



STELLENBOSCH

STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

Ref no.3/4/1/5

2016-09-30

NOTICE OF THE 2ND MEETING OF THE COUNCIL OF STELLENBOSCH MUNICIPALITY WEDNESDAY, 2016-10-05 AT 15:00

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

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

Notice is hereby given in terms of Section 29, read with Section 18(2) of the *Local Government: Municipal Structures Act, 117 of 1998*, as amended, that the **2ND MEETING** of the **COUNCIL** of **STELLENBOSCH MUNICIPALITY** will be held in the **COUNCIL CHAMBER, TOWN HOUSE, PLEIN STREET, STELLENBOSCH** on **WEDNESDAY, 2016-10-05** at **15:00** to consider the items on the Agenda.

SPEAKER
DD JOUBERT

A G E N D A
2ND MEETING OF THE COUNCIL
OF STELLENBOSCH MUNICIPALITY
2016-10-05
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6.	REPORT/S BY THE MUNICIPAL MANAGER RE OUTSTANDING RESOLUTIONS TAKEN AT PREVIOUS COUNCIL MEETINGS
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The report by the Acting Municipal Manager re outstanding resolutions taken at previous meetings of Council is attached as **APPENDIX 1**.

FOR INFORMATION

6.

**REPORT/S BY THE MM ON OUTSTANDING RESOLUTIONS
TAKEN AT PREVIOUS COUNCIL MEETINGS**

APPENDIX 1

OUTSTANDING COUNCIL RESOLUTIONS SEPTEMBER 2016

Council Meeting		Resolution	Resolution Date	Date Closed	Task Status	Allocated To	% Feedback	Feedback Comment
328517	9.1 MOTION BY COUNCILLOR F ADAMS RELATING TO FARM 502BL	<p>9.1 MOTION BY COUNCILLOR F ADAMS RELATING TO FARM 502BL</p> <p>19TH COUNCIL MEETING: 2014-04-23: ITEM 9.1</p> <p>The Speaker allowed Councillor FA Adams to motivate his Motion before he recused himself from the Council Chamber. After Councillor F Adams recused himself, the motion was debated.</p> <p>The Motion was put to the vote, and it was</p> <p>RESOLVED (majority vote)</p> <p>that this matter be referred back to the Administration to obtain more information, whereafter same be resubmitted to Council for consideration.</p> <p>(DIRECTOR: STRATEGIC AND CORPORATE SERVICES TO ACTION)</p>	2014-04-23		IN PROGRESS	VERNONB	50.00	Matter currently in process with the Property Management department.
352092	ELECTRICITY SUPPLY TO THE MUNICIPAL AREAS OF STELLENBOSCH	<p>25TH COUNCIL MEETING: 2014-11-26: ITEM 7.5</p> <p>RESOLVED (nem con)</p> <p>(a)that a preliminary investigation be conducted by the Directorate: Engineering Services (Electrical Services) into the possibility and feasibility of taking over the electricity supply from Drakenstein Municipality;</p> <p>(b)that billing cooperation be implemented between Drakenstein and Stellenbosch Municipality to implement more effective debt collection; and</p> <p>(c)that SALGA be requested to expedite the Eskom process through political intervention.</p> <p>(DIRECTOR: ENGINEERING SERVICES TO ACTION)</p>	2014-11-26		IN PROGRESS	JOHANNESC	90.00	mEETING HELD ON 5/9/2016 CFO relocking the financial viability of this project
367234	WRITING-OFF OF IRRECOVERABLE DEBT: MERITORIOUS CASE	<p>7.3 WRITING-OFF OF IRRECOVERABLE DEBT: MERITORIOUS CASE</p> <p>29TH COUNCIL MEETING: 2015-04-30: ITEM 7.3</p> <p>RESOLVED (nem con)</p>	2015-04-30		IN PROGRESS	ANDRET	90.00	Matter is still receiving attention.

OUTSTANDING COUNCIL RESOLUTIONS SEPTEMBER 2016

		that this matter be referred back to the Administration for further investigation. (CHIEF FINANCIAL OFFICER TO ACTION)						
383887	PROGRESS REPORT – POLICY FOR SELF GENERATION OF ELECTRICITY	7.9 PROGRESS REPORT : POLICY FOR SELF- GENERATION OF ELECTRICITY 33RD COUNCIL MEETING: 2015-08-25: ITEM 7.9 RESOLVED (nem con) that this matter be referred back to allow the Administration to submit a Progress Report to Council as mentioned in the item. (ACTING DIRECTOR: ENGINEERING SERVICES TO ACTION)	2015-08-25		IN PROGRESS	JOHANNESC	80.00	Public participation process completed. Item compiled for Council approval but instructions were given to hold back on item in order to reconsider the tariffs
394114	Investigation with regards to the various residential properties in Mont Rochelle Nature Reserve	7.6 INVESTIGATION WITH REGARD TO THE VARIOUS RESIDENTIAL PROPERTIES IN MONT ROCHELLE NATURE RESERVE 35TH COUNCIL MEETING: 2015-10-28: ITEM 7.6 RESOLVED (majority vote) (a) that Council rescind its resolution taken at the meeting dated, 2014-01-16, with regard to Item 7.2; (b) that the funds allocated to be spent on conducting the proposed investigation rather be spent on consolidating the 46 unsold erven with Mont Rochelle Nature Reserve and negotiating with the owners of the 14 sold (but undeveloped) erven (the priority being erven 342, 307, 314, 322, 355, 336, located in a visually sensitive area north-eastern slope of "Du Toits Kop" facing the Franschoek valley) regarding the possibility to exchange current erven within Mont Rochelle Nature Reserve with erven in a more suitable area (suitable in terms of environmental, visual and service delivery perspective); and (c) that any other feasible alternative that can limit the impact on the nature reserve that might be identified in the process be considered. The following Councillors requested that their votes of dissent be minuted: Councillors F Adams; JA Davids; DA Hendrickse; S Jooste (Ms); C Moses (Ms); P Mntumi (Ms); RS Nalumango (Ms); P Sitshoti (Ms); AT van der Walt and M Wanana. (DIRECTOR: PLANNING AND ECONOMIC DEVELOPMENT TO ACTION)	2015-10-28		IN PROGRESS	DUPREL	85.00	A service provider was appointed formally for a first phase of the project which will identify landowners to be included in negotiations, alternatives to be considered and initial negotiations with the identified land owners. Positive responses were already received from 3 of the land owners and the department is awaiting response from the others before deciding the next steps.

394117	MUNICIPAL REGULATIONS ON FINANCIAL MISCONDUCT PROCEDURES AND CRIMINAL PROCEEDINGS	<p>8.7 MUNICIPAL REGULATIONS ON FINANCIAL MISCONDUCT PROCEDURES AND CRIMINAL PROCEEDINGS</p> <p>35TH COUNCIL MEETING: 2015-10-28: ITEM 8.7</p> <p>During deliberations on the matter, the DA requested a caucus, which the Speaker allowed.</p> <p>After the meeting resumed, it was</p> <p>RESOLVED (majority vote with 10 abstentions)</p> <p>(a) that Council review and rescind its resolution taken in this regard on 2014-11-26;</p> <p>(b) that Council take note of the progress made by Stellenbosch Municipality with regard to the implementation of the Municipal Regulation on Financial Misconduct Procedures and Criminal Proceedings;</p> <p>(c) that Council establish the Disciplinary Board pending the direction SALGA and/or National Treasury in line with these regulations;</p> <p>(d) that the Disciplinary Board has as its members the following:</p> <p>(i) The Chief Audit Executive</p> <p>(ii) A member of the Audit Committee as elected by the Audit Committee</p> <p>(iii) A senior manager from the legal division as determined by the Director: Corporate and Strategic Services</p> <p>(iv) A representative from Provincial Treasury as nominated by Province;</p> <p>(v) A retired senior legal expert, e.g. judge or advocate resident in the area with knowledge of the related field.</p> <p>(e) that Council designate the Chief Audit Executive as the designated official to whom reports on alleged financial offences against Councillors should go.</p> <p>(ACTING MUNICIPAL MANAGER TO ACTION)</p>	2015-10-28		IN PROGRESS	FAIZH	50.00	Salga opinion still awaited. Conflict with existing legislation and roles of board to be reviewed. Designated official role and status to be clarified. Will be resubmitted for review and rescind once clarity is obtained.
401722	9.4 QUESTION BY CLLR DA HENDRICKSE: FAILURE OF THE ADMINISTRATION TO, FOR THE PAST 4 YEARS, BRING REPORTS BEFORE COUNCIL IN TERMS	<p>9.4 QUESTION BY CLLR DA HENDRICKSE: FAILURE OF THE ADMINISTRATION TO, FOR THE PAST 4 YEARS, BRING REPORTS BEFORE COUNCIL IN TERMS OF SECTION 116(2)(d) OF THE MFMA</p> <p>36TH COUNCIL MEETING: 2015-11-25: ITEM 9.4</p> <p>RESOLVED (nem con)</p>	2015-11-25		IN PROGRESS	MARIUSW	40.00	Item planned for October Council cycle. Manager Corporate Strategy and Compliance has recently been appointed.

	<p>OF SECTION 116(2)(d) OF THE MFMA</p>	<p>that it be noted that Councillor DA Hendrickse was not satisfied with the response provided in respect of the question posed, and posed a follow-up question, namely:</p> <p>“Why did the Auditor-General not pick up that for four years no statutory report served before Council.”</p> <p>The Acting Municipal Manager responded that this will be rectified and a report will be submitted to Council regularly.</p> <p>(ACTING MUNICIPAL MANAGER TO ACTION)</p>						
<p>413640</p>	<p>9.1 MOTION BY COUNCILLOR JK HENDRIKS: SUPPORT FOR INDIGENT PEOPLE IN RURAL AREAS</p>	<p>9.1 MOTION BY COUNCILLOR JK HENDRIKS: SUPPORT FOR INDIGENT PEOPLE IN RURAL AREAS</p> <p>38TH COUNCIL MEETING: 2016-02-24: ITEM 9.1</p> <p>The Speaker allowed Councillor JK Hendriks to put his Motion, duly seconded. After the Motion was motivated, the Speaker allowed debate on the matter. The matter was put to the vote yielding a result of all in favour.</p> <p>RESOLVED (nem con)</p> <p>(a) that the Administration be tasked to investigate to what extent rural indigent residents, especially those residing on farms, can be assisted with electricity, health and social services by the local-, provincial- and national spheres of government;</p> <p>(b) that any further recommendations and findings that could improve the quality of life of indigent residents be considered for implementation and support to rural indigent residents;</p> <p>(c) that a report with recommendations for implementation pertaining to the above be tabled for consideration at the next Council meeting scheduled for 2016-03-30; and</p> <p>(d) that Council nominate a multi-party delegation to engage organised agriculture to investigate what the municipality can do to address the situation of the farm workers, in co-operation with the farmers;</p> <p>(e) that the multi-party delegation comprise of the following Councillors:</p> <p>DA = Cllr JP Serdyn (Ms) ANC = Cllr JA Davids SCA = Cllr DA Hendrickse SPA = Cllr F Adams SCA = Cllr DA Hendrickse ACDP = Cllr DS Arends COPE = Cllr HC Bergstedt (Ms); and NPP = Cllr LL Stander</p> <p>(DIRECTOR: STRAT & CORP TO ACTION)</p>	<p>2016-02-24</p>		<p>IN PROGRESS</p>	<p>ANNELIER</p>	<p>90.00</p>	<p>Item submitted to Council cycle of September 2016.</p>

421322	9.2 MOTION BY COUNCILLOR F ADAMS: DEBATE THAT FOCUS ON RACISM, DISCRIMINATION AND XENOPHOBIA WITHIN THE GREATER STELLENBOSCH	<p>9.2 MOTION BY COUNCILLOR F ADAMS: DEBATE THAT FOCUS ON RACISM, DISCRIMINATION AND XENOPHOBIA WITHIN THE GREATER STELLENBOSCH</p> <p>39TH COUNCIL MEETING: 2016-03-30: ITEM 9.2</p> <p>The Speaker allowed Councillor F Adams to put his Motion, duly seconded. After the Motion was motivated, the Speaker allowed debate on the matter.</p> <p>RESOLVED (nem con)</p> <p>that a Workshop be held to formulate a stance on racism, discrimination and xenophobia.</p> <p>(DIRECTOR: STRATEGIC AND CORPORATE SERVICES TO ACTION)</p>	2016-03-30		IN PROGRESS	VERNONB	50.00	To investigate partnership with Stellenbosch University re Social Cohesion Programme.
428972	8.5 EVICTION: BLAAUWKLIPPEN AGRICULTURAL ESTATES STELLENBOSCH (PTY) LTD & OTHERS / STELLENBOSCH MUNICIPALITY & OTHERS CASE NUMBER: 4042/15	<p>8.5 EVICTION: BLAAUWKLIPPEN AGRICULTURAL ESTATES STELLENBOSCH (PTY) LTD & OTHERS / STELLENBOSCH MUNICIPALITY & OTHERS CASE NUMBER: 4042/15</p> <p>40TH COUNCIL MEETING: 2016-04-26: ITEM 8.5</p> <p>RESOLVED (majority vote)</p> <p>(a) that Council notes the eviction application instituted by Blaauwklippen Agricultural Estates Stellenbosch (Pty) Ltd & Others against Stellenbosch Municipality & Others under case number 4042/15; and</p> <p>(b) that the Municipal Manager be mandated to mediate and settle the eviction application between the parties, subject thereto that Blaauwklippen makes a substantial monetary contribution for purposes of settling the matter amicably.</p> <p>Councillor F Adams requested that his vote of dissent be minuted.</p> <p>(DIRECTOR: STRATEGIC AND CORPORATE SERVICES TO ACTION)</p>	2016-04-26		IN PROGRESS	VERNONB	90.00	Agreement signed by all parties
428987	IMPROVING MUNICIPAL FINANCES	<p>7.5 IMPROVING MUNICIPAL FINANCES</p> <p>40TH COUNCIL MEETING: 2016-04-26: ITEM 7. 5</p> <p>During debate on the matter, the DA requested a caucus which the Speaker allowed.</p> <p>After the meeting resumed, it was</p>	2016-04-26		IN PROGRESS	MARIUSW	5.00	Workshop to be arranged in new financial year.

		<p>RESOLVED (nem con)</p> <p>that this item be referred back for Administration to arrange for a workshop for all Councillors, whereafter the item be resubmitted to Council.</p> <p>(MUNICIPAL MANAGER TO ACTION)</p>						
438344	<p>PROPOSAL FOR THE REVIEW OF THE TARIFF STRUCTURE IN RESPECT OF PUBLIC RENTAL UNITS</p>	<p>8.8 PROPOSAL FOR THE REVIEW OF THE TARIFF STRUCTURE IN RESPECT OF PUBLIC RENTAL UNITS</p> <p>42ND COUNCIL MEETING: 2016-06-15: ITEM 8.8</p> <p>RESOLVED (majority vote with 9 abstentions)</p> <p>(a) that the tariff for services (water/sewerage/refuse removal) be based on consumption, and in the event where separate metering does not occur, the costs be proportionate to the size of the dwelling in terms of the number of bedrooms;</p> <p>(b) that the rental tariff for non-indigent household remain as is on the current basis;</p> <p>(c) that the basic rental tariff for tenants who are registered as indigent consumers be fixed at R 100,00 (one hundred Rand) per month, applicable only to the 607 units identified in par 2 above; and</p> <p>(d) that applications for registration as indigent consumers from tenants of public rental housing stock only be considered upon the recommendation from the Department: Housing Administration.</p> <p>(DIRECTOR: HUMAN SETTLEMENT AND PROPERTY MANAGEMENT TO ACTION)</p>	2016-06-15		IN PROGRESS	CHARLOTTE	100.00	New tariff structure implemented.

7.1

EXECUTIVE MAYOR

ALD G VAN DEVENTER (MS)

7.	EXECUTIVE MAYOR: (ALD G VAN DEVENTER (MS))
7.1	CONSIDERATION OF ITEMS BY THE EXECUTIVE MAYOR

NONE

7.2

**COMMUNITY DEVELOPMENT
AND COMMUNITY SERVICES**

CLLR AR FRAZENBURG

7.2.1	POWER OUTAGES: PROGRESS REPORT ON CONTINGENCY PLANNING
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1. PURPOSE OF REPORT

To inform Council of the contingency planning in the event of power outages. The current situation has dramatically improved since 2014/ 2015 however the Disaster Management Unit is on high alert should these adverse events reoccur.

2. BACKGROUND

Continuous load shedding and power shedding have been experienced since as early as 2010 due to severe pressure and demand on generating ability by ESKOM. The latest information is that load shedding and power outages will continue for the next few years. This has had a severe impact on trade and industry and also communities in the past months.

Due to the expected power outages, pro-active planning is vital and all spheres of government must look at all obstruction and challenges in ensuring vital services delivery.

2.1 Provincial Circular 4/2015

During February 2015 a Provincial Circular, directed to Municipal Managers in the Western Cape, was received from Dr H Fast (Head of Department, Western Cape Government) which requested a contingency plan for power outages from municipalities. The main focus of the circular was as follows (cited verbatim). **(APPENDIX 1)**

“Should there be such a prolonged electricity shutdown, it would be imperative that water and wastewater treatment processes continue. For this reason, we urge you to put the following measures in place:

Ensure that there is back-up generating capacity at your water and wastewater treatment works, and that there are sufficient fuel reserves to supply the generators;

Ensure that your water reservoir levels are kept at maximum levels.”

The circular further indicated that a central co-ordinating committee responsible for the development, management and execution of the Contingency Plan, must be established.

Further points of note in the circular are:

- Resourcing the plan through trained and competent staff, appropriate funding allocation, plant and equipment and adequate fuel capacity;
- Identify “priority” areas or “hot spots” which should be prioritized in the Contingency Plan;
- The typically main priority areas are indicated as:
 - Water/Waste water purification plants and pump stations;
 - Sewage pump stations;

- Hospitals, clinics, schools, high employment, GDP businesses, Disaster Management Centres, residential areas and Public Transport facilities

- The preparedness period indicated as 48 hrs.

2.2 MFMA Circular No. 75

Cognisance must be taken of point 5.3 of MFMA circular No 75 (**APPENDIX 2**) – Municipal Budget Circular for the 2015/16 MTREF (Medium Term Revenue and Expenditure Framework, stating:

“5.3 Budgeting for contingency plans for prolonged power outages

Municipalities have indicated that they are in the process of implementing contingency plans to address Eskom power outages such as the procurement of generators and indicated the need for funding from national government. The government is collectively working with Eskom to mitigate the impact of power cuts. These efforts will improve the availability of electricity over the medium term, and plans are under way to ensure that South Africa can generate sufficient energy to power its economy over the long term. The government therefore consistently encourages a reduction in energy consumption and promotion of energy efficiency.

Consequently the response from government is to address the immediate challenge and it would therefore be premature for municipalities to invest in contingency infrastructure with the expectation of funding.”

This seems in direct contradiction to the requisites from Province, regarding preparation for long term or continued power outages.

3 DISCUSSION

3.1 Power Outages Committee – Stellenbosch

A central co-ordinating committee for power outages was established, representing all disciplines.

The initial step was to determine, in accordance to directives from the Municipal Manager, to determine, on a multi-disciplinary level, the impact, requirements would be on municipal service delivery (per discipline) for power outages for the periods 1-3 days, 14 days and long term (indefinitely) in order to give an overview of the impact interruptions would have on municipal service delivery.

Information regarding the effects of power outages was obtained from the various disciplines in the form of the completion of templates and discussions.

In an analysis of completed impact assessment templates, it is particularly of note that for the first scenario, i.e. for a 36 hour period, the impact in accordance with accountable Managers/Heads would be minimal. Should any power outage however, exceed this period, the impact on service delivery would be seriously hampered – this situation exponentially increases the longer the period of outage continues,

dependent on the availability of fuel (for support generators), as the situation would affect basically all aspects albeit economical, social, industrial or whatever sphere.

It is therefore of paramount importance that an executive decision is made regarding the planning for periods of power outages exceeding 36 hours, as this would affect fiscal planning and relocation of funds, planning and procedures for closure of offices, prioritising of critical services to be continued, alternatives for service delivery (e.g. execution of work from private residences, etc.)

In summation, the conclusion is that for most disciplines, the period between one (1) and three (3) days, the effect would be minimal. As the continuance of services however, is of paramount importance, it is important to, apart from the priorities set by the Provincial Circular, also consider and prioritise the effect on other disciplines. For this purpose inter alia, a consultant was appointed to evaluate and make recommendations regarding all municipal buildings presently occupied by the various disciplines (and sections) of the Stellenbosch municipality.

3.2 Main Priorities as per Provincial Circular

3.2.1 Water and Sewage

The impact of power outages for periods exceeding failure of power supply for more than 24 hours would be severe and would result in

- Failure to treat water
- Failure to pump water
- Failure to pump sewage
- Failure to treat sewage
- Failure to collect sewage
- Sewer blockages

Problems anticipated when power failure continue more than 24 hours

- Shortage of fuel
- Reservoir will running empty
- Certain areas without water
- Pollution of streams and rivers
- Blockages in network with associated odours and nuisances
- Loss of microbial population in waste water treatment works
- Depletion of chemicals, flocculants and disinfectants due to non-delivery from suppliers
- No contact with staff via mobile , office or network
- No water to convey sewage to WWTW

The proposed requirements to mitigate the effect are proposed as:

Description	Amount
20 X mobile generators ranging from 50kVA to 500kVA	R4,5 mill

3.3 Business Continuity Planning

Advance planning and preparation that is necessary to:

- identify the extent of potential losses/breakdown in services;
- formulate and implement viable recovery strategies;
- develop recovery plans that ensure continuity of organizational services in event of prolonged power outages.

The contents of the item allude to mitigation approaches regarding low and short term power outages.

It must however, be kept in mind that after an executive decision has been made, it will then be clear what contingency plans need to be done by the various managers and heads concerning the facilities and staff under their control.

It is clear that not all facilities will be provided with emergency power. In case of a prolonged power outage, staff will initially (dependent on availability of fuel and transport) need to be re-allocated to different facilities where possible or other arrangements must be put in place (e.g. to work from private residences). Should office buildings have to be shut and locked, such procedures must be identified and approved. The absence from work and other labour issues regarding remuneration also need to be addressed and clearly indicated in specific policies and the approval of the Stellenbosch Municipal Council attained. It is envisaged that a generic plan will not suit this exercise, as the situation and alternatives from facilities and staff differ drastically. Continuance of tasks that are critical to service delivery must be clearly defined and submitted for the approval of the Stellenbosch Municipal Council.

It will therefore be vital for senior officials to define such contingencies and a plan and a consolidated plan be submitted to the Stellenbosch Municipal Council.

Should any power outage exceed a period of 24 hours (either by incident or warning by ESKOM, a Joint Operational Centre (JOC) will be established in accordance with the high level structure as per Annexure.

3.3.1 Establishment of a Disaster Management JOC

As the Fire and Rescue Brigade Services have an Emergency Power Generator in place, which is presently working well, it is proposed that the JOC in terms of Power Outages is established at these facilities. There is ample parking space and all the necessary communications facilities are available. The fiscal requirements for the facility entail basic electrical work on the power generator and relevant areas for connection.

Description	Amount
Fire Station: Cluver Road	R 80 000.00

3.3.2 Initial Procurement of 3 X Emergency Mobile 110kVA Generators

As an initial mitigation step, it was decided at the Power Outage Meeting and the Municipal Manager to procure 3 X Emergency Mobile 110kVA Mobile generators. The purpose of these generators is for deployment to any area where there is critical need for electrical power. The generators will be placed at the Fire Station, Stellenbosch in an

endeavour to ensure 24/7 availability and rapid deployment in event of emergency.

The procurement of these generators is presently in the bid evaluation process.

3.3.3 Electricity

The impact of long power outages will necessitate critical maintenance on and securing electrical infrastructure to ensure minimal time losses for power restoration after the ESKOM regains operationability. The following needs were identified:

Description	Amount
1 x Mobile generator 150kw for Beltana depot	R320 000.00
4 x Mobile generator for maintenance	R50 000.00
20 x Solar security lights	R60 000.00
Rooftop PV installation	R500 000.00
TOTAL	R930 000.00

3.3.4 Property Management (Municipal Offices)

Regarding Property Management, a consultant was appointed who did an analysis of municipal properties and determined the needs and options. A total for all the buildings (**APPENDIX 3**) would result in astronomical expenditure and an approach of firstly addressing buildings of vital strategic nature was adopted to summarise fiscal needs. The buildings listed are as follows: Neethling House/Town Hall, Fire station (Cluver Road), Traffic Services (Joubert Street), Beltana Complex (Helshoogte Road) Pniel (Main offices) and Franschoek (Main offices).

The consultant gave two basic approaches, an essential services requirement (which basic referred to power generators and related equipment) and full – which indicated additional power resources, i.e solar related. The fiscal representation is as follows:

FACILITY	Recommended	Proposal Consultant	
		Full	Essential Service
Neethling House/Town Hall	R 2 080 000.00	R 10 654 637.00	Not indicated
Fire Station Cluver Road	R 80 000.00	R 3 315 464.00	R 751 750.00
Traffic Services Joubert Street	R 400 000.00	R 2 871 967.23	R 452 050.00
Beltana Complex Helshoogte road	R 450 000.00	R 11 522 526.93	R 1 388 500.00
Pniel Main Offices	R 380 000.00	R 1 422 782.81	R 502 050.00
Franschoek Main Offices	R 430 000.00	R 2 162 915.44	R 452 050.00
TOTAL	R 3 820 000.00	R 31 950 293.41	R 3 546 400.00

* Note - if professional fees is taken at approximately 12.5% this will be an added R 477 500.00 thus a total of R 4 297 500.00

3.3.5 ICT (Information Communication Technology)

ICT Communication Technology is an important sphere, as the component, apart from data recovery and back-up systems also manage communications regarding telephone and information/radio high sites. It should also be noted that these technical areas are not

only power outage specific, but is a requirement to ensure continuity of service as the total municipality is dependent on data recovery and communication especially during major incidents.

A preliminary list of needs (ICT related) is submitted for consideration, as follows:

ITEM	UNIT PRICE	TOTAL
50 X UPS for ICT switches covering satellite sites	R900-00	R 45 000.00
5 X UPS for High sites (mountain masts)	R250 000-00	R 1 250 000.00
2 X ICT Backup and replication Hardware & Software	R900 000-00	R 1 800 000.00
3 X Mobile generators to allow for critical recharging of batteries	R14 000-00	R 42 000.00
10 X High powered flash light torches	R3 000-00	R 30 000.00
4 X Two-way range radios	R5 000-00	R 20 000.00
	TOTAL	R 3 187 000.00

3.3.6 Communication

There is a communication plan in place – any extraordinary occurrence would be an expansion of that plan. In case of all communication methods failing, emergency vehicles with PA systems could be used for dissemination by means of e.g. loud hailing. This is however, dependent on the availability of fuel and transportation.

3.3.7 Fiscal Consolidation of Needs Identified

A consolidation (in summary) of the needs identified by the various Managers is as follows:

DISCIPLINE	AMOUNT
Water & Sewage	R 4 500 000.00
Municipal Facilities	R 4 297 500.00
Electro-Technical Services	R 930 000.00
ICT Services	R 3 187 000.00
TOTAL	R 11 984 500.00

RECOMMENDED

- (a) that Council take note of the fiscal implications of the power mitigation needs in the Greater Stellenbosch; and
- (b) that note be taken of the proposed risk mitigation cost of R 11 984 500.00.

COMMUNITY AND PROTECTION SERVICES COMMITTEE: 2016-05-11: ITEM 5.1.3

RECOMMENDED

- (a) that Council take note of the fiscal implications of the power mitigation needs in the Greater Stellenbosch; and
- (b) that note be taken of the proposed risk mitigation cost of R 11 984 500.00.

MAYORAL COMMITTEE MEETING: 2016-05-18: ITEM 5.1.8**RECOMMENDED BY THE EXECUTIVE MAYOR**

- (a) that the Contingency Plan for power outages be adopted;
- (b) that Council takes note of the fiscal implications of the power mitigation needs in the Greater Stellenbosch;
- (c) that note be taken of the proposed risk mitigation cost of R 11 984 500.00; and
- (d) that the Administration submit a Risk Mitigation Project- and Business Plan to Council for implementation over a 2-year period, during the September 2016 cycle of Council.

41ST COUNCIL MEETING: 2016-05-25: ITEM 8.6**RESOLVED** (nem con)

- (a) that the Contingency Plan for power outages be adopted;
- (b) that Council takes note of the fiscal implications of the power mitigation needs in the Greater Stellenbosch;
- (c) that note be taken of the proposed risk mitigation cost of R 11 984 500.00; and
- (d) that the Administration submit a Risk Mitigation Project- and Business Plan to Council for implementation over a 2-year period, during the September 2016 cycle of Council.

FURTHER COMMENTS BY THE DIRECTOR: COMMUNITY AND PROTECTION SERVICES

Pursuant to the resolution depicted in (d) above, the Risk Mitigation Project- and Business Plan is hereby attached as **APPENDIX 4**.

RECOMMENDED

that the Risk Mitigation Project- and Business Plan, be noted.

Meeting: Ref No:	<i>Council: 2016-10-05 16/2/6/6</i>	Submitted by Directorate: Author: Referred from:	<i>Community Dev & Community Services Manager: Fire & Disaster: W Smith Council: 2016-05-25</i>
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7.2.1

**PROVINCIAL CIRCULAR RECEIVED FROM
DR H FAST (HEAD OF DEPARTMENT:
WESTERN CAPE GOVERNMENT)**

APPENDIX 1

Appendix 1: Provincial Circular 4 of 2015



OFFICE OF THE HEAD OF DEPARTMENT
DR HILDEGARDE FAST

CMATS 2015/151

Circular 4 of 2015 – Local Government

The Municipal Manager : City of Cape Town :	Mr E Ebrahim
The Municipal Manager : West Coast District Municipality :	Mr H Prins
The Municipal Manager : Matzikama Municipality :	Mr M Bolton
The Municipal Manager : Cederberg Municipality :	Mr I Kenned
The Municipal Manager : Bergrivier Municipality :	Adv. H Linde
The Municipal Manager : Saldanha Bay Municipality :	Mr L Scheepers
The Municipal Manager : Swartland Municipality :	Mr J Schollz
The Municipal Manager : Cape Winelands Municipality :	Mr M Mgajo
The Municipal Manager : Witzenberg Municipality :	Mr D Nasson
The Municipal Manager : Drakenstein Municipality :	Mr J Mettler
The Municipal Manager : Stellenbosch Municipality :	Ms C Liebenberg
The Municipal Manager : Breede Valley Municipality :	Mr G Matthyse
The Municipal Manager : Langeberg Municipality :	Mr S Makweni
The Municipal Manager : Overberg District Municipality :	Mr D Beretti
The Municipal Manager : Theewaterskloof Municipality :	Mr H Wallace
The Municipal Manager : Overstrand Municipality :	Mr C Groenewald
The Municipal Manager : Cape Agulhas Municipality :	Mr D O'Neill
The Municipal Manager : Swellendam Municipality :	Mr C Africa
The Municipal Manager : Eden District Municipality :	Mr G Louw
The Municipal Manager : Kannaland Municipality :	Mr M Hoogbaard
The Municipal Manager : Hessequa Municipality :	Mr J Jacobs
The Municipal Manager : Mossel Bay Municipality :	Dr M Gratz
The Municipal Manager : George Municipality :	Mr T Botha
The Municipal Manager : Oudtshoorn Municipality :	Mr R Lottering
The Municipal Manager : Bitou Municipality :	Mr A Paulse
The Municipal Manager : Knysna Municipality :	Mr G Easton
The Municipal Manager : Central Karoo District Municipality :	Mr S Jooste
The Municipal Manager : Laingsburg Municipality :	Mr P Williams
The Municipal Manager : Prince Albert Municipality :	Mr H Mettler
The Municipal Manager : Beaufort West Municipality :	Mr J Booysen

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For information purposes:

The Mayor : City of Cape Town:	Ms P De Lille
The Mayor : West Coast District Municipality :	Mr J Cleophas
The Mayor : Matzikama Municipality :	Mr J Botha
The Mayor : Cederberg Municipality :	Ms L Scheepers
The Mayor : Bergriver Municipality :	Mr E Manuel
The Mayor : Saldanha Bay Municipality :	Mr F Schippers
The Mayor : Swarland Municipality :	Mr T Van Essen
The Mayor : Cape Winelands District Municipality:	Mr N De Bruyn
The Mayor : Witzenberg Municipality :	Mr J Klaizen
The Mayor : Drakenstein Municipality :	Ms G Van Deventer
The Mayor : Stellenbosch Municipality :	Mr C J Sidego
The Mayor : Breede Valley Municipality :	Ms A Steyn
The Mayor : Langeberg Municipality :	Ms D Gagiano
The Mayor : Overberg District Municipality:	Mr L De Bruyn
The Mayor : Theewaterskloof Municipality :	Mr C Punt
The Mayor : Overstrand Municipality :	Ms N Botha-Guthrie
The Mayor : Cape Agulhas Municipality:	Mr R Mitchell
The Mayor : Swellendam Municipality :	Mr N Myburgh
The Mayor : Eden District Municipality :	Mr V Van Der Westhuizen
The Mayor : Kannaland Municipality :	Mr J Dorson
The Mayor : Hessequa Municipality :	Ms E Nel
The Mayor : Mossel Bay Municipality :	Ms M Ferreira
The Mayor : George Municipality :	Mr C Standers
The Mayor : Oudtshoorn Municipality :	Mr G April
The Mayor : Bitou Municipality :	Mr M Booysen
The Mayor : Knysna Municipality :	Ms J Walmarans
The Mayor : Central Karoo District Municipality:	Mr E Njadu
The Mayor : Laingsburg Municipality :	Mr W Theron
The Mayor : Prince Albert Municipality :	Mr G Lottering
The Mayor : Beaufort West Municipality :	Mr H Prince

Dear Municipal Managers**RE: Planning for prolonged Electricity Interruptions**

In recent months, there has been regular load-shedding owing to significant electricity supply constraints throughout the country.

