

9.	MATTERS FOR NOTIFICATION
-----------	---------------------------------

9.1	REPORT ON DECISIONS TAKEN BY THE EXECUTIVE MAYOR
------------	---

NONE

9.2	REPORTS BY MUNICIPAL MANAGER
------------	-------------------------------------

9.2.1	KNYSNA EXPERIENCE
--------------	--------------------------

1. PURPOSE OF REPORT

To inform Council of a visit, during April 2016 by the Portfolio Councillor for Human Settlements and Property Management, Cllr V Fernandez and Officials of the Directorate: Human Settlements and Property Management to Knysna Municipality. The purpose of this visit was to investigate other options for Upgrading of Informal Settlements.

2. BACKGROUND

Knysna Municipality won several housing awards over the past three (3) years with this methodology and therefore the Provincial Department of Human Settlements (PDoHS) encouraged Stellenbosch Municipality to visit a few of their housing projects.

According to statistics provided by PDoHS Knysna Municipality has a high conversion rate of turning Informal Settlements into subsidised housing projects. It was therefore imperative to investigate the implementation strategies of the various housing programmes by Knysna Municipality.

Therefore the primary reason for the site visit was to investigate and experience first-hand the methodology employed in the Upgrading of Informal Settlements by Knysna Municipality and converting it into housing projects with the implementation of smaller decanting sites within existing informal areas.

2.1 *Achievements by Knysna Municipality over the last 5 years:*

- Erven serviced – 3600;
- Top structures completed – 2300;
- Received several Provincial and National Housing awards.

2.2 Housing Programme (Knysna Municipality)

The current programs that Knysna Municipality applies for at the PDoHS in order to implement housing projects are the following:

- Upgrade of Informal Settlement Program (UISP);
- Move from Breaking New Ground (BNG) Contractor driven houses to People Housing Program (PHP);
- Access to Basic Services (ABS);
- Infill projects.

3. DISCUSSION

As mentioned above, Knysna Municipality has several strategies that they employ to achieve housing delivery.

The overarching strategy for Knysna Municipality is to promote access for all citizens to appropriate and sustainable infrastructure and services.

The strategy is to:

- Develop an incremental housing program by providing basic services to all plot occupiers – ABS;
- Develop new housing opportunities within the existing urban footprint;
- Facilitate GAP-housing with private sector developers and financiers (Source: Knysna Municipality);
- Utilize subsidy for building TRA's.

From this strategy several other strategies were developed, i.e.

- Creating Temporary Relocation Areas TRA ;
- Flexible land use requirements;
- Flexible engineering standards.



Figure: Temporary Relocation Area in Knysna

Strategy 1: Creating Temporary Relocation Areas TRA

- Reduce size of TRA;
- Use smaller TRA's – average size 30 units;
- Spread across different ward / housing projects;

-
- TRA designed with access to water and sanitation; no electricity;
 - Identify relocation areas in particular Wards and mapping software;
 - Infill projects implemented to eradicate TRA's.

Strategy 2: Flexible land use requirements

- Town Planner's approval – non or very few opportunities for parking facilities on-site;
- Walkways are created between houses to enable access for families between houses;
- Access to houses is of minimal standards.



Figure 2

Strategy 3: Flexible engineering standards

- Engineer's approval – approved 3.5m – 4m (narrow) roads;
- Electricity installation on steep slopes / sites;
- Platforms created according to engineering principles and designs.



Figure 3

What did Knysna Municipality do differently?

They relax the rules of Municipal requirements according to regular standards:

- PDoHS – approval of projects/specifications;
- Retaining walls are being built to protect slope sites;
- Use small contractors with a CIDB 1 grading;
- These Contractors are sourced (SCM processes) from the areas;
- Building material (sourced by the Municipality) is provided to the Contractors and they are managed by external Consultants.

RECOMMENDED

that the report regarding the site visit to Knysna Municipality for the Upgrading of Informal Settlements, be noted.

ENGINEERING SERVICES AND HUMAN SETTLEMENTS COMMITTEE MEETING: 2016-06-01: ITEM 6.1.2

RECOMMENDED

that the report regarding the site visit to Knysna Municipality for the Upgrading of Informal Settlements, be noted.

MAYORAL COMMITTEE MEETING: 2016-06-10: ITEM 5.1.7

RECOMMENDED BY THE EXECUTIVE MAYOR

that the report regarding the site visit to Knysna Municipality for the Upgrading of Informal Settlements, be noted.

Meeting: Ref No:	<i>Council: 2016-10-05 17/4/8</i>	Submitted by Directorate: Author: Referred from:	<i>Human Settlements T Mfeya EM&MC: 2016-06-10</i>
-----------------------------	---------------------------------------	---	--

9.2.2	REPORT BY THE MUNICIPAL MANAGER – DELEGATED POWERS
--------------	---

1. PURPOSE OF REPORT

That Council notes the delegated authority exercised by the Acting Executive Mayor during the July 2016 recess period.

2. BACKGROUND

All powers and functions that vests with Council, excluding those powers mentioned in s 160(2) of the Constitution, as well as the power to approve or amend the IDP, the power to set tariffs, the power to enter into a service delivery agreement in terms of S 76(b) of the Municipal Systems Act and any other power which may be delegated in terms of national or provincial legislation.

The Executive Mayor is obliged to report to Council on the above powers, as a general rule.

3. DISCUSSION

In case of an emergency and/or when Council is in recess, when failing to take a decision within a limited timeframe may lead to a financial loss for the Municipality or may jeopardise the lives of people, the Executive Mayor be authorised to exercise any of his/her powers or perform any of his/her duties without the input of the Mayoral Committee. (Delegation 1 of the Approved System of Delegations attached as **APPENDIX 1**).

During the July 2016 recess period, the below mentioned items served before the then Acting Executive Mayor, Cllr S Louw, as a matter of urgency to ensure continuous service delivery to the greater community of Stellenbosch Municipality.

The items that were considered included the following:

3.1 2016/2017 ELECTRICITY AND LAND USE MANAGEMENT TARIFF ADJUSTMENT

- As per NERSA's request, the current tariff application was submitted for approval on 27 March 2016. On 29 June 2016 NERSA rejected the Municipality's tariffs and advised Stellenbosch Municipality on the tariffs to be implemented, necessitating the revision of the published tariffs.
- There was an error with the approval of the following 2016/2017 land use management tariffs which need to be corrected :
 - o Departure – Erven which are 201m² and larger.
- The electricity tariff structure for 2016/17 approved by Council together with the proposed changes is reflected in the attached item. It's estimated that the gross electricity income will decrease with R6 792 731.

It is proposed that Council agrees to the corrections to the land use management tariffs as the changes would not result in a loss of revenue. The 2016/17 land use tariff structure as approved by Council is attached.

Recommended that:

- a) Council implement the lower tariff of R315. PLUS vat which comes to R334.00 for departure applications which are 201m² and larger;
- b) Advertise the error and indicate the correct tariffs;
- c) Advertised in all the newspapers in which we advertised the budget plus the Tattler. It must also go on the website; and
- d) Report to Council.

(The Item is attached as **APPENDIX 2**).

3.2 IDENTIFICATION OF VARIOUS PORTIONS OF MUNICIPAL LAND WITH DEVELOPMENT POTENTIAL: IN PRINCIPLE DECISION TO PREPARE LAND FOR POSSIBLE DEVELOPMENT (TENDER 34)

Recommended:

- a) that the following properties be identified as properties for possible development for Black Local Economic Development /BEE:

Erf 5652, Die Boord
Erf 412, Groendal
Erf 1902, Town Hall
Erf 13426, Technopark
Erf 194, Van der Stel
Erf 52, Bird Street;
- b) that the Municipal Manager be requested to :
 - i) Investigate the possible development of the properties listed in (a) (*supra*);
 - ii) Advise on the type of development that could be undertaken (if any); and
- c) that a progress report be tabled within a period of 3 months.

(The Item is attached as **APPENDIX 3**).

3.3 AMENDMENT OF CONTRACT B/SM 38/14: PROVISION OF PROFESSIONAL ENGINEERING SERVICES FOR THE DESIGN AND CONSTRUCTION OF THE REHABILITATION AND CAPPING OF THE STELLENBOSCH LANDFILL SITE (CELLS 1 AND 2)

Recommended:

- a) that Council note the reasons and comparisons as requested for the proposed amendment of the contract/agreement; and
- b) that the local community be given reasonable notice of the intention to amend the contract/agreement and be invited to representations of the Municipality.

(The Item is attached as **APPENDIX 4**).

3.4 REVISED EMERGENCY HOUSING ASSISTANCE POLICY (EHAP)

Recommended:

- a) that Council approve the revised Emergency Housing Assistance Policy;
- b) that the revised EHAP be advertised for public input;
- c) that should any inputs be received, same be considered by Council before a final decision is made;
- d) that backyard dwellers will be assisted with the same support as provided in informal settlements.

(The Item is attached as **APPENDIX 5**).

3.5 INNOVATION CAPITAL PROGRAMS: LOCAL ECONOMIC DEVELOPMENT HUBS FOR SMALL BUSINESSES

Recommended:

- a) that approval be granted for the establishment of Local Economic Development hubs on the following properties :

PROPERTY	PURPOSE
Re Erf 342, Klapmuts	Trading hub (container shops)
Erven 228, 229 and 230, Franschoek	Shops and tourism activities
Erf 1538, Franschoek	Parking
Erf 2235, Groendal	Shops and tourism activities
Public Place / POS north of Groendal Community Hall	Local business organisation office
Erven 2751 and 6314, Stellenbosch	Arts, crafts and tourism activities, including parking
Erven 1439 and 1441, Stellenbosch	Industrial hub
Erven 1956, 1957, 6487, 6488 and 6490, Stellenbosch	Arts, crafts, shops, offices, tourism activities

Die Boord POS	Community Market
Erf 721, Pniel	Shops and tourism activities

- b) that Council confirm that the properties are not required for the provision of the minimum level of basic municipal services in terms of Section 14 of the Local Government: Municipal Finance Management Act, 2003, Act 56 of 2003; and
- c) that the Acting Municipal Manager be authorised to follow the prescribed process for the leasing of the relevant properties in keeping with the Stellenbosch Supply Chain Management Policy and/or the Municipal Asset Transfer Regulations for the benefit of the poor and for economic transformation purposes and/or the approved System of Delegations to achieve the desired outcomes set out in Recommendation (a).

(The Item is attached as **APPENDIX 6**).

3.6 2016/17 SOLID WASTE TARIFF ADJUSTMENT

Recommended:

- a) that the proposed amendment to the 2016/17 Solid Waste Tariffs be approved and that Council's tariff books be amended accordingly; and
- b) that the amendment tariffs be implemented retrospective from 01 July 2016.

(The Item is attached as **APPENDIX 7**).

4. CONCLUSION

It is hereby reported that the above items were approved by the then Acting Executive Mayor, Cllr S Low together with the Acting Municipal Manager, on 04 July 2016 and on 05 July 2016 respectively. (Attendance register and Meeting invitation are attached as **APPENDIX 8**).

RECOMMENDED

that Council notes the respective recommendations that were approved during the July 2016 recess period.

Meeting: Ref No:	<i>Council: 2016-09-28 17/4/8</i>	Submitted by Directorate: Author: Referred from:	<i>Office of the Municipal Manager Acting MM: (R Bosman)</i>
-----------------------------	---------------------------------------	---	--

9.2.2

**DELEGATION OF APPROVED
SYSTEM OF DELEGATIONS**

APPENDIX 1

A. (a) GENERAL – DELEGATED BY COUNCIL (IN TERMS OF S 59(1) OF THE MUNICIPAL SYSTEMS ACT)								
IMPORTANT PLEASE READ								
<ul style="list-style-type: none"> - Where new delegations have been added, it is indicated as NEW under the item column. - Where new delegations have been materially changed or added to, such changes / additions are indicated as AMEND under the item column with a cross referral to the relevant delegation in the 2012 System of Delegations document. NOTE THAT, HOW IT WAS CHANGED, IS INDICATED IN <u>BOLD, UNDERLINED AND ITALIC</u> UNDER THE DESCRIPTION. - Minor changes, such as adding of notes, correction of typographical errors, grammer, symantics, incorrect legislation, the adding of relevant S s in legislation, degree of sub-delegation and further limitations and conditions are not specifically highlighted (eg newly developed policies). - Obligations, powers or duties imposed by legislation, and incorrectly deemed to be delegations in the 2012 System of Delegations document, were omitted 								
NEW	1.	S 59(1) and S 76(b) of Systems Act; AND S 56 of the Municipal Structures Act	All powers and functions that vests with Council, excluding those powers mentioned in S 160(2) of the Constitution, as well as the power to approve or amend the IDP, the power to set tariffs, the power to enter into a service delivery agreement in terms of S 76(b) of the Municipal Systems Act and any other power which may not be delegated in terms of national or provincial legislation. NOTE: The EM is obliged to report to Council on the above powers as a general rule. It will not be mentioned in each delegation hereafter.				EM - Including all his/her legislative powers in terms of S 56 of the Municipal Structures Act. In case of an emergency and/or when Council is in recess, when failing to take a decision within a limited timeframe, may lead to financial loss for the Municipality or may jeopardise the lives of people, the Executive Mayor be authorised to exercise any of his/her powers or perform any of his/her duties without the input of the Mayoral Committee. The EM is obliged to report to Council on these emergencies, within one month.	H
NEW	2.	S 59(1) of Systems Act; AND S 56(3)(f) of the Municipal Structures Act AND Basic Conditions of Employment Act	To approve leave for full-time Councillors in excess of the two recess periods per <i>anum</i> .				EM – Insofar as it relates to <i>full-time</i> Councillors SPE – Insofar as it relates to the EM, and <i>other</i> Councillors <ul style="list-style-type: none"> • In respect of vacation leave: 5 working days (over and above the recess periods) per calendar year • In respect of family responsibility leave – as defined in the Basic Conditions of Employment Act 5 working days per calendar year • In respect of sick leave - as defined in the Basic Conditions of Employment Act 12 working days per calendar year NOTE: Any leave in addition or exceeding these limitations to be specifically approved by Council.	L

9.2.2

**2016/2017 ELECTRICITY AND LAND USE
MANAGEMENT TARIFF ADJUSTMENT**

APPENDIX 2

2016/17 ELECTRICITY & LAND USE MANAGEMENT TARIFF ADJUSTMENT

File number :
Report by : *Municipal Manager*
Compiled by : *Manager: Budget Office*
Delegated authority : *Council*

1. PURPOSE OF REPORT

To inform Council that subsequent to the adoption of the proposed 2016/17 electricity tariffs in May 2016, NERSA approved a different set of tariffs. In respect of the licensing agreement the municipality has to comply with the decision of NERSA. A typing error on the land use management tariffs also need to be corrected.

2. BACKGROUND

As per NERSA's request, the current tariff application was submitted for approval on 27 March 2016. On 29 June 2016 NERSA rejected the Municipality's tariffs and advised Stellenbosch Municipality on the tariffs to be implemented, necessitating the revision of the published tariffs.

There was an error with the approval of the following 2016/17 land use management tariffs which need to be corrected:

- Departure - Erven which are 201m² and larger
See appendix 2B for amendments to the tariffs listed above.

3. DISCUSSION

The electricity tariff structure for 2016/17 approved by Council is attached as **APPENDIX 1A** together with the proposed changes as per **APPENDIX 1B**. It's estimated that the gross electricity income will decrease with R R6,792,731.

It is proposed that Council agrees to the corrections to the land use management tariffs as the changes would not result in a loss of revenue. The 2016/17 land use tariff structure as approved by Council is attached as APPENDIX 2A with the proposed changes attached as APPENDIX 2B.

4. COMMENTS BY RELEVANT DEPARTMENTS

4.1 Comments by the Chief Financial Officer

The recommendations contained in the report are supported subject to Council noting that any reduction in budgeted electricity revenue will attract an equal reduction in expenditure during the adjustment budget process of which any potential adjustment will be determined during the mid-year performance assessment.

5. CONCLUSION

On approval of the recommendation below, the administration can proceed with the required system adjustment.

RECOMMENDED

- (a) that the electricity tariff structure as proposed by NERSA be adopted as **APPENDIX 1B** and the required adjustments be made on the financial system and the prepaid vending systems; and
- (b) that approval be granted to correct the land use management tariffs as per **APPENDIX 2B**.

APPENDIX 1A

2016/2017 ELECTRICITY TARIFF
STRUCTURE AS APPROVED BY
COUNCIL ON
25 MAY 2016

STELLENBOSCH MUNICIPALITY		
TARIFF DESIGN MODEL		
ELECTRICITY TARIFFS: APPLICABLE TO ALL CUSTOMERS SUPPLIED BY THE		
TARIFFS APPLICABLE TO SERVICES RENDERED FROM 1 JULY 2016		
	Application 2016/2017	Approved 2015/2016
1. Domestic		
Domestic: Life Line PP – 0 to 60amp single phase only		
(For qualifying indigent customers and receiving the first 60 units free per month) (DOM1)	4447	
Fixed Charge per month	0.00	0.00
Energy Rate (c/kWh) (<= 50kWh)	83.86	78.66
Energy Rate (c/kWh) (51 - 300kWh)	104.76	97.36
Energy Rate (c/kWh) (301 - 600kWh)	159.61	148.27
Energy Rate (c/kWh) (> 600kWh)	180.41	167.60
Domestic PP Lifeline DOM1 BSST	0.00	0.00
Domestic: Regular PP (Using Prepaid Meters AND Less than 500kWh per month average previous Financial Year: 60 Ampere single and 3 - phase maximum) (DOM2)	15 785	
Fixed Charge per month	0.00	0.00
Energy Rate (c/kWh) (<= 50kWh)	83.86	78.66
Energy Rate (c/kWh) (51 - 300kWh)	130.96	121.71
Energy Rate (c/kWh) (301 - 600kWh)	159.61	148.27
Energy Rate (c/kWh) (> 600kWh)	178.76	166.06
Domestic: Regular (Using Prepaid Meters with more than 500kWh per month average previous Financial Year: 60 Ampere single and 3 - phase maximum) (DOM3)	2 143	
Fixed Charge per month	115.18	107.00
Energy Rate (c/kWh) (<= 50kWh)	83.86	78.66
Energy Rate (c/kWh) (51 - 300kWh)	107.38	99.79
Energy Rate (c/kWh) (301 - 600kWh)	152.18	141.37
Energy Rate (c/kWh) (> 600kWh)	178.76	166.06
Domestic: Regular (Using Credit Meters with more than 500kWh per month average previous Financial Year: 60 Ampere single and 3 - phase maximum) (DOM4)	4 610	
Fixed Charge per month	142.09	132.00
Energy Rate (c/kWh) (<= 50kWh)	83.86	78.66
Energy Rate (c/kWh) (51 - 300kWh)	107.38	99.79
Energy Rate (c/kWh) (301 - 600kWh)	152.18	141.37
Energy Rate (c/kWh) (> 600kWh)	178.76	166.06

Domestic: Renewable Energy (DOM5) GENERATION FOR OWN USE		
DOM 5.1: Similar as DOM2		
DOM 5.2: Similar as DOM3		
DOM 5.3: Similar as DOM4		
Domestic: Renewable Energy (DOM6) GENERATION FOR OWN USE & EXPORT		
Tariff similar as DOM 4	140.00	0.00
Reading cost R/pm		
Reimbursement energy - Eskom kWh tariff, minus 10%		
Commercial		
Commercial: Life Line (<20Ampere and Pre Paid Only for micro entrepreneurial businesses) (COM1)	33	
Fixed Charge per month	0.00	0.00
Energy Rate (c/kWh)	187.21	173.91
Commercial: Low (= 40Ampere maximum, Pre Paid only and non profitable and charities) (COM2)	4	
Fixed Charge per month	137.82	128.03
Energy Rate (c/kWh)	142.09	132.00
Commercial: Regular PP only (80Ampere, single and 3 - phase) (COM3)	817	
Fixed Charge per month	242.20	225.00
Energy Rate (c/kWh)	172.71	160.45
Commercial: Credit meters (80Ampere, single and 3 - phase) (COM4)	481	
Fixed Charge per month	267.76	248.74
Energy Rate (c/kWh)	163.63	152.01
COMMERCIAL: Renewable Energy (COM 6) GENERATION FOR OWN USE		
COM 6.1: Similar as COM2		
COM 6.2: Similar as COM3		
COM 6.3: Similar as COM4		
COMMERCIAL: Renewable Energy (COM 6) GENERATION FOR OWN USE & EXPORT		
Tariff similar as COM 4		
Reading cost R/pm	140.00	0.00
Reimbursement kWh energy - Eskom kWh tariff, minus 10%		
3. Agricultural		
Agricultural: Regular (Prepaid and Credit meters maximum 80Amp 3 phase) (AGR1)	33	
Fixed Charge per month	280.95	261.00
Energy Rate (c/kWh)	170.89	158.76
AGRICULTURAL: Renewable Energy (AGR1 2) GENERATION FOR OWN USE		
Similar as AGR 1		

AGRICULTURAL: Renewable Energy (AGRI 3) GENERATION FOR OWN USE & EXPORT		
Tariff similar as AGR1 1		
Reading cost R/pm	140.00	0.00
Reimbursement energy - Eskom kWh tariff, minus 10%		
4. Industrial		
Industrial: Low Voltage > 80 Amp (IND1)	250	
Fixed Charge per month	1556.52	1446.00
Energy Rate (c/kWh)	97.00	77.13
Notified Demand (R/kVA)	55	35.00
Maximum Demand Charge (R/kVA)	181	196.00
INDUSTRIAL (IND1.1): Renewable Energy - GENERATION FOR OWN USE		
Similar as IND 1		
INDUSTRIAL (IND 1.2): Renewable Energy - GENERATION FOR OWN USE & EXPORT		
Tariff similar as IND1		
Reading cost R/pm	70.00	0.00
Reimbursement energy - Eskom kWh tariff, minus 10%		
Industrial: Medium Voltage (IND2)	25	
Fixed Charge per month	2944.04	2735.00
Energy Rate (c/kWh)	95.90	75.91
Notified Demand (R/kVA)	55.00	35.00
Maximum Demand Charge (R/kVA)	180.00	196.00
PLEASE NOTE, FOR ALL TARIFFS WHERE THERE IS A MAXIMUM DEMAND CHARGE AS PART OF THE TARIFF: In the event that the access demand is exceeded more than once in a financial year, a 10% additional fee (to be used for Bulk-Levy Contributions) will be levied as from the second month that the demand has exceeded and for each month exceeding thereafter.		
INDUSTRIAL (IND2.1): Renewable Energy - GENERATION FOR OWN USE		
Similar as IND 2		
INDUSTRIAL (IND 2.2): Renewable Energy - GENERATION FOR OWN USE & EXPORT		
Tariff similar as IND2		
Reading cost R/pm	70.00	0.00
Reimbursement energy - Eskom kWh tariff, minus 10%		
5. Municipal		
Municipal: Street and Traffic lights (MUN1)	6	
Fixed Charge per month	0.00	0.00
Energy Rate (c/kWh)	180.80	167.96

Municipal: Low Voltage <80 Amp (MUN2)	1	
Fixed Charge per month	0.00	0.00
Energy Rate (c/kWh)	164.35	152.68
Municipal: Low Voltage >80 Amp (MUN3)		
Fixed Charge per month	0.00	0.00
Energy Rate (c/kWh)	75.33	69.98
Maximum Demand Charge (R/kVA)	222.82	207.00
Municipal: Medium Voltage (MUN4)		
Fixed Charge per month	0.00	0.00
Energy Rate (c/kWh)	67.45	62.66
Maximum Demand Charge (R/kVA)	216.36	201.00

6. Non Profit Organisations

Non Profit Organisations : Single Phase 20 Amp Pre-payment (NPO1)		
Fixed Charge per month	0.00	0.00
Energy Rate (c/kWh)	175.12	162.69

Non Profit Organisations : Low Voltage Max 60 Amp Pre payment SARS Approved (NPO2)

Fixed Charge per month	0.00	0.00
Energy Rate (c/kWh)	174.51	162.12

7. Sport

Sport: Low Consumers and Pre-payment (SPO1)		
Fixed Charge per month	0.00	0.00
Energy Rate (c/kWh)	154.60	143.62

Sport: High Consumers Maximum Demand (SPO2)

Fixed Charge per month	0.00	0.00
Energy Rate (c/kWh)	70.75	65.73
Maximum Demand Charge (R/Amp)	0.00	0.00
Maximum Demand Charge (R/kVA)	222.82	207.00

8. Time-of-Use

Time of Use (Low Voltage) TOUN1		94
Fixed Charge per month		2 784.00
2 586.00		
SUMMER:		
Demand Charge (R/kVA)		37.00
Access Charge (R/kVA)		34.00
Peak Energy (c/kWh)		123.49
Standard Energy (c/kWh)		81.37
Off-peak Energy (c/kWh)		61.02
Reactive Energy (c/kVArh)		0.00
WINTER:		
Demand Charge (R/kVA)		37.00
Access Charge (R/kVA)		37.00
Peak Energy (c/kWh)		387.25
Standard Energy (c/kWh)		116.23
Off-peak Energy (c/kWh)		68.29
Reactive Energy (c/kVArh)		16.15
		15.00

Time of Use (Medium Voltage) TOUN2

Fixed Charge per month		21
4 659.00		
SUMMER:		
Demand Charge (R/kVA)		36.00
Access Charge (R/kVA)		34.00
Peak Energy (c/kWh)		113.97
Standard Energy (c/kWh)		74.55
Off-peak Energy (c/kWh)		55.88
Reactive Energy (c/kVArh)		0.00
WINTER:		
Demand Charge (R/kVA)		36.00
Access Charge (R/kVA)		34.00
Peak Energy (c/kWh)		376.47
Standard Energy (c/kWh)		106.94
Off-peak Energy (c/kWh)		62.86
Reactive Energy (c/kVArh)		16.15
		15.00

PLEASE NOTE, FOR ALL TARIFFS WHERE THERE IS A MAXIMUM DEMAND CHARGE AS PART

OF THE TARIFF: in the event that the access demand is exceeded more than once in a financial year, a 10% additional fee (to be used for Bulk-Levy Contributions) will be levied as from the second month that the demand has exceeded and for each month exceeding thereafter.

