



**STELLENBOSCH**  
STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNICIPALITY • UMASIPALA • MUNISIPALITEIT

Ref no.3/4/1/5

2016-05-20

**NOTICE OF THE 41<sup>ST</sup> MEETING OF THE  
COUNCIL OF STELLENBOSCH MUNICIPALITY  
WEDNESDAY, 2016-05-25 AT 15:00**

<b>TO</b>	The Speaker, Alderman CP Jooste [Chairperson] The Executive Mayor, Alderman CJ Sidego The Deputy Executive Mayor, Cllr MG Smuts	
<b>ALDERMEN</b>	DC Botha V Fernandez (Ms) EL Maree (Ms) JP Serdyn (Ms)	
<b>COUNCILLORS</b>	F Adams DS Arends NM August HC Bergstedt (Ms) PW Biscombe A Crombie (Ms) JA Davids R du Toit (Ms) JSA Fourie AR Frazenburg E Groenewald (Ms) DA Hendrickse JK Hendriks N Jindela MC Johnson DD Joubert S Jooste (Ms) SJ Louw (Ms)	N Mananga-Gugushe (Ms) C Manuel NE McOmbring (Ms) XL Mdemka (Ms) C Moses (Ms) P Mntumni (Ms) RS Nalumango (Ms) MM Ngcofe N Ntsunguzi (Ms) WC Petersen (Ms) PJ Retief L Ronoti P Sitshoti (Ms) LN Siwakamisa (Ms) Q Smit LL Stander AT van der Walt M Wanana

Notice is hereby given in terms of Section 29, read with Section 18(2) of the *Local Government: Municipal Structures Act, 117 of 1998*, as amended, that a Special meeting of the Council of Stellenbosch Municipality will be held in the Council Chamber, Town House, Plein Street, Stellenbosch on **Wednesday, 2016-05-25 at 15:00.**

**ALDERMAN CP JOOSTE  
SPEAKER**

**A G E N D A**  
**41<sup>ST</sup> MEETING OF THE COUNCIL**  
**OF STELLENBOSCH MUNICIPALITY**  
**2016-05-31**

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|-------|--|-------------|
| 1.    | <b>APPLICATION FOR LEAVE OF ABSENCE</b>  | (3/4/1/3)   |
| 2.1   | <b>DECLARATION OF INTEREST</b>   | (3/6/2/2)   |
| 2.2   | <b>PRESENTATION</b><br>NONE  | (8/1/4/2/6) |
| 2.3   | <b>COMMUNICATIONS</b>  | (3/4/1/6)   |
| 2.3.1 | <b>COMMUNICATION BY THE SPEAKER</b>  | (3/4/1/6)   |
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| 3.    | <b>CONFIRMATION OF THE MINUTES</b>   | (3/4/1/5)   |
| 3.1   | <b>CONFIRMATION OF THE MINUTES OF THE 40<sup>TH</sup> MEETING OF THE COUNCIL OF STELLENBOSCH MUNICIPALITY HELD ON 2016-04-26</b>               | (3/4/1/5)   |
|       | The minutes of the 40 <sup>th</sup> meeting of the Council of Stellenbosch Municipality held on 2016-04-26 were previously distributed.        |             |
|       | <b>FOR CONFIRMATION</b>  |             |
| 4.    | <b>INTERVIEWS WITH DEPUTATIONS</b><br><br>NONE   | (3/4/1/7)   |
| 5.    | <b>STATUTORY BUSINESS</b><br><br>NONE  | (3/4/1/7)   |
| 6.    | <b>REPORT/S BY THE MUNICIPAL MANAGER RE OUTSTANDING RESOLUTIONS TAKEN AT PREVIOUS MEETINGS OF COUNCIL</b>                                      | (3/4/1/5)   |
|       | The report by the Acting Municipal Manager re outstanding resolutions taken at previous meetings of Council is attached as <b>APPENDIX 1</b> . |             |

**FOR INFORMATION**

# APPENDIX 1

OUTSTANDING COUNCIL RESOLUTIONS MAY 2016

Council Meeting		Resolution	Resolution Date	Date Closed	Task Status	Allocated To	% Feedback	Feedback Comment
321657	EMERGENCY HOUSING POLICY	<p>4TH COUNCIL MEETING: 2011-10-27: ITEM 7.9</p> <p>RESOLVED (majority vote)</p> <p>(a) that Council recognizes the need for the adoption and implementation of an Emergency Housing Policy;</p> <p>(b) that Council notes the draft Emergency Housing Policy presented to it;</p> <p>(c) that Council is advised that the aforesaid Policy is based on the directions given by the Supreme Court of appeal in the case of Johannesburg Metropolitan Municipality v Blue Moonlight Properties 39 (Pty) Ltd. Council is furthermore advised that this case is currently on appeal to the Constitutional Court and that this judgment may alter the directions given by the Supreme Court of Appeal; and</p> <p>(d) that in view of the aforesaid, Council deems it to be prudent to let this matter stand over until the judgment of the Constitutional Court has been handed down and the current draft policy can be considered by Council having due regard to this judgment.</p> <p>(Dir: Planning, IHS &amp; Prop Man)</p>	2011-10-27		IN PROGRESS	DUPREL	10.00	Awaiting finalisation of appeals against consultant appointed for mapping and planning process.
330468	POLICY ON HOME OCCUPATIONAL PRACTICE WITHIN THE STELLENBOSCH MUNICIPALITY (WC024):	<p>7.4 POLICY ON HOME OCCUPATIONAL PRACTICE WITHIN THE STELLENBOSCH MUNICIPALITY (WC024)</p> <p>12TH MEETING OF COUNCIL: 2013-02-28: ITEM 7.4</p> <p>RESOLVED (nem con)</p> <p>that the Draft Home Occupational Practice Policy dated December 2012, as amended, be recommended to Council for consideration/comments prior to it being advertised for public participation.</p> <p>(D: PED)</p>	2013-02-28		IN PROGRESS	DUPREL	100.00	Forms part of the IZS in terms of SPLUMA / LUPA. Becomes bylaw which can be enforced with SM Law Enforcement and Municipal Court. Due June 2016 as draft and 2017 as By-Law.
352092	ELECTRICITY SUPPLY TO THE MUNICIPAL AREAS OF STELLENBOSCH	<p>25TH COUNCIL MEETING: 2014-11-26: ITEM 7.5</p> <p>RESOLVED (nem con)</p> <p>(a)that a preliminary investigation be conducted by the Directorate: Engineering Services (Electrical Services) into the</p>	2014-11-26		IN PROGRESS	JOHANNESC	95.00	Drakenstein Mayco recommended to Drakenstein Council (18 May 2016) for approval on 11 May 2016. From: Deon Louw [mailto:Deon.Louw@drakenstein.gov.za] Sent: 11 May 2016 12:00 PM To: Marius Wust Cc: Johannes Coetzee; Willie Albertyn; Anthea

		<p>possibility and feasibility of taking over the electricity supply from Drakenstein Municipality;</p> <p>(b)that billing cooperation be implemented between Drakenstein and Stellenbosch Municipality to implement more effective debt collection; and</p> <p>(c)that SALGA be requested to expedite the Eskom process through political intervention.</p> <p>(DIRECTOR: ENGINEERING SERVICES TO ACTION)</p>					<p>du Preez Subject: RE: Pniel elektrisiteit oorname Importance: High</p> <p>Marius,</p> <p>MAYCO het vandag die oorname goedgekeur. Dit gaan nou raad toe op 18 Mei 2016. Alle syfers en voorstelle is soos ons met ons laaste vergadering bespreek het. Die kans dat dit nie deur die Raad aanvaar sal word nie is uiters skraal.</p> <p>Ons moet nou die saak by NERSA kry vir goedkeuring, wat dan maar net „n formaliteit sal wees.</p> <p>Groete, Deon Louw</p>	
367122	APPLICATION TO EXTEND THE TERM OF THE LEASE AGREEMENT BETWEEN THE MUNICIPALITY AND STELLENBOSCH VliegVELD MAATSKAPPY	<p>8.5 APPLICATION TO EXTEND THE TERM OF THE LEASE AGREEMENT BETWEEN THE MUNICIPALITY AND STELLENBOSCH VliegVELD MAATSKAPPY</p> <p>29TH COUNCIL MEETING: 2015-04-30: ITEM 8.5 During debate on the matter, the DA requested a caucus which the Speaker allowed.</p> <p>After the meeting resumed, it was</p> <p>RESOLVED (majority vote)</p> <p>(a) that Council confirm in terms of Section 14 of the MFMA that the land, unregistered Portion L of Stellenbosch Farm 502, is required for the provision of essential services (the on-going operation of an airport) and that the extension of the long term lease of the land be actively pursued for airport operational purposes;</p> <p>(b) that the Municipal Manager be authorised to conduct the required public participation and other processes for the disposal of unregistered Portion L of Stellenbosch Farm 502 for airport operational purposes through a long term lease;</p> <p>(c) that Council confirms the market related rental value of unregistered Portion L of Stellenbosch Farm 502, is R70 988,59</p>	2015-04-30		IN PROGRESS	DUPREL	66.00	Matter referred to external legal support - will be ready for Council cycle in June 2016 after consultation with the external legal advisors. Previous decision partly rescinded. New proposal will be made.

		<p>(2015) per annum plus all costs incidental and annual increases; and</p> <p>(d) that the Directors: Planning and Economic Development and Settlements and Property Management be jointly tasked with the management of the project and that quarterly feedback on progress be given to Council.</p> <p>The following Councillors requested that their votes of dissent be minuted:</p> <p>Councillors F Adams; AT van der WALT and M Wanana.</p> <p>(DIRECTOR: PLANNING AND ECONOMIC DEVELOPMENT + DIRECTOR: HUMAN SETTLEMENTS TO ACTION)</p>						
367230	Application for approval of Jonkershoek SDF	<p>7.2 APPLICATION FOR APPROVAL OF JONKERSHOEK SPATIAL DEVELOPMENT FRAMEWORK</p> <p>29TH COUNCIL MEETING: 2015-04-30: ITEM 7.2</p> <p>RESOLVED (majority vote with 11 abstentions)</p> <p>that Council approve the Draft Jonkershoek Spatial Development Framework in terms of the Land Use Planning Ordinance, 15 of 1985 and the Municipal Systems Act, 32 of 2000 as Draft Policy for public participation, before the Policy is finally approved.</p> <p>The following Councillors requested that their votes of dissent be minuted:</p> <p>Councillors F Adams; DA Hendrickse; AT van der Walt and M Wanana.</p> <p>(DIRECTOR: PLANNING AND ECONOMIC DEVELOPMENT TO ACTION)</p>	2015-04-30		IN PROGRESS	DUPREL	100.00	Report submitted for Planning and LED Committee 31 May 2016.
367234	WRITING-OFF OF IRRECOVERABLE DEBT: MERITORIOUS CASE	<p>7.3 WRITING-OFF OF IRRECOVERABLE DEBT: MERITORIOUS CASE</p> <p>29TH COUNCIL MEETING: 2015-04-30: ITEM 7.3</p> <p>RESOLVED (nem con)</p>	2015-04-30		IN PROGRESS	ANDRET	90.00	Matter is still receiving attention.



		that this matter be referred back to the Administration for further investigation.  (CHIEF FINANCIAL OFFICER TO ACTION)						
373715	FRAUD AND CORRUPTION POLICY AND THE FRAUD RESPONSE COMMITTEE (FRC) TERMS OF REFERENCE	8.3 FRAUD AND CORRUPTION POLICY AND THE FRAUD RESPONSE COMMITTEE (FRC) TERMS OF REFERENCE  31ST COUNCIL MEETING: 2015-06-24: ITEM 8.3  RESOLVED (nem con)  (a) that Council in principle approve the Fraud and Corruption Policy and that same be advertised for public comment. Should any comments be received same should be considered by Council prior to final approval;  (b) that Council in principle approve the Fraud Response Committee (FRC) Terms of Reference and that same be advertised for public input. Should any comments be received same should be considered before final approval by Council; and  (c) that the Chief Risk Officer be mandated to conduct the necessary stakeholder engagement and communication in relation to the Policy.  (MUNICIPAL MANAGER TO ACTION)	2015-06-24		IN PROGRESS	HELENAP	50.00	Both documents has been forwarded to the relevant to the Communications department with regards to advertising the policy and terms of reference for public participation. After due process has been followed it will be submitted to council again for approval.
383887	PROGRESS REPORT – POLICY FOR SELF GENERATION OF ELECTRICITY	7.9 PROGRESS REPORT : POLICY FOR SELF- GENERATION OF ELECTRICITY  33RD COUNCIL MEETING: 2015-08-25: ITEM 7.9  RESOLVED (nem con)  that this matter be referred back to allow the Administration to submit a Progress Report to Council as mentioned in the item.  (ACTING DIRECTOR: ENGINEERING SERVICES TO ACTION)	2015-08-25		IN PROGRESS	JOHANNESC	95.00	Policy is currently in public participation phase 12 May - 02 June 2016. Public input will be incorporated into policy and tabled at August 2016 meeting for final approval.
388210	COMMITMENT TO POSSIBLE ACQUISITION OF LAND FOR HOUSING PROJECT:	7.1 COMMITMENT TO POSSIBLE ACQUISITION OF LAND FOR HOUSING PROJECT: KLAPMUTS  34TH COUNCIL MEETING: 2015-09-23: ITEM 7.1	2015-09-23		IN PROGRESS	PSMIT	80.00	A consultant has been appointed to apply for funding to PHB.

	KLAPMUTS	<p>RESOLVED (majority vote)</p> <p>(a) that Council confirm its commitment to buy remainder portion of Farm 744/2, measuring ±11ha in extent at a cost of ±R7.7m, subject to budget provisions, which will be included in the IDP Budget Process of 2016/17 to 2018/19; and</p> <p>(b) that Council explore possibilities of further acquisition of land in WC024 to relieve the housing need.</p> <p>The following Councillors requested that their votes of dissent be minuted:</p> <p>Councillors JA Davids; S Jooste (Ms); DA Hendrickse; C Moses (Ms); N Mananga-Gugushe (Ms); P Mntumni (Ms); RS Nalumango (Ms); MM Ngcofe; N Ntsunguzi (Ms); L Ronoti; LN Siwakamisa (Ms); AT van der Walt and MM Wanana.</p> <p>(DIRECTOR: HUMAN SETTLEMENTS AND PROPERTY MANAGEMENT TO ACTION)</p>						
394114	Investigation with regards to the various residential properties in Mont Rochelle Nature Reserve	<p>7.6 INVESTIGATION WITH REGARD TO THE VARIOUS RESIDENTIAL PROPERTIES IN MONT ROCHELLE NATURE RESERVE</p> <p>35TH COUNCIL MEETING: 2015-10-28: ITEM 7.6</p> <p>RESOLVED (majority vote)</p> <p>(a) that Council rescind its resolution taken at the meeting dated, 2014-01-16, with regard to Item 7.2;</p> <p>(b) that the funds allocated to be spent on conducting the proposed investigation rather be spent on consolidating the 46 unsold erven with Mont Rochelle Nature Reserve and negotiating with the owners of the 14 sold (but undeveloped) erven (the priority being erven 342, 307, 314, 322, 355, 336, located in a visually sensitive area north-eastern slope of “Du Toits Kop” facing the Franschhoek valley) regarding the possibility to exchange current erven within Mont Rochelle Nature Reserve with erven in a more suitable area (suitable in terms of environmental, visual and service delivery perspective); and</p>	2015-10-28		IN PROGRESS	DUPREL	85.00	Legal service provider appointed to enter into land swap agreements.

		<p>(c) that any other feasible alternative that can limit the impact on the nature reserve that might be identified in the process be considered.</p> <p>The following Councillors requested that their votes of dissent be minuted: Councillors F Adams; JA Davids; DA Hendrickse; S Jooste (Ms); C Moses (Ms); P Mntumi (Ms); RS Nalumango (Ms); P Sitshoti (Ms); AT van der Walt and M Wanana.</p> <p>(DIRECTOR: PLANNING AND ECONOMIC DEVELOPMENT TO ACTION)</p>						
394117	<p>MUNICIPAL REGULATIONS ON FINANCIAL MISCONDUCT PROCEDURES AND CRIMINAL PROCEEDINGS</p>	<p>8.7 MUNICIPAL REGULATIONS ON FINANCIAL MISCONDUCT PROCEDURES AND CRIMINAL PROCEEDINGS</p> <p>35TH COUNCIL MEETING: 2015-10-28: ITEM 8.7</p> <p>During deliberations on the matter, the DA requested a caucus, which the Speaker allowed.</p> <p>After the meeting resumed, it was</p> <p>RESOLVED (majority vote with 10 abstentions)</p> <p>(a) that Council review and rescind its resolution taken in this regard on 2014-11-26;</p> <p>(b) that Council take note of the progress made by Stellenbosch Municipality with regard to the implementation of the Municipal Regulation on Financial Misconduct Procedures and Criminal Proceedings;</p> <p>(c) that Council establish the Disciplinary Board pending the direction SALGA and/or National Treasury in line with these regulations;</p> <p>(d) that the Disciplinary Board has as its members the following: (i) The Chief Audit Executive (ii) A member of the Audit Committee as elected by the Audit Committee (iii) A senior manager from the legal division as determined by the Director: Corporate and Strategic Services (iv) A representative from Provincial Treasury as nominated by Province;</p>	2015-10-28		IN PROGRESS	FAIZH	50.00	Awaiting SALGA opinion on the board's establishment. Will be submitted to May 2016 Council Meeting.

		<p>(v) A retired senior legal expert, e.g. judge or advocate resident in the area with knowledge of the related field.</p> <p>(e) that Council designate the Chief Audit Executive as the designated official to whom reports on alleged financial offences against Councillors should go.</p> <p>(ACTING MUNICIPAL MANAGER TO ACTION)</p>						
401581	7.3 PROPOSED DISPOSAL OF CHURCH AND CRECHE SITES IN WATERGANG, KAYAMANDI	<p>7.3 PROPOSED DISPOSAL OF CHURCH AND CRECHE SITES IN WATERGANG, KAYAMANDI</p> <p>36TH COUNCIL MEETING: 2015-11-25: ITEM 7.3</p> <p>RESOLVED (majority vote)</p> <p>(a) that erven 3739 and 3740, Kayamandi be identified as property not needed to provide the minimum level of basic municipal services, i.e surplus properties;</p> <p>(b) that Council, in principle, approve the disposal of erven 3739 and 3740, Kayamandi;</p> <p>(c) that the minimum prices be determined by two (2) independent valuations (20% of weighted average of fair market value)</p> <p>(d) that the (Acting) Municipal Manager be authorised to approve the evaluation criteria and place the necessary notices, calling for tenders for the properties; and</p> <p>(e) that, following the conditional awarding of tenders, a report be submitted to Council to decide on the final disposal of the properties in question, taking into account that tenders may well be below market value.</p> <p>The following Councillors requested that their votes of dissent be minuted: Councillors JA Davids; DA Hendrickse; S Jooste (Ms); C Moses (Ms); RS Nalumango (Ms); MM Ngcofe; N Ntsunguzi (Ms); L Ronoti; P Sitshoti (Ms); LN Siwakamisa (Ms) and AT van der Walt.</p> <p>(DIRECTOR: HUMAN SETTLEMENTS AND PROPERTY MANAGEMENT TO ACTION)</p>	2015-11-25		IN PROGRESS	PSMIT	50.00	Tender documents have been submitted to SCM for placement

OUTSTANDING COUNCIL RESOLUTIONS MAY 2016

401722	9.4 QUESTION BY CLLR DA HENDRICKSE: FAILURE OF THE ADMINISTRATION TO, FOR THE PAST 4 YEARS, BRING REPORTS BEFORE COUNCIL IN TERMS OF SECTION 116(2)(d) OF THE MFMA	<p>9.4 QUESTION BY CLLR DA HENDRICKSE: FAILURE OF THE ADMINISTRATION TO, FOR THE PAST 4 YEARS, BRING REPORTS BEFORE COUNCIL IN TERMS OF SECTION 116(2)(d) OF THE MFMA</p> <p>36TH COUNCIL MEETING: 2015-11-25: ITEM 9.4</p> <p>RESOLVED (nem con)</p> <p>that it be noted that Councillor DA Hendrickse was not satisfied with the response provided in respect of the question posed, and posed a follow-up question, namely:</p> <p>"Why did the Auditor-General not pick up that for four years no statutory report served before Council."</p> <p>The Acting Municipal Manager responded that this will be rectified and a report will be submitted to Council regularly.</p> <p>(ACTING MUNICIPAL MANAGER TO ACTION)</p>	2015-11-25		IN PROGRESS	MARIUSW	30.00	The position for Contracts and Compliance has been advertised and the recruitment is under way. This position will then compile the required report.
401723	9.14 MOTION BY COUNCILLOR R DU TOIT (MS): ADJUSTMENT OF SASSA BENEFICIARIES AND SENIOR CITIZENS" RENT OF MUNICIPAL PROPERTY	<p>9.14 MOTION BY COUNCILLOR R DU TOIT (MS): ADJUSTMENT OF SASSA BENEFICIARIES AND SENIOR CITIZENS" RENT OF MUNICIPAL PROPERTY</p> <p>36TH COUNCIL MEETING: 2015-11-25: ITEM 9.14</p> <p>The Speaker allowed Councillor R du Toit (Ms) to put her Motion, duly seconded. After the Motion was motivated, the Speaker allowed debate on the matter.</p> <p>The matter was put to the vote yielding a result of 26 votes for and 9 against.</p> <p>RESOLVED (majority vote)</p> <p>that the rent of SASSA beneficiaries and senior citizens be calculated on a sliding scale according to their income.</p> <p>(CHIEF FINANCIAL OFFICER TO ACTION)</p>	2015-11-25		IN PROGRESS	CHARLOTTEL	98.00	Awaiting input to the item from Finance where after the an item will serve before Council.
402103	RECONSTITUTION OF DISCIPLINARY COMMITTEE IN RELATION TO DISCIPLINARY HEARING OF CLLR	<p>13.2.1 RECONSTITUTION OF DISCIPLINARY COMMITTEE IN RELATION TO DISCIPLINARY HEARING OF COUNCILLOR CP JOOSTE</p> <p>36TH COUNCIL MEETING: 2015-11-25: ITEM 13.2.1</p>	2015-11-25		IN PROGRESS	RAYMONDE	20.00	Matter referred to MEC;

	JOOSTE	<p>Because the Speaker is implicated in the matter, he requested nominations for an Acting Speaker for the duration of this item. Councillor Q Smit was elected as Acting Speaker. Councillor CP Jooste recused himself and left the Chamber and Councillor Q Smit took the Chair as Acting Speaker.</p> <p>The Acting Speaker RULED that, after an amendment is put on the screen, he will allow debate. At this juncture, Councillors Hendrickse and van der Walt both raised a point of order with reference to the procedure that an amendment can only be put after a matter has been discussed and/or debated. Councillor F Davids requested a point of clarity on whether debate on a matter should not in fact precede the amendment. The Acting Speaker upheld his earlier ruling that he will allow debate only after the amendment is displayed on the screen. Councillor AT van der Walt did not submit to the Acting Speaker's ruling, and was ordered by the Acting Speaker to leave the Chamber at 21.45. Councillors F Adams and DA Hendrickse also left the Chamber at 21.45.</p> <p>The ANC requested a caucus, which the Acting Speaker allowed. When the meeting resumed, the ANC reported that they will also leave the Chamber. The ANC left the Chamber at 21:55). The ANC's objection relates to procedural aspects of electing the Acting Speaker.</p> <p>RESOLVED (majority vote with 1 abstention)</p> <p>that Council do not support the recommendations depicted above, but request the MEC for Local Government to do an investigation in terms of Section 14.4 of the Code of Conduct for Councillors.</p> <p>(ACTING DIRECTOR: STRATEGIC AND CORPORATE SERVICES TO ACTION)</p>						
406719	DRAFT POLICY FOR THE MANAGEMENT OF MUNICIPAL AGRICULTURAL LAND	<p>37TH COUNCIL MEETING: 2016-01-27: ITEM 7.9</p> <p>During deliberations on the matter, the Speaker undertook to allow more time for debate on the Policy in the next Council meeting. On a request by Councillor AT van der Walt to rectify mistakes in the Policy, the Speaker reiterated that he will not allow further debate on the Policy, but urged the Councillor to submit his inputs to the Acting Municipal Manager for inclusion in Mayco and for further debate in the Council meeting at the end of February 2016.</p>	2016-01-27		IN PROGRESS	DUPREL	90.00	Draft item submitted for June 2016 Council cycle.

		<p>RESOLVED (nem con)</p> <p>(a) that the Draft Agricultural Land Reform Policy be adopted, in principle;</p> <p>(b) that the legal inputs be obtained before this Policy go for public comment; and</p> <p>(c) that the said Policy be advertised for public comment, whereafter same be re-submitted via Mayco to Council by end February 2016 for consideration and conclusion.</p> <p>(DIRECTOR: PLANNING, ECONOMIC AND COMMUNITY DEVELOPMENT TO ACTION)</p>						
413627	7.3 PROGRESS REPORT : ELECTRICAL SERVICES MASTER PLAN	<p>7.3 PROGRESS REPORT: ELECTRICAL SERVICES MASTER PLAN</p> <p>38TH COUNCIL MEETING: 2016-02-24: ITEM 7.3</p> <p>The Speaker RULED</p> <p>(a) that this matter be referred back to allow the Administration to arrange a workshop for Councillors before the end of March to discuss the item; and</p> <p>(b) that the Administration provide the appendix in readable print whereafter same be resubmitted at the next meeting of Council scheduled for 2016-03-03.</p> <p>(ACTING DIRECTOR: ENGINEERING SERVICES TO ACTION)</p>	2016-02-24		IN PROGRESS	ENGSUPPORT	90.00	Consultant to be invited to workshop awaiting date- Appendix to be submitted to next PC meeting
413637	8.2 STELLENBOSCH MUNICIPAL DISABILITY POLICY	<p>8.2 STELLENBOSCH MUNICIPAL DISABILITY POLICY</p> <p>38TH COUNCIL MEETING: 2016-02-24: ITEM 8.2</p> <p>RESOLVED (nem con)</p> <p>(a) that Council approve the draft Universal Access Policy Framework as per APPENDIX 4 with incorporation of the comments submitted by the public in principle; and</p> <p>(b) that the draft Universal Access Policy Framework be advertised for public comment whereafter same be resubmitted to Council for final consideration and subsequent approval.</p>	2016-02-24		IN PROGRESS	DUPREL	75.00	Policy implementation process.

		(DIRECTOR: PLANNING, ECONOMIC AND COMMUNITY DEVELOPMENT COMMITTEE TO ACTION)						
413638	8.1 CONFERRAL OF ALDERMANSHIP ON COUNCILLOR CP JOOSTE	<p>8.1 CONFERRAL OF ALDERMANSHIP ON COUNCILLOR CP JOOSTE</p> <p>38TH COUNCIL MEETING: 2016-02-24: ITEM 8.1</p> <p>Although the Speaker was implicated in this matter, Council agreed that the Speaker remain as Chairperson for this item.</p> <p>RESOLVED (majority vote)</p> <p>(a) that, in terms of Section 6(4)(c) of the Stellenbosch Municipal Honours By-Law promulgated in Provincial Gazette 5859 of 19 April 2002, Aldermanship be conferred upon Councillor CP Jooste; and</p> <p>(b) that, following the approval of Council, the Executive Mayor, as patron of the Stellenbosch Municipal Honours, confer the honour on Councillor CP Jooste in an appropriate manner.</p> <p>The following Councillors requested that their votes of dissent be minuted:</p> <p>Councillors DA Hendrickse; AT van der Walt and MM Wanana. (DIRECTOR: STRATEGIC AND CORPORATE SERVICES TO ACTION)</p>	2016-02-24		IN PROGRESS	VERNONB	40.00	The appropriate manner (event) for the conferral of the aldermanship will take place in late-May / mid-June.
413640	9.1 MOTION BY COUNCILLOR JK HENDRIKS: SUPPORT FOR INDIGENT PEOPLE IN RURAL AREAS	<p>9.1 MOTION BY COUNCILLOR JK HENDRIKS: SUPPORT FOR INDIGENT PEOPLE IN RURAL AREAS</p> <p>38TH COUNCIL MEETING: 2016-02-24: ITEM 9.1</p> <p>The Speaker allowed Councillor JK Hendriks to put his Motion, duly seconded. After the Motion was motivated, the Speaker allowed debate on the matter. The matter was put to the vote yielding a result of all in favour.</p> <p>RESOLVED (nem con)</p> <p>(a) that the Administration be tasked to investigate to what extent rural indigent residents, especially those residing on farms, can be assisted with electricity, health and social services by the local-, provincial- and national spheres of government;</p> <p>(b) that any further recommendations and findings that could improve the quality of life of indigent residents be considered for implementation and support to rural indigent residents;</p>	2016-02-24		IN PROGRESS	ANNELIER	40.00	<p>CWDM has agreed to establish an SLA with SM to provide a similar service to farms in WC024 if SM contribute financially. This will be in line with their current policy.</p> <p>An item has been prepared to serve at Council in this regard.</p>



		<p>(c) that a report with recommendations for implementation pertaining to the above be tabled for consideration at the next Council meeting scheduled for 2016-03-30; and</p> <p>(d) that Council nominate a multi-party delegation to engage organised agriculture to investigate what the municipality can do to address the situation of the farm workers, in co-operation with the farmers;</p> <p>(e) that the multi-party delegation comprise of the following Councillors:</p> <p>DA = Cllr JP Serdyn (Ms)                  ANC = Cllr JA Davids                  SCA = Cllr DA Hendrickse                  SPA = Cllr F Adams                  SCA = Cllr DA Hendrickse                  ACDP = Cllr DS Arends                  COPE = Cllr HC Bergstedt (Ms); and                  NPP = Cllr LL Stander</p> <p>(DIRECTOR: STRAT &amp; CORP TO ACTION)</p>						
413674	<p>10.1 MOTION OF EXIGENCY BY COUNCILLOR DA HENDRICKSE: INVESTIGATION WHY THE ADMINISTRATION OBTAINED A COURT ORDER FOR THE SALE OF EXECUTION OF ERF 3291, 17 LUCKHOFF STREET, IDAS VALLEY, STELLENBOSCH</p>	<p>10.1 MOTION OF EXIGENCY BY COUNCILLOR DA HENDRICKSE: INVESTIGATION WHY THE ADMINISTRATION OBTAINED A COURT ORDER FOR THE SALE OF EXECUTION OF ERF 3291, 17 LUCKHOFF STREET, IDAS VALLEY, STELLENBOSCH</p> <p>Councillor DA Hendrickse provided a brief background on the urgency of the matter relating to request an investigation on why the Administration obtained a court order for the sale of execution of Erf 3291 situated at 17 Luckhoff Street, Idas Valley, Stellenbosch (see APPENDIX 1).</p> <p>The required majority vote was obtained for the Motion to serve and it was duly seconded. The Speaker then allowed Councillor DA Hendrickse to motivate the Motion.</p> <p>During deliberations on the matter, the DA requested a caucus which the Speaker allowed.</p> <p>In discussion, some amendments were made to this Motion.</p> <p>RESOLVED (majority vote)</p> <p>that the Administration be tasked to investigate the case of the sale of Execution of the Respondent Roman JF Slade and to</p>	2016-02-24		IN PROGRESS	MERVINW	50.00	The Financial Department is currently dealing with debt collection. Brought under the attention of the CFO.

		report back at the Council meeting scheduled for 2016-03-30.  (DIRECTOR: STRATEGIC AND CORPORATE SERVICES TO ACTION)						
421319	13.1.1 INVESTIGATION INTO ALLEGATION OF BREACH OF THE CODE OF CONDUCT FOR COUNCILLORS: COUNCILLOR F ADAMS	13.1.1 INVESTIGATION INTO ALLEGATION OF BREACH OF THE CODE OF CONDUCT FOR COUNCILLORS: COUNCILLOR F ADAMS  39TH COUNCIL MEETING: 2016-03-30: ITEM 13.1.1  Before the matter was debated, the Speaker requested Councillor F Adams to recuse himself, as he is implicated in the matter.  RESOLVED (majority vote with abstentions)  (a) that Councillor F Adams is guilty as charged;  (b) that a fine of one month's net salary be deducted from the Councillor payable over a consecutive two month period; and  (d) that the Administration be mandated to deduct 50% of net salary from his April 2016 salary and 50% from his May 2016 salary.  (OFFICE OF THE SPEAKER TO ACTION)	2016-03-30		IN PROGRESS	RAYMONDE	50.00	Cllr Adams appealed the decision and until considered by the appeal committee the deductions does not take effect.
421321	13.1.3 INVESTIGATION INTO ALLEGATION OF BREACH OF THE CODE OF CONDUCT FOR COUNCILLORS: COUNCILLOR DA HENDRICKSE	13.1.3 INVESTIGATION INTO ALLEGATION OF BREACH OF THE CODE OF CONDUCT FOR COUNCILLORS: COUNCILLOR DA HENDRICKSE  39TH COUNCIL MEETING: 2016-03-30: ITEM 13.1.3  RESOLVED (majority vote with abstentions)  (a) that Councillor D Hendrickse is guilty on the three counts as charged;  (b) that Councillor D Hendrickse be removed from office as prescribed by the Code of Conduct for Councillors Section 4(2); and	2016-03-30		IN PROGRESS	RAYMONDE	50.00	Matter referred to the MEC in terms of item 4(2)(e) of the Code of Conduct for Councillors

		(c) that the matter be reported to the provincial MEC for Local Government.  (OFFICE OF THE SPEAKER TO ACTION)						
421322	9.2 MOTION BY COUNCILLOR F ADAMS: DEBATE THAT FOCUS ON RACISM, DISCRIMINATION AND XENOPHOBIA WITHIN THE GREATER STELLENBOSCH	9.2 MOTION BY COUNCILLOR F ADAMS: DEBATE THAT FOCUS ON RACISM, DISCRIMINATION AND XENOPHOBIA WITHIN THE GREATER STELLENBOSCH  39TH COUNCIL MEETING: 2016-03-30: ITEM 9.2  The Speaker allowed Councillor F Adams to put his Motion, duly seconded. After the Motion was motivated, the Speaker allowed debate on the matter.  RESOLVED (nem con)  that a Workshop be held to formulate a stance on racism, discrimination and xenophobia.  (DIRECTOR: STRATEGIC AND CORPORATE SERVICES TO ACTION)	2016-03-30		IN PROGRESS	RAYMONDE	50.00	User department is in the process of arranging a workshop (appoint facilitator) to formulate a stance on racism, discrimination and xenophobia.
421323	9.1 MOTION BY COUNCILLOR F ADAMS: REQUEST FOR HONORARY CITIZENSHIP	9.1 MOTION BY COUNCILLOR F ADAMS: REQUEST FOR HONORARY CITIZENSHIP  39TH COUNCIL MEETING: 2016-03-30: ITEM 9.1  The Speaker allowed Councillor F Adams to put his Motion, duly seconded. After the Motion was motivated, the Speaker allowed debate on the matter.  The Speaker RULED  that this matter be referred to the existing Advisory Panel whereafter the Mayor will report back at the next Council meeting scheduled for April 2016.  (DIRECTOR: STRATEGIC AND CORPORATE SERVICES TO ACTION)	2016-03-30		IN PROGRESS	RAYMONDE	50.00	Public advert for members to serve on the advisory panel was done. Report will be submitted to the next meeting of Council.

421331	SOCIAL HOUSING STELLENBOSCH MUNICIPALITY: DEMARCATION OF RESTRUCTURING ZONES AND DRAFT AFFORDABLE RENTAL HOUSING STRATEGY	<p>7.8 SOCIAL HOUSING STELLENBOSCH MUNICIPALITY: DEMARCATION OF RESTRUCTURING ZONES AND DRAFT AFFORDABLE RENTAL HOUSING STRATEGY</p> <p>39TH COUNCIL MEETING: 2016-03-30: ITEM 7.8</p> <p>RESOLVED (nem con)</p> <p>(a) that the demarcated restructuring zones for Stellenbosch be approved;</p> <p>(b) that the draft Rental Housing Strategy and Plan for Stellenbosch be approved in principle;</p> <p>(c) that the draft Rental Housing Strategy and Plan be advertised for public input; and</p> <p>(d) that, should any comment be received, same be considered by Council before a final decision is made.</p> <p>(DIRECTOR: HUMAN SETTLEMENTS)</p>	2016-03-30		IN PROGRESS	CHARLOTTEL	95.00	<p>c) The Draft policy (restructuring zone) was advertised and copies made available at all libraries.</p> <p>d) Noted.</p>
421333	MFMA SECTION 116(3) – PROPOSAL TO RENEW ALL ICT CONTRACTS ANNUALLY AT THE SOLE DISCRETION OF THE MUNICIPALITY FOR A THREE YEAR PERIOD, EFFECTIVE FROM 01 JULY 2016 TO 30 JUNE 2019	<p>8.2 MFMA SECTION 116(3) – PROPOSAL TO RENEW ALL ICT CONTRACTS ANNUALLY AT THE SOLE DISCRETION OF THE MUNICIPALITY FOR A THREE YEAR PERIOD, EFFECTIVE FROM 01 JULY 2016 TO 30 JUNE 2019</p> <p>39TH COUNCIL MEETING: 2016-03-30: ITEM 8.2</p> <p>RESOLVED (nem con)</p> <p>(a) that Council take note of the item;</p> <p>(b) that the applicable ICT contracts be extended on a monthly basis to a maximum period of six (6) months pending research and assessment of alternative ERP Solutions in compliance with Treasury Requirements; and</p> <p>(c) that Council advertise its intention to amend all one year contractual agreements for ICT-related systems and services for a period of six (6) months for public input, and that any public comment received must be considered by Council before a final decision is made.</p> <p>(DIRECTOR: STRATEGIC AND CORPORATE SERVICES TO ACTION)</p>	2016-03-30		IN PROGRESS	RAYMONDE	50.00	<p>Advert was placed, no comments were received from the public. New advert placed in Eikestad news of 19 May 2016.</p> <p>Contracts are being discussed with Service providers for 6 months extension. Will be concluded by end May 2016.</p>

421334	MFMA s116(3) AMENDMENT TO INSURANCE AGREEMENT	<p>8.3 MFMA s116(3) AMENDMENT TO INSURANCE AGREEMENT</p> <p>39TH COUNCIL MEETING: 2016-03-30: ITEM 8.3</p> <p>RESOLVED (nem con)</p> <p>(a) that the current insurance contract be extended by 6 months; and</p> <p>(b) that the Administration go out on tender and advertise for a new insurance contract.</p> <p>(CHIEF FINANCIAL OFFICER TO ACTION)</p>	2016-03-30		IN PROGRESS	ANDRET	25.00	Council has approved that the insurance contract be extended by 6 months to 31 December 2016, during which time the municipality will advertise a new tender. The tender Documentation is currently being prepared.
421366	7.1 DRAFT 2016/17 (REVISED) INTEGRATED DEVELOPMENT PLAN, REVISION 4	<p>7.1 DRAFT 2016/17 (REVISED) INTEGRATED DEVELOPMENT PLAN, REVISION 4</p> <p>39TH COUNCIL MEETING: 2016-03-30: ITEM 7.1</p> <p>RESOLVED (majority vote)</p> <p>that the Draft 2016/17 Integrated Development Plan (IDP), Revision 4, be approved as a draft, after which a further consultation and refinement process will follow.</p> <p>The following Councillors requested that their votes of dissent be minuted: Councillors F Adams; JA Davids; DA Hendrickse; S Jooste (Ms); C Moses (Ms); P Mntumni (Ms); RS Nalumango (Ms); N Ntsunguzi (Ms); P Sitshoti (Ms); LN Siwakamisa (Ms); AT van der Walt and M Wanana.</p> <p>(DIRECTOR: STRATEGIC AND CORPORATE SERVICES TO ACTION)</p>	2016-03-30		IN PROGRESS	RAYMONDE	100.00	Public participation process held during April. IDP will be tabled in council in May for approval.
421372	7.10 CONFERRAL OF ALDERMANSHIP ON COUNCILLOR EL MAREE (MS)	<p>7.10 CONFERRAL OF ALDERMANSHIP ON COUNCILLOR EL MAREE (MS)</p> <p>39TH COUNCIL MEETING: 2016-03-30: ITEM 7.10</p>	2016-03-30		IN PROGRESS	RAYMONDE	50.00	The appropriate manner (event) for the conferral of the aldermanship will take place in late-May / mid-June.

		<p>RESOLVED (nem con)</p> <p>(a) that, in terms of Section 6(4)(c) of the Stellenbosch Municipal Honours By-Law promulgated in Provincial Gazette 5859 of 19 April 2002, Aldermanship be conferred upon Councillor EL Maree; and</p> <p>(b) that, following the approval of Council, the Executive Mayor, as patron of the Stellenbosch Municipal Honours, confer the honour on Councillor EL Maree in an appropriate manner.</p> <p>(DIRECTOR: STRATEGIC AND CORPORATE SERVICES TO ACTION)</p>						
421375	7.11 CONFERRAL OF ALDERMANSHIP ON COUNCILLOR V FERNANDEZ (MS)	<p>7.11 CONFERRAL OF ALDERMANSHIP ON COUNCILLOR V FERNANDEZ (MS)</p> <p>39TH COUNCIL MEETING: 2016-03-30: ITEM 7.11</p> <p>RESOLVED (nem con)</p> <p>(a) that, in terms of Section 6(4)(c) of the Stellenbosch Municipal Honours By-Law promulgated in Provincial Gazette 5859 of 19 April 2002, Aldermanship be conferred upon Councillor V Fernandez (Ms); and</p> <p>(b) that, following the approval of Council, the Executive Mayor, as patron of the Stellenbosch Municipal Honours, confer the honour on Councillor V Fernandez (Ms) in an appropriate manner.</p> <p>(DIRECTOR: STRATEGIC AND CORPORATE SERVICES TO ACTION)</p>	2016-03-30		IN PROGRESS	RAYMONDE	50.00	The appropriate manner (event) for the conferral of the aldermanship will take place in late-May / mid-June.
421377	7.12 CONFERRAL OF ALDERMANSHIP ON COUNCILLOR JP SERDYN (MS)	<p>7.12 CONFERRAL OF ALDERMANSHIP ON COUNCILLOR JP SERDYN (MS)</p> <p>39TH COUNCIL MEETING: 2016-03-30: ITEM 7.12</p> <p>RESOLVED (nem con)</p> <p>(a) that, in terms of Section 6(4)(c) of the Stellenbosch Municipal Honours By-Law promulgated in Provincial Gazette 5859 of 19 April 2002, Aldermanship be conferred upon Councillor JP Serdyn (Ms); and</p> <p>(b) that, following the approval of Council, the Executive Mayor,</p>	2016-03-30		IN PROGRESS	RAYMONDE	50.00	The appropriate manner (event) for the conferral of the aldermanship will take place in late-May / mid-June.

		as patron of the Stellenbosch Municipal Honours, confer the honour on Councillor JP Serdyn (Ms) in an appropriate manner.  (DIRECTOR: STRATEGIC AND CORPORATE SERVICES TO ACTION)						
428495	7.3 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC) OVERSIGHT REPORT ON THE ANNUAL REPORT 2014/15	7.3 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC) OVERSIGHT REPORT ON THE ANNUAL REPORT 2014/15  39TH COUNCIL MEETING: 2016-03-30: ITEM 7.3  RESOLVED (majority vote)  (a) that Council, having fully considered the Annual Report of the Municipality and representations thereon, adopts the Oversight Report; (b) that Council approves the Annual Report 2014/15 without reservations; (c) that Council requests the Executive Mayor to report to Council on a quarterly basis on the implementation of the recommended actions in addressing the findings in the Oversight Report. Councillor F Adams requested that his vote of dissent be minuted.  (DIRECTOR: STRATEGIC AND CORPORATE SERVICES TO ACTION)	2016-03-30		IN PROGRESS	RAYMONDE	20.00	Noted. Quarterly report will be submitted on recommended actions in addressing the findings in the Oversight report.
428972	8.5 EVICTION: BLAAUWKLIIPPEN AGRICULTURAL ESTATES STELLENBOSCH (PTY) LTD & OTHERS / STELLENBOSCH MUNICIPALITY & OTHERS CASE NUMBER: 4042/15	8.5 EVICTION: BLAAUWKLIIPPEN AGRICULTURAL ESTATES STELLENBOSCH (PTY) LTD & OTHERS / STELLENBOSCH MUNICIPALITY & OTHERS CASE NUMBER: 4042/15  40TH COUNCIL MEETING: 2016-04-26: ITEM 8.5  RESOLVED (majority vote)  (a) that Council notes the eviction application instituted by Blaauwklippen Agricultural Estates Stellenbosch (Pty) Ltd & Others against Stellenbosch Municipality & Others under case number 4042/15; and  (b) that the Municipal Manager be mandated to mediate and settle the eviction application between the parties, subject thereto that Blaauwklippen makes a substantial monetary	2016-04-26		IN PROGRESS	RAYMONDE	10.00	Noted. In progress.

		<p>contribution for purposes of settling the matter amicably.</p> <p>Councillor F Adams requested that his vote of dissent be minuted.</p> <p>( DIRECTOR: STRATEGIC AND CORPORATE SERVICES TO ACTION)</p>						
428987	IMPROVING MUNICIPAL FINANCES	<p>7.5 IMPROVING MUNICIPAL FINANCES</p> <p>40TH COUNCIL MEETING: 2016-04-26: ITEM 7. 5</p> <p>During debate on the matter, the DA requested a caucus which the Speaker allowed.</p> <p>After the meeting resumed, it was</p> <p>RESOLVED (nem con)</p> <p>that this item be referred back for Administration to arrange for a workshop for all Councillors, whereafter the item be resubmitted to Council.</p> <p>(MUNICIPAL MANAGER TO ACTION)</p>	2016-04-26		IN PROGRESS	MARIUSW	5.00	Workshop to be arranged in June.
429008	REVISED EMERGENCY HOUSING ASSISTANCE POLICY (EHAP)	<p>7.4 REVISED EMERGENCY HOUSING ASSISTANCE POLICY (EHAP)</p> <p>40TH COUNCIL MEETING: 2016-04-26: ITEM 7. 4</p> <p>RESOLVED (nem con)</p> <p>that this item be referred back to allow Administration to obtain comments from all directorates, whereafter same be resubmitted to Council.</p> <p>(DIRECTOR: HUMAN SETTLEMENTS TO ACTION)</p>	2016-04-26		IN PROGRESS	JOHRUR	50.00	Request for comments prior to submission date for next Council meeting has been requested from the respective Departments.
429011	INFORMAL SETTLEMENTS UPGRADING STRATEGY	<p>7.3 INFORMAL SETTLEMENTS UPGRADING STRATEGY</p> <p>40TH COUNCIL MEETING: 2016-04-26: ITEM 7. 3</p> <p>RESOLVED (nem con)</p> <p>(a) that Council adopts the Informal Settlement Upgrading</p>	2016-04-26		IN PROGRESS	JOHRUR	90.00	(a) Noted (b) Noted (c) Noted (d) Noted (e) Noted



		<p>Strategy;</p> <p>(b) that Council approves the categorisation of existing informal settlements as per table 1;</p> <p>(c) that Council approves the implementation and execution of the intervention strategies as per the Informal Settlements Response Plan in accordance with tables 1 and 2;</p> <p>(d) that Council approves the relevant projects per informal settlements be aligned with the Housing Pipeline; and</p> <p>(e) that Council mandates the Administration to make the same assessment of the informal settlements in all Bosdorp in WC024.</p> <p>(DIRECTOR: HUMAN SETTLEMENTS TO ACTION)</p>						
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7. **CONSIDERATION OF REPORTS, COMMUNICATIONS, PETITIONS AND APPLICATIONS SUBMITTED BY THE MUNICIPAL MANAGER (8/1/3/2/7)**

7.1 **2016/17 INTEGRATED DEVELOPMENT PLAN, FOURTH REVIEW OF THE 3RD GENERATION IDP (2012/17) AS PRESCRIBED BY SECTION 34 OF THE MUNICIPAL SYSTEMS ACT, 32 OF 2000**

*File number* : 9/1/2/1

*Compiled by* : IDP & PM Manager

*Report by* : Municipal Manager

*Delegated Authority* : Council

***Strategic intent of item***

*Preferred investment destination*

*Greenest municipality*

*Safest valley*

*Dignified Living*

*Good Governance*

**1. PURPOSE OF REPORT**

To submit the following to Council for consideration:

- (a) the public participation inputs and written submissions on the Draft 2016/17 (Revised) IDP attached as **APPENDIX 1 (under separate cover)**; and
- (b) the 2016/17 Integrated Development Plan (IDP), Revision 4, attached as **APPENDIX 2 (under separate cover)**.

**2. BACKGROUND**

The Council of Stellenbosch Municipality adopted the 3<sup>rd</sup> Generation Integrated Development Plan for 2012/17 on 31 May 2012. The Draft 2016/17 (Revised) Integrated Development Plan (IDP) is the fourth revision of this five-year plan and is attached as **APPENDIX 2 (under separate cover)**.

At the Council Meeting dated 2016-03-30 [ITEM 8.1] the Stellenbosch Council resolved (by a majority vote) inter alia:

***“that the Draft 2016/17 Integrated Development Plan (IDP), Revision 4, be approved as a draft, whereafter a further consultation and refinement process will follow”.***

Section 34 of the Local Government: Municipal Systems Act, No 32 of 2000, prescribe amongst others, the following:

“Annual review and amendment of integrated development plan

A municipal council-

- (a) must review its integrated development plan-
  - (i) annually in accordance with an assessment of its performance measurements in terms of Section 41; and
  - (ii) to the extent that changing circumstances so demand; and
- (b) may amend its integrated development plan in accordance with a prescribed process.”.