In addition to the load-shedding, there is a possibility that a portion of the electricity supply grid could experience a prolonged electricity shutdown if there are multiple, simultaneous failures on the grid. This electricity shutdown could last from 6 hours to 14 days.

It is of the utmost importance that Municipalities prepare themselves for this eventuality, just as they need to prepare themselves for other potential disasters.

Should there be such a prolonged electricity shutdown, it would be imperative that water and wastewater treatment processes continue. For this reason, we urge you to put the following measures in place:

- Ensure that there is back-up generating capacity at your water and wastewater treatment works, and that there are sufficient fuel reserves to supply the generators;
- Ensure that your water reservoir levels are kept at maximum levels.

A detailed list of the measures required is enclosed.

I would like to request that you submit your contingency plan as outlined in the enclosed document to my Department, via Marius Brand (Marius.Brand@westerncape.gov.za, Cell No 082 411 4969) by 16 February 2015.

Should you have any enquiries, please contact Marius Brand (for technical aspects) or me.

Yours sincerely,



Dr H Fast
Head of Department
Local Government
Date: 11/02/2015

CONTINGENCY MEASURES FOR PROLONGED POWER OUTAGES

10 February 2015

1. Contingency Planning

- 1.1. Establish centralised coordinating committee responsible for the development, management, communication and execution of the Contingency Plan.
- 1.2. Resource the Plan through trained and competent staff, appropriate funding allocations, plant and equipment (including generators) and adequate fuel capacity.
- 1.3. Identify "priority" areas or "hot spots" which cannot go without power supply and should be prioritised in the Contingency Plan.
- 1.4. Establish a Priority Projects Committee to report to Municipality on a daily basis.
- 1.5. Typical priority areas and solutions could be:

Priority area/Hot spots	Proposed solution
Water Purification Plants	Standby generators, build-up of 48 hr reservoir storage
Water pump stations	Standby generators
Waste Water Treatment Plants	Standby generators as last resort, preferably construct emergency storage ponds for raw storage overflow and/or direct flow directly to maturation/oxidation ponds
Sewage pump stations with highest risk of water source pollution with detrimental impact on human life and fruit exporting industry	Standby generators, construct emergency storage ponds for raw sewage overflow, vacuum tankers on standby to remove excess overflow.
Hospitals, Clinics, Schools	Ensure supply reservoirs kept at 48 hr storage capacity, ensure standby generators on pump stations linked to the supply network, and keep storage tankers on standby.
High employment and GDP industries and businesses	Ensure supply reservoirs kept at 48 hr storage capacity, ensure standby generators on pump stations linked to the supply network and keep storage tankers on standby.
Disaster Management Centres	Ensure supply reservoirs kept at 48 hr storage capacity, ensure standby generators on pump stations linked to the supply network and keep storage tankers on standby.
Residential areas	Ensure supply reservoirs kept at 48 hr storage capacity, ensure standby generators on pump stations linked to the supply network and keep storage tankers on standby.
Public Transport facilities	Ensure supply reservoirs kept at 48 hr storage capacity, ensure standby generators on pump stations linked to the supply network and keep storage tankers on standby.

- 1.6. Municipalities must submit Contingency Plans within two weeks to the Department of Local Government, for all water and sanitation facilities highlighting areas of high risk and support required by the Department and other stakeholders.

2. Mitigating Measures

2.1. Electricity Demand Management

- 2.1.1 Establish immediate electricity Demands Management task team to ensure the effective execution of this plan. Task team to report to Municipal Manager on weekly basis.
- 2.1.2 Revise Communication strategy and plan for immediate roll-out.
- 2.1.3 Move to maximum forms of alternative (renewable) energy to overcome electrical shut downs

2.2. Water Conservation and Water Demand Management

- 2.2.1. Establish immediate task team to ensure the effective execution of this plan. Task team to report to Municipal Manager on weekly basis
- 2.2.2. Revise Communication strategy and plan for immediate roll-out
- 2.2.3. Increase law enforcement unit to control and penalise defaulters
- 2.2.4. Adjust pressure-reducing values to lower network pressure during periods of power outages
- 2.2.5. Environmental officers to report any incidence of sewage pump station spillage
- 2.2.6. Encourage the re-use of grey water for flushing and irrigation of food gardens
- 2.2.7. Encourage installation of rainwater harvesting tanks.
- 2.2.8. Minimise flushing of toilets to absolute minimum
- 2.2.9. Encourage use of bricks in toilet cisterns to reduce unnecessary loss of water
- 2.2.10. Improve response time to water leak and sewer pump station spillages repair work.

2.3. Water Storage

- 2.3.1. Increase reservoirs storage capacity to 48 hours or more depending on reliability of supply
- 2.3.2. Fill reservoirs at night (outside peak hours) to reduce pressure on the electricity network
- 2.3.3. Make necessary adjustments to telemetry system to guarantee 100% full water level y

2.4. Water Sources

- 2.4.1. Provide standby generators at pump stations supplying all non-gravity fed reservoirs and networks (booster pump stations)
- 2.4.2. Upgrade security at these places to safeguard against theft and vandalism – maybe central pools of mobile generators
- 2.4.3. Build up ample fuel reserves for these generators
- 2.4.4. Service water tankers and have sufficient tankers on standby in case of emergency

7.2.1

**POINT 5.3 OF THE MFMA
CIRCULAR NO 75**

APPENDIX 2

Appendix 2: MFMA Circular No. 75



NATIONAL TREASURY

MFMA Circular No. 75

Municipal Finance Management Act No. 56 of 2003

Municipal Budget Circular for the 2015/16 MTREF

This circular provides further guidance to municipalities and municipal entities for the preparation of their 2015/16 Budgets and Medium Term Revenue and Expenditure Framework (MTREF). It must be read together with all previous MFMA Budget Circulars, and specifically MFMA Circular No. 74.

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1. Key focus areas for the 2015/16 budget process

1.1 The Medium Term Budget Review 2015

The 2015 Budget Review notes that the global economic outlook has weakened and the pattern of slow growth is likely to persist, with consequences for all developing economies. South Africa's gross domestic product (GDP) forecast for 2015 has also been revised down. The National Treasury projects GDP growth of 2 per cent in 2015, rising to 3 per cent by 2017. Average growth over the forecast period is 0.4 percentage points lower than at the time of the 2014 *Medium Term Budget Policy Statement*. Inadequate electricity supply, however, will impose a serious constraint on output and exports over the short term.

The slowdown in economic growth since 2012 has highlighted structural constraints in the domestic economy. Achieving faster sustainable growth and large-scale job creation will require structural shifts in the economy, stronger supply-side value chains, higher exports, moderation in wage increases and, crucially, growing private-sector investment based on confidence in the long-term business environment.

The 2015 Budget allocates resources to core social and economic priorities while containing aggregate expenditure growth. Spending plans give effect to the priorities of the NDP and the MTSF. Initiatives under way include: large public-sector infrastructure investments in electricity and transport; expanded partnerships to encourage private investment; better cooperation between government, the private sector, trade unions and civil society; incentives to attract new entrants in the economy; special economic zones to boost exports; programmes to reshape the urban spatial landscape; and programmes to improve the quality of education and skills development.

Fiscal constraints mean that transfers to municipalities will grow more slowly in the period ahead than they have in the past. Accordingly, municipalities must renew their focus on core service delivery functions and reduce costs without adversely affecting basic services. Furthermore they must ensure that efficiency gains, eradication of non-priority spending (cost containment measures) and the reprioritisation of expenditure relating to core infrastructure continue to inform the planning framework.

The state of the economy has an adverse effect on the consumers. As a result municipalities' revenues and cash flows are expected to remain under pressure. Furthermore municipalities should carefully consider affordability of tariff increases, especially as it relates to domestic consumers while considering the level of services versus the associated cost.

2. Division of Revenue Bill 2015

2.1 Transfers to local government 2015

Over the 2015 MTEF period, R313.7 billion will be transferred directly to local government and a further R31.9 billion has been allocated to indirect grants. Direct transfers to local government in 2015/16 account for 9.1 per cent of national government's non-interest expenditure, and when indirect transfers are added, total spending on local government increases to 10 per cent of national non-interest expenditure.

The 2015 Budget Review and the Division of Revenue Bill provides for no reductions to the baseline of the local government equitable share in order to protect funding for free basic services. The baseline allocation for local government conditional grants, however, has been reduced in the 2015 Budget as part of the fiscal adjustment announced in the 2014 *Medium Term Budget Policy Statement*. The reductions in 2015/16 range between 0.9 per cent and 5.5 per cent of the allocation for each grant, with larger reductions on slow-spending and non-infrastructure grants. In order to maintain planned outputs and ease the impact of reductions, grant administrators and municipalities need to spend funds efficiently and effectively and alleviate any unnecessary (non-priority) spending.

The allocations for priority grants such as the *integrated national electrification programme (INEP)* grant and the *municipal water infrastructure (MWIG)* grant will grow significantly. Over the MTEF, the INEP grant grows at an average annual rate of 14.9 per cent and the MWIG at an average of 52.2 per cent, including both direct and indirect grant allocations. An addition of R2.4 billion has been made to the MWIG and the *regional bulk infrastructure grant* over the MTEF period to accelerate the provision of basic water supply to all households and improve the state of water services infrastructure nationwide.

A new grant has also been introduced to subsidise the costs of municipalities that will be merged before the 2016 local government elections as a result of demarcation changes. This grant is allocated R139 million over the MTEF specifically for municipalities that will be impacted by the changes in KwaZulu-Natal and Gauteng. The effect of further changes to demarcations proposed by the Minister of Cooperative Governance and Traditional Affairs and currently being considered by the Municipal Demarcation Board (MDB) will be considered as part of the 2016 budget process for any changes that are approved by the MDB. Municipalities should therefore not budget for the proposed changes in 2015/16.

The 2015 Budget document is available on the National Treasury website at:

<http://www.treasury.gov.za/documents/national%20budget/2015>

In addition, National Treasury will send out allocation letters informing each municipality of its equitable share, national conditional grants and provincial transfers (as reflected in the relevant provincial budget and gazette).

Municipalities must ensure that their tabled budgets reflect the equitable share and conditional grant allocations set out in the 2015 Division of Revenue Bill.

2.2 Changes in the 2015 Division of Revenue Bill

Review of local government infrastructure grants

The collaborative review of the local government infrastructure grant system led by the National Treasury is still underway. The first phase of the review, completed in 2014, identified two necessary reforms that will be made in 2015/16:

- The rules in the *municipal infrastructure grant* will be amended to allow funds to be used to refurbish and replace infrastructure, but only if municipalities demonstrate that assets have been maintained on a regular basis. Maintenance must be budgeted for as part of the normal business of municipalities.
- The number of conditional grants will be reduced to ease the burden of grant reporting. The two public transport grants will merge in 2015/16 into a single *public transport network grant*. The number of water and sanitation grants is also likely to be reduced from 2016/17.

Further changes to local government infrastructure grants will be announced in the 2015 MTBPS. In preparing for 2016/17 grant allocations, municipalities are advised to continue preparing business plans and project plans for the existing grants as there will be a phase-in period for any changes to the grant system.

The local government financial management grant (FMG) and the municipal systems improvement grant (MSIG) provides funds for the implementation of the Municipal Standard Chart of Accounts (mSCOA).

Other changes to local government allocations are more technical and reflect the shift of funds between direct and indirect grants, and the impact of the national macro-organisation of the state that followed the 2014 national elections. For example, the sanitation function, including all sanitation-related grants, has shifted from the Department of Human Settlements to the Department of Water and Sanitation.

2.3 Shaping urban development to support growth in cities

South Africa's cities continue to reflect the spatial legacy of apartheid, which impedes economic growth. Cities must play a leading role in driving urban investment programmes, including a pro-active role in introducing new financing arrangements. Over the next three years, government will expand investment in the urban built environment, using resources more effectively to transform human settlements, and drawing in private investment to support more dynamic and inclusive economic growth. The 2015 Budget inaugurates a fundamental realignment in achieving these goals.

The National Treasury will introduce a new fiscal package to help large cities to mobilise the resources necessary to implement strategic investment projects. All participating metros are expected to make measurable commitments to good governance, and effective revenue and expenditure management. The new package includes:

- Modifying the infrastructure grant system to support greater alignment of public resources and to ensure that public investments, services, regulations and incentives are focussed in defined spatial areas (integration zones) to optimise overall access, connectivity and efficiency enabling spatial transformation and inclusive urban economic growth;
- Development of mixed-use and mixed-income precincts and catalytic projects to attract private financial and implementation partnerships. Grants will be consolidated, conditions streamlined, and allocations made more predictable and responsive to the needs of specific investment projects. Furthermore, performance-based allocations to reward cities that demonstrate progressive changes in their urban form, improve access to basic services, reduce barriers to social and economic opportunity, and improve mobility of urban residents will be strengthened;
- Focusing the Neighbourhood Development Partnership Grant to support the identification, development and management of strategic nodes in dense urban townships and township clusters in order to serve as transit orientated precincts;
- Reforming the system of development charges to improve fairness and transparency, and reduce delays in infrastructure provision for private land developments;
- Expanding opportunities for private investment in municipal infrastructure through the Development Bank of Southern Africa (DBSA) increasing its origination of longer-term loans, packaging pooled finance instruments, where appropriate, and supporting the introduction of new lending instruments such as revenue bonds; and

- Reviewing the sustainability of existing own-revenue sources for metropolitan municipalities, particularly in light of their expanding responsibilities in public transport and human settlements.

Metropolitan municipalities should announce further details on their investment plans when they table their 2015/16 budget. Furthermore, cities need to improve their collection of own revenue as a greater share of capital investment needs to come from own generated revenue, in partnership with the private sector.

3. Headline inflation forecasts

Municipalities must take the following macro-economic forecasts into consideration when preparing their 2015/16 budgets and MTREF.

Fiscal year	2014	2015	2016	2017	2018
	Actual	Estimate		Forecasted	
Real GDP growth	2.2	1.4	2.0	2.8	3.0
CPI inflation	5.8	5.8	4.8	5.9	5.8

Source: Budget Review 2015

Note: The fiscal year referred to is the national fiscal year (April to March) which is more closely aligned to the municipal fiscal year (July to June) than the calendar year inflation.

4. Revising rates, tariffs and other charges

4.1 Eskom bulk tariff increases

On the 29 January 2015, NERSA approved and published guidelines on municipal electricity price increase for the 2015/16 financial year. A guideline increase of 12.20 per cent has been approved based on the following assumptions:

- Bulk purchases have increased by 14.24 per cent in line with Eskom's electricity tariff increase to municipalities;
- A consumer price index (CPI) of 6.3 per cent as indicated in the Medium Term Budget Policy Statement (MTBPS) 2014;
- Salary and wage increases; and
- Repairs and maintenance, capital charges and other costs have increased by the CPI.

It should be noted that the guideline is not an automatic increase in tariffs. Therefore all municipalities with distribution licenses are still required to apply to NERSA for the approval of their tariffs.

4.2 Electricity levy increase

During his budget speech on 25 February 2015, the Minister of Finance announced that the electricity levy will be increased by 2 cents per kWh. A special municipal circular will be issued in due course to guide municipalities on the implementation of the 2 cents per kWh electricity levy. In the interim municipalities are advised to use the guideline issued by NERSA to set their tariffs for the 2015/16 financial year.

5. Funding choices and management issues

5.1 Employee related costs

The *Salary and Wage Collective Agreement* for the period 01 July 2012 to 30 June 2015 has come to an end. The South African Local Government Association issued a press release on 03 March 2015 indicating that it tabled the following offer for salaries and wages increase:

- 2015/16 Financial Year – 4.4 per cent (inflation linked)
- 2016/17 and 2017/18 Financial Years – inflation related increase plus additional 0.25 per cent

As the negotiations are still underway, municipalities are advised to use the above proposed guidelines in preparing their 2015/16 budgets.

5.2 Remuneration of councillors

Municipalities are advised to budget for the actual costs approved in line with the gazette on the Remuneration of Public Office Bearers Act: Determination of Upper Limits of Salaries, Allowances and Benefits of different members of municipal councils published by the Department of Cooperative Governance and Traditional Affairs. The gazette for 2015 will be released in due course. Municipalities are advised to refer to the circular issued on 23 January 2015 by the Department of Cooperative Governance and Traditional Affairs.

5.3 Budgeting for contingency plans for prolonged power outages

Municipalities have indicated that they are in the process of implementing contingency plans to address Eskom power outages such as the procurement of generators and indicated the need for funding from national government. The government is collectively working with Eskom to mitigate the impact of power cuts. These efforts will improve the availability of electricity over the medium term, and plans are under way to ensure that South Africa can generate sufficient energy to power its economy over the long term. The government therefore consistently encourages a reduction in energy consumption and promotion of energy efficiency.

Consequently the response from government is to address the immediate challenge and it would therefore be premature for municipalities to invest in contingency infrastructure with the expectation of funding.

5.4 Service level standards

MFMA circular No. 72 indicated that all municipalities must formulate service level standards which must form part of the 2015/16 tabled MTREF budget documentation. The service level standards need to be tabled before the municipal council for formal adoption. A broad guideline was provided on the minimum service standards to be incorporated in the budget documentation. In addition to the guideline, a framework was developed as an outline to assist municipalities in finalising their service level standards. The outline can be accessed by clicking [HERE](#).

It is acknowledged that it is not possible to have the same service level standards across all municipalities. Therefore the outline must be used as a guideline and be amended accordingly to align to the municipality's specific circumstances. Municipalities should also refer to other guidelines issued by other institutions available on the link indicated above.

5.5 Non-payment of Eskom and water boards as creditors

Section 65(2)(e) of the Municipal Finance Management Act, 2003 (MFMA, Act No. 56 of 2003) clearly states that "The accounting officer of a municipality is responsible for the management

of the expenditure of the municipality" and "that all money owing by the municipality be paid within 30 days of receiving the relevant invoice or statement, unless prescribed otherwise for certain categories of expenditure".

It has become a common trend between certain municipalities that outstanding debt to Eskom and the water boards is not prioritised for payment. *Municipalities are cautioned that if they do not immediately settle the current accounts of Eskom and the water boards, the March 2015 tranche of the Equitable Share will be withheld.* In addition, the payment arrangements to address arrear amounts must be concluded by relevant municipalities, implemented and effected in the budget.

Furthermore, going forward municipalities will be closely monitored and those found to be averting payment to Eskom and the water boards will be deemed as contravening the MFMA and consequently section 216(2) of the Constitution will be imposed.

Municipalities are also reminded of the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, which the Minister of Finance promulgated on 31 May 2014. Failure by the Accounting Officer to comply with the requirements of section 65(2)(e) of the MFMA is an act of financial misconduct as defined in section 171 of the MFMA and municipalities is obliged to deal with such breach in terms of the regulations mentioned above.

5.6 VAT on Conditional Grants

Guideline was provided in MFMA Circular No. 58 that ALL conditional grant allocations in the Division of Revenue Act (DoRA) are VAT inclusive, i.e. national government has budgeted to pay the VAT inclusive price of the goods and services purchased by municipalities using conditional grant funding. Further guidelines were issued in MFMA Circular No. 59 on assessing VAT consequences of transactions involving the equitable share grant and conditional grants.

It is critical that municipalities distinguish between the following:

- *Transaction one – the transfer of funds from national or provincial government to a municipality.* The VAT on these transactions is zero-rated, and therefore the issue of paying and reclaiming VAT related to these transactions does not arise.
- *Transaction two – the expenditure of the grant funds by the municipality.* These transactions are subject to the normal VAT provisions. Depending on the nature of goods and services purchased the municipality may or may not be required to pay input VAT.

Municipalities are still advised to follow the guideline provided in the above-mentioned circulars as the position has not changed. Further reference should also be made to the VAT 419 Guideline for Municipalities.

6. mSCOA Training

6.1 Non-accredited training

The National Treasury will embark on non-accredited training for pilot municipalities during April and May 2015 as per the dates in the table below. Please note that this training is only for pilot municipalities, applicable vendors and provincial treasuries. The training will be on a nomination and invitational basis.

Province	Dates
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KwaZulu-Natal	14-15 April 2015
Limpopo	
Mpumalanga	
Free State	
Northern Cape	
Eastern Cape	21-22 April 2015
Western Cape	
Gauteng	5 – 6 May 2015
North West	

Non- accredited training will be provided to the metropolitan municipalities in 2 sessions on 05 and 06 May 2015. This training is intended to provide piloting stakeholders with a broader understanding of the mSCOA classification framework, typical transactional environment and linkage to reporting as part of the piloting output.

6.2 Accredited training

The National Treasury is in the process of developing the necessary unit standards for municipal SCOA (mSCOA). These unit standards will be accredited by LGSETA during the 2015 calendar year. National Treasury will develop unit standards aligned training material that will be accredited by LGSETA to be rolled out to all municipalities from the beginning of the 2016 calendar year.

National Treasury will also embark on a process of accreditation of service providers and more particularly facilitators and assessors to be able to roll out the unit standard aligned training from the beginning of the 2016 calendar year and guidelines in this regard will be issued towards the end of 2015.

6.3 mSCOA training provided by service providers

National Treasury is aware of the need to train all municipalities on mSCOA within a tight timeline to ensure that municipalities are in the position to be mSCOA compliant by 01 July 2017. On the same token National Treasury is aware of service providers engaging with municipalities that are offering mSCOA training. Municipalities need to take note that currently there is no formal unit standard and no service provider can offer accredited training as it relates to the mSCOA. Consequently, municipalities are advised to refrain from entering into agreements with training service providers as it would constitute fruitless and wasteful expenditure.

It is however acknowledged that there exists a need for broader mSCOA awareness and municipalities are advised to directly contact the National Treasury and respective Provincial Treasury to facilitate and consider these requests. Service providers that are approached to facilitate such awareness sessions should also directly liaise with the National Treasury. Municipalities are reminded to adhere to the supply chain management requirements at all times. In this regard municipalities are informed that there are limited specialists in this field at this point in time.

Please note that the current material available on the National Treasury's website (One day training – Demystify mSCOA) is available for use by all parties and no service provider is allowed to charge any fee for this material.

7. Conditional Grant Transfers to Municipalities

Section 214 of the Constitution provides for national government to transfer resources to municipalities in terms of the annual DoRA to assist them in exercising their powers and

performing their functions. These allocations are announced annually in the national budget. Transfers to municipalities from national government are supplemented with transfers from provincial government. Furthermore, transfers are also made between district municipalities and local municipalities.

The DoRA provides for funds to be allocated in different 'schedules'. Each of the schedules provide for grants of a particular type as follows:

Schedule 1		Equitable division of revenue raised nationally among the three spheres of government
Schedule 2		Determination of each province's equitable share of the provincial sphere's share of revenue raised nationally (as a direct charge against the National Revenue Fund)
Schedule 3		Determination of each municipality's equitable share of the local government sphere's share of revenue raised nationally
Schedule 4	Part A	Allocations to provinces to supplement the funding of programmes or functions funded from provincial budgets
	Part B	Allocations to municipalities to supplement the funding of programmes or functions funded from municipal budgets
Schedule 5	Part A	Specific purpose allocations to provinces
	Part B	Specific purpose allocations to municipalities
Schedule 6	Part A	Allocations-in-kind to provinces for designated special programmes
	Part B	Allocations-in-kind to municipalities for designated special programmes
Schedule 7	Part A	Allocations to provinces for immediate disaster response
	Part B	Allocations to municipalities for immediate disaster response

It is important that the transfers applicable to municipalities are made transparently, and properly captured in municipalities' budgets. In this regard, regulation 10 of the *Municipal Budget and Reporting Regulations* provides guidance on when municipalities should reflect a transfer or donation in their budgets. Note that promises of funds that do not meet the requirements set out in regulation 10 must not be included in the municipality's budget.

Municipalities are advised not to provide for transfers from national or provincial departments that are not gazetted in terms of the 2015 Division of Revenue Act (once enacted) or the relevant provincial budget, or for which a properly approved agency agreement is not in place. Such ad hoc transfers are very often unauthorised expenditure at the national and provincial level, and are invariably related to fiscal dumping.

Also note that grants-in-kind (e.g. capital assets transferred by a district to a local municipality) need to be budgeted for as a 'transfer or grant' on Table A4 by the district municipality (and not on their Table A5 (Budgeted Capital Budget – since the expenditure does not get capitalised), and as a 'contributed asset' on Table A4 (Budgeted Financial Performance) by the local municipality, and from there directly on Table A5 (Budgeted Financial Position).

In support of regulation 10 of the *Municipal Budget and Reporting Regulations*, the 2015 Division of Revenue Bill provides that –

1. In terms of section 16, National Treasury is required to publish in the Government Gazette the allocations and Indicative allocations for all national grants to municipalities;
2. In terms of section 30, each provincial treasury is required to publish in the Government Gazette the allocations and Indicative allocations per municipality for every allocation to be made by the province to municipalities from the province's own funds; and
3. In terms of section 29, each category C municipality must indicate in its budget all allocations from its equitable share and conditional allocations to be transferred to each category B municipality within the category C municipality's area of jurisdiction.

The Government Gazette reflecting the allocations and indicative allocations for all national grants to municipalities will be available within 14 days of the 2015 Division of Revenue Act being signed into law at the following address:

<http://www.treasury.gov.za/legislation/bills/2015/Default.aspx>

In addition, National Treasury publishes a payment schedule that sets out exactly when the equitable share and national conditional grant funds are to be transferred to municipalities.

This will be available at:

http://mfma.treasury.gov.za/Media_Releases/Municipal%20Payment%20Schedule/Pages/default.aspx

7.1 Timing of municipal conditional grant transfers

In order to facilitate synchronisation of the national / provincial financial year (01 April to 31 March) with the municipal financial year (01 July to 30 June), the 2015 Division of Revenue Bill requires that all equitable share and Schedule 4 and 5 conditional allocations to municipalities must be transferred to municipalities within the period 01 July 2015 to 31 March 2016. Municipalities must not accept any equitable share or Schedule 4 and Schedule 5 transfers from national or provincial departments outside of these timeframes.

National and provincial departments are also advised to only transfer grant funds and to only make agency payments to municipalities within the period 01 July 2015 to 31 March 2016. This is to ensure the municipality is able to include such funds on its budget for 2015/16 and to ensure that reporting on the use of the funds is properly aligned across the national, provincial and municipal financial years.

7.2 Payment schedule for transfers

National Treasury has instituted an automated payment system for transfers to municipalities in order to ensure that appropriate safety checks are put in place.

Section 23 of the 2015 Division of Revenue Bill requires transfers to municipalities to be made as per the approved payment schedule published by National Treasury. Through this system, any transfers not in line with the payment schedule will be rejected. In addition, if the payment details of the municipality are not up-to-date the transfers will also be rejected.

7.3 Provincial allocations and payment schedules

Provincial Treasuries must publish in a gazette all provincial allocations envisaged to be transferred to municipalities and submit the gazette to National Treasury on a date not later than 14 days after the Division of Revenue Act has been enacted.

Provinces must also submit to the National Treasury the payment schedule against all provincial allocations to municipalities 14 days after the Act takes effect. The payment schedule must include the date of transfer, the amount and the name of the grant. The

Provincial Treasuries must notify the receiving officers of any deviations from the payment schedule. The payment schedules that provincial treasuries are required to submit to National Treasury in terms of section 30(5) of the 2015 Division of Revenue Bill will be published on National Treasury's website, along with the national payment schedule.

7.4 Relationship between Category C and Category B municipalities

The Division of Revenue Bill (DoRB) provides that the revenues raised nationally in respect of the 2015/16 financial year must be divided among the national, provincial and local spheres of government. Furthermore, section 29 of the DoRB states that category C municipality must, within 10 days after the Act takes effect, submit to the National Treasury and all category B municipalities within that municipality's area of jurisdiction, the budget, as tabled in accordance with section 16 of the MFMA, for the 2015/16 financial year.

Transfers are always made to the municipality (district or local) authorised to perform a function. In cases where basic services functions are assigned to district municipalities National Treasury publishes, for information purposes, the amounts that would have been allocated to each local municipality through the formulas for the local government equitable share and municipal infrastructure grant if local municipalities were assigned these basic services functions. These amounts are published in Appendix W1 and Appendix W2 to the 2015 Division of Revenue Bill (see pages 271-284 of the Bill).

The budget of a category C municipality must indicate all allocations from its equitable share and conditional allocations to be transferred to each category B municipality within the category C municipality's area of jurisdiction and disclose the criteria for allocating funds between the category B municipalities. The following practical arrangement will apply:

- Step 1: District Municipality (category C municipality) must when tabling their budgets indicate which municipalities within their area of jurisdiction will receive allocations from the municipality;
- Step 2: After the DoRB takes effect the District Municipality must within 10 days submit the tabled budget that contains allocations to be made to category B municipalities;
- Step 3: The District Municipality must share with the municipalities within its jurisdiction how much is allocated to them, what criteria was used to make allocations and agree with the affected municipalities on how the monies are going to be disbursed. The disbursement schedule (payment schedule) must be sent to National Treasury and respective Provincial Treasury before the beginning of the municipal financial year;
- Step 4: The District Municipality, having the authority to provide municipal services, must before implementing any capital project consult with the category B municipality affected and agree in writing through a Service Level Agreement (SLA) who will be responsible for operational costs and collection of rates; and
- Step 5: District Municipality must make transfers to their local municipalities according to the agreed upon payment schedule.