9. Own Generation for Own Use

Customers who want to connect an Own Generation for Own Use only system to the municipal electrical grid without being compensated for reverse power flow can remain on their current tariff and continue to use their current meter.

10. Own Generation for Use and Export

Customers who want to connect an Own Generation for Own Use and Export system to the municipal electrical grid and who want to be reimbursed will have to do the following:

- 1 The Municipality shall provide and install the requisite meters at the customer's cost.
- 2 The customer will stay on the existing purchase tariff.
- 3 For reimbursement the basic charge will be increased to include the automated meter reading cost
- 4 The reimbursement will only be for the export energy.
- 5 Customer not allowed to generate more than his total consumption per financial year.



PO Box 40343
Arcadia 0007
Pretoria
SOUTH AFRICA
Tel: +27(0)12 401 4600
Fax: +27(0)12 401 4700
Email: info@nersa.org.za
www.nersa.org.za

Enquiries: Mbulelo Ncetezo
Tel (012) 401 4516
Fax (012) 401 4680
Email: mbulelo.ncetezo@nersa.org.za
Ref. NER/D/WC024/2016-17

Mr D Lombaard
The Municipal Manager
Stellenbosch Municipality
P O Box 17
Stellenbosch
7599

Fax no: (021) 886 6749

Dear Mr Lombaard

ELECTRICITY TARIFFS FOR THE PERIOD 01 JULY 2016 – 30 JUNE 2017

Your application dated 11 May 2016 refers.

The Energy Regulator at its meeting held on 14 April 2016 approved the guideline increase of 7.64% for municipalities applicable for 2016/17 financial year. Consequently, the Energy Regulator considered your application for a tariff increase for the period 01 July 2016 - 30 June 2017 and approved the tariffs as follows:

Domestic Tariffs

- Domestic (Dom 1) Prepaid Lifeline

<u>Tariff blocks</u>	<u>c/kWh</u>
Block 1 (0-50 kWh)	83.86
Block 2 (51 – 300 kWh)	104.76
Block 3 (301 – 600 kWh)	159.61
Block 4 (>600 kWh)	180.41

Regulator Members: Mr JSD Mofoké (Chairperson) Ms LRD Momo (Deputy Chairperson)
Mr T Bulekula (D. RD Co-opted) Ms N Masele (D. RD Nkhomo) Mr FK Sibanda
*Full-time Regulator Members

NERSA is a Regulatory Authority established in terms of the National Energy Regulator Act, 2004 (Act No 40 of 2004)

- Domestic (Dom 2) Regular Prepaid

<u>Tariff blocks</u>	<u>c/kWh</u>
Block 1 (0-50 kWh)	83.86
Block 2 (51 – 300 kWh)	130.96
Block 3 (301 – 600 kWh)	159.61
Block 4 (>600 kWh)	178.76

- Domestic (Dom 3) Regular Prepaid

<u>Tariff blocks</u>	<u>c/kWh</u>
Block 1 (0-50 kWh)	83.86
Block 2 (51 – 300 kWh)	107.38
Block 3 (301 – 600 kWh)	152.18
Block 4 (>600 kWh)	178.76

Basic charge(R/month)	115.18
-----------------------	--------

- Domestic (Dom 4) Regular Conventional

<u>Tariff blocks</u>	<u>c/kWh</u>
Block 1 (0-50 kWh)	83.86
Block 2 (51 – 300 kWh)	107.38
Block 3 (301 – 600 kWh)	152.18
Block 4 (>600 kWh)	178.76

Basic charge(R/month)	142.09
-----------------------	--------

- Domestic (Dom 5.1) Renewable Energy Generation For Own Use

<u>Tariff blocks</u>	<u>c/kWh</u>
Block 1 (0-50 kWh)	83.86
Block 2 (51 – 300 kWh)	130.96
Block 3 (301 – 600 kWh)	159.61
Block 4 (>600 kWh)	178.76

- Domestic (Dom 5.2) Renewable Energy Generation For Own Use

<u>Tariff blocks</u>	<u>c/kWh</u>
Block 1 (0-50 kWh)	83.86
Block 2 (51 – 300 kWh)	107.38
Block 3 (301 – 600 kWh)	152.18
Block 4 (>600 kWh)	178.76

Basic charge(R/month)	115.18
-----------------------	--------

- Domestic (Dom 5.3 & Dom 6) Renewable Energy Generation For Own Use and Export

<u>Tariff blocks</u>	<u>c/kWh</u>
Block 1 (0-50 kWh)	83.86
Block 2 (51 – 300 kWh)	107.38
Block 3 (301 – 600 kWh)	152.18
Block 4 (>600 kWh)	178.76

Basic charge(R/month)	142.09
-----------------------	--------

Reading cost(R/month)	140.00
-----------------------	--------

Exports Rates

- **Low season**
 - Energy charge
 - Peak: 80.39c/kWh
 - Standard: 55.32c/kWh
 - Off-peak: 36.00c/kWh
- **High season**
 - Energy charge
 - Peak: 246.41c/kWh
 - Standard: 74.66c/kWh
 - Off-peak: 40.55c/kWh

Commercial Tariffs

- **Commercial Low<=20Amp**
 - Energy charge: 185.39c/kWh
- **Commercial Low (Com 2) and non-profitable charities 40Amp (Prepaid)**
 - Basic charge: R138.00/month
 - Energy charge: 142.09c/kWh
- **Commercial (Com 3) Regular 80Amp Prepaid**
 - Basic charge: R243.00/month
 - Energy charge: 172.71c/kWh
- **Commercial (Com 4) Regular 80Amp Credit Meters**
 - Basic charge: R268.00/month
 - Energy charge: 163.63c/kWh

• **Commercial (Com 5.1) Renewable Energy Generation For Own Use**

- Basic charge: R138.00/month
- Energy charge: 142.09c/kWh

• **Commercial (Com 5.2) Renewable Energy Generation For Own Use**

- Basic charge: R243.00/month
- Energy charge: 172.71c/kWh

• **Commercial (Com 5.3 & Com 6) Renewable Energy Generation For Own Use &**

Generation

- Basic charge: R268.00/month
- Reading cost: 140.00/month
- Energy charge: 163.63c/kWh

Exports Rates

- **Low season**
 - Energy charge
 - Peak: 80.39c/kWh
 - Standard: 55.32c/kWh
 - Off-peak: 36.00c/kWh

• **High season**

- Energy charge
 - Peak: 246.41c/kWh
 - Standard: 74.66c/kWh
 - Off-peak: 40.55c/kWh

Agricultural Tariffs

- **Agricultural: Regular (Prepaid and Credit meters 80 Amp 3 Phase) (AGR1)**
 - Basic charge: R281.00/month
 - Energy charge: 170.89c/kWh

• **Agricultural: Renewable Energy (AGRI 2 & AGRI 3) Generation For Own Use & Export**

- Basic charge: R281.00/month
- Reading cost: 140.00/month
- Energy charge: 170.89c/kWh

Exports Rates

- **Low season**
 - Energy charge
 - Peak: 80.39c/kWh
 - Standard: 55.32c/kWh
 - Off-peak: 36.00c/kWh

• **High season**

- Energy charge
 - Peak: 246.41c/kWh
 - Standard: 74.66c/kWh
 - Off-peak: 40.55c/kWh

Industrial Tariffs

- **Large Power Low Voltage > 80 Amp**
 - Basic charge: R1 557.00/month
 - Energy charge: 83.03c/kWh
 - Maximum Demand Charge: R211.00/kVA
 - Utilised Demand Charge: R38.00/kVA

• **Industrial: (IND 1.1 & IND 1.2): Renewable Energy - Generation For Own Use & Export**

- Basic charge: R1 557.00/month
- Reading cost: 70.00/month
- Energy charge: 83.03c/kWh
- Maximum Demand Charge: R211.00/kVA
- Utilised Demand Charge: R38.00/kVA

Exports Rates

- **Low season**
 - Energy charge
 - Peak: 80.39c/kWh
 - Standard: 55.32c/kWh
 - Off-peak: 36.00c/kWh
- **High season**
 - Energy charge
 - Peak: 246.41c/kWh
 - Standard: 74.66c/kWh
 - Off-peak: 40.55c/kWh

• **Industrial: Medium Voltage (IND2)**

- **Large Power MV**
 - Basic charge: R2 945.00/month
 - Energy charge: 81.71/kWh
 - Maximum Demand charge: R208.94/kVA
 - Utilised Demand charge: R37.31/kVA

• **Industrial: (IND 2.1 & IND 2.2): Renewable Energy - Generation For Own Use & Export**

- Basic charge: R2 945.00/month
- Reading cost: 70.00/month
- Energy charge: 81.71/kWh
- Maximum Demand charge: R208.94/kVA
- Utilised Demand charge: R37.31/kVA

Exports Rates

- **Low season**
 - Energy charge
 - Peak: 80.39c/kWh
 - Standard: 55.32c/kWh

- Off-peak: 36.00c/kWh
- **High season**
 - Energy charge
 - Peak: 246.41c/kWh
 - Standard: 74.66c/kWh
 - Off-peak: 40.55c/kWh

- **NGO Single Phase 20 Amp Prepayment (NPO1)**

- Energy charge: 175.12c/kWh

- **NGO: Low Voltage Max 80 Amp Prepayment SARS Approved (NPO2)**

- Energy charge: 174.51c/kWh

- **Municipal Street and Traffic Lights**

- Energy charge: 180.80c/kWh

- **Municipal: Low Voltage Max 80 Amp (MUN2)**

- Energy charge: 164.35c/kWh

- **Municipal: Low Voltage >80 Amp (MUN3)**

- Energy charge: 75.33c/kWh
- Demand Charge: R223.00/kVA

- **Municipal: Medium Voltage (MUN4)**

- Energy charge: 67.45c/kWh
- Demand Charge: R217.00/kVA

- **Sport: Low Consumers Max 80 Amp and Prepayment (SPO1)**

- Energy charge: 154.60c/kWh

- **Sport: High Consumers Maximum Demand (SPO2)**

- Demand charge: R223.00/kVA
- Energy charge: 70.75c/kWh

Time of use Tariffs

Time of Use Low Voltage

- Basic charge: R2 784.00/month
- Demand charge: R37.00/kVA
- Access charge: R37.00/kVA
- Reactive energy: 16.15c/kVAh
- **Low Season**
 - Energy Charge
 - Peak: 123.49c/kWh
 - Standard: 81.37c/kWh
 - Off-Peak: 61.02c/kWh

- **High Season**

- Energy charge:
 - Peak: 387.25c/kWh
 - Standard: 116.23c/kWh
 - Off-Peak: 68.29c/kWh

Time of Use (TOU 1.1 & 1.2) Renewable Energy - Generation for Own Use & Export

- Basic charge: R2 784.00/month
- Reading Cost: R70.00/month
- Demand charge: R37.00/kVA
- Access Charge: R37.00/kVA
- Reactive Energy: 16.15c/kVAh
- **Low Season**
 - Energy charge
 - Peak: 123.49c/kWh
 - Standard: 81.37c/kWh
 - Off-Peak: 61.02c/kWh

- **High Season**

- Energy charge

Time of Use Medium (TOU 2.1 & 2.2) Renewable Energy - Generation For Own Use & Export

- Peak: 387.25c/kWh
- Standard: 116.23c/kWh
- Off-Peak: 68.29c/kWh

Exports Rates

- **Low season**
 - Energy charge
 - Peak: 80.39c/kWh
 - Standard: 55.32c/kWh
 - Off-peak: 36.00c/kWh
- **High season**
 - Energy charge
 - Peak: 246.41c/kWh
 - Standard: 74.66c/kWh
 - Off-peak: 40.55c/kWh

Time of Use Medium Voltage

- Basic Charge: R5 016.00/month
- Demand charge: R36.00/kVA
- Access charge : R34.00/kVA
- Reactive energy: 16.15c/kVAh

- **Low Season**

- Energy charge
 - Peak: 113.97c/kWh
 - Standard: 74.55c/kWh
 - Off-Peak: 55.88c/kWh

- **High Season**

- Energy charge
 - Peak: 376.47c/kWh
 - Standard: 106.94c/kWh
 - Off-Peak: 62.86c/kWh

- Basic charge: R5 016.00/month
- Reading Cost: R70.00/month
- Demand charge: R36.00/kVA
- Access charge : R34.00/kVA
- Reactive energy: 16.15c/kVAh
- **Low Season**
 - Energy charge
 - Peak: 113.97c/kWh
 - Standard: 74.55c/kWh
 - Off-Peak: 55.88c/kWh
- **High Season**
 - Energy charge
 - Peak: 376.47c/kWh
 - Standard: 106.94c/kWh
 - Off-Peak: 62.86c/kWh

Exports Rates

- **Low season**
 - Energy charge
 - Peak: 80.39c/kWh
 - Standard: 55.32c/kWh
 - Off-peak: 36.00c/kWh
- **High season**
 - Energy charge
 - Peak: 246.41c/kWh
 - Standard: 74.66c/kWh
 - Off-peak: 40.55c/kWh

The Energy Regulator further directs that the municipality should continue to increase the repairs and maintenance expenditure to 6% of its total electricity revenue.

Please note that in terms of the National Energy Regulator Act, 2004 (Act No. 40 of 2004), National Energy Regulator is entrusted to perform all the functions that the National Electricity Regulator used to perform, and amongst others, to review and approve tariff increase proposals by all licensed distributors of electricity in South Africa. Implementation of tariffs without approval of the Energy Regulator is a contravention of the license conditions issued to you.

It is therefore important that provision is made in your planning / budgeting cycle to allow time for the submission of applications for future changes or increases to NERSA for consideration. Should you have any enquiries please do not hesitate to contact Mr Melusi Ngobeni in the Electricity Pricing and Tariffs Department on (012) 401 4020 or email: melusi.ngobeni@nersa.org.za

Yours sincerely



Paseka Nku
Acting Chief Executive Officer

Date: 29/06/2016

**2016/2017 LAND USE
MANAGEMENT TARIFFS
APPROVED BY COUNCIL ON
25 MAY 2016**

PROPOSED CHANGES TO 2016/2017 LAND USE MANAGEMENT TARIFFS

STELLENBOSCH MUNICIPALITY				
SUNDRY TARIFFS FOR THE PERIOD 1 JULY 2016 TO 30 JUNE 2017				
Applicable to services rendered from 1 July 2016				
DIRECTORATE'S RESPONSIBILITIES FOR THE PERIOD OF THE TARIFFS				
DIRECTORATE: PLANNING AND ECONOMIC DEVELOPMENT				
To be read in conjunction with the BUSINESS RULES:				
SERVICES RENDERED	UNIT	REMARKS	2015/16 RET. VAT	2016/17 RET. VAT
LAND USE MANAGEMENT / FEES				
Departure				
Even under 200 m ²	Zone	Residential even 200 m ² or less for building (incl. outbuildings and other structures) - i.e. a building (incl. outbuildings and other structures) (incl. farm and veld) which is not a residential building (incl. outbuildings and other structures) (incl. farm and veld)	2,140.95	2,440.00
Even which was 201 m ² and larger	Zone	Per property	2,140.95	2,440.00
Second dwellings	Zone	Per application per property (per unit)	2,300.00	2,440.00
House stop: Entry Childhood Development Centres (CCD's)	Zone	Per application per property (per unit)	200.00	200.00
USE OF LAND	Zone	Per application per property (per unit)	2,300.00	2,440.00
Subdivision	Zone	Per application per property (per unit)	1,150.00	1,275.19
For every 10 acres created above the first 10	Zone	Per additional acre created where this zoning remains unaltered	2,300.00	2,440.00
Agricultural Zoned Land	Zone	75% fee is applicable for all zoning applications for which an approval has been granted (irrespective of whether a general plan has been approved for the subdivision or not) is amended cancelled	1,150.00	1,275.19
EXEMPTIONS (SUBDIVISIONS/CONSOLIDATION)	Zone	Per application	2,300.00	2,440.00
Amendment/consolidation of an approved subdivision plan (or part thereof), including a general plan or diagram	Zone	Per application	2,300.00	2,440.00
CONSOLIDATIONS	Zone	Per application	2,140.35	2,440.00
RE-ZONING	Zone	Per zoning created	4,022.00	3,736.84
Submitted in urban and rural areas	Zone	Per zoning determined	NEW	3,736.84
Determination of a zoning	Zone	Per zoning determined	NEW	3,736.84
SITE DEVELOPMENT PLAN ASSESSMENT / HOME OWNERS ASSOCIATION / RELATED MATTERS				
New/Amendment of Site Development Plans	Zone	Per application (or plan/set of plans/constitution)	1,630.00	1,517.54
New/Amendment of a HOA / Disestablishment of a HOA	Zone	Per application	2,300.00	2,140.35
Rectify a failure of a HOA to meet its obligations	Zone	Per application	4,022.00	3,736.84
Naming and numbering of streets, pieces and buildings	Zone	Per application	NEW	3,736.84
Renaming of Streets, Pieces and Buildings	Zone	Per application	NEW	3,736.84
Closure of Public Places / Roads or Part thereof	Zone	Per application	2,300.00	2,140.35
Amendment of conditions of approval	Zone	Per application	2,300.00	2,140.35
Extension of validity period of an approval	Zone	Per application	2,300.00	2,140.35
Evolution from Council By-laws	Zone	Per application	2,300.00	2,140.35
Evolution from Council By-laws constituting a non-conforming building	Zone	Per application	2,300.00	2,140.35
Stomps a building plan & build on an unregistered property	Zone	Per application	630.00	3,736.84
ADVERTISING FEES	Zone	Per application	7,200.00	8,500.00
Advertisement in the press (all advertisements)	Zone	Per application	7,200.00	8,500.00
Local (weekly newspaper per placement)	Zone	Per application	350.00	450.00
Advertisement in the press (other advertisements)	Zone	Per application	350.00	450.00
Advertisement in the press (other advertisements)	Zone	Per application	350.00	450.00
OTHER	Zone	Per application	800.00	1,315.79
Transfer Charge Fee	Zone	Per application	380.00	370.00
Transfer Charge Fee	Zone	Per application	2,300.00	2,440.00
Transfer Charge Fee	Zone	Per application	320.00	340.00
Zoning Conflicts	Zone	Per application	25.00	21.03
Business License	Zone	Per application	25.00	21.03

Richard Bosman

From: Richard Bosman
Sent: 04 July 2016 11:14 AM
To: Kevin Carolus; Floris Koegelenberg; Rozanne Pietersen
Subject: RE APPLICATION OF NERSA APPROVED ELECTRICITY TARIIFS

Good morning

As per our meeting with the Acting Executive Mayor earlier please note the following for implementation

- We implement the NERSA approved tariffs with effect 1 July 2016
- We must advertise the NERSA approved tariffs in all the newspapers in which we advertised the budget including the tattler
- We must also advertise on the website along with the NERSA approval letter.
- We report this to council at the August roll over budget adjustment

Thank you

Richard Bosman

Acting Municipal Manager

Waarnemende Munisipale Bestuurder

T: +27 21 808 8025 • C: +27 79 269 2239 • F: +27 21 886 6749
71 Plein Street, Stellenbosch, 7600 • PO Box 17, Stellenbosch, 7599
www.stellenbosch.gov.za



STELLENBOSCH
STELLENBOSCH • PSILL • FRANSCHHOEK
MUNISIPALITEIT • UMASIPALA • MUNICIPALITY



Disclaimer and confidentiality note: The legal status of this communication is governed by the terms and conditions published at the following link: http://www.stellenbosch.gov.za/main_pages/disclaimerpage.htm

Richard Bosman

From: Richard Bosman
Sent: 04 July 2016 11:05 AM
To: Kevin Carolus; Dupre Lombaard; Sophie Louw; Rozanne Pietersen
Subject: RE; APPLICATION OF LUM TARIFFS

Good morning as discussed in regards to the above matter

- We implement the lower tariff of R315. PLUS vat which comes to R334. 00 for departure applications which are 201m2 and larger
- We must advertise the error and indicate the correct tariffs
- It must be advertised in all the newspapers in which we advertised the budget plus the tattler. It must also go on the website
- We then report this to council in August with the roll over adjustment budget.

Thanks

Richard Bosman
Acting Municipal Manager
Waarnemende Munisipale Bestuurder

T: +27 21 808 8025 • C: +27 79 269 2239 • F: +27 21 886 6749
71 Plein Street, Stellenbosch, 7600 • PO Box 17, Stellenbosch, 7599
www.stellenbosch.gov.za



STELLENBOSCH
STELLENBOSCH • PNILL • FRANSCHHOEK
MUNISIPALITEIT • UMASIPALA • MUNICIPALITY



Disclaimer and confidentiality note: The legal status of this communication is governed by the terms and conditions published at the following link: http://www.stellenbosch.gov.za/main_pages/disclaimerpage.htm

9.2.2

**IDENTIFICATION OF VARIOUS PORTIONS OF
MUNICIPAL LAND WITH DEVELOPMENT POTENTIAL:
IN PRINCIPLE DECISION TO PREPARE LAND FOR
POSSIBLE DEVELOPMENT**

APPENDIX 3

7.8 IDENTIFICATION OF VARIOUS PORTIONS OF MUNICIPAL LAND WITH DEVELOPMENT POTENTIAL: IN PRINCIPLE DECISION TO PREPARE LAND FOR POSSIBLE DEVELOPMENT

File number : 7/2/1/1

Compiled by : Manager: Property Management (P Smit)

Report by : Director: HS & Property Management

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 type="checkbox"/>
Good Governance	<input checked="" type="checkbox"/>

1. PURPOSE OF REPORT

The purpose of this report is two-fold:

- a) To identify municipal land with development potential which can be utilized to achieve the dual purpose of Local Economic Development as well as Black Economic Empowerment; and
- b) To obtain the necessary authorization to start the process of preparing the land for possible development.

2. BACKGROUND

2.1 Initial identification of municipal-owned land earmarked for local economic development initiatives

On 2005-05-19 Mayco considered a report by the then Executive Director: Economic Facilitation Services (EDEFS), identifying a number of Council-owned properties which were available for local economic development initiatives. This report follows a decision by Mayco on 2005-03-03 (when considering a proposed policy framework for a land management policy) to instruct the Municipal Manager and a small Committee to identify Council-owned land for the purpose of addressing Council's obligation in terms of Section 152(1)(c) of the Constitution, i.e. to promote social and economic development.

Mayco approved the list of properties and authorized the EDEFS to go out on open tender to ask for development proposals for the properties.

The 9 properties which was identified are:

- Erf 5652, Die Boord
- Erf 412, Groendal

- Erf 1123 and others, Transvalia
- Erf 1902 and others, Town Hall
- Erf 13426, Technopark
- Farm 739, Klappmuts
- Erf 194, Van der Stel
- Erf 52, Bird Street
- Erf 7001, Cloetesville

2.2 Allocation of tenders

Following a public tender process, 7 of the 9 tenders were awarded, subject to certain conditions. No tenders were awarded for Erf 412, Groendal and Erf 52, Stellenbosch.

2.3 Consideration of Section 124 objections

On 2014-04-23, following lengthy legal disputes, Council eventually, having considered the Section 124 objections, decided not to proceed with the disposal of the various portions of land.

This means that the municipality is free to (again) deal with these properties as they see fit, subject thereto that due process is followed:-

- a) in awarding development rights (if any); and
- b) in awarding rights in such properties or in disposing of such properties.

2.4 Subsequent Council resolutions, dealing with some of the properties

On 2015-10-28 Council considered a report entitled "*Innovation Capital Report: Innovation projects*". The purpose of the report was to obtain approval for the implementation of the various projects listed in the report.

Having considered the report, and following a workshop held on 20 August, Council resolved as follows:

RESOLVED (majority vote)

"a) *that approval be granted for the investigation of the innovation projects as listed herein, with specific reference to the broad project proposals as set out in the item above:*

- *Klappmuts Special Economic Zone/Industrial Area*
- *2016 Triennale*
- *Ida's Valley Dam Sustainable Utilisation Plan*
- *Sustainable Utilisation Plan of the Berg River Dam*
- *Paradyskloof Special Development Area*
- *Stellenbosch CBD parking*

b) *that Council secure the implementation of BBBEE on all these projects to advance Local Economic Transformation, Land Reform and entrepreneurial development in partnership with any local Black Stakeholder as joint facilitators;*

c) *that the Project Manager for each project report back to Council on progress made in the investigation of the decisions and that no*

*authorization processes may commence unless approved by Council;
and*

d) that the Municipal Manager be authorised to conduct public participation processes in order to establish whether the broad project proposals are supported by communities”.

