at least the following documents from the relevant organ of state and service provider as referred to under subparagraph (1)(d) –
- (a) A written declaration confirming –

- (i) That the organ of state followed a competitive bidding process applicable to it;
- (ii) That the organ of state has no reason to believe that the contract was not validly procured by itself;
- (iii) That the organ of state evaluated the bid in terms of price and

BBBEE and if applicable, in terms of functionality or quality, and concluded that the bid(s) that were accepted were in all aspects the best compliant and respective bid(s); and

- (iv) That the organ of state gives formal written permission to

Stellenbosch Municipality to procure goods and / or services from the approved bid(s) as accepted by the organ of state;

- (b) Agenda and minutes of the organ of state's Bid Evaluation Committee at which the specific bid was evaluated;
 - (c) Agenda and minutes of the organ of state's Bid Adjudication Committee at which the bid was awarded or the approval of the Accounting Officer of that organ of state who approved the bid;
 - (d) A copy of the successful bidder(s) bid submissions; and
 - (e) Written consent from the service provider.
- (4) If Stellenbosch Municipality should enter into a contract secured by other organs of state, it shall enter into a contract with the successful bidder(s) on the same terms and conditions as accepted by the relevant organ of state.
- (5) Contracts entered into by Stellenbosch Municipality under paragraph (4) shall not be deemed to be a deviation from the official procurement processes.
- (6) The Accounting Officer shall report to Council on a monthly basis all contracts entered into in terms of paragraph (4) above.

33. PROCUREMENT OF GOODS NECESSITATING SPECIAL SAFETY ARRANGEMENTS

- (1) The acquisition and storage of goods in bulk (other than water), which necessitate special safety arrangements, including gasses and fuel, should be avoided wherever possible.
- (2) Where the storage of goods in bulk is justified, such justification must be based on sound reasons, including the total cost of ownership, cost advantages and environmental impact and must be approved by the Accounting Officer.

34. PROUDLY SA CAMPAIGN

- (1) Stellenbosch Municipality supports the Proudly SA Campaign to the extent that, all things being equal, preference is given to procuring local goods and services from –
 - (a) Firstly: Suppliers and businesses within the municipality or district;
 - (b) Secondly: Suppliers and businesses within the relevant province; and

- (c) Thirdly: Suppliers and businesses within the Republic.

35. APPOINTMENT OF CONSULTANTS

- (1) The Accounting Officer may procure consulting services provided that any Treasury guidelines in respect of consulting services, Construction Industry Development Board guidelines and Council's Cost-Containment Policy in respect of services related to the built environment and construction works are taken into account when such procurements are made.
- (2) Consultancy services must be procured through competitive bids if –
- (a) The value of the contract exceeds R 2300,000 (VAT included); or
 - (b) The duration period of the contract exceeds one year.
- (3) In addition to any requirements prescribed by this policy for competitive bids, bidders must furnish particulars of –
- (a) All consultancy services provided to an organ of state in the last five years; and
 - (b) Any similar consultancy services provided to an organ of state in the last five years.
- (4) The Accounting Officer must ensure that copyright in any document produced, and the patent rights or ownership in any plant, machinery, thing, system or process designed or devised, by a consultant in the course of the consultancy service is vested in the Stellenbosch Municipality.
- (5) Where the estimated value of fees is less than R 2300,000 and the duration of the appointment is less than one year, any National Treasury and, where applicable, Construction Industry Development Board guidelines in respect of consulting services are taken into account.

36. DEVIATION FROM AND RATIFICATION OF MINOR BREACHES OF PROCUREMENT PROCESSES

- (1) The Accounting Officer may –
- (a) Dispense with the official procurement processes established by this Policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only –
 - (i) In an emergency (as per definition);
 - (ii) If such goods or services are produced or available from a single source or sole provider only (as per definition);
 - (iii) For the acquisition of special works of art or historical objects where specifications are difficult to compile;
 - (iv) Acquisition of animals for zoos and/or nature and game reserves; or
 - (v) In any other exceptional case where it is impractical or impossible to

follow the official procurement processes; and

- (b) 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 subparagraphs (1)(a) and (b) of this policy and report them to the next meeting of the council and include as a note to the annual financial statements.
- (3) Subparagraph (2) does not apply to the procurement of goods and services contemplated in paragraph 11(2) of this policy.

37. UNSOLICITED BIDS

- (1) In accordance with section 113 of the Act there is no obligation to consider unsolicited bids received outside a normal bidding process.
- (2) The Accounting Officer may decide in terms of section 113(2) of the Act to consider an unsolicited bid, only if –
 - (a) The product or service offered in terms of the bid is a demonstrably or proven unique innovative concept;
 - (b) The product or service will be exceptionally beneficial to, or have exceptional cost advantages;
 - (c) The person who made the bid is the sole provider of the product or service; and
 - (d) The reasons for not going through the normal bidding processes are found to be sound by the Accounting Officer.
- (3) If the Accounting Officer decides to consider an unsolicited bid that complies with subparagraph (2) of this policy, the decision must be made public in accordance with section 21A of the Municipal Systems Act, together with –
 - (a) Reasons as to why the bid should not be open to other competitors;
 - (b) An explanation of the potential benefits if the unsolicited bid were accepted; and
 - (c) An invitation to the public or other potential suppliers to submit their comments within 30 days of the notice.
- (4) The Accounting Officer must submit all written comments received pursuant to subparagraph (3), including any responses from the unsolicited bidder, to the National Treasury and the relevant provincial treasury for comment.
- (5) The adjudication committee must consider the unsolicited bid and may award the bid or make a recommendation to the Accounting Officer, depending on its delegations.
- (6) A meeting of the adjudication committee to consider an unsolicited bid must be open to the public.
- (7) When considering the matter, the adjudication committee must take into account –

- (a) Any comments submitted by the public; and
 - (b) Any written comments and recommendations of the National Treasury or the relevant provincial treasury.
- (8) If any recommendations of the National Treasury or provincial treasury are rejected or not followed, the Accounting Officer must submit to the Auditor General, the relevant provincial treasury and the National Treasury the reasons for rejecting or not following those recommendations.
- (9) Such submission must be made within seven days after the decision on the award of the unsolicited bid is taken, but no contract committing the

Stellenbosch Municipality to the bid may be entered into or signed within 30 days of the submission.

38. COMBATING OF ABUSE OF SUPPLY CHAIN MANAGEMENT SYSTEM

- (1) The Accounting Officer must –
- (a) Take all reasonable steps to prevent abuse of the supply chain management system;
 - (b) Investigate any allegations against an official or other role player of fraud, corruption, favouritism, unfair or irregular practices or failure to comply with this Policy, and when justified –
 - (i) Take appropriate steps against such official or other role player; or
 - (ii) Report any alleged criminal conduct to the South African Police Service;
 - (c) Check the National Treasury's database prior to awarding any contract to ensure that no recommended bidder, or any of its directors, is listed as a person prohibited from doing business with the public sector;
 - (d) Reject any bid from a bidder –
 - (i) If any municipal rates and taxes or municipal service charges owed by that bidder or any of its directors to the Stellenbosch Municipality or to any other municipality or municipal entity, are in arrears for more than three months; or
 - (ii) Who during the last five years has failed to perform satisfactorily on a previous contract with the Stellenbosch Municipality or any other organ of state after written notice was given to that bidder that performance was unsatisfactory;
 - (e) Reject a recommendation for the award of a contract if the recommended bidder or any of its directors, or trust or its trustees has committed a corrupt or fraudulent act in competing for the particular contract;
 - (f) Cancel a contract awarded to a person if –
 - (i) The person committed any corrupt or fraudulent act during the bidding process or the execution of the contract; or

- (ii) An official or other role player committed any corrupt or fraudulent act during the bidding process or the execution of the contract that benefited that person; and
- (g) Reject the bid of any bidder if that bidder or any of its directors –
 - (i) Has abused the supply chain management system of the Stellenbosch Municipality or has committed any improper conduct in relation to such system;
 - (ii) Has been convicted for fraud or corruption during the past five years;
 - (iii) Has wilfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
 - (iv) Has been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- (2) The Accounting Officer must inform the National Treasury and relevant provincial treasury in writing of any actions taken in terms of subparagraphs (1)(b)(ii), (e) or (f) of this Policy.