National Treasury may withhold or stop any funding allocated to a category C municipality and reallocate it to a category B municipality if the category C municipality fails to:

- i) make allocations to their respective municipalities within their jurisdiction;
- ii) reach an agreement with the category B municipality; and
- iii) submit the payment schedule to National Treasury and respective Provincial Treasury.

7.5 Responsibilities of transferring and receiving authorities

The legal obligations placed on transferring and receiving officers in terms of the 2015 DoRB are very similar to previous requirements. National Treasury intends ensuring strict compliance in order to improve spending levels, and the quality of information relating to the management of conditional grants.

Municipalities are again reminded that compliance with the annual DoRA is the responsibility of the municipal manager as the "receiving officer". The municipal manager is responsible for, among other things, the tabling of monthly reports in council on whether or not the municipality is complying with the DoRA. He/she is also responsible for reporting on any delays in the transfer or the withholding of funds. Failure on the part of a municipal manager to comply with the Act in this regard will have financial implications for the municipality as it will lead to the municipality losing revenue when funds are stopped and/or reallocated.

Where the municipality is unable to comply, or requires an extension, the municipal manager must apply to the National Treasury and provide comprehensive motivation for the non-compliance.

7.6 Criteria for the rollover of conditional grant funds

Section 22 of the 2014 Division of Revenue Act requires that any conditional grants which are not spent at the end of the municipal financial year must revert to the National Revenue Fund, unless the receiving officer proves to the satisfaction of National Treasury that the unspent allocation is committed to identifiable projects, in which case the funds may be rolled over.

When applying to retain unspent conditional allocations committed to identifiable projects or requesting a rollover in terms of section 22(2) of the Division of Revenue Act, municipalities must supply National Treasury with the following information –

1. A formal letter addressed to the National Treasury requesting the rollover of unspent conditional grants in terms of section 22(2) of the 2014 of DoRA. The letter must be signed by the accounting officer;
2. List of all the projects that are linked to the unspent conditional grants and indicate how much was allocated and spent per project;
3. Evidence that work on each of the projects has commenced, namely either of the following:
 - a. Proof that the project tender was published and the period for tender submissions closed before 31 March; or
 - b. Proof that a contractor or service provider was appointed for delivery of the project before 30 June.
4. A progress report (also in percentages) on the state of implementation of each of the projects;
5. The amount of funds committed to each project, and the conditional allocation from which the funds come;
6. Reasons why the grants were not fully spent in the year that it was originally allocated as per the DoRA;
7. Municipalities must not include previous year's unspent conditional grants as a rollover request. Rollover of rollovers will not be considered;
8. An indication of the time-period within which the funds are to be spent; and
9. Proof that the Chief Financial Officer and Municipal Manager are permanently appointed. *No rollover requests will be considered for municipalities with vacant or acting chief financial officers and Municipal Managers for a period exceeding 4 months.*

If any of the above information is not provided or the application is received by National Treasury after 31 August 2015, the application will be declined.

In addition, National Treasury will also take into account the following information when assessing rollover applications, and reserves the right to decline an application if there is non-performance by the municipality in any of these areas:

1. Compliance with the in-year reporting requirements in sections 71 and 72 of the MFMA and section 12 of the 2014 DoRA, including the municipal manager and chief financial officer signing-off on the information sent to National Treasury;
2. Submission of the pre-audit Annual Financial Statements information to National Treasury by 31 August 2015;
3. Accurate disclosure of grant performance in the 2014/15 pre-audit Annual Financial Statements;
4. Under no circumstance would the National Treasury approve the entire allocation of the municipality i.e. The municipality must spend a minimum of 50 per cent of the allocation per programme;
5. Cash available in the bank as at 30 June 2015 and in line with the cash flow statements to finance the roll-over request;
6. No approval will be granted for municipalities requesting roll over of the same grant for the 3rd consecutive time; and
7. Incorporation of the Appropriation Statement (discussed in point 6.7 below) as part of the pre-audit Annual Financial Statements.

When approving any rollover requests, National Treasury will use the latest conditional grant expenditure information available at the time, which in this instance is likely to be the disclosure of grant performance in the 2014/15 pre-audit Annual Financial Statements which must be concluded by 31 August 2015.

Similar to the above mentioned rollover process and in accordance with section 22(3)(b) of Division of Revenue Act, provincial treasuries are encouraged to institute measures and criteria for the rollover of conditional grant funds that municipalities receive from provincial departments. Refer to MFMA Budget Circular No.51 for more information.

7.7 Unspent conditional grant funds for 2014/15

The process to ensure the return of unspent conditional grants for the 2014/15 financial year will be managed in accordance with section 22 of the DoRA. In addition to the previous MFMA circulars, the following practical arrangements will apply –

- Step 1: Municipalities must submit their June 2015 conditional grant expenditure reports according to section 71 of the MFMA, reflecting all accrued expenditure on conditional grants and further ensure that expenditures reported to both National Treasury and national transferring officers are the same.
- Step 2: When preparing their annual financial statements a municipality must determine what portion of each national conditional allocation it received remained unspent as at 30 June 2015. These amounts **MUST** exclude all interest earned on conditional grants, retention and all VAT related to conditional grant spending that has been reclaimed from SARS, which must be disclosed separately.
- Step 3: If the receiving officer wants to motivate in terms of section 22(2) of the DoRA 2014 that the funds are committed to identifiable projects or wants to propose an alternative payment method or schedule, the required information must be submitted to National Treasury by 31 August 2015. **National Treasury will not consider any rollover requests that are incomplete (see item 7.6 below) or that are received after this deadline.**

- Step 4: National Treasury will confirm in writing whether or not the municipality may retain any of the unspent funds as a rollover based on the evidence that the funds are committed to identifiable projects by 02 October 2015 or whether it has agreed to any alternative payment arrangement or schedules.
- Step 5: A municipality must return the remaining unspent conditional grant funds that are not subject to a specific repayment agreement with National Treasury to the National Revenue Fund by 23 October 2015. Failure to return these unspent funds by this date will constitute financial misconduct in terms of section 34 of the DoRA.
- Step 6: Any unspent conditional grant funds that should have, but has not been repaid to the National Revenue Fund by 23 October 2015 will be offset against the municipality's November 2015 equitable share allocation unless the municipality has agreed to an alternative payment arrangement or schedule.

All the calculations of the amounts to be surrendered to the National Revenue Fund will be audited by the Auditor-General.

7.8 Appropriation statement (Reconciliation: Budget and In-year performance)

In terms of GRAP 24 (Presentation of budget information in AFS) municipalities are required to present their original and adjusted budgets against the actual outcome in the annual financial statements; this is considered an appropriation statement. This statement is subject to auditing and accordingly supporting documentation would be required to substantiate the compilation of this statement. All municipalities were required to compile an appropriation statement with the 2012/13 AFS.

Many municipalities neglected to compile the appropriation as part of their 2012/13 AFS. National Treasury considers this non-compliance in a serious light and going forward the incorporation of an appropriation statement in the AFS will form part of the *evaluation criteria in considering and approving conditional grant rollovers. In the absence of an appropriation statement National Treasury will not consider conditional grant roll over applications.*

7.9 Reporting and accounting for municipal approved conditional grant roll-overs

All reporting on rollover approvals must be reported to respective treasuries, national transferring officers and provincial departments responsible for monitoring the conditional grants.

A municipality must report separately on the spending of approved conditional grant roll overs. National Treasury will provide a separate reporting template to facilitate this. This template must be submitted together with the normal in-year template for reporting conditional grant spending for the year. The template is customised per municipality and must be requested by e-mail: igdataqueries@treasury.gov.za.

8. The Municipal Budget and Reporting Regulations

National Treasury has released Version 2.7 of Schedule A1 (the Excel Formats). This version incorporates minor changes (see Annexure A). Therefore ALL municipalities MUST use this version for the preparation of their 2015/16 Budget and MTREF.

Download Version 2.7 of Schedule A1 by clicking [HERE](#)

The Municipal Budget and Reporting Regulations are designed to achieve a range of objectives, including improving the local government sphere's ability to deliver services by

facilitating improved financial sustainability and better medium term planning. The regulations, formats and associated guides etc. are available on National Treasury's website at:

<http://mfma.treasury.gov.za/RegulationsandGazettes/Pages/default.aspx>

Municipalities are required to submit their budget related electronic returns to lgdatabase@treasury.gov.za for both the draft budget and the final adopted budget. This will assist the National and Provincial Treasuries with the benchmark process.

8.1 Assistance with the compilation of budgets

If you require advice with the compilation of your budgets, the budget documents or Schedule A.1 please direct your enquiries as follows:

	Responsible NT officials	Tel. No.	Email
Eastern Cape	Templeton Phogole	012-315 5044	Templeton.Phogole@treasury.gov.za
	Majajaji Mashoesheo	012-315 5557	Majajaji.Mashoesheo@treasury.gov.za
Free State	Vincent Malepa	012-315 5539	Vincent.Malepa@treasury.gov.za
	Katlego Mabiletsa	012-395 6742	Katlego.Mabiletsa@treasury.gov.za
Gauteng	Kgomotso Baloyi	012-315 5866	Kgomotso.Baloyi@treasury.gov.za
	Nomvotisi Mawulana	012-315 5460	Nomvotisi.Mawulana@treasury.gov.za
KwaZulu-Natal	Bernard Mkgabodi	012-315 5936	Bernard.Mkgabodi@treasury.gov.za
	Johan Botha	012-315 5171	Johan.Botha@treasury.gov.za
	Walter Mnyali	012-395 6793	Walter.Mnyali@treasury.gov.za
Limpopo	Una Rautenbach	012-315 5700	Una.Rautenbach@treasury.gov.za
	Sifiso Mabaso	012-315 5952	Sifiso.Mabaso@treasury.gov.za
Mpumalanga	Jordan Maja	012-315 5653	Jordan.Maja@treasury.gov.za
	Anthony Moseki	012-315 5174	Anthony.Moseki@treasury.gov.za
Northern Cape	Willem Voigt	012-315 5830	Willem.Voigt@treasury.gov.za
	Mandla Gillman	012-315 5807	Mandla.Gillman@treasury.gov.za
North West	Sadeesh Ramjathan	012-315 5101	Sadeesh.Ramjathan@treasury.gov.za
	Makgabo Maboja	012-315 5156	Makgabo.Maboja@treasury.gov.za
Western Cape	Vuyo Mbunge	012-315 5651	Vuyo.Mbunge@treasury.gov.za
	Kevin Bell	012-315 5725	Kevin.Bell@treasury.gov.za
	Mlungisi Mthembu	012-395 6554	Mlungisi.Mthembu@treasury.gov.za
Technical Issues with Excel formats	Elisabe Rossouw	012-315 5534	lgdatabase@treasury.gov.za

National Treasury, working with the provincial treasuries, will carry out a compliance check and where municipalities have not provided complete information, the budgets will be referred back to the Mayor and municipal manager. Municipal managers are reminded that the annual budget must be accompanied by a 'quality certificate' in accordance with the format set out in item 31 of Schedule A in the Municipal Budget and Reporting Regulations. The National Treasury would like to emphasise that where municipalities have not adhered to the Municipal Budget and Reporting Regulations, those municipalities will be required to go back to the municipal council and table a complete budget document aligned to the requirement of the Municipal Budget and Reporting Regulations.

Municipalities with municipal entities are once again reminded that they need to produce consolidated budgets and in-year reports for both the parent entity and entity in that they need to produce:

- An annual budget, adjustment budget and monthly financial statements for the parent municipality in the relevant formats; and
- A consolidated annual budget, adjustments budget and monthly financial statements for the parent municipality and all its municipal entities in the relevant formats.

In addition, the A Schedule that the municipality submits to National Treasury must be the consolidated budget for the municipality (plus entities) and not the budget of the parent municipality.

8.2 Benchmarking process

National Treasury and provincial treasuries will be conducting benchmark budget hearings on the municipalities' tabled budgets during April and early May 2015 to assess whether the budgets are realistic, sustainable and relevant, and the extent to which they are funded in accordance with the requirements of the MFMA. In this regard, National Treasury will communicate further with the non-delegated municipalities, while the provincial treasuries will communicate with their respective delegated municipalities.

Municipalities are required to table the reports and recommendations provided by the respective treasury in Council and submit a copy of the council resolution in this regard to National Treasury and the respective Provincial Treasury.

8.3 The difference between the collection rate on table SA8 and SA10

The collection rate (cash receipts % of ratepayer & other revenue) on table SA10 – Funding measurement, is a cash collection rate calculated on operating revenue at the rate at which funds are 'collected'. This measure is intended to analyse an underlying conservative assumed collection rate; i.e. how much cash is expected to be collected from property rates, service charges and other revenue (excluding grants and interest earned).

The collection rate (cash receipts % of ratepayer & service charges) on table SA8 – Performance indicators and benchmarks row 18 refers to a "Current Consumer Debtors Collection Rate" – this measure is intended to analyse the actual consumer collection rate from property rates and service charges only, excluding other revenue.

9. Budget process and submissions for the 2015/16 MTREF

Over the past number of years there have been significant improvements in municipal budget processes. Municipalities are encouraged to continue their efforts to improve their budget processes based on the guidance provided in previous and current MFMA Circulars.

Once more, municipalities are reminded that the IDP review process and the budget process should be combined into a single process. Municipalities are reminded to prepare for the budget verification process that will be undertaken on the adopted budgets.

9.1 Tabling of the MFMA budget circular in municipal council

Municipalities are advised to table the annual municipal budget Circulars in council together with the budget documents.

9.2 Submitting budget documentation and schedules for 2015/16 MTREF

To facilitate oversight of compliance with the Municipal Budget and Reporting Regulations, accounting officers are reminded that:

- Section 22(b)(l) of the MFMA requires that *immediately* after an annual budget is tabled in a municipal council it must be submitted to the National Treasury and the relevant provincial treasury in both printed and electronic formats. If the annual budget is tabled to council on 31 March 2015, the final date of submission of the electronic budget documents and corresponding electronic returns is **Wednesday, 01 April 2015**. The deadline for submission of hard copies including council resolution is **Friday, 10 April 2015**.
- Section 24(3) of the MFMA, read together with regulation 20(1), requires that the approved annual budget must be submitted *within ten working days* after the council has approved the annual budget. If the council only approves the annual budget on 30 June 2015, the final date for such a submission is **Tuesday, 14 July 2015**, otherwise an earlier date applies.

The municipal manager must submit:

- the budget documentation as set out in Schedule A of the Municipal Budget and Reporting Regulations, including the main Tables (A1 - A10) and all the supporting tables (SA1 – SA37) in both printed and electronic format;
- the draft service delivery and budget implementation plan in both printed and electronic format;
- the draft integrated development plan;
- in the case of approved budgets, the council resolution;
- Signed Quality Certificate as prescribed in the Municipal Budget and Reporting Regulations; and
- Signed budget locking certificate as found on the website.

Municipalities are required to send electronic versions of documents and the A1 schedule to igdocuments@treasury.gov.za.

If the budget documents are too large to be sent via email (exceeds 4MB) please submit to igbigfiles@gmail.com; any problems experienced in this regard can be addressed with Elsabe Rossouw (email: Elsabe.Rossouw@treasury.gov.za).

Municipalities are required to send printed submissions of their budget documents and council resolution to:

For couriered documents

Ms Linda Kruger
National Treasury
40 Church Square
Pretoria, 0002

For posted documents

Ms Linda Kruger
National Treasury
Private Bag X115
Pretoria, 0001

In addition to the above mentioned budget documentation, metropolitan municipalities must submit the Built Environment Performance Plan (BEPP) approved by council on 31 May 2015 to Yasmin.coovadia@treasury.gov.za.

9.3 Budget reform returns to the Local Government Database for publication

For publication purposes, municipalities are still required to use the Budget Reform Returns to upload budget and monthly expenditure to the National Treasury Local Government Database. All returns are to be sent to lgdatabase@treasury.gov.za.

Returns for the 2015/16 budget must be submitted to the Local Government Database by the latest 24 July 2015.

The aligned electronic returns may be downloaded from National Treasury's website at the following link: http://mfma.treasury.gov.za/Return_Forms/Pages/default.aspx.

9.4 Publication of budgets on municipal websites

In terms of section 75 of the MFMA all municipalities are required to publish their tabled budgets, adopted budgets, annual reports (containing audited annual financial statements) and other relevant information on the municipality's website. This will aid in promoting public accountability and good governance.

All relevant documents mentioned in this circular are available on the National Treasury website, <http://mfma.treasury.gov.za/Pages/Default.aspx>. Municipalities are encouraged to visit it regularly as documents are regularly added / updated on the website.

Contact



national treasury
 Department
 National Treasury
 REPUBLIC OF SOUTH AFRICA

Post Private Bag X115, Pretoria 0001
Phone 012 315 5009
Fax 012 395 6553
Website <http://www.treasury.gov.za/default.aspx>

JH Hattingh
 Chief Director: Local Government Budget Analysis
 09 March 2015

Annexure A – Changes to Schedule A1 – the ‘Excel formats’

As noted above, National Treasury has released Version 2.7 of Schedule A1 (the Excel Formats). It incorporates the following changes:

No.	Sheet	Amendment	Reason
1	A5	insertion of a validity check formula.	Ensure that funding and expenditure balances.
2	A6	insertion of a validity check formula.	Ensure that net assets and total community wealth balances.
3	A2	insertion of receipts from property rates and service charges line items. insertion of formulae linking A7 to SA30 for the MTREF.	Simplification of data gathering for determining the collection rate from main services.
4	A10	insertion of new footnote.	Improve reporting of services provided including informal settlements.

Annexure B – Previous MFMA Circulars

Budget management issues dealt with in previous MFMA Circulars

Municipalities are reminded to refer to MFMA Circulars 48, 51, 54, 55, 66, 67 and 70 with regards to the following issues:

1. Mayor's discretionary funds and similar discretionary budget allocation – National Treasury regards allocations that are not designated for a specific purpose to be bad practice and discourage them (refer to MFMA Circular 51).
2. Unallocated ward allocations – National Treasury does not regard this to be a good practice, because it means that the tabled budget does not reflect which ward projects are planned for purposes of public consultation and council approval (refer to MFMA Circular 51).
3. New office buildings – Municipalities are required to send detailed information to National Treasury if they are contemplating building new main office buildings (refer to MFMA Circular 51).
4. Virement policies of municipalities – Municipalities are reminded of the principles that must be incorporated into municipal virements policies (refer to MFMA Circular 51).
5. Providing clean water and managing waste water – Municipalities were reminded to include a section on 'Drinking water quality and waste water management' in their budget document (refer to MFMA Circular 54).
6. Renewal and repairs and maintenance of existing assets – Allocations to repairs and maintenance, and the renewal of existing infrastructure must be prioritised. Municipalities must provide detailed motivations in their budget documentation if allocations do not meet the required benchmarks set out in MFMA Circular 55 and 66.
7. Credit cards and debit cards linked to municipal bank accounts are not permitted – On 02 August 2011 National Treasury issued a directive to all banks informing them that as from 01 September 2011 they are not allowed to issue credit cards or debit cards linked to municipal bank accounts (refer to MFMA Circular 55).
8. Water and sanitation tariffs must be cost reflective - refer to MFMA Circular 66.
9. Solid waste tariffs – refer to MFMA Circular 70.
10. Variances between 4th Quarter section 71 results and annual financial statements – refer to Circular 67.
11. Additional In-Year reporting requirements – refer to MFMA Circular 67.
12. Appropriation statement (reconciliation: budget and in-year performance)- reference is made to circular 67. It came to the attention of National Treasury that a number of municipalities did not include the appropriation statement as part of their 2012/13 or 2013/14 annual financial statement. In terms of the Standards of GRAP 24 on the Presentation of Budget Information in Financial Statements, municipalities are required to present their original and adjusted budgets against actual outcome in the annual financial statements. This is considered an appropriation statement and the comparison between the budget and actual performance should be a mirror image of each other as it relates to the classification and grouping of revenue and expenditure as has been the case in a national and provincial context. This statement is subject to auditing and accordingly supporting documentation would be required to substantiate the compilation of this statement.
13. Eliminating non-priority spending – The 2013 MTBPS emphasised the need for government to step-up its efforts to combat waste, inefficiency and corruption (refer to MFMA circular 70).
14. Council oversight over the budget process – refer to MFMA Circular 70.

Conditional grant issues dealt with in previous MFMA Circulars

Municipalities are reminded to refer to MFMA Circulars 48, 51, 54, 55 and 67 with regards to the following issues:

1. Accounting treatment of conditional grants: Municipalities are reminded that in accordance with accrual accounting principles, conditional grants should only be treated as 'transfers recognized' revenue when the grant revenue has been 'earned' by incurring expenditure in accordance with the conditions of the grant.
2. VAT on conditional grants: SARS has issued a specific guide to assist municipalities meeting their VAT obligations – *VAT 419 Guide for Municipalities*. To assist municipalities accessing this guide it has been placed on the National Treasury website at: <http://mfma.treasury.gov.za/Guidelines/Pages/default.aspx>
3. Interest received and reclaimed VAT in respect of conditional grants: Municipalities are reminded that in MFMA Circular 48, National Treasury determined that:
 - Interest received on conditional grant funds must be treated as 'own revenue' and its use by the municipality is not subject to any special conditions; and
 - 'Reclaimed VAT' in respect of conditional grant expenditures must be treated as 'own revenue' and its use by the municipality is not subject to any special conditions.
4. Appropriation of conditional grants that are rolled over – As soon as a municipality receives written approval from National Treasury that its unspent conditional grants have been rolled-over it may proceed to spend such funds (refer to MFMA Circular 51 for other arrangements in this regard).
5. Pledging of conditional grant transfers – the 2015 Division of Revenue Bill contained a provision that allows municipalities to pledge their conditional grants. The end date for the pledges is extended to 2017/18. The process of application as set out in MFMA Circular 51 remains unchanged.
6. Separate reporting for conditional grant roll-overs – National Treasury has put in place a separate template for municipalities to report on the spending of conditional grant roll-overs. Municipalities are reminded that conditional grant funds can only be rolled-over once, so if they remain unspent in the year in which they were rolled-over they MUST revert to the National Revenue Fund.
7. Payment schedule – National Treasury has instituted an automated payment system of transfers to municipalities in order to ensure appropriate safety checks are put in place. Only the primary banking details verified by National Treasury will be used for effecting transfers.
8. Conditional grant transfers/payments, the responsibilities of transferring and receiving authorities and the criteria for the rollover of conditional grants – It is important that the transfers made to municipalities' are transparent, and properly captured in the municipalities' budgets. MFMA Circular no: 67 in this regard refers. The criterion for the rollover of conditional grants is stipulated in MFMA Circular no: 51.

MBRR issues dealt with in previous MFMA Circulars

Municipalities are reminded to refer to MFMA Circulars 48, 51, 54, 55 with regards to the following issues:

1. Budgeting for revenue and 'revenue foregone' – The 'realistically anticipated revenues to be collected' that must be reflected on the Budgeted Statement of Financial Performance (Tables A2, A3 and A4) must exclude 'revenue foregone'. The definition

of 'revenue foregone' and how it is distinguished from 'transfers and grants' is explained in MFMA Circular 51.

2. Preparing and amending budget related policies – Information on all budget related policies and any amendments to such policies must be included in the municipality's annual budget document (refer to MFMA Circular 54).
3. 2013/14 MTREF Funding Compliance Assessment – All municipalities were required to perform the funding compliance assessment outlined in MFMA Funding Compliance Guideline and to include the relevant information outlined in MFMA Circular 55 in their 2015/16 budgets (refer to MFMA Circular 55).

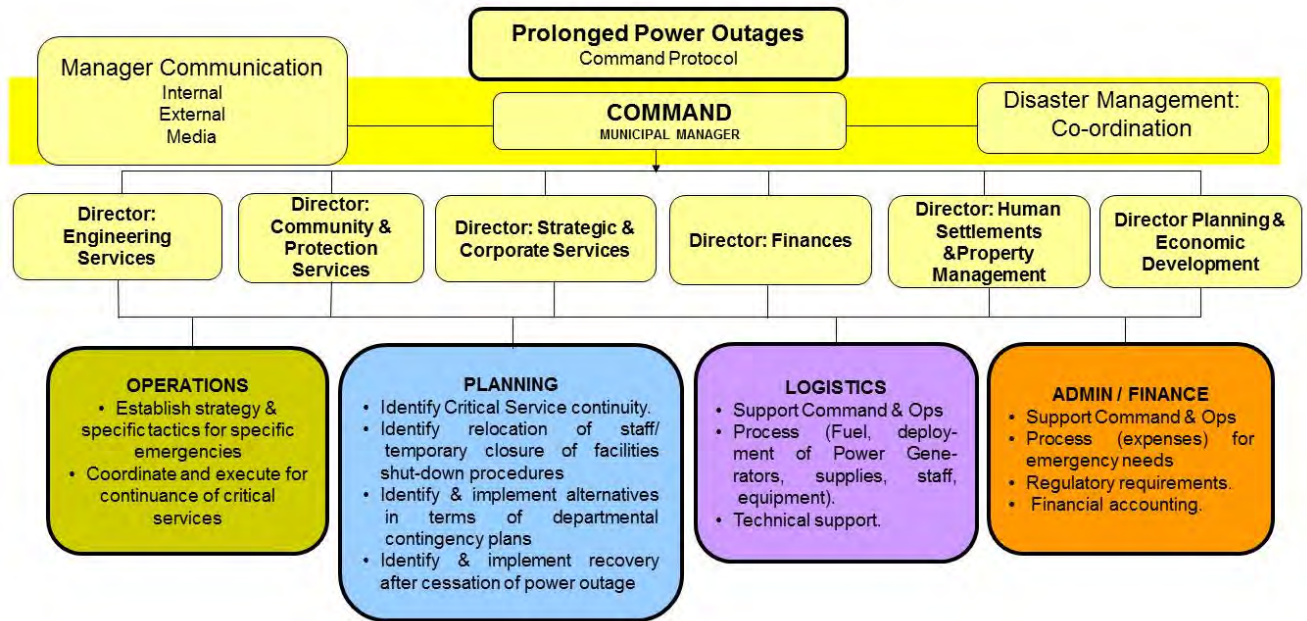
7.2.1

TOTAL FOR ALL THE BUILDINGS

APPENDIX 3

ANNEXURE 3

JOC ACTIVATION: HIGH LEVEL PROTOCOL



7.2.1

**RISK MITIGATION PROJECT-
AND BUSINESS PLAN**

APPENDIX 4



STELLENBOSCH
STELLENBOSCH • PNIEL • FRANSCHHOEK
MUNISIPALITEIT • UMASIPALA • MUNICIPALITY



Stellenbosch Municipality

Power Outages

Business Plan



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Executive Summary

In July 2016 the Council of Stellenbosch approved a contingency plan for the Greater Stellenbosch in the event of a total power outage. This proactive plan was developed to ensure that service delivery continues without delay to business and communities.

The contingency plan emanates from the continuous load shedding which was experienced throughout the Country. The administration through the disaster management section, as a coordinating functionary, was delegated at the 41st Council meeting to reflect the financial needs as depicted in item 8.5 of the aforementioned council agenda, in the form of a business plan over two year financial period.

Background

During February 2015 a Provincial Circular, directed to Municipal Managers in the Western Cape, was received from Dr H Fast (Head of Department, Western Cape Government) which requested a contingency plan for power outages from municipalities. The main focus of the circular was as follows (cited verbatim).

“Should there be such a prolonged electricity shutdown, it would be imperative that water and wastewater treatment processes continue.

For this reason, we urge you to put the following measures in place:

Ensure that there is back-up generating capacity at your water and wastewater treatment works, and that there are sufficient fuel reserves to supply the generators;

Ensure that your water reservoir levels are kept at maximum levels.”

The circular further indicated that a central co-coordinating committee responsible for the development, management and execution of the Contingency Plan, must be established.

Further points of note in the circular are:

- Resourcing the plan through trained and competent staff, appropriate funding allocation, plant and equipment and adequate fuel capacity;
- Identify “priority” areas or “hot spots” which should be prioritized in the Contingency Plan;
- The typically main priority areas are indicated as:
 - Water/Waste water purification plants and pump stations;
 - Sewage pump stations;
 - Hospitals, clinics, schools, high employment, GDP businesses, Disaster Management Centres, residential areas and Public Transport facilities

-The preparedness period indicated as 48 hrs.

Contingency Planning Phase

Advance planning and preparation that is necessary to:

- identify the extent of potential losses/breakdown in services;
- formulate and implement viable recovery strategies;
- develop recovery plans that ensure continuity of organizational services in event of prolonged power outages.

The contents of the item allude to mitigation approaches regarding low and short term power outages.

It must however, be kept in mind that after an executive decision has been made, it will then be clear what contingency plans need to be done by the various managers and heads concerning the facilities and staff under their control.

It is clear that not all facilities will be provided with emergency power. In case of a prolonged power outage, staff will initially (dependent on availability of fuel and transport) need to be re-allocated to different facilities where possible or other arrangements must be put in place (e.g. to work from private residences). Should office buildings have to be shut and locked, such procedures must be identified and approved. The absence from work and other labour issues regarding remuneration also need to be addressed and clearly indicated in specific policies and the approval of the Stellenbosch Municipal Council attained. It is envisaged that a generic plan will not suit this exercise, as the situation and alternatives from facilities and staff differ drastically. Continuance of tasks that are critical to service delivery must be clearly defined and submitted for the approval of the Stellenbosch Municipal Council.

It will therefore be vital for senior officials to define such contingencies and a plan and a consolidated plan be submitted to the Stellenbosch Municipal Council.

Should any power outage exceed a period of 24 hours (either by incident or warning by ESKOM, a Joint Operational Centre (JOC) will be established in accordance with the high level structure as per Annexure.

Consultation

A consultative meeting was scheduled for and held on 18 August 2016 with the aim to consult as widely as possible and to get consensus regarding the prioritization of the projects.

Implementation Strategy**Step 1: Procurement of 3 X Emergency Mobile 110kVA Generators and Beltana depot and plant as reflected by Electrical department**

Financial year	Item to be procured	Estimate	Procurement process	Justification
2016/17 Adjustment budget	3X 110kva mobile generators	R1 500 000	Tender	For rapid deployment in need
2016/17 Adjustment budget	1 x Mobile generator 150kw for Beltana depot	320 000	Tender	Uninterrupted provision of fuel
2016/17 Adjustment budget	4 x Mobile generator for maintenance	50 000	FQ	Uninterrupted service
2016/17 Adjustment budget	20 x Solar security lights	60 000	FQ	Security
2016/17 Adjustment budget	Rooftop PV installation	500 000	Tender	Independent power supply
		R2 430 000		

Step 2: Property Management (Municipal Offices)

The Property Management Department performed an analyses on the buildings listed to procure the relevant risk mitigation equipment. Budget provision should be made in the 2017/2018 financial year.

Financial year	Item to be procured	Estimate	Procurement process	Justification
2017/18 Adjustment budget	Generator Neethling House/Town Hall	R 2 080 000.00	Tender	Business continuity
2017/18 Adjustment budget	Generator Fire Station Cluver Road	R 80 000.00	Tender	Business continuity
2017/18 Adjustment budget	Generator Traffic Services Joubert Street	R 400 000.00	Tender	Business continuity
2017/18 Adjustment budget	Generator Pniel offices	R 380 000.00	Tender	Business continuity
2017/18 Adjustment budget	Generator Franschhoek main offices	R 430 000.00	Tender	Business continuity
		R3 370 000		

Conclusion

Since the development of the contingency plan the Eskom's electricity generating capacity has dramatically improved to such extend that Stellenbosch has not experienced power outages for the past twelve months. It is nonetheless important to remain prepared and put proactive measures forward to give effect to the contingency and mitigation plan.