2.5 Informal Mayco: Presentation on various Council-owned properties:

Following a request from the Executive Mayor, a presentation was made to the Informal Mayco meeting on 2016-05-03, identifying the various so-called Tender 34 properties.

Following the above presentation the Directorates Planning and Economic Development, Strategic & Corporate Service, (Legal Service) and Human Settlement and Property Management were requested to compile a *status quo* report, indicating the initial idea with the subject properties and subsequent Council resolutions. A copy of the report is attached as **APPENDIX 1**.

3. DISCUSSION

3.1 Properties where Council resolutions are in place

Regarding the initial 9 properties identified for possible development (see paragraph 2.1, *supra*), by implication, the following properties have subsequently been dealt with, i.e. a process of investigating possible developments has been started.

- a) Erf 1123 and others, Transvalia;
- b) Farm 739, Klappmuts
- c) Erf 7001, Cloetesville

3.2 Remaining properties, where no Council resolutions are in place

The following properties (from the original list of 9 properties referred to in par. 2.1, *supra*) are therefor available for local economic development initiatives, subject to due process being following in*:-

- i) obtaining development rights;
- ii) awarding of rights/disposing thereof:
 - Erf 5652, Die Boord;
 - Erf 412, Groendal
 - Erf 1902 and others, Town Hall
 - Erf 13426, Technopark
 - Erf 194, Van de Stel
 - Erf 52, Bird Street

* For more detail on the location and size of the properties, please see **APPENDIX 1**.

3.3 Way forward

3.3.1 Development rights

There are effectively two ways in dealing with these properties:

Option 1: a) Obtain development rights; whereafter

- b) a Call for proposal (either on a long term lease basis or for disposal) is invited.
- Option 2: a) Agree on broad development framework, whereafter
- b) a Call for proposal (either on a long term lease basis or for disposal) is invited

With option two the onus will be on the preferred bidder to obtain the necessary development rights, failing which the awarding of the bid will be cancelled.

3.3.2 Legal regime: disposal or awarding of rights in municipal properties

3.3.2.1 Disposals

In terms of Section 14 of the MFMA:-

- (1) *A municipality may not transfer ownership as a result of a sale or other transaction or otherwise permanently dispose of a capital asset needed to provide the minimum level of basic municipal services.*
- (2) *A municipality may transfer ownership or otherwise dispose of a capital asset other than one contemplated in subsection (1), **but only after the municipal council**, in a meeting open to the public—*
 - (a) **has decided on reasonable grounds that the asset is not needed to provide the minimum level of basic municipal services; and**
 - (b) **has considered the fair market value of the asset and the economic and community value to be received in exchange for the asset.**

Further, in terms of Regulations of the Asset Transfer Regulations:

- (1) A municipality may transfer or dispose of a non-exempted capital asset only after—
 - (a) the accounting officer has in terms of regulation 6 conducted a **public participation process** to facilitate the determinations a municipal council must make in terms of section 14(2)(a) and (b) of the Act; and
 - (b) the municipal council—
 - (i) has made the determinations required by section 14(2)(a) and (b)10 and
 - (ii) has as a consequence of those determinations approved **in principle** that the capital asset may be transferred or disposed of.
- (2) Sub regulation (1)(a) must be complied with only if the capital asset proposed to be transferred or disposed of is a **high value capital asset**.*

*"high value", in relation to a capital asset of a municipality, means that the fair market value of the capital asset exceeds any of the following amounts:

- (a) R50 million;

- (b) one per cent of the total value of the capital assets of the municipality

Also in terms of Regulation 7, the municipal council must, when considering any proposed transfer or disposal of a non-exempted capital asset in terms of regulation 5(1)(b)(i) and (ii), take into account—

- (a) whether the capital asset may be required for the municipality's own use at a later date;
- (b) the expected loss or gain that is expected to result from the proposed transfer or disposal;
- (c) the extent to which any compensation to be received in respect of the proposed transfer or disposal will result in a significant economic or financial cost or benefit to the municipality;
- (d) the risks and rewards associated with the operation or control of the capital asset that is to be transferred or disposed of in relation to the municipality's interests;
- (e) the effect that the proposed transfer or disposal will have on the credit rating of the municipality, its ability to raise long-term or short-term borrowings in the future and its financial position and cash flow;
- (f) any limitations or conditions attached to the capital asset or the transfer or disposal of the asset, and the consequences of any potential non-compliance with those conditions; Page 12 of 42
- (g) the estimated cost of the proposed transfer or disposal;
- (h) the transfer of any liabilities and reserve funds associated with the capital asset;
- (i) any comments or representations on the proposed transfer or disposal received from the local community and other interested persons;
- (j) any written views and recommendations on the proposed transfer or disposal by the National Treasury and the relevant provincial treasury;
- (k) the interests of any affected organ of state, the municipality's own strategic, legal and economic interests and the interests of the local community; and
- (l) compliance with the legislative regime applicable to the proposed transfer or disposal.

Lastly, in terms of Regulation 11 an **approval in principle** in terms of regulation 5(1)(b)(ii), that a non-exempted capital asset may be transferred or disposed of, may be given **subject to any conditions**, including conditions specifying

- (a) **the way in which the capital asset is to be sold or disposed of;**
- (b) **a floor price or minimum compensation for the capital asset;**
- (c) **whether the capital asset may be transferred or disposed of for less than its fair market value**, in which case the municipal council must first consider the criteria set out in regulation 13(2); and
- (d) a **framework** within which direct **negotiations** for the transfer or disposal of the capital asset must be conducted with another person, if transfer or disposal is subject to direct negotiations.

3.3.2.2 Granting of rights to use, control or manage municipal capital assets

Decision-making process for municipalities

In terms of Regulation 34

- (1) A municipality may grant a right to use, control or manage a capital asset only after—
- (a) the accounting officer has in terms of regulation 35 conducted a public participation process regarding the proposed granting of the right; and
 - (b) the municipal council has approved in principle that the right may be granted.
- (2) Sub regulation (1)(a) must be complied with only if—**
- (a) the capital asset** in respect of which the proposed right is to be granted **has a value in excess of R10 million**; and
 - (b) a long term right is proposed to be granted in respect of the capital asset.

Further in terms of Regulation 36, the municipal council must, when considering in terms of regulation 34(1)(b) approval for any proposed granting of a right to use, control or manage a capital asset, take into account—

- (a) whether the capital asset may be required for the municipality's own use during the period for which the right is to be granted;
- (b) the extent to which any compensation to be received for the right together with the estimated value of any improvements or enhancements to the capital asset that the private sector party or Page 34 of 42 organ of state to whom the right is granted will be required to make, will result in a significant economic or financial benefit to the municipality;
- (c) the risks and rewards associated with the use, control or management of the capital asset in relation to the municipality's interests;
- (d) any comments or representations on the proposed granting of the right received from the local community and other interested persons;
- (e) any written views and recommendations on the proposed granting of the right by the National Treasury and the relevant provincial treasury;
- (f) the interests of any affected organ of state, the municipality's own strategic, legal and economic interests and the interests of the local community; and
- (g) compliance with the legislative regime applicable to the proposed granting of the right.

Also in terms of Regulation 40 an **approval in principle** in terms of regulation 34(1)(b) or 37(1)(b) that a right to use, control or manage a capital asset may be granted, **may be given subject to any conditions**, including conditions specifying—

- (a) the **type of right that may be granted**, the period for which it is to be granted and the way in which it is to be granted;
- (b) the **minimum compensation** to be paid for the right; and

- (c) a **framework** within which direct **negotiations** for the granting of the right must be conducted, if granting of the right is subject to direct negotiations.

4. INPUTS BY OTHER DEPARTMENTS

4.1 CFO

It is proposed that report back is provided by the November 2016 to Council to consider inputs from planning; engineering and in terms of financial planning amongst other in terms of integrated development planning. The optimal procurement strategy should also be contemplated to achieve the goals of Council.

4.2 Senior legal Advisor

The legal department's input has been taken into account in updating the information as per **APPENDIX 1**.

4.3 Planning and Economic Development

The principle of the development and best possible utilisation of the land is supported. Achievement of the objectives should however not follow the route / process in Option 2 above. The rights first need to be established, where after tenders be published. This also increases the competitive nature of the bids and a fairer way of adjudication. Experience has also shown that this shortens the time between offering the land and the actual use and generation of revenue for the Municipality.

4.4 Engineering Services

The developments within the historic CBD and university area must be distinguished from the developments in all other areas when considering the development of the identified sites. The historic CBD and the university area is experiencing shortage of parking space and severe traffic congestion during peak demand periods. The development within the CBD provides an opportunity for the municipality to address these problems in the following manner:

- All developments in the CBD must be mixed use development, where people can live, work and play, resulting in a reduction in parking demand and trip generation.
- The income from the sale of the land can be used for the development of proper NMT infrastructure
- Development contributions towards infrastructure can be levied to improve public transport to allow the customers of the proposed development to reach the developments with ease. The components of the public transport network that can be developed with these contributions are holding areas for Tuk-Tuks and on- and off-loading facilities along public transport routes within the CBD.
- A Traffic Impact Assessment Policy must be developed by Council and each proposed development must be evaluated against that policy, since it is clear that the current road infrastructure cannot accommodate any further development within the Stellenbosch CBD. The policy will have to accept that lower operating conditions will

prevail and that those conditions will be compensated for by the higher benefit of justifying a better NMT.

The developments outside of the CBD and University area must be subjected to the normal processes of meeting the minimum acceptable level of service. Provision should be made for Non-Motorised Transport. Recognition shall be given to the need for NMT during the planning and design stages of all projects.

In general we would request that the normal development planning processes be followed for each of these sites in order for this directorate to effectively comment on each individual development.

4.5 Public Safety & Community Services

None received.

5 CONCLUSION

From the above it is clear that:

- a) the properties listed in paragraph 3.2 (*supra*) are not needed to provide the minimum level of basic municipal services; and
- b) no determination regarding the possible, prescribed public participation process can be made until such time as it can be determined whether any of the properties may be regarded as a high value property (In excess of R50M or R10M respectively, depending on whether Council decide to dispose of or whether rights are awarded).

RECOMMENDED

- (a) that the following properties be identified as properties not needed to provide the minimum level of basic municipal services:

Erf 5652, Die Boord;
Erf 412, Groendal
Erf 1902, Town Hall
Erf 13426, Technopark
Erf 194, Van de Stel
Erf 52, Bird Street

- (b) that the Municipal Manager be requested to:
 - i) Investigate the possible development of the properties listed in (a) (*supra*);
 - ii) Advise on the type of development that could be undertaken (if any); and
 - iii) Advise on specific ways and means to achieve the dual purpose of Local Economic Development as well as Black Economic Empowerment; and

- (c) that a progress report be tabled within a period of 3 months.

**(DIRECTOR: HUMAN SETTLEMENT AND
PROPERTY MANAGEMENT TO ACTION)**

MAYORAL COMMITTEE MEETING: 2016-06-10: ITEM 6.1.3

RECOMMENDED BY THE EXECUTIVE MAYOR

- (a) that the following properties be identified as properties for possible development for Black Local Economic Development\BEE:

Erf 5652, Die Boord;
Erf 412, Groendal
Erf 1902, Town Hall
Erf 13426, Technopark
Erf 194, Van der Stel
Erf 52, Bird Street

- (b) that the Municipal Manager be requested to:
- i) Investigate the possible development of the properties listed in (a) (*supra*);
 - ii) Advise on the type of development that could be undertaken (if any);
and
- (c) that a progress report be tabled within a period of 3 months.

**(DIRECTOR: HUMAN SETTLEMENT AND
PROPERTY MANAGEMENT TO ACTION)**

42ND COUNCIL MEETING: 2016-06-15: ITEM 7.8

Councillor Q Smit put a Procedural Motion that the matter be referred back to allow the Administration to give effect to the legal opinion.

RESOLVED (majority vote)

that this matter be referred back to allow the Administration to give effect to the legal opinion.

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

Councillors F Adams; DA Hendrickse and M Wanana.

**(DIRECTOR: HUMAN SETTLEMENT AND
PROPERTY MANAGEMENT TO ACTION)**

LIST OF PROPERTIES: TENDER 34

1. Erf 825 and 6 others: Transvalia

1.1 The Site

1.1.1 Location

Erven 825, 1123, 1124, 1129, 1133, 1134 and 1142 (Transvalia), Stellenbosch is well located within the central business district of Stellenbosch town. It is also situated within the historic core of Stellenbosch. The location of the properties is indicated in Figure 1 and 2 below.

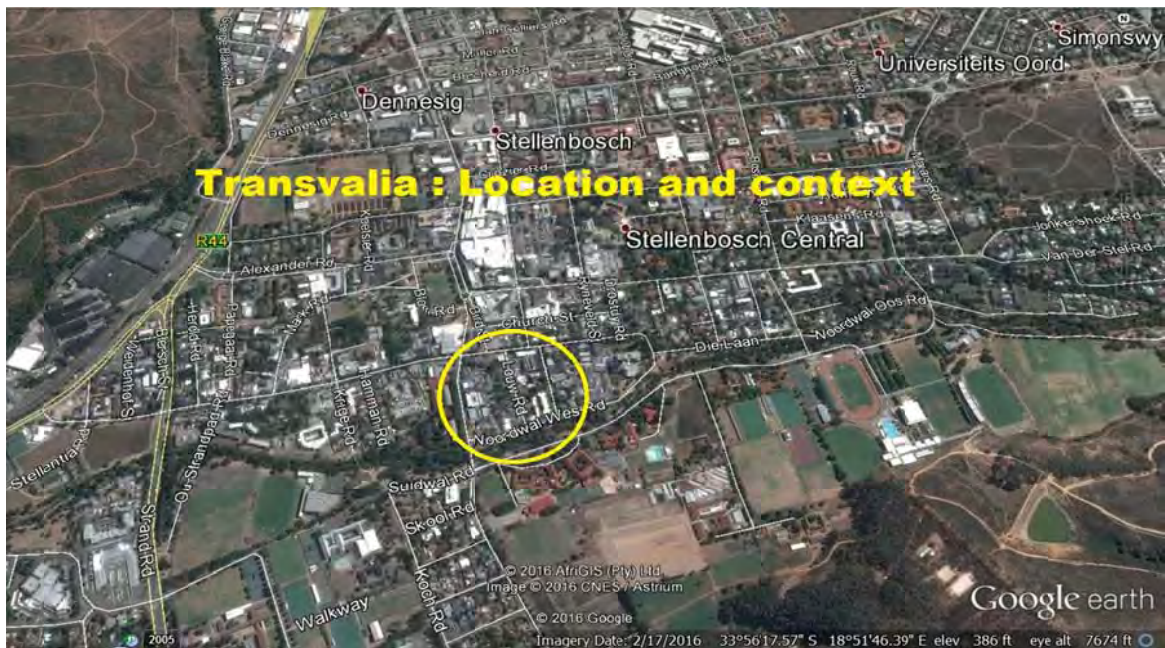


Fig 1: Location and context



Fig 2:

The front part (zoned for General Residential purposes), adjacent to Dorp Street, of the properties, is used for municipal apartments and the back part of the properties for public parking purposes. The buildings, housing the municipal flats, are declared as Provincial Heritage Sites.

(b) Calls for proposals

Proposal calls were invited from interested parties relating to the development of Erven 825, 1123, 1124, 1128, 1129, 1133, 134, and 1142 (Transvalia) in Stellenbosch town. It is envisaged that this municipal-owned parking lot be developed as structured parking, in support of Council's policy to reduce the impact of traffic on the historic core of Stellenbosch. The opportunity also exists for the development of the historic buildings on a portion of the above properties for tourist facilities such as a village hotel. The proposed development will form part of Council's urban renewal initiatives.

The development should include **a parking garage and tourist facility/village hotel**. The design of the proposed development should complement the architectural character of Stellenbosch and should be sensitive to the historic character of the buildings.

(c) Proposal for public garage

As a first step towards reclaiming the central area from the motorcar and stimulating appropriate economic activity within the town, Stellenbosch Council is eager to facilitate the development of a parking garage on its land holding at Transvalia (erven 825, 1123, 1124, 1128, 1129, 1133, 1134, and 1142) currently utilized as a surface car park. To this end it is intended that:

A parking garage be constructed.

- The parking garage should also provide bays in lieu of any off-street parking requirement necessitated by a proposed property redevelopment within the CBD. In this case, the developer of a site elsewhere in the CBD will be granted reasonable access to parking bays in the proposed garage, but neither the developer nor other contributors to a parking fund can claim the right to specific bays nor ownership of bays. (In this regard it should be noted that access to 29 bays have already been negotiated).
- There may be provision for long-term lease agreements or permanent use for bays, provided that the Municipality reserves the right to ensure the provision of an adequate number of bays for casual parkers.
- A park-and-ride scheme will be initiated as a component of the project.
- The Council will introduce parking restraint measures, as detailed above, to support the parking garage/park-and-ride initiative.
- The sale of the buildings, known as Tinetta, Bosmanhuis, Transvalia and Alma for the use as a tourist facility/village hotel.
- The proposed development has the potential to serve a number of purposes. In addition to providing all-day parking for local businesses and short-term parking for clients of those businesses, the development may also support the tourist industry through provision for tour busses. Other innovatives such as bicycle hire facilities are also to be encouraged. It is noted that the development site is conveniently located not only for destinations along Dorp

Street, but also for access to the Eerste River, which is recognized as a recreational corridor with considerable untapped potential.

(d) Opportunities for Tourist Development

In conjunction with the above parking garage Council also invites development proposals for the historical buildings located on portions of the same land holdings known as Tranvalia, Bosmanshuis, Tinette and Alma. The well-known buildings, which face onto Dorp Street, consist of a number of dwelling units, which is presently occupied by long-term tenants. The proposal will require the restoration of the buildings and offers limited opportunities mainly towards the south of the existing buildings for well planned extensions. **Any proposed development must be aimed primarily at tourist facilities with a view to provide accommodation in the form of a village hotel.** Parking requirements for such a hotel may be included in the proposed parking garage.

The development of the historic buildings and parking garage must conform to the Stellenbosch Conservation Strategy Development Guidelines and the Preliminary Framework for the Piet Retief Street Precinct and forms part of Council's initiatives to urban renewal. As such, the development must be of an appropriate nature and aimed at substantially improving the quality of the historic core and contribute positively to urban regeneration.

2. Erf 1962 and others: Town Hall

2.1 The site

2.1.1 Description and Context

The subject properties are strategically situated in the central business district and historic core of Stellenbosch. It is situated behind the Stellenbosch Town Hall and bordered by Andringa Street to the west and Van Ryneveld Street to east. To the north are existing businesses as well as Victoria Street and to the south are municipal offices and town hall, as indicated on Figure 1 and 2 below.



Fig 1: Location and context



Fig 2

There are currently 3 vehicle accesses to the site being via Andringa, Victoria and Van Ryneveld Streets. The site is accessible from all parts of town by car or foot. The Stellenbosch station is about 1km from the site.

(c) Call for proposals

Proposals were invited for a mixed use development consisting of PARKING, offices, retail and business, conference facilities, tourism related facilities and residential accommodation. It is proposed that buildings be positioned around a square which makes provision for movement of pedestrians. The flow of traffic and pathways for cyclist should also be incorporated in the proposal. **A crucial aspect that should be addressed in the proposal is the provision of parking.**

The following design principles should be considered and incorporated in the development proposals:

- (i) Commercial uses on ground floor with a residential component above the ground floor. The proposed land use is aimed at creating a mixed land use area that fits in with the existing character of the historical village. This should be done in such a manner that a variety of uses are provided within different building which are interconnected. The vision is to create a street village character on ground level with residential units above the ground floor. The following principles should be considered:
 - The business component should be provided on the ground floor and include shops, kiosks, offices and restaurants that possibly open up onto the public areas.
 - Residential units should be provided above the ground floor and the roof space may also be used for this purpose.

- Provisions have to be made for parking facilities.
- The architecture and design of buildings should fit in with the existing character and compliment the character of the historical village.
- Conference facilities and tourist related facilities.
- The provision of conference facilities including lecture rooms, exhibition areas and accommodation should be investigated. Areas to be used for arts and crafts, information centre and entertainment should also be incorporated.
- Village square and open spaces
- The provision of public squares and open spaces should be a key component and should include a range of activities including social and commercial components. The following principles should be considered:
 - Public places should provide linkages with the rest of the town and the university.
 - Provide an outdoor area that can be used for various activities.
 - Provide a pedestrian friendly environment.

3. Erf 7001, Soekmekaar

3.1 The site

3.1.1 Location

Erf 7001 is situated in the northern part of Cloetesville, a residential neighbourhood of Stellenbosch and abuts Welgevonden Estate, a private security development located to the immediate north of the site. The location of the site in relation to the surrounding built and natural development is given in Figure 1 and 2 below.



Fig 1: Location and context



Fig 2

(b) Description and Context

Erf 7001 is a strategic site which has good access from the internal road network (Hedrikse-, Quercus- and February Streets) and is furthermore visible from the R45 (Stellenbosch/Klapmuts road). The site is located in an area that is characterized by low residential density to the south (Cloeteville) and high density group housing to the north and eastern side (Welgevonden Estate). The site has a north easterly slope, which ensures a good micro-climate. The site has also excellent views towards Simonsberg, which makes it attractive for residential development.

(c) Call for proposals

Proposals were invited for the implementation of a housing development in the form of group- and/or town housing development. It should be directed in providing affordable accommodation and ownership for the middle income group of the previously disadvantaged communities.

The development concept should be based on the “woonerf” principle where the street reserves will be private open spaces and pedestrian priority areas to ensure a more secure and community oriented development. The aim is further to provide and promote a unique and quality development with a harmonious architectural aesthetic. It must provide and protect the property values and set a standard of high quality lifestyle for residents and property owners alike.

4. Erf 194, Merriman Avenue

4.1 The Site

4.1.1 Location

Erf 194 is situated on the outskirts of the town center of Stellenbosch, at one of the main entrances to the historic core and campus of Stellenbosch University. The site is situated on the corner of Merriman Avenue and Adam Tas Road as indicated in Figure 1 below.



Fig 1: Location and context

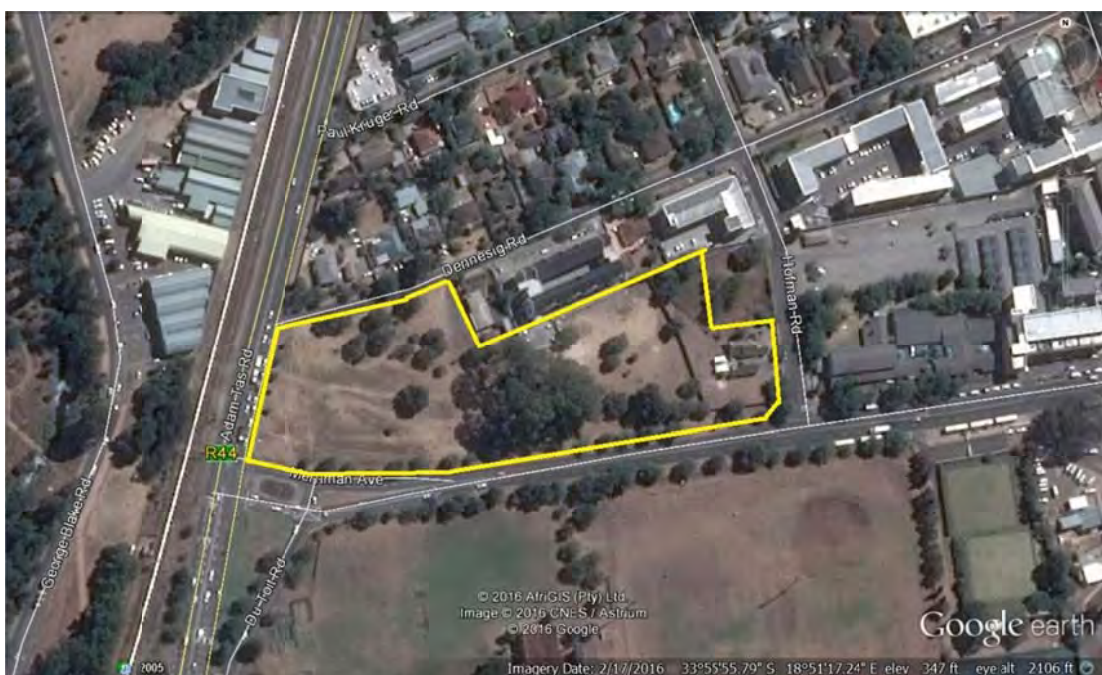


Fig 2

(b) Calls for proposals

Proposals were invited from interested parties relating to the development of Erf 194 in Stellenbosch Town. The main objective of the proposed development is that it is to provide medium cost housing to people who live and work in Stellenbosch. This project is seen by the Municipality as a pilot project to test the demand and potential for this type of facility, and may lead to similar projects elsewhere in the town.

As a first step towards developing medium cost housing near the town center at a high density, erf 194 is released. To this end it is intended that:

- (i) The development must comply with the Zoning Scheme Regulations and Stellenbosch Conservation Strategy, 1997 (Kruger Roos Architects);
- (ii) A commercial component, which comply with the Zoning Scheme Regulation and Stellenbosch Conservation Strategy, 1997 (Kruger Roos Architects);
- (iii) Proposals regarding social housing; and
- (iv) Proposals regarding interventions in order to provide real medium income housing units.

