



# STELLENBOSCH

STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

Ref. no.3/4/1/5

2018-09-21

## NOTICE OF THE 20<sup>TH</sup> MEETING OF THE COUNCIL OF STELLENBOSCH MUNICIPALITY WEDNESDAY, 2018-09-26 AT 10:00

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

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

Notice is hereby given in terms of Section 29, read with Section 18(2) of the *Local Government: Municipal Structures Act, 117 of 1998*, as amended, that the **20<sup>TH</sup> MEETING** of the **COUNCIL** of **STELLENBOSCH MUNICIPALITY** will be held in the **COUNCIL CHAMBER, TOWN HOUSE, PLEIN STREET, STELLENBOSCH** on **WEDNESDAY, 2018-09-26** at **10:00** to consider the items on the Agenda.

**SPEAKER**  
**WC PETERSEN (MS)**

**A G E N D A**  
**20<sup>TH</sup> MEETING OF THE COUNCIL**  
**OF STELLENBOSCH MUNICIPALITY**  
**2018-09-26**  
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**A G E N D A**  
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4.1 The minutes of the 19<sup>th</sup> Council Meeting: 2018-08-22 refers. (see **APPENDIX 1**).

**FOR CONFIRMATION**

# **APPENDIX 1**

**MINUTES:**

**18TH COUNCIL: 2018-08-22**



**STELLENBOSCH**  
STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

Ref. no.3/4/1/5

2018-08-22

**MINUTES**

**19<sup>TH</sup> MEETING OF THE COUNCIL  
OF STELLENBOSCH MUNICIPALITY**

**2018-08-22 AT 10:00**

**Detailed account of the meeting proceedings is available on audio recording, which is obtainable from The Municipal Manager's Office per Request for Information (RFI)**

**MINUTES**  
**19<sup>TH</sup> MEETING OF THE COUNCIL**  
**OF STELLENBOSCH MUNICIPALITY**  
**2018-08-22**

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**MINUTES OF THE 19<sup>TH</sup> MEETING OF THE COUNCIL OF STELLENBOSCH MUNICIPALITY HELD ON 2018-08-22 AT 10:00 IN THE COUNCIL CHAMBER, TOWN HOUSE, PLEIN STREET, STELLENBOSCH**

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**PRESENT** The Acting Speaker, Cllr Q Smit [Chairperson]  
The Executive Mayor, Ald G Van Deventer (Ms) (until 12:20)  
The Deputy Executive Mayor, Cllr N Jindela

**ALDERWOMAN** JP Serdyn (Ms)

**COUNCILLORS**

F Adams	LK Horsband (Ms)
FJ Badenhorst	MC Johnson
GN Bakubaku-Vos (Ms)	DD Joubert
PW Biscombe	C Manuel
G Cele (Ms)	NE Mcombring (Ms)
PR Crawley (Ms)	XL Mdemka (Ms)
JN De Villiers	N Olayi
MB De Wet	MD Oliphant
R Du Toit (Ms)	SA Peters
AR Frazenburg	MM Pietersen
E Fredericks (Ms)	SR Schäfer
E Groenewald (Ms)	N Sinkinya (Ms)
JG Hamilton	P Sitshoti (Ms) (until 12:00)
AJ Hanekom	LL Stander
DA Hendrickse (until 12:00)	E Vermeulen (Ms)
JK Hendriks	

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**Officials:**

- Municipal Manager (Ms G Mettler)
- Chief Financial Officer (M Wüst)
- Director: Community and Protection Services (G Esau)
- Director: Corporate Services (Ms A De Beer)
- Director: Economic Development and Planning (T Mfeya)
- Director: Infrastructure Services (D Louw)
- Senior Manager: Governance (Ms S De Visser)
- Manager: Communications (S Grobbelaar)
- Manager: Secretariat/Committee Services (EJ Potts)
- Senior Administration Officer (T Samuels (Ms))
- Committee Clerk (N Mbali (Ms))
- Interpreter (J Tyatyeka)

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<b>1.</b>	<b>OPENING AND WELCOME</b>
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The Municipal Manager, Ms G Mettler, welcomed all present at the 19<sup>th</sup> Council meeting. She notified Council that the Speaker, Cllr WC Petersen (Ms) submitted an apology for leave of absence. In terms of Section 41 of the Structures Act, an Acting Speaker must be elected for the duration of the meeting.

In line with Rule 5.1.1 of Council's Rules of Order By-Law, the Municipal Manager called for nominations for an Acting Speaker. Cllr PW Biscombe nominated Cllr Q Smit and Cllr F Adams nominated Cllr DD Joubert, but he (Cllr DD Joubert) declined. There were no other nominations, and Cllr Q Smit was duly elected as the Acting Speaker for the duration of the meeting.

The elected Acting Speaker, Cllr Q Smit, took the chair and presided over the meeting.

<b>2.</b>	<b>COMMUNICATIONS</b>
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<b>2.1</b>	<b>MAYORAL ADDRESS</b>
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"Goeie dag, good day, molweni, as-salaam alaikum.

- Start off by saying Eid Mubarak to all our Muslim residents, councillors and officials who are celebrating Eid ul Adha. May this be a time of blessing, peace and happiness.
- Gemeenskap die afgelope twee weke geruk deur dood van jongmense in ons gemeenskap deur selfmoord asook deur bendegeweld.
- Hierdie gebeure raak nie net enkele inwoners in ons gemeenskap nie, maar het 'n impak op ons almal.
- Namens die Raad, ons innige medelye aan die familie en vriende van die oorledenes.
- It has been reported this week that our average dam levels are now at 53% in the Western Cape versus last year's 30%.
- This is fantastic news, and we are hoping for more rain in the coming weeks.
- Level 6B restrictions will however remain in place.
- As proclaimed in the Government Gazette, water restrictions will not be lifted until the dam levels reach 85%.
- Every resident must therefore continue to save water every day!
- Every drop counts!
- As you know, our town was recently shaken by illegal land occupation and protests.

- A meeting between the Municipality, representatives of the Kayamandi community, the South African Human Rights Commission, the South African Police Service (SAPS) and the Sheriff of the Court took place on Monday, 13 August where an agreement was reached on the way forward.
- All stakeholders resolved that differences must be set aside to find a way forward to the illegal occupation of the piece of private land. As a result of this agreement, the Municipality can continue service delivery to the residents of Kayamandi.
- I have also talked with the business owners affected by illegal looting
- I am asking all parties to please cooperate with us as we continue to go forward and working together to find a solution.
- We continue to talk and engage with stakeholders as the situation develops.
- Hawelose en straatmense bly 'n kommerwekkende tendens.
- Hierdie mense is weerloos en kan maklik slagoffers word van misdaad.
- Hulle word ook maklik betrek by misdaad.
- Om suksesvolle oplossings te vind om hierdie mense te help en die sosiale probleme wat daarmee gepaard gaan aan te spreek, beplan ons 'n beraad aan die einde van die maand.
- Ons nooi alle rolspelers uit om by ons aan te sluit op 30 Augustus, sodat ons hierdie mense kan help en oplossings kan vind om die maatskaplike probleme aan te spreek.
- Groepe of individue wat belangstel, kan Michelle Aalbers kontak vir meer inligting.
- Vanaf 1 tot 7 September vier ons weer Boomplantweek.
- Die algemene boom van die jaar vir 2018 is die Geelhoutboom.
- Die rare boom vir hierdie jaar is die Witgatboom of Shepard's Tree, soos hy in Engels bekend staan.
- Wil inwoners aanmoedig om bome te plant. Bome is deel van Stellenbosch se identiteit.
- Ons werk slimmer met ons bome en fokus op inheemse bome wat meer geskik is vir ons klimaat en gebruik waar nodig, gryswater om ons bome nat te lei.
- You would have seen the posters for Casual Day on 7 September
- This is a national fundraiser for people with disabilities and takes place annually.
- The theme for this year is Everyday Super Heroes (Like teachers, policemen, firemen ect).
- I want to encourage all councillors, officials and residents to please buy a sticker at any of the participating outlets and support the charity
- All the funds go to help people with disabilities.



- Stickers are available at various offices in the municipality (including my own) as well as at shops display the Casual Day sign.
- Wear your sticker on Casual Day and dress up like your favourite everyday superhero.
- Vrouemaand is amper verby maar ek hoop u het almal Vrouedag en Maand gevier.
- Vrouedag is 'n herdenking van die 1956 optog deur vroue na die Uniegebou, in protes teen die paswette van die apartheidsregering.
- Amerikaanse skrywer, RS Grey het die volgende van die krag van vroue gesê: She believed she could, so she did.
- Gedurende die vele Vrouedagviering, het ek weereens besef hoe ver ons al gekom het, maar ook hoe ver ons nog moet gaan.
- Ek wil tog al ons vroue aanmoedig om op te staan en hul stem te verhef teen enige diskriminasie wat hul mag ervaar. Ons het 'n verantwoordelikheid om rolmodelle te wees vir ons dogters en die vroue van more.

“Thank You.”

<b>2.2</b>	<b>COMMUNICATION BY THE SPEAKER</b>
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- The Acting Speaker congratulated all Councillors who celebrated and will celebrate their birthdays during August.
- An All Wards Councillors' Committee Meeting will be held on 2018-08-30 in the Council Chamber at 10:00. It is imperative for Ward Councillors to attend this meeting.
- Additional Item 8.2.2 ROLL-OVER ADJUSTMENTS BUDGET FOR 2018/2019, will be dealt with after item 7.4.1 on the Agenda to cluster items together.

<b>2.3</b>	<b>COMMUNICATION BY THE MUNICIPAL MANAGER</b>
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- On behalf of the Administration, the Municipal Manager wished all the Muslim citizens, staff members and Councillors a blessed Eid Mubarak.
- She wished all women a happy Women's Month and read a quote: “Still I'll Rise” by the Poet, Maya Angelou, encouraging all women to rise and take up their role in society.
- The Municipal Manager urged Councillors to ensure that they are registered for SASRIA. Forms in this regard were distributed to Councillors present for completion.
- Stellenbosch Municipality spent 100% of the MIG funding.

<b>3.</b>	<b>OFFICIAL NOTICES</b>
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<b>3.1</b>	<b>DISCLOSURE OF INTEREST</b>
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NONE

<b>3.2</b>	<b>APPLICATIONS FOR LEAVE OF ABSENCE</b>	<b>(3/4/1/6)</b>
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- (1) The following applications for leave of absence were approved in terms of the Rules of Order By-law of Council:-

Cllr FT Bangani-Menziwa (Ms)	–	22 August 2018
Cllr A Crombie (Ms)	–	22 August 2018
Cllr A Florence	–	22 August 2018
Cllr NS Louw	–	22 August 2018
Cllr Mananga-Gugushe (Ms)	–	22 August 2018
Cllr RS Nalumango (Ms)	–	22 August 2018
Cllr WC Petersen (Ms) (Speaker)	–	22 August 2018
Cllr WF Pietersen	–	22 August 2018

- (2) Permission was granted to the Executive Mayor, Ald G Van Deventer and Councillor P Sitshoti (Ms) to leave the meeting earlier (at 12:00 and 12:20 respectively).

<b>4.</b>	<b>CONFIRMATION OF MINUTES</b>	<b>(3/4/1/5)</b>
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- 4.1 The minutes of the 18<sup>th</sup> Council meeting dated 2018-07-25 were **confirmed as correct.**

- 4.1 The minutes of an Urgent Council meeting dated 2018-07-30 were **confirmed as correct.**

<b>5.</b>	<b>STATUTORY MATTERS</b>	<b>(3/4/1/4)</b>
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NONE

6.	<b>REPORT/S BY THE MUNICIPAL MANAGER RE OUTSTANDING RESOLUTIONS TAKEN AT PREVIOUS COUNCIL MEETINGS</b>
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ITEM	Pg	INPUT	MM'S RESPONSE
<b><u>CLLR F ADAMS</u></b>		Expressed his dissatisfaction with unresolved issues. Referred to the 2 outstanding follow-up questions in the minutes of the 17 <sup>th</sup> Council meeting dated 2018-05-23 on which the MM never responded.	Cllrs should note that the report on Outstanding Resolutions is in fact a written response to the issues raised by Councillors.
<b><u>CLLR N JINDELA</u></b>		Raised his concern with the slow process flow of items or no timeframes on when targets will be reached.	If the municipality is dependent on other departments for feedback on queries, this process might take long, because some departments do not respond. Hence the delay in finalizing matters.
<b><u>CLLR DA HENDRICKSE</u></b>		Raised his concerns with regard to items that disappear from the list without it being dealt with 100% completed, i.e. (i) the disposal of various sites in Kayamandi through a tender process ±2 yrs ago; (ii) Why is Item 7.5.5 that dealt with the disposal of a portion of remainder Farm 1653, Paarl La Motte that served at Council on 2018-07-25, not listed in the outstanding resolutions? Why is there no report on this?  Also raised a concern that no responses are given on follow-up questions? These responses should be given in writing for record purposes.	Councillors should note that the report on Outstanding Resolutions is in fact a written response to the issues raised by Councillors.
<b><u>CLLR F ADAMS</u></b> <b><u>12<sup>th</sup> Council: 2017-09-27: Item 7.3.2</u></b> Identifying of municipal agricultural land for implementation of farmer production support unit (FPSU)	10	What is the current status of the draft MOU from National Department of Rural Development & Land Reform?	MM will respond in due course.
<b><u>14<sup>th</sup> Council: 2017-11-29: Item 7.5.3</u></b> Various issues: Vlottenburg Housing Projects: Way Forward	14	What was the motivation/reason for changing/ withdrawal from the old agreement?	MM will respond in due course.
<b><u>18<sup>th</sup> Council: 2018-07-25: Item 7.3.1</u></b> The awarding of rights to the Local Economic Development Hubs	22/ 23	How will the information of the successful bidders be made available to Councillors?	MM will respond in due course.
<b><u>CLLR DA HENDRICKSE</u></b> <b><u>8<sup>th</sup> Council: 2017-04-26: Item 7.3.1</u></b> The Future Use and Maintenance of Council Heritage Buildings	6	Why is this item still on 30% resolved after more than 1 year? What is the explanation?	MM will respond in due course.
<b><u>12<sup>th</sup> Council: 2017-09-27: Item 7.5.2</u></b> Future of the Ex-Kleine Libertas Theatre	12	Why did this matter not serve before MPAC to inform them that plans were drawn up without following due process and a new specification was applied for as recorded on Agenda?	MM will respond in due course.

<p><b>CLLR DA HENDRICKSE</b> <b>14<sup>th</sup> Council: 2017-11-29: item 7.5.3</b> Various issues: Vlotenburg Housing Projects: Way Forward</p> <p><b>16<sup>th</sup> Council: 2018-03-28: Item 7.5.1</b> Proposed exchange of land a portion of Farm 183 (Closed Street) for a portion of Farm 183/7: Woodmill Development Project.</p> <p><b>17<sup>th</sup> Council: 2018-05-23: Item 7.5.1</b> Proposed renewal of lease agreement: Erf 52 Stellenbosch, Supergroup Dealership</p> <p><b>18<sup>th</sup> Council: 2018-07-25: Item 7.5.2</b> Proposed exchange of land: Portion of Remainder Farm 387, Stellenbosch for portion of Lease 377A: Vredenheim (Pty) Ltd</p>	<p>14</p> <p>20</p> <p>22</p> <p>24</p>	<p>This item was withdrawn to allow the Admin to prepare an updated item, but why is the previous Council resolution being ignored?</p> <p>Did Council consider the municipal valuation when they disposed of the land?</p> <p>This matter was raised in the previous Council dated 2018-07-25. When will the amendment notice be published? No timeline.</p> <p>The 18<sup>th</sup> Council Resolution reads that this item be withdrawn for further refinement. Why was a new offer given?</p>	<p>MM will respond in due course.</p> <p>MM will respond in due course.</p> <p>MM will respond in due course.</p> <p>Council gave the MM the authority to either enter into an agreement for the purchase or for an exchange. The initial agreement was for an exchange, MM decided to put in an offer for a purchase. This is in line with the Council resolution.</p>
<p><b>CLLR N SINKINYA (MS)</b> <b>14<sup>th</sup> Council: 2017-11-29: Item 7.5.2</b> Development of Zone O and the housing allocation criteria for the phase 2B and 2C (277 sites, Watergang, Kayamandi</p>	<p>13</p>	<p>What is the plan for the development of Zone O?</p>	<p>The meeting of 2018-08-20 was postponed on the request of the beneficiaries. The meeting was postponed until a date in September 2018.</p>

**NOTED**

The concerns raised and the feedback report on Outstanding Resolutions.

7.	CONSIDERATION OF ITEMS BY THE EXECUTIVE MAYOR: (ALD G VAN DEVENTER (MS))
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7.1	COMMUNITY DEVELOPMENT AND COMMUNITY SERVICES: (PC: CLLR AR FRAZENBURG)
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NONE

7.2	CORPORATE AND STRATEGIC SERVICES: (PC: CLLR E GROENEWALD (MS))
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7.2.1	POSSIBLE DISPOSAL OF A PORTION OF PORTION 15 OF FARM 292 (NOW KNOWN AS ERF 16489), STELLENBOSCH
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Collaborator No: 600950  
IDP KPA Ref No:  
Meeting Date: 08 August 2018

**1. SUBJECT: POSSIBLE DISPOSAL OF A PORTION OF PORTION 15 OF FARM 292 (NOW KNOWN AS ERF 16489), STELLENBOSCH**

**2. PURPOSE**

To obtain Council's approval for the possible disposal of a portion of Portion 15 of Farm 292, Stellenbosch, for educational purposes.

**3. DELEGATED AUTHORITY**

**FOR DECISION BY MUNICIPAL COUNCIL.**

The Municipal Council must decide on the disposal of Municipal Land in terms of the Asset Transfer Regulations.

**4. EXECUTIVE SUMMARY**

Rhenish Girls High School is utilising a portion of Portion 15 of Farm 292 (Public Street) for a hockey field in terms of a Lease Agreement. The Provincial Department of Transport and Public Works has now requested that the subject property be transferred to them for educational purposes.

19<sup>TH</sup> COUNCIL MEETING: 2018-08-22: ITEM 7.2.1**RESOLVED** (majority vote)

- (a) that the portion of Portion 15 of Farm 292, measuring approximately 9080m<sup>2</sup>, as indicated as ABCD in Fig 3, be identified as land not needed for the provision of the minimum level of basic municipal services and to be surplus to the requirements of the Municipality, as required by regulation 20 (f) (i) of the Asset Transfer Regulations;
- (b) that the property be transferred to the Provincial Government of the Western Cape at no cost, seeing that no compensation was paid (historical cost) when the property was transferred to Stellenbosch Municipality by the Provincial Government (vesting transfer) and taking into account the community benefit (gain) should the property be developed as envisaged, as provided for in regulation 20 (f) (ii) of the Asset Transfer Regulation, subject to the following conditions:
- (i) that the property only be used for educational purposes;
  - (ii) that the Provincial Government of the Western Cape be responsible for the subdivision and rezoning of the land to educational purposes, at their cost;
  - (iii) that the area as depicted on **APPENDIX E** as parking area, be developed as a public parking area;
  - (iv) that, should the proposed development require any upgrading to existing bulk infrastructure, that such upgrading be for the account of the Provincial Government, at the then applicable tariffs;
  - (v) that no potable water be used to fill or top-up any of the (to be constructed) swimming pools, and that the school must use its existing ground-water source for this purpose.
- (c) that Council's intention to dispose of the property at no charge to the Provincial Government of the Western Cape for educational purposes, be advertised for public comment/inputs/objections; and
- (d) that, any comments/inputs/objections be considered by Council before making a final decision.

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

*Cllr F Adams; GN Bakubaku-Vos (Ms); DA Hendrickse; LK Horsband (Ms); MD Oliphant; N Sinkinya (Ms); P Sitshoti (Ms) and LL Stander.*

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	<b>Piet Smit</b>
<b>POSITION</b>	<b>Manager: Property Management</b>
<b>DIRECTORATE</b>	<b>Corporate Services</b>
<b>CONTACT NUMBERS</b>	<b>021-8088189</b>
<b>E-MAIL ADDRESS</b>	<b><a href="mailto:Piet.Smit@stellenbosch.gov.za">Piet.Smit@stellenbosch.gov.za</a></b>
<b>REPORT DATE</b>	<b>2018-08-10</b>

7.3	<b>ECONOMIC DEVELOPMENT AND PLANNING: (PC: ALD JP SERDYN (MS))</b>
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7.3.1	<b>STELLENBOSCH MUNICIPALITY AIR QUALITY BY-LAW</b>
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Collaborator No: 600749  
IDP KPA Ref No:  
Meeting Date: 08 August 2018

**1. SUBJECT: STELLENBOSCH MUNICIPALITY AIR QUALITY BY-LAW**

**2. PURPOSE**

The Stellenbosch Municipality Air Quality By-Law (June 2018) (**ANNEXURE A**) has been prepared to give effect to the right contained in Section 24 of the Constitution of the Republic of South Africa, 1996, by controlling air pollution within the area of the municipality's jurisdiction as well as to ensure that air pollution is avoided, or where it cannot be altogether avoided, minimized and remedied. Following a process of public participation the purpose of this item is to request Council to adopt the attached By-law.

**3. DELEGATED AUTHORITY**

**(FOR DECISION BY MUNICIPAL COUNCIL AND EXECUTIVE MANAGEMENT)**

There is no clear delegation in the current System of Delegations dated 2015/05/01 for this item. Stellenbosch Municipality has, however, defined obligations as contained in the National Environmental Management: Air Quality Act, 39 of 2004, to:

- a) Compile an Air Quality Management Plan (AQMP)
- b) Designate an Air Quality Officer (AQO)
- c) Report on the implementation of the AQMP

In terms of the Constitution of the Republic of South Africa, 1996, Section 156, a municipality has executive authority in respect of, and has the right to administer -

- i. local government matters listed in Part B of Schedule 4 and Part B of Schedule 5; and
- ii. any other matter assigned to it by national or provincial legislation.

Schedule 4, Part B, referred to above include air pollution.

**4. EXECUTIVE SUMMARY**

The Stellenbosch Municipality Air Quality By-Law (June 2018) has been prepared to give effect to the right contained in Section 24 of the Constitution of the Republic of South Africa, 1996 by controlling air pollution within the area of the municipality's jurisdiction as well as to ensure that air pollution is avoided, or where it cannot be altogether avoided, minimized and remedied.

The need for the proposed By-law (regulatory framework) has been identified in the Air Quality Management Plan (2013) of Stellenbosch Municipality.

The Draft Stellenbosch Municipality Air Quality By-Law was advertised in the Eikestad News on the 26<sup>th</sup> of April 2018, inviting written comment by 31 May 2018. In addition hard copies of the above document were made available at the advice centers in both Stellenbosch and Franschhoek as well as libraries in both Stellenbosch and Franschhoek.

Apart from requests to provide clarity on some aspects of the above proposed By-law, no comment on the content or proposed amendments to the document was received.

Following the above process of public participation the above document is now brought to Council for adoption as the Stellenbosch Municipality Air Quality By-Law.

### 19<sup>TH</sup> COUNCIL MEETING: 2018-08-22: ITEM 7.3.1

**RESOLVED** (majority vote with 1 abstention)

that Council approves the Draft Stellenbosch Municipality Air Quality By-Law (June 2018) and adopts it as the Stellenbosch Municipality Air Quality By-Law.

#### FOR FURTHER DETAILS CONTACT:

<b>NAME</b>	<b>Schalk van der Merwe</b>
<b>POSITION</b>	<b>Environmental Planner</b>
<b>DIRECTORATE</b>	<b>Planning &amp; Economic Development</b>
<b>CONTACT NUMBERS</b>	<b>021 808 8679</b>
<b>E-MAIL ADDRESS</b>	<b>schalk.vandermerwe@stellenbosch.gov.za</b>
<b>REPORT DATE</b>	<b>08 August 2018</b>



<b>7.3.2</b>	<b>STELLENBOSCH MUNICIPALITY NOISE CONTROL POLICY</b>
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Collaborator No: 600752  
IDP KPA Ref No:  
Meeting Date: 08 August 2018

1. **SUBJECT: STELLENBOSCH MUNICIPALITY NOISE CONTROL POLICY**
2. **PURPOSE**

The Stellenbosch Municipality Noise Control Policy (July 2018) (**ANNEXURE A**) relating to the implementation of the Provincial Noise Control Regulations PN 200/2013 has been prepared. Following a process of public participation the purpose of this item is to request Council to adopt the attached policy.

3. **DELEGATED AUTHORITY**

**(FOR DECISION BY MUNICIPAL COUNCIL AND EXECUTIVE MANAGEMENT)**

There is no clear delegation in the current System of Delegations dated 2015/05/01. However, Section C (e) Environmental Management, of the above System of Delegations, Item 392, makes provision for certain aspects (Noise Impact Assessments and Exemptions) as contained in the Provincial Cape Noise Control Regulations.

4. **EXECUTIVE SUMMARY**

The Stellenbosch Municipality Noise Control Policy (July 2018) has been prepared to regulate the internal implementation of the Provincial Noise Control Regulations PN 200/2013.

The need for such a policy is borne from the fact that various municipal departments deal with different aspects of noise control. The Policy will clearly direct all relevant departments as to its function in dealing with the issue of noise and noise complaints.

**19<sup>TH</sup> COUNCIL MEETING: 2018-08-22: ITEM 7.3.2**

**RESOLVED** (majority vote with 1 abstention)

that Council approves the Draft Stellenbosch Municipality Noise Control Policy (July 2018) and adopts it as the Stellenbosch Municipality Noise Control Policy.

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	<b>Schalk van der Merwe</b>
<b>POSITION</b>	<b>Environmental Planner</b>
<b>DIRECTORATE</b>	<b>Planning &amp; Economic Development</b>
<b>CONTACT NUMBERS</b>	<b>021 808 8679</b>
<b>E-MAIL ADDRESS</b>	<b>schalk.vandermerwe@stellenbosch.gov.za</b>
<b>REPORT DATE</b>	<b>08 August 2018</b>

7.4	<b>FINANCIAL SERVICES: (PC: CLLR S PETERS)</b>
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7.4.1	<b>MONTHLY FINANCIAL STATUTORY REPORTING: DEVIATIONS FOR JULY 2018</b>
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**Collaborator No:** 600958  
**File No:** 8/1  
**BUDGET KPA Ref No:** Good Governance and Compliance  
**Meeting Date:** 08 August 2018

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

**2. PURPOSE**

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

**3. DELEGATED AUTHORITY**

Noted by Municipal Council.

**19<sup>TH</sup> COUNCIL MEETING: 2018-08-22: ITEM 7.4.1**

**NOTED**

the deviations as listed below for the month of July 2018.

DEVIATION NUMBER	CONTRACT DATE	NAME OF CONTRACTOR	CONTRACT DESCRIPTION	REASON	SUBSTANTIATION WHY SCM PROCESS COULD NOT BE FOLLOWED	TOTAL CONTRACT PRICE (R)
D/SM 01/19	11/07/2018	Aberdare Cables	Low voltage cable feeders to the MTN/Municipality tower on Papegaaiberg	1.Emergency 5.Exceptional case and it is impractical or impossible to follow the official procurement process	Due to the urgency of the supply having to be restored in the shortest period to time, This was an emergency as the tower hosts all the cellular networks as well as the Stellenbosch Municipality's IT networks.	R198 324.00 (VAT EXCL.)
D/SM 02/19	13/07/2018	Xaba Engineering & Consulting	Consultant: 332 Temporal housing units	5.Exceptional case and it is impractical or impossible to follow the official procurement process	Xaba Engineering & Consulting were appointed as Consultant for the Construction of 332 Temporal Housing Units at the Temporary Relocation Area (TRA) at Watergang, Kayamandi The scope increased and it would be impractical and not cost effective to appoint a new Engineer.	R120 647.40 (VAT EXCL.)
D/SM 03/19	25/07/2018	Avalo Technology Group	Pniel Highsite Failure	1.Emergency	The Stellenbosch Municipality ICT wireless network failed at the Pniel Highsite, Johannesburg Reservoir as a result of the theft and burglary.	R61 584.00 (VAT EXCL.)

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7.5	INFRASTRUCTURE: [CLLR J DE VILLIERS]
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NONE

7.6	PARKS, OPEN SPACES AND ENVIRONMENT: (PC: CLLR N JINDELA)
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NONE

7.7	PROTECTION SERVICES: [PC: CLLR Q SMIT]
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NONE

7.8	YOUTH, SPORTS AND CULTURE: [PC: XL MDEMKA (MS)]
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7.8.1	APPLICATION OF LOTTO FUNDING RECEIVED
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Collaborator No: 596157  
IDP KPA Ref No:  
Meeting Date: 08 August 2018

1. **SUBJECT: APPLICATION OF LOTTO FUNDING RECEIVED**

2. **PURPOSE**

To inform Council about the distribution of the Lotto funding that was received via a successful application to the Lotto Board.

3. **DELEGATED AUTHORITY**

FOR INFORMATION TO THE EXECUTIVE MAYOR AND COUNCIL

4. **EXECUTIVE SUMMARY**

To provide feedback on the upgrades and purchasing of the LOTTO funding.

19<sup>TH</sup> COUNCIL MEETING: 2018-08-22: ITEM 7.8.1

**NOTED**

the upgrades completed and the sporting equipment purchased.

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Garth Abrahams
<b>POSITION</b>	<i>Head: Sport and Facilities</i>
<b>DIRECTORATE</b>	<i>Community and Protection Services</i>
<b>CONTACT NUMBERS</b>	021 808 8162
<b>E-MAIL ADDRESS</b>	<i>Garth.abrahams@stellenbosch.gov.za</i>
<b>REPORT DATE</b>	07 May 2018

<b>7.9</b>	<b>REPORTS SUBMITTED BY THE MUNICIPAL MANAGER</b>
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<b>7.9.1</b>	<b>REVISED STRATEGIC RISK REGISTER 2018/19 FINANCIAL YEAR WITH RISK APPETITE</b>
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**Collaborator No:** 600831  
**IDP KPA Ref No:** All Strategic Objectives  
**Meeting Date:** 08 August 2018

**1. SUBJECT: REVISED STRATEGIC RISK REGISTER 2018/19 FINANCIAL YEAR WITH RISK APPETITE**

**2. PURPOSE**

To submit the Revised Strategic Risk Register for the 2018/19 financial year for approval by the Council to establish the inherent risk exposure and risk appetite for Stellenbosch Municipality.

**3. DELEGATED AUTHORITY**

For approval by Council.

**4. EXECUTIVE SUMMARY**

Corporate Governance best practice as well the Municipal Finance Management Act (MFMA), Act 56 of 2013, requires municipalities to have an effective risk management mechanism to stay abreast of prevalent risks and to determine the risk appetite. Inherent risk exposure means impact in relation to likelihood of a risk occurring. Risk appetite means the amount (level) of risk a municipality is willing to accept. Municipalities are required to formally assess risk annually to determine the risk appetite and decide on the appropriate risk appetite for the municipality. To ensure effectiveness, a municipality must focus its attention and resources on the areas of most significant risk and concern to stakeholders. The risk assessment process is therefore a fundamental element of the risk management process.

The principal aims of the risk assessments process are to:

- Identify the risks threatening the achievement of the IDP's objectives of each directorate;
- Assess the key risks facing the directorate; and
- Identify the processes / functions / directorates / persons which the municipality and top management rely upon to manage the identified risks.
- Align the mentioned process with processes as established by provincial and national government as communicated to the municipality.

The Strategic Risks as well as the operational risks that were identified, discussed in detail by senior management on 26 June at the Risk Management Committee, and further workshopped on 10 July 2018 to finalise and approve the municipal strategic risk appetite. In terms of the COSO Integrated Framework (National Treasury Enterprise Risk Management Framework), defines risk appetite as the amount of risk an organisation is broadly willing to accept in pursuit of value. Risk appetite guides resource allocation and assists in aligning the organisation, people and processes.

The inherent risk exposure was calculated at 15, which is considered as moderate. A score of 9 to 15 is considered moderate. The risk appetite Stellenbosch is willing to accept is 12. This means the current risk exposure needs to be actively managed to reduce the acceptance level.

**19<sup>TH</sup> COUNCIL MEETING: 2018-08-22: ITEM 7.9.1**

**RESOLVED** (majority vote)

that Council approves the Strategic Risk Register and the Risk Appetite as mutually agreed to by the senior management of the municipality.

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

*Cllrs F Adams and LK Horsband (Ms).*

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	<b>Helena Priem</b>
<b>POSITION</b>	<b>Chief Risk Officer</b>
<b>DIRECTORATE</b>	<b>Municipal Manager</b>
<b>CONTACT NUMBERS</b>	<b>021 – 808 8157</b>
<b>E-MAIL ADDRESS</b>	<b>Helena.priem@stellenbosch.gov.za</b>
<b>REPORT DATE</b>	<b>14 August 2018</b>

7.9.2	<b>IDP/BUDGET/SDF PROCESS PLAN (TIME SCHEDULE) TO GUIDE THE PLANNING, DRAFTING, ADOPTION AND SECOND REVIEW OF THE FOURTH GENERATION INTEGRATED DEVELOPMENT PLAN FOR 2017/18 – 2021/22</b>
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Collaborator No: 600874  
 IDP KPA Ref No: All Strategic Objectives  
 Meeting Date: 08 August 2018

**1. SUBJECT: IDP/BUDGET/SDF PROCESS PLAN (TIME SCHEDULE) TO GUIDE THE PLANNING, DRAFTING, ADOPTION AND SECOND REVIEW OF THE FOURTH GENERATION INTEGRATED DEVELOPMENT PLAN FOR 2017/18 – 2021/22**

**2. PURPOSE**

To table the following to Council for consideration: The Time Schedule of key deadlines for the Integrated Development Plan (IDP), Budget and Spatial Development Framework (SDF) processes. The Time Schedule guides the planning, drafting and adoption of the IDP (2017/18 – 2021/22).

**3. DELEGATED AUTHORITY**

**FOR DECISION BY MUNICIPAL COUNCIL.**

**4. EXECUTIVE SUMMARY**

Section 21 (1) of the Municipal Finance Management Act states that the Mayor of the Municipality must-

(b) *at least 10 months before the start of the budget year, table in the municipal council a time schedule outlining key deadlines for-*

- (i) *the preparation, tabling and approval of the annual budget;*
- (ii) *the annual review of –*
  - aa) *the integrated development plan in terms of section 34 of the Municipal Systems Act; and*
  - bb) *the budget related policies.*
- (iii) *the tabling and adoption of any amendments to the integrated development plan and the budget-related policies; and*
- (iv) *any consultative processes forming part of the processes referred to in subparagraphs (i), (ii) and (iii).*

The IDP Process Plan is compiled in terms of Sections 28 and 29 of the Municipal Systems Act, No 32 of 2000.

Section 28 specifies that:

*“(1) Each municipal council must adopt a process set out in writing to guide the planning, drafting, adoption and review of its IDP.*

*(2) The municipality must through appropriate mechanisms, processes and procedures established in terms of Chapter 4, consult the local community before adopting the process.*

*(3) A municipality must give notice to the local community of particulars of the process it intends to follow.”*

Section 29(1) further requires that:

*The process “must—*

- (a) be in accordance with a predetermined programme specifying timeframes for the different steps;*
- (b) through appropriate mechanisms, processes and procedures established in terms of Chapter 4, allow for –*
  - (i) The local community to be consulted on its development needs and priorities;*
  - (ii) The local community to participate in the drafting of the integrated development plan; and*
  - (iii) Organs of state, including traditional authorities, and other role players to be identified and consulted on the drafting of the integrated development plan.*
- (c) provide for the identification of all plans and planning requirements binding on the municipality in terms of national and provincial legislation; and*
- (d) be consistent with any other matters that may be prescribed by regulation.*

(2) A district municipality must-

- (a) plan integrated development for the area of the district municipality as a whole but in close consultation with the local municipalities in that area;*
- (b) align its integrated development plan with the framework adopted in terms of section 27; and*
- (c) draft its integrated development plan, taking into account the integrated development processes of, and proposals submitted to it by the local municipalities in that area.*

(3) A local municipality must-

- (a) align its integrated development plan with the framework adopted in terms of section 27; and*
- (b) draft its integrated development plan, taking into account the integrated development processes of and proposals submitted to it by the district municipality.”*

#### 19<sup>TH</sup> COUNCIL MEETING: 2018-08-22: ITEM 7.9.2

**RESOLVED** (majority vote with abstentions)

- (a) that Council notes and adopts the IDP, Budget and SDF Time Schedule of key deadlines to guide the planning, drafting, adoption and review of the Stellenbosch Second Revision of the Fourth Generation Integrated Development Plan (2017/18 – 2021/22) ; and
- (b) that the Time Schedule be placed on the official website of the municipality, municipal notice boards and libraries, notifying the public of the planned process.

#### FOR FURTHER DETAILS CONTACT

<b>NAME</b>	<b>Takeema Salie</b>
<b>POSITION</b>	<b>Manager IDP/PM/IGR</b>
<b>DIRECTORATE</b>	<b>Office of the Municipal Manager</b>
<b>CONTACT NUMBERS</b>	<b>021 808 8171</b>
<b>E-MAIL ADDRESS</b>	<b>Takeema.Salie@Stellenbosch.gov.za</b>
<b>REPORT DATE</b>	<b>8 and 22 August 2018</b>



8.	<b>CONSIDERATION OF ITEMS, REPORTS, COMMUNICATIONS, PETITIONS AND APPLICATIONS SUBMITTED VIA THE OFFICE OF THE MUNICIPAL MANAGER</b>
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8.1	<b>MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC): [CLLR WF PIETERSEN]</b>
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NONE

8.2	<b>OFFICE OF THE MUNICIPAL MANAGER</b>
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8.2.1	<b>MILLSTREAM CORRIDOR: PROGRESS REPORT</b>
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Collaborator No: 602799  
File No: 17/13/2  
IDP KPA Ref No: Good Governance and compliance  
Meeting Date: 22 August 2018

**1. SUBJECT: MILLSTREAM CORRIDOR: PROGRESS REPORT**

**2. PURPOSE**

To provide Council with a progress report in regard to the Millstream Corridor.

**3. DELEGATED AUTHORITY**

**FOR INFORMATION**

**4. EXECUTIVE SUMMARY**

Council considered a report in regard to the future of the Millstream Corridor on 28 March 2018.

Council resolved as follows on that occasion:

*“RESOLVED (majority vote)*

- (a) that Stellenbosch Municipality commences with a public participation process, requesting the public to give their input on the future use of Erf 1771, in particular what the public would like to see with regard to the use thereof;*
- (b) that the Municipality obtains a legal opinion on its rights and obligations in terms of Erf 1771, if and when it is deemed necessary; and*
- (c) that the Municipal Manager be authorised to submit a plan on the best public use and aesthetics, and if necessary, to appoint a specialist(s) to assist in this regard.”*

A notice was published in a local newspaper, soliciting inputs from the public and affected parties.

A number of comments/inputs were received and will be provided to Council as part of the report that will include the proposals on "*a plan on the best public use and aesthetics*".

Administration was requested by the Municipal Manager to appoint a specialist to advise her, as per the council resolution. A legal opinion must however first be obtained in regard to the rights of the Municipality and possible rights of land owners as that would influence any proposal on the plan. Both these processes are in process, taking into account the following aspects:

- The historical context;
- Inputs received as a consequence of the notice;
- Practical/functional issues;
- Security issues; and
- Aesthetics

The Department is in the process of appointing such person(s).

#### 19<sup>TH</sup> COUNCIL MEETING: 2018-08-22: ITEM 7.9.2

The Municipal Manager made a commitment that a finalised report will be submitted at the next Council meeting. Cllr F Adams requested that the report (with recommendations) by September and Associates also be submitted to Council.

#### NOTED

the Millstream Corridor: Progress Report.

#### FOR FURTHER DETAILS CONTACT:

<b>NAME</b>	PIET SMIT
<b>POSITION</b>	<b>MANAGER: PROPERTY MANAGEMENT</b>
<b>DIRECTORATE</b>	<b>CORPORATE SERVICES</b>
<b>CONTACT NUMBERS</b>	<b>021-8088189</b>
<b>E-MAIL ADDRESS</b>	<b>PIET.SMIT@STELLENBOSCH.GOV.ZA</b>
<b>REPORT DATE</b>	<b>2018-08-16</b>

<b>8.2.2</b>	<b>ROLL-OVER ADJUSTMENTS BUDGET FOR 2018/2019</b>
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**Collaborator No:** 602797  
**File No:** 5/1/1/2018-2019  
**BUDGET KPA Ref No:** Good Governance and Compliance  
**Meeting Date:** 22 August 2018

**1. SUBJECT: ROLL-OVER ADJUSTMENTS BUDGET 2018/2019**

**2. PURPOSE**

To present the Roll-over Adjustments Budget for the 2018/2019 financial year to Council for approval.

**3. DELEGATED AUTHORITY**

**FOR APPROVAL BY MUNICIPAL COUNCIL**

**4. EXECUTIVE SUMMARY**

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

**19<sup>TH</sup> COUNCIL MEETING: 2018-08-22: ITEM 8.2.2**

After 3 warnings during debate on the matter, the Acting Speaker ordered Cllr DA Hendrickse to recuse himself from the Chamber (at 12:00), for violating Rule 28 of the Rules of Order By-law.

**RESOLVED** (majority vote)

- (a) that the Adjustments Budget for 2018/2019 as set out in **APPENDIX 2**, 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).

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

*Councillors F Adams and LK Horsband (Ms).*

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	KEVIN CAROLUS
<b>POSITION</b>	<b>MANAGER: BUDGET OFFICE</b>
<b>DIRECTORATE</b>	<b>FINANCIAL SERVICES</b>
<b>CONTACT NUMBERS</b>	<b>021 808 8509</b>
<b>E-MAIL ADDRESS</b>	<b>kevin.carolus@stellenbosch.gov.za</b>
<b>REPORT DATE</b>	<b>2018-08-16</b>

9.	MATTERS FOR NOTIFICATION
9.1	REPORT BY THE EXECUTIVE MAYOR
9.1.1	REPORT BY THE EXECUTIVE MAYOR ON THE MAYOR – RECTOR FORUM MEETING: 24 MAY 2018

Collaborator No:  
 File No: 10/5/33  
 IDP KPA Ref No: Good Governance  
 Meeting Date: 22 August 2018

1. **SUBJECT: REPORT BY THE EXECUTIVE MAYOR ON THE MAYOR – RECTOR FORUM MEETING: 24 MAY 2018**

2. **PURPOSE**

To inform Council of the matters under discussion at the Mayor – Rector Forum meeting held on 24 May 2018.

3. **DELEGATED AUTHORITY**

FOR INFORMATION

4. **EXECUTIVE SUMMARY**

The Executive Mayor has since her election reported to the Council on discussions that take place at the regular meetings of the Mayor – Rector Forum. She presented a report to Council at the Council meeting on 25 July 2018, and was requested to adjust the report. The adjusted report is herewith presented. The Executive Mayor was requested to provide the minutes of the meeting. The minutes are attached as **ANNEXURE A**.

19<sup>TH</sup> COUNCIL MEETING: 2018-08-22: ITEM 9.1.1

**NOTED**

the report of the Mayor-Rector Forum meeting on 24 May 2018.

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	DONOVAN MULLER
<b>POSITION</b>	<b>OFFICE MANAGER: EXECUTIVE MAYOR</b>
<b>DIRECTORATE</b>	<b>CORPORATE AND STRATEGIC SERVICES</b>
<b>CONTACT NUMBERS</b>	021 8088314
<b>E-MAIL ADDRESS</b>	<a href="mailto:Donovan.Muller@stellenbosch.gov.za">Donovan.Muller@stellenbosch.gov.za</a>
<b>REPORT DATE</b>	16 August 2018

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9.2	REPORT BY THE SPEAKER
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NONE

9.3	REPORT BY THE MUNICIPAL MANAGER
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NONE

10.	CONSIDERATION OF NOTICES OF QUESTIONS AND NOTICES OF MOTIONS RECEIVED BY THE SPEAKER
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10.1	QUESTION 1 BY COUNCILLOR F ADAMS: ONDER PAPAGAAIBERG FENCE
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Collaborator No:

IDP KPA Ref No:

3/4/1/4

Meeting Date:

22 August 2018

**NOTED**

that Councillor F Adams was satisfied with the written response from the Executive Mayor; and that he had no follow-up questions.

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Geraldine Mettler (Ms)
<b>POSITION</b>	<i>Municipal Manager</i>
<b>DIRECTORATE</b>	<i>Office of the Municipal Manager</i>
<b>CONTACT NUMBERS</b>	021 808-8025
<b>E-MAIL ADDRESS</b>	<a href="mailto:Municipal.Manager@stellenbosch.gov.za">Municipal.Manager@stellenbosch.gov.za</a>
<b>REPORT DATE</b>	22 August 2018

10.2	<b>QUESTION 1 BY COUNCILLOR DA HENDRICKSE: LIST OF MUNICIPAL IMMOVABLE PROPERTIES LEASED OUT</b>
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In view of the absence of the member,

the Acting Speaker **RULED**

that this matter has lapsed.

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Geraldine Mettler (Ms)
<b>POSITION</b>	<i>Municipal Manager</i>
<b>DIRECTORATE</b>	<i>Office of the Municipal Manager</i>
<b>CONTACT NUMBERS</b>	021 808-8025
<b>E-MAIL ADDRESS</b>	<a href="mailto:Municipal.Manager@ Stellenbosch.gov.za">Municipal.Manager@Stellenbosch.gov.za</a>
<b>REPORT DATE</b>	22 August 2018

10.3	<b>QUESTION 2 BY COUNCILLOR DA HENDRICKSE: TOTAL COST: CONSULTANTS AND CONTRACTORS APPOINTED ON WASTE WATER TREATMENT</b>
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In view of the absence of the member,

the Acting Speaker **RULED**

that this matter has lapsed.

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Geraldine Mettler (Ms)
<b>POSITION</b>	<i>Municipal Manager</i>
<b>DIRECTORATE</b>	<i>Office of the Municipal Manager</i>
<b>CONTACT NUMBERS</b>	021 808-8025
<b>E-MAIL ADDRESS</b>	<a href="mailto:Municipal.Manager@ Stellenbosch.gov.za">Municipal.Manager@ Stellenbosch.gov.za</a>
<b>REPORT DATE</b>	22 August 2018



11.	<b>CONSIDERATION OF URGENT MOTIONS</b>
12.	<b>URGENT MATTERS SUBMITTED BY THE MUNICIPAL MANAGER</b>
12.1	<b>REPLACEMENT OF MEMBER OF THE RULES- AND THE APPEALS COMMITTEE AND REPLACEMENT OF MEMBERS ON THE DISCIPLINARY COMMITTEE</b>

Collaborator No:

IDP KPA Ref No:

Good Governance and Compliance

Meeting Date:

22 August 2018

**1. SUBJECT: REPLACEMENT OF MEMBER OF THE RULES- AND THE APPEALS COMMITTEE AND REPLACEMENT OF MEMBERS ON THE DISCIPLINARY COMMITTEE**

**2. PURPOSE**

To replace a member of the Rules Committee as well as the Appeals Committee and to replace members on the Disciplinary Committee.

**3. DELEGATED AUTHORITY**

Council

**4. EXECUTIVE SUMMARY**

Council establish committees to assist the municipal council (section 79 of Municipal Structures Act, Act 117 of 1998). Council established the following section 79 committees on 16 February 2017:

Rules Committee – item 5.2.1

Disciplinary Committee – item 5.2.2

Appeals Committee – item 5.2.3

Councillor DD Joubert, as the Speaker at the time was appointed as the chairperson of both the Rules Committee and the Appeals Committee. Councillor Joubert resigned as Speaker and it is recommended that the elected Speaker, Councillor WC Petersen replace Councillor Joubert as the chairperson, she is a member of the committee already. Councillor WC Petersen served on the committee as single whip of Council and it is recommended that the newly elected single whip, Councillor PW Biscombe, replace Councillor Joubert as a member of the Rules Committee.

Council established an Appeals Committee and inter alia appointed Councillor DD Joubert as a member of the committee and appointed him, as the then Speaker, as the chairperson of the Committee. Following the resignation of Councillor Joubert as Speaker the new elected Speaker should replace Councillor Joubert on the Appeals Committee as a member and as the chairperson.

Council established a Disciplinary Committee and inter alia appointed Councillor WC Petersen as a member of the committee. Councillor WC Petersen has been elected as Speaker on 30 July 2018, after the resignation of Councillor DD Joubert. The Speaker, as the chairperson of Council, receives complaints against councillors and must investigate the facts and circumstances of such complaints before referring the matters to Council or the Disciplinary Committee for investigation (or not). The Speaker can therefore not serve on the Disciplinary Committee as a member as it creates a conflict of interest. Councillor LM Maqeba resigned as a Councillor and was replaced by Councillor LL Stander. The ANC needs to nominate a Councillor to replace Councillor Maqeba as a member on the Disciplinary Committee. Councillor DS Arends resigned as a Councillor and was replaced by councillor G Cele.

## 5. RECOMMENDATIONS:

- (a) that Council appoints Councillor WC Petersen (Speaker) as the chairperson of the Rules Committee;
- (b) that Council replaces Councillor DD Joubert as a member of the Rules Committee with the newly elected Single Whip, councillor P W Biscombe;
- (c) that Council replaces Councillor DS Arends as a member of the Rules Committee with Councillor G Cele (Ms);
- (d) that Council replaces Councillor DD Joubert as a member of the Appeals Committee with Councillor WC Petersen (Ms);
- (e) that Council appoints Councillor WC Petersen (Ms) (Speaker), as the Chairperson of the Appeals Committee;
- (f) that Council replaces Councillor WC Petersen (Ms) as a member of the Disciplinary Committee with Councillor Esther Groenewald (Ms); and
- (g) that Council replaces Councillor LM Maqeba with a councillor nominated by the ANC as a member of the Disciplinary Committee.

## 6. DISCUSSION / CONTENTS

### 6.1. Background

Council established Section 79 Committees on 16 February 2017 to assist Council with its functions. Council appointed members of the committees. With changing circumstances, it has become necessary to replace some of the members on the committees.

### 6.2 Discussion

Council established the Rules Committee through a resolution on 16/02/2017. Council inter alia resolved:

- (a) *that Council establishes a Rules Committee in accordance with Section 79 of the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998);*
- (b) *that the composition of the Rules Committee be a total of 6 members of which the DA has 4 members and the Opposition has 2 members;*
- (c) *that Council appoints the following councillors to serve on the Rules Committee:*

DA (4) Cllr PR Crawley  
Cllr JG Hamilton  
Cllr DD Joubert  
Cllr WC Petersen  
Opposition (2): Cllr DS Arends (ACDP)  
Cllr P Sitshoti (ANC)

- (d) *that Council appoints the Speaker, Cllr Donovan Joubert as Chairperson for the Rules Committee; “*

Councillor DD Joubert resigned as Speaker and Councillor WC Petersen was elected as Speaker. Council also elected a new single whip when Councillor WC Petersen was elected as Speaker namely Councillor Biscombe. It is recommended that he replaces Councillor Joubert as a member of the Rules Committee. Councillor DS Arends resigned as a Councillor and was replaced by councillor G Cele.

Council established an Appeals Committee on 16/02/2017 and resolved inter alia the following:

- “(a) *that Council establishes an Appeals Committee in accordance with Section 79 of the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998);*  
(b) *that the composition of the Appeals Committee be a total of 5 members of which the DA has 3 members and the Opposition has 2 members;*  
(c) *that Council appoints the following councillors to serve on the Appeals Committee:*

DA (3) : Cllr MB de Wet  
: Cllr DD Joubert  
: Cllr Q Smit  
Opposition (2 ) : Cllr GN Bakubaku-Vos (ANC)  
: Cllr MD Oliphant (ANC)

- (d) *that Council appoints the Speaker Cllr Donovan Joubert as Chairperson for the Appeals Committee;”*

With the resignation of Councillor Joubert as Speaker and his nomination on the District Council it is recommended that he be replaced with the newly elected Speaker, Councillor WC Petersen.

Council established a Disciplinary Committee and inter alia resolved as follows:

- “(a) *that Council establishes a Disciplinary Committee in accordance with Section 79 of the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998);*  
(b) *that the composition of the Disciplinary Committee be a total of 5 members of which the DA has 3 members and the Opposition has 2 members;*  
(c) *that Council appoints the following councillors to serve on the Disciplinary Committee:*

DA (3) : Cllr MB de Wet  
: Cllr WC Petersen  
: Cllr Q Smit  
Opposition (2): Cllr LM Mqheba (ANC)  
Cllr N Sinkinya (ANC)

- (d) *that Council appoints Cllr Marnes De Wet as Chairperson for the Disciplinary Committee;”*

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Councillor WC Petersen has been elected as Speaker on 30 July 2018 after the resignation of Councillor DD Joubert as Speaker. The Speaker, as the chairperson of Council, receives complaints against councillors and must investigate the facts and circumstances of such complaints before referring the matters to Council or the Disciplinary Committee for investigation (or not). The Speaker can therefore not serve on the Disciplinary Committee as a member as it creates a conflict of interest and should be replaced as a member. Councillor LM Maqeba resigned as a Councillor and was replaced by Councillor LL Stander. The ANC needs to nominate a Councillor to replace Councillor Maqeba as a member on the Disciplinary Committee.

### **6.3 Financial Implications**

No additional financial impact.

The Government Gazette relating to the Determination of Upper Limits of Salaries, Allowances and Benefits of different members of Municipal Councils, determines that a chairperson of Section 79 Committee is entitled to the payment as determined in the upper limits.

Councillor WC Petersen is a Full-time Councillor in her capacity as Speaker and will therefore not receive additional remuneration as Chairperson of the Rules Committee or the Appeals Committee.

The only councillor who receives additional payment for his role as chairperson of a section 79 committees is the chairperson of the Disciplinary Committee.

### **6.4 Legal Implications**

Council establishes the section 79 Committees and appoints the members of the committees and may therefore at any time replace members on the committees when necessary.

### **6.5 Staff Implications**

No staff implications.

### **6.6 Previous / Relevant Council Resolutions**

Council resolution on 16 February 2017:

Rules Committee – item 5.2.1

Disciplinary Committee – item 5.2.2

Appeals Committee – item 5.2.3

### **6.7 Risk Implications**

Council must ensure that the members appointed to serve on the section 79 committees are updated when necessary to ensure their optimal functioning.

### **6.8 Comments from Senior Management**

The item was not circulated for comment.

**19<sup>TH</sup> COUNCIL MEETING: 2018-08-22: ITEM 12**

The item was distributed in the meeting and the Acting Speaker, Cllr Q Smit allowed a short break to allow Councillors an opportunity to peruse the document.

When the meeting resumed, the ANC informed the Acting Speaker that they needed more time (by 2018-08-29) to nominate a member from the ANC to serve on the Disciplinary Committee.

**RESOLVED** (nem con)

- (a) that Council appoints Councillor WC Petersen (Speaker) as the Chairperson of the Rules Committee;
- (b) that Council replaces Councillor DD Joubert as a member of the Rules Committee with the newly elected Single Whip, councillor P W Biscombe;
- (c) that Council replaces Councillor DS Arends as a member of the Rules Committee with Councillor G Cele (Ms);
- (d) that Council replaces Councillor DD Joubert as a member of the Appeals Committee with Councillor WC Petersen;
- (e) that Council appoints Councillor WC Petersen (Ms) (Speaker) as the chairperson of the Appeals Committee;
- (f) that Council replaces Councillor WC Petersen as a member of the Disciplinary Committee with Councillor Esther Groenewald (Ms); and
- (g) that Council replaces Councillor LM Maqeba with a councillor nominated by the ANC (by 29 August 2018) as a member of the Disciplinary Committee.

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Geraldine Mettler
<b>POSITION</b>	<i>Municipal Manager</i>
<b>DIRECTORATE</b>	<i>Municipal Manager</i>
<b>CONTACT NUMBERS</b>	021 808 8025
<b>E-MAIL ADDRESS</b>	<i>Geraldine.Mettler@stellenbosch.gov.za</i>
<b>REPORT DATE</b>	21 August 2018

13.	<b>CONSIDERATION OF REPORTS</b>
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13.1	<b>REPORTS SUBMITTED BY THE SPEAKER</b>
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NONE

13.2	<b>REPORTS SUBMITTED BY THE EXECUTIVE MAYOR</b>
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NONE

14.	<b>MATTERS TO BE CONSIDERED IN-COMMITTEE</b>
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SEE PINK DOCUMENTATION.

The meeting adjourned at 12:40.

**CHAIRPERSON:** .....

**DATE:** .....

**Confirmed on** ..... **with/without amendments.**

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5.	<b>STATUTORY MATTERS</b>	<b>(3/4/1/4)</b>
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6.	<b>REPORT/S BY THE MUNICIPAL MANAGER RE OUTSTANDING RESOLUTIONS TAKEN AT PREVIOUS COUNCIL MEETINGS</b>
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The report by the Municipal Manager re outstanding resolutions taken at previous meetings of Council will be tabled at the Council meeting in October 2018.

**7.2**

**CORPORATE SERVICES**

**CLLR E GROENEWALD (MS)**



7.	CONSIDERATION OF ITEMS BY THE EXECUTIVE MAYOR: (ALD G VAN DEVENTER (MS))
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7.1	COMMUNITY DEVELOPMENT AND COMMUNITY SERVICES: (PC: CLLR AR FRAZENBURG)
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NONE

7.2	CORPORATE AND STRATEGIC SERVICES: (PC: CLLR E GROENEWALD (MS))
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7.2.1	REVISED EMPLOYEE BURSARY POLICY (INTERNAL) FOR THE STELLENBOSCH MUNICIPALITY
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Collaborator No:

File No:

3/3/3/6/7 X 4/12/3/3

IDP KPA Ref No:

Good Governance / Institutional Development

Meeting Date:

12 September 2018

**1. SUBJECT: REVISED EMPLOYEE BURSARY POLICY (INTERNAL) FOR THE STELLENBOSCH MUNICIPALITY**

**2. PURPOSE**

To obtain approval for the implementation of the revised Employee Bursary Policy (Internal).

**3. DELEGATED AUTHORITY**

The delegated authority for the approval of policies is Council.

**4. EXECUTIVE SUMMARY**

At present, the Stellenbosch Municipality has an existing Study Bursary Scheme Policy Document. The policy has been revised by the Training Committee on Wednesday, 25 July 2018, and will be termed the Employee Bursary Policy (Internal).

The initial Study Bursary Scheme Policy Document was approved during April of 2001 and is out-dated; hence the review of same. See **ANNEXURE 1**.

The revised policy was consulted at the Human Resources sub-committee and approved by the LLF.

The Revised Bursary Policy is attached as **ANNEXURE 2**.

**5. RECOMMENDATION**

that the revised Employee Bursary Policy (Internal) be supported and submitted to Council for approval.

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**6. DISCUSSION / CONTENTS****6.1 Background**

This revised Employee Bursary Policy (Internal) serves as an updated approach for the Municipality to achieve its human resource capacity-building objectives.

**6.2 Discussion**

The user department is required to review the existing policy to ensure that the policy provisions remain compliant with applicable legislative prescripts and to provide clear and proper guidelines to all Employees within the Stellenbosch Municipality.

At present, the Stellenbosch Municipality has an existing Study Bursary Scheme Policy Document. The policy has been revised by the Training Committee on Wednesday, 25 July 2018 and will be termed the Employee Bursary Policy (Internal).

The initial Study Bursary Scheme Policy Document was approved during April of 2001 and is out-dated; hence the review of same. See **ANNEXURE 1**.

The draft Revised Bursary Policy served at the Training Committee and was discussed at the meeting.

The Revised Bursary Policy is attached as **ANNEXURE 2**. The main changes to the policy is that Council will provide a bursary to employees upfront and not as a repayment of studies after they have completed a year. The Municipality will require employees to sign a counter performance agreement to work for the municipality for at least a period equal to the studies that were funded. The changes will enable employees to study without having to pay from their own pockets, unless they do not pass the subjects/courses.

**6.3 Financial Implications**

As per the approved budget.

**6.4 Legal Implications**

The recommendations comply with legislation.

**6.5 Staff Implications**

The employees will be able to study without having to pay from their own pockets, as long as they pass their studies.

**6.6 Previous / Relevant Council Resolutions**

Approval of previous policy in April 2001.

**LOCAL LABOUR FORUM MEETING: 2018-07-30: ITEM 7.1****RESOLVED**

(a) that the revised Employee Bursary Policy (Internal) from the Training Committee be supported by the Local Labour Forum; and

(b) that the revised Employee Bursary Policy be referred to MAYCO and Council for approval.

**6.7 Risk Implications**

The counter performance agreement that the employee must sign ensures that the Municipality's rights are protected.

**6.8 Comments from Senior Management**

Comments from the Management Team solicited at a Management meeting have been incorporated.

**RECOMMENDATION FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2018-09-12: ITEM 5.2.1**

that the revised Employee Bursary Policy (Internal) be supported and submitted to Council for approval.

**ANNEXURES**

- Annexure 1 - Existing Study Bursary Scheme Policy Document
- Annexure 2 - Revised Employee Bursary Policy (Internal) for Stellenbosch Municipality

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	<i>Annalene De Beer</i>
<b>POSITION</b>	<i>Director: Corporate Services</i>
<b>DIRECTORATE</b>	<i>Corporate Services</i>
<b>CONTACT NUMBERS</b>	<i>021-808 8018</i>
<b>E-MAIL ADDRESS</b>	<a href="mailto:Annalene.DeBeer@stellenbosch.gov.za">Annalene.DeBeer@stellenbosch.gov.za</a>
<b>REPORT DATE</b>	<i>6 September 2018</i>

# **ANNEXURE 1**

## **Existing Study Bursary Scheme Policy Document**

# Stellenbosch Municipality

## Study Bursary Scheme – Policy Document

### 1. Bursary Allocation:

- 1.1 Bursary allocations will be done according to the approved system of delegations as it may change from time to time and according to the rules of the study bursary scheme set out below.