7.3

**CORPORATE AND
STRATEGIC SERVICES**

CLLR E GROENEWALD (MS)

7.3	CORPORATE AND STRATEGIC SERVICES: (CLLR E GROENEWALD (MS))
-----	--

NONE

7.4

**ECONOMIC DEVELOPMENT
AND PLANNING**

ALD JP SERDYN (MS)

7.4.1	PROPOSAL FOR AMENDMENT OF MUNICIPAL BOUNDARY
--------------	---

1. PURPOSE OF REPORT

To enable Council to make an informed decision on the proposal to consider the exclusion of portion 112 of Farm 222, Stellenbosch from the Stellenbosch area of justification to enable inclusion into the City of Cape Town area of jurisdiction.

Council's decision will be submitted to the Demarcation Board. The proposal is **recommended to be supported**.

2. BACKGROUND

A proposal has been received by Terraplan Town & Regional Planners for the amendment of municipal boundary, the particulars of which is discussed below.

3. DISCUSSION

Proposal

The above proposal is made in terms of the Municipal Demarcation Act 27 of 1998 for an amendment of the municipal boundary. Stellenbosch Municipality must consider the exclusion of portion 112 of Farm 222, Stellenbosch from the area of justification to enable inclusion in to the City of Cape Town area of jurisdiction.

The land currently forms part of the redundant N7 road reserve near Bottelary Road.

The detail of the property concerned is included in the table below:

Property Information

Farm number	Farm No.222/112, Stellenbosch Division
Location	Bottelary Road, Stellenbosch See APPENDIX 1 for Locality Plan
Zoning/Zoning Scheme	Agriculture Zone 1 / Section 8 Zoning Scheme Regulations
Property size	13.8276ha
Owner	Spotprops 48 (Pth) Ltd
Applicant	Terraplan Town & Regional Planners

Legal requirements

Applicable laws and ordinances:

Municipal Demarcation Act 27 of 1998

Public participation

The application was circulated to the following internal departments:

- 1) Property Services

- 2) Traffic Engineering
- 3) Civil Engineering

Comments from internal departments:

The **Department of Traffic Engineering** has no objection against the proposal.

The **Department Corporate Services (Property)** has no objection against the proposal subject to conditions (See **APPENDIX 2**).

The **Department of Civil Engineering Services** has no objection against the proposal subject to conditions (See **APPENDIX 3**).

Planning Assessment

A proposal for rezoning and subdivision on Portions 86 and 112 of Farm 222 was submitted by Terraplan Town Planners.

Portion 86 of Farm 222 is located within the City of Cape Town municipal boundary and located within the City of Cape Town Urban Edge. It is earmarked for development in terms of the Cape Town Spatial Development Framework and Tygerberg District Plan.

Portion 112 of Farm 222 is located inside the Stellenbosch Municipal area, but situated some distance from the nearest recognised urban node and located outside the urban edge.

It is the intention of the developer to rezone the property from Agricultural Zone I to Subdivisional Area with the aim to develop group housing. The property is currently undeveloped and no longer required for road purposes and has become redundant.

The adjoining application as well as the application for rezoning and subdivision on this site has been lodged at the City of Cape Town. It is the intention of the developer to develop the two properties together if the proposal is considered positively.

If the portion of land remained in the jurisdiction area of Stellenbosch Municipality the application would not be supported as it is located outside the urban edge. The applicant was therefore advised to submit both applications for residential development at City of Cape Town and apply for the adjustment of municipal boundary to incorporate the land into the City of Cape Town area of jurisdiction.

An application also needs to be submitted to the Demarcation Board for the amendment of the municipal boundary should Council support the proposal.

Access and bulk services would be provided from City of Cape Town and cannot be provided by Stellenbosch Municipality.

4. LEGAL IMPLICATIONS

Please refer to **APPENDIX 4** for comment from external legal advisors, STBB.

5. FINANCIAL IMPLICATIONS

The proposal was circulated to the Chief Financial Officer and the proposal is supported.

RECOMMENDED

that the proposal for an amendment of the municipal boundary in order to exclude Portion 112 of Farm 222 from the Stellenbosch area of jurisdiction and enabling the inclusion into the City of Cape Town area of jurisdiction be supported, and that the Municipal Manager be authorised to recommend same to the Municipal Demarcation Board.

APPENDICES

- Appendix 1: Locality plan
- Appendix 2: Comment from Department Corporate Services (Property)
- Appendix 3: Comment from Department of Civil Engineering Services
- Appendix 4: Comment from external legal advisors (STBB)

**PLANNING AND ECONOMIC DEVELOPMENT COMMITTEE: 2016-05-31:
ITEM 6.1.3****RECOMMENDED**

that the proposal for an amendment of the municipal boundary in order to exclude Portion 112 of Farm 222 from the Stellenbosch area of jurisdiction and enabling the inclusion into the City of Cape Town area of jurisdiction be supported, and that the Municipal Manager be authorised to recommend same to the Municipal Demarcation Board.

MAYORAL COMMITTEE MEETING: 2016-06-10: ITEM 5.1.4**RECOMMENDED BY THE EXECUTIVE MAYOR**

that the proposal for an amendment of the municipal boundary in order to exclude Portion 112 of Farm 222 from the Stellenbosch area of jurisdiction and enabling the inclusion into the City of Cape Town area of jurisdiction be supported, and that the Municipal Manager be authorised to recommend same to the Municipal Demarcation Board.

FOR CONSIDERATION

MAYORAL COMMITTEE MEETING: 2016-09-21: ITEM 5.1.3**RECOMMENDED**

that the Proposal for an Amendment of the Municipal Boundary **not be approved.**

REASONS FOR REFUSAL

1. In the long term the land would be more suitable for small scale agricultural cultivation and land reform than for low density residential use.
2. Stellenbosch has limited agricultural land for the cultivation of food. Considering the high level of the water table, as well as the surrounding agricultural activities, this land could be used for agricultural related activities.
3. Any surrendering of municipal land on the municipal boundaries would create a precedent in view of the fact that similar applications still await a decision.
4. The application is not sufficiently motivated, and the impact is not adequately addressed.

Meeting:	<i>Council: 2016-10-05</i>	Submitted by Directorate:	<i>Economic Development & Planning</i>
Ref No:	<i>PL 222/112S</i>	Author:	<i>B Henning (Ms)</i>
		Referred from:	<i>EM 2016-09-21</i>

7.4.1

LOCALITY PLAN

APPENDIX 1

CITY OF CAPE TOWN

STELLENBOSCH MUNICIPALITY

Portion 86 of Farm 222

Portion 112 of Farm 222

Municipality Boundary

Proposed Project

Scale 1: 15 000



APPENDIX 1

7.4.1

**COMMENT FROM DEPARTMENT:
CORPORATE SERVICES (PROPERTY)**

APPENDIX 2

ERWYSING/REF: Farm 222/112 Stellenbosch DATUM/DATE : 08 October 2015

- MEMO AAN :**
- Director : Verkeers Ing / Traffic Engineer
 - Director : Ing en Tegn Dienste / Engineering Dep
 - Director : Elek Ing dienste/ Electrical Dept
 - Manager : Building Control
 - Director : Brandweerdienste / Fire Dept
 - Director: Corporate Services
 - Manager: Spatial Planning & Heritage section (**ENVIRONMENT & SIGNAGE**) Attn. S Van Der Merwe
 - Director : Gesondheidsdienste / Health Dept (**Winelands health**)
 - Manager: Social Services (Community development)
 - Director: Parks

Application	The purpose of this proposal is to request Stellenbosch Municipality to consider the exclusion of portion 112 of Farm 222, Stellenbosch from their area of justification, to enable inclusion in to the City of Cape Town area of jurisdiction. The land currently forms part of the redundant N7 road reserve near Bottelary Road.
Adres / Address	Bottelary Road
Aansoek Datum / Application Date	18 August 2015
Aansoeker / Applicant	Terraplan Town and Regional Planners



Aangeheg vind u tersaaklike dokumentasie in verband met bogenoemde aansoek. Ten einde my in staat te stel om die aansoek aan die Beplanning- en Ontwikkelingskomitee vir oorweging voor te lê, word u versoek om my skriftelik van u kommentaar, indien enige, te voorsien.

Onderskei asseblief tussen algemene kommentaar op die meriete van die aansoek en enige voorwaardes wat u departement wil oplê indien die aansoek goedgekeur word.

Attached please find the relevant documentation regarding the abovementioned application. In order to enable us to submit the application to the Planning and Development committee for consideration, we request that you supply us with your written comment, if any.

Please intercept between general comment on the merits of the application and any conditions that your department would like to lay on if the application has been approved.

Geliewe die memorandum per hand aan my terug te besorg voor of op **07 November 2015**
 Please forward the memorandum by hand to me on or before:.....
 (Datum/Date)

U Von Molendorff
 For DIRECTOR: PLANNING AND ECONOMIC DEVELOPMENT

ALGEMENE KOMMENTAAR:

GENERAL COMMENT: *The application is supported. Please vote, however that Stellenbosch Municipality cannot consider the application, it can only provide a report to the Regional Council and pass a section 26 of the Local Government: Municipalities Act, 1998.*

VOORWAARDES/CONDITIONS.....

HANDTEKENING / SIGNATURE	DATUM / DATE
<i>[Signature]</i>	<i>2015-10-14</i>

FILE NO: _____

REF: _____

F 222/112 S

STAMP NO: _____

390517

7.4.1

**COMMENT FROM DEPARTMENT:
CIVIL ENGINEERING SERVICES**

APPENDIX 3



STELLENBOSCH MUNICIPALITY
STELLENBOSCH · PNIEL · FRANSCHHOEK

MEMORANDUM

DIREKTORAAT: INGENIEURSDIENSTE
DIRECTORATE: ENGINEERING SERVICES

To ▫ Aan: Director: Planning + Economic Development
Att Aandag Ulrich von Molendorff
From ▫ Van: Willem Pretorius (Development Services)
Date ▫ Datum: 31/12/2015
Our Ref ▫ Ons Verw: Farm 222/112 Stellenbosch
Re ▫ Insake: Exclusion of portion 112 of Farm 222, Stellenbosch from our area of justification to enable inclusion in to the City of Cape Town area of jurisdiction.



The application for the request to exclude portion 112 of Farm 222, Stellenbosch from our area of justification to enable inclusion in to the City of Cape Town area of jurisdiction is APPROVED under the following conditions

1. Water Supply

Domestic water supply to be provided by the City of Cape Town.

2. Waste Water and Sewage

Waste water and sewage infrastructure and services to be provided by the City of Cape Town.

3. Solid Waste

Solid waste must be removed from the site to a legal solid waste disposal site in accordance with the requirements of Section 20 of the Environmental Conservation Act 1989 (Act 73 of 1989).

4. Stormwater

Stormwater infrastructure and ground water run-off to be provided for by the City of Cape Town.

5. Roads

Entrance and exit from the premises to be finalized by the City of Cape Town and also in conjunction with the district roads engineer.

A handwritten signature in black ink, appearing to read 'Willem Pretorius', enclosed within a large, hand-drawn oval.

**Willem Pretorius (Pr Eng, PMP)
Manager: Development Services & Project Management**

W:\USERS\Willem\Memorandums\Memo Lupo 1080 Exclusion of portion 112 of Farm 222 Stellenbosch to COCT.doc

7.4.1

**COMMENT FROM EXTERNAL
LEGAL ADVISORS (STBB)**

APPENDIX 4

t: +27 (0) 21 850 6400
 f: +27 (0) 21 852 1770
 1st Floor, Dynarc Triangle, 13 Urtel Crescent
 Somerset Mall, Somerset West
 PO Box 327, Somerset Mall, 7137
 DX 15 Somerset West Somerset West
 Direct Line: +27 (0) 21 850 6400
 GuanP@stbb.co.za | www.stbb.co.za

THE STELLENBOSCH MUNICIPALITY
 Stellenbosch

Your Ref:

Our Ref: GP/AVR/AS

Date: 15 May 2016

Dear Sir / Madam

Re: **Legal implications: Proposal for amendment of municipal boundary**

1. The Stellenbosch Municipality ("*the Municipality*") has requested us to provide external legal comments in respect to the possible legal implications of a proposal for amendment of the municipal boundary, as set out in a report with File No. PL222/112S ("*the report*").
2. The report has as its purpose the elucidation of the proposal in order to enable Counsel to make an informed decision thereon and the report arrives at the conclusion that the proposal should be supported.
3. Of significance from a legal perspective, are the provisions of the Local Government: Municipal Demarcation Act, No. 27 of 1998 ("*the Act*"), which establishes the Municipal Demarcation Board ("*the Board*"). The functions of the Board are to determine municipal boundaries in accordance with the Act and other appropriate legislation enacted in terms of Chapter 7 of the Constitution of the Republic of South Africa, Act 108 of 1996 ("*the Constitution*").
4. In terms of section 21 of the Act, the Board must:
 - 4.1. determine municipal boundaries in the territory of the Republic of South Africa; and
 - 4.2. may re-determine any municipal boundaries determined by it as set out above.
5. Section 21 of the Act further provides for the process to be followed in making such determination, which includes:

Attorneys Notaries & Conveyancers

Directors: Jonathan Steytler (Managing) | Stoffel Ackermann | Peter Arnot | Martin Bey | Jacques Bignaut | Darren Brander | Luthfeya Cassim | Tim Chase | Jacques Classen | Melanie Coetzee | Kevin Daniel | Thabisile Dlamini | Refqah Fataar Ho-Yee | Harry Friedland | Niel Grundlingh | Warren Hamer | Bev l'Ons-Raeburn | Roux Kemp | Gerhard Kotze | Belinda Lewis | Robert Mathare | Corlene Mostert | Hennie Mouton | Martine Newman | Neil Parker | James Phillipson | Cris Riego de Dios | Martin Sheard | Roshana Solomon | Philip Steyn | Marilize Swart | Dumisani Tabata | June Theron | Annetjie van Rooyen | Percy van Staden | Ferdinand Verryn | Shereen Volks | Allan White

Senior Associates: M Botha | L De Gouveia | D Du Plessis | H Dyssel | H Ferreira | J Foxcroft | N Hayes | V W Jooste | D Starkey | N Stevens | L Sullivan | A Wiese

Associates: S Chettiar | J Greyling | J Hamers | N Mentoor | H Scudamore | T Smit | G Potgieter | A Van Vuuren | T Wainwright | B White | M Williams

Executive Consultants: Lizelle Kilbourn | Graham Liebenberg | Andy McPherson | Andre Swart | Colin Traub | Richard Volks

Financial Manager: Cullen Penny

Cape Town: 021 406 9100 | Bedfordview: 011 453 0577 | Centurion: 012 001 1546 | Claremont: 021 673 4700 | Fish Hoek: 021 784 1580 | Illovo: 011 219 6200 | Somerset Mall: 021 850 6400 | Stellenbosch: 021 001 1170 | Table View: 021 521 4000 | Tyger Valley: 021 943 3800 | Menlyn: 012 348 1682

Registration No: 1992/003316/21

VAT Reg No: 4670133877

- 5.1. publishing the determination or re-determination, as the case may be, in the relevant Provincial Gazette; and
 - 5.2. providing a mechanism for objections from members of the public.
6. In terms of section 23 of the Act, the Board is required to send particulars of the demarcation, or re-demarcation, to the Independent Electoral Commission (“*the IEC*”), who may further determine that the determination or re-determination will either take effect from the date determined by notice in the relevant Provincial Gazette by the MEC for Local Government in the province concerned or, should the IEC be of the view that a re-demarcation will affect the representation of voters within a council of any of the Municipalities affected thereby, such re-determination will only take effect from the date of the next election in the area concerned.
7. In terms of section 25 of the Act, the following factors are to be taken into account by the Board when determining or re-determining a municipal boundary:
- 7.1. the interdependence of the communities and economies affected thereby;
 - 7.2. the need for cohesive, integrated and unfragmented areas, including Metropolitan areas;
 - 7.3. the financial viability and administrative capacity of the Municipality to perform municipal functions effectively and efficiently;
 - 7.4. the need to share and redistribute financial and administrative resources;
 - 7.5. provincial and municipal boundaries;
 - 7.6. areas of traditional rural communities;
 - 7.7. existing and proposed functional boundaries, including magisterial districts, voting districts, health, transport, police and census enumerated boundaries;
 - 7.8. existing and expected and land use, social, economic and transport planning;
 - 7.9. the need for co-ordinated municipal, provincial and national programmes and services, including the need for the administration of justice and healthcare;
 - 7.10. topographical, environmental and physical characteristics of the area;
 - 7.11. the administrative consequences of the determination on:
 - 7.11.1. municipal creditworthiness;
 - 7.11.2. existing municipalities, the council members and staff; and

- 7.11.3. any other relevant matter;
- 7.12. the need to rationalise the total number of municipalities within different categories and of different types to achieve the objectives of effective and sustainable service delivery, financial viability and macro-economic stability.
8. Before the Board considers any determination of a municipal boundary in terms of section 21 of the Act, it must, in terms of section 26 of the Act, publish a notice in a newspaper circulating in the area concerned which:
 - 8.1. states the Board's intention to consider the matter; and
 - 8.2. invites written representations and views from the public within a specific period.
9. When the Board publishes a notice, it must convey by radio or other appropriate means of communication, the content of the notice in that area concerned, as set out in section 26(2) of the Act. The Board is further compelled, in terms of section 26(3) of the Act, to send, by registered post, electronic means or by hand, a copy of the notice to:
 - 9.1. the MEC for Local Government in the province concerned;
 - 9.2. each municipality that will be affected by the Board's consideration of the matter;
 - 9.3. the Magistrate concerned if any magisterial district is affected; and
 - 9.4. the Provincial House of Traditional Leaders concerned, established by provincial legislation in terms of section 212(2)(a) of the Constitution, if the boundary of traditional authority is affected,and invite them to submit written representations or their views on the matter to the Board within the period determined in terms of the public notice.
10. In the premise, it is clear that the final decision in respect of the re-demarcation lies with the Board, but that the Municipality should consider its support or otherwise thereof against the background of the factors set out in paragraph 7 above.

Yours faithfully

STBB | SMITH TABATA BUCHANAN BOYES

G Potgieter

7.4.2

COMMUNITY WORKS PROGRAM APPROVAL: 2016/17 AND BEYOND**1. PURPOSE OF REPORT**

To obtain Council's approval of the Community Works Program (CWP) for the 2016/17 financial year and subsequent years. Item is recommended for approval.

2. BACKGROUND

The Municipality faces specific challenges in consistently delivering services to the community as is obvious from the Integrated Development Plan (IDP) feedback. Certain functions cannot be executed as they fall outside of the mandate / functions of the Municipality, but communities struggle to understand the statutory distinctions. The CWP allows the Municipality to identify work in consultation with the local communities outside of its functional area and to execute same through labour based community initiatives.

The purpose of the program is to supplement people's existing livelihood strategies (i.e. allowing employment of under-employed and/or unemployed citizens) by offering a basic level of income security through work in identified communities. It is an on-going programme that does not replace any of the existing government social grant / job creation programs, e.g. the Expanded Public Works Program (EPWP).

Department of Cooperative Governance (DCoG) is the program sponsor. According to the program prescripts, it provides a bridging opportunity for unemployed, youth, disabled and others who are actively looking for employment opportunities, hence the limitation on only employing people two days of a week. The program provides them with needed / extra income to support them in their search for full-time or part-time employment. Program participants also have to do community work, to avoid travel and other costs and thus contributing to improvements in their own communities.

The program gives participants a maximum of two days a week employment, i.e. eight days a month, or 100 days a year at R81,00 / day for labourers. CWP sites have to be established in marginalised economic areas, rural and urban, where unemployment and community needs are high. From and by the participants, supervisors, administrators and storekeepers are elected, who earn R105,00 / day and who may work four days a week. Initially this CWP will only provide 500 opportunities for Stellenbosch, whereas the typical program employs 1 000 opportunities. Should the program be implemented successfully, then, within two years, the municipality can expect a program providing 1 000 opportunities.

The DCoG, through its regional agents, undertakes overall management and contracting, with the assistance of the local municipality. Implementing Agents (IA's) contracted by DCoG roll out the program at local level. The IA is appointed to develop the site, provide financial, logistics and project management, while building local capacity through partnerships with local non-governmental organisations (NGO) and community-based organisations (CBO's). It is thus clearly not a

municipal program with municipal projects. It is a community based program focused on projects highlighted in and by communities in the IDP, facilitated by the Municipality.

The IA's also work with the community and other stakeholders to identify "useful work" that will benefit the community as a whole, i.e. the projects that have to respond to the IDP needs / priorities.

3. DISCUSSION

3.1 Structure

The CWP is structured at municipal level in two tiers, namely the labourers and the supervisors, storekeepers and administrators, with a local representative committee (LRC) to identify the "useful work" and then oversee the execution with the municipal and IA representatives.

3.2 Funding the CWP

The CWP is funded from the national budget. Wages have been set at R81 a day and R105 a day for supervisors, based on the wage-contribution approved in the national budget for the non-state sector of EPWP. Wages are paid directly into workers' bank accounts through the implementing agency, i.e. not the municipality. The number of days any participant may work in the program is limited, in order to make sure that more people benefit from the programme. In practice, it offers two days of work per week (or the monthly equivalent), which adds up to a maximum of 100 days of work for a participant spread throughout the year.

The CWP prioritises labour-intensive activities and 65% of the money at site level goes to the workers. This ratio requires partnerships with other players to co-resource or co-fund activities with high material inputs. The initial allocation to Stellenbosch provides for the following (in rounded figures):

- 3.2.1 R4,7 million in wages;
- 3.2.2 R451 000,00 for training;
- 3.2.3 R258 000,00 for tools and equipment; and
- 3.2.4 R580 000,00 for personal protective equipment.

Before any participant can start work, they must be registered, and approved by DCoG on the Management Information System (MIS). In order to register and be approved on the MIS, a would-be participant needs to provide the Site Administrator with an ID document; an original bank statement which is not older than 3-months, and which has a bank stamp on it; complete a Registration form and sign a Contract Agreement. Recruitment occurs primarily off the municipal unemployed database.

Data is captured on the MIS and verified by the Implementing Agent, who then submits it to the DCoG for payment purposes. Wages are only paid into a valid bank account belonging to a participant, and not to someone else's bank account. The rule of no work, no pay applies.

3.3 What kind of work is provided?

The local community where the site is located is actively involved in identifying 'useful work' they believe is needed in their area. 'Useful work' is defined as an activity that contributes to the public good. The work responds to priorities set at a local level and focuses on labour-intensive activities, linked to the IDP projects, goals and programs. These include planting and cultivating food gardens at clinics, schools, churches and in household plots; home-based care; developing recreation spaces and sporting facilities; environmental rehabilitation; general maintenance work, including the cleaning of schools, as well as other tasks to support schools and community safety.

3.4 Who can apply for enrolment in the CWP?

The programme is targeted at poor, unemployed and underemployed men and women. The programme strongly identifies with the needs of women, youth and people with disabilities, and ensures that they are not excluded.

At a local Municipal level, there will be a Local Reference Committee (LRC) that advises and supports the implementation of the Community Work Programme. This structure ensures that there is a work plan for CWP participants, and that key stakeholders within the municipality and sector departments work with the implementing agencies in supporting the programme.

Political champion for CWP serving on the LRC needs to be appointed by Council when approving the implementation of the program at Stellenbosch Municipality

3.5 Wards

Communities are actively involved in identifying 'useful work' needed in local areas. For this purpose, the following is proposed:

- 3.5.1 Home based care: Wards 1 - 6; 8; 9; 12 – 15; 16 and 18.
- 3.5.2 School maintenance: Wards 4; 19; 20.
- 3.5.3 ECD support (administration and learner support): Wards 1 – 4; 8; 12 - 15; 16 and 18.
- 3.5.4 Food gardening: Wards 1; 2; 3; 4; 5.
- 3.5.5 Cleaning and maintenance of libraries and community halls: All wards.
- 3.5.6 Support to Grant-in-Aid recipients: Proposed program to support Grant-in-Aid recipients in all wards.
- 3.5.7 Parks, open space and recreational area maintenance: Wards 1 - 6; 8; 10; and 12 – 21.
- 3.5.8 Cemetery maintenance: Wards 1; 2; 4; and 11.
- 3.5.9 River maintenance: Wards 1 - 6; 8 - 10; and 12 – 22.
- 3.5.10 Public garden and tree maintenance: Wards 1 - 6; 8; 10; and 12 – 21.
- 3.5.11 Area cleaning and tidiness: Wards 1 - 6; 8; 10; and 12 - 22.

It should be noted that the programme cannot be implemented in all wards mentioned above at the same time. The above-mentioned wards are wards where projects will be considered and implemented based on

project readiness, the availability of funds, the capacity of resources and the strategic objective and priorities of Council.

Should Grant-in-Aid recipients or other non-governmental organisations accommodate CWP beneficiaries, then these organisations need to be trained and skilled to participate in the program and sign the necessary commitments and agreements to ensure best use is made of the assistance.

3.6 Projects

The actual projects need to be identified and agreed to with the local project committees, to ensure that people are employed where the communities feel that the best benefit can be derived. Given that it is an election year, these programs and projects cannot be defined in time for the money to be spent, which is March 2017.

In view of the special circumstances, the wards and the broad project definitions are recommended. The participants and the exact project locations and definitions can be refined through community participation in the different wards following on the Council decision to accept the CWP and to assist in its management and administration.

4. FINANCIAL IMPLICATION

The estimated overall costs to administer the program from the Stellenbosch Municipality will not exceed R1,0 million (salary, allowances and contributions to operational aspects). In exchange, the municipal communities can benefit from R5,0 million in new investment and on-going services, doubling to R10,0 million if the initial stages of the program can be implemented successfully.

5. CONCLUSION

From the above it is obvious that the Municipality and the residents will benefit from the CWP. The municipal financial implications are limited to supporting functions and ensuring that the implementing agents are given the information and guidance required to make a success of a significant investment.

RECOMMENDED

- (a) that the Municipality participates in the CWP as an initiative to provide additional employment opportunities to local residents as a safety net in projects to be aligned to the IDP;
- (b) that the Department: Local Economic Development, EPWP Coordinator also be designated as the CWP Coordinator to participate in all the relevant activities required in terms of the program;
- (c) that the Portfolio Chairperson for Planning and Economic Development also be designated as the council representative on the CWP Local Representative Committee; and
- (d) that the projects listed in paragraph 3.5 above be accepted as the projects for the initial phase of the CWP.

MAYORAL COMMITTEE MEETING: 2016-09-21: ITEM 6.1.1**RECOMMENDED**

- (a) that the Municipality participates in the Community Works Program (CWP) for two cycles, up to March 2018;
- (b) that the Director: Local Economic Development and Planning be designated as the CWP Coordinator to participate in all the relevant activities required in terms of the program;
- (c) that the Portfolio Chairperson for Planning and Economic Development also be designated as the council representative on the CWP Local Representative Committee; and
- (d) that the projects listed in paragraph 3.5 (including wards 9 and 22 in 3.5.9 and ward 22 in 3.5.11) be accepted as the projects for the first two cycles of the CWP, whereafter the ward committees will identify the projects for the subsequent cycles, if the program continues.

Meeting:	<i>Council: 2016-10-05</i>	Submitted by Directorate:	<i>Economic Development & Planning</i>
Ref No:	<i>9/2/1/1/1/5</i>	Author:	<i>D Lombaard</i>
		Referred from:	<i>EM 2016-09-21</i>

7.4.3	MFMA SECTION 116(3) – PROPOSAL TO EXTEND THE INTEGRATED ZONING SCHEME CONTRACT
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1. PURPOSE OF REPORT

To obtain Council approval for the extension of the contract of the service provider to perform additional work in respect of the Integrated Zoning Scheme (IZS).

2. BACKGROUND

A zoning scheme is a legal document that records all land use rights on properties within the area of jurisdiction of a municipality. The purpose of a zoning scheme is to allocate rights to a property with respect to:

- (i) the use which may be conducted from the property;
- (ii) the extent to which buildings may be developed on the property; and
- (iii) any other related matters, eg heritage, parking, etc.

In 2012 Stellenbosch Municipality embarked on a project to prepare an Integrated Zoning Scheme (IZS) for Stellenbosch Municipality (WC024). This project was aimed at standardising, reviewing and addressing the main shortcomings of the various “legacy” zoning and scheme regulations of earlier administrations. These older schemes, amongst other, include Franschoek, Stellenbosch, Kayamandi and rural area which regulated land in different ways. Amongst others the Municipality has no delegation to consider land use planning applications in Kayamandi under the existing old zoning scheme applicable to the area.

3. DISCUSSION

The drafting of a Zoning Scheme for Stellenbosch Municipality was done in terms of the requirements of the Land Use Planning Ordinance, 15 of 1985 (LUPO). The draft IZS was adopted by Council at its 16th meeting dated 2013-10-24 (Item 8.8).

Due to legislative changes in 2013 (promulgation of SPLUMA) and the Land Use Planning Act (LUPA), 2014, a revised legal process had to be initiated to finalise the IZS. In terms of these two pieces of legislation the municipality now have full responsibility for land use planning in its area of jurisdiction. It should embark on a process in terms of the Local Government: Municipal Systems Act, 2000 (Act 21 of 2000) to compile a by-law to regulate the administrative processes of the integrated municipal zoning scheme.

A service provider was appointed prior to legislative changes in 2013. Various engagements between the council and officials were held. It became clear that the project will not be completed by the initial completion date (December 2016).

3.1 An extension to the contract is therefore required to include the following additional tasks into the scope of work:

- 3.1.1 Resolution of all issues raised in departmental comments, including one-on-one meetings to resolve and discuss with the relevant officials, including write-up of scheme and incorporation into GIS maps;
- 3.1.2 inter-departmental one day workshops to finalise the IZS for Stellenbosch with the focus on:
 - (a) an overview of the regulatory framework and new legislation;
 - (b) history of the project and process followed;
 - (c) SDF and IDP and other laws and the relationship with the zoning scheme;
 - (d) old zones/new zones:
 - (i) conventional residential zones
 - (ii) incremental residential zones
 - (iii) high density residential zones
 - (iv) community zones
 - (v) business use zones
 - (vi) industrial use zones
 - (vii) open space, recreational and conservation zones
 - (viii) utility and transport
 - (ix) overlay zones
 - (e) new zoning maps – how do the conversions work; and
 - (f) overview of public participation process and further comment procedures;
- 3.1.3 integration and alignment of the UDS/SDF/IDP strategic objectives and IZS;
- 3.1.4 facilitation and presentation at workshop for officials and councillors, including printing of plans; and;
- 3.1.5 workshop write-up and presentation material.

It is estimated that the project will be concluded by June 2017.

3.2 Reasons for the delay in concluding the project include the following:

- (a) the Spatial Planning Land Use Management Act, 2013 was only enacted in July 2015 as well as the Land Use Planning Act, 2014 in August 2015. The late promulgation of these Acts effectively delayed the project start;

- (b) the Planning Department followed a more extensive inter-departmental comment process, which took longer than originally set out in the scope of works;
- (c) this process highlighted a number of issues which has led to the need for an additional interdepartmental workshop which was not included for in the scope of works and which will lead to additional revision to the draft by-law document;
- (d) the outcomes of the workshop will also lead to amendments to the zoning map in GIS; and
- (e) it would not have been prudent to advertise the by-law on an Integrated Zoning Scheme for public comment in the run-up to the local government elections in August. Permission to advertise can only be obtained at the earliest in October 2016 once the portfolio committees have been constituted. This means the earliest possible conclusion date for this project is June 2017.