PART 3: LOGISTICS, DISPOSAL, RISK AND PERFORMANCE MANAGEMENT

39. LOGISTICS MANAGEMENT

- (1) The Accounting Officer must establish and implement an effective system of logistics management, which must include –
 - (a) The monitoring of spending patterns on types or classes of goods and services incorporating, where practical, the coding of items to ensure that each item has a unique number;
 - (b) The setting of inventory levels that includes minimum and maximum levels and lead times wherever goods are placed in stock;
 - (c) The placing of manual or electronic orders for all acquisitions other than those from petty cash;
 - (d) Before payment is approved, certification by the responsible officer that the goods and services are received or rendered on time and is in accordance with the order, the general conditions of contract and specifications where applicable and that the price charged is as quoted in terms of a contract;
 - (e) Appropriate standards of internal control and warehouse management to ensure that goods placed in stores are secure and only used for the purpose for which they were purchased;
 - (f) Regular checking to ensure that all assets including official vehicles are properly managed, appropriately maintained and only used for official purposes; and
 - (g) Monitoring and review of the supply vendor performance to ensure

compliance with specifications and contract conditions for particular goods or services.

40. DISPOSAL MANAGEMENT

- (1) A supply chain management policy must provide for an effective system of disposal management for the disposal or letting of assets, including unserviceable, redundant or obsolete assets, subject to sections 14 and 90 of the Act
- (2) A supply chain management policy must specify the ways in which assets may be disposed of, including –
 - (a) Transferring the asset to another organ of state in terms of a provision of the Act enabling the transfer of assets;
 - (b) Transferring the asset to another organ of state at market related value or, when appropriate, free of charge;
 - (c) Selling the asset; and
 - (d) Destroying the asset.
- (3) The Accounting Officer must ensure that –
 - (a) Immovable property is sold only at market related prices except when the public interest or the plight of the poor demands otherwise;
 - (b) Movable assets are sold either by way of written price quotations, a competitive bidding process, auction or at market related prices, whichever is the most advantageous, except when the public interest or the plight of the poor demands otherwise;
 - (c) Firearms are not sold or donated to any person or institution within or outside the Republic unless approved by the National Conventional Arms Control Committee;
 - (d) Immovable property is let at market related rates except when the public interest or the plight of the poor demands otherwise;
 - (e) All fees, charges, rates, tariffs, scales of fees or other charges relating to the letting of immovable property are annually reviewed;
 - (f) Where assets are traded in for other assets, the highest possible trade-in price is negotiated; and
 - (g) In the case of the free disposal of computer equipment, the provincial department of education is first approached to indicate within 30 days whether any of the local schools are interested in the equipment.
- (4) All matters relating to the alienation of movable and immovable assets shall be dealt with in terms of Council's Asset Transfer Policy and the Asset Transfer Regulations, 2008 and Council's adopted Immovable Assets Policy.
- (5) Notwithstanding the provisions of paragraph 3 hereof, the following statutory powers of Stellenbosch Council in respect of the alienation of immovable property, are reserved to be exercised by Council –

- (a) To decide on reasonable grounds that an asset is not needed to provide the minimum level of basic municipal services; and
 - (b) To considered the fair market value of the asset and the economic and community value to be received in exchange for the asset, and
- (6) Notwithstanding sub-paragraph (3)(b) & (g) above, the Accounting Officer must determine the most advantageous way for the disposal or letting of movable capital assets, i.e. written price quotations, competitive bidding, or auction, except when public interest or the plight of the poor demands otherwise.
- (7) The Accounting Officer is hereby authorized to dispose of movable capital assets:
- (8) (a) Up to a value of R 2 000 000.00
(b) Up to a value of R1 000 000.00 (CFO and BAC Members)

41. RISK MANAGEMENT

- (1) The criteria for an effective risk management strategy within supply chain management system, should include the identification, consideration and avoidance of potential risks.
- (2) Risk management should include –
- (a) The identification of risks on a case-by-case basis;
 - (b) The allocation of risks to the party best suited to manage such risks;
 - (c) Acceptance of the cost of the risk where the cost of transferring the risk is greater than that of retaining it;
 - (d) The management of risks in a pro-active manner and the provision of adequate cover for residual risks; and
 - (e) The assignment of relative risks to the contracting parties through clear and unambiguous contract documentation.

42. PERFORMANCE MANAGEMENT

- (1) The Accounting Officer must establish and implement an internal monitoring system in order to determine, on the basis of a retrospective analysis, whether the authorised supply chain management processes were followed and whether the objectives of this Policy were achieved. The retrospective analysis will link to the regulatory reports and submissions on the implementation of the supply chain management policy to the delegated authorities as prescribed in terms of supply chain management regulations and the delegation system of council, as amended from time to time.

PART 4: OTHER MATTERS

43. PROHIBITION ON AWARDS TO PERSONS WHOSE TAX MATTERS ARE NOT IN ORDER

- (1) No award above R 30,000 (including VAT) may be made in terms of this Policy to a person whose tax matters have not been declared by the South African Revenue Service to be in order.
- (2) Before making an award to a person the Accounting Officer must first check with SARS whether that person's tax matters are in order.
- (3) If SARS does not respond within 7 days such person's tax matters may for purposes of subparagraph (1) be presumed to be in order.
- (4) Where the recommended bidder is not tax compliant on the date of award, the bidder should be notified of the non-compliant status and be requested to submit written proof of tax compliance from SARS within 7 working days from the date of award. The proof of tax compliance submitted by the bidder must be verified by the Municipality. The Municipality will reject a bid submitted by the bidder if such bidder fails to provide proof of tax compliance within the timeframe as set out in this sub-paragraph.

44. PROHIBITION ON AWARDS TO PERSONS IN THE SERVICE OF THE STATE

- (1) Irrespective of the procurement process followed, no award may be made to a person in terms of this Policy –
 - (a) Who is in the service of the state;
 - (b) If that person is not a natural person, of which any director, manager, principal shareholder or stakeholder is a person in the service of the state; or
 - (c) A person who is an advisor or consultant contracted with the Stellenbosch Municipality.

45. AWARDS TO CLOSE FAMILY MEMBERS OF PERSONS IN THE SERVICE OF THE STATE

- (1) The Accounting Officer must ensure that the notes to the annual financial statements disclose particulars of any award of more than R 2,000 to a person who is a spouse, child or parent of a person in the service of the state, or has been in the service of the state in the previous twelve months, including –
 - (a) The name of that person;
 - (b) The capacity in which that person is in the service of the state; and
 - (c) The amount of the award.

46. ETHICAL STANDARDS

- (1) A code of ethical standards as set out in [subparagraph (2) / the “National Treasury’s code of conduct for supply chain management practitioners and other role players involved in supply chain management, which also include all other municipal officials not involved in supply chain management system”] is hereby established for municipal officials and other role players in the supply chain management system of the Stellenbosch Municipality in order to promote-
 - (a) Mutual trust and respect; and
 - (b) An environment where business can be conducted with integrity and in a fair and reasonable manner.