### 2. Funding

- 2.1 An amount is approved annually on the Municipality's operating budget.
- 2.2 All allocations are made out of this budgeted amount.
- 2.3 The budgeted amount may not be exceeded.

### 3. Distribution and allocation of available funds:

- 3.1 Groups in order of priority:

- Group A:** Secondary education: Scholastic education (eg. Matric or Grade 12), technical training (N1 – N3 including artisan training), literacy training, ABET levels 1-3 including language ability useful in the work environment.
- Group B:** Tertiary education: Post-school education eg degree, diploma, technical training (N4 and further), courses.
- Group C:** Post graduate or post diploma: Honours, B.Tech, Doctoral, Masters, NHD, post-graduate diploma.

- 3.2 Studies aimed at the employee's present career and which will lead to a proper/complete qualification, will receive preference.

### 4. Permissible studies

- 4.1 Any field of study is permissible for employees for the purpose of this scheme, provided that:
- a) the studies are directly related to an acknowledged career path at Stellenbosch Municipality.
  - b) The studies could be used to improve an employee's present position, or to promote himself/herself (i.e. a clerk can study to become an accountant, but an accountant cannot study to become a clerk).

## **5. Educational institutions**

- 5.1 For the purpose of the scheme studies may only be undertaken at accredited institutions such as Universities, Technical Colleges, schools, training centres, etc.
- 5.2 For the purpose of this scheme, no studies at institutions outside South-Africa will be allowed.
- 5.3 The Bursary committee has the authority to make rulings on whether an institution should be an approved institution for the purposes of this scheme.

## **6. Only permanent employees of the Stellenbosch Municipality qualifies for this scheme. The person must be in the employ of the Municipality during the relevant study year and during the allocation of the bursaries.**

## **7. Study costs**

- 7.1 The following expenses for enrolled and successfully completed subjects could be paid by the scheme:

- a) Class fees (lecture fees)
- b) Registration fees
- c) Examination fees
- d) Fees for prescribed books

These fees also determine the maximum benefit per student.

- 7.2 The Municipality will only pay once for a specific expense.

## **8. Operation of the scheme**

- 8.1 The employee pays for the studies himself/herself.
- 8.2 The HR Section annually sends out notices to invite staff to apply for a bursary by a certain closing date.
- 8.3 The employee applies before the closing date mentioned in 8.2 for a study bursary for courses/subjects successfully completed in the previous calendar year.
- 8.4 Bursary applications must be accompanied by relevant study results, proof of registration as well as proof of fees paid (including receipts and actual study costs).
- 8.5 The Bursary Committee considers all bursary applications after the closing date. Allocations for bursaries will preferably take place soon after the end of a calendar year as would be fair for the obtaining of examination results.
- 8.6 Allocated bursaries will be paid to the employee.
- 8.7 Annual bursary payments will be made according to this policy for subjects/courses completed in the previous year, i.e. examinations written and passed in the previous calendar year. Partial or no payments could occur because of a lack of funds or prioritization determined in paragraphs 3.1 and 3.2.

8.8 The allocation of a bursary does not guarantee the employee of any further bursary allocations in following years, even if studies in following years would be completed successfully.

## **9. Counter performance by employee**

9.1 The employee must render service to the Municipality as counter performance for the Municipality's contribution to the employee's studies. This counter performance is applicable if more than 50% of the study amount for which a bursary application for the relevant year was made, is paid.

9.2 The period of counter performance is linked to the duration of studies and not to amounts paid for bursaries.

- a) For studies usually enrolled for a period of 12 months (or academic year) – 12 months.
- b) For studies usually enrolled for a period less than 12 months (or academic year) – the applicable period.

9.3 The period of counter performance starts immediately after the completion of the studies.

9.4 In case of an employee leaving the employ of the Municipality (for any reason whatsoever) before the period of counter performance expires, a repayment must be made by the employee to the Municipality. This repayment amount will be determined pro rata according to the remainder of the period of counter performance. If a person eg. Leaves the employ of the Municipality after eight of the 12 months of counter performance have expired, he/she must repay one third of the bursary amount. This amount is immediately payable.

9.5 Employees to whom bursaries are paid out, must be notified in writing at the time of the bursary payment, of their obligation of counter performance to the Municipality.

This document is valid for the payment of bursaries for studies undertaken after 31 December 1999.

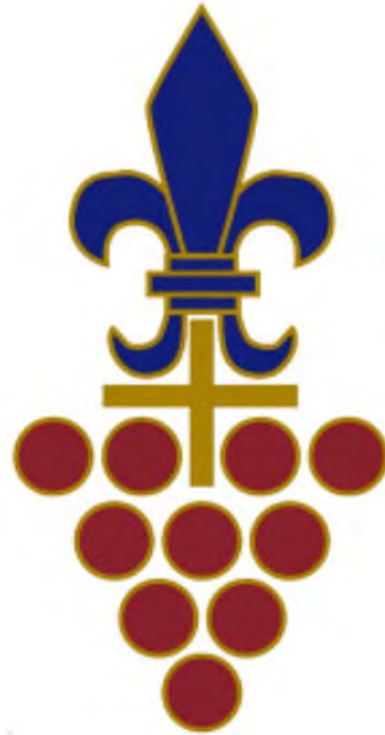
# **ANNEXURE 2**

## **Revised Employee Bursary Policy (Internal) for Stellenbosch Municipality**



**STELLENBOSCH**  
STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT



**Employee Bursary Policy(Internal)**

**2018**

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## **1. INTRODUCTION**

- 1.1 The Employee Bursary Policy acknowledges that training is critical for the development needs of the Stellenbosch Municipality human capital. The Employee Bursary Policy intends to focus on part time studies towards a formal qualification.

## **2. PURPOSE AND OBJECTIVES**

- 2.1 Enabling full-time and long-term contractual employees to undergo formal part-time study, by means of financial assistance in the form of a bursary to enable employees to better qualify themselves for posts on the staff establishment and to facilitate personnel development and career pathing.
- 2.2 Identifying expertise that the Municipality has a need for and to develop this to the benefit of the Municipality to ensure higher quality employees; and
- 2.3 Enables the Municipality to grant study aid to employees in order to obtain approved qualifications at a recognised educational institution.
- 2.4 Assist employees in addressing the shortages of skills and empowering them with knowledge.
- 2.5 Develop employees to their maximum proficiency to meet the needs of the Municipality.

## **3. SCOPE AND APPLICATION**

- 3.1 This policy shall apply to full-time and long-term temporary contract employees of Stellenbosch Municipality, wishing to pursue studies in order to develop themselves, comply with provisions imposed on the employee by the employer that has not been funded through the workplace skills plan.

#### 4. DEFINITIONS

In this policy, unless the context otherwise indicates –

**“Academic period”** means the duration of a course for a degree, diploma or certificate or any portion thereof consisting of a specific number of subjects or modules to be completed within a fixed period as determined by the educational institution.

**“Academic year”** means the applicable current year during which the Bursar studies towards obtaining the course/qualification.

**“Approved Qualification”** means a degree, diploma, certificate or equivalent qualification accredited with South African Qualification Authority (SAQA) in an approved field of study as reflected on the Municipality's list of approved study courses, PROVIDED it is presented at a Registered Educational Institution.

**“Approved Field of Study”** means a field of study that shall have a bearing upon and be applicable to the activities of local government as determined by the Municipality.

**“Course/qualification”** means the Degree/ Diploma/ Certificate referred to below in respect of which the bursary is granted to the Bursar at an approved institution.

**"Council"** means the Council of Stellenbosch Municipality.

**“Employee”** means any full-time or long-term temporary appointee , excluding an independent contractor, who works for Stellenbosch Municipality and who receives, or is entitled to receive remuneration.

**“Employer”** means the Stellenbosch Municipality.

**"Institution”** means the tertiary/education institution approved by the Municipality where the Bursar will receive tuition during any period of part-time study.

“**Learner**” means a person registered on a part-time basis at the recognized institution of learning.

“**Long-term contract employee**” means an employee who has been appointed on a contract for three(3) years or longer.

“**Municipality**” means Stellenbosch Municipality established by Provincial Notice 489/2000 (WC024).

“**Recognized and Accredited Qualification**” means a degree, diploma or certificate course in a field of study determined by the Municipality and recognised in terms of the South African Qualification Authority, 1995 (Act No. 58 of 1995).

“**Registered Educational Institution**” means a University, University of Technology, College and/or any other tertiary educational institution registered with the Department of Education.

“**Study Bursary**” means the bursary granted to an employee for study purposes.

“**Study Bursary Scheme**” means the scheme approved by Council to provide a bursary for study purposes and for which the Municipality must provide such funds as it may decide.

“**Workplace**” refers to the place of work as contemplated in the Labour Relations Act, 1995 (Act No. 66 of 1995).

## **5. LEGAL FRAMEWORK**

This policy and its application must be in accordance with the following legislative prescripts:

5.1 The Constitution of the Republic of South Africa, 1996.

- 5.2 Labour Relations Act, 1995 (Act No. 66 of 1995).
- 5.3 Skills Development Act, 1998 (Act No. 97 of 1998).
- 5.4 Skills Development Levies Act, 1999 (Act No. 9 of 1999).
- 5.5 Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000).
- 5.6 Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003).
- 5.7 South African Qualifications Authority Act, 1995 (Act No 58 of 1995).
- 5.8 Employment Equity Act, 1998 (Act No. 55 of 1998).
- 5.9 National Qualifications Authority Act, 1995 (Act No. 58 of 1995).
- 5.10 National Qualifications Framework Act, 2008 (Act No. 67 of 2008).
- 5.11 All relevant Collective Agreements.

## **6. QUALIFYING REQUIREMENTS**

- 6.1 In the normal course of events Council shall recognise only qualification standards that take place at statutory recognised educational or academic institutions.
- 6.2 Recognised educational/academic institutions where it appears in this policy shall be taken to refer to one of the following:
  - 6.2.1 South African University.
  - 6.2.2 South African University of Technology.

6.2.3 South African Technical College or a Technical institution.

6.2.4 South African Correspondence College.

6.2.5 A government / SAQA approved institution.

6.2.6 Any other appropriate institution as approved by the Municipal Manager.

6.3 The courses or subjects selected shall be confined to those courses directly linked to operational activities of Stellenbosch Municipality.

6.4 The courses or subjects selected shall be confined to Stellenbosch Municipality's working environment, as well as the functional and career development activities of the employees applying for study aid.

6.5 Should the request for a bursary and/or study leave not comply with the above mentioned, an employee will be requested to provide a motivation for career change, provided that such career change is in the interest of Stellenbosch Municipality.

## **7. CRITERIA FOR ALLOCATION OF A BURSARY**

7.1 All applications must be assessed/ prioritised according to the following criteria:

7.1.1 Subject to availability of funds.

7.1.2 All studies must be undertaken at an approved institution (within South African borders), unless otherwise decided by the Municipal Manager.

- (a) Priority 1: Employees who must obtain a qualification in order to meet the minimum requirements of the post which they currently occupy.
- (b) Priority 2: Employees who want to study towards their first qualification up to and including Grade 12.
- (c) Priority 3: Employees who are current study aid holders, and must still complete their specific qualification.
- (d) Priority 4: As determined in the Workplace Skills Plan, Integrated Development Plan and/or Employment Equity Plan.
- (e) Priority 5: Employees who are studying for self-development within the context of local government and public service in general.

7.2 The assessments will be done by a committee consisting of the following parties:

- 7.2.1 Primary SDF or secundi
- 7.2.2 Manager: Human Resources or secundi
- 7.2.3 Director: Corporate Services or secundi
- 7.2.4 Representative of IMATU
- 7.2.5 Representative of SAMWU

7.3 The committee will make a recommendation to the Municipal Manager for approval.

## **8. APPLICATION PROCEDURE**

8.1 Application for financial assistance in the form of a bursary must be done on the form prescribed for this purpose and must be completed in full by the



employee. Application forms and agreements are available from the Human Resource Department on request.

- 8.2 Bursary and/or study leave applications must be properly motivated and recommended by the Director in terms of the qualifying requirements.
- 8.3 Directors must take into account the subsequent study leave implications of recommended study aid and/or study leave applications in terms of service delivery and operational requirements.
- 8.4 Completed application forms, inclusive of the required recommendations, must be submitted to the Manager: Human Resources or his/her assignee, on/or before the annual closing date.
- 8.5 Applications must be accompanied by a statement/certificate by the educational institution that the employee complies with the entrance requirements for the course concerned.
- 8.6 An employee who has been awarded financial assistance and/or study leave in terms of Council's internal employee bursary policy, by completing the application form and agreement, irrevocably authorise the Chief Financial Officer to deduct any amounts owing by him/her to Council in terms of the provisions of the scheme from his/her salary and/or other monies due to the employee in equal instalments over a maximum period of six (6) months.

## **9. STUDY FEES**

- 9.1 The term "study fees" will be deemed to include registration, class and examination fees, but will not include any penalties that are imposed by the educational institution or membership of any student and/or professional body. Council will pay the study fees in full directly to the educational institution.

- 9.2 The employee must submit documentary proof by means of an account or invoice on which the study fees that are payable are fully specified and defined.
- 9.3 If an employee has paid the fees, he/she may claim reimbursement on submission of documentary proof of the said amount. Reimbursement claims may not be submitted more than six (6) calendar months after passing the final examination of the said course.
- 9.4 If an employee fails a subject/module, he/she must repay to Council the fees in respect of the subject/module that he/she had failed in equal instalments over a maximum period of six (6) months. Such an employee will only qualify for study aid for a failed subject/module if the employee passed that subject/module and has paid for the repetition of that subject/module.
- 9.5 The Municipality may pay in respect of book costs and equipment subject to the availability of funds on good motivation.
- 9.6 Employees who enrolled for a recognised course at a university must sometimes pay exemption fees for subjects/modules that were passed at another university. Such exemption costs may be paid by the Municipality for a category 1 applicant subject to availability of funds and on good motivation.
- 9.7 The Municipality shall undertake to annually budget, within its financial means, an amount to enable the development of its employees.

#### **10. NUMBER OF YEARS FOR WHICH ASSISTANCE IS GRANTED**

*(Subject to compliance with terms as set out in "Employee obligations" below.)*

- 10.1 **An employee has to apply yearly for study aid (bursary).** It is not automatically awarded for the duration of a qualification.

## 11. EXAMINATION RESULTS

- 11.1 Employees will be obliged to submit their examination results to the Human Resources Department within one month of receiving the said results, as proof that the examinations were taken on the days for which leave had been granted to them for study purposes.
- 11.2 Examination results must be attached to application for study aid. A bursary will not be granted where and employee may not proceed with the next year's studies.

## 12. EMPLOYEE OBLIGATIONS

### 12.1 Leaving Council's service

- 12.1.1 An employee will be required to remain in Council's service for a period of twelve (12) months for each twelve (12) months-period for which financial assistance was received.
- 12.1.2 This required period will come into effect annually on 1 January after the year for which assistance was received. Where no examination was taken, but a thesis was submitted, the required period will come into effect on the 1<sup>st</sup> of the month following the receipt of the outcome of the thesis.
- 12.1.3 If an employee leaves the Municipality's service before completing his/her studies, the employee will have to repay the full amount for that year and pro-rata for the year when the employee should have remained in service.
- 12.1.4 The employee will be liable for all costs of legal action instituted against him/her to recover monies owed to Council for study

purposes, including interest at the current prime rate, from the date on which such monies are due to Council as well as legal costs on a scale of attorney to attorney and/or attorney to client and collection commission.

- 12.1.5 If an employee leaves Council service for any reason whatsoever after financial assistance has been given and before the period within which he/she is required to remain in council's service has expired (including dismissal, but excluding death or health inability to carry out duties), he/she will be liable for the immediate total repayment of the registration, class and examination fees that Council has paid on his/her behalf in terms of the study aid scheme. The repayment is subject to a proportional reduction with regard to that portion of the contract period that he/she has completed.

### **13.2 Withdrawal of assistance**

- 13.2.1 If an employee does not pass enough subjects in respect of a course to enable the employee to proceed the next year, assistance in terms of the study aid scheme will be withdrawn and the employee will be required to repay the registration, class and examination fees that Council has paid on his/her behalf in respect of the study course concerned in equal instalments over a maximum period of six (6) months.
- 13.2.2 Apart from employees meeting the criteria for further assistance they will be required to repay all monies in respect of failed subjects/modules. If assistance to an employee has been withdrawn in respect of the above-mentioned, the amount owing will not be proportionally decreased.

**14. EXCEPTIONS:**

The Municipal Manager may authorise exceptions to the provisions of this policy on a good cause shown.

**15. TRANSITIONAL ARRANGEMENTS**

The employees who studies during the 2017/18 financial year and would have qualified for study aid under the policy applicable during that financial year, may apply in terms of the new policy and will receive preference during the 2018/19 financial year in terms of available funding should they qualify for study aid.

**16. AMENDMENTS**

16.1 This policy will be revised bi-annually.

**17. EFFECTIVE DATE**

17.1 The Employee Bursary Policy (internal) will become effective upon approval thereof by the Council.

<b>7.2.2</b>	<b>TIME AND ATTENDANCE MANAGEMENT POLICY</b>
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Collaborator No: 597929  
IDP KPA Ref No: Good Governance / Institutional Development  
Meeting Date: 12 September 2018

**1. SUBJECT: TIME AND ATTENDANCE MANAGEMENT POLICY**

**2. PURPOSE**

To submit the draft Time and Attendance Management Policy for approval.

**3. DELEGATED AUTHORITY**

The delegated authority for the approval of policies is Council.

**4. EXECUTIVE SUMMARY**

The legislative provisions link an employee's remuneration to attendance at work of which the employer is required to keep record. The Stellenbosch Municipality has elected to use the Biometrics systems for purposes of keeping record of time worked by each employee.

The trade unions requested that a Policy on the Implementation of the Biometrics system be drafted and submitted to the Local Labour Forum. The draft Time and Attendance Management Policy is herewith tabled for consideration. **APPENDIX 1.**

**5. RECOMMENDATIONS**

- (a) that the draft Time and Attendance Policy be referred to Council for approval;
- (b) that the policy be implemented for all workplaces that have the time and attendance clocking units; and
- (c) that the Time and Attendance Management Policy replaces the Attendance and Punctuality Policy (2015).

**6. DISCUSSION / CONTENTS**

**6.1 Background**

Council approved an Attendance and Punctuality Policy in 2015. The employer has implemented clocking units for employees some years ago, but it has not been used optimally. When the compulsory use of the clocking system was discussed with the unions, they requested the drafting of a time and attendance policy.

**6.2 Discussion**

It is the employer's responsibility to ensure that we have a record of the time and days that employees attend work. The payment of employees is directly linked to their work attendance. Employees do not get paid for days they do not attend work unless the non-attendance is linked to some form of leave. The risk of employees' absenteeism that is not recorded has been pointed out by the Auditor-General. The electronic systems ensure accurate records on attendance and the different types of leave.

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The legislative provisions link an employee's remuneration to attendance at work of which the employer is required to keep record. The Stellenbosch Municipality has elected to use the Biometrics systems for purposes of keeping record of time worked by each employee.

The trade unions requested that a Policy on the Implementation of the Biometrics system be drafted and submitted to the Local Labour Forum.

### **6.3 Financial Implications**

As per the approved budget.

### **6.4 Legal Implications**

In terms of Section 31(1)(b) & (c) of Chapter 4 of the Basic Conditions of Employment Act 75 of 1997, the following is specifically prescribed:

*Section 31(1)(b) - "Every employer must keep record containing at least the following information, the time worked by each employee"*

*Section 31(1)(c) - "Every employer must keep record containing at least the following information, the remuneration paid to each employee".*

The recommendations comply with legislation.

### **6.5 Staff Implications**

The time and attendance of employees will be monitored more accurately.

### **6.6 Previous / Relevant Council Resolutions**

None

## **LOCAL LABOUR FORUM MEETING: 2018-01-29: ITEM 6.1**

### **RESOLVED**

- (a) that the draft Time and Attendance Policy be referred to the Human Resources Development Sub-Committee for consultation;
- (b) that it be noted that the employer expects all employees to start using the biometrics system, where it is available, as from 1 February 2018; and
- (c) that all employees will be allowed to continue to use the manual attendance registers.

### **6.7 Risk Implications**

The purpose of the system is to put preventative measures in place to ensure that employees are only paid for days and hours worked and to prevent absenteeism without the employer picking it up.

### **6.8 Comments from Senior Management**

Comments from the Management Team solicited at a Management meeting have been incorporated.

**RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2018-09-12: ITEM 5.2.2**

- (a) that the draft Time and Attendance Policy be referred to Council for approval;
- (b) that the Policy be implemented for all workplaces that have the time and attendance clocking units; and
- (c) that the Time and Attendance Management Policy replaces the Attendance and Punctuality Policy (2015).

**ANNEXURES**

Annexure 1 - Draft Time and Attendance Management Policy

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	<i>Annalene De Beer</i>
<b>POSITION</b>	<i>Director: Corporate Services</i>
<b>DIRECTORATE</b>	<i>Corporate Services</i>
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<b>REPORT DATE</b>	<i>7 September 2018</i>



# **ANNEXURE 1**

## **Draft Time and Attendance Management Policy**



# STELLENBOSCH

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## TIME AND ATTENDANCE MANAGEMENT POLICY

### 2018

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## 1. DEFINITIONS

<b>TERMS</b>	<b>DEFINITION</b>
<b>Core Hours</b>	Hours the particular service within the Municipality is open to serve the public or internal clients and is regarded as 09h00 to 15h00.
<b>Work Hours</b>	The employee's official daily working time, including starting and finishing times as determined from time to time by Council.
<b>Unscheduled Absences</b>	Time away from work that is not scheduled in advance or approved by the employee's supervisor/manager (example leave).
<b>Senior Management</b>	As per the definition in the Basic Conditions of Employment Act.
<b>Emergency Personnel</b>	Refers to all uniform personnel required to deal with any and all emergencies
<b>Monthly Time Statements</b>	Refers to a printed statement recording monthly manual or electronic clocking in and out times and reflecting the actual time spend at the workplace and includes any short time, over time and leave.
<b>Employee Self Service for leave application</b>	Refers to the use of an IT Portal to apply and approve for leave and can be used for correction of clocking errors
<b>Workplace</b>	Area of work / depots /office where employee is required to arrive and depart to and from work
<b>Flexi-time</b>	The hours agreed to between the employer and employee that differ from the standard work hours. Employees allowed some flexibility as to when they work their agreed 40 hours.

## 2. PURPOSE

The purpose of this policy is to provide a standard in the management of attendance for all employees. This policy does not address the content or quantity of work done while an employee is at work. This policy operates within the context of all relevant legislation and collective agreements and Council policy.

## 3 SCOPE

This policy applies to all employees of Stellenbosch Municipality. It excludes employees involved in EPWP or CDWP projects.

#### **4. APPLICABLE LEGISLATION**

- 4.1 The Labour Relations Act 66 of 1995
- 4.2 The Basic Conditions of Employment Act 75 of 1997 and Code of Good Practice determined in terms of Section 87 of the Act
- 4.3 SALGBC Main Collective Agreement 2015
- 4.4. SALGBC conditions of service Collective Agreement of the Western Cape Division - 1/4//2016
- 4.5 Municipal Finance Management Act 53 of 2003
- 4.6 Municipal Systems Act 32 of 2000
- 4.7 Occupational Health and Safety Act 85 of 1993

#### **5. PRINCIPLES**

- 5.1 Stellenbosch Municipality has a statutory obligation to record and manage employees' attendance as an employer.
- 5.2 Line Managers are accountable for managing individual employees' time & attendance on a fair and consistent basis.
- 5.3 Individual employees have an obligation to be available for work and be punctual according to their work schedules during the work hours applicable to them.
- 5.4 Managers and employees have an obligation to comply with the approved time and attendance systems in place at their workplace.
- 5.5 Non-compliance with this policy by either employees or managers may result in disciplinary action.
- 5.6 The purpose of the electronic time and attendance system is to record time and attendance. The management of individual time and attendance is the responsibility of the line manager.

#### **6. WORKING HOURS**

- 6.1. All employees, with the exception of the following categories, shall work a 40 hour working week:

6.1.1. Senior Management

6.1.2 Emergency personnel

6.1.3 Temporary personnel working less than 24 hours per month.

The categories excluded from the 40-hour working week limit shall be dealt as provided for in their respective employment contracts or in the collective agreements concluded in this regard, provided that their working hours shall not be less than 40 hours per week, subject to any approved shift systems or averaging arrangements.

6.2 Part-time employees (5/8 posts) shall have their working hours calculated on the basis of 5/8<sup>th</sup> of a 40 hour work week.

6.3 The structuring of employees' working hours per week shall not be limited to Monday to Friday but as dictated by service delivery imperatives in terms of their contracts of employment or conditions of service.

6.4 Where Directors intend to implement averaging of working hours or compressed weeks, such proposals be submitted for consultation with the unions.

6.5 Task to finish arrangements shall be referred for development of necessary procedures.

6.6 Flexible work schedule will be applicable to certain employees/ groups of as approved by the Municipal Manager.

6.6.1 Each employee must have an individual work schedule.

6.6.2 The Municipal Manager may approve the flexi-time arrangements in terms of the applicable guidelines.

6.6.3 The Directors are accountable for ensuring that the necessary level of service is delivered at all times.

6.6.4 Employees shall not have a right to such flexible work schedules. The possibility of such arrangements shall be determined by the operational requirements of the particular service.

6.6.5 Employees may not work less than 40 hours per week, averaged over a period of one month;

6.7 The maximum amount of short time allowed within one day shall be one hour;

Prior approval shall be required when working short hours and such approval must take into account direct services to the public.

## **7. OFFSETTING OF SHORT TIME**

- 7.1 Subject to operational requirements, employees may be allowed to offset unscheduled short time against additional time worked by:
  - 7.1.1 Working in the time lost after normal work hours without any additional remuneration;
  - 7.1.2 Using additional time (Overtime) worked on any other day reflected on the system
  - 7.1.3 Requesting the manager to work in the time on any other day after/before normal working hours
- 7.2 Such offsetting is subject to the following conditions:
  - 7.2.1 Line Managers shall approve such off-setting
  - 7.2.2 Line Managers shall take into account the following issues when approving off-setting:
    - 7.2.2.1 Disruption to public transport
    - 7.2.2.2 Individual employee record of punctuality
    - 7.2.2.3 Fairness and consistency to employees
    - 7.2.2.4 Nature of work – e.g. co-dependent teams does not make provision for off- setting
    - 7.2.2.5 Ability of employee to work the time in productively –e.g. requirement for supervision
    - 7.2.2.6 The ability to off-set the time within a work week
    - 7.2.2.7 Such unscheduled short time should not arise out of general tardiness on the part of the employee.
    - 7.2.2.8 Where it is not possible for an employee to work in short time the line manager may authorize a conversion to paid leave, provided such leave is available.
  - 7.2.3 Where no such leave is available and short time cannot be worked in, such time shall be unpaid (no work no remuneration).
    - 7.2.3.1 The line manager will inform the employee;
    - 7.2.3.2 The pay will be deducted in the next pay run following the short time.
    - 7.2.3.3 This clause shall not interfere in any disciplinary procedures arising out of an individual employee's persistent late coming or tardiness,

irrespective of whether a line manager approves off-setting or short time or not.

## **8 EMPLOYEES ASSISTANCE, INCLUDING EAP, GRIEVANCE AND DISCIPLINARY PROCESSES**

- 8.1 Time off for EAP/HR appointments shall be considered part of normal working time, provided that employees are required to obtain approval from their line managers to leave their work stations. EAP/HR will, on request from line managers, confirm attendance. Such time shall be recorded, notwithstanding that it is considered part of normal working hours.
- 8.2 Reasonable time off (not more than 60 minutes per individual) for individuals (including witnesses) to prepare for and appear in disputes, disciplinary hearings or grievance hearings shall be considered part of normal working hours, provided that employees are required to obtain approval from their line managers to leave their work stations and provided further that such time off is reasonable in relation to operational requirements. Such time shall be recorded, notwithstanding that it is considered part of normal working hours. Proof of such dispute/grievance/arbitration notices must be provided.
- 8.3 Time off for shop stewards to assist members within their constituencies, in their preparation for disputes, disciplinary hearings and grievances, shall be considered part of normal working hours, provided that employees are required to obtain approval from their line manager/supervisor to leave their work stations and provided further that such approval is not unreasonably withheld. In the event of such time off not being authorized due to operational requirements, and there being insufficient time for the employee to prepare their case, the relevant line manager must make appropriate arrangements for the rescheduling of such hearings. Such time shall be recorded, notwithstanding that it is considered part of normal working time, as it forms part of shop steward time off.
- 8.4 Time off for shop stewards to represent members in disputes, disciplinary hearing and grievances, shall be considered part of normal working hours, provided that employees obtain approval from their line managers in advance of the need to leave their work stations. Such time shall be recorded, notwithstanding that it is considered part of normal working time, as it forms part of shop steward time off.
- 8.5 As a general rule, employees shall be represented at disputes by full-time shop stewards. Time off for ordinary shop stewards to attend such proceedings shall only be granted in instances where the shop steward personally representing an employee or is required to provide evidence. Shop stewards are required to take leave to attend in observer capacity, provided that if the shop steward has shop steward leave available it may be deducted from the shop steward leave.

**9. DEDUCTIONS FROM PAY ARISING OUT OF SHORT TIME**

- 9.1 Employees shall have pay deducted for unauthorized short time subject to the following procedure:
  - 9.1.1 Such time has not been offset against additional time in terms of clause 7 above;
  - 9.1.2 The line manager has reasonably not approved conversion from short time to annual leave;
  - 9.1.3 Any such deduction shall take place in the pay run following the short time incident.
- 9.2 Conversion of short time to annual leave may be considered by a line manager on the request of an employee in the following circumstances:
  - 9.2.1 Conversion must be at request of employee
  - 9.2.2 Where there was good reason for the absence

**10. UNSCHEDULED OR UNAUTHORISED ABSENCES**

**10.1 Managing Short and Sporadic Unauthorized Absences**

- 10.1.1 Short sporadic absenteeism shall relate to persistent absences of one or two day incidents of unplanned and/or unauthorized absences.
- 10.1.2 Absences shall be investigated promptly, and the employee shall be asked to give an explanation of his or her absence.
- 10.1.3 Where indicated in the related disciplinary procedure or incapacity procedures, the line manager shall take appropriate action to correct the behaviour.
- 10.1.4 Short time will have to be off-set in terms of clause 7 above.

**10.2 Reporting Absences**

- 10.2.1 An employee who is unable to report for work must notify his or her immediate supervisor or the supervisor's superior, as much in advance as reasonably possible, prior to the commencement of the scheduled day of work depending on operational imperatives, but not later than 2 hours after the start of his/her work day.
- 10.2.2 Such notification should in the first instance be via a phone call to the immediate supervisor. Employees may communicate via *an acceptable*



*means of communication (including sms/ whatsapp to the supervisor's cell phone)*

in situations of a family emergency or sick leave, provided that employees provide their supervisors with their phone numbers and further that where there is any dispute over such a message, the manager has the right to verify that the sms/ whatsapp was in fact sent.

10.2.3 To facilitate such reporting, supervisors and managers shall make their contact numbers available to subordinates.

10.2.4 The notification must provide the supervisor or line manager with a reason for such failure to report for duty and an indication on the expected time/date of resumption of duty.

### **10.3 Return to work interviews**

10.3.1 Line Managers / Supervisors may conduct a return to-work-interview following unauthorized absence of a day or longer with employees to identify the cause of the absence and to explore any particular problems the employee may have.

10.3.2 Such return-to-work interviews shall be conducted after every instance of unauthorized and unplanned absence, without exception, irrespective of the length of an employee's absence;

10.3.3 Line managers must ensure that all employees are treated equally

10.3.4 The purpose of the return-to-work interview shall be to indicate to the employee that his or her absence was noticed, to identify the cause of the absence and to explore any particular problems the employee may have. It will also determine any appropriate corrective action, where required.

## **11. TIME ADMINISTRATION & RECORDS MANAGEMENT**

11.1 It is the responsibility of each line manager to ensure that all employees record their daily arrival and departure times, using either an electronic system or a manual system where there is system failure or no electronic system available.

11.2 It is the responsibility of each line manager to monitor and report on attendance on a daily basis and administer all related functions.

- 11.3 It is each line manager's responsibility to ensure that each absence or failure to report for duty is accounted for in terms of the BCEA and the Municipality's administrative procedures for managing leave.
- 11.4 The Line Manager must make corrections on the Electronic time & attendance registers where employees, for any acceptable reason, did not or could not clock in or out and further, where such employees do not have access to Employee Self Service. Such corrections shall be made timeously.
- 11.5 Weekly printouts of time reports for individual employees should be checked for cases where there is short time or clocking errors.
- 11.6 Employees will be provided with monthly time statements either in hard copy or printed format.
- 11.7 Records must be retained for audit purposes, either in electronic or hard copy format.
- 11.8 Employees shall have personal responsibility for verifying the information contained in the weekly time reports and reporting any errors, via either leave applications or clocking corrections. This shall be done either manually or via employee self-service and shall be submitted to their managers for approval timeously.
- 11.9 Employees shall have personal responsibility for verifying and submitting their monthly time statements to their line managers.
- 11.10 Line Managers are responsible for approving leave applications or clock corrections timeously and for returning such approvals for capturing in the case of employees using manual forms or online in the case of employees using Employee Self Service.
- 11.11 Line managers shall approve the monthly time statements. They shall use these statements to record formal approval of any off-setting and or flexi-time arrangements.
- 11.12 Employees must report all inconsistencies to the manager above the manager to whom the employee reports

## **12 ATTENDANCE RECORDS**

- 12.1 All employees shall record their daily attendance using an approved time and attendance system.
- 12.2 Working hours shall be recorded by a time and attendance system where each employee either clocks in and out using an electronic clocking system or where the latter is not operational, signs a manual attendance register.

- 12.3 All employees shall clock in and out using an electronic clocking system on daily basis where such a system has been installed. Employees may clock in and out more than once a day, to record actual time worked, provided that matching in-out clocking occurs.
- 12.4 Clause 12.3 shall apply to all employees who are required to either report for duty or end their workday at a workstation other than their regular one. In such situations, employees shall not be required to return to their normal clock stations in order to clock out, unless operational requirements require this.
- 12.5 In the case of non-electronic attendance registers, or failure of the electronic clocks, time shall be recorded using a manual recording system. This will also apply for overtime worked where the employee reports from home to the incident he/she has been called out to.
- 12.6 Where practical, the electronic system shall support multiple work station clocking options for individual employees.
- 12.7 The manual time recorded shall be verified and approved by the line manager where applicable.
- 12.8 Employees who persistently fail to comply with this policy may face disciplinary action.
- 12.9 Employees shall be at their work station, ready to work at the correct scheduled starting time and work activity shall commence at approved starting times and continue until the normal designated stopping times for breaks, lunch, or the end of work.
- 12.10 Any leave taken shall be reflected on the attendance record of the employee and the hours reported or recorded shall accurately reflect the actual time that employees report to and leave the workplace each day.
- 12.11 Attendance registers and/ or work order control sheets where applicable shall be completed accurately by the employee and any falsification of information shall lead to disciplinary action.
- 12.12 Employees are specifically prohibited from recording time or clocking for another employee. Any proof thereof shall lead to disciplinary action.

### **13. MONITORING AND EVALUATION**

Managers shall on a regular basis report to their respective Directors on their employees' attendance trends and where necessary on progress achieved in managing defaulters and actions taken. This information shall be made available to HR on a quarterly basis.

Note:– Replace Attendance and Punctuality Policy (2015).

DRAFT

7.2.3	<b>PROPOSED EXCHANGE OF LAND: A PORTION OF REMAINDER FARM 387, STELLENBOSCH FOR A PORTION OF LEASE AREA 377A: VREDENHEIM (PTY) LTD</b>
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Collaborator No:

IDP KPA Ref No:

Meeting Date: 12 September 2018

**1. SUBJECT: PROPOSED EXCHANGE OF LAND: A PORTION OF REMAINDER FARM 387, STELLENBOSCH FOR A PORTION OF LEASE AREA 377A: VREDENHEIM (PTY) LTD**

**2. PURPOSE**

To obtain Council's decision in regard to the proposed exchange of land.

**3. DELEGATED AUTHORITY**

The Municipal Council must decide on the matter, as this involves the disposal of municipal land.

**4. EXECUTIVE SUMMARY**

On 2017-11-29 Council mandated the Municipal Manager to conclude an agreement with the owner(s) of Remainder Farm 387 (Vredenheim), with the view of securing an access servitude(s) or to purchase/exchange of land for this purpose and/or for additional housing. Following various discussions with Elzabé Bezuidenhout of Vredenheim, an agreement, subject to Council approval, was reached to exchange a portion of Farm 387, Stellenbosch (Vredenheim property) for a portion of Lease Area 377A (municipal land).

The agreement is subject to a suspensive condition that the Stellenbosch Municipal Council must approve the land exchange of the said portion of Lease Farm 377A in terms of Section 14 of the MFMA.

There was also an offer made to purchase the land for an amount of R1 207 500.00. The owner indicated that she is not interested in selling the property. The offer is attached as **ANNEXURE 9**.

The piece of land is needed to enable to Longlands project to continue, and if the parties cannot reach agreement on the acquisition of the land at a fair price, the Municipality will have to follow the process in section 25 Of the Constitution read with section 9(3) of the Housing Act (Act 107/1997) and read with section 1,6,18-23 of the Expropriation Act (Act no 63 of 1975).

Council must now consider how to proceed to acquire the land for the access road and additional housing.

The pieces of property that the owner wants to exchange is closely situated to Technopark, and the Municipality can at this stage not with confidence say that it is not needed to provide the minimum level of basic municipal services as is required in terms of Section 14 of the MFMA.

**5. RECOMMENDATIONS**

- (a) that Council cannot at this stage resolve that the land requested in the exchange of land agreement is not needed for the provision of basic municipal services as required in terms of section 14 of the MFMA;
- (b) that Council, for the reason contained in (a) above, does not approve the agreement to exchange municipal land in exchange for the land needed for the securing of access route for the development of Longlands;
- (c) that the owner be informed that Council is not willing to exchange land and that, should parties not be able to reach agreement on the sale of the property, the process in section 25 of the Constitution will have to be invoked; and
- (d) that, should Ms Bezuidenhout not be willing to sell the land at a fair value, the Municipal Manager be authorised to follow the provisions of section 25 of the Constitution read with section 9(3) of the Housing Act (Act 107/1997) and read with section 1,6,18-23 of the Expropriation Act (Act no 63 of 1975).

**6. DISCUSSION / CONTENT****6.1 Background**

On 2017-11-29 Council considered a report dealing with various property issues in the Vlotenburg area. Having considered the report, Council resolved as follows:

**RESOLVED** (majority vote with abstentions)

- (a) that the Municipal Manager be mandated to conclude an agreement(s) with the new owner of Longlands regarding the development of the envisaged low-income housing project, either by way of a new Deed of Donation or by way of a Ceding Agreement(s); and
- (b) that the Municipal Manager be mandated to conclude agreements with the owner(s) of Remainder Farm 387 (Vredenheim) and Portion 2 of Farm 1307 (Ash Farmers) with the view of securing an access servitude(s) or the purchase/exchange of land for this purpose and/or land for additional housing.

A copy of the agenda item is attached as **APPENDIX 1**.

**6.2 Discussion**

Following the above resolution, a meeting was scheduled with Mrs Elsabé Bezuidenhout of Vredenheim. During this meeting she indicated that:

- a) They would be willing to dispose of a portion of Farm 387, to enable Stellenbosch Municipality to gain access to the Longlands Development, but also to use a portion of the land for affordable housing; and
- b) They would prefer to do it on an exchange of land basis, i.e. that they would like to acquire Lease Portion 377A, which was previously leased by them, and is situated directly adjacent to their property.

Following the above meeting Cassie Gerber Property Valuers cc and Pendo Property Valuers were appointed to determine the fair market value of:-

- a) A portion of Remainder of Farm 387, Stellenbosch;
- b) Lease Farm 377A, Stellenbosch

Hereto attached as **APPENDICES 2-5** are copies of the valuations received from the above valuers.

They valued the properties as follows:

Name of Valuer	Lease Farm 377A(9.42ha)	Portion of Remainder Farm 387
Cassie Gerber Property Valuer cc	R100 000.00/ha (Excluding of VAT)	R875 00/ha (excluding of VAT)
Pendo Property Valuers	R159 235.67/ha (excluding of VAT)	R850 00*/ha (excluding of VAT)
Weighed average	R129 617.83/ha (excluding of VAT)	R862 500/ha (excluding of VAT)

Following the receipt of the valuations and after obtaining the necessary mandate from the Municipal Manager, a formal Offer to Purchase/exchange of land was presented to Vredenheim. They have subsequently signed the agreement, a copy of which is attached as **APPENDIX 6**. This agreement is however subject to Council approval.

### Lease Farm 377A

Lease Farm 377A is owned by Stellenbosch Municipality by virtue of Title Deed T STF-34/1883, a copy of which is attached as **APPENDIX 7**. The property, measuring 9.42 in extent is situated to the West of Techno Park, as shown on Fig 1 and 2 below.



Fig 1: Location and context



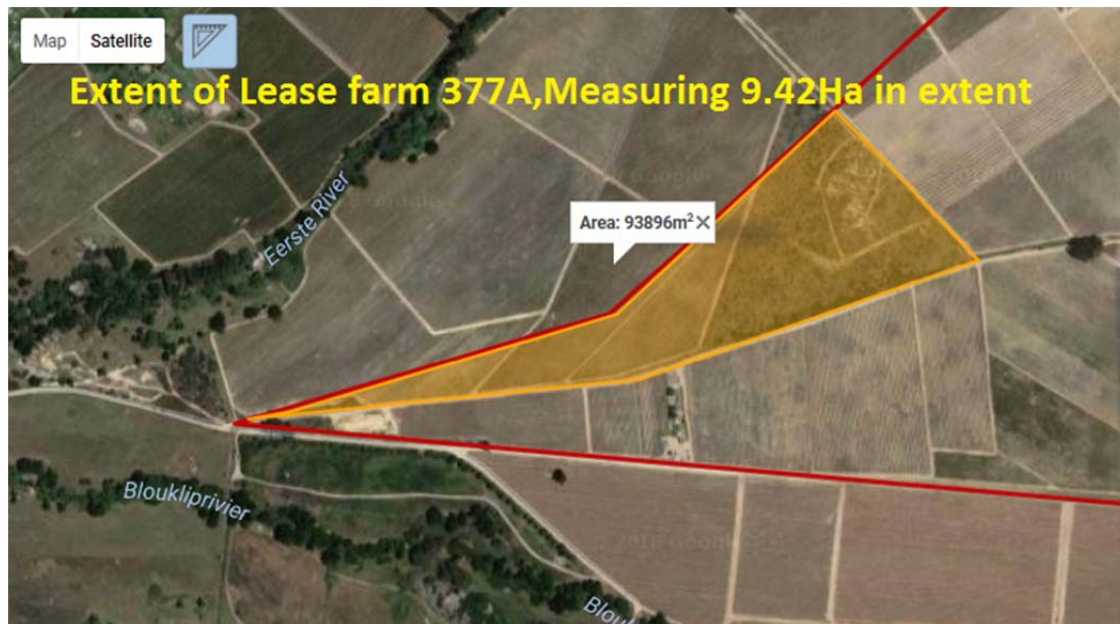


Fig 2: Extent of Lease Farm 377A

### Farm 387

Farm 387 is owned by Vredenheim (Pty) Ltd by virtue of Title Deed T17126/2010, a copy of which is attached as **APPENDIX 8**.

The property, measuring approximately 14137m<sup>2</sup> in extent, is situated off the Vlotenburg road, as shown on Fig 3 and 4 respectively.



Fig 3





**Fig 4: Area measuring 14137m<sup>2</sup>**

### **Property Values**

Based on the estimated sizes\* and weighed average market value/ha of the respective properties, the estimated market value of the properties are as follows:

- Lease Farm 377A: R122 099.95 (Say R1 221 000.00)
- Portion of Remainder Farm 387: R1 207 500.00

\* The ultimate price can only be determined once the property has been sub-divided and approved diagrams are available. The Department is in the process of appointing a land surveyor for this purpose.

### **6.3 Legal Requirements**

#### **Local Government, Municipal Finance Management Act, No 56 /2003**

In terms of section 14(1) 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.

In terms of subsection (2), a municipality may transfer ownership or otherwise dispose of a capital asset other than those 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.

**Asset Transfer Regulations (ATR)**

In terms of Regulation 5(1) (b) a municipal Council may transfer or dispose of a non-exempted capital asset only after-

- a) the municipal council-
  - i) has made the determination required by Section 14(2)(a) and (b) of the MFMA; and
  - ii) has, as a consequence of those determinations approved in principle that the capital asset may be transferred or disposed of.

**Policy on the Management of Council-owned Property**

In terms of paragraph 9.2.3 of the policy Stellenbosch Municipality may dispose of land by way of an exchange of land.

Disposal by exchange of land will be appropriate when it is advantageous to the Municipality and other parties to exchange land in their ownerships and will achieve best consideration for the municipality.

The Municipal Council must authorise the disposal of land by exchange with another land owner for alternative land. Reasons for justifying this manner of disposal must be recorded in writing.

The exchange will usually be equal in value. However, an inequality in land value may be compensated for by other means where appropriate. In such circumstances the Municipality must seek an independent valuation to verify that “*best consideration*” will be obtained.

Under the circumstances it is indeed advantages to the municipality in that no rate-payers money would have to be used to acquire the portion of Farm 387 and the values are almost equal. Although not prescribed in the policy, it is recommended that Council’s intention so to act (exchange of land) be advertised for public inputs.

Section 25 of the Constitution provides that for the expropriation of land for public purpose of in the public interest subject to compensation as determined by a court or as agreed between parties. The process of expropriation must be read with section 9(3) of the Housing Act No 107/1997 and read with 1,6,18-23 of the Expropriation Act.

**6.4. Financial Implications**

Estimated value around R1 207 500.00. Money has been allocated on the budget for the acquisition of land.

**6.5 Legal Implications**

The recommendations in this report comply with Council’s policies and applicable legislation, as set out in paragraph 6.3 above.

**6.6 Staff Implications**

None

**6.7 Previous / Relevant Council Resolutions**

Council resolution on 2017-11-29.

**6.8 Risk Implications**

The biggest risk is that the Longlands project would not be able to take off due to us not acquiring access.

**6.9 Comments from Senior Management****6.9.1 Director: Infrastructure Services**

Agree with the recommendations.

**6.9.2 Director: Planning and Economic Development**

No comments received.

**6.9.3 Chief Financial Officer**

Finance supports the recommendations.

**6.9.4 Municipal Manager**

Supports the recommendations.

**RECOMMENDATIONS FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2018-09-12: ITEM 5.2.4**

- (a) that Council cannot at this stage resolve that the land requested in the exchange of land agreement is not needed for the provision of basic municipal services as required in terms of section 14 of the MFMA;
- (b) that Council, for the reason contained in (a) above, does not approve the agreement to exchange municipal land in exchange for the land needed for the securing of access route for the development of Longlands;
- (c) that the owner be informed that Council is not willing to exchange land and that, should parties not be able to reach agreement on the sale of the property, the process in section 25 of the Constitution will have to be invoked; and
- (d) that, should Ms Bezuidenhout not be willing to sell the land at a fair value, the Municipal Manager be authorised to follow the provisions of section 25 of the Constitution read with section 9(3) of the Housing Act (Act 107/1997) and read with Section 1,6,18-23 of the Expropriation Act (Act no 63 of 1975).

**ANNEXURES:**

<b>Appendix 1:</b>	Council resolution
<b>Appendices 2-5:</b>	Copies of valuation report
<b>Appendix 6:</b>	Offer to purchase/exchange of land
<b>Appendix 7:</b>	Windeed report
<b>Appendix 8:</b>	Windeed report
<b>Appendix 9:</b>	Offer to purchase

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	<b>Annalene de Beer</b>
<b>POSITION</b>	<b>Director: Corporate Services</b>
<b>DIRECTORATE</b>	<b>Corporate Services</b>
<b>CONTACT NUMBERS</b>	<b>021-808 8106</b>
<b>E-MAIL ADDRESS</b>	<b><a href="mailto:Annalene.deBeer@ Stellenbosch.gov.za">Annalene.deBeer@Stellenbosch.gov.za</a></b>
<b>REPORT DATE</b>	<b>2018-09-06</b>

# **APPENDIX 1**

## **Council resolution**

7.5.3	<b>VARIOUS ISSUES: VLOTTENBURG HOUSING PROJECTS: WAY FORWARD</b>
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Collaborator No: 551717  
 IDP KPA Ref No:  
 Meeting Date : 14<sup>th</sup> Council: 29 November 2017

**1. SUBJECT: VARIOUS ISSUES: VLOTTENBURG HOUSING PROJECTS: WAY FORWARD**

**2. PURPOSE**

The purpose of this item is twofold, i.e.:-

- a) To provide Council with a report on the progress (or the lack thereof) on the various housing projects in Vlottenburg; and
- b) To authorise the Municipal Manager to:-
  - i) conclude the necessary agreement (s) with the (new) owner of Longlands; and
  - ii) to negotiate the acquisition of a portion of Remainder Farm 387 and/or registration of an access servitude over a portion of Remainder Farm 387 and Portion 2 of Farm 1307.

**3. DELEGATED AUTHORITY**

**(FOR DECISION BY MUNICIPAL COUNCIL)**

Although the Municipal Manager and/or the Executive Mayor have the delegated authority to:-

- a) conclude agreement(s) on behalf of Stellenbosch Municipality; and
- b) acquire land or rights in land (see delegations 526 and 527, respectively),

agreement was reached between the Executive Mayor and the Municipal Manager to obtain a fresh mandate from the municipal council on a way forward.

**4. EXECUTIVE SUMMARY**

Although three (3) low-income housing projects were approved in the Vlottenburg Area, none of the developments have an approved access. For this (and other) reason (s) very little or no progress were made with the development of the Longlands project.

In an effort to take this matter forward, Council is requested to authorise the Municipal Manager to:-

- a) conclude the necessary contract(s) with the new owner of Longlands, and
- b) to negotiate a deal with the owner(s) of Remainder Farm 387 and Portion 2 of Farm 1307 regarding the acquisition of land and / or the registration of a servitude that will allow access to the various developments.

**14<sup>TH</sup> COUNCIL MEETING: 2017-11-29: ITEM 7.5.3**

Cllr DA Hendrickse requested that it be minuted that, in his view, these recommendations are illegal.

**RESOLVED** (majority vote with abstentions)

- (a) that the Municipal Manager be mandated to conclude an agreement(s) with the new owner of Longlands regarding the development of the envisaged low-income housing project, either by way of a new Deed of Donation or by way of a Ceding Agreement(s); and
- (b) that the Municipal Manager be mandated to conclude agreements with the owner(s) of Remainder Farm 387 (Vredenheim) and Portion 2 of Farm 1307 (Ash Farmers) with the view of securing an access servitude(s) or the purchase/exchange of land for this purpose and/or land for additional housing.

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

*Cllrs F Adams; DA Hendrickse and LK Horsband (Ms).*

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	<b>Piet Smit</b>
<b>POSITION</b>	<b>Manager: Property Management</b>
<b>DIRECTORATE</b>	<b>Human Settlement &amp; Property Management</b>
<b>CONTACT NUMBERS</b>	<b>021-8088189</b>
<b>E-MAIL ADDRESS</b>	<b><a href="mailto:Piet.smit@ Stellenbosch.gov.za">Piet.smit@ Stellenbosch.gov.za</a></b>
<b>REPORT DATE</b>	<b>2017-11-06</b>

# **APPENDIX 2**

**Copies of valuation report**



**CASSIE GERBER  
PROPERTY VALUERS CC**

**CK 98/22188/23**

**C.L. Gerber, Registered Professional Valuer in Terms of Section 19 of Act 47 of 2000, Registration  
No: 1717/4**

P.O. Box 2217  
DURBANVILLE  
7551

Telephone: (021) 9757240  
Fax: 086 558 6933  
Cell phone: 082 416 2987  
E-mail -caslg@mweb.co.za

**VALUATION REPORT**

**MARKET VALUE OF A PORTION OF THE REMAINDER OF  
FARM 387, STELLENBOSCH RD**

**OWNER: VREDENHEIM PTY LTD**



Market value: As per report  
Date: 27 February 2018

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**VALUATION REPORT**

**MARKET VALUE OF A PORTION OF THE REMAINDER OF  
FARM 387, STELLENBOSCH RD**

**OWNER: VREDENHEIM PTY LTD**

**1. Instructions**

- 1.1 The Director of Housing of the Municipality of Stellenbosch instructed me to value the above-mentioned property.
- 1.2 The present market value of the above-mentioned property is required. The value must be determined as a price per ha.
- 1.3 Market value is defined in this report as a price, which the property might reasonably be expected to sell for in a transaction between a willing, able and informed buyer and a willing, able and informed seller.

**2. Date of valuation**

27 February 2018

**3. Description of property**

Remaining extent of the Farm Number 387, Stellenbosch RD

**4. Owner**

Vredenheim Pty Ltd (Title deed:T17126/2010)

**5. Extent**

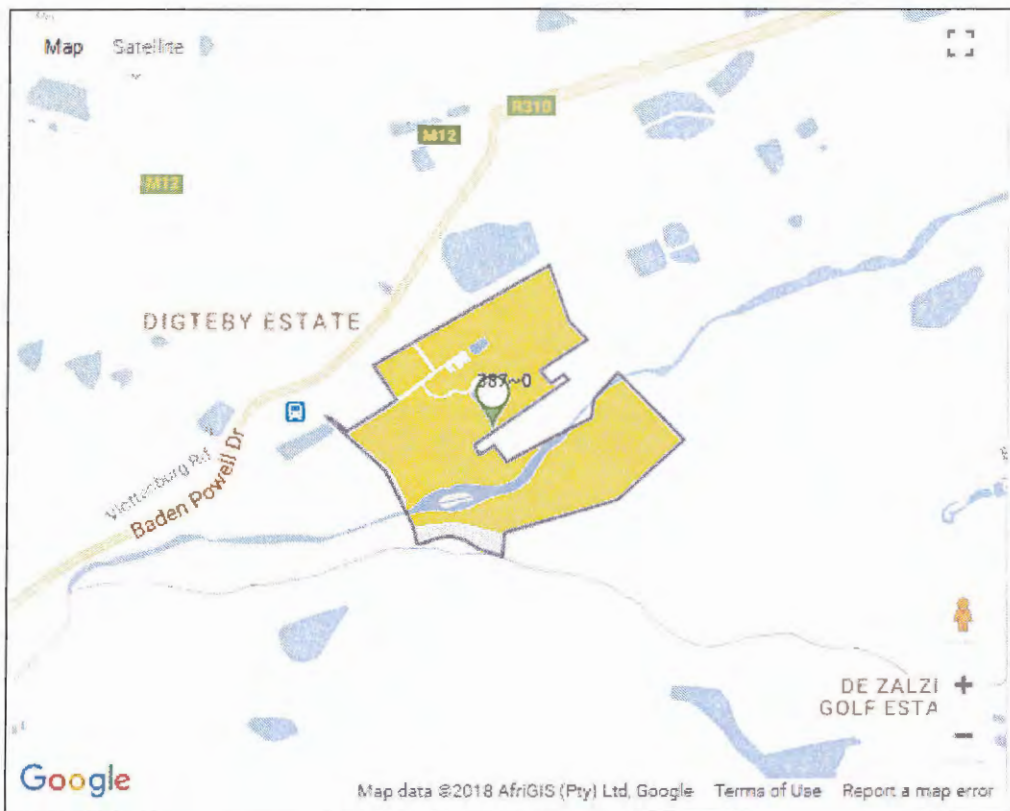
Developable portion of land 1.15ha

**6. Municipal value**

Not valued

**7. Situation and physical aspects**

The property is situated in Vlottenberg adjacent to the school, the existing houses and the river. Map page 3 below refers:



Location map



Aerial photo

**8. Zoning**

The property is presently zoned for agricultural purposes. The owners are busy with the rezoning of the property for residential use.

**9. Servitudes or other rights**

The 50 year flood-line affects the development on the site.

**10. Highest and best use**

The highest and best use of the property is to have it rezoned for low-cost housing.

**11. Improvements**

There are a few unoccupied cottages which will have to be demolished.



Subject property



**12. Services**

There are municipal services available in the in the existing township.

**13. Method of valuation**

The comparable method of valuation has been applied to determine the market value of the subject property.

**14. Comparable transactions**

## 1313.1 Transaction no.1

Property: Erf 27040, Bellville at Belhar  
 Extent: 9.8021ha  
 Purchase price: R7 850 000.00  
 Dale of sale: January 2016 (Not registered)  
 Location: The property is situated on Belhar Drive, Belhar.  
 General: The Government of the Western Cape purchased the land from the City of Cape Town for clinic purposes. The purchase price amounts to ±R800 000 per ha.

## 13.2 Transaction no. 2

Property: Erf 29654 & 29655, Blue Downs  
 Extent: 21.4377ha  
 Purchase price: R16 000 000.00  
 Dale of sale: 07.11.2014  
 Location: The property is situated in Fountain Village, Blue Downs and zoned for agricultural use.  
 General: The City of Cape Town purchased the land for State subsidized housing purposes. The purchase price amounts to ±R746 348.00 per ha.

## 13.3 Transaction no.3

Property: Unregistered Erf 1666, Greenville Garden City  
 Extent: 1.4405ha  
 Purchase price: R1 225 000.00  
 Dale of sale: 30.09.2015  
 Location: The property is situated on Lucullus Road, Greenville Garden City.



General: The City of Cape Town purchased the serviced site from Garden Cities for a community clinic. The purchase price amounts to ±R850 000.00 per ha. Map below refers:



Map Erf 1666, Greenville Garden City

#### 13.4 Transaction no. 4

The City of Cape Town purchased the following properties during 2015:

No.	Description/Stellenbosch RD	Extent/ha	Date	Purchase price/Price/ha
1	Farm 794/38	261.2562	03.06.15	R167 334 923.00/±R640 000
2	Farm 791/6	0.1538	03.06.15	R98 509.00/±R640 000
3	Farm 792/0	58.8057	03.06.15	R37 665 124.00/±R640 000
4	Farm 791/5	13.2862	03.06.15	R8 509 827.00/±R640 000
5	Farm 791/4	36.6118	03.06.15	R23 449 903.00/±R640 000
6	Farm 787/11	84.4847	03.06.15	R54 112 556.00/±R640 000
7	Farm 794/40	4.3047	03.06.15	R2 757 265.00/±R640 000
8	Farm 787/10	61.9575	03.06.15	R39 684 856.00/±R640 000
9	Farm 794/44	1.3760	03.06.15	R881 329.00/±R640 000
10	Farm 794/43	99.8553	03.06.15	R63 957 444.00/±R640 000
11	Farm 794/37	37.4146	03.06.15	R23 964 098.00/±R640 000
		659.5065		

The properties are situated in the Firgrove rural area, between Macassar and Somerset West. The City of Cape Town purchased the properties from Paardevlei Property (Pty.) Ltd. for future residential and other mixed development uses. The properties are about 659ha in extent and the purchase price amounts to R640 000.00 per ha.

The properties are presently zoned for agricultural purposes, but are much better situated than the subject property. During inspection it was established that about 20% of the 659ha of land consists of wetlands and are not developable. The adjusted purchase price of the developable land amounts to about R768 000.00 per ha and the rate per ha does not differ as far as the extent of the sites are concerned.

#### 13.5 Transaction no. 5

Property: A portion of Erf 33683, Strand  
 Extent: 21.0669ha (Portion required for the Sir Lowry Pass River flood alleviation upgrade ±5.1550ha)  
 Asking price: R3 866 250.00 (R750 000.00 per ha)  
 Dale of sale: May 2017 (Not registered)  
 Location: The property is situated off the N2 Main Road, adjacent to the Sir Lowry River half way between Broadlands Industrial area and Firlands.  
 General: The property is presently zoned for rural purposes.

#### 13.6 Transaction no. 6

Property: Remainder of Phesantekraal No. 1165 Cape RD (Extension of the Okavango Road, Graanedal, Durbanville)  
 Extent: ±5.5800ha  
 Purchase price: R8 370 000.00  
 Dale of sale: December 2013 (Not registered)  
 Location: The property consists of the extension of Okavango Road to Klipheuwel.  
 General: The City of Cape Town purchased the land from Groot Phesantekraal Trust for the extension of the road. The purchase price of the land for the road amounted to ±R1 500 000 per ha at the time.

### **14. Increases of land prices in the low-cost housing development areas over time**

14.1 Some of the transactions and their market values listed below are dated and provision for efflux in time is necessary.

14.2 A market research was carried out and school sites in low cost housing development areas, like Khayalitsha, Mfuleni,

Nyanga, Guguletu, Strand and Delft, sold for R650 000.00 per ha during 2014 and increased to R750 000.00 per ha in 2017, an increase of about 4.5% per annum over the past 3 years.