A quote for the above-mentioned additional work to be performed is outlined in the attached **APPENDIX 1**. As no provision in the budget has been made for the additional work, it is proposed that the Administration be commissioned to make budgetary provision in this regard through the adjustment budget process.

3.3 **Prescriptive provisions of Section 116(3) of the Municipal Finance Management Act, 56 of 2003**

In light of the reasons for extension, Council may authorise the extension into the MFMA section 116(3) which reads:

- (3) *A contract or agreement procured through the supply chain management policy of the municipality or municipal entity may amended by parties, but only after-*
 - (a) *the reasons for the proposed amendment have been tabled in the council of the municipality or, in the case of a municipal entity, in the council of its parent municipality, and*
 - (b) *the local community-*
 - (i) *has been given reasonable notice the intention to amend the contract arrangement; and*
 - (ii) *has been invited to submit representations to the municipality or municipality entity.*

4. **LEGAL DEPARTMENT**

None required.

5. **FINANCIAL IMPLICATION**

Financial Services support the item.

RECOMMENDED

- (a) that Council takes note of the prescriptive provisions of Section 116(3) of the Local Government: Municipal Finance Management Act, 56 of 2003 enabling local government institutions to amend contracts with service providers under certain conditions, being:

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- (i) the reasons for the proposed extension of the contract have been submitted to Council for consideration;
 - (ii) the public was given reasonable notice of the intention to amend and extend the contract;
 - (iii) the public has been invited to make submissions to the municipality;
- (b) that permission be granted to advertise in local newspapers in terms of Section 116(3)(b) of the MFMA for comments to extend the contract of June 2015 until June 2017 with reasons mentioned in this report; and
 - (c) that the Administration be commissioned to make budgetary provision during the adjustment budget process to the amount of R105 000 (excluding vat) for the additional work.

MAYORAL COMMITTEE MEETING: 2016-09-21: ITEM 6.1.2**RECOMMENDED**

- (a) that Council takes note of the prescriptive provisions of Section 116(3) of the Local Government: Municipal Finance Management Act, 56 of 2003 enabling local government institutions to amend contracts with service providers under certain conditions, being:
 - (i) the reasons for the proposed extension of the contract have been submitted to Council for consideration;
 - (ii) the public was given reasonable notice of the intention to amend and extend the contract;
 - (iii) the public has been invited to make submissions to the municipality;
- (b) that permission be granted to advertise in local newspapers in terms of Section 116(3)(b) of the MFMA for comments to extend the contract of June 2015 until June 2017 with reasons mentioned in this report; and
- (c) that the Administration be commissioned to make budgetary provision during the adjustment budget process to the amount of R105 000 (excluding vat) for the additional work.

Meeting: Ref No:	<i>Council: 2016-10-05 1/1/1/40</i>	Submitted by Directorate: Author: Referred from:	<i>Economic Development & Planning SPLUMA Compliance Officer: (J Jansen v Rensburg EM 2016-09-21</i>
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7.4.3

**QUOTE FOR ADDITIONAL
WORK TO BE PERFORMED**

APPENDIX 1

STELLENBOSCH DEVELOPMENT MANAGEMENT SCHEME
PROGRESS REPORTING AND INVOICING

DATE: 16/06/14

WORK BREAKDOWN STRUCTURE - KEY DELIVERABLES AND SUBTASKS		Summary of meetings + time	Cost (R)	% complete	Total Invoiced
1	Project initiation				
i)	Meeting to finalise scope and approach	3 meetings	R 6,000.00	100.00%	R 6,000.00
ii)	Draft notice to inform of commencement + translation	±0.5 day	R 2,100.00	100.00%	R 2,100.00
iii)	Motivation to department - no IGSC	hour	R 1,000.00	100.00%	R 1,000.00
iv)	Inception report	±1day	R 5,000.00	100.00%	R 5,000.00
2	Redraft IZS In terms of new legislation + amendments required by Planning Department				
i)	Research new legislation	±2 days	R 12,000.00	100.00%	R 12,000.00
ii)	Identify proposed amendments required in response to legislative changes	±1 day	R 8,000.00	100.00%	R 8,000.00
iii)	Workshops with Planning Department on required amendments x2.5	±2.5 days	R 36,100.00	100.00%	R 36,100.00
iv)	Research proposed amendments suggested during workshops	±2 days	R 16,000.00	100.00%	R 16,000.00
v)	Incorporate all proposed amendments into Final Draft scheme & overlays documents	±3 days	R 31,400.00	100.00%	R 31,400.00
vi)	Circulate to Director + planners for comments + assimilate comments	1 meeting + 2.5 days	R 24,000.00	100.00%	R 24,000.00
vii)	Technical editing and word processing of document	±3 days	R 13,200.00	100.00%	R 13,200.00
3	Additional Workshop with Departments (2 day workshop)	R 105,000.00	not approved yet		
i)	Research topics and prepare workshop material	±3-4 days			
ii)	Workshop admin, invitations and arrangements, catering, travelling				
iii)	Workshop attendance and facilitation (@P-AT+EL)	2 days			
iv)	Minutes of workshop and write-up	±2 days			
v)	New overlay zone -incorporate and GIS work	±3-4 days			
3	Linguistic editing and translation into Afrikaans & Xhosa				
i)	Professional linguistic editing of English version of document	hours	R 1,100.00	100.00%	R 1,100.00
	Linguistic editing (english version) ± 100 pages @R200 per page		R 20,000.00	100.00%	R 20,000.00
ii)	Arrange translations (Afrikaans & IsiXhosa)	hours	R 1,100.00	100.00%	R 1,100.00
	Afrikaans Translation ±100 pages @ R500 per page		R 55,000.00		R 0.00
	Xhosa Translation ± 100 pages @ R500 per page		R 55,000.00		R 0.00
iii)	Checking & editing of Afrikaans translation document	±1.5 days	R 8,400.00	100.00%	R 8,400.00
4	Prepare draft item for permission from Council to advertise				
i)	Draft agenda item report for submission to full Council	± 0.5 days	R 3,200.00	100.00%	R 3,200.00
ii)	Prepare and make presentation to full Council	1x meeting + 1 days	R 10,000.00	100.00%	R 10,000.00
5	Public Participation & Stakeholder engagement				
i)	Engage with targeted stakeholders before finalising proposed amended draft	2 meetings + 1 day	R 8,200.00	100.00%	R 8,200.00
ii)	Draft advertisement & arrange placement with municipal admin officials (30-60 Days)	± 0.5 days	R 1,650.00	100.00%	R 1,650.00
iii)	Written notifications (draft notice & arrange postage)	± 0.5 days	R 2,200.00	100.00%	R 2,200.00
iv)	Liaise with Provincial Government + Dept Agri	2 meetings	R 6,000.00	100.00%	R 6,000.00
v)	Summarise all comments received	± 2 days	R 16,000.00	100.00%	R 16,000.00
vi)	Stakeholder meeting with commenting parties	1 meeting	R 4,000.00	100.00%	R 4,000.00
vii)	Decide on Final changes with planners + Director	1 meeting	R 4,000.00	100.00%	R 4,000.00
viii)	Incorporate all comments into document	±1 day	R 8,000.00	100.00%	R 8,000.00
ix)	Translations of corrected document	hours	R 1,100.00	100.00%	R 1,100.00
x)	Arrange Final Notice (30 days) (if required by legal process)	± 0.5 days	R 2,200.00		R 0.00
6	Resubmit final Scheme to full Council for adoption (incl presentation)				
i)	Finalise all reports and scheme	± 1 day	R 4,200.00	100.00%	R 4,200.00
ii)	Prepare presentation and make presentation at full Council meeting	1x meeting + 1 day	R 12,200.00	100.00%	R 12,200.00
iii)	Obtain full council approval for scheme	hours	R 1,550.00		R 0.00
iv)	Arrange publication in Provincial Gazette	hours	R 1,100.00		R 0.00
7	Updating GIS cadastral and zoning information and capture all decisions from 2012 to promulgation date				
7.1	Effect initial correction of GIS structural defects				
i)	Merge current database into one database (fix unioning errors)	± 3 days	R 10,000.00		R 0.00
ii)	Eliminate duplicate properties (fix unioning errors)	± 3 days	R 10,000.00		R 0.00
iii)	Ensure zoning is allocated to all properties (±600 erven)	± 3 days	R 15,000.00		R 0.00
iv)	Ensure no overlapping erven and no 2 properties are queried	± 3 days	R 10,000.00		R 0.00
7.2	Updating the zoning register with all decisions				
i)	Obtain Cadastral information from SG and identify all new erven	± 1.5 days	R 5,000.00		R 0.00
ii)	Allocate zoning in terms of IZS + capture departures & consents	± 8 days	R 37,200.00		R 0.00
iii)	Circulate to planners for final comment + info (corrections + lapsed zoning)	1 meeting + 5 days	R 29,700.00		R 0.00
v)	Provide zoning map in compatible format (Arch GIS, PDF + Viewer)	± 2 days	R 6,000.00		R 0.00
8	Training sessions for staff & Councillors				
i)	Prepare training material	± 2.5 days	R 18,500.00	25.00%	R 4,625.00
ii)	Training session: nominated planning staff x2	2x session	R 8,500.00		R 0.00
iii)	Training session: Members of Planning & Development Committee + Council x1	1x session	R 4,000.00		R 0.00
DISBURSEMENTS included in tender total					
Sundry disbursements (eg traveling, printing, workshops etc)			R 19,500.00		R 15,000.00
Total			R 180,400		R 285,775.00

7.4.4	AMENDMENT OF 2013 APPROVED MUNICIPAL SPATIAL DEVELOPMENT FRAMEWORK AND COMMENCEMENT OF A MUNICIPAL SPATIAL DEVELOPMENT FRAMEWORK IN TERMS OF THE LOCAL GOVERNMENT: MUNICIPAL SYSTEMS ACT (ACT 32 OF 2000) FOR STELLENBOSCH MUNICIPALITY WC024 IN LINE WITH THE NEW PLANNING DISPENSATION WHICH INCLUDE THE LAND USE PLANNING BY-LAW (2015), THE WESTERN CAPE LAND USE PLANNING ACT (ACT 3 OF 2014) AND THE SPATIAL PLANNING AND LAND USE MANAGEMENT ACT (ACT 16 OF 2013)
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1. PURPOSE OF REPORT

- (a) To obtain approval from Council to commence with the drafting of a Municipal Spatial Development Framework for Stellenbosch Municipality (WC024) in line with the Municipal Systems Act (2000) read together with the new planning dispensation which includes the Municipal Land Use Planning By-Law (2015), the Western Cape Land Use Planning Act No 3 of 2014 and the Spatial Planning and Land Use Planning Act, No 16 of 2013; and
- (b) To obtain approval from Council to commence with the amendment of the current Municipal Spatial Development Framework for Stellenbosch Municipality (WC024) approved in February 2013 that forms part of the current 3rd generation Integrated Development Plan (IDP).

2. BACKGROUND

With the enactment of the new planning dispensation which include the Municipal Land Use Planning By-Law, 2015 (By-law), the Western Cape Land Use Planning Act, No 3 of 2014 (LUPA) and the Spatial Planning and Land Use Planning Act, No 16 of 2013 (SPLUMA) Council must adopt a Municipal Spatial Development Framework (MSDF) within five years of implementation.

Stellenbosch Municipality implemented the above new planning dispensation on the 1st of December 2015 through Provincial Gazette Notice, number 7539 by repealing the Land Use Planning Ordinance of 1985 (LUPO). All applications thus submitted since 01 December 2015 have to be submitted in terms of the By-law which is line with the new land use and spatial planning requirements as set out in LUPA and SPLUMA.

Stellenbosch Municipality's current MSDF was approved by Council on 28 February 2013, Item 7.7. The current MSDF however need to be aligned with the requirements of the new planning dispensation and must also be brought in line with the new products currently being developed at this stage to form part of the MSDF process for the entire WC024.

The products that are currently being developed parallel to this process include:

- 2.1 Strategic Environmental Management Framework (SEMF)
- 2.2 Rural Area Plan (RAP)

-
- 2.3 Urban Development Strategy (UDS)
 - 2.4 Heritage Resources Inventory
 - 2.5 Integrated Human Settlement Plan
 - 2.6 Klapmuts Local Spatial Development Framework (LSDF)
 - 2.7 Stellenbosch (Town) LSDF
 - 2.8 Jonkershoek LSDF

It is imperative that the above-mentioned products be strategically integrated in the development of an updated MSDF for WC024 by aligning the different projects and applicable policies to be approved by Council for the development of the first draft for Council approval obligated in terms of the Municipal Systems Act, No 32 of 2000 (MSA).

As the current MSDF was approved in terms of the MSA as part of the current IDP and will form part of the 2017/18 IDP minor amendments to rectify existing and known anomalies to the current MSDF is possible and desirable through the current IDP process culminating in the approval of the last cycle of the 3rd generation IDP in 2017.

Despite the amendment of the current MSDF as set out above the alignment of the MSDF with the new legislative environment remains a longer term legislative requirement. The following section will deal with the legal requirements to design and setup such a process for Council's consideration and approval.

3. DISCUSSION

This implies that Council must resolve to commission the drafting of a MSDF and authorise the establishment of a project committee to compile its municipal spatial development framework.

In terms of the Land Use Planning By-law read together with LUPA the above-mentioned project committee must consist of:

- (a) the Municipal Manager or a municipal employee designated by the municipal manager; and
- (b) municipal employees appointed by the Municipal Manager from least the following municipal departments:
 - (i) the integrated development planning office;
 - (ii) the spatial planning department;
 - (iii) the engineering department;
 - (iv) the local economic development department; and
 - (i) the housing department.

The above-mentioned intergovernmental steering committee will be responsible, amongst other, to oversee the compilation of the municipal spatial development framework for adoption by the Council by providing technical knowledge and expertise to the Council and the project Committee.

Further legal input regarding the commencement or amendment of a MSDF was communicated by the Director: Planning and Economic Development on 16 August 2016 herewith attached as **APPENDIX 1**.

The Administration thus seeks Council approval to (i) commence the drafting of a MSDF for Stellenbosch Municipality (WC024) and (ii) initiate the amendment of the current approved 2013 MSDF by through authorising the Administration to initiate the compilation of a MSDF process as required by legislation.

It should be noted that the MSDF is a primary and essential sectoral plan of the IDP in terms of the MSA and represent the spatial reflection of the IDP. The alignment and integration of the MSDF with all other sectoral plans in the IDP is therefore essential. The process of drafting a MSDF was thus planned to be aligned with the Integrated Development Planning Process of Stellenbosch Municipality.

5. LEGAL IMPLICATIONS

This item is legally compliant. The legal opinion obtained from Messrs Smith Tabata Buchanan Boyes (STBB) is attached as **APPENDIX 5**.

6. FINANCIAL IMPLICATIONS

Process has been budgeted in the 2016/17 approved budget and the following MTREF period.

RECOMMENDED

that Council authorise the Municipal Manager to:

- (a) proceed with the development of a Municipal Spatial Development Framework for Stellenbosch Municipality (WC024) (MSDF);
- (b) establish an intergovernmental steering committee (IGSC) to compile or amend its municipal spatial development framework in terms of Section 11 of the Land Use Planning Act;
- (c) establish a project committee;
- (d) proceed with all administrative functions to oversee the compilation of a first draft of the Municipal Spatial Development Framework for Council approval in terms of the Municipal Systems Act (2000); the Land Use Planning By-law (2015), Land Use Planning Act (2014) and the Spatial Planning Land Use Management Act (2013); and
- (e) use the MSDF as a platform to adopt and align:
 - (i) Strategic Environmental Management Framework (SEMF)
 - (ii) Rural Area Plan (RAP)
 - (iii) Urban Development Strategy
 - (iv) Heritage Resources Inventory
 - (v) Integrated Human Settlement Plan
 - (vi) Klapmuts Local Spatial Development Framework (LSDF)
 - (vii) Stellenbosch LSDF
 - (viii) Jonkershoek LSDF
- (f) Proceed with the amendment of the current approved MSDF; and

-
- (g) that both the amendment of the existing MSDF and the compilation of the new MSDF run concurrently with the Integrated Development Planning cycle.

MAYORAL COMMITTEE MEETING: 2016-08-22: ITEM 6.1.8

The Executive Mayor **RULED**

that the Administration obtain clarity from the provincial Department of Environmental Affairs and Development Planning on any possible legal implications pertaining to this matter, and that the relevant information be brought to Council's attention when deliberating on this item.

**ADDITIONAL COMMENTS BY MANAGER SPATIAL DEVELOPMENT,
HERITAGE AND ENVIRONMENT**

The Directorate adhered to the Mayor's ruling and submitted written proof to the Mayor by hand on 2016-08-23 as is evidenced below.

In order to assess the risk to Council should the directorate proceed with the drafting of the Municipal Spatial Development Framework in the absence of the legal opinion requested by the Department Environmental Affairs and Development Planning (DEA&DP) as referred to in paragraph 6 of the circular attached as part of the internal memo regarding the integration of SDF's and IDP's (**APPENDIX 1**) a response was requested from DEA&DP. The directorate's enquiry is attached as **APPENDIX 2** and the response received from DEA&DP is attached as **APPENDIX 3** to this report. Included in the response was a draft circular that attempts to address the issue at hand. The draft circular is attached as **APPENDIX 4**.

A similar request for a risk assessment was submitted to the external legal representatives of Council Messrs. Smith Tabata Buchanan Boyes (STBB). The reply from STBB is attached as **APPENDIX 5**.

From both responses received it is clear that the risk involved in coordinating the preparation of the MSDF and the IDP is minimal. The risk of not coordinating the drafting of the two documents is far greater. According to DEA&DP it is not critical that the process of drafting the SDF runs simultaneously with the IDP drafting process, but it is critical that the content of these two documents speak to each other and that the process requirements for the various pieces of relevant legislation are met. In light of the minimum risk DEA&DP was of the opinion that it is not necessary to wait with the process until such a time that the legal opinion referred to in its letter (**APPENDIX 1**) was received. Neither is there any guarantee that such an opinion (which remains an opinion) will be received soon. Concern was expressed with the limited time available to coordinate the MSDF and 4th generation IDP with a view to finalize both documents in an approved IDP by June 2018. However, this does not impact the legality of the process in any way and should not deter Council from initiating the process.

The IDP process plan is to continue as planned and culminating in an approved IDP by June 2017 as a prerequisite for the approval of the budget. Postponing the process of drafting the MSDF much longer may well result in the municipality's inability to fully integrate the MSDF process with that of the IDP process. In pointing out some of the risks should the process to delay the decision to proceed with the MSDF writer has pointed out some risks to Council

in a memo attached as **APPENDIX 6**. As is evident from the memo such a decision will have budget implications.

Subsequent to the Special Council meeting held on 2016-08-25, a workshop was held on 21 September 2016 to discuss the content of the agenda item with a reference to the process that is to be followed. From the process prescribed by SPLUMA and the Municipal By-law it was confirmed that the drafting of the Urban Development Strategy/Municipal Spatial Development Framework extensive public participation must be followed by at least advertising the draft status quo reports and draft MSDF in the local press. The By-law further requires the registration of interested and affected parties to participate in the process.

Irrespective of the formal advertisements, the MSDF will be drafted in conjunction with the IDP and will also be included in the IDP public participation process in order to integrate the process. In flowing standard practice, all of the individual projects will include, over and above the IDP process and formal advertisements, extensive public participation to obtain the input of the community and community organizations and to workshop various plans, proposals and products to ensure that the community was consulted properly.

In light of the above additional information it is:

RECOMMENDED

that Council authorise the Municipal Manager to:

- (a) proceed with the development of a Municipal Spatial Development Framework for Stellenbosch Municipality (WC024) (MSDF);
- (b) establish an intergovernmental steering committee (IGSC) to compile or amend its municipal spatial development framework in terms of Section 11 of the Land Use Planning Act;
- (c) establish a project committee;
- (d) proceed with all administrative functions to oversee the compilation of a first draft of the Municipal Spatial Development Framework for Council approval in terms of the Municipal Systems Act (2000); the Land Use Planning By-law (2015), Land Use Planning Act (2014) and the Spatial Planning Land Use Management Act (2013); and
- (e) use the MSDF as a platform to consider and align the following:
 - (i) Strategic Environmental Management Framework (SEMF)
 - (ii) Rural Area Plan (RAP)
 - (iii) Urban Development Strategy leading to a Stellenbosch WCO24 SDF
 - (iv) Heritage Resources Inventory
 - (v) Integrated Human Settlement Plan
 - (vi) Klapmuts Local Spatial Development Framework (LSDF)
 - (vii) Stellenbosch LSDF amendment to be compliant with SPLUMA
 - (viii) Jonkershoek LSDF amendment to be compliant with SPLUMA

-
- (f) proceed with the amendment of the current approved MSDF to be aligned with the 2017/18 IDP; and
- (g) both the amendment of the existing MSDF and the compilation of the new MSDF run concurrently with the Integrated Development Planning cycle.

Meeting: Ref No:	<i>Council: 2016-10-05 15/10</i>	Submitted by Directorate: Author: Referred from:	<i>Economic Development & Planning Manager: Spatial, Heritage & Environment: B De la Bat Council: 2016-08-25</i>
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7.4.4

**FURTHER LEGAL INPUT SUBMITTED BY THE DIRECTOR:
PLANNING AND ECONOMIC DEVELOPMENT**

APPENDIX 1



STELLENBOSCH
 STELLENBOSCH • PNIEL • FRANSCHHOEK
 MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

Planning and Economic Development



MEMORANDUM

TO

- (1) Municipal Manager
- (2) Director: Strategic & Corporate Services
- (3) Acting Director: Engineering Services
- (4) Chief Financial Officer
- (5) Manager: Spatial Planning, Heritage and Environment
- (6) Manager: Integrated Development Planning and Performance Management

FROM : Director - Planning and Economic Development

DATE : 2016-08-16

SUBJECT : Legal Compliance in the preparation and adoption of a Municipal Spatial Development Framework aligned to the Land Use planning By-Law (2015), SPLUMA (2013) and LUPA (2014)

FILE REF : 1/1/1/40

PURPOSE

The purpose of this memorandum is to communicate the legal requirements in the drafting of a new or amendment of a Municipal Spatial Development Framework (MSDF) aligned with the Integrated Development Planning Framework (IDP).

BACKGROUND

Since the enactment of the Spatial Planning Land Use Management Act, 2013 (SPLUMA) in July 2015, municipalities must adopt a Spatial Development Framework in

accordance with the Municipal Systems Act 2000 (MSA) in line with new planning legislation which includes the SPLUMA, the Western Cape Land Use Planning Act (2014) and Stellenbosch Municipal Land Use Planning By-law (2015) within five years from date of announcement.

This memorandum highlights the most important aspects a MSDF should address as well as the processes that should be followed in line with the Integrated Development Planning (IDP) timeframes over a 5 year period to draft/develop or amend a MSDF.

DISCUSSION

A different suite of products are currently developed for Stellenbosch Municipality which includes an Urban Development Strategy (UDS), local area spatial development framework (LSDF) for Klipmuts as well as an Integrated Zoning Scheme By-law (IZS) as well as various sectorial policies and plans.

It should be noted however that one MSDF should be adopted as a policy covering the entire WC024 area. More detailed studies can supplement a MSDF through by adopting policies and plans which include an urban development strategy a LSDF for a specific geographic area etc.

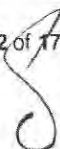
On 01 December 2015 all older order legislation was repealed which included LUPO (Land Use Planning Ordinance of 1985) and ROR (Removal of Title Deed Restrictions Act of 1967), etc. The new planning law reform requires much more detail as what was previously acceptable as the process as such has changed considerably with regards to legal and content requirements.

The different legal provisions have been extracted starting with the Stellenbosch Municipal Planning By-law (2015), the Western Cape Land Use Planning Act (2014) and lastly the Spatial Planning and Land Use Management Act (2013) outlining the process when a municipality wants to adopt a new or amend its existing MSDF which must be included in the MSA process (see table 1 below).

At the recent Municipal Planning Heads meeting (12 August 2016) the Provincial Government (Environmental Affairs and Development Planning) communicated to municipalities that all SDF's in the Western Cape requires a 2016 IDP approval through the MSA process.

- A. It was stated that a MSDF (old or new) needs to be adopted through the current 5 year IDP cycle whether it is SPLUMA compliant or not by initiating one of the three options listed below:
 - Option 1: Adopting a New SDF
 - Option 2: Adopting the Existing SDF or
 - Option 3: Amending or partial amendment to the SDF

- B. In the forum it was also communicated in the event the municipality adopts its current SDF (which is NOT SPLUMA compliant) it must mention it and attached a process plan indicating when and how the MSDF will be brought in line with SPLUMA and its legislative requirements. A copy of such a plan is herewith attached as **ANNEXURE A** to serve as an example.



- C. Furthermore it was also mentioned that a framework be drawn up how and when the municipality will consider amendments to the MSDF aligned to the IDP planning cycle.

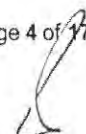
The Western Cape Government indicated that a circular with more detail and requirements imposed on municipalities will be issued in due course regarding the process that needs to be followed in adopting or amending a MSDF in line with the IDP process.

Below please find from a planning legislative framework requirements to adopt or amend a MSDF from a Municipal Land Use Planning By-law, LUPA and SPLUMA in Table 1 below.

Table 1: Legislative requirements for the amendment or approval of a MSDF / LSDF

A. Requirements in terms Chapter II of the Stellenbosch Municipal Land Use Planning By-law (2015):	
Section 3. Compilation or amendment of municipal spatial development framework	Key Actions
<p>(1) When the Council compiles or amends its municipal spatial development framework in accordance with the Municipal Systems Act, the Council must, as contemplated in Section 11 of the Land Use Planning Act—</p> <p>(a) <u>establish an intergovernmental steering committee</u> to compile or amend its municipal spatial development framework; or</p> <p>(b) refer its draft municipal spatial development framework or draft amendment of its municipal spatial development framework to the Provincial Minister for comment.</p> <p>(2) The Municipality must—</p> <p>(a) publish a notice in two of the official languages of the Province most spoken in the area in two newspapers circulating in the area concerned of—</p> <p>(i) the intention to compile or amend the municipal spatial development framework; and</p> <p>(ii) the process to be followed, in accordance with section 28(3) and 29 of the Municipal Systems Act;</p> <p>(b) inform the Provincial Minister in writing of—</p> <p>(i) the intention to compile or amend the municipal spatial development framework;</p> <p>(ii) its decision in terms of subsection (1)(a) or (b); and</p> <p>(iii) the process to be followed to compile or amend the municipal spatial development framework, including the process contemplated in subsection (2)(a)(ii); and</p> <p>(c) register relevant stakeholders, who must be invited to comment on the draft municipal spatial development framework or draft amendment of the municipal spatial development framework as part of the process contemplated in subsection (2)(a)(ii).</p>	<ul style="list-style-type: none"> • Council to establish an IGSC • Submit the draft to MEC • Publish Notice in newspaper & inform MEC with content (i & ii) • Register I&AP and give opportunity to comment

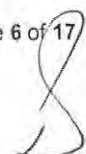
Section 4. Establishment of project committee	Key Actions
<p>(1) The Municipality must establish a project committee to compile or amend its municipal spatial development framework.</p> <p>(2) The project committee must consist of—</p> <p>(a) the Municipal Manager or a municipal employee designated by the municipal manager; and</p> <p>(b) municipal employees appointed by the Municipal Manager from at least the following municipal departments:</p> <p>(i) the integrated development planning office;</p> <p>(ii) the spatial planning department;</p> <p>(iii) the engineering department;</p> <p>(iv) the local economic development department; and</p> <p>(v) the housing department.</p>	<ul style="list-style-type: none"> • Council Item to recommend the appointment of a Project Committee • MM to authorise the appointment of the Project Committee consisting of Municipal Officials as set out in the By-law
Section 5. Establishment of intergovernmental steering committee	Key Actions
<p>If the Council establishes an intergovernmental steering committee, the Municipality must, in writing, invite written nominations for representatives to serve on the intergovernmental steering committee from the following persons or organs of state:</p> <p>(a) the head of the provincial department responsible for land use planning;</p> <p>(b) the head of the provincial department responsible for environmental affairs; and</p> <p>(c) other relevant organs of state.</p>	<ul style="list-style-type: none"> • Council Item to obtain delegation. • When approved, Administration to proceed with invitational letters to HOD LUMS and HOD ENV as a minimum
Section 6. Procedure with intergovernmental steering committee	Key Actions
<p>(1) If the Council establishes an intergovernmental steering committee, the project committee must compile a draft status quo report setting out an assessment of the existing levels of development and development challenges in the municipal area and must submit it to the intergovernmental steering committee for comment.</p> <p>(2) After consideration of the comments of the intergovernmental steering committee, the project committee must finalise the status quo report and submit it to the Council for adoption.</p> <p>(3) After finalising the <i>status quo</i> report the project committee must compile a first draft of the municipal spatial development framework or first draft of the amendment of the municipal spatial development framework and submit it to the intergovernmental steering committee for comment.</p> <p>(4) After consideration of the comments of the intergovernmental steering committee, the project committee must finalise the first draft of the municipal spatial development framework or first draft of the amendment of the municipal spatial development framework and submit it to the Council to approve the publication thereof for public comment in accordance with the process adopted in terms of sections 28 and 29 of the Municipal Systems Act.</p> <p>(5) After consideration of the comments and representations received by virtue of the publication contemplated in subsection (4), the project</p>	<ul style="list-style-type: none"> • Project Steering Committee key actions and interactions with the IGSC and Council as set out in section 6 • Council must approve • Submit comments to IFSC after item considered by Council. • IGSC must finalise the first draft to Council for public comment ito MSA Section 28 and 29 • Project Committee



<p>committee must compile a final draft of the municipal spatial development framework or final draft of the amendment of the municipal spatial development framework and submit it to the intergovernmental steering committee for comment.</p> <p>(6) After consideration of the comments of the intergovernmental steering committee contemplated in subsection (5), the project committee must finalise the final draft of the municipal spatial development framework or final draft of the amendment of the municipal spatial development framework and submit it to the Council for adoption.</p> <p>(7) If the final draft of the municipal spatial development framework or final draft of the amendment of the municipal spatial development framework contemplated in subsection (6) is materially different to what was published in terms of subsection (4), the Municipality must in accordance with subsections (4), (5) and (6), read with the necessary changes, follow a further consultation and public participation process before the municipal spatial development framework or amendment of the municipal spatial development framework is adopted by the Council.</p> <p>(8) The Council or the project committee may at any time in the process of compiling a municipal spatial development framework or drafting an amendment of the municipal spatial development framework request comments from the intergovernmental steering committee.</p> <p>(9) The Council must adopt the final draft municipal spatial development framework or final draft amendment of the municipal spatial development framework, with or without amendments and must within 14 days of its decision give notice of its decision in the media and the Provincial Gazette.</p>	<p>to take all comments into account and submit final draft to IGSC for comment.</p> <ul style="list-style-type: none"> • After IGSC comment, take to Council for adoption. • If the final draft changed considerably then the Municipality must seek public participation again. • Council or the PC may at any time request comments from the IGSC. • Council must adopt the final draft of the MSDF or amendment of the MSDF within 14 days and publish decisions in the media and Provincial Gazette.
<p>Section 7. Procedure without intergovernmental steering committee</p>	<p>Key Actions</p>
<p>NA</p>	
<p>Section 8. Functions and duties</p>	<p>Key Actions</p>
<p>(1) The members of the project committee must, in accordance with the directions of the executive committee/executive mayor/committee of councillors—</p> <p>(a) oversee the compilation of the municipal spatial development framework or drafting of an amendment of the municipal spatial development framework for adoption by the Council;</p> <p>(b) provide technical knowledge and expertise to the Council;</p> <p>(c) ensure that the compilation of the municipal spatial development framework or drafting of the amendment of the municipal spatial development framework is progressing according to the process contemplated in section 3(2)(a)(ii);</p>	<ul style="list-style-type: none"> • Information contained in section 8 should be incorporated into the Council Item delegating the Administration to establish and invite persons to serve as IGSC members.