- (2) A municipal official or other role player involved in the implementation of this Policy–
 - (a) Must treat all providers and potential providers equitably;
 - (b) May not use his or her position for private gain or to improperly benefit another person;
 - (c) May not accept any reward, gift, favour, hospitality or other benefit directly or indirectly, including to any close family member, partner or associate of that person, of a value more than R 350;
 - (d) Notwithstanding subparagraph (2)(c), must declare to the Accounting Officer details of any reward, gift, favour, hospitality or other benefit promised, offered or granted to that person or to any close family member, partner or associate of that person;
 - (e) Must declare to the Accounting Officer details of any private or business interest which that person, or any close family member, partner or associate, may have in any proposed procurement or disposal process of, or in any award of a contract by, the Stellenbosch Municipality;
 - (f) Must immediately withdraw from participating in any manner whatsoever in a procurement or disposal process or in the award of a contract in which that person, or any close family member, partner or associate, has any private or business interest;
 - (g) Must be scrupulous in his or her use of property belonging to Stellenbosch Municipality;
 - (h) Must assist the Accounting Officer in combating fraud, corruption, favouritism and unfair and irregular practices in the supply chain management system; and
 - (i) Must report to the Accounting Officer any alleged irregular conduct in the supply chain management system which that person may become aware of, including –
 - (i) Any alleged fraud, corruption, favouritism or unfair conduct;
 - (ii) Any alleged contravention of paragraph 47(1) of this Policy; or
 - (iii) Any alleged breach of this code of ethical standards.

- (3) Declarations in terms of subparagraphs (2)(d) and (e) –

- (a) Must be recorded in a register, which the Accounting Officer must keep for this purpose; and
 - (b) By the Accounting Officer must be made to the Executive Mayor of the municipality who must ensure that such declarations are recorded in the register.
- (4) The National Treasury's code of conduct and Schedule 2 of the Systems Act must be adhered to by supply chain management practitioners and other role players involved in supply chain management.
- (5) A breach of the code of ethics must be dealt with as follows –
- (a) In the case of an employee, in terms of the disciplinary procedures of the Stellenbosch Municipality envisaged in section 67(1)(h) of the Municipal Systems Act;
 - (b) In the case a role player who is not an employee, through other appropriate means in recognition of the severity of the breach;
 - (c) In all cases, financial misconduct must be dealt with in terms of chapter 15 of the Act; and
 - (d) All cases of non-compliance to this Policy should be reported to the Accounting Officer.

47. INDUCEMENTS, REWARDS, GIFTS AND FAVOURS TO MUNICIPALITIES, OFFICIALS AND OTHER ROLE PLAYERS

- (1) No person who is a provider or prospective provider of goods or services, or a recipient or prospective recipient of goods disposed or to be disposed of may either directly or through a representative or intermediary promise, offer or grant –
- (a) Any inducement or reward to the Stellenbosch Municipality for or in connection with the award of a contract; or
 - (b) Any reward, gift, favour or hospitality to –
 - (i) Any official; or
 - (ii) Any other role player involved in the implementation of this Policy.
- (2) The Accounting Officer must promptly report any alleged contravention of subparagraph (1) to the National Treasury for considering whether the offending person, and any representative or intermediary through which such person is alleged to have acted, should be listed in the National Treasury's database of persons prohibited from doing business with the public sector.
- (3) Subparagraph (1) does not apply to gifts less than R 350 in value.

48. SPONSORSHIPS

- (1) The Accounting Officer must promptly disclose to the National Treasury and the relevant provincial treasury any sponsorship promised, offered or granted, whether directly or through a representative or intermediary, by any person who is –
 - (a) A provider or prospective provider of goods or services; or
 - (b) A recipient or prospective recipient of goods disposed or to be disposed.

49. OBJECTIONS AND COMPLAINTS

- (1) Persons aggrieved by decisions or actions taken in the implementation of this supply chain management system, may lodge within 14 days of the decision or action, a written objection or complaint against the decision or action.

50. RESOLUTION OF DISPUTES, OBJECTIONS, COMPLAINTS AND QUERIES

- (1) The Accounting Officer may, if deem so, appoint an independent and impartial person, not directly involved in the supply chain management processes –
 - (a) To assist in the resolution of disputes between the Stellenbosch Municipality and other persons regarding –
 - (i) Any decisions or actions taken in the implementation of the supply chain management system; or
 - (ii) Any matter arising from a contract awarded in the course of the supply chain management system; or
 - (b) To deal with objections, complaints or queries regarding any such decisions or actions or any matters arising from such contract.
- (2) The Accounting Officer, or another official designated by the Accounting Officer, is responsible for assisting the appointed person to perform his or her functions effectively.
- (3) The person appointed should, if appointed –
 - (a) Strive to resolve promptly all disputes, objections, complaints or queries received; and
 - (b) Submit monthly reports to the Accounting Officer on all disputes, objections, complaints or queries received, attended to or resolved.
- (4) A dispute, objection, complaint or query may be referred to the relevant provincial treasury if –
 - (a) The dispute, objection, complaint or query is not resolved within 60 days; or
 - (b) No response is forthcoming within 60 days.
- (5) If the provincial treasury does not or cannot resolve the matter, the dispute, objection, complaint or query may be referred to the National Treasury for resolution.
- (6) This paragraph must not be read as affecting a person's rights to approach a court at

any time.

51. CONTRACTS PROVIDING FOR COMPENSATION BASED ON TURNOVER

- (1) If a service provider acts on behalf of a Stellenbosch Municipality to provide any service or act as a collector of fees, service charges or taxes and the compensation payable to the service provider is fixed as an agreed percentage of turnover for the service or the amount collected, the contract between the service provider and the Stellenbosch Municipality must stipulate
 - (a) A cap on the compensation payable to the service provider; and
 - (b) That such compensation must be performance based.

52. CONTRACTS HAVING BUDGETARY IMPLICATIONS BEYOND THREE FINANCIAL YEARS

- (1) Stellenbosch Municipality may not enter into any contract that will impose financial obligations beyond the three years covered in the annual budget for that financial year, unless the requirements of Section 33 of the Act have been fully complied with.

53. INCREASE / EXTENSION IN APPROVED CONTRACT SUM / PERIOD

- (1) Any increase and / or extension in the approved contract sum that may become necessary as a result of exceptional circumstances during the contract period must be approved by the appropriate bid committees prior to implementation.
- (2) Contracts may be expanded or varied by not more than 20% of the original contract value for construction related goods, services and/or infrastructure projects and 15% for all other goods and/or services.
- (3) Any expansion or variation in excess of these thresholds as stated under subparagraph (2) must be dealt with in terms of the provisions of section 116(3) of the Act which will be regarded as an amendment of a contract.
- (4) Where community participation has been a part of the project, the community must be advised of the proposed increase and be invited to provide written comment within a minimum period of seven (7) days.

54. RIGHT OF APPEAL

- (1) In terms of Section 62 of the Municipal Systems Act (Act 32 of 2000 as amended), a person whose rights are affected by a decision taken by the Municipality, in terms of a delegated authority, in the implementation of its supply chain management system, may appeal against that decision by giving written notice of the appeal and reasons to the Municipal Manager within 21 days of the date of the notification of the decision.
- (2) Notification of the decision in terms of sub-paragraph 55(1) of this policy must state that any appeal must be submitted in writing to the Municipal Manager and must at least contain the following information:
 - (a) The reasons and / or grounds for the appeal;

- (b) The way in which the appellants rights have been affected; and
 - (c) The remedy sought by the appellant.
- (3) No award, where a competitive bidding process was followed, shall be formally implemented until a ruling has been made on any appeal/s received. The Municipal Manager may however grant approval for the implementation of bid awards prior to the conclusion of the appeal process in respect of bids which in his / her opinion are deemed as urgent.
 - (4) The Appeal Authority will provide the service provider with copies of the Bid Committee minutes applicable to the specific tender on request within the 21 days period, of the service provider to enable him/her to motivate his/her appeal. Should the service provider request other documentation a PAIA application should be submitted.
 - (5) The appeal authority must consider the appeal and confirm, vary or revoke the decision, but no such variation or revocation of a decision may detract from any rights that may have accrued as a result of the decision.