14.3 An increased rate of 4.5% to adjust the dated prices is therefore market related.

## 15. Summary list of transactions

No.	Property	Extent	Date	Purchase price/price/ha Adjusted prices/ha
1	Erf 27040. Belhar	9.8021ha	Jan 2016	R7 850 000.00/R800 000.00 ±R865 000.00
2	Erven 29654 and 29655, Blue Downs	21.4237 ha	Nov. 2014	R16 000 000.00/R746 348.00 ±R 847 640.00
3	Erf 1666, Grenville Garden City	1.4405ha	Sept. 2015	R1 225 000.00/±R850 000.00 ±R928 220.00
4	Farms 794/39 and others	659.5065ha	July 2015	R640 000.00/±R768 000 ±R850 000,00
5	Portion of Erf 33683, Strand	5.1550ha	May 2017	R3 866 250.00/R750 000.00 Asking price
6	Portion of the Farm, Groot Phesantekraal No. 1165, Cape RD	5.5800ha	Dec.2013	R8 370 000.00/R1 500 000.00

## 16. Conclusions

16.1 Transaction 1 is situated in Belhar. The houses in the area are all single and double story low-cost houses. The Provincial Government of the Western Cape purchased the land for hospital purposes. The market value of the property was determined on prices paid for low-cost housing in the area and, therefore, comparable. The site is better situated close to the University of the Western Cape and a downward adjustment on the adjusted purchase price is necessary.

16.2 Transaction no. 2 is situated in Blue Downs in between two serviced roads. The property was zoned for agricultural purposes at the time the sale took place. The houses in the area consist of low-cost GAP type of houses.

16.3 Transaction no. 3 is situated in Greenville, Fisantekraal. The City of Cape Town purchased the property from Garden Cities for clinic purposes. The site is about the same size as the subject property but fully serviced and a downward

adjustment in the adjusted purchase rate per ha is necessary.

- 16.4 Transaction 4 is large and small portions of land located between Macassar, the Strand and the sea. The adjusted rate per ha of the developable land after allowing for the wetlands, amounts to R850 000.00 per ha. My information is that the land will be utilized for mixed development purposes, which will include low-cost, GAP and economic housing.
- 16.5 Transaction 5 is situated in the Strand and belongs to Asla Devco Pty Ltd. My information is that the property is not registered in the Deeds Office but the asking price amounts to R750 000.00 per ha. The asking price is based on a well-motivated valuation report, prepared by a professional valuer. Asla plans to use the remainder of the land for residential purposes. The property still has to be rezoned and an upward adjustment in the rate per ha of the subject property is, therefore, necessary.
- 16.6 Transaction 6 is the market value of the land paid for the extension of the Okavango Road over the farm Groot Phesantekraal No. 1165. The market value made provision for the time before development will start to take place. This is an upper income group area where the vacant sites are selling for about R1 500 000.00. Below is a list of serviced sites sold in the Groot Phesantekraal development area:

No.	Description of property	Extent	Date	Price
1	Erf 18641, Durbanville	700m <sup>2</sup>	19.04.17	R1 400 000.00
2	Erf 18639, Durbanville	701m <sup>2</sup>	04.05.17	R1 500 000.00
3	Erf 18596, Durbanville	843m <sup>2</sup>	19.04.17	R1 550 000.00

- 16.7 Based on the above-mentioned comparable transactions with the necessary adjustments for time and location a price of R875 000.00/ha for the subject property is market related.

## 17 Market value calculations

1.15ha @ R875 000.00/ha: R1 006 250.00

Market value, rounded: R1 000 000.00 (Excluding VAT)



## **18. Valuation Certificate**

I inspected the subject property described herein. I have no present or prospective interest in the property.

The valuation is independent and impartial and complies with all the ethical standards of the South African Institute of Valuers of which I am a member.

All suppositions and data in this report are to the best of my knowledge, true and correct and I have not attempted to conceal any information.

The valuation has been made to the best of my skill and ability.

I, Casper Louis Gerber, consider the rates per ha as in paragraph 17, above to be fair and market related.



C.L. GERBER

Signed at Durbanville on 27 February 2018

### **QUALIFICATION TO VALUE**

I, Casper Louis Gerber, certify with this my qualifications and experience as follows:

- Professional Valuer registered with the South African Council of Valuers in terms of Act 47 of 2000.
- Member of the South African Institute of Valuers since 1974.
- Served as a member on various valuation boards.
- I have been involved in valuing fixed properties since 1965. At present, I am making an average of 15 valuations per month spread over the whole spectrum of the property market.

# **APPENDIX 3**

**Copies of valuation report**

**CASSIE GERBER  
PROPERTY VALUERS CC**

CK 98/22188/23

C.L. Gerber, Registered Professional Valuer in Terms of Section 19 of Act 47 of 2000, Registration  
No: 1717/4

P.O. Box 2217  
DURBANVILLE  
7551

Telephone: (021) 9757240  
Fax: 086 558 6933  
Cell phone: 082 416 2987  
E-mail -caslg@mweb.co.za

**VALUATION REPORT**

**MARKET VALUE OF A PORTION OF FARM 377A,  
STELLENBOSCH RD**

**OWNER: MUNICIPALITY STELLENBOSCH**



Market value: As per report  
Date: 27 February 2018

=====

**VALUATION REPORT**

**MARKET VALUE OF A PORTION OF FARM 377A,  
STELLENBOSCH RD**

**OWNER: MUNICIPALITY STELLENBOSCH**

**1. Instructions**

- 1.1 The Director of Housing of the Municipality of Stellenbosch instructed me to value the above-mentioned property.
- 1.2 The present market value of the above-mentioned property is required. The value must be determine as a price per ha.
- 1.3 Market value is defined in this report as a price, which the property might reasonably be expected to sell for in a transaction between a willing, able and informed buyer and a willing, able and informed seller.

**2. Date of valuation**

27 February 2018

**3. Description of properties**

Farm Number 377 A, Stellenbosch RD

**4. Owner**

Municipality Stellenbosch

**5. Extent**

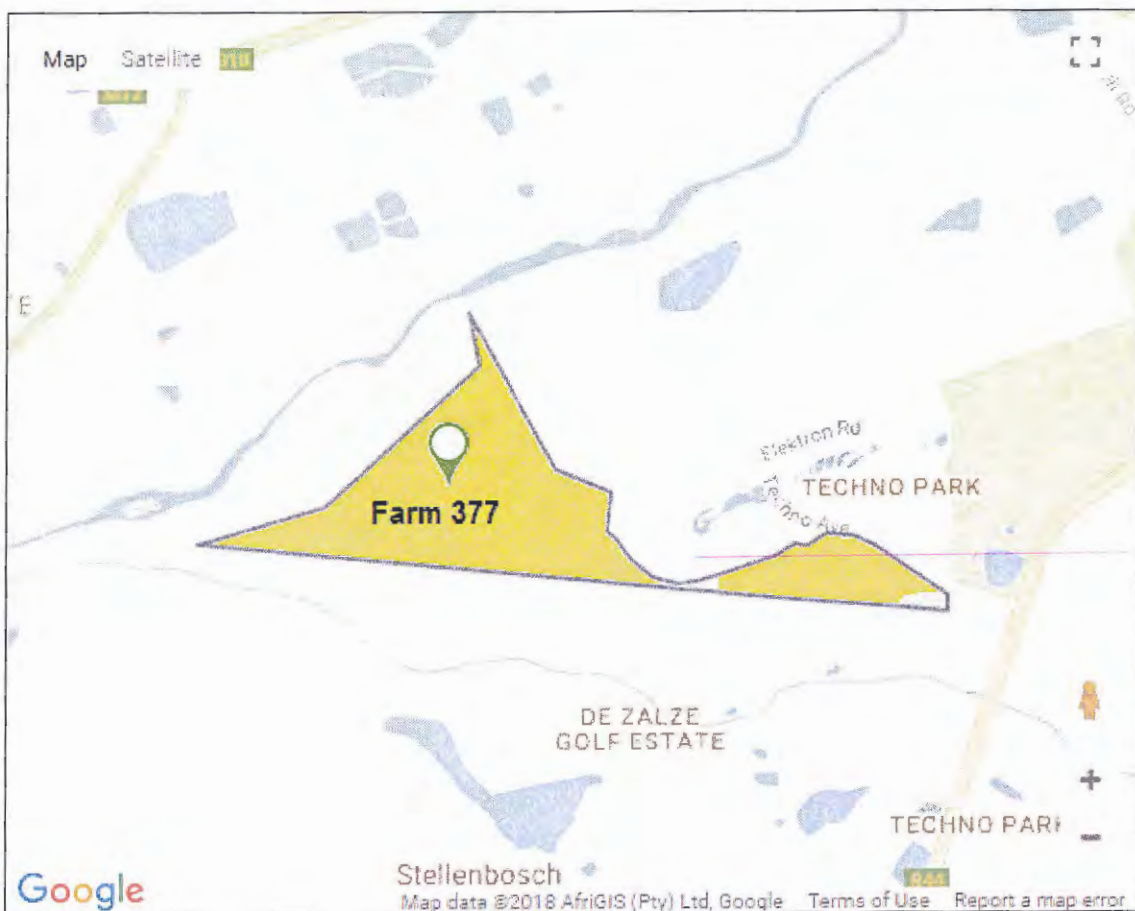
78.6700ha (Portion required ±10.0000ha)

**6. Municipal value**

Not valued

**7. Situation and physical aspects**

The property is situated behind Techno Park, about 6km from Stellenbosch. Map page 3 below refers:



Location map



Aerial photo



**8. Zoning**

The property is zoned for agricultural purposes.

**9. Improvements**

The portion of land required to be valued consists of the following;

- ±4.5 Vineyards and
- ±5.5ha Renoster bush.

**10. Services**

Road: Access to the property is via a gravel road, off the Stellenbosch/ Muizenberg Road;  
No other Municipal services are available.

**11. Method of valuation**

The comparable method of valuation is carried out to determine the market value of the subject property.

**12. Comparable transactions**

No.	Property	Extent/ha	Date	Price/price/ha
1	Farm 653/12, Stellenbosch RD	161.8600	15.03.15	R16 280 000.00/ R100 580/ha
2	Farm 1378/3, Stellenbosch RD	29.9279	05.09.16	R4 500 000.00/ R150 361/ha
3	Farm1312, Stellenbosch RD	59.4577	28.11.16	R20 520 000.00/ R345 119/ha
4	Farm 468/24, Stellenbosch RD	35.4925	24.08.16	R13 500 000.00 R380 362/ha
5	Farm 643 Stellenbosch RD	30.6414	28.07.15	R10 500 000/ha R342 673/ha
6	Farm 491/2 Stellenbosch RD	105.9642	04.09.17	30 000 000.00/ R283 114/ha

**13. Conclusions**

13.1 Comparable transaction 1 is situated between the old Bellville/Somerset West and the N2. The improvements on the land consist of a mixture of vineyards, arable land and veld. The subject property is better situated. The selling price amounts to ±R100 000/ha including the improvements.

- 13.2 Transaction 3 is situated about 10km from subject property on the Stellenbosch/Kuils River Road. The land consists of irrigable land. There are also 3 laborers' cottages on the land. The purchase price amounts to ±R150 000.00/ha.
- 13.3 Transaction 3 is situated close to Banhoek. The property is well developed with all the necessary Municipal services on site. The property also has a good infra-structure.
- 13.4 Transaction 4 is situated close to Lynedoc. The property is well improved and has a very good infra-structure. The purchase price including the improvements amounts to ±R380 000.00/ha. The subject property has little services and a downward adjustment is necessary.
- 13.5 Transaction 5 is situated opposite Wijnlanden and my information is the property was purchased by a property developer. The price paid for the developable land is ±R342 000.00/ha.
- 13.6 Transaction 6 is situated opposite Spier Estate and consists mainly of irrigable land. The purchase price amounts to ±R283 000.00/ha
- 13.7 Based on the above-mentioned comparable transactions, with the necessary adjustments for time, location, availability of services and extent of the subject properties, the following norm rates per ha is market related:
- Vineyards: R275 000.00/ha (Excluding VAT)
  - Veld (Renoster bush): R100 000.00/ha (Excluding VAT)

#### **14. Valuation calculations**

The subject property consists of a vacant portion of lease farm. All the agricultural improvements on the farm were carried by the tenant. The market value of the property must be based on vacant agricultural land value.

Market value: ±10ha @ R100 000/ha = R1 000 000.00

The market value of the property does not include VAT.

**15. Valuation Certificate**

I inspected the subject property described herein. I have no present or prospective interest in the property.

The valuation is independent and impartial and complies with all the ethical standards of the South African Institute of Valuers of which I am a member.

All suppositions and data in this report are to the best of my knowledge, true and correct and I have not attempted to conceal any information.

The valuation has been made to the best of my skill and ability.

I, Casper Louis Gerber, consider the rates per ha as in paragraph 14, above to be fair and market related.



C.L. GERBER

Signed at Durbanville on 27 February 2018

**QUALIFICATION TO VALUE**

I, Casper Louis Gerber, certify with this my qualifications and experience as follows:

- Professional Valuer registered with the South African Council of Valuers in terms of Act 47 of 2000.
- Member of the South African Institute of Valuers since 1974.
- Served as a member on various valuation boards.
- I have been involved in valuing fixed properties since 1965. At present, I am making an average of 15 valuations per month spread over the whole spectrum of the property market.



# **APPENDIX 4**

**Copies of valuation report**



## VALUATION REPORT

DETERMINATION OF THE MARKET VALUE OF:

**FARM 377A,**

**STELLENBOSCH REGISTRATION DIVISION,**

**WESTERN CAPE**

Client:

**STELLENBOSCH MUNICIPALITY**

6 March 2018

Compiled by:

**Johan Klopper**

Professional Valuer

Member of the SA Institute of Valuers

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



6 March 2018

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

## VALUATION CERTIFICATE

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

<p>FARM 377A,          STELLENBOSCH REGISTRARION DIVISION, in the WESTERN CAPE          Measuring approximately 9.42 hectares</p>
---

I consider the market rate of the abovementioned property to be as follows:

R 1 500 000	One Million Five Hundred Thousand Rand (Excluding VAT)
-------------	---

As at: **1 March 2018**

Signed at Stellenbosch this 6<sup>th</sup> day of March 2018.

A handwritten signature in black ink, appearing to read "J. Klopper", is written over a horizontal line.

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

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

Verified Level 4 B-BBEE Contributor

Tel: 083 305 3252 • Fax: 086 611 1511 • Email: info@propertyvaluer.co.za • Postal address: PO Box 81, Stellenbosch, 7599

# VALUATION REPORT

## 1. GENERAL

### 1.1 INSTRUCTIONS

Instructions were received from Stellenbosch Municipality to determine the fair and reasonable market value of Farm No. 377A Stellenbosch Registration Division, measuring approximately 9.42 hectares. This valuation is undertaken to inform the Stellenbosch Municipality of the market value, in light of possible disposal to the adjoining owner.

### 1.2 EFFECTIVE DATE OF VALUATION

1 March 2018

### 1.3 INSPECTION DATE

21 February 2018

### 1.4 DEFINITION OF MARKET VALUE

As per the International Valuation Standards Council, market value can be defined as follows:

The highest price that a willing and informed purchaser will pay a willing and informed seller in a normal open market transaction, when neither party is under the anxiety or compulsion to sell or purchase, other than their normal desire to transact.

### 1.5 CAVEATS

The valuer has assumed that the subject property and their values were unaffected by any statutory notice or condition of title where the title deeds have not been inspected.

Information regarding the subject property and comparable properties was received from local authorities and third parties. This information was received in good faith and it is assumed that the supplied information is correct, but no warranty as to the accuracy of this information can be made.

All plans included in this document are supplied for identification purposes only and are not necessarily to scale.

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

In this report, the market value and any other values referred to exclude VAT.

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

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

## 2. PROPERTY AND OWNERSHIP DESCRIPTION

### 2.1 TITLE DEED INFORMATION

Description	FARM VLOTTENBURG NO. 377, STELLENBOSCH REGISTRATION DIVISION, in the PROVINCE of the WESTERN CAPE
Registered extent	78.6779 Hectares
Extent to be valued	± 9.42 Hectares
Registered owner	STELLENBOSCH MUNICIPALITY
Title Deed No	STF5-34/1883 & T36696/2010
Date of Registration	1883/09/20
Purchase Price	N/A
Endorsements / Conditions of title	None noted that materially affect the area to be valued.
Mortgage bond(s)	None
S.G. Diagram(s)	S.G. No. 9131/1957 S.G. No. 12119/1957 S.G. No. 686/1996 S.G. No. 778/1999 S.G. No. 3983/2010 S.G. No. 2706/2012
LPI Code	LPI code: C06700000000037700000

### 2.2 MUNICIPAL INFORMATION

Local Authority	Stellenbosch Municipality
Zoning	Agriculture
Description	Farm 377A
Municipal Valuation	GV2017: R 942 000



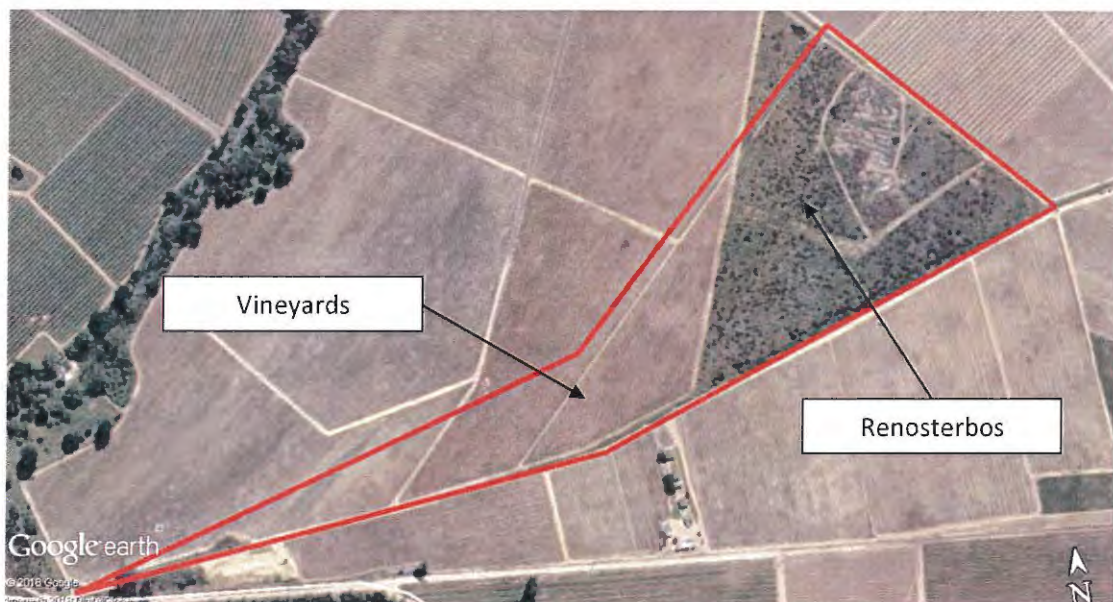
### 3. PROPERTY LOCATION

Farm 377A is located in a rural node of Stellenbosch approximately 1 kilometre west of Technopark. The subject property is surrounded by agricultural land, while the De Zalze Golf Estate is located on relative close proximity, approximately 1 kilometre to the southeast. Refer to the location map below.



### 4. DESCRIPTION OF THE SUBJECT PROPERTY

The area to be valued represents an oblong shaped tract of land measuring roughly 9.42 hectares. The tract of land slopes down in a westerly direction. It is leased from the Stellenbosch Municipality by Vredenheim Pty Ltd for agricultural purposes. Approximately 4.1 hectares represent arable land with vineyards under irrigation. No water rights are attached to the land and current water for irrigation purposes is provided by the lessee. The remaining 5.32 comprises protected renosterveld.



Also refer to **Annexure C** for photographs of the area to be valued.

## 5. HIGHEST AND BEST USE

Highest and Best Use is defined under the International Valuation Standards (IVSC) as “The most probable use of an asset which is physically possible, appropriately justified, legally permissible, financially feasible and which results in the highest value of the asset being valued”.

The area to be valued is located in a rural node west of Stellenbosch. It represents municipal owned land leased to private farmers for agricultural purposes. Based on the location, current ownership status and surrounding uses, the valuer is of the opinion that agricultural uses represents the highest and best use of the subject property.

Note was taken of the existing renosterveld portion and the protected status which inhibits development or utilisation of this portion of farm 377A. Furthermore, the valuer took cognisance of the fact that the existing vineyards were planted and established by the prospective purchaser of the land. In this regard, the valuer is of the opinion that this portion should be valued as vacant arable land.

## 6. VALUATION APPROACH

The **Comparable Sales Method** is deemed the most appropriate valuation method to determine the market value of agricultural land. This approach is based on the principle of comparability and substitution. The assumption is that if similar assets in a similar market place have been sold at a particular value, then the comparable asset will also sell at a similar price.

The area to be valued forms part of a 78 hectare tract of land, and can only be sold to an adjoining owner. It is therefore valued as part of the whole. The valuation was therefore based on sales of properties with similar utility, potentialities and locality features.

## 7. MARKET INFORMATION


We liaised with the Cape Town Deeds Office to determine the sales and transfers in the vicinity of the subject properties. Comparisons were then made in terms of size, improvements, utilisation and potential of the land and date of sale, after which the necessary adjustments were made.


The following transactions were registered in the Deeds Office and serve as good comparisons in determining the market rate of the area to be acquired:

No	Description	Sale Date	Extent	Price (Ex VAT)	Rate/ha
1	Portions 21 & 22 of Farm 402 Stellenbosch RD	2017/04/21	12.7557	R 6 000 000	R 470 378
2	Portion 4 of Farm 1505 Stellenbosch RD	2017/01/26	41.5710	R 6 570 000	R 158 043
3	Portion 4 of Farm 1471 Stellenbosch RD	2016/11/12	14.8056	R 7 200 000	R 486 302
4	Portion 18 of Farm 730 Paarl RD	2016/06/17	13.2554	R 3 000 000	R 226 323
5	Farm 1519 Paarl RD	2016/02/01	101.8932	R 3 700 000	R 36 316
6	Farm 1369 Paarl RD	2013/08/02	27.7170	R 5 000 000	R 180 395
7	Farm 1226 Malmesbury RD	2013/07/18	46.4121	R 2 000 000	R 43 092




## Comments and analysis of sales:

SALE 1: Portions 21 & 22 of Farm 402 Stellenbosch RD		
Land size: 12.7557 Ha	Purchase Date: 2017/04/21	Purchase Price: R 6 000 000
	This tract of land is located in the Polkadraai node between Stellenbosch and Kuils River. It comprises vacant land with approximately 10.7 hectares vineyards, while the remainder represented fallow land. The tract of land compares well with the subject property in terms of size and location. Analysis of the sale indicates to a vacant land rate of approximately R 300 000 per hectare (excluding vineyards). This sale serves as a very good indication of the rate to be applied to the arable component of the subject property.	

SALE 2: Portion 4 of Farm 1505 Stellenbosch RD		
Land size: 41.5710 Ha	Purchase Date: 2017/01/26	Purchase Price: R 6 570 000
	This tract of land is located approximately 8 kilometres north of Stellenbosch. It represents mountainous vacant land comprising natural veld. The land is uncultivated which suggests an upward adjustment would be justified for arable component of the subject property. On the other hand a downward adjustment would be justified for the renosterveld component.	

SALE 3: Portion 4 of Farm 1471 Stellenbosch RD		
Land size: 14.8056 Ha	Purchase Date: 2016/11/12	Purchase Price: R 7 200 000
	This tract of land is located in relative close proximity to the subject property, along Stellenbosch Kloof Road. It offers approximately 5.7 hectares vineyards, while the remainder represents fallow land and a dam. This property offers a sought-after location with lifestyle appeal. The valuer is of the opinion that a significant downward adjustment would be justified for the subject property.	

SALE 4: Portion 18 of Farm 730 Paarl RD		
Land size: 13.2554 Ha	Purchase Date: 2016/06/17	Purchase Price: R 3 000 000
	This tract of land is located in close proximity to the subject property, adjacent to the N1, approximately 7 kilometres west of Klapmuts. It represents vacant, predominantly fallow land, with approximately 3 hectares of vineyards. Analysis of the sale indicates a vacant land rate of roughly R 200 000 per hectares. An upward adjustment would be justified for the subject property due to a perceived superior location and utilisation.	



SALE 5: Farm 1519 Paarl RD		
Land size: 101.8832 Ha	Purchase Date: 2016/02/01	Purchase Price: R 3 700 000
		<p>This relatively large tract of land is located in close proximity to the subject property, approximately 2 kilometres east of Klapmuts along the N1. It represents fallow natural veld with no water allocation. This sale serves as an indication of the base rate for the fallow land component of the subject property, but an upward adjustment would be justified for the significant difference in size and locational factors.</p>

SALE 6: Farm 1369 Paarl RD		
Land size: 27.7170 Ha	Purchase Date: 2013/08/02	Purchase Price: R 5 000 000
		<p>This property is located in very close proximity to the subject property, adjacent to the R304. It comprises vacant arable land of 27.7170 hectares, including dam area of approximately 4 hectares and road reserve of approximately 3.2 hectares. Assuming that no value was attached to the road reserve, and effective area of approximately 24.5170 hectares indicates to a rate of approximately R 203 940 per hectare, which is indicative of arable land values of similar units. An upward adjustment would be justified for the efflux of time and perceived superior location of the subject property.</p>

Sale 7: Farm 1226 Malmesbury RD		
Land size: 46.4121 Ha	Purchase Date: 2013/07/18	Purchase Price: R 2 000 000
		<p>This vacant tract of land of 46.4121 hectares is located approximately 21 kilometres northwest of Stellenbosch along the R304. It comprises uncultivated natural veld. The selling price of R 2 000 000 represents a rate of R 43 092 per hectare. This sale is indicative of the rate to be applied to fallow land component of the subject property, with an upward adjustment justified for the efflux of time.</p>

### 1.1 Conclusion on Comparable Sales

The comparable properties listed above generally comprise small farms with similar utility to the subject properties, or components thereof. The location of these properties compare relatively well with the subject property. Based on analysis of the sales, and after making adjustments for the improvements and other value forming characteristics, a rate of R 300 000 per hectare was deemed appropriate to the arable land components, while a rate of R 50 000 per hectare can be applied to the renosterveld component. These rates are considered in keeping with the market and can be applied in the various land components, while the depreciated value of improvements can be added as per calculations hereunder.

## 8. VALUATION CALCULATION

Based on the market information listed in paragraph 7, the valuer is of the opinion that a rate of R 300 000 can be applied to the arable land component, while a rate of R 50 000 per hectare would be justified for the protected renosterveld. The value of the subject property can therefore be calculated as follows:


Description	Size (Ha)	R / Ha	Value
Arable land	4.10	R 300 000	1 230 000
Renosterveld	5.32	R 50 000	266 000
<b>TOTAL</b>	<b>9.42</b>		<b>1 496 000</b>
<b>TOTAL (ROUNDED)</b>	<b>9.42</b>		<b>R 1 500 000</b>

## 9. DECLARATION

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

Based on the available information I am of the opinion that the fair and reasonable market value of the of Farm 377A Stellenbosch RD measuring approximately 9.42 hectares, as at 1 March 2018, amounts to **R 1 500 000**.

Signed at STELLENBOSCH on this the 6<sup>th</sup> day of March 2018.

  
**J. Klopper**  
 Professional Valuer (Reg. No. 6372/0)  
 Member of the SA Institute of Valuers

## ANNEXURE A: TITLE DEED INFORMATION:

Printed: 2018/02/21 13:48

**Deeds Office Property**

**windeed**  
A LexisNexis® Product

FARM 377, 377, 0 (REMAINING EXTENT) (CAPE TOWN)

GENERAL INFORMATION	
Deeds Office	CAPE TOWN
Date Requested	2018/02/21 13:48
Information Source	DEEDS OFFICE
Reference	-

PROPERTY INFORMATION	
Property Type	FARM
Farm Name	FARM 377
Farm Number	377
Portion Number	0 (REMAINING EXTENT)
Local Authority	STELLENBOSCH MUN
Registration Division	STELLENBOSCH RD
Province	WESTERN CAPE
Diagram Deed	STFH5-34/9/1863
Extent	78.6779H
Previous Description	-
LPI Code	CD6700000000037700000

OWNER INFORMATION	
Owner 1 of 2	
Company Type	LOCAL AUTHORITY
Name	MUN STELLENBOSCH
Registration Number	-
Title Deed	STF5-34/1863
Registration Date	1883/09/20
Purchase Price (R)	SECT 16
Purchase Date	-
Share	-
Microfilm Reference	2008 1551 1422
Multiple Properties	NO
Multiple Owners	NO
Owner 2 of 2	
Company Type	LOCAL AUTHORITY
Name	MUN STELLENBOSCH
Registration Number	-
Title Deed	T36606/2006
Registration Date	-
Purchase Price (R)	TRANSFER BY ENDO
Purchase Date	-
Share	-
Microfilm Reference	2008 1569 1425
Multiple Properties	NO
Multiple Owners	NO

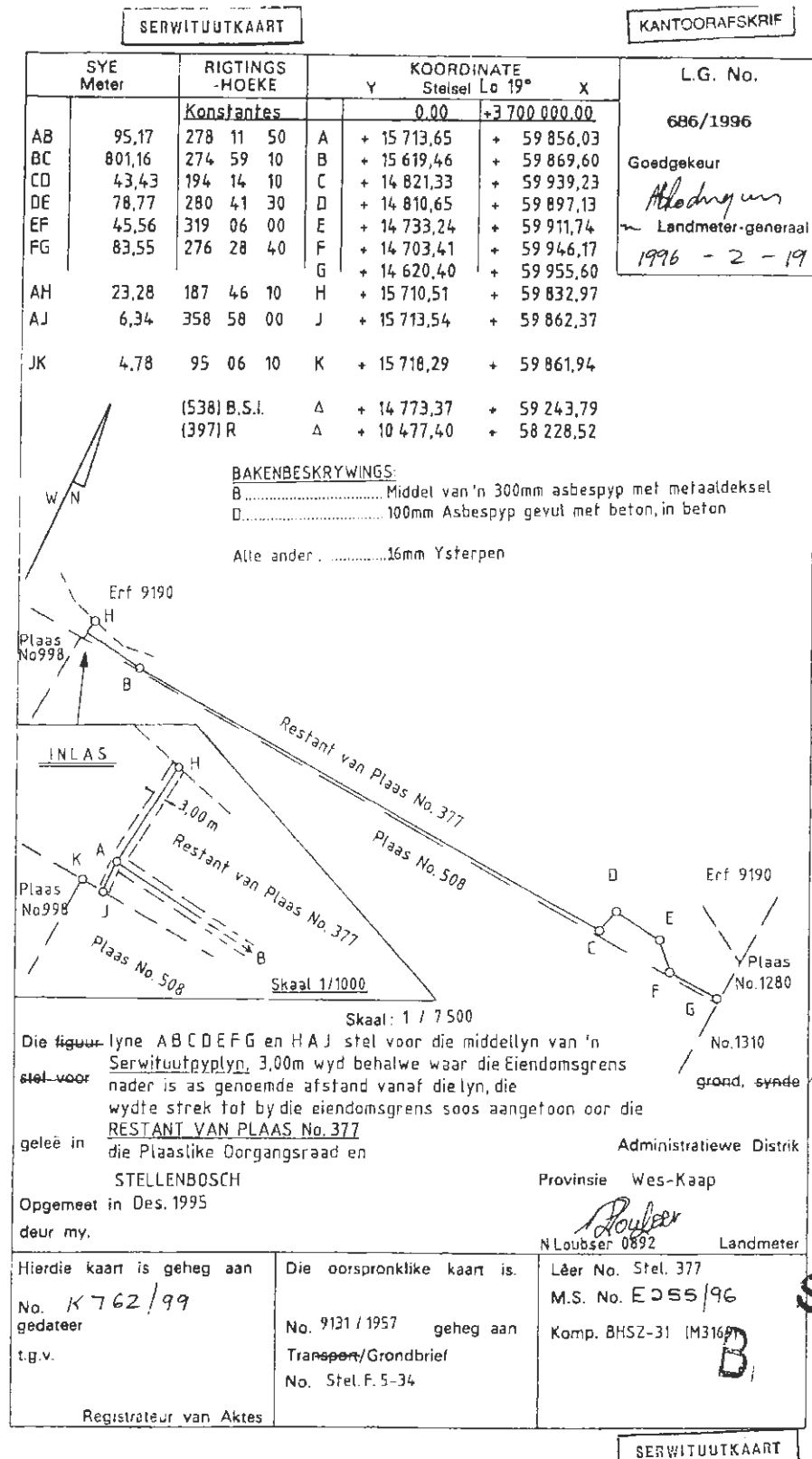
ENDORSEMENTS (4)				
#	Document	Institution	Amount (R)	Microfilm
1	I-823/1957LG	-	UNKNOWN	
2	K782/1999S	-	UNKNOWN	1999 0471 2241
3	VA5685/2006	MUN STELLENBOSCH	UNKNOWN	2008 1569 1399
4	FARM ST 377	-	UNKNOWN	1985 0071 1745











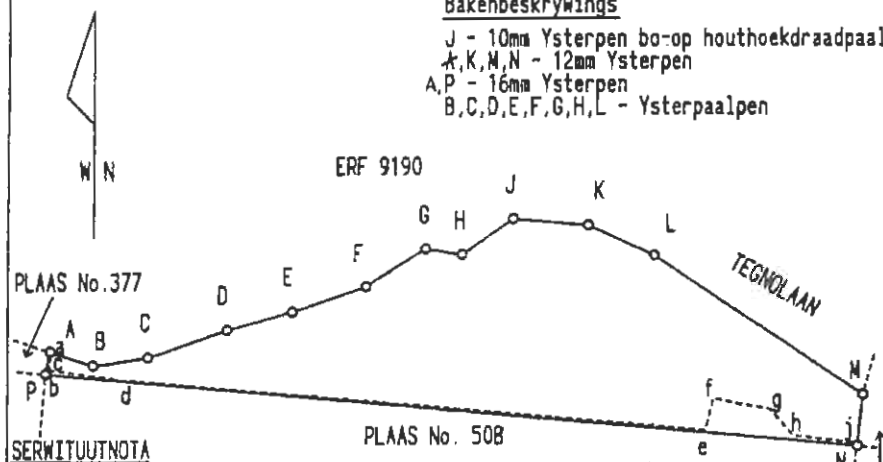
HUURKONTRAKKAART

KANTOORAFSKRIF

SYE Meter	RIGTINGS -HOEKE	KONSTANTE		KООORDINATE Y Stelsel Lo19 X		L.G. No. 77B/1999 Goedgekeur <i>T. J. van</i> nms Landmeter-generaal 1999-03-02
				+0,00	+3 700 000,00	
AB	61,04	287 42 00	A	+15 712,15	+59 832,44	
BC	75,66	262 24 20	B	+15 654,00	+59 851,00	
CD	113,84	251 33 50	C	+15 579,00	+59 841,00	
DE	92,18	254 54 30	D	+15 471,00	+59 805,00	
EF	105,30	251 44 10	E	+15 382,00	+59 781,00	
FG	94,34	237 59 40	F	+15 282,00	+59 748,00	
GH	50,64	279 05 20	G	+15 202,00	+59 698,00	
HJ	84,38	235 25 30	H	+15 152,00	+59 706,00	
JK	102,07	274 52 20	J	+15 082,52	+59 658,12	
KL	97,91	294 38 10	K	+14 980,82	+59 666,79	
LM	337,90	303 08 00	L	+14 891,83	+59 707,60	
MN	68,45	6 01 40	M	+14 608,87	+59 892,29	
NP	1 106,62	95 06 09	N	+14 616,06	+59 960,36	
PA	30,13	191 45 00	P	+15 718,29	+59 861,94	
		B. S. I.	Δ	+14 773,37	+59 243,79	
		BOTTELARY	Δ	+20 487,90	+53 160,17	

Bakenbeskrywings

- J - 10mm Ysterpen bo-op houthoekdraadpaal
- \*K,M,N - 12mm Ysterpen
- A,P - 16mm Ysterpen
- B,C,D,E,F,G,H,L - Ysterpaalpen



SERWITUUTNOTA

Die stippellyn acb en cdefghj stel voor die middellyn van 'n SERWITUUTPYLYN, 3,00m wyd behalwe waar die eiendomsgrens nader is as genoemde afstand van die lyn, die wydte strek tot by die eiendomsgrens. Sien Diagram L.G. No. 686/1996

SKAAL 1: 7500

Die figuur A B C D E F G H J K L M N P

stel voor 16.2241 Hektaar grond, synde

HUURKONTRAKGEBIED No. 1 oor die Restant van PLAAS No. 377

Geleë in die Plaaslike Oorgangsraad en Administratiewe Distrik Stellenbosch  
Opgemeet in Aug.1998 en Febr.1999  
deur my

*N. Loubser*  
N Loubser 0892 Pr. Landmeter

Provinsie Wes-Kaap

GOEDGEKEUR INPASTIG ART. 25  
VAN ORD. 15/1985  
VERWYSING...ERF...9190  
DATUM...1999-02-05

Hierdie kaart is geheg aan No. gedateer t.g.v.

Die oorspronklike kaart is No. 9131/1957 geheg aan Grondbrief No.Stel.F.5-34

Lêer No. Stel.377  
M.S. No. 329/1999  
Komp. BHSZ-31 (M3169)

Registrateur van Aktes

HUURKONTRAKKAART



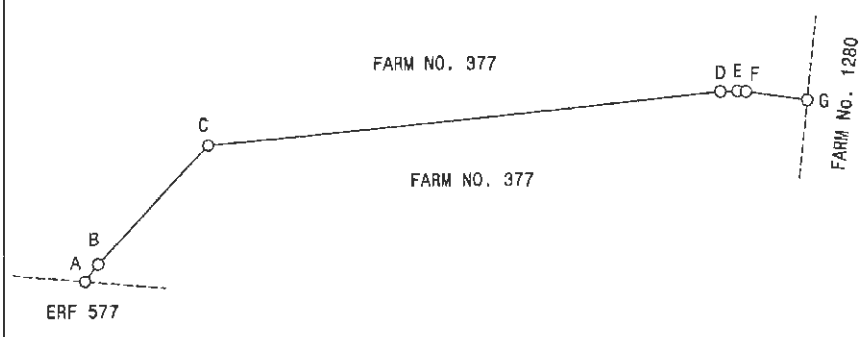
**SERVITUDE DQM.**

Friedlaender, Burger & Volkmann - Land Surveyors

SIDES Metres	ANGLES OF DIRECTION	CO-ORDINATES System WG 19°			S.G. No. <b>3983/2010</b>
		Y	X		
Constants :		0,00		0,00	Approved. <i>[Signature]</i> for Surveyor - General Date : 29-11-2010
AB	5,89	216 59 10	A + 14867,99	+ 3760242,80	
BC	43,93	222 49 20	B + 14864,44	+ 3760238,10	
CD	139,54	264 30 40	C + 14834,58	+ 3760205,88	
DE	4,67	268 56 40	D + 14695,68	+ 3760192,53	
EF	2,29	273 15 10	E + 14691,01	+ 3760192,44	
FG	16,79	278 02 10	F + 14688,73	+ 3760192,57	
			G + 14672,11	+ 3760194,92	
	404	PARADYS	△ + 10183,10	+ 3759563,40	
	538	B S I	△ + 14836,26	+ 3759543,11	

Beacon Descriptions

A G ..... 12mm Iron peg  
 All other beacons ..... Planted concrete block



SCALE 1 : 1500

The line ABCDEFG represents the centre line  
 of an electrical cable servitude 1,00 metres wide  
over FARM NO. 377, STELLENBOSCH

Situate in the Stellenbosch Municipality  
 Administrative District of Stellenbosch  
 Surveyed in September 2010  
 by me

Province of Western Cape  
*[Signature]*  
 D P Burger Pr Land Surveyor

PLS 0080

This diagram is annexed to No. Dated i.f.o. Registrar of Deeds	The original diagram is No. 9131/1957 Annexed to Stel.F. 5-34	File No. Stel.377 (V2) S.R. No. 1749/2010 Comp. BHSZ-31 (M3169) -BH-88GD (M3785) LPI C0670000
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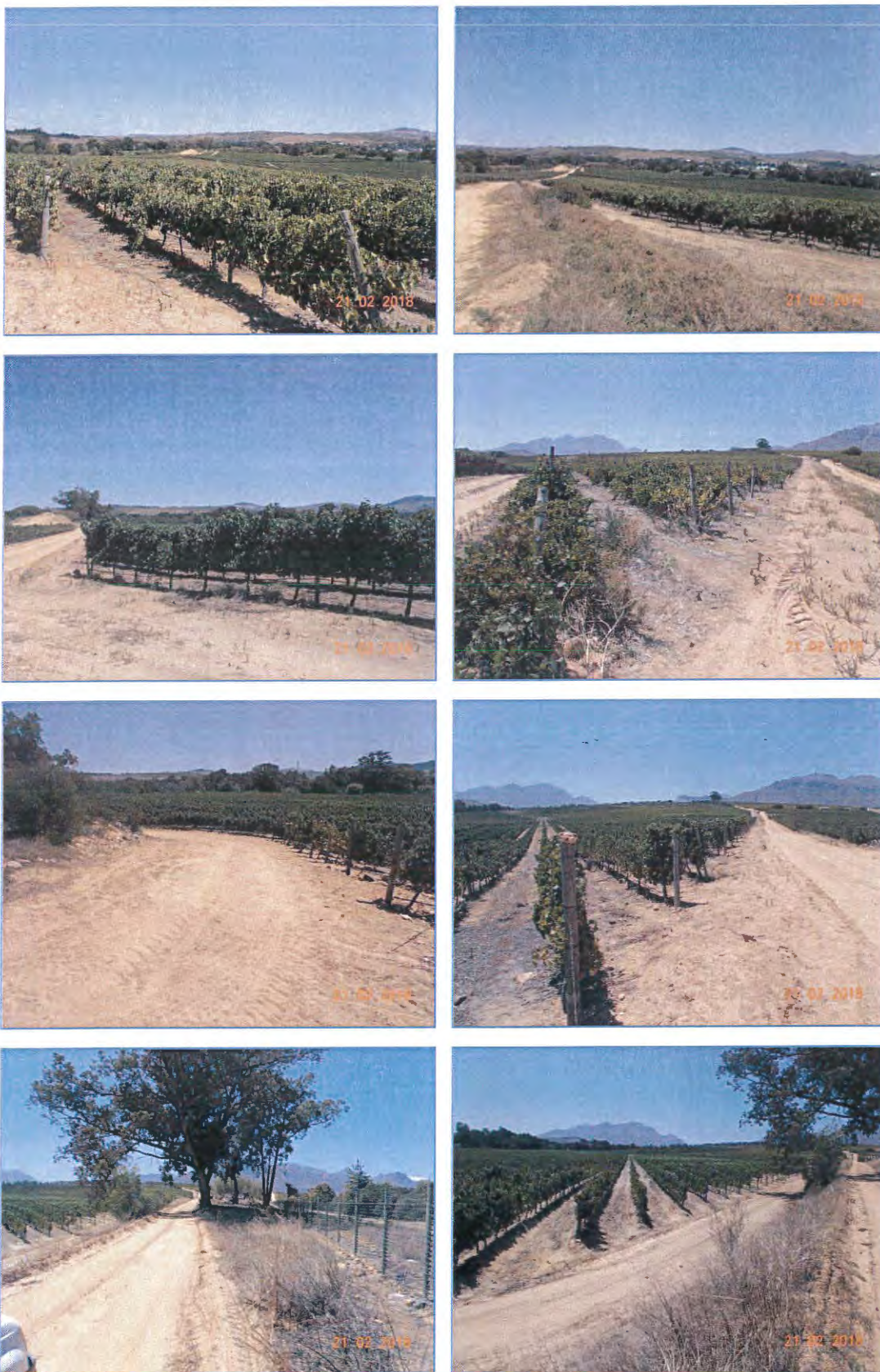
**SERVITUDE DQM.**

SERVITUDE DIAGRAM

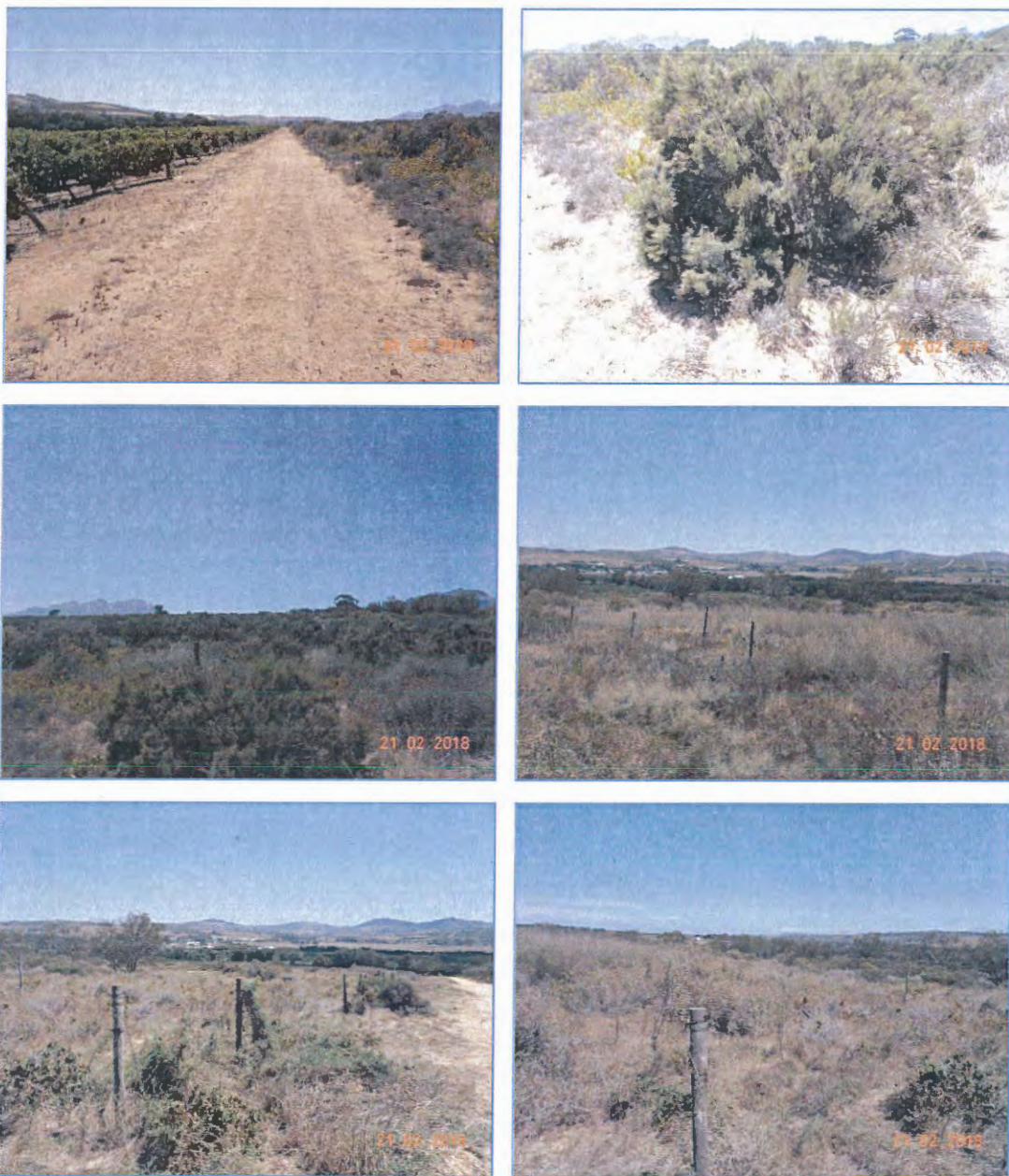
SIDES Metres		ANGLES OF DIRECTION	CO-ORDINATES System WG 19°		S.G. No.	
		Constants :	Y	X	2706/2012	
AB	147,88	264 43 20	A + 14843,09	+ 3760197,47	Approved. <i>[Signature]</i> for Surveyor - General Date : 2012.12.10	
BC	7,25	235 42 20	B + 14695,84	+ 3760183,87		
CD	21,64	303 08 00	C + 14689,85	+ 3760179,78		
DE	5,14	6 01 40	D + 14671,73	+ 3760191,61		
EF	24,65	97 55 00	E + 14672,27	+ 3760196,73		
FG	136,92	84 37 20	F + 14696,69	+ 3760193,33		
GH	18,58	45 32 10	G + 14835,00	+ 3760206,35		
HJ	25,26	11 27 30	H + 14848,26	+ 3760219,36		
JK	14,59	95 06 10	J + 14853,28	+ 3760244,11		
KL	5,49	218 35 40	K + 14867,81	+ 3760242,82		
LM	25,67	191 27 30	L + 14864,39	+ 3760238,53		
MA	22,70	225 32 10	M + 14859,29	+ 3760213,37		
<b>INDICATORY DATA</b>						
ND	18,94	6 01 40	N + 14669,74	+ 3760172,78		
	9	HELD8G	Δ + 11049,63	+ 3767146,93		
	148	HELDW	Δ + 12058,73	+ 3767943,05		
<b>Beacon Descriptions</b>						
B ..... Hole in paving						
D ..... Not beaoned						
All other beacons ..... 12mm Iron peg						
servitude pipeline 1,00m wide, vide Dgm. 686/1996						
FARM No. 377						
electrical cable servitude 1,00m wide vide Dgm. 3983/2010						
FARM No. 377						
ERF 527 DE ZALZE						
Remainder Erf 9190						
FARM No. 1280						
SCALE 1 : 1500						
The figure ABCDEFGHJKLM represents an access servitude area of 2197 square metres, as shown <u>over Remainder Farm No. 377</u>						
Situat in the Stellenbosch Municipality Administrative District of Stellenbosch Surveyed in March 2012 by me						
Province of Western Cape						
PLS 0080 D P Burger Pr Land Surveyor						
This diagram is annexed to No. Dated i.f.o. Registrar of Deeds	The original diagram is No. 9131/1957  Annexed to Stel.F. 5-34		File No. S.R. No. Comp. BHSZ-31 (M3169)  LPI C0870000			

SERVITUDE DIAGRAM

ANNEXURE C: PHOTOGRAPHS OF AFFECTED AREAS







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End of report

# **APPENDIX 5**

**Copies of valuation report**



## VALUATION REPORT

DETERMINATION OF THE MARKET VALUE OF:

PORTION OF FARM 387,

STELLENBOSCH REGISTRATION DIVISION,

WESTERN CAPE

Client:

STELLENBOSCH MUNICIPALITY

28 February 2018

Compiled by:

**Johan Klopper**

Professional Valuer

Member of the SA Institute of Valuers

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



28 February 2018

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

## VALUATION CERTIFICATE

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

<p>Portion of FARM 387,          STELLENBOSCHL REGISTRATION DIVISION, in the WESTERN CAPE          Measuring approximately 2 hectares</p>
---

I consider the market rate of the abovementioned property to be as follows:

R 640 000 / Ha	Six Hundred and Forty Thousand Rand per hectare (Excluding VAT)
----------------	--

As at: **1 March 2018**

Signed at Stellenbosch this 28<sup>th</sup> day of February 2018.

A handwritten signature in black ink, appearing to read "J. Klopper", is written over a horizontal line.

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

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

Verified Level 4 B-BBEE Contributor

# VALUATION REPORT

## 1. GENERAL

### 1.1 INSTRUCTIONS

Instructions were received from Stellenbosch Municipality to determine the fair and reasonable market value of a portion of Remainder Farm Vlottenburg No. 387 Stellenbosch Registration Division, measuring approximately 2 hectares, which is to be acquired from the land owner by the Stellenbosch Municipality.

### 1.2 EFFECTIVE DATE OF VALUATION

1 March 2018

### 1.3 INSPECTION DATE

21 February 2018

### 1.4 DEFINITION OF MARKET VALUE

As per the International Valuation Standards Council, market value can be defined as follows:

The highest price that a willing and informed purchaser will pay a willing and informed seller in a normal open market transaction, when neither party is under the anxiety or compulsion to sell or purchase, other than their normal desire to transact.

### 1.5 CAVEATS

The valuer has assumed that the subject property and their values were unaffected by any statutory notice or condition of title where the title deeds have not been inspected.

Information regarding the subject property and comparable properties was received from local authorities and third parties. This information was received in good faith and it is assumed that the supplied information is correct, but no warranty as to the accuracy of this information can be made.

All plans included in this document are supplied for identification purposes only and are not necessarily to scale.

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

In this report, the market value and any other values referred to exclude VAT.

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



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

## 2. PROPERTY AND OWNERSHIP DESCRIPTION

### 2.1 TITLE DEED INFORMATION

Description	REMAINDER OF THE FARM VLOTTENBURG NO. 387, STELLENBOSCH REGISTRATION DIVISION, in the PROVINCE of the WESTERN CAPE
Registered extent	77.6355 Hectares
Extent to be valued	± 2 Hectares
Registered owner	VREDENHEIM PTY LTD
Title Deed No	T17126/2010
Date of Registration	2010/04/16
Purchase Price	2008/09/04
Endorsements / Conditions of title	None noted that materially affect the area to be valued, but approved servitude diagram S.G. No. 2218/2012 was noted, which indicates a 8 meter wide access servitude over the area to be valued. The access servitude area appears to be in use but is not registered.
Mortgage bond(s)	None
S.G. Diagram(s)	S.G. No. 279/1814 S.G. No. 6380/1957 S.G. No. 14/1981 S.G. No. 4653/1998 S.G. No. 1608/2010 S.G. No. 2218/2012 S.G. No. 2819/2012
LPI Code	LPI code: C06700000000038700000

### 2.2 MUNICIPAL INFORMATION

Local Authority	Stellenbosch Municipality
Zoning	Agriculture
Municipal Valuation	GV2017: R 23 963 500 R 2 813 400 <u>R 2 474 100</u> R 29 251 000

### 3. PROPERTY LOCATION

The portion of Farm 387 to be valued is located approximately 6 kilometres west of the Stellenbosch CBD in the Vlottenburg node. The tract of land abuts the Vlottenburg Road, while existing lower income residential uses is located directly to the west, and an existing school is located directly to the north. Refer to the location map below.



### 4. DESCRIPTION OF THE SUBJECT PROPERTY

The area to be valued represents an oblong shaped tract of land measuring roughly 2 hectares (size to be confirmed following negotiation with landowner). The eastern portion, which is traversed by the Sanddrif Riiver, is relatively flat, while the western portion slopes down in an easterly direction. Three dilapidated dwellings are located on the western periphery, but were excluded for valuation purposes due to their rundown state. Refer to the aerial photograph below.



The Sanddrif River traverses the eastern portion of the area to be valued. Based on specialist freshwater assessments undertaken for the proposed development of Farm 387, a setback line of 15m to 20m from the top of the river banks was proposed for the Sanddrif River. Based on the aforementioned development constraints, the valuer estimates that not more than approximately 75% of the site is developable.

Also refer to **Annexure C** for photographs of the area to be valued.

## 5. HIGHEST AND BEST USE

Highest and Best Use is defined under the International Valuation Standards (IVSC) as "The most probable use of an asset which is physically possible, appropriately justified, legally permissible, financially feasible and which results in the highest value of the asset being valued".

The area to be valued forms part of a proposed mixed use development of the subject property. Given the limitations resultant from Sanddrif River crossing the area to be valued, as well as the adjoining low income housing, the valuer is of the opinion that low to medium income housing development represents the highest and best use of the area to be valued.

## 6. VALUATION APPROACH

The **Comparable Sales Method** is deemed the most appropriate valuation method to determine the market value of agricultural land. This approach is based on the principle of comparability and substitution. The assumption is that if similar assets in a similar market place have been sold at a particular value, then the comparable asset will also sell at a similar price.

## 7. MARKET INFORMATION

We liaised with the Cape Town Deeds Office to determine the sales and transfers in the vicinity of the subject properties. Comparisons were then made in terms of size, improvements, utilisation and potential of the land and date of sale, after which the necessary adjustments were made.

The following transactions were registered in the Deeds Office and serve as good comparisons in determining the market rate of the area to be acquired:

No	Description	Sale Date	Extent	Price (Ex VAT)	Rate/ha
1	Erf 268 Blue Downs	2017/06/26	1,7261	R 1 343 000	R 778 055
2	Erf 1319 Hagley	2017/02/03	1,3499	R 2 300 000	R 1 703 830
3	Erf 2555 & 3378 Eerste River	2016/06/14	5,7777	R 7 400 000	R 1 280 786
4	Erf 9419 Eerste River	2016/05/12	0,7670	R 500 000	R 651 890
5	Erf 9417 Eerste River	2016/05/12	3,4828	R 2 000 000	R 574 251
6	Erf 29654 & 29655 Blue Downs	2014/11/07	21,4377	R 16 000 000	R 746 349
7	Erf 1958 Hagley	2014/08/04	1,7142	R 2 180 000	R 1 271 730
8	Portion 3 of Farm 520 Cape RD	2014/06/18	0,8920	R 710 000	R 795 964
9	Portion 15 of Farm 597 Cape RD	2013/11/08	3,1836	R 2 200 000	R 691 042
10	Erf 358 Blue Downs	2013/08/30	2,9458	R 2 625 000	R 891 099



Note was also taken of the following unregistered sales.

No	Farmname	Sale_Date	Extent	Price (Ex VAT)	Rate/ha
1	Portion of Erf 1 Greenville Garden City	2017/09	8,8412	R 7 575 000	R 850 000
2	Portion of Erf 33683 Strand	2017/05	5,1550	R 3 866 250	R 750 000
3	Erf 27040 Bellville	2016/01	9,8021	R 7 850 000	R 800 849
4	Erf 1666 Greenville Garden City	2015/09	1,4405	R 1 225 000	R 850 399

**Remarks and conclusion on market sales:**

The listed registered sales generally ranged between R 650 000 and R 900 000 per hectare for development properties with similar potential. Outliers were also observed for superior properties, with sales up to approximately R 1 700 000 per hectare. These sales were however considered superior to the area to be valued. The unregistered sales indicated a sales range of R 750 000 to R 850 000 per hectare, with the most recent transactions concluded at R 850 000 per hectare.

Based on the aforementioned, and taking not of the various value forming characteristics, the valuer is of the opinion that a market rate of R 850 000 per hectare would be fair and reasonable for the area to be valued.

## 8. VALUATION CALCULATION

Because the exact acquisition area has not been finalised, the valuer was instructed to express the value as a per hectare rate. Analysis of the market information listed in paragraph 7 suggests that a rate of R 850 000 per hectare would be justified for lower income development land. Given the development constraints due to the Sanddrif River, it is estimated that not more than approximately 75% of the site is developable. This suggests that a proportional downward adjustment to R 637 500 (rounded to R 640 000) per hectare would be justified for the area to be valued.


Note: The market rate of R 850 000 per hectare would apply if the river component was excluded from the acquisition area.

## 9. DECLARATION

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

Based on the available information I am of the opinion that the fair and reasonable market rate of the portion of Farm 387 Stellenbosch RD to be valued, as at 1 March 2018, amounts to R 640 000 per hectare.

Signed at STELLENBOSCH on this the 28<sup>th</sup> day of February 2018.