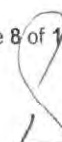


<p>(d) guide the public participation process and ensure that the registered stakeholders remain informed;</p> <p>(e) oversee the incorporation of amendments to the draft municipal spatial development framework or draft amendment of the municipal spatial development framework based on the consideration of the comments received during the process of drafting thereof;</p> <p>(f) oversee the drafting of—</p> <p>(i) a report in terms of section 14 of the Land Use Planning Act setting out the response of the Municipality to the provincial comments issued in terms of section 12(4) or 13(2) of that Act; and</p> <p>(ii) a statement setting out—</p> <p>(aa) whether the Municipality has implemented the policies and objectives issued by the national minister responsible for spatial planning and land use management and if so, how and to what extent the Municipality has implemented it; or</p> <p>(bb) if the Municipality has not implemented the policies and objectives, the reasons for not implementing it.</p> <p>(g) ensure alignment of the municipal spatial development framework with the development plans and strategies of other affected municipalities and other organs of state as contemplated in section 24(1) of the Municipal Systems Act;</p> <p>(h) facilitate the integration of other sector plans into the municipal spatial development framework; and</p> <p>(i) if the Council establishes an intergovernmental steering committee—</p> <p>(i) assist the Council in establishing the intergovernmental steering committee and adhering to timeframes; and</p> <p>(ii) ensure the flow of information between the project committee and the intergovernmental steering committee.</p> <p>(2) The members of the intergovernmental steering committee must—</p> <p>(a) provide the intergovernmental steering committee with the following:</p> <p>(i) technical knowledge and expertise;</p> <p>(ii) input on outstanding information that is required to compile the municipal spatial development framework or draft an amendment thereof;</p> <p>(iii) information on budgetary allocations;</p> <p>(iv) information on and the locality of any current or planned projects that have an impact on the municipal area; and</p> <p>(v) written comments in terms of section 6; and</p> <p>(b) provide the project committee with written comments in terms of section 6.</p>	
<p>Section 9. Local spatial development frameworks</p>	<p>Key Actions</p>
<p>(1) The Municipality may adopt a local spatial development framework for a specific geographical area in a part of the municipal area.</p> <p>(2) The purpose of a local spatial development framework is to, for a specific geographical area—</p> <p>(a) provide detailed spatial planning guidelines;</p>	<ul style="list-style-type: none"> • More detail and linked to the MSDF. • Thus a blue print plan and aligned to Land Use

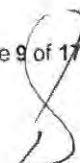


<p>(b) provide more detail in respect of a proposal provided for in the municipal spatial development framework;</p> <p>(c) meet specific land use planning needs;</p> <p>(d) provide detailed policy and development parameters for land use planning;</p> <p>(e) provide detailed priorities in relation to land use planning and, in so far as they are linked to land use planning, biodiversity and environmental issues; and</p> <p>(f) guide decision-making on land use applications.</p>	Management
<p>Section 10. Compilation, adoption, amendment or review of local spatial development frameworks</p>	<p>Key Actions</p>
<p>(1) If the Municipality compiles, amends or reviews a local spatial development framework, it must adopt a process plan, including the public participation processes to be followed for the compilation, amendment, review or adoption of a local spatial development framework.</p> <p>(2) The Municipality must, within 21 days of adopting a local spatial development framework or an amendment of a local spatial development framework, publish a notice of the decision in the media and the <i>Provincial Gazette</i>.</p>	<ul style="list-style-type: none"> • Item to Council delegating the administration to adopt a process plan and public participation process • After 21 days the municipality must publish the adoption of a LSDF or amendment thereof
<p>Section 11. Status of local spatial development frameworks</p>	<p>Key Actions</p>
<p>(1) A local spatial development framework or an amendment thereof comes into operation on the date of publication of the notice contemplated in section 10(2).</p> <p>(2) A local spatial development framework guides and informs decisions made by the Municipality relating to land development, but it does not confer or take away rights.</p>	<ul style="list-style-type: none"> • Only effective after publication in the media
<p>Section 12. Structure plans</p>	<p>Key Actions</p>
<p>(1) If the Municipality intends to convert a structure plan to a local spatial development framework, the Municipality must comply with sections 9 to 11 and must—</p> <p>(a) review that structure plan and make it consistent with the purpose of a local spatial development framework contemplated in section 9(2); and</p> <p>(b) incorporate the provisions of the structure plan that are consistent with that purpose in the local spatial development framework.</p> <p>(2) The Municipality must, in terms of section 16(4) of the Land Use Planning Act, withdraw the relevant structure plan by notice in the <i>Provincial Gazette</i> when it adopts a local spatial development framework contemplated in subsection (1).</p>	

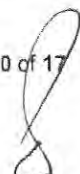
B. Requirements in terms of the Land Use Planning Act (2014)	
Part 3:	Key Actions
Section 10. Municipal Spatial Development Frameworks	Key Actions
<p>(1) A municipality must comply with section 11 when it adopts or amends its municipal spatial development framework in terms of the Municipal Systems Act.</p> <p>(2) A municipal spatial development framework must at least—</p> <p>(a) comply with other applicable legislation;</p> <p>(b) promote predictability in the utilisation of land;</p> <p>(c) address development priorities;</p> <p>(d) where relevant, provide for specific spatial focus areas, including towns, other nodes, sensitive areas, or areas experiencing specific development pressure; and</p> <p>(e) consist of a report and maps covering the whole municipal area, reflecting municipal planning and the following structuring elements:</p> <p>(i) transportation routes;</p> <p>(ii) open space systems and ecological corridors;</p> <p>(iii) proposed major projects of organs of state with substantial spatial implications;</p> <p>(iv) outer limits to lateral expansion; and</p> <p>(v) densification of urban areas.</p> <p>(3) A municipal spatial development framework must be aligned with the provincial development plans and strategies and must complement those development plans and strategies by including a map identifying at least the following in the municipal area:</p> <p>(a) the provincial road and traffic network;</p> <p>(b) the provincial public transport network;</p> <p>(c) existing and planned provincial health and education facilities;</p> <p>(d) heritage, agricultural and tourism resources of provincial importance; and</p> <p>(e) where relevant, areas of recognised provincial ecological value, including—</p> <p>(i) nature conservation areas;</p> <p>(ii) areas of high biodiversity value;</p> <p>(iii) areas requiring dedicated soil conservation;</p> <p>(iv) areas requiring a dedicated pollution-control regime; and</p> <p>(v) areas requiring dedicated strategies to adapt to climate change and mitigate the impact of climate change.</p>	<ul style="list-style-type: none"> • Council Item must comply with Section 11 • Provide more detailed maps (LSDF) • MSDF covering entire WC024 • MSDF must be aligned with the PSDF
Section 11. Adoption or amendment of municipal spatial development frameworks	Key Actions
<p>The process adopted by a municipality in terms of section 28 of the Municipal Systems Act relating to the adoption or amendment of its municipal spatial development framework must make provision for—</p> <p>(a) the establishment of an intergovernmental steering committee to compile a draft municipal spatial development framework or a draft amendment of a municipal spatial development framework; or</p> <p>(b) a procedure that complies with section 13.</p>	<ul style="list-style-type: none"> • MSDF is adopted or amended to Section 28 of the MSA • Linked to IDP process • Must establish an IGSC



	<ul style="list-style-type: none"> • If not, follow section 13
Section 12. Intergovernmental steering committee	Key Actions
<p>(1) If a municipality establishes an intergovernmental steering committee referred to in section 11(a), the committee must consist of at least—</p> <p>(a) the municipal manager, or a municipal employee designated by the municipal manager; and</p> <p>(b) representatives of—</p> <p>(i) the municipality, nominated by the municipal manager;</p> <p>(ii) the Department, nominated by the Head of Department; and</p> <p>(iii) the provincial department responsible for environmental affairs, nominated by the head of that department.</p> <p>(2) The members of the intergovernmental steering committee must be persons appointed by virtue of their qualifications and experience in, and knowledge of, land use planning or environmental management.</p> <p>(3) The intergovernmental steering committee—</p> <p>(a) is chaired by the municipal manager or the municipal employee designated by the municipal manager in terms of subsection(1)(a), as the case may be;</p> <p>(b) determines its own procedures, which must make provision for at least a quorum and decision-making; and</p> <p>(c) may appoint subcommittees and assign tasks to such subcommittees.</p> <p>(4) The members contemplated in subsection (1)(b)(ii) and (iii) must submit written provincial comments to the municipality on a draft municipal spatial development framework or draft amendment of a municipal spatial development framework during the compilation process thereof.</p>	<ul style="list-style-type: none"> • Council Item when establishing an IGSC • Other state departments and persons nominated should have relevant qualifications and appropriate experience in land use or environmental planning • IGSC members must provide comments in writing on the draft MSDF
Section 13. Procedure without intergovernmental steering committee	Key Actions
<p>(1) If an intergovernmental steering committee contemplated in section 12 is not established, the municipality—</p> <p>(a) must submit a draft municipal spatial development framework or draft amendment of a municipal spatial development framework to the Provincial Minister for written comment; and</p> <p>(b) may not adopt its municipal spatial development framework or approve an amendment thereof until—</p> <p>(i) the municipality has received and considered the comments referred to in subsection (2); or</p> <p>(ii) the end of the period referred to in subsection (2) and if no comments were received from the Provincial Minister during that period.</p> <p>(2) The Provincial Minister must, within 60 days of receiving a draft municipal spatial development framework or draft amendment of a municipal spatial development framework in terms of subsection (1)(a), submit written comments thereon to the municipality.</p> <p>(3) The period referred to in subsection (2) may be extended with the concurrence of the municipality.</p>	<p>Not advisable to follow this route</p>



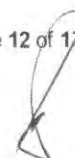
Section 14. Submission of municipal spatial development frameworks	Key Actions
<p>A municipal manager must, within the period contemplated in section 32(1) of the Municipal Systems Act, submit the following to the Provincial Minister:</p> <p>(a) a written notice of the decision to adopt or amend a municipal spatial development framework, together with the reasons for the decision;</p> <p>(b) the adopted or amended municipal spatial development framework; and</p> <p>(c) a report setting out the response of the municipality to the comments submitted in terms of section 12(4) or 13(2).</p>	<ul style="list-style-type: none"> The MM must within a specified period comply by submitting to Province the decision, reason for decision and public participation report.
Section 15. Consistency between municipal spatial development frameworks	Key Actions
<p>(1) Municipal spatial development frameworks of local municipalities and the relevant district municipality must be consistent with one another.</p> <p>(2) The procedures adopted by a district municipality in terms of section 27 of the Municipal Systems Act must include a process for resolution of disputes regarding consistency between municipal spatial development frameworks adopted by the local municipalities in its district municipal area and its municipal spatial development framework, respectively.</p> <p>(3) The process for resolution of disputes must contain a procedure for the Provincial Minister to be notified of a dispute.</p>	<ul style="list-style-type: none"> MSDF must be in line with the District MSDF
Section 16. Structure Plans	Key Actions
<p>(1) Despite the repeal of the Ordinance by section 77—</p> <p>(a) the structure plan approved in terms of section 4(6) of the Ordinance and published under Provincial Notice 236/2009 in <i>Provincial Gazette</i> 6641 of 10 July 2009, or any amendment or replacement thereof before the commencement of this Act, remains in force and is regarded as the provincial spatial development framework adopted in terms of section 4(1); and (b) subject to subsection (2), any other structure plan approved in terms of section 4(6) or 4(10) of the Ordinance and in existence immediately before the commencement of this Act remains in force.</p> <p>(2) Despite subsection (1)(b), the General Structure Plan referred to in Circular LDC 9 of 8 December 1988, approved in terms of section 4(6) of the Ordinance and all amendments thereof are withdrawn at the commencement of this Act.</p> <p>(3) A structure plan referred to in subsection (1)(b) lapses two years after the date of commencement of this Act.</p> <p>(4) A municipality may, before a structure plan lapses, by notice in the <i>Provincial Gazette</i> withdraw the application thereof in its municipal area.</p>	<p>Only if applicable</p>
Section 17. Continuation of spatial development frameworks	Key Actions
<p>If land situated in the municipal area of a municipality is incorporated into the municipal area of another municipality, a municipal spatial development framework in respect of that land remains applicable to the municipal area</p>	<p>N/A</p>



to which it applied before the incorporation until amended by the receiving municipality in accordance with this Chapter.	
Section 18. Publication of spatial development frameworks	Key Action
<p>(1) A municipality must, after the adoption or amendment of its municipal spatial development framework, publish a notice of its decision in the Provincial Gazette.</p> <p>(2) If a municipal spatial development framework is amended as a result of a decision of an ad hoc committee contemplated in section 33 of the Municipal Systems Act, a notice of the amendment must be published in accordance with subsection (1).</p>	<ul style="list-style-type: none"> • Must publish the decision of an adoption or amendment in the Provincial Gazette • Ad hoc decisions must also be published
Section 19. Compliance or consistency with, and deviation from, spatial development frameworks or structure plans	Key Actions
<p>(1) If a spatial development framework or structure plan specifically provides for the utilisation or development of land as proposed in a land use application or land development application, the proposed utilisation or development is <u>regarded as complying</u> with that spatial development framework or structure plan.</p> <p>(2) If a spatial development framework or structure plan does not specifically provide for the utilisation or development of land as proposed in a land use application or a land development application, but the proposed utilisation or development is not in conflict with the purpose of the relevant designation in the spatial development framework or structure plan, the utilisation or development is regarded as <u>being consistent</u> with that spatial development framework or structure plan.</p> <p>(3) If the proposed utilisation or development of land in a land use application or a land development application does not comply with and is not consistent with the relevant designation for the utilisation of land in an applicable spatial development framework or structure plan, the proposed utilisation or development deviates from that spatial development framework or structure plan.</p>	<ul style="list-style-type: none"> • Complies • Consistent • Application does not comply and is not consistent
Section 20. Records of spatial development frameworks	Key Actions
<p>(1) The relevant competent authority must keep its spatial development framework updated and make the updated spatial development framework accessible to the public.</p> <p>(2) An updated spatial development framework must show a record of—</p> <p>(a) in the case of a provincial spatial development framework or provincial regional spatial development framework, approved land development applications that deviate as contemplated in section 19(3) from that spatial development framework;</p> <p>(b) in the case of a municipal spatial development framework, approved land use applications that deviate as contemplated in section 19(3) from the municipal spatial development framework; and</p> <p>(c) amendments of the spatial development framework.</p>	<ul style="list-style-type: none"> • Municipality must keep the SDF updated and maintain a record to section 19(3) relating to all developments as well as amendments

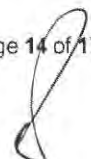


Section 21. Integration of other plans, policy or frameworks	Key Actions
When the Provincial Government or a municipality is required to approve in terms of other legislation a plan, policy or framework affecting land use planning, the Provincial Minister or municipality may integrate that plan, policy or framework or an amendment thereof, with a relevant spatial development framework if— (a) all applicable legislation has been complied with; and (b) the spatial development framework specifies the relevant legislation in terms of which it is approved and any authority that approved it.	<ul style="list-style-type: none"> • As and when required
C. SPATIAL PLANNING AND LAND USE MANAGEMENT ACT (2013)	
Section 4. Spatial planning system	Key Actions
The spatial planning system in the Republic consists of the following components: (a) Spatial development frameworks to be prepared and adopted by national, provincial and municipal spheres of government; (b) development principles, norms and standards that must guide spatial planning, land use management and land development;	<ul style="list-style-type: none"> • WC024 must have a MSDF
Section 5. Categories of spatial planning	Key Actions
(1) Municipal planning , for the purposes of this Act, consists of the following elements: (a) The compilation, approval and review of integrated development plans; (b) the compilation, approval and review of the components of an integrated development plan prescribed by legislation and falling within the competence of a municipality, including a spatial development framework and a land use scheme; and (c) the control and regulation of the use of land within the municipal area where the nature, scale and intensity of the land use do not affect the provincial planning mandate of provincial government or the national interest.	<ul style="list-style-type: none"> • Municipal Planning integrated with the IDP, SDF and Land Use Scheme
Section 6. Application of development principles	Key Actions
(1) The general principles set out in this Chapter apply to all organs of state and other authorities responsible for the implementation of legislation regulating the use and development of land, and guide— (a) the preparation, adoption and implementation of any spatial development framework, policy or by-law concerning spatial planning and the development or use of land; (b) the compilation, implementation and administration of any land use scheme or other regulatory mechanism for the management of the use of land; (c) the sustainable use and development of land; (d) the consideration by a competent authority of any application that impacts or may impact upon the use and development of land; and (e) the performance of any function in terms of this Act or any other law regulating spatial planning and land use management.	<ul style="list-style-type: none"> • Spatial, land use development planning and land use management to comply with the overarching provisions.

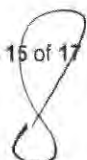


(2) Notwithstanding the categorisation of principles in this section, all principles contained in this Act apply to all aspects of spatial development planning, land development and land use management.	
Section 7. Development principles	Key Actions
<p>The following principles apply to spatial planning, land development and land use management:</p> <p>(a) The principle of spatial justice...</p> <p>(b) the principle of spatial sustainability...</p> <p>(c) the principle of efficiency...</p> <p>(d) the principle of spatial resilience...</p> <p>(e) the principle of good administration...</p>	<ul style="list-style-type: none"> • The SDF must comply with the development principles
<p>CHAPTER 4 SPATIAL DEVELOPMENT FRAMEWORKS Part A Section 12. Preparation of spatial development frameworks</p>	Key Actions
<p>(1) The national and provincial spheres of government and each municipality must prepare spatial development frameworks that—</p> <p>(a) interpret and represent the spatial development vision of the responsible sphere of government and competent authority;</p> <p>(b) are informed by a long-term spatial development vision statement and plan;</p> <p>(c) represent the integration and trade-off of all relevant sector policies and plans;</p> <p>(d) guide planning and development decisions across all sectors of government;</p> <p>(e) guide a provincial department or municipality in taking any decision or exercising any discretion in terms of this Act or any other law relating to spatial planning and land use management systems;</p> <p>(f) contribute to a coherent, planned approach to spatial development in the national, provincial and municipal spheres;</p> <p>(g) provide clear and accessible information to the public and private sector and provide direction for investment purposes;</p> <p>(h) include previously disadvantaged areas, areas under traditional leadership, rural areas, informal settlements, slums and land holdings of state-owned enterprises and government agencies and address their inclusion and integration into the spatial, economic, social and environmental objectives of the relevant sphere;</p> <p>(i) address historical spatial imbalances in development;</p> <p>(j) identify the long-term risks of particular spatial patterns of growth and development and the policies and strategies necessary to mitigate those risks;</p> <p>(k) provide direction for strategic developments, infrastructure investment, promote efficient, sustainable and planned investments by all sectors and indicate priority areas for investment in land development;</p>	<p>The MSDF must be prepared to include the elements contained in this section.</p>

<p>(l) promote a rational and predictable land development environment to create trust and stimulate investment;</p> <p>(m) take cognisance of any environmental management instrument adopted by the relevant environmental management authority;</p> <p>(n) give effect to national legislation and policies on mineral resources and sustainable utilisation and protection of agricultural resources; and</p> <p>(o) consider and, where necessary, incorporate the outcomes of substantial public engagement, including direct participation in the process through public meetings, public exhibitions, public debates and discourses in the media and any other forum or mechanisms that promote such direct involvement.</p> <p>(2) (a) The national government, a provincial government and a municipality must participate in the spatial planning and land use management processes that impact on each other to ensure that the plans and programmes are coordinated, consistent and in harmony with each other.</p> <p>(b) A spatial development framework adopted in terms of this Act must guide and inform the exercise of any discretion or of any decision taken in terms of this Act or any other law relating to land use and development of land by that sphere of government.</p> <p>(3) The national spatial development framework must contribute to and give spatial expression to national development policy and plans as well as integrate and give spatial expression to policies and plans emanating from the various sectors of national government, and may include any regional spatial development framework.</p> <p>(4) A provincial spatial development framework must contribute to and express provincial development policy as well as integrate and spatially express policies and plans emanating from the various sectors of the provincial and national spheres of government as they apply at the geographic scale of the province.</p> <p>(5) A municipal spatial development framework must assist in integrating, coordinating, aligning and expressing development policies and plans emanating from the various sectors of the spheres of government as they apply within the municipal area.</p> <p>(6) Spatial development frameworks must outline specific arrangements for prioritising, mobilising, sequencing and implementing public and private infrastructural and land development investment in the priority spatial structuring areas identified in spatial development frameworks.</p>	
<p>Part E 20. Section Preparation of Municipal Spatial Development Framework</p>	<p>Key Actions</p>
<p>(1) The Municipal Council of a municipality must by notice in the <i>Provincial Gazette</i> adopt a municipal spatial development framework for the municipality.</p>	<p>Important steps to be followed when preparing a MSDF:</p>



<p>(2) The municipal spatial development framework must be prepared as part of a municipality's integrated development plan in accordance with the provisions of the Municipal Systems Act.</p> <p>(3) Before adopting the municipal spatial development framework contemplated in subsection (1) and any proposed amendments to the municipal spatial development framework, the Municipal Council must—</p> <p>(a) give notice of the proposed municipal spatial development framework in the Gazette and the media;</p> <p>(b) invite the public to submit written representations in respect of the proposed municipal spatial development framework to the Municipal Council within 60 days after the publication of the notice referred to in paragraph (a); and</p> <p>(c) consider all representations received in respect of the proposed municipal spatial development framework.</p>	<ul style="list-style-type: none"> - Council Resolution to prepare; - Give notice in the press and Provincial Gazette - Be prepared as part of the IDP - Before adopting the MSDF or amendments give notice in the Press and Gazette - Invite Public Participation - Consider the representations and comments received
Section 21. Content of municipal spatial development framework	Key Actions
<p>(a) give effect to the development principles and applicable norms and standards set out in Chapter 2;</p> <p>(b) include a written and spatial representation of a five-year spatial development plan for the spatial form of the municipality;</p> <p>(c) include a longer term spatial development vision statement for the municipal area which indicates a desired spatial growth and development pattern for the next 10 to 20 years;</p> <p>(d) identify current and future significant structuring and restructuring elements of the spatial form of the municipality, including development corridors, activity spines and economic nodes where public and private investment will be prioritised and facilitated;</p> <p>(e) include population growth estimates for the next five years;</p> <p>(f) include estimates of the demand for housing units across different socioeconomic categories and the planned location and density of future housing developments;</p> <p>(g) include estimates of economic activity and employment trends and locations in the municipal area for the next five years;</p> <p>(h) identify, quantify and provide location requirements of engineering infrastructure and services provision for existing and future development needs for the next five years;</p> <p>(i) identify the designated areas where a national or provincial inclusionary housing policy may be applicable;</p> <p>(j) include a strategic assessment of the environmental pressures and opportunities within the municipal area, including the spatial location of environmental sensitivities, high potential agricultural land and coastal access strips, where applicable;</p> <p>(k) identify the designation of areas in the municipality where incremental</p>	<p>The MSDF must be prepared to include the following elements as contained in this section as well as section 12 of SPLUMA</p>



<p>upgrading approaches to development and regulation will be applicable;</p> <p>(l) identify the designation of areas in which—</p> <ul style="list-style-type: none"> (i) more detailed local plans must be developed; and (ii) shortened land use development procedures may be applicable and land use schemes may be so amended; <p>(m) provide the spatial expression of the coordination, alignment and integration of sectoral policies of all municipal departments;</p> <p>(n) determine a capital expenditure framework for the municipality's development programmes, depicted spatially;</p> <p>(o) determine the purpose, desired impact and structure of the land use management scheme to apply in that municipal area; and</p> <p>(p) include an implementation plan comprising of—</p> <ul style="list-style-type: none"> (i) sectoral requirements, including budgets and resources for implementation; (ii) necessary amendments to a land use scheme; (iii) specification of institutional arrangements necessary for implementation; (iv) specification of implementation targets, including dates and monitoring indicators; and (v) specification, where necessary, of any arrangements for partnerships in the implementation process. 	
Section 22. Status of spatial development frameworks	Key Actions
<p>(1) A Municipal Planning Tribunal or any other authority required or mandated to make a land development decision in terms of this Act or any other law relating to land development, may not make a decision which is inconsistent with a municipal spatial development framework.</p> <p>(2) Subject to section 42, a Municipal Planning Tribunal or any other authority required or mandated to make a land development decision, may depart from the provisions of a municipal spatial development framework only if site-specific circumstances justify a departure from the provisions of such municipal spatial development framework.</p> <p>(3) Where a provincial spatial development framework is inconsistent with a municipal spatial development framework, the Premier must, in accordance with the Intergovernmental Relations Framework Act, take the necessary steps, including the provision of technical assistance, to support the revision of those spatial development frameworks in order to ensure consistency between the two.</p>	<p>Elements to take note of once the MSDF have been adopted.</p>

WAY FORWARD:

It is clear from the above legislative requirements that the compilation or amendments of an MSDF are integrated with the IDP process of the municipality.

Thus the compilation of a MSDF and Local SDFs must comply with the provisions of the law including the content of EADP Circular 0011/2016 linkage between SDFs and IDPs (herewith attached as **ANNEXURE B**).

To guide the relevant department responsible for the compilation and or amendment of the MSDF / LSDF kindly use the provisions of the table set out above and use resources as per attached **ANNEXURE C** as a reference.

(1) Compiled by:



Jacques Jansen van Rensburg
Snr Town Planner: SPLUMA Compliance

(2) Supported By:



Hedre Dednam
Manager: Land Use Management

(3) Approved By:



Dupre Lombaard
Director: Planning and Economic Development

7.4.4

DIRECTORATE'S ENQUIRY TO DEA&DP

APPENDIX 2



STELLENBOSCH

STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNISIPALITEIT • UMASIPALA • MUNICIPALITY

INNOVATION CAPITAL • ISIXEKO ESIZA NENGUQU • INNOVASIESTAD

My Ref: Erf 15/10 (BJG de la Bat Tel 021 808 8652)

Your Ref: 15/2

22 August 2016

For attention: Mr Kobus Munro
 Head of Department
 Department Environmental Affairs and Development Planning
CAPE TOWN
 8001

Attention: Mr. Kobus Munro

CIRCULAR EADP 0011/2016: COMPILATION OF MUNICIPAL SPATIAL DEVELOPMENT FRAMEWORKS (MSDFs) AND INTERGRATED DEVELOPMENT PLANS (IDPs)

Dear Sir

I refer to your circular EADP0011/2016 dated 25 July 2016 regarding your interpretation of the relationship between SDFs and IDPs in light of the new legislation that guides these processes and specifically paragraph 6 of the circular.

This directorate submitted an agenda item to Council requesting authorization to proceed with the development/amendment of a MSDF for Stellenbosch Municipality (WC024) and to establish an intergovernmental steering committee to assist with this task. The approval is required in order to proceed with the administrative process of advertising the intention of drafting a MSDF and setting out the process plan as is required by the By-law. It was recommended to Council to integrate the processes of drafting and adopting the MSDF and IDP in order to adhere to legislation as is currently interpreted.

However, with reference to the legal opinion paragraph 6 of your circular refers to Council requested clarity on the risks involved in the process of coordinating the preparation of both the MSDF and IDP as suggested in the circular. Alternatively Council enquired if the authorization for the drafting of the MSDF should be rather be withheld until such a time that the legal opinion your circular refers to, provide the necessary clarity.

The agenda item was therefore referred to the full Council which will meet on Thursday 25 August 2015 in the expectation that this uncertainty will be resolved before that time.

In light of the request by Council to determine the risk in authorising the preparation of the MSDF and IDP jointly, your written comment will be required and appreciated.

I am well aware of time limitations to the request but trust that you will be able to provide sufficient clarity so that council can determine the process to be followed.

Yours faithfully

BJG DE LA BAT

MANAGER: SPATIAL PLANNING, HERITAGE AND ENVIRONMENT



7.4.4

RESPONSE FROM DEA&DP

APPENDIX 3



Environmental Affairs and Development Planning
 Directorate: Spatial Planning
 Kobus Munro

Mr Bernabe de la Bat
Manager: Spatial Planning, Heritage and Environment
Stellenbosch Municipality
P.O. Box 17
Stellenbosch
7600

Our ref: 15/4/3/BS2

REQUEST FOR CLARITY ON THE CONTENTS OF CIRCULAR EADP 0011/2016

Your letter dated the 22nd of August 2016 requesting clarity on circular EADP 0011/2016, has reference.

In this letter two questions were put to us, which we have attempted to answer below:

Question 1: The risks involved in the process of co-ordinating the preparation of the MSDF and the IDP

The risks involved in co-ordinating the preparation of the MSDF and the IDP are minimal. The risks of not co-ordinating the preparation of the two documents is far greater. It is not critical that the process of drafting the SDF runs simultaneously with the IDP drafting process, but it is critical that the content of these two documents speak to each other and that the process requirements for the various pieces of relevant legislation are met. Historically the drafting of an SDF takes much longer than the drafting of an IDP. In the instance of Stellenbosch therefore, both the SDF and the IDP drafting processes can start now. The completed IDP will be finished in time for Council approval at the end of June 2017, however it is unlikely that the SDF will be completed at this stage. Therefore, once the revised SDF is completed, it can either be approved as part of the annual IDP review process or it can be approved by the Council during the course of the year. Both instances will involve an amendment to the IDP, the process for which is set out in the Municipal Systems Act: Local Government Municipal Planning and Performance Management Regulations of 2001.

Question 2: Should the authorization for the drafting of the MSDF be withheld, until such time as the legal opinion provides clarity on the IDP / SDF relationship?

No, there is no reason why the authorisation for the drafting of the SDF should not be granted by the Council. Stellenbosch Municipality is entirely within its rights to begin the drafting / review of its SDF, and the Council can grant this authorisation accordingly. The legal opinion

that we are requesting is on several peripheral IDP/ SDF related issues, and will not speak to the authorization for the drafting of an SDF.

Should you require any further clarification regarding the above, please do not hesitate to contact Mr Kobus Munro on 021483 4796 or Kobus.munro@westerncape.gov.za , or Ms Tania de Waal on 021 4834360 or tania.dewaal@westerncape.gov.za

Kind regards

A handwritten signature in black ink, appearing to read 'Kobus Munro', with a stylized, sweeping flourish above the name.

Kobus Munro

Director: Spatial Planning

Date: 23/8/2016

7.4.4

DRAFT CIRCULAR

APPENDIX 4

1.0 Introduction

2.0 Integrating the Municipal Spatial Development Framework (MSDF) with the IDP

2.1 The MSDF as Core Component of the IDP

In Circular EADP: 0011/2016 dated 25 July 2016, distributed by the Department of Environmental Affairs and Development Planning to all municipalities, the relationship between the MSDF and IDP is clearly set out. The circular emphasizes that the legislation explicitly makes the MSDF part of the IDP and most importantly that the legislation does not allow for the MSDF to be drafted, adopted or amended in isolation or separately from the IDP. A MSDF must therefore be drafted, adopted or amended as part of the municipal IDP drafting, adoption and amendment process. A copy of the circular is attached hereto for ease of reference as Annexure A.

As all the municipalities in the country are embarking on the next generation IDP's over the next few months, the WCG herewith provide some guidance on the integration of the MSDF's into the municipal IDP process. Subsequent to the adoption of the current IDPs several changes have been made to the laws governing the planning sector which will have significant implications on the way MSDF's in particular have to be dealt with in the IDP process. In the Western Cape three new planning laws have been introduced which specifically regulate SDF's and which will have to be taken into consideration when municipalities introduce their SDF's into the IDP process. (Refer to Annexure A for a reference to the relevant laws).