In conjunction with the above medium cost housing Council also invites development proposals for the development of a commercial activity. The main objective is to develop accommodation for medium income households and the development must be secondary to the housing. The development of the commercial activity must conform to the Stellenbosch Conservation Strategy, 1997 (Kruger Roos Architects) and the Stellenbosch Zoning Scheme Regulation.

Proposals submitted in response to this invitation should consider, in addition to the issues above, the following impact-related concerns and design principles:

- Visual impact: The location of the site requires special attention as it has visual impacts that require sensitive treatments to overcome.
- Impact on adjacent properties: Adjacent residences and businesses will experience impacts in the form of visual intrusion, noise and increased traffic. These impacts and mitigating measures should be identified and adequately dealt with.
- Alternative access arrangements: Access to the site is good but the proposed access should be viewed in light of the capacity and the impacts of traffic on the surrounding street network. A good understanding of the traffic issues at hand will thus be required.
- The current Zonings of the properties are local Authority. The applicant is responsible to obtain the correct zoning for the property by means of an appropriate application and the required process of public participation.

5. Erf 5652, Die Boord

5.1 The Site

5.1.1 Location

Erf 5652 is situated in the Boord, a residential suburb of Stellenbosch. A portion of the site is located adjacent to the R44 (Main Road 27 – Strand road) with access off Van Rheede-, Formosa-, Swellengrebel- and Rhodes Streets. Low-density residential development and the aforementioned abutting streets surround the remainder portion of the property. See lay-out in Figure 1 and 2 below.



Figure 1: Location and context



Fig 2

(ii) Description and Context

Erf 5652 has good access from the internal road network and visibility from the R44. The site is located within an area that is characterised by low-density residential uses and provides public open space that serves the local community.

The property has an irregular configuration, abutting several residential erven as well as 4 municipal streets, namely Van Rheede to the north, Formosa to the west, Swellengrebel to the South and the Strand Road (R44) to the east. The property is also traversed by Rhodes Street resulting in the creation of two separate land units. Both units are accessible from internal adjacent municipal roads. No direct access will however be possible off Strand Road (R44).

(iii) Environmental and Physical Considerations

Although the property comprises 4,6ha, it is envisaged that only approximately 2,0ha can be developed for housing purposes, due to physical constraints of the topography and the functional utilisation of the existing land use.

The portion adjacent to the R44 (Portion B) is relatively flat and probably the most viable for construction purposes. According to the Parks and Recreational Department the property is extensively used for recreational purposes and it is envisaged that a large portion of the property be utilised for open space purposes. The filling up of a former dam on Portion A may cause difficulties in terms of stable soil conditions and could thus require a geotechnical study. Several civil services infrastructure traverses the property, which could further impact on the proposed site development planning on the property.

(iv) Calls for proposals

Proposals were invited for the implementation of a residential development in the form of medium income housing options. It should be directed to maximize the optimum potential of municipal assets and resources in providing suitable accommodation and ownership for the middle-income groups. The housing units may be sold on a sectional title basis to individual owners or managed on a rental basis.

6. Erf 13420, Technopark

6.1 The Site

6.1.1 Location and Accessibility

Technopark is situated between the Stellenbosch golf course and the De Zalze Winelands Golf Estate and gains access via the R44. The subject property is situated between Proton and Termo Streets and access may be gained from either of these streets.



Fig 1: Location and context



Fig 2

(b) Call for Proposals

Proposals were invited for a high-tech development which falls within the development parameters of the Scheme Regulations of Technopark. The development should be directed at empowering the local communities and creating sustainable jobs. The proposal call should include the number of jobs that will be created, how many local people will be used, as well as the impact the development will have on the local economy.

7. Erf 739, Klapmuts

7.1 The site

7.1.1 Property description and context

Farm No 739 Paarl division is situated adjacent to the western border of Klapmuts, between the R44 the railway-line, as depicted in Fig. 1 and 2 below.

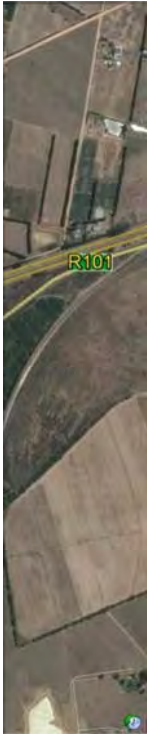


Fig 1: L



Fig 2

Property

Property

Existing

(b) Call for



LIST OF PROPERTIES: TENDER 34 AND PARADYSKLOOF

PROPERTY DESCRIPTION		COUNCIL RESOLUTION/COURT JUDGEMENT	CURRENT STATUS	
Erf/Farm number Extent	Initial intent		Council resolution (where applicable)	Current zoning/Envisaged Use
1. Paradyskloof: Farm 366 and portion of Farm 369, measuring ±220ha in extent	Residential Golf Course development	On 2006-11-28 Council decided to resile from the Sales Agreement with Stellenbosch Golf Estate Pty (Ltd). They subsequently instituted proceedings in the High court, seeking the reinstatement of the Sales Agreement. The application was unsuccessful, whereafter they approach the Court of appeal. On 2010-06-02 the appeal's court dismissed the appeal (Case number 5478, thus resulting in the Council resolution referred to above, still standing, i.e that the land is not encumbered with any agreements.	35 th Council Meeting 2015/10/28 – see attached	Agriculture. Use to be determined based on extensive land use planning and environmental impact assessment, inclusive of public consultation and feasibility studies.
2. Transvalia: Erven 825; 1123; 1128; 1124; 1133; 1134 and 1142, measuring ±9585m ² in extent	Parking lot and Tourism related facility	Erf 825 & Others were allocated to Fusion Properties 233 CC: 17 th Council Meeting: 2014-01-16: Item 8.5 RESOLVED (majority vote with (1) abstention) (a) That Council take note of the developments in this matter; and	35 th Council Meeting 2015/10/28 – see attached	Parking and residential. Structured public parking.

		<p>(b) That Council consider this matter as soon as practically possible after 20 December 2013.</p> <p>19th Council Meeting: 2014-04-23: Item 8.3 RESOLVED (majority vote with 5 abstentions)</p> <p>(a) that Council take note of the submissions/representations made by Fusion; and</p> <p>(b) that Council, having regard to and after due consideration of the content of the agenda item and the accompanying appendices before Council, including the submissions/representations of Fusion and the recommendations of Adv. Jamie, resolve not to proceed with the disposal of erf 825 and others to Fusion for the reasons depicted in the memorandum of Adv. Jamie (Appendix 6) and in the report contemplated above.</p> <p>The Municipality is free to deal with Erf 825 & Others as it deem fit.</p>		
3. Town Hall: Erven 1954; 1958; 1962; 1968-1979; 4402; 6489 and 6636, measuring ±31934m ² in extentt	Mixed Use development, consisting of parking, offices, retail and business	<p>Erf 1962 & Others were allocated to Stellenbosch Empowerment Joint Venture Consortium</p> <p>19th Council Meeting: 2014-04-23: Item 8.1 RESOLVED (majority vote with 2 abstentions)</p> <p>(a) That Council take note of</p>	35 th Council Meeting 2015/10/28 – see attached	Parking and local authority. Structured public parking on part of the area.

		<p>Stellenbosch Joint Venture's refusal and/or failure to make representations despite having been granted a further opportunity to make such representations;</p> <p>(b) That Council accept the recommendations of Adv Jamie in his memorandum (Appendix 6); and</p> <p>(c) That Council, based on the recommendations of Adv Jamie and the reasons set out in such memorandum, resolve not to proceed with the disposal of erf 1962 and others to Stellenbosch Joint Venture.</p> <p>Fusion has issued a summons against the Municipality for contractual damages, and not the review and setting aside of Council resolution of the relevant erven to Fusion. Council is free do deal with the relevant erven in a manner as deem fit.</p>		
4. Soekmekaar: Erf 7001, Cloetesville, measuring 6.6ha in extent	Group Housing/Town Housing for affordable/medium income market	<p>17th Council meeting: 2014-01-16: Item 8.6 RESOLVED (majority vote with (1) abstention)</p> <p>(a) That Council accept the recommendations of Adv. Jamie in his memorandum (Appendix 8); and</p> <p>(b) That Council, based on the recommendations of Adv. Jamie and the reasons set out in such memorandum resolved not to proceed with the disposal of Erf</p>	<p>35TH COUNCIL MEETING: 2015-10-28: ITEM 9.3</p> <p>The Speaker allowed Councillor PW Biscombe to put his Motion, duly seconded. After the Motion was motivated, the Speaker allowed debate on the matter.</p> <p>The matter was put to the vote</p>	<p>POS.</p> <p>Mixed residential use to be determined based on extensive land use planning and environmental impact assessment, inclusive of public consultation and feasibility studies.</p>

		<p>7001 to Tinetta Development Group</p> <p>The Municipality is free to deal with Erf 7001 as it deems fit.</p>	<p>yielding a result of all in favour except one abstention.</p> <p>RESOLVED (majority vote with 1 abstention) that Council consider the allocation of 10% of the project to farm workers of the area who qualify.</p>	
<p>5. Van der Stel: Erf 194, measuring 2.05ha in extent</p>	<p>Residential Development for medium income housing options, which may include a commercial component</p>	<p>19th Council Meeting: 2014-04-23: Item 8.2 RESOLVED (majority vote)</p> <p>(a) That Council take note of the submissions/representations made by Wuperthal and its request to make oral representations;</p> <p>(b) That the request to make oral representations be denied/refused for the reasons set forth in the agenda item before Council; and</p> <p>(c) That Council, having regard to and after due consideration of the content of the aforementioned agenda item and the accompanying appendices, including the submissions/representations of Wuperthal and the recommendations of Adv. Jamie, resolve not to proceed with the disposal of erf 194 to Wuperthal for the reasons set forth in the memorandum of Adv. Jamie (appendix 6) and the</p>	<p>35th Council Meeting 2015/10/28 – see attached</p>	<p>Local authority but used as POS. Structured public parking.</p>

		<p>aforementioned agenda item.</p> <p>Wuperthal has withdrawn its review application against the Municipality is free to deal with Erf 194 in a manner as it deem fit.</p>		
6. Die Boord: Erf 5652, measuring 4.6174 ha in extent	Residential Development for medium income housing options	<p>17th Council Meeting: 2014-01-16: Item 8.7 RESOLVED (majority vote with 1 abstention)</p> <p>(a) That Council accept the recommendations of Adv. Jamie in his memorandum (Appendix 9); and</p> <p>(b) That Council, based on the recommendations of Adv. Jamie and the reasons set out in such memorandum resolved not to proceed with the disposal of Erf 5652 to Autumn Star Trading 235 (Pty) Ltd</p> <p>The Municipality is free to deal with Erf 5652 as it deems fit.</p>		Public place used as POS and storm water retention facility. Community market / informal trading space to relocate traders on R44 shoulder – current draft item circulating for comment.
7. Technopark: Erf 13420, measuring 6400m ² in extent	High Technology development	<p>Erf 13420 was allocated to AMC-Daneel Diamond Ventures:</p> <p>17th Council Meeting: 2014-01-16: Item 8.1 RESOLVED: (majority vote)</p> <p>(a) That Council note the position in respect of Erf 13420 Technopark; and</p> <p>(b) That Council resolve to consider the proposed disposal of the various erven in respect of Tender 34 as separate items and on their own</p>		Special zone used as POS and storm water retention facility. To be added to decision on parking areas (35 th Council Meeting 2015/10/28)

		merits. The Municipality is free to deal with Erf 13420 as it deems fit.		
8. Klapmuts: Farm 739, measuring 22.1039ha in extent	Industrial Park, including housing opportunities for people working in park	17 th Council Meeting:2014-01-16: Item 8.3 RESOLVED (majority vote with (1) abstention) (a) That Council accept the recommendation of Adv. Jamie in his memorandum (Appendix 2); and (b) That Council, based on the recommendations of Adv. Jamie and the reasons set out in such memorandum resolved not to proceed with the disposal of Erf 739 to Zakhe Engineering (Pty) Ltd The Municipality is free to deal with Erf 739 as it deems fit.	35 th Council Meeting 2015/10/28 – see attached	Agriculture. Use to be determined based on extensive land use planning and environmental impact assessment, inclusive of public consultation and feasibility studies.
9. Erf 52, Stellenbosch, measuring 1646m ² in extent	Business development	No tender was awarded for erf 52 Stellenbosch and the Municipality may deal with Erf 52 as it deems fir.	35 th Council Meeting 2015/10/28 – see attached	Parking.
10. Erf 412 Groendal, measuring 112 ha in extent	Mixed-use development, inclusive of residential, business and light industry	No tender was awarded for Erf 412 Franschoek and the Municipality may deal with with Erf 412 as it deems fit.		Group housing (lapsed?) used as POS. Rezoning to subdivisinal area for mixed uses and library.

9.2.2

**AMENDMENT OF CONTRACT B/SM 38/14:
PROVISION OF PROFESSIONAL ENGINEERING
SERVICES FOR THE DESIGN AND CONSTRUCTION
OF THE REHABILITATION AND CAPPING OF THE
STELLENBOSCH LANDFILL SITE (CELLS 1 AND 2)**

APPENDIX 4

AMENDMENT OF CONTRACT B/SM 38/14: PROVISION OF PROFESSIONAL ENGINEERING SERVICES FOR THE DESIGN AND CONSTRUCTION OF THE REHABILITATION AND CAPPING OF THE STELLENBOSCH LANDFILL SITE (CELLS 1 AND 2)

File number : 6/3/3/6 x 16/5/3

Report by : *Acting Director: Engineering Services*

Compiled by : *Manager Solid Waste Management: Saliem Haider*

Delegated Authority : *Council*

Strategic intent of item

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

1. PURPOSE OF THE REPORT

To obtain Council approval for the amendment of the contract of Jan Palm Consulting Engineers CC (JPCE) as per Section 116(3) of the Municipal Finance Management Act (Act 56 of 2003) (Refer to **APPENDIX 1**).

2. BACKGROUND

JPCE was appointed for B/SM 38/14 for the provision of professional engineering services for the design and construction of the rehabilitation and capping of the Stellenbosch Landfill site (Cells 1 and 2).

Their brief for this project was as follows:

- Determine the waste footprint
- Design the capping layers and re-vegetation
- Landfill gas management and drainage systems
- Obtaining approval from the competent authority
- Compile tender contract documentation and assist in the tender process
- Construction monitoring during the construction phase

The professional fees portion of the appointment was based on a percentage of the estimated construction value. This value was indicated by the municipality under item 1.1.1 on page 67 of the Bill of Quantities in the Tender Document as R36 000 000. At the time of tendering, this was the estimated value of the construction cost to rehabilitate Cells 1 and 2 at the Stellenbosch Landfill. The fees portion of JPCE was 3.5% of the estimated construction value of R36 million, which amounts to R1 260 000 (Refer to Appendix B). Currently the estimated value of the construction work is

almost R70 million, instead of the R36 million that was stated in the tender document. In terms of Clause 7 on page 64 of the tender document, the final amount due to the service provider will be adjusted according to the final construction values based on the percentage fee tendered. This will result in a fees increase from R1 260 000 to approximately R2 450 000.

The initial estimate of R36 million was obtained from previous landfill rehabilitation provision estimates done annually during June in terms of GRAP 19. These estimates are audited annually by the Auditor General, and although often queried, gave their approval for all estimates to date.

JPCE has been involved with the rehabilitation cost estimates for Stellenbosch Landfill since 2008, and these estimates were done using a desktop concept design based on Minimum Requirements for Waste Disposal by Landfill, 2nd Edition (MR2), issued in 1998 by then Department of Water Affairs and Forestry (DWAF). According to MR2, the capping design for a site such as Stellenbosch Landfill should have the following capping layers as a minimum (from top to bottom):

- 200mm Topsoil (growth layer)
- 3 x 150mm clay layers with a maximum permeability of 0.5m/year
- Separation Geotextile
- 150mm Gas drainage layer (normally 19mm stone)
- Waste body

Below is a summary of what was included in the R36 million cost estimate done in 2012:

- Preliminary and General items
- Site Clearance and Preparation (Waste trimming and compaction)
- Storm Water Control Measures (Concrete-lined hyson cells channels)
- Capping layers as per above layer works
- Gas management (150mm layer of 19mm stone)
- Miscellaneous (Fence work, Regulatory Authority Approvals)
- 10% Contingencies
- Engineering (Professional Fees and Construction Monitoring)

For each year's estimate the previous year's estimate is escalated using CPI (Table 14 of P0141 for Western Cape Province). The escalated rates of the items in the Bill of Quantities are then checked individually to determine if it is still market related. This is also compared with average rates for similar work on similar projects, which is a far more accurate means to do estimates than just a CPI adjustment. Many of the materials used in capping a landfill are imported geo-synthetic materials which are heavily dependent on import rates and exchange rates prevailing at the time. Additional items are also added to the estimate as more local information becomes available over the years, causing the estimate to evolve over time.

3. DISCUSSION

The reasons for the significant increase in construction value from the earlier estimates to the current estimate can be summarised as follows:

- The initial estimates were based on the assumption that the landfill would be shaped to its final shape as part of the normal landfill operations prior to the rehabilitation and the R36 million estimate only allowed for minimal shaping and trimming of the waste body. There is currently a shaping contract underway by Amandla Construction to the value of almost R10 million which is included under the R70 million estimate but was not included in the earlier estimates due to the above assumption.
- Previous estimates were based on the assumption that on-site clay could be used in the capping layers. Tests done after the appointment of JPCE indicated that the on-site clay does not meet the permeability requirements to obtain approval from the regulating authorities. As a result, an alternative to clay had to be used in the capping layers. The current design includes the use of Trisoplast to replace the clay. Trisoplast is an innovative mineral barrier first developed in the Netherlands in the early 1990's. The combination of the patented special polymer with bentonite and a granular filler (normally sand) results in a durable, flexible and effective sealing agent which in terms of sealing is a far superior alternative than a clay cap. The Trisoplast alternative is however more expensive than the clay.
- Since the promulgation of the National Norms and Standards for Disposal of Waste of Landfill in 2013, it became a requirement to present all landfill designs to the Department of Water & Sanitation (DWS) as part of the approval process. Since 2013 DWS requires that landfills without base liners should have an impermeable cap in order to prevent any further leachate generation as a result of precipitation. The current design makes provision for HDPE cusped sheets on top of the Trisoplast layer which has two functions; firstly it acts as an additional barrier in conjunction with the Trisoplast layer, and secondly, it acts as a drainage medium for the run-off through the growth layer which reduces pore pressure build-up into growth layer which could potentially result in stability issues of the growth layer on these long continuous slopes. The earlier estimates did not make provision for cusped sheets, but is included in the current estimate.
- Specialists studies has indicated that it might be feasible for landfill gas to be used and converted to electricity and as a result it was indicated to include the extraction of gas for beneficial use as one of the end-uses during the environmental authorisation process. This resulted in the decision/requirement to install Multriwell gas extraction system (vertical and horizontal wells) in addition to the stone gas drainage layer used in the previous estimates in order to obtain the optimal yield. The use of the Multriwell gas extraction system therefor also resulted in an increase in the estimated construction cost. **The cost of the gas to electricity plant is however not included in the R70,000,000 estimate since this does not form part of the appointment of JPCE, but the process to go out on tender for a consultant for this portion is underway.**
- Stellenbosch Municipality requested JPCE to include the construction of service road/ring road around the site as part of the rehabilitation project to provide easy access for maintenance purposes. The cost of a service road was not included in the original R36 million.

- As part of the landfill rehabilitation project the landfill entrance is currently being upgraded to blend in with the eventual final landscaped rehabilitated landfill. The entrance upgrade/ beautification was not included in the original R36 million cost estimates.
- Stellenbosch Municipality also requested JPCE as part of the rehabilitation project to demolish the existing old office building and replace it with a more modern innovation centre which can be used by the municipality for educational purposes or as a seminar facility. Currently the design brief for the building is to have a double storey structure with the top storey having a roof deck with 360 degree viewing. The top storey will be a conference area that can cater for at least 50 people and the bottom area will be the office area for the landfill operators. At the moment, the idea is to construct this building as a showcase for buildings to be constructed with the bricks currently being manufactured onsite by Use-it as part of the municipality's recycling drive. The construction cost of this building is currently estimated at approximately R2,8 million with the professional fees for an architectural team being approximately R400,000.00 which includes 12 site visits as part of the architect's construction monitoring. The final professional fees for the architect will be recalculated based on the final construction value of the facility. These costs were not included in the original R36 million cost estimate and the appointment of an architect as sub-consultant did also not form part of our tendered price or scope of work. These costs are currently not included in the R70 million estimate since the go-ahead for the construction for this facility has not been approved as yet.

In terms of item 2.5 on page 69 (Refer to Appendix C) of the Bill of Quantities for abovementioned tender regarding the construction monitoring; the tender allowed for a provisional amount of R600 000.00 for construction monitoring. Currently the estimated construction monitoring costs for the various sub-projects are estimated at:

• Landfill Entrance Contract	= R	70,000.00
• Landfill shaping contract	= R	157,000.00
• Capping and rehabilitation contract	= R	750,000.00
• Information centre	= R	260,000.00
• Total	= <u>R</u>	<u>1,237,000.00</u>

In terms of S116(3) if the MFMA a contract or agreement may be amended, but only after the reason for amendment has been tabled in council and the public has been given reasonable notice of the intent to amend and also invite the public to submit representations to the municipality. The only amendment of the contract of agreement would be the appointment of an architect for the design of the innovation centre since there was no provision or requirement for one in the contract or scope of works. All the other additional costs are within the contract and scope of works and is based on an increase in the original estimated construction value of R36 million due to reasons explained above.

The Manager: Solid Waste Management, to whom the request was forwarded, sought assistance from Supply Chain Management, who indicated that the Section 116(3) must be followed.

4. COMMENTS FROM RELEVANT DIRECTORATES

4.1 Directorate: Finance

Finance supports the item

4.2 Directorate: Strategic & Corporate Services (Legal comments by Adela Petersen from Fairbridges Arderne & Lawton Inc

In terms of Section 116(3) of the MFMA, (56 of 2003), amendments (in compliance with SCM procedures), may only be made after:

1. the reasons for the proposed amendment have been tabled in the council; and
2. the local community has been given reasonable notice of the intention to amend the contract or agreement; and
3. has been invited to submit representations to the municipality.

Amendments of contracts where the expansion or variation is not more than (National Treasury Circular 62):

1. 20% (construction related goods, services and/or infrastructure projects), and
2. 15% (all other goods and/or services) of the original value of the contract must be submitted directly to the Contract Management Office for approval and further reference to the SCM committee system for approval.

Amendments of contracts where the expansion or variation is more than the threshold prescribed by National Treasury (Circular 62), must be dealt with in terms of the provisions of section 116(3) of the MFMA, and are exempt from this process.

The amendment in this instance exceeds the prescribed threshold.

It is important to note further that amendments to the contract within the scope of the original terms and conditions may be altered, provided that both parties have consensus on the amendment and the contract amendment is in writing and signed by both parties. No agreement to amend or vary a contract shall be valid and of any force unless such agreement to amend or vary is entered into in writing and signed by the contracting parties.

When an amendment has a budgetary implication for a term longer than 3 (three) years, section 33 of the MFMA will apply to this amendment (Section 116 (3) of the MFMA will be followed with section 33, when amending an existing contract for longer than 3 years).

RECOMMENDED

- (a) that Council note the reasons for the proposed amendment of the contract/agreement; and
- (b) that the local community be given reasonable notice of the intention to amend the contract/agreement and be invited to submit representations to the municipality.

**(ACTING DIRECTOR: ENGINEERING
SERVICES TO ACTION)**

**ENGINEERING SERVICES AND HUMAN SETTLEMENTS COMMITTEE MEETING:
2016-05-04: ITEM 6.1.1**

RECOMMENDED

- (a) that Council note the reasons for the proposed amendment of the contract/agreement; and
- (b) that the local community be given reasonable notice of the intention to amend the contract/agreement and be invited to submit representations to the Municipality.

**(ACTING DIRECTOR: ENGINEERING
SERVICES TO ACTION)**

MAYORAL COMMITTEE MEETING: 2016-05-18: ITEM 5.1.4

RECOMMENDED BY THE EXECUTIVE MAYOR

- (a) that Council note the reasons for the proposed amendment of the contract/agreement; and
- (b) that the local community be given reasonable notice of the intention to amend the contract/agreement and be invited to submit representations to the Municipality.

**(ACTING DIRECTOR: ENGINEERING
SERVICES TO ACTION)**

41ST COUNCIL MEETING: 2016-05-25: ITEM 8.6

During deliberations on the matter the DA requested a caucus which the Speaker allowed.

After the meeting resumed, it was

RESOLVED (nem con)

that this matter be referred back to allow the Administration to provide clarifying detail on the variance between the original scope of appointment and the S116(3) proposal, as well as to provide further detail in respect of the funding and financial implications of both the original appointment and the proposed S116(3), including the actual works.