Section 16 (1) (a) (i) provides that a municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance and must for this purpose:-

*“Encourage and create the conditions for the local community to participate in the affairs of the municipality in terms of inclusion in the preparation, implementation and review of its IDP in terms of Chapter 5 of the Municipal Systems Act of 2000”.*

### 3. DISCUSSION

A process plan was approved by Council in August 2015 for the compilation of the draft Third Generation IDP (Revision 4). The following processes were followed in the revised IDP:

DATE	ACTION(S)
September 2015	<ul style="list-style-type: none"> <li>• Various meetings (needs analysis) were held in all 22 wards to determine a baseline for all needs.</li> <li>• Mayco agreement was obtained to engage with citizens and interest groups through ward committee meetings and a sector engagement on issues and needs to be addressed in the third Generation IDP.</li> <li>• Citizens were also allowed to identify their key priorities within their respective areas.</li> </ul>
October/November 2015	<ul style="list-style-type: none"> <li>• Mayco and top management engagements were held on the broad focus of the IDP. Engagements focused on establishing a shared understanding, and agreement on the purpose, focus and public participation process to be followed in revising the third Generation IDP.</li> <li>• Cluster meetings were held in all 22 wards, focusing on the feedback and prioritization of Needs.</li> </ul>

DATE	ACTION(S)
November / December 2015	<ul style="list-style-type: none"> <li>• Extensive administrative engagements were held to obtain inputs and refine goals, focus areas, and objectives. Each Directorate conduct strategic workshops in preparation of IDP/Budget revision and SDBIP inputs.</li> <li>• IDP Prioritization exercise was conducted with the Mayoral Committee, Municipal Manager, Directors, Managers and external stakeholders at a strategic session held at Vredenheim.</li> <li>• Performance Analysis; Financial Analysis; and Organizational (Gap) Analysis were conducted.</li> <li>• The various ward plans were updated during November.</li> </ul>
January /early February 2016	<ul style="list-style-type: none"> <li>• Mayco and top management confirmed goals and focus areas and provided direction on predetermined objectives. Several strategic planning sessions were held in each Directorate</li> <li>• Provincial IDP Indaba was held to agree on intergovernmental agreements to support municipal IDP.</li> </ul>
March 2016	<ul style="list-style-type: none"> <li>• Mayco and Council considered the draft IDP and Budget.</li> </ul>
April 2016	<ul style="list-style-type: none"> <li>• Public consultation on the draft IDP and Budget in the form of 9 Cluster meetings</li> </ul>

The following actions will contribute to the finalisation of the 2016/2017 IDP (Revision 4).

DATE	ACTION(S)
May 2016	<ul style="list-style-type: none"> <li>• Submission of final IDP to MAYCO and Council for adoption.</li> <li>• Budget Steering Committee to consider Public Participation Input and budgetary amendments</li> </ul>
June 2016	<ul style="list-style-type: none"> <li>• Submit final IDP to Provincial Government</li> <li>• Approval of SDBIP by the Executive Mayor within 28 days after adoption of the IDP and Budget</li> </ul>

After approval of the Draft 2016/17 (Revised) Integrated Development Plan (IDP) by Mayco and Council, the draft IDP was published for public comment and submissions. Public meetings (IDP/Budget Cluster meetings) were held and written submissions were received by the due date of 30 April 2016 as advertised. All the Directorates were also involved and have been consulted in finalising the 2016/17 (4<sup>th</sup> Revision) Integrated Development Plan (IDP). A summary and minutes of the public comments made during public meetings and written submissions are attached as **APPENDIX 1 (under separate cover)**.

After the adoption of the 2016/17 (4<sup>th</sup> Revision) Integrated Development Plan (IDP) by Council, the IDP will be published in relevant media for public notification.

**4. COMMENTS BY RELEVANT DEPARTMENTS**

All relevant legislation has been complied with during the review, and all relevant comment has been collated for consideration by Council. Departments have been involved and have been consulted in the finalising of the 2016/17 Integrated Development Plan (IDP), Revision 4.

**RECOMMENDED**

- (a) that the public participation inputs and written submissions on the draft 2016/17 (Revised) IDP with comments by Directorates attached as **APPENDIX 1**, be noted; and
- (b) that the Stellenbosch Municipality's 2016/17 (Revised) Integrated Development Plan (IDP) following the annual review in terms of Section 34 of Local Government: Municipal Systems Act, 32 of 2000 as set out in **APPENDIX 2** be adopted; and
- (c) that an advertisement be placed on the official website of the Municipality, municipal notice boards and in the local newspapers notifying the public that the Stellenbosch Municipal Council has adopted its 2016/17 (Revised) IDP.

**(DIRECTOR: STRATEGIC AND  
CORPORATE SERVICES TO ACTION)**

**KINDLY NOTE: THE APPENDICES ARE DISTRIBUTED  
UNDER SEPARATE COVER**

**7.2 MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF) FOR THE FINANCIAL PERIODS 2016/2017 – 2018/2019**

*File number* : 5/1/1/2015/2016  
*Compiled by* : Chief Financial Officer  
*Report by* : Municipal Manager  
*Delegated Authority* : Council

**Strategic intent of item**

<i>Preferred Investment Destination</i>	<input checked="" type="checkbox"/>
<i>Greenest Municipality</i>	<input checked="" type="checkbox"/>
<i>Safest Valley</i>	<input checked="" type="checkbox"/>
<i>Dignified Living</i>	<input checked="" type="checkbox"/>
<i>Good Governance</i>	<input checked="" type="checkbox"/>

**1. PURPOSE OF THE REPORT**

The purpose of this report is three fold:-

- a) To consider the views/submissions of the local community in terms of Section 23(1)(a) of the Municipal Finance Management Act (Act 56 of 2003), herein after called the MFMA and to allow the Executive Mayor to respond to the views of the public as envisaged in terms of Section 23 (2) (a) and (b).
- b) To approve the Medium Term Revenue and Expenditure Framework for 2016-2019, the prescribed appendices, property tax increases, tariffs and tariff structures and revisions to the Budget and related Policies (where appropriate) in terms of Section 17 (1) – (3) of the MFMA (Act 56 of 2003); and
- c) that Council specifically note and consider the need to take up an external loans, needed for investment in income generating infrastructure to the tune of R270 million over the next 3 years of which R161 million will be required in year 1, R 36 million in year 2 and R73 million in year 3 (refer to Section G: High Level Budget Overview and Table A1 Budget Summary) and confirms approval of same in order for the Chief Financial Officer to attend to the necessary legislative requirements.

**2. BACKGROUND**

Section 23 of the MFMA (Act No 56 of 2003) prescribes to municipalities the process to be followed when the Annual Budget is tabled for approval, which is as follow:

- (1) *“The municipal council must consider any views of the local community, the National Treasury, the relevant Provincial*

*Treasury and any provincial or national organs of state or municipalities which made submissions on the budget.*

- (2) *After considering all budget submissions, the council must give the mayor an opportunity—*
- (a) *to respond to the submissions; and*
  - (b) *if necessary, to revise the budget and table amendments for consideration by the council.*

Appendix 1 to the Council Item for the Integrated Development Plan includes the input and comments received during the IDP and Budget Public Participation process.

### 3. DISCUSSION

The 2015 Medium Term Budget Policy Statement by the Minister of Finance highlighted the reduction in South Africa's growth rate and weakening economy, which will likely persist for the next few years.

The deteriorating state of the economy has an adverse and ripple effect on the public sector at large.

The growth rate projection was revised from 2.4% in 2016 to 1.7%. Electricity supply constraints, falling commodity prices and lower confidence levels have resulted in our growth forecasts being revised lower. Government proposed the following measures to be carried out in local government, among others:

- Prioritizing the roll-out of basic services to historically disadvantaged areas;
- Eradication of infrastructure backlogs;
- Institutional capacity-building; and
- Reviewing of municipal infrastructure funding arrangements, with a view to promote better management and maintenance of assets.

Key priorities outlined in the Medium Term Budget Policy Statement directly align to the National Development Plan, which is the cornerstone for South Africa's economic development.

- **Infrastructure development** plays a pivotal role in improving the economy. Municipalities are encouraged to invest in upgrading of municipal roads, building waste water treatment works, installation of electricity networks, upgrading of sewer systems, building water reservoirs, etc. With the population growth that Stellenbosch municipality has, especially in informal settlements, infrastructure needs to be upgraded to meet the demands of the communities. This also has a linkage in reduction of unemployment. Similar to 2015/16 financial year, the municipality's capital budget is relatively high.

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One of the biggest challenges South Africa is confronted with is lack of job creation, which remains a national and provincial priority. With the low economic growth, it is a challenge for jobs to be created as the two have a direct relationship. Thus, it is paramount for municipalities to continue to undertake joint planning with their communities and respective business sectors that drive the local economy. As a means to combat unemployment, the municipality would employ the following measures:

- ✓ Full participation in the Expanded Public Works Programme;
- ✓ Providing support to small businesses, which will create employment in the medium to long term;
- ✓ Filling of vacancies within the municipality; and
- ✓ Developing partnerships with academic institutions for training opportunities.
- ✓ Implementation of new Preferential Procurement Policy
- A revised **capacity building initiative, aligned to Back to Basics** strategy, where the main focus will be on improving service delivery, accountability and financial management. It is always important that local government be effective and efficient, and this will be measured by its ability to perform the basic mandate of service delivery. The “Back to Basics” programme was launched to promote good governance and effective administration through cutting wastage, spending public funds prudently, hiring competent staff, and ensuring transparency and accountability in local government.

During the 2016 Budget Speech, the Minister highlighted government’s initiatives in an effort to support growth and development, as follows:

- Building on the success of Renewable Energy initiatives;
- Measures to strengthen tourism, agriculture and agro-processing;
- Investment in transport and communication; and
- Creation of opportunities in participation of developers and other partners in housing, infrastructure and commercial development.

Again curtailing the non-core expenditure was emphasized. In order to maintain a funded budget, municipalities need not only focus on tariff increases, but also need to eliminate expenditure that is unnecessary. Additional to the cost containment measures introduced by National Treasury, the following would also be implemented:

- Restrictions on filling managerial and administrative vacancies, subject to review of human resource plans and elimination of unnecessary positions;



- 
- Reduced transfers for operating budgets of public entities;
  - Capital budgeting reforms to align plans with budget allocations while strengthening maintenance procedures;
  - Mandatory use of the new e-tender portal, thereby enforcing procurement transparency and accessible reference prices for a wide range of goods and services;
  - A national travel and accommodation policy and instructions on conference costs;
  - New guidelines to limit the value of vehicle purchases for political office-bearers;
  - Renegotiation of government leasing contracts; and
  - New centrally negotiated contracts for banking services, ICT infrastructure and services, health technology, school building and learner support materials.

The emphasis of the National Budget is placed on ensuring that expenditure is allocated in an efficient manner, that management is enhanced and that cutting of waste occur. The 2016 Budget allocates resources to core social and economic priorities while containing aggregate expenditure growth. Spending plans give effect to priorities of the National Development Plan and the Medium Term Strategic Framework.

The weaker outlook is as a result of lower commodity prices, higher borrowing costs, drought and diminished business and consumer confidence. Constrained electricity supply continues to limit growth and deter fixed investment. Exchange rate depreciation is contributing to a higher inflation outlook during 2016.

These factors are expected to ease over the medium term. An upturn in global trade and investment, improved policy certainty, recovering consumer and business confidence, and greater availability and reliability of electricity in the outer years should support stronger growth.

Job creation remains one of the most pressing concerns for the economy. Headline employment grew by 3.7 per cent in the first three quarters of 2015. According to Statistics South Africa, 19 000 jobs were created in the formal sector and 273 000 in the informal sector in the first three quarters of 2015. The unemployment rate stood at 25.5 per cent in the third quarter of 2015, with the number of South Africans categorised as long-term unemployed 5.7 per cent higher than in 2014.

Higher inflation and weaker employment growth will impact on the ability of all municipalities to generate and collect revenue on services, to keep expenditures within budgeted allocations, and to borrow to fund capital expenditure programmes at affordable rates. Therefore it is critical for municipalities to review how they conduct their business to ensure value for money is obtained in all their

expenditures, that revenue administration systems are operating effectively, that borrowing programmes are realistic, and that creditors (including bulk service providers) continue to be paid timeously and in full.

Fiscal constraints mean that transfers to municipalities will grow more slowly in the period ahead than they have in the past. This in effect means local government must re-direct their focus on core service delivery functions and reduce costs without adversely affecting basic services.

The application of sound financial management principles for the compilation of the Stellenbosch's financial plan is essential and critical to ensure that the municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

The municipality's business and service delivery priorities were reviewed as part of this year's planning, through the Integrated Development Plan, and the budget process. Funds were transferred from low- to high-priority programmes so as to maintain sound financial stewardship. A critical review was also undertaken of expenditures on non-core and 'nice to have' items.

The municipality has embarked on developing a revenue enhancement strategy to optimize revenue, including the collection of debt owed by consumers.

Furthermore, the municipality has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people lead government.

The main challenges experienced during the compilation of the 2016/17 MTREF can be summarised as follows:

- Increased demand on infrastructure capacity
- The on-going difficulties in the national and local economy;
- Aging infrastructure;
- The need to reprioritise projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality;
- The increased cost of bulk water and electricity, which is placing upward pressure on service tariffs to residents. Continuous high tariff increases are not sustainable - as there will be point where services will no-longer be affordable;
- Wage increases for municipal staff that continue to exceed consumer inflation, as well as the need to fill critical vacancies;
- Reductions in allocations of National and Provincial grants due to a worsening fiscal outlook; and

- Limited resources to deal with all key priorities.

The following budget principles and guidelines directly informed the compilation of the 2016/17 MTREF:

- Integrated Development Plan was used to inform the measurable objectives, targets and backlog eradication goals;
- Tariff and property rate increases should be as affordable as possible and should ideally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality. However, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure backlogs;
- National, provincial and local priorities;
- Headline inflation forecasts; and
- Funding choices and modeling.

The total budget quantum for the 2016/2017 year is R1 843 930 815, of which R1 380 139 102 (75%), is allocated to the operating budget and R 463 791 713 (25%) to capital investment.

Budget documentation in line with the budget and reporting regulations is attached as **APPENDIX 1 – PART 1**. The report serves as an overview of the budget as a whole, budget assumptions used to compile the budget, funding sources used to fund the capital budget, different income categories to fund priorities of the municipalities, as well as the different expenditure items, including non-cash items.

#### **FINAL CAPITAL BUDGET 2016/2017 – 2018/2019**

The final capital budget is infrastructure orientated and addresses the backlog and urgent need to upgrade/refurbish Council's infrastructure as addressed by the different master plans. It is directed by the IDP (Integrated Development Plan) and the needs of the community. It's also aligned to the strategic priority in the State of the Nation Address of Infrastructure investment and the "back to basics" approach. Council's attention is however drawn to the fact that not all needs identified by the community can realistically be funded by the municipality.

The main capital projects that the municipality will be investing in, which constitute more than 70% of the capital budget, include:

- Extension of waste water treatment works in Stellenbosch and Klapmuts;
- New Plankenburg Main Outfall Sewer
- Taking over electricity network in Pniel area from Drakenstein Municipality
- Bulk Sewer Outfall: Jamestown

- Upgrade Stormwater
- Upgrade Of Sport Facilities
- Major Drop-Offs : Construction – Franschoek
- Upgrade Bulk Water Supply Pipeline & Reservoir – Jamestown
- Gravel Roads- Jamestown
- Bulk Water Supply Pipe Reservoir: Johannesdal / Kylemore / Pniel
- Idas Valley (440) IRDP / FLISP (Housing Project)
- Kayamandi: Watergang/Zone O (Housing Project)
- New Community Hall Klapmuts
- Upgrade and Expansion of IT Infrastructure Platforms
- Energy Efficiency And Demand Side Management (Electrical)
- Integrated National Electrification Programme (Electrification of subsidy housing projects and informal settlements)

The detailed final capital budgets for 2016/2017, 2017/2018 and 2018/2019 are attached as **APPENDIX 1**.

#### **EXTERNAL LOAN FOR 2015/2016**

After considering the municipality's cash position as at 31 March 2016 and also taking into account the lower capital spending it would be in council's best interest not to take up the external loan of R50 million for the 2015/2016 financial year.

The external loan of R50 million would have been used to fund the Extension of the Stellenbosch Water Treatment Works, however the municipality have sufficient own reserves to fund the project.

#### **FINAL OPERATING BUDGET 2016/2017 – 2018/2019**

The basis of the operating budget is aligned to the principle of total potential income (less income forgone as an expense where applicable) from all our services as well as a projection of total direct income. The extent, to which tariffs and levies are proposed to increase, is in the main influenced by:

- The increase in bulk purchases (water and electricity)
- Employee related costs, as per SALGBC wage agreement
- Councillor remuneration, as per SALGA upper limits
- Service delivery challenges
- Repairs and maintenance
- Operational projects impacting job creation and economic development
- Contractual commitments
- Day to day operational costs (fuel & oil, telephones, bank costs, etc)

- Finance costs, influenced by level of borrowing

Taking all of these issues into consideration and to ensure the sustainability of our operations from realistically anticipated income flows, the following tariff and property tax increases are proposed for 2016/2017:

<b>Electricity</b>	<b>7.64%</b>
<b>Sanitation</b>	<b>8.00%</b>
<b>Refuse removal</b>	<b>6.20%</b>
<b>Water</b>	<b>7.00%</b>
<b>Rates</b>	<b>6.00%</b>

The impact of the proposed tariff increases on the monthly services account for the various consumer categories is summarized in **APPENDIX 2**.

#### **HIGH LEVEL CAPITAL AND OPERATING BUDGET FOR 2016/2017 – 2018/2019**

The final high level budget depicting the total budget is attached as **APPENDIX 1 – PART 1 – SECTION C**.

#### **TARIFFS**

Council's attention is further drawn to the fact that the Tariff List attached as **APPENDIX 3** includes Sundry Tariffs as a basket of services and charges, i.e. Land Use Management Fees, Development contributions, Technical Charges, etc. In this regard, the proposed tariff list must be consulted for the detail.

#### **BUDGET RELATED POLICIES & BY-LAWS**

**The following budget related policies were developed:**

Inventory Management Policy (**Appendix 4**)

Preferential Procurement Policy (**Appendix 5**)

**The following budget related policies were revised:**

Property Rates Policy (**Appendix 6**)

Supply Chain Management Policy (**Appendix 7**)

Travel and Subsistence Policy (**Appendix 8**)

Indigent Policy (**Appendix 9**)

Credit Control and Debt Collection Policy (**Appendix 10**)

Irrecoverable Debt Policy (**Appendix 11**)

Accounting Policy (**Appendix 12**)

Cash Management and Investment Policy (**Appendix 13**)

Tariff Policy (**Appendix 14**)

Grants-In-Aid Policy (**Appendix 15**)

Virementation Policy (**Appendix 16**)

Budget Implementation and Monitoring Policy (**Appendix 17**)

Petty Cash Policy (**Appendix 18**)

Performance Management Policy (**Appendix 19**)

Development Charges Policy (**Appendix 20**)

Special Ratings Area Policy (**Appendix 21**)

**Summary of changes since the draft budget are as follows:**

Policy	Nature of Change
Travel & Subsistence	<p>Travel costs re-imbursments have been changed from different rates per vehicle category to a fixed rate across all vehicles.</p> <p>The Accounting Officer has to approve if 4 delegates or more need to attend conferences or meetings.</p> <p>Inclusion of consideration of cost effectiveness between shuttle and car hire when employees travel.</p> <p>Inclusion of consideration of accommodation where the National Treasury has negotiated discounts for rates as per MFMA circular 82.</p> <p>Overnight accommodation will now be limited to instances where the distance travelled by road exceeds 300 kms (return journey)</p>
Special Ratings Area	The broad structural arrangements will to be considered by the municipality.
Indigent	Discounted non trading services refer to burials from Monday to Saturday, no longer from Monday to Friday.
Property Rates	Replacement of sentence under agricultural use "These properties will however not qualify for any relief measures." With "These properties will however not qualify for any rebates or reductions."
Irrecoverable Debt Policy	<p>Delegation for the write-off of interest was changed as follows:</p> <p>The writing-off of any interest (or part thereof) component of debt when non-interest portion is settled in full:</p> <p>(i) Above one hundred thousand rand (R100 000) will be effected after Council approval.</p> <p>(ii) Amounting to one hundred thousand rand (R100 000) and below may be effected after motivation to and approval by the Chief Financial Officer (CFO).</p>
Supply Chain Management Policy	<p>Inclusion of the following cost containment measures in line with MFMA Circular 82:</p> <ul style="list-style-type: none"> <li>- Consultants;</li> <li>- Catering;</li> <li>- Events Planning;</li> <li>- Conferences and;</li> <li>- Office Furnishing.</li> </ul>

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**Unchanged Policies and By-Laws**Tariff By-law (**Appendix 22**)Property Rates By-law (**Appendix 23**)Special Ratings By-law (**Appendix 24**)Borrowing, Funds and Reserves Policy (**Appendix 25**)Financing of External Bodies performing municipal functions Policy  
(**Appendix 26**)Liquidity Policy (**Appendix 27**)Asset Management Policy (**Appendix 28**)**THE FOLLOWING MFMA CIRCULARS WERE USED AS A GUIDELINE  
WHEN PREPARING THE BUDGET (MTREF):**MFMA Circular No. 78 Municipal Budget Circular for 2016/2017  
(**Appendix 29**)MFMA Circular No.79 Municipal Budget Circular for 2016/2017  
(**Appendix 30**)MFMA Circular No.82 Cost Containment Measures (**Appendix 31**)**OTHER SUPPORTING DOCUMENTATION**The additional information as prescribed by the budget and reporting regulations are attached as **APPENDIX 1 – PART 2 – SECTION P**.**4. LEGAL IMPLICATION**

None solicited/not required.

**5. FINANCIAL IMPLICATION**

Financial impact already discussed above.

**6. COMMENTS FROM OTHER RELEVANT DEPARTMENTS**

Relevant input is already incorporated into budget document.

**WESTERN CAPE GOVERNMENT ASSESSED THE DRAFT BUDGET AND  
CONCLUDED THAT THE BUDGET IS CREDIBLE AND SUSTAINABLE****RECOMMENDED:**

- (a) that the High Level Budget Summary, as set out in **APPENDIX 1 – PART 1 – SECTION C**; be approved;

- 
- (b) that the Annual Budget Tables as prescribed by the Budgeting and Reporting Regulations, as set out in **APPENDIX 1 – PART 1 – SECTION D**, be approved;
  - (c) that the Grants-In-Aid allocations as set out in **APPENDIX 1 – PART 2 – SECTION J**, be approved;
  - (d) that the three year Capital Budget for 2015/2016, 2016/2017 and 2016/2017, as set out in **APPENDIX 1 – PART 2 – SECTION N**, be approved;
  - (e) that the proposed rates on properties in WCO24, tariffs, tariff structures and service charges for water, electricity, refuse, sewerage and other municipal services, as set out in **APPENDIX 3** , be approved;
  - (f) that the proposed newly developed budget related policies as set out in **APPENDICES 4–5**, be approved;
  - (g) that the proposed amendments to existing budget related policies and other policies as set out in **APPENDICES 6 - 28**, be approved;
  - (h) that Council specifically note and consider the need to take up an external loan, needed for investment in income generating infrastructure to the tune of R270 million of which R161 million will be required in year 1, R 36 million in year 2 and R73 million in year 3 (refer to Section G: High Level Budget Overview and Table A1 Budget Summary) and confirms approval of same in order for the Chief Financial Officer to attend to the necessary legislative requirements; and
  - (i) that Council takes note that the external loan of R50 million will not taken up in the current financial year because of the municipal cash position;
  - (j) that Council specifically take note of the fact that the proposed electricity charges and tariff structure is subject to NERSA approval that could change materially.
  - (k) that Council takes note of MFMA circular 78 and 79 that was published to guide the MTREF for 2016/2017 to 2018/2019 as set out in **APPENDICES 29 - 30**; and
  - (l) that Council takes note of MFMA circular 82 published to guide municipalities in reducing costs as set out in **APPENDIX 31**.

**(CHIEF FINANCIAL OFFICER TO ACTION)**

**KINDLY NOTE: THE APPENDICES ARE DISTRIBUTED UNDER SEPARATE COVER**



**7.3 CONFERRAL OF ALDERMANSHIP ON COUNCILLOR MG SMUTS***File number* : 11/2/4/1*Report by* : Acting Municipal Manager*Compiled by* : Director: Strategic and Corporate Services*Delegated Authority* : Council**Strategic intent of item***Preferred investment destination**Greenest Municipality**Safest Valley**Dignified Living**Good Governance***1. PURPOSE OF THE REPORT**

To consider an application for conferral of Aldermanship on Councillor MG Smuts.

**2. BACKGROUND****2.1 Application**

On 2016-05-05 an application was received from Councillor MG Smuts, requesting that Aldermanship be conferred on him as he qualifies for such honours in terms of the Stellenbosch Municipal Honours By-Law (April 2002). The Application is attached as **APPENDIX 1**.

**2.2 Calculation of points**

Pursuant to the above application, the Head: Committee Services compiled a memorandum to the Municipal Manager, confirming that, according to Council's records, Cllr MG Smuts does indeed qualify for Aldermanship with a total of **30 points**. The memorandum is attached as **APPENDIX 2**.

**2.3 Confirmation by the Municipal Manager**

Hereto attached, as **APPENDIX 3**, is the verification of the Municipal Manager, confirming that the calculations were verified and that the awarding of points was in accordance with the prescribed criteria.

**3. DISCUSSION****3.1 Legal Framework**

Section 6(4)(c) of the Stellenbosch Municipal Honours By-Law (April, 2002) makes provision for Aldermanship to be conferred on a serving

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Councillor of the Stellenbosch Municipality who obtains a minimum of 20 points, as set out in the By-Law.

In terms of sub-section (5), any current serving Councillor who is of the view that he/she qualifies for Aldermanship, should notify the Municipal Manager in writing, together with the necessary detail to enable the Municipal Manager to verify the allocation of points, as per the By-Law. The By-Law is attached as **APPENDIX 4**.

**4. LEGAL IMPLICATION**

The recommendation is in line with section 6(4)(c) of the Stellenbosch Municipal Honours By-Law. The item and recommendations are supported.

**5. FINANCIAL IMPLICATION**

Finance supports the item.

**6. CONCLUSION**

Councillor MG Smuts qualifies for Aldermanship in terms of Section 6 (4) (c) of the Stellenbosch Municipal Honours By-Law.

**RECOMMENDED**

- (a) that, in terms of Section 6(4)(c) of the Stellenbosch Municipal Honours By-Law promulgated in Provincial Gazette 5859 of 19 April 2002, Aldermanship be conferred upon Councillor MG Smuts; and
- (b) that, following the approval of Council, the Executive Mayor, as patron of the Stellenbosch Municipal Honours, confer the honour on Councillor MG Smuts in an appropriate manner.

**(DIRECTOR: STRATEGIC AND  
CORPORATE SERVICES TO ACTION)**

# APPENDIX 1

13 Kronendal Ave  
Dalsig  
Stellenbosch  
7600

Date: 5 May 2016

Attention: Acting Municipal Manager  
Stellenbosch Municipality

Dear Sir

### APPLICATION FOR THE CONFERRAL OF ALDERMANSHIP

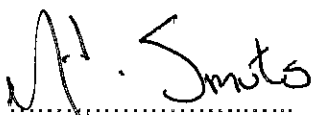
I hereby, in accordance with the procedure as set out in the Stellenbosch Municipal Honours By-Law (April 2002), apply for the conferral of the honour of Aldermanship to myself. I believe that my service as a Councillor has led to me achieving more than the required number of points to qualify for this honour.

Outlined below is a schedule depicting a summary of my years of service as Councillor:

Year	Cllr/Standing Committee Member	MAYCO Member /Portfolio Chairperson	Deputy Executive Mayor	Speaker
2000				
2001				
2002				
2003				
2004				
2005				
2006				
2007				
2008				
2009				
2010				
2011		1 May – 31 Dec	1 May – 31 Dec	
2012		Jan – Dec	Jan – Dec	
2013		Jan – Dec	Jan – Dec	
2014		Jan – Dec	Jan – Dec	
2015		Jan – Dec	Jan – Dec	
2016		1 Jan – 30 April	1 Jan – 30 April	

I would appreciate it if you could submit my application to the relevant committee(s) of Council, should you believe that I qualify for Aldermanship under the relevant By-Law.

Yours faithfully



Cllr MG Smuts

(082 896 2453)

# APPENDIX 2



# MEMO

**To/Aan:** Acting Municipal Manager

**From/Van:** Head: Committee Services

**Date/Datum:** 6 May 2016

**Re:** CONFERRAL OF ALDERMANSHIP ON COUNCILLOR MG SMUTS

Councillor MG Smuts submitted an application (attached, dated 2016-05-05) for the conferral of Aldermanship.

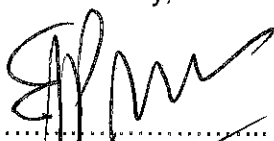
The information pertaining to the number of points accrued has been verified, and it is a true reflection of the years of service as a Councillor and Portfolio Councillor of this municipality since 2011.

Outlined below is the calculation of points verified for Aldermanship as accrued by Councillor MG Smuts:

Paragraph of By-Law	Period as Councillor/ Portfolio Councillor	Points as at 5 May 2016
6(4)(c)(i): one point for each completed year served as a Councillor on any municipality	1 May 2011 – 30 April 2016: Stellenbosch: 5 years	5 (5x1)
6(4)(c)(v) two additional points for each completed year served as a member of the executive committee or chairperson of a standing committee of the Stellenbosch Municipality	1 May 2011 – 30 April 2016: Stellenbosch: 5 years	10 (5x2)
6(4)(c)(vi) three additional points for each completed year served as deputy mayor or speaker of the Stellenbosch Municipality	1 May 2011 – 30 April 2016: Stellenbosch: 5 years	15 (5x3)
<b>TOTAL POINTS</b>		<b>30</b>

Your prompt response in this regard would enable us to submit the application for consideration by Council at its meeting scheduled for 2016-05-25.

Yours faithfully,

  
 .....  
 E. Jerome Potts  
 (Head: Committee Services)

# APPENDIX 3



# STELLENBOSCH

STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNISIPALITEIT • UMASIPALA • MUNICIPALITY



*Our Ref: R Bosman (021-808 8025)  
Ref: 77/2/16/rp  
Collab ref : 3/6/1  
Office of the Municipal Manager*

11 May 2016

Councillor M Smuts  
13 Kronendal Ave  
Dalsig  
**STELLENBOSCH**

Dear Councillor Smuts

### CONFERRAL OF ALDERMANSHIP

Your letter in respect of an application for conferral of Aldermanship, refers.

I am pleased to inform you that the information relating to the required number of points as per your letter has been verified in accordance with the Municipality's Honours By-Law (April, 2002), and that in terms of our records, you do qualify for Aldermanship. Hence, an item in respect of conferral of Aldermanship will be tabled for consideration at the Council Meeting scheduled for 2016-05-25.

Yours sincerely

**MR RICHARD BOSMAN  
ACTING MUNICIPAL MANAGER**



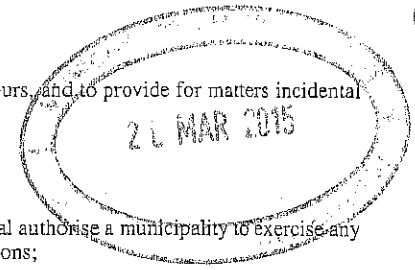
# APPENDIX 4

3

~~STELLENBOSCH MUNICIPAL HONOURS BY-LAW~~

## BY-LAW

To provide for Municipal honours, the conferral thereof, the amendment of conferral, of Municipal honours, and to provide for matters incidental thereto.



## PREAMBLE

WHEREAS section 156(5) of the Constitution of the Republic of South Africa, Act No 108 of 1996, in general authorise a municipality to exercise any power concerning a matter reasonably necessary for, or incidental to, the effective performance of its functions;

WHEREAS section 186(9) and (10) of the Municipal Ordinance 1974 (No 20 of 1974), in particular, authorise a municipality to confer the freedom of the municipality on a person or to present a medal, memento, address or other commemorative token to persons;

WHEREAS section 156(2) of the Constitution of the Republic of South Africa authorise a municipality to make by-laws for the effective administration of the matters which it has the right to administer;

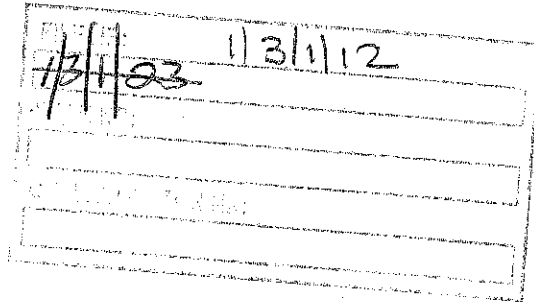
WHEREAS it is desirable to take into consideration and recognise persons for exceptional achievements or the rendering of exceptionally meritorious service in the interest of the municipality; and

WHEREAS this needs to be done in an orderly manner;

Be it, therefore, enacted by the Council of the Stellenbosch Municipality.

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## 1. DEFINITIONS

1. "The Council" means the political structure of Stellenbosch Municipality in terms of section (4) of the Establishment Notice (P.N. 489/2000) as contemplated in section 18 of the Municipal Structures Act.
2. "Stellenbosch Municipality" means the municipality established in terms of section (4) of the Establishment Notice (P.N. 489/2000).
3. "Municipal Manager" means the person that is the head of administration and also accounting officer for the municipality, appointed in terms of section 82 of the Municipal Structures Act, Act 117 of 1998.
4. "Councillor" means a member of the Municipal Council of Stellenbosch Municipality.
5. "Municipality" for the purposes of section 7 means:
  - (a) the Municipality of Stellenbosch established by Provincial Notice 489 of 2000 dated 22 September 2000;
  - (b) any municipality established under the provision of the Local Government Transition Act, 1993;
  - (c) any municipality established under the provisions of the Municipal Ordinance, 1974 or any previous ordinance providing for the establishment of a municipality;
  - (d) any council or committee established under the provisions of the Black Local Authorities Act, 1982;
  - (e) any management committee established under the provisions of Provincial Ordinance No 6 of 1963.
6. "Employee" means an employee of Stellenbosch Municipality and shall for the purposes of section 6(8) include commencement service at one of the following established municipalities:

Stellenbosch Municipality  
 Franschhoek Municipality  
 Pniel Local Council  
 Boland District Municipality  
 Winelands District Council  
 Western Cape Metropol Council  
 Stellenbosch Divisional Council.

## 2. MUNICIPAL HONOURS

2. (1) There are the following Municipal honours for Stellenbosch Municipality:
  - (a) freedom of the Municipality or freedom of the town of Stellenbosch, Franschhoek or Pniel;
  - (b) honorary citizenship of the Municipality of Stellenbosch;
  - (c) illuminated address of the Municipality or illuminated address of the town of Stellenbosch, Franschhoek or Pniel;
  - (d) Aldermanship certificate;
  - (e) a Council's commendation certificate;
  - (f) a Mayor's commendation certificate; and
  - (g) certificate for long or outstanding service with the Council.
2. (2) There are the following medal for the Stellenbosch Municipality:
  - (a) the Simonsberg medal (gold) for exceptional achievement or for performing an act of bravery within the Municipal area of Stellenbosch;
2. (3) The Mayor is the patron of the Municipal honours as described in section (1) and (2).

## 3. CONFERRAL OF MUNICIPAL HONOURS

3. (1) The Mayor, after of approval of Council may confer municipal honours on any person and may make a posthumous conferral of a municipal honour.

## 4. ANNULMENT OF CONFERRAL OF MUNICIPAL HONOURS AND MEDALS

4. (1) The Mayor, after approval of Council may annul the conferral of a Municipal honour if the holder of the honour has performed any action or has behaved in a manner which harmed the interest of the Municipality of Stellenbosch, or otherwise has become unworthy of the Municipal honour concerned.
4. (2) The Mayor shall, in annulling the conferral of a Municipal honour in terms of subsection (1), do so in accordance with the advice of the panel referred to in section 5.

## 5. MUNICIPAL HONOURS ADVISORY PANEL

5. (1) The Mayor must obtain advise on the conferral, annulment or restoration of Municipal honours from an advisory panel, consisting of:
  - (a) a maximum of five (5) councillors, broadly representative of the council, appointed by council; and
  - (b) a maximum of five (5) people, highly respected by and who are broadly representative of the people of Stellenbosch Municipality, appointed by Council, if Council so wishes.
5. (2) The advisory panel shall meet at the request of the Mayor.

## 6. CRITERIA FOR THE BESTOWING OF MUNICIPAL HONOURS

6. (1) The freedom of the Municipality or the freedom of the town of Stellenbosch, Franschhoek or Pniel will be conferred:
  - (a) a non-resident person or organisation, when such a person or organisation is worthy of such an honour in the opinion of Council;
  - (b) if approved by Council by way of a broad consensus. The freedom of the Municipality or of a town shall not be conferred on an active politician.
6. (2) Honorary citizenship of the Municipality of Stellenbosch will be conferred:
  - (a) on a person of national and/or international stature residing in Stellenbosch Municipality for a period of at least 25 years, when such person is worthy of such an honour in the opinion of Council;
  - (b) on such a person if unanimously approved by Council at a Special Council Meeting. Alternatively when approved by Council by way of a broad consensus.
  - (c) Honorary citizenship will not be conferred on an active politician.
6. (3) An illuminated address of the municipality or an illuminated address of the town of Stellenbosch, Franschhoek or Pniel will be conferred:
  - (a) on a person when such person is worthy of such an honour in the opinion of Council;
  - (b) if approved by Council by a two-thirds majority vote;
6. (4) Aldermanship will be conferred on a serving Councillor of Stellenbosch Municipality:
  - (a) who has served on one or more municipalities within the Republic of South Africa for a total period of 20 years. Such terms of office need not be consecutive;

- (b) upon the assumption of the office of Mayor. This criterium does not apply to acting Mayors or acting chairperson of Council. Such title shall be removed if such Councillor does not serve the Council for a full term of office as Mayor;
- (c) who obtains the minimum of 20 points on the following scale:
  - (i) one point for each completed year served as a Councillor on any municipality; plus
  - (ii) one additional point for each completed year service as a member of the executive of any municipality or as chairperson of a standing committee or portfolio committee of such municipality; plus
  - (iii) one additional point for each completed year service as a deputy mayor of a municipality; plus
  - (iv) two additional points for each completed year served as a mayor or chairperson of any municipality; plus
  - (v) two additional points for each completed year served as a member of the executive committee or chairperson of a standing committee of the Stellenbosch Municipality subsequent to 5 December 2000; plus
  - (vi) three additional points for each completed year served as deputy mayor or speaker of the Stellenbosch Council.
- 6. (5) Any current serving Councillor who is of the view that he/she qualifies for Aldermanship, should notify the Municipal Manager in writing, together with the necessary details to the satisfaction of the Municipal Manager. The Municipal Manager shall make a recommendation to Council, after having considered all the relevant details. The Municipal Manager shall for the purpose of this by-law create an appropriate database of all current serving councillors of the Council of Stellenbosch as from 5 December 2000.
- 6. (6) The Council's recommendation certificate will be conferred;
  - (a) a resident of Stellenbosch Municipality when such person is worthy of such an honour in the opinion of Council;
  - (b) if approved by Council;
- 6. (7) The Mayor's recommendation certificate will be conferred on:
  - (a) a resident of Stellenbosch Municipality; and
  - (b) in the sole discretion of the Mayor.
- 6. (8) A certificate for long outstanding service with the Council will be conferred on an employee:
  - (a) who has served the municipality for a period of 25 years, on condition that such an employee has not been found guilty of misconduct for a period of 10 years prior to his/her 35th year of service.
- 6. (9) A medal will be conferred on a resident of Stellenbosch Municipality when:
  - (a) such person is worthy of such an honour in the opinion of Council; and
  - (b) if approved by Council by way of a broad consensus.

## 7. WARRANTS

The Mayor together with the other members of Council may, by special Council decision and after publication thereof in the Provincial Gazette, issue warrants for the better carrying out of the objects of this by-law and in particular, but without prejudice to the generality of the foregoing, relating to:

- (a) the keeping and administering of the Municipal honours referred to in section 1;
- (b) the keeping of a register of Municipal honours conferred;
- (c) the replacement of lost or stolen Municipal honours and the charges, therefor;
- (d) the publication of an annual Municipal honours list;
- (e) the wearing of Municipal medals;
- (f) benefits and privileges of Alderman;
- (g) rules regarding the annulment and restoration of provincial honours;
- (h) the issuing of accompanying certificates;
- (i) the lay-out/description of Municipal honours/medals; and
- (j) the protocol regarding the handing over of Municipal honours.

## 8. SHORT TITLE

This by-law is called the Stellenbosch Municipal Honours By-law and takes effect on date of publication thereof.

**8. CONSIDERATION OF MATTERS REFERRED TO COUNCIL VIA THE MAYORAL COMMITTEE MEETING/S (3/4/2/5)**

**8.1 UNDEVELOPED ERVEN IN KAYAMANDI: PROGRESS REPORT: WAY FORWARD**

*File number* : 7/2/1/1

*Report by* : Director: Human Settlements and Property Management

*Compiled by* : Manager: Property Management

*Delegated Authority* : Council

***Strategic intent of item***

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

**1. PURPOSE OF REPORT**

The purpose of this report is two-fold:

- a) To consider the inputs received as a consequent of a public notice; and
- b) To advise on a way forward.

**2. BACKGROUND**

**2.1 Motion: Councillor Jindela**

On 2014-06-25, following a motion from Councillor Jindela, Council resolved, *inter alia*

- (a) *that a proper identification of all vacant plots in Kayamandi be conducted;*
- (b) *that, if there are any plots allocated to any names and which have not been used currently, such individuals be contacted and be informed of the Council decision and such plots must also be put on the list of plots to be made available;*
- (c) *that a valuation of the vacant plots contemplated in (b) above, be determined to set an affordable price for willing buyers;*
- (d) *that an item be submitted to a next Council meeting with recommendations on how these plots can be made available at affordable prices; and*

- (e) *that the list of all available plots be made available for the community of Kayamandi after the decision has been taken by Council"*

## 2.2 Council resolution: identified plots

On 2015-09-23 a report was tabled at the Council meeting, identifying the undeveloped, vacant plots in Kayamandi, and recommending a way forward.

Having considered the report, Council resolved as follows:

### 34<sup>TH</sup> COUNCIL MEETING: 2015-09-23: ITEM 7.2

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

- (a) that the properties are not required to provide the minimum level of basic municipal services;
- (b) that the Municipal Manager be authorised to act with the various categories of properties, as set out in paragraph 3.3 (*supra*);
- (c) that, following the notice periods referred to in paragraph 3.3 (*supra*), a progress report be submitted to Council, whereafter the tender process can be attended to;
- (d) that in the meantime, valuations be obtained from two independent valuers, with the view of determining a market value for the various properties (weighted average);
- (e) that public participation processes be followed which should include local newspapers, ward committees, libraries, notice boards and public platforms; and
- (f) that a feedback report be submitted to Council in February 2016".

A copy of the agenda item that served before Council is attached as **APPENDIX 1**.

## 2.3 Public notice calling for submissions/claims

On 12 November 2015 a notice was published in the Eikestad News, calling on the public/legal entities with legal claims against any of the properties, to submit same to the Acting Municipal Manager within 3 months from date of the notice (12 February 2016). A copy of the notice is attached as **APPENDIX 2**

## 3. DISCUSSION

### 3.1 List of claims/submissions received

By 12 February 2016 (cut-off date for submissions) a number of claims/submissions were received:

Erf number	Allocated to	Agreement concluded	Sales Price paid	Transferred to beneficiary	Category *
298	Methodist Church	No	Yes	No	C
718	Seventh Day Adventist Church	Yes	Yes	No	B
756	K.I Monaheng	Yes	Yes	No	B
781	S Joni	?	?	No	C
783	EP Masimi	Yes	?	No	C
802	J&PS Bolitshi	?	?	No	C
830	E&MJ Mdekvesha	Yes	Yes	Yes	A
931	Mr & Mrs Gxilishe	?	?	No	C
932	Mr & Mrs Gxilishe	?	?	No	C
933	F&S Jansen	Yes	Yes	Yes	A
934	J&S Hendriks	Yes	Yes	Yes	A
937	JJ&E Muller	?	?	No	C
1173	B Ruiters	Yes	Yes	Yes	A
1175	M Mqwazi	?	?	No	C
1523	Stellenbosch Baptist Church	?	?	No	C

## \*Categories

- A: Property has been transferred to beneficiary
- B: Contract has been concluded and Sales Price has been paid, Transfer outstanding due to technicalities.
- C: Property allocated, but no proof of contract, payment or Sales Price.

**3.2 List of properties where no submissions were received**

Hereunder a list of properties where no claims/submissions were received and where the municipality have no records that such erven have been allocated to specific individuals (Category D):

Erf number	Size
328	192m <sup>2</sup>
329	160 m <sup>2</sup>
330	160 m <sup>2</sup>
331	160 m <sup>2</sup>
332	160 m <sup>2</sup>
333	148 m <sup>2</sup>
513	194 m <sup>2</sup>
636	180 m <sup>2</sup>
663	168 m <sup>2</sup>
747	213 m <sup>2</sup>
850	204 m <sup>2</sup>
942	217 m <sup>2</sup>
1143	252 m <sup>2</sup>
1157	233 m <sup>2</sup>
1176	264 m <sup>2</sup>
1182	201 m <sup>2</sup>
1191	192 m <sup>2</sup>
1155	229 m <sup>2</sup>
1162	244 m <sup>2</sup>
1181	199 m <sup>2</sup>
1187	204 m <sup>2</sup>
1192	192 m <sup>2</sup>
1236	220 m <sup>2</sup>

1257	183 m <sup>2</sup>
1258	195 m <sup>2</sup>
1261	204 m <sup>2</sup>
1270	212 m <sup>2</sup>
1612	173 m <sup>2</sup>
1633	262 m <sup>2</sup>
1909	233 m <sup>2</sup>
2557	625 m <sup>2</sup>

### 3.3 Qualifying criteria: Tender process

Should Council approve the disposal of the erven listed above, or some of them, the following qualifying criteria could be considered for beneficiaries:

- a) Must be a resident of- or work in Stellenbosch for a minimum period of five (5) years;
- b) If younger than 40 years (at date of closing tender), then the beneficiary must be married or have a legal dependent staying with him/her;
- c) May not have received any form of financial assistance/subsidy from the State in obtaining a house/serviced site previously; and
- d) May not currently own any other fixed asset

### 3.4 Legal requirements

**3.4.1** In terms of section 14(1) a municipality may not transfer ownership as a result of a sale or other transaction or otherwise permanently dispose of a capital asset needed to provide the minimum level of basic municipal services.

In terms of subsection (2), a municipality may transfer ownership or otherwise dispose of a capital asset other than those contemplated in subsection (1), but only after the municipal council, in a meeting open to the public-

- (a) has decided on reasonable grounds that **the asset is not needed to provide the minimum level of basic municipal services**; and
- (b) has considered the **fair market value** of the asset and the **economic and community value** to be received in exchange for the asset.

### 3.4.2 Asset Transfer Regulations (ATR)

In terms of Regulation 5 (1) (b) of the Asset Transfer Regulations, a municipal Council may transfer or dispose of a non-exempted capital asset only after the Municipal Council:-

- (i) **has made the determination required Section 14(2)(a) and (b)**; and



- 
- (ii) has, as a consequence of such determination, **approved in principle that the asset may be disposed of.**

In terms of Regulation (7), when considering any disposal as contemplated above, a council must 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 limitation or conditions attached to the capital asset or the transferor disposal of the asset, and the consequences of any potential non-compliance with those conditions;
- (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) 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
- (k) compliance with the legislative regime applicable to the proposed transfer or disposal.
- (l) compliance with the legislative regime applicable to the proposed transfer or disposal.

Regulation 11 authorise a Council to approve **conditions**, when considering an in principle disposal, such as:

- (a) the **way in which an asset is to be disposal of** (e.g. tender, call for proposal, etc.);
- (b) a **floor price** or minimum compensation;

- (c) whether the capital asset may be transferred/disposal of for **less than its fair market value** (in which case the council must first consider the criteria set out in Regulation 13 (2))

Regulation 13(2) provides that if a municipality or municipal entity on account of the public interest, in particular in relation to the plight of the poor, intends to transfer a non-exempted capital asset for less than its fair market value, the municipality or entity must, when considering the proposed transfer, take into account –

- (a) the interest of –  
 (i) the State; and  
 (ii) the local community;
- (b) the strategic and economic interest of the municipality or municipal entity, including the long-term effect of the decision on the municipality or entity;
- (c) the constitutional rights and legal interests of all affected parties;
- (d) whether the interest of the parties to the transfer should carry more weight than the interest of the local community, and how the individual interest is weight against the collective interest; and
- (e) whether the local community would be better served if the capital asset is transferred at less than its fair market value, as opposed to a transfer of the asset at fair market value.

Further in terms of Regulation 13, any such disposal must be in accordance with Council's disposal management system (SCM), irrespective of the value of the asset.