55. NOTIFICATION OF BID DECISIONS

- (1) The successful and unsuccessful bidders shall be notified in writing by the Supply Chain Management once a bid has been accepted.
- (2) The bidders shall, in addition, be advised of the 21 day appeal period in terms of section 62 of the Municipal Systems Act and be notified that no rights will accrue to him / her until the bid is formally accepted in writing.
- (3) Once the 21 day appeal period has lapsed and a decision has been made by the appeal authority, the appellant and the service provider who the tender was initially awarded will be notified in writing of the outcome thereof by the Supply Chain Management.
- (4) Every notification of decision shall be faxed or sent via electronic mail and ordinary mail to the address chosen by the bidder, with a copy of proof of transmission kept for record purposes, or shall be delivered by hand, in which case acknowledgement of receipt must be signed and dated on a copy of such notification to be kept for record purposes.

56. UNSUCCESSFUL BIDDER DEBRIEFING

- (1) The Municipality will offer an unsuccessful bidder debriefing service to unsuccessful bidders upon request.
- (2) During the debriefing unsuccessful bidders will be informed of how their proposal scored against required criteria and obtain comments from the evaluation team on their bid.
- (3) The debriefing should be a positive and constructive experience that explains how bidders can improve future submissions.
- (4) The debriefing is an opportunity for unsuccessful bidders to –
 - (a) Learn more about the procurement and evaluation process in an informal setting;

- (b) Find out how their proposal scored against the required criteria;
 - (c) Hear the overall comments from the evaluation team on their bid; and
 - (d) Gather information on how future submissions may be improved.
- (5) The debriefing is not part of the Supply Chain complaint or appeal process in terms of paragraph 49 or 55 of this Policy.
- (6) The debriefing is not a legal proceeding and no legal representation is permitted at the debriefing session.
- (7) At the debriefing session the unsuccessful bid is not compared to other bids, nor will information be provided to the unsuccessful bidder about other bids.
- (8) In scheduling a bidder's debriefings session upon the request of the unsuccessful bidder, the municipality must –
- (a) Confirm the date and time of the debriefing session in writing;
 - (b) Conduct separate debriefings with each unsuccessful bidder;
 - (c) Ensure that proper minutes are kept of each debriefing session; and
 - (d) Retain all correspondence and documentation relevant to the debriefing session as part of the procurement documentation.
- (9) In conducting bidders' debriefings, the municipality may –
- (a) Provide a general overview of the evaluation process set out in the bid documents;
 - (b) Discuss the strengths and weaknesses of the bidder's submission in relation to the specific evaluation criteria and the bidders evaluated score;
 - (c) Provide suggestions on how the supplier may improve future submissions; and
 - (d) Address specific questions and issues raised by the supplier in relation to their submission.

57. THE SUSPENSION OF SERVICE PROVIDERS FOR POOR PERFORMANCE AND OTHER BREACHES

- (1) Any failure to fulfil the deliverables in line with the contract or service levels constitutes a material breach or poor performance which will result in the termination of the contract and/or sanctions will be imposed in the form of suspension from the database.
- (2) Such sanctions will have variation in the periods of suspension based on the gravity of the breach.
- (3) The municipality must consider imposing following sanctions, subject to sub-clause (2) above:
- a) 6 months for non-declarations of relative/spouse within the municipality;

- b) 12 months for misleading information provided to the municipality; and
- c) 24 months for certain or above a certain threshold value based.
- d) All the above will be applicable based on the gravity of the poor performance and will be analysed on a case by case basis co-ordinated by the Contract Management Section.

58. CONDONATION OF POLICY CONTRAVENTIONS

- (1) Council may condone a contravention in terms of this Policy, provided that such contravention is also not a contravention of the Act or the Municipal Supply Chain Management Regulations, 2005
- (2) Any expenditure relating to such condonation by Council in terms of this Policy, will not constitute irregular expenditure as contemplated under section 1 of the Act.
- (3) Contraventions of the Act relating to supply chain management or the Municipal Supply Chain Management Regulations, 2005 must be dealt with in terms of section 32 and section 170 of the Act.

59. GENERAL

The Framework for Infrastructure Delivery and Procurement Management and relevant Circular is attached as Appendix 26, dDepending on the ability of Stellenbosch Municipality to implement the content of the Framework for Infrastructure Delivery and Procurement Management, only those parts that are practically implementable will be applied. The proper assessments will be done accordingly.

60. CANCELLATION OF TENDERS

The municipality may, prior to the award of a tender, cancel the tender if:

- 1) Due to changed circumstances, there is no longer a need for the goods or services requested; or
- 2) Funds are no longer available to cover the total envisaged expenditure; or
- 3) No acceptable tenders are received. [If all bids received are rejected, the municipality must review the reasons justifying the rejection and consider making revisions to the specific conditions of contract, design and specifications, scope of the contract, or a combination of these, before inviting new bids]; or
- 4) Due to material irregularities in the tender process. If there are material irregularities that are committed during the tender process such that it renders the entire process unfair, the municipality may cancel the tender process and start afresh.

61. NEGOTIATING A FAIR MARKET RELATED PRICE

- 1) Tender documents must include a condition stating clearly that the award of the tender may be subject to price negotiation with the preferred tenderers.

- 2) The Bid Evaluation Committee may indicate in its report to the Bid Adjudication Committee that based on the evaluation the prices offered are above market related prices after factoring the premium to be paid in terms of the 80/20 or 90/10 preference point system and the findings of an objective market analysis conducted.
- 3) When the Bid Adjudication Committee considers the Evaluation report it must express itself on whether it agrees or disagrees with the Bid Evaluation Committee; if it disagrees, the decision must be recorded and reasons provided as part of the Bid Adjudication Committee report.
- 4) Where the Bid Adjudication Committee agrees with the BEC or on its own assessment is of the view that the tenderer is charging prices higher than the fair market price, the Bid Adjudication Committee may request from the AO/AA or delegated authority to subject the tender to price negotiations with the three preferred tenderers scoring the highest points (from first highest to third highest) before award is made.
- 5) Upon approval to negotiate, the AO/AA or delegated authority must appoint a cross functional negotiation team, with one member appointed to be team leader.
- 6) The negotiating team leader must ensure that all members of the negotiating team are clear on the negotiation strategy and desired outcomes.
- 7) Negotiations must be fair and objective and may not be used to unfairly prejudice the highest scoring / preferred tenderer or any other tenderer.
- 8) Members of the negotiating team must behave ethically at all material times during and after negotiations, may not divulge any information related to negotiations to third parties without prior consent from the accounting officer/ authority.
- 9) All negotiations must be officially closed with a decision communicated and agreed between parties before moving to negotiate with the next preferred tenderer.
- 10) Negotiating:
 - (a) May not allow any preferred tenderer a second or unfair opportunity
 - (b) Is not to the detriment of any other tenderer
 - (c) Does not lead to higher price than the bid as submitted.

62 SHORT TITLE

- (1) This policy is called the Stellenbosch Municipality Supply Chain Management Policy.

APPENDIX 3

NATIONAL TREASURY

NO. 4198

14 December 2023

**LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, 2003 -
AMENDMENTS TO REGULATIONS REGARDING SUPPLY CHAIN MANAGEMENT**

The Minister of Finance has, acting with concurrence of the Minister of Cooperative Governance and Traditional Affairs, in terms of section 168(1) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), made amendments to the Regulations published under General Notice No. 868 of 30 May 2005, as amended by Government Notice No. R.31 of 20 January 2017, regarding supply chain management, as set out in the Schedule.

SCHEDULE**Amendment of regulation 1 of the Regulations**

1. Regulation 1 of the Regulations is hereby amended by the deletion of the definition of “written or verbal quotations”.