**(ACTING DIRECTOR: ENGINEERING
SERVICES TO ACTION)**

FURTHER COMMENTS FROM THE DIRECTORATE: ENGINEERING SERVICES

JPCE's initial brief for this project was as follows:

- Determine the waste footprint
- Design the capping layers and re-vegetation
- Landfill gas management and drainage systems
- Obtaining approval from the competent authority
- Compile tender contract documentation and assist in the tender process
- Construction monitoring during the construction phase

The professional fees portion of the appointment was based on a percentage of the estimated construction value. This value was indicated by the municipality under item 1.1.1 on page 67 of the Bill of Quantities in the Tender Document as R36 000 000. At the time of tendering, this was the estimated value of the construction cost to rehabilitate Cells 1 and 2 at the Stellenbosch Landfill. The fees portion of JPCE was 3.5% of the estimated construction value of R36 million, which amounts to R1 260 000 (Refer to Appendix B).

The initial estimate of R36 million was obtained from previous landfill rehabilitation provision estimates done annually during June in terms of GRAP 19. These estimates are audited annually by the Auditor General, and although often queried, gave their approval for all estimates to date.

Many of the materials used in capping a landfill are imported geo-synthetic materials which are heavily dependent on import rates and exchange rates prevailing at the time. Additional items are also added to the estimate as more local information becomes available over the years, causing the estimate to evolve over time.

The reasons for the significant increase in construction value from the earlier estimates to the current estimate can be summarised as follows:

- The initial estimates were based on the assumption that the landfill would be shaped to its final shape as part of the normal landfill operations prior to the rehabilitation and the R36 million estimate only allowed for minimal shaping and trimming of the waste body.
- Previous estimates were based on the assumption that on-site clay could be used in the capping layers. Tests done after the appointment of JPCE indicated that the on-site clay does not meet the permeability requirements to obtain approval from the regulating authorities. Alternative clay had to be used in the capping layers. The current design includes the use of Trisoplast to replace the clay which results in a durable, flexible and effective sealing agent which in terms of sealing is a far superior alternative than a clay cap.
- The current design makes provision for HDPE cusped sheets on top of the Trisoplast layer. The earlier estimates did not make provision for cusped sheets.
- This resulted in the decision/requirement to install Multiwell gas extraction system (vertical and horizontal wells) in addition to the stone gas drainage layer used in the previous estimates resulted in an increase in the estimated construction cost.
- The cost for the construction of a service road/ring road around the site as part of the rehabilitation project to provide easy access for maintenance purposes was not included in the original R36 million but it is crucial to include this in the new scope as it is a condition of the permit.
- The entrance upgrade/ beautification were not included in the original R36 million cost estimates.
- Further amendment to the proposal would be to remove the information centre (R2.8 million) which will now be done as a separate tender and will no longer form part

of the additional scope. The amended breakdown for construction monitoring is as follows:

	PROPOSED	REVISED
• Landfill Entrance Contract	= R 70,000.00	R 70,000.00
• Landfill shaping contract	= R 157,000.00	R157,000.00
• Capping and rehabilitation contract	= R 750,000.00	R750,000.00
• Information centre	= R 260,000.00	R 0.00
• Total	= <u>R1,237,000.00</u>	<u>R997,000.00</u>

Provision for funding has been made on vote 3/4300/060: Landfill Provision

Any delay to consider and approve the extension of the contract will have the following negative impact:

- The opportunity to harness landfill gas and utilise at the Wastewater Treatment Works within the limited window period available would place the municipality at the forefront for innovation, and will supersede initiatives done by other municipalities to date. However, delays in implementing this part of the project would render lower gas yields and will result in a lost opportunity for this Municipality;
- The risk of stalling this process will be catastrophic in that the temporary cap currently on closed Cells 1 and 2 has a design lifespan of 1 (one) year, and should further construction not be allowed timeously, the cap will be compromised, leachate formation from potential rain penetration could lead to environmental non-compliances, and the R10 million already spent on the closed cells could become wasteful expenditure;
- Delays will also have an impact on the closure licence application, which has already been extended twice.
- Post closure monitoring of Cell 1 & Cell 2, which is a permit condition, can only be done effectively if access to the monitoring points by means of access roads are available.

RECOMMENDED

- a) that Council note the reasons and comparisons as requested for the proposed amendment of the contract/agreement; and
- b) that the local community be given reasonable notice of the intention to amend the contract/agreement and be invited to submit representations to the Municipality.

Unsolicited bids

113. (1) A municipality or municipal entity is not obliged to consider an unsolicited bid received outside its normal bidding process.

(2) If a municipality or municipal entity decides to consider an unsolicited bid received outside a normal bidding process, it may do so only in accordance with a prescribed framework. 5

(3) The framework must strictly regulate and limit the power of municipalities and municipal entities to approve unsolicited bids received outside their normal tendering or other bidding processes.

Approval of tenders not recommended

10

114. (1) If a tender other than the one recommended in the normal course of implementing the supply chain management policy of a municipality or municipal entity is approved, the accounting officer of the municipality or municipal entity must, in writing, notify the Auditor-General, the relevant provincial treasury and the National Treasury and, in the case of a municipal entity, also the parent municipality, of the reasons for deviating from such recommendation. 15

(2) Subsection (1) does not apply if a different tender was approved in order to rectify an irregularity.

Implementation of system

115. (1) The accounting officer of a municipality or municipal entity must— 20

(a) implement the supply chain management policy of the municipality or municipal entity; and

(b) take all reasonable steps to ensure that proper mechanisms and separation of duties in the supply chain management system are in place to minimise the likelihood of fraud, corruption, favouritism and unfair and irregular practices. 25

(2) No person may impede the accounting officer in fulfilling this responsibility.

Contracts and contract management

116. (1) A contract or agreement procured through the supply chain management system of a municipality or municipal entity must—

30

(a) be in writing;

(b) stipulate the terms and conditions of the contract or agreement, which must include provisions providing for—

(i) the termination of the contract or agreement in the case of non- or under-performance;

(ii) dispute resolution mechanisms to settle disputes between the parties; 35

(iii) a periodic review of the contract or agreement once every three years in the case of a contract or agreement for longer than three years; and

(iv) any other matters that may be prescribed.

(2) The accounting officer of a municipality or municipal entity must—

(a) take all reasonable steps to ensure that a contract or agreement procured through the supply chain management policy of the municipality or municipal entity is properly enforced; 40

(b) monitor on a monthly basis the performance of the contractor under the contract or agreement;

(c) establish capacity in the administration of the municipality or municipal entity— 45

(i) to assist the accounting officer in carrying out the duties set out in paragraphs (a) and (b); and

(ii) to oversee the day-to-day management of the contract or agreement; and

- (d) regularly report to the council of the municipality or the board of directors of the entity, as may be appropriate, on the management of the contract or agreement and the performance of the contractor.
- (3) A contract or agreement procured through the supply chain management policy of the municipality or municipal entity may be amended by the parties, but only after— 5
- (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— 10
- (i) has been given reasonable notice of the intention to amend the contract or agreement; and
- (ii) has been invited to submit representations to the municipality or municipal entity.

Councillors barred from serving on municipal tender committees

117. No councillor of any municipality may be a member of a municipal bid committee or any other committee evaluating or approving tenders, quotations, contracts or other bids, nor attend any such meeting as an observer. 15

Interference

118. No person may—
- (a) interfere with the supply chain management system of a municipality or 20 municipal entity; or
- (b) amend or tamper with any tenders, quotations, contracts or bids after their submission.

Competency levels of officials involved in municipal supply chain management

119. (1) The accounting officer and all other officials of a municipality or municipal 25 entity involved in the implementation of the supply chain management policy of the municipality or municipal entity must meet the prescribed competency levels.
- (2) A municipality and a municipal entity must for the purposes of subsection (1) provide resources or opportunities for the training of officials referred to in that subsection to meet the prescribed competency levels. 30
- (3) The National Treasury or a provincial treasury may assist municipalities and municipal entities in the training of officials referred to in subsection (1).

Part 2: Public-private partnerships

Conditions and process for public-private partnerships

120. (1) A municipality may enter into a public-private partnership agreement, but 35 only if the municipality can demonstrate that the agreement will—
- (a) provide value for money to the municipality;
- (b) be affordable for the municipality; and
- (c) transfer appropriate technical, operational and financial risk to the private 40 party.
- (2) A public-private partnership agreement must comply with any prescribed regulatory framework for public-private partnerships.
- (3) If the public-private partnership involves the provision of a municipal service, Chapter 8 of the Municipal Systems Act must also be complied with.
- (4) Before a public-private partnership is concluded, the municipality must conduct a 45 feasibility study that—
- (a) explains the strategic and operational benefits of the public-private partnership for the municipality in terms of its objectives;
- (b) describes in specific terms— 50
- (i) the nature of the private party's role in the public-private partnership;
- (ii) the extent to which this role, both legally and by nature, can be performed by a private party; and

STELLENBOSCH MUNICIPALITY

SOLID WASTE MANAGEMENT

CONTRACT No B/SM:38/14

PROVISION OF PROFESSIONAL ENGINEERING SERVICES FOR THE DESIGN AND CONSTRUCTION OF THE REHABILITATION AND CAPPING OF THE STELLENBOSCH LANDFILL SITE (CELLS 1 & 2)

C2.2 Activity Schedule

Item No 1 : Engineering Services

1.1 : Basic Fee for Planning, Studies, Investigations and Assessments, and Normal Services

Item No.	Activity Description	Tendered Percentage Fee	Amount R c	
1.1.1	Provide engineering services as described in the Scope of Work in respect of: Planning, Studies, Investigations and Assessments, Stage 1 – Inception Stage 2 – Concept and Viability Stage 3 – Design Development Stage 4 – Documentation and Procurement Stage 5 – Contract Administration and Inspection Stage 6 – Close-Out	Estimated Contract Value (engineering component) inclusive of contingencies but exclusive of VAT (Construction Cost) R36,000,000-00 Tendered basic fee as a percentage of the estimated contract value (a) above <u>3,5</u> % Price = construction cost X %	-	00
TOTAL OF ITEM No 1.1 TO SUMMARY			1 260 000	00

SUPPLY CHAIN MANAGEMENT
 2013-11-29
 ESTIMEN

3. EMPLOYER'S OBJECTIVE

The Employer's objective is to remediate the site and render the areas safe, secure and fully compliant with the relevant environmental and other legislation. This contract covers the work of the Consulting Engineer as described in the Brief.

4. DESCRIPTION OF THE SERVICES REQUIRED

The Service Provider is required to provide the following services:

4.1 Planning, Studies, Investigations and Assessments

The provision of all services described in Clause 3.1 of the Guideline for Services and Processes for Estimating Fees for Registered Persons in terms of the Engineering Profession Act, 2000 (Act No. 46 of 2000), Board Notice 117 of 2013, as amended or amplified upon in the project brief below.

For pricing purposes, the basic fee tendered (item No 1.1: C2.2 Activity Schedule) shall include for all costs in respect of Planning Studies and Assessments as well as the Normal Services described below.

4.2 Normal Services

The provision of all services described in Clauses 3.2.1 to 3.2.6 (inclusive) of the Guideline for Services and Processes for Estimating Fees for Registered Persons in terms of the Engineering Profession Act, 2000 (Act No. 46 of 2000), Board Notice 117 of 2013 as gazetted in Government Gazette No.36529, 3 June 2013, as amended or amplified upon in the project brief below.

4.3 Additional Services

- (1) The provision of additional services pertaining to all stages of the project as described below and amplified upon in the project brief.
 - (i) The provision of all services in respect of way leave applications and approvals.
 - (ii) The approval of the designs by the competent authorities in Provincial and National Government.
 - (iii) Providing information to the Environmental Assessment Practitioner, appointed separately by the Employer to obtain a Waste Management Licence for Closure.
 - (iv) The provision of all services related to targeted procurement and the use of local labour.
- (2) The provision of construction monitoring services as described in Clause 3.3.2 of the Guideline for Services and Processes for Estimating Fees for Registered Persons in terms of the Engineering Profession Act, 2000 (Act No. 46 of 2000), Board Notice 117 of 2013 as gazetted in Government Gazette No.36529, 3 June 2013, as amended or amplified upon in the project brief below.
- (3) The provision of all services in respect of acting as the Employer's agent in terms of the Occupational Health and Safety Act, 1993 (Act No 85 of 1993) and the Construction Regulations, 2003 as described in Clause 3.3.3 of the Guideline for Services and Processes for Estimating Fees for Registered Persons in terms of the Engineering Profession Act, 2000 (Act No. 46 of 2000), Board Notice 117 of 2013 as gazetted in Government Gazette No.36529, 3 June 2013.

The services to be provided in terms of this contract are inextricably linked to the Employer's three year capital budget, and it should be noted that while the Employer has every intention of completing the full Scope of Work making full use of the budget allocation, the Employer's budget is subject to periodic review. Should it become necessary to vary the scope of work or even suspend or terminate this contract, such variation, suspension or termination shall be dealt with in accordance with the provisions of the Standard Professional Services Contract as amended by the Contract Data.

5. BRIEF

5.1 Terms of Reference

The purpose of this contract is to procure the professional services necessary to implement the Employer's objective of remediating the Stellenbosch Landfill site.

The services to be provided in terms of this contract include, *inter alia*, the determination of the extent of the waste footprint, designing the capping and re-vegetation, landfill gas management and drainage systems, obtaining approval from the competent authority, drafting the contract documentation and assisting with the tender process.

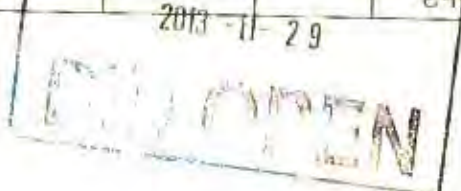
ALSO SEE ADD. 1 POINT 3

 73

Item No 2 : Recoverable Expenses (Disbursements)

Item No.	Description	Unit	Quantity	Rate	Amount R	c
2.1	Recoverable expenses in respect of printing/copying as specified below:					
	Printing: size A0,	No	100	87-45	8 745	00
	Printing: size A1,	No	100	54-47	5 447	00
	Printing: size A2,	No	1000	42-73	42 130	00
	Printing/copying: size A4 (reports and tender documents only),	No	10000	1-38	13 800	00
	Compilation and binding of reports/tender documents, books of drawings.	No	100	25 00	2 500	00
	Electronic Data provided on Compact Disk	No.	20	4-00	80	00
2.2	Provision of excavator for trial holes to determine the extent of the waste pile	Hrs.	100	380	38 000	00
2.3	Provision of security at 24hrs per day to control crowds attempting to salvage from the excavated materials	Days	15	500	1 500	00
2.4	Recoverable expenses in respect of travelling.	Provisional Sum	1	-	30 000	00
2.4.1	Other costs incurred on behalf of and with the approval of the Employer.	Provisional Sum	-	-	150 000	00
2.4.2	Extra over Item 4.3.4 ^{2.4.1} above in respect of all other costs, overhead charges and profit.	%	150 000	0	0	00
2.5	Provision for Level 3 Construction Monitoring	Provisional Sum			600 000	00
	TOTAL OF ITEM No 2 TO SUMMARY				891 308	00

Abb 1

2013-11-29




STELLENBOSCH MUNICIPALITY

SOLID WASTE MANAGEMENT

CONTRACT No B/SM:38/14

PROVISION OF PROFESSIONAL ENGINEERING SERVICES FOR THE DESIGN AND CONSTRUCTION OF THE REHABILITATION AND CAPPING OF THE STELLENBOSCH LANDFILL SITE (CELLS 1 & 2).

C2.1 Pricing Assumptions

Pricing Assumptions mean the criteria as set out below, read together with all Parts of this contract document, which it will be assumed in the contract, that the tenderer has taken into account when developing his prices.

1. The short descriptions given in the Activity Schedule below are brief descriptions used to identify the activities for which prices are required. Detailed descriptions of the activities to be priced are provided in the Scope of Work.
2. While it is entirely at the tenderer's discretion as regards pricing the Activity Schedule below, guideline tariffs of fees are gazetted annually by each of the built environment professional bodies, which are useful documents that will give tenderers some idea of industry norms against which they may compare their rates, sums, percentage fees and/or prices as applicable.
3. For the purpose of the Activity Schedule, the following words shall have the meanings hereby assigned to them:

Unit:	The unit of measurement for each item of work.
Quantity:	The number of units of work for each item.
Rate:	The agreed payment per unit of measurement.
Amount:	The product of the quantity and the agreed rate for an item.
Sum:	An agreed lump sum payment amount for an item, the extent of which is described in the Scope of Work, but the quantity of work which is not measured in any units.
Percentage Fee:	The agreed fee for a service, the extent of which is described in the Scope of Works, expressed as a percentage of a construction contract value or part thereof.
4. A rate, sum, percentage fee and/or price as applicable, is to be entered against each item in the Activity Schedule. An item against which no price is entered will be considered to be covered by the other prices or rates in the Activity Schedule.
5. The rates, sums, percentage fees and prices in the Activity Schedule are to be fully inclusive prices for the work described under the several items. Such prices and rates are to cover all costs and expenses that may be required in and for the execution of the work described in accordance with the provisions of the Scope of Work, and shall cover the cost of all general risks, liabilities, and obligations set forth or implied in the Contract Data, as well as overhead charges and profit.
6. Where quantities are given in the Activity Schedule, these are provisional and do not necessarily represent the actual amount of work to be done. The quantities of work accepted and certified for payment will be used for determining payments due and not the quantities given in the Activity Schedule. In respect of time based services, the allocation of staff must be agreed with the employer before such services are rendered.
7. Tenderers will note that the prices for some items are developed from a tendered fee expressed as a percentage of an estimated contract value (construction cost), or part thereof, which for tendering purposes, are given. Tenderers are required to insert their tendered percentage fee in the space provided. Where prices have been developed from a tendered fee, the final amount due to the Service Provider will be adjusted according to final construction contract values based on the percentage fee tendered.

Only one (flat rate) percentage fee per item may be tendered. A percentage fee tendered on a sliding scale will make the tender non-responsive.



9.2.2

**REVISED EMERGENCY HOUSING
ASSISTANCE POLICY (EHAP)**

APPENDIX 5

7.4 REVISED EMERGENCY HOUSING ASSISTANCE POLICY (EHAP)*File number* : 17/4/3*Report by* : *Municipal Manager**Compiled by* : *Director: Human Settlements and Property Management**Delegated Authority* : *Council***Strategic intent of item**

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

1. PURPOSE OF REPORT

The purpose of the report is to:

- (i) provide Council with the revised Emergency Housing Policy (EHAP) for consideration and in principal approval;
- (ii) to advertise the revised policy for public input.

2. BACKGROUND

The Emergency Housing Assistance Policy was adopted by Council on 25 October 2012. It was however found (over time) that the EHAP did not necessarily address and include the prescripts of the most recent judgements in terms of evictions and the resultant emergency housing assistance.

The Blue Moonlight Eviction Case extends the obligation of a municipality to provide alternative accommodation to people who will become homeless because of an eviction from either private or state owned land.

In accordance with the City of Johannesburg / Changing Tides 74 (Pty) Ltd & Others judgment/ruling, the court may now request certain information from the municipality before the eviction order will be granted. The report provided to the court by the municipality must include:

- (a) Information on the building or property;

- (b) Information on the demographic profile and personal circumstances of the occupiers;
- (c) Information on whether the occupier will become homeless because of the eviction;
- (d) Alternative accommodation that is available for the occupiers after they are evicted (if they will become homeless because of the eviction);
- (e) The implications for the property owner;
- (f) Details of all engagements (mediation) between the municipality and the occupiers with the purpose of finding a solution;
- (g) Information on the municipalities housing policies and programmes;
- (h) The housing needs in the municipal area.

The municipality must be able to provide the court with housing policies and plans that respond to the need of the most desperate households and provide a plan for alternative accommodation.

In accordance with the various legislative requirements the Council approved an emergency housing policy on 25 October 2012 which addresses to some extent the issue of evictions.

2.1 Revised Emergency Housing Assistance Policy (EHAP)

The policy approved by Council aims to provide a basis for the implementation of emergency assistance by the municipality.

One of the critical implications of the court judgment is that a municipality must budget and plan for all categories of persons in need of emergency accommodation (**APPENDIX 1 - FINAL REVISED EMERGENCY HOUSING POLICY (EHAP) DOCUMENT, APPENDIX 2 – final document showing revisions to the approved EHAP OF 25 October 2012**).

2.2 Workshop

Several workshops was held over a period of a year and a half to address the impasse created with the approval of the EHAP and the prescribes of the Blue Moonlight Eviction Case, City of Johannesburg / Changing Tides 74 (Pty) Ltd & Others. The outcomes of these workshops have been included in the revised EHAP.

3. DISCUSSION

The revised Emergency Housing Policy is an attempt to address the gap between the prescripts of the abovementioned cases and the approved EHAP. Furthermore, issues or concerns raised by officials and Councillors have been included in the revised EHAP. These issues or concerns are *inter alia* the following:

- i. The uniform use of the phrase “informal dwelling”. The latter should include less formal backyard structures and less formal structures in informal settlements. Where these structures are in a backyard it must have an approval by the Planning Department.
- ii. The role of the Municipality and more specifically the role of Departments as it pertain to various emergency scenarios.
- iii. Clarification of the definition of various concepts.
- iv. The approved allocation of 10% of all housing projects for emergency housing has proven to be insufficient and alternative sites need to be identified by Council as a matter of urgency.

The above issues and concerns have been included in the revised EHAP and were circulated to the various Departments affected by this proposed revised policy.

4. COMMENTS BY RELEVANT DEPARTMENTS

The proposed revised policy was circulated to the following Departments:

4.1 Engineering Services

No comments received.

4.2 Chief Financial Officer

No comments received.

4.3 Senior Legal Advisor

The item and recommendations are supported.

4.4 Planning and Economic Development

No comments received.

RECOMMENDED

- (a) that Council approve the revised Emergency Housing Assistance Policy (EHAP) attached as **APPENDIX 1**, in principle;
- (b) that the revised EHAP be advertised for public input; and
- (c) that should any inputs be received, same be considered by Council before a final decision is made.

(DIRECTOR: HUMAN SETTLEMENTS TO ACTION)

**ENGINEERING SERVICES AND HUMAN SETTLEMENTS COMMITTEE
MEETING: 2016-04-06: ITEM 6.1.2**

RECOMMENDED

- (a) that Council approve the revised Emergency Housing Assistance Policy (EHAP) attached as **APPENDIX 1**, in principle;
- (b) that the revised EHAP be advertised for public input;
- (c) that should any inputs be received, same be considered by Council before a final decision is made; and
- (d) that the Administration incorporate into the EHAP the information regarding the nature and extent of assistance to be rendered to informal dwellers in the event of a disaster.

(DIRECTOR: HUMAN SETTLEMENTS TO ACTION)

MAYORAL COMMITTEE MEETING: 2016-04-22: ITEM 5.1.4

RECOMMENDED BY THE EXECUTIVE MAYOR

- (a) that Council approve the revised Emergency Housing Assistance Policy (EHAP) attached as **APPENDIX 1**, in principle;
- (b) that the revised EHAP be advertised for public input;
- (c) that should any inputs be received, same be considered by Council before a final decision is made; and
- (d) that the Administration incorporate into the EHAP the information regarding the nature and extent of assistance to be rendered to informal dwellers in the event of a disaster.

(DIRECTOR: HUMAN SETTLEMENTS TO ACTION)

40TH COUNCIL MEETING: 2016-04-26: ITEM 7. 4

RESOLVED (nem con)

that this item be referred back to allow Administration to obtain comments from all directorates, where after same be resubmitted to Council.

(DIRECTOR: HUMAN SETTLEMENTS TO ACTION)

FUTHER COMMENTS BY THE DIRECTOR

Further to Council's resolution at the 40th Council Meeting dated 2016-04-26 (Item 7.4) the outstanding comments were received from the various Directorates and included hereunder.

COMMENTS BY RELEVANT DEPARTMENTS

The proposed revised policy was circulated to the following Departments:

1. Engineering Services

This directorate supports the recommendations of the EHAP.

However it needs to be emphasized again that we can only support an identified area if it is effectively serviced with the necessary engineering infrastructure or that the necessary engineering infrastructure is in close proximity that allows for affordable connection to service the area under consideration. We therefore will not be able to support areas that are not effectively serviced with adequate engineering infrastructure.

This comment must be read in conjunction with the comments by the Directorate P & ED.

2. Chief Financial Officer

Finance supports the Item. Implementation is budget dependent. The implementation of the policy should also include cost estimates to quantify the financial implications.

Following the workshop with Councillors on 19 May 2016 it should be considered to provide backyard dwellers with the same support as with informal settlements.

With reference to the last statement by the CFO same will be included under the recommendations and it is proposed that the recommendations that "provide backyard dwellers with the same support as with informal settlements".

3. Senior Legal Advisor

The item and recommendations are supported.

4. Planning and Economic Development

The Directorate P&ED supports the broad policy and its intent. It should be noted and recorded the Directorate has embarked on a process of identifying emergency settlement areas to be incorporated in the SDF of the WC 024 through an intensive study, which includes public consultation regarding each identified site.

The intention is to find appropriate sites in as many of the wards of the municipality as possible to cater for a range of emergencies and affected groups.

This comment must be read in conjunction with the comments by the Directorate ES.

The essence of all the comments are that the recommendations as proposed are supported in general.