### 3.4.3 SCM Policy

In terms of paragraph 5.3 of the SCM Policy, immovable property may only be sold at market-related prices, except when the public interest or plight of the poor demands otherwise. "*Public interest*" is described as, *inter alia*, the promotion of welfare and charitable as the needs of the people that are vulnerable and unable to meet their socio-economic needs independently.

In terms of paragraph 5.4, assets may be disposed of by way of:-

- (a) a tender process;
- (b) a call for development proposal; or
- (c) a two-stage Bidding process

## 4. INPUTS BY OTHER DEPARTMENTS

### 4.1 CFO

Finance supports the item.

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**4.2 Legal Services**

See comments on **APPENDIX 1** (4.2)

**4.3 Planning & Economic Development**

Community Development: The department is in agreement with recommendations a-d. Special provision should be made when regarding price and support to the development of bulk infrastructure to the erven referred to in recommendations e-f should the bidder be to develop the erf as an Early Childhood Development Centre

**5. CONCLUSION**

From the above it is clear that the various properties listed above are not needed for municipal purposes; and can therefore be put out on tender.

**RECOMMENDED**

- (a) that the claims/submissions received as a consequence of the notice be noted;
- (b) that it be noted that the properties listed in par. 3.1, marked category A, has already been transferred to the beneficiaries;
- (c) that the properties listed in par. 3.1 marked as category B, be transferred to the beneficiaries as soon as possible;
- (d) that the beneficiaries of the properties listed in par.3.1 marked as category C, be informed in writing to provide the necessary written proof within 3 months that: -
  - i) the property was allocated to them;
  - ii) a Sales Agreement has been concluded (or that it now be concluded); and
  - iii) that the sales price and other outstanding monies have been paid; failing which the properties be put out on tender;
- (e) that the properties listed in par. 3.2 marked as (category D) be put out on tender, subject to the qualifying criteria set out in par. 3.3 (*supra*);
- (f) that a reserve price be determined as the weighed average of two independent valuations; and
- (g) that the properties not yet transferred, i.e. categories B-D, be identified as land not necessary to provide the minimum level of basic municipal services.

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

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**ENGINEERING SERVICES AND HUMAN SETTLEMENTS COMMITTEE  
MEETING: 2016-05-04: ITEM 5.1.1****RECOMMENDED**

- (a) that the claims/submissions received as a consequence of the notice be noted;
- (b) that it be noted that the properties listed in par. 3.1, marked category A, has already been transferred to the beneficiaries;
- (c) that the properties listed in par. 3.1 marked as category B, be transferred to the beneficiaries as soon as possible;
- (d) that the beneficiaries of the properties listed in par.3.1 marked as category C, be informed in writing to provide the necessary written proof within 3 months that: -
  - i) the property was allocated to them;
  - ii) a Sales Agreement has been concluded (or that it now be concluded); and
  - iii) that the sales price and other outstanding monies have been paid; failing which the properties be put out on tender;
- (e) that the properties listed in par. 3.2 marked as (category D) be put out on tender, subject to the qualifying criteria set out in par. 3.3 (*supra*);
- (f) that a reserve price be determined as the weighed average of two independent valuations; and
- (g) that the properties not yet transferred, i.e. categories B-D, be identified as land not necessary to provide the minimum level of basic municipal services.

**(DIRECTOR: HUMAN SETTLEMENTS AND  
PROPERTY MANAGEMENT TO ACTION)****MAYORAL COMMITTEE MEETING: 2016-05-18: ITEM 5.1.1**

It was noted that the list of claims (paragraph 3.1) contains some errors and therefore should be corrected and updated with the most current information, prior to being submitted to Council.

**RECOMMENDED BY THE EXECUTIVE MAYOR**

- (a) that the claims/submissions received as a consequence of the notice be noted;
- (b) that it be noted that the properties listed in par. 3.1, marked category A, has already been transferred to the beneficiaries;

- (c) that the properties listed in par. 3.1 marked as category B, be transferred to the beneficiaries as soon as possible;
- (d) that the beneficiaries of the properties listed in par.3.1 marked as category C, be informed in writing to provide the necessary written proof within 3 months that: -
- i) the property was allocated to them;
  - ii) a Sales Agreement has been concluded (or that it now be concluded); and
  - iii) that the sales price and other outstanding monies have been paid; failing which the properties be put out on tender;
- (e) that the properties listed in par. 3.2 marked as (category D) be put out on tender, subject to the qualifying criteria set out in par. 3.3 (*supra*);
- (f) that a reserve price be determined as the weighed average of two independent valuations; and
- (g) that the properties not yet transferred, i.e. categories B-D, be identified as land not necessary to provide the minimum level of basic municipal services.

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

**FURTHER COMMENTS BY THE MANAGER: PROPERTY MANAGEMENT**

On 2016-05-11 a report was received from the Finance Department (Valuations section), compiled by Mrs M Blaauw, based on the information on the valuation role. In terms hereof there are further:

- properties that have already been transferred to individuals; and
- properties that have been allocated to individuals.

Hereunder updated lists of properties, indicating their current status.

**List of claims/submissions received**

Erf number	Allocated to	Agreement concluded	Sales Price paid	Transferred to beneficiary	Category *
298	Methodist Church	No	Yes	No	C
*329	Nogilana N	No	No	No	C
*636	Dumisane TW & NG	No	No	No	C
*663	Bamgiso ST & N	No	No	No	C
718	Seventh Day Adventist Church	Yes	Yes	No	B
*747	Vani VH	No	No	No	C
756	K.I Monaheng	Yes	Yes	No	B
781	S Joni	No	No	No	C
783	EP Masimi	Yes	No	No	C

802	J&PS Bolitshi	No	No	No	C
830	E&MJ Mdekvesha	Yes	Yes	Yes	A
*850	Mtekeli N&SLN	No	No	No	C
931	Mr & Mrs Gxilishe	Yes	Yes	Yes	A
932	Mr&Mrs Gxilishe	Yes	Yes	Yes	A
933	F&S Jansen	Yes	Yes	Yes	A
934	J&S Hendriks	Yes	Yes	Yes	A
937	JJ&E Muller	No	No	No	C
*942	Tengile V	No	No	No	C
*1162	Salaze PZ & C	Yes	Yes	Yes	A
1173	B Ruiters	Yes	Yes	Yes	A
1175	M Mqwazi	No	No	No	C
*1176	Mavumba SM	Yes	Yes	Yes	A
*1191	Myataza TL	Yes	Yes	Yes	A
*1192	Vumazonke A&N	No	No	No	C
*1236	Katshi N	No	No	No	C
*1257	Makhiwa N	Yes	Yes	Yes	A
*1258	Mhlakaza LV	Yes	Yes	Yes	A
*1261	Lebata NS	No	No	No	C
1523	Stellenbosch Baptist Church	No	No	No	C
*1612	Buti AV	No	No	No	C
*1909	Gungxe RM & N	No	No	No	C

## \*Categories

- A: Property has been transferred to beneficiary
- B: Contract has been concluded and Sales Price has been paid, Transfer outstanding due to technicalities.
- C: Property allocated, but no proof of contract, payment or Sales Price.

**List of properties where no submissions were received (Category D)**

Erf number	Size
328	192m <sup>2</sup>
330	160 m <sup>2</sup>
331	160 m <sup>2</sup>
332	160 m <sup>2</sup>
333	148 m <sup>2</sup>
513	194 m <sup>2</sup>
1143	252 m <sup>2</sup>
1155	229 m <sup>2</sup>
1157	233 m <sup>2</sup>
1181	199 m <sup>2</sup>
1182	201 m <sup>2</sup>
1187	204 m <sup>2</sup>
1270	212 m <sup>2</sup>
1633	262 m <sup>2</sup>
2557	625 m <sup>2</sup>

In light of the above it is

**RECOMMENDED**

- (a) that the claims/submissions received as a consequence of the notice be noted;
- (b) that it be noted that the properties listed and marked as category A (updated list), have already been transferred to the beneficiaries;

- (c) that the properties listed and marked as category B (updated list), be transferred to the beneficiaries as soon as possible;
- (d) that the beneficiaries of the properties listed and marked as category C (updated list), be informed in writing to provide the necessary written proof within 3 months that: -
  - (i) the property was allocated to them;
  - (ii) a Sales Agreement has been concluded (or that it now be concluded); and
  - (ii) that the sales price and other outstanding monies have been paid; failing which the properties be put out on tender;
- (e) that the properties listed and marked as category D (Updated list) be put out on tender, subject to the qualifying criteria set out in par. 3.3 (*supra*);
- (f) that a reserve price be determined as the weighed average of two independent valuations; and
- (g) that the properties not yet transferred, i.e. categories B-D, be identified as land not necessary to provide the minimum level of basic municipal services.

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

# APPENDIX 1



**7.2 UNDEVELOPED ERVEN IN KAYAMANDI: WAY FORWARD**

*File number* : 7/2/1/1

*Report by* : Director: Human Settlements and Property Management

*Compiled by* : Manager: Property Management

*Delegated Authority* : Council

**Strategic intent of item**

Preferred investment destination	<input checked="" 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 all undeveloped/vacant plots in Kayamandi; and
- b) To advise on a way forward.

**2. BACKGROUND****2.1 Motion: Councillor Jindela**

On 2014-06-25, following a motion from Councillor Jindela, Council resolved, *inter alia*

- (a) *that a proper identification of all vacant plots in Kayamandi be conducted;*
- (b) *that, if there are any plots allocated to any names and which have not been used currently, such individuals be contacted and be informed of the Council decision and such plots must also be put on the list of plots to be made available;*
- (c) *that a valuation of the vacant plots contemplated in (b) above, be determined to set an affordable price for willing buyers;*
- (d) *that an item be submitted to a next Council meeting with recommendations on how these plots can be made available at affordable prices;*

- (e) *that the list of all available plots be made available for the community of Kayamandi after the decision has been taken by Council; and"*

## 2.2 Identification of vacant plots

Following the above resolution, a process of identification/gathering of information was limited.

A list of vacant plots were compiled and circulated to ward committees of Kayamandi, for comments/inputs. No comments/inputs were received, except from Councillor Jindela, who provided the Department with his own list of undeveloped/vacant plots.

Hereto attached as **APPENDIX 1** proof that the items were send out for comments/inputs to the ward councillors.

## 3. DISCUSSION

### 3.1 Documents required to affect transfer of land

In terms of the law of contract all agreement (contracts), whether reduced to writing, or not (verbal contracts) are equally enforceable in law. However, **contracts of sale of immovable property** are one of few contracts that, by law, **must be recorded in writing**.

In terms of Section 2(1) of the Alienation of Land Act (Act 68 of 1981) "no alienation for land shall be of any force or effect unless it is contained in a deed of alienation, signed by the parties thereto".

Furthermore, a contract of sale of immovable property **must** contain all **material terms** relating to the sale of the said property (i.e. description of land sold, the identity of the parties to the contract, the purchase price, etc.) as well as all the (suspensive) conditions on which terms the said property is being sold.

Currently the disposal of municipal land is regulated by the Municipal Finance Management Act, read with the Asset Transfer Regulation.

At the time awarding the plots listed in **APPENDIX 2**, the Black Local Authourities Act of 1982, and later (1994) the Municipal Ordinance (20/1974) were applicable. In terms of both pieces of legislation, land (except for housing projects) could only be disposed of by way of a public tender process, and authourised by Council (or delegated authority).

### 3.2 Categories of properties

From the list of properties listed in **APPENDIX 2**, the following types of properties can be identified:

**Category A**

Properties allocated to individuals, where contracts were concluded, but where transfer have not taken place, due to technical reasons. Purchase prices have been fully paid. **Category B**

Properties allocated to individuals, where contracts were concluded, but where transfers have not taken place, due to the fact that purchase prices have not been (fully) paid;

**Category C**

Properties allocated to individuals, but where no contracts were concluded.

**Category D**

Properties not allocated to individuals.

**3.3 Way forward**

In order to deal with these properties, the following is suggested:

**Categories A**

Attend to transfer

**Categories B**

Inform individuals that they have 6 months to pay outstanding purchase price, failing which the allocation will be cancelled, in which case the purchase price portion of already paid is to be reimbursed.

**Category C**

Inform individuals that they have 3 months to provide written proof of allocation whereafter contracts be completed and purchase price be paid (at current valuation) within 3 months from date of agreement, failing which the allocation be cancelled.

**Category D**

Place a formal notice in the newspapers, informing the public of Council's intention to dispose of the properties by way of a public tender process unless an individual/organisation can provide written proof that the property was allocated to him/her, such written proof to be provided within 3 months from date of notice.

Following the above process, all properties not being allocated, be disposed of by way of a public tender process. Before embarking on a tender process, or accepting outstanding payments, all properties be valued by two independent valutors (weighed average).

**3.4 Legal requirements****3.4.1 Asset Transfer Regulations (ATR)**

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

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

In terms of Regulation 11, an approval in principle may be given subject to any condition, including conditions specifying a floor price\* or minimum compensation for the capital asset.

\*Please note that Council has made this a condition, i.e. that a floor price be based on the weighed average of two independent valuers, i.e. R241 000 (See paragraph 2.2, *supra*).

**3.4.2 SCM Policy**

In terms of Paragraph 5.4 of the Supply Chain Management Policy, assets may be disposed of by sale or other agreement, after a process which is fair, equitable, transparent and competitive, and which may include a tender process.

**4. INPUTS BY OTHER DEPARTMENTS****4.1 CFO**

Finance supports the Item.

**4.2 Legal Services**

Where the erven were allocated to beneficiaries and the purchase prices are known, the Municipality should proceed with the sale on the basis of that sale agreement and the purchase price agreed between the Municipality and the beneficiaries at the time. Where no sale agreement exists or where no proof that the purchase prices were paid can be provided, current valuations should be utilised based on two valuations obtained.

As far as Category D including Category C is concerned in so far as the beneficiaries cannot provide written proof of allocations, the Municipal Council have to consider the provisions of section 14(1) and 14(2)(a) and (b) of the MFMA read with the provisions of Chapter 2 of the Asset Transfer Regulations (including regulation 5 and regulation 7(a)-(l)).

The recommendations should be amended in accordance with our advice above.

#### 5. CONCLUSION

From the above it is clear that the various properties listed in **APPENDIX 2** falls in different categories, and should be treated differently.

#### RECOMMENDED

- (a) that the Municipal Manager be authorised to act with the various categories of properties, as set out in paragraph 3.3 (*supra*);
- (b) that, following the notice periods referred to in paragraph 3.3 (*supra*), a progress report be submitted to Council, whereafter the tender process can be attended to; and
- (c) that, in the meantime, valuations be obtained from two independent valuers, with the view of determining a market value for the various properties (weighted average).

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

#### **ENGINEERING SERVICES AND HUMAN SETTLEMENTS COMMITTEE MEETING: 2015-09-02: ITEM 6.1.2**

#### RECOMMENDED

- (a) that the Municipal Manager be authorised to act with the various categories of properties, as set out in paragraph 3.3 (*supra*);
- (b) that, following the notice periods referred to in paragraph 3.3 (*supra*), a progress report be submitted to Council, whereafter the tender process can be attended to; and
- (c) that, in the meantime, valuations be obtained from two independent valuers, with the view of determining a market value for the various properties (weighted average).

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

#### **MAYORAL COMMITTEE MEETING: 2015-09-16: ITEM 5.1.2**

**RECOMMENDED BY THE EXECUTIVE MAYOR**

- 
- (a) that the properties are not required to provide the minimum level of basic municipal services;
  - (b) that the Municipal Manager be authorised to act with the various categories of properties, as set out in paragraph 3.3 (*supra*);
  - (c) that, following the notice periods referred to in paragraph 3.3 (*supra*), a progress report be submitted to Council, whereafter the tender process can be attended to;
  - (d) that in the meantime, valuations be obtained from two independent valuers, with the view of determining a market value for the various properties (weighted average);
  - (e) that public participation processes be followed which should include local newspapers, ward committees, libraries, notice boards and public platforms; and
  - (f) that a feedback report be submitted to Council in February 2016.

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

**34<sup>TH</sup> COUNCIL MEETING: 2015-09-23: ITEM 7.2**

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

- (a) that the properties are not required to provide the minimum level of basic municipal services;
- (b) that the Municipal Manager be authorised to act with the various categories of properties, as set out in paragraph 3.3 (*supra*);
- (c) that, following the notice periods referred to in paragraph 3.3 (*supra*), a progress report be submitted to Council, whereafter the tender process can be attended to;
- (d) that in the meantime, valuations be obtained from two independent valuers, with the view of determining a market value for the various properties (weighted average);

- (e) that public participation processes be followed which should include local newspapers, ward committees, libraries, notice boards and public platforms; and
- (f) that a feedback report be submitted to Council in February 2016.

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

*DA Hendrickse; AT van der Walt and MM Wanana.*

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

# APPENDIX 2





# STELLENBOSCH

STELLENBOSCH • PNIEL • FRANSCHHOEK

MUNISIPALITEIT • UMASIPALA • MUNICIPALITY



## OFFICIAL NOTICE VARIOUS UNDEVELOPED ERVEN IN KAYAMANDI: CLAIM TO OWNERSHIP

Notice is hereby given of Stellenbosch Municipality's intent to dispose of the following undeveloped properties, situated in Kayamandi, by way of a public tender process:

Erf description	Size	Erf description	Size	Erf description	Size
298	1248m <sup>2</sup>	328	192 m <sup>2</sup>	1143	252 m <sup>2</sup>
329	160 m <sup>2</sup>	330	160 m <sup>2</sup>	1157	233 m <sup>2</sup>
331	160 m <sup>2</sup>	332	160 m <sup>2</sup>	1173	193 m <sup>2</sup>
333	148 m <sup>2</sup>	513	194 m <sup>2</sup>	1176	264 m <sup>2</sup>
636	180 m <sup>2</sup>	663	168 m <sup>2</sup>	1182	201 m <sup>2</sup>
718	990 m <sup>2</sup>	747	213 m <sup>2</sup>	1191	192 m <sup>2</sup>
756	627 m <sup>2</sup>	781	249 m <sup>2</sup>	1155	229 m <sup>2</sup>
783	212 m <sup>2</sup>	802	204 m <sup>2</sup>	1162	244 m <sup>2</sup>
830	204 m <sup>2</sup>	850	204 m <sup>2</sup>	1175	245 m <sup>2</sup>
931	204 m <sup>2</sup>	932	204 m <sup>2</sup>	1181	199 m <sup>2</sup>
933	204 m <sup>2</sup>	934	231 m <sup>2</sup>	1187	204 m <sup>2</sup>
937	204 m <sup>2</sup>	942	217 m <sup>2</sup>	1192	192 m <sup>2</sup>
1236	220 m <sup>2</sup>	1258	195 m <sup>2</sup>	1270	212 m <sup>2</sup>
1257	183 m <sup>2</sup>	1261	204 m <sup>2</sup>	1523	1140 m <sup>2</sup>
1612	173 m <sup>2</sup>	1633	262 m <sup>2</sup>	1909	233 m <sup>2</sup>
2557	625 m <sup>2</sup>				

Any person/legal entity who has any legal claim\* on any of these properties, must provide written proof of the following to the undersigned within 3 months from date of this notice:

1. Letter of allocation;
2. Sales/Lease Agreement; and
3. Proof of payment of Sales/Leasehold amount

\*Be it a claim of ownership/Lease Hold or existence of a Lease Agreement.

Should no legal claims be lodged within the period referred to above, the Municipality will assume that the properties are free of any claim, where after it will be disposed of by way of a public tender process.

Notice is further given in terms of Section 21 of the Local Government Systems Act, 32 of 2000, that:

- a) any interested person/legal entity wishing to comment on the proposed intention of the Municipality must do so in writing or via e-mail to the below-mentioned address within 3 months from date of this notice;
- b) any person who cannot write may come during office hours to the office of Mr Piet Smit, Manager: Property Management, third floor, Oude Bloemhof building, Pleinstreet, Stellenbosch, who will assist that person to transcribe that person's comments or representations.

All correspondence should be addressed to:

The Manager: Property Management  
PO Box 17  
Stellenbosch  
7600

or

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

**ACTING MUNICIPAL MANAGER  
DUPRE LOMBAARD**

**Date: 12 November 2015**

**8.2 LANQUEDOC HOUSING PROJECT: PROPOSED TRANSFER OF UNALLOCATED RESIDENTIAL PROPERTIES***File number* : 7/2/1/1/*Report by* : Director: HS & PM (T. Mfeya)*Compiled by* : Manager: Property Management (P Smit)*Delegated Authority* : Council**Strategic intent of item:**

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

**1. PURPOSE OF REPORT**

To consider a request from the Lanquedoc Housing Association (LHA) to transfer a number of unallocated residential properties in Lanquedoc to Stellenbosch Municipality, free of charge.

**2. BACKGROUND****2.1 The Lanquedoc Housing project**

During the 1990's the Lanquedoc Housing Project was initiated by the then Anglo American Farms Limited (AAF) with the view of providing housing opportunities to their employees and ex-employees who left the company in good standing. For this purpose the Lanquedoc Housing Association (LHA) was duly established for the development of the housing project on land donated by AAF.

Some members of the LHA, however, refused to take occupation of their allocated houses, whilst some houses were built in excess of the total number of members. All of the 23 improved erven (houses) have subsequently been substantially vandalised and some have been illegally occupied. These erven are owned by the LHA.

There are a further eight (8) unimproved residential erven that were not allocated to qualifying member of the LHA. These erven are still undeveloped and is owned by the LHA.

**2.2 Transfer of Communal erven in progress**

During 2014 Council **approved** an application from the LHA to transfer 5 communal properties to the Municipality, **on condition that the outstanding debt on the 31 residential properties be written off.** The transfer of the 5 communal properties is in progress.

**2.3 Request for transfer of unallocated erven**

Hereto attached as **APPENDIX 1** an application received from the LHA, requesting the transfer of the remaining, unallocated properties to Stellenbosch Municipality, subject to certain conditions.

**3. DISCUSSION****3.1 The proposal**

The LHA would like to donate to Stellenbosch Municipality (SM) the above residentially zoned properties listed below:

- a) The SM waives any outstanding municipal rates and taxes and or outstanding payments for municipal services and or any other debt that may exist with regards to the erven\*. The SM agrees to provide the necessary clearance certificated in order for the transfer of the erven to take place;

**\*Please note** that Council has already written off the outstanding debt during 2014.

- b) The SM is responsible for the payment of all the costs incidental to the transfer of the erven to the SM as well as the costs associated with the drafting of an "*Agreement of Donation*";
- c) The SM and/or new owners complies with the Languedoc Architectural and Development Guidelines and that this be included as a suspensive condition of sale in the event that SM sells any of the erven;
- d) The SM complies with the existing building plans for the renovation of or building of any residential buildings on any of the erven and that this be included as a suspensive condition of donation in the event that the SM sells any of the erven;
- e) The SM utilises the erven as it deems fit but with the condition that any proceeds associated with the sale of the erven and or the overall utilisation of the erven be for the benefit of the Lanquedoc community.
- f) The SM accepts that the erven are donated on a voetstoots basis, as they stand, and the LHA shall not be held responsible for any defects in the erven, either patent or latent nor for any occupation, illegal or otherwise, of the erven;
- g) The SM accepts that the LHA is not obliged to show to the SM the beacons, boundaries or corner pegs of the erven and is not responsible for any deficit and will not benefit from any surplus.

**3.2. Improved Residential Erven**

Erf no.	Zoning Description	House Size (sqm)
135	Residential	28
136	Residential	51
137	Residential	66
138	Residential	71

190	Residential	51
203	Residential	51
216	Residential	51
244	Residential	51
246	Residential	66
285	Residential	51
287	Residential	51
322	Residential	51
356	Residential	51
360	Residential	51
369	Residential	66
373	Residential	66
377	Residential	51
379	Residential	66
444	Residential	66
470	Residential	66
487	Residential	28
593	Residential	66
594	Residential	66

### 3.3 Unimproved Residential Erven

Erf no.	Zoning Description
127	Residential
128	Residential
522	Residential
523	Residential
524	Residential
525	Residential
526	Residential
527	Residential

### 3.4 Illegal occupied buildings

According to the LHA 7 of the 23 units have been illegally occupied by individuals. For Stellenbosch Municipality to take transfer of these units will shift the responsibility to the Municipality to obtain eviction orders, at great cost. Even if we were to be successful in obtaining eviction orders, we will then probably have to provide alternative accommodation. For this reason it is suggested that we only take transfer of the units **once vacant occupation has been guaranteed.**

### 3.5 Vandalised structures

Should Council indeed accept the donation of the 23 units, after vacant occupation has been obtained, it will be on a voetstoots basis, meaning that we must either take responsibility for the renovation of the units before disposal, or dispose of it on a voetstoots basis. It is suggested that we dispose of the units on a voetstoots basis.

## 4. INPUTS BY OTHER DEPARTMENTS

### 4.1 Legal Services

The item and recommendations are supported.

**4.2 Financial Services**

Finance supports the Item

**5. CONCLUSION**

From the above it is clear that the LHA is not in a position to manage the properties. For this reason they are willing to donate same to Stellenbosch Municipality on conditions that all outstanding debt be written off. By taking transfer of properties that are illegally occupied will transfer the risk to Stellenbosch Municipality.

**RECOMMENDED**

- (a) that the offer from the LHA to donate the 23 improved residential units and 8 unimproved sites as listed in paragraphs 3.2 and 3.3 (*supra*) be accepted, on condition that transfer only occur once vacant occupation has been obtained;
- (b) that the Municipality takes responsibility for the payment of all costs incidental to the transfer of the properties; and
- (c) that Council accept the conditions set out in paragraph 3.1 (a) – (g) (*supra*)

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

**ENGINEERING SERVICES AND HUMAN SETTLEMENTS COMMITTEE  
MEETING: 2016-05-04: ITEM 5.1.2****RECOMMENDED**

- (a) that the offer from the Lanquedoc Housing Association (LHA) to donate the 23 improved residential units and 8 unimproved sites as listed in paragraphs 3.2 and 3.3 (*supra*) be accepted, on condition that transfer only occur once vacant occupation has been obtained;
- (b) that the Municipality takes responsibility for the payment of all costs incidental to the transfer of the properties;
- (c) that Council accept the conditions set out in paragraph 3.1 (a) – (g) (*supra*); and
- (d) that prior to any transfer taking place, the Lanquedoc Housing Association (LHA) provide the Municipality with the necessary locus standi.

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

*Councillors JA Davids; P Mntumni (Ms) and L Ronoti.*

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

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**MAYORAL COMMITTEE MEETING: 2016-05-18: ITEM 5.1.2****RECOMMENDED BY THE EXECUTIVE MAYOR**

- (a) that the offer from the Lanquedoc Housing Association (LHA) to donate the 23 improved residential units and 8 unimproved sites as listed in paragraphs 3.2 and 3.3 (*supra*) be accepted, on condition that transfer only occur once vacant occupation has been obtained;
- (b) that the Municipality takes responsibility for the payment of all costs incidental to the transfer of the properties;
- (c) that Council accept the conditions as set out in paragraph 3.1 (a) – (g) (*supra*); i.e.
  - (i) that the Stellenbosch Municipality (SM) waives any outstanding municipal rates and taxes and or outstanding payments for municipal services and or any other debt that may exist with regards to the erven. The SM agrees to provide the necessary clearance certificated in order for the transfer of the erven to take place;
  - (ii) that the Stellenbosch Municipality (SM) is responsible for the payment of all the costs incidental to the transfer of the erven to the SM as well as the costs associated with the drafting of an “Agreement of Donation”;
  - (iii) that the Stellenbosch Municipality (SM) and/or new owners complies with the Languedoc Architectural and Development Guidelines and that this be included as a suspensive condition of sale in the event that SM sells any of the erven;
  - (iv) that the Stellenbosch Municipality (SM) complies with the existing building plans for the renovation of or building of any residential buildings on any of the erven and that this be included as a suspensive condition of donation in the event that the SM sells any of the erven;
  - (v) that the Stellenbosch Municipality (SM) utilises the erven as it deems fit but with the condition that any proceeds associated with the sale of the erven and or the overall utilisation of the erven be for the benefit of the Lanquedoc community;
  - (vi) that the Stellenbosch Municipality (SM) accepts that the erven are donated on a voetstoots basis, as they stand, and the LHA shall not be held responsible for any defects in the erven, either patent or latent nor for any occupation, illegal or otherwise, of the erven; and
  - (vii) that the Stellenbosch Municipality (SM) accepts that the LHA is not obliged to show to the SM the beacons, boundaries or corner pegs of the erven and is not responsible for any deficit and will not benefit from any surplus; and
- (d) that prior to any transfer taking place, the Lanquedoc Housing Association (LHA) provide the Municipality with the necessary locus standi.

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

# APPENDIX 1

## Lanquedoc Housing Association

P O Box 205, Groot Drakenstein, 7680

☎ Chairperson 076 333 6884; Secretary 073 779 3267; Treasurer 073 344 5489  
Registered in terms of the Communal Property Associations Act No. 28 of 1996  
Reg No : CPA/98/0098/a

6 February 2015

Mr. Piet Smit

Stellenbosch Municipality

Dear Piet

### **LANQUEDOC : UNALLOCATED RESIDENTIAL ERVEN**

We refer to our meetings dated 14 July and 19 September 2014 in this regard.

#### Background

The Lanquedoc Housing Project (LHP) evolved from a strategic review process undertaken by Anglo American Farms Limited (AAF) (now Anglo American Farms Investment Holdings (Pty) Ltd) in 1990 that identified housing as a primary social issue both from the company's and its employees' viewpoints. In order for its permanent employees, its ex-permanent employees who left AAF in good standing and legal occupiers, in terms of the Extension of Security of Tenure Act No. 62/1997 who resided on AAF's land in the Western Cape, their dependants and future generations to enjoy prosperity and security of tenure, the Lanquedoc Housing Association (LHA) was duly established, AAF agreed to make certain land available to the LHA for the development of a housing scheme. The LHA is a registered communal property association (CPA) under the auspices of the Communal Property Associations Act, No. 28 of 1996.

Some members of the LHA refused to take occupation of their allocated houses and some houses were built in excess of the total membership requirement. All of these 'improved erven' have subsequently been substantially vandalised and some have

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#### **Executive Committee / Uitvoerende Bestuur**

E Kleinschmidt, Aubrey Adams, Jacobus Brinkhuys, Willem Abrahams (*Secretary*), Stanley Mqokozo, S. Manuel, N.Samuels, John Harris (*Chairperson*), C. Mpahleni, D. Claasen.  
Company Representative: S Hosking



been illegally occupied. At the time of writing this letter, there are twenty three (23) vandalised unallocated 'improved erven' at Lanquedoc (as per the list in Annexure A attached hereto marked 'A'). These erven are owned by the LHA.

The original "Development Plan" for Lanquedoc included eight (8) 'unimproved erven', zoned for residential usage, that were not allocated to qualifying members of the LHA and these erven have subsequently not been utilised within the Lanquedoc Housing Project (LHP) (as per the list in Annexure A attached hereto marked 'B'). These erven are owned by the LHA.

#### Proposal

The LHA would like to officially offer to donate to the Stellenbosch Municipality (SM) the above mentioned residentially zoned erven in Annexure A, 'the erven' on condition that:

1. the SM waives any outstanding municipal rates and taxes and or outstanding payments for municipal services and or any other debt that may exist with regards to the erven. The SM agrees to provide the necessary clearance certificates in order for the transfer of the erven to take place;
2. the SM is responsible for the payment of all the costs incidental to the transfer of the erven to the SM as well as the costs associated with the drafting of an 'Agreement of Donation';
3. the SM complies with the Lanquedoc Architectural and Development Guidelines (as per Annexure B) and that this be included as a suspensive condition of sale in the event that the SM sells any of the erven;
4. the SM complies with the existing building plans as per Annexure (C1), (C2), (C3) and (C4) for the renovation of or building of any residential buildings on any of the erven and that this be included as a suspensive condition of donation in the event that the SM sells any of the erven;

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#### Executive Committee / Uitvoerende Bestuur

E Kleinschmidt, Aubrey Adams, Jacobus Brinkhuys, Willem Abrahams (*Secretary*), Stanley Mqokozo, S. Manuel, N. Samuels, John Harris (*Chairperson*), C. Mpahleni, D. Claasen.  
*Company Representative:* S Hosking

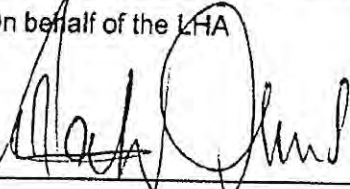
5. the SM utilises the erven as it deems fit but with the condition that any proceeds associated with the sale of the erven and or the overall utilisation of the erven be for the benefit of the Lanquedoc community.
6. the SM accepts that the erven are donated on a voetstoots basis, as they stand, and the LHA shall not be held responsible for any defects in the erven, either patent or latent nor for any occupation, illegal or otherwise, of the erven;
7. the SM accepts that the LHA is not obliged to show to the SM the beacons, boundaries or corner pegs of the erven and is not responsible for any deficit and will not benefit from any surplus.

The LHA appreciates the support received from the SM with regards to the finalisation of underutilised erven in Lanquedoc as a whole and trusts that the SM accepts the LHA's above offer with regards to the remaining residential erven.

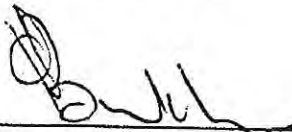
Yours sincerely



On behalf of the LHA



On behalf of the LHA



On behalf of the LHA

---

**Executive Committee / Uitvoerende Bestuur**

E Kleinschmidt, Aubrey Adams, Jacobus Brinkhuys, Willem Abrahams (*Secretary*), Stanley Mqokozo, S. Manuel, N.Samuels, John Harris (*Chairperson*), C. Mpahleni , D. Claasen.

Company Representative: S Hosking

## ANNEXURE A (page 1 of 2)

## A. Improved Residential Erven

	Erf No.	Zoning Description	House Size (sqm)
1	135	Residential	28
2	136	Residential	51
3	137	Residential	66
4	138	Residential	71
5	190	Residential	51
6	203	Residential	51
7	216	Residential	51
8	244	Residential	51
9	246	Residential	66
10	285	Residential	51
11	287	Residential	51
12	322	Residential	51
13	356	Residential	51
14	360	Residential	51
15	369	Residential	66
16	373	Residential	66
17	377	Residential	51
18	379	Residential	66
19	444	Residential	66
20	470	Residential	66
21	487	Residential	28
22	593	Residential	66
23	594	Residential	66

**Executive Committee / Uitvoerende Bestuur**

E Kleinschmidt, Aubrey Adams, Jacobus Brinkhuys, Willem Abrahams (*Secretary*), Stanley Mqokozo, S. Manuel, N.Samuels, John Harris (*Chairperson*), C. Mpahleni, D. Claasen.

Company Representative: S Hosking

## ANNEXURE A (page 2 of 2)

**B. Unimproved Residential Erven**

	<b>Erf No.</b>	<b>Zoning Description</b>
1	127	Residential
2	128	Residential
3	522	Residential
4	523	Residential
5	524	Residential
6	525	Residential
7	526	Residential
8	527	Residential

---

**Executive Committee / Uitvoerende Bestuur**

E Kleinschmidt, Aubrey Adams, Jacobus Brinkhuys, Willem Abrahams (*Secretary*), Stanley Mqokozo, S. Manuel, N.Samuels, John Harris (*Chairperson*), C. Mpahleni , D. Claasen.

Company Representative: S Hosking

# Lanquedoc Housing Association

P O Box 205, Groot Drakenstein, 7680

☎ Chairperson 076 333 6884; Secretary 073 779 3267; Treasurer 073 344 5489

Registered in terms Section 8 (c) of the Communal Property Associations Act, 1996 (Act No 28 of 1996)  
Reg No : CPA/98/0098/a

1 November 2012

To whom it may concern.

Dear Sir/ Madam,

The Lanquedoc Housing Association (LHA) had an Annual General Meeting (AGM) and elections for the new Executive Committee on the 13 September 2012.

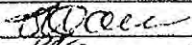
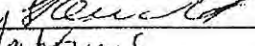

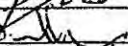
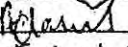

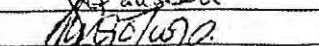


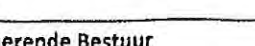
At that meeting the new committee was elected to take over the management and other related development matters for Lanquedoc community.

A follow-up meeting was held on the 20<sup>th</sup> of October with the new executive committee where, in accordance with the Lanquedoc Housing Association Constitution, they endorsed to change the signatories of LHA bank account.

It was agreed that the following members would be signatories:

- John Harris (Chairman)
- Willem Abrahams (Secretary)
- J. Brinkhuys (Treasurer)

The following executive committee members who were present at the meeting and signed by each individual:

NAME	SIGNED
John Harris (Chairman)	
Aldred Kleinschmidt (Vice Chair)	
Willem Abrahams (Secretary)	
N. Samuels (Assistance)	
J. Brinkhuys (Treasure)	
A. Adams (member)	
C. Mpahleni (member)	
D. Claasen (member)	
S. Mqokozo (member)	
S. Manuel (member)	

Executive Committee / Uitvoerende Bestuur

E Kleinschmidt, Aubrey Adams, Jacobus Brinkhuys, Willem Abrahams (Secretary), Stanley Mqokozo, S. Manuel, N.Samuels, John Harris (Chairperson), C. Mpahleni, D. Claasen.  
Company Representative: S Hosking

**8.3 PROGRESS REPORT: POLICY FOR SELF- GENERATION OF ELECTRICITY**

*File number* : 8/1/Engineering Services  
*Report by* : Director: Engineering Services  
*Compiled by* : Acting Manager: Electrical Services  
*Delegated Authority* : Council

**Strategic intent of item**

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

**1. PURPOSE OF REPORT**

To inform Council of the progress made regarding potential financial implications that will result from the implementation of the proposed policy on the self-generation of electricity, in terms of the resolution by the Portfolio Committee of 5 February 2014.

**2. BACKGROUND**

In the light of Eskom's electricity supply problems, as well as the new trend of traditional consumers of electricity to self-generate electricity by means of photo voltaic panel installation, the Engineering Services embarked on a project to develop a policy on self-generation of electricity.

Such a proposed Policy on Renewable Energy/ Alternate Energy Generation was submitted to the Portfolio Committee on 5 February 2014. After discussion, it was resolved as follows:

**ENGINEERING SERVICES AND HUMAN SETTLEMENTS  
COMMITTEE MEETING: 2014-02-05: ITEM 5.1.5****RESOLVED (nem con)**

- (a) that the proposed policy and the comments by the CFO regarding renewable power installations, be noted;
- (b) that the policy be referred back to the Administration to comment on the potential financial implications that will result from the implementation of this policy; and

- (c) that this matter be resubmitted to this Committee after giving effect to (b) above.

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

Whilst the policy was drafted and made technical recommendations, the Chief Financial Officer recommended that an investigation had to be conducted to determine the potential financial impact of such a policy on the municipality's revenue.

**3. DISCUSSION**

As part of the Stellenbosch collaboration with and participation in the provincial GreenCape initiative, this forum undertook to assist with such an investigation.

The topic is also very relevant and current, and discussions were attended with SALGA, NERSA and other industry players. There is no national guidance on the matter and it necessitated some very detailed and cumbersome research and analysis to come to a conclusive answer.

The report from GreenCape was made available on 11 May 2015 and the content was also presented to officials by their provincial counterparts. The recommendations are not simple and various scenarios and possibilities should be considered.

The report is currently being scrutinized and discussed internally with the aim to incorporate the findings and amend the policy accordingly, whereafter it will be submitted to Council for consideration, and a subsequent public participation and approval process.

**RECOMMENDED**

that this Committee takes note of the progress made in terms of the study into the potential financial implications that may result from the implementation of the proposed policy on self-generation of electricity.

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

**ENGINEERING SERVICES AND HUMAN SETTLEMENTS COMMITTEE  
MEETING: 2015-06-03: ITEM 5.2.3**

**RESOLVED** (nem con)

that this Committee takes note of the progress made in terms of the study into the potential financial implications that may result from the implementation of the proposed policy on self-generation of electricity.

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

---

**FURTHER COMMENTS FROM THE DIRECTORATE: ENGINEERING SERVICES**

The report mentioned in the previous item has been scrutinized by the Manager: Electrical Services and it can be summarized as follows:

Self-generation of electricity by consumers will reduce the profit of the Municipality on the sale of electricity. What the impact will be is difficult to determine because there is too many unknown factors.

The Municipality can influence the negative impact to a certain extent by designing the tariffs accordingly.

The directorate together with Green Cape will now amend the draft policy, determine the rules and regulations and draw up an application form after which it will be submitted to Council for approval and subsequent implementation.

Green Cape will also assist in the design of the tariffs for consumers who wish to go the route of the self-generation of electricity with the aim to minimize the impact on the income of the Municipality.

**RECOMMENDED**

that the Committee take note of the further progress made in terms of the study into the potential financial implications that may result from the implementation of the proposed policy on self-generation of electricity.

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

**ENGINEERING SERVICES AND HUMAN SETTLEMENTS COMMITTEE MEETING: 2015-08-05: ITEM 6.2.3****RECOMMENDED**

that the Committee take note of the further progress made in terms of the study into the potential financial implications that may result from the implementation of the proposed policy on self-generation of electricity.

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

**MAYORAL COMMITTEE MEETING: 2015-08-19: ITEM 5.1.5****RECOMMENDED BY THE EXECUTIVE MAYOR**

that Council note the further progress made in terms of the study into the potential financial implications that may result from the implementation of the proposed policy on self-generation of electricity.

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



**33<sup>RD</sup> COUNCIL MEETING: 2015-08-25: ITEM 7.9****RESOLVED** (nem con)

that this matter be referred back to allow the Administration to submit a Progress Report to Council as mentioned in the item.

**(ACTING DIRECTOR: ENGINEERING  
SERVICES TO ACTION)****FURTHER COMMENTS FROM THE DIRECTORATE: ENGINEERING  
SERVICES**

The policy with guidelines and application procedures have been completed and are attached as **APPENDIX 1**, **APPENDIX 2A** and **APPENDIX 2B** respectively. The policy will serve as a temporary guideline until such time as National Standards are finalized and NERSA has provided a clear policy in terms of the Electricity Regulation Act (Act 4 of 2006).

The tariff design has been incorporated into 2016/17 tariff structure which will be presented to Council for approval in May 2016.

It is the Directorate: Engineering Services' proposal that the policy together with the guidelines and application procedures be accepted by Council in principle after which a public participation process with external and internal stakeholders will follow.

**RECOMMENDED**

- (a) that the Policy on self-generation of Electricity, attached as **APPENDIX 1**, **APPENDIX 2A** and **APPENDIX 2B**, be accepted as a Draft Policy;
- (b) that the Draft Policy be advertised for public input (internal and external);
- (c) that the Acting Director: Engineering Services incorporate the public input (external and internal); and
- (d) that the Draft Policy, with public input (external and internal stakeholders) be resubmitted to Council for final approval.

**(ACTING DIRECTOR: ENGINEERING  
SERVICES TO ACTION)****ENGINEERING SERVICES AND HUMAN SETTLEMENTS COMMITTEE  
MEETING: 2016-05-04: ITEM 6.1.2****RECOMMENDED**

- (a) that the Policy on self-generation of Electricity, attached as **APPENDIX 1**, **APPENDIX 2A** and **APPENDIX 2B**, be accepted as a Draft Policy;

- (b) that the Draft Policy be advertised for public input (internal and external);
- (c) that the Acting Director: Engineering Services incorporate the public input (external and internal); and
- (d) that the Draft Policy, with public input (external and internal stakeholders) be resubmitted to Council for final approval.

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

**MAYORAL COMMITTEE MEETING: 2016-05-18: ITEM 5.1.5**

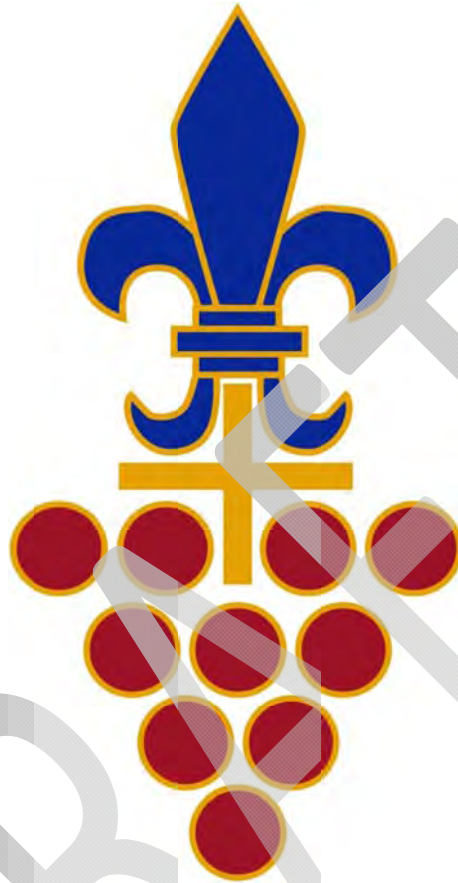
**RECOMMENDED BY THE EXECUTIVE MAYOR**

- (a) that the Policy on self-generation of Electricity, attached as **APPENDIX 1, APPENDIX 2A and APPENDIX 2B**, be accepted as a Draft Policy;
- (b) that the Draft Policy be advertised for public input (internal and external);
- (c) that the Acting Director: Engineering Services incorporate the public input (external and internal); and
- (d) that the Draft Policy, with public input (external and internal stakeholders) be resubmitted to Council for final approval.

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

# APPENDIX 1

**STELLENBOSCH MUNICIPALITY**



**SELF GENERATION OF ELECTRICITY  
AND  
FEEDBACK INTO THE STELLENBOSCH MUNICIPAL GRID  
POLICY**

**2015/2016**

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## 1. Preamble

The purpose of this document is to regulate the business regarding the new trend in the electricity reticulation business where traditional users/consumers of electricity are also allowed to generate electricity for own use and to feed back surplus generation into the Municipal grid.

This policy will serve as an interim guideline until such time as National Standards are finalised and NERSA has provided a clear policy in terms of Electricity Regulation Act [Act 4 of 2006].

## 2. Different types of Self Generators

### 2.1 Independent Power Producers IPP's

These are entities that specialise in the generation of electricity only. They are larger generators of 5 MVA and above and supply to the Eskom grid at an agreed tariff, stipulated through a Purchase Power Agreement.

### 2.2 Embedded power generators

These are users/consumers of Electricity that also generate electricity. The following scenarios can exist:-

2.2.1 Not connected to the Municipal grid, generate and use own electricity

2.2.2 Connected to the grid, also generate electricity for own use. Do not feed back into the grid.

2.2.3 Connected to the grid, also generate electricity for own use and feeds back surplus generation into the grid.

This policy covers the Embedded generators described in 2.2.2 and 2.2.3.

## 3. Legislation, Standards etc.

The Embedded generators shall adhere to all requirements from the Department of Energy (DOE) and the National Electricity Regulator of South Africa (NERSA) and Stellenbosch Municipality and shall comply to the following Legislation and Standards:-

- Electricity Regulation Act (Act 4 of 2006);
- Occupational Health and Safety Act (Act 85 of 1993);
- Distribution Grid Code (all parts);
- The South African Grid Code (all parts);
- Stellenbosch Municipality Electricity Services Supply By-Law;
- Eskom DST 34-1765 Distribution standards for the interconnection of embedded generation;

- NRS 097-2-1 Grid interconnection of embedded generation Part 2: Small scale embedded generation, Section 1: Utility interface;
- NRS 097-2 Grid interconnection of embedded generation Part 2: Small scale embedded generation, Section 2 to 4 (once published);
- NRS 048 – Quality of supply Part 2: Voltage characteristics, compatibility levels, limits and assessment methods and Part 4: Application guidelines for utilities, Part 7, Application practices for end-customers (once published);
- SANS 10142-1-The wiring of premises:
- SANS 474/NRS 057 Code of practice for electricity metering.

#### 4. Important Principles

- Stellenbosch Municipality will be responsible for the infrastructure up to the point of supply including the meter. After this point the responsibility will lie with the applicant.

The point of supply is normally, but not always, the metering point.

- The Stellenbosch Municipality will not be responsible for any cost regarding the installation. Should the Stellenbosch Municipality be required to do any work on its network a quotation will be supplied and the work will only commence after full payment of the required amount has been received.
- Most important are the safety of the Stellenbosch Municipal staff, the public and the users of the generator and special care will have to be taken to ensure that installations comply with the required safety standards.

The applicant will be responsible for the safety of the installation.

- Further implications include the impact of the physical presence of the generator, neighbours and the quality of electricity supply in the vicinity of the generation.

The applicant will be responsible for these implications.

- Stellenbosch Municipality reserves the right to retrospectively require generators who have been given permission to connect to the grid to comply with new or revised national standards when adopted.
- This document only deals with the requirements for the electrical connection. Requirements for other departments of Stellenbosch Municipality regarding the erection and or installation of the proposed generators, must be cleared with the relevant department.

## 5. Application procedures and conditions

The procedures will be as follows:-

- The prospective generator of electricity will have to submit an application to the Stellenbosch Municipality.
- If so required by NERSA The applicant will have to obtain a license to generate electricity from NERSA and submit it with the application.
- Pay any fees as required by the Stellenbosch Municipality.
- Installation can follow after final approval.
- A Certificate of Compliance (C.O.C) has to be obtained after completion.

Information required:-

- Completed application form.
- Embedded generator commissioning information.
- Type verification tests for embedded generator and protection.
- Copy of Certificate of Compliance.
- Declaration by Professional Technologist/Engineer registered with ECSA.
- The customer name and account number.
- The technology of the generator.
- The capacity of the installation.
- The location, both on the network and GPS co-ordinates.
- The capacity of energy storage, if installed.