Amendment of regulation 12 of the Regulations

2. Regulation 12 of the Regulations is hereby amended—
 - (a) by the deletion of paragraph (b) of subregulation (1);
 - (b) by the substitution for paragraphs (c) and (d) of subregulation (1) of the following paragraphs:
 - “(c) formal written price quotations for procurement of a transaction value over—
 - (i) R2000 up to R300 000 (VAT included), in the case of a local municipality;
 - (ii) R2000 up to R200 000 (VAT included), in the case of a district municipality;
 - (iii) R2000 up to R750 000 (VAT included), in the case of a metropolitan municipality; and
 - (d) a competitive bidding process for—
 - (i) procurement above a transaction value of R300 000 (VAT included), in the case of a local municipality;
 - (ii) procurement above a transaction value of R200 000 (VAT included), in the case of a district municipality; and
 - (iii) procurement above a transaction value of R750 000 (VAT included), in the case of a metropolitan municipality.”;
 - (c) by the deletion of subparagraph (i) of paragraph (b) of subregulation (2); and
 - (d) by the substitution for subparagraph (iii) of paragraph (b) of subregulation (2) of the following subparagraph:
 - “(iii) a competitive bidding process be followed for any specific procurement of a transaction value lower than the competitive bidding thresholds specified in subregulation (1)(c)(i) to (iii).”.

Amendment of regulation 14 of the Regulations

3. Regulation 14 of the Regulations is hereby amended by the substitution for subparagraph (i) of paragraph (a) of subregulation (1) of the following subparagraph:
- “(i) to keep a list of accredited prospective providers of goods and services that must be used for the procurement requirements of the municipality or municipal entity through formal written price quotations;”.

Deletion of regulation 16 of the Regulations

4. Regulation 16 is hereby deleted.

Amendment of regulation 18 of the Regulations

5. Regulation 18 of the Regulations is hereby amended—
- (a) by the substitution for the heading of the following heading:
“**Procedures for procuring goods or services through formal written price quotations**”;
- (b) by the substitution for the words preceding paragraph (a) of the following words:
“A supply chain management policy must determine the procedure for the procurement of goods or services through formal written formal written price quotations, and must stipulate—”; and
- (c) by the substitution for paragraph (c) and (d) of the following paragraphs:
“(c) that the accounting officer must take all reasonable steps to ensure that the procurement of goods and services through formal written price quotations is not abused;”; and
(d) that the accounting officer or chief financial officer must on a monthly basis be notified in writing of all formal written price quotations accepted by an official acting in terms of a subdelegation; and”.

Substitution of regulation 19 of the Regulations

6. Regulation 19 of the Regulations is hereby substituted for the following regulation:
“A supply chain management policy must specify—
- (a) that goods or services above a transaction value of—
(i) R300 000 (VAT included), in the case of a local municipality;
(ii) R200 000 (VAT included), in the case of a district municipality; and
(iii) R750 000 (VAT included), in the case of a metropolitan municipality,
may be procured by the municipality or municipal entity only through a competitive bidding process, subject to regulation 11(2); and
- (b) that no requirement for goods or services above an estimated transaction value of—
(i) R300 000 (VAT included), in the case of a local municipality;
(ii) R200 000 (VAT included), in the case of a district municipality; and
(iii) R750 000 (VAT included), in the case of a metropolitan municipality,
may deliberately be split into parts or items of lesser value merely for the sake of procuring the goods or services otherwise than through a competitive bidding process.”.

Amendment of regulation 35 of the Regulations

7. Regulation 35 of the regulations is hereby amended by the substitution for subregulations (1) and (2) of the following subregulations:

- “(1) A supply chain management policy may allow the accounting officer to procure consulting services provided that any Treasury guidelines in respect of consulting services are taken into account when such procurement is made.
- (2) A contract for the provision of consultancy services to a municipality or municipal entity must be procured through competitive bids if—
- (a) the value of the contract exceeds—
 - (i) R300 000 (VAT included), in the case of a local municipality;
 - (ii) R200 000 (VAT included), in the case of a district municipality;
or
 - (iii) R750 000 (VAT included), in the case of a metropolitan municipality; or
 - (b) the period of the contract exceeds one year.”.

Commencement

8. These Regulations take effect on the date of publication in the *Gazette*.

14.	CONSIDERATION OF NOTICES OF QUESTIONS AND NOTICES OF MOTIONS RECEIVED BY THE SPEAKER
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NONE

15.	CONSIDERATION OF URGENT MOTIONS
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16.	URGENT MATTERS SUBMITTED BY THE MUNICIPAL MANAGER
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17.	REPORTS SUBMITTED BY THE SPEAKER
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17.1	APPEAL OF DISCIPLINARY CASE 220719/02: COUNCILLOR VERMEULEN
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Collaborator No:

IDP KPA Ref No: *Good Governance*

Meeting Date: 24 January 2024

1. SUBJECT: APPEAL OF DISCIPLINARY CASE 220719/02: COUNCILLOR VERMEULEN

2. PURPOSE

For Council to take note of the Provincial Minister of Local Government's decision to set aside the finding as well as the sanction against Councillor Elsabe Vermeulen pertaining to case 220719/02 that served during the 18th Council held on 29 November 2023.

3. DELEGATED AUTHORITY

Municipal Council.

4. EXECUTIVE SUMMARY

In terms of item 15 of Schedule 7 of the Municipal Structures Act, no 117 of 1998 and Regulations, Code of Conduct for Councillors.

Breached of Code – 1) IF the speaker of a municipal Council, on reasonable suspicion, is of the opinion that a provision of this Code has been breached, the speaker must-

- a) Authorise and investigation of the facts and circumstances of the alleged breach
- b) give the councillor a reasonable opportunity to reply in writing regarding the alleged breach; and
- c) report the matter to a meeting of the municipal council after paragraph (a) and (b) have been compiled with

Councillor Elsabe Vermeulen allegedly contravened the Code of Conduct for Councillors by not acting in the best interest of the Municipality and in such a way that the integrity of the Municipality was compromised, bringing Council into disrepute. A disciplinary process was instituted and Councillor Vermeulen was found guilty. (**APPENDIX B**). The decision was reported to Council and the recommendation from the disciplinary committee was accepted by Council on 29 November 2023 (See **APPENDIX C**) The sanction of a warning was issued by the Speakers office after the Council meeting.

The letter received from the Minister's office is attached as **APPENDIX D**. As can be seen from the letter from the Minister the decision is reflected in a letter dated 6/12/23. Councillor Vermeulen lodged the appeal before Council made a ruling on the disciplinary Committee recommendation and the Minister was informed of the Council resolution of 29 November 2023. The minister's office requested input from Council before making the decision as reflected in **APPENDIX D** in October 2023. The speaker's office responded to the October request as per **APPENDIX E**.

5. RECOMMENDATION

that Council notes the decision of the MEC as reflected in **APPENDIX D**.

6. DISCUSSION AND BACKGROUND

6.1 BACKGROUND

The office of the Speaker received a formal complaint against Councillor Elsabe Vermeulen for the contravention of the Code of Conduct for Councillors insofar that she is not acting in the best interest of the Municipality and in such a way that the integrity of the Municipality was compromised, bringing Council into disrepute (**APPENDIX A**).

The office of the Speaker investigated the alleged contravention and referred the matter for further investigation. The investigation conducted by the appointed initiator was presented to the disciplinary committee on 18 August 2023.

The disciplinary committee after considering the portfolio of evidence presented to them, subsequently made a finding and sanction recommendations to the office of the Speaker on 18 August 2023 (**APPENDIX B**).

The proposed sanction by the disciplinary committee was therefore brought to Council for consideration and was agreed upon by Majority vote on 29 November 2023 (**APPENDIX C**).