  
 J. Klopper  
 Professional Valuer (Reg. No. 6372/0)  
 Member of the SA Institute of Valuers

## ANNEXURE A: TITLE DEED INFORMATION:

Printed: 2018/02/21 13:47

**Deeds Office Property**

**windeed**  
A LexisNexis® Product

VLOTTENBURG, 387, 0 (REMAINING EXTENT) (CAPE TOWN)

GENERAL INFORMATION	
Deeds Office	CAPE TOWN
Date Requested	2018/02/21 13:40
Information Source	DEEDS OFFICE
Reference	-

PROPERTY INFORMATION	
Property Type	FARM
Farm Name	VLOTTENBURG
Farm Number	387
Portion Number	0 (REMAINING EXTENT)
Local Authority	WINELANDS DC
Registration Division	STELLENBOSCH RD
Province	WESTERN CAPE
Diagram Deed	STQ4-3/1818
Extent	77.6365H
Previous Description	-
LPI Code	CD6700000000038700000

OWNER INFORMATION	
Owner 1 of 1	
Company Type	COMPANY
Name	VREDENHEIM PTY LTD
Registration Number	199600737107
Title Deed	T17126/2010
Registration Date	2010/04/16
Purchase Price (R)	110,063,034
Purchase Date	2008/09/04
Share	
Microfilm Reference	2010 0074 0114
Multiple Properties	NO
Multiple Owners	NO

ENDORSEMENTS (8)				
#	Document	Institution	Amount (R)	Microfilm
1	EX117/1987-4/3/87-48	723/1986T (WOP)	UNKNOWN	
2	EX58/2015	VREDENHEIM PTY LTD	UNKNOWN	
3	I-2620/2015C	-	UNKNOWN	
4	K887/2011S	-	UNKNOWN	
5	K71/1999L	KIRSTEN EIENDOMSTRUST	UNKNOWN	1999 0068 5342
6	FARM ST 387	-	UNKNOWN	1985 0071 1773
7	GEN PROCD NAT MCNUME	NT 10/3/1975	UNKNOWN	
8	PTN'S OF ST RD 387(3	-12,14-29)	UNKNOWN	

HISTORIC DOCUMENTS (4)				
#	Document	Owner	Amount (R)	Microfilm
1	EX87/2013	-	UNKNOWN	
2	EX115/2013	-	UNKNOWN	
3	T36614/1973	VREDENBURG BOERDERY SELANGE	UNKNOWN	1986 1232 0779
4	T48723/1988	VREDENBURGH LANDGOED PTY LTD	1,400,000	2010 0074 0115









## SERVITUDE DGM.

SIDES Metres	ANGLES OF DIRECTION	CO-ORDINATES System WG 19°		S.G. No. 2218/2012
		Y	X	
	Constants :	0,00	0,00	Approved. <i>N. Coffen</i>
AB	7,07	266 17 20	A + 18755,89	+ 3758886,93
BC	8,00	311 17 20	B + 18748,83	+ 3758886,48
CD	7,07	356 17 20	C + 18742,82	+ 3758891,75
DA	18,00	131 17 20	D + 18742,36	+ 3758898,81
CE	25,58	221 17 20	E + 18725,94	+ 3758872,53
EF	32,65	204 40 20	F + 18712,31	+ 3758842,86
FG	13,53	221 17 20	G + 18703,38	+ 3758832,69
GH	26,09	236 25 40	H + 18681,64	+ 3758818,27
HJ	8,81	197 06 00	J + 18679,05	+ 3758809,84
JK	26,70	157 46 00	K + 18689,16	+ 3758785,13
KL	50,04	252 32 40	L + 18641,42	+ 3758770,12
	148	HELDW	△ + 12058,73	+ 3767943,05
	334	STEL 11	△ + 6520,29	+ 3763434,19
<p>1. The figure ABCD represents an access servitude area 65 square metres, as shown</p> <p>2. The lines CE, EF, FG and GH represent the South-eastern boundary of a 8,00 metres wide access servitude, as shown</p> <p>3. The line HJ represents the Eastern boundary of a 8,00 metres wide access servitude, as shown</p> <p>4. The line JK represents the North-eastern boundary of a 8,00 metres wide access servitude, as shown</p> <p>5. The line KL represents the Southern boundary of a 8,00 metres wide access servitude, as shown</p> <p style="text-align: center;"><b>over REMAINDER FARM VLOTTENBURG NO. 387</b></p> <p>Situate in the Stellenbosch Municipality Administrative District of Stellenbosch Surveyed in February 2011 by me</p> <p style="text-align: right;">Province of Western Cape <i>D.P. Burger</i> Pr Land Surveyor</p>				
This diagram is annexed to No. Dated i.f.o. Registrar of Deeds		The original diagram is No. 279/1814 Annexed to Stel. Q. 4-3		File No. Stel 387 S.R. No. 1010/2012 Comp. BHSY-42 (M3188) LP! C0670000

Servitude Dgm. No.2218/2012

**SERVITUDE DGM.**

Friedlaender, Burger & Volkmann - Land Surveyors

Beacon Description

All beacons are 12mm iron pegs

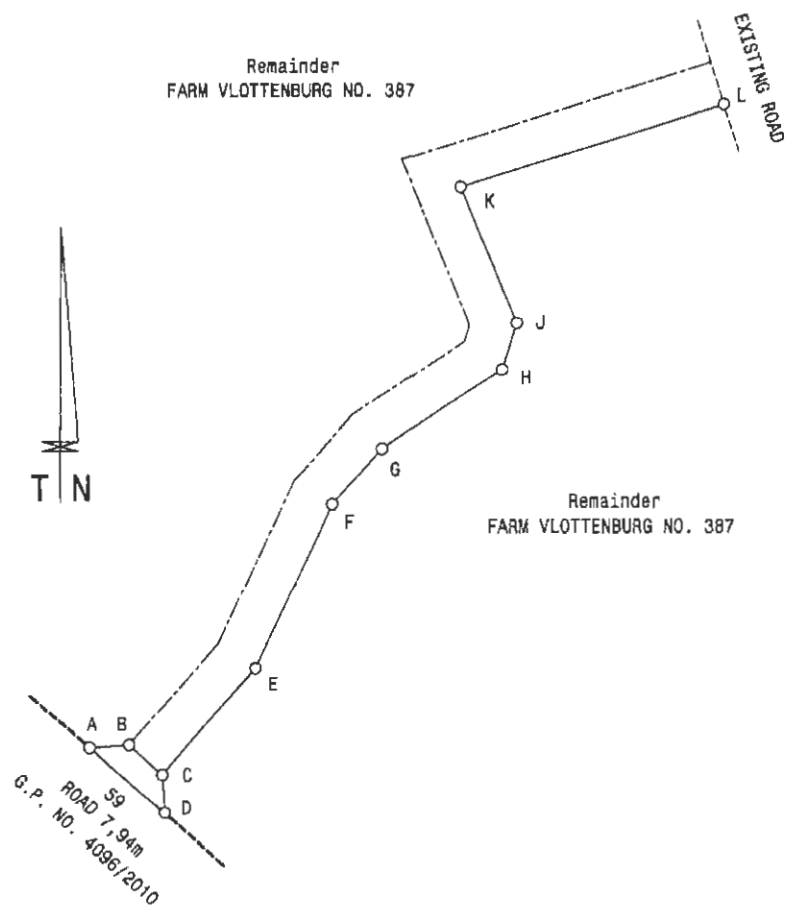
S.G. No.  
2218/2012

Approved.

*Nollen*

for  
Surveyor - General  
Date : 18-10-2012

SHEET 2 OF 2 SHEETS



access servitude over REMAINDER FARM VLOTTENBURG NO. 387

Administrative District of Stellenbosch

Surveyed in February 2011  
by me

*D Burger*

SCALE 1 : 1000

PLS 0080

D P Burger Pr Land Surveyor

Servitude Dgm No.2218/2012

ANNEXURE C: PHOTOGRAPHS OF AFFECTED AREAS







End of report

# **APPENDIX 6**

**Offer to purchase/  
exchange of land**



2018-04-05

The Owner  
 Vredenheim (Pty) Ltd  
 PO Box 369  
 Vlottenburg  
 7600

Attention: Elzabé Bezuidenhout

Dear Ms Bezuidenhout

**OFFER TO PURCHASE/EXCHANGE OF LAND: A PORTION OF REMAINDER FARM 387, STELLENBOSCH AND LEASE AREA 377A, STELLENBOSCH**

Following our recent discussions regarding the possible acquisition of a portion of Remainder Farm 387, Stellenbosch, refers. You would recall that you have indicated at the meeting that you would consider such transaction, but preferably on the basis of an exchange of land, i.e. that you would like to acquire Lease Farm 377A (or at least a portion thereof).

Following the above discussion, we have appointed two (2) independent valuers to determine the fair market value of the properties under consideration, i.e.:

- a) A portion of Remainder Farm 387, Stellenbosch, measuring approximately 1.4ha in extent; and
- b) Lease Farm 377A, Stellenbosch, measuring 9.42 ha in extent.

They valued the properties as follows:

Name of valuer	Lease Farm (9.42 ha)	Portion of Remainder Farm 387 (1.4 ha)
Cassie Gerber Property Valuer cc	R100 000.00/ha (Excluding of VAT)	R875 00/ha (Excluding of VAT)
Pendo Property Valuers	R159 235.67/ha (excluding of VAT)	R850 00*/ha (Excluding of VAT)
Value of property	R1 221 000.00	R1 207 500.00

Should the above be taken as the fair market value of the properties, it means that the properties are almost equal in value, and an exchange of land could therefor be considered.

Please find hereto attached copies of the valuation reports as well as an Offer to Purchase.



Should you agree to this, please sign the Offer to Purchase, whereafter we will attend to the subdivision and transfer of the land parcels.

I await your feedback on this regard.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Piet Smit', is written over a horizontal dotted line. The signature is stylized and includes a vertical line extending downwards from the end of the signature.

PIET SMIT  
MANAGER: PROPERTY MANAGEMENT





**STELLENBOSCH**  
STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

Municipality - Munisipaliteit  
Stellenbosch  
25 APR 2018  
Office of the Municipal Manager  
Kantoor van die Munisipale Bestuurder

## OFFER TO PURCHASE/EXCHANGE OF LAND AGREEMENT

Made and entered into by and between

### STELLENBOSCH MUNICIPALITY

(Herein represented by **PETRUS DU PLESSIS SMIT**, in his capacity as Manager: Property Management, being duly authorised), hereinafter referred to as the **MUNICIPALITY**

And

### VREDENHEIM (PTY) LTD

(Herein represented by Ekaab' Bezuidenhout, in his/her capacity as director, being duly authorised), hereinafter referred to as the **VREDENHEIM**

In relation to:

- a) A portion of Remainder Farm 387, Stellenbosch, measuring approximately 1.4ha in extent; and
- b) A portion of Lease Farm 377A, Stellenbosch, measuring approximately 9.42ha in extent.

*[Handwritten signatures]*



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Adams

J. E. S.

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F. S.

**PREAMBLE**

**WHEREAS VREDENHEIM** is the owner of Remainder Farm 387, Stellenbosch;

**WHEREAS the MUNICIPALITY** is the owner of Lease Farm 377A, Stellenbosch;

**WHEREAS the MUNICIPALITY** has approach **VREDENHEIM** with the view of acquiring a portion of Remainder Farm 387, measuring approximately 1.4 ha in extent, to enable them to:-

- a) gain access to developments on Longlands and Digteby; and
- b) to develop the remainder portion with low-cost housing;

**WHEREAS VREDENHEIM** has indicated that they would consider such disposal to the **MUNICIPALITY**, but only on the basis on a exchange of land, that is for a portion of Lease Farm 377A, with more or less equal value, to be acquired by them;

**WHEREAS the MUNICIPALITY** has appointed two (2) independent valuers to advise them on the fair market value of the properties under consideration; and

**WHEREAS the MUNICIPALITY** would like to make a formal offer to **VREDENHEIM** to acquire a portion of Remainder Farm 387, Stellenbosch in exchange for a portion of Lease Farm 377A, Stellenbosch;

**NOW THEREFOR** the following offer is made:

**1. Parties**

- 1.1 The parties to this agreement are:
  - 1.1.1 Stellenbosch Municipality and
  - 1.1.2 Vredenheim (Pty) Ltd.

**2. Definition and interpretations**

In this contract, unless the context otherwise requires, the following terms have the following meanings assigned to them:

- 2.1 "*Seller*", in the relation to a portion of Remainder Farm 387, Stellenbosch means Vredenheim Estate (Pty) Ltd; and in relation to Lease Farm 377A, Stellenbosch means the Stellenbosch Municipality;
- 2.2 "*Purchaser*", in relation to apportion of Remainder Farm 387, Stellenbosch, means Stellenbosch Municipality; and in relation to Farm 377A, Stellenbosch, it means Vredenheim Estate (Pty) Ltd;
- 2.3 "*Properties*" means a portion of Remainder Farm 387, measuring approximately 1.4ha in extent, as shown on **APPENDIX 1** and Lease Farm 377A, Stellenbosch measuring approximately 9.42ha in extent, as shown on **APPENDIX 2**.
- 2.4 "*Date of occupation*" means the date of registration of transfer, or such other date that may be agreed upon between the parties
- 2.5 "*Acceptance date*" means a period which expires at 16:00 on the 21<sup>st</sup> day following the date of signature of this offer by **VREDENHEIM**, excluding the date of signature by the

Adams  
 Digteby  
 Wes

**MUNICIPALITY**, but including Saturdays, Sunday and Public Holidays, being the date and time by which **VREDEMHEIM** must accept the offer or it will lapse.

- 2.6 "The Contract" means the content of contract to be concluded between the parties following the acceptance by **VREDENHEIM** of this offer;
- 2.7 "MFMA" means the Local Government: Municipal Finance Management Act, No, 56 of 2003;
- 2.8 "Low Cost housing" means subsidised housing constructed with provincial funding to a standard not lower than the Digteby development;
- 2.9 The masculine gender included the feminine and neuter genders and *vice versa*
- 2.10 Words in the singular include the plural and *vice versa*; and
- 2.11 Headings are provided for reference purposes only and are not to be taken into account in the interpretation of any provision hereof.

### 3. PROPERTIES

- 3.1 The property to be acquired by the **MUNICIPALITY** is a portion of Remainder Farm 387, Stellenbosch, measuring approximately 1.4ha in extent; and
- 3.2 The property to be disposed of to **VREDENHEIM** is a portion of Lease Farm 377A, measuring approximately 9.42ha in extent; both properties still to be surveyed

### 4. OFFER

- 4.1 The **MUNICIPALITY** hereby offers to purchase the property, being a portion of Remainder Farm 387, Stellenbosch from **VREDENHEIM** for an amount of R852 500.00/ha; and
- 4.2 The **MUNICIPALITY** hereby offer to dispose of the property, being a portion of Lease Farm 377A, Stellenbosch, to **VREDENHEIM** at an amount of R129 617.83/ha.
- 4.3 It is specifically recorded that the final purchase prices will be determined once the properties has been surveyed and subdivided.
- 4.4 The sales prices of the properties will be set-off against each other; the owner of the property with the lowest rand value, based on the actual size of each property, will pay to the other party the difference in rand value on date of registration of such transfer to their name.
- 4.5 This offer is open for acceptance until 16:00 on the acceptance date, shall not be capable of withdrawal prior thereto and, if not accepted by such date, shall lapse.

### 5. POSSESSION AND OCCUPATION

#### 5.1 Subject to the Purchaser:-

- 5.1.1 having paid all costs which the Purchaser is liable to pay in terms of this contract in order to take transfer, and
- 5.1.2 having signed all documents of transfer that may be required to be signed by the Seller's conveyance; and
- 5.1.3 not being in breach of any term of this contract,

the Purchaser shall be entitled to and shall be given occupation of the property on the date of occupation.

Handwritten signatures and initials at the bottom right of the page, including what appears to be 'Adams', 'J. Eby', and 'F. J. H.'.

- 5.2 The benefit, risk, profit and loss of the property shall pass to the Purchaser on occupation of transfer provided however that the liability for payment of rates and taxes and like charges levied upon and/or in respect of the property by the local authority having jurisdiction shall pass to the Purchaser on the date of registration of transfer.
- 5.3 The Purchaser shall reimburse the Seller for rates and taxes and other Imposts paid in advance upon the property beyond the date provided in 5.2
- 5.4 If the date of occupation precedes the date of transfer the Purchaser shall not be entitled to effect any changes, or improvements, to the Property before the date of transfer without the prior written consent of the Seller.
- 5.5 It is specifically recorded that no occupational interest will be payable by one party to the other.
- 6. TRANSFER COSTS**
- 6.1 The Purchaser shall be liable for all costs of transfer including Attorney's and Conveyance's charges, stamp and other duties, Deeds Office levies and all other charges and disbursements relating thereto and insofar as payable, VAT on all or any portion of the transfer costs and charges, and shall deposit such costs with the Seller's conveyance's upon demand but in any event by no later than the guarantee date.
- 7. TRANSFER OF THE PROPERTY**
- 7.1 The Seller shall transfer the property to the Purchaser within a reasonable time after the Purchaser has complied with all their obligations in terms of this contract. The **MUNICIPALITY'S** Conveyancers shall affect transfer of properties.
- 8. DEFINITIVE SALES AGREEMENTS TO BE CONCLUDED**
- 8.1 As soon as the respective properties have been surveyed and the parties have agreed on the exact sizes of the properties, the final purchase prices will be determined, based on the per square hectare prices set out in clause 4 of this agreement.
- 8.2 Following the determination referred to in paragraph 8.1, two (2) definitive Sales Agreements will be concluded by the parties for the respective properties.
- 8.3 The parties undertook to sign all such agreements and documents necessary to effect such transfers.
- 9. SPECIAL CONDITIONS**
- 9.1 The parties specifically agree on the following:
- 9.1.1 The **MUNICIPALITY** will not allow any squatting on the property acquired in terms of this agreement; it will only be used for the purpose of a low-cost housing development;
- 9.1.2 Following the successful development of the property **VREDENHEIM** will have the right of nominating three (3) beneficiaries for the project, insofar as they qualify for housing subsidy;

Adams  
 J. E. B.  
 R. S.  
 F. W.

any financial shortfall will be for their account. Alternatively only serviced sites will be made available to them; and

9.1.3 With the development of the property the MUNICIPALITY will, at it's cost, erect a boundary fence on the Eastern boundary of the property, i.e. between the development and the river.

*and maintain a cleavure or similar*

10. **SUSPENSIVE CONDITIONS**

*9.1.4 The provisions of clauses 9.1.3 and 2.8 are material conditions which goes to the root of the contract.*

10.1 The parties agree that this agreement shall only take effect upon the fulfilment of the following suspensive conditions.

*Adams*  
*ely*  
*Adams*

10.1.1 The Municipal Council of Stellenbosch must approve of the disposal of a portion of Lease Farm 377A to VREDENHEIM in terms of Section 14 of the MFMA; and

10.1.2 The sub-division of the properties referred to in par. 3 must be approved in terms of the relevant legislation.

11. **BREACH**

11.1 If a Party breaches a material provision of this agreement, and fails to remedy such breach within 10 days of the date of receipt of a written notice from the aggrieved Party requiring him to do so, the aggrieved Party will be entitled to any remedy available in law, without further notice, including the right of the Seller to:

11.1.1 Claim payment of the outstanding balance of the purchase price; or

11.1.2 cancel this agreement and keep all amounts paid by the Buyer as *roukoop* (damages), and the Buyer will not be entitled to compensation from the Seller for improvements he caused on the property, whether with or without the Seller's consent.

12. **MAGISTRATE'S COURT JURISDICTION**

Any action which a party may desire to institute for the enforcement of any right conferred by this agreement, may, at the option of the party instituting proceedings, be instituted in the Court of any Magistrate having jurisdiction in respect of the other party in terms of Section 28(1) of the Magistrate's Court Act, to the jurisdiction of which court all the parties hereto consent in terms of Section 45 of the said Act or of the provisions of any substituted or amended legislation.

13. **DOMICILIUM AND NOTICES**

13.1 For the purposes of any notices to be given to, or of any legal proceedings to be instituted the parties hereto hereby choose *domicilium citandi et executandi* as follows:

13.1.1 The **MUNICIPALITY**

**Street Address:**

The Civic Centre

Pleinstreet

*Adams*  
*ely*  
*Adams*

Stellenbosch  
7600  
Postal address:  
PO Box 17  
Stellenbosch  
7600

13.1.2 VREDENHEIM

PO Box 369..... and Vredenheim Farm  
R310, Vlootenburg,  
Stellenbosch  
Stellenbosch  
7600

13.2 Any notice in terms hereof may be delivered to the party to whom it is sent personally or by pre-paid registered post. In the event of the latter, the notice shall be deemed to have been received on the fourth day after posting of said notice to such party's chosen *domicilium citandi et executandi* unless earlier delivery is proved.

14. VOETSTOOTS

14.1 The Purchaser purchases the property to the extent such as it now lies "voetstoots" subject to such conditions and servitudes as are mentioned or referred to in the current Title Deeds or which have been imposed by law and which are otherwise of application thereto. The Seller shall not profit by any excess nor be answerable for any deficiency in the nature of extent of the property. The Seller, however, warrants and declares that it is not aware of any latent defects, material to this offer, in the property which have not been disclosed to the Purchaser.

15. DESCRIPTION OF BEACONS AND NO WARRANTY RE IMPROVEMENTS

15.1 If there is an error in the description of the property which is common to the parties such error shall not be binding on the parties who shall in such event be entitled to rectification hereof to describe the property as set out in the Seller's Title Deed.

15.2 The Seller shall not be required to indicate to the Purchaser the position of the beacons and/or pegs upon the land, and/or the boundaries thereof, nor shall the Seller be liable for the costs of location or relocating the same.

15.3 The Seller does not warrant that improvements erected on the property have been erected in accordance with approved building plans or those such improvements, generally comply with laws and regulations relating to such improvements.

16. WHOLE AGREEMENT

16.1 This contract constitutes the entire agreement between the parties and the parties who acknowledge that there have been no verbal warranties or representations other than such as are herein contained or referred to. Nothing at variance with the terms hereof shall be binding unless reduced to writing and signed by the parties or their representatives who shall in turn be properly authorized in writing. No waiver shall be of any force or effect unless in writing and signed by the party so waiving.

THUS DONE AND SIGNED at Stellenbosch on this the 18<sup>th</sup> day of April 2018  
at 16:00 am/pm

AS WITNESSES

1. [Signature]  
2. [Signature]

[Signature]  
For and on behalf of the MUNICIPALITY

THUS DONE AND SIGNED at Stellenbosch on this the 03<sup>rd</sup> day of May 2018  
at 12:00 am/pm

AS WITNESSES

1. [Signature]  
2. [Signature]

[Signature]  
For and on behalf of VREDENHEIM



N



Lease Farm 377A,  
measuring 9.42 ha  
377A

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Image © 2018 DigitalGlobe

Imagery Date: 10/29/2017

33°57'56.08" S 18°48'55.81" E elev 65 m eye alt

Google

Adam

*[Handwritten signature]*

*[Handwritten signature]*



Satellite

Area: 14137m<sup>2</sup> X

Adang

Edy

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# **APPENDIX 7**

**Windeed report**



## WinDeed Database Deeds Office Property

**windeed**

A LexisNexis® Product

FARM 377, 377, 0 (REMAINING EXTENT) (CAPE TOWN)

**GENERAL INFORMATION**

Date Requested 2018/05/04 12:33  
 Deeds Office CAPE TOWN  
 Information Source WINDEED DATABASE  
 Reference -

**PROPERTY INFORMATION**

Property Type FARM  
 Farm Name FARM 377  
 Farm Number 377  
 Portion Number 0 (REMAINING EXTENT)  
 Local Authority STELLENBOSCH MUN  
 Registration Division STELLENBOSCH RD  
 Province WESTERN CAPE  
 Diagram Deed STF5-34/9/1883  
 Extent 78.6779H  
 Previous Description -  
 LPI Code C06700000000037700000

**OWNER INFORMATION****Owner 1 of 2**

Type LOCAL AUTHORITY  
 Name MUN STELLENBOSCH  
 ID / Reg. Number -  
 Title Deed STF5-34/1883  
 Registration Date -  
 Purchase Price (R) 0  
 Purchase Date -  
 Share 0.00  
 Microfilm 2006 1881 1465  
 Multiple Properties NO  
 Multiple Owners NO

**Owner 2 of 2**

Type LOCAL AUTHORITY  
 Name MUN STELLENBOSCH  
 ID / Reg. Number -  
 Title Deed T36696/2006  
 Registration Date -  
 Purchase Price (R) TRANSFER BY ENDO  
 Purchase Date -  
 Share 0.00  
 Microfilm 2006 1869 1425  
 Multiple Properties NO  
 Multiple Owners NO

**ENDORSEMENTS (4)**

#	Document	Institution	Amount (R)	Microfilm
1	I-623/1957LG	-	UNKNOWN	-
2	K762/1999S	-	UNKNOWN	1999 0471 2241
3	VA5665/2006	MUN STELLENBOSCH	UNKNOWN	2006 1869 1399
4	FARM ST 377	-	UNKNOWN	1985 0071 1745

**HISTORIC DOCUMENTS**

No documents to display

**DISCLAIMER**

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# **APPENDIX 8**

**Windeed report**



Printed: 2018/05/04 13:00

## Deeds Office Property

**windeed**  
A LexisNexis™ Product

VLOTTENBURG, 387, 0 (REMAINING EXTENT) (CAPE TOWN)

## GENERAL INFORMATION

Deeds Office           CAPE TOWN  
Date Requested       2018/05/04 13:00  
Information Source   DEEDS OFFICE  
Reference               -



## PROPERTY INFORMATION

Property Type        FARM  
Farm Name            VLOTTENBURG  
Farm Number         387  
Portion Number      0 (REMAINING EXTENT)  
Local Authority     WINELANDS DC  
Registration Division STELLENBOSCH RD  
Province             WESTERN CAPE  
Diagram Deed        STQ4-3/1818  
Extent               77.6355H  
Previous Description -  
LPI Code             C06700000000038700000

## OWNER INFORMATION

## Owner 1 of 1

Company Type        COMPANY  
Name                 VREDENHEIM PTY LTD  
Registration Number  199500737107  
Title Deed           T17126/2010  
Registration Date    2010/04/16  
Purchase Price (R)  110,083,034  
Purchase Date       2008/09/04  
Share  
Microfilm Reference 2010 0074 0114  
Multiple Properties  NO  
Multiple Owners     NO

## ENDORSEMENTS (8)

#	Document	Institution	Amount (R)	Microfilm
1	EX117/1987-4/3/87-48	723/1986T (WOP)	UNKNOWN	
2	EX56/2015	VREDENHEIM PTY LTD	UNKNOWN	
3	I-2620/2015C	-	UNKNOWN	
4	K687/2011S	-	UNKNOWN	
5	K71/1999L	KIRSTEN EIENDOMSTRUST	UNKNOWN	1999 0086 5342
6	FARM ST 387	-	UNKNOWN	1985 0071 1773
7	GEN PROCD NAT MONUME	NT 10/3/1976	UNKNOWN	
8	PTN'S OF ST RD 387(3	-12,14-29)	UNKNOWN	

## HISTORIC DOCUMENTS (4)

#	Document	Owner	Amount (R)	Microfilm
1	EX87/2013	-	UNKNOWN	
2	EX115/2013	-	UNKNOWN	
3	T36614/1973	VREDENBURG BOERDERY BELANGE	UNKNOWN	1986 1232 0779
4	T48723/1986	VREDENBURGH LANDGOED PTY LTD	1,400,000	2010 0074 0115

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# **APPENDIX 9**

## **Offer to purchase**





**STELLENBOSCH**  
STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

**OFFER TO PURCHASE**

which constitutes a

**DEED OF SALE**

when accepted

**ENTERED INTO BY AND BETWEEN**

**STELLENBOSCH MUNICIPALITY**

herein duly represented by Petrus Du Plessis Smit in his capacity as Manager:  
Property Management, being duly authorised

(hereinafter referred to as "the Purchaser")

and

**VREDENHEIM (PTY) LTD**

Herein duly represented by Elzabé Bezuidenhout, in her capacity as Director of the  
company being duly authorised

(hereinafter referred to as "the Seller")

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## 1 RECORDAL

It is recorded that

- 1.1 the Seller is the registered and beneficial owner of Remainder Farm Vlottenburg No 387, Stellenbosch, in extent 77.6355 hectare (hereinafter referred to as "*the Farm*")
- 1.2 the Purchaser wishes to purchase a (un-subdivided) portion of Farm, 387 measuring  $\pm 14137\text{m}^2$  in extent, as shown on **APPENDIX 1**. (hereinafter referred to as "*the Property*");
- 1.3 the Purchaser purchases and the Seller sells the Property on the terms and conditions contained herein.

## 2. CONDITIONS PRECEDENT

- 2.1 This Agreement is subject to the fulfilment of the following conditions precedent
  - 2.1.1 that by no later than 31 December 2018 the Stellenbosch Municipality Council passes a resolution authorising the acquisition of the Property on the terms and conditions set out herein;
  - 2.1.2 the consent and approval to the subdivision of the Farm into 2 portions, as set out hereinabove, by the Minister of Agriculture and/or any other relevant authority or entity be obtained, on such terms as are to the satisfaction confirmed in writing by both the Seller and the Purchaser, by no later than 31 December 2019
- 2.2 The conditions precedent will be fulfilled by not later than the dates set forth in clauses 2.1.1 and 2.1.2 above (or within such extended period as may be agreed to by the parties). In the event of all the aforesaid conditions precedent not being fulfilled by the due dates of fulfilment thereof, this Agreement shall be of no force or effect.
- 2.3 Should this Agreement become of no force or effect by virtue of the provisions of clauses 2.1.1 and 2.1.2 above, then the parties shall be restored, as near as may be possible, to the position in which they would have been had this Agreement not been entered into and no party shall have any claim against any other as a result of or arising out of the failure of the said conditions precedent, save for such damages as may be sustained as a consequence of a breach of the provisions of clause 2.4 below.
- 1.1 2.4 The parties shall use their best endeavours to procure the fulfilment of the said conditions precedent.



- 2.5 All costs of and incidental to the fulfillment of the conditions precedent referred to in clause 2.1.1 and 2.1.2 above shall be borne by the Purchaser.

**3. PURCHASE PRICE**

- 3.1 The purchase price payable by the Purchaser to the Seller for the Property is the sum of R1 207 500.00 (One million two hundred and seven thousand five hundred rand) exclusive of VAT. The purchase price is payable by the Purchaser free of exchange and without deduction or set off as follows:

3.1.1 The Purchaser must pay the Purchase Price to the conveyancer within 10 days of fulfilment of the Conditions Precedent or when the conveyancer requests payment thereof, whichever is the earlier.

3.1.2 The money will be paid into the trust account of the herein nominated Conveyancer (as defined in terms of clause 5.1 below) who is hereby authorised to invest the amount on behalf of the Purchaser in a separate interest bearing trust account, interest to accrue for the benefit of the Purchaser.

3.2 The Purchase Price shall be paid to the Seller against registration of transfer.

**4. COST OF TRANSFER**

4.1 The Purchaser shall on demand pay all transfer costs incurred in connection with the registration of transfer of the property, including but not limited to, Transfer Duty or VAT, whichever is applicable, the Conveyancer's fees and disbursements which amounts shall be paid immediately upon request of the Conveyancer.

4.2 The Seller shall pay his own bond cancellation costs or any costs associated thereto and/or incidental thereto, if applicable.

**5. TRANSFER**

5.1 Registration of transfer of the Property shall be passed by Yvette Cloete & Associates ("the Conveyancer"), and shall be given by the Seller and taken by the Purchaser as soon as judicially possible on condition that the Purchaser's obligations in terms hereof have been complied with.

5.2 Transfer shall be effected by the Conveyancer as soon as possible following the fulfilment of the conditions precedent contemplated in clause 2.1 above.

**6. POSSESSION, RISK AND BENEFIT**

Possession and vacant occupation of the Property shall be given to the Purchaser on registration of transfer from which date the Property shall be at the sole risk, loss or profit of the Purchaser.

**7. RATES AND TAXES**

The Purchaser shall as from and including the date of registration of transfer referred to in Clause 5 above be liable for the payment of all rates, taxes, levies, insurance premiums and other charges in respect of the Property and shall refund to the Seller any such monies which may have been paid in advance beyond such date, which refund shall be paid by the Purchaser to the Conveyancers upon their request.

**8. VOETSTOOTS AND WARRANTY**

8.1 Save for the warranties specified herein, the Property shall be sold voetstoots.

8.2 The Property is sold as described in the existing Title Deed(s) and diagram(s). The Seller shall not be liable for any deficiency in the extent which may be revealed on any re-survey, nor shall the Seller benefit by any surplus in such extent.

8.3 The Seller shall not be required to indicate to the Purchaser that the position of the beacons or pegs upon the property and/or boundaries thereof, nor shall the Seller be liable for the costs of locating same.

8.4 The Seller warrants to the Purchaser that as at date of transfer:

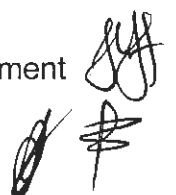
8.4.1 the Property shall not be subject to any servitude or any agreement of lease;

8.4.2 no person shall have any right of acquisition (including options, rights of pre-emption) in respect of the Property and nor will any person have any right to alienate, encumber or otherwise deal with the Property other than the Seller;

8.4.3 the Seller is the sole registered owner of the Property;

8.4.4 no builder's or other lien exists in regard to any part of the improvements on the Property;

8.4.5 the Seller has not prior to the date of execution of this agreement



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entered into any agreement/s with any third party/ies for the sale of the Property which have not been validly cancelled;

8.4.6 there is no litigation pending, whether at the instance of the Seller or any other interested party, in regards to the Property and there is no legal impediment to the sale of the Property to the Purchaser;

8.4.7 the Seller is not aware of any facts or circumstances which may give rise to any change in the present zoning of the Property;

8.4.8 no notice of expropriation of the Property has been received by the Seller nor is the Seller aware of any steps or proposals which may give rise to any such expropriation;

8.4.9 the Property is not subject to any servitude or other similar real rights not reflected in the title deed thereof;

8.4.10 the Seller shall not register or commit itself to the registration of any bonds, leases, servitudes or other encumbrances of whatsoever nature or description over the Property without the written consent of the Purchaser which consent shall not be unreasonably withheld;

8.4.11 no claim will lie in respect of the Property in terms of the restitution of Land Rights Act of 1994;

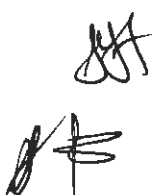
8.4.12 there is no existing informal settlement rights to the Property as provided for in the interim protection of informal Land Rights Act of 1996.

## 9. **RECTIFICATION**

If the Property is incorrectly described in this Agreement such fault shall not be binding on the parties and the parties shall be bound by the property description as set out in the Title Deed of the Property and the parties agree to the rectification of this Agreement to reflect the true intention of the parties.

## 10. **BREACH**

10.1 Should the Purchaser fail to pay any portion of the purchase price referred to in Clause 3 above or fail to comply with any other obligations imposed on it in terms of this Agreement on due date, and remain in default for a period of 10 (TEN) days after the date of delivery or despatch by prepaid registered post of a written notice requiring the Purchaser to make such payment or carry out the obligation in question, the Seller shall be entitled (in addition to and without prejudice to any other rights available to the Seller at law):

Handwritten signatures in black ink, located in the bottom right corner of the page. There are two distinct signatures, one above the other.

7

10.1.1 to cancel the sale by registered post or e-mail addressed to the Purchaser and recover such damages as the Seller may be able to prove that the Seller has sustained, in which event the Seller shall be entitled to retain all amounts paid by the Purchaser until the actual amount of damages has been determined by a Court and thereupon to set-off such damages against the amounts retained; or

10.1.2 to enforce performance of the terms hereof including, without derogating from the generality hereof, payment of the full balance of the purchase price of all other amounts payable in terms hereof.

10.2 Should the Seller fail to comply with any terms and conditions of this Agreement on due date, and remain in default for a period of 10 (TEN) days after the date of delivery or despatch by prepaid registered post of a written notice demanding the Seller comply therewith the Purchaser shall be entitled (in addition to and without prejudice to any other rights available to the Purchaser at law):

10.2.1 to cancel the sale by registered post or e-mail addressed to the Seller and recover such damages as the Purchaser may be able to prove that the Purchaser has sustained; or

10.2.2 to enforce performance of the terms.

**11. DOMICILIUM AND NOTICES**

11.1 It is agreed by the parties that they each select their respective addresses, fax numbers and e-mail addresses set out hereinbelow as their respective *domicilia citandi et executandi* which shall be the address, fax numbers and e-mail addresses to which all notices or other documents arising out of or in connection with this Agreement may be sent and at which all processes be served.

**11.1.1 STELLENBOSCH MUNICIPALITY:**

Office of the Municipal Manager, 3<sup>rd</sup> Floor, Main Building, Plein Street, Stellenbosch

Tel: (021) 808 8025

E-Mail: [mm@stellenbosch.gov.za](mailto:mm@stellenbosch.gov.za)

**11.1.2 VREDENHEIM (PTY) LTD**

.....

Tel .....

E-Mail: .....



- 11.2 It is specifically agreed that the parties may change their respective addresses, fax numbers and e-mail addresses by way of written notice to the other party provided that it may only be changed to a South African address or fax number and that it is not a post office box or poste restante.
- 11.3 Any notice given in terms of this Agreement shall be in writing and shall:
- 11.3.1 if delivered by hand be deemed to have been duly received by the addressee on the date of delivery:
  - 11.3.2 if posted by prepaid registered post be deemed to have been received by the addressee on the 8th (Eighth) day following the date of such posting;
  - 11.3.3 if given by telegram be deemed to have been received by the addressee 1 (One) day after despatch;
  - 11.3.4 if transmitted by telefax or facsimile be deemed to have been received by the addressee 1 (One) day after despatch;
- 11.4 Notwithstanding anything to the contrary contained in this Agreement, a written notice or communication actually received by one of the parties from another including by way of telefax, facsimile or e-mail transmission shall be adequate written notice or communication to such party.

## 12. GENERAL

- 12.1 The Purchaser and Seller shall expeditiously do all things necessary to fulfil the provisions herein and shall timeously sign documents as and when required including furnishing of guarantees if necessary.
- 12.2 This Agreement constitutes the whole agreement between the parties and no variation, waiver, cancellation, modification or alteration with the terms hereof including the provisions of this clause shall be valid and binding unless it is reduced to writing and signed by or on behalf of both of the parties.
- 12.3 No latitude, extension of time or other indulgence which any party may allow the other shall be deemed to be a waiver by the former of its rights to require the latter to comply with its obligations strictly in accordance with the provision of this Agreement.
- 12.4 In this Agreement, words importing the singular shall include the plural and vice versa, words importing the masculine gender shall include the feminine gender and words importing persons shall include bodies corporate.



**13. JURISDICTION**

The parties hereby consent in terms of Section 45 of the Magistrate's Court Act No 32 of 1944, or any amendment thereof, or any substituted legislation, that either party may, at its option, institute any legal proceedings howsoever arising from the provisions hereof, irrespective of the amount involved in any such proceedings, in the Magistrate's Court which has jurisdiction over the party against whom such proceedings are instituted in terms of Section 28 of the aforesaid Act provided that, notwithstanding the foregoing, any party shall have the right at its option, to institute any such proceedings in any other Court of competent jurisdiction.

**14. EXPIRATION**

The acceptance hereof by the Seller must be agreed upon before midnight on 31 August 2018, and until then is irrevocable by the Purchaser.

**15. ACCEPTANCE**

This Offer shall become a final and binding sale upon acceptance hereof by the Seller. Acceptance of this Offer by the Seller shall be effected by the Seller signing one copy of this agreement and before the date and time mentioned above, either handing such copy to the Purchaser or his authorised representative or else posting such copy to the Purchaser by prepaid registered post addressed to him at the address appearing beneath his name at the commencement hereof.

**16. SEVERABILITY**

Each of the provisions of this agreement shall be considered as separate terms and conditions and in the event that this agreement is affected by any legislation or any amendment thereto, or if the provisions herein contained are by virtue of that legislation or otherwise, held to be illegal, invalid, prohibited or unenforceable, then any such provisions shall be ineffective only to the extent of the illegality, invalidity, prohibition or unenforceability and each of the remaining provisions hereof shall remain in full force and effect as if the illegal, invalid, prohibited or enforceable provision was not a part hereof.



**17. CONSUMER PROTECTION ACT**

The Seller herein warrants that he or she is an ordinary Seller who does not sell property in the ordinary course of business. The Consumer Protection Act therefore does not apply to the sale of this property.

**18. ENTIRE CONTRACT**

The parties hereby agree that this agreement contains the entire contract and that no warranties or representations expressed or implied have been made other than as set out herein, and acknowledge that the practical and legal implications of this agreement have been explained to them in full and are acceptable to them.

**19. SPECIAL CONDITIONS**

19.1 The parties specifically agree on the following:

9.1.1 The Purchaser will not allow any squatting on the property acquired in terms of this agreement; it will only be used for the purpose of a low-cost housing development;


9.1.2 Following the successful development of the property the Seller will have the right of nominating three (3) beneficiaries for the project, insofar as they qualify for housing subsidy; any financial shortfall will be for their account. Alternatively only serviced sites will be made available to them; and

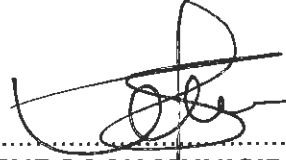
9.1.3 With the development of the property the Purchaser will, at its cost, erect and maintain a clearview or similar boundary fence on the Eastern boundary of the property, i.e. between the development and the river to safeguard children from the river.




SIGNED at Stellenbosch on the <sup>11</sup>31~~st~~ day of July 2018.

**AS WITNESSES:**

1.....  




.....  
**STELLENBOSCH MUNICIPALITY: PURCHASER**  
Duly represented by Petrus Du Plessis Smit in his capacity  
as Manager: Property Management, duly authorised

2.....  


SIGNED at .....on the .....day of July 2018.

**AS WITNESSES:**

1.....

.....

**VREDENHEIM (PTY) LTD: SELLER**  
Duly represented by Elzabé Bezuidenhout  
duly authorised.

2.....





Area: 14137m<sup>2</sup> X

Handwritten marks and signatures in the bottom right corner.



**From:** Elzabe Bezuidenhout <elzabe@vredenheim.co.za>  
**Sent:** 15 August 2018 12:42 PM  
**To:** Geraldine Mettler; mm  
**Cc:** Piet Smit  
**Subject:** [EX] Grond ooreenkoms  
**Attachments:** Untitled\_03052018\_115924.pdf

Goeiedag Me Mettler

U het seker reeds kennis geneem dat 'n kooptransaksie wat nie gekoppel is aan die ruil van grond, nie vir ons aanvaarbaar is nie.

Die getekende ooreenkoms tussen ons en die Munisipaliteit wat ek hierby aanheg, is dus steeds van krag. Die ooreenkoms is gesluit in terme van 'n besluit van 29 November 2017, in terme waarvan u 'n mandaat ontvang het om 'n ruiltransaksie met ons (Vredenheim) aan te gaan.

Ek het die aangeleentheid met my mede-Vredenheimers bespreek en ons versoek dat:

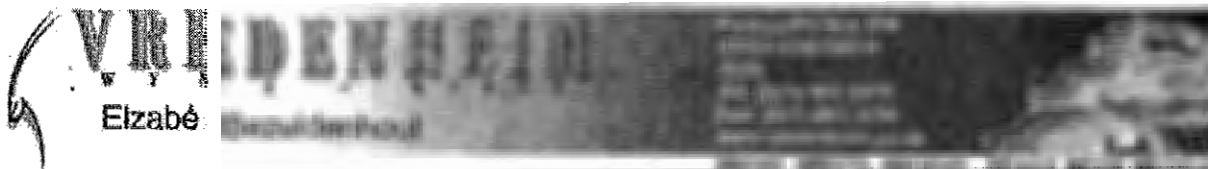
- a) Gehoor gegee moet word aan die getekende ooreenkoms tussen die partye (kopie hierby ingesluit);
- b) Indien enige ander stappe nog deur die Munisipaliteit geneem moet word, dit nou dringend geneem moet word. Soos ons dit sien, het die Raad reeds opdrag gegee en het u reeds die mandaat. Indien ons dit verkeerd interpreteer en dit weer na die Raad verwys moet word, versoek ons dat u dit sonder verwyl op die eersvolgende Raadsvergadering plaas vir bekragtiging.

Ons kan die aangeleentheid nie onbeperk laat aangaan nie, aangesien dit ons benadeel.

Uit Munisipale oogpunt ontsluit die transaksie talle voordele wat in aggeneem is met die besluit om die mandaat aan u te gee.

Ek verneem graag van u.

Groete  
Elzabé



7.2.4	<b>PROPOSAL ON APPOINTMENT OF TEMPORARY EMPLOYEES (RESTRUCTURING PROCESS)</b>
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Collaborator No:

File No:

4/1/2

IDP KPA Ref No:

Good Governance / Institutional Development

Meeting Date:

12 September 2018

**1. SUBJECT: PROPOSAL ON THE APPOINTMENT OF TEMPORARY EMPLOYEES  
– RESTRUCTURING PROCESS**

**2. PURPOSE**

To inform Council of the agreement reached by the trade unions and the employer on the appointment of temporary employees within the restructuring process.

**3. DELEGATED AUTHORITY**

The Municipal Manager appoints staff except the staff in terms of sections 56 and 57 of the Systems Act.

**4. EXECUTIVE SUMMARY**

Over the years temporary employees were appointed to perform functions in the organisation instead of filling permanent positions. Employees earning salaries above the threshold are excluded from the provisions of section 198B(3) of the Labour Relations Act. The Act also provides for exemptions, and the employer regards the appointment of temporary employees whilst we dealt with the restructuring process, as such an exemption. The employer has invested time and effort in the temporary employees and it would be a loss to the municipality if we do not try to retain the skills that have been developed.

The employer indicated at the start of the placement process that we will make a proposal on a process of how temporary employees, who adhere to certain criteria, can be appointed without a recruitment and selection process. The employer tabled the proposal at the LLF, and after consultation, reached agreement with the unions on the guidelines of the appointment of temporary employees without following the normal recruitment processes.

The temporary employees not complying with all the criteria can apply for the positions they are currently temporary appointed in, when the posts are advertised.

**5. RECOMMENDATION**

that Council notes the guidelines that will be used to appoint temporary employees in the restructuring process.

**6. DISCUSSION / CONTENTS**

**6.1 Background**

Over the years temporary employees were appointed to perform functions in the organisation instead of filling permanent positions. When recruiting permanent employees the recruitment and selection policy applies.



**6.2 Discussion**

Employees earning salaries above the threshold are excluded from the provisions of section 198B(3) of the Labour Relations Act. The Act also provides for exemptions, and the employer regards the appointment of temporary employees whilst we dealt with the restructuring process, as such an exemption. The employer has invested time and effort in the temporary employees and it would be a loss to the municipality if we do not try to retain the skills that have been developed.

The employer indicated at the start of the placement process that we will make a proposal on a process of how temporary employees, who adhere to certain criteria, can be appointed without a recruitment and selection process. The employer tabled the proposal at the LLF, and after consultation, reached agreement with the unions (SAMWU and IMATU) on the guidelines of the appointment of temporary employees without following the normal recruitment processes.

The temporary employees not complying with all the criteria can apply for the positions they are currently temporary appointed in, when the posts are advertised.

**6.3 Financial Implications**

As per the approved budget.

**6.4 Legal Implications**

The Municipal Manager appoints staff except the staff in terms of sections 56 and 57 of the Systems Act.

Section 66(3) of the Local Government: Municipal Systems Amendment Act 7 of 2011 prescribes the following:

*"No person may be employed in a municipality unless the post to which he or she is appointed is provided for in a staff establishment of that municipality".*

Section 198B of the Labour Relations Act confers rights onto employees employed in a temporary position for longer than three months, unless the employee earns more than the threshold or there is an exemption applicable.

The recommendation complies with legislation.

**6.5 Staff Implications**

Temporary employees being placed in appropriate permanent posts on the new staff structure.

**6.6 Previous / Relevant Council Resolutions**

None

LLF resolution 29 May 2018:

*"That the Municipal Manager accepts the proposal".*

**6.7 Risk Implications**

Employees may declare disputes.

**6.8 Comments from Senior Management**

Comments from the Management Team solicited at a Management meeting have been incorporated.

**RECOMMENDATION FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2018-09-12: ITEM: 5.2.5**

that Council notes the guidelines that will be used to appoint temporary employees in the restructuring process.

**ANNEXURES**

Annexure 1: Proposal on appointment of certain temporary employees during the restructuring process

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	<b>Annelene de Beer</b>
<b>POSITION</b>	<b>Director: Corporate Services</b>
<b>DIRECTORATE</b>	<b>Corporate Services</b>
<b>CONTACT NUMBERS</b>	<b>021-808 8106</b>
<b>E-MAIL ADDRESS</b>	<b><a href="mailto:Annalene.deBeer@stellenbosch.gov.za">Annalene.deBeer@stellenbosch.gov.za</a></b>
<b>REPORT DATE</b>	<b>2018-09-06</b>

# **ANNEXURE 1**

**Proposal on appointment of certain  
temporary employees during the  
restructuring process**



# STELLENBOSCH

STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNISIPALITEIT • UMASIPALA • MUNICIPALITY

## **PROPOSAL ON APPOINTMENT OF CERTAIN TEMPORARY EMPLOYEES DURING THE RESTRUCTURING PROCESS.**

### **Background:**

Stellenbosch Municipality employed temporary staff in positions prior to the new structure that was accepted in October 2017 to ensure service delivery and for a number of other reasons.

The Municipality started with a restructuring process that led to the acceptance of a new organizational structure on 25 October 2017.

The employer also approved a placement process and in accordance with the guidelines consulted with the unions placements will provide certainty to permanent employees whose positions have no change or minor changes. Employees with major changes to their posts or whose posts have been taken off the in the new structure will be offered suitable alternative positions where at all possible.

The employer indicated from the start that these processes should not hamper the filling of critical positions and some of these positions have been filled or are in the process of being filled.

Stellenbosch Municipality has however employed a number of temporary employees in vacant positions which positions also exists on the new organogram. The employer recognizes that most of these employees on temporary contracts did not go through any or a thorough recruitment and selection process. They have however over the years gained valuable experience and their contribution in the service delivery chain is recognized.

### **Qualification for permanent employment:**

Management deliberated on the matter and wants to make the following proposal to in regard to the permanent employment of temporary employees:

All employees

1. Who have been temporary employed on fixed terms contract(s) continuously for 2 years or more 01 February 2018 (contract fixed term and not linked to project or EPWP); and

2. In a position that can be regarded as minor or no change on the new structure; and
3. The position that exists of the approved structure is vacant; and
4. The employee adhere to the minimum requirements of the post; and
5. The employee has not retired from service of Stellenbosch or any other municipality or its predecessors before the temporary contract was entered into; and
6. The post is not needed to accommodate an employee in the pool; and
7. The Director of the employee confirms that the employee has provided satisfactory work and has a good work record
  - a. Proof of attendance record, disciplinary record and leave record must be taken into account
  - b. Proof must be provided by the employer that action was taken on non-satisfactory work.<sup>1</sup>;
8. The process not to start before alternative positions have been identified for employees in the Pool<sup>2</sup>.

May be offered the permanent position on the new approved organogram.

Such appointment will at the T-Grade to be determined through TASK evaluation based on the functions of the post. An interim salary offer based on the minimum of the scale that is the norm for the position will act as a guideline and will be subject to the evaluation.

This proposal does not apply to:

- a) any temporary employees appointed from 1 February 2018 or any future temporary employees.
- b) any employees who are attached to projects aimed at job creation.
- c) positions who are linked to seasonal work.
- d) positions of the political staff that are linked to the term of the political incumbent.

After approval of this policy by the LLF temporary appointments in vacant permanent positions may only be made if consulted with the Unions. The following matters must be indicated during the consultation:

- Time-period needed of temporary employee
- Reasons for temporary appointment
- No family/ close friends in same unit/section

Notes:

Nepotism policy link

List of positions where employees work that will qualify to be submitted to unions :

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<sup>1</sup> Proof of satisfactory attendance must be available on request by the union

<sup>2</sup> A reasonable alternative offer to an employee will satisfy this requirement

7.3	<b>ECONOMIC DEVELOPMENT AND PLANNING: (PC: ALD JP SERDYN (MS))</b>
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NONE

7.4	<b>FINANCIAL SERVICES: (PC: CLLR S PETERS)</b>
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7.4.1	<b>MONTHLY FINANCIAL STATUTORY REPORTING: DEVIATIONS FOR AUGUST 2018</b>
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Collaborator No: 605798  
 File No: 8/1  
 BUDGET KPA Ref No: Good Governance and Compliance  
 Meeting Date: 12 September 2018

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

**2. PURPOSE**

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

**3. DELEGATED AUTHORITY**

Noted by Municipal Council.

**4. RECOMMENDATION**

that Council notes the deviations and ratifications as listed for August 2018.

**5. DISCUSSION / CONTENTS**

**5.1 Background/ Legislative Framework**

The regulation applicable is as follows:

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

**Deviation from and ratification of minor breaches of, procurement processes**

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

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

(i) in an emergency;

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

(iii) for the acquisition of special works of art or historical objects where specifications are difficult to compile;

(iv) acquisition of animals for zoos; or

(v) in any other exceptional case where it is impractical or impossible to follow the official procurement processes; and

(b) to ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.

(2) The accounting officer must record the reasons for any deviations in terms of sub regulation (1) (a) and (b) and **report them to the next meeting of the council**, or board of directors in the case of a municipal entity, and include as a note to the annual financial statements.

## 5.2 Discussion

Reporting the deviations as approved by the Accounting Officer for August 2018. 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 04/19	07/08/2019	JVZ Construction	B/SM 04 Bulk water supply lines, pump stations and reservoir for the Dwarsrivier valley area (Pniel, Johannesdal and Kylemore)	<ul style="list-style-type: none"> <li>Exceptional case and it is impractical or impossible to follow the official procurement process</li> </ul>	JVZ Construction is currently the appointed contractor on site and performing project related tasks. It will be impractical to appoint another contractor to complete the additional work	R 3 445 713.20
D/SM 05/19	09/08/2019	Liquid Telecom	Appointment of Liquid Telecom for the provision of voice services for a period not exceeding 6 months starting from 01 July 2018 - 31 December 2018	<ul style="list-style-type: none"> <li>Exceptional case and it is impractical or impossible to follow the official procurement process</li> </ul>	<p>Stellenbosch Municipality approached Telkom SA SOC on the basis of sole provider and preferred bidder for the required pure PRI service to conduct a needs analysis and site visit. Based on the needs analysis, a proposal was submitted by Telkom SA SOC for a voice service solution that is highly configurable and scalable solution and that will deliver tailored PABX capabilities and features to individual end users through feature packages that are closely aligned to the requirements of the Stellenbosch Municipality.</p> <p>Upon enquiry about delivery and implementation timelines of the proposed solution above, on the 6th June 2018, Telkom SA SOC provided us with a formal letter stating that the required voice services for the Stellenbosch Municipality</p>	R 515 959.60



					<p>including t-carrier grade links between the Main office in Stellenbosch, Pniel and Franschhoek will most likely take between 3 to 6 months to implement subject to onsite feasibility study and network installation.</p> <p>It is rather impractical under the current circumstances to go out on a normal procurement process. It is recommended that a contract is concluded for a period of six (6) months with Liquid Telecom to bridge the time for implementation of the preferred bidder process.</p>	
D/SM 06/19	07/08/2019	Interwaste Environmental Solutions	Operations and management of the Devon Valley Landfill site	<ul style="list-style-type: none"> <li>• Exceptional case and it is impractical or impossible to follow the official procurement process</li> </ul>	<p>The Devon Valley Landfill site is still not in a position to follow the formal tender process, as the MSA 78(3) process is still not finalised. A service provider, JPCE has in the interim been appointed to finalise this process (anticipated to be 3 months). However, the current landfill remaining airspace is estimated at 11 months, and it is thus unreasonable to go through a formal tender process for such a short duration at the completion of the S78(3) process. The municipality is currently engaged in a process with Eskom to relocated overhead cables, which will unlock an estimated 18 years of landfill airspace, and when the new cells are developed, Stellenbosch Municipality will be better placed to go on a long-term tender process for the operation and management of the new cells.</p>	R 7 838 976.00
D/SM 07/19	03/08/2019	Resource Innovations	Collection of recyclables from appointed areas within the Stellenbosch municipal areas and the processing thereof at the mini-MRF situated in Adam Tas Road.	<ul style="list-style-type: none"> <li>• Exceptional case and it is impractical or impossible to follow the official procurement process</li> </ul>	<p>The construction of the Material Recovery Facility (MRF) and Drop-off facility for Stellenbosch will commence and possibly be completed in the 2018/19 financial year. This will render the current mini-MRF site to be within a construction zone and it is therefore not practical to follow a formal tender process whilst construction is in progress.</p>	R 1 780 669.20

D/SM 08/19	03/08/2018	Aurecon Consulting Engineers	Aurecon - Klapmuts Taxi rank R 526 763,26	<ul style="list-style-type: none"> <li>• Exceptional case and it is impractical or impossible to follow the procurement process</li> </ul>		R 526 081.89
D/SM 09/19	07/08/2019	Naele's Hydraulics	Urgent repairs of Wemmershoek Wastewater Treatment Plant Hydraulic pack unit	<ul style="list-style-type: none"> <li>• Emergency</li> <li>• Exceptional case and it impractical or impossible to follow the official procurement processes.</li> </ul>	At time of contacting the service provider Stellenbosch municipality was under the impression the hydraulic unit was still under warranty as it was completely refurbished by Naele's Hydraulics' late last year	R 29 321.26
D/SM 11/19	01/08/2019	Sowerby Engineering WEC Projects	WH WWTW - Repair Roots RAM 400XLB Blower CL4665	<ul style="list-style-type: none"> <li>• Emergency</li> <li>• Exceptional case and it impractical or impossible to follow the official procurement processes</li> </ul>	Sowerby Engineering Services (Pty) Ltd is the sole suppliers and distributor of dresser and Howden Roots Air Blow for the Sub Saharan African for the past 46 years and they installed and repaired it.	R 77 780.25 R 96 907.05 <b>R 104 687.30</b>
D/SM 15/19	22/08/2019	TSU Protection Services	Amendment of appointment of TSU Protection Services to prevent invasion of municipal land	<ul style="list-style-type: none"> <li>• Emergency</li> <li>• Exceptional case and it impractical or impossible to follow the official procurement processes</li> </ul>	Evidence of illegal land invasion has necessitated the municipality to take immediate steps to address the occupying of municipal land in WC024 area of Stellenbosch and more specifically the informal areas such as Kayamandi, Klapmuts, Langrug area, etc. The appointment of TSU Protection Services is from a specialized tactical force team whom has the necessary skills and specialized resources to effectively deal with the situation at hand and to prevent further invasion of municipal land. TSU Protection Services has been recommended by the South African Police Services as they have on a regular basis assisted SAPS successfully in managing and prohibiting illegal land invasion. Their team members are registered peace officers, and as such minimize the risk factors for Stellenbosch Municipality.	R 932 650.00

The following ratification(s) were approved with the reasons as indicated below:

RATIFICATION NUMBER	CONTRACT DATE	NAME OF CONTRACTOR	CONTRACT DESCRIPTION	REASON	SUBSTANTIATION WHY SCM PROCESS COULD NOT BE FOLLOWED	TOTAL CONTRACT PRICE R
R/SM 01/19	07/08/2018	Orrie, Welby-Solomon & Associates	Orrie, Welby-Solomon & Associates - Bergzicht Taxi Rank for R 225 806,93	4.36.1(b) to ratify any minor breaches of the procurement processes	The nature of the breach was purely technical, not impacting in any way on the essential fairness, equity, transparency. OWS had demonstrated best value for money, when compared to other service providers, and had continued by default, rendering a consultancy service fulfilling all obligations stated in the FQ Letter of Appointment. The consultancy fees, including amounts in excess of R165 000 are based on the provisions stipulated in the FQ and letter of appointment, ensuring for money and essential and fair consulting.	R 225 806.93
R/SM 02/19	07/08/2019	CBI Electric	CBI Electric - R 75 879,05	4.36.1(b) to ratify any minor breaches of the procurement processes	The construction phase for the upgrading and realignment of Marais Street, between Merriman Circle and Van Riebieck Street, was implemented between 2014 and 2016. During this period, an electrical cable had incurred damage, resulting in a blackout, CBI was called out to undertake emergency repairs The nature of the breach is it therefore purely technical and has arisen from a need to provide essential services	R 75 879.05

### 5.3 Legal Implications

The regulation applicable is as follows:

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

#### **Deviation from and ratification of minor breaches of, procurement processes**

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

- (a) To **dispense with the official procurement processes** established by the policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only—
  - (i) in an emergency;
  - (ii) if such goods or services are produced or available from a single provider only;
  - (iii) for the acquisition of special works of art or historical objects where specifications are difficult to compile;

(iv) acquisition of animals for zoos; or

(v) in any other exceptional case where it is impractical or impossible to follow the official procurement processes; and

(b) to ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.

(2) The accounting officer must record the reasons for any deviations in terms of sub regulation (1) (a) and (b) and **report them to the next meeting of the council**, or board of directors in the case of a municipal entity, and include as a note to the annual financial statements.

#### 5.4 Staff Implications

Not staff implications

#### 5.5 Previous / Relevant Council Resolutions

None.

#### 5.6 Risk Implications

That the market might not be tested. The measures in place to deal with deviations mitigate the risk to an acceptable level. The Auditor-General also audits the deviations during the yearly audit.

#### 6. Comments from Senior Management

The item was not circulated for comment except to the Municipal Manager.

##### 6.1 Acting Municipal Manager

Supports the recommendations.