Municipalities are therefore encouraged to ensure that whilst following the IDP process in terms of the Municipal Systems Act, to also comply with the other legal requirements applicable to SDF's.

2.2 Transitional Measures for integrating SDF's into the IDP's

Considering the above-mentioned legislation, the ideal scenario would have been if all municipalities were in a position to introduce a new or reviewed MSDF simultaneously with the next generation IDP's to ensure that the IDP and MSDF are fully synchronised for the term of the IDP. In reality only a small number of municipalities in the Western Cape are ready at this stage to adopt a new or revised MSDF as part of the IDP process. The rest of the municipalities have approved MSDF's which were approved at various stages during the previous IDP term.

The current situation therefore leaves municipalities with several options to comply with the legal requirements at the start of the new generation IDP's.

(a) *Option 1: Fully Synchronised SDF's*

The few municipalities that are in a position to introduce their new or reviewed SDF's into the procedure of the IDP adoption process in the months following the election is in the fortunate position that the SDF and IDP five year terms will be synchronised going forward.

Municipalities must ensure that whilst following the MSA procedure for the adoption of the IDP, they should also comply with the three new planning laws in the Western Cape as outlined in Annexure A (both procedural and content requirements).

(b) Option 2: Introducing Existing SDF's without any amendments

The majority of the municipalities in the Western Cape have MSDF's which were approved during the previous five years and which will be revised only after the next generation IDP's have been adopted. For municipalities in this situation, we recommend that the existing SDF as approved previously, be introduced into the IDP process in its current format for adoption. In following this approach municipalities should take cognisance of the following:

- (i) Municipalities must ensure that whilst following the MSA procedure for the adoption of the IDP, they should also comply with the three new planning laws in the Western Cape as outlined in Annexure A (both procedural and content requirements).
- (ii) Municipalities should consider the impacts of Section 22 of SPLUMA which determines that a Municipal Planning Tribunal may not take planning decisions which are inconsistent with the provisions of the adopted MSDF's.
- (iii) • Should MSDF's that are outdated or contain elements which may cause unintended consequences as a result of the effects of SPLUMA, should consider amending their SDF's. (Refer Option 3).

(c) Option 3: Submitting Amended or only Parts of Existing SDF's

If a municipality is not in a position to submit a completely revised or new MSDF to coincide with the new generation IDP as outlined in Option 1 nor is it in a position to adopt the existing SDF in full as outlined in Option 2, the municipality may have to consider amending the existing MSDF in the process of adopting the new generation IDP. Municipalities in this position may for instance only submit strategic thrusts of their existing MSDF's and omit detailed provisions which may be outdated. In following this approach municipalities should take cognisance of the following:

- (i) Municipalities must ensure that whilst following the MSA procedure for the adoption of the IDP, they should also comply with the three new planning laws in the Western Cape as outlined in Annexure A, specifically the provisions regulating amendments to existing SDF's (both procedural and content requirements).
- (ii) The WCG is fully aware that municipalities are going to struggle to meet all the procedural and specifically the content requirements of all the relevant laws governing MSDF's and IDP's. It is imperative therefore that municipalities indicate in the process plans of the IDP's when the shortcomings in this transitional phase will be addressed and the processes which will be followed needs to be highlighted.

2.3 SDF Reviews Subsequent to the Adoption of the New Generation IDP's

As noted above the majority of municipalities in the Western Cape have planned to revise their MSDF's only after the IDP's have been adopted. This means that the IDP will be amended at that stage to incorporate a new or revised MSDF. As indicated above, municipalities must at this stage anticipate when this review and IDP amendment will be done and include these plans in the process plans of the IDP.

Municipalities should also consider if the review of the MSDF and IDP amendment process will coincide with the annual IDP review process, which is legislated and coordinated with other spheres of government or whether an *ad hoc* amendment process will be followed. Generally MSDF's require a longer time period to be reviewed or compiled afresh than the period available for an IDP adoption process and municipalities will have to consider very carefully whether to align the two processes.

As with the IDP process that will be followed to adopt the next generation IDP's in the following few months, the process to be followed when amending the IDP to introduce a revised MSDF includes many procedural and content requirements that must be carefully considered.

2.4 Ad Hoc Amendments

Whilst the legislation makes provision for an annual review process of the IDP / MSDF which in certain circumstances may lead to amendments to the IDP / MSDF, municipalities should also consider how to deal with *ad hoc* amendments. These *ad hoc* amendments may arise as a result of changed circumstances affecting the MSDF or as a result of a development application which the existing MSDF does not cater for. Due to the effect of Section 22 of SPLUMA the MPT may not approve such an application which may result in a request being made to the Council by a developer or even the municipality itself to process an IDP / MSDF amendment.

It is imperative to indicate at this stage in the process plans of the IDP's how your municipality intends dealing with such requests for *ad hoc* amendments. As an example some municipalities have already indicated that they would not entertain requests for *ad hoc* amendments outside of the annual review process. Irrespective of the decision or approach by the municipality it is important that this be incorporated into the process plans of the IDP's.

2.5 WCG Assistance

Whilst the above guidance is very compliance orientated, the underlying aim is still to achieve greater levels of integration in the planning between the various spheres of government. The WCG through the Department of Environmental Affairs and Development Planning, Directorate Spatial Planning is supporting municipalities to achieve greater levels of integration through various initiatives, such as:

- Municipal support with MSDF's – financial where possible as well as capacity and advisory services.

- Integrated Spatial and Infrastructure Planning Services – through this programme the Department is liaising with other Provincial Departments to align and integrate other sector plans into the MSDF's (Human Settlement Plans, Infrastructure and Growth Plans, Integrated Transportation Plans).
- Provincial Spatial Planning Performance – mainly aimed at the Provincial budgeting process the department is striving to ensure spatial alignment of Provincial spending with the PSDF as well as MSDF's.
- The Department is also exploring various avenues available in current legislation to develop more enabling MSDF's that incentivise developments in desirable locations. The use of tools available in other legislation such as National Environmental Act and the Subdivision of Agricultural Land Act in combination with MSDF's are investigated and will be shared with municipalities.

Municipalities are therefore encouraged to make contact with the Directorate Spatial Planning for assistance during this period to ensure optimal integration of the MSDF's with the IDP process.

The following members of the Directorate Spatial Planning can be contacted for assistance in the above regard:

- Region 1 (West Coast):
Marek Kedzieja at Marek.Kedzieja@westerncape.gov.za or 021 483 4525.
- Region 2 (Overberg and Cape Wine lands)
Tania De Waal at Tania.DeWaal@westerncape.gov.za or 021 483 4360.
- Region 3 (Central Karoo and Eden)
Allan Rhodes Allan.Rhodes@westerncape.gov.za or 021 483 0764.

7.4.4

REPLY FROM STBB

APPENDIX 5

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Unit F1, Block A, Stellenpark, Business Park
Cnr R44 & School Rd Stellenbosch, 7600

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DX 15 Somerset West Stellenbosch

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**DIRECTOR: PLANNING AND ECONOMIC
DEVELOPMENT**
Stellenbosch Municipality
STELLENBOSCH**Your Ref:****Our Ref:** AHS/CVDL/**Date:** 07 September 2016

Dear Sir,

**RE: STELLENBOSCH MUNICIPALITY MUNICIPAL SPATIAL DEVELOPMENT
FRAMEWORK: COMPILATION OF NEW AND AMENDED MUNICIPAL SPATIAL
DEVELOPMENT FRAMEWORK**

1. We act in this matter on behalf of the Stellenbosch Municipality (the Municipality). The Municipality intends to amend the current Municipal Spatial Development Framework (MSDF) as part of the adoption process of the Fourth Generation Integrated Development Plan (IDP) of the Municipality.
2. The Municipality has briefed us with relevant correspondence exchanged between the Municipality and the Department of Environmental Affairs and Development Planning as well as a draft report of the Director: Planning and Economic Development which will serve before Council when the following recommendations are to be considered by Council:

That Council authorise the Municipal Manager to:

- (a) *proceed with the development of a Municipal Spatial Development Framework for Stellenbosch Municipality (WC024) (MSDF);*
- (b) *establish an intergovernmental steering committee (IGSC) to compile or amend its municipal spatial development framework in terms of Section II of the Land Use Planning Act;*
- (c) *establish a project committee;*
- (d) *proceed with all administrative functions to oversee the compilation of a first draft of the Municipal Spatial Development Framework for Council approval in terms of the Municipal Systems Act (2000); the Land Use Planning By-law (2015), Land Use Planning Act (2014) and the Spatial Planning Land Use Management Act (2013); and*
- (e) *use the MSDF as a platform to adopt and align:*

Attorneys Notaries & Conveyancers
Directors: Jonathan Steytler (Managing) | Stoffel Ackermann | Martin Bey | Jacques Bignaut | Darren Brander | Luthfeya Cassim | Tim Chase | Melanie Coetzee | Thabisile Dlamini | Refiqah Fataar Ho-Yeel

Niel Grundlingh | Warren Hamer | Bev l'Ons-Raeburn | Gerhard Kotze | Belinda Lewis | Robert Mathare | Corlene Mostert | Hennie Mouton | Martine Newman | James Phillipson | Cris Riego de Dios | Martin Sheard | Roshana Solomon | Nicole Stevens | Philip Steyn | Lauren Sullivan | Marlize Swart | Dumisani Tabata | June Theron | Annetjie van Rooyen | Percy van Staden | Ferdinand Verryn | Shereen Volks | Allan White

Senior Associates: M Botha | D Du Plessis | H Dyssel | H Ferreira | J Foxcroft | N Hayes | V W Jooste | D Starkey | A Voges | A Wiese

Associates: G Barends | S Chettiar | J Greyling | J Hamers | L Mace | N Mentoer | B Mostert | G Potgieter | K Richards | H Scudamore | T Smit | A Van Vuuren | I Verbeek | T Wainwright | M Williams

Executive Consultants: Peter Arnot | Kevin Daniel | Harry Friedland | Lizelle Kilbourn | Graham Liebenberg | Andy McPherson | Andre Swart | Colin Traub | Richard Volks

Financial Manager: Cullen Penny

Cape Town: 021 406 9100 | Bedfordview: 011 453 0577 | Centurion: 012 001 1546 | Claremont: 021 673 4700 | Fish Hoek: 021 784 1580 | Illovo: 011 219 6200 | Menlyn: 012 348 1682 | Somerset Mall: 021 850 6400 | Stellenbosch: 021 001 1170 | Table View: 021 521 4000 | Tyger Valley: 021 943 3800

Registration No: 1992/003316/21

VAT Reg No: 4670133877

- (i) *Strategic Environmental Management Framework (SEMF)*
 - (ii) *Rural Area Plan (RAP)*
 - (iii) *Urban Development Strategy*
 - (iv) *Heritage Resources Inventory*
 - (v) *Integrated Human Settlement Plan*
 - (vi) *Klapmuts Local Spatial Development Framework (LSDF)*
 - (vii) *Stellenbosch LSDF*
 - (viii) *Jonkershoek LSDF*
- (f) *Proceed with the amendment of the current approved MSDF.*
- (g) *That both the amendment of the existing MSDF and the compilation of the new MSDF run concurrently with the Integrated Development Planning cycle.'*
3. We have been requested by the Municipality to provide external legal comments regarding the processing of the amendment to the current IDP (including the SDF) and the compilation of a new SDF in terms of the applicable provision of the Systems Act.
4. In terms of Section 26(e) of the Systems Act, the SDF forms a core component of the IDP.
5. It is of importance to note that the Systems Act does not provide for a separate process for the compilation, adoption or amendment of a SDF independently from the IDP. Any proposed compilation or amendment of the SDF must form an integral part of the process prescribed by the Systems Act and the Local Government: Municipal Planning and Performance Management Regulations, 2001.
6. In the Report of the Director, the proposed course of action as far as the amendment of the current SDF and the compilation of a new SDF is described in the following terms:
- 'As the current MSDF was approved in terms of the MSA as part of the current IDP and will form part of the 2017/18 IDP minor amendments to rectify existing and known anomalies to the current MSDF is possible and desirable through the current IDP process culminating in the approval of the last cycle of the 3rd generation IDP in 2017.*
- Despite the amendment of the current MSDF as set out above the alignment of the MSDF with the new legislative environment remains a longer term legislative requirements.'*
7. It is evident that the Municipality intends to compile a new SDF, but faces the challenge that such process will realistically not be completed within the statutory time frame for the adoption of the New Generation IDP.
8. We are in agreement that the aforementioned challenge can be addressed by the Municipality in the following manner:
- 8.1 The said minor amendments to the SDF can be effected as part of the adoption process of the new IDP.

- 8.2 The preparation of a comprehensively revised SDP, in compliance with the legislation referred to in paragraph 10 below, can now be mandated by Council and such process can commence. It appears unlikely that this process will be completed when the New Generation IDP is adopted by Council at the end of June 2017. The new SDF can however be approved by Council as part of a future review of the IDP or separately.
9. As remarked above, the Systems Act does not provide for an independent approval or amendment of an SDF.
10. If the abovementioned understanding of our instructions is correct, we record our agreement with the abovementioned recommendations, subject to compliance with the following statutory requirements as far as the procedure to be followed as well as the contents of the SDF is concerned:
- 10.1 Chapter 5 of the Systems Act.
 - 10.2 Sections 20 and 21 of the Spatial Planning and Land Use Management Act 16 of 2013 (SPLUMA).
 - 10.3 Chapter III Part III of the Land Use Planning Act 3 of 2014 (LUPA).
 - 10.4 Chapter III of the Stellenbosch Municipality Land Use Planning By-Law.
11. It is anticipated that the Municipality may find itself under constraints to strictly comply with the aforementioned statutory provisions as far as the amendment of the current SDF and IDP is concerned. It is therefore important that the process plan of the IDP identifies any possible shortcomings as far as procedural requirements as well as the prescribed contents of the IDP is concerned and clearly describes the programme for compliance as far as the transitional phase is concerned.

Yours faithfully

ANDRE SWART
STBB | Smith Tabata Buchanan Boyes

7.4.4

MEMO FROM THE DEPARTMENT

APPENDIX 6



STELLENBOSCH
STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT



MEMORANDUM

TO: EXECUTIVE MAYOR: ALDERMAN G VAN DEVENTER AND ACTING
MUNICIPAL MANAGER: R BOSMAN

CC: MAYCO; SPEAKER; DIRECTORS

FROM: DIRECTOR PLANNING AND ECONOMIC DEVELOPMENT

DATE: 02 SEPTEMBER 2016

ENQUIRIES: B.J.G DE LA BAT

RE: SPATIAL DEVELOPMENT FRAMEWORK

REF: 15/10

The agenda item that was removed from council's agenda regarding this directorate's request for permission from Council to proceed with the drafting of a Municipal Spatial Development Framework (MSDF) on 25 August 2016 refers.

This is a request for urgent action to remedy the situation and to allow Council to consider the proposed SDF process plan. The decision not to consider the agenda item and SDF process plan has wide implications for the municipality. Some of these are:

1. Process Plan Implications

The SDF forms an important and critical part of the Integrated Development Plan (IDP) prescribed by the Local Government: Municipal Systems Act 2002, Act 32 of 2000 (MSA). The intention of the various pieces of legislation that govern the drafting of the SDF (there are 7 Acts with prerequisites) are for a municipality to achieve real integrated planning. For this reason the process plan of the SDF was integrated with that of the IDP with a view of producing a new credible SDF and IDP by June 2018. In the meantime the approved 2013 MSDF needs to be considered with or without amendments to ensure that this council's IDP and SDF are aligned (refer comment from Western Cape Provincial Government on 2016/17 IDP). By delaying the commencement of the planning process for the SDF, taking into account that the public participation policy and provisions do not allow the advertisement of such actions over the holiday period, and further taking into account that the advertising periods for comment are prescribed by law, the process will be held up to such an extent that it will have serious implications on the planning program. There is a real risk that the Municipality will not be able to meet the deliverables as planned and as prescribed in SPLUMA (Spatial Planning and Land Use Management Act, 2013, Act 16 of 2013).

Unless the process plan is approved and the SDF projects can proceed by latest 01 October 2016, the integration of the SDF and IDP will be jeopardized and may only be achieved a year later by June 2019.

2. Budgetary Implications

The hold-up to proceed with the planning process as prescribed in the Stellenbosch Municipal Land Use Planning By-law read together with SPLUMA will almost certainly have an impact on the budget. Without the permission and instruction from Council, the legislative requirements for the commencement of the planning process (advertisement of intention, process plan and establishment of the Intergovernmental Steering Committee) are not in place and this Directorate cannot proceed with the projects that were budgeted for this and the following two financial years.

3. Involvement of Consultants

Various consultants were appointed over the last year to proceed with various planning projects in order to execute Council decisions and/or to be prepared for the SDF process e.g. the Rural Area Plan, Heritage Resources Inventory, Stellenbosch MSDF and UDS, Klapmuts SDF, the Stellenbosch Environmental Management Framework, Integrated Zoning Scheme etc. There is a great deal of synergy amongst these plans that will all form part of the eventual SDF, or at the very least, will have implications for the SDF that need to be incorporated for integration purposes. These projects are active and are dependent on approved budgets and budget cycles and more importantly, approved time frames.

Delaying the commencement of the SDF planning process has a risk in that these projects will have to be completed without integrating it with other projects, or that these may be postponed with the obvious financial and process implications.

4. Ad Hoc Planning

The new legislative environment, primarily SPLUMA, that governs planning has at its core, the vision to achieve integration in all planning aspects of the municipality across directorates with a view to obtaining a clear picture of the future development of the municipal area. It is also prescriptive to some extent in that it requires a change in planning to transform the typical spatially segregated town and to integrate communities. Sustainability, equity, efficiency, spatial justice, resilience etc. are some of the norms and standard that guide SDFs. These norms and standards will require tough decisions to be made and must guide the budget and implementation through decision-making in the Municipal Planning Tribunal (MPT) and by the authorised official. Keep in mind that all new applications for land development with significant impacts are decided by the MPT, which may only decide in line with the approved SDF to ensure implementation of council's policy and strategic direction.

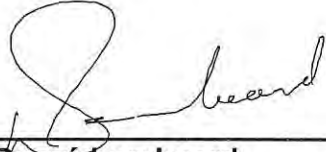
If approval of the process plan is delayed and the SDF processes not completed, it will imply that *ad hoc* decisions are the order of the day, poor guidance will be provided to the Municipal Planning Tribunal and it will be very much a case of "business as usual".

Considering that the municipality recently obtained the Novus budgetary tool to assist with integrating the various projects and budgets to obtain the biggest return on investment and to align implementation to the strategic objectives of Council, achieving this will be improbable without an approved SDF.

5. Performance agreements

The delay will have an impact on the performance agreements of all relevant staff in the directorate. There is a real risk that the staff will not be able to deliver what is expected from them in their performance agreements.

Having pointed out some of the immediate risks involved and implications to the planning program in the delay of obtaining Council's approval, it is requested that steps be taken to resolve this matter urgently.



Dupré Lombaard
Director: Planning and Economic Development

7.5

FINANCIAL SERVICES

CLLR S PETERS

7.5.1	FEEDBACK REPORT - WRITING-OFF OF OUTSTANDING HOUSING LOANS
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1. PURPOSE OF REPORT

To obtain approval from council to write off long outstanding housing loans.

2. DISCUSSION

The matter of housing loans has been a contentious issue and the accompanying loans have been in dispute for more than twenty years now.

Outstanding housing loans are not being paid by many people due to various reasons:

- Financial inability,
- Claims that housing loans have been written off by Provincial Housing Department,
- Claims that certain building material for self-build schemes were not actually received,
- Claims that housing figures taken over by Stellenbosch municipality during amalgamation were not audit, verified or substantiated,
- Claims of fraudulent activities pertaining to self-build housing schemes,
- Claims of a trust that should be in existence, containing certain funds to be used in certain areas for housing purposes.

There is no easy solution for the problem at hand and it can realistically be said that the outstanding housing loans in the books of the municipality will never actually be recovered.

In the meantime, the situation presents the following practical problematic issues:

- Residents of the dwellings are not paying their accounts and practically speaking, there is little to no hope of ever recovering the debt in practise. (Good Governance)
- Due to the fact that these residents are not homeowners, the municipality has no legal recourse in attempting to recover arrears in consumer accounts. (Good Governance)
- People cannot get clearance and can therefore not obtain transfer of their homes. They are consequently deprived of home ownership. (Dignified Living)
- Due to the fact that people are not home owners, they do not qualify for indigent support. (Dignified Living)
- The municipal debt book reflects outstanding assets which are in fact, irrecoverable. (Good Governance)

Housing loans have in fact been written off by Housing Departments, but this was only the funding owed by the municipality to the Housing Departments. Housing loans owed by the individuals to the municipality (current or former) were not written off.

However, due to the fact that the municipality does not have to repay any housing loans, there would be no real loss of funds if the current outstanding loans of individuals were to be written off.

4. LEGAL IMPLICATION

Paragraph 9 of the Irrecoverable Debts Policy makes provision for Council to consider meritorious cases for write off.

5. FINANCIAL IMPLICATION

The table below provides a summary 167 outstanding housing loans totaling R2 442 434.19.

Suburb	Sum of Cap. Bal.	Sum of Total O/S	Sum of Total All	Number of Outstanding Accounts
BDORP	-	-	-	0
CVILL	30 091.69	79 091.35	109 183.04	7
FGDAL	278 868.03	210 607.29	489 475.32	32
GOAKS	-	130 860.10	130 860.10	30
IVAL	-	9 812.69	9 812.69	1
JDAL	-	-	-	0
JTOWN	-	8.12	8.12	1
KMORE	716 789.96	528 640.22	1 245 430.18	64
PNIEL	297 735.36	159 775.04	457 510.40	31
TVILL	-	154.34	154.34	1
Grand Total	1 323 485.04	1 118 949.15	2 442 434.19	167

Attached as **APPENDIX 1** is the list of properties referred to in the table above.

Only outstanding housing loans are depicted in the schedule. It is expected that arrears on municipal services be paid by the respective consumers and that council may approve that only the loan money's be written off.

Department Human Settlement and Property management will be task to administer the write off of the outstanding loan amounts and the transfer of the properties.

The amount for the transfer of properties to the owners still need to be determined therefore a separate item will serve in the new financial year with the cost implications to Council.

Should Council approve that these irrecoverable debts be written off, the funds will be recovered from the Provision for Irrecoverable Debts.

6. COMMENTS FROM OTHER RELEVANT DEPARTMENTS**Human Settlements & Property Management**

The municipality has a huge backlog on the transfer of title deeds on housing stock that spans the pre-1994 and post 1994 periods. This has invariably meant that households who have occupied their dwellings for decades still do not enjoy homeownership in the true sense of the word and all benefits one derives from it.

The Directorate Human Settlements and Property Management has embarked on a concerted process of fast-tracking the transfer of title deeds and the writing-off of housing loans as recommended in this item will significantly assist in facilitating that targets that have been set in this regard are met.

Legal Department

The writing off of these outstanding debts will enable the Municipality to attend to all outstanding transfers effectively. The beneficiaries are currently obliged to make payment of the outstanding amounts before transfer can be affected. The item and recommendations are supported.

7. CONCLUSION

Writing off these housing loans due to them in all likelihood being irrecoverable, will provide people with dignified living. It will enable people to take transfer of their homes, thereby becoming an asset that can be used for security or left as an inheritance. Some people have been waiting for twenty years and longer to experience the joy of home ownership.

Furthermore, the writing off of the arrears cannot be construed as a loss to the municipality. It used to be that the council would pay a loan to the Housing Department and then recover the loan from the owner of the house. This is no longer the case as the Housing Department has written off the municipality's loans in this regard.

All funds that are written off as irrecoverable are written away against the Provision for Irrecoverable Debts.

Realistically speaking, the probability of the municipality recuperating the money in practice remains extremely low.

RECOMMENDED

- (a) that all outstanding housing loans as reflected in the attached documentation be written off as irrecoverable, at the values as reflected in the municipality's records at the time of effecting the transaction; and
- (b) that the municipality facilitate and fund the transfer of the properties to their rightful new owners.

**FINANCE AND STRATEGIC AND CORPORATE SERVICES COMMITTEE:
2016-06-07: ITEM 5.1.1****RECOMMENDED**

- (a) that all outstanding housing loans as reflected in the attached documentation be written off as irrecoverable, at the values as reflected in the municipality's records at the time of effecting the transaction; and
- (b) that the municipality facilitate and fund the transfer of the properties to their rightful new owners.

MAYORAL COMMITTEE MEETING: 2016-06-10: ITEM 5.1.10**RECOMMENDED BY THE EXECUTIVE MAYOR**

that all outstanding housing loans as reflected in the attached documentation be written off as irrecoverable, at the values as reflected in the municipality's records at the time of effecting the transaction.

42ND COUNCIL MEETING: 2016-06-15: ITEM 7.4**RESOLVED** (nem con)

- (a) that all outstanding housing loans as reflected in the attached documentation be written off as irrecoverable, at the values as reflected in the municipality's records at the time of effecting the transaction;
- (b) that all people's names that are not appearing on the list attached, but who are part of this project, should be included in the writing-off of outstanding housing loans; and
- (c) that the Administration report back to Council in the September 2016 Council meeting.

FURTHER COMMENTS BY THE CHIEF FINANCIAL OFFICER

Pursuant to the resolution depicted in (c) above, the Feedback Report on the Writing-off of outstanding Housing Loans, is hereby attached as **APPENDIX 2**.

RECOMMENDED

that Council notes the Feedback Report on the Writing-off of outstanding Housing Loans.

Meeting: Ref No:	<i>Council: 2016-10-05 5/18/1/1</i>	Submitted by Directorate: Author: Referred from:	<i>Financial Services Manager: Treasury (A Treurnicht) Council: 2016-06-15</i>
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7.5.1

LIST OF PROPERTIES

APPENDIX 1

STELLENBOSCH MUNICIPALITY
OUTSTANDING HOUSING LOANS - MAY 2016

Suburb	Account No.	Initials	Surname	Erf No.	Sum of Total All
CVILL	10743865	G	FREDERICKS	7812	743.95
CVILL	10745472	J	JACOBS	7728	76 734.26
CVILL	379209925	F	SECONDS	7813	5 987.26
CVILL	379210327	G	APRIL	7810	5 609.62
CVILL	379220625	SM	LOTTERING	7706	18 834.83
CVILL	379222823	J	JACOBS	7728	91.78
CVILL	10722880	C	VALENTYN	7747	1 181.34
FGDAL	10741849	P	JORDAAN	1236	74 152.32
FGDAL	10742864	JM+J	BLANKENBERG	1253	4 962.16
FGDAL	10764826	DS	BOONZAAIER	1186	19 688.52
FGDAL	10776645	TM&TC	BLANKENBERG	1168	4 720.47
FGDAL	10779332	A	JEFTHAS	1166	1 817.65
FGDAL	10787652	WF	JOHNSON	1243	34 263.61
FGDAL	10768246	C & M	ARENDSE	675	571.97
FGDAL	10792175	JJ	JACOBS	394	767.35
FGDAL	11392	GJ	JEFTHAS	650	1 469.36
FGDAL	7038	TM&TC	BLANKENBERG	1168	50 465.76
FGDAL	11426	FT	JEFTHAS	1255	16 243.83
FGDAL	11880	PN+MM	MAY	1169	13 412.76
FGDAL	7416	AJ	BOONZAAIER	1175	14 018.79
FGDAL	7502	WP	BOUGAARDT	1228	17 678.34
FGDAL	10236	J	FERNDALE	1165	17 172.22
FGDAL	11127	P	JACOBS	1173	13 833.48
FGDAL	7368	JH	BOONZAAIER	620	3 200.62
FGDAL	11000	JJ	JACOBS	394	1 880.62
FGDAL	8455	JP	CLAASSEN	1249	18 783.42
FGDAL	10188	M	DU PREEZ	1229	18 783.42
FGDAL	13222	PA	WILLIAMS	398	10 234.19
FGDAL	11677	P	JORDAAN	1236	16 218.55
FGDAL	7014	JM+J	BLANKENBERG	1253	866.00
FGDAL	11457	A	JEFTHAS	1166	13 867.28
FGDAL	11464	JJ	ARENDSE	1171	15 379.96
FGDAL	11622	WF	JOHNSON	1243	13 635.40
FGDAL	13026	L	VAN WYK	1176	13 272.49
FGDAL	4671	C & M	ARENDSE	675	2 323.11
FGDAL	11440	A	JEFTHAS	476	9 154.10
FGDAL	10733433	A	JEFTHAS	1166	21 377.36
FGDAL	10735758	N	PHILANDER	1254	29 950.42
FGDAL	7409	C	BOONZAAIER	1172	15 309.79
GOAKS	10743580	S	KEYSTER	11750	4 491.10
GOAKS	10745317	D	ANDREWS	11804	4 227.04
GOAKS	10746662	SB	DANIELS	11811	8 292.55
GOAKS	10748200	J	BEUKES	11753	1 480.77
GOAKS	10751336	R	PHILANDER	11771	1 995.47
GOAKS	10756269	R	STUURMAN	11729	5 820.65
GOAKS	10764778	M	GREEN	11801	4 641.93
GOAKS	10767616	S	CUPIDO	11795	2 846.64

Suburb	Account No.	Initials	Surname	Erf No.	Sum of Total All
GOAKS	10771554	LL	PAULSE	11806	145.87
GOAKS	10784525	JJ	MULLER	11760	2 118.15
GOAKS	10787016	A	CONSTABLE	11745	6 543.77
GOAKS	460680628	E	ADONIS	11747	7 169.61
GOAKS	460690328	CC	KOOPMAN	11808	10 394.18
GOAKS	460690926	UL	JAVU	11802	3 420.21
GOAKS	460740722	JJ	MULLER	11760	99.95
GOAKS	460660620	R	STUURMAN	11729	112.03
GOAKS	460680020	F	HARMSE	11742	7 320.23
GOAKS	460680123	P	RAPULING	11743	11 777.82
GOAKS	460690012	SB	DANIELS	11811	50.00
GOAKS	460690524	LL	PAULSE	11806	128.47
GOAKS	460690720	D	ANDREWS	11804	92.03
GOAKS	460700128	M	GREEN	11801	50.00
GOAKS	460700726	S	CUPIDO	11795	152.03
GOAKS	460710220	S	SAMPSON	11791	6 674.41
GOAKS	460710529	E	DREYER	11788	6 803.85
GOAKS	460750123	NE	GORDON	11756	8 511.87
GOAKS	460750525	J	BEUKES	11753	100.00
GOAKS	460750800	S	KEYSTER	11750	50.00
GOAKS	10722691	JG	SMITH	11764	16 850.10
GOAKS	10722732	J	DAVIDS	11710	8 499.37
GOAKS	10720709	A	MOUWERS	5303	9 812.69
GOAKS	701114068	M	CLOETE	510	8.12
KMORE	10769577	W	THYS	40	5 187.12
KMORE	707561303	AN	ADAMS	182	12 854.77
KMORE	707561712	WF	WILLIAMS	174	15 682.25
KMORE	707680895	H	FLORENCE 101	31	14 329.66
KMORE	707680943	J	TOOT 101	43	19 512.99
KMORE	707680802	MT	BROOKS 101	20	17 322.13
KMORE	707261326	H	ADAMS	144	8 406.79
KMORE	707261546	AC	LAWRENCE	140	12 972.39
KMORE	707261601	B	PETERSEN	149	8 459.10
KMORE	707261656	A	SKIPPERS	143	12 516.68
KMORE	707261663	D	SNYMAN	145	9 552.78
KMORE	707261670	W	SNYMAN	147	12 404.78
KMORE	707261704	G	TAYLOR	146	7 115.30
KMORE	707261759	DM	WILLIAMS	148	13 925.34
KMORE	707261292	DB	ABRAHAMS	173	8 283.77
KMORE	707261357	MS	APRIL	160	11 311.65
KMORE	707261412	HH	EDOM	153	26 387.59
KMORE	707261429	FA	ERASMUS	158	11 930.50
KMORE	707261436	R	FILANDER	176	18 546.01
KMORE	707261467	H	HAMILTON	187	2 598.54
KMORE	707261498	JT	JACOBS	169	9 494.21
KMORE	707261515	S	JACOBS	178	10 060.88
KMORE	707261584	D	MICHAELS	180	23 457.99
KMORE	707261618	N	PIENAAR	166	10 103.19
KMORE	707261649	G	SKIPPERS	172	16 914.37