## 6. Measurement and billing of reverse power flow

- Embedded generators can be allowed to feedback surplus generation back into the Stellenbosch Municipal grid if so approved by the Stellenbosch Municipality. However the Stellenbosch Municipality is not obliged to pay for this power until such time as the required guidelines, regulations etc. from NERSA are available. Tariffs will be according to NERSA guidelines and will be approved by NERSA.
- Metering will be done by an approved bi-directional meter, which meters both the forward and reverse flow of electricity and gives separate readings for both.
- Net-metering where the meter automatically subtract the reverse flow from the forward flow, as well as Electromechanical meters turning backwards with reverse power flow will not be allowed.



# APPENDIX 2



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



# **Guidelines for Small Scale Embedded Generation in Stellenbosch Municipality**



**Guideline to the Application process to  
become an embedded generator in the  
Municipality of Stellenbosch**

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## i. Guideline information

<b>Guideline Title</b>	Small Scale Embedded Generation Guidelines in Stellenbosch Municipality
<b>Guideline Goals</b>	<p>The parallel connection of any generator to the municipal electrical grid, however powered, has numerous implications for the local Municipality. It shall therefore be regulated and managed. The goals of this guideline are to:</p> <ul style="list-style-type: none"> <li>• Ensure the safety of the municipal staff, the public and the user of the SSEG installation.</li> <li>• Mitigate the impact of the physical presence of the SSEG installation on neighbours (e.g. visual, noise).</li> <li>• Mitigate the impact on the quality of the municipal electricity supply, and metering and billing issues.</li> <li>• Mitigate the impact on cross subsidisation of indigent customers and other municipal services.</li> <li>• Promote growth in the SSEG industry by creating a conducive environment for growth.</li> </ul>
<b>Intended outcome</b>	The purpose of this document is to give each stakeholder relevant guidance regarding the municipal SSEG rules, regulations, tariffs and application process.
<b>Scope</b>	<p>This document covers:</p> <ul style="list-style-type: none"> <li>• The connection of SSEG to the municipal electrical grid only</li> <li>• Installations smaller than 1MW peak.</li> <li>• On-grid (grid tied and grid limited) and off-grid SSEG installations.</li> <li>• installations for “self-consumption” only</li> </ul> <p>This document does not cover:</p> <ul style="list-style-type: none"> <li>• Wheeling regulations</li> <li>• The connection of SSEG to the Eskom electrical grid.</li> <li>• Inverter testing regulations and procedures</li> </ul>
<b>Defining small scale embedded generation</b>	<p>Small-scale embedded generation (SSEG) refers to power generation under 1MW/1000kW, which are located on residential, commercial or industrial sites where electricity is also consumed. SSEG is in contrast to large-scale generation units that generate large amounts of power, typically in the multi-Megawatt range.</p> <p>The majority of the electricity generated by an SSEG should be consumed directly on site. Times shall arise when generation exceeds consumption and typically a limited amount of power is allowed to flow in reverse - from the customer onto the municipal electrical grid.</p> <p>A SSEG customer therefore generates electricity on the customer’s side of the municipal electricity meter.</p>

## ii. Glossary & Definitions

<b>Alternating current</b>	The flow of electrical energy that follows a sine wave and changes direction at a fixed frequency (i.e. it 'alternates'). Most residential and commercial uses of electricity require alternating current.
<b>Direct Current</b>	The flow of electrical energy in one constant direction. Direct current is typically converted to alternating current for practical purposes as most modern uses of electricity require alternating current.
<b>Anti-Islanding</b>	The ability of an SSEG installation to instantly and automatically disconnect the generator from the municipal electrical grid whenever there is a power outage in the utility municipal electrical grid, thus preventing the export of electricity to the municipal electrical grid from the SSEG. This is done primarily to protect municipal electrical grid workers who may be working on the grid and who may be unaware that the grid is still being energized by the SSEG.
<b>Bi-directional meter</b>	A meter that separately measures electricity flow in both directions (import and export)
<b>Cogeneration</b>	The sequential or simultaneous generation of multiple forms of useful energy (usually mechanical and thermal) in a single, integrated system.
<b>Customer</b>	In the context of this document, customers who also generate shall be referred to as "customers", although in effect they are "customer/generators".
<b>Generating capacity</b>	The maximum amount of electricity, measured in kilovolt Amperes (kVA), which can flow out of the generation equipment into the customer's alternating current wiring system. This is therefore the maximum alternating current power flow which can be generated.
<b>Grid-tied</b>	An SSEG that is connected to the municipal electrical grid either directly or through a customer's internal wiring is said to be "grid-tied". The export of energy onto the municipal electrical grid is possible when generation exceeds consumption at any point in time.
<b>Inverter</b>	A power device that converts direct current to alternating current at a voltage and frequency which enables the generator to be connected to the municipal electrical grid.
<b>Isolated</b>	A section of an electrical grid wiring or equipment which is disconnected from all possible sources of electrical potential is said to be isolated
<b>Load profile</b>	The variation of the customers rate of electricity consumption (or demand) over time.
<b>Low-voltage</b>	Voltage levels up to and including 1 kV. (1kV= 1000 Volts)
<b>Medium-voltage</b>	Voltage levels greater than 1 kV up to and including 33 kV.
<b>Net customer</b>	A net customer is someone who purchases (imports) consumes more kWh of electricity than they export (sell) over any 12 month period.
<b>Pr Eng or Pr Tech Eng or Pr Techni Eng</b>	This refers to a professional engineer, professional technologist or professional engineering technician who is registered with the Engineering Council of South Africa (ECSA).
<b>Reverse power flow</b>	The flow of energy from the customer electricity installation onto the municipal electrical grid (i.e. export) as a result of the instantaneous generation exceeding the instantaneous consumption at the generation site in question.
<b>Reverse power flow blocking</b>	A device which prevents power flowing from an embedded generator back onto the municipal electrical grid.
<b>Small Scale embedded generator</b>	A small-scale embedded generator for the purposes of these guidelines is an embedded generator with a generation capacity of less than 1000 kW (1MW).
<b>Stand-alone generator/off-grid generator</b>	A generator that is not in any way connected to the municipal electrical grid. Export of energy onto the municipal electrical grid by the generator is therefore not possible.

### iii. Abbreviations

<b>AMI</b>	Advanced Metering Infrastructure
<b>ECSA</b>	Engineering Council of South Africa
<b>kVA</b>	kilo-Volt Ampere (unit of electrical power, often similar in magnitude to kW)
<b>kW</b>	kilo-Watt (unit of electrical power)
<b>kWp</b>	kilo-Watt peak (the rated peak output of solar PV panels)
<b>LV</b>	Low voltage
<b>MV</b>	Medium voltage
<b>MVA</b>	Mega-Volt Amperes (1000 kVA)
<b>NERSA</b>	National Energy Regulator of South Africa
<b>NMD</b>	Notified Maximum Demand
<b>PV</b>	Photovoltaic
<b>SSEG</b>	Small Scale Embedded Generation/Generator
<b>VAT</b>	Value added tax
<b>PPM</b>	Prepayment meter

## 1. Introduction

Since early 2008 when South Africa experienced serious load shedding, because of inadequate generating capacity, the energy landscape has changed considerably.

In addition to the need for more generation capacity the global commitments to carbon mitigation accelerated the increasing interest in alternative energy. Various wind farms and solar energy plants have been built since and are feeding into the Eskom grid.

Along with this there is also high interests in small scale Embedded Generation (SSEG) in South Africa and also in Stellenbosch.

This mainly focus on energy from the sun which includes hot water solar and Photo Voltaic (P.V.) panels. The National Energy Regulator of SA (NERSA) started with a process to develop standard guidelines and regulations to be used by Municipalities, however this is not forthcoming and Municipalities like Cape Town developed their own guidelines and regulations.

Because of the demand experienced in Stellenbosch the Electricity Department drew up guidelines and regulations using the Cape Town document as a guide.

These guidelines are designed to assist all relevant stakeholders involved in the installation, commissioning, management and ownership of a SSEG system, with generation capacity less than 1MW (1000 kw);

It is intended to provide guidance in this regards to:

- \* SSEG Project developers
- \* Residential and commercial property owners
- \* SSEG installers
- \* Energy Consultants commissioned to design SSEG systems
- \* Registered professional engineers, professional technologists, professional engineering technicians who are involved in SSEG design and commissioning.
- \* Municipal officials involved in SSEG

The document is broken down into three main sections (in addition to this introduction). The first section details legal requirements and rights that the Municipality has in terms of SSEG. Section two covers important general considerations in terms of the Municipalities SSEG rules and regulations that apply for all customers including residential, commercial and Industrial customers respectively. Sections three detail specific considerations for residential and commercial and industrial customers.

This document will be charged as and when required to adapt to the NERSA document when available or with new future trends and developments.

## **2. Indemnity, Legal Requirements & Curtailment**

### **2.1. Illegal Connections to the municipal electrical grid**

Paragraph 38 & 39 of Electricity Supply By-Law states that no generation equipment may be connected to the municipal electrical grid without the express consent of the Manager of the Electricity Services Department.

Failure to obtain this consent constitutes an offence which could lead to a fine and/or imprisonment. Furthermore, the installation may also be in contravention of the Occupational Health and Safety Act, for which punitive sanctions also apply.

Customers found to have illegally connected SSEG to the municipal electrical grid (either before or after their electricity meter) shall be instructed to have the installation disconnected from the municipal electrical grid. A Certificate of Compliance issued by a registered electrical contractor shall be required as proof of such disconnection.

Should the customer fail to have the SSEG disconnected from the municipal electrical grid, the Municipal Electricity Services Department shall disconnect the electricity supply to the property.

Customers wishing to connect SSEG legally to the municipal electrical grid shall be required to follow the normal application procedure as detailed in these guidelines. No exemption from any of the Municipality's requirements shall be granted for "retrospective applications".

In addition, customers wishing to connect SSEG legally to the municipal electrical grid shall be required to ensure that illegal wiring forming part of the electrical installation is disconnected and that the installation is safe.

### **2.2. Generation Curtailment**

In the event of operating conditions resulting in municipal electrical grid parameters not meeting statutory minimum quality-of-supply standards it may become necessary to impose peak generation limits on embedded generator installations. It is expected that these limitations would be of a temporary nature, applied only during abnormal system conditions or low load periods.

### **2.3. Right to adapt rules & regulations**

In the event of provincial or national changes in the energy landscape, relevant rules, regulations, policies, laws and standards it may become necessary to implement changes to this guideline and the rules, regulations, bylaws and policies that it references.

### **2.4. Right to deny access**

It is essential that all customers wishing to install a SSEG system, regardless of generation capacity, complete the relevant sections of the application process in full, and that written approval is received from the Municipality before system installation commences. The Municipality needs to ensure that, amongst other considerations, the SSEG installation can be accommodated on the municipal electrical grid and that the total SSEG capacity of the municipal electrical grid has not been exceeded. Equipment should not be purchased prior to obtaining written approval from the Municipality as approval is not guaranteed and the Municipality shall not be held liable for equipment expenses where approval is denied.



### 3. General Guidelines - Small Scale Embedded Generators

Although the SSEG rules and regulations for residential and commercial and industrial customers are different, certain sections of the Municipality's rules and regulations are overarching. This section covers important considerations in terms of the Municipality's SSEG rules and regulations that apply for all customers including residential, commercial and industrial customers who wish to connect a SSEG system, with generation capacity smaller than 1 MW (1000 kW)<sup>1</sup>, to the municipal electrical grid.

#### 3.1. Registered Professional Sign off

Until SANS 10142-Part 3: *The Wiring of Premises – Embedded Generators* and SANS 10142-Part 4: *The Wiring of Premises – Direct Current and PV* are published all SSEG projects shall be signed off by a registered professional engineer and a certificate of compliance shall be issued.

#### 3.2. Testing of Inverters

Until such time as a SABS mark is issued for inverters, the Municipality shall require proof in the form of test certificates, of type tests having been successfully carried out by a third party testing authority certifying compliance of the inverters with the requirements of the Municipality and NRS097-2-2.

#### 3.3. All generators shall be nett customers(net consumers of electricity)

All SSEG installations shall consume more energy than they produce on a consecutive 12-month period. This stipulation is in response to the National Energy Regulator of South Africa (NERSA) requiring customers to consume more energy than they produce on a consecutive 12-month period.

#### 3.4. Generating licence

Existing legislation requires that anyone generating electricity "not for own use" shall obtain a generating license from the National Energy Regulator of South Africa. A 1MW SSEG installation feeding back onto the municipal electrical grid while continuing to purchase more energy from the municipality than it feeds back onto the grid in a consecutive 12-month period is classified as electricity generation "for own use" and does not require a generating license from the NERSA<sup>2</sup>.

If a NERSA generation licence is required then it is the customer's responsibility to interact with NERSA. The Municipality is obliged to report to NERSA on a regular basis regarding all municipal electrical grid connected generation and disconnect generators that are not adhering to regulations.

#### 3.5. Eskom grid connection

Customers residing within the municipal boundaries, but located in Eskom's area of supply, need to apply to Eskom for consent to connect SSEG to the Eskom electrical grid.

#### 3.6. Decommission of a SSEG system and transfer/change of ownership

The Municipality requires notice of any SSEG system which has been decommissioned. The system shall be removed at the owners cost and a decommissioning report filed. If transfer/change of

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<sup>1</sup> Anyone wanting to connect 1 MW or greater shall not be able to connect under the conditions of these guidelines. In addition a generating licence or exemption letter from NERSA shall be required before connection is considered.

<sup>2</sup> As there is no clarity regarding generation, both for 'own use' and 'not for own use', that is less than 1MW and that continues to consume more energy than they produce on a consecutive 12-month period an installation that fulfils these criteria does not need a licence.

ownership takes place, a certificate of compliance is required and a new Supplemental Contract shall be signed or alternatively the SSEG system shall be decommissioned.

### 3.7. Islanding / Anti-Islanding installations

Grid-tied inverters are generally not designed to operate in “islanded mode” where the SSEG installation supplies power to a portion of the customer’s electrical grid during a general power outage. Should the inverter have this facility, it shall be effectively isolated from the municipal electrical grid during operation (as is legally required of any standby generator). Break before make switch.

If the SSEG installation is to be configured as a standby supply after islanding from the municipal electrical grid, the SSEG installation shall be connected to the existing internal wiring of the property. A registered person in terms of the Electrical Installation Regulations (2009) shall install the generator and issue a Certificate of Compliance to the owner if the generator is to be connected to the existing internal wiring of the property. Requirements of SANS 10142-1 – Clause 7.12 (Alternative supplies (including low voltage generating sets, Installations, etc.)) apply. A fire safety and emergency shut off switch shall be installed where the SSEG installation is to be configured as a standby supply after islanding.

### 3.8. Off-grid system

Standalone generators (not connected to the municipal electrical grid in anyway) do need permission from the electricity department. However, approvals from other departments are still necessary (health, building, fire). If the SSEG system shall never be grid-tied to an electrical installation connected to the municipal electrical grid, a registered person in terms of the Electrical Installation Regulations (2009) shall install the SSEG system and issue a Certificate of Compliance issued to the owner in terms of South African National Standard - The wiring of premises (SANS 10142-1 – Low-voltage installations), which confirms that the SSEG system is not grid-tied to the municipal electrical grid and that it only supplies an off-grid electrical installation. The Municipality shall require a copy of the Certificate of Compliance.

### 3.9. Break-before-make switch with an appropriate change-over switch interlock

Approval by the Municipal’s Electricity Services Department is required if the SSEG installation is connected to the customer’s electrical grid via a break-before-make switch with an appropriate change-over switch interlock.

### 3.10. Adaption of electrical installation

All customers wishing to participate in the SSEG tariff shall adapt their electrical installations in such a way that metering is accommodated in a meter kiosk in the road reserve. This does not apply where an acceptable meter box or meter room already exists on the street-front property boundary. If no kiosk exists or there is no room for the meter in an existing kiosk, a meter kiosk shall be installed in the road reserve at the Municipality’s cost. Only in cases where there are extremely narrow or no footways, thereby precluding the installation of a meter kiosk, shall customers be required to provide metering accommodation on the street-front property boundary. Such a meter box shall face outwards and be locked with a standard Electricity Services Department lock.

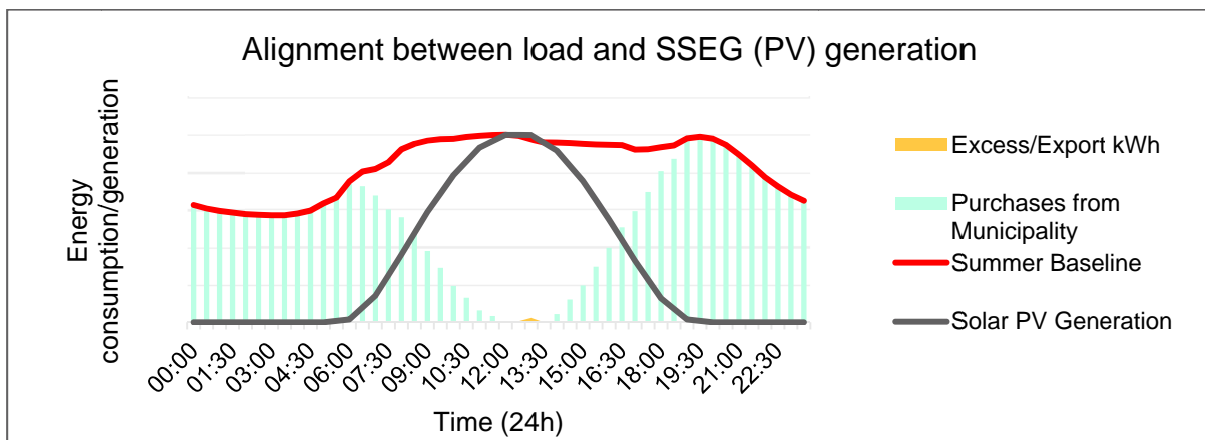
Refund of Prepayment meter (PPM) units when a customer changes to the SSEG tariff and has an AMI (credit) meter installed:

- PPM vending unit tokens already loaded on the PPM:
  - The customer may delay the installation of an AMI meter
  - Alternatively the customer may elect to forfeit the units on the PPM

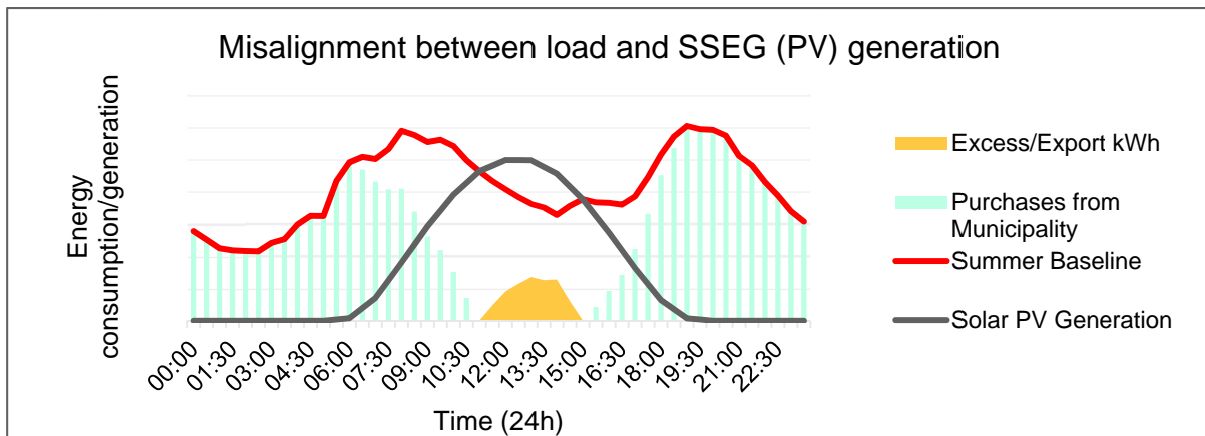
- PPM vending unit tokens not yet loaded onto the meter
  - The customer may request a refund. The token shall be validated to confirm that it has not been used after which the customer shall be refunded at the original tariff rate at which the token was purchased. The refund shall be credited to the customer's municipal account and shall not be paid out in cash.

### 3.11. Load Profile Management

The SSEG tariff has been structured in such a way that customers shall find it most beneficial, from a financial and practical point of view, to ensure that they utilise as much of the generated electricity as they can and avoid or minimise reverse power flow.



**Figure 1: Load profile management - alignment between load profile and SSEG (PV) generation.**



**Figure 2: Load profile management - Misalignment between load profile and SSEG (PV) generation.**

### 3.12. Grid Studies

Should the generation site not meet the criteria for a simplified utility connection for an LV connected SSEG system in terms of NRS 097-2-3, a municipal electrical grid study may be necessary and shall be carried out at the applicant's cost.

### 3.13. Applicable technical standards

Most of the technical requirements for SSEG are covered in the following standards and guidelines (note that these do not necessarily cover all requirements for small scale embedded generation):

1. NRS 097-2: *Grid interconnection of embedded generation: Part 2 SSEG*
2. *South African Renewable Power Plant Grid Code*

### 3.14. Additional applications to be considered

#### 3.14.1. Planning and Building Development Management

No building plans are required to be submitted provided the SSEG installation does not project more than 1.5 m, measured perpendicularly, above the roof and/or not more than 600mm above the highest point of the roof. If the above statement does not apply then full building plans, including an engineer's endorsement, are required. A relaxation in terms of the Zoning Scheme Regulations is also required under either one or both of the above circumstances<sup>3</sup>.

#### 3.14.2. Health and Air Quality Approvals

The Air Quality and Mechanical Engineering (Noise) Units do not need to be consulted with SSEG applications where diesel fuelled mechanical engine generator are not part of the installation. Should a mechanical engine which burns fuel or generates noise be incorporated in the installation, such applications should be referred to the Municipality Health Department.

#### 3.14.3. Environmental Approvals

A residential SSEG installation does not require Environmental Approval unless it exceeds the electricity generation threshold mentioned in the section pertaining to *Planning and Building Development Management*<sup>4</sup>.

### 3.15. Who pays for what?

The customer is responsible for paying for the following:

- The supply and installation of meters
- Specialist municipal electrical grid studies (if required)
- Any changes required to the municipal electrical grid upstream of the connection point as a result of the SSEG installation (subject to the clause mentioned in section 3.10)
- Specialist test that are required, e.g. Inverter testing
- All costs related to the purchase and installations of the system

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<sup>3</sup> PV systems installed on the ground - no building plans are required to be submitted provided the panel(s) in its installed position does not project more than 2.1 metres above the natural/finished ground level. Full building plans are required where any part of the installation projects more than 2.1 metres above the ground level. Other installations clearance required for other embedded generation such as wind.

<sup>4</sup> Large-scale embedded generation installations would require environmental authorisation (EA) in terms of the NEMA 2010 EIA Regulations if they generate > 10 MW electricity, or more. In addition the electrical transmission infrastructure that may be associated with a large scale embedded generation system would also require EA if it has a capacity of 275 kV or more within an urban area, or more than 33kV outside urban areas.

## 4. Residential Guideline - Small Scale Embedded Generators

### 4.1. Generation size limitations

The following SSEG size limitations are derived from NRS 097-2-3 for Shared LV connections.

**Table 1: SSEG size limitations - NRS 097-2-3 for Shared LV connections**

Service connection		Maximum Total Generation Capacity of SSEG (kVA)
No. of Phases	Service Circuit Breaker Size (A)	
1	40	2.3
1	60	3.5
1	80	4.6
3	40	6.9
3	60	10.4
3	80	13.9
3	100	17.3

The generation size limits in the table apply to normal residential connections on a shared low-voltage (LV) network. Customers who wish to apply for an installation with a generation capacity exceeding the limits in the above table shall consult with the Electricity Services Department before commencing. If SSEG generation capacity is 4.6 kVA or less, a single-phase inverter can be installed even if the customer has a three-phase connection. However, it is the responsibility of the customer to ensure that their load is balanced across all three phases. A registered professional should be consulted.

### 4.2. Metering

#### 4.2.1. Municipal electrical grid connection with reverse power flow blocking protection

Customers wanting to connect a SSEG system to the municipal electrical grid without being compensated for reverse power flow shall be required to install reverse power flow blocking protection to prevent reverse power flow onto the municipal electrical grid. If reverse power flow blocking protection is installed the applicant can remain on their current tariff and continue to use their current meter.

#### 4.2.2. Municipal electrical grid connection with reverse power flow/ feed-in to the municipal electrical grid

Residential customers installing SSEG who wish to participate in the SSEG tariff shall have a bi-directional SSEG approved meter. The Municipality shall provide and install the requisite meters at the customer's cost. Conventional credit or prepayment meters are not allowed to run backwards. If for some reason the customer is moved off the SSEG tariff (either by their own doing or by municipal mandate) the customer shall be required, at their own cost, to install reverse power flow blocking protection and (if necessary) a prepayment meter. They shall also forfeit any expenditure incurred installation of the bi-directional SSEG approved meter. The meter stay the property of the Municipality.

### 4.3. Small Scale Embedded Generation Tariff

In order to qualify for the SSEG tariff customers shall have excess generation to regularly require the facility to feed excess power back onto the municipal electrical grid. It shall be at the Electricity Services Department's discretion to decide whether customers shall be allowed on the residential

SSEG tariff. Customers shall be moved off the tariff if they do not have sufficient regular excess generation capacity.

The applicable SSEG tariff is the Residential small-scale embedded generation tariff and comprises of:

- A daily service, network and meter reading charge
- Electricity consumption charges for kWh consumed
- A rate per kWh at which the Municipality shall purchase residential excess generation

#### **4.3.1. Network cost (R/kVA – based on capacity)**

It shall be ensured that the fixed costs associated with maintaining and operating the municipal electrical grid are recovered through appropriate charges. In the long term, these fixed costs may even increase due to SSEG as the municipal electrical grid needs to manage bi-directional flow.

#### **4.3.2. Service charge**

It shall be ensured that the fixed costs associated with providing a retail service network (metering, billing, customer call centre) are recovered through appropriate fixed charges.

#### **4.3.3. Energy charge (c/kWh)**

It shall be ensured that the variable cost associated with the volume of energy consumed is recovered through appropriate charges. This is billed on a per kWh basis and may be simple (Flat or Inclining Block Tariff) or complex (Time of Use or other).

#### **4.3.4. Feed-in rate (c/kWh)**

The SSEG system may avoid certain costs for a distributor and the customer should be fully compensated through an export credit rate for any measurable reduction of cost to the utility (energy cost/purchases and the network and line losses costs).

#### **4.3.5. Billing Period**

The daily service charge along with charges for consumption and credits for feed-in shall be billed monthly (as is done for other Municipal services e.g. water and rates). Tariffs are determined annually by the Municipality and are subject to approval by NERSA. SSEG applicants should check the Stellenbosch Municipality's website for the latest tariffs.

#### **4.3.6. Increased Costs**

The Municipality bears no responsibility should the customer's electricity bill increase due to changes in the tariff structure. It is up to the customer to ensure that they understand the financial implications of having an SSEG system installed.

## **5. Commercial and Industrial Guideline - Small Scale Embedded Generators**

### **5.1. Generation size limitations**

This guideline does not cover systems over 1MW (1000kW).

All LV commercial and industrial customers planning to install SSEG systems under 1MW shall comply with the sizing limitations specified in NRS 097-2-3.

MV commercial and industrial customers planning to install SSEG systems under 1MW may require a bespoke engineering study to determine the impact of the proposed SSEG system size on the municipal electrical grid.

### **5.2. Metering**

#### **5.2.1. Municipal electrical grid connection with reverse power flow blocking protection**

Customers wanting to connect a SSEG systems to the municipal electrical grid without being compensated for reverse power flow shall be required to install reverse power flow blocking protection to prevent reverse power flow onto the municipal electrical grid. If reverse power flow blocking protection is installed the applicant can remain on their current tariff and continue to use their current meter.

#### **5.2.2. Municipal electrical grid connection with reverse power flow/ feed-in to the municipal electrical grid**

Residential customers installing SSEG who wish to participate in the SSEG tariff shall have a bi-directional SSEG approved meter. The Municipality shall provide and install the requisite meters at the customer's cost. Conventional credit or prepayment meters are not allowed to run backwards. If for some reason the customer is moved off the SSEG tariff (either by their own doing or by municipal mandate) the customer shall be required, at their own cost, to install reverse power flow blocking protection and (if necessary) a prepayment meter. The customer shall also forfeit any expenditure incurred installation of the bi-directional SSEG approved meter. The meter stays the property of the Municipality.

### **5.3. Embedded Generation Tariff**

Customers on a tariff that does not include a daily service charge shall be changed to an appropriate tariff. Tariffs are determined annually by the Municipality and are subject to approval by NERSA. SSEG applicants should check the Municipality's website for the latest tariffs.

## 6. Residential, Commercial and Industrial small scale embedded generation application process

The *application for the connection of embedded generation* form shall be completed for all forms of embedded electricity generation, including renewable energy and cogeneration. This form deals with applications for approval for all SSEG installations. Should tariff or metering changes be required for the SSEG installation, the general application form for new or modified connections shall also be completed. The forms are available on the Municipality's website.

- **Step 1: Visit the Municipality website**
  - Visit the Municipality's website and download the relevant application form/s as noted above.
- **Step 2: Complete *application for the connection of small scale embedded generation* form and, if required, the general application form for new or modified connections**
  - The Municipality requires that the application form/s be signed by the property owner.
  - Details of the proposed installer shall also be provided.
  - The property owner may need support from the proposed installer or a registered professional in completing the *generation and embedded generation application form*.
- **Step 3: Obtain permission from other Municipality departments**
  - The Electricity Services Department shall require prior approval of the proposed SSEG installation from other municipal departments such as Fire services.
- **Step 4: Submit completed application form/s and attachments**
  - Form/s shall be submitted to the relevant Electricity Service Department.
- **Step 5: Installation commencement upon approval from the Municipality and signing of the Supplemental contract for embedded generation (Supplemental to the contract for the supply of electricity).**
  - After due consideration of the application, the applicant shall be informed in writing whether the application has been successful.
  - Once notified of a successful application, the applicant may commence installation.
  - Rejected applications may be modified and resubmitted.
- **Step 6: Commissioning and documentation to be submitted to the Electricity Services Department (a division within the Municipality).**
  - Commissioning of the system shall be undertaken by a registered professional, who shall complete and sign off the *SSEG Installation Commissioning Report*.
  - In addition to the Commissioning Report, the following documentation shall also be completed:
    - Final copy of circuit diagram
    - Inverter Type Test - The inverter type test certification requirements are specified in the NRS 097-2-1. Type testing is to be undertaken by a 3rd party test house such as Bureau Veritas, KEMA or TÜV Rheinland. Inverter suppliers should be asked to provide the necessary certification before the equipment is purchased. A list of inverters which have been shown to comply with the municipality's requirements can be found on the municipality's website.
    - Factory setting sheet or other documentation showing that the inverter has been set according to NRS 097-2-1.
    - An electrical installation Certificate of Compliance as per SANS 10142-1.



- A signed *Supplemental Contract for Embedded Generation*. This is a legally required contract that governs the relationship between the Municipality and the customer. The contract is valid for as long as the project is in existence.
  - Operation and Maintenance Procedure – installation responsibilities after commissioning.
  - All completed documentation shall be submitted to the relevant Electricity Services office.
- **Step 7: Inspection of installation if necessary**
    - The Municipality shall inspect the installation if required, although this is unlikely in the case of a residential application.
  - **Step 8: Approval granted to connect to the municipal electrical grid and generation commences**
    - If all of the above is satisfactory, the Municipality shall install the necessary meters.
    - Approval to connect SSEG to the municipal electrical grid shall be provided by the Electricity Services Department to the customer, in writing, together with any operation and decommissioning requirements deemed necessary.
    - Once this is done, the change to the tariff shall be implemented where applicable.
  - **Step 9: Repeat the process in the case of SSEG capacity expansion**
    - Should an expansion or a change to the system be required, a new application shall be completed.

## APPENDIX 2B

## APPLICATION ELECTRICITY SERVICES

APPLICATION FOR THE CONNECTION OF SMALL SCALE EMBEDDED GENERATION

Page 1

This application form for the connection of small scale embedded generation is for small scale embedded generators to be installed by residential, commercial or industrial customers. It is applicable to all forms of embedded electricity generation, including renewable energy and cogeneration.

- A separate "Application for a new or modified electricity supply service" form must also be completed, except for installations where reverse power blocking is to be installed.
- If the embedded generator is to be configured as a standby supply after islanding from the municipal electrical grid, the generator will have to be connected to the existing internal wiring of the property. In such a case, the property owner must obtain a certificate of compliance from a registered electrician.
- The applicant must conduct and submit, as part of the application a noise impact assessment in accordance with SANS 10328 to establish whether the noise impact rating of the proposed activity exceeds the appropriate level of noise for the particular area as indicated in SANS 10103.

**Property name and location:**

Project name:
Erf number:
Physical address:
Township / Suburb / Farm:
Postal code:

**Name and account numbers of property owner:**

(Only if small scale embedded generation is to be connected with the Municipality of Stellenbosch electrical grid)

First name:	Last name:	Title:	
Business partner number as per municipal account:	Contract account number:		

## ELECTRICITY SERVICES

APPLICATION FOR THE CONNECTION OF SMALL SCALE EMBEDDED GENERATION

Page 2

**Property owner contact details:**

	Office	Mobile
Telephone number		
Facsimile number		
E-mail address		

**Application type**  
(Tick appropriate boxes)

Residential	<input checked="" type="checkbox"/>
Commercial/Industrial	<input type="checkbox"/>
New	<input type="checkbox"/>
Revised application	<input type="checkbox"/>
Upgrade existing system	<input type="checkbox"/>
Change of property owner	<input type="checkbox"/>
Other (specify)	<input type="checkbox"/>

**Planned construction schedule:**

Projected construction start date	
Projected in-service date of embedded generator	

**Mode of small scale embedded generation :**  
(Tick appropriate box)

Energy from small scale embedded generation to be used within a customer's own electricity grid and no excess to be exported to municipal electrical grid.	<input checked="" type="checkbox"/>
Energy from small scale embedded generation to be used within a customer's electricity grid and excess to be exported to municipal electrical grid.	<input type="checkbox"/>

**Type of prime mover and fuel source for small scale embedded generation :** e.g. photo-voltaic, concentrated solar power, small hydro, landfill gas, biomass, biogas, wind, co-generation

--

**Battery storage**  
(Tick appropriate box)

		<input checked="" type="checkbox"/>
Yes	<input type="checkbox"/>	No <input type="checkbox"/>
kWh		

Comment [JR1]: Amp hour?

## ELECTRICITY SERVICES

APPLICATION FOR THE CONNECTION OF SMALL SCALE EMBEDDED GENERATION

Page 3

**Type of energy conversion:**

E.g. Synchronous generator, induction generator, inverter, fuel-cell, dyno set. (Include operating characteristics).

--

**Site location:**

Latitude (dd mm sss)	S     °     '               "
Longitude (dd mm sss)	E     °     '               "
For commercial/industrial only (show location and dimensions of intended installation infrastructure in relation to the existing property point of connection and buildings.)	

**Site land use zoning:**

--

**Preliminary design<sup>1</sup>:**  
(to be attached)

Circuit diagram and design showing major components, proposed point of common coupling, isolating and interfacing devices with municipal electrical grid, protection schemes, customer grid, operating characteristics, etc.	
Earthing arrangements i.e. TN-C-S	

**Total capacity of small scale embedded generation (kVA and PF<sup>2</sup>):** (Attach schedule for each unit if more than one generation unit and location)

--

**Property distribution board main circuit breaker size:**

Ampere (A)	Single- or three-phase

<sup>1</sup> For guidance here, it is recommended that an installer/supplier be consulted.

<sup>2</sup> This will mainly apply to systems that make use of rotating machines e.g. wind power, hydro or diesel generators. For static power converters (e.g. inverters with a solar PV system), the power factor is generally 1 and the kWp of the system will be the same as the kVA.

## ELECTRICITY SERVICES

### APPLICATION FOR THE CONNECTION OF SMALL SCALE EMBEDDED GENERATION

Page 4

#### Proposed consumption and generation levels:

(Complete the table below)

Month	Estimated imported energy for the month (kWh) (Electricity bought from utility once SSEG is installed)	Estimated exported energy for the month (kWh) (Electricity generated by SSEG and not utilised for own use)	Estimated maximum instantaneous exported power (kVA)	Day of week that maximum power export occurs	Time of day that maximum power export occurs
January					
February					
March					
April					
May					
June					
July					
August					
September					
October					
November					
December					
Total			N/A	N/A	N/A

Brief explanation of the reasons for the general load profile and electricity export profile as demonstrated above :

#### Make & model of key generating equipment:

Manufacturer:					
Model:					
Serial Number:	<input checked="" type="checkbox"/>				
Phase:	<table border="1"> <tr> <td>Single</td> <td><input type="checkbox"/></td> <td>Three</td> <td><input type="checkbox"/></td> </tr> </table>	Single	<input type="checkbox"/>	Three	<input type="checkbox"/>
Single	<input type="checkbox"/>	Three	<input type="checkbox"/>		

(Tick appropriate box)

#### Electrical parameters of small scale embedded generation<sup>3</sup>:

(All units in parallel, to be used for fault-level studies. Not all of these parameters apply to all modes of SSEG. Insert N/A if not applicable)

Rated voltage	Maximum MVAR limit	Inertia constant

Maximum peak short-circuit current(A)	Single- or three-phase

Neutral to earth resistance in ohms	Xd – Synchronous reactance in p.u.	X'd – Direct axis transient reactance in p.u.

<sup>3</sup> Professional or reputable installer/supplier should provide. For static power converter-based systems (e.g. solar PV inverters) many of these electrical parameters do not apply.

## ELECTRICITY SERVICES

APPLICATION FOR THE CONNECTION OF SMALL SCALE EMBEDDED GENERATION

Page 5

X"d – Direct axis sub-transient reactance in p.u.	X2 – Negative sequence reactance in p.u.	X0 – Zero sequence reactance in p.u.

**Electrical parameters of generator and unit transformers<sup>4</sup>:**

(Not all of these parameters apply to all modes of SSEG. Insert N/A if not applicable)

Voltage and power ratings	Winding configuration

Neutral earth resistor or reactors (NER / NECR impedance)

Positive and zero sequence impedances in p.u.	
R1	X1
R0	X0

**Grid connection point:**

(In the case of applicant not being an existing customer only, attach a single line diagram showing arrangement)

--

**Protection details<sup>5</sup>:**

Method of synchronising: (Auto/Manual, make and type of relay, etc.)	
---	--

Method of anti-islanding: (Details of scheme, relays to be used, etc.)	
---	--

<sup>4</sup> Professional or reputable installer/supplier should provide. For static power converter-based systems (e.g. solar PV inverters) many of these electrical parameters do not apply.

<sup>5</sup> Professional or reputable installer/supplier should provide.

## ELECTRICITY SERVICES

APPLICATION FOR THE CONNECTION OF SMALL SCALE EMBEDDED GENERATION

Page 6

Method of generator control: (AVR, speed, power, PF, excitation system requirements etc. relays to be used)	
--	--

Other main protection to be applied: (O/C, E/F, over/under voltage, over/under frequency, reverse power, back-up impedance, generator transformer back-up earth fault, HV breaker fail, HV breaker pole disagreement, etc.)	
--	--

Recording of quality of supply devices	
--	--

List of regulatory approvals, requirements and normative references<sup>6</sup>:

(Tick appropriate box or mark not applicable N/A)

	✓
Electricity Regulation Act, Act 4 of 2006 and Electricity Regulation Amendment Act, Act 28 of 2007	
Occupational Health & Safety Act, No. 85 of 1993 as amended	
South African Distribution Code (all parts)	
South African Grid Code (all parts)	
South African Renewable Power Plants Grid Code	
Municipality of Stellenbosch Electricity Supply By-Law	
SANS 474 / NRS 057 : Code of Practice for Electricity Metering	
SANS 10142- Parts 1 to 4: The wiring of premises (as amended and published)	
NRS 048: Electricity Supply – Quality of Supply	
NRS 097-1 : Code of Practice for the interconnection of small scale embedded generation to electricity distribution networks : Part 1 MV and HV	
NRS 097-2 : Grid interconnection of small scale embedded generation : Part 2: Small scale small scale embedded generation	

<sup>6</sup> Note: It is the responsibility of the ECSA registered professional engineer/technologist to ensure compliance through their professional sign-off of the installed system in Appendix 1 – SSEG Installation Commissioning Report.

## ELECTRICITY SERVICES

APPLICATION FOR THE CONNECTION OF SMALL SCALE EMBEDDED GENERATION

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### Clearance by other Municipal departments

FUNCTION	SECTION	COMMENTS	NAME	SIGNATURE	DATE
Zoning/subdivision/ building structure plans	Planning and Building Development Management				
Noise impact assessment and ventilation	Municipality Health Specialised Services				
Air pollution and quality (Fuel burning)	Municipality Health Specialised Services				

Note:

- Electricity Services will require **prior** approval from these departments. Applications to connect to the municipal electrical grid will not be considered until all relevant approvals have been obtained.
- Photovoltaic (PV) SSEG applications will require approval from only Planning and Building Development Management if:
  - Roof top installations: PV panel(s) in its installed position projects more than 1.5m, measured perpendicularly, above the roof and/or projects more than 600mm above the highest point of the roof;
  - Installations on the ground: PV panel(s) in its installed position projects more than 2.1 metres above the natural/finished ground level.

### Installer Details

Installer:						
Accreditation/qualification:						
Professional registration:				Reg. No.		
Address:						
					Postal code:	
Contact person:						
Telephone no:		Office:		Mobile:		
Facsimile:		E-mail address:				

Any other additional information:

--

I request the Municipality of Stellenbosch Electricity Services Department to proceed with the review of this small scale embedded generation interconnection application. I understand that:

- I will have to pay for both in-house and outsourced engineering studies conducted as part of this review, should these be required; and
- A quotation for such work will be provided beforehand, giving me the opportunity to cancel or modify the application should I wish to do so.

I further consent to Municipality of Stellenbosch providing this information to the National Transmission Company and other Distributors as required.

Comment [JR2]: Wording? Eskom?



# ELECTRICITY SERVICES

APPLICATION FOR THE CONNECTION OF SMALL SCALE EMBEDDED GENERATION

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Application completed by:

Name:	Title:

ECSA registered professional

Name:	Reg. no:	Registration category:

(Note: Sign-off by an ECSA registered professional is optional at application stage, however it is recommended that an ECSA registered professional engineer or professional technologist that is familiar with the technical details of the intended generation technology, complete this application form)

Signed (Applicant):

_____	

Date:

--

Signed (property owner):

_____	Telephone number: 

Date:

--

Telephone number:

Email address:

**SECTION F**

**APPROVAL TO INSTALL STANDBY GENERATOR/ BACKUP SYSTEM**

**1. Fire Brigade**

Official: \_\_\_\_\_ Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**Subject to following conditions**

.....  
.....  
.....  
.....  
.....  
.....  
.....

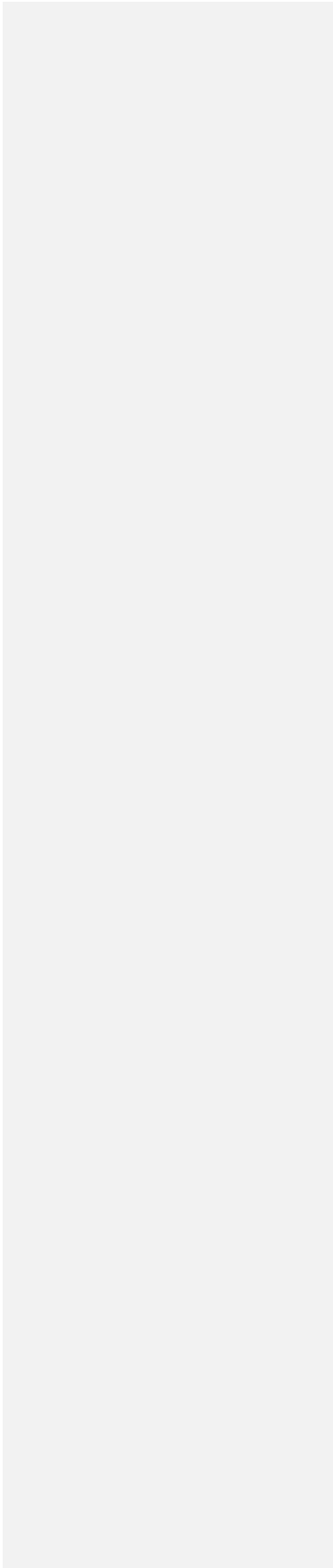
**2. Electrical Department**

Official: \_\_\_\_\_ Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**Subject to following conditions**

.....  
.....  
.....  
.....  
.....  
.....  
.....



**SECTION G**

**APPROVAL TO CONNECT STANDBY GENERATOR / BACKUP SYSTEM**

**1. Fire Brigade**

Official: \_\_\_\_\_ Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**2. Electrical Department**

Official: \_\_\_\_\_ Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**3. Spatial, Planning and Heritage Environment proof of noise level compliance attached?**

YES

NO

**4. Final Inspection**

Certificate of Compliance  
Submit

YES

NO

Inspection Neutral link

YES

NO

Earth Electrode Reading

\_\_\_\_\_

Witness:

YES

NO

Witness by: \_\_\_\_\_ Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**Additional safety requirements**

1. It is the responsibility of the applicant to arrange with the electricity distribution utility for the disconnection or reconnection of the mains supply to the premises when it becomes necessary to install the **alternative**. Please note that the latest electricity distribution tariffs will apply for this service.
2. A CoC shall be completed for the installation and submitted to the relevant electricity utility before reconnection of supply to the premises.
3. *A permanent red label (PVC or aluminium) with white lettering (of height of at least 10 mm) shall be affixed to the Main distribution board inside the premises as well as to all other distribution boards fed from the main board and the Main incoming Utility supply circuit-breaker. The label shall read, "Danger: Alternative Supply connected". Where only parts of the installation are supplied by alternative means, only these circuits shall be labelled.*
4. *FIRE SWITCH (type and position) as approved by the Fire brigade;*  
*Two permanent white labels (300 x 300 aluminium) with red lettering (of height of at least 30mm) shall be affixed next to the fire switch*

**NOTICE**  
**In case of  
emergency  
Shut down.**

# ALTERNATIVE SUPPLY ON SITE.

(Size 300 x 300)

5. *Where any form of alternate supply (generator, UPS, etc.) is connected and automatically supplies power to circuits on the distribution board, a visible indicator (light) shall be provided on each distribution board where such circuits are live after the main supply on that board has been switched off.*

FOR OFFICE USE

Date application received:

Application notification No.

Further Information Required (e.g. Competent Person detail required in terms of Occupational Health and Safety Act, General Machinery Regulations: Supervision of Machinery, Section 2):

YES		NO	
-----	--	----	--

Date received:

More detailed studies Required (fault level, voltage rise, unbalance, flicker, harmonics, protection, etc.):

YES		NO	
-----	--	----	--

Date complete:

Approved in Principle:

YES		NO	
-----	--	----	--

Date applicant advised:

Copy to System Control:

YES		NO	
-----	--	----	--

Date completed:

Copy to distribution district Installation inspector:

YES		NO	
-----	--	----	--

Date completed:

Copy to MV/HV Section for SSEG > 1kV:

YES		NO	
-----	--	----	--

Date completed:

Submit completed form to:

Fire Brigade:		
Electricity Services:		

**8.4 ADOPTION OF THE SPORTS FACILITIES MANAGEMENT PLAN FOR WC024***File number* : 17/6/6*Compiled by* : *Acting Manager Community Services and  
Head: Sports, Amenities and Facilities**Report by* : *The Director Community & Protection Services**Delegated Authority* : *Council***Strategic intent of item**

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

**1. PURPOSE OF REPORT**

To obtain final approval from Council for Sports Facility Management Plan (SFMP attached as **APPENDIX 1**) as per the Council resolution of January 2014 (refer to **APPENDIX 2**). It also includes comments on the revised Draft Lease Agreements which are ready for signing with the various Area Sport Councils.

**2. BACKGROUND**

The SFMP is the strategic framework, aligned with the National Development Plan and The National Sports and Recreation Management Plan which was endorsed in 2013.

A process of public participation commenced in February 2014 (refer to **APPENDIX 3**) where the public was invited to give input of the new proposed sports management model as capture in the SFMP. The sport plan also went under revision to include the National Sport and Recreation Plan's strategic views and directives.

During this process, the current draft lease agreement went through additional revisions as per the different categories envisioned in the SFMP.

The process was started 9 December 2015 at a workshop where the SSRA and its member councils signed an Accord in support of the SFMP and the transformation and development of Sport and Recreation in Greater Stellenbosch (refer to **APPENDIX 4**). A road show where all communities and Area Sports Councils were consulted started in January and intends completion in May 2016.

### 3. DISCUSSION

#### 3.1 Overview of the revised sport plan

The SFMP stands on two legs:

- The transformation of the sport and recreation in greater Stellenbosch
- Long term lease agreements with the Area Sport Councils for the management of specific sport grounds according to specific predetermined categories.

The role of the municipality = to create an Enabling Environment.