#### **RECOMMENDATION FROM THE EXECUTIVE MAYOR, IN CONSULTATION WITH THE EXECUTIVE MAYORAL COMMITTEE, TO COUNCIL: 2018-09-12: ITEM: 5.4.1**

that Council notes the deviations and ratifications as listed for August 2018:

DEVIATION NUMBER	CONTRACT DATE	NAME OF CONTRACTOR	CONTRACT DESCRIPTION	REASON	SUBSTANTIATION WHY SCM PROCESS COULD NOT BE FOLLOWED	TOTAL CONTRACT PRICE (R)
D/SM 04/19	07/08/2019	JVZ Construction	B/SM 04 Bulk water supply lines, pump stations and reservoir for the Dwarsrivier valley area (Pniel, Johannesdal and Kylemore)	<ul style="list-style-type: none"> <li>Exceptional case and it is impractical or impossible to follow the official procurement process</li> </ul>	JVZ Construction is currently the appointed contractor on site and performing project related tasks. It will be impractical to appoint another contractor to complete the additional work	R 3 445 713.20

D/SM 05/19	09/08/2019	Liquid Telecom	Appointment of Liquid Telecom for the provision of voice services for a period not exceeding 6 months starting from 01 July 2018 - 31 December 2018	<ul style="list-style-type: none"> <li>• Exceptional case and it is impractical or impossible to follow the official procurement process</li> </ul>	<p>Stellenbosch Municipality approached Telkom SA SOC on the basis of sole provider and preferred bidder for the required pure PRI service to conduct a needs analysis and site visit. Based on the needs analysis, a proposal was submitted by Telkom SA SOC for a voice service solution that is highly configurable and scalable solution and that will deliver tailored PABX capabilities and features to individual end users through feature packages that are closely aligned to the requirements of the Stellenbosch Municipality.</p> <p>Upon enquiry about delivery and implementation timelines of the proposed solution above, on the 6th June 2018, Telkom SA SOC provided us with a formal letter stating that the required voice services for the Stellenbosch Municipality including t-carrier grade links between the Main office in Stellenbosch, Pniel and Franschhoek will most likely take between 3 to 6 months to implement subject to onsite feasibility study and network installation.</p> <p>It is rather impractical under the current circumstances to go out on a normal procurement process. It is recommended that a contract is concluded for a period of six (6) months with Liquid Telecom to bridge the time for implementation of the preferred bidder process.</p>	R 515 959.60
D/SM 06/19	07/08/2019	Interwaste Environmental Solutions	Operations and management of the Devon Valley Landfill site	<ul style="list-style-type: none"> <li>• Exceptional case and it is impractical or impossible to follow the official procurement process</li> </ul>	<p>The Devon Valley Landfill site is still not in a position to follow the formal tender process, as the MSA 78(3) process is still not finalised. A service provider, JPCE has in the interim been appointed to finalise this process (anticipated to be 3 months). However, the current landfill remaining airspace is estimated at 11 months, and it is thus unreasonable to go through a formal tender process for such a short duration at the completion of the S78(3) process. The municipality is currently engaged in a process with Eskom to relocated overhead cables, which will unlock an</p>	R 7 838 976.00

					estimated 18 years of landfill airspace, and when the new cells are developed, Stellenbosch Municipality will be better placed to go on a long-term tender process for the operation and management of the new cells.	
D/SM 07/19	03/08/2019	Resource Innovations	Collection of recyclables from appointed areas within the Stellenbosch municipal areas and the processing thereof at the mini-MRF situated in Adam Tas Rd.	<ul style="list-style-type: none"> <li>• Exceptional case and it is impractical or impossible to follow the official procurement process</li> </ul>	The construction of the Material Recovery Facility (MRF) and Drop-off facility for Stellenbosch will commence and possibly be completed in the 2018/19 financial year. This will render the current mini-MRF site to be within a construction zone and it is therefore not practical to follow a formal tender process whilst construction is in progress.	R 1 780 669.20
D/SM 08/19	03/08/2018	Aurecon Consulting Engineers	Aurecon - Klappmuts Taxi rank R 526 763,26	<ul style="list-style-type: none"> <li>• Exceptional case and it is impractical or impossible to follow the procurement process</li> </ul>		R 526 081.89
D/SM 09/19	07/08/2019	Naele's Hydraulics	Urgent repairs of Wemmershoek Wastewater Treatment Plant Hydraulic pack unit	<ul style="list-style-type: none"> <li>• Emergency</li> <li>• Exceptional case and it impractical or impossible to follow the official procurement processes.</li> </ul>	At time of contacting the service provider Stellenbosch municipality was under the impression the hydraulic unit was still under warranty as it was completely refurbished by Naele's Hydraulics' late last year	R 29 321.26
D/SM 11/19	01/08/2019	Sowerby Engineering WEC Projects	WH WWTW - Repair Roots RAM 400XLB Blower CL4665	<ul style="list-style-type: none"> <li>• Emergency</li> <li>• Exceptional case and it impractical or impossible to follow the official procurement processes</li> </ul>	Sowerby Engineering Services (Pty) Ltd is the sole suppliers and distributor of dresser and Howden Roots Air Blow for the Sub Saharan African for the past 46 years and they installed and repaired it.	R 77 780.25 R 96 907.05 <hr/> <b>R 104 687.30</b>
D/SM 15/19	22/08/2019	TSU Protection Services	Amendment of appointment of TSU Protection Services to prevent invasion of municipal land	<ul style="list-style-type: none"> <li>• Emergency</li> <li>• Exceptional case and it impractical or impossible to follow the official procurement processes</li> </ul>	Evidence of illegal land invasion has necessitated the municipality to take immediate steps to address the occupying of municipal land in WC024 area of Stellenbosch and more specifically the informal areas such as Kayamandi, Klappmuts, Langrug area, etc. The appointment of TSU Protection Services is from a specialized tactical force team whom has the necessary skills and specialized resources to effectively deal with the situation at hand and to prevent further invasion of municipal land. TSU Protection Services has been	R 932 650.00

					recommended by the South African Police Services as they have on a regular basis assisted SAPS successfully in managing and prohibiting illegal land invasion. Their team members are registered peace officers, and as such minimize the risk factors for Stellenbosch Municipality.	
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The following ratification(s) were approved with the reasons as indicated below:

RATIFICATION NUMBER	CONTRACT DATE	NAME OF CONTRACTOR	CONTRACT DESCRIPTION	REASON	SUBSTANTIATION WHY SCM PROCESS COULD NOT BE FOLLOWED	TOTAL CONTRACT PRICE R
R/SM 01/19	07/08/2018	Orrie, Welby-Solomon & Associates	Orrie, Welby-Solomon & Associates - Bergzicht Taxi Rank for R 225 806,93	4.36.1(b) to ratify any minor breaches of the procurement processes	The nature of the breach was purely technical, not impacting in any way on the essential fairness, equity, transparency. OWS had demonstrated best value for money, when compared to other service providers, and had continued by default, rendering a consultancy service fulfilling all obligations stated in the FQ Letter of Appointment. The consultancy fees, including amounts in excess of R165 000 are based on the provisions stipulated in the FQ and letter of appointment, ensuring for money and essential and fair consulting.	R 225 806.93
R/SM 02/19	07/08/2019	CBI Electric	CBI Electric - R 75 879,05	4.36.1(b) to ratify any minor breaches of the procurement processes	The construction phase for the upgrading and realignment of Marais Street, between Merriman Circle and Van Riebieck Street, was implemented between 2014 and 2016. During this period, an electrical cable had incurred damage, resulting in a blackout, CBI was called out to undertake emergency repairs The nature of the breach is it therefore purely technical and has arisen from a need to provide essential services	R 75 879.05

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Marius Wüst
<b>POSITION</b>	<b>CFO</b>
<b>DIRECTORATE</b>	<b>Finance</b>
<b>CONTACT NUMBERS</b>	<b>021 808 8528</b>
<b>E-MAIL ADDRESS</b>	<b>Marius.wust@stellenbosch.gov.za</b>
<b>REPORT DATE</b>	<b>06 September 2018</b>



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7.5	<b>INFRASTRUCTURE: [CLLR J DE VILLIERS]</b>
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NONE

7.6	<b>PARKS, OPEN SPACES AND ENVIRONMENT: (PC: CLLR N JINDELA)</b>
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NONE

7.7	<b>PROTECTION SERVICES: [PC: CLLR Q SMIT]</b>
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NONE

7.8	<b>YOUTH, SPORTS AND CULTURE: [PC: XL MDEMKA (MS)]</b>
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NONE

7.9	<b>REPORT(S) BY THE MUNICIPAL MANAGER</b>
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NONE

**8.**

**MUNICIPAL MANAGER**

**G. METTLER (MS)**

8.	<b>CONSIDERATION OF ITEMS, REPORTS, COMMUNICATIONS, PETITIONS AND APPLICATIONS SUBMITTED VIA THE OFFICE OF THE MUNICIPAL MANAGER</b>
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8.1	<b>MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC): [CLLR WF PIETERSEN]</b>
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8.1.1	<b>CONSIDERATION OF EXPENDITURE INCURRED RELATING TO MATERIAL SUPPLIED BY NEON LIGHTING</b>
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Collaborator No: 601335  
IDP KPA Ref No: Good Governance  
Meeting Date: 14 August 2018

**1. SUBJECT: CONSIDERATION OF EXPENDITURE INCURRED RELATING TO MATERIAL SUPPLIED BY NEON LIGHTING**

**2. PURPOSE OF REPORT**

To provide information regarding the expenditure incurred for investigation by MPAC and to be recommended to and considered by Council to ratify the expenditure in terms of Section 4.36.1a (i) of Stellenbosch Municipality Supply Chain Policy (2017/2018).

**3. DELEGATED AUTHORITY**

Council to ratify the expenditure as the specific nature of the breach is a minor breach of the procurement process, not impacting in any significant way on the essential fairness, equity, transparency, competitiveness or cost effectiveness of the procurement process relating to the procurement of the lighting material for the festival of lights function.

**4. EXECUTIVE SUMMARY**

Funding for the sourcing of the lighting material for the festival of lights was made available very late in 2017. The lights needed to be installed and tested before the first weekend of December 2017, when the municipality switches on the lights as start of the festive season.

In order to ensure that lights were installed in time to meet the deadline, following the advice from Finance, the Electro-Technical Services Department sourced the material through a deviation process.

**5. RECOMMENDATIONS**

- (a) that the Committee takes note of the circumstances as provided in the report and recommend to Council that the ratification of the expenditure to the amount of R 336 932.70 (Excluding VAT) be approved; and
- (b) that Council ratifies the expenditure in terms of Section 4.36.1a (i) of Stellenbosch Municipality Supply Chain Policy (2017/2018).

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**6. DISCUSSION****Background**

The annual festival of lights takes place during the first weekend of December each year. The Municipality has been doing this for the past few years as a start of celebration of the festive season. The committee that is responsible for the planning as well as execution of the work to ensure that the event is a success, comprises of representatives from the various departments within the municipality.

The representative from the Electro-Technical Services Department advised the committee at the first planning meeting of the funding requirement for the lighting material. The budget was based on the planning for the material required in line with the theme for the year.

Funding for the sourcing of the material was eventually made available; however, it was made available very late in the year (31 October 2017). It then became impossible for the department to source the material through the normal procurement process and still guarantee completion within the required time (before the first weekend of December 2017).

After discussions with the Finance Department on means how to ensure that the lights are installed in time to meet the deadline, the department was advised to source the material through a deviation process. This the department did, the deviation was approved by the BAC, and the lighting material was sourced.

**7. FINANCIAL IMPLICATIONS**

The cost for the sourcing of lighting material for the festival of lights celebrations be funded from Unique Key 201706062091. The quotation sourced from Neon Lighting for the required material amounted to R 336 932.70 (VAT Excl.).

**8. LEGAL IMPLICATIONS**

The recommendations in this report comply with Council's policies and all applicable legislation.

Supply Chain Management Policy, 4.36.1a (i)

Supply Chain Management Policy, 4.36.b

Supply Chain Regulation 36(1)

MFMA Section 32(2)

**9. RISK IMPLICATIONS**

The intent was in good faith as it was in the interest of service delivery. The breach is excusable as the Electro-Technical Services Department was advised by Finance that we had to prepare a deviation in order to meet the deadline under the circumstances.

The benefit was that the lights were ready in time and were switched on in the first week of December as it's always the case all the years.

**10. CONCLUSION**

It is acknowledged that there were administrative errors relating to the timeous provision of funds for the sourcing of the lights. If the normal procurement process was followed to source the lighting material, at the time the funds were made available (31 October 2017), it cannot be guaranteed that the lights would have been ready to be switched on in the first weekend of December 2017. Having no lights to switch on would have resulted in the event not taking place.

**11. COMMENTS FROM THE MUNICIPAL MANAGER**

Better planning is required as we knew at the beginning of the year of the festival of lights and procurement needs. Appropriate controls and checks need to be put in place to ensure timeous execution.

**MPAC MEETING: 2018-08-14: ITEM 5.1**

MPAC made the observation that Section 4.36.1a (i) of the Stellenbosch Municipality Supply Chain Policy refers to **minor breaches**, which begs the question whether breaches of “minor” nature should at all be brought to MPAC. The Committee is of the view that instances involving “minor breaches” should be dealt with administratively as Deviations or Ratifications. Only matters that require MPAC’s oversight are to be referred to this committee.

MPAC also expressed the view that Administration should clearly state in the item/s the reason/s why matters are referred to MPAC, as well as to clearly indicate the nature of the breach in terms of the MFMA definition of either “irregular”, “unauthorized” or “fruitless” expenditure.

**RESOLVED**

that the item be referred back to the Administration to provide clarity as to the reason why the matter is referred to MPAC, or whether matters such as this item which involves minor breaches should not be dealt with administratively at another forum.

**MPAC MEETING: 2018-09-18: ITEM 5.1****RESOLVED**

- (i) that it be noted that this item was referred back during the August 2018 meeting for the Administration to advise on;
- (ii) that the Committee is in agreement with the departmental reason for ratification in sourcing of material as an exceptional case;
- (iii) that the Committee agrees to the sanction of the expenditure as a minor breach and that it be dealt with as per MFMA Circular 68 in relation to a minor breach; and

**THAT IT BE RECOMMENDED TO COUNCIL:**

- (a) that Council takes note of the circumstances as provided in the report, and that the ratification of the expenditure to the amount of R 336 932.70 (Excluding VAT) be approved; and
- (b) that Council ratifies the expenditure in terms of Section 4.36.1a (i) of Stellenbosch Municipality Supply Chain Policy (2017/2018).

**APPENDIX**

Appendix 1: Ratification: Supplier and Amount: New-Neon Lighting R336 932.70 VAT Inclusive

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Deon Louw
<b>POSITION</b>	<b>Director: Infrastructure Services</b>
<b>DIRECTORATE</b>	<b>Infrastructure Services</b>
<b>CONTACT NUMBERS</b>	<b>021 808 8213</b>
<b>E-MAIL ADDRESS</b>	<a href="mailto:Deon.louw@stellenbosch.gov.za">Deon.louw@stellenbosch.gov.za</a>
<b>REPORT DATE</b>	<b>2018/08/27</b>

# **APPENDIX 1**

**Ratification: Supplier and  
Amount: New-Neon Lighting  
R336 932.70 VAT  
Inclusive**



CHECK BEFORE SUBMISSION	YES	NO
REGISTERED ON SCM DATABASE If answering NO follow the next step: - Register on SCM Database - Credit for firm (SAMRAS)		
LETTER - SOLE SUPPLIER if applicable		
ORIGINAL VALID TAX CERTIFICATE		
QUOTE INVOICE ATTACHED		
BUDGET (SAMRAS)		
CASHFLOW		
SIGNATURES		



## MEMORANDUM

DEPARTMENT OF COMMUNITY AND PROTECTION SERVICES

To = Aan: **MUNICIPAL MANAGER**  
 From = Van: Nombulelo Zwane  
 Job Title: **Manager: Electrical Services**  
 Date = Datum: 08 February 2018  
 Re = Insake: **RATIFICATION: SUPPLIER AND AMOUNT: New- Neon Lighting R 336 932.70 VAT Inclusive.**

### 1. PURPOSE

To obtain approval in terms of Supply Chain Management Policy, 4.36.1(b) to ratify any minor breaches of the procurement processes.

Funding for the sourcing of the electrical material for the festival of lights was made available very late in the year (31 October 2017). It became impossible for the department to source for the material through the normal procurement process and still guarantee completion within the required time (before the first weekend of December 2017).

After discussions with the finance department on means how to ensure that the lights are installed in time to meet the deadline, the department was advised to source the material through a deviation process.

Ratification: SUPPLIER AND AMOUNT: New- Neon Lighting R 336 932.70 VAT Inclusive.



## 2. BACKGROUND

In terms of regulation 36 of the SCM Regulations, the accounting officer is responsible for deciding whether a particular breach of procurement processes is minor or material.

In exercising this discretion the accounting officer must be guided by:

- a) The specific nature of the breach: is it simply technical in nature, not impacting in any significant way on the essential fairness, equity, transparency, competitiveness or cost effectiveness of the procurement process?

Comment: The work performed was based on the interest of the organisation to render the service to the community of the greater Stellenbosch. Based on the limited time that was available from the time the funds were provided to the time work had to be completed, deviation was the only means available to source the material and meet the deadline of the first weekend of December 2017.

## 3. DISCUSSION

- b) The circumstance surrounding the breach: are the circumstances justifiable or, at least, excusable?

Comment: The breach is excusable as the Electrical Services Department was advised by Finance that it had to prepare a deviation in order to meet the deadline under the circumstances.

- c) The intent of those responsible for the breach: were they acting in good faith?

Comment: The intent was in good faith as it was in the interest of service delivery.

4. FINANCIAL IMPLICATIONS


d) The financial implication as a result of the breach: what was the extent of the loss or benefit?

Comment: The quotation sourced from New- Neon Lighting for the required material amounted to R 336 932.70 (VAT Inclusive).

5. RECOMMENDATION

5.1. That the approval, from u-key 20170626062091 be granted in terms of the Municipality Supply Chain Management Policy 4.36.1(b) to ratify any minor breaches of the procurement processes.

Funding for the sourcing of the electrical material for the festival of lights was made available very late in the year (31 October 2017). It became impossible for the department to source for the material through the normal procurement process and still guarantee completion within the required time (before the first weekend of December 2017).

  
Deon Louw  
DIRECTOR OF INFRASTRUCTURE SERVICES

Date: 9/2/2018

Noted any further comments:

Dalleel Jacobs  
MANAGER: SUPPLY CHAIN MANAGEMENT

Date: 13/02/18

Noted any further comments:

Marius Wüst  
CHIEF FINANCIAL OFFICER

*[Handwritten signature of Marius Wüst]*

Date: 15/2/18

Noted any further comments:

In the light of the above the Accounting Officer therefore ratifies the minor breach of procurement process and approves this payment to take place.

Geraldine Mettler  
MUNICIPAL MANAGER

Approved *[Handwritten signature of Geraldine Mettler]*

Date: 16/2/18

given the fact that funding was made available late and planning could n't be done in time as the lights still need to be manufactured. Funding should be made available with the budget to allow for adequate planning expenditure approved value for money received. *[Handwritten signature]*



# MEMORANDUM

DIRECTORATE: ENGINEERING SERVICES

DEW 22/18

To - Aan: MUNICIPAL MANAGER  
 From - Van: Mrs. N Zwane  
 Job Title: Manager: Electrical Services  
 Date - Datum: 06 November 2017  
 Re - Insake: DEVIATION: Festival of lights: Sourcing of Material

## 1. PURPOSE

To obtain approval in terms of Supply Chain Management Policy, to deviate from the official procurement process, 4.36.1(a)

REASON FOR DEVIATION: (Mark with x where applicable)	
1. Emergency.	
2. Goods or services are produced or available from a single provider.	
3. Acquisition of special works of art or historical objects where specifications are difficult to compile.	
4. Acquisition of animals for zoos and /or nature and game reserves.	
5. Exceptional case and it is impractical or impossible to follow the official procurement processes.	✓

## 2. BACKGROUND

The annual festival of lights takes place during the first weekend in December each year. This the municipality has been doing for the past few years as a start of celebration of the festive season. The committee that is responsible for the planning as well as execution of work to ensure that the event is a success comprises of representatives from the various departments within the municipality.

Because this function is not a function of electrical services department or any specific department within the municipality the committee comprises of representatives from various departments.

### 3. DISCUSSION

The Electrical Services department at the committee for the festival of light meetings, is entrusted with the responsibility to source material as well as installation of these, from the funds made available by the committee.

It was indicated at the first 2017 committee meeting that in order to meet the deadline of the first weekend December 2017, funding was to be made available by February or June latest. This would enable the sourcing of the required material. However it became a challenge to have the funds available. On the 31<sup>st</sup> October 2017 funds were made available to source the required material. A quotation was sourced from New-Neon lighting who also indicated that they fortunately had the material available, pending the receipt of the purchase order.

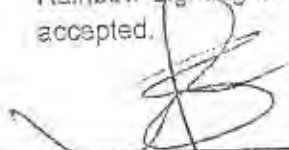
The prices seem reasonable and the fact that the material is readily available requires the municipality to consider the quotation. There is not much time left before the first weekend of December, when the municipality usually has the festival of lights event taking place and as a result it is impractical to follow the official procurement process and still meet the deadline.

### 4. FINANCIAL IMPLICATIONS


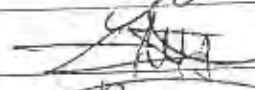



A quotation and detailed bill of quantities from New- Neon lighting was received for the supply and delivery of the required material as per the requirement tabled by the festival of lights committee and is attached to the value of R 336 932.70 (VAT incl.)

5. RECOMMENDATION

5.1. That because there is not enough time left before the first week of December when the lights are switched on, that the approval, from U-key 20170626062091 be granted in terms of the Municipality Supply Chain Management Policy 4.36.1(a) 4.36.1(a)(i) for the supply and delivery of the material for the festival of lights. That a quotation from Rainbow Lighting t/a New Neon lighting for the amount of R 338 932.70 (VAT Incl.) be accepted.

  
Chairperson: Bid Evaluation Committee

2017.11.07  
Date:

RECOMMENDATION SUPPORTED / NOT SUPPORTED BY THE STELLENBOSCH MUNICIPAL BID ADJUDICATION COMMITTEE		
Name	Signature	Date
G. Esau		8/11/2017
T. Mfaya		08/11/2017
D. Louw		8/11/2017
Comments: Another was contacted, but could not deliver as required in the interest of the community. 		
CHAIRPERSON.....		DATE 8/11/17
RECOMMENDATION FROM BID ADJUDICATION COMMITTEE APPROVED BY THE ACCOUNTING OFFICER		
Name	Signature	Date
Geraldine Moller		8/11/17

	YES	NO
<b>CHECK BEFORE SUBMISSION</b>		
REGISTERED ON SCM DATABASE If answer is NO follow the next step: - Register on SCM Database - Creditors form (SAMRAS)	✓	
Letter - SOLE SUPPLIER if Applicable		
Original Valid Tax Certificate	✓	
Quote/Invoice Attached	✓	
Budget (SAMRAS)		
Cashflow		
Signatures		

New Neon Lighting  
 P O Box 334  
 Paarden Eiland  
 Cape Town 7420  
 Ph: 021 511 4104 Fax: 021 511 6888  
 Email: sales@newneon.co.za  
 Reg: 1995/063037/23 VAT: 470 016 4017






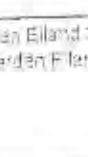


1044647

Number: NJ-000001450  
 Date: 2017/11/07  
 Page: 1  
 Order Number: STELC01  
 Account:  
 Shipping Method:  
 Service Required:

Sold To: Stellenbosch Municipality 14 Plain Street Stellenbosch 7500	Ship To: Stellenbosch Municipality 14 Plain Street Stellenbosch 7500
--	--

Customer VAT: 4700102151      Terms: DOD (Payment with Order)      Sales Person: Tanya

Stock Code	Description	Qty	Unit	Unit Price	Disc %	VAT	Total
MDLB-0.5W-40MM-YE	Mini Decorative LED Bulb B22 Yellow 	400	EA	36.00	0.00	2,016.00	14,400.00 ✓
MDLB-0.5W-40MM-RED	Mini Decorative LED Bulb B22 Red 	400	EA	35.00	0.00	2,016.00	14,400.00 ✓
MDLB-0.5W-40MM-GN	Mini Decorative LED Bulb B22 Green 	1000	EA	36.00	0.00	5,040.00	36,000.00 ✓
MDLB-0.5W-40MM-BL	Mini Decorative LED Bulb B22 Blue 	400	EA	36.00	0.00	2,016.00	14,400.00 ✓
MDLB-0.5W-40MM-OR	Mini Decorative LED Bulb B22 Orange 	400	EA	36.00	0.00	2,016.00	14,400.00 ✓
ILLUMCABLE	Illumination Cable 2.5 x 20 	500	MTR	22.50	0.00	1,575.00	11,250.00 ✓

Banking Details: FNB Bank Paarden Eiland 201 009, Acc No 824 288 469 94  
 ABSA Bank Paarden Eiland 861 509, Acc No 100 423 8167

Continued Next Page...








New Neon Lighting  
 P.O. Box 334  
 Peardon Eiland  
 Cape Town 7420  
 Ph: 021 511 4104 Fax: 021 511 9608  
 Email: sales@newneon.co.za  
 Reg: 1996/063657/23 VAT: 473 949 6017



Number: CU-00000450  
 Date: 2017/11/01  
 Page: 2  
 Order Number:  
 Amount: STEL001  
 Shipping Method:  
 Service Required:

Sold To: Stellenbosch Municipality 14 Plain Street Stellenbosch 7600	Ship To: Stellenbosch Municipality 14 Plain Street Stellenbosch 7600
--	--

Customer VAT: 4700102181      Terms: COD (Payment with Order)      Sales Person: Tanya

Block Code	Description	Qty	Unit	Unit Price	Disc %	VAT	Total
MG-04-2W	 Stars - 2W Size: 100W x 150H	2	ea	2,775.00	0.00	777.84	5,556.00
MG-05-2W	 Bells - 2W Size: 95W x 140H	2	ea	2,940.00	0.00	823.20	5,880.00
MG-06-2W	 Balloons - 2W Size: 100W x 150H	4	ea	4,042.00	0.00	2,283.52	16,168.00
MG-07-3W	 Snowman - 3W Size: 100W x 140H	1	ea	3,760.00	0.00	629.20	3,760.00
MG-08-2W	 Snowman - 2W Size: 130W x 140H	3	ea	3,611.00	0.00	1,516.02	10,833.00

Banking Details: FNB Bank Peardon Eiland 701 009 Acc No 824 295 489 84  
 ABISA Bank Peardon Eiland 561 509 Acc No 100 420 0157

Continued Next Page...

Quote

New Neon Lighting  
 P.O. Box 334  
 Paarlansburg  
 Cape Town 7420  
 PH: 021 611 4104 Fax: 021 611 9930  
 Email: sales@newneon.co.za  
 Reg: 1996/0939723/ VAT: 470 016 4017








Number: CU-00201450  
 Date: 2017/1/01  
 Page: 3  
 Order Number:  
 Account: STS1001  
 Shipping Method:  
 Service Required:

Sold To: Stellenbosch Municipality 14 Plain Street Stellenbosch 7600	Ship To: Stellenbosch Municipality 14 Plain Street Stellenbosch 7600
--	--

Customer VAT: 4700102181

Terms: COD (Payment with Order)

Sales Person: Tanya

Stock Code	Description	Qty	Unit	Unit Price	Disc %	VAT	Total
MG-09-2W	 Candle - 2W Size: 100W x 140H	4	ea	2,593.00	0.00	1,463.44	10,390.00 ✓
MG-10-2W	 Shepherd - 2W Size 90W X 120H	2	ea	3,138.00	0.00	876.64	6,276.00 ✓
MG-12-LED	 Umbrella - LED Size: 140W X 140H	1	ea	4,471.00	0.00	623.94	4,471.00 ✓
MG-12-2W	 Umbrella - 2W Size: 140W X 140H	1	ea	4,085.00	0.00	560.73	4,085.00 ✓
MG-14-2W	 Do-prime with Sea Spray 2W Size: 110W X 150H	2	ea	3,873.30	0.00	1,094.44	7,746.60 ✓

Banking Details: FNB Bank Paarlansburg 201 009, Acc No 624 250 485 94  
 (SSA Bank Paarlansburg 561) 305, Acc No 130 430 8157

Continued Next Page






New Neon Lighting  
P.O. Box 334  
Baardensland  
Cape Town 7420  
Ph: 021 511 4104 Fax: 021 511 9336  
Email: sales@newneon.co.za  
Reg: 1996/053657/23 VAT: 472 815 4017



Number: 01-30007450  
Date: 2017/11/01  
Page: 4  
Order Number:  
Account: 3125001  
Shipping Method:  
Service Required:

Sold To: Stellenbosch Municipality 14 Plain Street Stellenbosch 7600	Ship To: Stellenbosch Municipality 14 Plain Street Stellenbosch 7600
--	--

Customer VAT: 4700102151      Terms: COD (Payment with Order)      Sales Person: Tanya

Stock Code	Description	Qty	Unit	Unit Price	Disc %	VAT	Total
MG-16-2W	 Chandelier - 2W Size: 100W x 140H	2	ea	3,646.00	0.00	1,020.88	7,292.00 ✓
MG-17-2W	 Star & Streamers - 2W Size: 200W x 25H	2	ea	3,591.00	0.00	1,028.48	7,182.00 ✓
MG-18-3W	 Dove - 3W Size: 120W x 135H	2	ea	3,449.00	0.00	985.72	6,393.00 ✓
MG-19-2W	 Hanging Candle - 2W Size: 100W x 120H	2	ea	3,036.20	0.00	1,074.64	7,875.00 ✓
MG-23-2W	 Waving Father Xmas - 2W Size 130W X 105H	2	ea	4,532.00	0.00	1,911.04	73,658.00 ✓

Banking Details: FNB Bank Baardensland 201 005, Acc No 624 296 499 94  
ABSA Bank Baardensland 551 300, Acc No 100 420 5157

Continued Next Page




New Neon Lighting  
 P.O. Box 234  
 Paarden Eiland  
 Cape Town 7420  
 Ph: 021 511 4104 Fax: 021 511 8656  
 Email: sales@newneon.co.za  
 Reg: 1395/033657/23 VAT: 470 610 4217

Number: QU-000001450  
 Date: 2017/11/01  
 Page: E  
 Order Number:  
 Account: STEL001  
 Shipping Method:  
 Service Required:

Sold To: Stellenbosch Municipality 14 Plain Street Stellenbosch 7600	Ship To: Stellenbosch Municipality 14 Plain Street Stellenbosch 7600
--	--

Customer VAT: 4700102181      Terms: OOD (Payment with Order)      Sales Person: Tanya

Stock Code	Description	Qty	Unit	Unit Price	Disc %	VAT %	Total
LED-CCLS-100B-BC	 LED Colour Changing Ball Light String 10mtrs black cord 100 bulbs	40	ea	595,00	0,00	3,332,00	23,500,00 ✓
Notes	This is EX STOCK and can supply	1	EA	0,00	0,00	0,00	0,00
Notes	In ± 7 days	1	EA	0,00	0,00	0,00	0,00
Notes	Delivery Costs Excluded	1	EA	0,00	0,00	0,00	0,00
Notes	Kind regards, Tanya						
Banking Details: FNB Bank Paarden Eiland 201 078 Acc No 624 296 489 94 ABSA Bank, Paarden Eiland 561 509 Acc No 100 420 81 57						Subtotal: R 246,455,00 Discount: R 0,00 VAT: R 34,505,10 Total: R 280,970,10	



New Neon Lighting

P.O. Box 934

Pea Glen Island

Cape Town 7420

Ph: 021 511 4104 Fax: 021 511 8850

Email: sales@newneon.co.za

Reg: 1899/063067/25 VAT: 470 016 4317

1044 805

Number

CO-000/01452

Date

2017/11/01

Page

1

Order Number

ETEL011

Account

Shipping Method

Service Required

Sold To:

Stellenbosch Municipality

14 Pieter Street

Stellenbosch

7600

Ship To:

Stellenbosch Municipality

14 Pieter Street

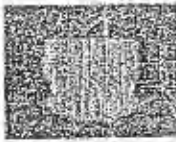





Stellenbosch

7600

Customer VAT: 4700102181

Terms: CDD (Payment with Order)

Sales Person: Tanya

Stock Code	Description	Qty	Unit	Unit Price	Disc	VAT	Total
2W-13-220V-C	2W Ropelight 13mm 220V Clear 	300	mtr	25.00	0.00	1,050.00	7,500.00 ✓
2W-13-220V-YE	2W Ropelight 13mm 220V Yellow 	100	mtr	25.00	0.00	250.00	2,500.00 ✓
2W-13-220V-BL	2W Ropelight 13mm 220V Blue 	100	mtr	25.00	0.00	250.00	2,500.00 ✓
2W-13-220V-RO	2W Ropelight 13mm 220V Red 	100	mtr	25.00	0.00	250.00	2,500.00 ✓
2W-13-220V-M	2W Ropelight 13mm 220V Multi 	100	mtr	30.00	0.00	420.00	3,000.00 ✓
3W-13-220V-R	3W Ropelight 13mm 220V Red 	100	mtr	35.20	0.00	492.80	3,520.00 ✓

Banking Details: FNB Bank Paarden Eiland 201 000, Acc No 624 296 480 84  
ABSA Bank Paarden Eiland 561 000, Acc No 100 420 8157

Continued Next Page



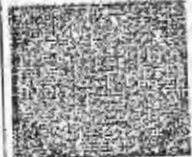




New Neon Lighting  
P.O. Box 334  
Paarden Eiland  
Cape Town 7420  
Ph: 021 511 4104 Fax: 021 513 0885  
Email: sales@newneon.co.za  
Reg: 1999/063557/23 VAT: 470 013 4017

Number: 06-065601452  
Date: 29/11/2017  
Page: 3  
Order Number: 875E001  
Account:  
Shipping Method:  
Service Required:

<b>Sold To:</b> Stellenbosch Municipality 14 Plain Street Stellenbosch 7600	<b>Ship To:</b> Stellenbosch Municipality 14 Plain Street Stellenbosch 7600
---	---

Customer VAT: 4700102181      Terms: COD (Payment with Order)      Sales Person: Tanya

Stock Code	Description	Qty	Unit	Unit Price	Disc %	Value	Total
3W-13-220-Y	 3W Rope light 13mm 220V Yellow	100	mts	35.20	0.00	492.80	3,520.00 ✓
3W-13-220-B	3W Rope light 13mm 220V Blue	100	mts	35.20	0.00	492.80	3,520.00 ✓
3W-13-220-M	 3W Rope light 13mm 220V Multi	100	mts	41.00	0.00	574.00	2,100.00 ✓
3W-13-220-FU	 3W Rope light 13mm 220V Purple	100	mts	35.20	0.00	492.80	3,520.00 ✓
3W-13-220-C	 3W Rope light 13mm 220V Clear	100	mts	35.20	0.00	492.80	3,520.00 ✓
WLZ100-12MM-220V	 Mini Controller for 2w 13mm 220V 30m Max	15	ea	226.00	0.00	472.50	3,375.00 ✓

Banking Data Is: FNB Bank Paarden Eiland: 201 009, Acc No 821 296 429 94  
ABSA Capetown Paarden Eiland: 500, Acc No 160 420 5157

Continued Next Page





New Neon Lighting  
P.O. Box 284  
Bearden Island  
Cape Town 7420  
Ph: 021 511 4104 Fax: 021 511 9553  
Email: sales@newneon.co.za  
Reg: 1396/06365721 VAT: 473 016 4017

Number: 000001462  
Date: 2017/11/01  
Page: 2  
Order Number: STELDON  
Account:  
Shipping Method:  
Service Required:

Sold To: Stellenbosch Municipality  
14 Plain Street  
Stellenbosch  
7600

Ship To: Stellenbosch Municipality  
14 Plain Street  
Stellenbosch  
7600

Sales Person: Tanya

Customer VAT: 4700102481

Terms: COD (Payment with Order)

Stock Code	Description	Qty	Unit	Unit Price	Disc %	VAT	Total
WL-310-13MM-230V	Mini Controller for 3w 13mm 230V 30m Max	16	ea	225.00	0.00	472.50	3,375.00
ACC-SET-2W-13M	Power Cord Set 2W 13MM	25	ea	45.00	0.00	157.50	1,125.00
ACC-SET-3W-13MM	Power Cord Set 3W 13MM	25	ea	45.00	0.00	157.50	1,125.00
SC-2W-13MM	2W 13mm Splice Connector	25	ea	15.00	0.00	62.50	375.00
SC-3W-13MM	3W 13MM Splice Connector	25	ea	15.00	0.00	2.10	15.00
Notes	EX STOCK - While stocks last first come first serve.	1	EA	0.00	0.00	0.00	0.00
Notes	Supply Only	1	EA	0.00	0.00	0.00	0.00
Notes	Delivery Costs Excluded	1	EA	0.00	0.00	0.00	0.00
Notes	Kind regards, Tanya	1	EA	0.00	0.00	0.00	0.00
						Subtotal	R 49 090.00
						Discount	R 0.00
						VAT	R 6 872.00
						Total	R 55 962.00

Banking Details: FNB Bank Bearden Island 201 009, Acc No. 624 298 489 94  
WESA Bank Bearden Island 581 504, Acc No. 100 420 8157

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16  
17



**STELLENBOSCH**  
 STELLENBOSCH • PNIEL • PRANSBURG  
 MUNISIPALITEIT • UMÁKHALA • MUNICIPALITY

**DEVIATION NO: D/SM 22/18 Festival of lights: Sourcing Materials**

<b>(PLEASE MARK YES OR NO)</b>		
<b>COMPLIANCE</b>	<b>RAINBOW LIGHTNING t/a NEW NEON LIGHTNING</b>	
	<b>YES</b>	<b>NO</b>
1. Registered on Stellenbosch Municipality Database	X	
2. Registered on CENTRALISED SUPPLIER DATABASE (CSD)	X	
3. Tax Compliant	X	
4. Declaration of Interest (MBD 4)	X	
5. Personal Municipal Account Number and Statements must be attached (older than 90 days in arrears your bid will be not considered) / Affidavit	X	
6. CIDB Registration number and grading	n/a	
7. Verified that service provider is not on Tenders Defaulters list	X	
8. Verified that service provider is not on Restricted Supplier list	X	
9. Verification - in service of the state	X	
10. Certificate of independent Bid Determination (MBD 9) if more than one quote	n/a	

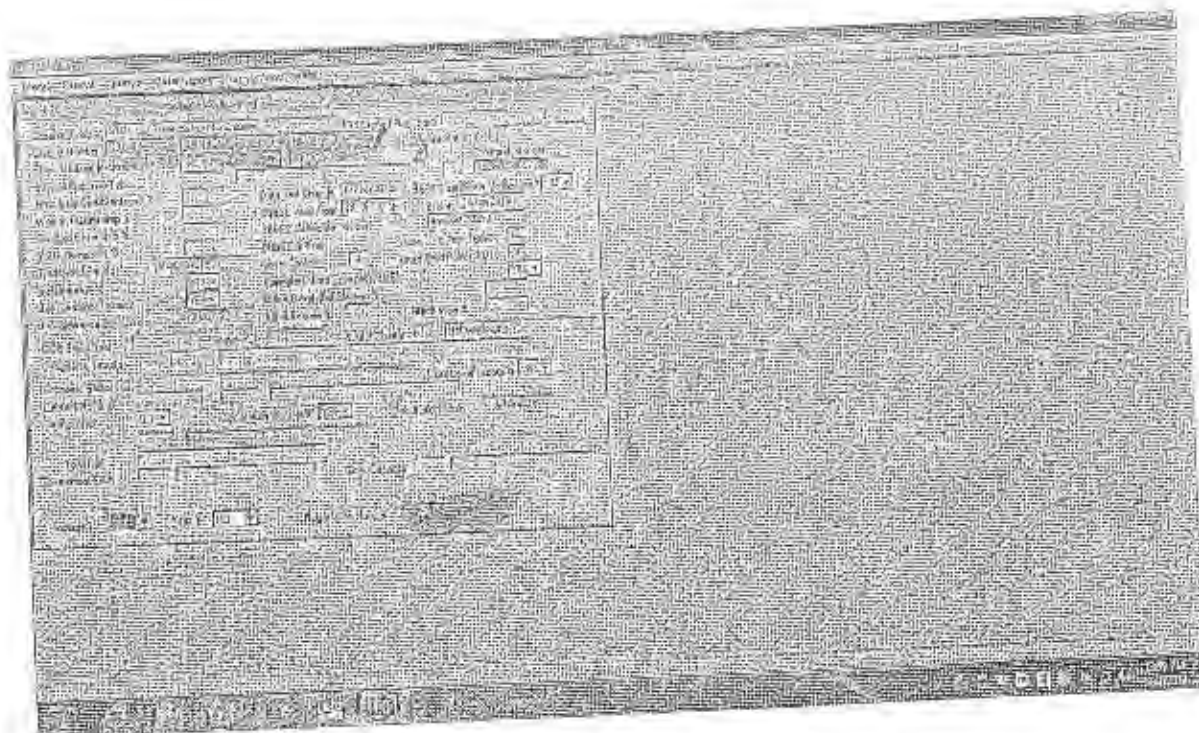
SASCIA DAVIDS

07 NOVEMBER 2017

SCM OFFICIAL

DATE







<b>Report Date:</b>	07 Nov 2017 12:48:02 PM
<b>Report Run By:</b>	Indsay.Inders@evalenbosch.gov.za

## CSD REGISTRATION REPORT

### SUPPLIER IDENTIFICATION

Supplier ID/Code	00000001903	Legal Entity Name	110011166000000000
Is Supplier Active?	Yes	Company Registration Number	2016/1515000/09/09
Supplier Type	Other Company	Eligible Year Start Date	01 Apr 2017 10:00:00 AM
Supplier Category	Other Supplier	Registration Date	09 Dec 2016 00:00:00 AM
Company Name	RAINBOW HETTING	Created By	100231500000000000
Head Office Name	SOUTH AFRICAN COMPANY GROUP Registration Number	Created Date	27 Apr 2016 11:57:48 AM
Government of the Republic	Other Company (Sole)	Eligible	100231500000000000
Business Status	Business	Eligible	09 Dec 2017 00:00:00 AM
Country of Origin	South Africa	Is Supplier Active	Yes
South African Company Code Registration Number	193606385200	Registration Verification Date	07 Nov 2017 12:48:02 PM

### SUPPLIER INDUSTRY CLASSIFICATION INFORMATION

#### INDUSTRY CLASSIFICATION I

Main SIC Code	Other (99-9999)	Other SIC Code	Other (99-9999)
UNESCO	Other (99-9999)	Other SIC Code	Other (99-9999)

### SUPPLIER CONTACT INFORMATION

#### CONTACT I

Contact Name	Administrative Director	Full Name	100231500000000000
Is this contact active?	Yes	Cell Phone Number	083 301 1132
Contact Email	rainbow@rainbow.co.za	Do you want this contact to also be a user?	Yes
Company	RAINBOW	Created By	100231500000000000
Registration No.	South African Identification Number	Created Date	01 Apr 2016 12:53:00 AM
Preferred communication via email	Yes	Eligible	100231500000000000
Preferred communication via phone	Yes	EBF MAC	09 Aug 2017 11:57:48 AM
Preferred communication via sms	Yes		







<b>Report Date:</b>	C7 Nov 2017 12:49:02 PM
<b>Report Ran By:</b>	lindsay.linders@stellanorisch.gov.za

## CSD REGISTRATION REPORT

### SUPPLIER ADDRESS INFORMATION

#### ADDRESS 1

Is this a preferred address?	Yes	Area Name	South Africa
Address 1	10154/10154/1	Country	South Africa
Address 2	Paarden Eiland	Postal Address (Mandatory)	Yes
Suburb	Paarden Eiland	Postal Address (Optional)	No
Province	Western Cape	Created by	lindsay.linders@stellanorisch.gov.za
Municipality	City of Cape Town	Created Date	21-Apr-2016 11:15:37 AM
City	Paarden Eiland	Email	lindsay.linders@stellanorisch.gov.za
Postal Code	7405	Contact No	011-452-0011/011-452-0100

#### ADDRESS 2

Is this a preferred address?	No	Area Name	South Africa
Address 1	P.O. Box 2931	Country	South Africa
Address 2	Paarden Eiland	Postal Address (Mandatory)	Yes
Suburb	Paarden Eiland	Postal Address (Optional)	No
Province	Western Cape	Created by	lindsay.linders@stellanorisch.gov.za
Municipality	City of Cape Town	Created Date	21-Apr-2016 11:15:37 AM
City	Cape Town	Email	lindsay.linders@stellanorisch.gov.za
Postal Code	7405	Contact No	011-452-0011/011-452-0100

### SUPPLIER BANK ACCOUNT

#### BANK ACCOUNT

Is this a preferred account?	Yes	Bank Name	International Bank
Bank Name	INTERNATIONAL BANK	Country	South Africa
Branch Name	201063	Created Date	21-Apr-2016 11:02:00 AM
Branch Code	PAARDENEILAND CAPE TOWN	Edited by	lindsay.linders@stellanorisch.gov.za
Account Number	43429448304	Edited Date	22-Apr-2016 10:05:15 AM
Account Holder	Rainbow Ltd (Pty) Ltd	Bank Verification Status	Verification Successful
Is this a preferred account?	Yes	Foreign Bank Account	No
Active Start Date	21-Apr-2016 11:02:00 AM	Is this a Republic of South Africa bank	Yes
		Is this a Shared Funding Account	No





<b>Report Date:</b>	07 Nov 2017 12:49:02 PM
<b>Report Ran By:</b>	Jirdeay Jinders @ Stellenbosch.gov.za

## CSD REGISTRATION REPORT

### TAX INFORMATION

Home tax number	947002025	Home tax province	Western Cape
Home tax status	Home tax Division - Verified	Home tax status	Active
VAT number	720164017	Created by	Jirdeay Jinders
VAT status	Supplier tax status - Verified	Created date	25 Jul 2016 10:56:02 AM
Is a supplier of goods		Created by	Jirdeay Jinders
Is a supplier of services		Created date	06 Sep 2017 09:29:00 AM
Is a supplier of immovable property			

### COMPANY COMMODITIES INFORMATION

Commodity 1	Commodity 2
<p><b>Commodity 1</b></p> <p>Name: ...</p> <p>Description: ...</p> <p>Commodity family: ...</p> <p>Created by: ...</p>	<p><b>Commodity 2</b></p> <p>Name: ...</p> <p>Description: ...</p> <p>Commodity family: ...</p> <p>Created by: ...</p>

### B-BBEE INFORMATION





### CSD REGISTRATION REPORT

Is this vendor a supplier accepted?	Yes	Are you a black supplier?	No
Is this vendor a B-BBEE Level 1 Contributor?	Level 1 Contributor	Are you an approved supplier?	Yes
B-BBEE Registration Number	100	Created by	Boyd 2017/08/04/08
B-BBEE Registration Record ID	100	Created on	21 Aug 2016 11:13:26 AM
B-BBEE Registration	100	Updated by	Boyd 2017/08/04/08
B-BBEE Registration	100	Updated on	07 Nov 2017 12:49:02 PM
Registration Status by Name	REG 200-My	Updated by	Boyd 2017/08/04/08
Registration Status by Name	REG 200-My	Updated on	07 Nov 2017 12:49:02 PM
Registration Status by Name	REG 200-My	Updated by	Boyd 2017/08/04/08
Registration Status by Name	REG 200-My	Updated on	07 Nov 2017 12:49:02 PM

### OWNERSHIP INFORMATION

Owner Name and Company Number	Owner Identification Number	Share %	Black Group	Share %	Ownership %	100%	0-50%	50-99%	Other	Share %
MYRA MOGAI MOGAI	20170830003	100%	White	100%	100%	100%	0%	0%	0%	0%
Total					100%	100%	0%	0%	0%	0%

### OUTCOMES AGAINST PREFERENTIAL PROCUREMENT CRITERIA

Employed by	0%
Employed by a black person	0%
Employed by a black person who is a woman	0%
Employed by a black person with a disability	0%
Employed by a black person who is a veteran	0%
Employed by a black person who is a resident of a developed area	0%
Employed by a black person who is a resident of a developing area	0%



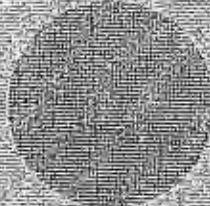


**CENTRAL SUPPLIER  
DATABASE**  
FOR GOVERNMENT

<b>Report Date:</b>
07 Nov 2017 12:43:02 PM
<b>Report Ran By:</b>
Indaya.Jindera@stelkenbosch.co.za

## CSD REGISTRATION REPORT

People % Ownership



100% Black people 0% Other people

Gender % Ownership



100% Male 0% Female 0% Other

Youth % Ownership



100% Black youth 0% Other youth

Military veteran % Ownership



100% Other 0% Military veterans

Disabled % Ownership



100% Other 0% Black people with disabilities 0% Other

Living area % Ownership



100% Other 0% City center 0% Suburban areas 0% Black townships

### COMPANY DIRECTORS/MEMBERS/OWNERS INFORMATION

**DIRECTOR  
MEMBER**

Director type	Major owner	Owner share	Basic
Director name	NAME	Ownership	NO
Director ID	MYB52AC01A	Ownership with disabilities	NO



**National Treasury**  
Department of  
Treasury  
REPUBLIC OF SOUTH AFRICA





<b>Report Date:</b>	07 Nov 2017 12:43:03 PM
<b>Report Ran By:</b>	Indeay.Lindera@steller.coach.gov.za

## CSD REGISTRATION REPORT

Company Name	GOLDENBAY	Company Registration No.	No.
Country	South Africa	Created By	sudnevnyh@steelers.co.za
Identification No.	South Africa Identification Number	Created Date	30 Aug 2015 09:21:03 hours
South African Identifiers	1217116861845	Editor	csdny Admin@stellers.co.za
Work permit	00000000000000000000000000	Editor's	33 Aug 2017 09:23:05:001
Appointment date	14 Dec 1990 00:00:00:0000	Is an Employee	No
Email address	linda@goldenbay.co.za	Is a Supplier or Validation Data	12 Nov 2017 12:43:03 PM
CSD ID number	00000000000000000000000000000000	Government Employee	No
Owner	YCS	Government Employee's	77 No 20170117116861845
Company	Golden Bay	Company Registration No.	No
Is a Supplier	Yes	Company Registration Number	No
Company address	1217116861845	Company Registration Date	30 Aug 2015 09:21:03 PM
Company telephone	011 434 0000	Company Registration Date	30 Aug 2015 09:21:03 PM

The CSD does not automatically verify foreign company registration numbers, international securities identification numbers, foreign identification numbers, foreign passport numbers, bank identification numbers, or account details. Users should verify these details in the appropriate government or financial institution as per their country's laws and procedures.





Report Date:	07 Nov 2017 12:49:03 PM
Report Ran By:	lindsay.jeders@stellianbosch.gov.za

# CSD REGISTRATION REPORT

## Tips and Frequently Asked Questions (FAQ)

### Identifier

CSD registration number is the unique identifier for each supplier. It is displayed on the supplier's profile page. The registration number is also used to identify the supplier in the CSD system.

### Bank

Suppliers must provide their bank details for payment purposes. The bank details are used to generate payment orders. Suppliers should ensure that their bank details are up-to-date and accurate.

### Tax

Suppliers must provide their tax details, including their tax number and tax status. The tax details are used to calculate the tax on the supplier's invoices.

### Valid Supplier Profile

Suppliers must ensure that their profile is valid and up-to-date. A valid profile is required for suppliers to be eligible for procurement opportunities.

### CIPC

Suppliers must provide their CIPC registration details. The CIPC registration details are used to verify the supplier's legal status and to generate the CSD registration number.

### State Employee

Suppliers who are state employees must provide their state employee details. The state employee details are used to verify the supplier's status as a state employee.

Print Date: 07/11/2017 12:49:03 PM



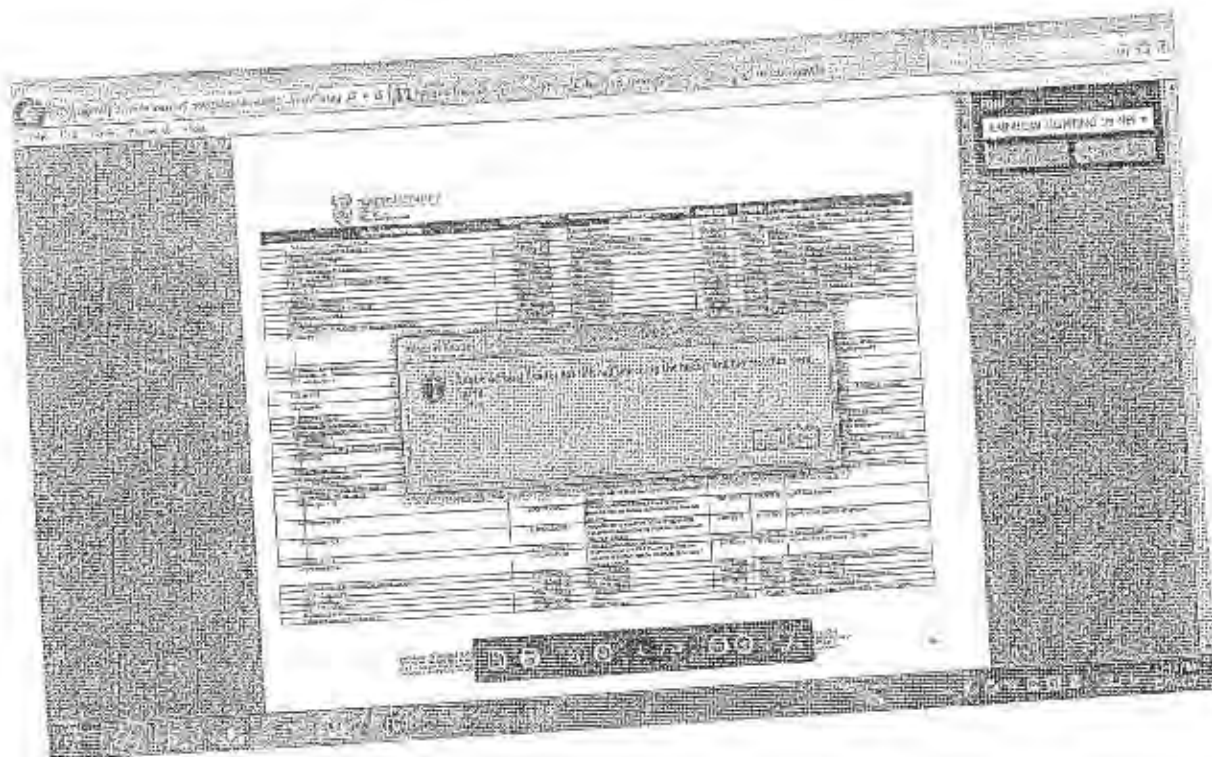


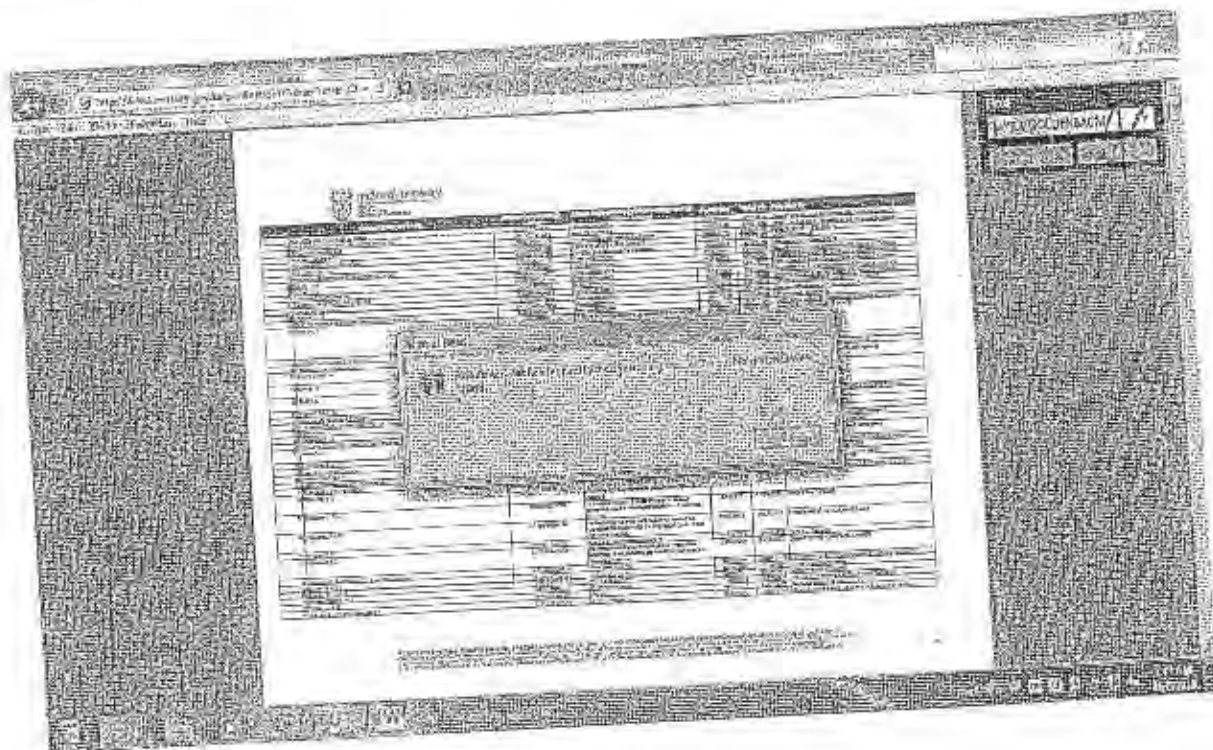
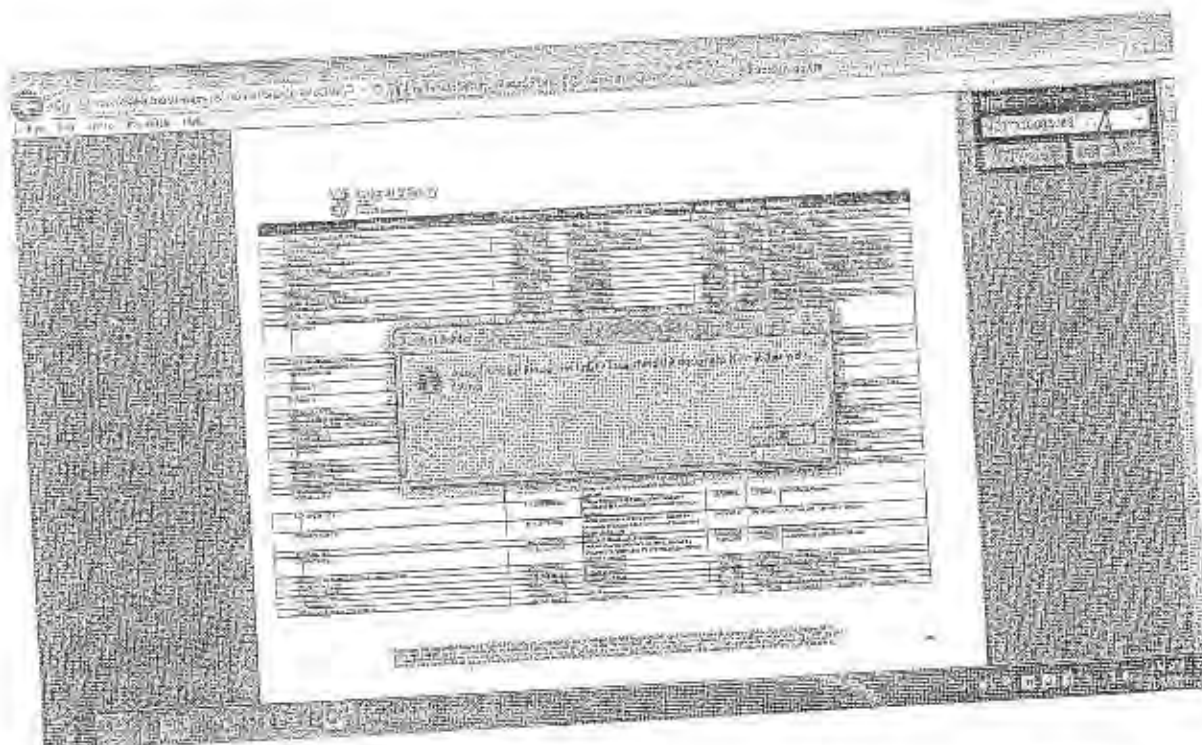
**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA  
Private Bag X115, Pretoria, 0001

**Register for Tender Defaulters**

Currently there are no Tender Defaulters





## DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state<sup>1</sup>.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.

3. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

3.1 Full Name of bidder or his or her representative: MYRA GOLDBERGAUM

3.2 Identity Number: 4207110083583

3.3 Position occupied in the Company (director, trustee, shareholder<sup>2</sup>): MEMBER 1001 a

3.4 Company Registration Number: 1996/063657/23

3.5 Tax Reference Number: 9674002028

3.6 VAT Registration Number: 4700164017

3.7 The names of all directors / trustees / shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below.

3.8 Are you presently in the service of the state?

YES /  NO

3.8.1 If yes, furnish particulars. ....

<sup>1</sup>MSCM Regulations: "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.

<sup>2</sup> Shareholder" means a person who owns shares in the company and is actively involved in the management of the company or business and exercises control over the company.

3.9 Have you been in the service of the state for the past twelve months? ..... YES /  NO

3.9.1 If yes, furnish particulars.....

.....

3.10 Do you have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid? ..... YES /  NO

3.10.1 If yes, furnish particulars.

.....  
.....

3.11 Are you, aware of any relationship (family, friend, other) between any other bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid? ..... YES /  NO

3.11.1 If yes, furnish particulars

.....  
.....

3.12 Are any of the company's directors, trustees, managers, principle shareholders or stakeholders in service of the state? ..... YES /  NO

3.12.1 If yes, furnish particulars.

.....  
.....

3.13 Are any spouse, child or parent of the company's directors trustees, managers, principle shareholders or stakeholders in service of the state? ..... YES /  NO

3.13.1 If yes, furnish particulars.

.....  
.....

3.14 Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract. ..... YES /  NO

3.14.1 If yes, furnish particulars:

.....  
.....

4. Full details of directors / trustees / members / shareholders.

Full Name	Identity Number	State Employee Number
M. Goldenbaum	A20711083083	N/A.

M. Goldenbaum  
Signature

07/11/2017  
Date

Member 100%  
Capacity

RAINBOW LIGHTING CC T/A  
NEW NEW LIGHTING  
Name of Bidder

MBD 8

## DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Municipal Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be rejected if that bidder, or any of its directors have:
  - a. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
  - b. been convicted for fraud or corruption during the past five years;
  - c. willfully neglected, renegeed on or failed to comply with any government, municipal or other public sector contract during the past five years; or
  - d. 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).
- 4 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's database as a company or person prohibited from doing business with the public sector? (Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the <i>audi alteram partem</i> rule was applied).	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? (To access this Register enter the National Treasury's website, <a href="http://www.treasury.gov.za">www.treasury.gov.za</a> , click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 3265445).	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4.3.1	If so, furnish particulars:		



Item	Question	Yes	No
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4.5.1	If so, furnish particulars:		

**CERTIFICATION**

I, THE UNDERSIGNED (FULL NAME) MYRA GOLDBAUM  
 CERTIFY THAT THE INFORMATION FURNISHED ON THIS  
 DECLARATION FORM TRUE AND CORRECT.