6.2.1 DISCUSSION

In terms of item 16 of Schedule 7 of the Municipal Structures Act, No.117 of 1998 and Regulations, Code of Conduct for Councillors.

16. Investigation of breach. – (1) *A municipal council may –*

- (a) *investigate and make a finding on any alleged breach of a provision of this Code; or*
- (b) *establish a special committee –*
 - (i) *To investigate and make a finding on any alleged breach of this Code; and*
 - (ii) *To make appropriate recommendations to the council*

(2) *If the council or a special committee finds that a councillor has breached a provision of this Code, the council may –*

- (a) *issue a formal warning to the councillor;*
- (b) *reprimand the councillor;*
- (c) *request the MEC for local government in the province to suspend the councillor for a certain period;*
- (d) *fine the councillor; or*
- (e) *request the MEC to remove the councillor from office.*

(3) *The speaker must inform the MEC for local government in the province concerned within 14 days of the finding and sanction decided on by the council.*

(4) (a) *Any councillor who has been warned, reprimanded or fined in terms of paragraph (a), (b) or (d) of subitem (2) may within 14 days of having been notified of the decision of council appeal to the MEC for local government in writing setting out the reasons on which the appeal is based.*

(b) *A copy of the appeal must be provided to the council by the MEC.*

(c) *The council may within 14 days of receipt of the appeal referred to in paragraph (b) make any representation pertaining to the appeal to the MEC for local government in writing.*

(d) *The MEC for local government may, after having considered the appeal, confirm, set aside or vary the decision of the council and inform the councillor and the council of the outcome of the appeal.*

(5) *The MEC for local government may appoint a person or a committee to investigate any alleged breach of a provision of this Code and to make a recommendation as to the appropriate sanction in terms of subitem (2) if a municipal council does not conduct an investigation contemplated in subitem (1) and the MEC for local government considers it necessary.*

(6) *The Commissions Act, 1947 (Act No. 8 of 1947), or, where appropriate, applicable provincial legislation, may be applied to an investigation in terms of subitem (4).*

(7) *If the MEC is of the opinion that the councillor has breached a provision of this Code, and that such contravention warrants a suspension or removal from office, the MEC*

may –

(a) *suspend the councillor for a period and on conditions determined by the MEC; or*

(b) *remove the councillor from office.*

- (8) *Any investigation in terms of this item and any action by the MEC in terms of subitem (7) must be in accordance with section 3 of the Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000).*

Councillor Elsabe Vermeulen allegedly contravened the Code of Conduct for Councillors by not acting in the best interest of the Municipality and in such a way that the integrity of the Municipality was compromised, bringing Council into disrepute.

6.2.2 FINDING

The disciplinary committee has found Councillor Elsabe Vermeulen guilty in breaching the Code of Conduct for Councillors as set out in the Municipal Structures Act. The Committee has found him guilty of contravening Schedule 7, section 2 (b) stating:

7. **General conduct of Councillors.** – *A councillor must –*

- (a) *perform the functions of office in good faith, honestly and in a transparent manner; and*
 (b) *at all times act in the best interest of the municipality and in such a way that the credibility and integrity of the municipality are not compromised.*

The sanction of a warning was issued by the Speakers office after the Council meeting.

The letter received from the Minister's office is attached as **APPENDIX D**. As can be seen from the letter from the Minister the decision was taken before the Minister was informed of the Council resolution of 29 November 2023. The appeal was lodged even before council took a decision on the recommendation of the disciplinary Council. The MEC requested input from Council on the appeal in October 2023. The Speaker's office responded as per **APPENDIX E**.

6.3 Financial Implications

The final costs for the initiator is not known yet.

6.4 Legal Implications

Breaches of Code. – (1) If the speaker of a municipal council, on reasonable suspicion, is of the opinion that a provision of this Code has been breached, the speaker must –

- (a) authorise an investigation of the facts and circumstances of the alleged breach;
- (b) give the councillor a reasonable opportunity to reply in writing regarding the alleged breach; and
- (c) report the matter to a meeting of the municipal council after paragraphs (a) and (b) have been complied with.
- (2) A report in terms of subitem (1) (c) is open to the public.
- (3) The speaker must report the outcome of the investigation to the MEC for local government in the province concerned.
- (4) The speaker must ensure that each councillor, when taking office, is given a copy of this Code and that a copy of the Code is available in every room or place where the council meets.

- (5) If the speaker of council is the alleged perpetrator, or the speaker refuses to authorise an investigation, the council must establish a special committee, as contemplated in Item 16(1) (b), to investigate and make a finding on any alleged breach of this Code.

After Council make a finding on a disciplinary process sanction the Minister must be informed. The councillor may then appeal the sanction and finding with the MEC. In considering the appeal the audi alteram partem rule should be applied by the MEC. Council was requested for comment on the appeal documents in October 2023 and the Speakers office responded as per **APPENDIX E**.

6.5 Staff Implications

The municipality appoints independent service providers to deal with the councillor disciplinary processes.

6.6 Previous / Relevant Council Resolutions:

Item 17.5: Council 2023-11-29

6.7 Risk Implications

The risks are addressed through the content of the item.

6.8 Comments from Senior Management:

The report was not circulated for comment.

ANNEXURES

Appendix A: details of the complaint received

Appendix B: Decision by Disciplinary Committee

Appendix C: Item that served before Council 29 November 2023

Appendix D: Letter from the Minister

Appendix E: Response from Speaker's office dated 6/10/23

FOR FURTHER DETAILS CONTACT:

NAME	Office of the Speaker
POSITION	PA SPEAKER'S OFFICE
DIRECTORATE	CORPORATE SERVICES
CONTACT NUMBERS	021 808 8941
E-MAIL ADDRESS	
REPORT DATE	23 NOVEMBER 2023

APPENDIX A

Code of Conduct: Cllr Elsabe Vermeulen.

MUNICIPALITY - MUNISIPALITEIT
STELLENBOSCH

19 JUL 2022

OFFICE OF THE SPEAKER

Background:

Monday, 21st of June 2022.

I received a telephone call from our municipalities housing department, informing me that they needed my assistance to come and facilitate a dispute between two families, currently residing in two of our rental units. As the portfolio holder for Integrated Human Settlements, they asked me to come can assist with this matter that has been going on since 2021.

Upon arrival - I was informed that the matter was serving at the court, Case no [REDACTED] and that the court instructed our housing department to come up with a solution.

(Both families have protection orders against each other.)

With the assistance of our senior manager, administration, Ms [REDACTED] we facilitated a meeting between the [REDACTED] family and the [REDACTED] family.

Also present at the meeting was officer [REDACTED] from SAPS, who gave detailed background of the situation and the fact that both parties have been involved with many protection orders between them etc.

We engaged with both parties, and afforded them the opportunity to state their cases, so that we could try and find solutions.

It became clear, that we needed to remind them that they signed our rental agreement, which clearly states that no person should infringe on the rights of other tenants or make themselves guilty of anti- social behaviour.

After a lot of deliberation- it was decided that both families should sign an MOU moving forward- or face the possibility of being evicted.

The meeting was concluded, and our housing department would draw up the MOU to be signed by both parties.

On the 22nd of June 2022, I received a voice message from Cllr Vermeulen where she made remarks about the manner in which we facilitated the process.

(Please note that Cllr Vermeulen, was not present at the meeting held on the 21st of June 2022, when we facilitated between the 2 family's.)

Ms [REDACTED], send voice messages to Cllr Vermeulen, where she made unsubstantiated remarks to Cllr Vermeulen relating to the meeting held on the 21st of June 2022.

It is important to note the following:

I am not in any way or form familiar with both parties. The information that was given to me- was done by our housing department- who has files on both families. I acted upon the information received, as well as the information received from officer [REDACTED].