RECOMMENDATION

- (a) that Council approve the revised Emergency Housing Assistance Policy (EHAP) attached as **APPENDIX 1**, in principle;
- (b) that the revised EHAP be advertised for public input;
- (c) that should any inputs be received, same be considered by Council before a final decision is made;
- (d) that backyard dwellers will be assisted with the same support as provided in informal settlements.

<p style="text-align: center;">STELLENBOSCH MUNICIPALITY REVISED EMERGENCY HOUSING ASSISTANCE POLICY</p>

1. INTRODUCTION

The Municipality recognises that it has a shared obligation in terms of, among others, section 26(2) of the Constitution of the Republic of South Africa, 1996, Act 108 of 1996 (the Constitution) to take reasonable legislative and other measures, within its available resources, to achieve the progressive realisation of the right to have access to adequate housing.

The Municipality further recognises its shared obligation to assist persons who are destitute, in desperate need and crisis situations.

In fulfilment of these obligations the Municipality must endeavour to have a coherent program or policy in place within its available resources to assist persons who are destitute, in desperate need and crisis situations.

This Policy is implemented in furtherance and fulfilment of the Municipality's shared obligations in terms of the Constitution, other relevant legislation, related statutory instruments and case law to provide temporary assistance to persons who are destitute and in desperate need and/or crisis situations and to lay down guidelines in this regard.

The principles outlined in this Policy will be incorporated into the housing strategy/plan of the Municipality.

The Municipality in terms of this Policy aims to express itself on only emergency housing assistance which is a facet of the Housing Plan of Stellenbosch Municipal Council. It is thus clear that this policy of the National Housing Code only governs provision of housing in emergency circumstances described in Chapter 12, which is not tantamount to the progressive realisation of housing for all inhabitants.

2. AIMS OF THE POLICY

This Policy seeks to establish a basis for the implementation of all relevant and applicable legislation case law and statutory instruments which is utilised in the decision making process on the provision of emergency housing.

The aim is to provide temporary aid and assistance in the form of basic municipal engineering services and/or shelter in emergency situations as elaborated upon hereunder to persons who are destitute and in desperate need and/or crisis situations.

Note that the provision of this type of assistance does not detract from the municipality's overall objectives in terms of section 26 of the "Constitution," and does not promote queue jumping in that the provision of this type of temporary assistance is limited to emergencies.

3. DEFINITIONS

In this Policy, the following words shall, unless otherwise stated or inconsistent with the context in which they appear, bear the following meanings¹:

- | | |
|---|--|
| 3.1 Basic municipal engineering services | Limited to potable water services, sanitation services, access roads and open lined storm water systems provided on a shared base in a dense settlement pattern; |
| 3.2 Beneficiaries / Victims | Persons who are resident in the jurisdiction of the municipality and find themselves in an emergency and who are desperately poor, homeless and unable to address their housing emergency from own resources or from other resources such as willing relatives or friends; |
| 3.3 Budget | The allocation of funds for emergency housing in any given financial year. These funds may differ from year to year; |
| 3.4 Emergency sites | Pieces of land in municipal ownership identified by Council from time to time for the provision of emergency housing. |
| 3.5 Emergency / Disaster | Disaster as contemplated under the Disaster Management Act (57 of 2002); Emergency as contemplated under the Disaster Management Act and called by the Disaster Management Department of Stellenbosch Municipality; |

¹ All definitions obtained and where necessary modified from WordWeb <http://wordweb.info/free/>

3.6 Eviction / (Orders)	An order granted by competent Court for an eviction. This document distinguishes between a formal eviction and an informal eviction, as explained in clause 3.9 and 3.10 hereunder;
3.7 Evictee	Person expelled or ejected without recourse to legal process or forced to move out by a legal process;
3.8 Evictor	Person expelling or ejecting another without recourse to legal process or forces another to move out by a legal process;
3.9 Formal eviction	Eviction in accordance with an eviction order from a competent Court;
3.10 Informal eviction	Persons are put out on the street without any Court proceedings or a judgement or an eviction order from a competent Court. (These evictions usually occur over weekends or at night)
3.11 Informal dwelling²	A structure that is constructed with wood, iron, plastic or a combination of these materials, which does not meet the standards of safety in building and does not comply with the National Building Regulations. These structures can be found in backyards or in informal settlements;
3.12 Municipality	Stellenbosch Municipality;
3.13 Meaningful engagement	Municipality and representatives from both parties in the eviction matter negotiate the terms under

² Modified. Original *defu* available at www.capetown.gov.za/eu/stats/documents/informal%20Dwellings.htm. Accessed 8 March 2016

	which the court judgement must be executed;
3.14 Mediation	The act of intervening for the purpose of bringing about a settlement.
3.15 Policy	The policy set out in this document as amended from time to time;
3.16 Prescribed form	The application form/affidavit attached to this Policy for emergency housing assistance APPENDIX 1 ;
3.17 Professionally declared	The professional opinion and recommendation of a consultant or an official of Council who specialise in that field of expertise;
3.18 Relocation	The removal of people by the municipality from their place of residence to a suitable location in accordance with the prescribe(s) of various Court judgements;
3.19 Report(s) to Court	Municipality prepares a report for Court setting out the terms for meaningful engagement / mediation and/or the provision of alternative accommodation;
3.20 Settlement Agreement	Settlement Agreement is the agreement reached between the parties and is submitted as part of the Court proceedings;
3.21 “Surprise” Eviction	Where the evictee fails to inform the Municipality timeously of a formal eviction or when an informal eviction occurs over night or during a weekend without prior knowledge by the Municipality of said eviction;
3.22 Temporary Relocation Area	An area identified by Council where the persons affected by emergencies can be

accommodated on a temporary basis.

In this Policy words importing the masculine gender include the feminine and neuter genders and *vice versa*; the singular includes the plural and *vice versa*; and natural persons include artificial persons and *vice versa*.

4. SCOPE, APPLICATION AND CRITERIA

This Policy will only apply to persons who are destitute and who find themselves in desperate need and/or crisis situations, such situations being referred to and defined below as “Emergencies”, and only these persons will qualify for temporary emergency housing assistance (TEPA) under this Policy.

In the event of persons facing eviction, an eviction order must first be obtained from a competent Court before such persons will be assisted under this Policy.

The purpose of this Policy is ***not to***:

- assist landowners, in the absence of legal eviction proceedings, with the provision of alternative accommodation for occupiers of their properties;
- provide alternative accommodation to occupiers where such responsibility is on the landowners;
- Promote or foster queue-jumping by persons not listed on the Municipality's ordinary waiting list for housing.

Assistance provided under this Policy will only be of a temporary nature, and is not intended to provide a permanent solution and should not be considered as such.

4.1 Emergencies

An emergency exists when the Municipality, after application by the affected persons on the prescribed form, has confirmed that the persons affected qualify as a “Beneficiary”. Table 1 (below) is a non-exhaustive list of possible categories of emergency.

Table 1: Categories of Emergency

Categories of Emergency		Competent Authority / Department / Directorate
4.1.1	Destitute and homeless as a result of a declared state of disaster , where assistance is required, including cases where initial remedial measures have been taken in terms of the Disaster Management Act, 2002 (Act No. 57 of 2002) by government, to alleviate the immediate crisis situation;	1. Disaster Management
4.1.2	Destitute and homeless as a result of a situation which is not declared as a disaster / emergency, but destitution is caused by extraordinary occurrences such as floods, strong winds, severe rainstorms and/or hail, snow, devastating fires, earthquakes and/or sinkholes or large disastrous industrial incidents;	2. Disaster Management
4.1.3	Or live in professionally declared dangerous conditions such as on land being prone to dangerous flooding, or land which is dolomitic, undermined at shallow depth, or prone to sinkholes or an a landfill site;	1. Planning & Economic Development 2. Engineering Services
4.1.4	Or live in the way of engineering services or proposed services such as those for water, sewerage, power, roads or railways, or in reserves established for any such purposes;	1. Engineering Services
4.1.5	Or are legally evicted or threatened with imminent eviction in accordance with a final eviction order from a competent Court from land or from unsafe buildings, or are in unsafe situations where based on professional advice warrants proactive steps ought to be taken to forestall such consequences;	1. Human Settlements in consultation with Legal Services
4.1.6	Or whose homes are demolished , or who are in situations where proactive steps ought to be taken to forestall such consequences;	1. Planning & Economic Development 2. Disaster Management 3. Law Enforcement
4.1.7	Or are displaced or threatened with imminent displacements as a result	1. Law Enforcement 2. Disaster Management

	of a state of civil conflict or unrest, or are in situations where pro-active steps ought to be taken to forestall such consequences;	3. Planning & Economic Development 4. Human Settlements in consultation with Legal Services
4.1.8	Or live in professionally declared conditions that pose immediate threats to life, health and safety and require emergency assistance; or	1. Engineering Services 2. Planning & Economic Development 3. Disaster Management

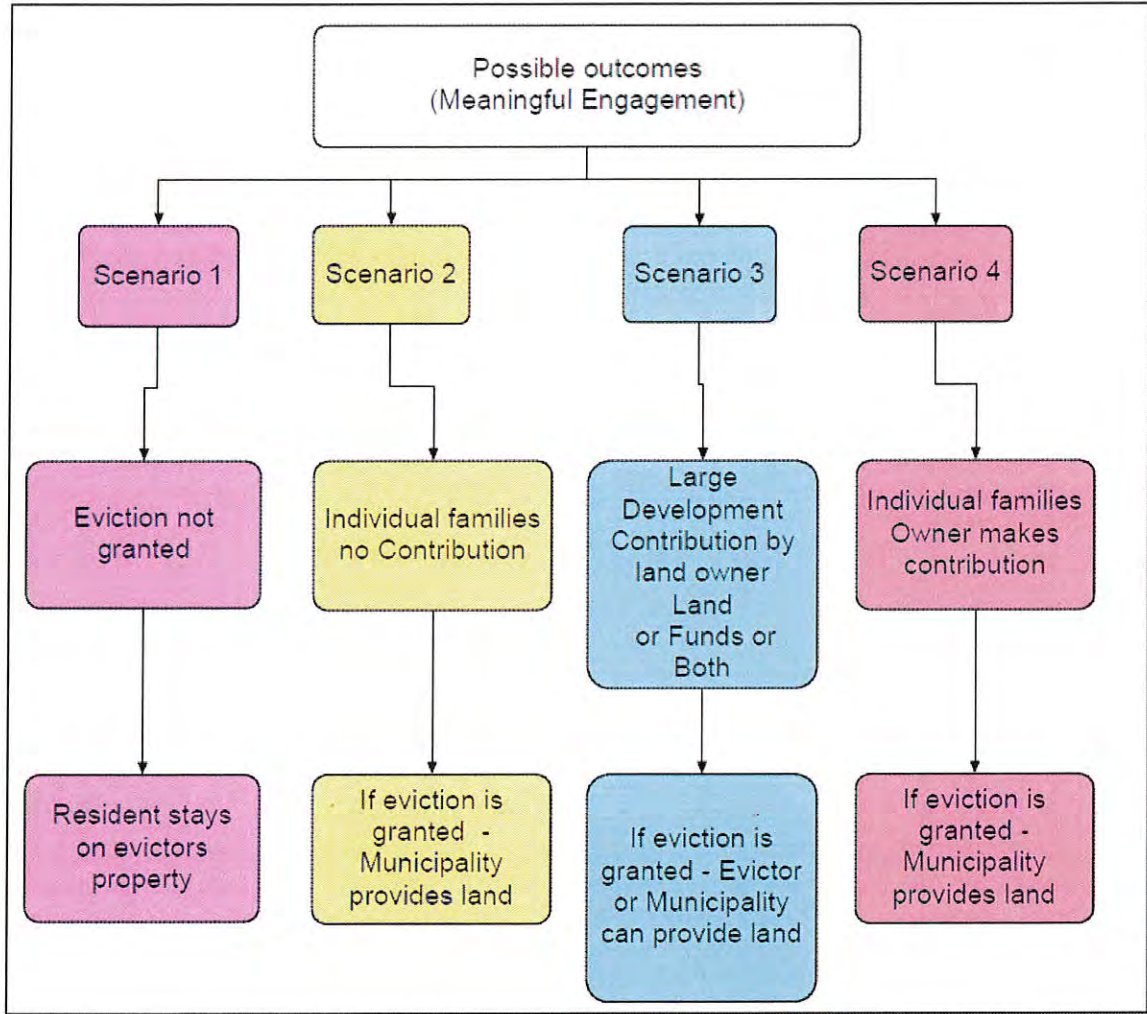
4.2 Meaningful engagement

The process of meaningful engagement was developed over time by various Court judgments to ensure that Municipalities are involved in the eviction process from an early stage. Therefor the purpose of the meaningful engagement process is to reduce the number of incidences where the municipality is “surprised” by a formal or informal eviction.

Effectively all parties negotiate the terms under which an eviction can occur and these terms eventually becomes the order of the court. In accordance with this process 4 scenarios are investigated, discussed and negotiated. The outcome of the meaningful engagement process becomes the order of the court.

Fig 1: Meaningful Engagement (scenarios)

5.



5. FUNDING / BUDGET

- 5.1 The Municipality recognises that it has a shared obligation, within its available resources, to implement this Policy and will, within its available resources and insofar as is possible, assist those persons who require immediate assistance, in terms of this policy.
- 5.2 The Municipality will also apply for any/all possible funding available from outside sources.
- 5.3 An emergency revolving fund will be established in which all funds including funds obtained from the relevant National/Provincial department in terms of the relevant application; funds from other sources of the Municipality as well as external funding contributions received will be deposited in order to address the objectives of this Policy.

6. CATEGORIES OF ASSISTANCE

Once an emergency has been declared by the relevant authority / Department / Directorate the Municipality provides various types and levels of assistance. Table 2 hereunder provides a non-exhaustive list of assistance. The list is compiled from observations by the ISD of assistance over the last 5 years.

Table 2: Categories of Assistance

Circumstance (category of emergency)	Type of assistance		By Whom / order of ascendance (delegation)	Example	
Minimal structural damage (at most)	Emergency Kit	Materials	1. Disaster Management	Vehicle accidents all areas ³	Fire / Flood
Declared Emergency by Disaster Management Department in accordance with the Disaster Management Act Total destruction of structure	Enhanced Emergency Kit Refer also clause 6.1 to clause 6.4 hereunder	Materials	1. Disaster Management 2. JOC 3. Council	Langrug Fire	Fire
Eviction Order	Wendy House	3x3, 6x3 or 9x3 structure, depending on family size Note: 3 x 3 for single or couples with no dependents 3 x 6 families up to and including 5 individuals 3 x 9 families up to and including 10 individuals Specifications determined from time to time.	1. Human Settlements in consultation with Legal Services 2. MM 3. Council	Kreefgat, Jamestown Zone A, Kayamandi Landfill	Fire Fire Eviction order
Relocation by Municipality	Wendy House	3x3, 6x3 or 9x3 structure, depending on family size Note: 3 x 3 for single or couples with no dependents 3 x 6 families up to and including 5 individuals 3 x 9 families up to and including 10 individuals	1. JOC 2. Council 3. Legal Section	Kreefgat / 7de Laan, Jamestown Zone A, Kayamandi Landfill	Fire Fire Eviction order

³ Taxis on a regular basis drive into informal structures

		Specifications determined from time to time.			
Evicted over weekend or at night	Community Halls		1. Disaster Management 2. Law Enforcement 3. Council		

The level of assistance by the municipality depends on various cases highlighted above and elaborated in above mentioned table.

The various categories of assistance provided under this Policy depend on the specific circumstances and are dictated by the specific situation, as the case may be. The various categories are the following:

6.1 Accommodation kept in reserve for possible disasters / emergencies

- This entails the accommodation of persons in community halls or other buildings designated for this purpose as a temporary measure.

6.2 Temporary accommodation that is readily available

- This entails the temporary accommodation of persons at any place as decided by Council from time to time.
- Persons assisted will be provided with a temporary residential unit of a dignified nature and have access to services, which may be communal.

6.3 Transitional accommodation

- This form of accommodation will be established under the relevant housing programme of national and provincial government by setting aside a minimum of 10% of the total number of sites for formal housing in human settlement projects, as identified and earmarked by the Municipality from time to time, or sites identified by the Municipality for emergency accommodation and applying for funding in this regard, depending on the need that may exist.
- Persons assisted will be provided with a structure that meets the requirements of the relevant chapter of the National Housing Code and have access to services, which may be communal.

6.4 Shelters

- This entails the temporary accommodation of persons at one of the shelters operated or funded by the Municipality; as showed in the above mentioned table.

It is in the discretion of the Municipality to determine which categories of assistance apply to specific persons and which category of assistance to use in a specific situation, depending on, and with reference and having regarded to, the specific circumstances of particular persons.

The assistance is only of a temporary nature and should not be considered as a permanent measure

The Municipality can and reserves the right to, in its discretion, temporarily move persons to another suitable site.

Any person assisted under this Policy will be required to enter into an agreement with the Municipality in order to regulate the terms and conditions of such person's accommodation, in particular the temporary nature thereof and any ancillary and/or related obligations.

7. SHORT TITLE AND COMMENCEMENT

This policy is the only document of Council/Municipality that regulates Emergency Housing needs and shall be called **Emergency Housing Assistance Policy (EHAP)** and shall come into operation on the date of the final adoption by Council.



STELLENBOSCH MUNICIPALITY ~~DRAFT~~REVISED EMERGENCY HOUSING
ASSISTANCE POLICY

1. INTRODUCTION

The Municipality recognises that it has a shared obligation in terms of, among others, section 26(2) of the Constitution of the Republic of South Africa, 1996, Act 108 of 1996 (the Constitution) to take reasonable legislative and other measures, within its available resources, to achieve the progressive realisation of the right to have access to adequate housing.

The Municipality further recognises its shared obligation to assist persons who are destitute, in desperate need and crisis situations.

In fulfilment of these obligations the Municipality must endeavour to have a coherent program or policy in place within its available resources to assist persons who are destitute, in desperate need and crisis situations.

This Policy is implemented in furtherance and fulfilment of the Municipality's shared obligations in terms of the Constitution, ~~and~~ other relevant legislation, ~~as well as~~ related statutory instruments and case law to provide temporary assistance to persons who are destitute and in desperate need and/or crisis situations and to lay down guidelines in this regard.

The principles outlined in this Policy will be incorporated into the housing strategy/plan of the Municipality.

The Municipality in terms of this ~~P~~policy aims to express ~~itself~~themselves on only emergency housing assistance which is a facet of the Housing Plan of Stellenbosch Municipal Council. It is thus clear that this policy of the National Housing Code only governs provision of housing in emergency circumstances described in Chapter 12, which is not tantamount to the progressive realisation of housing for all inhabitants.

2. AIMS OF THE POLICY

This ~~P~~policy seeks to establish a basis for the implementation of all relevant and applicable legislation case law and statutory instruments which is utilised in the decision making process on the provision of emergency housing.

The aim is to provide temporary aid and assistance in the form of basic municipal engineering services and/or shelter in emergency situations as elaborated upon

hereunder to persons who are destitute and in desperate need and/or crisis situations.

Note that the provision of this type of assistance does not detract ~~form from~~ the ~~municipalities~~ municipality's overall objectives in terms of section 26 of the "Constitution," and does not promote queue jumping in that the provision of this type of temporary assistance is limited to emergencies.

3. DEFINITIONS

In this Policy, the following words shall, unless otherwise stated or inconsistent with the context in which they appear, bear the following ~~meanings~~ meanings¹:

3.1 **"Basic municipal engineering services"** Limited to portable -potable water services, sanitation services, access roads and open lined storm water systems provided on a shared base in a dense settlement pattern;

3.2 **"Beneficiaries / Victims"** Persons who are resident in the jurisdiction of the municipality and find themselves in an emergency and who are desperately poor, homeless and unable to address their housing emergency from own resources or from other resources such as willing relatives or friends;

3.3 "Budget" The allocation of funds for emergency housing in any given financial year. These funds may differ from year to year;

3.4 "Emergency sites" Pieces of land in municipal ownership identified by Council from time to time for the provision of emergency housing.

3.5 "Emergency / Disaster" Disaster as contemplated under the Disaster Management Act (57 of 2002); Emergency as contemplated under the Disaster Management Act and called by the Disaster Management

¹ All definitions obtained and where necessary modified from WordWeb <http://wordweb.info/free/>

Department of Stellenbosch
Municipality;

<u>3.6 "Eviction / (Orders)"</u>	<u>An order granted by competent Court for an eviction. This document distinguishes between a formal eviction and an informal eviction, as explained in clause 3.9 and 3.10 hereunder;</u>
<u>3.7 Evictee</u>	<u>Person expelled or ejected without recourse to legal process or forced to move out by a legal process;=;</u>
<u>3.8 Evictor</u>	<u>-Person expelling or ejecting another without recourse to legal process or forces another to move out by a legal process;=;</u>
<u>3.786 "F3.9 Formal eviction"</u>	<u>Eviction in accordance with an eviction order from a competent Court;</u>
<u>3.103.886 " Informal eviction –eviction timing"</u>	<u>Persons are put out on the street without any Court proceedings or a judgement or an eviction order from a competent Court. (These evictions usually occur over weekends or at night)</u>
<u>3.11 Informal dwelling²</u>	<u>A structure that is constructed with wood, iron, plastic or a combination of these materials, which does not meet the standards of safety in building and does not comply with the National Building Regulations. These structures can be found in backyards or in informal settlements;=;</u>
<u>3.123.793 "Municipality"</u>	<u>Stellenbosch Municipality;=;</u>

² Modified. Original *defu* available at www.capetown.gov.za/eu/stats/documents/informal%20Dwellings.htm. Accessed 8 March 2016

<u>3.83.13 Meaningful engagement</u>	<u>Municipality and representatives from both parties in the eviction matter negotiate the terms under which the court judgement must be executed;</u>
<u>3.93.14 Mediation</u>	<u>The act of intervening for the purpose of bringing about a settlement.</u>
<u>3.815 Policy</u>	<u>The policy set out in this document as amended from time to time;</u>
<u>3.106 Prescribed form</u>	<u>The application form/affidavit attached to this Policy for emergency housing assistance</u> <u>APPENDIX 1;</u>
<u>3.147 Professionally Ddeclared</u>	<u>The professional opinion and recommendation of a consultant or an official of Council who specialise in that field of expertise;</u>
<u>3.104 "Policy"</u>	<u>The policy set out in this document, as amended from time to time;</u>
<u>3.115 "Pprescribed form"</u>	<u>tThe application form/affidavit attached to this Policy for emergency housing assistance.</u>
<u>3.126 "Professionally Declared"</u>	<u>The professional opinion and recommendation of a consultant who specialise in that field of expertise.</u>
<u>3.13128 "Relocation"</u>	<u>The removal of people by the municipality from their place of residence to a suitable location in accordance with the prescribe(s)s of various Court judgements.;</u>
<u>3.193 Report(s) to eCourt</u>	<u>Municipality prepares a report for eCourt setting out the terms efor meaningful engagement / mediation and/or the provision of alternative accommodation;</u>

<u>3.14 "Meaningful engagement"</u>	<u>Municipality and representatives from both parties negotiate the terms under which the court judgement must be executed.</u>
<u>3.15 "Evictee"</u>	<u>Person expelled or ejected without recourse to legal process or forced to move out by a legal process. Person applying for the eviction order.</u>
<u>3.16 "Evictedor"</u>	<u>Person to be removed from property. Person expelling or ejecting another without recourse to legal process or forces another to move out by a legal process.</u>
<u>3.17420 "Settlement Agreement fee"</u>	<u>Settlement Agreement is the agreement reached between the parties and is submitted as part of the Court proceedings;</u>
<u>3.21 "Surprise" Eviction</u>	<u>Where the evictee fails to inform the Municipality timeously of a formal eviction or when an informal eviction occurs over night or during a weekend without prior knowledge by the Municipality of said eviction;</u>
<u>3.22 Temporary Relocation Area</u>	<u>An area identified by Council where the persons affected by emergencies can be accommodated on a temporary basis.</u>
<u>3.18 "Report to court"</u>	<u>Municipality prepares a report for court setting out terms of meaningful engagement.</u>
<u>3.19 Mediation</u>	<u>The act of intervening for the purpose of bringing about a settlement.</u>

In this Policy words importing the masculine gender include the feminine and neuter genders and *vice versa*; the singular includes the plural and *vice versa*; and natural persons include artificial persons and *vice versa*.

4. SCOPE, APPLICATION AND CRITERIA

This Policy will only apply to persons who are destitute and who find themselves in desperate need and/or crisis situations, such situations being referred to and defined below as "Emergencies", and only these persons will qualify for temporary emergency housing assistance (TEPA) under this Policy.

In the event of persons facing eviction, an eviction order must first be obtained from a competent eCourt before such persons will be assisted under this Policy.

The purpose of this Policy is **not to:**

- assist landowners, in the absence of legal eviction proceedings, with the provision of alternative accommodation for occupiers of their properties;
- provide alternative accommodation to occupiers where such responsibility is on the landowners;
- Promote or foster queue-jumping by persons not listed on the Municipality's ordinary waiting list for housing.

Assistance provided under this Policy will only be of a temporary nature, and is not intended to provide a permanent solution and should not be considered as such.

4.1 "Emergencies"

An emergency exists when the Municipality, after application by the affected persons on the prescribed form, has confirmed that the persons affected qualify as a "Beneficiary". Table 1 (below) is a non-exhaustive list of possible categories of emergency.