I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT,  
 ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION  
 PROVE TO BE FALSE.

Myra Goldenbaum  
 Signature

07/11/2017  
 Date

MEMBER 100%  
 Position

RAINBOW LIGHTING CC T/A  
NEW NEON LIGHTING  
 Name of Bidder



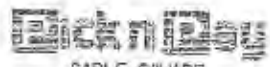
Civic Centre  
12 Hertzog Boulevard 8001  
P.O. Box 655 Cape Town 8000  
VAT registration number  
4500193467

Tax invoice number 130000903004  
Customer VAT registration number  
Account number 122558882  
Distribution code  
Business partner number 1000958744

RAINBOW LIGHTING CC  
33 SECTION STREET  
PAARDENEILAND  
7405

Computer generated tax invoice  
Tel: 086 010 3089 - Fax: 086 010 3090  
Tel: International calls: +27 21 401 4701  
E-mail: accounts@capetown.gov.za  
Correspondence: Director; Ravenue, P.O. Box 655, Cape Town 8000  
Web address: www.capetown.gov.za

Account summary as at 06/09/2017		Due date 02/10/2017
At 33 SECTION STREET, PAARDEN EILAND / Erf 17244		
Previous account balance		5053.75
Less payments		0.00
<b>Amounts (a)</b>	<b>Payable immediately</b>	<b>5053.75</b>
Latest account - see overleaf		6166.81
<b>Current amount due (b)</b>	<b>Payable by 02/10/2017</b>	<b>6166.81</b>
<b>Total (a) + (b)</b>		<b>10220.56</b>



SABLE SWJARE  
321 351 5081

CASHIER: Thembeka Kusel'o  
DEPT TAX EXEMPT 3RD PARTY 6,166.81  
ACC #915551225568820  
City of Cape Town  
DUE VAT INCL. 5,166.81  
-----TENDER-----  
VISA Card 5,166.81  
431158  
TOTAL ITEMS: 1  
NON-SUPPLY  
VAT REG NO. 4150283085  
VITALITY HEALTH-FOOD CASH ITEM  
SMART SHOPPER INSTANT SAVINGS

10220.56  
Electricity is expensive. Saving is simple.  
For electricity saving tips, visit www.bringelectricity.gov.za



Customer Service Centre  
1,za or www.payCity.co.za.  
y of Cape Town as a bank-listed beneficiary on your bank's website. Use only your  
letence.  
A your account number 122558882 on deposit slip.  
recover the bank cost on a cash, debit and/or credit card payment on the amount  
number. The City absorbs such costs in respect of single payments of  
i outstanding after the due date.  
v have submitted a query to the City concerning this account.  
td/or electricity supply being disconnected/restricted. Immediate reconnection of the  
id. A disconnection fee will be charged and your deposit amount might

Liquor Lic: WCAP/034037  
PLEASE RETAIN AS YOUR GUARANTEE  
CUSTOMER CARE LINE: 0800 11 22 88  
WEBSITE: www.picknpay.co.za  
THANK YOU FOR SHOPPING WITH US.  
-----SMART SHOPPER-----  
Smart Shopper card # \*\*\*\*\*4271  
As a Smart Shopper you have earned:  
Total points balance: 163168  
Rands available to spend: R1,631.68  
\*747002 3224 32240295 6 04.10.17 08:30  
99910232240067470029

offices or the vendors below:  
First Office payCity EasyPay  
Woolworths  
Account number 122558882  
Total due if not paid in cash 10220.56  
Amount due if paid in cash 10220.50  
Rounded down amount carried forward to next invoice 0.06

BILL PAYMENT  
ACC # 915551225568820  
TRAN ID 3044807200  
City of Cape Town R6166.81  
\*747002 3224 32240295 6 04.10.17 08:30



**Tax Clearance Certificate Number:**

0700/2/2017/100063655

**Tax Clearance Certificate - Good Standing**

**Enquiries**  
0800 00 SARS (7277)  
**Approved Date**  
2017-05-25  
**Expiry Date**  
2018-05-25

**Company registration number:** 1995/063657/23

**Income Tax:** 9674002028  
RAINBOW LIGHTING CC

**VAT:** 4700164017  
RAINBOW LIGHTING CC

**PAYE:** 7070755774  
RAINBOW LIGHTING CC

**Trading Name:** NEW NEON LIGHTING

It is hereby confirmed that, on the basis of the information at the disposal of the South African Revenue Service (SARS), the above-mentioned taxpayer has complied with the requirements as set out in the Tax Administration Act.

This certificate is valid until the expiry date reflected above, subject to the taxpayer's continued tax compliance. To verify the validity of this certificate, contact SARS through any of the following channels:

- via eFiling
- by calling the SARS Contact Centre
- at your nearest SARS branch

This certificate is issued in respect of the taxpayer's tax compliance status only, and does not address any other aspect of the taxpayer's affairs.

*This certificate is issued free of charge by SARS*



VAT Vendor Search

Note: You need a valid Vat Number or an Exact VAT Trading Name. [Click](#) for more information.  
Click on

VAT Number: 4700154017

VAT Trading Name:

[Print Page](#) [New Search](#)

VAT Trading Name	VAT Registration Number	Office
NEW NEON LIGHTING	4700154017	CAPE TOWN

*[Handwritten signature]*



Taxpayer List | Stellenbosch Municipality

- Tax Compliance Status
- Tax Compliance Status Verification Activator
- New Verification Request
- Status Verification History
- Special Links

Entity Details

Registered Name:  
 Trading Name:  
 Reg/CC/Trust No:  
 INCOME TAX:  
 VAT:  
 RAVE:  
 TCC Number:  
 Date/Time:

RAINBOW LIGHTING CC  
 NEW NEON LIGHTING  
 182893335733  
 9874001028  
 4700164017  
 7370755774  
 07002/2017/A00099330J  
 2017-11-08 07:47:40

The response represents the taxpayer's compliance status at the date and time of this response. It is important to note that the overall compliance status is not a compliance status change.

Description	Status	Purpose	Approved Date	Expiry Date	Refresh
The TCC verified is valid and active. Note - SARS reserves the right to withdraw this certificate at any time should any return and/or tax become outstanding by the above taxpayer prior to the expiry date of this certificate.	ACTIVE	Good Standing	2017-05-25	2018-05-25	<a href="#">Refresh</a>

<b>8.1.2</b>	<b>CONSIDERATION OF EXPENDITURE INCURRED RELATING TO SERVICES RENDERED BY DP TRUCKHIRE (B/SM 84/16)</b>
--------------	---

**Collaborator No:** 605321  
**IDP KPA Ref No:** Good Governance  
**Meeting Date:** 18 September 2018

**1. SUBJECT: CONSIDERATION OF EXPENDITURE INCURRED RELATING TO SERVICES RENDERED BY DP TRUCKHIRE (B/SM 84/16)**

**2. PURPOSE OF REPORT**

To provide information regarding the expenditure incurred for investigation by MPAC and to be recommended to and consideration by Council to ratify the expenditure in terms of the MFMA Section 32 (2). The expenditure with regard to the procurement of services for the transport of containerized waste during the months of July and August 2018 is regarded as irregular because it breached the procurement process.

**3. DELEGATED AUTHORITY**

Council to ratify the expenditure as the specific nature of the breach is a minor breach of the procurement process, not impacting in any significant way on the essential fairness, equity, transparency, competitiveness or cost effectiveness, for the payment to DP Truckhire.

**4. EXECUTIVE SUMMARY**

Tender B/SM 84/16 was awarded to DP Truckhire in May 2017 for a contract period of 12 months (with no specific commencement date mentioned). There was still an FQ in place for the transport of containerized waste and the department felt it prudent to first let the FQ run its course before initiating the tender, as the same service provider (DP Truckhire) had been appointed for both the FQ and the tender B/SM 84/16. The Solid Waste Management Department was under the impression that the first work was done on B/SM 84/16 on 01 September 2017 and therefore allowed the service to continue until 31 August 2017.

**5. RECOMMENDATIONS**

(a) that the Committee takes note of the circumstances as provided in the report and recommend to Council the ratification of the expenditure to the amount of R55 290.00 (VAT incl) to DP Truckhire; and

(b) that Council ratifies the expenditure in terms of the MFMA Section 32 (2).

**6. DISCUSSION**

The Solid Waste Management Department requires an external service provider to transport containerised waste from Franschhoek Drop-off facility and Klappmuts Refuse Transfer Station to the Devon Valley landfill site.

The procurement of a service provider was done via repeated FQs, and this was stopped by Supply Chain Management and requested the Department to advertise a formal bidding process to appoint a suitable service provider via a tender process.

---

DP Truckhire was the recommended service provider, who was also the company that was the then-current service provider of the FQ to render the services. As there were still funds available on the FQ, and two months remaining of the 12 month period since the FQ award, the department thought it prudent to exhaust the FQ that was in place first, before initiating the tender. It was not aware that the FQ automatically lapsed once the tender had been awarded. An honest mistake by the official in charge of the project led to the breach as it was not known by the official that the FQ had expired on 30 June 2017.

The intent was in good faith as it was not on purpose, and in the interest of continued service delivery.

While the process was admittedly flawed, it is agreed that there were no *male fide*, personal gain or loss for Council, and it is requested that consideration be given to certify the expenditure as irrecoverable and that it be written off.

As recommended in similar recent instances, the need is recognised for improvement and correct procedures in general, with the need for a training program for all level of managers undertaking financial transactions on behalf of Council to be trained or retrained. It is especially important for staff to be informed of correct procedures and the implications of latest financial circulars, changes to policy, etc. The administration is currently drafting the necessary SOP's in the corporate SOP project, which will also assist in removing the risk of a recurrence.

## 7. FINANCIAL IMPLICATIONS

The overall financial implications are depicted in **Appendix 1**. Provision has been made on Vote 16530201470000 in the 2017/18 budget for the amount of R55 290.00 (VAT incl).

## 8. LEGAL IMPLICATIONS

The recommendations in this report comply with Council's policies and all applicable legislation.

Supply Chain Management Policy, 4.36.1a (i)

Supply Chain Management Policy, 4.36.b

Supply Chain Regulation 36(1)

MFMA Section 32(2)

## 9. RISK IMPLICATIONS

All intent was in good faith; the breach can be attributed to the initial planning processes and the lack of capacity with regard to ensuring required financial compliances are adhered to.

## 10. CONCLUSION

It is acknowledged that there were minor breaches of the procurement processes. If the process was followed correctly however, the outcome and cost would have been identical. Council incurred no loss during this process and there was no intentional disregard of Council's procurement processes. It is therefore requested that the expenditure be written off because the services were rendered.



**11. COMMENTS FROM THE MUNICIPAL MANAGER**

Item for MPAC on 20 March 2018 to be prepared by the user department explaining the minor breaches and what consequence management was implemented. Feedback to be given by the department why this matter is only being addressed now given the fact that the work happened in the first quarter of the financial year, i.e. August 2017.

**12. COMMENTS FROM SUPPLY CHAIN MANAGER**

SCM is busy to implement processes that will ensure that such practices do not occur again.

**MPAC MEETING: 2018-09-18: ITEM 5.2****RESOLVED**

- (i) that the Committee regards the handling of the matter as irregular because it is a breach of the procurement process;
- (ii) that the Committee notes the minor breaches of the procurement process; and

**THAT IT BE RECOMMENDED TO COUNCIL:**

- (a) that Council takes note of the circumstances as provided in the report, and approves the ratification of the expenditure to the amount of R 55 290.00 (VAT incl) to DP Truckhire; and
- (b) that Council ratifies the expenditure in terms of the MFMA Section 32 (2).

**APPENDIX**

**Appendix 1** - Ratification: DP Truckhire (B/SM 2/16) for R 29,640.00

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Deon Louw
<b>POSITION</b>	<i>Director: Infrastructure Services</i>
<b>DIRECTORATE</b>	<i>Infrastructure Services</i>
<b>CONTACT NUMBERS</b>	021 808 8213
<b>E-MAIL ADDRESS</b>	<a href="mailto:Deon.louw@ Stellenbosch.gov.za">Deon.louw@ Stellenbosch.gov.za</a>
<b>REPORT DATE</b>	2018/08/27

# **APPENDIX 1**

**Ratification: DP Truckhire  
(B/SM 2/16) for R 29,640.00**



# MEMORANDUM

DEPARTMENT OF ENGINEERING SERVICES

CHECK BEFORE SUBMISSION	YES	NO
REGISTERED ON SCM DATABASE If answer is NO follow the next step: - Register on SCM Database - Creditors form (SAMRAS)	✓	
LETTER - SOLE SUPPLIER if applicable.		✓
ORIGINAL VALID TAX CERTIFICATE	✓	
QUOTE/INVOICE ATTACHED	✓	
BUDGET (SAMRAS)	✓	
CASHFLOW	✓	
SIGNATURES	✓	

To : Aan: **MUNICIPAL MANAGER**  
 From : Van: Saliem Haider  
 Job Title: Manager: Solid Waste Management  
 Date : Datum: 05 August 2016  
 Re : Insake: **RATIFICATION: DP Truckhire (B/SM 2/16) for R 29,640.00**

## 1. PURPOSE

To obtain approval in terms of Supply Chain Management Policy, 4.36.1 (b) to ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.

## 2. BACKGROUND

In terms of regulation 4.36.1 of the SCM Regulations, the accounting officer is responsible for deciding whether a particular breach of procurement processes is minor or material.

In exercising this discretion the accounting officer must be guided by:

- a) The specific nature of the breach: is it simply technical in nature, not impacting in any significant way on the essential fairness, equity, transparency, competitiveness or cost effectiveness of the procurement process?

**Comment:**

- 1) A 5.5m<sup>3</sup> vehicle was hired off annual tender B/SM 2/16 from DP Truckhire for the purpose of recycling collection in Stellenbosch Town.
- 2) Order number 318877 was generated on 30 March 2016 for a total amount of R199,180.80 (incl VAT) for 1344 hours at R148.20 per hour (incl VAT).
- 3) By 30 June 2016, 664 hours had been used leaving a balance of 680 hours equal to R100,776.00 (incl VAT).
- 4) As the order had a balance of 680 hours, and the appointment was made from an annual tender, the work continued as per normal from 01 July 2016.
- 5) A requisition for the balance was made out on 29 July 2016 by Ms Nell but subsequently turned down by Supply Chain Management as tender B/SM 2/16 had expired on 30 June 2016. Ms Nell was not aware that this was the case.
- 6) The services of DP Truckhire was immediately terminated once this information came to light and an urgent three quotes process (requisition number 1017378) and FQ process (requisition number 1017400) initiated in the absence of a current annual tender.
- 7) The work performed was thus based on a previous contract and the service rendered continued by default.

**3. DISCUSSION**

- b) The circumstance surrounding the breach: are the circumstances justifiable or, at least, excusable?

**Comment:**

An honest mistake led to the breach as it was not known by Ms Nell that the tender B/SM 2/16 had expired 30 June 2016.

- c) The intent of those responsible for the breach: were they acting in good faith?

Comment: The intent was in good faith as it was not intentional and in the interest of continued service delivery.

#### 4. FINANCIAL IMPLICATIONS

- d) The financial implication as a result of the breach: what was the extent of the loss or benefit?

**Comment:**

The amount owed to DP Truckhire for the hiring of a vehicle for 200 hours during the month of July 2016 amounts to R29,640.00 (incl VAT). (Invoice 360 from DP Truckhire attached as proof.)

#### 5. COMMENTS FROM OTHER DIRECTORATES

##### 5.1 COMMENTS FROM DIRECTORATE: STRATEGIC & CORPORATE SERVICES (LEGAL SERVICES)

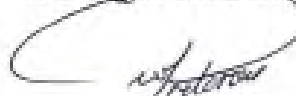
As the services rendered was based on a previous tender B/SM 2/16 which had expired 30 June 2016 it amounts to non-compliance with the MFMA, SCM policy and Treasury Regulations. Only National Treasury can condone the contravention.

#### 6. RECOMMENDATION

That the approval, from vote 1/6530/0764 be granted in terms of the Municipality Supply Chain Management Policy 4.36.1(b) to ratify any minor breaches of the procurement processes, for the ratification of payment which amounts to R 29,640.00 (VAT incl.)

  
 \_\_\_\_\_  
 Sallem Haider  
 Manager: Solid Waste Management

10/11/2016  
 \_\_\_\_\_  
 Date

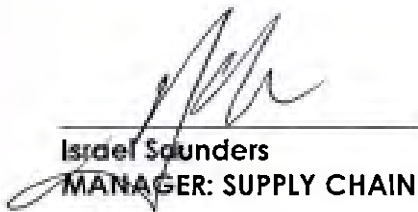
  
 \_\_\_\_\_  
 Willem Pretorius  
 ACTING DIRECTOR: ENGINEERING SERVICES

Date: 11/11/2016

Noted any further comments:

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Ratification: DP Truckhire – Hiring of recycling truck off B/SM 2/16

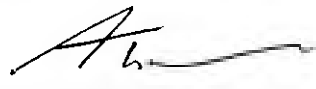
  
Israel Saunders  
MANAGER: SUPPLY CHAIN MANAGEMENT

Date: 11/11/2016

Noted any further comments:

End user department to submit an item to MPAC.

Recommended



Date: 15/11/16

Acting  
Aerius Wüst TREUBRICH  
CHIEF FINANCIAL OFFICER

Noted any further comments:

\_\_\_\_\_


\_\_\_\_\_



Date: 20/11/16

Richard Bosman  
ACTING MUNICIPAL MANAGER

Approved

Service was rendered   
Dept to be submitted to MPAC  
on the matter.

\_\_\_\_\_

\_\_\_\_\_

**DP TRUCK HIRE****TAX INVOICE**

73 Bell Street  
Klapmuts  
7625

Cell no 0827467694

VAT NO 4510251590

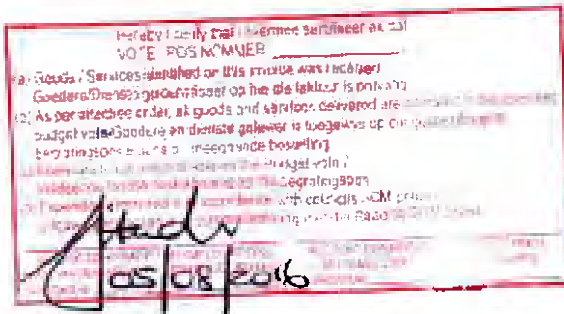
Stellenbosch Municipality  
P.O.Box 17  
Stellenbosch  
7599  
Vat no 4700102181

INVOICE NUMBER 360  
INVOICE DATE July 29, 2016  
ORDER NO 318877

VAT

14.00%

QUANTITY	DESCRIPTION	UNIT PRICE	AMOUNT
168	Hire of 5,5m <sup>3</sup> Tipper Truck 01 Jul to 29 Jul 16	R 130.00	R 21 840.00
32	05, 12, 19 & 26 Jul 16	R 130.00	R 4 160.00
		<b>SUBTOTAL</b>	<b>R 26 000.00</b>
		<b>TAX</b>	<b>R 3 640.00</b>
		<b>FREIGHT</b>	<b>R 29 640.00</b>
			<b>PAY THIS AMOUNT</b>



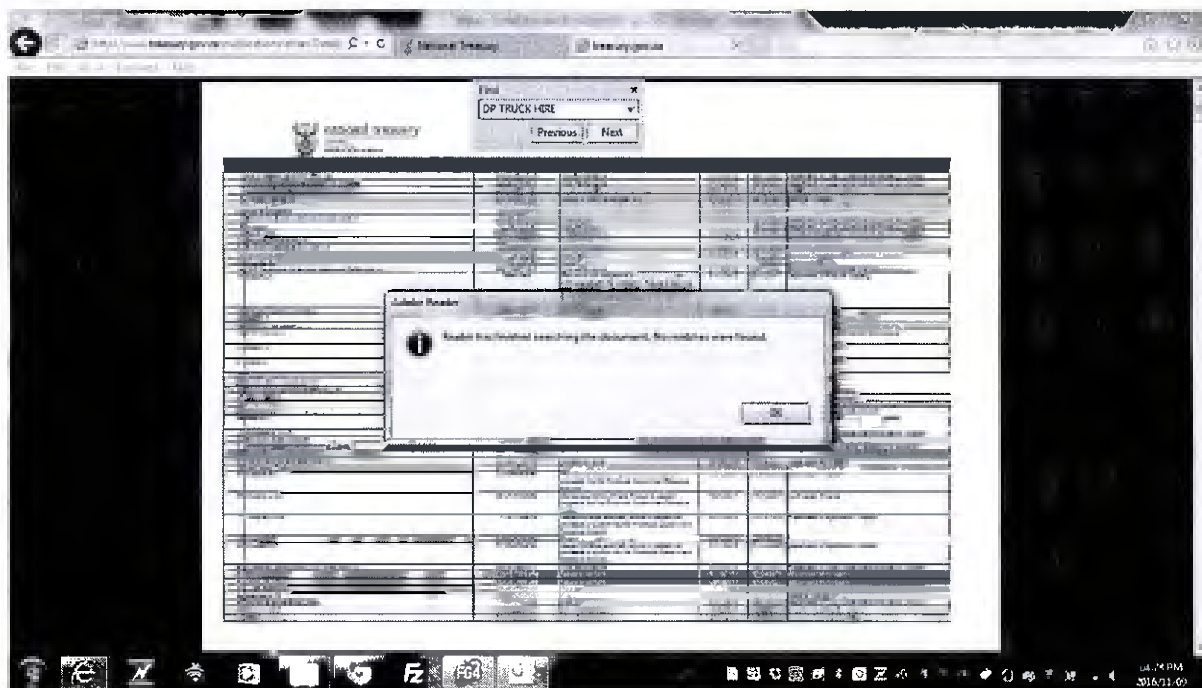
**DIRECT ALL INQUIRIES TO:**  
Melanie Martin  
0829498507  
email: dawiec1@telkomsa.net

**MAKE ALL CHECKS PAYABLE TO:**  
DP TRUCKHIRE  
ABSA BANK  
ACC NO 9079316675  
BRANCH CODE 632005

THANK YOU FOR YOUR BUSINESS!

*[Signature]*  
05/08/16







South African Revenue Service

Tax Clearance Certificate Number  
0002/2/2016/0007785972

## Tax Clearance Certificate - Good Standing

Enquiries  
0800 00 7277  
Approved Date  
2016-11-23  
Expiry Date  
2016-11-22

Identity Number/ Passport Number	6905185146086 ^
Company Registration Number	
Income Tax	1195197148 - DP COETZEE ^
VAT/Diesel Registration	4510251590 - DP COETZEE
PAYE Registration	7940778931 - DP COETZEE
UIF Registration	U940778931 - DP COETZEE
Trading Name	DP Truck Hire
Tender Number	GoodStanding

It is hereby confirmed that, on the basis of the information at my disposal, the above-mentioned taxpayer has complied with the requirements as set out in section 256(3) of the Tax Administration Act.

This certificate is valid for a period of 12 months unless otherwise communicated by SARS.

Verification of this certificate can be done at any SARS Revenue office nationwide.

Photo copies of this certificate are not valid.

SARS reserves the right to withdraw this certificate at any time should any taxes, levies or duties become due and outstanding by the above taxpayer during the one year period for which the certificate is valid.

*This certificate is issued free of charge by SARS.*

Case No  
99055/PS17  
Still active  
09/11/2016



**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA  
Private Bag X115, Pretoria, 0001

**Register for Tender Defaulters**

Currently there are no Tender Defaulters

*h*

v1.0.5

### VAT Vendor Search

Note: You need a valid Vat Number or an Exact VAT Trading Name. [Help](#) for more information.  
Click on

VAT Number:	<input type="text" value="4510251590"/>	
VAT Trading Name:	<input type="text"/>	<input type="button" value="Search"/>

VAT Trading Name	VAT Registration Number	Office
DP TRUCK HIRE	4510251590	BELLVILLE

IDENTITY NUMBER	MUN	SURNAME(S)	NAME(S) OF DIRECTOR(S)	COMPANY NAME	FQ	TODAY	GENERAL R	SERVICE REMARKS
6111055003080	6	DELPORT	GABRIEL JOHANNES	ELECTRICAL ENERGY MANAGEMENT SY	67/17	20160926	OUT-OF-SE	OTHER PROVINCE OUT
6005295216082	6	CLOETE	JOHN	JONTY ENGINEERING & TRADING 5A cc		20160926	ID-NUMBE	ID-NUMBER NOT FOU
8501251140082	6	MSINDO	KHAYAKAZI	KHAYAKAZI MSINDO		20160926	ID-NUMBE	ID-NUMBER NOT FOU
8309025098085	6	MOSES	EUMIR ADAM	MYGRAFT (PTY) LTD		20160926	ID-NUMBE	ID-NUMBER NOT FOU
6309235402087	6	LEDGER	MARK SIMON	AGUA AFRICA CC	68	20160926	ID-NUMBE	ID-NUMBER NOT FOU
9310020598086	6	DE KOCK	RIVONIA	BLUE PLANET TRADING (PTY) LTD	84	20160926	ID-NUMBE	ID-NUMBER NOT FOU
7708155400089	6	SIWISA	SHUMBA TICHATONGA	CAMARNI SUPPLY CHAIN SPECIALISTS	66	20160926	ID-NUMBE	ID-NUMBER NOT FOU
7612010092083	6	BHIMMA	NITASHA	CAMARNI SUPPLY CHAIN SPECIALISTS	66	20160926	OUT-OF-SE	OTHER PROVINCE OUT
6604265562085	6	FROUD	PATRICK WILLIAM	CAMARNI SUPPLY CHAIN SPECIALISTS	66	20160926	ID-NUMBE	ID-NUMBER NOT FOU
6905185146085	6	COETZEE	DAVID	DP TRUCK HIRE	66	20160926	ID-NUMBE	ID-NUMBER NOT FOU
5801160816084	6	LANGENI	NOMBEKO	RENTOKIL	38	20160926	ID-NUMBE	ID-NUMBER NOT FOU
7204170062088	6	CAMPBELL	ANTOINETTE PORTIA	RENTOKIL	38	20160926	ID-NUMBE	ID-NUMBER NOT FOU
705222427	6	LEWIS	DAVID JOHN	RENTOKIL	38	20160926	INVALID ID	INVALID ID-NUMBER!
93072017	6	GILLESPIE	ANDREW MARK	RENTOKIL	38	20160926	INVALID ID	INVALID ID-NUMBER!
7203300859082	6	BAM	PUMEZA	EOH		20160926	ID-NUMBE	ID-NUMBER NOT FOU
5211215177088	6	BOHBET	ASHER	EOH		20160926	ID-NUMBE	ID-NUMBER NOT FOU
6701125223088	6	ATKINS	S	KALTRON		20160926	ID-NUMBE	ID-NUMBER NOT FOU
7908245054082	6	KAT	R	KALTRON		20160926	ID-NUMBE	ID-NUMBER NOT FOU
8012225231080	6	DESAI	F	KALTRON		20160926	ID-NUMBE	ID-NUMBER NOT FOU
6009055047083	6	ADAMS	N	KALTRON		20160926	ID-NUMBE	ID-NUMBER NOT FOU
6607300239080	6	DUVAL	K	KALTRON		20160926	ID-NUMBE	ID-NUMBER NOT FOU



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MBD 4

### DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state\*.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority
3. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

3.1 Full Name of bidder or his or her representative: David Coetzer

3.2 Identity Number: 6905185146 085

3.3 Position occupied in the Company (director, trustee, shareholder?): owner

3.4 Company Registration Number: .....

3.5 Tax Reference Number: 1195197148

3.6 VAT Registration Number: 4510051590

3.7 The names of all directors / trustees / shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below.

3.8 Are you presently in the service of the state?

YES  NO

3.8.1 If yes, furnish particulars. ....

MSCM Regulation: "in the service of the state" means to be-

- (a) a member of -
  - (i) any municipal The Municipality;
  - (ii) any provincial legislature; or
  - (iii) the national Assembly or the national The Municipality of provinces;
- (b) a member of the board of directors of any municipal entity;
- (c) an official of nay municipality or municipal entity;
- (d) an employee of any national or provincial department, national or provincial public entity or constitutional institutional 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 entity ; or
- (f) An employee of Parliament or a provincial legislature.



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3.9 Have you been in the service of the state for the past twelve months? ..... YES / **NO**

3.9.1 If yes, furnish particulars.....  
.....

3.10 Do you have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid? ..... YES / **NO**

3.10.1 If yes, furnish particulars.  
.....  
.....

3.11 Are you, aware of any relationship (family, friend, other) between any other bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid? ..... YES / **NO**

3.11.1 If yes, furnish particulars  
.....  
.....

3.12 Are any of the company's directors, trustees, managers, principle shareholders or stakeholders in service of the state? ..... YES / **NO**

3.12.1 If yes, furnish particulars.  
.....  
.....

3.13 Are any spouse, child or parent of the company's directors trustees, managers, principle shareholders or stakeholders in service of the state? ..... YES / **NO**

3.13.1 If yes, furnish particulars.  
.....  
.....

3.14 Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract. ..... **YES** / NO

3.14.1 If yes, furnish particulars:  
.....  
..... 50% share in Geradondat Jackie's Bazaar

APC





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4. Full details of directors / trustees / members / shareholders.

Full Name	Identity Number	State Employee Number
David Coetzer	6905185146085	

*[Handwritten Signature]*  
Signature

06/09/16  
Date

OWNER  
Capacity

DP TRUCKHIRE  
Name of Bidder

*DP*



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MBD 8

## DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Municipal Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be rejected if that bidder, or any of its directors have:
  - a. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
  - b. been convicted for fraud or corruption during the past five years;
  - c. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
  - d. 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).
- 4 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's database as a company or person prohibited from doing business with the public sector? (Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the <i>audi alteram partem</i> rule was applied).	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? (To access this Register enter the National Treasury's website, <a href="http://www.treasury.gov.za">www.treasury.gov.za</a> , click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 3265445).	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
4.3.1	If so, furnish particulars:		
<b>Item</b>	<b>Question</b>	<b>Yes</b>	<b>No</b>
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months? (attached copy of payment arrangements of arrears account)	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
4.5.1	If so, furnish particulars:		

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME) David Coetzee  
 CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM TRUE AND CORRECT.  
 I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

Signature

OWNER

Position

Date

06/09/16

B P TRUCCHIRE

Name of Bidder

*SPC*



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MBD9

**CERTIFICATE OF INDEPENDENT PROPOSAL DETERMINATION**

- 1 This Municipal Bidding Document (MBD) must form part of all bids<sup>1</sup> invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *per se* prohibition meaning that it cannot be justified under any grounds.
- 3 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
  - a. take all reasonable steps to prevent such abuse;
  - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
  - c. 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.
- 4 This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.

<sup>2</sup> Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.



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MBD9

## CERTIFICATE OF INDEPENDENT PROPOSAL DETERMINATION

I, the undersigned, in submitting the accompanying documentation:

FQ/SM 66/17:

### Written quotation and Description

in response to the invitation for the bid/written quotation/formal quotation made by:

STELLENBOSCH MUNICIPALITY

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of: DP TRUCKHIRE that:  
(Name of Contractor)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the "competitor" must include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - a) has been requested to submit a bid in response to this bid invitation;
  - b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

<sup>3</sup> Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.



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- 6 The contractor has arrived at the accompanying proposal independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.
- 7 In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
- Prices;
  - geographical area where product or service will be rendered (market allocation);
  - methods, factors or formulas used to calculate prices;
  - the intention or decision to submit or not to submit, a proposal;
  - the submission of a proposal which does not meet the specifications and conditions of the proposal; or
  - propose with the intention not to win the bid/formal quotation/written quotation.
- 8 In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this invitation relates.
- 9 The terms of the accompanying bid/formal quotation/written quotation have not been, and will not be, disclosed by the contractor, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.
10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No. 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No. 12 of 2004 or any other applicable legislation.

Signature

Position

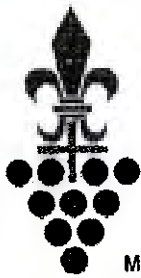
OWNER

Date

Name of Contractor

06/09/16

DP TRUCKHIRE


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BTW Reg Nr./VAT Reg No. 4700102181

 Mnr/Me DP COETZEE  
 BELLSTRAAT 73  
 KLAPMUTS  
 7625

REKENING NOMMER	10628906
BELASTINGFAKTUUR	4956226
REKENING DATUM	16/08/2016
KWITANSIES GEPOS TOT	15/08/2016
BTW	31.31
WAARDASIE	
ERF	KMUTS 236 00001
GEBOU	BELLSTRAAT
LIGGING	KLAPMUTS-SUID
DEPDSITO / WAARBORG	600.00-
DEB BTW REG NR.	

**BELASTINGFAKTUUR MAANDELIKSE REKENING**
**TAX INVOICE MONTHLY ACCOUNT**

METER BESONDERHEDE		Faktor	Verbruik	Periode	Daag.Gemid
Tp. Meter Nr.	Vorige Nuwe Lesing		23	30/05-29/06	76
W 000008012	824 847				

REKENING BESONDERHEDE			
Saldo oorgedra:		310.59	
Rente/boetes:		2.61	
Joernale:	8449/048	15.00	1.84

HUIDIGE REKENING		Verbruik	Tarief/Koste	Bedrag	BTW
Oiens tipe					
Water	Basic/Basies	1	52.81000	60.20	7.39
Water	Cons/Verbr	23	157.74000	179.82	22.08
** Totale maandelikse saldo:				568.22	
saldo oorgedra:				3047.60	
** Totale jaarlikse saldos:				3047.60	

**BOODSKAP**

Stellenbosch Munisipaliteit se drinkwater kwaliteit voldoen 91.8%  
 NEEM ASSEBLIEF KENNIS DAT DIE MUNISIPALITEIT SLEGS BANK GEWAARBORGDE TJEKS  
 AANVAAR.  
 Sou 'n waterlesing bevraagteken word, word u vriendelik versoek om 'n lesing te  
 neem alvorens u met ons kantore in verbinding tree. Laasgenoemde bespoedig die  
 afhandeling van u navraag.

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Send this portion back with your payment please. Stuur asseblief hierdie gedeelte saam met u betaling.  
 RECEIPT VALID ONLY IF PRINTED BY OFFICIAL CASH RECEIPTING FIGURES.  
 KWITANSIE GELOIG ALLEENLIK INDIEN DEUR AMPTELIKE KASREGISTERSYFERS GEDRUK.

 P.O.Box / Posbus 17, Stellenbosch, 7599.  
 021 808 8111 021 886 7318

Name / Naam		Account No. / Rekeningnr.		Period / Tydperk	Date / Datum
Mnr/Me DP COETZEE		10628906		2016/08	16/08/2016
Due Date Datum Verskuldig	Monthly / Maandeliks		Annual / Jaarliks		TOTAL NOW DUE TOTAAL NOU VERSKULDIG
	Arrears / Credits Agterstalg / Krediete	07/09/2016	Arrears / Credits Agterstalg / Krediete	07/10/2016	
Now Due / Future: Nou Verskuldig / Toekomstig:	313.20	255.02		3047.60	3615.82
 >>>>>> 9151 6000 0001 0628 9063		 Bank Name ABSA Bank Naam Cheque Account Number 4070075635 Tjek rekeningnummer Branch Code 63 20 05 Tak Kode Swift Code ABSAZAJJ Swift Kode Reference Number <u>Compulsory</u> . Please use your Municipal Account Number <u>only</u> Verwysing Nummer <u>Verpligteid</u> . Gebruik <u>slegs</u> u Munisipale rekening nummer		 11450 0000 1062 8906	

Please do not use this bank account number for any other municipal payments. - Geen ander munisipale betalings mag in hierdie bankrekening gemaak word nie.

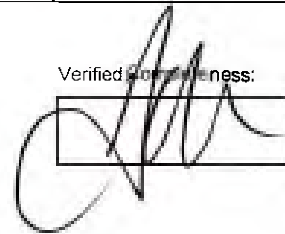


D/SM:	SUPPLY CHAIN MANAGEMENT	PROOF SUBMITTED
5	<b>SARS</b> Valid Original Tax Clearance Certificate VAT Verified on E-filing	Original Only Yes <input type="checkbox"/> No <input type="checkbox"/>
6	<b>MBD 4 Check ID's and In Service of State</b> Have ID's been verified? (if answer no - make a copy of page with ID's attach to this checklist- email ID's to Nicolene for Verification)	Yes <input type="checkbox"/> No <input type="checkbox"/>
7	<del>MBD 8</del> completed <del>MBD 9</del> completed	Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/>
9	<b>MUNICIPAL ACCOUNT:</b> Closing date of Bid: ..... 2014/2015 Municipal account date: ..... 2014/2015 Was the account in arrears? (proof of payment)	Yes <input type="checkbox"/> No <input type="checkbox"/>
	OR	
	<b>LEASE AGREEMENT:</b> Commencement of lease: ..... 2014/2015 Termination Date: ..... 2014/2015	
10	<b>NATIONAL TREASURY WEBSITE:</b> Register for Tender Defaulers Database of Restricted Suppliers	Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/>

**FILE COMPLETE**

Name: .....  
 Signature: .....  
 Date: .....

Verified on behalf of business:



<b>8.1.3</b>	<b>CONSIDERATION OF EXPENDITURE INCURRED RELATING TO SERVICES RENDERED BY APPOINTMENT OF ENVIRONMENTAL CONSULTANT</b>
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**Collaborator No:** 604630  
**IDP KPA Ref No:** Good Governance  
**Meeting Date:** 18 September 2018

**1. SUBJECT: CONSIDERATION OF EXPENDITURE INCURRED RELATING TO SERVICES RENDERED BY APPOINTMENT OF ENVIRONMENTAL CONSULTANT**

**2. PURPOSE OF REPORT**

To provide information regarding the expenditure incurred for investigation by MPAC and to be recommended to and considered by Council to ratify the expenditure in terms of Section 4.36.1a (i) of Stellenbosch Municipality Supply Chain Policy (2017/2018).

**3. DELEGATED AUTHORITY**

Council to ratify the expenditure as the specific nature of the breach is simply technical in nature, not impacting in any significant way on the essential fairness, equity, transparency, competitiveness or cost effectiveness of the procurement process relating to the procurement of service of an environmental consultant.

**4. EXECUTIVE SUMMARY**

Stellenbosch Municipality received a pre-directive reference: 14/1/1/E2/4/8/4/0297/17 from the Department of Environmental Affairs and Development Planning dated 12<sup>th</sup> May 2017 (see attached). The Municipality was instructed via the pre-directive to provide the Department of Environmental Affairs and Planning within seven (7) days with a written report compiled by a registered environmental specialist and input from a freshwater specialist.

The service provider was instructed to inspect the affected area immediately and commence with the compilation of said report due to the timeframe and urgency of the work that needed to be performed as outlined in the pre-directive. Delays in submitting the required quotation resulted in the administrative requirements not being adhered to.

**5. RECOMMENDATIONS**

- (a) that the Committee takes note of the circumstances as provided in the report and recommend to Council that the ratification of the expenditure to the amount of R 62 905.00 (Incl. VAT) be approved; and
- (b) that Council ratifies the expenditure in terms of Section 4.36.1a (i) of Stellenbosch Municipality Supply Chain Policy (2017/2018).

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**6. DISCUSSION****Background**

Stellenbosch Municipality received a pre-directive reference: 14/1/1/E2/4/8/4/0297/17 from the Department of Environmental Affairs and Development Planning dated 12<sup>th</sup> May 2017. A number of prospective service providers were contacted to enquire whether they will be available on such short notice. It was only Withers Environmental Consultants in collaboration with Blue Science (freshwater specialist) that were available to inspect the site immediately.

Once the quotations were received the necessary paperwork were completed for both service providers. During the vetting stage it was discovered that Withers Environmental Consultants was not tax compliant. In our discussions with the service provider we were informed that both service providers (Withers and Blue Science) were registered on database of tender BSM16/16 and at the time of document submissions all paperwork were up to date.

Water Services enquired from Supply Chain Management (SCM) regarding the tender BSM 16/16. According to SCM records, Withers have only been acting as a third party in providing services via BSM 16/16 and not directly to Stellenbosch Municipality. Since both the service providers already started with the report it was decided to wait on the tax certificate in order to finalize Withers Environmental Consultants' order. The said certificate was only forwarded to Stellenbosch Municipality on 11<sup>th</sup> October 2017.

A ratification document was submitted and approved by the Municipal Manager, dated 13<sup>th</sup> November 2017.

**7. FINANCIAL IMPLICATIONS**

The cost for compilation of the report and public participation will be funded from Unique Key 20170626062079.

**8. LEGAL IMPLICATIONS**

The recommendations in this report comply with Council's policies and all applicable legislation.

Supply Chain Management Policy, 4.36.1a (i)

Supply Chain Management Policy, 4.36.b

Supply Chain Regulation 36(1)

MFMA Section 32(2)

**9. RISK IMPLICATIONS**

The intent was in good faith as it was in the interest of service delivery and to adhere to Stellenbosch Municipality pillars of a "Green and Sustainable Valley" and "Good Governance & Compliance".

**10. CONCLUSION**

It is acknowledged that there were administrative errors relating to the timeous issuing of the required documentation and submission of requisition for the work to be done. If the process was followed correctly however, the outcome and cost would have been identical. Council incurred no loss during this process and there was no intentional disregard of Council's procurement processes. It is therefore requested that the expenditure be approved because the services were rendered.

**MPAC MEETING: 2018-09-18: ITEM 5.3****RESOLVED**

- (i) that the Committee notes that the recommendations comply with all the relevant policies of Council as per No. 8 – Legal implications; and

**THAT IT BE RECOMMENDED TO COUNCIL:**

- (a) that Council takes note of the technical circumstances of the breach as provided in the report, and that the ratification of the expenditure to the amount of R 62 905.00 (Incl. VAT) be approved; and
- (b) that Council ratifies the expenditure in terms of Section 4.36.1a (i) of Stellenbosch Municipality Supply Chain Policy (2017/2018).

**APPENDIX:**

**Appendix 1** : Ratification: urgent appointment of environmental consultant and Freshwater Specialist at WH WWTW (R 27 816.00 & 35 089.00 = 62905.00 INCL.VAT)

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Deon Louw
<b>POSITION</b>	<i>Director: Infrastructure Services</i>
<b>DIRECTORATE</b>	<i>Infrastructure Services</i>
<b>CONTACT NUMBERS</b>	<i>021 808 8213</i>
<b>E-MAIL ADDRESS</b>	<a href="mailto:Deon.louw@stellenbosch.gov.za">Deon.louw@stellenbosch.gov.za</a>
<b>REPORT DATE</b>	<i>2018/03/13</i>

# **APPENDIX 1**

**Ratification: urgent appointment of  
environmental consultant and  
Freshwater specialist at WH WWTW  
(R 27 816.00 & 35 089.00 = 62905.00  
INCL. VAT)**



# MEMORANDUM

DEPARTMENT OF ENGINEERING SERVICES

CHECK BEFORE SUBMISSION	YES	NO
REGISTERED ON SCM DATABASE If answer is NO follow the next step: - Register on SCM Database - Contractor form (SAMRAS)		
LETTER - SOLE SUPPLIER applicable		
ORIGINAL VALID TAX CERTIFICATE		
QUOTE INVOICE ATTACHED		
BUDGET (SAMRAS)		
CASH FLOW		
SIGNATURES		

RSM 04/18

**To - Aan:** MUNICIPAL MANAGER  
**From - Van:** James Beukes  
**Job Title:** Head: Water and Waste Water Treatment Works  
**Date - Datum:** 25 October 2017  
**Re - Insake:** RATIFICATION: URGENT APPOINTMENT OF ENVIRONMENTAL CONSULTANT AND FRESHWATER SPECIALIST AT WH WWTW (R 27 816.00 & 35 089.00 = R 62 905.00 INCL.VAT)

## 1. PURPOSE

To obtain approval in terms of Supply Chain Management Policy, 4.36.1(b) to ratify any minor breaches of the procurement processes, amounting to R 62 905.00 INCL VAT for the urgent appointment of an environmental consultant and freshwater specialist at WH WWTW.

## 2. BACKGROUND

On the 30 May 2017 a deviation process was followed to appoint service providers due to a directive that was served with regard to the Wemmershoek WWTW. The relevant processes and protocol were observed. All stakeholders were in agreement and the viewpoint was that it was merely a formality and that approval was imminent. After signature of the SCM Manager, further vetting was done and found the service provider's tax clearance was not valid and the issuing of a new valid tax certificate was in process. Unfortunately this process took much longer than anticipated.

In terms of regulation 36 of the SCM Regulations, the accounting officer is responsible for deciding whether a particular breach of procurement processes is minor or material.

In exercising this discretion the accounting officer must be guided by:

- a) The specific nature of the breach: is it simply technical in nature, not impacting in any significant way on the essential fairness, equity, transparency, competitiveness or cost effectiveness of the procurement process?

Comment: The breach is technical in nature due the internal requirements of vetting that is required for the appointment of a contractor. Essential fairness, equity, transparency, competitiveness or cost effectiveness of the procurement process was not compromised.

### 3. DISCUSSION

- b) The circumstance surrounding the breach: are the circumstances justifiable or, at least, excusable?

Comment: The breach is justifiable and excusable as the municipality had no prior knowledge or control of the circumstances leading to the delay in appointment.

- c) The intent of those responsible for the breach: were they acting in good faith?

Comment: Yes, at the time the service provider wasn't aware of any non-compliance.

### 4. FINANCIAL IMPLICATIONS

- d) The financial implication as a result of the breach: what was the extent of the loss or benefit?

Comment: There was no loss or benefit since the service weren't rendered financially to the detriment of the municipality.



5. RECOMMENDATION

5.1. That the approval, from U-Key 20170626062079 be granted in terms of the Municipality Supply Chain Management Policy 4.36.1(b) to ratify any minor breaches of the procurement processes, as it is related to so called unauthorized, irregular, wasteful and fruitless expenditure for the ratification of payment which amounts to R 62 905.00, (VAT incl.)

James Beukes  
Head: WTW & WWTW

Date: 26/10/17

SCM failed to advise dept that contract B/SM 16/16 is in place which expires 30 June 2018. Ratification supported due to pre-directive Mun. received from Environmental law enforcement. ER 16/11/2017.

Deon Louw  
DIRECTOR OF ENGINEERING SERVICES


Date: 26/10/17

Noted any further comments:

15 Work done without an order therefore the ratification is required to affect payment. MM 8/11/17.

Geraldine Mettler  
MUNICIPAL MANAGER

Approved



Date: 17/11/17

Noted any further comments:

Proper checks and balances to be put in place to ensure no recurrence. MM

please send pass legal for comment MM 13/11/17.

**James Beukes**

**From:** James Beukes  
**Sent:** 11 October 2017 06:18 AM  
**To:** Bradley Dyers  
**Cc:** Dries Vantaak  
**Subject:** FW: [EX] RE: Documentation  
**Attachments:** 8-B8EE Sworn Affidavit\_2017-18.pdf; Pin\_2017-18.pdf; WEC\_Tax Clearance\_2017-18.pdf

Bradley,

Sien aangeheg die dokumentasie van Aubrey Withers waarop ons gewag het vir deviasie.

Groete  
**James Beukes**  
*Head: Water & Wastewater Treatment  
 Water Services / Engineering*  
 T: +27 21 808 8283 • C: +27 82 589 3068 • F: +27 833 9874  
 71 Plein Street, Stellenbosch, 7600 • PO Box 17, Stellenbosch, 7599  
[www.stellenbosch.gov.za](http://www.stellenbosch.gov.za)



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**From:** Aubrey Withers [mailto:[aubrey@withersenviro.co.za](mailto:aubrey@withersenviro.co.za)]  
**Sent:** 10 October 2017 04:10 PM

**To:** James Beukes  
**Subject:** [EX] RE: Documentation

Hi James

Here with the relevant documentation for registration. I seem to have lost the lady's name who I was dealing with. Trust this will be in order.

In the meantime, I have just obtained Dana's report that I am working through. I will send this through to DEADP and DWS shortly. I am also working on the Stellenbosch WWTW's report as well.

Kind regards

Aubrey



**WITHERS**  
ENVIRONMENTAL CONSULTANTS

Tel: (021) 887 4000 Fax: (021) 883 2952

Cell: 083 658 8744

Physical Address:

15 Mount Albert Street

**STELLENBOSCH**

7600

Postal Address:

P.O.Box 6118

**UNIEDAL**

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**From:** James Beukes [mailto:James.Beukes@stellenbosch.gov.za]

**Sent:** 29 June 2017 01:57 PM

**To:** Aubrey Withers (aubrey@withersenviro.co.za)

**Cc:** Dries Vantaak

**Subject:** FW: Documentation

Aubrey,

I spoke to our SCM. They will wait for Tax Certificate but can issue an order if the other necessary documentation are completed. Tomorrow is the end of our financial year and I would really want the order to be generated.

Regards

James Beukes

Head: Water & Wastewater Treatment  
Water Services / Engineering

T: +27 21 808 8283 • C: +27 82 589 3068 • F: +27 833 9874

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**From:** Israel Saunders

**Sent:** 29 June 2017 12:27 PM

**To:** James Beukes

**Subject:** FW: Documentation

Hi

Stellenbosch want to issue an order to you.

We need the following documentation before we can issue the order. Please forward to us as soon as possible. Scanned than emailed would be sufficient. Regards

- a. A valid Tax Clearance Certificate
- b. A recent municipal account (not older than 3 months) or copy of lease agreement
- c. Vat number
- d. Complete MDB4 attached
- e. Complete MB08 attached
- f. Complete MB09 attached

Thank you.

I.B.J Saunders  
Supply Chain Management  
Stellenbosch municipality  
Tel: 021-808 8137

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**James Beukes**

**From:** Dries Vantaak  
**Sent:** 15 June 2017 08:47 AM  
**To:** Israel Saunders  
**Cc:** James Beukes  
**Subject:** FW: [EX] RE: Documentation

Israel

Hierdie was as gevolg van 'n pre-directive uitgereik deur DEADP aan die MM en ons moes 'n verslag indien voor 12 Junie 2017 in terme van pre-directive, indien nie daaraan voldoen nie gaan hulle die MM aankla. MM en hof toe neem. Vereiste was dat ons 'n omgewingskonsultant en varswaterspesialis moes aanstel. Ons moet net hulle TCC kry en order uitreik.

Groete

**Dries van Taak (B.Ing, Pr.Eng)**

*Manager: Water Services*

T: +27 21 808 8218 • C: +27 76 417 4482 • F: +27 883 9912

1st Floor, Ecclesia Building, 71 Plein Street, Stellenbosch, 7600

PO Box 17, Stellenbosch, 7599

e-mail: [dries.vantaak@stellenbosch.gov.za](mailto:dries.vantaak@stellenbosch.gov.za)



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**Enquiries**  
T: 021 808 8111



**Anti-Fraud**  
T: 0800 111 027

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**From:** James Beukes  
**Sent:** 15 June 2017 08:00 AM  
**To:** Israel Saunders  
**Cc:** Dries Vantaak  
**Subject:** RE: [EX] RE: Documentation

isreal,

Ons maar moet wag op tax clearance certificate want hulle was beskikbaar op kort kennisgewing. Ons het ook reeds kontak gemaak met Omgewingsake dat ons hulle as diensverskaffer wil (sal) aanstel.

Sal dit in orde wees?

Groete

**James Beukes**

*Head: Water & Wastewater Treatment*

*Water Services / Engineering*

T: +27 21 808 8283 • C: +27 82 589 3068 • F: +27 833 9874  
71 Plein Street, Stellenbosch, 7600 • PO Box 17, Stellenbosch, 7509  
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**From:** Israel Saunders

**Sent:** 14 June 2017 08:22 AM

**To:** James Beukes

**Cc:** Bradley Dyers

**Subject:** FW: [EX] RE: Documentation

James gaan julle wag vir die TCC of gaan julle iemand anders kry?

Israel Saunders






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Stellenbosch Municipality  
Municipal Office  
P.O. Box 17, Stellenbosch 7599

**Head : Supply Chain Management**  
Finance Services

[israel.saunders@stellenbosch.gov.za](mailto:israel.saunders@stellenbosch.gov.za)  
T: +27 21 808 8137

[www.stellenbosch.gov.za](http://www.stellenbosch.gov.za)

 [www.facebook.com/stellenboschmunicipality](http://www.facebook.com/stellenboschmunicipality)

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**From:** Aubrey Withers [<mailto:aubrey@withersenviro.co.za>]  
**Sent:** 13 June 2017 05:00 PM  
**To:** Israel Saunders  
**Subject:** [EX] RE: Documentation

Dear Iseael

I am waiting for a renewed valid tax clearance certificate from SARS. My auditors are in the process of obtaining such a certificate. The previous one expired in May 2017.

In terms of a valid Municipal account, I don't have one as I rent premises from my Orchard Family Trust and the house I stay in belongs to my wife. I can send you the forms that you sent me in the interim should you want them now.

The Municipality should have them as I can remember filing them in.

Kind regards

Aubrey



**WITHERS**  
ENVIRONMENTAL CONSULTANTS

Tel: (021) 887 4000 Fax: (021) 883 2952

Cell: 083 658 8744

Physical Address:

15 Mount Albert Street

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**From:** Israel Saunders [mailto:Israel.Saunders@stellenbosch.gov.za]

**Sent:** 13 June 2017 03:00 PM

**To:** aubrey@withersenviro.co.za

**Cc:** James Beukes; Bradley Dyers

**Subject:** FW: Documentation

Hi

Stellenbosch want to issue an order to you. This is urgent.

We need the following documentation before we can issue the order. Please forward to us as soon as possible. Scanned than emailed would be sufficient.Regards

- a. A valid Tax Clearance Certificate
- b. A recent municipal account (not older than 3 months)or copy of lease agreement
- c. Vat number
- d. Complete MDB4 attached
- e. Complete MBD8 attached
- f. Complete MBD9 attached

Thank you.

I.B.J Saunders

Supply Chain Management  
Stellenbosch municipality  
Tel: 021-808 8137

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## MEMORANDUM

**DIRECTORATE: ENGINEERING SERVICES**

20/10/2017

**To - Aan : MUNICIPAL MANAGER**  
**From - Van : James Beukes**  
**Job Title : Head: WTW & WWTW**  
**Date - Datum : 30 MAY 2017**  
**Re - Insake : DEVIATION: URGENT APPOINTMENT OF ENVIRONMENTAL CONSULTANT AND FRESHWATER SPECIALIST AT WEMMERSHOEK WASTEWATER TREATMENT WORKS**

### 1. PURPOSE

To obtain approval in terms of Supply Chain Management Policy, to deviate from the official procurement process, 4.36.1(a)

<b>REASON FOR DEVIATION: (Mark with x where applicable)</b>	
1. Emergency.	X
2. Goods or services are produced or available from a single provider.	
3. Acquisition of special works of art or historical objects where specifications are difficult to compile.	
4. Acquisition of animals for zoos and /or nature and game reserves.	
5. Exceptional case and it is impractical or impossible to follow the official procurement processes.	X

### 2. BACKGROUND

The Wemmershoek Wastewater Treatment Works (WH WWTW) is situated on the banks of the Berg River which is a national listed river as per Department of Water and Sanitation, Notice No. 665. Revision of General Authorisations in Terms of Section 39 of the National Water Act, 1998



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(Act No. 36 of 1998) published 6th September 2013 pages 16 to 18. Listed rivers have more stringent effluent discharge compliance criteria and therefore any emergency should be attended to as soon as possible to minimize any impact on the environment. In the case of the WH WWTW a day resort, Riverside, is situated 800m from the plants discharge point and day campers make use of the river for swimming and leisure. Furthermore farmers downstream of the plant irrigate their crops from the river. Failure to comply with Euro gap standards (this is the standard against which water quality is measured in order to export to Europe) may result in their crops being rejected for exports.

The Wemmershoek Waste Water Treatment Works (WH WWTW) is a 5ML/day Nereda Process plant that utilizes the Nereda Process and is operated and maintained according to the Nereda process principles. The whole process is SCADA driven with remote monitoring and control. Due to the mechanical malfunction of the plant there was sludge carry-over to the maturation pond and eventually contamination of the side ditch that flows into the Berg River (see attached notice from DEAP and report).

### 3. DISCUSSION

Treated effluent flows from Reactors 1 and 2 into the Chlorine Contact Tank (CCT) where the water is disinfected. After a contact time of between 2 to 3 hours it is discharged into the maturation pond which serves as a final polishing step before the effluent is discharged into the Berg River. Due to numerous mechanical and electrical failures the effluent discharged from the reactors contains sludge (suspended matter) particles which then deposited in side ditch marked "sloot 3" on attached map. Reeds beds have overgrown the area resulting in that the deposited sludge cannot be flushed out but is contained within the side ditch. Despite post chlorination (disinfect with chlorine tablets as water flows through the side ditch) attempts to get the bacterial count within limits, we still experienced regular failures.

The Maturation pond was dredged and cleaned during the month of May 2017. The outstanding issue as per Pre-directive is aimed at cleaning the side ditch that is currently clogged with sludge. The Pre-directive is a means to clean the side ditch within a shorter period of time since going the route of a Section 30 will prolong the process. The final effluent exiting the plant conforms to Department of Water and Sanitation General Limits. However once it leave the plant the bacteriological levels increases due the polluted side ditch (see bacteriological results attached).

Stellenbosch Municipality was instructed as per Pre-Directive 14/1/1/E2/4/8/4/0297/17 (attached) to make use of specialist and submit a rehabilitation plan within seven working days. A number of service providers were approached to do the cleaning and many can only assist with a lead time of two weeks and more. Withers Environmental Consultants and BlueScience Freshwater Specialist were the only service providers that should assist within a week.



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#### 4. FINANCIAL IMPLICATIONS

- 4.1. The quotation received from **Withers Environmental Consultants** amounts to R27 816.00 (Incl of Vat).
- 4.2. The quotation received from **BlueScience Freshwater Specialist** amounts to R35 089.00 (Incl of Vat).

#### 5. RECOMMENDATION

- 5.1. That the approval, from vote **1/6611/1560 (R358068.00)** be granted in terms of the Municipality Supply Chain Management Policy 4.36.1(a) 4.36.1(a)(i) in an emergency for the deviation for payment which amounts to **R27 816.00 (Incl of Vat)** to Withers Environmental Consultants to compile the rehabilitation plan at Wemmershoek Wastewater Treatment Works.
- 5.2. That the approval, from vote **1/6611/1560 (R358068.00)** be granted in terms of the Municipality Supply Chain Management Policy 4.36.1(a) 4.36.1(a)(i) in an emergency for the deviation for payment which amounts to **R35 089.00 (Incl of Vat)** to BlueScience Freshwater Specialist to compile the rehabilitation plan at Wemmershoek Wastewater Treatment Works.