- Creates enabling environment for the development of sport and recreation
- Capital Expenditure (=Maintenance and Facility Development)
- Provides a basic subsidy to the SSRA towards the Sport Development fund
- Capacity development
- Lease Agreements with Area Sports Councils for 9 years and 11 months.
- Interact with key stakeholders for capital development of sport and recreation.
- Develop the Sport and Recreation Master Plan.
- Co-Develop strategies for the development and management of Sport and Recreation in Stellenbosch with SSRA.

The role of SSRA = to promote Development and Growth of sport in WC024

- Represents civil society stakeholders in the development and growth of Sport and Recreation
- Must include educational institutions and other sport and recreation stakeholders and not only area sports councils or federations.
- Develop and manage the Sport and Recreation Development Fund (20% for administration; 80% for development).
- Must source additional funds from other stakeholders and industry to expand the Sport and Recreation Development fund.
- Must be affiliated to the Cape Winelands Sports Confederation.
- Area Sports Councils must all be affiliate to SSRA. These area sports councils will receive an annual subsidy from the Sport and Recreation Development Fund.
- Sport Administration (fixtures, applications, monitor facilities e.t.c).
- Capacity development.
- Talent Identification and Development.
- Tournaments and Events.



- Development fund for Sport and Recreation.
- Annual Stellenbosch Sports Awards.
- Interact with key stakeholders for development and support of sport and recreation.
- Co-Develop strategies for the development and management of Sport and Recreation in Stellenbosch with Municipality.

The role of Area Sports Council = Management and Local Development of sport and sport facilities.

- Must be affiliated with the SSRA.
- Sign lease agreement with municipality for 9 years and 11 months.
- Operational management of specific sports grounds.
- Develop strategies for the development of Sport and Recreation in specific area.
- Interact with key area community specific sport and recreation stakeholders.
- Must expand membership to include educational institutions and other Sport and Recreation stakeholders in the area.
- The Area Sports Councils are divided into four categories. These categories are determined according to the site that will be operated, the capacity of the Area Sports Council and current financial status of the Area Sports Council.

### **3.2 Draft lease agreements as per Category**

There are 4 draft lease agreements created in consultation with the legal department. Each Area Sports Council is divided into the three categories. The following is brief summaries of the categories:

- Category A – Elite hub and sole management by Area Sports Council. The Area Sports Council takes full responsibility for the sports grounds. A subsidised market related rental will be determined.
- Category B – The Growth and Development hub and a joint management between the Area Sports Council and the Municipality. The Area Sports Council will be responsible for development of sport and recreation programmes and internal management of buildings' as well as electricity. The municipality will be responsible for capital development and maintenance of fields. A subsidised market related rental will be determined.
- Category C – Capacity development hub and jointly managed by the Area Sports Council and Municipality. Area Sports Council responsible for the interior of the buildings but the Municipality will take most of the responsibility for maintenance of the sportsgrounds. A nominal rental will be determined.

- Category D – Rural sports hub and managed by the municipality. The Areas Sports Council will hire the fields and facilities at a nominal or subsidised rate.

### 3.3 Outcome of the stakeholder consultation process

The revised sport plan was promoted amongst the SSRA and all Area Sports Councils and their member sport clubs. The SSRA, Area Sports Council and sport clubs are in agreement with their specific categories and are willing to sign the lease agreements by June 2016.

## 4. CONCLUSION

**The Sports Facilities Management Plan** have been adopted via the signing of the Accord by each sports council after numerous consultations. As part of this process, the lease agreements have been received positively and sports councils are keen to sign.

## 5. COMMENTS FROM OTHER RELEVANT DEPARTMENTS

### Legal: Senior legal Advisor

In section 217 of the Constitution (1996) provides that when an organ of state in the national, provincial or local sphere of government contracts for goods and services, it must do so in accordance with a system that is fair, equitable, transparent, competitive and cost-effective.

The Constitution furthermore provides that a municipality must structure and manage its administrative, budgeting and planning processes to give priority to the basic needs of the community. This includes the promotion of the social and economic development of the community. Schedule 5 B of the Constitution of South Africa lists major culture-related functions of local government one of which is local sport facilities.

All the functions listed in Schedule 5 should be read in conjunction with non-culture related ones as conferred on local governments in terms of Part B of Schedule 4 of the Constitution. All of the above functions find expression and guidance through a plethora of specific pieces of legislation relating to the governing of municipalities.

### Legal and Policy Framework

Though not an exhaustive list, the legal framework and policies governing the Sport Facility Management Plan are:  
NATIONAL SPORT AND RECREATION ACT EVENTS ACT OF 2010.

THE MUNICIPAL SYSTEMS ACT (32 of 2000)  
THE OCCUPATIONAL HEALTH AND SAFETY ACT (85 of 1993)  
MUNICIPAL ASSET TRANSFER REGULATIONS ACT, Act 56 OF 2003

MUNICIPAL FINANCE MANAGEMENT ACT, ACT 56 OF 2003  
THE STELLENBOSCH MUNICIPAL TARIFF POLICY  
PROPERTY RATES ACT, 6 of 2004

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**Local Government: Municipal Finance Management Act, 56 of 2003**

Section 111 of the Local Government:

Municipal Finance Management Act (MFMA) provides inter alia that, each municipality and each municipal entity must have and implement a supply chain management policy. Section 112 provides inter alia that the supply chain management policy of a municipality or municipal entity must be fair, equitable, transparent, competitive and cost-effective and comply with a prescribed regulatory framework for municipal supply chain management, which must cover among others the range of supply chain management processes, that municipalities and municipal entities may use, including tenders, quotations, auctions and other types of competitive bidding; when a municipality or municipal entity may or must use a particular type of process; procedures and mechanisms for each type of process; and the delegation of municipal supply chain management powers and duties, including to officials.

prescribed regulatory framework for municipal supply chain management, which must cover among others the range of supply chain management processes, that municipalities and municipal entities may use, including tenders, quotations, auctions and other types of competitive bidding; when a municipality or municipal entity may or must use a particular type of process; procedures and mechanisms for each type of process; and the delegation of municipal supply chain management powers and duties, including to officials.

Municipal Supply Chain Regulations, Government Notice 868 of 30 May 2005 Regulation 11(1) provides amongst others that a supply chain management policy must provide for an effective system of acquisition management in order to ensure that goods and services are procured by the municipality or municipal entity in accordance with authorised processes only.

**Municipal Asset Transfer Regulations promulgated in terms of the Local Government: Municipal Finance Management Act, 2003**

A capital asset is defined as;

“as any immovable asset such as land, property or building; and subsidiary asset in relation to a capital asset as “an asset that forms an integral part of the capital asset or of the operation or maintenance of the asset”. The word transfer is defined in relation to a capital or subsidiary.

Regulation 1 provides for the following definitions:

“Capital asset” means, “any immovable asset such as land, property or buildings.

“Subsidiary asset in relation to a capital asset”, means “an asset that forms an integral part of the capital asset or of the operation or maintenance of the asset”

“Transfer in relation to a capital or subsidiary asset”, means transfer of ownership in the asset as a result of a sale or other transaction.

---

“Asset as the transfer of ownership in the asset”, as a result of a sale or other transaction.

More specifically, **Regulation 3** encapsulates certain governing principles and provides that the regulations are governed and must be implemented in accordance with, among others, the following principle:

“Asset preservation principle, i.e. the need to prevent the indiscriminate or unsustainable transfer or disposal of a municipal capital asset in order not to undermine the ability of the municipality or municipal entity to render or expand municipal services in the longer term.”

**Regulation 5(1)** provides inter alia that a municipality may transfer or dispose of a non-exempted capital asset only after the municipal council has approved in principle that the capital asset may be transferred or disposed of.

#### **Municipal Systems Act, Act 32 of 2000**

Section 4 of the Systems Act sets out the rights and duties of municipal councils. In terms of this section, the council of a municipality has the right to govern the affairs of the local community on its own initiative, exercise the municipality’s executive and legislative authority and to finance the affairs of the municipality by charging fees for services and imposing surcharges on fees, rates on property and, where authorised, other taxes, levies and duties.

The municipality must also, in terms of s74 of the Systems Act, adopt and implement a tariff policy on the levying of fees for municipal services provided for by the municipality or by way of service delivery agreements. The Municipal System Act requires that Council adopt a Tariff Policy. The general financial management functions covered in section 62 of the Municipal Finance Management Act includes the implementation of a tariff policy. Section 74(2) and (3) of the Systems Act read as follow:

"(2) A tariff policy must reflect at least the following principles, namely that-

(a) users of municipal services should be treated equitably in the application of tariffs;

- (b)" the amount individual users pay for services should generally be in proportion to their use of that service;

(3) A tariff policy may differentiate between different categories of users, debtors, service providers, services, service standards, geographical areas and other matters as long as the differentiation does not amount to unfair discrimination."

Prior to the approval, and part and parcel of the consideration effort, the municipality, must admit to the general public what tariff increases it intends implementing. These increases are for all municipal services- which includes water-and electricity supply. This allows for transparency, fairness and openness as far as local government budget is concerned and also affords those affected by tariff increases, a proper opportunity to be heard.

---

**South African Law of Contract**

The principles of law of contract allow parties to a contract to change and modify their contract. Parties to a contract are as free to change and/or modify their contract after they had already made it as if they were to make it in the first instance. The parties need only reach consensus on the terms they need to change or modify. The proposed changes must be lawful and enforceable.

It must be noted that the MFMA, the Property Rates Act, the Municipal Tariff Policy and Supply Chain Management Policy will be applicable to the proposed amendments of the leases. It is therefore advisable that the Council be informed of the respective amendments to each lease agreement and that the report indicates the following:

- a) *when the lease agreements terminate;*
- b) *Which of the leases if any are registered at the Deeds Office*
- c) *Which of the leases are compliant with legislative prescripts;*
- d) *Which leases can be renegotiated with shorter periods to allow the Council access to its own land for bona fide municipal purposes;*
- e) *Subleasing on the various sport fields;*
- f) *Income generated by the various sport clubs, how a portion of it can be utilised for the socio development and sponsoring of upcoming athletes from disadvantaged backgrounds.*

In terms of the item and the annexures attached due process had been followed pertaining to public consultation. The Sport Facility Management Plan makes no reference to the Legislative Framework which governs Sport Facilities, besides the MFMA which is referred to on pg. 12 para 4 as well as the King III Report on Corporate Governance.

It is imperative that due regard be given to the *legislative framework* and that the relevant precautionary measures be taken to avoid a situation whereby the Council cede some of its rights in terms of the new/ revised lease agreement to the Sport Clubs. It is advisable that the policy makes reference to the legislative framework and that the Council consider the implementation of a By-law to guide and regulate the usage of all Sports and Recreation Facilities.

Mention must be made that I have not been party to the negotiations to date and am providing input after the fact and without having had the benefit of insight into how the proposals have developed.

**RECOMMENDED**

that Council approve the Sports Facilities Management Plan for WCO24.

**APPENDICES**

Appendix 1: Sports Facilities Management Plan

Appendix 2: Council Resolution of January 2014

Appendix 3: Process of Public Participation - February 2014  
Appendix 4: Copy of signed Accord in support of the SFMP

**(DIRECTOR: COMMUNITY &  
PROTECTION SERVICES TO ACTION)**

**COMMUNITY AND PROTECTION SERVICES COMMITTEE:  
2016-05-11: ITEM 5.1.1**

**RECOMMENDED**

that Council approves the Sports Facilities Management Plan for WCO24.

*Councillor DA Hendrickse requested that his vote of dissent be minuted.*

**(DIRECTOR: COMMUNITY &  
PROTECTION SERVICES TO ACTION)**

**MAYORAL COMMITTEE MEETING: 2016-05-18: ITEM 5.1.6**

**RECOMMENDED BY THE EXECUTIVE MAYOR**

that Council approves the Sports Facilities Management Plan for WCO24.

**(DIRECTOR: COMMUNITY &  
PROTECTION SERVICES TO ACTION)**

# APPENDIX 1

# UNDERSTANDING THE SPORT FACILITY MANAGEMENT PLAN

A discussion document for the understanding and further refinement of the current proposed Sport Facility Management Plan

Compiled by:  
Pierre J Venter  
On behalf of the Department of Sport and Facility Management



Developed for the Department Sport and Facility Management  
Municipality of Stellenbosch

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**VERSION 2 (7 DECEMBER 2015)**



## PURPOSE OF THIS WORKING DOCUMENT

The municipality is currently reviewing the proposed Sport Facility Management Plan (SFMP) and is working on an implementation strategy to enable agreements between the different sport councils and the municipality.

This document aims to clarify main concepts in the SFMP and to address critical issues that have arisen during the development of the current plan. It also aims to align with the National Sport and Recreation Plan (© SRSA 2012).

This is a working document for use in discussions and strategizing and does not imply current policy or reflect the views of the Department of Sport and Facility Management, the Municipality of Stellenbosch or stakeholders as identified in the document. It aims to create perspective and to clarify current views as expressed in the SFMP and will assist the Department of Sport and Facility Management, the Municipality of Stellenbosch and the Sport Councils of greater Stellenbosch in making the appropriate decision in adopting the proposed SFMP.

The information contained in this document may not be used without permission of the Department of Sport and Facility Management.

*For further information please contact*

André Gabriels  
Temporary Head  
Sport and Facility Management  
Municipality of Stellenbosch  
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# **CONTENT**

**OVERVIEW OF THE SPORT FACILITY MANAGEMENT PLAN**

**PAGE 5**

**UNDERSTANDING THE STRATEGIC GUIDANCE DOCUMENTS**

**PAGE 11**

**THE WAY FORWARD – SOME RECOMMENDATIONS**

**PAGE 25**

**KEY DEVELOPMENT FACTORS**

**PAGE 33**

**REFERENCED DOCUMENTS**

**PAGE 35**

# NOTES

# OVERVIEW OF THE SPORT FACILITY MANAGEMENT PLAN

A description of the current proposed SFMP and clarifying current concepts, models and issues within the SFMP



## THE STATUS QUO<sup>1</sup>

The current Sport Facility Management Plan as tabled to the Municipal Council contains the following elements and views<sup>2</sup>:

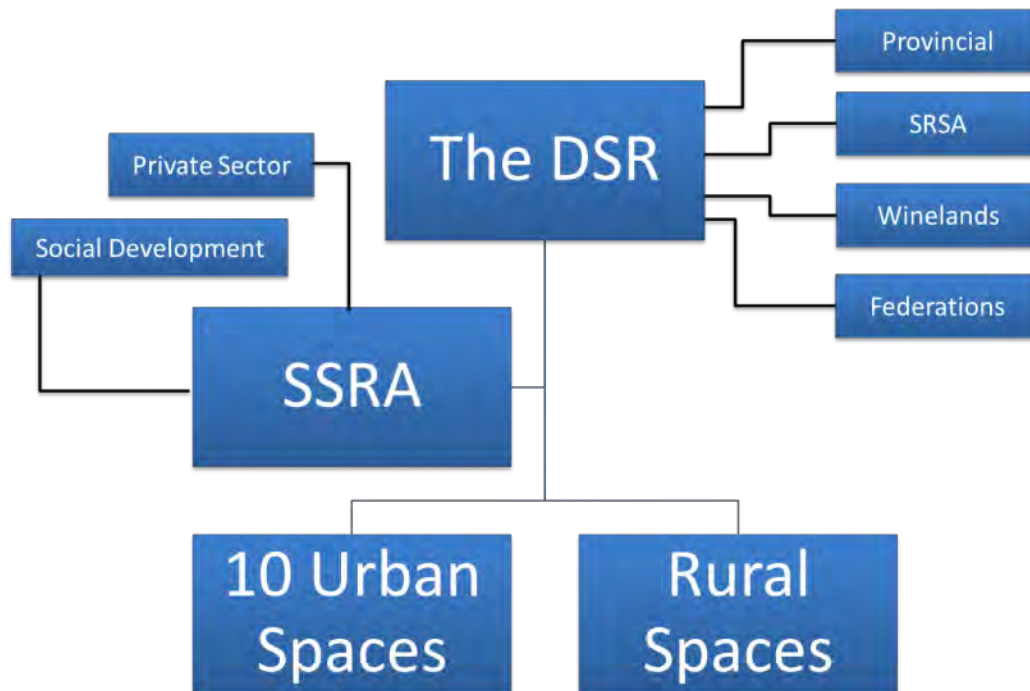


Diagram 1: Proposed organogram for the SFMP

### Remarks and comments

- The name of the department at the time of the tabling of the plan was envisioned to be called the Department of Sport and Recreation. It is currently the Department of Sport and Facility Management.
- The SSRA would play a consultative role according to the organogram.
- The Municipality will create lease agreements directly with the urban spaces according to the organogram.
- The organogram and description also differs currently in the plan which creates some confusion.
- The role of the SSRA is to interact with the Private Sector and facilitate funding.
- The Federations will work with the department for the development of sport.

<sup>1</sup> This is based on the plan as tabled in 2012 by Mr Gerald Esau. *Reference SFMP\_V2012.*

<sup>2</sup> A previous version was in tabled in 2011 and refined and tabled in 2012. The current plan was proposed before the NSRP and current Transformation Charter for Sport was accepted in 2012/13. It therefore does not include the new stipulations and expectations of these strategic documents. *Reference SFMP\_V2011; NSRP and Transformation Charter for Sport*

Comparison of Roles and Responsibilities	
Department	SSRA
<ul style="list-style-type: none"> <li>The DSR will be <b><i>directly involved as the Governance and management</i></b> organization for the spaces for sport</li> <li>The <b><i>SSRA becomes an advisory and oversight board for the DSR</i></b> which will interact with the private sector for funding purposes and also to coordinate, advise and provide a communication channel to the municipal department of Social Development</li> <li>The DSR will also directly <b><i>interact with the district, provincial and national departments of sport as well as the Federations</i></b>. This interaction is to enable the DSR to identify the needs of the sporting codes as well as to implement the strategies as developed within the three spheres of government.</li> <li>The DSR will divide spaces for sport into urban and rural. The <b><i>urban spaces will be developed into sustainable and financially viable structures</i></b>. The <b><i>rural spaces will be developed by assisting current tenants</i></b> of municipal property in developing spaces for sport.</li> </ul>	<ul style="list-style-type: none"> <li><b><i>Facilitate sports development</i></b> on municipal fields in WCO24</li> <li>Facilitate the <b><i>hosting of major sports events</i></b> in the Greater Stellenbosch</li> <li><b><i>Recognition of sports achievements</i></b> in WCO24 in collaboration with the Department Community Services and the Mayor's office</li> <li><b><i>Financial management</i></b></li> <li><b><i>Management of lease agreement within the WCO24</i></b></li> <li><b><i>Management of non-performance of sports councils</i></b> in collaboration with the municipality</li> <li>Submit <b><i>quarterly management reports</i></b> of all sport stadiums</li> <li><b><i>Honorarium fee</i></b> of R800.00 for the chairperson, R500.00 for the secretary and R500.00 for the Promotion official / Events organiser (monthly)</li> <li>The SSRA may with permission of the Stellenbosch Municipality <b><i>negotiate and apply for funding to upgrade and establish new facilities</i></b> and for Sports Development.</li> </ul>

Table 1: A comparison of the Roles and Responsibilities of Department and SSRA

**Remarks:**

- Italics are for emphasis and not stated so in the tabled plan.
- The municipality will form agreements with tenants of current spaces to govern and operate these spaces in a joint agreement.
- The SSRA is an advisory and oversight board for the municipality. *De facto this implies that the SSRA operates as monitoring and oversight not management and control of agreements and spaces.*
- Financial management will be given to the SSRA. This is *contra* statement of the role of the Department.
- An honorarium is currently paid as a monthly salary by the municipality to the executive. They are therefore in employment of the municipality.

Comparison of the functions	
Department	SSRA Executive
<p>The DSR will focus on the following functions in sport development:</p> <ul style="list-style-type: none"> <li>• <b>Development of spaces</b> for sport</li> <li>• <b>Providing funding and skills</b> in maintaining the spaces for sport</li> <li>• <b>Improving accessibility</b> of spaces for sport to the communities it serves</li> <li>• Expanding into all areas and regions within the municipal area. <b>The DSR will be directly involved as the Governance and management organization for the spaces</b> for sport</li> <li>• The <b>SSRA becomes an Advisory and Oversight Board for the DSR</b> which will interact with the Private Sector for funding purposes and also to coordinate, advise and provide a communication channel to the municipal department of Social Development</li> <li>• The <b>DSR will also directly interact with the district, provincial and national departments of sport as well as the Federations</b>. This interaction is to enable the DSR to identify the needs of the sporting codes as well as to implement the strategies as developed within the three spheres of government.</li> <li>• The <b>DSR will divide spaces for sport into urban and rural</b>. The urban spaces will be developed into sustainable and financially viable structures. The rural spaces will be developed by assisting current tenants of municipal property in developing spaces for sport.</li> </ul>	<p><b>Chairperson:</b></p> <ul style="list-style-type: none"> <li>• Arrange and chair meetings</li> <li>• <b>Oversee that all executive members submit reports monthly or as request</b></li> <li>• Chair accordingly as stated in the SSRA constitution</li> <li>• Acts as the official spokesperson of SSRA</li> <li>• Support and liaise with the DSR</li> <li>• Control, coordinates and/or advice on the activities of the office bearers</li> </ul> <p><b>Facility inspector:</b></p> <ul style="list-style-type: none"> <li>• <b>Perform monthly inspection</b> of on all sports grounds in the WC0 24.</li> <li>• <b>Submit written inspection reports</b> to the Department Community Services.</li> <li>• <b>Make recommendation to the SSRA</b> and the Department Community Services on the non-compliance of Sport Councils.</li> <li>• <b>Follow-up on work orders and commitments</b> made as per discussion in the SSRA meetings.</li> <li>• <b>Ensure that all events are in compliance with the OHS and Events Act</b>, and that all events applications are submitted both to the SSRA and Stellenbosch Municipality.</li> </ul> <p><b>Secretary:</b></p> <ul style="list-style-type: none"> <li>• <b>NO SPECIFIC FUNCTION INDICATED</b></li> </ul> <p><b>Treasurer:</b></p> <ul style="list-style-type: none"> <li>• <b>Manage the finance and the administration</b> on behalf of the SSRA. <b>Submit monthly financial statements of the SSRA and the Sport Councils</b>. Ensure that all Sports Councils submit audited financial statements form registered financial institutions. All annual financial reports to be submitted by the end of March of each year to the Stellenbosch Municipality.</li> </ul> <p><b>Promotion official / Events organizer:</b></p> <ul style="list-style-type: none"> <li>• <b>Ensure that all events are in compliance with the OHS and Events Act</b>, and that all events applications are submitted both to the SSRA and Stellenbosch Municipality.</li> </ul> <p><b>Municipal Official:</b></p> <ul style="list-style-type: none"> <li>• <b>The official will perform an oversight role in the meetings and provide guidance in the implementation of the lease agreements and the normal procedure of the meetings</b>. Will provide feedback to the SSRA and the Sport Councils on a monthly basis on capital and operational projects.</li> </ul>

	The official will update the SSRA on the developments pertaining to sports and infrastructure upgrades. The official will support the Secretary with minute taking and finalize a report to the Standing Committee of Community Services.
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Table 2: Comparison of the functions

**Remarks:**

- Italics are for emphasis and not stated so in the tabled plan.
- The municipality will manage and develop spaces for sport. The SSRA will be an advisory body.
- The SSRA officials become *de factor* employees of the municipality.
- The functions of the municipality and the SSRA officials duplicate or contradict within the organisations.
- There are no specific functions for the secretary.
- The treasurer manages funds and does administrative duties but it is the function of the municipality also.
- The Inspector and the Event organiser have the same functions.
- The municipal official oversees the executive committee which is contra governance principles – the executive committee is overseen by the constituting members of the SSRA.

THE SPORT GROUND FACILITY MANAGEMENT CATEGORIES				
Categories	CATEGORY A	CATEGORY B	CATEGORY C	CATEGORY D
<b>Suggested Centres for categories</b>	VAN DER STEL	KYLEMORE, PNIEL, IDA'S VALLEY, RAITHBY, KLAPMUTS, JAMESTOWN	WEMMERSHOEK, GROENDAL, KAYAMANDI	NIETVOORBIJ, LA MOTTE, JONKERSHOEK, PAPPLAAS, KOELENHOF, LANQUEDOC
<b>Conditions of assets</b>	Full range of facilities for several codes (good condition).	Adequate facilities for scaled down codes. Good / above average condition.	Adequate facilities for minimum codes. Average/poor conditions.	Inherit from Cape Winelands District Municipality since 2005. Lack of facilities for codes. Poor playing surfaces, poor conditions.
<b>Management by community</b>	High community capacity to management.	Adequate community capacity to manage.	Poor / No community capacity to manage.	No community capacity to manage.
<b>New model management</b>	Van Der Stel Council manages 100% into new agreement.	Stellenbosch Municipality entered into a lease agreement with SSRA and SSRA sub-lease to Sports Councils.	Stellenbosch Municipality entered into a lease agreement with SSRA and SSRA sub-lease to Sports Councils.	Stellenbosch Municipality entered into a lease agreement with SSRA and SSRA sub-lease to Sports Councils.
<b>Security + Insurance</b>	Responsible for all safeguarding and insurance of all assets by Sports Council.	Sports Councils responsible for the safeguarding and insurance of all assets on the property.	Municipality: safeguarding property and buildings (exterior). Sports Council: interior of buildings and moveable assets.	Municipality: safeguarding property and buildings (exterior). Sports Council: interior of buildings and moveable assets.
<b>Management structure</b>	Sports Council one code one vote. Monthly meetings and submissions of agendas and minutes. Municipality will chair election meetings (AGM).	Sports Council one code one vote. Monthly meetings and submissions of agendas and minutes. Municipality will chair election meetings (AGM).	Sports Council one code one vote. Monthly meetings and submissions of agendas and minutes. Municipality will chair election meetings (AGM).	Sports Council one code one vote. Monthly meetings and submissions of agendas and minutes. Municipality will chair election meetings (AGM).



THE SPORT GROUND FACILITY MANAGEMENT CATEGORIES (Continued)				
Categories	CATEGORY A	CATEGORY B	CATEGORY C	CATEGORY D
<b>Financial controls</b>	Annual financial statements must be submitted before 1 march annually, otherwise no service will be delivered.	Annual financial statements must be submitted before 1 July annually, otherwise no service will be delivered.	Municipality manage	Municipality manage
<b>Income generated</b>	To Sports Council for sports maintenance and sports development.	To Sports Council for sports maintenance and sports development	Tariffs by Municipal Council from 2013. Income to Municipality.	Tariffs by Municipal Council from 2013. Income to Municipality.
<b>Maintenance</b>	100% by Van Der Stel sports grounds.	Municipality	Municipality	Municipality
<b>Rental</b>	Market related rental separate lease agreement will be drafted and entered into with Van Der Stel sports ground.	Market related rental	Municipality	Municipality
<b>Water and electricity</b>	100% by Sports Council	100% by Sports Council	Pre-paid meters	Pre-paid meters
<b>New development, structural alterations and upgrade of infra structure</b>	All proposals for development or upgrades must be discussed with the Director: Community Services for preliminary approval. Based on the recommendation by Director: Community Services the pre approved plans can then be submitted to the Directorate: Planning & Development for final approval.	All proposals for development or upgrades must be discussed with the Director: Community Services for preliminary approval. Based on the recommendation by Director: Community Services the pre approved plans can then be submitted to the Directorate: Planning & Development for final approval.	Stellenbosch Municipality will plan all developments and upgrades in collaboration with the community.	Stellenbosch Municipality will plan all developments and upgrades in collaboration with the community.
<b>Sub-letting</b>	Sports Council is 100% responsible for leasing and letting of the sports facilities. The Sports Council will give preference to all official Municipal events and the facility will be free of charge. National and Provincial sports events will be approved in collaboration with the Municipality.	Sports Council is 100% responsible for leasing and letting of the sports facilities. The Sports Council will give preference to all official Municipal events and the facility will be free of charge. National and Provincial sports events will be approved in collaboration with the Municipality.	The Municipality will manage the rental usage of the facilities. All bookings and payments must be done twenty-one days prior to the event.	The Municipality will manage the rental usage of the facilities. All bookings and payments must be done twenty-one days prior to the event.
<b>Indemnity</b>	The Sports Council will indemnify the Stellenbosch Municipality for the duration of lease.	The Sports Council will indemnify the Stellenbosch Municipality for the duration of lease.	Indemnity forms will be completed twenty-one days prior to the event and be submitted to the Dept: Environment, Sport & Facilities.	Indemnity forms will be completed twenty-one days prior to the event and be submitted to the Dept: Environment, Sport & Facilities.

Table 3: The sport ground facility management categories

**Remarks:**

- The overall categories do not align with the NSRP.
- The councils are not representative of the communities and are only sport code representative.
- Category C and D is unclear on specific details and seems similar.

# UNDERSTANDING THE STRATEGIC GUIDANCE DOCUMENTS

Overview of the key strategic guidance documents that influence the current SFMP and how the proposed SFMP must align with these documents



## **FOUR STANDARDS APPLIES TO THE SFMP**

### **1. National Sport and Recreation Plan**

- Role of Local Government
- Role of Sport Councils

### **2. Transformation Charter 2013**

- Transformation targets
- Transformation plans
- Inclusive approach

### **3. Sustainability**

- Financial and business strategy
- Corporate Governance
- Accessibility

### **4. MFMA**

- Financial oversight
- Management of public assets
- Financial control

## **KEY ASPECTS RELATING TO THE SFMP FROM THE NATIONAL SPORT AND RECREATION PLAN (NSRP)**

There are various aspects of the NSRP that relates to the functions of the municipality and spaces for sport.<sup>3</sup>

**There are three core pillars in the NSRP:**

### **1. Active Nation**

- To improve the health and well-being of the nation by providing mass participation opportunities through active recreation.
- To maximise access to sport, recreation and physical education in every school in South Africa.
- To promote participation in sport and recreation by initiating and implementing targeted campaigns.

### **2. Winning Nation**

- To identify and develop talented athletes through the implementation of a structured system.
- To improve the performances of athletes and coaches by providing them with access to a comprehensive range of support programmes.
- To develop talented athletes by providing them with opportunities to participate and excel in domestic competitions.
- To develop elite athletes by providing them with opportunities to excel at international competitions.
- To acknowledge the achievements of individuals and teams within the South African sport and recreation sector through the establishment of a recognition system.

<sup>3</sup> A separate analysis of the municipality's responsibilities and roles according to the NSRP will be done. For purpose of this report only those elements of the NSRP that relates to the SFMP will be discussed.

### 3. Enabling Environment

- To ensure that South African sport and recreation is supported by adequate and well maintained facilities.
- To provide formal sports participation opportunities through an integrated and sustainable club structure.
- To integrate the development of South African sport at provincial and local levels through functional sports councils.
- To provide athletes with a forum to address their needs.
- To support and empower South African coaches.
- To support and empower South African administrators and technical officials.
- To support the development of South African sport through a coordinated academy system.
- To provide National Federations (NFs) with administrative and governance support through the medium of a Sports House.
- To empower the sport and recreation sector with relevant information through the establishment of a Sports Information Centre.
- To empower the human resource base through the provision of accredited education and training programmes.
- To empower volunteers to adequately support the South African sports system.
- To ensure that South African sport and recreation benefit from strategic international relations.
- To secure and efficiently manage financial resources to optimally support sport and recreation.
- To capitalise on the impact that broadcasting and sponsorship have on the development of sport and recreation.

#### The Vision statement is:

*“An Active and Winning Nation”*

#### The Mission statement is:

*“To transform the delivery of sport and recreation by ensuring equitable access, development and excellence at all levels of participation and to harness the socioeconomic contributions that can create a better life for all South Africans.”*

#### The core values of the sports system are:<sup>4</sup>

- **Accessibility:** *Sport is available to all.* Geographical location, economic status, age, gender, ability, disability, language and other elements of a society’s diversity does not infringe on the opportunity to participate in sport.
- **Athlete-centeredness:** At the core of the sports system, athletes are supported in a holistic way – with care for the individual’s growth and development, physical, moral, emotional and spiritual health. *Every part of the system is devoted to the long-term welfare and improvement of athletes.*
- **Coach driven:** The system is guided by well-trained and experienced coaches.
- **Equitability:** *Every individual should have an equal opportunity* to make for him/herself the life that he/she is able and wishes to have, consistent with his or her duties and obligations as a member of society without being hindered in or prevented from doing so by discriminatory practices. *Equitable treatment is a fundamental value for all participating in sport.*

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<sup>4</sup> Italics are for emphasis that relates directly to the municipality.

- **Ethics:** Ethics are the essence of sport. The implementation of the NSRP will be underpinned by **a Code of Conduct** addressing issues such as playing fair, following the rules, respecting your competitor, being tolerant of others and participating in sport and recreation free of drugs and illegal substances.
- **Excellence:** There must be a **commitment to excellence at all levels** in all endeavours.
- **Fairness:** Sports people believe **fairness and fair play are inextricably linked to the positive sports experience and must shape the institutions, organisations and administrators governing sport.** Fairness pervades the entire sports system.
- **Shared leadership: Responsibility for sport is shared by many partners including governments, sports organisations and education within a seamless sports continuum** that demands collaboration and shared leadership by all partners.
- **Unified purpose:** This sports system is for the benefit of the nation as a whole. There must be a unified direction covering all elements of the system; **it must be centrally driven, implemented at provincial and local level, with no duplication, to give the best value possible for the funding available.**

According to the NSRP the following are key outcomes:

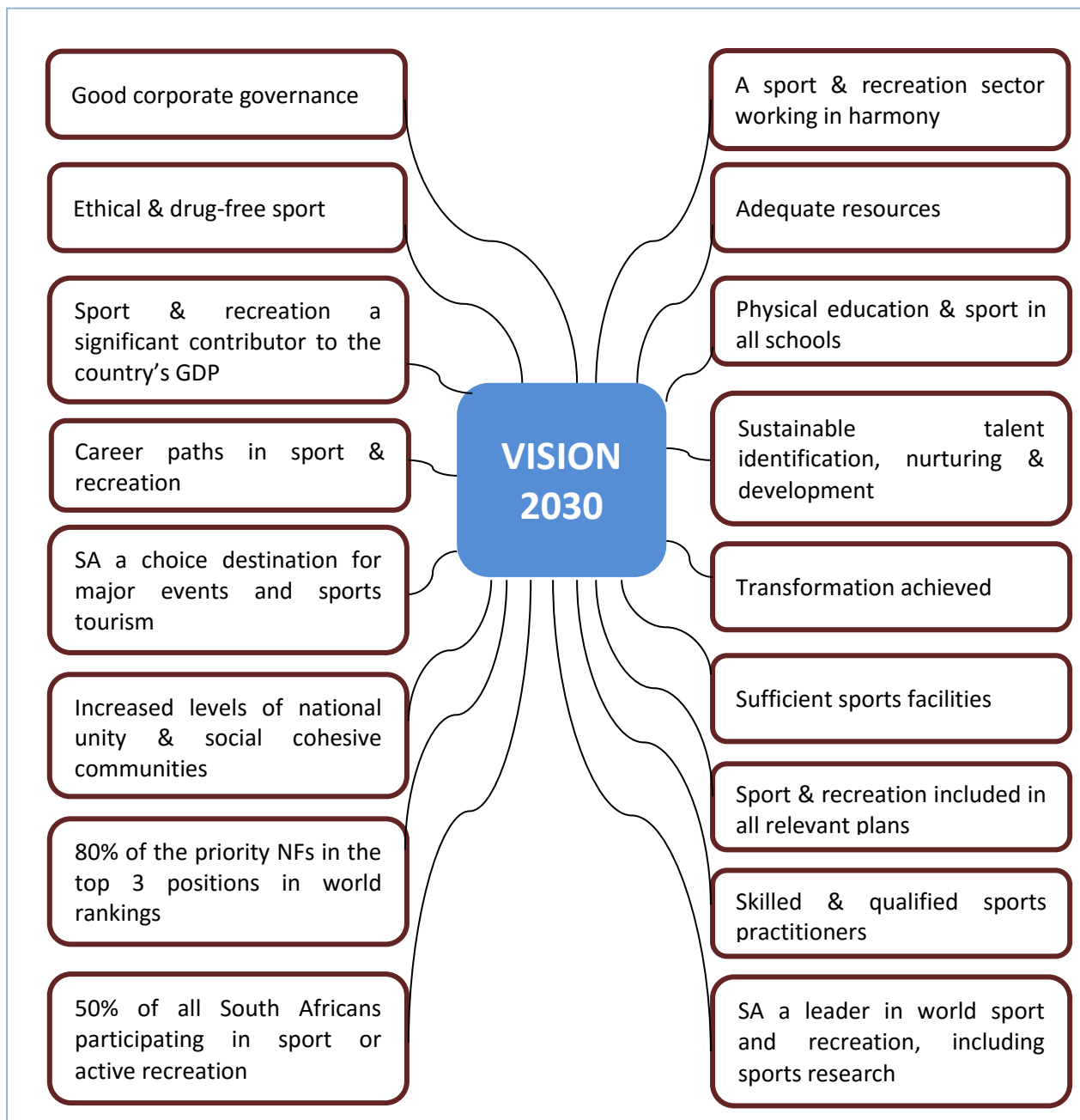


Diagram 2: VISION 2030 Outcomes of the NSRP

## Role of the Local Government and the strategic objectives of the NSRP relating to the SFMP<sup>5</sup>

<b>SO1 – Recreation</b>			
<b>Output</b>	<b>Key Activities</b>	<b>Responsible</b>	<b>Partners</b>
<b>Community structures</b>	Facilitate the establishment of community sport and recreation hubs and clubs that integrate into NF structures.	SRSA	Prov Gov Local Gov SASCOC
	Audit the location of hubs. (A hub is a platform or vehicle to encourage mass participation in sport and recreation activities in order to promote active and healthy life-styles amongst all age groups and abilities.)	SRSA	Prov Gov Local Gov SASCOC
	Procure and develop a Geographical Information System (GIS) for hubs, clubs established and schools.	SRSA	Prov Gov Local Gov SASCOC
	Convert hubs into self-sustainable entities like Community Based Organisations (CBOs), Non Profit Organisations (NPOs) or NGOs.	SRSA	Prov Gov Local Gov SASCOC
	Implement outreach programmes for vulnerable and previous marginalised groups through hubs.	SRSA	Prov Gov Local Gov SASCOC
<b>Basic sports capacity development and community outreach</b>	Support the delivery of community outreach programmes (Range of focus could include tertiary institutions).	SRSA	Prov Gov Local Gov CBOs
<b>SO2 – School Sport</b>			
<b>Output</b>	<b>Key Activities</b>	<b>Responsible</b>	<b>Partners</b>
<b>School Sport implementation</b>	Ensure that clear reporting lines are followed in relation to all stakeholders by NFs, municipalities, sports councils and school code structures to facilitate the smooth and efficient delivery of both school and community sport.	SRSA	DBE Prov Gov Local Gov SASCOC
<b>Unified school sport structures</b>	Address access and shared usage of school and municipal facilities.	SRSA	DBE Prov Gov Local Gov

<sup>5</sup> Please note some SOs reflect responsible and partners that does not indicate Local Government but do require the Local Government to assist and provide the information. It is therefore included because it will have an effect on the SFMP.

<b>SO4 – Talent identification and development</b>			
<b>Output</b>	<b>Key Activities</b>	<b>Responsible</b>	<b>Partners</b>
<b>Talent development programme</b>	Invest adequately in talent development to support an optimal, integrated talent development pathway to turn potential into excellence within a unified sports development continuum.	SASCOC	SRSA Prov Gov Local Gov Academies Tertiary Institutions

<b>SO5 – Athlete and coach support programme</b>			
<b>Output</b>	<b>Key Activities</b>	<b>Responsible</b>	<b>Partners</b>
<b>Team preparation</b>	Identify athlete and coach support needs. Customise services to meet the needs identified. Provide a life skills programme. Support a residential programme. Manage sport and education demands. Offer testing and training camps. National coaching and training.	SASCOC	SRSA Prov Gov Local Gov Academies

<b>SO9 – Facilities</b>			
<b>Output</b>	<b>Key Activities</b>	<b>Responsible</b>	<b>Partners</b>
<b>National facilities audit</b>	Conduct and verify sport and recreation facility audits per province. These audits must include municipal, private and school based facilities and produce a clear analysis of needs.	Prov Gov	SRSA DBE DoD Local Gov SASCOC
	Establish a GIS detailing the location of all sport and recreation facilities.	SRSA	Prov Gov Local Gov SASCOC
	Update and maintain the National Facilities Database.	SRSA	Prov Gov Local Gov
<b>National Facilities Plan</b>	Finalise the National Facilities Plan based on the provincial facilities audit.	SRSA	Prov Gov Local Gov
	Implement the National Facilities Plan which should also address the important issues of venues, multi-use and types of facilities, including indoor facilities and unused/abandoned buildings as well as the accessibility for people with a disability. Consider regulating access to municipal facilities.	Local Gov	RSA DBE Prov Gov SASCOC
<b>Norms and standards for sport and recreation facilities</b>	Communicate the national norms and standards developed for the provision of sport and recreation facilities. Consider developing national facility templates to minimise project costs.	SRSA	Prov Gov Local Gov



<b>SO9 – Facilities (continued)</b>			
<b>Output</b>	<b>Key Activities</b>	<b>Responsible</b>	<b>Partners</b>
<b>New sport and recreation facilities</b>	Engage stakeholders in the planning and construction of new facilities. Lobby for the inclusion of sport and recreation facilities in spatial planning.	SRSA	DHA COGTA DEA Loc Gov
	Encourage Local Government to build multi-purpose sports facilities when planning and designing new sports facilities. This will: <ul style="list-style-type: none"> <li>• contribute to youth development</li> <li>• contribute to the optimal use of facilities</li> <li>• contribute to integrated sport and recreation programmes and activities</li> <li>• contribute to diversification in sport and recreation result in the seasonal usage of the facilities that will contribute safety and a sense of multi-disciplinary community ownership.</li> </ul>	SRSA	Prov Gov Local Gov
	Consider making provision for meeting rooms and basic club offices to promote good governance when building multi-sports facilities.	Local Gov	SRSA Prov Gov
<b>Lease Agreements</b>	Encourage municipalities to develop effective partnerships with lease holders to ensure equitable access to facilities that are subject to leases.	SALGA	SRSA Prov Gov
<b>Accessibility to facilities</b>	Review municipal facilities by-laws and tariffs to allow accessibility to all communities.	SRSA	SALGA
	Identify a school with adequate facilities as a “centre of sport”, with neighbouring schools that will have access to these facilities in a cluster system.	SRSA	DBE Prov Gov Local Gov SASCOC
<b>Facility management training</b>	Ensure that facility management training manuals are updated and available.	SRSA	CATHSETA SALGA
	Develop and implement a schedule of training programmes with a special focus on the management and maintenance of sports facilities.	SRSA	Prov Gov SALGA

<b>SO10 – Clubs</b>			
<b>Output</b>	<b>Key Activities</b>	<b>Responsible</b>	<b>Partners</b>
<b>Audit of sport and recreation clubs</b>	Conduct an audit on sport and recreation clubs, including membership figures.	SASCOC	SRSA Prov Gov
	Ensure that all sport and recreation clubs affiliate to the applicable NF, which is recognised by SASCOC.	SASCOC	SRSA Prov Gov Local Gov
<b>Affiliated clubs</b>	Develop a club support system with expertise regarding club governance and develop standardised documents.	SASCOC	SRSA Prov Gov
	Encourage clubs to adopt the nearest schools. (The linkage between schools and community structures with clubs is important).	SASCOC	DBE Prov Gov
	Facilitate coaching clinics and organise coaches to deliver programmes in schools and the community through the club system.	SASCOC	SRSA Prov Gov Local Gov
	Encourage businesses and parastatals to adopt clubs.	SRSA	SASCOC
	Lobby the Department of Transport (DoTR) to assist with the transport needs of sports people.	SRSA	DoTR Local Gov

<b>SO11 – Sports Councils</b>			
<b>Output</b>	<b>Key Activities</b>	<b>Responsible</b>	<b>Partners</b>
<b>Functional Sports Councils</b>	Ensure that Sports Councils are structured and operational at local, regional and provincial levels.	SASCOC	SRSA Prov Gov Local Gov
	Build the capacity of the Sports Councils to be operational and functional and enable them to leverage existing commercial avenues and to build their own strong, independent and viable brands.	SASCOC	SRSA Prov Gov Local Gov
	Ensure that Sports Councils act as interface to support the linking of hubs/clubs with federations, municipalities, civil society structures and NGO's to ensure integration of sports programmes and to avoid duplication of resources.	SASCOC	SRSA Prov Gov Local Gov
	Ensure that provincial sporting entities affiliate to the relevant Provincial Sports Council. The Provincial Sports Councils will report to SASCOC according to their Constitution. The provincial governments must be represented on the governance structure of the provincial Sports Councils (in an ex-officio capacity), to ensure proper coordination of provincial sport. This structure should be cascaded down to a district and local level.	SASCOC	SRSA Prov Gov Local Gov

<b>SO15 – Academy system</b>			
<b>Output</b>	<b>Key Activities</b>	<b>Responsible</b>	<b>Partners</b>
<b>Implementation of sports academy system</b>	Revive academies in the provinces.	SASCOC	SRSA Prov Gov Local Gov
<b>SO16 – Sports House</b>			
<b>Output</b>	<b>Key Activities</b>	<b>Responsible</b>	<b>Partners</b>
<b>NF administrative support</b>	Establish a Sports House to serve as a centralised administration centre for identified NFs. Cascade the Sports House concept to provincial and local spheres. Ensure that those NFs that cannot be permanently accommodated in the Sports House still have access to basic administrative services provided by the Sports House..	SASCOC	SRSA Prov Gov Local Gov
<b>SO17 – Sports Information Centre</b>			
<b>Output</b>	<b>Key Activities</b>	<b>Responsible</b>	<b>Partners</b>
<b>Sports Information Centre</b>	Store sport and recreation related data and information according to best-practice guidelines.	SRSA	SASCOC Prov Gov Local Gov
	Analyse and distribute sport and recreation information to assist with planning and decision making.	SRSA	SASCOC Prov Gov Local Gov
<b>Applied sports research programmes to support strategic decision making</b>	Coordinate research for sport as part of a research based planning framework and establish links with associated sports knowledge networks.	SRSA	SASCOC Prov Gov Local Gov

<b>SO19 – Volunteers</b>			
<b>Output</b>	<b>Key Activities</b>	<b>Responsible</b>	<b>Partners</b>
<b>National sports volunteer programme</b>	Establish and maintain a volunteer database. Consider utilising the database when appointments are made within the sport and recreation sector.	CATHSSETA	SRSA SASCOC Prov Gov Local Gov
	Embark on a volunteer recruitment campaign including volunteer recognition. Integrate and capitalise on 2010 volunteer initiatives. Encourage young people to volunteer at national and international events.	SRSA	SASCOC Prov Gov Local Gov
	Conduct pre-appointment screening and vetting of applicants.	CATHSSETA	SRSA SAPS SASCOC Prov Gov Local Gov
	Develop and maintain accredited volunteer training programmes.	CATHSSETA	SRSA SASCOC Prov Gov Local Gov

<b>SO20 – International Relations</b>			
<b>Output</b>	<b>Key Activities</b>	<b>Responsible</b>	<b>Partners</b>
<b>Donor management system</b>	Identify donors and partners within the sports Sector.	SRSA	Nat Treasury Prov Gov Local Gov SASCOC

<b>SO23 – Transformation</b>			
<b>Output</b>	<b>Key Activities</b>	<b>Responsible</b>	<b>Partners</b>
<b>Transformation Charter</b>	Produce an audit report on transformation to define both the current national, provincial and local level status so as to allow focused interventions. The audit should also address previous transformation initiatives and highlight failures and best-practice.	SRSA	Prov Gov Local Gov SASCOC
	Adopt and implement the Transformation Charter as part of the NSRP.	SASCOC	SASCOC Prov Gov Local Gov
	Adopt the Scorecard as a monitoring and evaluation tool for transformation.	SASCOC	SRSA
	Revise Service Level Agreements with NFs for the delivery of transformation targets.	SASCOC	SRSA Prov Gov Local Gov

<b>SO24 – Priority Codes</b>			
<b>Output</b>	<b>Key Activities</b>	<b>Responsible</b>	<b>Partners</b>
<b>Priority Codes Evaluation Tool</b>	Classify NFs and support appropriately.	SRSA	Prov Gov Local Gov SASCOC

<b>SO25 – Ethical environment</b>			
<b>Output</b>	<b>Key Activities</b>	<b>Responsible</b>	<b>Partners</b>
<b>Rehabilitation programmes</b>	Deal with socio-economic issues and the causes of substance abuse (e.g. by providing alternative leisure or skills development activities, as well as more effective coping mechanisms).	SAIDS	SRSA DBE DHE Prov Gov Local Gov Academies

<b>SO30 – Sport and the environment</b>			
<b>Output</b>	<b>Key Activities</b>	<b>Responsible</b>	<b>Partners</b>
<b>Green Sport Framework</b>	Formulate environmentally friendly and practical initiatives that can be applied within the South African sporting sector (e.g.: recycling at events; buying “green” sport consumables).	SRSA	DEA DWA Prov Gov Local Gov SASCOCs
<b>Green Sport awareness campaign</b>	Structure awareness campaigns to educate the general public and sports people in particular about hosting events and buying sports goods that are environmentally friendly	SRSA	Prov Gov Local Gov SASCOC

## OVERVIEW OF KEY ASPECTS OF THE TRANSFORMATION CHARTER THAT RELATES TO THE SFMP

Various aspects of the Transformation Charter are addressed under the NSRP. The following key points do refer specifically to the management plans for sports grounds:

- **Accessibility**
  - Gender equality – where a sport club is male only it must develop female teams and participation
  - Veteran and above 35 of age – sport facilities and clubs must develop strategies that would include participation of above 35 at the sport facilities
  - Youth empowerment – where under 18s do not have access to sport and recreation sport grounds must be made accessible
  - Disability – facilities must also be friendly for use by different disabilities especially wheelchair bound and the blind.
- **Representation**
  - The community and not just specific sport codes must have representation on the governance and management of 16-35 year olds do not have access
- **Score Card**
  - Each sport club that constitutes a sport council must adhere to the score card and be completed. Transformation is also the duty of the municipality as entity that monitors and ensures that all sport clubs are adhering to transformation

## OVERVIEW OF KEY ASPECTS OF OTHER STRATEGIC DOCUMENTS

### IOC Charter and the National Sport and Recreation Act 1998 as amended

According to the IOC charter and Act the role of government is not to administrate sport codes but to provide facilities and funding and support. Therefore in governance structures the elected officials that represented the stakeholders cannot be paid by government to fulfil their duties. Government may provide funds for use by the organisation in their operations.