Where such a beneficiary have become:

Table 1: Categories of Emergency

Emergencies Categories of Emergency		Competent Authority / Department / Directorate
4.1.1	Destitute and homeless as a result of a declared state of disaster , where assistance is required, including cases where initial remedial measures have been taken in terms of the Disaster Management Act, 2002 (Act No. 57 of 2002) by government, to alleviate the immediate crisis situation;	1. Disaster Management Department
4.1.2	Destitute and homeless as a result of a situation which is not declared as a disaster / emergency, but destitution is caused by extraordinary occurrences such as floods, strong winds, severe rainstorms and/or hail, snow, devastating fires, earthquakes and/or sinkholes or large disastrous industrial incidents;	2. Disaster Management Department
4.1.3	Or live in professionally declared dangerous conditions such as on land being prone to dangerous flooding, or land which is dolomitic, undermined at shallow depth, or prone to sinkholes or an a landfill site;	1. Department of Planning and Economic Development 2. Engineering Services Development Engineering Services
4.1.4	Or live in the way of engineering services or proposed services such as those for water, sewerage, power, roads or railways, or in reserves established for any such purposes;	1. Engineering Services
4.1.5	Or are legally evicted or threatened with imminent eviction in accordance with a final eviction order from a competent Court from land or from unsafe buildings, or are in unsafe situations where based on professional advice warrants proactive steps ought to be taken to forestall such consequences;	1. Human Settlements in consultation with Legal Department Services
4.1.6	Or whose homes are demolished , or who are in situations where proactive steps ought to be taken to forestall	1. Department of Planning and Economic Development

	such consequences;	2. Disaster Management 3. Law Enforcement
4.1.7	Or are displaced or threatened with imminent displacements as a result of a state of civil conflict or unrest , or are in situations where pro-active steps ought to be taken to forestall such consequences;	1. Law Enforcement 2. Disaster Management 3. Planning & Economic Development 4. Human Settlements in consultation with Legal Services^[JR2] 2. & Dev
4.1.8	Or live in professionally declared conditions that pose immediate threats to life, health and safety and require emergency assistance; or	1. Engineering Services 2. Planning & Economic Development 3. Disaster Management

~~4.1.1 — destitute and homeless as a result of a **declared state of disaster**, where assistance is required, including cases where initial remedial measures have been taken in terms of the Disaster Management Act, 2002 (Act No. 57 of 2002) by government, to alleviate the immediate crisis situation;~~

~~4.1.2 — destitute and homeless as a result of a situation which is not declared as a disaster / emergency, but **destitution is caused by extraordinary occurrences** such as floods, strong winds, severe rainstorms and/or hail, snow, devastating fires, earthquakes and/or sinkholes or large disastrous industrial incidents;~~

~~4.1.3 — Or live in **professionally declared dangerous conditions** such as on land being prone to dangerous flooding, or land which is dolomitic, undermined at shallow depth, or prone to sinkholes or an a landfill site;~~

4.2– Meaningful engagement (PTO)

~~4.1.4 — Or live in the way of **engineering services** or proposed services such as those for water, sewerage, power, roads or railways, or in reserves established for any such purposes;~~

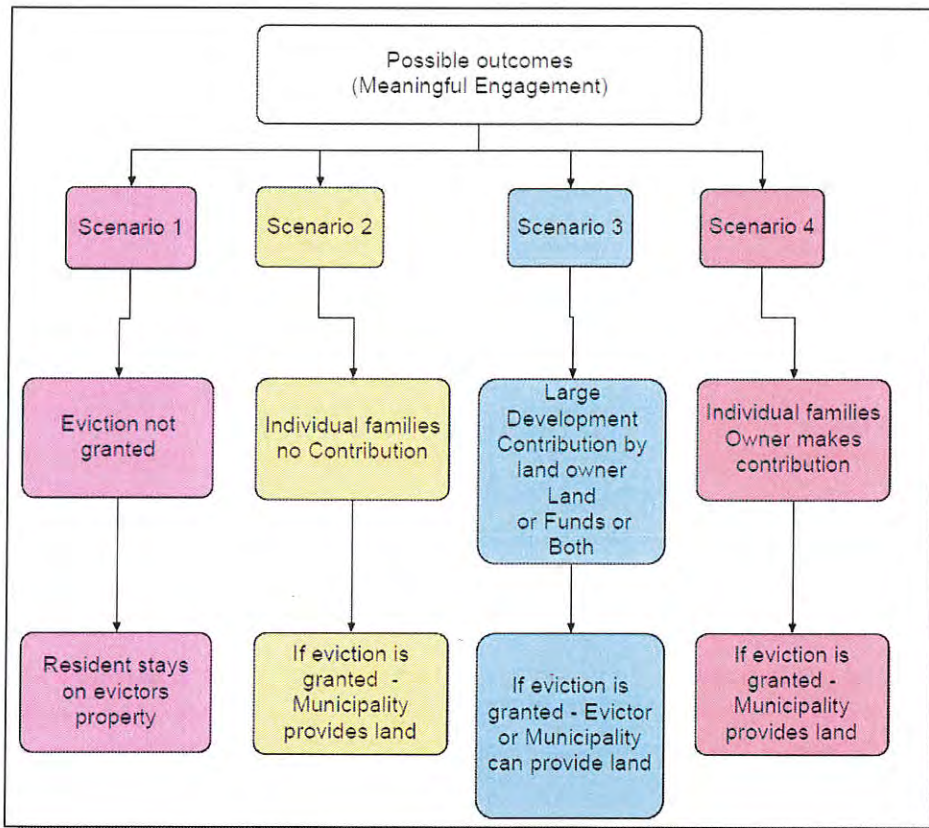
- 4.1.5 Or are **legally evicted or threatened with imminent eviction** in accordance with a final eviction order from a competent Court from land or from unsafe buildings, or are in unsafe situations where based on professional advice warrants pro-active steps ought to be taken to forestall such consequences;
- 4.1.6 Or whose **homes are demolished**, or who are in situations where proactive steps ought to be taken to forestall such consequences;
- 4.1.7 Or are displaced or threatened with imminent **displacements as a result of a state of civil conflict or unrest**, or are in situations where pro-active steps ought to be taken to forestall such consequences;
- 4.1.8 Or live in **professionally declared conditions that pose immediate threats to life, health and safety** and require emergency assistance; or

Meaningful engagement (PTO)

The process of meaningful engagement was developed over time by various Court judgments to ensure that Municipalities are involved in the eviction process from an early stage. Therefore the purpose of the meaningful engagement process is to reduce the number of incidences where the municipality is "surprised" by a formal or informal with-and- eviction.

Effectively all parties negotiate the terms under which an eviction can occur and these terms eventually becomes the order of the court. In accordance with this process 34 options scenarios are investigated, discussed and negotiated. The outcome of the meaningful engagement process becomes the order of the court.

Fig 1: Meaningful Engagement (scenarios)





5 / BUDGET

- 5.1 The Municipality recognises that it has a shared obligation, within its available resources, to implement this Policy and will, within its available resources and insofar as is possible, assist those persons who require immediate assistance, in terms of this policy.
- 5.2 The Municipality will also apply for any/all possible funding available from outside sources.
- 5.3 An emergency revolving fund will be established in which all funds including funds obtained from the relevant ~~n~~National/~~p~~Provincial department in terms of the relevant application; funds from other sources of the Municipality as well as external funding contributions received will be deposited in order to address the objectives of this Policy.

6. CATEGORIES OF ASSISTANCE

Once an emergency has been declared by the relevant authority / Department / Directorate the Municipality provides various types and levels of assistance. Table 2 hereunder provides a non-exhaustive list of assistance. The list is compiled from observations by the ISD of assistance over the last 5 years.

Table 2: Categories of Assistance

CATEGORIES OF ASSISTANCE					
<u>Circumstance (category of emergency)</u>	<u>Product / Materials Type of assistance</u>		<u>By Whom / order of ascendance (delegation)</u>	<u>Example</u>	
<u>Minimal structural damage (at most)</u>	<u>Emergency Kit</u>	<u>Materials</u> <u>Zinc sheets & plastic</u> <u>2. wood & nails</u>	<u>1. Disaster Management</u>	<u>Fire / Flood Vehicle accidents all areas³</u>	<u>Fire / Flood</u>
<u>Declared Emergency by Disaster Management Department in accordance with the Disaster Management Act</u> <u>Total destruction of structure</u>	<u>Enhanced Emergency Kit</u> <u>Refer also clause 6.1 to clause 6.4 hereunder</u>	<u>Materials</u>	<u>1. Disaster Management</u> <u>2. JOC</u> <u>3. Disaster Management Council</u>	<u>Langrug Fire</u>	<u>Fire</u>
<u>Eviction Order</u>	<u>Wendy House</u>	<u>3x3, 6x3 or 9x3 structure, depending on family size</u> <u>Note: 3 x 3 for single or couples with no dependents</u> <u>3 x 6 families up to and including 5 individuals</u> <u>3 x 9 families up to and including 10 individuals</u> <u>Specifications determined from time to time.</u>	<u>1. Human Settlements in consultation with Legal/JR3 Services</u> <u>2. MM</u> <u>3. Council</u>	<u>Kreefgat, Jamestown</u> <u>Zone A, Kayamandi</u> <u>Landfill</u>	<u>Fire</u> <u>Fire</u> <u>Eviction order</u>
<u>Relocation by Municipality</u>	<u>Wendy House</u>	<u>3x3, 6x3 or 9x3 structure, depending on family size</u> <u>Note: 3 x 3</u>	<u>1. JOC</u> <u>2. Disaster Management</u>	<u>Kreefgat / 7de Laan, Jamestown</u> <u>Zone A,</u>	<u>Fire</u>

³ Taxis on a regular basis drive into informal structures

		<u>for single or couples with no dependents</u> <u>3 x 6 families up to and including 5 individuals</u> <u>3 x 9 families up to and including 10 individuals</u> <u>Specifications determined from time to time.</u>	<u>Council</u> <u>3.</u> <u>Legal Section</u>	<u>Kayamandi</u> <u>Landfill</u>	<u>Fire</u> <u>Eviction order</u>
<u>Evicted over weekend or at night</u>	<u>Community Halls</u>		<u>JOC</u> <u>1.</u> <u>Disaster Management</u> <u>2. Law Enforcement</u> <u>3.</u> <u>Council</u>		

The level of assistance by the municipality depends on various cases highlighted above and elaborated in above mentioned table.

6. CATEGORIES OF ASSISTANCE

The various categories of assistance provided under this Policy depend on the specific circumstances and are dictated by the specific situation, as the case may be. The various categories are the following:

6.1

Accommodation kept in reserve for possible disasters / emergencies

(a) accommodation kept in reserve for possible disasters

- This entails the accommodation of persons in community halls or other buildings designated for this purpose as a temporary measure.

6.2 Temporary accommodation that is readily available

(b) temporary accommodation that is readily available

- This entails the temporary accommodation of persons at any place as decided by Council from time to time.
- Persons assisted will be provided with a temporary residential unit of a dignified nature and have access to services, which may be communal.

6.3 Transitional accommodation

~~(c) transitional accommodation (formal)~~

- ~~This~~ This form of accommodation will be established under the relevant housing programme of national and provincial government by setting aside a minimum of 10% of the total number of sites for formal housing in human settlement projects, as identified and earmarked by the Municipality from time to time, or sites identified by the Municipality for emergency accommodation and applying for funding in this regard, depending on the need that may exist.
- ~~Persons~~ Persons assisted will be provided with a structure that meets the requirements of the relevant chapter of the National Housing Code and have access to services, which may be communal.

6.4 Shelters

~~(d) Shelters (informal)~~

- ~~this~~ This entails the temporary accommodation of persons at one of the shelters operated or funded by the Municipality; as showed in the above mentioned table.

It is in the discretion of the Municipality to determine which categories of assistance apply to specific persons and which category of assistance to use in a specific situation, depending on, and with reference and having regarded to, the specific circumstances of particular persons.

The assistance is only of a temporary nature and should not be considered as a permanent measure

The Municipality can and reserves the right to, in its discretion, temporarily move persons to another suitable site.

Any person assisted under this Policy will be required to enter into an agreement with the Municipality in order to regulate the terms and conditions of such person's accommodation, in particular the temporary nature thereof and any ancillary and/or related obligations.

7. SHORT TITLE AND COMMENCEMENT

This policy is the only document of Council/Municipality that regulates Emergency Housing needs and shall be called **Emergency Housing Assistance Policy (EHAP)** and shall come into operation on the date of the final adoption by Council.

9.2.2

**INNOVATION CAPITAL PROGRAMS: LOCAL ECONOMIC
DEVELOPMENT HUBS FOR SMALL BUSINESSES**

APPENDIX 6

5.1.1 INNOVATION CAPITAL PROGRAMS: LOCAL ECONOMIC DEVELOPMENT HUBS FOR SMALL BUSINESSES

File number : 7/3/1

Compiled by : Director: Planning & Economic Development

Report by : Director: Planning & Economic Development

Delegated Authority : Council

Strategic intent of item

<i>Preferred investment destination</i>	X
<i>Greenest municipality</i>	
<i>Safest valley</i>	
<i>Dignified Living</i>	X
<i>Good Governance</i>	X

1. PURPOSE OF REPORT

To the gain approval for the use of municipal properties for the establishment of local economic development hubs as part of the Innovation Capital program and to recommend on the operational aspects related to such hubs.

2. BACKGROUND

To address the need for transformation, the Municipality must facilitate economic redistribution, social redress and a turnaround of the land ownership imbalance in business areas. This is a huge challenge, as government and civil society / communities have managed to address some issues, municipalities have not been successful in getting to the heart of the matter, namely giving start-up businesses access to the mainstream economic activities. Consequently, economic opportunities are mainly in the hands of people who have access to capital (land and financial resources) and can trade from central business areas and lesser nodes.

Unless this issue is realistically and sensibly addressed, local economic imbalances would continue to perpetuate inequalities.

The Municipality owns numerous well situated properties in nodes and central business areas, which could be used as local economic development hubs for small businesses to establish themselves in order to gain market access and to grow through improved interaction with the public and other businesses. Moreover, these properties also create additional opportunities for entrepreneurs, namely to establish

cooperatives and other entities to manage the facilities as a means of wealth creation.

3. DISCUSSION

3.1 SMME's

Small, medium and micro enterprises (SMME's) in South Africa are defined differently in various contexts, because they are active in and respond to diverse national and local government challenges and circumstances. Legislation (National Small Business Act, 1996, Act 102 of 1996), categorises SMME's into five stages of development, namely:

- Survivalist;
- Micro;
- Very small;
- Small; and
- Medium-sized enterprises.

The following are explanations of the categories in various academic responses to the legislation:

- Survivalist enterprises operations form part of the informal economy, are undertaken by unemployed persons whose primary objective is to survive economically. Little capital is invested in survivalist enterprises and therefore they do not generate as much as necessary income and assets, the owners possess inappropriate business skills and training to run the business, and the opportunities for growing the business are limited.
- Micro enterprises employ about five employees and like survivalist enterprises, they operate informally, owners do not have skills to run a business, are unlicensed and as a result do not comply with legislation. Unlike survivalist enterprises, their turnover qualifies for VAT registration (voluntary level of R50 000,00 turnover per annum), and they have the potential to make the transition to a viable formal small business.
- Very small enterprises are part of the formal economy; they employ less than ten employees, who are often professionals that are able to make use of the appropriate technology.
- Small enterprises are much established as compared to very small enterprises as they are registered entities that operate in fixed business premises, are organised into complex organisational structures of, at most, 100 employees.
- Medium enterprises are owner-managed, comply with the law and like small enterprises, are organised into complex structures of up to 200 employees that perform their duties in fixed business premises.

The development and support of these SMME's are seen as ingredients to the success of efforts to restructure the local economic-base of

Stellenbosch and to reduce spatial inequalities between the traditional CBD's and the old townships.

Local economic growth is to a large degree driven by SMME development. Geographical areas where SMME's are concentrated are economically productive and generate higher local incomes than those with fewer SMME's. Moreover, SMME's play a significant role in achieving the goal of the Stellenbosch LED strategy (PACA recommendations).

Municipal responses to SMME needs also facilitate the economic restructuring process, as it contributes to the creation of activity focus points. The spatial features of places have implications (positive or negative) for the growth potential of SMME's. Readily accessible supportive facilities and infrastructure create a climate in which SMME's are able to flourish, thus increasing opportunities and innovation, accumulation of assets and good future prospects; the reverse situation limits SMME growth, opportunities and innovation.

The most obvious consequence of a weak SMME support system is that SMME owners will do whatever they have to do to survive, regardless of whether the spatial feature of a municipality reinforces growth or not. The outcome is street corner and roadside trading, illegal occupation and use of public spaces and illegal connections to municipal services infrastructure. Numerous reputable studies comparing the spatial feature of development between South African towns and townships (the results of which have been widely accepted as a means to influence local government policy direction in South Africa) have been commissioned by the South African Cities Network (SACN), Statistics South Africa, the Department of Trade and Industry (DTI) and the Africagrowth Institute.

3.2 Properties

The following properties are listed as properties with high potential for LED hubs and support system development, which should be designated as hubs similar to the Kayamandi Economic Tourism Corridor (See **APPENDICES 1 – 11**).

PROPERTY	LOCATION	PURPOSE	MANAGEMENT	PROCESS
Re Erf 342	Klapmuts	Trading hub (container shops)	Local business cooperative	Rezoning; services connections; lease agreements; container acquisition.
Portion Erf 2118 (private ownership; useless high school site)	Klapmuts	Trading hub (container shops)	Local business cooperative	Use agreement with owner; rezoning; lease agreements; container acquisition.
Erven 228, 229 and 230	Franschhoek (Triangle site)	Shops and tourism activities	Local business cooperative with Berg River Dam Tourism Action Plan initiative	Building / site maintenance; lease agreements; staff relocation (Erven 228 and 229); site improvements; further lease agreements.
Erf 1538	Franschhoek (old tennis)	Parking	Local entrepreneur	Site improvement; lease / management

	courts)			agreement.
Erf 2235	Groendal (Moiwater homestead / old youth house)	Shops and tourism activities	Local business cooperative	Building / site maintenance; lease agreements; contractor relocation.
Public Place / POS north of Groendal Community Hall	Vacant office on play park land	Local business organisation office	Local business organisation	Lease agreement.
Erven 2751 and 6314 (Old Agricultural Hall)	Stellenbosch	Arts, crafts and tourism activities, including parking area	Local business cooperative	Building / site maintenance; lease agreements; illegal occupants relocation; rezoning.
Erven 1439 and 1441 (private ownership)	Plankenbrug Industrial	Industrial hub	Local business cooperative	Legal action for site acquisition (outstanding debt action and repurchase); lease agreements; container acquisition.
Erven 1956, 1957, 6487, 6488 and 6490	Stellenbosch (Old clinic site and LED office)	Arts, crafts, shops, offices, tourism activities	Local business cooperative	Building / site maintenance; lease agreements; occupants relocation.
Die Boord POS	Intersection Van Rheeде Rd and R44	Community market	Local business cooperative	Site improvement; lease / management agreement.
Erf 721	Pniel (municipal office site)	Shops and tourism activities	Local business cooperative	Rezoning; services connections; lease agreements; container acquisition.

3.3 Process and program

The processes required for the establishment of the LED hubs differ from simple use agreements (e.g. Die Boord POS) to complicated land acquisition processes (e.g. Plankenburg industrial erven). All of the properties are intended for the same outcome, namely to provide access to centrally located and beneficial / viable markets for SMME's.

Moreover, the purpose is to provide affordable facilities to the SMME's to establish and grow the businesses in a secure area where there are viable market opportunities. The process for achieving the objectives is therefore to gain Council's approval for the envisaged outcomes and then in each case to follow the statutory prescribed processes.

The program for the establishment of each hub will also differ, but the achievement of the establishment of a Community Market on the open space in Die Boord, the use of Franschoek Erf 230 and the office in Groendal is possible within three months. Where container acquisitions, land use rights and land acquisition agreements are required, the process will be between six and 14 months.

4. FINANCIAL IMPLICATION

The implementation of the abovementioned and the creation of LED hubs will have financial implications, as the Municipality will generate less

revenue from the properties than by making them available through open market competitive processes. The implications are not fully quantified, as there is no clear indication of the potential open market revenue. However, the LED benefits, through transformation and SMME support for the poor and otherwise disadvantaged citizens, are sufficient to warrant approval of the proposals.

5. COMMENTS FROM RELEVANT DEPARTMENTS

5.1 FINANCIAL SERVICES

5.2 MANAGER: PROPERTY MANAGEMENT

The idea of utilizing municipal and private land for the establishment of LED hubs is praiseworthy and the Department should be commended for this initiative.

When it comes to the implementation, there are various ways of accomplishing the outcomes as listed in the report. This, in turn will determine the correct, legal process to be followed. In my view the recommendations is too general in nature, i.e. it does not indicate:-

- a) Who will be responsible for the upgrading/redevelopment (where applicable);
- b) How it will be financed; or
- c) Who will be responsible for the management of the facilities?

For more clarity, let me use a number of examples:

1. **Erf 2235 (Mooiwater Homestead):** There are a number of options for this site. One option would be to make the facility and adjacent parking area, available for redevelopment by way of a Call for Proposal. Proposals are then evaluated against a number of pre-agreed criteria. The successful bidder then manages the (upgraded) facility. In my view this is the **preferred option**.

Another option is where we do the upgrading/redesign of the buildings and site and are then manage the site on a lease basis (approved tariff structure), similar to the way we currently managed the Kayamandi Tourism Corridor.

Our history in managing these kind of facilities is not very good, and for this reason I would support the first option.

2. **Erf 342, Klapmuts:** This portion of land is a very critical piece of land and a great deal of thought should go into how to accomplish the outcome of developing a LED Hub. The land in question is approximately 10.5 ha in extent. It is not clear from the report if the land as a whole is targeted or whether it is a predetermined area, say between the Multi-Purpose Centre and the Taxi rank. Depending on the size of the area, one might go the route of a Call for Proposal/ Tender or provide the infrastructure ourselves.

The above two examples was merely used to indicate the various ways of accomplishing the desired outcome(s).

In my view Council should (at this stage) only consider the principle of identifying various sites for the purpose of developing LED hubs. The LED department together with the Property Management (and other) department should then discuss the individual properties and advise on the best way/process of accomplishing the outcome(s). Once there is an agreed way of going about, and once the use-rights are in place, then Council can decide which process to follow.

Putting it differently, each site would need a different approach; one cannot have a blanket approach in developing these sites.

A very important component, that of private sector involvement/investment should also be considered. We should use our asset to facilitate LED, not necessarily do it ourselves.

Regarding the individual properties listed in the report, allow me to deal with them separately:

3. **Erf 342 Klapmuts:** The land was earmarked for a mixed use development, including opportunities for housing, business, community facilities, etc. A tender was allocated to a developer to develop the area. Before using it for a different use, first conclude negotiations with successful tenderer. If the tender is not going to be entertained, consider the future of the site, which may include a specific area to be developed as an LED Hub, but not the area as a whole. Once an area has been identified and the use-right have been awarded, a call for proposal should be considered.
4. **Portion of erf 2118 (Klapmuts):** This is private land and should be acquired before making any arrangements. The financing of the acquisition should be put on the budget, to compete with other projects. Alternatively a land exchange could be considered.
5. **Erven 228, 229 and 230 (Triangle site), Franschoek:** This site lends itself to a total redevelopment, ideally for a Call for Proposal with specific outcome(s). A phased approach might also be followed, i.e first do the house in front and later the sites at the back (once alternatives have been considered for the staff-housing). Again, this Department would support the redevelopment of the area by a Developer/Investor with the purpose of creating economic opportunities for PD's residing in Franschoek. We should not try to manage the facility ourselves.
6. **Erf 1528 Old tennis court site Franschoek:** Support the idea of a formal parking area.
7. **Erf 2235 (Old Mooiwater homestead), Groendal:** A Call for Proposal is suggested, based on a 10 year lease with the view of developing a LED Hub benefitting PD's residing in Franschoek.

8. **P.O.S North of Groendal Community Hall:** There are limited P.O.S's in the area. The development of this site is not supported. A portion of erf 412 could rather be set aside for the purpose of a LED Hub.
9. **Erven 2751 and 6314 (Old Agricultural Hall, Stellenbosch):** Before future utilisation of this site is considered, the current tender must first be sorted out, including zoning rights.
10. **Erven 1439 and 1441, Plankenburg:** Supported, but subject to normal acquisition and provision on budget.
11. **Erven 1956, 1957 and other (Old Victoria Street Clinic), Stellenbosch:** The Provincial Government has just confirmed that they are not going to use the facility for a clinic anymore. It is therefore available for use by the municipality. This property could be earmarked for a LED Hub. A design should be made on how to accomplish that; i.e are we going to redeveloped the property or are we going to follow a Call for Proposal route.

Alternatively the facility could be converted to office space seeing that it is closely located to the Main Building.

1. **Die Boord:** The land was previously earmarked for high density (flats) residential development. This could indeed work as a LED hub, but the format needs to be decided on. This, in turn, will inform the process to be followed, should development rights be awarded (following the formal closure of the P.O.S).
2. **Erf 721, Pniel (Office space):** It is not clear whether the Directorate want to use a portion of the municipal offices, or the land adjacent to the offices, the latter is supported.