*[Handwritten signature]*  
 1/6/17

---

**JAMES BEUKES**  
**HEAD: WTW & WWTW**





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*[Signature]*

DRIES VAN TAAK  
MANAGER: WATER SERVICES

Supported:  Yes  No

*[Signature]*

Deon Louw  
DIRECTOR: ENGINEERING SERVICES

Date: 11/01/2017

Supported:  Yes  No

*[Signature]*

Israel Saunders  
HEAD: SUPPLY CHAIN MANAGEMENT

Date: 05/06/2017

*Deviation refers to numerous mechanical & electrical failures which should be repaired to prevent future spillings. Supported due to*

Recommended: Yes  No  *the possibility of water contamination. By the fact that water shortage in WC is a*  
*SCM failed to inform Depts that BSM 16/16 is in place*  
*Deviation supported due to pre-directive!*

*ER*  
Strategic and Corporate Directorate  
Senior Legal Advisor

Date: 16/11/2016





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Recommended:    Yes                      No

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

\_\_\_\_\_  
**MARIUS WUST**  
**CHIEF FINANCIAL OFFICER**

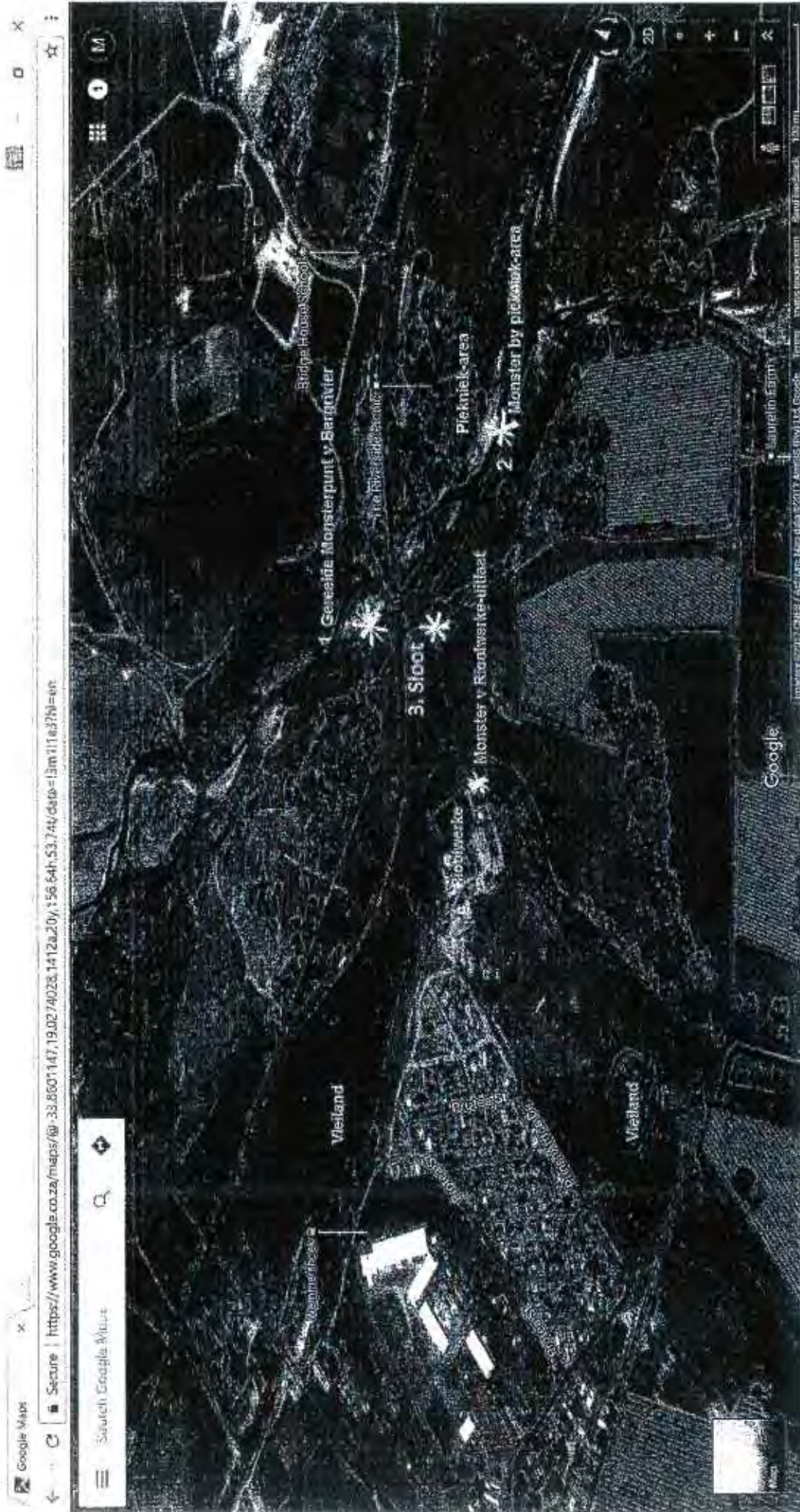
Approved:        Yes                      No

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

\_\_\_\_\_  
**GERALDINE METTLER**  
**MUNICIPAL MANAGER**

CHECK BEFORE SUBMISSION	YES	NO
REGISTERED ON SCM DATABASE If answer is NO follow the next step: - Register on SCM Database - Creditors form (SAMRAS)	X	A
Letter - SOLE SUPPLIER If Applicable.		A
Original Valid Tax Certificate		A
Quote/Invoice Attached	✓	✓
Budget (SAMRAS)	✓	
Cashflow	✓	
Signatures	✓	

DEVIATION: URGENT APPOINTMENT OF ENVIRONMENTAL CONSULTANT AND FRESHWATER SPECIALIST AT WEMMERSHOEK WASTEWATER TREATMENT WORKS







**Western Cape  
Government**  
Environmental Affairs and  
Development Planning

Directorate: Environmental Law Enforcement

---

**REFERENCE:** 14/1/1/E2/4/8/4/0297/17

**ENQUIRIES:** Fahd Said

**BY EMAIL**

Ms Geraldine Mettler

Email: [mm@stellenbosch.gov.za](mailto:mm@stellenbosch.gov.za)

Municipal Manager: Stellenbosch Municipality

P O Box 17

STELLENBOSCH

7599

## PRE-DIRECTIVE

Dear Madam

<p><b>INTENTION TO ISSUE A DIRECTIVE IN TERMS OF SECTION 28(4) OF THE NATIONAL ENVIRONMENTAL MANAGEMENT ACT, 1998</b></p>
---

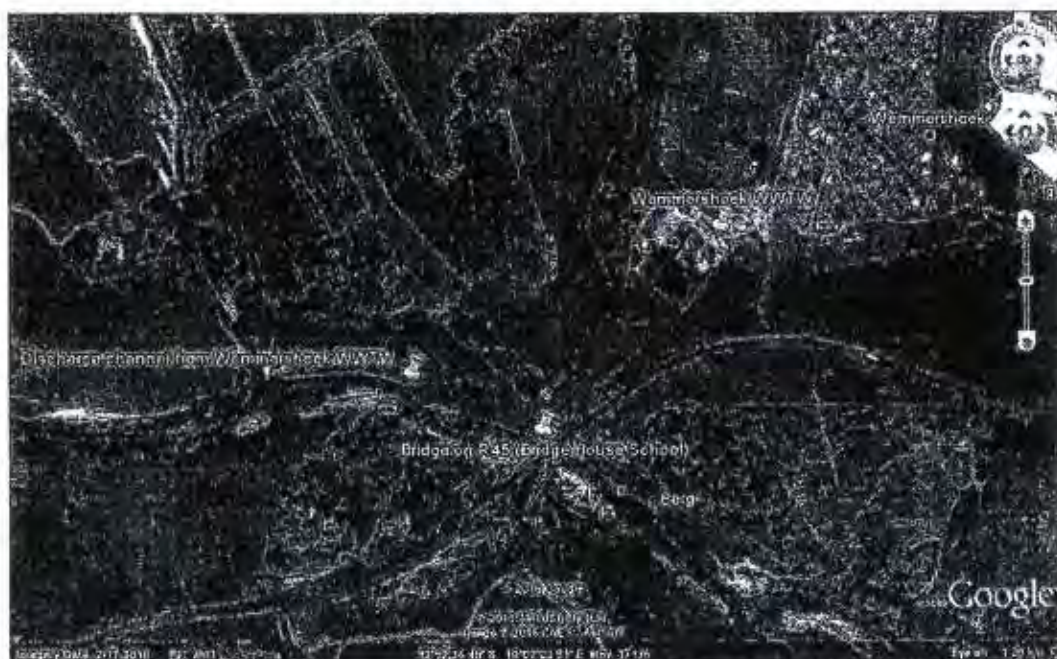
1. The Department's Directorate: Pollution and Chemicals Management has been in consultation with the Stellenbosch Municipality for several years regarding the discharge of substandard effluent from the Wemmershoek Wastewater Treatment Works into the Berg River.

1<sup>st</sup> Floor, Leeusig Building, 1 Dorp Street, Cape Town, 8001  
Tel: +27 21 483 8313 Fax: +27 21 483 2797  
[www.westerncape.gov.za/eadp](http://www.westerncape.gov.za/eadp)

Private Bag X9086, Cape Town, 8000  
Email: [Fahd.said@westerncape.gov.za](mailto:Fahd.said@westerncape.gov.za)  
Complaints: [Law.Enforcement@westerncape.gov.za](mailto:Law.Enforcement@westerncape.gov.za)

2. Due to a lack of urgency by the Municipality to resolve long standing pollution of the Berg River due to difficulties in commissioning the NEREDA system, it has now reached a point where the situation has persisted for too long without resolution. The Department believes that the pollution is significantly impacting the environment and poses a risk to the wellbeing of water-users along the river.

S 33° 52' 31.00" E 19° 02' 11.00"



Aerial map 1: Location of pollution activity from Wemmershoek WWTW.





Aerial map 2: Location of discharge streams highlighted in yellow ending up in the Berg River.

3. Section 28(1) of the National Environmental Management Act, 1998 ("NEMA") provides that every person who causes, has caused or may cause significant pollution or degradation of the environment must take reasonable measures to prevent such pollution or degradation from occurring, continuing or recurring, or, in so far as such harm to the environment is authorised by law or cannot reasonably be avoided or stopped, to minimise and rectify such pollution or degradation of the environment.
4. On considering the evidence before me there are reasonable grounds to believe that the municipality is causing significant pollution of the environment and that you have not taken reasonable measures to prevent such pollution from occurring.





Photo 1: Sludge from the Wemmershoek WWTW visible in the discharge channel.



Photo 2: Alternative view of the sludge from the Wemmershoek WWTW flowing into the discharge channel.





Photo 3: A close-up view of the sludge present in the discharge channel.

5. The NEMA makes provision for the criminal prosecution of officials of an organ of state, such as national or provincial government departments, municipalities or public entities.
6. As such, you are hereby given notice of the Department's intention to issue you with a Directive in terms of section 28(4) of the NEMA, which will direct you to:
  - 6.1 investigate, assess and evaluate the impact on the environment;
  - 6.2 inform and educate employees about the environmental risks of their work and the manner in which their tasks must be performed in order to avoid causing significant pollution and/or degradation of the environment;
  - 6.3 cease, modify or control any act, activity or process causing the pollution or degradation;
  - 6.4 contain or prevent the movement of pollutants or the cause of the degradation;



- 6.5 eliminate any source of the pollution or degradation; or
  - 6.6 remedy the effects of the pollution or degradation.
7. In terms of section section 49A(1)(g) of the NEMA failure to comply with a Directive is an offence.
8. A person convicted of the above offences is liable to a fine not exceeding R10 million or to imprisonment for a period not exceeding 10 years, or to both such fine and such imprisonment.
9. You are afforded a period of **7 (seven) working days** from the date of receipt of this Pre-Directive to make written representations to the Department.
10. Should you inform the Department, in respect of paragraph 9 above that you intend to remedy the pollution you must submit to the Department for approval, **within 7 (seven) working days** of receipt of this Pre-Directive, a method statement compiled by a suitably qualified and experienced independent environmental assessment practitioner, which must include the following:
- 10.1 assessment and evaluation of the impact on the environment;
  - 10.2 identification of proposed remedial and/or mitigation measures;
  - 10.3 a clean-up and rehabilitation plan which should be compiled in conjunction with a freshwater specialist. The report should include reasonable measures to ensure that:
    - 10.3.1 a mechanism is in place to block off sediment that will be released into the water during the cleaning of sludge from the channel e.g. sand bags.
    - 10.3.2 no stockpiles are allowed next to the river/wetland/stream, not even temporarily. Polluted soil must be taken away immediately

and stored/disposed of without causing any further pollution or health risks.

10.3.3 downstream users within a 2km radius must be informed of the date and time of clean-up.

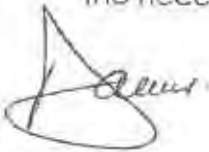
10.3.4 the stability of the watercourse(s) is not detrimentally affected.

10.3.5 acceptable operational practices are followed.

10.3.6 scouring, erosion or sedimentation of the watercourse(s) is prevented.

10.3.7 rehabilitation of the watercourse, including riparian and instream habitat, is undertaken after any alteration of the bed, banks, course or characteristics of a watercourse(s).

11. If the above report is approved by the Department, you will be obliged to take the necessary remedial / mitigation measures at your own cost.



**Dr E Palmer**

**Director: Environmental Law Enforcement**

**Date:** 12/5/2017

Cc: Directorate: Engineering Services

Email: [eng@stellenbosch.gov.za](mailto:eng@stellenbosch.gov.za)

Catherine Bill (Pollution & Chemicals Management)

Email: [Catherine.Bill@westerncape.gov.za](mailto:Catherine.Bill@westerncape.gov.za)



**Western Cape  
Government**  
Environmental Affairs and  
Development Planning

N4,2016/10

Directorate: Environmental Law Enforcement

---

**REFERENCE:** 14/1/1/E2/4/8/4/0297/17  
**ENQUIRIES:** Fahd Said

**BY EMAIL**

Ms Geraldine Mettler

Email: [mm@stellenbosch.gov.za](mailto:mm@stellenbosch.gov.za)

Municipal Manager: Stellenbosch Municipality

P O Box 17

STELLENBOSCH

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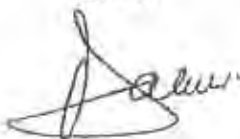
Dear Madam

**ALLEGED DISCHARGE OF POLLUTANTS INTO THE BERG RIVER FROM THE WEMMERSHOEK  
WASTEWATER TREATMENT WORKS ("WWTW"), WEMMERSHOEK**

1. The above matter, the Department's Pre-Directive dated 12 May 2017 and the electronic correspondence from Mr J Beukes (Stellenbosch Municipality) dated 16 May 2017, has reference.

2. After careful consideration of your request I, Dr Eshaam Palmer, in my capacity as an Environmental Management Inspector, Grade 1 and Director: Environmental Law Enforcement hereby grants you an extension until 12 June 2017 to submit a method statement compiled by a suitably qualified and experienced independent environmental assessment practitioner for review and consideration.

3. Kindly be advised that the extension will be in effect from the date of issue of this letter.



**Dr E Palmer**

**Director: Environmental Law Enforcement**

**Date:** 23/5/2017

**Cc:**

James Beukes (Stellenbosch Municipality)

Email: [James.Beukes@stellenbosch.gov.za](mailto:James.Beukes@stellenbosch.gov.za)

Marié Kunneke (Pollution & Chemicals Management)

Email: [Marié.Kunneke@westerncape.gov.za](mailto:Marié.Kunneke@westerncape.gov.za)

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<b>8.1.4</b>	<b>CONSIDERATION OF EXPENDITURE INCURRED RELATING TO SERVICES RENDERED BY KILOTREADS</b>
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Collaborator No: 605320  
IDP KPA Ref No: Good Governance  
Meeting Date: 18 September 2018

**1. SUBJECT: CONSIDERATION OF EXPENDITURE INCURRED RELATING TO SERVICES RENDERED BY KILOTREADS**

**2. PURPOSE OF REPORT**

To provide information regarding the expenditure incurred for investigation by MPAC and to be recommended to and considered by Council to ratify the expenditure in terms of the MFMA Section 32 (2). The expenditure with regard to the procurement of services for the supply, delivery, repair and fitment of tyres on various vehicles for Solid Waste Management during the month of July 2017 is regarded as irregular because it breached the procurement process.

**3. DELEGATED AUTHORITY**

Council to ratify the expenditure as the specific nature of the breach is a minor breach of the procurement process, not impacting in any significant way on the essential fairness, equity, transparency, competitiveness or cost effectiveness, for the payment of Kilotreads (FQ 303/17).

**4. EXECUTIVE SUMMARY**

FQ 303/17 was awarded to Kilotreads on 28 April 2017 for the supply, deliver, repair and fitment of tyres on various vehicles for Solid Waste Management. Order number 336317 was generated on 5 May 2017 for a total amount of R200 000 (incl VAT) for all tyres on the FQ. By 30 June 2017, only R24 561.40 (incl VAT) had been spent of the order and the remaining R175 438.60 was still available on the FQ. As the FQ had this balance, the work continued as per normal from 01 July 2017. A requisition for the balance was made out on 25 July 2017 by Ms M Williams on behalf of Mr A Heyns, but this was subsequently turned down by Supply Chain Management as

FQ 303/17 had expired on 30 June 2017. Mr Heyns was not aware that this was the case. The services of Kilotreads were immediately terminated once this information came to light and a new FQ process was initiated. The work performed was thus based on the expired FQ and the service rendered continued by default.

**5. RECOMMENDATIONS**

(a) that the Committee takes note of the circumstances as provided in the report and recommend to Council the ratification of the expenditure to the amount of R16 650.84 (VAT incl) to Kilotreads; and

(b) that Council ratifies the expenditure in terms of the MFMA Section 32 (2).

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**6. DISCUSSION**

The Solid Waste Management Department requires an external service provider to supply, deliver, repair and fit tyres on various vehicles utilised by this department. Waste collection and transport thereof remains a core functional activity for continued service delivery, and it is thus essential that the fleet is fitted with tyres fit and legally compliant to render the service to the public.

The procurement of a service provider was done via an FQ process, and Kilotreads was the successful service provider. This order was generated late in the previous financial year (2016/17), and only a small portion of the order was utilised in the remaining months of that financial year. The official in charge of fleet services was under the incorrect impression that the remaining funds on this order could be utilised in the new financial year, and procured the services of the service provider in the new financial year (July 2017). When it came to light that this was not the case, the services of Kilotreads was stopped with immediate effect.

The intent was in good faith as it was not on purpose, and in the interest of continued service delivery.

While the process was admittedly flawed, it is agreed that there were no *male fide*, personal gain or loss for Council, and it is requested that consideration be given to certify the expenditure as irrecoverable and that it be written off.

As recommended in similar recent instances, the need is recognised for improvement and correct procedures in general, with the need for a training program for all level of managers undertaking financial transactions on behalf of Council to be trained or retrained. It is especially important for staff to be informed of correct procedures and the implications of latest financial circulars, changes to policy, etc. The administration is currently drafting the necessary SOP's in the corporate SOP project, which will also assist in removing the risk of a recurrence.

**7. FINANCIAL IMPLICATIONS**

Provision has been made from 20170608983235 in the 2017/18 budget for the amount of R16 650.84 (VAT incl).

**8. LEGAL IMPLICATIONS**

The recommendations in this report comply with Council's policies and all applicable legislation.

Supply Chain Management Policy, 4.36.1a (i)

Supply Chain Management Policy, 4.36.b

Supply Chain Regulation 36(1)

MFMA Section 32(2)

**9. RISK IMPLICATIONS**

All intent was in good faith; the breach can be attributed to the initial planning processes and the lack of capacity with regard to ensuring required financial compliances are adhered to.

**10. CONCLUSION**

It is acknowledged that there were minor breaches of the procurement processes. If the process was followed correctly however, the outcome and cost would have been identical. Council incurred no loss during this process and there was no intentional disregard of Council's procurement processes. It is therefore requested that the expenditure be written off because the services were rendered.

**11. COMMENTS FROM THE MUNICIPAL MANAGER**

Consequence management against the official should be implemented.

**12. COMMENTS FROM SUPPLY CHAIN MANAGER**

SCM is busy to implement processes that will ensure that such practices do not occur again.

**RECOMMENDATIONS FROM MPAC TO COUNCIL: 2018-09-18: ITEM 5.4**

- (a) that Council takes note of the circumstances as provided in the report, and approves the ratification of the expenditure to the amount of R16 650.84 (VAT incl) to Kilotreads; and
- (b) that Council ratifies the expenditure in terms of the MFMA Section 32 (2).

**APPENDIX:**

**Appendix 1** : Ratification: Kilotreads (FQ 303/17) for R16 650.84

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Deon Louw
<b>POSITION</b>	<i>Director: Infrastructure Services</i>
<b>DIRECTORATE</b>	<i>Infrastructure Services</i>
<b>CONTACT NUMBERS</b>	021 808 8213
<b>E-MAIL ADDRESS</b>	<a href="mailto:Deon.louw@ Stellenbosch.gov.za">Deon.louw@ Stellenbosch.gov.za</a>
<b>REPORT DATE</b>	2018/08/27



# **APPENDIX 1**

**Ratification: Kilotreads  
(FQ 303/17) for R16 650.84**



# MEMORANDUM

DEPARTMENT OF ENGINEERING SERVICES

CHECK BEFORE SUBMISSION	YES	NO
REGISTERED ON SCM DATABASE If checked NO follow the next step: - Register on SCM Database - Creation form (SAMRAS)		
LETTER - SOLE-SUPPLIER if applicable		
ORIGINAL VALID TAX CERTIFICATE		
QUOTE/INVOICE ATTACHED		
BUDGET (SAMRAS)		
CASH-FLOW		
SIGNATURES		

**To - Aan:** MUNICIPAL MANAGER  
**From - Van:** Salim Haider  
**Job Title:** Manager: Solid Waste Management  
**Date - Datum:** 11 September 2017  
**Re - Insake:** **RATIFICATION:** Kilotreads (FQ 303/17) for R.16 650,84

## 1. PURPOSE

To obtain approval in terms of Supply Chain Management Policy, 4.36.1(b) to ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.

## 2. BACKGROUND

In terms of regulation 4.36.1 of the SCM Regulations, the accounting officer is responsible for deciding whether a particular breach of procurement processes is minor or material.

In exercising this discretion the accounting officer must be guided by:

- a) The specific nature of the breach: is it simply technical in nature, not impacting in any significant way on the essential fairness, equity, transparency, competitiveness or cost effectiveness of the procurement process?

**Comment:**

- 1) FQ 303/17 was award to Kilotreads on 28 April 2017 for the supply, deliver, repair and fitment of tyres on various vehicles for Solid Waste Management.
- 2) Order number 336317 was generated on 5 May 2017 for a total amount of R200 000 (incl VAT) for all tyres on the FQ.
- 3) By 30 June 2017, only R 24 561.40 (incl VAT) had been spent of the order and remaining R175438.60 was still available on the FQ.
- 4) As the FQ had a balance of R175438.60, and the appointment was made using FQ process, the work continued as per normal from 01 July 2017.
- 5) A requisition for the balance was made out on 25 July 2017 by Ms M Williams on behalf of Mr A Heyns but subsequently turned down by Supply Chain Management as FQ 303/17 had expired on 30 June 2017. Mr A Heyns was not aware that this was the case.
- 6) The services of Kilotreads were immediately terminated once this information came to light and a new FQ process was initiated.
- 7) The work performed was thus based on a previous contract and the service rendered continued by default.

**3. DISCUSSION**

- b) The circumstance surrounding the breach: are the circumstances justifiable or, at least, excusable?

**Comment:**

An honest mistake led to the breach as it was not known by Mr A Heyns that the FQ 303/17 had expired on 30 June 2017.

- c) The intent of those responsible for the breach: were they acting in good faith?

Comment: The intent was in good faith as it was not on purpose and in the interest of continued service delivery.

#### 4. FINANCIAL IMPLICATIONS

- d) The financial implication as a result of the breach: what was the extent of the loss or benefit?

**Comment:**

The amount owed to Kilotreads for tyres procured is R 16 650.84 (incl. VAT). (Invoice nos.: SIN 151755, SIN 151756 & SIN 151757 from Kilotreads attached as proof.)

#### 5. COMMENTS FROM OTHER DIRECTORATES

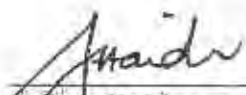
##### 5.1 COMMENTS FROM DIRECTORATE: STRATEGIC & CORPORATE SERVICES (LEGAL SERVICES)

##### 5.2. COMMENTS FROM DIRECTORATE: FINANCIAL SERVICES

##### 5.3. COMMENTS FROM THE MUNICIPAL MANAGER

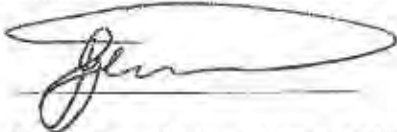
#### 6. RECOMMENDATION

That the approval, from vote 16530201470000 be granted in terms of the Municipality Supply Chain Management Policy 4.36.1(b) to ratify any minor breaches of the procurement processes, for the ratification of payment which amounts to R 16 650.84 (VAT incl.)

  
 Salem Haider  
 Manager: Solid Waste Management

26/09/2017  
 Date

Deon Louw  
DIRECTOR: ENGINEERING SERVICES



Date: 28/9/2017

Noted any further comments:

This service should never have been done from an F.O. In future long term tenders should be called

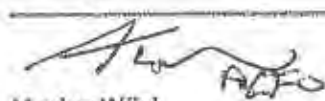
Dalleel Jacobs  
HEAD: SUPPLY CHAIN MANAGEMENT

Legal. NO Comment Afank

Date: 29/9/17

SCM must ascertain if Kilotreads wasn't blacklisted before MIM signs. former director of Kilotreads & a director of Themba Tyres pleaded

Noted any further comments: guilty to setting up empacementent front before the Cape High Court. SCM to ascertain if blacklisting formed part of the plea agreement with the NPA. ER



Marius Wüst  
CHIEF FINANCIAL OFFICER

16/10/2017


Date: 12/10/17

Noted any further comments:

refer to SCM co per legal comment dated 16/10/17

Geraldine Mettler  
MUNICIPAL MANAGER

Approved

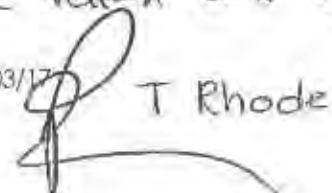


Date: 7/11/17

co per SCM comment below, person that signed SCM. to put his name see attach Central database report.

Kilotreads registered on CSD MAAA 0145873 as active. Hence Company been vetted and we can do business with them.

Ratification: Kilotreads - Supply, deliver, repair and fitment of tyres FO 303/17



T Rhode

Copy Tax Invoice/Delivery Note

SIN151755  
From:SSA120392.3



182 Bird Street, Stellenbosch, , 7600

Tel: 021-8873115, Fax: 021-8832704

Vat: 4060111210 , Reg No: 1981/002231/07

Invoice Date 08/08/2017

To:  
Vat no: 4790102181  
Stellenbosch Munispalliet  
Trading As:  
P.O. Box 17  
Stellenbosch  
7599

Deliver To:  
Stellenbosch Munispalliet  
Trading As:  
The Magasyn Master  
Heishoogte  
Stellenbosch  
7599

Account No	Invoice Date	Order Number	Representative	DEL/HOD	Reg Number	Page
S.MUN001	08/08/2017	Clayton Hendricks	514 S-E Odendaal			1 of 1

Item Code	Description	Quantity	Unit Price	Disc %	Vat Amt	Line Total
PS31580R225HTD	315/80R22.5 HTD Precure Stock Retread	1.00	1 800.00		252.00	1 800.00
CASING	Casing Purchases	1.00	1 063.00		148.82	1 063.00

Handwritten signature and date: 08/09/2017

ACCOUNT EXPERIENCE DELIVERY SERVICE  
REMARKS: 08/08/2017 08:45:00

Handwritten signature and date: 10/08/2017

GL 28885

Subtotal (Exclusive)	2 863.00
Discount	
Vat	400.82
Total	3 263.82

Banking Details:  
First National Bank, Branch: 200610, Acc: 53750710536

EFT PAYMENTS ARE MORE SECURE AND WOULD BE APPRECIATED  
ACCOUNT TERMS: STRICTLY 30 DAYS FROM DATE OF STATEMENT AND CASH SALES STRICTLY CASH. INTEREST AT A RATE OF 20% PER ANNUM WILL BE CHARGED ON OVERDUE ACCOUNTS.

GOODS REMAIN THE PROPERTY OF KILOTREADS UNTIL PAID IN FULL AND WE RESERVE THE RIGHT OF REPOSSESSION



Print Name

Signature

Copy Tax Invoice/Delivery Note

SIN151756  
From:SSA120452.3



102 Bird Street, Stellenbosch, ,7600  
Tel: 021-8873115, Fax: 021-8832704  
Vat: 4060111210, Reg No: 1981/002231/07  
Invoice Date 08/08/2017

To:  
Val no: 4760102181  
Stellenbosch Munisipaliteit  
Trading As:  
P.O. Box 17  
Stellenbosch  
7599

Deliver To:  
Stellenbosch Munisipaliteit  
Trading As:  
The Magasyn Maister  
Helshoogte  
Stellenbosch  
7599

Account No	Invoice Date	Order Number	Representative	DEL/POD	Reg Number	Page
S.MUN001	08/08/2017	Clayton Hendricks	BJA S-E Ooendaal			1 of 1

Item Code	Description	Quantity	Unit Price	Disc %	Vat/Amk	Line Total
PS31580R225HTD	315/80R22.5 HTD Precure Stock Kietread	1.00	1 800.00		262.00	1 800.00
F0001	Fitting with Sale - Pass/LDV	1.00	30.00		4.20	30.00
CASING	Casing Purchase	1.00	1 063.00		148.62	1 063.00

Handwritten notes and stamps:  
 - Stamp: 26/09/2017  
 - Stamp: ACCOUNT EXAMINED  
 - Stamp: 19/08/2017  
 - Stamp: 19/08/2017

C:UZ0685	
Subtotal (Exclusive)	2 893.00
Discount	
Vat	405.02
Total	3 298.02

Banking Details:  
First National Bank, Branch: 200610, Acc: 53750710536

EFT PAYMENTS ARE MORE SECURE AND WOULD BE APPRECIATED  
 ACCOUNT TERMS: STRICTLY 30 DAYS FROM DATE OF STATEMENT AND CASH SALES STRICTLY CASH. INTEREST AT A RATE OF 20% PER ANNUM WILL BE CHARGED ON OVERDUE ACCOUNTS.

GOODS REMAIN THE PROPERTY OF KILOTREADS UNTIL PAID IN FULL AND WE RESERVE THE RIGHT OF REPOSSESSION. **iQ Retail**

Print Name \_\_\_\_\_ Signature \_\_\_\_\_



Copy Tax Invoice/Delivery Note

SIN151757  
From:SSA120619,8



162 Bird Street, Stellenbosch, 7600  
Tel: 021-8873115, Fax: 021-8832704  
Vat: 4060111210, Reg No: 1981/002231/07

Invoice Date: 08/08/2017

To:  
Vat no: 4700102181  
Stellenbosch Munisipaliteit  
Trading As:  
P.O. Box 17  
Stellenbosch  
7599

Deliver To:  
Stellenbosch Munisipaliteit  
Trading As:  
The Magasyn Masbar  
Helshoogte  
Stellenbosch  
7599

Account No	Invoice Date	Order Number	Representative	DEL/POD	Reg Number	Page
S.MUND01	08/08/2017	Cleyton Hendricks	514 S-E Odendaal			1 of 1

Item Code	Description	Quantity	Unit Price	Disc %	Vat Amt	Line Total
621591147D1	325/80R22.5 DL SP571	2,00	4 425,00		1 239,00	8 850,00

*[Faint terms and conditions text]*

*[Signature]*  
26/09/2017

*[Signature]* 10/08/2017

CL 64292 NISSAN UD350

Subtotal (Exclusive)	8 850,00
Discount	
Vat	1 239,00
Total	10 089,00

Banking Details:  
First National Bank, Branch: 200610, Acc: 83750710536

EFT PAYMENTS ARE MORE SECURE AND WOULD BE APPRECIATED  
ACCOUNT TERMS: STRICTLY 30 DAYS FROM DATE OF STATEMENT AND CASH SALES STRICTLY CASH. INTEREST AT A RATE OF 20%  
PER ANNUM WILL BE CHARGED ON OVERDUE ACCOUNTS  
GOODS REMAIN THE PROPERTY OF KILO TREADS UNTIL PAID IN FULL AND WE RESERVE THE RIGHT OF REPOSSESSION

Print Name \_\_\_\_\_ Signature \_\_\_\_\_





**CENTRAL SUPPLIER  
DATABASE  
FOR GOVERNMENT**

Report Date:

09 Nov 2017 09:30:14 AM

Report Ran By:

nicolene.hamilton@stoltenbosch.gov.za

## CSD REGISTRATION REPORT

### SUPPLIER IDENTIFICATION

Supplier number	MAAFC14020	South African company/CO registered number	18814X223121
Is supplier active?	Yes	Have Bank Account	Yes
Supplier type	C/PO Company	Registered date	05 May 2016 09:00:00
Supplier sub-type	Private Company (Pvt Ltd)	Created by	managers@stoltenbosch.co.za
Legal name	KHATHI MADISA STELLENBOSCH	Created date	23 May 2016 09:21:15
Identification type	South African Company/Close Corporation Registration Number	Edit by	managers@stoltenbosch.co.za
Government breakdown	Private Companies (P/V) Ltd	Edit date	09 Nov 2017 09:30:14 AM
Business status	In Business	Restricted Supplier	No
Country of origin	South Africa	Restriction last verification Date	09 Nov 2017 09:30:14 AM

### SUPPLIER CONTACT INFORMATION

<b>CONTACT 1</b>			
Contact type	Administration	Cell phone number	0822028470
Is this your preferred contact?	Yes	Do you want this contact to receive e-COI's?	Yes
Name(s)	Mani	Created by	managers@stoltenbosch.co.za
Surname	Mani	Created date	23 May 2016 09:21:15
Identification type	South African Identification Number	Edit by	managers@stoltenbosch.co.za
Prefer communication via email	Yes	Edit date	23 May 2016 09:21:15
Email address	managers@stoltenbosch.co.za		

### SUPPLIER ADDRESS INFORMATION

<b>ADDRESS 1</b>			
Is this a preferred address?	Yes	Country	South Africa
Address line 1	102 Buda Road	Time address S/A postal	Yes
Address line 2	Stellenbosch	Time address S/A delivery	Yes
Suburb	Kleinfontein	Time address S/A payment	Yes
Province	Western Cape	Created by	managers@stoltenbosch.co.za
Municipality	Stellenbosch	Created date	23 May 2016 09:21:15
City	Stellenbosch	Edit by	managers@stoltenbosch.co.za



**national treasury**  
Department  
National Treasury  
REPUBLIC OF SOUTH AFRICA



**CENTRAL SUPPLIER  
DATABASE  
FOR GOVERNMENT**

**Report Date:**

08 Nov 2017 09:20:14 AM

**Report Ran By:**

nicolela.hamilton@stellenbosch.gov.za

## CSD REGISTRATION REPORT

Postal code: 7800      Bot date: 20 May 2016 09:21:07 AM

### SUPPLIER BANK ACCOUNT

#### BANK ACCOUNT 1

Account type	Current Accounts	Created by	monagorsb@ Stellenbosch.gov.za
Bank	FIRST NATIONAL BANK	Created date	29 May 2016 09:21:07 AM
Branch number	200810	Bot by	monagorsb@ Stellenbosch.gov.za
Branch name	STELLENBOSCH, C.H. 113	Bot date	20 May 2016 09:21:07 AM
Account number	6328274858	Bot verification status	not finished - Succeeded
Account holder	KILOREAPS (STELLENBOSCH)	Foreign Bank Account	No
Is this a restricted account?	Yes	Is the account linked to the bank?	Yes
Activation date	23 May 2016 16:54:07 AM	Is this a Shared Funding Account	No

### TAX INFORMATION

Income tax status	0220/01112	Last validation date	08 Nov 2017 09:00:00 AM
Income Tax Status	De-registered tax status - Valid	Owner Tax Status	Tax Co - Valid
VAT number	4520117210	Created by	monagorsb@ Stellenbosch.gov.za
VAT Status	Registration status - Valid	Created date	29 May 2016 09:21:07 AM
Is the supplier a VAT vendor?	Yes	Bot by	monagorsb@ Stellenbosch.gov.za
Are you Registered with SARS?	Yes	Bot date	20 May 2016 09:21:07 AM

### COMPANY COMMODITIES INFORMATION

#### COMMODITY 1

Name	Tyres, vehicle & motorcycle	Created date	20 May 2016 09:21:07 AM
Description	Tyres, vehicle, for pending for classification, for MSA & VSA (motor)	Bot by	monagorsb@ Stellenbosch.gov.za
Commodity family	Transportation equipment	Bot date	20 May 2016 09:21:07 AM



**national treasury**  
Department  
National Treasury  
REPUBLIC OF SOUTH AFRICA





**CENTRAL SUPPLIER  
DATABASE  
FOR GOVERNMENT**

Report Date:

03 Nov 2017 09:30:11 AM

Report Run By:

nicolene.hamilton@etellenbosch.gov.za

## CSD REGISTRATION REPORT

Created by: 310412095409@etellenbosch Location: Mafikeng

### B-BBEE INFORMATION

Is employer declaration accepted?	No	Are you a registered supplier?	Yes
Sector Charter	Other	Are you an emerging supplier?	No
B-BBEE Certificate Number	K12/001/1476	Accounting Officer	Hilda B. Boshoff
B-BBEE Certificate Issue Date	23-Apr-2017 09:00:00:000	BA/CA Number	104237
B-BBEE Certificate Issue Expiry Date	21-Apr-2017 23:00:00:000	Employment Equity Score	74.93
B-BBEE Verification Regulator	Registered supplier	Socio-Economic Development Score	25.00
Verification Regulator Name	11001195209540	Preferential Procurement Score	214.78
Verification Regulator Firm Franchise Number	849227	Total Score	54.71
B-BBEE Status Level 2 Contributor	Level B-QB-11350	Created by	nicolene.hamilton@etellenbosch.gov.za
B-BBEE Procurement Reservation	20%	Created date	23-May-2017 09:30:11 AM
Black Ownership	1.00%	Print by	nicolene.hamilton@etellenbosch.gov.za
Black Woman Ownership	0.00%	Print date	03-Nov-2017 09:30:11 AM

### COMPANY DIRECTORS/MEMBERS/OWNERS INFORMATION

#### DIRECTOR/ MEMBER 1

Director type	Director	Created date	23-May-2017 09:30:11 AM
Director status	Active	Edit by	nicolene.hamilton@etellenbosch.gov.za
Name(s)	GIBSON, JOHANNES	Edit date	23-May-2017 09:30:11 AM
Surname	BRANDS	Restricted Supplier	No
Country	South Africa	Registration Last Verification Date	03-Nov-2017 09:30:11 AM
Identification type	South African Identification Number	Government Employee	No
South African Identification number	8100119507000	Government Employee Last Verification Date	03-Nov-2017 09:30:11 AM
Work permit	000000	SA Identifier Number Verified	Yes
Appointment date	01-Apr-1995 09:00:00:000	SA Identifier Number Verification date	03-Nov-2017 09:30:11 AM



**national treasury**  
Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA



<b>Report Date:</b>
09 Nov 2017 09:30:14 AM
<b>Report Run By:</b>
nicolene.hamilton@siellenbosch.gov.za

### CSD REGISTRATION REPORT

Owner:	No	Companies involved in:	MAAA0150819, MAAAD050436, MAAAD0155415
Created by:	maragereb@kloofroads.co.za		

**DIRECTOR/  
MEMBER 2**

Director type:	Director	Created date:	23 May 2016 09:49:59:000
Director status:	Active	Edit by:	maragereb@kloofroads.co.za
Name(s):	MARIS FERMANET	Edit date:	23 May 2016 09:49:46:000
Surname:	BRANDT	Restricted Supplier:	No
Country:	South Africa	Restriction Last Verification Date:	05 Nov 2017 09:30:14:000
Identification type:	South African Identification Number	Government Employee:	No
South African Identification number:	8701036089085	Government Employee Last Verification date:	05 Nov 2017 09:30:14:000
Work permit:	6003000	SA Identification number verified:	Yes
Appointment date:	24 May 2016 09:00:00:000	SA Identification number verified date:	25 Jun 2017 09:32:04:000
Owner:	No	Companies involved in:	MAAA0150415
Created by:	maragereb@kloofroads.co.za		

**DIRECTOR/  
MEMBER 3**

Director type:	Director	Created by:	maragereb@kloofroads.co.za
Director status:	Active	Created date:	23 May 2016 09:49:59:000
Name(s):	PODNEY DEAN	Edit by:	maragereb@kloofroads.co.za
Surname:	ALEXANDER	Edit date:	23 May 2016 09:49:47:000
Country:	South Africa	Restricted Supplier:	No
Identification type:	South African Identification Number	Restriction Last Verification Date:	05 Nov 2017 09:30:14:000
South African Identification number:	8108125021066	Government Employee:	No
Work permit:	0600300	Government Employee Last Verification Date:	05 Nov 2017 09:30:14:000
Appointment date:	20 Sep 2016 09:00:00:000	SA Identification number verified:	Yes
Owner:	No	SA Identification number verified date:	05 Nov 2017 09:30:14:000
		Companies involved in:	MAAA0150415







## CSD REGISTRATION REPORT

The CSD does not automatically verify foreign company registration number, international securities identification number, foreign identification numbers, foreign passport numbers, work permit numbers, foreign bank accounts, B-BBEE, demographic and accreditation information. Organs of State are required to manually verify this information with the applicable verification institutions as per their current policies and procedures.

### Tips and Frequently Asked Questions (FAQ)

#### Identifier

CSD cannot electronically verify the identity of a supplier with entities such as: (i) the individual (Solo Proprietor (through Home Affairs) or a company registered at the Companies and Intellectual Property Commission (CIPC). For this reason, a disclaimer is displayed for supplier claim practitioners to obtain supporting documentation to verify the identity and legitimacy of a supplier in these cases.

#### Bank

For help on how to resolve bank failures click [here](#). If a supplier email address in the bank instructions submitted on the CSD was sent to bank account validation incorrectly or is outdated, the reason will be within the bank causing an error message.

The various specific error messages received from the bank are highlighted in red. Search for the appropriate message and follow the detailed steps associated with that error message.

#### Tax

##### Tax Compliance Status

For help on how to deal with tax status differences between CSD and the tax department certificate click [here](#). What should you do if you have tax status on CSD different from the tax department certificate?

##### Tax Compliance Expiry Date

For help on how to deal with tax status differences between CSD and the tax department certificate click [here](#). How does CSD determine the tax compliance expiry date?

#### CIPC

Should the director/member information reflected on the CSD registration report differ to that reflected on CIPC for help click [here](#). The active directors/members can be viewed on the CSD. Where members appear as their status as CIPC, for a view click [here](#).

#### State Employee

For more information pertaining to government employment status click [here](#). Will there be various of how to determine whether a government employee?



## ANNEXURE C

## MBD 4

## DECLARATION OF INTEREST

1. No bid will be accepted from persons in the service of the state<sup>1</sup>.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid. In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the bidder or their authorised representative declare their position in relation to the evaluating/adjudicating authority.
3. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

3.1 Full Name of bidder or his or her representative: *Philippe Francois Unter*

3.2 Identity Number: *6204065052058*

3.3 Position occupied in the Company (director, trustee, shareholder<sup>2</sup>): *Manager*

3.4 Company Registration Number: *1781/002231/07*

3.5 Tax Reference Number: *922 0031026*

3.6 VAT Registration Number: *406011210*

3.7 The names of all directors / trustees / shareholders members, their individual identity numbers and state employee numbers must be indicated in paragraph 4 below.

3.8 Are you presently in the service of the state? YES /  NO

3.8.1 If yes, furnish particulars.

<sup>1</sup>MSCM Regulations: "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.

<sup>2</sup> Shareholder<sup>2</sup> means a person who owns shares in the company and is actively involved in the management of the company or business and exercises control over the company.

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3.9 Have you been in the service of the state for the past twelve months? .....YES / **NO**

3.9.1 If yes, furnish particulars.....

3.10 Do you have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this bid? ..... YES **NO**

3.10.1 If yes, furnish particulars.

3.11 Are you, aware of any relationship (family, friend, other) between any other bidder and any persons in the service of the state who may be involved with the evaluation and or adjudication of this bid? YES **NO**

3.11.1 If yes, furnish particulars

3.12 Are any of the company's directors, trustees, managers, principle shareholders or stakeholders in service of the state? YES **NO**

3.12.1 If yes, furnish particulars.

3.13 Are any spouse, child or parent of the company's directors trustees, managers, principle shareholders or stakeholders in service of the state? YES / **NO**

3.13.1 If yes, furnish particulars.

3.14 Do you or any of the directors, trustees, managers, principle shareholders, or stakeholders of this company have any interest in any other related companies or business whether or not they are bidding for this contract. YES / **NO**

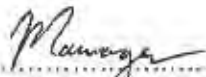
3.14.1 If yes, furnish particulars:

## 4. Full details of directors / trustees / members / shareholders.

Full Name	Identity Number	State Employee Number
Alexander, Ralcy, Brian	25/0816 506 1081	Director
Brandt, Mariel, Hermanus	5707095066085	"
Brandt, Gideon, Johannes	5108135077085	"

  
Signature

29/9/2017  
Date

  
Capacity

Kilotreads Stellenbosch Pty (Ltd)  
Name of Bidder

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MBD 8

### DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Municipal Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be rejected if that bidder, or any of its directors have:
  - a. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
  - b. been convicted for fraud or corruption during the past five years;
  - c. wilfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
  - d. 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).
- 4 In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's database as a company or person prohibited from doing business with the public sector? (Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the <i>audi alteram partem</i> rule was applied).	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? (To access this Register enter the National Treasury's website, <a href="http://www.treasury.gov.za">www.treasury.gov.za</a> , click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 3265445).	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
4.3.1	If so, furnish particulars:		

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Item	Question	Yes	No
4.4	Does the bidder or any of its directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
4.5.1	If so, furnish particulars:		

#### CERTIFICATION

I, THE UNDERSIGNED (FULL NAME) Philippe Francois Venter  
 CERTIFY THAT THE INFORMATION FURNISHED ON THIS  
 DECLARATION FORM TRUE AND CORRECT.

I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT,  
 ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION  
 PROVE TO BE FALSE.

[Signature]  
 Signature

29/9/2017  
 Date

Manager  
 Position

Kilotreads Stellenbosch (PTY) (Ltd)  
 Name of Bidder

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SUPPLY CHAIN MANAGEMENT UNIT

MBD9

### CERTIFICATE OF INDEPENDENT PROPOSAL DETERMINATION

- 1 This Municipal Bidding Document (MBD) must form part of all bids<sup>1</sup> invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
  - a. take all reasonable steps to prevent such abuse;
  - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
  - c. 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.
- 4 This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.

<sup>2</sup> Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

<sup>3</sup> Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

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I

MBD9

**CERTIFICATE OF INDEPENDENT PROPOSAL DETERMINATION**

I, the undersigned, in submitting the accompanying documentation:

**REQUISITION NO.** \_\_\_\_\_

(Written quotation and Description)

In response to the invitation for the bid/written quotation/formal quotation made by:

**STELLENBOSCH MUNICIPALITY**

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of: Kilotreads Stellenbosch PTY (LTD) that:  
(Name of Contractor)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - a) has been requested to submit a bid in response to this bid invitation;
  - b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
  - c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The contractor has arrived at the accompanying proposal independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium\* will not be construed as collusive bidding.

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2

MBD9

7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
- Prices;
  - geographical area where product or service will be rendered (market allocation);
  - methods, factors or formulas used to calculate prices;
  - the intention or decision to submit or not to submit, a proposal;
  - the submission of a proposal which does not meet the specifications and conditions of the proposal; or
  - propose with the intention not to win the bid/formal quotation/written quotation.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this invitation relates.
9. The terms of the accompanying bid/formal quotation/written quotation have not been, and will not be, disclosed by the contractor, directly or indirectly, to any competitor, prior the date and time of the official bid opening or of the awarding of the contract.
10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No. 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No. 12 of 2004 or any other applicable legislation.

  
 .....  
 Signature

  
 .....  
 Date

  
 .....  
 Position

  
 .....  
 Name of Contractor

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BTW Reg Nr./VAT Reg No. 4700102161

**KILOTREADS**  
BIRDSTRAAT 182  
STELLENBOSCH  
7600



122450066601000



REKENING NOMMER	140010040
BELASTINGFAKTUUR	6307800
REKENING DATUM	15/09/2017
KWITANSIES GEPOS TOT	14/09/2017
BTW	3652.31
WAARDASIE	
ERF	MIDN 6821 00001
GEBOU	MULLERSTRAAT 2-4
LIGGING	MULLERSTRAAT 4
DEPOSITO / WAARBORG	4800.00
DEB BTW REG NR.	

## BELASTINGFAKTUUR MAANDELIKSE REKENING

## TAX INVOICE MONTHLY ACCOUNT

### METER BESONDERHEDE

Tp. Meter Nr.	Vorige Lesing	Nuwe Lesing	Faktor	Verbruik	Periode	Daag.Gemid
W 0000000513	13926	13964		38	12/07-11/08	1.26
E 00360367601158740		1167771		9031	01/08-01/09	291.32
K 0036036760		33		33	01/08-01/09	
K 0036036760		207		207	01/08-01/09	

### REKENING BESONDERHEDE

Saldo oorgedra:	39540.06
Kwitansies: 0000347609	39540.06-

### HUIDIGE REKENING

Diens tipe		Verbruik	Tarief/Koste	Bedrag	BTW
WATER Basic/Basies		1	64.72000	73.78	9.06
WATER Cons/Verb		38	50.00000	2166.00	266.00
Elekt/Elect Basic/Basies		1	1572.57000	1792.73	220.16
Elekt/Elect Cons/Verbr		9031	83.86000	8633.66	1060.27
Elekt/Elect Cons/Verb		33	213.11000	8017.20	984.57
ELEKTRISITEI Verbruik UTIL		207	38.38000	9056.91	1112.25
Notified Demand				29740.28	
** Totale maandelikse saldo:					

### BOODSKAP

NEEM KENNIS DAT DIE RAAD SE BANKBESONDERHEDE MET INGANG VAN 1 OKTOBER 2017 VERANDER. SIEN DIE INGESLOTE KENNISGEWING VIR VERDERE BESONDERHEDE. Stellenbosch Munisipaliteit se drinkwater kwaliteit voldoen 95.00% Dankie dat u u rekening gereeld betaal. Indien u agterstallig is, betaal asseblief u uitstaande rekening om opskorting van dienste te voorkom.

Sien agterkant vir belangrike inligting / See reverse side for important information



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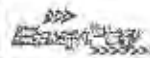
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Send this portion back with your payment please. Slu: asseblief hierdie gedeelte saam met u betaling.  
RECEIPT VALID ONLY IF PRINTED BY OFFICIAL CASH RECEIPTING FIGURES.  
KWITANSIE GELDIG ALLEENLIK INDIEN DEUR AMPTELIKE KASREGISTERSYERS GEDRUK.

☑ P.O.Box / Posbus 17, Stellenbosch, 7699.  
☎ 021 808 8111 ☎ 021 886 7318

Name / Naam		Account No. / Rekeningnr.	Period / Tydperk	Date / Datum
KILOTREADS		140010040	2017/09	15/09/2017
Due Date Datum Verskuldig	Monthly / Maandeliks		Annual / Jaarliks	
	Appears / Credits Agterstelig / Krediete	09/10/2017	Arrears / Credits Agterstelig / Krediete	TOTAL NOW DUE TOTAAL NOU VERSKULDIG
Now Due / Future: Nou Verskuldig / Toekomstig:	29740.28			29740.28



8151 6090 0014 0010 6402



Bank Name : NEDBANK  
Cheque Account Number : 115 227 1687  
Branch Code : 19 87 65  
Swift Code : NEDSZA33

Reference Number **Compulsory**. Please use your Municipal Account Number **only**  
Verwysing Nummer **Verpligtend**. Gebruik **slegs** u Munisipale rekening nommer

Please do not use this bank account number for any other municipal payments - Gebruik onder no. 140010040 slegs vir munisipale betalings. Maak in hierdie bankrekening gemaak word nie.



Tax Clearance Certificate Number:  
0700/2017/A001186868

### Tax Clearance Certificate - Good Standing

Enquiries  
0600 00 SARS (7277)  
Approved Date  
2017-08-04  
Expiry Date  
2018-08-04


  
 Taxpayer's Identification Number: 9220031029  
 PAYEE: KILOTREADS STELLENBOSCH PTY LTD  
 VAT: 4060110210  
 PAYE: 7410738431  
 Trading Name: KILOTREADS STELLENBOSCH PTY LTD

It is hereby confirmed that, on the basis of the information at the disposal of the South African Revenue Service (SARS), the above-mentioned taxpayer has complied with the requirements as set out in the Tax Administration Act.

This certificate is valid until the expiry date reflected above, subject to the taxpayer's continued tax compliance. To verify the validity of this certificate, contact SARS through any of the following channels:

- via eFiling
- by calling the SARS Contact Centre
- at your nearest SARS branch

This certificate is issued in respect of the taxpayer's tax compliance status only, and does not address any other aspect of the taxpayer's affairs.

*This certificate is issued free of charge by SARS*



v1.0.5

### VAT Vendor Search

Note: You need a valid Vat Number or an Exact VAT Trading Name. [Help](#) for more information.  
Click on

VAT Number:	<input type="text" value="4060111210"/>
VAT Trading Name:	<input type="text" value="KILOTREADS STELLENBOSCH F"/> <input type="button" value="Search"/>

VAT Trading Name	VAT Registration Number	Office
KILOTREADS STELLENBOSCH PTY LTD	4060111210	BELLEVILLE

### Result Summary

#### Entity Details

Registered Name:	KILOTREADS STELLENBOSCH PTY LTD
Trading Name:	KILOTREADS STELLENBOSCH PTY LTD
Reg/CC/Trust No:	1981/002231/07
INCOME_TAX:	9220031026
VAT:	4060111210
PAYE:	7410738431
TCC Number:	0700/2/2017/A001185856
Date/Time:	2017-09-29 10:38:06

The response represents the taxpayer's compliance status at the date and time of this response. It is important to note that the overall compliance status is not static and will change as the compliance status changes.

Description	Status	Purpose	Approved Date	Expiry Date	Refresh Open
<p>The TCC verified is valid and active.</p> <p>Note - SARS reserves the right to withdraw this certificate at any time should any return and/or tax become outstanding by the above taxpayer prior to the expiry date of this certificate.</p>	ACTIVE	Good Standing	2017-08-04	2018-08-04	<a href="#">Refresh</a>

8.1.5	<b>CONSIDERATION OF EXPENDITURE INCURRED RELATING TO CONSULTANCY SERVICES FOR UPGRADING OF BERZICHT TAXI RANK</b>
-------	---

Collaborator No: 605528  
 IDP KPA Ref No: Good Governance  
 Meeting Date: 18 September 2018

**1. SUBJECT: CONSIDERATION OF EXPENDITURE INCURRED RELATING TO CONSULTANCY SERVICES FOR UPGRADING OF BERZICHT TAXI RANK**

**2. PURPOSE OF REPORT**

To provide information regarding the expenditure incurred for investigation by MPAC and to be recommended to and considered by Council to ratify the expenditure in terms of Section 4.36.1a (i) of Stellenbosch Municipality Supply Chain Policy (2017/2018).

**3. DELEGATED AUTHORITY**

Council to ratify the expenditure as the specific nature of the breach is a minor breach of the procurement process, not impacting in any significant way on the essential fairness, equity, transparency, competitiveness or cost effectiveness, for the payment of Orrie, Welby-Solomon (OWS) for consultancy services rendered.

**4. EXECUTIVE SUMMARY**

OWS was appointed to render consulting services, through a Formal Quotation (FQ) procedure. With the increase in construction cost, the initial estimate for consultancy fees was exceeded. The FQ process, initially followed, could not make allowance for further payment.

**5. RECOMMENDATIONS**

- (a) that the Committee takes note of the circumstances as provided in the report and recommend to Council the ratification of the expenditure to the amount of R 225 806.93 (VAT incl.) to Orrie, Welby-Solomon & Associates; and
- (b) that Council ratifies the expenditure in terms of Section 4.36.1a (i) of Stellenbosch Municipality Supply Chain Policy (2017/2018).

**6. DISCUSSION**

**Background**

Formal Quotations (FQ 157/16) were received by the Municipality in November 2015 for the planning, design and construction monitoring of upgrades to Bergzicht Taxi Rank. OWS was appointed in December 2015 to carry out consultancy services to the amount of R165 000.00.

OWS had demonstrated best value for money, when compared to other service providers, and had continued by default, rendering a consultancy service fulfilling all the obligations stated in the FQ and Letter of Appointment.

The formal quotation amount was based on a specific construction value and period. The scope had remained unchanged, and the increase in consultancy fees can be attributed to:

- 
- Increase in construction period from 3 months to more than 6 months.
  - Increase in construction costs from R1.5 million to more than R2.5 million largely attributed to unforeseen underground conditions.
  - Need for additional traffic impact studies - in line with the scope of works.
  - Need for additional liaisons with taxi associations to ensure that impact of construction on the operations of the taxi rank is minimized.

The consultancy fees are based on the provisions stipulated in the FQ and Letter of Appointment, ensuring value for money and essential and fair consulting fees.

#### **7. FINANCIAL IMPLICATIONS**

The total financial implication of this ratification is R 225,806.93 (including Vat), with a total project cost of R414,408.51.

The cost for the repairs could be funded from Unique Key 20170608984271.

OWS had rendered all planning, contract and construction management services; the financial impact a new consultant would have on a project is an increase in cost for the municipality.

#### **8. LEGAL IMPLICATIONS**

The recommendations in this report comply with Council's policies and all applicable legislation.

Supply Chain Management Policy, 4.36.1a (i)  
Supply Chain Management Policy, 4.36.b  
Supply Chain Regulation 36(1)  
MFMA Section 32(2)

#### **9. RISK IMPLICATIONS**

All intent was in good faith; the breach can be attributed to the initial planning processes and the lack of capacity with regard to ensuring required financial compliances are adhered to.

#### **10. CONCLUSION**

The extent of work during the initial planning process is at times not fully understood; during initial planning stages no detailed investigations are done; only preliminary concepts are formulated and compiled.

All staff involved in the compilation of the FQ as well as the initial planning and implementation stages of the project, has left the employ of the Municipality. It was not possible to timeously arrange for necessary financial processors – at the time there was a critical shortage of staff within the Department.

**MPAC MEETING: 2018-09-18: ITEM 5.5****RESOLVED**

- (i) that the Committee is in agreement with the departmental reason for ratification in sourcing of material as an exceptional technical case;
- (ii) that the Committee agrees to the sanction of the expenditure as a minor breach and that it be dealt with as per MFMA Circular 68 in relation to a minor breach; and

**THAT IT BE RECOMMENDED TO COUNCIL:**

- (a) that Council takes note of the circumstances as provided in the report, and approves the ratification of the expenditure to the amount of R 225 806.93 (VAT incl.) to Orrie, Welby-Solomon & Associates; and
- (b) that Council ratifies the expenditure in terms of Section 4.36.1a (i) of Stellenbosch Municipality Supply Chain Policy (2017/2018).

**APPENDIX**

**Appendix 1:** Ratification: Orrie, Welby-Solomon & Associates –Bergzicht Taxi Rank for R225 806.93 including VAT

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Deon Louw
<b>POSITION</b>	<b>Director: Infrastructure Services</b>
<b>DIRECTORATE</b>	<b>Infrastructure Services</b>
<b>CONTACT NUMBERS</b>	<b>021 808 8213</b>
<b>E-MAIL ADDRESS</b>	<a href="mailto:Deon.louw@stellenbosch.gov.za">Deon.louw@stellenbosch.gov.za</a>
<b>REPORT DATE</b>	<b>2018/07/27</b>



# **APPENDIX 1**

**Ratification: Orrie,  
Welby-Solomon & Associates  
–Bergzicht Taxi Rank for  
R225 806.93 including VAT**

07 AUG 2018

Office of the Municipal Manager  
Kantoor van die Munisipale Bestuurder**MEMORANDUM****INFRASTRUCTURE DIRECTORATE**

CHECK BEFORE SUBMISSION	YES	N
REGISTERED ON SCM DATABASE If answer is NO follow the next step - Register on SCM Database - Creditors form (SAMRAS)		
LETTER - SOLE SUPPLIER if applicable		
ORIGINAL VALID TAX CERTIFICATE		
QUOTE/INVOICE ATTACHED		
BUDGET (SAMRAS)		
CASHFLOW		
SIGNATURES		

**To ▫ Aan:** MUNICIPAL MANAGER

**From ▫ Van:** Johan Fullard

**Job Title:** Senior Manager, Roads, Transport, Stormwater & Traffic Engineering

**Date ▫ Datum:** 27 July 2018

**Re ▫ Insake:** **RATIFICATION:** Orrie, Welby–Solomon & Associates – Bergzicht Taxi Rank for R 225 806.93 including Vat

**1. PURPOSE**

To obtain approval in terms of Supply Chain Management Policy, 4.36.1(b) to ratify any minor breaches of the procurement processes, and arrange payment to Orrie, Welby-Solomon & Associates (OWS).

**2. BACKGROUND**

Formal Quotations (FQ 157/16) was received by the Municipality in November 2015 for the planning, design and construction monitoring of upgrades to Bergzicht Taxi Rank. OWS was appointed in December 2015 to carry of consultancy services to the amount to the amount of R165 000.00.

**Specific nature of the breach:**

The nature of the breach was purely technical, not impacting in any way on the essential fairness, equity, transparency.

OWS had demonstrated best value for money, when compared to other service providers, and had continued by default, rendering a consultancy service fulfilling all the obligations stated in the FQ and Letter of Appointment.

The consultancy fees, including amounts in excess of R165 000 are based on the provisions stipulated in the FQ and Letter of Appointment, ensuring value for money and essential and fair consulting fees.

### 3. DISCUSSION

#### **The circumstances surrounding the breach:**

The formal quotation amount was based on a specific construction value and period. The scope had remained unchanged, and the increase in consultancy fees can be attributed to:

- Increase in construction period from 3 months to more than 6 months.
- Increase in construction costs from R1.5 million to more than R2.5 million largely attributed to unforeseen underground conditions.
- Need for additional traffic impact studies - in line with the scope of works.
- Need for additional liaisons with taxi associations to ensuring that impact of construction on the operations of the taxi rank is minimized.

It was not operationally viable for a new engineering consultant firm to be brought into the project, the new consultant would have to acquire knowledge of the planning, progress made and challenges of the project, this would have resulted in additional delays.

To ensure an adequate level of service delivery to the more than 15 000 daily commuters utilizing the facility, the speedy completion of the work was imperative, so as to minimize the disruption to the normal transport operations.

#### **The intent of those responsible for the breach:**

All intent was in good faith, the breach can be attributed to the initial planning processes and the lack of capacity to ensure the continuous financial compliance requirements within the department.

The extents of work during the initial planning process is at times not fully understood, during initial planning stages no detailed investigations are done, only preliminary concepts are formulated and compiled.

All parties involved in the compilation of the FQ as well as the planning and implementation of the project has left the employment of the Municipality. It was therefore not possible to timeously arrange for necessary processors as a result of the lack continuity in Senior Management, a critical shortage of staff within the Roads and Transportation Section and a high number of vacant positions within the Department.

#### 4. FINANCIAL IMPLICATIONS


The total financial implication of this ratification is **R 225,806.93** including Vat, with a total project cost of R414,408.51.

It is not financially beneficial to appoint another consultant, whilst OWS rendered all planning, contract and construction management services, the financial impact a new consultant would have on a project is an increase in cost for the municipality, therefore the services delivered was financially beneficial to the Municipality

Invoice No	Date submitted	For Period	Amount incl VAT	Amount Outstanding incl VAT
166-2017-10	12/10/2017	22 May 2017 – 21 Nov 2017	R 225 806.93	R 225 806.93
<b>TOTAL</b>				<b>R 225 806.93</b>

#### 5. RECOMMENDATION

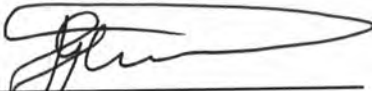
That the approval, from vote 20170608984271, 2017/2018 financial year be granted in terms of the Municipality's Supply Chain Management Policy 4.36.1(b) to ratify any minor breaches of the procurement processes, that had resulted from crucial additional services to ratify the payment of **R 225 806.93** (VAT incl.) to Orrie, Welby-Solomon & Associates.