### MFMA

There are restrictions on the management and transfer of government assets to outside organisations or entities. The allocation of capital expenditure must still remain with the municipality and transfer of these funds to outside organisations may not be done. The financial management of sites and transfer of assets are restricted by MFMA and must be included when creating new lease agreements.

### King III on Corporate Governance<sup>6</sup>

Under King III elected officials will also be held responsible for risk management of any organisation and therefore can be held liable for any corruption, mismanagement of funds or losses incurred by the organisation. All organisations (including sport organisation that are economically active) must now adhere to the rules of King III. This applies also to key aspects on creating appropriate governance oversight committees and documentation.

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<sup>6</sup> The King III principles will be analysed in a separate document and will specifically apply on organisational models of the Sports Councils and governance and oversight.

## NOTES

# A WAY FORWARD SOME RECOMMENDATIONS

Recommendations towards refinement of  
the SFMP and implementation of SFMP





## TOWARDS AN INTEGRATED MANAGEMENT MODEL

The review of the current draft plan and the strategic documents as discussed in previous sections requires a review of the current management model. The following model aims to include all aspects as highlighted in previous sections.

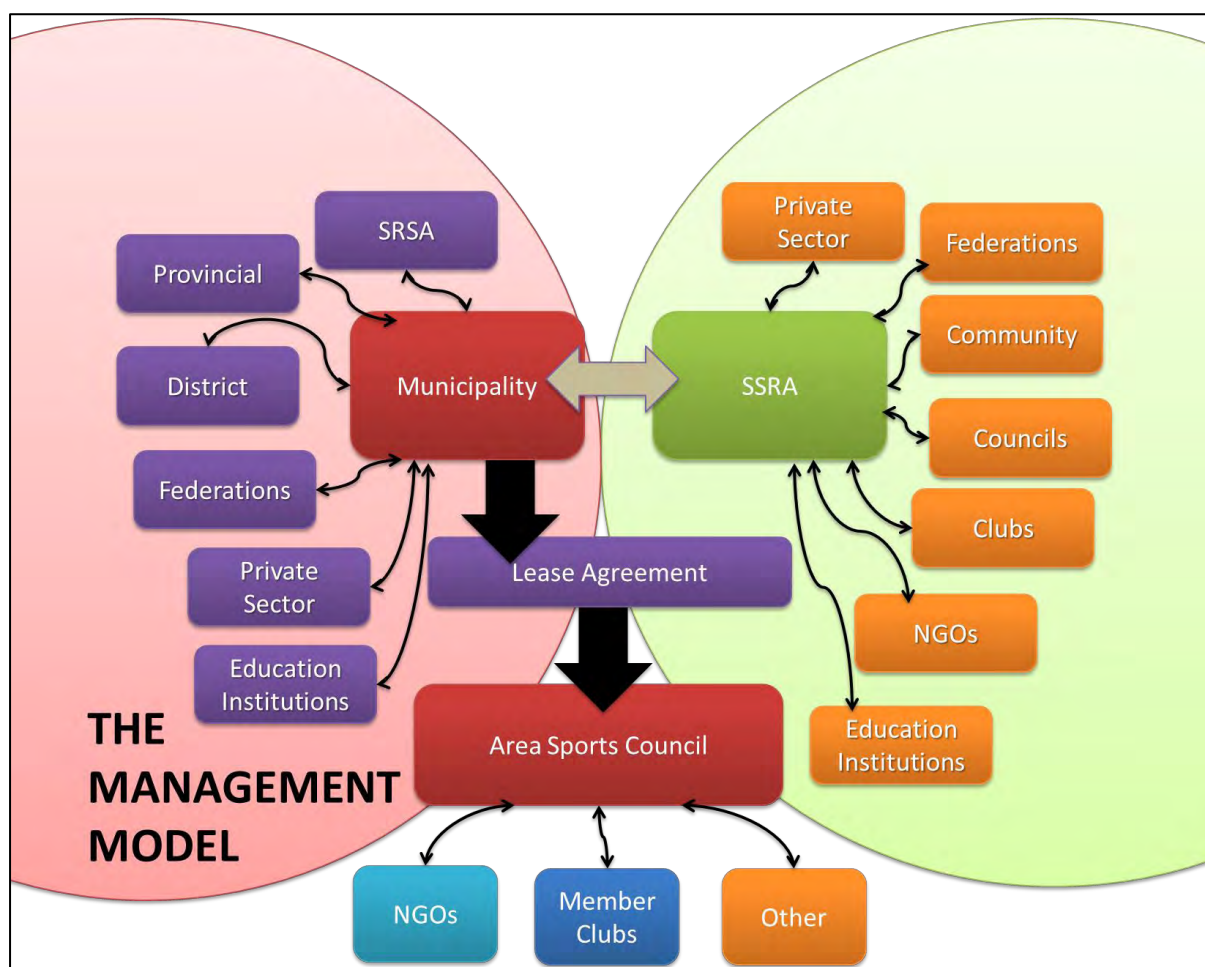


Diagram 3: New proposed management model

### Remarks:<sup>7</sup>

- The municipality will form a Lease agreement with the Area Sports Councils.
- The duties and roles of:
  - The municipality are to:
    - Interact with other spheres of government for collaboration in funding, development, strategies and development of academies, club structures and data gathering.
    - Interact and co-operate with Sport Federations to identify and understand sport code needs and developments.
    - Co-ordinate with Private sector to develop Public Private Partnerships.
    - Manage and maintain sport facilities OR transfer to new SLAs with other entities.

<sup>7</sup> These are just general remarks. A more detailed explanation will be developed when all stakeholders were consulted.

- Provide funding for capital expenditure and application of grants through the various.
  - Develop new spaces which include rural spaces for sport and recreation.
  - Provide skills, development and training for the Sports Councils and SSRA through SLAs with Tertiary education institutions.
  - Interact and identify needs for sport and recreation in Public schools that falls under the municipal area.
- The SSRA are:
  - To be an advisory board that will assist and expand on the functions of the Municipality.
  - Create a donor system through its interaction with the private sector in providing funds, sponsorships and assistance in development and expanding of current Area Sports Councils and the facilities it operates.
  - Interact with the community and enable sport as tool for development within the various communities the SSRA serves.
  - Interact, monitor and capacitate the Area Sports Councils which forms its founding members.
  - Interact and co-operate with NGOs in sport development.
  - Interact with other clubs and not only clubs at specific sport grounds managed by Area Sports Councils to identify needs and assist in developing an integrated Sport and Recreation development plan.
  - Co-operate with schools to assist in development of sport and recreations and co-operate with tertiary institutions in developing Long Term Participant plans and training for Sports Councils.
- Both the Municipality and SSRA will be key custodians and champions for the development of sport and recreation within Greater Stellenbosch. The municipality as co-ordinator in the Public Sphere and SSRA in the Community and Business Sphere. As partners the two entities will assist each other in accomplishing an integrated community driven sport and recreation development plan. This will also result in sustainable sport facilities and structures. The municipality will form direct lease agreements with the member sport councils and will co-operate with the SSRA to monitor and assist in the development of the member sport councils.
- The Area Sports Council will consist out of members from Sport Clubs, NGOs in the specific area, schools and community members. The sports council will not only manage a specific sports ground but will be involved in development and promotion of sport and recreation for its area.
- This model includes the key priorities identified within the NSRP as well as to fulfil in transformation of sport and recreation in Greater Stellenbosch

## TOWARDS A SUSTAINABLE FUNDING MODEL

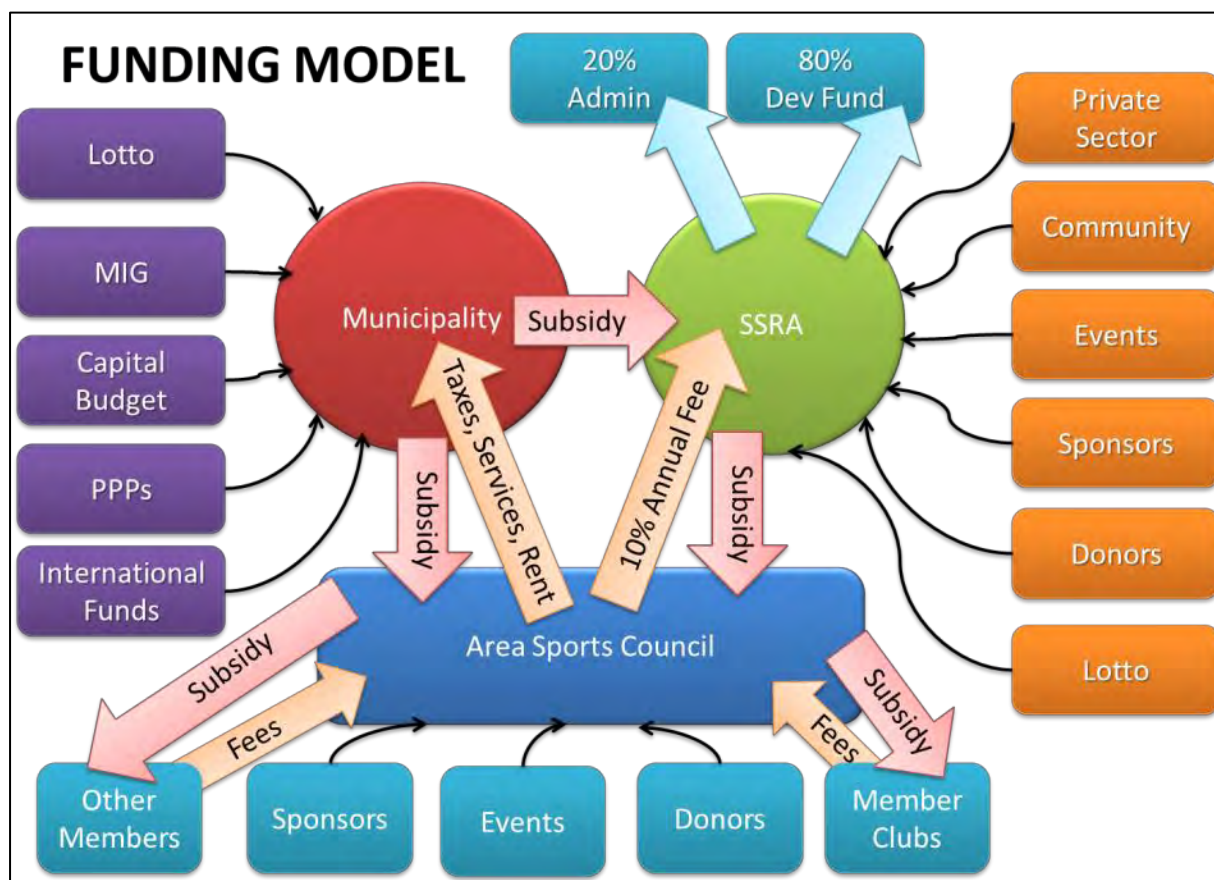


Diagram 4: The funding model

### Remarks:<sup>8</sup>

- The funding model's aim is to generate an integrated approach towards the development of sport and recreation within Greater Stellenbosch. It also outlines the specific functions of the different entities in the financial management of sport and recreation.
- The municipality will be responsible for application of grants and funds towards sport and recreation and will manage these funds gained on behalf of the SSRA and Area Sports Councils. In the form of Subsidies these funds will be allocated towards each Area Sports Councils. Depending on the agreement with the Area Sports Council, the Councils will use the funds for the appropriate designated purpose. The municipality will also provide a special fund through a subsidy to the SSRA which will use the funds for its operational functions. The municipality will directly receive all rent, taxes and services fees from the Area Sports Council.
- The SSRA will receive a subsidy from the Municipality to use for its operations. It will also receive an annual membership fee from each of the Area Sports Councils. In addition it will facilitate the development of donor funds and sponsors that will contribute towards the Sport and Recreation Development fund. The SSRA will also provide subsidies towards the

<sup>8</sup> The funding model is based on current models used by the municipality as well as recommendations from the NSRP relating to funding and development of sport and recreation.

Area Sports Councils. It is suggested that the SSRA must allocated not more than 20% of all its funds gained for administration. 80% must go to a Sport and Recreation Development fund which will be used for subsidies towards Area Sports Council but also for the broader development of Greater Stellenbosch Sport and Recreation initiatives and programmes as well as the development of tournaments and events within Greater Stellenbosch.<sup>9</sup>

- The Area Sports Council will generate funds from subsidies gained from the Municipality and the SSRA and through membership fees from its member clubs and other members. The other members can be organisations, institutions and NGOs that works within the area of the sports council. The Area Sports Council in returns subsidises the member clubs and other members. It will also gain funds through sponsors, event and from donors within the community. It will also work on a budget of 20% administration and 80% development. The Area Sports Council will contribute 10% of its annual income towards the SSRA. The reason for this is to ensure that stronger councils will assist developing and transforming councils in becoming financially sustainable. The other side of this approach is that the bigger contribution an Area Sports Council makes the bigger allocation of funds that is used for development will also be given in the form of subsidies from the SSRA.
- This funding model aims to alleviate the pressure on the municipality to provide funds from its capital budget towards the development of sport infrastructure and rely on the Sport and Recreation Development Fund which is a joined fund between the municipality, SSRA and the Area Sports Council.

## TRANSFORMING THE SPORTS COUNCILS

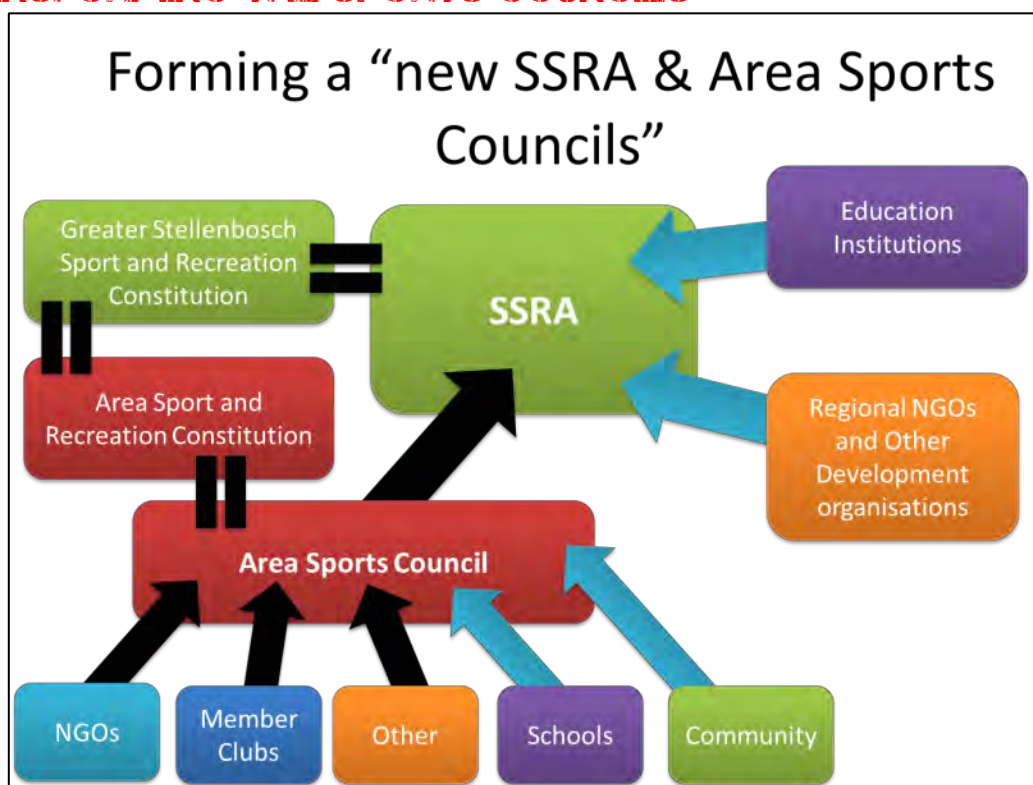


Diagram 5: Forming a new representative Sports Council for Greater Stellenbosch

<sup>9</sup> This is benchmarked against current international trends in Federations with the IOC and FIFA allocating 10% towards administration and 90% towards development and World Rugby and ICC allocating up to 20% for administration and 80% towards development.

**Remarks:**<sup>10</sup>

- The SSRA must be transformed into a representative Sports Council for Greater Stellenbosch. Currently it is only representative of sports councils and specific sport clubs. The SSRA must also include other stakeholders especially from education institutions, NGOs and other community organisations and representatives within the sport and recreation sphere.
- Area Sports Councils must include members from Sport Clubs, Schools, Communities, NGOs and other Sport and Recreation organisation within the area.
- These sports councils and SSRA must be representative of all stakeholders within sport and recreation and is not only aligned or representative of one sports ground or centre. These councils become the custodians and champions of sport and recreation within Greater Stellenbosch.
- The SSRA will create an *uber* Sport and Recreation Constitution that will be the guideline for sport and recreation development and management in Greater Stellenbosch.
- The area Sport and Recreation Constitution will affiliate from the Greater Stellenbosch Sport and Recreation Constitution and will guide the sport and recreation development and management within the specific area.

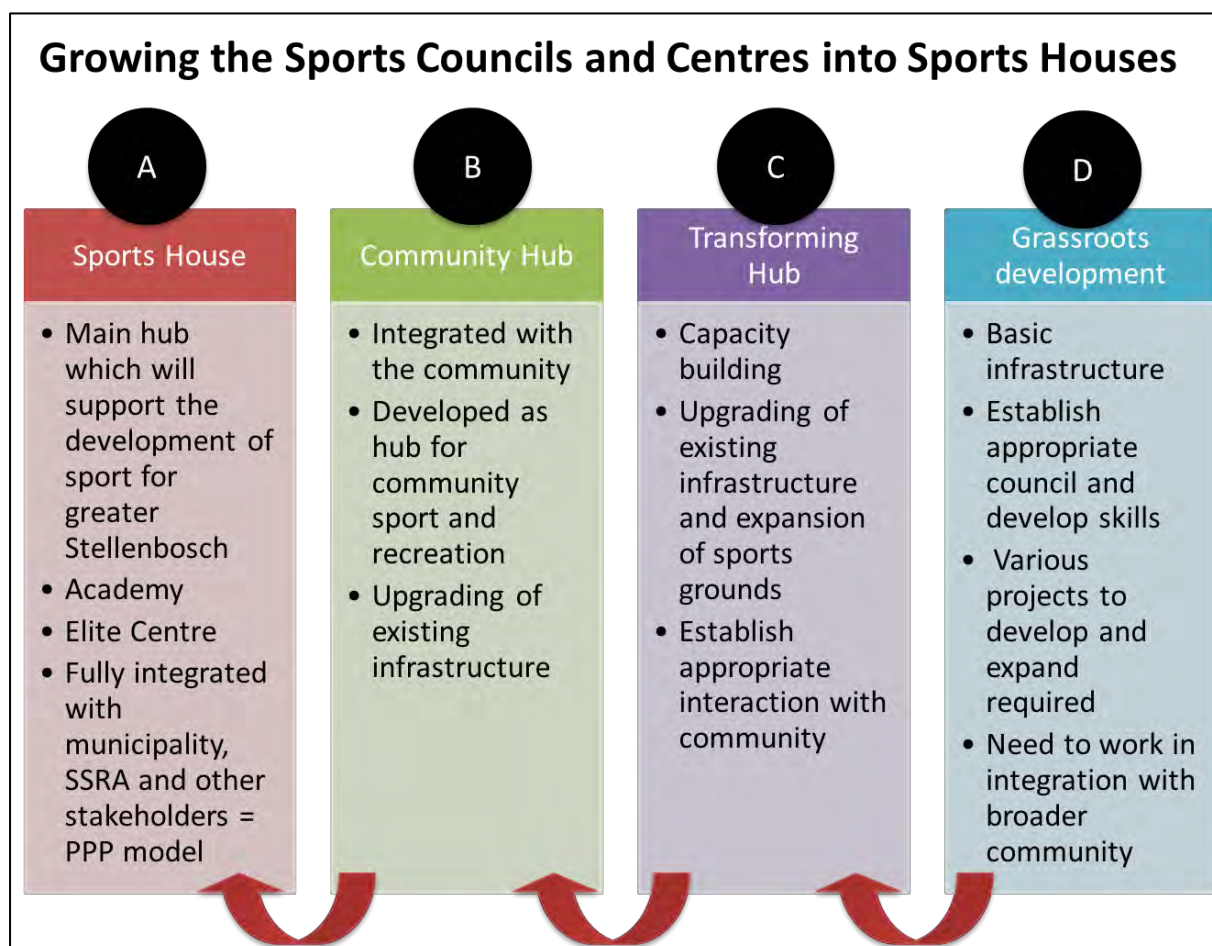


Diagram 6: Growing and developing the sports councils and centres

<sup>10</sup> These views are based on the NSRP's views on sport councils. See SO11 – Sports Councils

**Remarks:**<sup>11</sup>

- The details of the categories and specific lease agreements and implication remains open. Although there are some indications and general specifications included in the SFMP Version 2012 this does not include the current requirements as included in the NSRP. The diagram aim to integrate some of the principles in the categories but the outcomes does change how these categories will be managed and operated.
- Further urgent discussions are required on the categories and how to integrate the NSRP priorities in to the SFMP before final recommendations can be made towards the facility management categories.

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<sup>11</sup> This diagram is based on the 4 categories as included in SFMP Version 2012. It is integrated with the NSRP that expects also the development of a Sport House and Sport information centre. The club and academy system must be integrated within the SFMP and its envisioned especially in categories A and B.

**NOTES**

# KEY DEVELOPMENT FACTORS

An overview of additional development required for the implementation of the SFMP and additional strategies that must be developed during and after implementation of the SFMP





## **THE FOLLOWING ARE INDICATIONS OF DOCUMENTS, DATA AND STRATEGIES THAT MUST BE DEVELOPED IN PARALLEL WITH THE SFMP.**

### **Asset register**

- Comprehensive database of all assets (building, equipment and other) of each site
- Costs and valuation of assets

### **Review of constitutions**

- Review of all member club constitutions
- Review of SSRA constitution
- Review of Area Sports Council constitutions
- Review of other members constitutions

### **Financial Management**

- Budget development per Area Sports Council
- Financial models and income generating strategy
- Financial systems for councils
- Financial development strategy for grants and priorities to be identified for future development

### **Business Development Strategy**

- Business strategies for SSRA, each council, member clubs and other organisations in Greater Stellenbosch

### **Risk Assessment**

- Risk assessment of current facilities and the areas
- Risk and disaster plans for each facility and site
- Risk management training for councils and SSRA members

### **Sport and Recreation Development Plan**

- The development of area specific sport and recreation development plans that integrates all spaces for sport and recreation (not only a specific sport facility)
- An integrate Sport and Recreation Master Plan for Greater Stellenbosch

### **Transformation and LTPD plans<sup>12</sup>**

- Transformation plans for SSRA, Municipality, Area Sports Councils and member sport clubs
- The development of LTPD plans for SSRA, Area Sports Councils and member sport clubs
- The development of Active for Life programme for the municipality and its staff and officials
- The development of skills and training programmes in various aspects
- The development of coaches and officials for the greater Stellenbosch

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<sup>12</sup> The LTPD plans are based on the SASCOC Sport for Life strategy.

# REFERENCED DOCUMENTS

A list of the documents referred to in reviewing the SFMP



**SFMP\_V2012**

- The second version of the Sport Facility Management Plan. Currently still tabled with the council

**SFMP\_V2011**

- Original version of the Sport Facility Management Plan. Developed in 2011.

**IOC CHARTER**

- Guiding document towards sport organisation and administration. Established by all members of the International Olympic Committee and is the main charter for all sport federations in the world including South Africa

**SPORT AND RECREATION ACT 1998 AS AMENDED**

- The act the guides and explains he duties of government and sport federations within sport and recreation development.

**NSRP**

- The National Sport and Recreation Plan was adopted by all sport federation, organisations and government spheres and must be used as the guiding document for development of Sport and Recreation in South Africa.

**TRANSFORMATION CHARTER FOR SPORT 2012**

- The current transformation charter indicates various aspects relating to transformation of sport and recreation. It also includes score cards which will assist in evaluating current progress in transformation.

**MFMA**

- The Municipal Finance Management Act provides specific rules relating to the management and use of public funds.

**KING III REPORT ON CORPORATE GOVERNANCE**

- The current guidelines used in corporate governance. The principles apply to all organisations that manage funds and is directly relevant to the SFMP of Stellenbosch Municipality.

**SASCOC SPORT FOR LIFE**

- Strategic document that focus on Long Term Participant Development plans. This document is used as guideline in developing development plans for sport organisations.

# APPENDIX 2

**7.12 MANAGEMENT OF SPORT FIELDS**

*File number* : 17/6MN  
*Report by* : Director: Community Services  
*Compiled by* : Manager: Community Services  
*Delegated authority* : Council

**Strategic intent of item**

Preferred investment destination

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**

To obtain approval from Council to introduce and implement a new Sports Management Model. This model will replace certain aspects of the current lease agreement with the Stellenbosch Sports Recreation Association (SSRA) and furthermore strengthen ownership and provide better management of Council assets.

**1. BACKGROUND**

In March 2002 Stellenbosch Municipality entered into an Agreement of Lease with the SSRA for a period of nine years and eleven months (9 years and 11 months) to manage ten (10) sports fields and promote the development of sports in the Greater Stellenbosch. This Agreement has terminated in March 2012.

Stellenbosch Municipality was the first Local Authority in the Western Cape to introduce a Sports Management Model where the management of sports facilities is entirely managed by ordinary members of the community. The agreement made provision for Sports Councils to manage our facilities, through which they may generate income to maintain the interior of the facilities and promote the development of sports. In return the Municipality gave them two years discount on water and electricity and charges them a minimum annual service fee for the preparation of the sports fields. The

Municipality also maintained the exterior of the premises as well as the maintenance of all exterior walls and fences. In 2002 the service fee charged was only R100.00 per Sports Council with a 10% escalation per annum.

The Agreement of Lease in its introduction phase was a brilliant instrument which generated massive community participation, produced talented sportsmen and women, created small business entrepreneurs and provided PRIDE to our communities.

The continuous development in sport and its professionalism soon indicated that our Sports Management Model has become outdated and needs to be reviewed or a new model needs to be introduced for efficient management of facilities.

### 3. THE CURRENT SPORTS MANAGEMENT MODEL



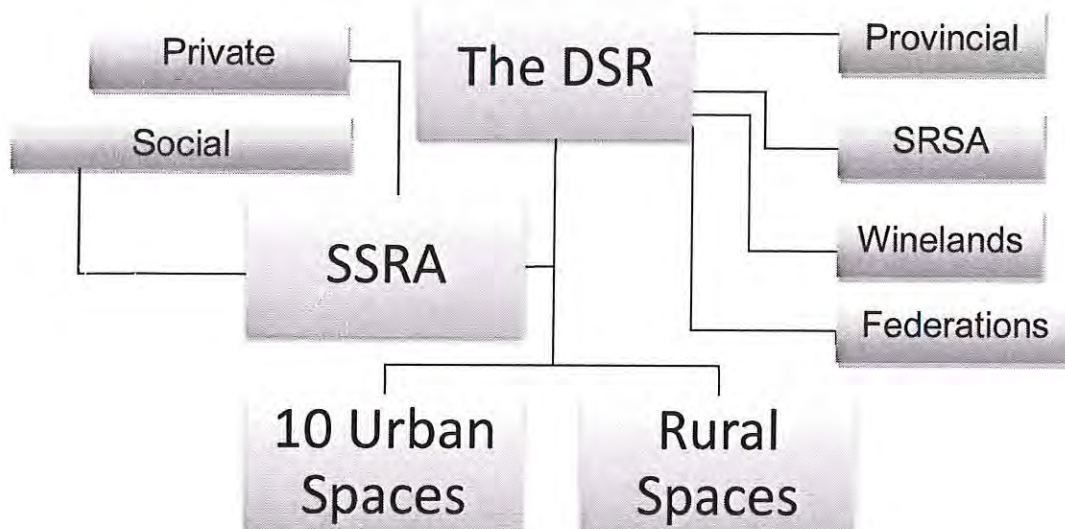
### HIGHLIGHTS OF SUCCESSES AND FAILURE OF THE CURRENT MODEL

SUCCESSES	FAILURES
Community participation in management of facilities	Exclusion of some stakeholders in management of facilities
Establishment of management structures for facilities	Lack of proper governance and skills within the management structures of facilities
Greater understanding of sport needs within communities	Not addressing all the sports needs identified
Expansion and upgrading of facilities	Misuse or under use of current facilities
Centralised management model for coordination and development of sport	Inappropriate powers and functions that created barriers to proper oversight and management of sub councils
	Vandalism and theft of facilities
	No proper facility management plan
	In many of our areas the Sports Councils are often mismanaged due to a lack skills and experience in facility management practices or business management.

	The non-payment of electricity, the security at fields and the sub-leasing of facilities.
	The Municipality does not have any control over the spending of income by the Sports Council.
	Failure to repair the interior of facilities as result of theft and vandalism
	Lack of ownership at some facilities and stadions
	The over utilization of playing fields

#### 4. THE WAY FORWARD

##### Changing the current Sports Management Model



##### THE DEPARTMENT OF SPORTS AND RECREATION (STELLENBOSCH MUNICIPALITY) (THE DSR)

The **DSR** is a centralised department within the Stellenbosch Municipality with the purpose to coordinate and manage sports development with the Stellenbosch Municipality. Through one department the maintenance, budgets, Human Resources, strategic vision and skills development will be managed. The department will be holistic in its approach to the development of sport.

##### THE DSR'S UNDERSTANDING OF SPORTS DEVELOPMENT

The function of the **DSR** is to develop spaces for sport. Sports development therefore within the municipal function is to stimulate sports activities through special allocated spaces and to upgrade, expand and improve these spaces into sustainable sports

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environments. The **DSR** does acknowledge that sport is a vehicle for social change and upliftment of communities, but the use of sport as such a vehicle for social development lies within the scope of practice of the Social Development Department. **The DSR** must provide the spaces for sport which will enable other functions and departments within the Stellenbosch Municipality to optimally develop and serve the communities.



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## 5. ROLES, FUNCTIONS AND RESPONSIBILITIES

### 5.1 Roles and responsibilities of the Department of Sport

- The **DSR** will be directly involved as the Governance and management organization for the spaces for sport
- The **SSRA** becomes an advisory and oversight board for the **DSR** which will interact with the private sector for funding purposes and also to coordinate, advise and provide a communication channel to the municipal department of Social Development
- The **DSR** will also directly interact with the district, provincial and national departments of sport as well as the Federations. This interaction is to enable the **DSR** to identify the needs of the sporting codes as well as to implement the strategies as developed within the three spheres of government.
- The **DSR** will divide spaces for sport into urban and rural. The urban spaces will be developed into sustainable and financially viable structures. The rural spaces will be developed by assisting current tenants of municipal property in developing spaces for sport.

### 5.2 Functions of the DSR

The **DSR** will focus on the following functions in sports development:

- Development of spaces for sport
- Providing funding and skills in maintaining the spaces for sport
- Improving accessibility of spaces for sport to the communities it serves
- Expanding into all areas and regions within the municipal area. The **DSR** will be directly involved as the Governance and management organization for the spaces for sport
- The **SSRA** becomes an Advisory and Oversight Board for the **DSR** which will interact with the Private Sector for funding purposes and also to coordinate, advise and provide a communication channel to the municipal department of Social Development
- The **DSR** will also directly interact with the district, provincial and national departments of sport as well as the Federations. This interaction is to enable the **DSR** to identify the needs of the sporting codes as well as to implement the strategies as developed within the three spheres of government.
- The **DSR** will divide spaces for sport into urban and rural. The urban spaces will be developed into sustainable and financially viable structures. The rural spaces will be developed by assisting current tenants of municipal property in developing spaces for sport.

**5.3 Roles of the SSRA (KPA'S)**

- Facilitate sports development on municipal fields in WCO24
- Facilitate the hosting of major sports events in the Greater Stellenbosch
- Recognition of sports achievements in WCO24 in collaboration with the Department Community Services and the Mayor's office
- Financial management
- Management of lease agreement within the WCO24
- Management of non-performance of sports councils in collaboration with the municipality
- Submit quarterly management reports of all sports stadiums
- Honorarium fee of R800.00 for the chairperson, R500.00 for the secretary and R500.00 for the Promotion official / Events organiser (monthly)
- The SSRA may with permission of the Stellenbosch Municipality negotiate and apply for funding to upgrade and establish new facilities and for Sports Development.

**5.4 Roles and responsibilities of the Executive of the SSRA****Chairperson**

- Arrange and chair meetings
- Oversee that all executive members submit reports monthly or as request
- Chair accordingly as stated in the SSRA constitution
- Acts as the official spokesperson of SSRA
- Support and liaise with the DSR
- Control, coordinates and/or advice on the activities of the office bearers

**Facility inspector**

- Perform monthly inspection of on all sports grounds in the WC0 24.
- Submit written inspection reports to the Department Community Services.
- Make recommendation to the SSRA and the Department Community Services on the non- compliance of Sports Councils.
- Follow-up on work orders and commitments made as per discussion in the SSRA meetings.
- Ensure that all events are in compliance with the OHS and Events Act, and that all events applications are submitted both to the SSRA and Stellenbosch Municipality.

**Secretary**

- 
- Treasurer: Manage the finance and the administration on behalf of the SSRA. Submit monthly financial statements of the SSRA and the Sports Councils. Ensure that all Sports Councils submit audited financial statements from registered financial institutions. All annual financial reports to be submitted by the end of March of each year to the Stellenbosch Municipality.
  - Promotion official / Events organizer: Ensure that all events are in compliance with the OHS and Events Act, and that all events applications are submitted both to the SSRA and Stellenbosch Municipality.
  - Municipal Official: The official will perform an oversight role in the meetings and provide guidance in the implementation of the lease agreements and the normal procedure of the meetings. Will provide feedback to the SSRA and the Sports Councils on a monthly basis on capital and operational projects. The official will update the SSRA on the developments pertaining to sports and infrastructure upgrades. The official will support the Secretary with minute taking and finalize a report to the Standing Committee of Community Services.

#### 6. FINANCIAL IMPLICATIONS

See **APPENDIX 2** for the approved tariff structures.

#### RECOMMENDED

- (a) that the New Sports Management Model be adopted based on the development benefits and accommodation of various sporting codes;
- (b) that all facilities be leased directly from the Municipality by the various Sports Councils;
- (c) that the approved tariffs be implemented from **1 January 2013**; and
- (d) that all Sports Federations communicate directly to the Municipality in terms of capital investment and improvement of sports fields.

#### COMMUNITY AND PROTECTION SERVICES COMMITTEE: 2013-03-13: ITEM 5.1.3

After the Chairperson allowed a long debate on the matter and before the item was put to the vote, the Chairperson allowed for a 5 minute caucus. After the meeting resumed, Councillor DA Hendrickse did not return. The Chairperson requested that it be minuted that Councillor DA Hendrickse left the meeting without permission.

It was

**RECOMMENDED**

- (a) that this matter be referred back to allow the Administration to arrange a workshop within 14 days, inviting all Councillors and members of the SSRA;
- (b) that the Municipal Manager be mandated to take over poorly managed sports facilities; and
- (c) that the Director: Community and Protection Services, shall be responsible for the management of all activities directly linked with such facilities as stipulated in (b) above.

(D:CPS)

**MAYORAL COMMITTEE MEETING: 2013-03-20: ITEM 5.1.11**

**RECOMMENDED BY THE EXECUTIVE MAYOR**

- (a) that this matter be referred back to allow the Administration to arrange a workshop within 14 days, inviting all Councillors and members of the SSRA;
- (b) that the Municipal Manager be mandated to take over poorly managed sports facilities; and
- (c) that the Director: Community and Protection Services, shall be responsible for the management of all activities directly linked with such facilities as stipulated in (b) above.

(D:CPS)

**FURTHER COMMENTS BY THE DIRECTOR: COMMUNITY AND PROTECTION SERVICES**

Subsequent to the recommendation made by the Executive Mayor at a Mayoral Committee meeting held on 20 March 2013, that a workshop be held with all Councillors and stakeholders, the Administration responded with the following actions:

**Actions prior to 20 March 2013**

- 4 July 2012 : Draft Revised Sports Management Model with Dept of Arts, Culture and Sports (DCAS), SALGA, Councillor PJ Venter, Portfolio Chair and municipal officials.
- 6 August 2012 : presentation of Sports Management Model to the SSRA and the various Sports Councils.
- 6 December 2012 : progress report and updating of development of Sports Management Model, present: Clr Arends, SSRA, Sports Councils, DCAS, ETA and municipal officials.
- 13 March 2013 : item served before Standing Committee.
- **20 March 2013** : item served before Mayco and was referred back for a workshop with Councillors.

**Actions after 20 March 2013**

- 6 May 2013 : preparation for workshop to be held with Councillors, present: DCAS, ETA, Councillor PJ Retief and Administration.
- 7 May 2013: workshop with Councillors as per Mayco decision, in Council Chambers. Councillor PJ Retief presented the new Draft Sports Management Model.
- 29 May 2013: Sports Management Model discussing Section 78 Investigations. Present Administration and DCAS.
- 4 June 2013: detailed discussions regarding Sports Management Model with Councillors. Present: Councillors PJ Retief, DA Hendrickse, and PJ Venter.
- 6 June 2013: detailed discussions with Speaker and various Sports Councils in Council Chambers.
- 7 August 2013: Jan Marais Boardroom: present Adv Boauh, Henry Paulse and municipal officials.
- 12 Augustus 2013: Circulation of hard copies to all Mayco members regarding the revised progress on the Sports Management Model.
- 27 August 2013: second meeting with Councillors and present were Councillors PJ Venter, DA Hendrickse and municipal officials.  
19 September 2013: final discussions regarding the Sports Management

Model. Present: Speaker, Councillors NE McOmbring, JP Serdyn, PJ Retief, SSRA, Sports Councils and municipal officials. Plan was approved and accepted by Sports Councils.

- 13 November 2013: Sports Management Model served before Standing Committee.
- A copy of the Minutes of the SSRA, dated 03 October 2013 containing the Sports Body's stance pertaining to the new Management Model is attached herewith as **APPENDIX 3**.

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aunwa wa for public*

**RECOMMENDED**

- (a) that the new Sports Management Model, be adopted, in principle;
- (b) that the said Model be advertised for public comment; and
- (c) that this matter be resubmitted including the public comment, if any, to this Committee for consideration and subsequent recommendation to Council.

**MAYORAL COMMITTEE MEETING : 2013-11-27 : ITEM 5.1.13****RECOMMENDED BY THE EXECUTIVE MAYOR**

- (a) that the new Sports Management Model, be adopted, in principle;
- (b) that the said Model be advertised for public comment; and
- (c) that this matter be resubmitted including the public comment, if any, to this Committee for consideration and subsequent recommendation to Council.

**(DIRECTOR: COMMUNITY AND PROTECTION SERVICES TO ACTION)****17<sup>TH</sup> COUNCIL MEETING: 2014-01-16: ITEM 7.12****RESOLVED** (majority vote)

- (a) that the new Sports Management Model, be adopted, in principle;

- (b) that the said Model be advertised for public comment; and
- (c) that this matter be resubmitted including the public comment, if any, to this Committee for consideration and subsequent recommendation to Council.

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

*Councillors DA Hendrickse; M Wanana and AT van der Walt.*

**(DIRECTOR: COMMUNITY AND PROTECTION SERVICES  
TO ACTION)**

# APPENDIX 3





# STELLENBOSCH

STELLENBOSCH • PNIEL • FRANSCHHOEK  
MUNISIPALITEIT • UMASIPALA • MUNICIPALITY

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**UITNODIGING AAN DIE PUBLIEK OM INSETTE TE LEWER T.O.V DIE NUWE SPORTSBESTUURSPLAN**

Stellenbosch Munisipaliteit wil graag 'n praktiewe implementeringsproses volg gedurende die implementering van die nuwe Sportbestuurplan. Die publiek word dus uitgenooi om enige geskrewe bydrae, tot die sportmodel, te lewer aan die Munisipaliteit teen Vrydag, 19 Maart 2014 (Epos: Gerald.Esau@stellenbosch.gov.za / faks: 021-8877446. Dit is 'n innoverende benadering wat gevolg word deur die Munisipaliteit om gemeenskaps deelname en goeie plaaslike bestuur te bevorder.

Persone wat graag insette will lewer gedurende die proses, maar nie kan skryf nie, kan gedurende kantoorure hulp kry om hul insette te skryf by Sport Admin: Gemeenskapdienste (Andre Gabriels), Simonsbergstraat 17, Stellenbosch by 021-8088183/8088295.

Die normale implementeringsproses sal steeds gevolg word, waar die Munisipaliteit die plaaslike gemeenskap uitnooi om vertoë in te handig met betrekking tot die implementering van die Sportbestuurplan wat ter tafel gelê sal word op 9 April 2014. Daarna sal terugvoering gegee word op die voorlegginge en oorweeg word met die finalisering van die sportmodel wat deur die Raad goedgekeur word 23 April 2014.

**EC LIEBENBERG**  
MUNISIPALE BESTUURDER

*13 Februarie 2014*

**INVITATION TO THE PUBLIC TO PROVIDE INPUT TO THE NEW SPORTS MANAGEMENT MODEL**

Stellenbosch Municipality wants to promote a pro-active implementation process of the New Sports Management Model. The public is therefore invited to make written contribution to the Municipality by Wednesday, 19 March 2014 (Email: Gerald.Esau@stellenbosch.gov.za / fax: 021-8877446, for consideration in the implementation process of the sports model. This is an innovative approach by the Municipality to encourage community participation and good governance.

Persone wishing to submit comment during this process, but who cannot write, will be assisted during office hours by the Sports Admin: Community Services (Andre Gabriels), Simonsbergstraat 17, Stellenbosch by 021-8088183/8088295.

The normal implementation process will still be followed, where the Municipality will invite the local community to submit representations in connection with the sports model tabled by the end of 9 April 2014. After which, finalisation of the Sports Management Plan by Council will be on the 23rd April 2014.

**EC LIEBENBERG**  
MUNISIPALE BESTUURDER



# APPENDIX 4



# ACCORD

## ON THE DEVELOPMENT OF SPORT AND RECREATION FOR GREATER STELLENBOSCH

This Accord as signed by the stakeholders of the sport and recreation community  
of Greater Stellenbosch on

9 December 2015

Commits to the following:

- Embrace the principles of an Active Greater Stellenbosch.
- Be the custodians of sport and recreation on behalf of the Greater Stellenbosch communities they represent.
- Collaborate with all stakeholders in creating a sustainable management and development model for sport and recreation in Greater Stellenbosch.

*[Signature]* ROTHBY  
*[Signature]* Franschoek - Grootvlei  
*[Signature]* Franschoek - Grootvlei  
*[Signature]* Franschoek - La Motte  
*[Signature]* Kylemore  
*[Signature]* Van der Stel Sportklub  
*[Signature]* Knipnis  
*[Signature]* SSRA  
*[Signature]* Idar Valley

*[Signature]* Nieuwland/Verreurens  
*[Signature]* Cloetesville  
*[Signature]* Cloetesville  
*[Signature]* Kayamandi  
*[Signature]* Kayamandi  
 Retruurkretief. Council.  
 STELLENBOSCH MUNICIPALITY  
 SPORT.  
*[Signature]* Cloetesville

*[Signature]*  
SSRA

*[Signature]*  
DCAS

*[Signature]*  
Municipality

**8.5 COMPREHENSIVE SAFETY PLAN**

*File number* : 4/10/3/2/1

*Compiled by* : Manager: Fire and Disaster

*Report by* : Director: Community and Protection Service

*Delegated Authority* : Council

**Strategic intent of item**

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

**1. PURPOSE OF REPORT**

To obtain Council approval to implement the revised annual Safety Annual Plan for the Greater Stellenbosch for the period 2016 – 2020 (see **APPENDIX 1**).

**2. BACKGROUND**

The intent of the annual Safety Plan for the Greater Stellenbosch is to introduce a broad safety strategy for all the communities that live and do business in the WCO24.

During the Integrated Development Processes (IDP) engagements with the communities safety stood out as one of the top priorities in all wards. Communities felt their suburbs were not well protected and safe enough for the vulnerable groups such as the elderly, children, women and people with disability. Their perceptions why they felt unsafe ranged from insufficient patrols in the various suburbs, poor responsiveness from SAPS, organised crime taking root, substance abuse relating to petty crime, invasion of unknown persons passing through Stellenbosch surrounding areas. Land invasion was cited as a threat by established communities fearing that these types of actions may lead to unknown criminal activities.

Part of the continuation of the Safety Plan was to streamline communication in the Safety Cluster and between all stakeholders. This unleashed the potential for joint planning, sharing of resources, introduced new stakeholders in combating crime in a structured and disciplined operations. The overarching strategic focus of this Safety Plan is to make provision for community interaction to be an active Safety Stakeholder.

**DISCUSSION**

The Safety Plan intends to introduce two levels of functionality namely:

- (a) Strategic Focus: encapsulates discussions with Strategic partners within the WCO24 regarding new trends of Crime, Prevention of Crime and responsiveness to trends and risk facing our communities. Mitigating potential crime which may emanate from social and behavioural patterns.
- (b) Operational Focus: to meet weekly with the Stellenbosch Safety Initiative (SSI) to discuss operational safety matters in the WCO24. The SSI comprises of SAPS, Law Enforcement and all Private security companies. SSI share resources intelligence identifies potential criminal activities which may arise, and respond collectively to criminal activities in pursuit.

**3. LEGAL IMPLICATIONS**

## Functions and Objectives of a Municipal Council

The primary role of the municipal council is that of political oversight of the municipality's functions, programmes and the management of administration. All of the powers of local government are vested in the municipal council. It has the power to make by laws (legislative authority) and the powers to put those laws into effect (executive authority). The municipal court has executive and legislative authority over the matters set out in Part B of schedule 4 and schedule 5 of the Constitution.

The municipality may also administer any other matter assigned to it by national and provincial legislation.

*In administering the matters assigned to local government, the municipal council must strive within its capacity to achieve the Constitutional objects of local government. (my emphasis)*

## Roles and Responsibilities within Local Government

These constitutional objects are:

To provide democratic and accountable government for local communities:

- To ensure the provision of services to communities in a sustainable manner
- To promote social and economic development
- To promote a safe and healthy environment; and
- To encourage the involvement of communities and community organisations in the matters of local government

**4. FINANCIAL IMPLICATIONS**

Budget requirements must be dealt with through the budget process.

**5. COMMENTS FROM OTHER RELEVANT DEPARTMENTS****5.1 ELECTRICAL SERVICES**

Lights exist and maintained in all streets, public parking lots and some public open spaces.

If there are any shortcomings, it can be motivated to the Directorate: Engineering Services. Lighting required on private property have to be provided by the owner.

**5.2 GREENING SERVICES**

Greening services will play a supporting role by maintaining trees to ensure a safe environment and the unobstructed monitoring activities of the CCTV system.

**RECOMMENDED**

that the report on the Comprehensive Safety Plan for the Greater Stellenbosch of the WC024 Area, be endorsed by Council.

**(DIRECTOR: COMMUNITY &  
PROTECTION SERVICES TO ACTION)**

**COMMUNITY AND PROTECTION SERVICES COMMITTEE:  
2016-05-11: ITEM 5.1.4**

**RECOMMENDED**

that the report on the Comprehensive Safety Plan for the Greater Stellenbosch of the WC024 Area, be endorsed by Council.

**(DIRECTOR: COMMUNITY &  
PROTECTION SERVICES TO ACTION)**

**MAYORAL COMMITTEE MEETING: 2016-05-18: ITEM 5.1.9**

**RECOMMENDED BY THE EXECUTIVE MAYOR**

that the report on the Comprehensive Safety Plan for the Greater Stellenbosch of the WC024 Area, be endorsed by Council.