Everybody involved in the meeting that was held on the 21st of June 2022 contributed, in my opinion to a very successful session, and we treated both parties fair. No favouritism took place and we felt that we have reached an agreement.

Upon hearing the voice message that was forwarded to Cllr Vermeulen by Ms [REDACTED] it became clear, that Ms [REDACTED] was going against everything that we agreed upon.

I replied to Cllr Vermeulen, where I stated that the remarks made by Ms [REDACTED] was not true and that I am concerned. But it is also an administrative process, and we can't force her to sign the agreement etc.

That was the last time I engaged with Cllr Vermeulen on this matter.

**Community Meeting 23rd of June 2022 at 18h00 at the Eikestad Hall:
(Background)**

Cllr Vermeulen, and her ward committee arranged a public meeting to address issues within the community.

I was informed, as portfolio holder for Integrated Human Settlements, that the councillor requested that myself and officials from the department should be present.

Upon receiving the request- I asked the councillor if she was familiar with the processes relating to the scheduling and presence of officials. I also engaged with the ward administrator Ms [REDACTED].
All request involving officials to attend public meetings- is scheduled through the office of the MM.

Because of the short notice, and the fact that the councillor arranged the public meeting, during recess, without the knowledge of our Executive Mayor, I did not attend.

I received a phone call on the 24th of June 2022 from our DA ward 16 branch chairperson, who is also serving as a ward committee member for ward 16 with very disturbing news.

I don't know how Ms [REDACTED] was allowed to speak- but she informed Cllr Vermeulen, as well as everybody present at said public meeting - about the events that transpired at our meeting held on the 21st of June 2022. Cllr Vermeulen's reply as reported to me by Mr [REDACTED] was the following:
 "Ja, Dit is wat die deputy mayor Jeremy Fasser aan ons mense doen, en dis die rede ook hoekom hy nie vanaand hier is nie, want hy het geweet wat op hom wag. Maar moet nie vir jou bekommer nie - God sal met hom afreken."
 (She then embraced Ms [REDACTED] with a Hug.)

I could not believe what I was hearing and decided to investigate by contacting other people who was also present at the meeting. I engaged with Mr [REDACTED] (ward committee member) as well as with Mr [REDACTED] (Chairman of the Backyard Alliance), who both stated, that indeed, the councillor mentioned that it was the deputy mayors fault.

I immediately went to the ward office, to ask Ms [REDACTED] for the minutes of the meeting. But was told that there were no minutes taken. They only wrote down complains etc.

I am truly and honestly disgusted about the way Cllr Vermeulen conducted herself. She was not present at the meeting that was held on the 21st of June 2022. When she asked me about the meeting, I explained to her, and she thanked me for providing clarity via WhatsApp.

I grew up in Ward 16, and many people know me within the community. I personally feel that the Councillor deliberately tried to portray me as a villain. As the deputy mayor of Stellenbosch, who acted within my portfolios mandate, she completely disregarded our code of conduct and her utterance clearly, was not that of a serving councillor. This clearly was also an attack on our party's leadership within our municipality- where she showed no respect or constraint regarding her actions.

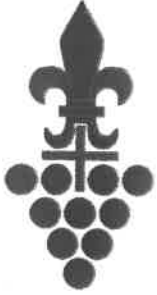
It also emerged that during the public meeting, she verbally accused members of her ward committee- working against her and contributing to her ailing health etc. A ward committee member, then had to call her to order.

This for me is unacceptable.

It is the greatest honour and privilege for me to serve my community, municipality, and my party to the best of my ability. I have been given an opportunity to serve, and it has been such an incredible journey and I am so grateful for all my colleagues, leadership and especially our Executive Mayor, who guides me and allow me to grow as a councillor.

I hope that this matter will receive the necessary attention, and I hope that it can be resolved.

APPENDIX B



STELLENBOSCH
STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

Dear Speaker,

18 August 2023

Case number: 220719/02

The disciplinary committee has found Cllr Elsabe Vermeulen guilty in breaching the code of conduct for councillors as set out in the Municipal Structures Act.

Recommendations of agreed sanction to Council:

The recommendation of sanction to Council is in accordance with Schedule 7, section 16(2)(b) of the Municipal Structures Act No.116 of 1998.

Thus, the Disciplinary Committee of Council recommends that Cllr Elsabe Vermeulen be reprimanded to conduct her behaviour according to the code of conduct for Councillors.

Cllr Peter Johnson
Chairperson
Disciplinary committee of Council

Cllr Cath van Wyk
Seconder
Disciplinary committee of Council

APPENDIX C

17.5	REPORT TO COUNCIL BY THE SPEAKER ON PROPOSED FINDING BY THE DISCIPLINARY COMMITTEE: CASE NUMBER 220723/01
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Collaborator No:

IDP KPA Ref No:

Good Governance

Meeting Date:

29 November 2023

1. SUBJECT: REPORT TO COUNCIL BY THE SPEAKER ON PROPOSED SANCTIONS BY THE DISCIPLINARY COMMITTEE: CASE NUMBER 220719/02

2. PURPOSE

For Council to consider the sanctions proposed by the disciplinary Committee in terms of the Municipal Structures Act 117 of 1998 and Regulations.

3. DELEGATED AUTHORITY

For consideration by Municipal Council

4. EXECUTIVE SUMMARY

In terms of item 15 of Schedule 7 of the Municipal Structures Act, no 117 of 1998 and Regulations, Code of Conduct for Councillors.

Breached of Code – 1) IF the speaker of a municipal Council, on reasonable suspicion, is of the opinion that a provision of this Code has been breached, the speaker must-

- (a) Authorise and investigation of the facts and circumstances of the alleged breach
- (b) give the councillor a reasonable opportunity to reply in writing regarding the alleged breach; and
- (c) report the matter to a meeting of the municipal council after paragraph (a) and (b) have been compiled with.

Councillor Elsabe Vermeulen allegedly contravened the Code of Conduct for Councillors by not acting in the best interest of the Municipality and in such a way that the integrity of the Municipality was compromised, bringing Council into disrepute. **Annexure A** contains details of the complaint received. **Annexures B** and C affidavits from members of the public and **Annexure D** is the finding and sanction from the Disciplinary Committee

5. RECOMMENDATIONS FROM THE DISCIPLINARY COMMITTEE TO COUNCIL

The recommendations of sanction to Council is in accordance with schedule 7, section 2(b) of the Municipal Structures Act No.117 of 1998.

Thus, the Disciplinary Committee of Council recommends that Councillor Elsabe Vermeulen be reprimanded to conduct her behaviour according to the code of conduct for Councillors.

6. DISCUSSION AND BACKGROUND

6.1 BACKGROUND

The office of the Speaker received a formal complaint against Councillor Elsabe Vermeulen for the contravention of the Code of Conduct for Councillors insofar that

she is not acting in the best interest of the Municipality and in such a way that the integrity of the Municipality was compromised, bringing Council into disrepute.

The office of the Speaker investigated the alleged contravention and referred the matter for further investigation. The investigation conducted by the appointed initiator was presented to the disciplinary committee on 18 August 2023.

The disciplinary committee after considering the portfolio of evidence presented to them, subsequently made a finding and sanction recommendations to the office of the Speaker on 18 August 2023.

The proposed sanction by the disciplinary committee is therefore brought to Council for consideration.

6.2.1 DISCUSSION

In terms of item 16 of Schedule 7 of the Municipal Structures Act, No.117 of 1998 and Regulations, Code of Conduct for Councillors.