**Johan Fullard**

**SENIOR MANAGER: ROADS, TRANSPORT,  
STORMWATER & TRAFFIC ENGINEERING**


Date: 31/7/2018

  
\_\_\_\_\_

Date: 31/7/18

Deon Louw  
DIRECTOR INFRASTRUCTURE SERVICES

A. JACOBS — No Comment, Prior SCM-Head fail

  
\_\_\_\_\_

Date: 6/8/18

Marius Wüst  
CHIEF FINANCIAL OFFICER

Noted any further comments:

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

In the light of the above the Accounting Officer therefore ratifies the minor breach of procurement process and approves this payment to take place.

  
\_\_\_\_\_

Date: 7/8/18

Geraldine Mettler  
MUNICIPAL MANAGER

Approved

for MPAC. item.

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



# ORRIE, WELBY-SOLOMON & ASSOCIATES cc



CONSULTING CIVIL & STRUCTURAL ENGINEERS  
RAADGEWENDE SIVIELE & STRUKTURELE INGENIEURS

166 IMAM HARON ROAD  
LANSDOWNE  
7780

E-MAIL: [ows@owsa.co.za](mailto:ows@owsa.co.za)

Tel. (021) 696-0565  
696-0566  
Fax (021) 696-1634

## TAX INVOICE

12 OCTOBER 2017

Stellenbosch Municipality  
Plein Street  
Stellenbosch  
7599  
Vat Reg No. 4700102181  
Order No.  
Your Ref No. FQ 157/16

ATTENTION : MR. JOHN MILLER

Orrie, Welby-Solomon & Assoc  
Bank: Standard  
Branch: Kromboom  
Branch Code: 026209  
Acc/no: 072912391  
(Fax Deposit slip ref 166-2017-010)

INVOICE NO. 166-2017-10  
Vat Reg No. 4280102205  
Our Ref no. 15-277-004

Dear Sir,

**PLAN, DESIGN AND MONITOR CONSTRUCTION OF LAYOUT CHANGES AND  
MINIBUS TAXI HOLDING AREA BERGZICHT RANK**

We hereby submit our 4TH tax invoice for services rendered for the above project.

			NOW DUE	
<b>1 FEE NOW DUE</b>				
1.1 Assessment	100% of	25 000.00	R 25 000.00	
1.2 Inception	100% of	R 7 000.00	R 7 000.00	
1.3 Preliminary Design	100% of	R 35 250.00	R 35 350.00	
1.4 Detail Design	100% of	R 35 350.00	R 35 350.00	
1.5 Contract Administration	100% of	R 21 000.00	R 21 000.00	
1.6 Close Out	100% of	R 6 750.00	R 6 750.00	
<b>2 ADDITIONAL SERVICES</b>				
2.1 Traffic Study			R 20 400.00	
2.2 Architectural Services			R 26 666.23	
2.3 Quantity Surveying Services			R 36 000.00	
<b>3 SITE SUPERVISION</b>				
3.1 22 May to 21 June 2017			R 60 400.00	
3.2 22 June to 21 July 2017			R 30 200.00	
3.3 22 July to 21 August 2017			R 30 200.00	
3.4 22 August to 21 September 2017			R 10 000.00	
3.5 22 September to 21 October 2017			R 10 000.00	
<b>4 TRAVELLING</b>				
22 May 2017 to 21 November 2017		2300km @ R 4.00 / km	R 9 200.00	
		Sub Total		R 363 516.23
		Less Previously		R 165 439.98
		Sub Total Plus 14% VAT		R 198 076.25 R 27 730.68
		Total Due		<b>R 225 806.93</b>

Yours Faithfully

*M.S. Orrie*

M.S. ORRIE  
FOR ORRIE, WELBY-SOLOMON AND ASSOCIATES CC



# ORRIE, WELBY-SOLOMON & ASSOCIATES cc

Reg No. CK 88/0780/23

CONSULTING CIVIL & STRUCTURAL ENGINEERS  
RAADGEWENDE SIVIELE & STRUKTURELE INGENIEURS

446 IMAM HARON ROAD  
LANSDOWNE  
7780

Tel (021) 696 0565  
Fax (021) 696 1634  
Email: ows@owsa.co.za

## STATEMENT

22 June 2018

Stellenbosch Municipality  
Plein Street  
Stellenbosch  
7599

ATTENTION MR. MR. JOHN MILLER

**Customer Ref: 15-277- PLAN DESIGN & MONITOR TAXI HOLDING AREA @ BERGZIGHT RANK  
STELLENBOSCH MUNICIPALITY,**

**Date: 22/06/2018  
Ref No. FQ 157/16**

<u>DATE</u>	<u>REF</u>	<u>TYPE</u>	<u>DESCRIPTION</u>	<u>DEBIT</u>	<u>CREDIT</u>
30 June 2016	15-277-001	Invoice	Invoice No. 099-2016-05	R 36 480.00	
25 July 2016		Receipt	EFT Transfer		R 36 480.00
05 March 2017	15-277-002	Invoice	Invoice No. 002-2017-03	R 40 299.00	
06 December 2017		Receipt	EFT Transfer		R 40 299.00
28 June 2017	15-227-003	Invoice	Invoice no 100-2017-06	R 111 822.58	
06 December 2017		Receipt	EFT Transfer		R 111 822.58
12 October 2017	15-227-004	Invoice	Invoice no 166-2017-10	R 225 806.93	
<b>Total Invoiced to date</b>				<b>R 414 408.51</b>	
<b>Amounts outstanding</b>				<b>R 225 806.93</b>	

### BANKING DETAILS

**BANK : STANDARD BANK    BRANCH KROMBOOM    ACCOUNT NO 072912391    BRANCH NO. 026209**

**Please use your Invoice No. as reference when making payments to avoid unallocated payments**



8.1.6	<b>CONSIDERATION OF EXPENDITURE INCURRED RELATING TO THE PROVISION OF EMERGENCY SERVICES BY CBI ELECTRIC</b>
-------	--

**Collaborator No:** 605801  
**IDP KPA Ref No:** Good Governance  
**Meeting Date:** 18 September 2018

**1. SUBJECT: CONSIDERATION OF EXPENDITURE INCURRED RELATING TO THE PROVISION OF EMERGENCY SERVICES BY CBI ELECTRIC**

**2. PURPOSE OF REPORT**

To provide information regarding the expenditure incurred for investigation by MPAC and to be recommended to and considered by Council to ratify the expenditure in terms of Section 4.36.1a (i) of Stellenbosch Municipality Supply Chain Policy (2017/2018).

**3. DELEGATED AUTHORITY**

Council to ratify the expenditure as the specific nature of the breach is a minor breach of the procurement process, not impacting in any significant way on the essential fairness, equity, transparency, competitiveness or cost effectiveness of the payment of CBI for services rendered.

**4. EXECUTIVE SUMMARY**

During the construction of the Marais Street, an electrical cable incurred damage resulting in a power outage. CBI was approached to carry out the necessary repairs and restore electrical supply.

**5. RECOMMENDATIONS**

- (a) that the Committee takes note of the circumstances as provided in the report and recommend to Council that the ratification of the expenditure to the amount of R75 879.05 (including Vat) be approved; and
- (b) that Council ratifies the expenditure in terms of Section 4.36.1a (i) of Stellenbosch Municipality Supply Chain Policy (2017/2018).

**6. DISCUSSION**

**Background**

The construction phase for the upgrading and realignment of Marais Street, between Merriman Circle and Van Riebeeck Street, was implemented between 2014 and 2016. The Contractor had obtained the necessary wayleaves from the Municipality. Construction was underway when a 11kV electrical cable incurred damage, resulting in a power outage with the surrounding neighbourhoods experiencing a blackout. CBI Electric was called out to undertake the emergency repairs.

CBI Electric had regularly undertaken emergency repairs to damaged high voltage cables and was, at that time, the only electrical contractor in the region that had the resources to carry out the repairs.

The work carried out by CBI was based on previous practices, i.e. emergency procurement procedures were followed during electrical blackouts.

**7. FINANCIAL IMPLICATIONS**

The total financial implication of this ratification is R75 879.05 (including Vat). The cost for the repairs could be funded from Unique Key 20170608983740.

**8. LEGAL IMPLICATIONS**

The recommendations in this report comply with Council's policies and all applicable legislation.

Supply Chain Management Policy, 4.36.1a (i)  
Supply Chain Management Policy, 4.36.b  
Supply Chain Regulation 36(1)  
MFMA Section 32(2)

**9. RISK IMPLICATIONS**

The Municipality is ultimately liable for the services rendered by CBI Electric, since the Municipality had approached CBI Electric.

**10. CONCLUSION**

The follow-up after the emergency had not occurred as it was understood that the contractor would pay CBI Electric. It was not known at the time that the contractor would decline payment of the electrical repair.

The Department is of the opinion that the contractor could be liable for the repair cost, and proposes that the recovery of this amount from the contractor be further investigated.

**11. COMMENTS FROM THE MUNICIPAL MANAGER**

None

**MPAC MEETING: 2018-09-18: ITEM 5.6****RESOLVED****THAT IT BE RECOMMENDED TO COUNCIL:**

- (a) that Council takes note of the circumstances as provided in the report, and that the ratification of the expenditure to the amount of R 75 879.05 (including Vat) be approved; and
- (b) that Council ratifies the expenditure in terms of Section 4.36. 1a (i) of Stellenbosch Municipality Supply Chain Policy (2017/2018).

**APPENDICES**

**Appendix 1:** - Ratification: CBI Electric – R75 879.05 including VAT

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Deon Louw
<b>POSITION</b>	<i>Director: Infrastructure Services</i>
<b>DIRECTORATE</b>	<i>Infrastructure Services</i>
<b>CONTACT NUMBERS</b>	021 808 8213
<b>E-MAIL ADDRESS</b>	<a href="mailto:Deon.louw@stellenbosch.gov.za">Deon.louw@stellenbosch.gov.za</a>
<b>REPORT DATE</b>	2018/07/27

# **APPENDIX 1**

**Ratification: CBI Electric –  
R75 879.05 including VAT**



CHECK BEFORE SUBMISSION	YES	NO
REGISTERED ON SCM DATABASE If answer is NO follow the next step: - Register on SCM Database - Creditors form (SAMRAS)		
LETTER - SOLE SUPPLIER if applicable		
ORIGINAL VALID TAX CERTIFICATE		
QUOTE/INVOICE ATTACHED		
BUDGET (SAMRAS)		
CASHFLOW		
SIGNATURES		



## MEMORANDUM

### INFRASTRUCTURE DIRECTORATE

**To ▫ Aan :** MUNICIPAL MANAGER  
**From ▫ Van :** Johan Fullard  
**Job Title :** Senior Manager, Roads, Transport, Stormwater & Traffic Engineering  
**Date ▫ Datum :** 27 July 2018  
**Re ▫ Insake :** **RATIFICATION:** CBI Electric - R75 879.05 including VAT

#### 1. PURPOSE

To obtain approval in terms of Supply Chain Management Policy, 4.36.1(b) to ratify any minor breaches of the procurement processes, and arrange payment to CBI Electric, to the amount of R75 879.05 incl. vat for emergency services rendered.

#### 2. BACKGROUND

##### The specific nature of the breach:

The construction phase for the upgrading and realignment of Marias Street, between Merriman Circle and Van Riebeeck Street, was implemented between 2014 and 2016. During this period, an electrical cable had incurred damage, resulting in a blackout, CBI was called out to undertake emergency repairs.

The nature of the breach is it therefore purely technical and has arisen from a need to provide an essential service.

### 3. DISCUSSION

#### **The circumstances surrounding the breach:**

The Contractor, had obtained the necessary wayleaves from the Municipality. Construction was in progress when a 11kV electrical cable incurred damage, CBI Electric, was called out to undertake emergency repairs.

CBI Electric had regularly undertaken emergency repairs to damaged high voltage cables and was, at that time, the only electrical contractor in the region that had the resources to carry out the repairs.

The work carried out by CBI was based on previous practices, i.e. emergency procurement procedures were followed during electrical blackouts. The follow up after the emergency had not occurred as it was understood that the contractor would pay the supplier. It was not known at the time that the contractor would decline payment of the electrical repair. The breach is therefore excusable and justifiable.

#### **The intent of those responsible for the breach:**

The Municipality had acted in good faith, however the project manager had left the employ of the municipality.

### 4. FINANCIAL IMPLICATIONS

#### **The financial implication as a result of the breach:**

The municipality is ultimately liable for the services rendered by the CBI Electric. The total financial implication of this ratification is R75 879.05 including Vat.

The Department has the opinion that the contractor could be liable for the repair cost, and proposes that the recovery of this amount be further investigated.

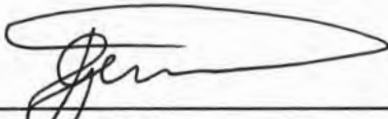
5. RECOMMENDATION

That the approval, from vote 20170608983740 be granted in terms of the Municipality's Supply Chain Management Policy 4.36.1(b) to ratify any minor breaches of the procurement processes, that had resulted from emergency repairs to damaged electrical cables and ratify the payment of R75 879.05 (VAT incl.) to CBI Electric.



**Johan Fullard**  
Senior Manager: Roads, Transport,  
Stormwater & Traffic Engineering Services

Date: 30/7/2018



**Dean Louw**  
DIRECTOR INFRASTRUCTURE SERVICES

Date: 30/7/18

D. JACOBS - No Comment, Prior SCM Head plan



**Marius Wüst**  
CHIEF FINANCIAL OFFICER  
Noted any further comments:

Date: 6/8/18

In the light of the above the Accounting Officer therefore ratifies the minor breach of procurement process and approves this payment to take place.



**Geraldine Mettler**  
MUNICIPAL MANAGER

Date: 7/8/18

Approved

item for MPAC



Our Ref. : Q561.16  
 Date : 01 April 2016  
 Compiled by : Crystal Visagie

Company : Stellenbosch Municipality

Attention : Leon Vosloo  
 E-mail : Leon.Vosloo@stellenbosch.gov.za

Dear Mr. Vosloo

**RE: Repair of 11kV fault at Jan Marias – LA/Daphines Substation**

We thank you for the opportunity to provide you with a quotation on the above project.

- CIDB Rating:**  
 CBI-electric: african cables is a registered contractor with the **CIDB, CRS Number 121501**, and current designation 9EP.
- BBBEE Verification**  
 CBI-electric: african cables has been verified as a Level 3 Contributor and currently has a Procurement Recognition Level of 125%.
- Quotation Total:**

Item	Description	Unit	Qty	Rate	Value (excl VAT)
1	Labour and Transport	sum	1	R 9 235.63	R 9 235.63
2	Material	sum	1	R 22 485.33	R 22 485.33
<b>Total Excl VAT</b>					<b>R 31 720.96</b>
<b>14% VAT</b>					<b>R 4 440.94</b>
<b>Total Incl. VAT</b>					<b>R 36 161.90</b>

- Standard Terms and Conditions:**  
 This quote is subject to the standard terms and conditions of CBI-electric: african cables. A copy is available on request.
- Ownership:**  
 Ownership of material to be supplied will remain with CBI-electric: african cables until full payment thereof.

**POWER BY INNOVATION... INNOVATION THROUGH PARTNERSHIPS**

CBI-electric: african cables  
 B-BBEE Level 2 contributor

A member of the REUNERT Group  
 A division of ATC (Pty) Ltd  
 Registration No. 1955/003773/07

PO Box 172, Vereeniging 1930 - Steel Road, Peacehaven, Vereeniging 1939, South Africa  
 Tel: +27 16 430 6000 - Fax: +27 16 423 6250 - www.cbi-electric.com  
 Directors: DJ Rawlinson, AE Dickson, PJ Banda, GW Eddy, TA Pooe, NN Mensah  
 Alternate Director: PW de Villiers

**SABS** **SABS** **SABS**  
 150 9901 150 14601 0HSAS 18001





Our Ref. : Q560.16  
 Date : 01 April 2016  
 Compiled by : Crystal Visagie  
 Company : Stellenbosch Municipality  
 Attention : Leon Vosloo  
 E-mail : Leon.Vosloo@stellenbosch.gov.za

Dear Mr. Vosloo

**RE: Repair of 11 kV fault at Jan Marias – Stias Substation**

We thank you for the opportunity to provide you with a quotation on the above project.

1. **CIDB Rating:**  
 CBI-electric: african cables is a registered contractor with the **CIDB, CRS Number 121501**, and current designation 9EP.
2. **BBBEE Verification**  
 CBI-electric: african cables has been verified as a Level 3 Contributor and currently has a Procurement Recognition Level of 125%.
3. **Quotation Total:**

Item	Description	Unit	Qty	Rate	Value (excl VAT)
1	Labour and Transport	sum	1	R 12 354.27	R 12 354.27
2	Material	sum	1	R 22 485.33	R 22 485.33
<b>Total Excl VAT</b>					<b>R 34 839.60</b>
<b>14% VAT</b>					<b>R 4 877.55</b>
<b>Total Incl. VAT</b>					<b>R 39 717.15</b>

4. **Standard Terms and Conditions:**  
 This quote is subject to the standard terms and conditions of CBI-electric: african cables. A copy is available on request.
5. **Ownership:**  
 Ownership of material to be supplied will remain with CBI-electric: african cables until full payment thereof.

**POWER BY INNOVATION... INNOVATION THROUGH PARTNERSHIPS**

CBI-electric: african cables  
 B-BBEE Level 2 contributor  
 A member of the REUNERT Group  
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 Tel: +27 16 430 6000 - Fax: +27 16 423 6250 - www.cbi-electric.com  
 Directors: DJ Rawlinson, AE Dickson, PJ Banda, GW Eddy, TA Poole, NN Mensah  
 Alternate Director: PW de Villiers



8.2	<b>OFFICE OF THE MUNICIPAL MANAGER</b>
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8.2.1	<b>APPOINTMENT OF MPAC MEMBER – RESIGNATION OF COUNCILLOR NS LOUW AS MEMBER OF MPAC</b>
-------	---

Collaborator No:

IDP KPA Ref No:

Meeting Date:

Good governance and Compliance

26 September 2018

**1. SUBJECT: APPOINTMENT OF MPAC MEMBER – RESIGNATION OF COUNCILLOR NS LOUW AS MEMBER OF MPAC**

**2. PURPOSE OF REPORT**

To elect another member of Council to represent the DA on MPAC in light of the resignation of Councillor NS Louw as member of MPAC.

**3. DELEGATED AUTHORITY**

Municipal Council

**4. EXECUTIVE SUMMARY**

Council, at an Urgent meeting held on 16 February 2017, constituted MPAC in line with legislation.

Councillor NS Louw however, resigned as MPAC member on 13 September 2018. Resignation letter attached as **APPENDIX A**.

**5. RECOMMENDATION**

that the DA nominates a member to replace Councillor NS Louw as representative to serve on MPAC.

**6. DISCUSSION/CONTENT**

**6.1 BACKGROUND**

Council at, an Urgent meeting held on 16 February 2017, constituted the MPAC with the following members:

DA: Cllr MC Johnson  
Cllr NS Louw  
Cllr N Olayi

OPPOSITION: Cllr N Mananga-Gugushe (Ms) (ANC)  
Cllr WF Pietersen (PDM)

Councillor NS Louw resigned as member of MPAC on 13 September 2018, and his resignation is attached as **APPENDIX A**.

**6.2 FINANCIAL IMPLICATIONS**

None

**6.3 LEGAL IMPLICATIONS**

The MPAC is a Section 79 committee of Council, and members must be appointed in line with legislation.

**6.4 STAFF IMPLICATIONS**

None.

**6.5 PREVIOUS / RELEVANT COUNCIL RESOLUTIONS**

Item 5.2.5 Urgent Council meeting held on 16 February 2017.

**APPENDIX**

Appendix 1 : Councillor NS Louw's resignation letter from MPAC

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Geraldine Mettler
<b>POSITION</b>	<i>Municipal Manager</i>
<b>DIRECTORATE</b>	<i>Municipal Manager</i>
<b>CONTACT NUMBERS</b>	021 808 8025
<b>E-MAIL ADDRESS</b>	<a href="mailto:mm@stellenbosch.gov.za">mm@stellenbosch.gov.za</a>
<b>REPORT DATE</b>	2018-09-19

# **APPENDIX 1**

**Councillor NS Louw's  
resignation letter from MPAC**



The Office of  
Councillor Stephan Louw BA (SA), SAIT (GTP)  
PR for Stellenbosch Municipality  
Member of Municipal Public Accounts Committee  
Member of the Federal Council

Unit 9, Farm 1049, Koelenhof, Stellenbosch

Tel: +27 (0)21 010 1409  
Cell: +27 (0)83 377 1891  
Email: stephanlw161@gmail.com

To : Cllr Minnie Peterson (Speaker)  
CC : Cllr Wilfred Pieterse (Chair of MPAC)  
Ald Adv Gesie van Deventer (Mayor)  
In regards : Resignation as MPAC member  
Date : 13 September 2018  
My Reference : 180913 - Resignation MPAC

---

Dear Honourable Speaker

I, Councillor Nicolaas Stephanus Louw, hereby resign as Stellenbosch Local Municipal's member of MPAC effective immediately.

Regards

  
Councillor NS Louw

**Councillor Stephan Louw – B Acc, Hons B Acc, BA(SA), SAIT (GTP)**

8.2.2	CONFERMENT OF CIVIC HONOURS: ALDERMANSHIP ON CLLR PW BISCOMBE
-------	---

Collaborator No:

File number

IDP KPA Ref No:

Meeting Date:

Good Governance

26 September 2018

**1. SUBJECT: CONFERMENT OF CIVIC HONOURS: ALDERMANSHIP ON CLLR PW BISCOMBE**

**2. PURPOSE**

To obtain Council's approval for the conferment of Aldermanship on Councillor PW Biscombe in terms of the Stellenbosch Municipal Honours By-Law of April 2002.

**3. DELEGATED AUTHORITY**

Municipal Council.

**4. EXECUTIVE SUMMARY**

In terms of the guidelines and criteria reflected in the Stellenbosch Municipal Honours By-Law (April 2002), Council may decide to bestow municipal honours on individuals.

An application was received from Councillor PW Biscombe, requesting that the title of Alderman be conferred on him as he qualifies for such honours in terms of the Stellenbosch Municipal Honours By-Law (April 2002).

According to Council's records, Councillor Biscombe's service as a Councillor has scored him a total of 20 points, and in accordance with the prescribed criteria, he therefore qualifies for Aldermanship.

**5. RECOMMENDATIONS**

- (a) that, in terms of Section 6(4)(c) of the Stellenbosch Municipal Honours By-Law promulgated in Provincial Gazette 5859 of 19 April 2002, the title of Alderman be conferred upon Councillor PW Biscombe; and
- (b) that, following the approval of Council, the Executive Mayor, as patron of the Stellenbosch Municipal Honours, confers the honour on Councillor PW Biscombe in an appropriate manner.

**6. DISCUSSION / CONTENTS**

**6.1 Background**

**6.1.1 Application received**

An application (dd 2018-09-06) was received from Councillor PW Biscombe, requesting that Aldermanship be conferred on him as he qualifies for such honours in terms of the Stellenbosch Municipal Honours By-Law (April 2002). The Application is attached as **APPENDIX 1**.

**6.1.2 Calculation of points**

Pursuant to the above application, a memorandum was submitted to the Municipal Manager, confirming that according to Council's records, Councillor PW Biscombe does indeed qualify for Aldermanship with a total of 20 points. The memorandum is attached as **APPENDIX 2**.

**6.1.3 Confirmation by the Municipal Manager**

Hereto attached, as **APPENDIX 3**, is the verification of the Municipal Manager, confirming that the calculations were verified and that the awarding of points was in accordance with the prescribed criteria.

**6.2 Discussion****Legal Framework**

Section 6(4)(c) of the Stellenbosch Municipal Honours By-Law (April, 2002) makes provision for Aldermanship to be conferred on a serving Councillor of the Stellenbosch Municipality who obtains a minimum of 20 points, as set out in the By-Law.

In terms of sub-section (5), any current serving Councillor who is of the view that he/she qualifies for Aldermanship, should notify the Municipal Manager in writing, together with the necessary detail to enable the Municipal Manager to verify the allocation of points, as per the By-Law. The By-Law is attached as **APPENDIX 4**.

**6.3 Conclusion**

Councillor PW Biscombe qualifies for Aldermanship in terms of Section 6 (4) (c) of the Stellenbosch Municipal Honours By-Law (April 2002).

**6.4 Financial Implications**

There are no financial implications should the recommendations as set out in the report be accepted.

**6.5 Legal Implications**

The recommendations in this report comply with section 6(4)(c) of the Stellenbosch Municipal Honours By-Law. The item and recommendations are supported.

**6.6 Staff Implications**

This report has no staff implications for the Municipality.

**6.7 Previous / Relevant Council Resolutions:**

The Council adopted the Stellenbosch Municipal Honours By-Law in April 2002, gazetted on 19 April 2002, number 5859.

**6.8 Risk Implications**

This report has no risk implications for the Municipality.



**6.9 Comments from Senior Management****6.9.1 Chief Financial Officer**

Finance supports the item.

**6.9.2 Municipal Manager**

Agree with the recommendations.

**ANNEXURES**

- Appendix 1:** Application received from Councillor  
**Appendix 2:** Memorandum: Calculation of points  
**Appendix 3:** Confirmation by the Municipal Manager  
**Appendix 4:** Stellenbosch Municipal Honours By-Law (April 2002)

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	AMC de Beer
<b>POSITION</b>	<b>Director: Corporate Services</b>
<b>DIRECTORATE</b>	<b>Corporate Services</b>
<b>CONTACT NUMBERS</b>	<b>021 807 8018</b>
<b>E-MAIL ADDRESS</b>	<b>Annalene.deBeer@stellenbosch.org.za</b>
<b>REPORT DATE</b>	<b>20 September 2018</b>

# **APPENDIX 1**

**Application received  
from Councillor**

17 William Street  
Cloetesville  
7600

Date: 06 September 2018

Attention: Municipal Manager  
Stellenbosch Municipality

Dear Ms Mettler

#### APPLICATION FOR THE CONFERMENT OF ALDERMANSHIP

I hereby, in accordance with the procedure as set out in the Stellenbosch Municipal Honours By-Law (April 2002), apply for the conferment of the honour of Aldermanship to myself.


I believe that my service as a Councillor has led to me achieving the required number of points to qualify for this honour.

Outlined below is a schedule depicting a summary of my years of service as Councillor:

Year	Cllr/Standing Committee Member	MAYCO Member/ Portfolio Chairperson	Executive Mayor	Speaker
2006	15 March – 31 Dec			
2007	Jan – Dec			
2008	Jan – Dec			
2009	Jan – Dec			
2010		Jan – Dec		
2011		Jan – Dec		
2012		Jan – Dec		
2013	1 March – 31 Dec	1 Jan – 28 Feb		
2014	Jan – Dec			
2015	Jan – Dec			
2016	1 Jan – 2 Aug			
	3 Aug – 21 Aug	22 Aug – 31 Dec		
2017		1 Jan – 31 Dec		
2018	31 July —	1 Jan – 30 July		

I would appreciate it if you could submit my application to the relevant committee(s) of Council, should you believe that I qualify for Aldermanship under the relevant By-Law.

Yours faithfully



.....

Cllr PW Biscombe

(083 744 6445)

# **APPENDIX 2**

## **Memorandum: Calculation of points**



# MEMO

**To/Aan:** Municipal Manager

**From/Van:** Manager: Secretariat/Committee Services

**Date/Datum:** 13 September 2018

**Re:** POINTS ACCRUED FOR ALDERMANSHIP: COUNCILLOR PW BISCOMBE

Councillor PW Biscombe submitted an application (attached, dated 2018-09-06) for the conferral of Aldermanship.

The information pertaining to the number of points accrued has been verified, and it is a true reflection of Councillor Biscombe's years of service as a Councillor and Portfolio Councillor of this municipality since 2006.

Outlined below is the calculation of points verified for Aldermanship as accrued by Councillor PW Biscombe:

Paragraph of By-Law	Period as Councillor/ Portfolio Councillor	Points as at 01 September 2018
6(4)(c)(i): <i>one point for each completed year served as a Councillor on any municipality</i>	15 March 2006 – 31 Aug 2018: Stellenbosch: 12 years 5 months	12 (12 yrs x 1)
6(4)(c)(v): <i>two additional points for each completed year served as a member of the executive committee or chairperson of a standing committee of the Stellenbosch Municipality</i>	1 Jan 2010 – 28 Feb 2013: Stellenbosch: 3 years 2 months;  22 Aug 2016 – 30 July 2018: Stellenbosch: 1 year 11 months	8 (4 yrs x 2)
<b>TOTAL POINTS</b>		<b>20</b>

In terms of the prescribed criteria as outlined in the Stellenbosch Municipality's Honours By-Law (2002), the 20 points that Councillor PW Biscombe had scored, qualifies him for Aldermanship.

Your affirmative response would enable Councillor Biscombe's application to be tabled for consideration by Council at a next Council meeting.

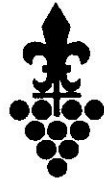
Yours faithfully,

E J Potts

(Manager: Secretariat/Committee Services)

# **APPENDIX 3**

## **Confirmation by the Municipal Manager**



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

*Our Ref: G Mettler (021-808 8025)  
Ref: 77/2/16/rp  
Collab ref: 3/6/1  
Office of the Municipal Manager*

20 September 2018

Councillor P Biscombe

**STELLENBOSCH**

Dear Councillor Biscombe

**CONFERRAL OF ALDERMANSHIP**

Your letter in respect of an application for conferral of Aldermanship, refers.

I am pleased to inform you that the information relating to the required number of points as per your letter has been verified in accordance with the Municipality's Honours By-Law (April, 2002), and that in terms of our records, you do qualify for Aldermanship. Hence, an item in respect of conferral of Aldermanship will be tabled for consideration at the Council Meeting scheduled for 2018-09-26.

Yours sincerely

**GERALDINE METTLER  
MUNICIPAL MANAGER**

pp



# **APPENDIX 4**

**Stellenbosch  
Municipal Honours  
By-Law (April 2002)**

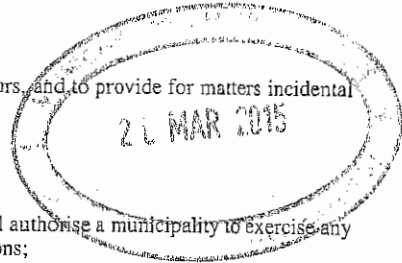
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13/1/23

**STELLENBOSCH MUNICIPAL HONOURS BY-LAW**

**BY-LAW**

To provide for Municipal honours, the conferral thereof, the amendment of conferral, of Municipal honours, and to provide for matters incidental thereto.



**PREAMBLE**

WHEREAS section 156(5) of the Constitution of the Republic of South Africa, Act No 108 of 1996, in general authorise a municipality to exercise any power concerning a matter reasonably necessary for, or incidental to, the effective performance of its functions;

WHEREAS section 186(9) and (10) of the Municipal Ordinance 1974 (No 20 of 1974), in particular, authorise a municipality to confer the freedom of the municipality on a person or to present a medal, memento, address or other commemorative token to persons;

WHEREAS section 156(2) of the Constitution of the Republic of South Africa authorise a municipality to make by-laws for the effective administration of the matters which it has the right to administer;

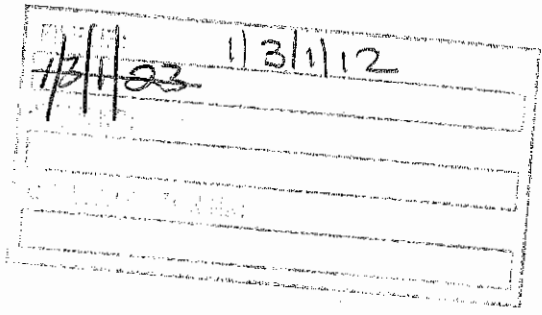
WHEREAS it is desirable to take into consideration and recognise persons for exceptional achievements or the rendering of exceptionally meritorious service in the interest of the municipality; and

WHEREAS this needs to be done in an orderly manner;

Be it, therefore, enacted by the Council of the Stellenbosch Municipality.

**TABLE OF CONTENTS**

- 1. Definitions
- 2. Municipal Honours
- 3. Conferral of Municipal Honours
- 4. Annulment of Conferral of Municipal Honours
- 5. Municipal Honours Advisory Panel
- 6. Criteria for the bestowing of Municipal Honours
- 7. Warrants
- 8. Short Title and Date of Commencement



**1. DEFINITIONS**

- 1. "The Council" means the political structure of Stellenbosch Municipality in terms of section (4) of the Establishment Notice (P.N. 489/2000) as contemplated in section 18 of the Municipal Structures Act.
- 2. "Stellenbosch Municipality" means the municipality established in terms of section (4) of the Establishment Notice (P.N. 489/2000).
- 3. "Municipal Manager" means the person that is the head of administration and also accounting officer for the municipality, appointed in terms of section 82 of the Municipal Structures Act, Act 117 of 1998.
- 4. "Councilor" means a member of the Municipal Council of Stellenbosch Municipality.
- 5. "Municipality" for the purposes of section 7 means:
  - (a) the Municipality of Stellenbosch established by Provincial Notice 489 of 2000 dated 22 September 2000;
  - (b) any municipality established under the provision of the Local Government Transition Act, 1993;
  - (c) any municipality established under the provisions of the Municipal Ordinance, 1974 or any previous ordinance providing for the establishment of a municipality;
  - (d) any council or committee established under the provisions of the Black Local Authorities Act, 1982;
  - (e) any management committee established under the provisions of Provincial Ordinance No 6 of 1963.
- 6. "Employee" means an employee of Stellenbosch Municipality and shall for the purposes of section 6(8) include commencement service at one of the following established municipalities:

- Stellenbosch Municipality
- Franschhoek Municipality
- Pniel Local Council
- Boland District Municipality
- Winelands District Council
- Western Cape Metropol Council
- Stellenbosch Divisional Council.

## 2. MUNICIPAL HONOURS

2. (1) There are the following Municipal honours for Stellenbosch Municipality:
  - (a) freedom of the Municipality or freedom of the town of Stellenbosch, Franschhoek or Pniel;
  - (b) honorary citizenship of the Municipality of Stellenbosch;
  - (c) illuminated address of the Municipality or illuminated address of the town of Stellenbosch, Franschhoek or Pniel;
  - (d) Aldermanship certificate;
  - (e) a Council's commendation certificate;
  - (f) a Mayor's commendation certificate; and
  - (g) certificate for long or outstanding service with the Council.
2. (2) There are the following medal for the Stellenbosch Municipality:
  - (a) the Simonsberg medal (gold) for exceptional achievement or for performing an act of bravery within the Municipal area of Stellenbosch;
2. (3) The Mayor is the patron of the Municipal honours as described in section (1) and (2).

## 3. CONFERRAL OF MUNICIPAL HONOURS

3. (1) The Mayor, after of approval of Council may confer municipal honours on any person and may make a posthumous conferral of a municipal honour.

## 4. ANNULMENT OF CONFERRAL OF MUNICIPAL HONOURS AND MEDALS

4. (1) The Mayor, after approval of Council may annul the conferral of a Municipal honour if the holder of the honour has performed any action or has behaved in a manner which harmed the interest of the Municipality of Stellenbosch, or otherwise has become unworthy of the Municipal honour concerned.
4. (2) The Mayor shall, in annulling the conferral of a Municipal honour in terms of subsection (1), do so in accordance with the advice of the panel referred to in section 5.

## 5. MUNICIPAL HONOURS ADVISORY PANEL

5. (1) The Mayor must obtain advise on the conferral, annulment or restoration of Municipal honours from an advisory panel, consisting of:
  - (a) a maximum of five (5) councillors, broadly representative of the council, appointed by council; and
  - (b) a maximum of five (5) people, highly respected by and who are broadly representative of the people of Stellenbosch Municipality, appointed by Council, if Council so wishes.
5. (2) The advisory panel shall meet at the request of the Mayor.

## 6. CRITERIA FOR THE BESTOWING OF MUNICIPAL HONOURS

6. (1) The freedom of the Municipality or the freedom of the town of Stellenbosch, Franschhoek or Pniel will be conferred:
  - (a) a non-resident person or organisation, when such a person or organisation is worthy of such an honour in the opinion of Council;
  - (b) if approved by Council by way of a broad consensus. The freedom of the Municipality or of a town shall not be conferred on an active politician.
6. (2) Honorary citizenship of the Municipality of Stellenbosch will be conferred:
  - (a) on a person of national and/or international stature residing in Stellenbosch Municipality for a period of at least 25 years, when such person is worthy of such an honour in the opinion of Council;
  - (b) on such a person if unanimously approved by Council at a Special Council Meeting. Alternatively when approved by Council by way of a broad consensus.
  - (c) Honorary citizenship will not be conferred on an active politician.
6. (3) An illuminated address of the municipality or an illuminated address of the town of Stellenbosch, Franschhoek or Pniel will be conferred:
  - (a) on a person when such person is worthy of such an honour in the opinion of Council;
  - (b) if approved by Council by a two-thirds majority vote;
6. (4) Aldermanship will be conferred on a serving Councillor of Stellenbosch Municipality:
  - (a) who has served on one or more municipalities within the Republic of South Africa for a total period of 20 years. Such terms of office need not be consecutive;

- (b) upon the assumption of the office of Mayor. This criterium does not apply to acting Mayors or acting chairperson of Council. Such title shall be removed if such Councillor does not serve the Council for a full term of office as Mayor;
- (c) who obtains the minimum of 20 points on the following scale:
- (i) one point for each completed year served as a Councillor on any municipality; plus
  - (ii) one additional point for each completed year service as a member of the executive of any municipality or as chairperson of a standing committee or portfolio committee of such municipality; plus
  - (iii) one additional point for each completed year service as a deputy mayor of a municipality; plus
  - (iv) two additional points for each completed year served as a mayor or chairperson of any municipality; plus
  - (v) two additional points for each completed year served as a member of the executive committee or chairperson of a standing committee of the Stellenbosch Municipality subsequent to 5 December 2000; plus
  - (vi) three additional points for each completed year served as deputy mayor or speaker of the Stellenbosch Council.
6. (5) Any current serving Councillor who is of the view that he/she qualifies for Aldermanship, should notify the Municipal Manager in writing, together with the necessary details to the satisfaction of the Municipal Manager. The Municipal Manager shall make a recommendation to Council, after having considered all the relevant details. The Municipal Manager shall for the purpose of this by-law create an appropriate database of all current serving councillors of the Council of Stellenbosch as from 5 December 2000.
6. (6) The Council's recommendation certificate will be conferred;
- (a) a resident of Stellenbosch Municipality when such person is worthy of such an honour in the opinion of Council;
  - (b) if approved by Council;
6. (7) The Mayor's recommendation certificate will be conferred on:
- (a) a resident of Stellenbosch Municipality; and
  - (b) in the sole discretion of the Mayor.
6. (8) A certificate for long outstanding service with the Council will be conferred on an employee:
- (a) who has served the municipality for a period of 25 years, on condition that such an employee has not been found guilty of misconduct for a period of 10 years prior to his/her 35th year of service.
6. (9) A medal will be conferred on a resident of Stellenbosch Municipality when:
- (a) such person is worthy of such an honour in the opinion of Council; and
  - (b) if approved by Council by way of a broad consensus.

## 7. WARRANTS

The Mayor together with the other members of Council may, by special Council decision and after publication thereof in the Provincial Gazette, issue warrants for the better carrying out of the objects of this by-law and in particular, but without prejudice to the generality of the foregoing, relating to:

- (a) the keeping and administering of the Municipal honours referred to in section 1;
- (b) the keeping of a register of Municipal honours conferred;
- (c) the replacement of lost or stolen Municipal honours and the charges, therefor;
- (d) the publication of an annual Municipal honours list;
- (e) the wearing of Municipal medals;
- (f) benefits and privileges of Alderman;
- (g) rules regarding the annulment and restoration of provincial honours;
- (h) the issuing of accompanying certificates;
- (i) the lay-out/description of Municipal honours/medals; and
- (j) the protocol regarding the handing over of Municipal honours.

## 8. SHORT TITLE

This by-law is called the Stellenbosch Municipal Honours By-law and takes effect on date of publication thereof.

8.2.3	<b>NORTHERN EXTENSION / LAND FOR RELOCATION OF SURPLUS HOUSEHOLDS, KAYAMANDI: PROGRESS / STATUS REPORT</b>
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Collaborator No: 608851  
IDP KPA Ref No: D616  
Meeting Date: 26 September 2018

**1. SUBJECT: NORTHERN EXTENSION / LAND FOR RELOCATION OF SURPLUS HOUSEHOLDS, KAYAMANDI: PROGRESS / STATUS REPORT**

**2. PURPOSE**

To provide Council with a progress / status report and to advise on a way forward.

**3. DELEGATED AUTHORITY**

Council

**4. EXECUTIVE SUMMARY**

On 29 November 2017 Council considered a report recommending the acquisition of certain portions of land for the relocation of “*surplus households*”.

Having considered the report, the Municipal Manager was, *inter alia* authorised to investigate / negotiate the acquisition of the land identified in the report.

Seeing that the majority of the land that was identified at the time has subsequently been sold to a third party, Council now needs to decide on a way forward, taking into account the peculiar position of Council’s own land.

**5. RECOMMENDATIONS**

- (a) that the progress to date (lack thereof), be noted;
- (b) that the Municipal Manager be authorised to further investigate the options as set out in paragraph 6.2.2 and to enter into preliminary discussions / negotiations with the relevant stakeholders, with the view of finding solutions for the future development of the Northern Extension;
- (c) that the Municipal Manager reports back on progress within 3 months; and
- (d) that no definitive agreement(s) be concluded without Council’s approval.

**6. DISCUSSION / CONTENTS**

**6.1 Background**

**6.1.1 Council resolution**

On 29 November 2017, Council considered a report recommending the acquisition of certain portions of land for the relocation of “*surplus households*”. Having considered the report, Council resolved as follows:

**RESOLVED** (majority vote)

*“that the Municipal Manager be authorised to investigate / negotiate the acquisition of land, which may include land swops, land purchase and/or the early termination of lease agreements on Council-owned property in the area (lease areas), to be approved by Council before implementation”.*

A copy of the agenda item and Council resolution is attached as **APPENDIX A**.

**6.1.2 Early termination of Lease Agreement**

Following the above resolution, WS Smit Boerdery (Pty) Ltd was given notice of the early termination of the Lease Agreements in relation to the following properties:

- Lease Farm 183 A, measuring 35.54ha in extent;
- Lease Farm 183B, measuring 11ha in extent;
- Lease Farm 183C, measuring 8.5ha in extent; and
- Lease Farm 183/23, measuring 20.5ha in extent.

Total of 75.54ha

**6.1.3 Valuation report**

Following a quotation process, Cassie Gerber, a professional valuer, was appointed to determine the market value of the following properties, registered in WS Smit Watergang Trust's name:

- Remainder Farm 182, Stellenbosch, measuring 7.296ha;
- Portion 1 of Farm 182, Stellenbosch, measuring 1.3856ha; and
- Portion 5 of Farm 182, Stellenbosch, measuring 50.8432ha.

Total of 60.9449ha

**6.1.4 Negotiations with land-owner**

Following the above valuation report, a number of meetings took place with the land-owner, Mr Stefan Smit, to determine whether he would be willing to dispose of his properties, i.e. whether he is a willing seller.

Although he indicated his willingness to dispose of his land, he also suggested that the possibility of an exchange of land be investigated. Mr Stefan Smit also provided the Municipality with written correspondence to approach the Provincial Department of Human Settlements to apply for funding to acquire the land for a housing development (see attached **ANNEXURE B**).

**6.1.5 Application for financial assistance by Provincial Department of Human Settlements (PDoHS)**

After Council initially approved the conceptualisation of the Northern Extension development in 2016, discussions took place with PDoHS to escalate this proposed developments into a catalytic project. This meant that additional funding would be made available should the development proceed. The PDoHS indicated that they would favourably consider to add this development as a catalytic project in conjunction with the current active catalytic projects in the Western Cape. PDoHS then would take a leading role in implementing such a catalytic project.

Seeing that Mr Smit has indicated his willingness to dispose of his land, and after discussions with some senior representatives of the PDoHS, a formal application for financial assistance to purchase the said properties was submitted to the PDoHS on 17 August 2018.

### 6.1.6 Disposal of properties to 3<sup>rd</sup> party / developer

Before a formal Offer to Purchase (OP) could, however, be made to Mr Smit, the Provincial Department of Human Settlements informed the Municipality that the properties under consideration were indeed sold to a 3<sup>rd</sup> party / developer, i.e. Asla Devco (Pty) Ltd.

A deputation of Asla Devco (Pty) Ltd met with senior management on 11 September 2018 and 17 September 2018, respectively. At the said meetings it was confirmed that their company has a purchase agreement with WS Smit Boerdery (Pty) Ltd. They indicated that according to their analyses, to successfully address the challenges with the housing need, an integrated development project which includes the land belonging to the Municipality be made available. The representatives of PDoHS were present at the last engagement with Asla Devco (Pty) Ltd and it was agreed that this particular matter will be reported to Council to provide the administration with a way forward.

## 6.2 Discussion

### 6.2.1 Location and context

The properties under discussion are located to the northern side of Kayamandi, as indicated in figures 1, 2 and 3 below.

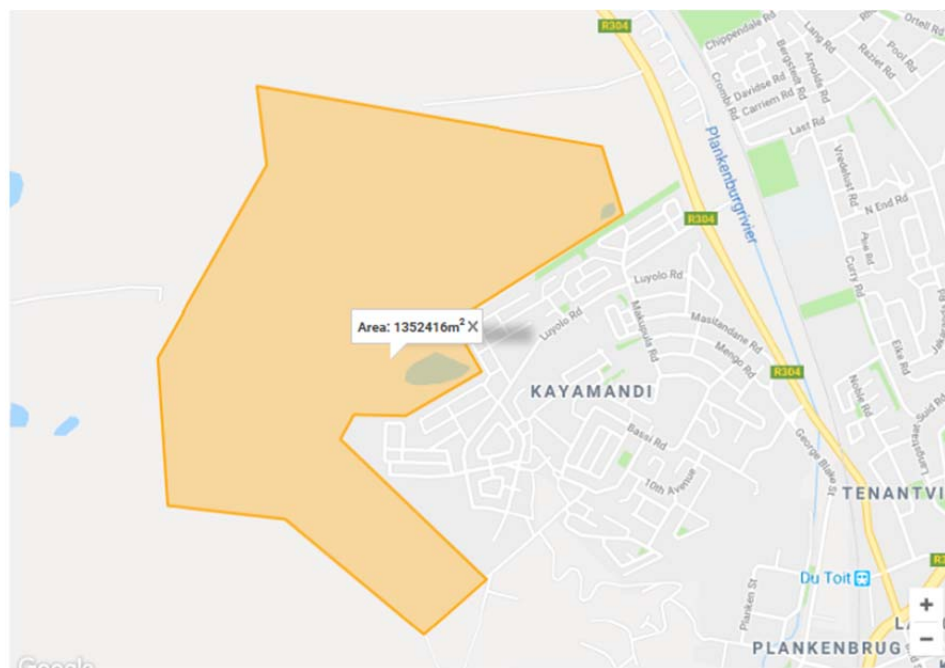


Fig 1: Location and context of combined properties



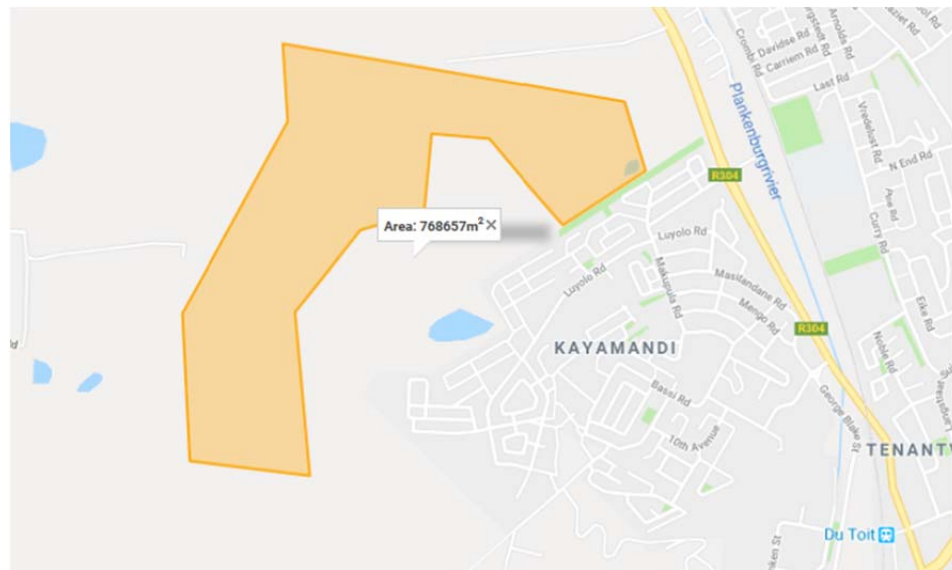


Fig 2: Location and context of Council-owned properties (lease areas)

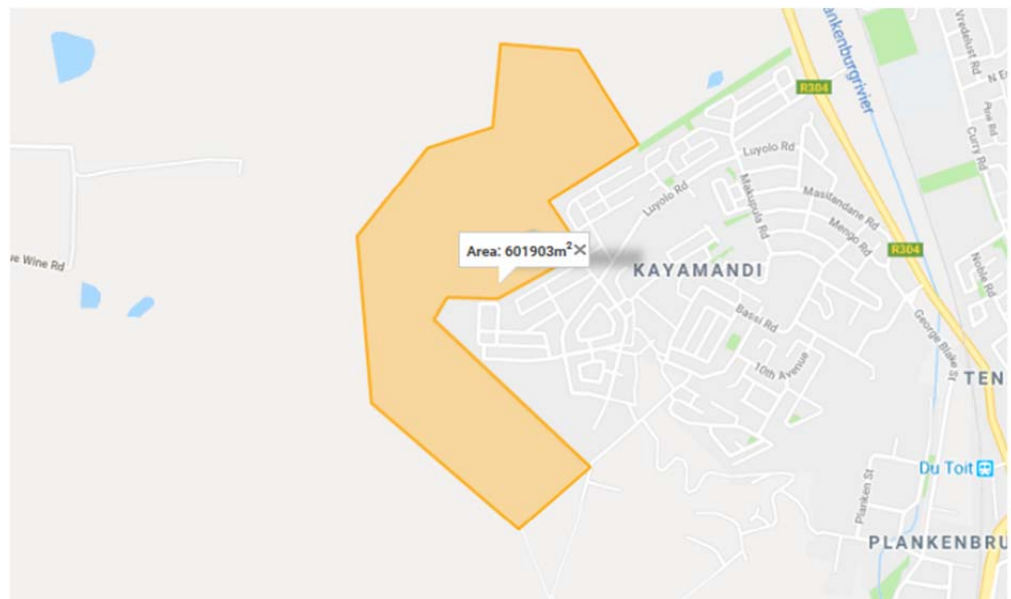


Fig 3: Location and context – Mr Smit's land

### 6.2.2 Options available to Council

Taking into account the peculiar position of Council's owned land *vis-a-vis* the land that has now been sold to Asla Devco (Pty) Ltd, Council could consider *inter alia* the following options:

- a) Focus on its own land i.e. develop it through a turn-key developer (public tender process); and
- b) Make the land available to the Provincial Department of Human Settlements by way of a Land Availability Agreement (LAA) to be developed (together with other land) as a provincial mega housing project.

**6.3 Financial Implications**

It is too early to speculate on financial implications.

**6.4 Legal Implications**

Depending on the way forward, various legal options are available to follow.

**6.5 Staff Implications**

None

**6.6 Previous / Relevant Council Resolutions**

**14<sup>TH</sup> COUNCIL MEETING: 2017-11-29: ITEM 8.3.2**

**RESOLVED** (majority vote)

that the Municipal Manager be authorised to investigate / negotiate the acquisition of land, which may include land swops, land purchase and /or the early termination of lease agreements on Council-owned property in the area (lease areas), to be approved by Council before implementation.

**6.7 Risk Implications**

No risk implications are foreseen at this stage, except further illegal land invasion due to no progress being made.

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

To follow / None requested.

**6.8.2 Director: Planning and Economic Development**

To follow / None requested.

**6.8.3 Director: Community and Protection Services**

To follow / None requested.

**6.8.4 Director: Strategic and Corporate Services**

To follow / None requested.

**6.8.5 Director Human Settlements and Property Management**

To follow / None requested.

**6.8.6 Chief Financial Officer**

To follow / None requested.

**6.8.7 Municipal Manager**

To follow / None requested.

**ANNEXURES**

**Annexure A:** Previous Council resolution dated 2017-11-29

**Annexure B:** Correspondence from land-owner, Mr Stefan Smit

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Tabiso Mfeya
<b>POSITION</b>	<b>Director</b>
<b>DIRECTORATE</b>	<b>Director: Planning &amp; Economic Development</b>
<b>CONTACT NUMBERS</b>	<b>021 808 8491</b>
<b>E-MAIL ADDRESS</b>	<i>tabiso.mfeya@stellenbosch.gov.za</i>
<b>REPORT DATE</b>	<b>21 September 2018</b>

**APPENDIX A**  
**Previous Council**  
**resolution dated**  
**2017-11-29**

8.3.2	<b>KAYAMANDI: LAND FOR RELOCATION OF SURPLUS HOUSEHOLDS</b>
-------	---

**Collaborator No:**

**IDP KPA Ref No:** Dignified Living

**Meeting Date:** 29 November 2017

**1. SUBJECT: KAYAMANDI: LAND FOR RELOCATION OF SURPLUS HOUSEHOLDS**

**2. PURPOSE**

To obtain Council's approval to investigate the possible acquisition of land for the relocation of surplus households that cannot be accommodated in the three current Upgrade of Informal Settlements projects in Kayamandi.

**3. DELEGATED AUTHORITY**

There are no delegations in the current System of Delegations and therefore Council's approval is required to authorize the investigation.

**4. EXECUTIVE SUMMARY**

The application is for the acquisition of additional land for housing to accommodate the surplus households from the three current projects in Kayamandi / Enkanini. There are an estimated 7 402 informal structures in Kayamandi / Enkanini. Only about 1 010 households can be accommodated on 12.62ha of land in Enkanini, leaving a surplus of 2 288 households from this area. 703 households can be accommodated in Zone O implying that 621 households of a total of 1 324 informal structures need to be relocated. Kayamandi Town Centre the demand is estimated to be in the region of 2 780 units. This is represented in the Table below:

<b>INFORMAL STRUCTURES IN SURPLUS</b>			
<b>Area</b>	<b>Number of informal structures</b>	<b>Number of units that can be accommodated</b>	<b>Surplus units to be relocated elsewhere</b>
<b>Enkanini</b>	3 298	1 010	2 288
<b>Zone O</b>	1 324	703	621
<b>Town Centre</b>	2 780	Scenario 1: 1 065 Scenario 2: 1 669 Scenario 3: 2 480	Scenario 1: 1 715 Scenario 2: 1 111 Scenario 3: 300
<b>Total</b>	<b>7 402</b>	<b>2 778, 3 382 or 4 193</b>	<b>3 209 - 4 624</b>

It is not possible to provide for the total demand of units on land currently available in Kayamandi / Enkanini and additional land is therefore required for either temporary or permanent relocation of surplus households. Preliminary investigations have indicated tracts of vacant land surrounding Kayamandi, particularly to its north and north-west.

**5. RECOMMENDATION**

That the Municipal Manager be authorised to investigate / negotiate the acquisition of land, which may include land swops, land purchase and /or the early termination of lease agreements on Council-owned property in the area (lease areas), to be ratified by Council before implementation.

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**6. DISCUSSION / CONTENT****6.1 Background**

Various projects for the redevelopment of existing areas, Enkanini, Zone O and Kayamandi Town Centre, are currently under way and cannot be finalised unless additional land is identified and secured in order to accommodate the surplus households that are not able to be accommodated within the project areas.

**6.2 Discussion**

There is an estimated 7 402 informal structures in the Kayamandi / Enkanini area, made up as follows:

- 2 780 units in Town Centre Primary and Secondary Area (Zone A to P),
- 1 324 units in Zone O, and
- 3 298 units in Enkanini

A study currently underway in Enkanini found about 12.62ha of land in this area to be developable. This land will only be able to accommodate around 1 010 households at a density of around 80 du/ha leaving a surplus of approximately 2 288 households to be relocated. Similarly, in Kayamandi Zone O there is potential to accommodate around 703 households with a surplus of 621 households to be relocated. In Kayamandi Town Centre the demand is estimated to be around 2 780 units and three alternative scenarios investigated will result in either 1 715 households, 1 111 households or around 300 households to be relocated.

The total surplus in Kayamandi / Enkanini could therefore range between 3 209 and 4 624 households and alternative land needs to be found to accommodate them. The Draft Framework Plan for the Northern Extension Area indicated approximately 122ha of available land which could yield around 5 200 units. Broad authorisations have already been granted in relation to the Northern Extension and this item is not intended to replace any of these.

There are significant extents of land surrounding Kayamandi, particularly to its north and north-west, that are in both public (Stellenbosch Municipality) and private ownership and could possibly be suitable and available for housing development. Purely from a land acquisition point of view, it is considered prudent that Stellenbosch Municipality become more proactive in the identification and sourcing of land for housing development. In order to achieve this it is required for the Municipal Manager to be authorised to investigate / negotiate the acquisition of land which may include land swaps, land purchases and/or early termination of leases on Council-owned land in the areas surrounding Kayamandi. This would be a purely investigative exercise at this stage and any proposed action will need to be ratified by Council before implementation.

**6.3 Financial Implications**

Budget provision will be made depending on what land acquisition option is deemed prudent.

**6.4 Legal Implications**

Legal services supports this item.

**6.5 Staff Implications**

No staff implications

**6.6 Previous / Relevant Council Resolutions**

None

**6.7 Risk Implications**

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

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

In support of the recommendation.

**6.8.2 Director: Planning and Economic Development**

In support of the recommendation

**6.8.3 Chief Financial Officer**

In support of the recommendation.

During a site visit to Kayamandi, the Head of Department: Western Cape Department of Human Settlements, indicated the willingness of his Department to assist with the acquisition of land to alleviate the overcrowding in Kayamandi. The Western Cape Department of Human Settlements would therefore play a significant role to provide funding should the acquisition of land become an option.

**14<sup>TH</sup> COUNCIL MEETING: 2017-11-29: ITEM 8.3.2****RESOLVED** (majority vote)

that the Municipal Manager be authorised to investigate / negotiate the acquisition of land, which may include land swaps, land purchase and /or the early termination of lease agreements on Council-owned property in the area (lease areas), to be approved by Council before implementation.

**FOR FURTHER DETAILS CONTACT:**

<b>NAME</b>	Piet Smit
<b>POSITION</b>	Manager: Property Management
<b>DIRECTORATE</b>	Human Settlement & Property Management
<b>CONTACT NUMBERS</b>	021-8088189
<b>E-MAIL ADDRESS</b>	<a href="mailto:Piet.smit@stellenbosch.gov.za">Piet.smit@stellenbosch.gov.za</a>
<b>REPORT DATE</b>	2017-11-15



# **ANNEXURE B**

**Correspondence from  
land-owner, Mr Stefan Smit**

Watergang Farm  
Koelenhof Road  
Stellenbosch, 7600

17 August 2018

The Head of Department  
Department of Human Settlements  
Western Cape Government  
27 Wale St, Cape Town City Centre  
CAPE TOWN, 8000

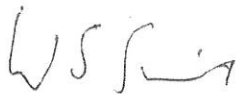
**Attention: Mr Thando Mguli**

**RE: APPLICATION LODGED BY STELLENBOSCH MUNICIPALITY FOR FUNDING TO ACQUIRE LAND FOR HOUSING DEVELOPMENT**

I have been approached by Stellenbosch Municipality to give consent to portions of land (183/5) that is 60 hectares in extent, under the ownership of my entity (WS Smit Watergang Trust) to be considered for acquisition towards the development of a human settlement neighbourhood.

I herewith confirm that I have indeed considered the request and I consent to the land being identified, valued and negotiations ensuing to a point where there is consensus reached on the purchase price.

Yours sincerely,



**Mr Stefan Smit**

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9.	MATTERS FOR NOTIFICATION
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9.1	REPORT BY THE EXECUTIVE MAYOR
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NONE

9.2	REPORT BY THE SPEAKER
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NONE

9.3	REPORT BY THE MUNICIPAL MANAGER
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NONE

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

11.	CONSIDERATION OF URGENT MOTIONS
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12.	URGENT MATTERS SUBMITTED BY THE MUNICIPAL MANAGER
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13.	CONSIDERATION OF REPORTS
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13.1	REPORTS SUBMITTED BY THE SPEAKER
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NONE

13.2	REPORTS SUBMITTED BY THE EXECUTIVE MAYOR
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NONE

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

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**THE AGENDA HAS BEEN DISCUSSED WITH THE SPEAKER, CLLR WC PETERSEN (MS) AND SHE AGREES WITH THE CONTENT.**