**(DIRECTOR: COMMUNITY &  
PROTECTION SERVICES TO ACTION)**

# APPENDIX 1



## STELLENBOSCH MUNICIPALITY

IN PARTNERSHIP WITH  
SAPS AND OTHER SAFETY STAKEHOLDERS

# COMPREHENSIVE STELLENBOSCH SAFETY PLAN 2030



REVIEWED 2016



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





*Adopted and signed by Director: Community & Protection Services*

*on the \_\_\_\_\_ day of \_\_\_\_\_ 2016.*

-----  
***Director: Mr. Gerald Esau***

*Approved by Municipal Manager*

*on the \_\_\_\_\_ day of \_\_\_\_\_ 2016.*

-----  
***Acting Municipal Manager: Mr. Richard Bosman***

*Concurred by the Mayor of Stellenbosch Municipality*

*on the \_\_\_\_\_ day of \_\_\_\_\_ 2016.*

-----  
***Executive Mayor: Cfr Conrad Sidego***

*Attachment: Reviewed Safety Plan 2020*

*Adopted and signed by Director: Community & Protection Services*

*on the \_\_\_\_ day of \_\_\_\_\_ 2016.*

-----  
***Director: Mr. Gerald Esau***

*Approved by Municipal Manager*

*on the \_\_\_\_ day of \_\_\_\_\_ 2016.*

-----  
***Acting Municipal Manager: Mr. Richard Bosman***

*Concurred by the Mayor of Stellenbosch Municipality*

*on the \_\_\_\_ day of \_\_\_\_\_ 2016.*

-----  
***Executive Mayor: Cfr Conrad Sidego***

*Attachment: Reviewed Safety Plan 2020*

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**COMPREHENSIVE SAFETY PLAN  
FOR  
GREATER STELLENBOSCH  
(MUNICIPALITY, SAPS AND SAFETY STAKEHOLDERS)**

**FOREWORD BY THE EXECUTIVE MAYOR OF STELLENBOSCH MUNICIPALITY**

*Being the Safest Valley is one of the pillars for the greater Stellenbosch municipality. The safety of all the residents of and visitors to Stellenbosch must be guaranteed at all times as far as possible. Stellenbosch needs a comprehensive safety plan that addresses all the aspects of safety, from road safety and crime to dealing with disasters and fires. This plan sets out exactly the role and scope of each of the role-players and partners in this initiative.*



*Safety is the responsibility of all residents of Stellenbosch and all citizens of South Africa. The socio-economic issues of inequality, poverty and unemployment contribute to the unsafe situation. To combat this, an efficient network of community organisations, the police and volunteers work together.*

*With this Comprehensive Safety plan the Stellenbosch Municipality, all the relevant role-players and the residents of the Greater Stellenbosch, commit themselves to maintain and promote a zero tolerance approach to crime and safety. Together we will achieve the objective of making Stellenbosch the Safest Valley.*

**MESSAGE FROM THE MAYORAL COMMITTEE MEMBER FOR COMMUNITY & PROTECTION SERVICES, CLR QUINTIN SMIT**

*Stellenbosch Municipality is located in the heart of the Cape Winelands Region. It is situated about 50 km from City Cape Town and is flanked by the N1 and N2 main routes. The municipal area covers 980 km<sup>2</sup> and 602 km road network. The municipality's area of jurisdiction includes the town of Stellenbosch and stretches past Jamestown to as far as Raithby in the south, to Bottelary, Koelenhof, and Klapmuts to the north, and over the Helshoogte Pass to Pniel, Kylemore, Groendal and Franschhoek in the east. Apart from formal settlement areas, the municipal area also includes a number of informal settlements.*



*In line with our Municipal Strategic vision of responsible citizenship, important measures are taken to prevent crime in the Greater Stellenbosch. "Making safety everyone's responsibility" will be one of our main objectives to ensure a safer Stellenbosch. We will achieve our objectives by radically broadening the way we think about safety. Instead of reacting to crime we should place greater emphasis on preventative crime strategies. These strategies will make use of all possible resources including civil society, business and individual citizens.*

*As Municipality we take the leading role in the implementation of sustainable security partnerships. As a combined effort we need to decrease the motivation of offenders to commit crime, remove opportunities to commit crime, and address the long term root causes of crime.*

*This strategy will require new institutions and approaches to be established. Innovation will also form an integral part of our efforts.*

*Evidence shows that security provides the foundation for urban regeneration and economic development, whereas insecurity destroys this foundation of society. It is therefore our responsibility to provide the necessary institutions and infrastructure to uphold the law and deliver basic services. As Municipality we also recognize that a successful society depends on active citizens striving towards a safer community and working together towards a safer and Greater Stellenbosch Municipal Area.*

## **SECTION 1**

### **1. PURPOSE**

The Constitution upholds the notion that everybody has the right to freedom and security of the person. The safety of persons and property is therefore vitally important to the physical and emotional well-being of people and business. Without the respect of person and property, it would be impossible for people to live peacefully, without fear of attack and for businesses to flourish. The extent of crime in South Africa does however not only have a significant impact on the livelihood of citizens, but also affects the general economy. Crime hampers growth and discourages investment and capital accumulation. If not addressed with seriousness, it has the potential to derail both social and economic prosperity.

The South African Police Service (SAPS) and all relevant role-players became partners in the fight against not only crime, but also community problems that threaten the well-being of inhabitants. Local Government is attempting to develop communities in municipal areas and which is the primary function of the South African Police Service to reduce crime.

*“If crime is one of the main obstacles in improving the quality of life, then government authorities must take responsibility for local safety, and who better than these two key organizations, namely Local Government and SAPS, taking the lead.”* (Pheiffer, 2013:iv). This partnership seeks to build capacity at local level to ensure that the Safety Plan is developed and aligned to the Integrated Development Plan (IDP) of the Municipality. Reducing crime and building safer communities must be a priority for all the communities and safety stakeholders within the Greater Stellenbosch area. To achieve this, crime prevention programs should be initiated at community level, since crime prevention involves responding to a few priority problems, using multi-sectorial approaches.

Crime is unwanted in any society because it brings about fear, anger and hatred. As people living in a world of constant change, we tend to strive for innovation and therefore this plan involves a multi-disciplinary approach by all safety stakeholders to ensure safety for all communities within the Greater Stellenbosch area including our visitors. The purpose of this plan is thus to reduce crime and increase safety by using an integrated approach to address the community's need for safety and security. To ensure sustainability, the safety plan is a living document that is continuously being revised. Strategies and methods have been improved which led to the implementation of a combined strategy between the Municipality, SAPS, the University, local communities and all other safety stakeholders. **Living a life without fear is one of our human basic needs and should be a given.**

## **2. OBJECTIVE**

Stellenbosch Municipality has identified five strategic objectives that have become their focal points namely:

- ***The preferred investment destination***
- ***The Greenest Municipality***
- ***Safest Valley***
- ***Dignified living***
- ***Good governance and compliance***

In order to give effect to these objectives (Pillars) the safety plan aims to put civic pride and responsibility in place instead of crime and destructive behavior. It also aims to promote a safe, clean, green and healthy environment, in which the citizens and visitors to the Greater Stellenbosch area prefer to live and conduct business.

### **3.1 VISION**

The Safety plan aims to establish Stellenbosch as the safest town in the country by the year 2020. A safer environment for all the citizens of the Greater Stellenbosch area and its visitors where respect for law and order is maintained.

### **3.2 MISSION**

Through multi-disciplinary integrated planning and co-operative governance, maintain a zero tolerance approach towards achieving a safer environment for all residents of/and visitors to the Greater Stellenbosch Municipal area.

## **4. REGULATORY FRAMEWORK**

Section 152 of the Constitution of the Republic of South Africa, Act 108 of 1996 defines the objectives of Local Government. These include that a safe and healthy environment is promoted and that communities and community organisations are encouraged to be involved in the matters of Local Government.

All internal municipal services actions will be governed by the following statutory framework.

- *The Constitution of South Africa, 1993(Act 103 of 1993)*
- *Criminal Procedure Act, 1977 (Act 51 of 1977)*
- *Fire Brigade Services Act, 1987 (Act 99 of 1987)*
- *National Road Traffic Act, 1996 (Act 93 of 1996)*
- *Disaster Management Act, 2002 (Act 57 of 2002)*
- *Control of Public Premises and Vehicles Act, 1985 (Act 53 of 1985).*
- *Second Hand Goods Act, 2009, Act 6 of 2009.*
- *R209 Government Gazette 23143 dated 19 February 2002*

- *Western Cape Noise Regulations PN 200/ 2013*
- *WCO24 Municipal by laws*
- *Local Government: Municipal Systems Act, 2000 (Act 32 of 2000)*
- *Local Government: Municipal Structures Act, 1998 (Act 117 of 1998)*
- *The White Paper on Local Government dated 9 March 1998*

## **5. COMPREHENSIVE SAFETY STRATEGY**

### **Building partnerships**

It was realized that safety needs to be approached from different angles and that no entity on its own will be able to successfully ensure the safety of the communities of WC024 (area code for Stellenbosch). Therefore instead of working in silos, a combined strategy will immediately increase the capacity of manpower in order to assist SAPS in combatting crime. The safety initiative is therefore known as the **Stellenbosch Safety Initiative (SSI)** which has been established during 2014. The successful implementation of the SSI establishes more co-operation and trust amongst the different stakeholders and will open opportunities in attracting more resources from the public and private sectors including the community.

The Comprehensive Safety Plan includes Situational, Institutional and Social crime prevention interventions to combat crime in the different areas.



The establishment of sustainable settlements and safer neighborhoods start at a planning phase, as much can be done when integration is ensured from the very beginning of all developments. This requires:

**5.1 Situational crime prevention** – an approach where crime hot spots will be converted into safe nodes by addressing issues such as planning, infrastructural establishment and maintenance. The community plays a pivotal role in the operation and maintenance of infrastructure established. Buy-in from the different communities is therefore crucial in order to combat the current losses due to infrastructure damage that relates to crime.

The concept of situational policing involves building neighborhoods – specific policing strategies that move beyond simple considerations of the type and rate of crime in an area. While basic crime statistics may always play a key role in police functions, the situational model argues that public safety could be better served if the police would also figure in group-level social processes. This model suggests the construction and implementation of policing strategies focus on the social psychological characteristics of a neighborhood as a whole in addition to crime rates. It's the cohesion among residents combined with shared expectations for social control of public space, with a strong emphasis on sense of community. (Albrecht & Das, 2011:7)

**5.2 Social crime prevention** – initiatives need to be launched in repairing the social fiber of the community. Projects that range from Early Childhood development, sport and cultural initiatives for the youth, entrepreneurial activities and job creation to address the problem of unemployment, should be embarked upon.

Crime prevention and the improvement of a community's quality of life are interlinked. Every citizen should be responsible for his/her own safety because it is impossible for any authority to safeguard person or property 24/7. Thus, community members in cooperation with law enforcement should not only deal with crime directly, but also address the underlying causes of their crime problem.

**5.3 Institutional Crime prevention** – the focus is on the establishment of a safety forum to ensure the coordination and collaboration of all safety stakeholders in the greater Stellenbosch area. The establishment of this safety forum is intended to promote the development of a community where citizens live in a safe environment and have access to high quality service at local level, through integrated and coordinated multi-agency collaboration amongst organs of state and various communities.

Section 41(1) of the Constitution (Act 108 of 1996) stipulates that all spheres of government and all organs of state within each sphere must preserve the peace, secure the well-being of the people of the Republic, cooperate with one another in mutual trust and good faith by, inter alia, assisting and supporting one another and coordinate their actions and legislation with one another.

The saying 'much hand could be partially true when strategizing crime prevention programs where community members from all professions collaborate in discussions to combat current threats in this municipal precinct.



**5.4 Stellenbosch Safety Initiative was established and involves all safety stakeholders within WCO24 namely:**

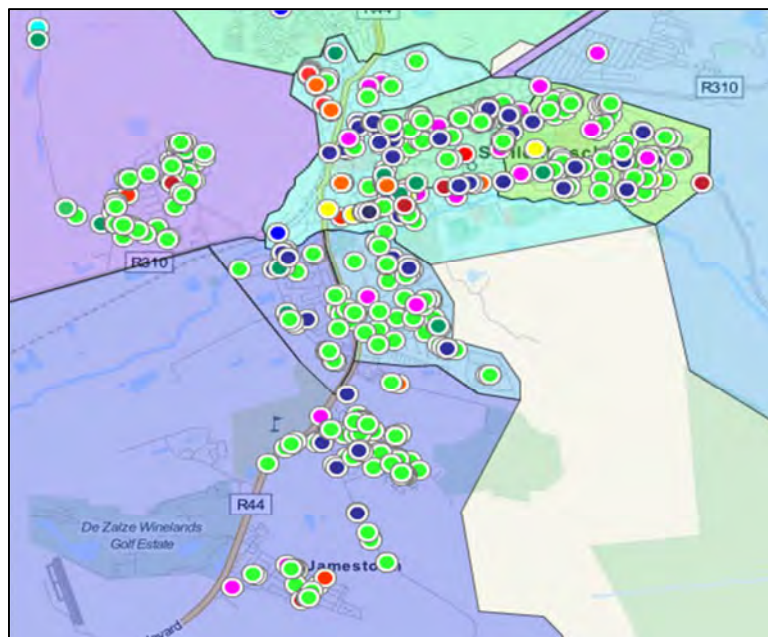
- SAPS;
- University Of Stellenbosch (USB);
- Stellenbosch Municipal Public Safety Departments;
- Private Security , and
- Neighborhood Watches

These partners are in contact with one another on a 24/7 basis using a centralized radio network as part of the communication strategy.

**The interim SSI contact number in use is 021 886 8976.**

***SSI Reporting/Planning & Actions***

The SSI is guided by a Safety Forum that meets bi-monthly. A task team that reports to the Safety Forum meets on a weekly basis to perform operational planning. Part of the feedback to the Safety Forum involves the number of incidents responded to in WC024 as indicated in the following map.



■	<b>Suspicious Vehicles</b>	■	<b>Fire</b>
■	<b>Suspicious persons</b>	■	<b>Accident</b>
■	<b>Vagrancy</b>	■	<b>Robbery</b>
■	<b>Theft</b>	■	<b>House breaking</b>

***Radio network, CCTV camera monitoring and Automatic Number Plate Recognition (ANPR)***

- A new CCTV camera and radio room has been established where all external CCTV camera monitoring is performed.
- The external camera system forms part of an SLA agreement with the USB and other safety partners.
- Internal CCTV camera monitoring is still taking place in the existing radio room
- The Safety Plan involves the placement of ANPR cameras at all main entrances and exits to WCO24 in order to monitor suspicious vehicles and crime related incidents.
- The Task Team plan enforcement activities on a weekly basis as per the Monthly Activity Calendar. See example below.

## March 2016 Calendar

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	SUNDAY
	<p>1</p> <p>Traffic Focus Area:</p> <ul style="list-style-type: none"> <li>- Excessive speed</li> <li>- R44 South (Winery, Bredell)</li> <li>- Seatbelts</li> <li>- Red light Infringements</li> <li>- Barrier Lines/Moving violations</li> <li>- Driver/Vehicle fitness</li> <li>- Public Transport (R44N &amp; S/R310/R45/R301/R101) Permits/Overload/Driver/Vehicle Fitness Staff:</li> </ul> <p>6 x Traffic Officers</p> <p>Time: 16h00-24h00</p>	<p>2</p> <p>Traffic Focus Area:</p> <ul style="list-style-type: none"> <li>- Excessive speed</li> <li>- R44 South (Winery, Bredell)</li> <li>- Seatbelts</li> <li>- Red light Infringements</li> <li>- Barrier Lines/Moving violations</li> <li>- Driver/Vehicle fitness</li> <li>- Public Transport (R44N &amp; S/R310/R45/R301/R101) Permits/Overload/Driver/Vehicle Fitness Staff:</li> </ul> <p>6 x Traffic Officers</p> <p>Time: 16h00-24h00</p>	<p>3</p> <p>Traffic Focus Area:</p> <ul style="list-style-type: none"> <li>- Excessive speed</li> <li>- R44 South, North R304, R310</li> <li>- Seatbelts</li> <li>- Red light Infringements</li> <li>- Barrier Lines/Moving violations</li> <li>- Driver/Vehicle fitness</li> <li>- Public Transport (R44N &amp; S/R310/R45/R301/R101) Permits/Overload/Driver/Vehicle Fitness Staff:</li> </ul> <p>6 x Traffic Officers</p> <p>Time: 16h00-24h00</p>	<p>4</p> <p>Traffic Focus Area:</p> <ul style="list-style-type: none"> <li>- Excessive speed</li> <li>- R44 South (Winery, Bredell)</li> <li>- Seatbelts</li> <li>- Red light Infringements</li> <li>- Barrier Lines/Moving violations</li> <li>- Driver/Vehicle fitness</li> <li>- Public Transport (R44N &amp; S/R310/R45/R301/R101) Permits/Overload/Driver/Vehicle Fitness Staff:</li> </ul> <p>6 x Traffic Officers</p> <p>Time: 16h00-24h00</p> <ul style="list-style-type: none"> <li>- Excessive speed</li> <li>- R304</li> </ul>	<p>5</p> <p>Traffic Focus Area:</p> <ul style="list-style-type: none"> <li>- Excessive speed</li> <li>- R44 South (Winery, Bredell)</li> <li>- Seatbelts</li> <li>- Red light Infringements</li> <li>- Barrier Lines/Moving violations</li> <li>- Driver/Vehicle fitness</li> <li>- Public Transport (R44N &amp; S/R310/R45/R301/R101) Permits/Overload/Driver/Vehicle Fitness Staff:</li> </ul> <p>6 x Traffic Officers</p> <p>Time: 16h00-24h00</p> <p>Special Stopstreet Action</p>	<p>6</p> <p><u>Traffic Focus Area:</u></p> <p>Motor-cycle racing (R310 Helshoogte, R45, Franschhoek) Alcohol/Driver/Vehicle fitness/Moving Violations</p> <p>Staff: 6 x Traffic</p> <p>Time: 07h00-20h00</p>
<p>7</p> <p><u>Traffic Focus Area:</u></p> <ul style="list-style-type: none"> <li>- Excessive speed</li> <li>- R44 South (Winery, Bredell)</li> <li>- Seatbelts</li> <li>- Red light</li> </ul>	<p>8</p> <p><u>Traffic Focus Area:</u></p> <ul style="list-style-type: none"> <li>- Excessive speed</li> <li>- R310 Polkadraai</li> <li>- Seatbelts</li> <li>- Red light Infringements</li> <li>- Barrier</li> </ul>	<p>9</p> <p><u>Traffic Focus Area:</u></p> <ul style="list-style-type: none"> <li>- Excessive speed</li> <li>- R44 South, North</li> <li>- Seatbelts</li> <li>- Red light Infringements</li> <li>- Barrier</li> </ul>	<p>10</p> <p><u>Traffic Focus Area:</u></p> <ul style="list-style-type: none"> <li>- Excessive speed</li> <li>- R44 South (Winery, Bredell)</li> <li>- Seatbelts</li> <li>- Red light</li> </ul>	<p>11</p> <p><u>Traffic Focus Area:</u></p> <ul style="list-style-type: none"> <li>- Excessive speed</li> <li>- R310 Polkadraai</li> <li>- Seatbelts</li> <li>- Red light Infringements</li> </ul>	<p>12</p> <p><u>Traffic Focus Area:</u></p> <ul style="list-style-type: none"> <li>- Excessive speed</li> <li>- R304</li> <li>- Seatbelts</li> <li>- Red light Infringements</li> </ul>	<p>13</p> <p><u>Speed Project</u></p> <p><u>Motor-cycle Action</u></p> <p>Helshoogte</p> <p>06:00 - 11:00</p>

<p>Infringements - Barrier Lines/Moving violations - Driver/Vehicle fitness - Public Transport (R44N &amp; S/R310/R45/R301/R101) Permits/Overload/Driver/Vehicle Fitness Staff: 6 x Traffic Officers Time: 16h00-24h00</p>	<p>Lines/Moving violations - Driver/Vehicle fitness - Public Transport (R44N &amp; S/R310/R45/R301/R101) Permits/Overload/Driver/Vehicle Fitness Staff: 6 x Traffic Officers Time: 16h00-24h00</p>	<p>Lines/Moving violations - Driver/Vehicle fitness - Public Transport (R44N &amp; S/R310/R45/R301/R101) Permits/Overload/Driver/Vehicle Fitness Staff: 6 x Traffic Officers 16h00-24h00 Special Actions CBD</p>	<p>Infringements - Barrier Lines/Moving violations - Driver/Vehicle fitness - Public Transport (R44N &amp; S/R310/R45/R301/R101) Permits/Overload/Driver/Vehicle Fitness Staff: 6 x Traffic Officers Time: 16h00-24h00</p>	<p>- Barrier Lines/Moving violations - Driver/Vehicle fitness - Public Transport (R44N &amp; S/R310/R45/R301/R101) Permits/Overload/Driver/Vehicle Fitness Staff: 6 x Traffic Officers Time: 16h00-24h00</p>	<p>- Barrier Lines/Moving violations - Driver/Vehicle fitness - Public Transport (R44N &amp; S/R310/R45/R301/R101) Permits/Overload/Driver/Vehicle Fitness Staff: 6 x Traffic Officers Time: 16h00-24h00</p>	<p>Special Action Stopstreets</p>
<p>14 <u>Stop &amp; Check- (Roaming)</u> Time: 06:00 - 24:00 Location: Main Routes - R44 (N &amp; S), R304, M12, R310, R45, CBD Stellenbosch Focus: Driver/vehicle fitness, overload, visibility, firearms/drugs, alcohol, high visibility  Educational</p>	<p>15 <u>Traffic Focus Area:</u> - Excessive speed - R44 South (Winery, Bredell) - Seatbelts - Red light Infringements - Barrier Lines/Moving violations - Stopstreet Action - Public Transport (R44N &amp; S/R310/R45/R301/R101) Permits/Overload/Driver/Vehicle Fitness Staff:</p>	<p>16 <u>Traffic Focus Area:</u> - Excessive speed - R44 South (Winery, Bredell) - Seatbelts - Red light Infringements - Barrier Lines/Moving violations - Stopstreet Action - Public Transport (R44N &amp; S/R310/R45/R301/R101) Permits/Overload/Driver/Vehicle Fitness Staff:</p>	<p>17 Stopstreet Action Time: 06:00 - 14:00 Brandwaght, Tennent-Ville, Idasvallei. Stellenbosch. Roadblock Cloetes-Ville with SAPD. 15:00 - 18:00 Focus: Driver/vehicle fitness, overload, visibility, firearms/drugs, alcohol, High visibility on Main</p>	<p>18 <u>Stop &amp; Check-</u> Time: 06:00 - 14:00 Location: Main Routes - R44 (N &amp; S), R304, M12, R310, R45, CBD Stellenbosch Focus: Driver/vehicle fitness, overload, visibility, firearms/drugs, alcohol, high visibility  Schools Close Special Actions Visible Patrols on</p>	<p>19 <u>Traffic Focus Area:</u> Excessive speed Alcohol Offences Seatbelts Red light Infringements Barrier Lines/Moving violations Driver/ Vehicle fitness Public Transport &amp; Stop Check (R44N &amp; S/R310/R45/R301/R101) Permits/Overload/</p>	<p>20 <u>Traffic Focus Area:</u> Excessive Speed, Speed operations, moving violations.  VCP Helshoogte Motorcycles  ANPR 07:00 - 14:00</p>

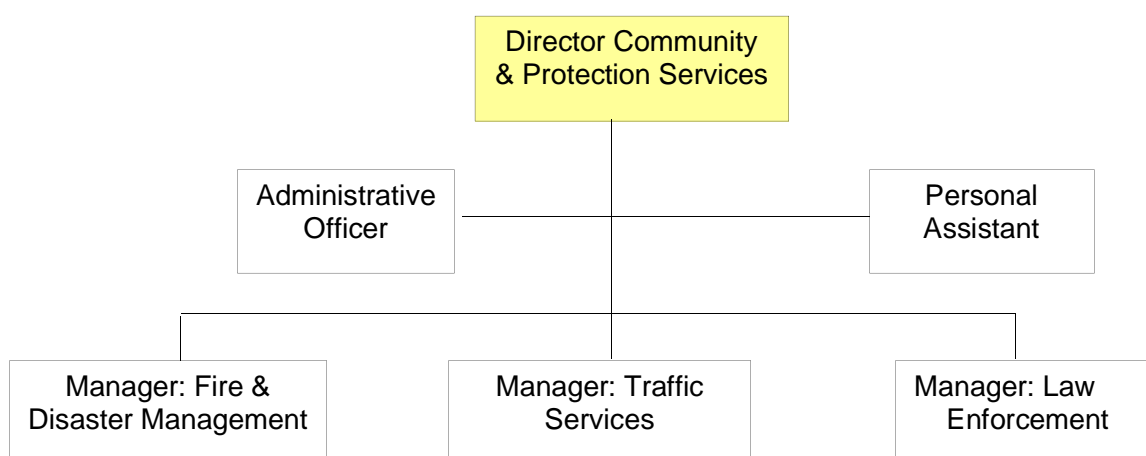
Programs - WC 024	6 x Traffic Officers Time: 16h00-24h00 - WC 024	6 x Traffic Officers 16h00-24h00 - WC 024	Roads. R44 North And South. R304, R310 Stopstreets	R44 North, South, R310, R301 and R45	Driver/Vehicle Fitness Staff: 6 x Traffic Officers ANPR 07:00 - 14:00	
21 <u>Traffic Focus Area:</u> - Excessive speed - R44 South, North R304, R310 - Seatbelts - Red light Infringements - Barrier Lines/Moving violations - Driver/Vehicle fitness - Public Transport (R44N & S/R310/ R45/R301/R101) Permits/Overload/ Driver/Vehicle Fitness Staff: 6 x Traffic Officers Time: 16h00-24h00 Human Rights Day Visible Patrols on R44 South, North, R304, R301, R45	22 <u>Traffic Focus Area:</u> - Excessive speed - R44 South (Winery, Bredell) - Seatbelts - Red light Infringements - Barrier Lines/Moving violations - Driver/Vehicle fitness - Public Transport (R44N & S/R310/ R45/R301/R101) Permits/Overload/ Driver/Vehicle Fitness Staff: 6 x Traffic Officers Time: 16h00-24h00 School Training Holiday Program, Jan Marais Park	23 <u>Traffic Focus Area:</u> - Excessive speed - R310 - Seatbelts - Red light Infringements - Barrier Lines/Moving violations - Driver/Vehicle fitness - Public Transport (R44N & S/R310/ R45/R301/R101) Permits/Overload/Driv er/Vehicle Fitness Staff: 6 x Traffic Officers Time: 16h00-24h00 Stopstreet Actions	24 <u>Traffic Focus Area:</u> - Excessive speed - R44 South (Winery, Bredell) - Seatbelts - Red light Infringements - Barrier Lines/Moving violations - Driver/Vehicle fitness - Public Transport (R44N & S/R310/ R45/R301/R101) Permits/Overload/ Driver/Vehicle Fitness Staff: 6 x Traffic Officers Time: 16h00-24h00 Roadworthy And Overloading Taxi's R44 North, Klapmuts Schools Training Program	25 <u>Traffic Focus Area:</u> Excessive speed Alcohol Offences Seatbelts Red light Infringements Barrier Lines/Moving violations Drag racing (Pniel/Jamest/Merrim an) - Driver/Vehicle fitness Public Transport & Stop Check (R44N & S/R310/ R45/R301/R101) Permits/Overload/ Driver/Vehicle Fitness Staff: 6 x Traffic Officers Time: 16h00-24h00 Good Friday	26 <u>Traffic Focus Area:</u> Excessive speed Alcohol Offences Seatbelts Red light Infringements Barrier Lines/Moving violations Drag racing (Pniel/Jamestown/ Merriman) - Driver/Vehicle fitness Public Transport & Stop Check  Stopstreet Actions	27 <u>Traffic Focus Area:</u> Speed Project & Motor-cycle racing (R310 Helshoogte, R45, Franschhoek) Alcohol/Driver/ Vehicle fitness/Moving Violations Staff: 6 x Traffic Time: 07h00-22h00  MOTOR= CYCLE ACTION / COMPLAINTS  VCP's On Public Transport

<p>28  <u>Traffic Focus Area:</u>  <u>08:00 - 18:00</u>                      - Excessive speed                      - R44 South, R304                      DIC Action                      - Seatbelts                      - Red light                      Infringements                      - Barrier                      Lines/Moving violations                      - Driver/Vehicle fitness                      - Public Transport (R44N &amp; S/R310/R45/R301/R101)                      Permits/Overload/Driver/Vehicle                      Fitness Staff:                      6 x Traffic Officers                      Time:                      16h00-24h00                      Family Day                      Visible Patrols                      VCP's On Public Transport</p>	<p>29  <u>Traffic Focus Area:</u>                      - Excessive speed                      - R44 South (Winery, Bredell)                      - Seatbelts                      - Red light                      Infringements                      - Barrier                      Lines/Moving violations                      - Driver/Vehicle fitness                      - Public Transport (R44N &amp; S/R310/R45/R301/R101)                      Permits/Overload/Driver/Vehicle                      Fitness Staff:                      6 x Traffic Officers                      Time:                      16h00-24h00                      Stopstreet Actions</p>	<p>30  <u>Traffic Focus Area:</u>                      - Excessive speed                      - R44 South (Winery, Bredell)                      - Seatbelts                      - Red light                      Infringements                      - Barrier                      Lines/Moving violations                      - Driver/Vehicle fitness                      - Public Transport (R44N &amp; S/R310/R45/R301/R101)                      Permits/Overload/Driver/Vehicle                      Fitness Staff:                      6 x Traffic Officers                      Time:                      16h00-24h00                      Stopstreet Actions</p>	<p>31  <u>Traffic Focus Area:</u>                      - Excessive speed                      - R304                      - Seatbelts                      - Red light                      Infringements                      - Barrier                      Lines/Moving violations                      - Driver/Vehicle fitness                      - Public Transport (R44N &amp; S/R310/R45/R301/R101)                      Permits/Overload/Driver/Vehicle                      Fitness Staff:                      6 x Traffic Officers                      Time:                      16h00-24h00                      Stopstreet Actions</p>			
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<b>ACTION</b>	<b>TARGET DATE</b>	<b>NEW TARGET DATE</b>
Installation of Automatic Number Plate Recognition cameras on the M12 Road (Polkadraai) at the entrance to Stellenbosch.	June 2015	June 2016
Implementation of Electronic Complaint System for Law Enforcement	June 2015	Completed
Additional safety kiosk to be placed in WC024 (supplied by DOCS Province) Stellenbosch Municipality purchased an additional safety kiosk for ward 6 with funds allocated to the ward through the ward councillor)	June 2015	Outstanding
Official opening of CCTV cameras/ANPR monitoring room.	July 2015	June 2016
Extension of the Law Enforcement assets safeguarding project	July 2015	Completed
Further roll out of Youth Safety Project (Additional appointments from 40 to 50)	July 2015	Ongoing
Roll out of Night Car Watch Project throughout WCO24 (Additional 30 personnel required) – Project successfully implemented in Stellenbosch CBD – Will also be rolled out to Franschhoek CBD	July 2015	
Implementation of animal pound	September 2015	September 2016
Roll out of mobile JOC / Disaster Management Operational Unit	November 2015	June 2016
Live Tracking System for patrolling personnel for monitoring and tracking purposes (To be investigated)	December 2015	Still in process
Patrol Vehicles Tracking System – 70% implemented.	December 2015	
Special Operation Ghost Squad (To be investigated)	2015 - 2020	
Implementation of Patrol Cameras (Person and vehicles to be investigated)	2015 - 2020	
Installation of additional 4 ANPR cameras at main entrances in WCO24.	December 2015	October 2016
ANPR Reaction Unit to be established	2015 / 2017	In process
Establishment of a 24/7 Law Enforcement and Traffic Service for WCO24	2015 - 2020	To be investigated

## SECTION 2

### *Municipal departments involved in SSI strategy*



### **1. ROLE-PLAYERS**

#### **1.1 FIRE SERVICES:**

The role of the Fire and Rescue Services is to deal pro-actively and reactively with the following:

- The pro-active provision of general fire safety guidance and assistance in respect of the venue and users.
- The rescue, saving / protection of life and property from a fire or any other threatening danger.
- Preventing the outbreak or spread of fire.
- The fighting and extinguishing of fire.
- The performance of any other function related to the above.
- Any other duties as stipulated in the Fire Brigade Services Act.

The following preventive action plans are embarked on in the execution of our mandate:

- We are currently in process of establishing a fire brigade reserve force in accordance with The Fire Services act, to augment our personnel component, to assist during times



of emergencies and non-emergencies. A total of 20 reservist is earmarked for appointment before the next summer season in 2016/2017

- It is envisaged that 120 fire prevention inspections will be performed monthly
- Assisting CWDC by doing control burning and establishing fire breaks at strategic fire prone areas in the WC024 area
- Fire personnel do regular hydrant inspection and maintenance in all areas
- At least 6 familiarization visits are conducted at premises of high fire danger and places of mass occupation.
- Regular visits to pre-schools, schools and institutions of higher learning as part of our Fire and life safety education program
- Evacuation drills are done on a regular basis with SAPD; METRO Rescue: Disaster Management and Law Enforcement Officers to ensure all the Disciplines are operating effectively and efficiently in an emergency
- On site drills are done on premises to ensure readiness of personnel in preparation for a possible disaster.

## 1.2 DISASTER MANAGEMENT

Disaster Management is an all-encompassing function, stretching over all municipal disciplines and including all state organs, the private sector and civil society fraternity.

The primary purpose of the Stellenbosch Municipal Disaster management plan is to initiate engagement of all local stakeholders and to streamline their efforts in executing the provisions of the Disaster Management Act No. 52 of 2002:

- Disaster Management is by far not a line function;
- It is multi-sectorial ;
- No municipal function can ignore any disaster potentially based risk in planning/ execution of operational plans in the face of service delivery demands.

### **Main objectives are:**

- Preparing individual Disaster Management Plans and for discussion at the relevant forums, including the IDP Process.
- Orderly identify risks and vulnerability or potential disaster situation relating to the communities and infrastructure within the jurisdiction of the Stellenbosch Municipality.
- Evaluate possible prevention and mitigation measures and prioritise risk reduction projects to be implemented in the municipal jurisdiction including outlying rural communities.
- Lead the Disaster Management team in conjunction with the Chief Fire Officer and Director Community & Protection Services.

- Annual simulation exercises conducted to evaluate and improve on an effective and efficient service delivery system.
- Liaise with neighboring Disaster Management (Cape Winelands District Council) to ensure planning efforts are consistent, complimentary, mutually supportive and compatible with one another.
- Maintain that all facilities and equipment and operational procedures are in place to be activated at any time.

### **Specific Projects for the 2015/2016 Financial Year**

- Identify communities most at risk from disaster impacts and develop strategies to assist and communicate with these members of public;
- Emergency numbers to be distributed to all schools, institutions for the aged and disabled;
- An assessment for establishing informal structures (back-yard dwellers) in Klapmuts to assess disaster management needs;
- Initiation, training and establishment of informal settlement response teams for assisting in fire-fighting operations;
- Training and awareness programmes for municipal departments regarding shared responsibility for Disaster Management Plans and operations;
- Continued training in Incident Management - extension of the programme to include other disciplines such as Traffic Services & Law enforcement.
- School Safety Representatives: - Schedule meeting with safety school coordinators.

A Disaster Management representative will be represented in all operational joint operation centers (JOC) which acts as a liaison between inter-departmental and external role-players during operations. This includes visibility at and co-ordination of events throughout Greater Stellenbosch.

### **CHALLENGES:**

- Lack of manpower (permanent staff) & resources (motor-vehicles).
- Lack of facilities and equipment
- Safety of officers (on-site).

## **1.3 FIRE SAFETY**

The Fire Safety Division of Stellenbosch Fire & Rescue Services strives to keep the greater Stellenbosch area a safe environment by conducting the following:

- Daily fire safety inspections at businesses, to ensure they comply with National Building Regulations, SANS 10400-T:2011.
- Fire safety inspections of gas installations, tank installations, etc.
- After hour Pub inspections to ensure premises are not over crowded.
- Fire Safety inspections of all newly built buildings to ensure they comply with fire requirements before an occupation certificate can be issued by Stellenbosch Municipality.
- Scrutinizing and commenting of all building plans.
- Meetings with architects and building developers to ensure safe buildings for occupants.
- Training, lectures and evacuation exercises to schools, old age home, businesses etc. to ensure they know what to do in any emergency.

The main purpose of the Fire Safety Division is to ensure fires to buildings in the greater Stellenbosch area are limited to the minimum.

#### **CHALLENGES:**

- Lack of manpower & resources (motor-vehicles)
- Impact of Engineering Services initiatives

### **1.3 TRAFFIC SERVICES**

<b>ACTION</b>	<b>TARGET DATE</b>
Distracted Driving Kills: How behavior by drivers and passengers can cost lives of motorists and pedestrians with heavy emphasis on cellphone use by drivers, including talking and texting.	May 2016
Visibility Month: How being visible and being alert can save lives. Aimed at motorist and pedestrians and highlights defensive driving, reflecting clothing and devices. Roadblocks with SAPS and ANPR	June 2016
Drinking & driving; Drinking & walking Simultaneous road and alcohol use.	July 2016
Speed kills How small changes in speed can take lives.	August 2016
Seatbelts save lives, fatigue kills Seatbelts and fatigue awareness campaigns	September 2016

<b>ACTION</b>	<b>TARGET DATE</b>
Road Safety for kids Crossing the road, wearing your seatbelt, behavior in cars, policing your parents etc. Responsibilities of parents.	October 2016
Pedestrian Awareness month Building awareness of the dangers of crossing major roads among pedestrians. Building awareness among drivers of the risks of hitting pedestrians.	November 2016
Festive Season Part 1 General road safety with emphasis on drinking and driving and fatigue.	December 2016
Festive season Part 2 Emphasis on get-you-home-safely messaging, especially fatigue. Scholar Transport Safety Safety getting to school and back, for scholars, teachers and students.	January 2017
Drinking and driving; drinking and walking Simultaneous road and alcohol use.	February 2017
Public Transport Safety Clampdown warning for reckless mini-bus operators. Advise to public on informing authorities about reckless public transport operators.	March 2017
Holidays General road safety with emphasis on drinking and driving and fatigue.	April 2017

The role of the traffic services is to pro-actively and reactively deal with the following traffic related matters:

- Conduct or arrange for technical inspections of damaged roadways
- Designate those sections of roadways that are unsafe for vehicular traffic and require closure, coordinate this information to the Liaison Officer
- As the situation dictates:
  - Arrange to restrict access

- Designate emergency traffic routes
- Determine and post detours around closed roadways or routes used for emergency traffic only
- Oversee the removal of roadway obstructions.
- For downed power lines coordinate with Electricity Department & arrange for point-duty at critical locations.
- Manage debris clearance of roadways including incident/accident scenes.
- Determine when it is safe to reopen closed roadway structures.
- Coordinate emergency signage and barricades when necessary in conjunction with Engineering Services.
- Support SAPS & Law Enforcement in rerouting or in a major evacuation, determine optimal exit routes including liaison with Engineering Department w.r.t reprogramming of traffic signals to facilitate orderly traffic flows.
- To ensure the constant free flow of traffic at and near the area affected.
- Ongoing assessment of affected area including immediate surroundings to eradicate any unnecessary closures of roads and inconvenience to residents in the vicinity.
- Deploy dedicated personnel to man strategic points around affected area with an inner perimeter and possibly an outer perimeter for maximum coverage. The amount of personnel deployed will depend on the magnitude of incident and/or any other threats.
- To perform all duties in terms of the National Road Traffic Act, 1996 (Act 93 of 1996).
- To perform all duties as peace officer in terms of the Criminal Procedure Act 1977 (Act 51 of 1977).

**CHALLENGES:**

- Lack of manpower & resources (motor-vehicles)
- Impact of Engineering Services initiatives
- Safety of officers

#### 1.4 MUNICIPAL LAW ENFORCEMENT

*ENFORCEMENT OF ALL COUNCIL'S BY-LAWS.* Law Enforcement to form part and execute all actions as planned by the SSI initiative according to crime intelligence and crime analysis, focused on priority crimes.

##### *Example of Law enforcement action plan*

<b>ACTIVITY</b>	<b>OBJECTIVE</b>	<b>TARGET AREAS</b>	<b>Target Date</b>
Removal of Vagrants	Safer Environment	Transvalia Plain	Daily 16:00 – 24:00
		CBD	08:00 – 22:00 22:00 – 08:00
		F/Hoek	08:00 – 22:00
River Patrols	Safer Environment	Eerste River	Daily 07:00 – 19:00
Dedicated Patrols R304 – Kayamandi	To address cyclist attacks	R304 Kayamandi	Weekends 07:00 – 19:00
Dedicated Patrols R44 – Cloetesville Flats	To address cyclist attacks	R44 Cloetesville	Weekends 07:00 – 19:00
Special Operations	Safer Environment	Cloetesville Idas Valley Kayamandi Groendal Klapmuts Kylemore	Weekly as per crime pattern 06:00 – 14:00; 14:00 – 22:00 or 22:00 – 06:00
Illegal Shebeens	Address Illegal Sale of Alcohol	Cloetesville Idas Valley Kayamandi Groendal Klapmuts Kylemore	Weekly 18:00 – 04:00
Monitoring of Illegal Structures	Address Land Invasion	Cloetesville Idas Valley Kayamandi Groendal Klapmuts Kylemore	<u>Daily</u> 07:00 – 15:00 15:00 – 23:00 Weekends 07:00 – 20:00
Parks Patrols	Safer Environment	WC024	Daily 10:00 – 18:00
CBD Patrols	Safer Environment	CBD Stellenbosch	08:00 – 22:00

			22:00 – 08:00
		Franschoek	08:00 – 22:00
Removal of Stray Dogs	Safer Environment	WC024	Ad-Hoc During an operation 08:00 – 16:00

The Law Enforcement department has implemented a Youth Safety Program whereby 40 unemployed youth have been identified through the Ward Councillors and appointed on a contract basis to monitor and report any suspicious behavior and act as a deterrent for crime in the following areas: It should be noted that the Youth Safety Program and the employment of youth is linked to a specific project and will not be rolled out on a continuous basis as it is subject to availability of funds.

- Kayamandi, R304
- Lapland Flats
- Eerste River riverbank
- Groendal
- R44 past Cloetesville Flats
- Jonkershoek

To address vandalism of Council properties the department has embarked on a project to safeguard some of Council's priority sites. The department has recruited 39 temporary learner law enforcement officers for a fixed term period as a pilot to address the vandalism of Council properties. Ten (10) sites have been identified:

- Cloetesville Complex
- Cloetesville Sport grounds
- Beltana depot
- Watergang fence
- Klapmuts Sports grounds
- Kayamandi Corridor
- Traffic Department
- Idas valley Library
- Plein Street Library
- Kayamandi Library

NB: This project has been extended till 30 June 2016 whereas the continuation of it will be reviewed. This project has proven to be very successful which reduced the vandalism and theft incidents to basically zero.

## 1.2 ADDITIONAL MEMBERS

The SSI partnership also extends to:

- Department of Community Safety (DoCS)
- Community and Neighborhood watches
- Community Policing Forums (CPFs)
- Private and corporate businesses
- Stellenbosch Farm watch

## **2. ROLES & RESPONSIBILITIES**

### **a) The Executive Mayor**

- Has promulgating authority for this plan
- Reviews, directs modifications and approves recommendations for improving the readiness and response capabilities of the Municipality.
- Provides leadership and presence in the community during emergency or disasters.
- Arranges for council to receive periodic briefings on the planning and/or the disaster.

### **b) Director Community & Protection Services**

Will coordinate and provide periodic status report to the Mayor and Council.

### **c) South African Police Services (SAPS)**

The responsibilities of the SAPS will be as follows:

- Provide a uniformed presence and response capability at disaster location for deterrence and intervention.
- Deploy specially trained and equipped tactical personnel to major incidents or high risk situations.
- Respond to incidents requiring specialized expertise.
- Crowd control.
- Proceed with general enforcement of the Criminal Procedure Act, 51 of 1977 (Make arrests and conducting criminal investigations.)
- Provide back-up support to the commander / coordinator during an evacuation.
- Deaths or casualties will be handled by the SAPS.
- Identify and analyze the situational threats relating to criminal activities.
  - Take the lead in operational incidents w.r.t. crime related matters, threats or any other criminal activity identified.
  - Personnel will be responsible for all duties related to their functions in terms of the Police Act, 1995 (Act 68 of 1995).

### **d) Media/Public Information / Relations**



Media releases must be well managed and coordinated. Media releases and general information will be conveyed to the media by the Chairperson of SSI in consultation with the safety partners.

Public relations are an activity aimed at influencing people positively, obtaining opinion and putting activities into perspective. In addition it persuades people to become involved, consciously or unwittingly in a matter and forces them to participate whether in mind, by word or by deed. Cooperation in crime prevention increases the development of community-based partnerships and interagency collaboration to support the delivery of crime prevention activities. Benefits may include improved working relationships between agencies and different groups in the community, improved sharing of information and improved coordination of crime prevention efforts between different agencies in local communities.

### **3. COMMUNICATIONS**

Clear, efficient and reliable communications are an integral part of any incident reporting. The skills, awareness and efficiency of management and other personnel form a vital part of all links. Information system is the most appropriate means of gathering and disseminating early warning information and must therefore be carefully assessed and well defined within the comprehensive plan. It is imperative that early warning messages be understood by the people for whom they are issued.

Communication is a two-way process of reaching mutual understanding, in which participants not only exchange (encode-decode) information, news, ideas and feelings but also create and share meaning. In general, communication is a means of connecting people and places. To convert an organization strategy in an effective action plan requires good communication and great discipline. Any prevention activity requires awareness by means of marketing or communication.

The management responsibility for communications can be summarized as follows:

- To provide, operate and maintain the necessary means of communication.
- To provide, equip, maintain and manage the incident.
- To keep open and maintain all necessary lines of communication, in both normal and emergency conditions.
- To ensure that all municipal personnel and safety and security contingent are competent and suitably trained in the practice of good communications, with or without equipment, as conditions allow.

Other options to be determined if/when the need arises for additional form of communication:

- Radio trunking to be used by command elements
- Land line
- Cell-phones
- Fixed sirens / PA Systems
- Mobile shouts / air shouts

#### 4. CONTACT DETAILS

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<b>Cape Winelands Fire Services - Control Room</b>		
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<b>SAPS: Control Room – Col Govender</b>		
Contact Details	Land Line:	021 – 809 5012/5015
	Cell No:	082 469 0852
<b>SAPS: Control Room Cloeteville</b>		
Contact Details	Land Line:	021 – 888 5940
<b>SAPS: Control Room Franschhoek</b>		
Contact Details	Land Line:	021 – 876 8061
<b>SAPS: Control Room Groot Drakenstein</b>		
Contact Details	Land Line:	021 – 874 8019
<b>SAPS: Control Room Klipmuts</b>		
Contact Details	Land Line:	021 – 875 8000
<b>SAPS: Control Room Somerset West</b>		
Contact Details	Land Line:	021 – 850 1303
<b>SAPS: Control Room Kayamandi</b>		
Contact Details	Land Line:	021 – 889 5761
<b>Ambulance Services - Control Room (Goodwood)</b>		
Contact Details	Land Line:	021 – 937 0500
<b>Metro: Control Room</b>		
Contact Details	Land Line:	021 – 948 9900
<b>SSI Control Room (Stellenbosch Safety Initiative)</b>		
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<b>Provincial Disaster Management JOC - Control Room</b>		
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<b>Director Human Settlements - Tabiso Mfeya</b>		
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<b>University Stellenbosch Campus Control</b>		
Contact Details	Land Line:	021 – 808 4666 (Camera Room) 021 - 808 9111 (Security)
	<b>Thorburn Security Control Room</b>	

Contact Details	Land Line:	021 –933 5699 021 - 948 0474
<b>Stellenbosch Watch/ ADT Control Room</b>		
Contact Details	Land Line:	021 – 886 8976
<b>Stallion Security Control Room</b>		
Contact Details	Land Line:	087 944 4501
<b>ABC Security Control Room</b>		
Contact Details	Land Line:	087 740 1905/7 087 740 1917
<b>USC Security Services</b>		
Contact Details	Cell	074 194 1822
<b>G4S Security</b>		
Contact Details	Land Line:	021 527 3600

## 5. CONCLUSION

It is important to locate crime in the context of the social economic causes of inequality, poverty, unemployment and the loss of hope. Two out of every three South Africans believe that social and economic development is the most effective way of reducing crime. However, when crime is being committed every day, an efficient policing system plays an essential role in keeping citizens safe. Steven and Yach (as cited by Pheiffer, 2009:19) state that *“policing is the approach to community safety in which a network of service providers, organic, community-based, state and voluntary sectors, interact in such a way that the safety and security of communities becomes the primary focus”*.

The needs of the community must be taken into account, to enable the rendering of a professional, client-centered service that is sufficient and effective. Policing is thus an integrated and multi-agency approach in sharing responsibility and a collective priority to illuminate fear of crime. Potential criminals must be deterred from committing crimes by the presence of active and visible policing structures and by the knowledge that those who commit crimes will be caught and punished, therefore in line with Section 152 of the Constitution it is imperative that communities and community organizations become actively involved in crime prevention initiatives.

Nel and others (2000:5) (as quoted by Sherman, Farrington, Welsh and MacKenzie, 2006:5) states that crime prevention involves responding to a few priority problems, using targeted multi-agency programs. These programs aim to address the cause of and opportunities for particular crime problems. Crime prevention is defined not by its intentions, but by its consequences. These consequences can be assessed in at least two ways – by the number of criminal events and by the number of criminal offenders. Crime is caused by a range of factors and it is therefore impossible for any– one agency (such as SAPS) to make a major difference on its own.

Another challenge is government budgeting. Any crime prevention program or campaign cannot be implemented and evaluated without the necessary funding. Government and private sector budgeting is vital for crime prevention initiatives to be effective and sufficient. Thus, national

budgeting is of the essence in ensuring that crime prevention strategies stay on mission, respond adroitly to breaking opportunities and realize the power and efficacy of the private sector.