In conclusion, I would suggest that the recommendations be amended, to read as follows:

- a) that Council identify the properties listed in paragraph 3.2 is property not needed to provide the minimum level of basic municipal services; (insofar as it relates to it's own properties);
- b) that Council earmarked the properties referred to in (a) as possible LED hubs, subject to the necessary zoning rights being obtained; and
- c) that the Director: Planning & Economic Development, together with the Director: HS & PM be requested to investigate the best way of developing/managing these properties and to report back within a period of 6 months, whereafter the necessary SCM processes (awarding of rights) could be followed.

ENGINEERING SERVICES

Electrical: Site is often used as a construction camp by contractors working in the area and it contains services.

COMMUNITY AND SAFETY SERVICES

The item is supported because it promotes small medium micro enterprises. This economic restructuring will aim to address poverty, create jobs and promote social innovation. Consideration should be given to the geographical placement of the economic hubs bearing in mind that not all of these hubs will be economically viable. The Directorate of Community and Protection Services propose that satellite informal trading areas continues as per norm but that one centralized market operates monthly. In terms of sustainability, the Municipality must contract the services of an external body to manage and operate these hubs.

6. CONCLUSION

The Municipality must be pro-active in making available land for the establishment of LED hubs in order to promote SMME's and economic transformation. There are sufficient opportunities and resources available to achieve the desired outcomes.

Different properties offer different opportunities and each property needs to be considered separately / individually to ensure the most appropriate purpose, means of making it available and management model, but overall the main aim of using any or all of the aforementioned properties is to provide opportunities to SMME's from the local disadvantaged communities to enter more accessible and lucrative markets.

RECOMMENDED

- (a) that approval be granted for the establishment of Local Economic Development hubs on the following properties:

PROPERTY	PURPOSE
Re Erf 342, Klapmuts	Trading hub (container shops)
Portion Erf 2118, Klapmuts	Trading hub (container shops)
Erven 228, 229 and 230, Franschoek	Shops and tourism activities
Erf 1538, Franschoek	Parking
Erf 2235, Groendal	Shops and tourism activities
Public Place / POS north of Groendal Community Hall	Local business organisation office
Erven 2751 and 6314, Stellenbosch	Arts, crafts and tourism activities, including parking area
Erven 1439 and 1441, Stellenbosch	Industrial hub
Erven 1956, 1957, 6487, 6488 and 6490, Stellenbosch	Arts, crafts, shops, offices, tourism activities
Die Boord POS	Community market
Erf 721, Pniel	Shops and tourism activities

- (b) that Council confirm that the properties are not required for the provision of the minimum level of basic municipal services in terms of Section 14 of the Local Government: Municipal Finance Management Act, 2003, Act 56 of 2003; and
- (c) that the Acting Municipal Manager be authorised to follow the prescribed process for the leasing of the relevant properties in keeping with the Stellenbosch Municipality Supply Chain Management Policy and/or the Municipal Asset Transfer Regulations for the benefit of the poor and for economic transformation purposes and/or the approved System of Delegations to achieve the desired outcomes set out in Recommendation (a).

**(DIRECTOR: PLANNING AND ECONOMIC
DEVELOPMENT TO ACTION)**

**PLANNING AND ECONOMIC DEVELOPMENT COMMITTEE: 2016-05-31: ITEM
5.1.1**

RECOMMENDED

- (a) that approval be granted for the establishment of Local Economic Development hubs on the following properties:

PROPERTY	PURPOSE
Re Erf 342, Klappmuts	Trading hub (container shops)
Portion Erf 2118, Klappmuts	Trading hub (container shops)
Erven 228, 229 and 230, Franschoek	Shops and tourism activities
Erf 1538, Franschoek	Parking
Erf 2235, Groendal	Shops and tourism activities
Public Place / POS north of Groendal Community Hall	Local business organisation office
Erven 2751 and 6314, Stellenbosch	Arts, crafts and tourism activities, including parking area
Erven 1439 and 1441, Stellenbosch	Industrial hub
Erven 1956, 1957, 6487, 6488 and 6490, Stellenbosch	Arts, crafts, shops, offices, tourism activities
Die Boord POS	Community market
Erf 721, Pniel	Shops and tourism activities

- (b) that Council confirm that the properties are not required for the provision of the minimum level of basic municipal services in terms of Section 14 of the Local Government: Municipal Finance Management Act, 2003, Act 56 of 2003; and
- (c) that the Acting Municipal Manager be authorised to follow the prescribed process for the leasing of the relevant properties in keeping with the Stellenbosch Municipality Supply Chain Management Policy and/or the

Municipal Asset Transfer Regulations for the benefit of the poor and for economic transformation purposes and/or the approved System of Delegations to achieve the desired outcomes set out in Recommendation (a).

**(DIRECTOR: PLANNING AND ECONOMIC
DEVELOPMENT TO ACTION)**

MAYORAL COMMITTEE MEETING: 2016-06-10: ITEM 5.1.1

RECOMMENDED BY THE EXECUTIVE MAYOR

- (a) that approval be granted for the establishment of Local Economic Development hubs on the following properties:

PROPERTY	PURPOSE
Re Erf 342, Klappmuts	Trading hub (container shops)
Erven 228, 229 and 230, Franschoek	Shops and tourism activities
Erf 1538, Franschoek	Parking
Erf 2235, Groendal	Shops and tourism activities
Public Place / POS north of Groendal Community Hall	Local business organisation office
Erven 2751 and 6314, Stellenbosch	Arts, crafts and tourism activities, including parking area
Erven 1439 and 1441, Stellenbosch	Industrial hub
Erven 1956, 1957, 6487, 6488 and 6490, Stellenbosch	Arts, crafts, shops, offices, tourism activities
Die Boord POS	Community market
Erf 721, Pniel	Shops and tourism activities

- (b) that Council confirm that the properties are not required for the provision of the minimum level of basic municipal services in terms of Section 14 of the Local Government: Municipal Finance Management Act, 2003, Act 56 of 2003; and
- (c) that the Acting Municipal Manager be authorised to follow the prescribed process for the leasing of the relevant properties in keeping with the Stellenbosch Municipality Supply Chain Management Policy and/or the Municipal Asset Transfer Regulations for the benefit of the poor and for economic transformation purposes and/or the approved System of Delegations to achieve the desired outcomes set out in Recommendation (a).

**(DIRECTOR: PLANNING AND ECONOMIC
DEVELOPMENT TO ACTION)**

9.2.2

2016/17 SOLID WASTE TARIFF ADJUSTMENT

APPENDIX 7

2016/17 SOLID WASTE TARIFF ADJUSTMENT

File number : 8/1/Engineering Services
Report by : Director: Engineering Services
Compiled by : Head: Administration & Client Services
Delegated authority : Council

2016/08/10

1. PURPOSE OF REPORT

To inform Council that subsequent to the adoption of the proposed 2016/17 Solid Waste tariffs in May 2016, an error in the tariffs was detected and approval for rectification is herewith requested.

2. BACKGROUND

In **Appendix 1B** the previous years' tariffs allowed for the Collection based on 3 standard refuse bags once per week. Due to unknown circumstances, this specific tariff line was not included in the 2016/17 tariff proposal and therefore did not form part of the formal approval of the 2016/17 tariff structure. In the absence of this particular tariff line, Non Residential consumers are incorrectly charged at a three times higher rate for refuse collection. In order to correct, this specific line must be included in the 2016/17 tariff structure. An amendment to the approved tariffs (Non Residential removal of 3 refuse bags once per week) must be made to reflect the correct solid waste tariffs for implementation.

SERVICES RENDERED	UNIT	COMMENTS	2015/16	2016/17
Collection based on 3 standard refuse bags once (x1) per week	per month	Account payable by business owner. Max 3 closed bags. No other extras. Service will cancel when 240l bin is issued.	R125.73	R 133.54

3. DISCUSSION

It is proposed that Council agree to the corrections in respect of the solid waste tariffs as the changes are not significant and would not result in a loss of revenue. The solid waste tariff structures with the proposed changes are attached as **Appendix 1A**.

4. COMMENTS FROM CHIEF FINANCIAL OFFICER

The recommendations contained in the report are supported subject to Council noting that any reduction in budgeted revenue will attract an equal reduction in expenditure during the adjustment budget process of which any potential adjustment will be determined during the mid-year performance assessment.

RECOMMENDED

- a) It is recommended that the proposed amendment to the 2016/17 Solid Waste Tariffs (**Appendix 1A**) be approved and that Council's tariff books be amended accordingly;
- b) That the amended tariffs be implemented retrospective from 01 July 2016.

STELLENBOSCH MUNICIPALITY

SOLID WASTE TARIFFS FOR THE PERIOD 1 JULY 2016 TO 30 JUNE 2017
Applicable to services rendered from 1 July 2016

	SERVICES RENDERED	UNIT	COMMENTS	2015/2016	2016/2017
--	-------------------	------	----------	-----------	-----------

Residential Waste Collection (Households, Flats, Hostels, Retirement homes, Churches, Schools, Welfare Organisations, etc.)

Definition: 1 refuse unit = 240ℓ = 3 standard refuse bags

Indigent subsidy: A monthly subsidy (to be determined by Council) to be credited to a registered indigent consumer's account

Only WC024 Wheelie Bins will be collected

Black bags (only where wheelie bins have not been introduced and/or stolen or lost)

	Single residential properties for indigent households. Plot not exceeding 250 m ² and a maximum building value of R95 000	per month	Account payable by property owner. Max 3 closed bags. No other extras. Service will cancel when 240ℓ bin is issued.	R 93.16	R 98.25
	Basic residential collection based on 3 standard refuse bags once per week - 1 st refuse unit - One dwelling on erf	per month	Account payable by property owner. Max 3 closed bags. No other extras. Service will cancel when 240ℓ bin is issued.	R 119.76	R 127.20
	Basic residential collection based on 3 standard refuse bags per dwelling (1 refuse unit) for additional dwellings on same erf	per refuse unit per month	Account payable by property owner. Max 3 additional closed bags. No other extras. Per fixed arrangement - not variable. Service will cancel when 240ℓ bin is issued. At cluster housing, flats, etc. 1 refuse unit to be charged for every living unit (per month)	R 119.76	R 127.20
	Additional collection based on an additional 3 standard refuse bags once per week - 2 nd refuse unit or more	per month	Account payable by property owner. Max 3 additional closed bags. No other extras. Per fixed arrangement - not variable. Service will cancel when 240ℓ bin is issued.	R 119.76	R 127.20

Mobile bins (240ℓ Wheelie bin)

	Black Bin (Black lid Black bin)			2015/2016	2016/2017
	Basic residential collection based on 1 X 240ℓ per week - 1 st bin - one dwelling per erf	per month	Account payable by property owner. No extras beside bin.	R 119.76	R 127.20
	Basic residential collection based on 1 X 240ℓ per week for additional bins on same erf	per refuse unit per month	Account payable by property owner. No extras beside bin.	R 119.76	R 127.20
	Basic residential collection based on 1 X 240ℓ bin per week for additional dwellings	per refuse unit per month	Account payable by property owner. No extras beside bin.	R 119.76	R 127.20
	Blue Bin (Blue lid Black bin)			2015/2016	2016/2017
	Three times per week removal with a blue lid 240ℓ refuse bin (sectional title, residential zoned i.e. Hostels, Flats, Old age/retirement villages - NOT HOUSEHOLDS)	Per add 240ℓ bin per month	Account payable by property owner. No extras beside bin. (Sectional title, residential zoned i.e. Hostels, Flats, Old age/retirement villages). (Businesses to be charged per quantity of bins)	R 424.94	R 451.33

Non Residential Waste Collections (Business and Commercial)

Definition: 1 refuse unit = 240ℓ = 3 standard refuse bags

Black bags (Only where Wheelie bins have not been introduced)

				2015/2016	2016/2017
✗	Collection based on 3 standard refuse bags once (x1) per week	per month	Account payable by business owner. Max 3 closed bags. No other extras. Service will cancel when 240ℓ bin is issued.		R 150.44
	Collection based on three (3) standard refuse bags 3 x per week	per month	Account payable by business owner. Max 3 closed bags per collection. No other extras. Service will cancel when 240ℓ bin is issued.		R 451.33

PROPOSED TARIFFS

APR 2016 11A

STELLENBOSCH MUNICIPALITY

SOLID WASTE TARIFFS FOR THE PERIOD 1 JULY 2016 TO 30 JUNE 2017
Applicable to services rendered from 1 July 2016

SERVICES RENDERED	UNIT	COMMENTS	2015/2016	2016/2017
Additional collection based on an additional refuse bags, once per week - measured in the number of additional refuse units (3 standard refuse bags) per week	per month	Account payable by business owner. No other extras. Per fixed arrangement - not variable. Service will cancel when 240ℓ bin is issued.		R 150.44
Additional collection based on additional refuse bags, 3 x per week	per month	Account payable by business owner. No other extras. Per fixed arrangement - not variable. Service will cancel when 240ℓ bin is issued.	R 424.94	R 451.33
Mobile bins (240ℓ Wheelie bin)				
Blue Bin (Blue lid Black bin)			2015/2016	2016/2017
Collection based on 1 X 240ℓ once (x1) per week measured as one blue lid bin.	per month	Account payable by business owner. No other extras. Per fixed arrangement - not variable.		R 150.44
Additional 240ℓ removal/s once per week - measured as the number of additional blue lid bin/s	per month	Account payable by business owner. No other extras. Per fixed arrangement - not variable.		R 150.44
Collection based on 1 X 240ℓ three times (x3) per week measured as one blue bin.	per month	Account payable by business owner. No other extras. Per fixed arrangement - not variable.	R 424.94	R 451.33
Additional 240ℓ removals three times per week - measured as the number of additional blue bins	per month	Account payable by business owner. No other extras. Per fixed arrangement - not variable.	R 424.94	R 451.33
Mobile bins (240ℓ Wheelie bin)				
Red Bin (Red lid Black Bin)				
Collection based on 1 X 240ℓ five times per week measured as one red bin.	per month	Account payable by business owner. No other extras. Per fixed arrangement - not variable.		R 752.20
Additional 240ℓ removals five times (x5) per week - measured as the number of additional blue bins	per month	Account payable by business owner. No other extras. Per fixed arrangement - not variable.		R 752.20
Charges and Levies				
			2015/2016	2016/2017
Solid Waste availability charge	per annum	Vacant erven and to all households, businesses, flats, developments not making use of municipal collection services	R 751.20	R 798.00
Collection of food waste				
Restaurant Food Waste only	per month	Limited to maximum 20 restaurant in WCO24 for pilot project for 5 day/ week	N/A	R 370.00
		Full load	N/A	N/A

STELLENBOSCH MUNICIPALITY

SOLID WASTE TARIFFS FOR THE PERIOD 1 JULY 2016 TO 30 JUNE 2017
Applicable to services rendered from 1 July 2016

SERVICES RENDERED	UNIT	COMMENTS	2015/2016	2016/2017
Residential Waste Collection (Households, Flats, Hostels, Retirement homes, Churches, Schools, Welfare Organisations, etc.)				
Definition: 1 refuse unit = 240ℓ = 3 standard refuse bags				
Indigent subsidy: A monthly subsidy (to be determined by Council) to be credited to a registered indigent consumer's account				
Black bags (only where wheelie bins have not been introduced and/or stolen or lost)				
Single residential properties for indigent households. Plot not exceeding 250 m ² and a maximum building value of R95 000	per month	Account payable by property owner. Max 3 closed bags. No other extras. Service will cancel when 240ℓ bin is issued.	R 93.16	R 98.25
Basic residential collection based on 3 standard refuse bags once per week - 1 st refuse unit - One dwelling on erf	per month	Account payable by property owner. Max 3 closed bags. No other extras. Service will cancel when 240ℓ bin is issued.	R 119.76	R 127.20
Basic residential collection based on 3 standard refuse bags per dwelling (1 refuse unit) for additional dwellings on same erf	per refuse unit per month	Account payable by property owner. Max 3 additional closed bags. No other extras. Per fixed arrangement - not variable. Service will cancel when 240ℓ bin is issued. At cluster housing, flats, etc. 1 refuse unit to be charged for every living unit (per month)	R 119.76	R 127.20
Additional collection based on an additional 3 standard refuse bags once per week - 2 nd refuse unit or more	per month	Account payable by property owner. Max 3 additional closed bags. No other extras. Per fixed arrangement - not variable. Service will cancel when 240ℓ bin is issued.	R 119.76	R 127.20
Mobile bins (240ℓ Wheelie bin)				
Black Bin (Black lid Black bin)				
Basic residential collection based on 1 X 240ℓ per week - 1 st bin - one dwelling per erf	per month	Account payable by property owner. No extras beside bin. At cluster housing, flats, etc. (units to be charged per quantity of bins used. Only WC024 bins will be collected)	R 119.76	R 127.20
Basic residential collection based on 1 X 240ℓ per week for additional dwellings on same erf	per refuse unit per month	Account payable by property owner. No extras beside bin. At cluster housing, flats, etc. Units to be charged per quantity of bins used. Only WC024 bins will be collected	R 119.76	R 127.20
Basic residential collection based on 1 X 240ℓ bin per week for additional dwellings	per refuse unit per month	Account payable by property owner. No extras beside bin. At cluster housing, flats, etc. Units to be charged per quantity of bins used. Only WC024 bins will be collected	R 119.76	R 127.20
Blue Bin (Blue lid Black bin)				
Three times per week removal with a blue lid 240ℓ refuse bin (sectional title, residential zoned i.e. Hostels, Flats, Old age/retirement villages - NOT HOUSEHOLDS)	Per add 240ℓ bin per month	Account payable by property owner. No extras beside bin. (Sectional title, residential zoned i.e. Hostels, Flats, Old age/retirement villages). (Businesses to be charged per quantity of bins)	R 424.94	R 451.33

STELLENBOSCH MUNICIPALITY

SOLID WASTE TARIFFS FOR THE PERIOD 1 JULY 2016 TO 30 JUNE 2017
Applicable to services rendered from 1 July 2016

SERVICES RENDERED	UNIT	COMMENTS	2015/2016	2016/2017
Non Residential Waste Collections (Business and Commercial)				
Definition: 1 refuse unit = 240ℓ = 3 standard refuse bags				
Black bags (Only where Wheelie bins have not been introduced)			2015/2016	2016/2017
Collection based on 3 standard refuse bags 3 x per week - three refuse units per month	per month	Account payable by business owner. Max 3 closed bags. No other extras. Service will cancel when 240ℓ bin is issued.	R 424.94	R 451.33
Additional collection based on an additional refuse bags, 3 x per week - measured in the number of additional refuse units (3 standard refuse bags) per week	per month	Account payable by business owner. No other extras. Per fixed arrangement - not variable. Service will cancel when 240ℓ bin is issued.	R 424.94	R 451.33
Mobile bins (240ℓ Wheelie bin)				
Blue Bin (Blue lid Black bin)			2015/2016	2016/2017
Collection based on 1 X 240ℓ three times per week measured as one blue bin.	per month	Account payable by business owner. No other extras. Per fixed arrangement - not variable.	R 424.94	R 451.33
Additional 240ℓ removals three times per week - measured as the number of additional blue bins	per month	Account payable by business owner. No other extras. Per fixed arrangement - not variable.	R 424.94	R 451.33
Mobile bins (240ℓ Wheelie bin)				
Red Bin (Red lid Black Bin)				
Collection based on 1 X 240ℓ five times per week measured as one red bin.	per month	Account payable by business owner. No other extras. Per fixed arrangement - not variable.		R 752.20
Additional 240ℓ removals five times per week - measured as the number of additional blue bins	per month	Account payable by business owner. No other extras. Per fixed arrangement - not variable.		R 752.20
Charges and Levies				
			2015/2016	2016/2017
Solid Waste availability charge	per annum	Vacant erven and to all households, businesses, flats, developments not making use of municipal collection services	R 751.20	R 798.00
Collection of food waste				
Restaurant Food Waste only	per month	Limited to maximum 20 restaurant in WCO24 for pilot project for 5 day/ week	N/A	R 370.00
		Full load	N/A	N/A

Richard Bosman

From: Richard Bosman
Sent: 02 August 2016 01:04 PM
To: Willem Pretorius; Marius Wust; Kevin Carolus
Cc: Rozanne Pietersen
Subject: RE; SOLID WASTE TARIFF ERROR

Good afternoon

As per our meeting earlier.

Please implement the correct tariff as this is in the interest of the community for the lower correct charges to be levied.

The correct tariffs to be levied with effect August 2016

Accounts incorrectly levied for July 2016 must be credited accordingly.

This correction and adjustment must be advertised in all the newspapers we used for our budget and IDP consultation process.

We must bring the item to the adjustment budget meeting in August please.

Thank you

Richard Bosman

Acting Municipal Manager

Waarnemende Munisipale Bestuurder

T: +27 21 808 8025 • C: +27 79 269 2239 • F: +27 21 886 6749
71 Plein Street, Stellenbosch, 7600 • PO Box 17, Stellenbosch, 7599
www.stellenbosch.gov.za



STELLENBOSCH
STELLENBOSCH • PNIEL • FRANSCHHOEK
MUNISIPALITEIT • UMASIPALA • MUNICIPALITY



Disclaimer and confidentiality note: The legal status of this communication is governed by the terms and conditions published at the following link: http://www.stellenbosch.gov.za/main_pages/disclaimerpage.htm

9.2.2

ATTENDANCE REGISTER AND MEETING INVITE

APPENDIX 8

Rozanne Pietersen

From: Richard Bosman
Sent: Tuesday, July 05, 2016 1:44 PM
To: Rozanne Pietersen; Sharon Pedro; mm; Hannelie Lategan; Dupre Lombaard; Nomie Tshefu; Raymond Esau; Rozeeta Petersen; Kevin Carolus; Adele Wagenaar; Sophie Louw; Flora Manundu; Tabiso Mfeya; Annelene Rooifontein; Willem Pretorius; Lize-Mari Visser
Subject: RE: Council Items outstanding discussion with Acting Mayor

Thank you all four items which served today were approved

This must be reported to council after the recess

From: Rozanne Pietersen
Sent: 04 July 2016 08:54 PM
To: Sharon Pedro; mm; Richard Bosman; Hannelie Lategan; Dupre Lombaard; Nomie Tshefu; Raymond Esau; Rozeeta Petersen; Kevin Carolus; Adele Wagenaar; Sophie Louw; Flora Manundu; Tabiso Mfeya; Annelene Rooifontein; Willem Pretorius; Lize-Mari Visser
Subject: RE: Council Items outstanding discussion with Acting Mayor

<< File: TENDER 34.zip >> << File: EMERGENCY HOUSING ASSISTANCE POLICY.zip >> << File: ECONOMIC HUBS.zip >>

-----Original Appointment-----

From: Sharon Pedro
Sent: Monday, July 04, 2016 11:31 AM
To: Sharon Pedro; mm; Richard Bosman; Hannelie Lategan; Dupre Lombaard; Nomie Tshefu; Raymond Esau; Rozeeta Petersen; Kevin Carolus; Adele Wagenaar; Sophie Louw; Flora Manundu; Tabiso Mfeya; Annelene Rooifontein; Willem Pretorius; Lize-Mari Visser; Rozanne Pietersen
Subject: Council Items outstanding discussion with Acting Mayor
When: Tuesday, July 05, 2016 11:00 AM-12:00 PM (UTC+02:00) Harare, Pretoria.
Where: Speakers boardroom

Good day

Items for discussions is the following:

Tender 34 – the balance
Economic Hub
Emergency Housing Policy
Capping – Section 116

Richard Bosman

Subject: Council Items outstanding discussion with Acting Mayor
Location: Speakers boardroom

Start: Tue 2016/07/05 11:00 AM
End: Tue 2016/07/05 12:00 PM

Recurrence: (none)

Meeting Status: Accepted

Organizer: Sharon Pedro ✓
Required Attendees: mm; Richard Bosman; Hannelie Lategan; Dupre Lombaard; Nomie Tshefu; Raymond Esau; Rozeeta Petersen; Kevin Carolus; Adele Wagenaar; Sophie Louw; Flora Manundu; Tabiso Mfeya; Annelene Rooifontein; Willem Pretorius; Lize-Mari Visser; Rozanne Pietersen

Good day

Items for discussions is the following:

Tender 34 – the balance
Economic Hub
Emergency Housing Policy
Capping – Section 116

all items approved
x ANDRE TRUBAKOFF
x WILLEM PRETORIUS
x SHARON PEDRO

10.	CONSIDERATION OF NOTICES OF QUESTIONS AND NOTICES OF MOTIONS RECEIVED BY THE SPEAKER
-----	--

11.	URGENT MATTERS SUBMITTED BY THE MUNICIPAL MANAGER
-----	---

12.	CONSIDERATION OF MOTION OF EXIGENCY
-----	-------------------------------------

13.	CONSIDERATION OF REPORTS
-----	--------------------------

13.1	CONSIDERATION OF REPORTS SUBMITTED BY THE SPEAKER
------	---

NONE

13.2	CONSIDERATION OF REPORTS SUBMITTED BY THE EXECUTIVE MAYOR
------	---

NONE

14.	MATTERS TO BE CONSIDERED IN-COMMITTEE
-----	---------------------------------------

NONE