20. Investigation of breach. – (1) *A municipal council may –*

- (i) *investigate and make a finding on any alleged breach of a provision of this Code; or*
- (j) *establish a special committee –*
 - (ix) *To investigate and make a finding on any alleged breach of this Code; and*
 - (x) *To make appropriate recommendations to the council*
- (2) *If the council or a special committee finds that a councillor has breached a provision of this Code, the council may –*
 - (u) *issue a formal warning to the councillor;*
 - (v) *reprimand the councillor;*
 - (w) *request the MEC for local government in the province to suspend the councillor for a certain period;*
 - (x) *fine the councillor; or*
 - (y) *request the MEC to remove the councillor from office.*

(3) *The speaker must inform the MEC for local government in the province concerned within 14 days of the finding and sanction decided on by the council.*

- (4) (a) *Any councillor who has been warned, reprimanded or fined in terms of paragraph (a), (b) or (d) of subitem (2) may within 14 days of having been notified of the decision of council appeal to the MEC for local government in writing setting out the reasons on which the appeal is based.*
- (b) *A copy of the appeal must be provided to the council by the MEC.*
- (c) *The council may within 14 days of receipt of the appeal referred to in paragraph (b) make any representation pertaining to the appeal to the MEC for local government in writing.*
- (d) *The MEC for local government may, after having considered the appeal, confirm, set aside or vary the decision of the council and inform the councillor and the council of the outcome of the appeal.*

- (5) *The MEC for local government may appoint a person or a committee to investigate any alleged breach of a provision of this Code and to make a recommendation as to the appropriate sanction in terms of subitem (2) if a municipal council does not conduct an investigation contemplated in subitem (1) and the MEC for local government considers it necessary.*
- (6) *The Commissions Act, 1947 (Act No. 8 of 1947), or, where appropriate, applicable provincial legislation, may be applied to an investigation in terms of subitem (4).*
- (7) *If the MEC is of the opinion that the councillor has breached a provision of this Code, and that such contravention warrants a suspension or removal from office, the MEC*
may –
- (a) *suspend the councillor for a period and on conditions determined by the MEC; or*
- (b) *remove the councillor from office.*
- (8) *Any investigation in terms of this item and any action by the MEC in terms of subitem (7) must be in accordance with section 3 of the Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000).*

Councillor Elsabe Vermeulen allegedly contravened the Code of Conduct for Councillors by not acting in the best interest of the Municipality and in such a way that the integrity of the Municipality was compromised, bringing Council into disrepute. **Annexure A** contains details of the complaint received. **Annexures B** and C affidavits from members of the public and **Annexure D** is the finding and sanction from the Disciplinary Committee

6.2.2 FINDING BY DISCIPLINARY COMMITTEE

The disciplinary committee has found Councillor Elsabe Vermeulen guilty in breaching the Code of Conduct for Councillors as set out in the Municipal Structures Act. The Committee has found him guilty of contravening Schedule 7, section 2 (b) stating:

3. **General conduct of councillors.** – *A councillor must –*
- (a) *perform the functions of office in good faith, honestly and in a transparent manner; and*
- (b) *at all times act in the best interest of the municipality and in such a way that the credibility and integrity of the municipality are not compromised.*

6.3 Financial Implications

The appointment of an initiator have financial implications to the Municipality.

6.4 Legal Implications

Breaches of Code. – (1) If the speaker of a municipal council, on reasonable suspicion, is of the opinion that a provision of this Code has been breached, the speaker must –

- (m) *authorise an investigation of the facts and circumstances of the alleged breach;*
- (n) *give the councillor a reasonable opportunity to reply in writing regarding the alleged breach; and*

- (o) report the matter to a meeting of the municipal council after paragraphs (a) and (b) have been complied with.
- (2) A report in terms of subitem (1) (c) is open to the public.
- (3) The speaker must report the outcome of the investigation to the MEC for local government in the province concerned.
- (4) The speaker must ensure that each councillor, when taking office, is given a copy of this Code and that a copy of the Code is available in every room or place where the council meets.
- (5) If the speaker of council is the alleged perpetrator, or the speaker refuses to authorise an investigation, the council must establish a special committee, as contemplated in Item 16(1) (b), to investigate and make a finding on any alleged breach of this Code.

6.5 Staff Implications

None

6.6 Previous / Relevant Council Resolutions:

None

6.7 Risk Implications

The risks are addressed through the content of the item.

6.8 Comments from Senior Management:

The report was not circulated for comment.

ANNEXURES

Annexure A: Attached herewith as ANNEXURE A is details of the complaint received.

Annexure B – C: Attached herewith as ANNEXURES B - C is affidavits from members of the public

Annexure D: Attached herewith as ANNEXURE D is the finding and proposed sanction for case 220719/02 by the disciplinary Committee to Council.

FOR FURTHER DETAILS CONTACT:

NAME	Office of the Speaker
POSITION	PA SPEAKERS OFFICE
DIRECTORATE	CORPORATE SERVICES
CONTACT NUMBERS	021 808 8941
E-MAIL ADDRESS	
REPORT DATE	23 NOVEMBER 2023

APPENDIX D

REFERENCE: 13/1/1/K24 (3/11/2/25 – 2023/179)

The Speaker
Stellenbosch Municipality
P.O Box 17
STELLENBOSCH
7599

Email: quintin.smit@stellenbosch.gov.za / Speaker.PA@stellenbosch.gov.za

Dear Councillor Smit

CODE OF CONDUCT FOR COUNCILLORS: COUNCILLOR E VERMEULEN

I refer to correspondence received from Councillor Vermeulen, dated 1 September 2023, regarding an appeal against a finding of the Stellenbosch Municipal Council of an alleged breach of the Code of Conduct for Councillors.

I subsequently informed you on 05 October 2023 about the appeal and indicated that your Municipal Council could make representations to myself. I hereby wish to inform you that no submissions were made by your Municipal Council and I, in terms of item 16(4)(d), may, after having considered the appeal, confirm, set aside or vary the decision of the council. Accordingly, after having considered the appeal, I wish to inform you that I have set aside your council's decision of finding Councillor Vermeulen guilty as well as the sanction.

Sincerely



A BREDELL

MINISTER

DATE: 05/12/2023

APPENDIX E



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MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

APPEAL – COUNCILLOR ELSABE VERMEULEN - REFERENCE: 13/1/1/K24 (3/11/2/25 – 2023/179)

Our reference: 3/6/4/1

Minister Anton Bredell
9th Floor,
1 Dorp Street,
Cape Town
8000
Per email: Bernice.labuschagne@westerncape.gov.za

06 October 2023

RE: APPEAL – COUNCILLOR ELSABE VERMEULEN - REFERENCE: 13/1/1/K24 (3/11/2/25 – 2023/179)

Dear Minister Bredell,

As per communication received from your office dated, 05 October 2023, with reference 13/1/1/K24 (3/11/2/25 – 2023/179), herewith my response:

Please note that the finding of the disciplinary Committee has not yet served before Council and therefore the proposed sanction to Council from the Disciplinary Committee has not been adopted by Council.

We refer to item 16(4)(a) of schedule 7 of the Code of Conduct of the Municipal Structures Act, No.117 of 1998 and Regulations where it reads as follows:

Any councillor who has been warned, reprimanded or fined in terms of paragraph (a), (b) or (d) of subitem (2) may within 14 days of having been notified of the decision of council appeal to the MEC for local government in writing setting out the reasons on which the appeal is based.

It is therefore my understanding that the appeal can only be submitted after a final proposed sanction has been adopted by Council. However, should the office of the MEC require all of these documentation requested in you initial communication at this stage, we will gladly oblige.

Regards,

Cllr Quintin Smit
SPEAKER – STELLENBOSCH MUNICIPAL COUNCIL

18.	REPORTS SUBMITTED BY THE EXECUTIVE MAYOR
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NONE

19.	MATTERS TO BE CONSIDERED IN-COMMITTEE
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SEE PINK DOCUMENTATION (IN-COMMITTEE MINUTES ONLY)

***THE AGENDA HAS BEEN DISCUSSED WITH THE SPEAKER,
CLLR Q SMIT AND HE AGREES WITH THE CONTENT.***