*Comprehensive Safety Plan 2016  
Stellenbosch Municipality (WC024)*

**8.6 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

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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, 2<sup>nd</sup> Edition (MR2), issued in 1998 by then Department of Water Affairs and Forestry (DWAFF). 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.



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### 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 Multiwell 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 Multiwell 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 360degree 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	= <b>R</b>	<b><u>1,237,000.00</u></b>

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)**

# APPENDIX 1

**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 municipal entity; or 20
- (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 entity involved in the implementation of the supply chain management policy of the municipality or municipal entity must meet the prescribed competency levels. 25
- (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 only if the municipality can demonstrate that the agreement will— 35
- (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 party. 40
- (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 feasibility study that— 45
- (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

# APPENDIX 2



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 %	-	
	<b>TOTAL OF ITEM No 1.1 TO SUMMARY</b>		1 260 000	00
			1 260 000	00



### 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

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# APPENDIX 3

**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 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
	<b>TOTAL OF ITEM No 2 TO SUMMARY</b>				891 308	00

Abb 1

2013-11-29  
SUPPLY CHAIN MANAGEMENT  
M. J. J. J.

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.

**8.7 POWER OUTAGES: PROGRESS REPORT ON CONTINGENCY PLANNING**

*File number* : 16/2/6/6

*Compiled by* : *Manager: Fire and Disaster*

*Report by* : *Director: Community and Protection Services*

*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**

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

**2. BACKGROUND**

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

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

**2.1 Provincial Circular 4/2015**

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

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

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

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

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

Further points of note in the circular are:

- Resourcing the plan through trained and competent staff, appropriate funding allocation, plant and equipment and adequate fuel capacity;
- Identify “priority” areas or “hot spots” which should be prioritized in the Contingency Plan;
- The typically main priority areas are indicated as:
  - Water/Waste water purification plants and pump stations;
  - Sewage pump stations;
  - Hospitals, clinics, schools, high employment, GDP businesses, Disaster Management Centres, residential areas and Public Transport facilities
- The preparedness period indicated as 48 hrs.

## 2.2 MFMA Circular No. 75

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

### ***“5.3 Budgeting for contingency plans for prolonged power outages***

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

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

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

---

### 3 DISCUSSION

#### 3.1 Power Outages Committee – Stellenbosch

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

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

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

In an analysis of completed impact assessment templates, it is particularly of note that for the first scenario, i.e. for a 36 hour period, the impact in accordance with accountable Managers/Heads would be minimal. Should any power outage however, exceed this period, the impact on service delivery would be seriously hampered – this situation exponentially increases the longer the period of outage continues, dependent on the availability of fuel (for support generators), as the situation would affect basically all aspects albeit economical, social, industrial or whatever sphere.

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

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

#### 3.2 Main Priorities as per Provincial Circular

##### 3.2.1 Water and Sewage

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

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



- Sewer blockages

Problems anticipated when power failure continue more than 24 hours

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

The proposed requirements to mitigate the effect are proposed as:

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

### 3.3 Business Continuity Planning

Advance planning and preparation that is necessary to:

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

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

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

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

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

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

### 3.3.1 Establishment of a Disaster Management JOC

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

Description	Amount
Fire Station: Cluver Road	R 80 000.00

### 3.3.2 Initial Procurement of 3 X Emergency Mobile 110kVA Generators

As an initial mitigation step, it was decided at the Power Outage Meeting and the Municipal Manager to procure 3 X Emergency Mobile 110kVA Mobile generators. The purpose of these generators is for deployment to any area where there is critical need for electrical power. The generators will be placed at the Fire Station, Stellenbosch in an endeavour to ensure 24/7 availability and rapid deployment in event of emergency.

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

### 3.3.3 Electricity

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

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

### 3.3.4 Property Management (Municipal Offices)

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

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

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

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

### 3.3.5 ICT (Information Communication Technology)

ICT Communication Technology is an important sphere, as the component, apart from data recovery and back-up systems also manage communications regarding telephone and information/radio high sites. It should also be noted that these technical areas are not only power outage specific, but is a requirement to ensure continuity of service as the total municipality is dependent on data recovery and communication especially during major incidents.

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

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

### 3.3.6 Communication

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

**3.3.7 Fiscal Consolidation of Needs Identified**

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

<b>Discipline</b>	<b>Amount</b>
Water & Sewage	R 4 500 000.00
Municipal Facilities	R 4 297 500.00
Electro-Technical Services	R 930 000.00
ICT Services	R 3 187 000.00
<b>TOTAL</b>	<b>R 11 984 500.00</b>

**RECOMMENDED**

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

**(DIRECTOR: COMMUNITY &  
PROTECTION SERVICES TO ACTION)**

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

**RECOMMENDED**

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

**(DIRECTOR: COMMUNITY &  
PROTECTION SERVICES TO ACTION)**

**MAYORAL COMMITTEE MEETING: 2016-05-18: ITEM 5.1.8**

**RECOMMENDED BY THE EXECUTIVE MAYOR**

- (a) that the Contingency Plan for power outages be adopted;
- (b) that Council takes note of the fiscal implications of the power mitigation needs in the Greater Stellenbosch;

- (c) that note be taken of the proposed risk mitigation cost of R 11 984 500.00; and
- (d) that the Administration submit a Risk Mitigation Project- and Business Plan to Council for implementation over a 2-year period, during the September 2016 cycle of Council.

**(DIRECTOR: COMMUNITY &  
PROTECTION SERVICES TO ACTION)**

# APPENDIX 1

## Appendix 1: Provincial Circular 4 of 2015



OFFICE OF THE HEAD OF DEPARTMENT  
DR HILDEGARDE FAST

CMATS 2015/151

**Circular 4 of 2015 – Local Government**

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

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**For information purposes:**

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

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

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

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



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

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

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

A detailed list of the measures required is enclosed.

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

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

Yours sincerely,



**Dr H Fast**  
**Head of Department**  
**Local Government**

Date: 11 / 02 / 2015

## CONTINGENCY MEASURES FOR PROLONGED POWER OUTAGES

10 February 2015

### 1. Contingency Planning

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

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

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

## 2. Mitigating Measures

### 2.1. Electricity Demand Management

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

### 2.2. Water Conservation and Water Demand Management

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

### 2.3. Water Storage

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

### 2.4. Water Sources

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

# APPENDIX 2

## Appendix 2: MFMA Circular No. 75



## NATIONAL TREASURY

## MFMA Circular No. 75

## Municipal Finance Management Act No. 56 of 2003

## Municipal Budget Circular for the 2015/16 MTREF

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

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

### 1.1 The Medium Term Budget Review 2015

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

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

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

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

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

## 2. Division of Revenue Bill 2015

### 2.1 Transfers to local government 2015

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

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

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

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

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

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

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

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

## 2.2 Changes in the 2015 Division of Revenue Bill

### *Review of local government infrastructure grants*

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

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



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

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

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

### 2.3 Shaping urban development to support growth in cities

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

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

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

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

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

### 3. Headline inflation forecasts

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

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

Source: Budget Review 2015

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

### 4. Revising rates, tariffs and other charges

#### 4.1 Eskom bulk tariff increases

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

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

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

#### 4.2 Electricity levy increase

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

## 5. Funding choices and management issues

### 5.1 Employee related costs

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

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

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

### 5.2 Remuneration of councillors

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

### 5.3 Budgeting for contingency plans for prolonged power outages

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

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

### 5.4 Service level standards

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

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

### 5.5 Non-payment of Eskom and water boards as creditors

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

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

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

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

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

#### 5.6 VAT on Conditional Grants

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

It is critical that municipalities distinguish between the following:

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

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

## 6. mSCOA Training

### 6.1 Non-accredited training

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

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

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

### 6.2 Accredited training

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

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

### 6.3 mSCOA training provided by service providers

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

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

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

## 7. Conditional Grant Transfers to Municipalities

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

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

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

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

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

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

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

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

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

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

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

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

This will be available at:

[http://mfma.treasury.gov.za/Media\\_Releases/Municipal%20Payment%20Schedule/Pages/default.aspx](http://mfma.treasury.gov.za/Media_Releases/Municipal%20Payment%20Schedule/Pages/default.aspx)

#### **7.1 Timing of municipal conditional grant transfers**

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

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

#### **7.2 Payment schedule for transfers**

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

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

#### **7.3 Provincial allocations and payment schedules**

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

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

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

#### 7.4 Relationship between Category C and Category B municipalities

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

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

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

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

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

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



### 7.5 Responsibilities of transferring and receiving authorities

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

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

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

### 7.6 Criteria for the rollover of conditional grant funds

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

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

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

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

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

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

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

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

#### 7.7 Unspent conditional grant funds for 2014/15

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

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

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

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

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

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

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

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

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

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

## 8. The Municipal Budget and Reporting Regulations

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

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

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

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

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

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

### 8.1 Assistance with the compilation of budgets

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

	Responsible NT officials	Tel. No.	Email
Eastern Cape	Templeton Phogole	012-315 5044	<a href="mailto:Templeton.Phogole@treasury.gov.za">Templeton.Phogole@treasury.gov.za</a>
	Majajaji Mashoesheo	012-315 6667	<a href="mailto:Majajaji.Mashoesheo@treasury.gov.za">Majajaji.Mashoesheo@treasury.gov.za</a>
Free State	Vincent Malepa	012-315 5539	<a href="mailto:Vincent.Malepa@treasury.gov.za">Vincent.Malepa@treasury.gov.za</a>
	Katlego Mabiletsa	012-395 6742	<a href="mailto:Katlego.Mabiletsa@treasury.gov.za">Katlego.Mabiletsa@treasury.gov.za</a>
Gauteng	Kgomotso Baloyi	012-315 5866	<a href="mailto:Kgomotso.Baloyi@treasury.gov.za">Kgomotso.Baloyi@treasury.gov.za</a>
	Nomvotisi Mawulana	012-315 5460	<a href="mailto:Nomvotisi.Mawulana@treasury.gov.za">Nomvotisi.Mawulana@treasury.gov.za</a>
KwaZulu-Natal	Bernard Mkgabodi	012-315 5936	<a href="mailto:Bernard.Mkgabodi@treasury.gov.za">Bernard.Mkgabodi@treasury.gov.za</a>
	Johan Botha	012-315 5171	<a href="mailto:Johan.Botha@treasury.gov.za">Johan.Botha@treasury.gov.za</a>
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Technical Issues with Excel formats	Elisabe Rossouw	012-315 5534	<a href="mailto:lgdataqueries@treasury.gov.za">lgdataqueries@treasury.gov.za</a>

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

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

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

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

## 8.2 Benchmarking process

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

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

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

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

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

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

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

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

### 9.1 Tabling of the MFMA budget circular in municipal council

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

### 9.2 Submitting budget documentation and schedules for 2015/16 MTREF

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

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

The municipal manager must submit:

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

Municipalities are required to send electronic versions of documents and the A1 schedule to [igdocuments@treasury.gov.za](mailto:igdocuments@treasury.gov.za).

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

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

**For couriered documents**

Ms Linda Kruger  
National Treasury  
40 Church Square  
Pretoria, 0002

**For posted documents**

Ms Linda Kruger  
National Treasury  
Private Bag X115  
Pretoria, 0001

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

### 9.3 Budget reform returns to the Local Government Database for publication

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

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

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

### 9.4 Publication of budgets on municipal websites

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

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

## Contact



**national treasury**

Department  
National Treasury  
REPUBLIC OF SOUTH AFRICA

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

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

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

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

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



## Annexure B – Previous MFMA Circulars

### Budget management issues dealt with in previous MFMA Circulars

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

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

### Conditional grant issues dealt with in previous MFMA Circulars

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

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

### MBRR issues dealt with in previous MFMA Circulars

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

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

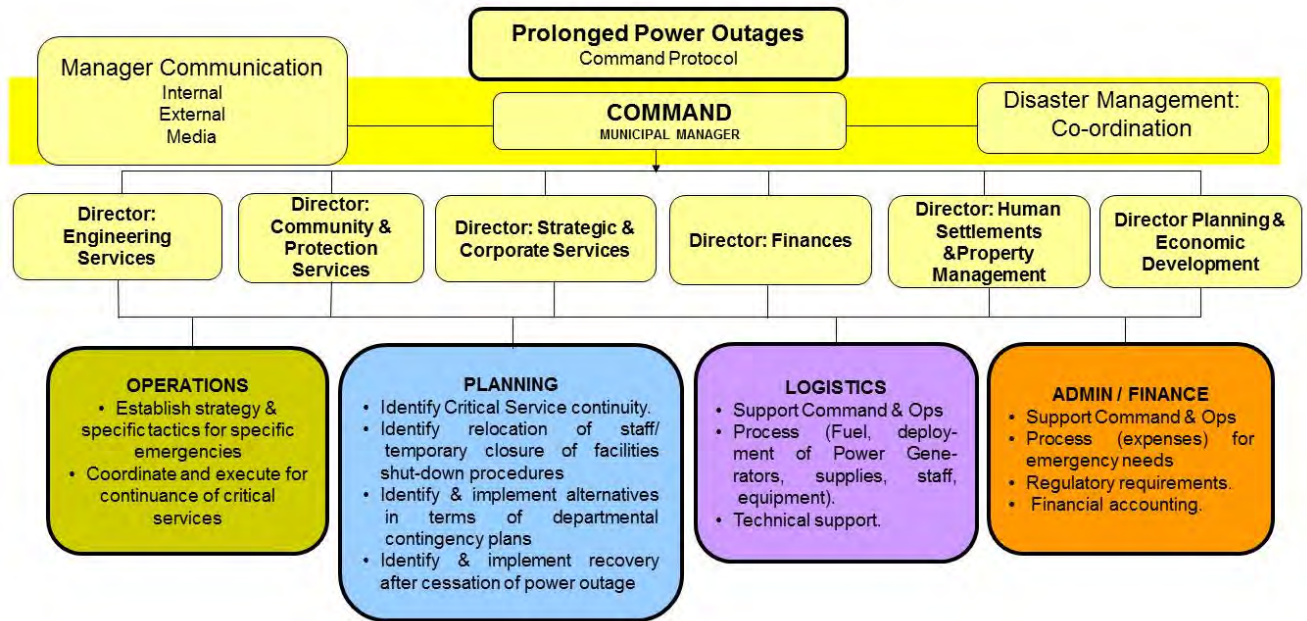
of 'revenue foregone' and how it is distinguished from 'transfers and grants' is explained in MFMA Circular 51.

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

# APPENDIX 3

ANNEXURE 3

JOC ACTIVATION: HIGH LEVEL PROTOCOL



# APPENDIX 4



# Stellenbosch Municipality

## INTEGRATED CONTINGENCY PLAN for ELECTRICITY DISRUPTION



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## 1. INTRODUCTION

Many companies are unprepared for business disruptions caused by power blackouts, and are often unaware of the true costs and impact that they can have on their operations.

While the majority of power failures from national grids last only a few hours, some blackouts can last days or even weeks, completely shutting down production at companies and critical infrastructures such as telecommunication networks, financial services, water supplies and hospitals.

South Africa's electricity infrastructure is exposed to a wide variety of threats:

- Extreme weather and the impacts of climate change,
- Wilful damage (including vandalism and sabotage),
- Network and plant failures,
- Impact of a sequence of unforeseen events,
- Potential failure of barriers and protection systems, and;
- Sustained stresses due to generation and network infrastructure capacity shortages.

## 2. OBJECTIVE

To describe the managerial and administrative arrangements, to be implemented to ensure co-ordination of the identified stakeholders in responding to any large scale disruptions brought about by the loss of key transmission and distribution infrastructure supply to the province or multiple provinces.

To establish mechanisms to ensure an integrated response to any major incident and higher electricity emergency in order to manage the activities of government which will ensure on-going essential services in the province and minimise disruption caused by this emergency.

## 3. SCOPE

Provide a standardised multi-disciplinary response framework to the impacts of a national or regional electricity blackout.

The Plan encompasses the risk reduction, preparedness, response and relief actions to be taken before during and after any incident, which has the potential, or may result in, injuries, loss of life or property and damage to the environment in the Western Cape.

To ensure that appropriate protective measures are taken in a timely manner it is necessary to identify:

- those events which may require activation of the plan;
- the area(s) in which actions may be needed;
- the actions to be planned;
- those conditions under which specific actions should be considered.

The plan is intended to facilitate multi-agency & multi-jurisdictional coordination in both pro-active and reactive activities.

#### 4. INSTITUTIONAL CAPACITY

No single department or role-players will be able to reduce the occurrence through an individual effort, and therefore a collaborative effort will be required which can ideally be coordinated by a body with wide representation from those actors that can play a role in the unnecessary reduction in movement.

#### 5. ACTIVATION OF THE PLAN

This plan is not only a response plan. It also incorporates risk reduction elements and is therefore not a plan that will be activated in a reactive manner. The plan serves to unify and enhance the individual role-players and organisations acting under their own authority in response to electrical interruption or total blackout.

Implementation of the plan will require extensive co-operation, collaboration and information-sharing across disciplines, as well as between the government and private sector at all levels.

#### 6. IMPACT

A power blackout will result in a disaster, and should be treated as such. The impacts of a power blackout will be wide-ranging, with the following most critical elements:

1. No **Electricity** available – immediate
2. No **Water** available – limited with the first day; widespread from the end of day 2 onwards (Stellenbosch Municipality scenario) due to no pumping capacity, no purification capacity and limited storage capacity.
3. No **Sewage Treatment** capacity at wastewater treatment plants due to high power requirement. This could result in untreated sewage effluent straight into river system.
4. No **Sewage Reticulation** system due to failed pumping capability; also no water at source for flushing.
5. Shortage of **Fuel** within a short timeframe.
6. **Motorized Transportation Systems** breakdown due to fuel and power shortage, no buses, taxis, cars or trains.
7. No **Waste Collection and Disposal** due to lack of transportation.
8. No **Healthy Waste Management** at disposal facility due to lack of fuel/ operational capability.
9. Limited **Ability to do Business** – only **Cash** transactions, or cheque, possible. Staff and customer can no longer reach workplace or place of business.
10. No **Communications** due to electronic communications system dependence – includes telephonic, internet as well as public communications.
11. **Food Security** becomes a crisis, as fresh food cannot be kept from spoiling, freezing of food will be impossible.

12. Contaminated water and exposure to a potentially unhealthy environment will lead to **Health Hazards**.
13. **Personal Security** will be at risk as opportunities for criminal elements will increase due to failure of security measures.
14. **Civil Unrest** is a short term reality, as people suffer from lack of services.
15. **Security at Key Installations** will become paramount – e.g. water storage facilities.
16. Facilities catering for the **Frail and Vulnerable Groups** will be at risk.
17. Loss of **Critical Business Information** from before final failure of power; risk to retention of **Critical Business and Transactional Data** during blackout.

## 7. CO-ORDINATION

### Activation of coordinating structures

- The activation of this plan will require all competent authorities or services/ functions activated to report to the Municipal Disaster Management Centre(s) within a specified time.
- The Provincial Disaster Management Centre will monitor the situation and co-ordinate provincial and national support. Should the social conflict escalate significantly, an MDMC could request the PDMC to become more actively involved if it crisis is beyond the ability of the municipality to cope.

In order to ensure that the above mentioned impacts are reduced, extensive risk reduction and preparedness measures need to be put into place by municipalities. Therefore municipalities need to ensure continuity of their day to day business and the delivering of services to the public.

The Provincial Integrated Contingency Plan for Major Electricity Disruption provides for the establishment of Municipal Emergency Response Teams. Municipal Managers are responsible to appoint these teams which must consist of senior managers.

These teams are to be responsible for the following:

- Escalation of issues beyond planned capability to WCDM JOC.
- Implement **action plans** for crucial services.
  - Identify and determine nature and location of critical services that may be affected
  - Determine impact of incident on service delivery areas.
  - Determine urgent needs related to safety and security.
  - Address the impact that damage to an energy system in on geographic region may have on energy supplies, systems, and components in other regions relying on the same system.
- Implementation of **business continuity plans**.

### Representation at MDMC JoC

A representative is to be deployed to the MDMC JoC for the duration of the activation of the centre. The representative will be responsible to report and escalate any issues to the MDMC JoC on behalf of the department.

## 8. ACTIONS

In the eventuality of a blackout, the following Actions would be required:

1. A **JOC** should be established immediately.
2. Immediately **implement an Emergency Plan**.
3. **Water**
  - Communicate the commencement of emergency procedures (the details of which is to communicated extensively in advance)
  - Stop all water distribution from reservoirs (continuing will empty reservoir within hours to days).
  - Back-up power to pump water to water treatment facilities and for treatment processes.
  - Initiate emergency water provision measures (to be determined – could include very limited supply to areas of only sufficient water to ensure survival).
  - Secure water distribution facilities (security, civil defense, army) as well as water sources (dams, river).
4. **Sanitation**
  - Invoke emergency measures, as above
  - Attempt treatment as long as possible (consider reduced treatment options to extend capability of some level of treatment)
  - Back-up power to critical pump-stations.
  - Initiate extensive disinfectant regime, also in rivers.
  - Attempt preservation of treatment systems, for effective start-up (e.g. keep micro-biological environment alive – bacteria in Nereda System)
5. **Power**
  - Provide emergency stand-by power to critical installation, life-support centers, etc. (capacity should be established to do this, as none exist). Back-up and alternate power sources should be stocked; e.g. battery packs, gas cylinders, generators, etc.)
6. **Fuel**
  - Ensure an extensive emergency fuel supply; either through own self-storage or through fixed supply agreements with supplier in case of emergency (first response agreements). This is critical to ensure continued distribution of water, and stand-by power needs.
7. Provide **emergency transport** capability – it should be considered whether any, and which type of, emergency vehicles should be available.
8. Invoke **waste management** emergency procedures (communicated beforehand).
9. Where required, ensure emergency capability to cover or disinfect **potentially poisonous waste-streams**, e.g. rotting meat, etc.)
10. The CFO should instigate an alternate **procurement mechanism** via handwritten orders, or cash based transactions where required. Alternate procurement mechanisms should be investigated with key service providers.
11. **Communication** mechanisms for staff should be prepared – is a battery based radio system viable? Do mechanical means exist to generate leaflets?
12. Should the municipality be involved in ensuring availability of **emergency food rations**?

13. Emergency **Health Services** should be available to deal with the kind of diseases which may result from exposure and contamination, e.g. typically diarrhea or eventually cholera (not I Western Cape?).
14. **Security services** should immediately take steps to secure pre-determined key facilities, as well as ensure civil obedience (in co-operation with security and law enforcement forces).
15. Pre-arranged business systems should be implemented to ensure data-retention. Business **Information Back-up** should ensure no backlog exists if a blackout occurs.
16. The municipality should determine which **critical emergency work-force** should be available, and consider instructing all other staff to remain at home. If communication can be maintained, as little as possible movement of people should take place.

## 9. PREPARATION

1. The disaster around a power blackout primarily places risk to the most basic of life-preserving services. This includes primarily continued access to safe, drinkable water; continued access to food and preparation of food, continued access to health services, safe disposal of sewage, and power-provision to life threatening situations, protection against the elements and cold in winter, safe disposal of waste, provision of security and safety, access to emergency transportation.
2. A detailed Action Plan must be drafted immediately. This cannot be done in isolation and integrated Blackout Disaster Management Plan must be established in collaboration with National and Provincial authorities. Such discussions have already been held e.g. amongst the law enforcement departments, the Dept. of Water and Sanitation, etc. A Task-team of municipalities has been established at the Municipal Managers' Forum. These efforts must be integrated and a core plan drafted.
3. Communication of detailed Action Plan to all residents, businesses, etc., especially prior to any emergency.
4. An extensive, safe and secure supply of fuel needs to be established in the short term.
5. There are critical gaps in readiness for a disaster of the nature. Whether in response to this eventuality, or as future preparation for limited services availability, the fast-tracking of infrastructural projects to ensure provision of services are required. This will only bring a solution in the medium term. This includes for example, and primarily, for the fast tracking of the construction of additional water storage capacity to all areas, enabling distribution of water via gravitational means only, thus limiting the need for power. In Stellenbosch this problem is of critical importance as the municipal areas does not have sufficient storage capacity.
6. Alternate means of power provision to critical installations should be considered – e.g. power generation to ensure operation of waste water treatment works. A list of these critical installations must be compiled, the power needs assessed and alternate generating capability installed.
7. If need be, special budgetary provision or availability of funds should be considered.
8. The institutional operation response plan must be drafted, approved and communicated, which should include the critical staff list and there emergency functions.

9. The JOC should be established with secure, guaranteed operational and communications capability.
10. Integration of emergency response should be synchronized with civil society and the corporate society, to ensure synergy, mutual support and avoidance of duplication of efforts.

## **10. BUSINESS CONTINUITY AND COMMUNICATION**

Eskom will provide regular updates on the status of the power systems through all media platforms including Provincial Disaster Management structures.

Business Continuity plans are to include the following:

- Electricity and Water supply disruption within the department/building/premises (availability of generators)
- Identify business risk i.t.o disruption to communication; networks; computers
- Notification and communication to all personnel

Should a blackout occur at any given time, the response team must be activated immediately and ensure the implementation of the action and business continuity plans.

**DISASTER MANAGEMENT INCIDENT HECKLIST**

<b>Disaster Response &amp; Relief Activities</b>	<b>Responsible Role-Player/S</b>	<b>Y</b>	<b>N</b>
Establishing and managing a safe <b>Emergency Housing Centre or Facilities</b>			
Establishing and managing an <b>Emergency Feeding Centre</b> (If necessary)			
<b>Emergency Medical Response (EMR)</b> (If Necessary)			
Establishing and managing a central <b>Public Information Point</b>			
Co-Ordinating <b>Victim Registration</b> and ID System			
Establishing and managing <b>Victim's Personal Property Disposal</b>			
Establishing and managing <b>Emergency Public Transport</b>			
Establish and manage <b>Essential Services</b> (Water, Sanitation, Electricity, Waste Management, Etc.)			
Managing <b>Area Safety, Security and Access</b>			
Establishing an <b>On-Site Information and Media Post</b>			
Establishing a <b>Vehicle Staging Area</b>			
Managing and rationing of <b>Essential Supplies</b>			
Managing <b>Emergency Repairs and Return to service of infrastructure</b>			
Managing <b>Psychosocial Counselling and Support</b>			
Establish <b>Personal health monitoring structures or facilities</b>			
Managing <b>Response to Epidemics (Outbreak Control)</b>			
Managing <b>Public Donations</b>			
Managing <b>Public Information Dissemination</b> (Including Media Releases)			
Managing Response To <b>Public Disorder</b>			
Managing <b>Siege and/or Hostage Situations</b>			
<b>Mobilising Resources</b>			
<b>Notification and Activation: Strategic</b>			
<b>Rapid Impact Assessment</b>			
<b>Road Closure and Traffic Management</b> (If Necessary)			
Setting Up <b>Roadblocks</b> (If Necessary)			
Establish <b>Emergency Communication Network</b>			
<b>Crowd Control Measures</b>			
Establishing <b>Landing Zone – Helicopter Support</b>			
<b>Repatriation Of Persons Or Bodies</b>			
<b>Situation Reporting Systems</b>			
<b>Reporting Of Incidents</b>			





<b>TRAFFIC SERVICES</b>
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Total staff available in case of full power outage (therefore no other services will be required such as driver/learner testing, training/education & roadworthy tests) = 3 Assistant

Superintendents; 31 Traffic Officers; 1 Traffic Warden; 13 Temporary point-duty officers

Total motor-vehicles = 28

Total motor-cycles = 2

Total intersections to be covered by means of “Stop Signs” = 9 x within Stellenbosch urban area.

Total intersections to be manned by officers = 10 x rural roads  
(Staff to be divided into shifts)

**Challenges identified:**

- No two-way radios available (lack of communication)
- Access to petrol
- Exceeding of overtime budget

Intended operational hours – 06H00 – 19H00 for winter season

**FIRE & RESCUE and DISASTER MANAGEMENT**

- Venue available 24/7, which includes a back-up generator at the Fire Department, Cluver Road.
- Services should be relatively free from disruption provided that fuel will be reserved at the stores for the emergency vehicles and backup generator.
- Communications via radio might be compromised; 3 pre-paid cellphones can be utilized as and when needed.
- Immediate access to a JOC (Joint Operation's Centre).

**a. Fire and Rescue Services****Staff**

- Total staff component as per shifts (16) available in case of full power outage
- Additional staff can be commandeered, if and when required.

**Operational Vehicles**

- 6 x Heavy duty vehicles
- 1 x light duty vehicle
- 2 x Rescue vehicles
- 1 x search and rescue trailer

**b. Disaster Management****Staff**

- Staff component of two (2) people.

**Vehicles**

- 1 x light duty vehicle
- 1 x trailer
- 2 x water tankers

## ENGINEERING SERVICES

### HIGH LEVEL CONTINGENCY PLAN FOR A TOTAL BLACKOUT BY ESKOM

#### SCOPE

This plan makes provision for actions to be taken should there be a total power failure by Eskom for an extended period.

#### BACKGROUND

Since +-2007 Eskom experience shortage of generation capacity to cope with increasing demand for electricity, because of bad planning. This situation seems to deteriorate.

Although the possibility for a total blackout is very faint and almost impossible, seeing that load shedding can be increased as the difference between supply and demand increases, the Municipality should nevertheless be ready for such an event. Water and Sanitation will be the services most severely affected by a power blackout.

#### SANITATION

- It is not possible to keep the outfall works functioning and it will have to be accepted that the sewage will flow into the river.
- Some of the sewage pump stations in the town will be supplied from a generator to prevent sewage to overflow into the streets.
- Thorough precautions will be taken to keep people away from the raw sewage and to prevent health risks.

#### WATER

- Maximum water restrictions will have to be applied.
- Water treatment works at Paradyskloof will not function.
- Water can be supplied from the Idas Valley Works, but it will be limited.
- The most important water pump stations will be supplied from a generator.
- Areas where water supply cannot reach without being pumped will be serviced by tankers.
- In Franschhoek water can be sourced from the natural resource in the mountain, but pumping will be required.
- Water will have to be treated manually and tested.
- Public will be informed:
  - To use water from swimming pools
  - To cook all water before use
  - Issued with chemicals to treat water where required.

## **TRAFFIC**

It is expected that traffic will decrease seeing that economic activity will be very low.

- Traffic light intersections will be converted to 4-way stops and intersections will be clearly marked with reflectors to increase visibility at night.
- If required point duty by traffic officials have to be done during peak time at some intersections.

## **WASTE REMOVAL**

Can carry on as usual, but do need a trustworthy fuel supply to do their work. Fuel supply is also required for generator sets and it is important that this need thorough planning.

## **ELECTRICAL SERVICES**

It will be crucial to be ready when the power comes back on.

- Infrastructure will have to be protected against theft and vandalism.
- The network has to be tested thoroughly before the power can be restored.

## **NEXT STEPS**

The directorate is assessing the critical infrastructure/ equipment/ stocks/ human resources which will be required to respond to an emergency. Critical purchases may be necessary in advance for the establishment of sufficient standby resources.

The result of this assessments and the resulting recommendation will be provided shortly for the updating of this contingency plan.

## HUMAN SETTLEMENTS and PROPERTY MANAGEMENT

### Electricity interruption action plan for Council-owned buildings

The action plan is to determine whether council-owned buildings are geared-up for long period power-outages, and therefore a detailed needs analysis of each building should be determined

The needs analysis should cover the following aspects.

- 1 The evaluation of the existing generator installations and compliance thereof as to the current and future power requirements of the specific building, where applicable,
- 2 Identify the buildings where a backup supply is compulsory and investigate the existing power connection, existing distribution boards and requirements for the installation of a backup generator,
- 3 The power requirements for the core service to be maintained where power is required, what electrical equipment must be on a uninterrupted power supply,
- 4 The measurements and logging of the existing power consumption of each building, and recommendation according to 3 above,
- 5 The level of automatic change over required, i.e. fully automatic or someone to start a generator manually and use a manual change over switch for each building,
- 6 The minimum length of time a particular generator must be able to run without refueling,
- 7 Recommendations as to the storage of fuel on site of each generator or simply increase the fuel storage levels at the Municipal Main Stores.
- 8 Main Store building backup supply for hazardous installations, (fuel pumps and controls),
- 9 Recommendations for the procurement of fuel trailers and arrangement for the transport and pumping at all the different buildings in case of prolonged interruptions,
- 10 Other sources of supply, i.e. the installation of batteries, inverter with solar panels system.

<p><b>FINANCIAL SERVICES</b></p>
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Availability of budget – capital and operational

Chief Financial Officer (CFO) guidance:

- Emergency deviations can be used to procure. In such cases directorates will have to motivate to the Municipal Manager. CFO also suggested a line item for procurement in case of these extreme emergencies (all other laws and regulations are valid with regards to procurement).
- “Shopping List” - based on what do we have in place currently

## CORPORATE SERVICES

### ICT Business Continuity

#### 1. Background

ICT Services and Systems forms an integral part of the Municipal Service Delivery value chain. Therefore it is of strategic importance that the ICT Service and Systems remains fully functional and operational on a 24/7 basis.

The ICT Department do have the following policy documents:

- 1) *A Business Continuity Plan that was approved by Council in November 2014.*
- 2) *A Disaster Recovery Plan which will be submitted to Council for consideration and approval by end 24 June 2015.*

#### 2. ICT Risk Assessment and Mitigation

##### 2.1. Data Centers

The ICT Department has a Disaster Recovery Site that is currently fully functional and operational. However, the Production Data Centre and the Disaster Recovery Data Centre are located within a six KMs radius from each other within the Stellenbosch CBD area. This poses a major risk should load shedding, or any other power outage, for whatever reason, occur for undetermined.

Shorter power outages as is currently the case, do not pose any risks as sufficient uninterrupted power supply units are established at both Data Centres.

To mitigate the potential risk of an ICT service disruption for whatever reason, the ICT Department is currently in the process to source the services of an external consultant to assist to relocate and establish a Disaster Recovery Data Centre at a remote site which does not share the same electricity infrastructure as the Stellenbosch CBD area.

##### 2.2. Business Continuity Testing

To date the ICT Department has not yet performed a Business Continuity Test for its business application systems.

The intent is to perform such a Business Continuity Test for all hosted Business application systems during the month of June 2015.

### **2.3. ICT Resource Plan**

Currently the ICT Department does not have an approved policy or standby register to enable after hours support services should it be required for any given reason, even during normal after hours support services.

This potential risk to ensure on going service delivery at all times should be addressed as a matter of urgency.

### **3. Human Resources**

Policy : Managing accommodation and leave for personnel as a contingency measure.

Business continuity - which staff members are necessary/essential after a 24 hour power or a prolonged outage (must be established by managers and heads of departments);

- lock up and security of facilities (establish responsibility);

- establish an up to date of all current cell-and telephone numbers of staff members as well as their next of kin.



## PLANNING AND ECONOMIC DEVELOPMENT

### 1. BACKGROUND

The plan for the Directorate to deal with prolonged electricity outages.

### 2. PURPOSE OF MEMORANDUM

This plan serves as the alternative intervention for the Directorate to deal with prolonged electricity outages.

The macro level proposal remains as the primary contribution for resolving the issues. It is this Directorate's firm belief that the public of Stellenbosch WC024 should be asked to make proposals for solving the problems jointly with the Municipality in a scenario planning process.

### 3. MICRO LEVEL PROPOSAL

3.1. The Planning and Economic Development Directorate will deal with a prolonged outage, assuming that normal living conditions will be disrupted after 48 hours, as follows:

- All staff will be sent home to await a recall to the office when the power is cut without backup for an extended period;
- The decision will be conveyed to all staff by the respective managers after consultation with the Director;
- Planning, building and land use management related functions (LUM, BDM, CIA, SPHE) located in the main building must appoint responsible persons to ensure compliance with the actions below;
- All actions must take cognizance of the possibility of a power outage occurring outside of normal working hours when staff are not in office;
- Community Development and LED in Andringa Street must appoint a responsible person for the building to ensure compliance with the actions below;
- Andringa Street office must be provided with a latch and lock or similar system to ensure that the security gate remains securely locked when the power is out (Managers to action by 12 June 2015);
- All staff must switch off all switches (or mains) whenever they leave their workstations at the end of a day and when the power is cut without backup;
- All files, records, documents and equipment must be safely secured in a cupboard, locker or safe, which can lock by the staff whenever they leave their workstations at the end of a day and when the power is cut without backup;
- Duplicate keys for all lockers, safes and doors must be provided to the Director for safekeeping (Managers to action by 12 June 2015);
- All offices and doors to offices must be locked by the staff whenever they leave their workstations at the end of a day and when the power is cut without backup;

- Staff may remove laptops and devices to their places of residence only if they sign the equipment out with their managers prior to the event;
  - Staff must report to managers weekly on a Tuesday between 08:00 and 10:00 to gain feedback and situation reports; and
  - Managers must attend bi-weekly meeting with Director to monitor situation.
- 3.2. Monitoring actions: The Director will be responsible for daily monitoring the situation and the security of the offices.
- 3.3. Situational analysis and proposed solutions: The Director will be responsible for situation reporting to the managers and liaison with the Municipal Manager.
- 3.4. Emergency equipment: The Director will submit a list of equipment to be purchased as an emergency measure to the CFO by 22 May 2015 and then distribute the equipment to all managers as soon as the acquisition has been concluded.

#### **4. MACRO LEVEL PROPOSAL**

At a macro level, Stellenbosch, as Innovation Capital, cannot be without an uninterrupted electrical supply.

It is understood that an alternative system and source for the provision of electricity for the entire WC0 24 is not achievable. However, it is possible to provide electricity to the main nodes, such as greater Stellenbosch Town, Techno Park and Franschhoek.

In order for Stellenbosch to remain the preferred destination for investment and to maintain the major economic activities of the urban areas, i.e. excluding agri-tourism and tourism in general to the wine farms and natural attractions, electricity is an essential element. The financial services sectors and high technology establishments are reliant on electricity. It is likely that these establishments would, for themselves provide electricity in such emergency situations. However, the residents of the town and the supporting small businesses would not be able to do so. The provision of alternative energy for the main nodes should be considered, amongst others by making use of agricultural by-products, waste, biogas, the creation of energy storage facilities, linked to solar power, etc.

It is achievable, but not necessary feasible to do so and therefore an immediate study for consideration of such alternative energy provision is necessary. Considering the assumed time for prolonged outages, this assessment must be done without any delay.

A special electricity tariff, linked to the provision of an uninterrupted energy supply could be introduced to pay for the continuous provision of an electrical supply during prolonged outage periods.

On the other hand, residents, businesses, farms, institutions and really all property owners, should be permitted to establish photovoltaic and other solar powered energy systems on their properties, which could co-generate electricity to be fed into the WC024 supply grid during prolonged outages. The buyback of such electricity and the crediting of such private suppliers through smart metering systems should also be investigated and considered. It forms an important part of the overall emergency back-up system and could generate sufficient off-peak power to maintain urban nodes.

**5. PRIORITIES**

The priorities of the Municipality and the Directorate would have to shift to, amongst others, make use of the capital budget for the 2015/16 financial year to be used for the provision of the alternative measures as described above.

Moreover, consultant money needs to be diverted as a matter of urgency to appoint consultants to do the investigations referred to above.

**OFFICE OF THE MUNICIPAL MANAGER**

1. Communication and interaction
  - Council
  - Senior Management
  - Other stake holders / delegation
  - Broader community
2. Ensure on-going discussions
3. Ensure confidentiality on sensitive matters
3. Risk Management
  - Co-ordinate and manage high level plans
  - Arrange additional meetings / workshop
  - Ensure continuity of the risk register of the organization

# CONTACT NUMBERS IN CASE OF AN EMERGENCY

Stellenbosch Medi-Clinic Emergency Unit will be available for ALL hour emergencies including for any medical advice or referrals. The 24 hour no for Stellenbosch Medi Clinic is:

**ALL HOURS EMERGENCIES: (021) 886 9999**

In the event of a patient having to be transported to a medical facility then ER 24 Ambulance Services or Metro Ambulance Service will be contacted to transport the patient to Stellenbosch Medi-Clinic or Stellenbosch Provincial Hospital.

ORGANISATION	REGION	CONTACT NUMBER
Traffic Services	Stellenbosch	(021) 808 8811
	Provincial	(021) 931 1646
Stellenbosch Fire	Control Centre	(021) 808 8888
SAPS	Stellenbosch	(021) 809 5000
	Klapmuts	(021) 875 5555
	Groot Drakenstein	(021) 874 8000
	Franschhoek	(021) 876 8060
Metro Control	Control Room	(021) 937 0300
Metro Ambulance Control	Control Room	(021) 937 0500
ER 24 Ambulance Service		084 124
Provincial Hospital	Stellenbosch Casualty Dept.	(021) 887 0310
ORGANISATION	REGION	CONTACT NUMBER
Provincial Hospital	Paarl Casualty Dept.	(021) 872 1711
Medi-Clinic	Stellenbosch	(021) 883 8571
		(021) 886 9999
	Paarl	(021) 807 8000
	Vergelegen	(021) 850 9000
Strand Private Hospital		(021) 854 7663
AMS Helicopter Service		(021) 937 0300
Disaster Management	Control Centre	(021) 597 5000



# STELLENBOSCH

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MUNICIPALITY . UMASIPALA . MUNISIPALITEIT

## Annexure 12

### CHAIN OF ALERT

DESIGNATION	NAME	CONTACT	EMAIL	CELL
<b>Municipal Manager</b>	Mr Richard Bosman	Tel: (021) 808 8025 Fax: (021) 808 8026	municipal.manager@stellenbosch.gov.za	079 269 2239
<i>PA of MM</i>	<i>Hannelie Lategan</i>	Tel: (021) 808 8025 Fax: (021) 808 8026	hannelie.lategan@stellenbosch.gov.za	
<b>Director: Engineering Services</b>	Mr. EJ Wentzel	Tel: (021) 808 8213	EJ.wentzel@stellenbosch.gov.za	084 222 1275
Manager: Water/sewage	Mr Dries Van Taak	Tel: (021) 808 8218 Fax: (021) 883 9874	dries.vantaak@stellenbosch.gov.za	076 412 4482
Manager: Electricity	Mr Johannes Coetzee	Tel: (021) 808 8770 Fax: (021) 883 9874	johannes.coetzee@stellenbosch.gov.za	082 826 5587
Manager: Solid Waste	Mr Saliem Hadier	Tel: (021) 808 8241 Fax: (021) 883 9874	saliem.hadier@stellenbosch.gov.za	072 655 4870
Head: Roads and Storm water	Mr Johan Fullard	Tel: (021) 808-8023 Fax: (021) 883 9874	johan.fullard@stellenbosch.gov.za	072 829 2779
<b>Director: Community &amp; Protection Services</b>	Mr Gerald Esau	Tel: (021) 808 8437	gerald.esau@stellenbosch.gov.za	082 474 4268
Manager: Fire & Rescue Services	Mr. Wayne Smith	Tel: (021) 808 8771 Fax: (021) 883 3200	Wayne.smith@stellenbosch.gov.za	071 443 7337
	Stellenbosch Station La Motte Station	Tel: (021) 808-8888 (24/7)		072 874 8992

DESIGNATION	NAME	CONTACT	EMAIL	CELL
Head: Disaster Management	Ms. Shezayd Seigels	Tel: (021) 808 8878 Fax: 086 574 6470	Shezayd.seigels@stellenbosch.gov.za	082 050 4834
Manager: Law Enforcement, Admin & Logistics, Event's Management	Mr. Neville Langenhoven	Tel: (021) 808 8840	Neville.langenhoven@stellenbosch.gov.za	084 506 5060
Head: Law Enforcement	Mr Cedric Thorpe	Tel: (021) 808 8888 (24/7)	Cedric.thorpe@stellenbosch.gov.za	082 381 5555
Manager: Traffic Services	Ms. Janine Waldis	Tel: (021) 808 8811 Fax: (021) 808 8809	Janine.waldis@stellenbosch.gov.za	082 324 8354
Traffic Head: Admin Operations	Mr Ayanda Royi	Tel: (021) 808 8800 Fax: (021) 808 8809	ayanda.royi@stellenbosch.gov.za	084 707 3206
Traffic Head: Law Enforcement	Ms Lizelle Stroebel	Tel: (021) 808 8800 Fax: (021) 808 8809	lizelle.stroebel@stellenbosch.gov.za	082 927 1010
<b>Director: Financial Services</b>	Mr. Marius Wust	Tel: (021) 808 8520 Fax: (021) 808 8574	marius.wust@stellenbosch.gov.za	
<b>Director: Strategic and Corporate Services</b>	Mr Raymond Esau	Tel: (021) 808 8079	raymond.esau@stellenbosch.gov.za	
Strategic Services: Media	Mr. Vernon Bowers		Vernon.bowers@stellenbosch.gov.za	084 593 6491
Occupational Health & Safety	Ms. Sheilla Hlekwana	Tel: (021) 808 8055	Shiella.Hlekwana@stellenbosch.gov.za	
<b>Director: Municipal Housing &amp; and Property Management</b>	Mr. Tabiso Mfeya	Tel: (021) 808 8757	thabiso.mfeya@stellenbosch.gov.za	072 389 5650
Municipal Housing: rentals	Ms Charlotte Lamorh		charlotte.lamorh@stellenbosch.gov.za	079 772 0230
Municipal New Housing	Mr Lester Van Stavel	Tel: (021)-808-8762	lester.vanstavel@stellenbosch.gov.za	082 442 7709

Municipal Informal Housing	Mr Johru Robyn		johru.robyn@ Stellenbosch.gov.za	083 560 0816
<b>Director: Planning and Economic Development</b>	Mr. Dupre Lombaard	Tel: (021) 808 8676	dupre.lombaard@ Stellenbosch.gov.za	
Manager: Community Development	Ms Michelle Aalbers	Tel: (021) 808-8420	Michelle.aalbers@ Stellenbosch.gov.za	083 560 5935
Cape Winelands District – Head: Disaster Management	Mr. Shaun Minnies	Tel: (021) 870 3247 Fax: (021) 888 5847	shaun@capewinelands.gov.za	082 779 9823
Cape Winelands District – Disaster Management	Ms Janine Winder	Tel: (021) 870 3247 Fax: (021) 888 5847	Janine@capewinelands.gov.za	072 440 1996
Cape Winelands District Municipal: Health Services	Mr. André Van der Merwe	Tel: 021-888 5100 Fax: 021-887 9365	andre@capewinelands.gov.za	072 122 5684
Cape Winelands District Municipal: Health Services	Ms. Teresa Davids	Tel: 021-888 5100 Fax: 021-887 9365	theresa@capewinelands.gov.za	083 959 4810
Provincial Disaster Management Centre	Mr Jacqueline Pandaram		Jacqueline.Pandaram@westerncape.gov.za	083 440 9698



9. **CONSIDERATION OF NOTICES OF QUESTIONS AND NOTICES OF MOTIONS  
RECEIVED BY THE SPEAKER** (3/4/1/4)

NONE

10. **CONSIDERATION OF MOTIONS OF EXIGENCY** (3/4/1/4)

NONE

11. **MATTERS FOR INFORMATION**

11.1 **REPORT BY THE EXECUTIVE MAYOR ON DECISIONS TAKEN BY THE  
MAYORAL COMMITTEE AND STANDING COMMITTEES FOR THE PERIOD  
APRIL 2016** (3/4/2/5)

*Report by the Executive Mayor*

In terms of Section 56(5) of the Municipal Structures Act, No 117 of 1998, the Executive Mayor must report to the Municipal Council on all decisions taken by the Mayoral Committee and Standing Committees.

The above-mentioned information is attached as **APPENDIX 1**.

**FOR INFORMATION**

# APPENDIX 1

**REPORT BY THE EXECUTIVE MAYOR ON DECISIONS TAKEN BY THE MAYORAL COMMITTEE AND STANDING COMMITTEES FOR THE PERIOD APRIL 2016**

**PLANNING AND ECONOMIC DEVELOPMENT COMMITTEE MEETING: 2016-04-05**

**5.2.1 APPLICATION FOR A WAIVER FROM THE BY-LAW RELATING TO THE CONTROL OF BOUNDARY WALLS AND FENCES: ERF 1443, FRANSCHHOEK**

**PLANNING AND ECONOMIC DEVELOPMENT COMMITTEE: 2016-04-05: ITEM 5.2.1**

**RESOLVED** (nem con)

that **approval be granted** in terms of Section 13 of the By Law Relating to Control of Boundary Walls and Fences, in order to deviate from Section 5 of the by-law applicable to Residential Zoned properties, to construct a 1.8m high solid wall on the street boundary for Erf 1443, Franschhoek, Paris Crescent, as indicated on Drawing No: 301, dated September 2015, drawn by Oscar Schmidt Architecture, attached as **APPENDIX 3**.

**(DIRECTOR: PLANNING, ECONOMIC AND COMMUNITY DEVELOPMENT COMMITTEE TO ACTION)**

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**11.2 DECISIONS TAKEN IN TERMS OF DELEGATED AUTHORITY BY THE EXECUTIVE MAYOR FOR THE PERIOD APRIL 2016 (3/5/1/1)**

NONE

**12. OTHER URGENT MATTERS SUBMITTED BY THE MUNICIPAL MANAGER (8/1/3/2/7)**

NONE

**13.1 CONSIDERATION OF REPORTS SUBMITTED BY THE SPEAKER (8/1/3/2/9)**

NONE

**13.2 CONSIDERATION OF REPORTS SUBMITTED BY THE EXECUTIVE MAYOR (8/1/3/2/9)**

NONE

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

NONE