Suburb	Account No.	Initials	Surname	Erf No.	Sum of Total All
KMORE	707261687	A	STELLENBERG	152	19 773.03
KMORE	707261694	PF	SWARTZ	154	12 752.53
KMORE	707261797	LG	WILLIAMS	165	9 967.22
KMORE	707261807	M	WILLIAMS	159	16 477.00
KMORE	707261814	M	WILLIAMS	175	24 598.48
KMORE	707265083	GA	HANEKOM	161	12 263.81
KMORE	707280770	G	CHARLES 101	17	13 784.60
KMORE	707290920	JJ	KRIEL	39	20 485.73
KMORE	707680936	W	THYS	40	16 606.36
KMORE	707680967	MK	STEPHENS	45	15 704.36
KMORE	707680912	J	MENTOOR 101	38	18 611.56
KMORE	707261285	SE	ABRAHAMS	151	54 985.79
KMORE	707261333	MJ	ADAMS	139	45 120.55
KMORE	707261371	AH	BRANDT	136	40 007.83
KMORE	707261388	W	BRAND	138	16 301.08
KMORE	707261522	P	JAFTHA	142	15 880.85
KMORE	707261560	L	MAGADLA	164	605.31
KMORE	707261591	A	MULLER	156	8 999.16
KMORE	707261773	JJ	WILLIAMS	155	11 908.16
KMORE	707561736	RJ	VAN WYK	186	4 080.21
KMORE	707680785	E	ERASMUS	18	15 198.80
KMORE	707261780	KA	WILLIAMS	141	40 325.66
KMORE	707261319	E	ADAMS	184	14 416.15
KMORE	707261340	ME	APRIL	170	9 144.61
KMORE	707261577	K	MESSIAH	188	53 159.65
KMORE	707261632	M	AFRIKA	162	33 172.30
KMORE	707280763	W	ABRAHAMS	16	10 646.46
KMORE	707680716	D & L	CAROLISSEN	12	27 767.40
KMORE	707680871	F	FERGUSON 101	29	18 955.47
KMORE	707680950	E	WILLIAMS 101	44	16 307.02
KMORE	707681023	SJ	LAWRENCE	55	19 829.42
KMORE	10709171	P	JAFTHA	142	110 286.50
KMORE	10785722	P	JAFTHA	142	3 805.26
KMORE	10732542	RJ	VAN WYK	186	55 250.81
KMORE	10733000	F	FERGUSON 101	29	35 695.85
KMORE	10740776	E	WILLIAMS 101	44	37 425.20
KMORE	10741045	MT	BROOKS 101	20	29 264.09
KMORE	10757686	ME	APRIL	170	13 280.07
KMORE	10785698	E	WILLIAMS 101	44	3 255.06
PNIEL	10779253	S	ADAMS	614	2 688.84
PNIEL	100613	B	DEMPERS	640	12 673.36
PNIEL	100605	CE	ONTONG	617	14 775.41
PNIEL	100615	FC	ADAMS	647	12 465.10
PNIEL	100624	R	PETERSEN	612	13 769.76
PNIEL	100629	PB	DENYSSEN	616	14 465.97
PNIEL	100632	HI	LEWIS	644	14 775.41
PNIEL	100650	T	PIETERSEN	641	14 775.41
PNIEL	100609	D	FEBRUARY	630	14 775.41
PNIEL	100669	F	VAN GRAAN	615	14 759.50

Suburb	Account No.	Initials	Surname	Erf No.	Sum of Total All
PNIEL	100927	SD	ROBYN	605	12 474.13
PNIEL	100618	CH	LACKAY	619	16 483.33
PNIEL	100634	E	CUPIDO	626	33 784.00
PNIEL	100635	ME	THOMAS	629	12 673.29
PNIEL	100806	GJ	DANIELS	608	14 003.71
PNIEL	100808	UC	GALANT	609	12 871.63
PNIEL	100924	R	SAMUELS	611	12 673.36
PNIEL	100926	BD	DANIELS	604	14 076.42
PNIEL	100611	N	CYSTER	613	35 697.25
PNIEL	100620	J	ARENDSE	625	12 475.14
PNIEL	100659	R	VAN GRAAN	618	13 580.50
PNIEL	100668	S	ADAMS	614	13 073.83
PNIEL	100670	JM	FISHER	607	12 475.14
PNIEL	100948	E	HORTON	643	12 474.15
PNIEL	10709157	R	VAN GRAAN	618	19 998.82
PNIEL	10733127	S	ADAMS	614	26 313.02
PNIEL	10733914	CH	LACKAY	619	22 066.53
PNIEL	10741492	R	VAN GRAAN	618	930.40
PNIEL	10791545	J	ARENDSE	625	2 779.69
PNIEL	10791552	JM	FISHER	607	14 244.03
PNIEL	100621	G	MENTOOR	645	12 437.86
PNIEL	10725481	J K	MOSES	8810	154.34

Grand Total**2 442 434.19**

7.5.1

**FEEDBACK REPORT ON
WRITING-OFF OF OUTSTANDING
HOUSING LOANS**

APPENDIX 2

FEEDBACK REPORT - WRITING OFF OF OUTSTANDING HOUSING LOANS

File number : 5/18/1/1
Compiled by : Manager: Treasury Office
Report by : Chief Financial Officer
Delegated Authority : Council

Strategic intent of item

Preferred investment destination	<input type="checkbox"/>
Greenest municipality	<input type="checkbox"/>
Safest valley	<input type="checkbox"/>
Dignified Living	<input checked="" type="checkbox"/>
Good Governance	<input checked="" type="checkbox"/>

1. PURPOSE OF REPORT

To provide Council with feed back regarding the writing off of outstanding housing loans as instructed by Council Resolution 7.4 of 15 June 2016.

2. BACKGROUND

At the 42nd Council Meeting of 15 June 2016, Item 7.4, Council resolved as follows:

- (a) *That all outstanding housing loans as reflected in the attached documentation be written off as irrecoverable, at the values reflected in the municipality's records at the time of effecting the transaction;*
- (b) *That all people's names that are not appearing on the list attached, but who are part of this project, should be included in the writing-off of outstanding housing loans; and*
- (c) *That the Administration report back to Council in the September 2016 Council meeting.*

3. DISCUSSION

The total number of loans to be written off was 167 and amounted to R2 442 434.19 at the time of preparing the initial report to Council.

The Resolution was subsequently implemented and a total amount of R2 403 786.94 was written off as irrecoverable in the 2015/16 financial year. This represents the amount reflected in the municipality's records at the time of effecting the transaction. Housing loans thus reflected a zero balance from 1 July 2016.

The difference of R38 647.25 between the figure submitted to Council for write-off and the figure actually written off is made up of a few transfers and other corrections made in the mean time.

4. LEGAL IMPLICATION

None. This report is for cognisance only. The action was carried out in terms of a Council Resolution 7.4 dated 15 June 2016.

5. FINANCIAL IMPLICATION

An amount of R2 403 786.94 was written off against the municipality's Reserve for Doubtful Debts.

6. COMMENTS FROM OTHER RELEVANT DEPARTMENTS

None requested. The report is for noting only.

7. CONCLUSION

The resolution by Council that outstanding housing loans must be written off was implemented fully and the matter can be regarded as finalized.

RECOMMENDED

That the report of the Chief Financial Officer be noted.

7.6

HUMAN SETTLEMENTS

CLLR PW BISCOMBE

7.6.1	FINAL REPORT ON THE AUDIT OF LEGAL OCCUPATION OF PUBLIC RENTAL MUNICIPAL FLATS
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1. PURPOSE OF REPORT

To inform Council of the outcome of the survey conducted of all Public Rental Municipal Flats in terms of the Council resolution Item 9.3 of 24th June 2015.

2. BACKGROUND

During the 31st meeting of Council held on 24 June 2015, Councillor Biscombe tabled a motion calling for:

- (i) a survey of every dwelling to establish whether the legal occupants are still living there;
- (ii) How many persons are currently occupying each unit and are they legally there. What steps would be put in place to rectify any illegality;
- (iii) Due to complaints lodged, what is currently being done between Housing Administration and Legal Department to attend to anti-social behaviour patterns with the view to removing these elements from Council premises.

3. DISCUSSION

3.1 SURVEY OF MUNICIPAL RENTAL UNITS

Following on the motion tabled by Councillor Biscombe, the Housing Administration Department undertook a survey of all municipal rental stock.

The information received during the survey process was compared to the information on the records both Housing Administration and the records of Finance Department. In the case of Cloetesville, these lists were also cross referenced with the information supplied by resident's committees.

3.2 LEGAL OCCUPANCY

The preliminary findings with regard to legal occupancy of the survey and the comparison of information obtained with the records of Finance Department are as follows:

AREA	Number Of Units	Legal Tenant Still In Occupation	Transfers Of Tenancy (Tenant Deceased)	Number Of Alleged Illegal Occupants
CLOETESVILLE				
Rhode Street	72	49	14	9
Kloof + Long Streets	132	102	14	16
Maisonettes	36	27	7	2
KAYAMANDI	146	85	5	56
LAP FLATS				
Lavanda	72	58	13	1

Aurora	72	60	12	0
Phyllaria	77	66	11	0

The Department is currently engaged with the process of interviewing all occupants where the tenant is deceased to determine whether this is a standard **transfer of tenancy** to the widow or a family member who formed part of the original household or whether the occupants should be considered as **illegal occupants**.

There are criteria set out in the approved council *Policy and Guidelines for the Allocation and Transfer of Tenancy of Municipal Rental Housing Stock* in terms of which this process is being conducted and the criteria will be strictly applied.

Likewise, Council has approved a **Policy for the Unlawful Occupation of Municipal Rental Housing** that is being used as a framework to determine how the alleged illegal occupants of the units will be handled. These families are also being interviewed and, in terms of this policy, occupants who comply with the criteria as set out in the policy will be considered for legalization whereas occupants who do not meet the criteria will be referred to Legal Services for eviction from the premises.

It should be emphasized that, only once the Department has conducted interviews with all the families concerned, will it be able to produce accurate figures as to the status of the households where the tenants are deceased and where there are illegal occupants living in the municipal flats.

3.3 PROGRESS WITH LEGAL ACTION AGAINST TRANSGRESSORS

To date this Department has referred 23 cases to the Legal Advisor for action to be taken against tenants/occupants for various lease infractions ranging from illegal occupation to anti-social behaviour/ drug trafficking. This is an on-going process and as and when this office becomes aware of lease infractions, the respective matters will be referred to the Legal Advisor for the necessary steps to be taken against occupants.

Cloetesville: 7 cases

Kayamandi: 1 case

LAP: 9 cases

Staff Rental: 4 cases

Other (Eland/Hugo Streets): 2 cases

The Legal Advisor is systematically referring the various matters to Attorneys. To date ten cases have been handed to various attorneys.

RECOMMENDED

that Council note the progress made with the audit of legal occupation of Public Rental Municipal Flats.

**ENGINEERING SERVICES AND HUMAN SETTLEMENTS COMMITTEE
MEETING: 2015-12-01: ITEM 5.1.1**

RESOLVED (nem con)

that a final report be submitted to Council via this Standing Committee.

RECOMMENDED

that Council note the progress made with the audit of occupation of Public Rental Municipal Flats.

MAYORAL COMMITTEE MEETING: 2016-01-27: ITEM 5.1.1

RECOMMENDED BY THE EXECUTIVE MAYOR

that Council note the progress made with the audit of occupation of Public Rental Municipal Flats.

37TH COUNCIL MEETING: 2016-01-27: ITEM 7.7

RESOLVED (nem con)

that Council note the progress made with the audit of occupation of Public Rental Municipal Flats.

**FINAL REPORT BY THE DIRECTORATE HUMAN SETTLEMENTS AND
PROPERTY MANAGEMENT**

1. BACKGROUND

During the **ENGINEERING SERVICES AND HUMAN SETTLEMENTS
COMMITTEE MEETING: 2015-12-01: ITEM 5.1.1**, the meeting,

RESOLVED (nem con)

that a final report be submitted to Council via this Standing Committee.

2. FINAL REPORT

2.1 FINDINGS OF SURVEY

The department compared the findings of the survey with regard to legal occupancy of the rental units with information obtained with the records of Finance Department. Interviews were conducted with occupants of flats where there appeared to be discrepancies and detailed questionnaires were completed that enabled the department to make

decisions regarding whether or not illegal occupants qualified for legalization.

The findings of the survey and the interviews are set out on the table below.

AREA	Number of units	Legal Tenant Still Occupying	Transfers of Tenancy To family member	Illegal tenant to be legalized	No response	Illegal
CLOETESVILLE Rhode Street	72	48	17	0	4	3
Kloof + Long Streets	132	104	19	1	3	5
Maisonettes	36	27	6	0	2	1
KAYAMANDI	146	87	23	10	14	12
LAP FLATS						
Lavanda	72	60	7		3	2
Aurora	72	63	8			1
Phyllaria	77	64	11			2

It was found that many of the cases of illegal occupation as listed above had already been identified by the department and processes had commenced for their eviction from the premises.

These relate to cases where the legal tenant either had never taken occupation of the flat allocated to them, or had placed other occupants in the flat or where the legal tenant was living elsewhere and the flat was being used for illicit/gang-related activity. The department will proceed with legal action in these cases, particularly where anti-social activities on the premises are causing problems within the community.

In most cases it was found that illegal occupants did not meet with criteria relating to the period of occupancy as set out in the Policy for the unlawful Occupation of Municipal Rental Housing: namely that an illegal occupant must have occupied the premises before the cut-off date of 2008 in order to qualify for legalization. This matter will be work shopped with the Portfolio Chairperson and other stakeholders and will be resubmitted to Council, if the need for amendment is upheld.

RECOMMENDED

that Council notes the findings of the audit of legal occupation of Public Rental Municipal Flats as set out in paragraph 2 of this final report.

**ENGINEERING SERVICES AND HUMAN SETTLEMENTS COMMITTEE
MEETING: 2016-05-04: ITEM 5.1.3****RECOMMENDED**

that Council notes the findings of the audit of legal occupation of Public Rental Municipal Flats as set out in paragraph 2 of this final report.

MAYORAL COMMITTEE MEETING: 2016-05-18: ITEM 5.1.3

The Mayoral Committee was of the view that consideration ought to be given to strengthening the capacity of internal Legal Services in order that recurring matters of this nature could in future be adequately dealt with in-house. Ways of improving the level of efficiency in dealing with these matters administratively, as well as the related financial function, should also be explored.

RECOMMENDED BY THE EXECUTIVE MAYOR

that Council notes the findings of the audit of legal occupation of Public Rental Municipal Flats as set out in paragraph 2 of this final report.

FOR CONSIDERATION**MAYORAL COMMITTEE MEETING: 2016-09-21: ITEM 5.1.5****RECOMMENDED**

that Council notes the findings of the audit of legal occupation of Public Rental Municipal Flats as set out in paragraph 2 of this final report.

Meeting: Ref No:	<i>Council: 2016-10-05 8/1/4/2/3 x 17/4/1</i>	Submitted by Directorate: Author: Referred from:	<i>Human Settlements Manager: Housing Admin (Ms C Lamohr) EM & MC: 2016-09-21</i>
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7.7

INFRASTRUCTURE

CLLR J DE VILLIERS

7.7.1	REPORT BACK ON WASTE WEEK (9-13 MAY 2016) FOR STELLENBOSCH MUNICIPALITY
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1. PURPOSE OF REPORT

To provide feedback to Council on the lessons learnt from the inaugural Waste Week held, for noting and approval of the recommendations listed.

2. BACKGROUND

Stellenbosch Municipality's Solid Waste Management Department, together with Youth Jobs in Waste (also locally known as the Green Ants) hosted a Waste Week from 09 to 13 May 2016.

The Youth Jobs in Waste programme is a national programme initiated by the Department of Environmental Affairs (DEA), and the Western Cape implementing agent is Tedcor. Stellenbosch Municipality is one of the municipalities participating in this initiative, and this is the second phase of the national initiative. This phase is predominantly focused on education and awareness-raising pertaining to waste management.

As part of their education and awareness portfolio, the decision was taken in conjunction with the Solid Waste Management Department of this municipality to host a Waste Week, which included surveys undertaken, illegal dumping clean-ups, pledges and conducting a swop shop for waste material.

3. DISCUSSION

This report-back will feature on the three key activities, viz swop-shops held in Kayamandi, Franschhoek and Klipmuts, illegal dumping clean-ups effected in the same three areas, as well as the surveys undertaken.

The Waste Week specifically focussed on education and awareness regarding waste management and minimisation. The following programme was followed:

Date	Location	Activities
09 May 2016	Kayamandi: In front of the Police Station, Masitandane Street	Swop shop, surveys and illegal dumping clean-up
10 May 2016	Klipmuts: Mandela City	Swop shop, surveys and illegal dumping clean-up
11 May 2016	Kayamandi: In front of the Police Station, Masitandane Street	Swop shop and pledge wall
12 May 2016	Franschhoek: Langrug	Swop shop, surveys and illegal dumping clean-up
13 May 2016	Klipmuts: Zenile Street	Swop shop and surveys

ACTIVITY 1: SWOP SHOP

Background

A pop-up swop shop formed part of the daily activities. Each day upon arrival the swop shop was set up by the Green Ants by erecting a gazebo and laying three tables with quality goods that were collected prior to the waste week (see **APPENDIX A** for poster). The concept of the swop shop was then explained to onlookers encouraging them to bring any form of recycling to the pop-up shop in exchange for items available on the day. The news spread via word-of-mouth through the area encouraging others to participate. For education and awareness purposes, two rules regarding collection applied:

- 1) only bags that were filled to capacity with recycling would be accepted; and
- 2) only one type of recyclable material is allowed per bag, i.e. glass or plastic or paper/cardboard or and not a combination thereof.

Once a bag filled with recyclables was handed in, it was inspected by a Green Ant with the collector present. Should there be any problems with the amount or types of waste received, the collector would be educated as to why certain items cannot be accepted as part of that specific bag's contents. If necessary, the collector would be given back his bag to rectify the mistakes. No challenges were experienced in terms of dumping of half-filled bags.

Feedback

The success of the swop shop differed greatly with location and as such will be discussed per location.

In **Kayamandi** the concept did not appeal to the greater majority, although the children did partake. The residents did not like the idea of swapping recyclables for second hand clothes as they felt this is something that they should and/or could get for free. In total 81 bags of recycling was collected over two days by the community in Kayamandi, the breakdown of which is highlighted in **APPENDIX B**.

In **Klapmuts** the swop shop was a roaring success on both days in the different locations. Residents bought into the idea of exchanging recyclables for goods and many were seen returning with full bags multiple times. Participants even made plans to increase the amount of recycling that they can bring to the swop shop in one trip in innovative ways (as can be seen in the photo gallery, **APPENDIX C**). By the time the schools came out and the children became aware of the initiative, Klapmuts was buzzing with children picking up recycling from open spaces, between houses and in stormwater channels. By the end of the day, no more recycling could be seen littering the immediate vicinity. In total 416 bags of recycling was collected over two days in Klapmuts, the breakdown of which is highlighted in **APPENDIX B**.

In **Franschhoek**, this trial did not produce positive results. The residents were extremely hostile towards the team and felt that the swop shop goodies were owed to them and that they need not work for it. The well-being of the Green Ants was threatened to such an extent

that they had to pack up and leave the area. However, before they left a total 50 bags of recycling were collected and swapped for goods by the community, the breakdown of which is highlighted in **APPENDIX B**.

Lessons Learnt

Due to the success of this concept (especially in Klapmuts), it is recommended that a swop shop becomes a monthly institute within the Stellenbosch Municipal Region. There are multiple factors that negatively influenced the success of the swop shop in Kayamandi and Langrug including a lack of prior communication to the community and the unavailability of certain items which participants would value more such as non-perishable foods. In these areas this project could be a greater success if only children are allowed to partake, as is the case with the Gansbaai and Hermanus swop-shops. Alternatively, assistance is sought from Councillors and community representatives to communicate with the local community about the objectives of swop-shops prior to roll-out.

It is recommended that the pilot study continues in the area where the most positive feedback and public buy-in were received, namely Klapmuts. Once the programme has been well established there, and the success is replicated consistently, it can be rolled out to other areas.

ACTIVITY 2: ILLEGAL DUMPING CLEAN-UP

Background

An illegal dumping clean-up was executed by the Green Ants and 6 EPWP workers provided by Stellenbosch Municipalities' Area Cleaning Department in Kayamandi on 09 May 2016. A second clean-up was executed by the Green Ants and 6 EPWP workers in cooperation with local residents in Klapmuts on 10 May 2016.

Feedback

In Kayamandi, residents did not actively partake in the illegal dumping clean-up and most of the work was done by the Area Cleaning Department. The Green Ants observed that the cleanliness of the area post clean-up did not result in a change of resident's behaviour - they were not deterred from dumping on the same spot indicating a severe lack of environmental knowledge and general attitude towards their responsibility of keeping their environment clean. From this experience, the team concentrated on promoting small ideas and actions to spark change, such as possibilities for recycling, education regarding illegal dumping hazards and asking key questions to determine the motive for using the specific area as a dumping site.

The aim of Waste Week 2016 was to encourage residents to keep the environment clean (own responsibility) and for this reason the Green Ants created a pledge wall in front of the police station in Kayamandi with the help of willing community members. By placing their hand print on the pledge wall, they pledged to no longer use this area for dumping.

In Klapmuts residents were very happy with the initiative and the fact that the Municipality wants to help them live in a clean area. They actively participated in the clean-up effort and saw this as an opportunity to swap their collections for goods.

Lessons Learnt

It is recommended that environmental-conscious community groups be established in these areas, and ensure that Personal Protective Equipment (PPE) is issued to any community member who would like to participate in the clean-up operations as this will spark their interest. It is also important that they are encouraged to partake by rewarding them with tokens of gratitude, which could be vouchers or food hampers.

ACTIVITY 3: SURVEYS

Background

Consultation with the different communities was a key part of the programme. This included the completion of surveys and open dialogue with members of the public, determining what their needs are regarding solid waste management and establishing a list of reasons as to why illegal dumping is taking place. An example of the survey is attached as **APPENDIX D**.

Feedback

In Kayamandi and Franschhoek it was stated by the communities that they would prefer their own members handling the completion of the surveys as they felt a sense of interrogation and that jobs in their area should not be done by outsiders. In Klapmuts the community members were more willing to communicate with the Green Ants.

In Kayamandi 32 surveys were conducted and a further 29 and 9 in Klapmuts and Franschhoek respectively, adding up to 70 in total. 50% of the participants felt that there is a lack of skips and or waste containers in their immediate vicinity and 45% felt that Area Cleaning was not doing a proper job. It is evident that residents do not feel that they themselves are to blame for illegal dumping and/or littering.

Lessons Learnt

A modification of the survey is recommended to ensure that the right questions are asked with a specific end goal in mind. The survey has the power to understand the thoughts and hearts of the community when definite responses are triggered through the questions. The survey should also be written in all three official Western Cape languages; English, isiXhosa and Afrikaans.

WASTE MINIMISATION

In total, 1,220.5 kg of waste was collected equating to a landfill airspace saving of 48.94 m³. We value each m³ of landfill airspace at R450.85, which means that R 22,064.59 worth of landfill airspace was saved during this week (refer to **APPENDIX B** for calculations).

This has been achieved with minimal effort and relatively low participation levels. It is also important to note that this is a 100% diversion from landfill as all of these items would have been landfilled.

It is important to keep the bigger picture in mind; by implementing an informal waste separation programme, the future conversion to a formal two bag system in these communities will go so much smoother as the foundation has already been built.

Stellenbosch Municipality sets out to identify plans and projects that could lead to more substantial diversion of waste from landfill and meet the recycling targets set by the National Waste Management Strategy (NWMS).

RECOMMENDED

- (a) that the content of this report be noted;
- (b) that the monthly waste awareness campaign to be instituted, integrating recycling collections, information gathering and waste education through mobile swap shops, be supported;
- (c) that this pilot project above be implemented in Klapmuts first, and then rolled out in other areas once the viability thereof has been proved;
- (d) that Councillors and Community Development Workers (CDWs) promote the campaign and communicate dates with the respective communities;
- (e) that regular donations of non-perishable goods from the wider WCO24 be encouraged through charities, churches and through official Stellenbosch Municipality communication to assist the swap shops; and
- (f) that Law Enforcement be on board to ensure the safety of the volunteers and goods on offer.

ENGINEERING SERVICES AND HUMAN SETTLEMENTS COMMITTEE MEETING: 2016-06-01: ITEM 5.1.3

RECOMMENDED

- (a) that the content of this report be noted;
- (b) that the monthly waste awareness campaign to be instituted, integrating recycling collections, information gathering and waste education through mobile swap shops, be supported;
- (c) that this pilot project above be implemented in Klapmuts first, and then rolled out in other areas once the viability thereof has been proved;

-
- (d) that Councillors and Community Development Workers (CDWs) promote the campaign and communicate dates with the respective communities;
 - (e) that regular donations of non-perishable goods from the wider WCO24 be encouraged through charities, churches and through official Stellenbosch Municipality communication to assist the swap shops; and
 - (f) that Law Enforcement be on board to ensure the safety of the volunteers and goods on offer.

MAYORAL COMMITTEE MEETING: 2016-06-10: ITEM 5.1.6**RECOMMENDED BY THE EXECUTIVE MAYOR**

- (a) that the content of this report be noted;
- (b) that the monthly waste awareness campaign to be instituted, integrating recycling collections, information gathering and waste education through mobile swap shops, be supported;
- (c) that this pilot project above be implemented in Klapmuts first, and then rolled out in other areas once the viability thereof has been proved;
- (d) that Councillors and Community Development Workers (CDWs) promote the campaign and communicate dates with the respective communities;
- (e) that regular donations of non-perishable goods from the wider WCO24 be encouraged through charities, churches and through official Stellenbosch Municipality communication to assist the swap shops; and
- (f) that Law Enforcement be on board to ensure the safety of the volunteers and goods on offer.

FOR CONSIDERATION**MAYORAL COMMITTEE MEETING: 2016-09-21: ITEM 5.1.6****RECOMMENDED**

- (a) that the content of this report be noted;
- (b) that the monthly waste awareness campaign to be instituted, integrating recycling collections, information gathering and waste education through mobile swap shops, be supported;
- (c) that this pilot project above be implemented in Klapmuts first, and then rolled out in other areas once the viability thereof has been proved;
- (d) that the campaign be communicated with the respective communities;

-
- (e) that regular donations of non-perishable goods from the wider WCO24 be encouraged through charities, churches and through official Stellenbosch Municipality communication to assist the swop shops; and
- (f) that Law Enforcement assist, where possible.

Meeting: Ref No:	<i>Council: 2016-10-05 8/1/Engineering Services</i>	Submitted by Directorate: Author: Referred from:	<i>Infrastructure Manager: Solid Waste (S Haider) EM & MC: 2016-09-21</i>
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7.7.1

POSTER

APPENDIX A

APPENDIX A: WASTE WEEK 2016 SWOP SHOP ITEMS REQUEST

PLEASE DONATE towards the **SWOP SHOP**

We need your help!

During the Waste Week we want to encourage the public to exchange their recyclables for items such as clothing and food. Please donate some of your unwanted clothes, stationery and food for this cause. Contact: Charlotte Cronjé (Extention 8216)

Waste Week: 9 – 13 May 2016



7.7.1

CALCULATIONS

APPENDIX B



APPENDIX B: BREAKDOWN OF RECYCLING STREAMS

LOCATION	BAGS OF PLASTIC COLLECTED	BAGS OF GLASS COLLECTED	BAGS OF CARDBOARD COLLECTED	BAGS OF TIN COLLECTED	TOTAL BAGS COLLECTED
KAYAMANDI DAY 1	54	5	1	0	60
KAYAMANDI DAY 2	20	1	0	0	21
SUBTOTAL KAYAMANDI	74	6	1	0	81
KLAPMUTS DAY 1	180	13	10	3	206
KLAPMUTS DAY 2	184	12	8	6	210
SUBTOTAL KLAPMUTS	364	25	18	9	416
FRANSCHHOEK	45	3	0	2	50
SUBTOTAL FRANSCHHOEK	45	3	0	2	50
GRAND TOTAL	480	34	19	11	547
AVERAGE WEIGHT PER BAG	1.8 kg	8.1 kg	2.3 kg	3.4 kg	
TOTAL WEIGHT COLLECTED PER STREAM	864.0 kg	275.4 kg	43.7 kg	37.4 kg	1220.5 kg
Factor (kg /m³)	21.36	355.97	59.32	37.38	
m³ airspace saved	40.44 m³	0.77 m³	0.73 m³	1.00 m³	48.94 m³

7.7.1

PHOTO GALLERY

APPENDIX C



APPENDIX C – PHOTO GALLERY



Photo 1 - 4: Kayamandi community member pledging for change – no more dumping in front of the police station!!!



Photo 5 – 7: Customers at the Klapmuts Swap shop



Photo 8 – 9: Innovative ways of transporting more waste in one trip



Photo 10 – 12: Swop shop goodies



Photo 13 – 14: Customers



Photo 15: Recyclables collected in two hours



Photo 16: Inspection of the waste



7.7.1

EXAMPLE OF THE SURVEY

APPENDIX D



Survey on waste management/Questionnaire

1. Do you live close to this area? Yes / No

2. Is there a municipality skip collection point close to you? Yes / No

3. Why do you bring your waste here?

- a. Close to my house
- b. Far away from my home so that the smells/nuisances do not bother me
- c. Municipality skips are very far from my home/ not in my area.
- d. Skips are full
- e. Cannot rely on municipal collection
- f. Wheelie bins are full
- g. I am a backyard dweller without wheelie bin

4. What do you dump?

- a. Domestic / household waste
- b. Diapers
- c. Bulky waste (mattresses, fridges, couches etc.)
- d. Dead animals
- e. Garden waste
- f. Builders rubble
- g. All of the above

5. Does the nuisance bother you e.g. smells, flies and rats etc. Yes / No

6. Have you ever burnt the waste /set it alight? Yes / No

7. Does a dirty environment bother you? Yes / No

8. Are you aware that this is not the proper way to dispose of your waste? Yes / No

9. What do you think can be done by the community/ the municipality to improve the illegal dumping issue in your area?

7.8

PROTECTION SERVICES

CLLR Q SMIT

7.8	PROTECTION SERVICES: (PC: CLLR Q SMIT)
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NONE

7.9

YOUTH, SPORTS AND CULTURE

CLLR XL MDEMKA (MS)

AGENDA

**2ND COUNCIL MEETING OF THE COUNCIL
OF STELLENBOSCH MUNICIPALITY**

2016-10-05

7.9	YOUTH, SPORTS AND CULTURE: (PC: XL MDEMKA (MS))
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NONE